D. Kappos | Keynote Talking Points

October 19, 2026

A. Introduction

1. Thanks to OIN and Keith for inviting me. Great to be here in South Bay with friends discussing where we have been, where we are, and where we are going with OSS.

2. Two thoughts frame this meeting in my estimation. The first is the enormously positive impact OIN has had on the growth of open source software, which now supports the vast majority of companies around the world. And the second is the rapid growth in artificial intelligence, a trend that makes OIN's mission even more important.

3. I will discuss two topics:

   (i) the growth of OSS and OIN's role, from start to OIN 2.0.

   (ii) trends in open-source AI models that make OIN's work all the more critical going forward.

B. OIN has been integral to the now ubiquity of open source software.

1. OIN History: The story of OIN is a story of how a single innovation—a royalty-free patent cross-license for a defined body of open source code—created the conditions for an explosion of collaborative development that now underlies every sector of the global economy from cloud computing to the automobile, factory floor and artificial intelligence.

   i. Twenty-one years ago, as Linux faced existential patent threats, six Funding Members formed OIN, with 7 patents and 21 patent applications.[1]

   ii. Today, OIN has more than 4,100 participants across 157 countries, and the collective portfolio of OIN members exceeds three million patents and applications.[2]

   iii. OIN is perhaps the world's largest patent cross-license: the Linux System Definition, the enumerated list of software packages covered by OIN's cross-license, now includes more than 5,100 open source packages. And now with OIN 2.0 the company is broadening its reach to provide more value and evolve its operations, member engagement, and funding model with the times. The safety engendered by OIN and the confidence to invest brought on by that safety have been instrumental to the phenomenal success of open source in enterprise

[1] "Historic Timeline & Key Milestones," *Open Invention Network*, https://openinventionnetwork.com/about-us/history/.

[2] "Facts at a Glance," *Open Invention Network*, https://openinventionnetwork.com/download/85121/.

computing. I'll come back to this later. Continuing with OIN's role, its reach across open source packages is amplified by the scale of commercial adoption.

2. [Scale of OSS Adoption]: Nearly every company today relies on OSS.

    i. 90% of corporations use open source software.[3]

    ii. 98% of commercial codebases contain open source elements, with 77% of the code within those codebases being open source.[4]

    iii. 98% of organizations either increased or maintained their use of OSS in the past year, with 21% reporting a significant increase.[5]

    iv. Open source package downloads are at a multi-trillion-request scale. There were 9.8 trillion downloads in 2025, up almost 20x from 2018 and 2x from 2023.[6]

    v. According to a 2025 McKinsey survey, more than 75% of organizations expected to increase their use of key open source over the next few years.[7]

3. Value of OSS: A Harvard Business School study estimated that companies would spend 3.5x their current spend on software if open source didn't exist. That same study estimated it would cost firms globally roughly $8.8 trillion in aggregate to build internally the OSS they use.[8]

    i. In addition to this enormous cost savings, why do firms choose OSS? Firms report choosing OSS over proprietary software to reduce costs, avoid vendor lock-in, and utilize interoperability[9]

4. Transition: So OSS continues to be the foundation of the world's most

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[3] "Facts at a Glance," *Open Invention Network*, https://openinventionnetwork.com/download/85121/.

[4] "2026 Open Source Security and Risk Analysis Report," *BlackDuck*, June 2026, https://www.blackduck.com/content/dam/black-duck/en-us/reports/rep-ossra.pdf.

[5] "2026 State of Open Source Report," *OpenLogic*, March 20, 2026, https://www.openlogic.com/resources/state-of-open-source-report.

[6] "Open Source Scale Has Become a Structural Risk," *Sonatype*, 2026, https://www.sonatype.com/state-of-the-software-supply-chain/2026/software-infrastructure-growth.

[7] "Open source technology in the age of AI," *McKinsey & Company*, April 2025, https://www.mckinsey.com/~/media/mckinsey/business%20functions/quantumblack/our%20insights/open%20source%20technology%20in%20the%20age%20of%20ai/open-source-technology-in-the-age-of-ai_final.pdf.

[8] Manuel Hoffman et. al., "The Value of Open Source Software," *Harvard Business School Working Paper, no. 24-038, January 2024, https://www.hbs.edu/faculty/Pages/item.aspx?num=65230.*

[9] *The Linux Foundation*, *supra* note 8.

important technologies. And that includes AI. Today, OSS sits at the center of AI development. Not only is OSS powering the leading AI models, AI models themselves are becoming open source. I'll turn to that next, and to the role for OIN in future of AI through AI's roots in OSS.

5. Huge scale of adoption, amplifying the value created by OIN:

C. [Open Source AI models:] Companies are increasingly choosing open-source and open-weight AI models over closed ones.

1. GenAI is built using OSS: 41% of the code infrastructure that supports GenAI is open source.[10] The most popular software packages for model training, model inference, and container orchestration are all open source.[11]

2. Whereas the US leads in closed models that incorporate that OSS, China dominates open models themselves: Among open models, Chinese companies take the first seven spots.[12]

    i. According to venture capital firm Andreessen Horowitz, 80% of developers worldwide who use open-source AI tools are building with Chinese models.[13]

    ii. In August 2026, Alibaba's Qwen model family surpassed 3 billion downloads to become the most downloaded open-source AI model family.[14]

[10] Adrienn Lawson et. al., "Shaping the Future of Generative AI: The Impact of Open Source Innovation," *The Linux Foundation*, November 2024, https://www.linuxfoundation.org/hubfs/LF%20Research/lfr_genai24_111924.pdf?hsLang=en.

[11] "Kubernetes Established as the De Facto 'Operating System' for AI as Production Use Hits 82% in 2025 CNCF Annual Cloud Native Survey," *CNCF*, Jan. 20, 2026, https://www.cncf.io/announcements/2026/01/20/kubernetes-established-as-the-de-facto-operating-system-for-ai-as-production-use-hits-82-in-2025-cncf-annual-cloud-native-survey/.

[12] https://artificialanalysis.ai/leaderboards/models (accessed Oct. 15, 2026).

[13] Jai Ramaswamy and Matt Perault, "To Beat China, Embrace Open-Source AI," *Wall Street Journal*, April 17, 2026, https://www.wsj.com/opinion/to-beat-china-embrace-open-source-ai-a211bf59?mod=saved_content.

[14] "Alibaba's Qwen Becomes World's Most Downloaded Open AI Model," *China Daily*, Aug. 16, 2026, https://www.chinadaily.com.cn/a/202608/16/WS6a8159d4a31073853ec5389c.html; Apruba Sen, "Alibaba's Qwen Overtakes Western Rivals in Global AI Adoption," *OpenSourceForU*, January 14, 2026, https://www.opensourceforu.com/2026/01/alibabas-qwen-overtakes-western-rivals-in-global-ai-adoption/.

iii. But the US has a new entrant. On October 15, Meta released Muse Spark Open, which immediately became the top-ranked American open model, at number eight.[15]

3. Regulators too have recognized the value of open source AI models.

i. The Trump Administration recognized in its July 2025 "AI Action Plan" that open models have "geostrategic value" and called for building "leading open models founded on American values."[16]

ii. Former White House AI czar David Sacks recently argued that leading frontier labs are attempting a "regulatory capture agenda" to limit the spread of open-source models and secure an oligopoly for the few leading US AI labs.[17] Sachs remains influential in the Administration and is a strong advocate for Open AI models.

4. Meanwhile open-weight AI models bring their own unique value, giving firms control and ownership.

i. The OECD has noted that open-weight AI models achieve ~90% of the performance of closed-weight alternatives and that cloud-available open-weight models cost about 80% less than closed-weight models for the same task, offering substantially better value for money.[18] They found that increased open-source AI activity leads to greater economic growth, estimating the value of open-source AI contributions to be $1 trillion.

ii. Firms that choose open-weight AI models also do so because such models can be hosted on an organization's own infrastructure, offering more control over data privacy, reducing the risk of data breaches involving third-party vendors and allowing for customized security protocols.[19]

D. This phenomenal opportunity for OSS to form the basis for AI infrastructure – both models and their weights, brings us back to OIN.

1. Enterprises invest when they have confidence in a stable legal infrastructure backing their investment.

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[15] https://artificialanalysis.ai/leaderboards/models (accessed Oct. 15, 2026).

[16] "Winning the Race: America's AI Action Plan," July 2025, p. 4-5, https://www.whitehouse.gov/wp-content/uploads/2025/07/Americas-AI-Action-Plan.pdf.

[17] Jim VandeHei, "Axios C-Suite: Open-source AI pits costs against security," *Axios*, June 22, 2026, https://www.axios.com/2026/06/22/open-source-ai-china-cost-risk-glm-deepseek.

[18] "Benefits of AI openness," *OECD*, May 29, 2026, https://www.oecd.org/content/dam/oecd/en/publications/reports/2026/05/benefits-of-ai-openness_40eaff39/746e8c9a-en.pdf.

[19] *McKinsey & Company*, *supra* note 9.

2. In the IP area that means confidence they want face untoward IP infringement claims.

3. OIN has provided that confidence for over 20 years, growing to encompass more patents – many more patents, more companies – many more companies, and more open source packages – many more of them too.

4. OIN has also grown to become a hub for the business community that relies on open source software, bringing those businesses together, and bringing them together with the free-spirited members of the open source community who do their coding in places other than substantial businesses.

5. I see all of these critical functions as more needed now than ever given both the growth of open source generally and its growing importance to AI. And now with OIN 2.0 rolled out, OIN is positioned to give its members more choice, more roles, and more value.

6. So I look forward to 20 more years of OIN growth, alongside continued growth of the open source software model.

7. And I look forward to learning about all of that today. Thanks for including me in this inaugural event.