

## Chapter 9:

### **Ownership through Branding--**

Change the names, and change the world

When Adam was given the task of naming the animals, was it to make him their master or participate in their creation?

When Shakespeare wrote that a rose by any other name would smell just as sweet-- was he telling us to always look past labels to the true nature of a thing, or was this a sly nod to the power of words? The Bard himself coined many words still used today, including "luggage."

Whatever you think of these questions or their possible answers, names have great power and value, in both computing and corporate culture. The filename used to invoke a program or word used to call a subroutine is called a "command," for something you order the computer to do-- and a rose by any other name would smell just as sweet-- but if you want to brand something with "Red Hat" in the name, it might cost more than 30 billion dollars.

The point here is not about the Intellectual Property aspects of branding, but the utility and usefulness of it as part of business practices. Companies can make money from their brands alone-- shoe dealers will sometimes license their branding to other companies, allowing them to legally masquerade as a known or better-known business in exchange for royalties. But the effects of branding on the public consciousness are far more interesting.

In computing, politics and in human consciousness, names are objects of association. When men or women go out into the world to see what it has to offer in terms of opportunity, they are said to "make a name" for themselves. In security and also at certain venues, having your name on a list can grant you access (whitelists, VIP lists) or be used to deny it (blacklists, in both contexts.)

Although this handbook focuses primarily on names, objects of association include colors, shapes and context. Edward Bernays wished to fix the color of Lucky Strike packaging, because research had shown that women did not respond well to it. It was deemed too expensive to change the packaging itself, so instead Bernays worked with fashion designers to launch a campaign that associated the same color with current fashions. Diamonds were also built up as a business, via campaigns involving celebrities wearing them.

These, along with countless other stories like them-- demonstrate the great amount of trouble a company will go to in order to manipulate the public

reaction to the smallest details associated with a product or company.

And the manipulation works more effectively if we are quiet about doing it-- or even deny that it makes any sort of difference. The value of a trademark may outweigh the cost of your house or car by an order of magnitude, though it has more power still if we pretend it is arbitrary and unimportant. This is relevant to our relationship with Open source on multiple levels.

Every picture tells a story, and every name has a story. The building of a brand includes "making a name" (not just giving one) for a company or product. A large company will have several names-- and this is extremely useful-- because it allows that company to manage different aspects of its branding as separate entities.

Looking back at the history of Apple or Microsoft, you will find many names that are not part of the public consciousness either because they are no longer useful, or because they were "jettisoned" or put out to pasture for similar reasons. The truth is that having some brands you can distance yourself from can itself be useful.

To keep Microsoft a powerful brand is not only a matter of building, but of maintenance-- of grooming. Just as the certain color of green was making women buy fewer cigarettes from a company, the best option at the time is not always to simply start over with a new brand or new package-- brands need to be managed.

The associations people make with the brand object (again, we are focusing on names as our primary example of a brand object) can be shifted from one overall perception to another. Both our Marketing teams and P.R. departments have a firm understanding of this concept. They both work to manage the associations that people make with companies like Apple, Microsoft, Google, and Facebook.

We are top brands, and you do not become a top brand without managing public perception. You do not remain a top brand without grooming the public consciousness and what it associates with your brand name. Today we have people dedicated to managing or salvaging the public image of individual celebrities, but for companies it is necessary to salvage and renew our top brands many times over the years.

Like Microsoft, Apple was once a small company taking on giants from a garage, and often cares little about compatibility with industry standards. It has used the image of being "different" and rebellious to justify overpriced, more proprietary components in its products.

Microsoft, more than Apple, has worked on its reputation of being ruthless and having unfair practices that hurt the computer industry on several different levels. Co-founder Bill Gates has rebranded himself a philanthropist, a common pastime among former ruthless company leaders that gives them an image of

being less destructive or sociopathic-- and gives them something to spend money on that makes it look like they care about something more than comfort, wealth and power.

The great thing about philanthropy, is that no matter how you make your fortune, you can spread around a portion of it to buy back your image as a humanitarian. While spying on users and selling their data mined by artificial intelligence and unscrupulous third parties, Facebook continues to work to make itself look like a philanthropic organization.

For all of Apple's white slabs and chrome accents, Google's brand is more sterile and enigmatic. Google's brand is perhaps simply about raw power. Like with these other companies, the real power is the power they have over the industry and the users of their products. But their brand is about the smaller amount of power they "share" with users (much like the smaller amount of money that many philanthropists spend on good causes, while helping to destroy the world and everything good in it.)

Of course there are sincerely good companies, and sincerely good people. None of this is to say that all philanthropists are bastards buying a good name, or that all companies exist primarily to sell their customers off to larger enterprise-level customers. The point here is that nearly anybody can buy a good name for themselves, if they have enough money and power to do so. And while some individuals have that kind of money-- every top brand does, and must use money and influence (of customers, of other companies) to remain a top brand.

It should come as no surprise that this touches on several subjects already discussed-- branding touches on everything we do because (at least in theory) everything we do has the potential to affect our brand.

But among the things relevant to the lessons here, are that we want to look like a friend even when we are ruthless-- we want to put every failure behind us, both by jettisoning failed efforts and compartmentalizing key efforts using brands that can be jettisoned and forgotten by the public-- do you use Internet Explorer, or Edge? Who funded The Santa Cruz Operation?

And who really loves Linux? The goal for those fighting against Open source, against the true openness (let's call it the yet unexploited opportunities) of Open source, has to be first to figuratively own the Linux brand, then literally own or destroy the brand, then to move the public awareness of the Linux brand to something like Azure, or whatever IBM is going to do with Red Hat. (Don't be silly, just like with Azure we all know it's going to have something to with "The Cloud.")

Someday, Linux will be no more-- we said in those Halloween memos that it's just a kernel, but by making it into an Operating System we managed to make it stand for less, while making it look like more than it is.

We can't kill the GNU brand by owning it, because it always implies a lack of monopolistic ownership. Linux never meant that-- like Apple it implied "something different" and like Google it implied raw power. That's a brand we can rename, own, and reshape.

Like Bernays helped Lucky Strike not by changing the branding but changing its association, we can still fight GNU not by owning the brand but changing its association-- we will continue to work to make them has-beens, neckbeards, amateurs, ideologues, zealots, and even bigots.

Public consciousness is something we have to manage to stay on top. Research showed as far back as 20 years ago that attacking Linux (and free software) directly reinforces our image as ruthless monsters. We get more done using proxies and shells-- but this is winner-take-all, and the destruction of their brand is the polish on our own image.

And the gradual shift in public consciousness from their branding towards our own, is the next best thing to owning them outright.

### **Relevant quotes from the Halloween documents:**

*"OSS poses a direct, short-term revenue and platform threat to Microsoft -- particularly in server space. Additionally, the intrinsic parallelism and free idea exchange in OSS has benefits that are not replicable with our current licensing model and therefore present a long term developer mindshare threat."*

*"other OSS process weaknesses provide an avenue for Microsoft to garner advantage"*

*"A key barrier to entry for OSS in many customer environments has been its perceived lack of quality."*

*"Recent case studies (the Internet) provide very dramatic evidence in customer's eyes that commercial quality can be achieved / exceeded by OSS projects. At this time, however there is no strong evidence of OSS code quality aside from anecdotal."*

*"Open source software has roots in the hobbyist and the scientific community and was typified by ad hoc exchange of source code by developers/users."*

*"Credit for the first instance of modern, organized OSS is generally given to Richard Stallman of MIT. In late 1983, Stallman created the Free Software Foundation (FSF) -- <http://www.gnu.ai.mit.edu/fsf/fsf.html> -- with the goal of creating a free version of the UNIX operating system."*

*“since money is often not the (primary) motivation behind Open Source Software, understanding the nature of the threat posed requires a deep understanding of the process and motivation of Open Source development teams.”*

*“to understand how to compete against OSS, we must target a process rather than a company.”*

*“These individuals are more like hobbyists spending their free time / energy on OSS project development while maintaining other full time jobs.”*

*“This summarizes one of the core motivations of developers in the OSS process -- solving an immediate problem at hand faced by an individual developer -- this has allowed OSS to evolve complex projects without constant feedback from a marketing / support organization.”*

*“The Linux kernel grew out of an educational project at the University of Helsinki. Similarly, many of the components of Linux / GNU system (X windows GUI, shell utilities, clustering, networking, etc.) were extended by individuals at educational institutions.”*

*“Linus is considered by the development team to be a fair, well-reasoned code manager and his reputation within the Linux community is quite strong.”*

*“What are the core strengths of OSS products that Microsoft needs to be concerned with?”*

*“Like commercial software, the most viable single OSS project in many categories will, in the long run, kill competitive OSS projects and `acquire' their IQ assets. For example, Linux is killing BSD Unix and has absorbed most of its core ideas (as well as ideas in the commercial UNIXes).”*

*“Loosely applied to the vernacular of the software industry, a product/process is long-term credible if FUD tactics can not be used to combat it.”*

*“The GPL and its aversion to code forking reassures customers that they aren't riding an evolutionary `dead-end' by subscribing to a particular commercial version of Linux.”*

*“The "evolutionary dead-end" is the core of the software FUD argument.”*

*“Linux and other OSS advocates are making a progressively more credible argument that OSS software is at least as robust -- if not more -- than commercial alternatives.”*

*“In particular, larger, more savvy, organizations who rely on OSS for business operations (e.g. ISPs) are comforted by the fact that they can potentially fix a work-stopping bug independent of a commercial provider's schedule”*

*“OSS's API evangelization / developer education is basically providing the developer with the underlying code. Whereas evangelization of API's in a closed source model basically defaults to trust, OSS API evangelization lets the developer make up his own mind.”*

*“Up till now, Linux has greatly benefited from the integration / componentization model pushed by previous UNIX's. Additionally, the organization of Apache was simplified by the relatively simple, fault tolerant specifications of the HTTP protocol and UNIX server application design.”*

*“because OSS doesn't have an explicit marketing / customer feedback component, wishlists -- and consequently feature development -- are dominated by the most technically savvy users.”*

*“The interesting trend to observe here will be the effect that commercial OSS providers (such as RedHat in Linux space, C2Net in Apache space) will have on the feedback cycle.”*

From <https://antitrust.slated.org/halloween/halloween1.html>

*“The Linux OS is the highest visibility product of the Open Source Software (OSS) process.”*

*“Linux poses a significant near-term revenue threat to Windows NT Server in the commodity file, print and network services businesses.”*

*“In addition to a 80386-based kernel, Linus wrote keyboard and screen drivers to attach to PC hardware and provided this code under GNU's Public License on an FTP site in the summer of 1991.”*

*“In contrast to the FSF/GNU work, which provided developers an open source abstraction above the underlying, commercial UNIX OS kernel, Linux's team was creating a completely open source kernel. In time, more and more of the GNU user/shell work was ported to Linux to round out the platform for hackers.”*

*“Linux v2.0 [June 1996] was the first major release could effectively compete as a UNIX distribution. The kernel, system libraries, the GNU Unix tool, X11, various open source server applications such as BIND and sendmail, etc. were frozen and declared part of Linux 2.0.”*

*“Linux' is technically just a kernel, not the entire supporting OS. In order to create a usable product, Linux "distributions" are created which bundle the kernel, drivers, apps and many other components necessary for the full UNIX/GUI experience.”*

*“The kernel is the core part of Linux that is expressly managed by Linus and his*

*lieutenants and is protected via the GPL."*

*"Bob Young, president of Red Hat expects the 3-year old company to earn revenues of \$10 million this year and to ship about 400,000 copies of Linux, ranging from \$50 to near \$1,000 for a supported version."*

*"Perhaps the most interesting aspect of Red Hat's business model is their extremely active and continuing contributions to the Linux community. Several prior initiatives spearheaded by RedHat have been released as OSS for modification. In most cases, these code releases were simple fixes or additional drivers."*

*"Caldera is Ray Noorda's latest company with its eye on the operating system marketplace. Caldera's financials and sales are unpublished but it is widely believed to be the #2 commercial Linux vendor after RedHat."*

*"Strict application and OS componentization coupled with readily exposed internals make Linux ideal."*

*"Customers enjoy the simpler debugging and fault isolation of individual servers vs a monolithic server running multiple services."*

*"There are hundreds of stories on the web of Linux installations that have been in continuous production for over a year. Stability more than almost any other feature is the #1 goal of the Linux development community (and the #1 cited weakness of Windows)"*

*"Linux developers are generally wary of Sun's Java. Most of the skepticism towards Java stems directly from Sun's tight control over the language - and lack of OSS."*

*"**Reliability** - perception that non-Linux OS's aren't reliable or scalable enough (in particular Windows NT)"*

*"**Modularity & Small size** - Because the OS was designed in a very non-integrated, componentized manner from the outset, it's very easy to build boxes that don't have a monitor, keyboard, etc."*

*"Systematically attacking UNIX in general helps attack Linux in particular."*

*"Microsoft's market power doesn't stem from products as much as it does from our iterative process. The first release of a Microsoft product often fails poorly in the market and primarily of generates fine granularity feedback from consumers."*

From <https://antitrust.slated.org/halloween/halloween2.html>

*“Good. Good. Now we add the implication that, by comparison, Linux is the eccentric preoccupation of a tiny tribe of malcontents living in the software equivalent of tin shacks on a desert island.”*

*“Subtext: We at Microsoft will co-opt just as much of this magic as we can, providing it doesn't require us to lower prices, reduce profit margins, or cede control of anything.”*

*“Perhaps this is understandable, giving Microsoft's own long record of buying or outright stealing key technologies rather than innovating.”*

*“The interpretation of Ms. van den Berg's parting shot kindest to Microsoft, then, is that it is a lie intended to frighten the gullible.”*

From <https://antitrust.slated.org/halloween/halloween3.html>

*“Microsoft executives dismiss open-source as hype. Complex future projects [will] require big teams and big capital, said Ed Muth, a Microsoft group marketing manager.”*

From <https://antitrust.slated.org/halloween/halloween4.html>

*“After months of silence out of Redmond, the themes of Microsoft's coming FUD campaign against Linux are beginning to emerge like a zombie army from the fetid mists of Redmond.”*

*“We get to hear the “no applications” FUD - a tough one to sustain, given that the likes of Corel and Oracle and SAP are on board with Linux. We get to hear “no long-term development roadmap” from the company that can't seem to decide how many versions of Windows 9x will intrude between now and the much-delayed promised land of Windows 2000.”*

*“what's most notable about this article are the things Sheriff Ed didn't say.”*

*“Microsoft has never been famous for reluctance to tell lies when that suits corporate purposes.”*

*“you can bet that after its recent PR blunders anything Sheriff Ed says about Linux at this point has been very carefully focus-grouped with representatives from Microsoft's most important customers.”*

From <https://antitrust.slated.org/halloween/halloween5.html>

*“the Halloween Documents' author has quit Microsoft to go to work for a Linux-based startup”*

*“the first Linux IPO rocketed Red Hat Software to a six-billion-dollar market capitalization.”*

*“perhaps the most dramatic development in the Halloween saga has been a change in the axis of Microsoft spin.”*

*“Sometime before 6 October, the Gartner Group published on its central corporate website, [www.gartner.com](http://www.gartner.com), a series of five reports slamming Linux and predicting that its appeal would fade once the inevitable Service Pack 1 for Windows 2000 came out.”*

*“So. At first blush, these "Gartner Group" reports seem to have been a warm personal gesture from Microsoft Corporation to itself. That theory would fit both the copyright and the contents, which exactly repeats Microsoft marketing cant that we've seen before”*

*“While the Gartner Group was busily issuing denials, Microsoft was publishing yet another attack document, the Linux Myths page.”*

From <https://antitrust.slated.org/halloween/halloween6.html>

*“Microsoft's FUD attacks on open source have not only failed, they have backfired strongly enough to show up in Microsoft's own market research as a problem. This means we don't need to put a lot of energy into anti-FUD defending the open-source way of doing things. Indications are we've won that battle; effort should now go elsewhere.”*

*“The risk that Microsoft will go on a patent-lawsuit rampage, designed more to scare potential open-source users than to actually shut down developers, is substantial.”*

*“The term ‘free software’ isn't mentioned once, not even as an exploitable weakness. This contrasts strongly with the original Halloween Memoranda. I'm not sure what this means, but one strong possibility is that the term has simply fallen out of use both at Microsoft and in their survey population.”*

*“IT Pro  
IT middle manager, what we'd call a PHB (Pointy-Haired Boss).”*

*“those who are familiar with OSS and Linux are favorably predisposed towards them. Linking this work with other on-point research, we can assume that in the majority of cases this reported 'favorability' is more emotional than it is rational.”*

*“French respondents exhibited a strong anti-Microsoft sentiment as sixty-one percent (61%) stated that ‘an alternative to Microsoft’ was the most compelling*

*reason to support OSS. This sentiment was echoed to a lesser extent among the Germans (37%) and Swedes (35%)."*

*"Only 24% of IT respondents Worldwide were interested in broadly deploying Linux in their business."*

*"Customers (non-IT IT professionals and BDMS) respond best to improvements in the feedback process, and being able to perform security checks."*

From <https://antitrust.slated.org/halloween/halloween7.html>

*"The plaintiff in this case, "SCO Group Inc.", was originally the Linux vendor "Caldera Systems Inc." It changed its name to "Caldera International Inc." on October 11, 2000 after purchasing the server division of The Santa Cruz Operation, and changed its name again to "SCO Group Inc." on May 15, 2003. The original SCO changed its name to "Tarantella Inc" on February 12, 2001 after divesting itself of its deteriorating Unix business to focus on its Tarantella application."*

*"These are two distinct companies, one founded in 1979 and headquartered in California, and the other founded in 1994 and headquartered in Utah, which the plaintiff refers to interchangeably as SCO. To distinguish them, we refer to the plaintiff as SCO/Caldera and the older company the plaintiff purchased a server division from as SCO/Tarantella."*

From <https://antitrust.slated.org/halloween/halloween9.html>

*"The document below was emailed to me by an anonymous whistleblower inside SCO. He tells me the typos and syntax bobbles were in the original. I could not, when I received it, certify its authenticity, but I presumed that IBM's, Red Hat's, Novell's, AutoZone's, and Daimler-Chrysler's lawyers could subpoena the original. On March 4th, within 24 hours of publication, SCO confirmed that the memo is legitimate."*

*"Baystar Capital is a venture-capital firm. In 2003 SCO got about fifty million dollars from them in a deal that was rumored to have Microsoft's hand behind it. This confirms the rumor."*

*"My original commentary observed that IPX is a network stack developed by Novell. The implication was that Mike Anderer thinks SCO might be able to get a patent lock on it, so they were looking for IP leverage against Novell."*

*“The ongoing lawsuit between Red Hat and SCO is documented [here](#).”*

*“This is the smoking gun. We now know that Microsoft raised \$86 million for SCO, but according to the SCO conference call this morning (03 Mar 2004) their cash reserves were \$68.5 million. If not for Microsoft, SCO would be at least \$15 million in debt today.”*

*“In other words, Microsoft wanted to funnel its anti-Linux payoff through third parties. Maybe in case the antitrust guys at the Department of Justice happen not to be asleep at the switch?”*

*“The bit about acquisitions seems more ominous when you remember that Caldera/SCO has a long history of lawsuits over obsolete technologies stripped out of dead companies — starting with DR-DOS from Digital Research and continuing through USL's System V into the present with the IBM lawsuit.”*

*“There you have it. At least a third of SCO's entire market capitalization, and their entire current cash reserves, is payoffs funnelled from Microsoft. Their 10Qs reveal that every other line of cash inflow is statistical noise by comparison.”*

*“This continues to be SCO's party line. Their response acknowledges that the memo is authentic but claims that Anderer — the consultant they hired to find, handle, and brief the Board Of Directors about this kind of Transaction (see the Statement of Work in his contract with SCO), was mistaken about the deal.”*

*“We think the kindest interpretation we can put on these events is that Blake Stowell isn't lying through his teeth, but was kept out of the loop so he could honestly deny all knowledge of Microsoft's involvement. “*

*“So Microsoft used BayStar to do its dirty work, then stiffed 'em.”*

*“November 2007 update: On July 18 2007 passed the WhatIf patent, gratis, to a shell company called Cattleback Holdings, less than 60 days before declaring bankruptcy. This certainly looks like an attempt to keep that patent out of the hands of the creditors' committee so SCO can do more damage with it later.”*

From <https://antitrust.slated.org/halloween/halloween10.html>

*“The outlines of the next stage in Microsoft's anti-open-source propaganda campaign are becoming clear.”*

*“Writing code that doesn't suck always has to be our base-level and most important response, but the propaganda war matters too.”*

*“Anyone who thinks I'm being perfervid or overly melodramatic about this should review the direct long-term revenue and platform threat language from [Halloween I](#). Other people may fool themselves about what this means, but Microsoft never has.”*

*“We have to assume that Microsoft's long-term aim is to crush our culture”*

*“It seems to me very likely that Microsoft's UK tour is designed as a trial run of themes that they'll take to the U.S. to the extent they look successful. The UK is not a trivial market, of course, but 50% of all IT spending is still in the U.S., so from a Microsoft strategic planner's point of view that's where the main battle is.”*

*“They've quit claiming that Microsoft's products are technically superior. Instead, they talk up transition costs.”*

*“Make a big deal about the migration costs of moving to Linux”*

*“Use the Forrester report to claim that Linux is insecure”*

*“Trying to neutralize open source by equating it with shared source implicitly concedes that open source is something customers want. Microsoft has given up a lot of ground here.”*

*“The choice of arguments in the Get The Facts campaign is an obvious circle-the-wagons move to defend Microsoft's base of large corporate customers and governments. In itself, it is unlikely to accomplish much; at best, if they're both lucky and persuasive, it may slow down the rate of defections temporarily.”*

*“So what is Microsoft going to do to try to claw back control after the Get The Facts campaign runs out of sufficiently gullible targets? I expect it to involve legal and political shenanigans much bigger and uglier than we've yet seen.”*

*“Most of us, most of the time, shouldn't be distracted by worrying about beating Microsoft's PR or countering their political moves, because writing good code is in the long run a far more potent weapon than flackery.”*

From <https://antitrust.slated.org/halloween/halloween11.html>

About the author:

Ted MacReilly is a technologist and tech writer concerned with modern trends in software design and development. He does not work for Microsoft, Apple, or Google, but would like them to continue offering proprietary software and cloudware, without getting too cozy with free software developers.

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