The Cooperative Development Program
rev 2

Introduction:
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.

How the program works:
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. On average, Overdrive users rely on 60% of the preexisting features. Overdrive was born out of, and thrives on, the successive contributions of varied projects. Cooperative Developers get Overdrive software components at a significant discount, too.

Another benefit of the program is that development is done at discounted rates, either because development costs can 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.

An 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 Cooperative Development program. All future software purchases by Company A are at the then-current cooperative developer discount, which is 60% of list price. Company A gets an Overdrive upgrade for, say, $1600 three 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 new technology for pennies on the dollar down the road.

Questions and Answers

Q. *Can I put proprietary algorithms or software into Overdrive ?*

A. The Overdrive Plugin Architecture allows for proprietary mathematical algorithms and motion relationships to be added to the system. These plugins execute in hard real time. You can keep your trade secrets separate from the Overdrive software, but integrate them closely with it. Plugins, since they are implemented as a scripting language, can be changed and improved without any access to Overdrive source code.

It is possible to have COI develop a custom Graphical User Interface for Overdrive which streamlines your application. That unique graphical layout can be kept exclusive to your company, though the underlying building-blocks and GUI widgets are typically borrowed from elsewhere in Overdrive. The licensee gets unique user interface functionality which makes work-flow better for a particular application and gives the user a competitive advantage.

It is also possible to 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 support contracts to assist you, but COI would no longer be the developer of the new source code branch. The down-side to this approach is that the original source code obtained is a "snapshot" which was 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 and costly.

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

A: In some cases, you 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 specific 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 often worse paying for something that *is* owned exclusively. Why?

- 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 even 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. *Shouldn't we own the software features that our company put into Overdrive ? We paid for it, after all.*

A: 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 when assembled in different combinations. Most new features are a combination or modification of those preexisting building blocks. Though new features are valuable, they rely heavily on the Overdrive foundation code, and would be of little use without it. It is to your company's benefit to let Concept Overdrive shoulder the ongoing cost and burden of developing the control system foundation code.

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

A: Many companies burn through a lot of money trying to have "better tools". The premise is that one's tools make one better than one's competitors. Consider the possibility that it's not proprietary technology alone which makes a company succeed, it's

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

If you maintain the relationships with your customers, Overdrive technology integrated into your end-product will make you a success. The term "proprietary" is multifaceted – it could mean advanced, or it might mean old, or buggy. Instead of marketing your services this way :

"We use our own proprietary technology, which is better than our competitor's."

systems incorporating Overdrive should be marketed this way :

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