

## **The Cooperative Development Program**

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Technology is always improving. It's unlikely that there will come a year when your company decides it doesn't need any further technology. Wouldn't it be nice if you could invest in your technological future and earn dividends on it? The Cooperative Development Program does just that. Technology, like money, can be hidden away under your mattress, but it won't grow. In fact, it loses value.

Frequently in business, new capabilities are needed which are specific to a particular application. In the Cooperative Development Program, when a customer contracts to build a new feature into Overdrive, the feature is integrated, maintained and improved in future releases. This forward-looking program prevents any one company from having to make a large investment in technology development, while all get the benefits of future enhancements. When you use what has been developed so far, you are benefiting from this program. Overdrive was born out of, and thrives on, the successive contributions of varied projects. Cooperative Developers get Overdrive components at a significant discount.

Another benefit of the program is that development is done at discounted rates, because development costs may be apportioned across multiple members, or because Concept Overdrive attributes future value to what is developed. Discounted development rates would not be available for proprietary development done outside of the program.

Membership in the program is discretionary, and is based on the value of the development contracted. The accumulated value of smaller development contracts can also apply toward entry into the program.

Example: Company A contracts for a set of new features to be put into the Overdrive system, the value of the contract is sufficient for Concept Overdrive to grant entry into the program. All further purchases of major equipment by Company A are at the current cooperative developer discount, which is 50% of list price. Company A gets an upgrade for, say, \$2000 two years later, and receives all the features that have been added by cooperative development contracts during that time. So Company A paid for some things up front, but got technology for pennies on the dollar down the road.

### **Questions and Answers**

Q. Can I put proprietary software into Overdrive ?

A. It is possible license the Overdrive core source code and have your own programmers develop it; you can then put proprietary code into Overdrive.

Concept Overdrive Inc. can provide source code support contracts, but Concept Overdrive is no longer the developer of your new source code. One of downsides to this approach is that the original source code obtained is a “snapshot” which gets split away from the main trunk of Overdrive development. Future enhancements to the main trunk of Overdrive would have to be licensed and merged later. As the two code bases diverge, merging code becomes more difficult.

It is also possible to license a custom Graphical User Interface layout on top of Overdrive which streamlines your application. That particular graphical layout can be made available exclusively to one company. Such a license does not mean the licensee owns the underlying functional building-blocks or the GUI widgets, those are mostly borrowed from elsewhere in Overdrive. The licensee gets a unique combination of functionality and GUI which makes work-flow better for a particular application, and gives the user a competitive advantage.

The Overdrive Plugin Architecture allows for proprietary mathematical algorithms and motion relationships to be added to the system. You can keep your trade secrets separate from the Overdrive software, but use them within it. For example, Overdrive support for Motion Bases is not within its source code but via a math plugin. Plugins, since they are a type of scripting language, can be changed and improved without any change to Overdrive.

Q: How can our company be the only one which uses Overdrive for our particular purpose ?

In some cases, companies may obtain an exclusive license to a particular application of Overdrive. An exclusive license means that other companies would be prohibited, through licensing, from using the system for a certain purpose. This would be renewed on an annual basis, and available for a limited time.

Q: I'm uncomfortable with the Cooperative Development Program because I'm paying for something which I won't own, and which will be available to others ?

A: It's frequently worse paying for something that *is* owned exclusively:

- Because it can become a 'money pit'. Your company can get stuck in a pay-as-you-go situation, since others are not testing, debugging and paying to improve the technology for you.
- Because one company may not conceive of the best way to solve a problem. There is frequently great value in the ideas of others in the industry.
- Because the more significant investment of exclusively-owned technology tends to lock a company into approaches which should be changed or discarded.

The success of two non-proprietary technologies, the Internet and the Linux operating system, are highly successful examples of the principle of cooperative development.

Q. Don't we own the software features that our company puts into Overdrive ?

Cooperative Development contracts assign the rights to technology developed to Concept Overdrive Inc. At its foundation, Overdrive contains motion building blocks which can achieve different functionality in different combinations. Most new features are a combination of those preexisting building blocks and GUI widgets. Though new features are valuable they rely heavily on the Overdrive foundation, and would be of little use without it. It is to your company's benefit, for the variety of reasons presented here, to let Concept Overdrive shoulder the burden of developing the control system as a whole.

Q: I don't want to use Overdrive because anyone can buy it. How can I gain a competitive advantage without proprietary technology ?

Many companies burn through a lot of money trying to have "better tools" in various ways; the premise is that tools make one better than one's competitors. Consider that a full business analysis might reveal that it's not proprietary technology which makes a company succeed, it's

- Relationships - The way business is conducted
- Results - The quality of the end product

In marketing, consumers knows that "proprietary" is a two-edged sword. Though it might be tempting to market control system services this way :

*"We use our own cutting-edge technology, which is better than our competitor's."*

Overdrive systems should be marketed this way :

*"We use cutting-edge technology - developed by industry experts, improved by us, and known to deliver results without fail."*