



Two Standards Equal More Cost and Less Choice **Competition is Needed in Software Applications, Not Standards**

Arguments are often made that having two internationally-approved standards for document formats would encourage choice. After all, isn't competition good?

Yes, competition is good, when it creates a marketplace of interoperable choice for citizens.

To understand why having one ISO-approved standard like ODF (ISO/IEC 26300:2006) means more choice and provides greater benefits to consumers and local IT developers alike, consider the following –

- **Citizens benefit from choice among competing software products, not competing standards.**
Document formats are not software products that you can buy. Formats are implemented in software products – applications like as Open Office, IBM Symphony, StarOffice, and Google Docs. File formats are “behind the scenes”, invisible, yet critical to allowing multiple products to share data. Citizens benefit from a single, agreed format implemented in a variety of competing software products, both proprietary and open source.
- **Competition comes from, and innovation is built on, single open standards - look at the Internet.**
HTML is the single agreed open standard which enables everyone to view web pages across different brands and versions of browsers, operating systems, and hardware. Email works regardless of the service provider chosen because the provider implements the one open standard, TCP/IP. Consider the alternative – dueling standards, where web sites are only viewable in a particular brand of browser and in a format controlled by a single software vendor, where messages are returned because the intended recipient uses a different email service.
- **With a single standard, local IT investment is protected and development time and costs are reduced.** Small local players can enter the market with the assurance that a single standard is well known and accepted widely, and therefore their investment in time and resources will not be squandered. If multiple standards exist, an entrepreneur looking to launch a new product must weigh the costs and risk of paying extra to develop support for all these standards or guessing which one will succeed and support that one. Whatever choice is made, the result is either at greater expense or greater risk, both of which will reduce the chance of success and might prevent the innovator from entering the market.
- **Dual standards create interoperability problems for governments.** Many governments have expressed the “general dissatisfaction with the prospect of having competing standards”¹, and

1 <http://ec.europa.eu/idabc/en/document/6474>

independent experts² and EU advisory bodies³ have called on industry to work towards a single format. With two standards, governments waste time and resources navigating the interoperability between the file formats to select, develop and/or implement so-called “bridges” – converters, adapters, and translators – that may not work perfectly and require user intervention.

- **Dueling standards limit the usability and accessibility for citizens to the devices and applications that implement them.** Remember VHS and Beta. Today, digital image formats (e.g., JPEG) and digital media formats (e.g., MPEG) are trumpeted as examples of where multiple overlapping standards co-exist. Yet these formats serve altogether different objectives (images and streamed video). OOXML and ODF serve the same purpose – the production of office documents (text documents, spreadsheets, and presentations). Moreover, many of the “dueling” formats cited (e.g., MPEG-1, MPEG-2, MPEG-3) simply represent updated versions of the same format. Innovation and advancement yes, but around a single format.

Remember, true choice results not from competing standards in which there is over 90 percent functional overlap (as is the case with OOXML and ODF), but from multiple implementations of the same open standard which compete on features, functionality and price. Reject OOXML and ask for harmonization with ODF.

² http://www.piana.eu/?q=en/disposition_comments_2

³ <http://ec.europa.eu/idabc/servlets/Doc?id=26971>