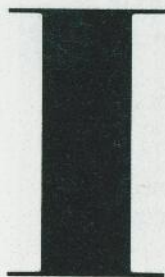
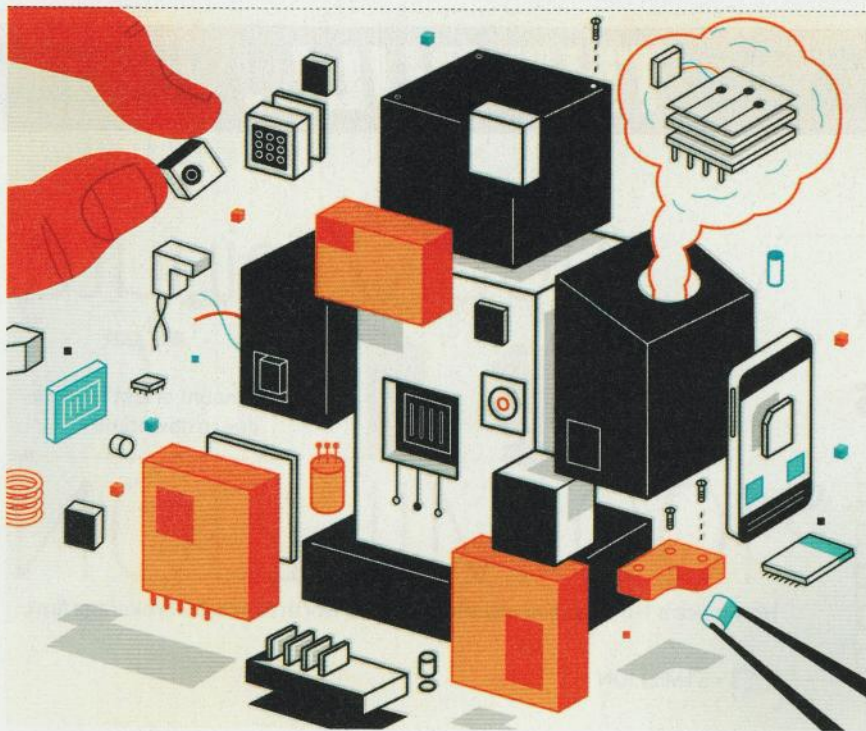


# HOW LINUX CONQUERED THE 500

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ONCE DISMISSED, IT NOW POWERS MOST OF THE *FORTUNE* 500—NOT TO MENTION YOUR TELEVISION AND SMARTPHONE. *by Roger Parloff*



**I**N 1999, BILL GATES FAMOUSLY wrote off Linux—free, collaboratively written software—as a threat to Windows only in the relatively tiny “student and hobbyist market.” But by last year Microsoft itself had become one of the top 20 corporate contributors to Linux, writing code to make sure its products work well with the ubiquitous software—a sign of just how thoroughly Linux has conquered the enterprise.

Today more than 90% of the *Fortune* 500 rely on Linux in some aspect, according to Jim Totton of Red Hat, the largest vendor of Linux support services. Linux is the “coal and steel of the Information Age,” explains Jim Zemlin, executive director of the Linux Foundation, a corporate consortium whose largest contributors include IBM,

Intel, Oracle, and Samsung.

Linux is an open-source operating system, written by thousands of independent developers working in concert. Users grant one another certain freedoms, like the right to see the source code, alter it, copy it, and redistribute it—all without

paying any licensing fees.

The first version of Linux came out in 1991. It was named for Linus Torvalds, then a 19-year-old Finnish student, who wrote most of its core software. In the late 1990s key enterprise-software vendors such as Oracle began supporting Linux. Lead-

ing server manufacturers, including IBM, Dell, and HP, soon followed suit.

Since then, Linux has quietly become pervasive. Most telecom switching equipment migrated to Linux in the mid-2000s. Between 2007 and 2010 every major stock exchange did so too. Most new TVs, stereos, Internet routers, Kindles, and Cadillacs are all powered by Linux. Google’s mobile operating system, Android, has made millions of unwitting consumers Linux users.

As we increasingly tap into the Internet using tablets or smartphones rather than desktops or laptops, the consumer operating-system market has been quietly turned upside down. Microsoft’s share of total computing-device operating systems has shrunk from 97% in 2000—when PCs reigned supreme—to just 20% today, according to a study Goldman Sachs published last December. Android dominates the newly defined market with a 42% share, while Apple runs second with 24%.

Now Linux is dominating the fastest-growing new use for servers: cloud computing. As businesses increasingly outsource their hardware, software, and data storage to companies like Amazon Web Services, Google Cloud, and Rackspace, Linux has prospered. According to a recent report from the Linux Foundation, today “nearly 76% of cloud-enabled organizations [are] using Linux servers for the cloud, and 74% [plan] to maintain or increase their use of Linux.” Not bad for free software jump-started by a teenager. **IB**