

*After 10 years of growth, OpenLMIS is exploring new business and partnership models that maximize its ability to scale and sustain the software.*

### QUESTION

### ANSWER

**Why is OpenLMIS transitioning its business model?**

Generous donors have provided the funding for OpenLMIS for the last ten years. To diversify our funding base we are developing new revenue streams that support business-critical functions so we can continue to provide the most value to public health customers.

**During this transition, what key services and features will continue to be supported?**

OpenLMIS is a global, open-source platform with a small team who stewards the product. Among other responsibilities, the stewards perform quality assurance to the code. They also empower countries to add new features and facilitate community participation in planning future features.

Routine maintenance of the software; global coordination of the community of end users and implementers; creation and sharing of technical documentation; product marketing; and international stakeholder engagement. 'Core' funding is different from country-level 'implementation' funding, which is used to deploy and embed the software as part of a routine national health system.

**Will OpenLMIS remain open source? Will its core vision and mission change?**

The OpenLMIS community and steward team are committed to honoring our [core mission and vision](#) throughout the transition process. We want to ensure that OpenLMIS continues to serve low- and middle-income countries to improve their supply chains for many more years to come. Although the management and community structures will shift, OpenLMIS will remain a global open source public good.

**Will current country implementations of OpenLMIS be affected by this transition?**

The OpenLMIS community is committed to the technical support of implementations, which will continue to include regular version updates, collaboration with in-country implementing partners, integration of user feedback in its product roadmap, and the resolution of software bugs. Our current country implementation partners and ministries of health are an important constituency of the OpenLMIS community and we will continue to depend on their input to ensure that it is meeting the needs of its country-level users.

**What analysis was conducted to determine the best future for OpenLMIS?**

Throughout 2019 an extensive analysis of potential business models that would enable long-term sustainability was performed. Funded by the Bill & Melinda Gates Foundation, this effort involved:

- Exploration of adjacent markets such as private health, agriculture, education and humanitarian relief;
- International stakeholder interviews, country visits, and in-person workshops;
- Customer segmentation and projected pathways for growth;
- Costing assessment, financial modelling, and analysis of future-state strategies.



## Were there other considerations for OpenLMIS sustainability?

After months of research, stakeholder interviews and consultation with the OpenLMIS community, three options were determined:



### 1) INDEPENDENT ENTITY

OpenLMIS creates an independent entity (501c3) that continues to self-fundraise, pursues a parallel product serving the private health market, and leverages impact investors.



### 2) PARTNERSHIP TO HANDOVER

OpenLMIS creates a strategic partnership with an external entity to serve mutual interests of OpenLMIS and to create additional funding streams. This would be followed by gradual transition of the software and core management functions over a period of one to two years.



### 3) UNSUPPORTED RELEASE

OpenLMIS stewards stop managing the software and community. It releases the IP and licensing, and the code remains open for public use and enhancement.

## Which business model was selected?

After an exhaustive assessment of risks and benefits of each model, final consensus to pursue the 'Partnership to Handover' model was reached during the OpenLMIS Community Meeting in Johannesburg, South Africa in November 2019. The decision to shift the core maintenance of OpenLMIS to a new partner was not taken lightly. Community alignment on this path forward was achieved through continual OpenLMIS community consultation via routine committee meetings, collaborative in-person workshops, and online surveys.

## What benefits would companies get from partnering with OpenLMIS?

For any company aiming to contribute to global health system strengthening or digital global goods, this is an exciting opportunity to leverage a globally-recognized technology. We see exciting opportunities around:

- Connecting OpenLMIS to existing open-source ecosystems or commercial product offerings.
- Exploring the value of OpenLMIS logistics data to gain market insights.
- Serving private health markets with existing OpenLMIS functionality.
- Leveraging the reputation, brand recognition, and ground-level customer relationships in the Africa region that OpenLMIS has cultivated over many years to bolster existing product sales channels.



## How will OpenLMIS attract potential partners, and ultimately decide on which partnership to pursue?

OpenLMIS has created a Partnership Exploration Working Group to move our partnership agenda forward, which represents the various donors and implementing partners within the OpenLMIS community. In order to solicit interest from a wide range of possible partners, we will issue a public call for 'Expression of Interest' (EOI). We expect to receive responses from companies and social enterprises working in digital solutions, pharmaceuticals, supply chain management/logistics, public health, and will finalize the future direction of OpenLMIS via vote from the OpenLMIS Governance Committee.

## More Questions?

Please send inquiries to the OpenLMIS Community Manager [rebecca.alban@openlmis.org](mailto:rebecca.alban@openlmis.org)