Sharing OScH Revenue with Researchers

Jeremy Wright
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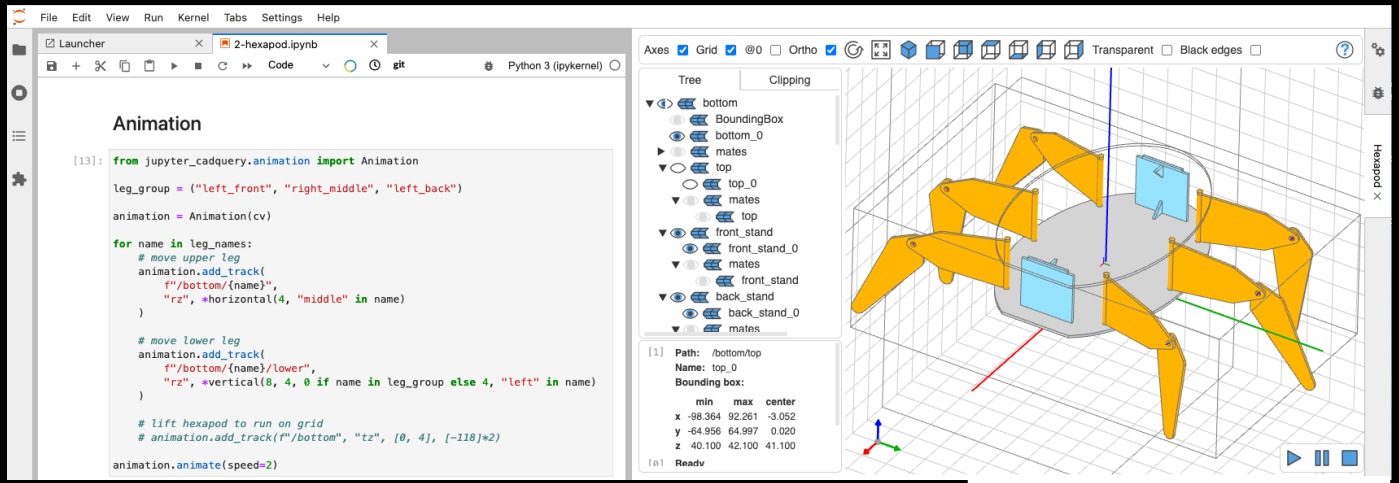
About Me

- Self-employed for almost 20 years
- Hardware and software development in the standard closed source system
- 7B Industries
  - Outlet for passion for open culture and open technology

About Me

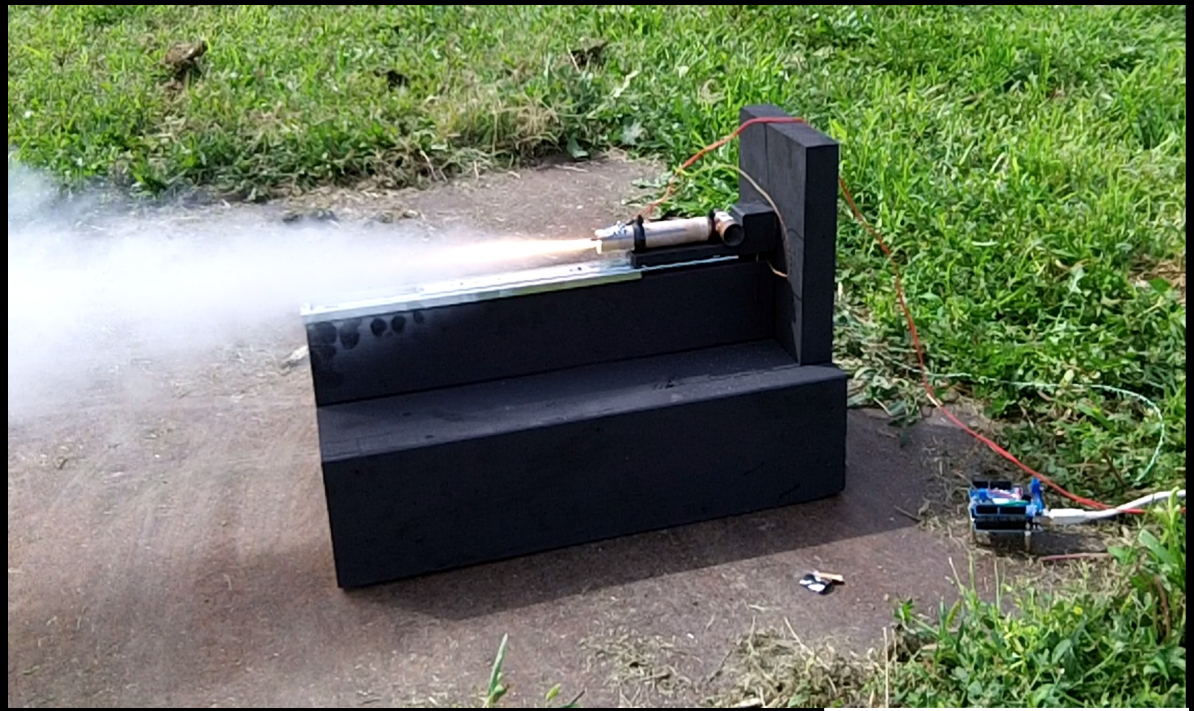
- Involved in open source software
  - User 15+ years
  - Contributor 10+ years
- CadQuery[1]



Credit: CadQuery Readme

About Me

- Involved in open hardware for 10 years
- Mach 30[2]



Credit: Jeremy Wright

Talk Goals

- Start a conversation
  - I do not have the answers
- High Level
  - OScH Income generation
  - Positive Loop Between Practitioners and Developers
  - Reduce dependence on other funding sources (grants)

Definitions

- **Practitioners** – Researchers, occupational therapists, etc
  - People in the field doing the work
- **Developers** – Hardware developers, software developers, etc
  - 7B Industries[5]
  - Non-profit

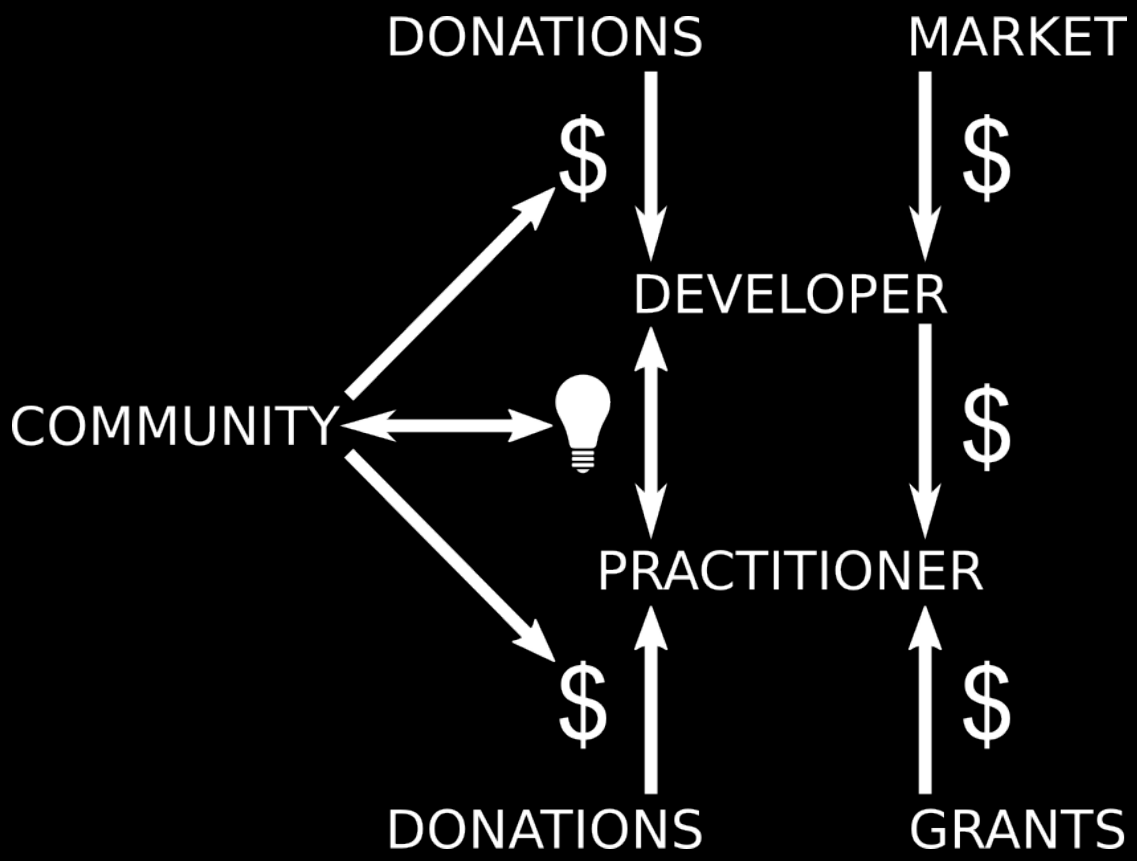
Income Generation

- Kit Sales
  - Reduces cost for developer
  - Encourages consumers to understand their purchased product better (so they can modify it)
  - Slightly decreases regulatory restrictions
- Continuous innovation (Sparkfun[4] model)
  - Also helps when chasing products that do not pay their own way (Free Innovation)
- Cloning is a feature, not a bug
  - Form of distributed manufacturing
  - Crosses national boundaries I cannot
- 20%-30% rule[7] for chasing free innovation, regardless of revenue potential
  - Counteracts tendency to chase market trends (hopefully)

Current Efforts

- Starting simple
- Push button switch[6]
  - Adaptable to local contexts
- Squeeze switch
  - Uses simple materials

Income Loop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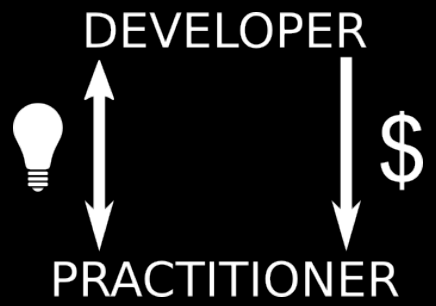
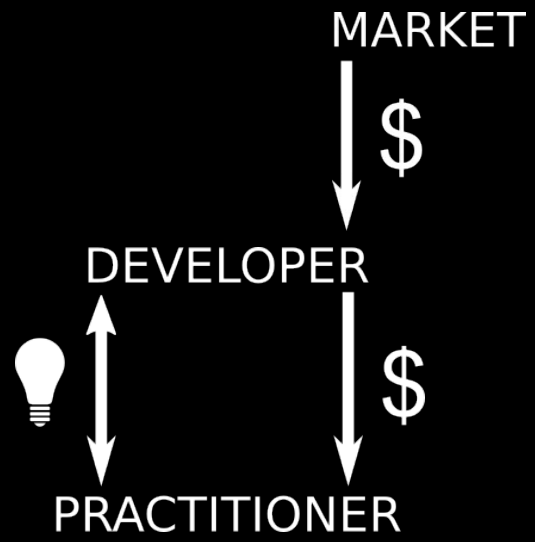
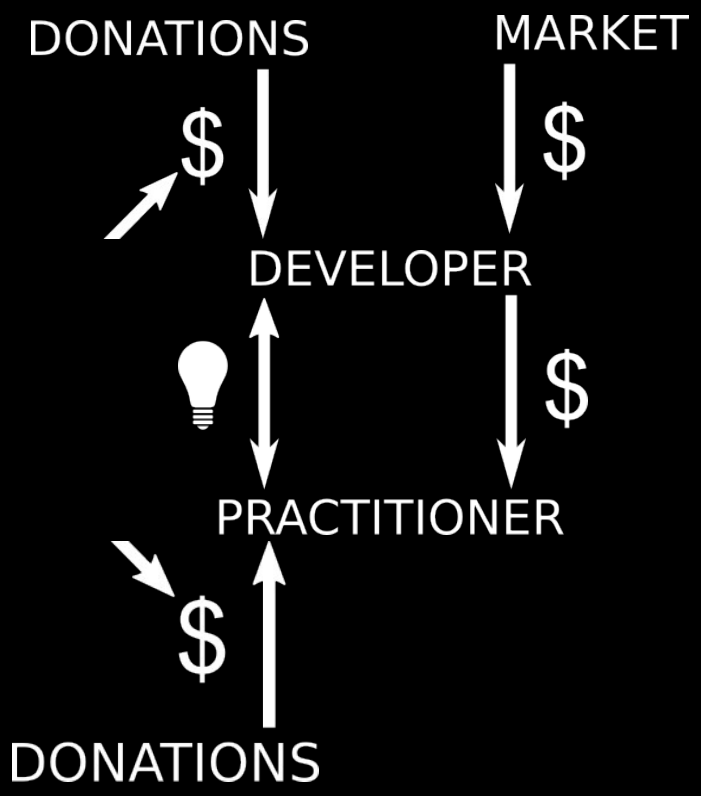
Income Loop



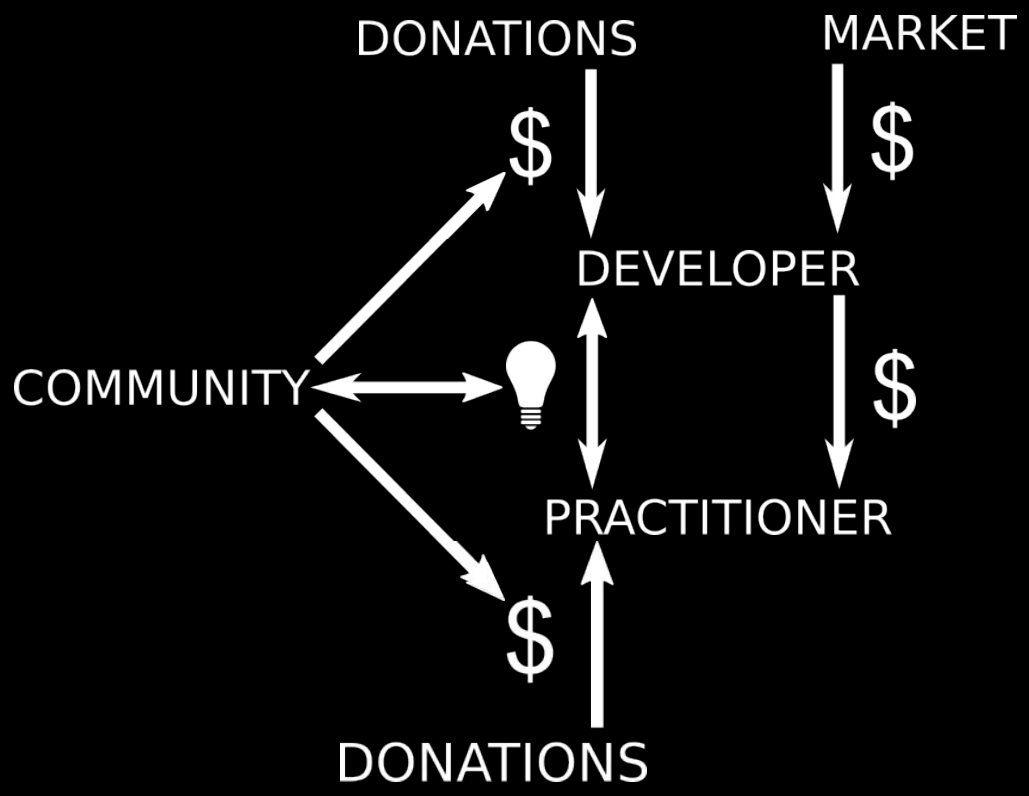
Income Loop



Income Loop



Income Loop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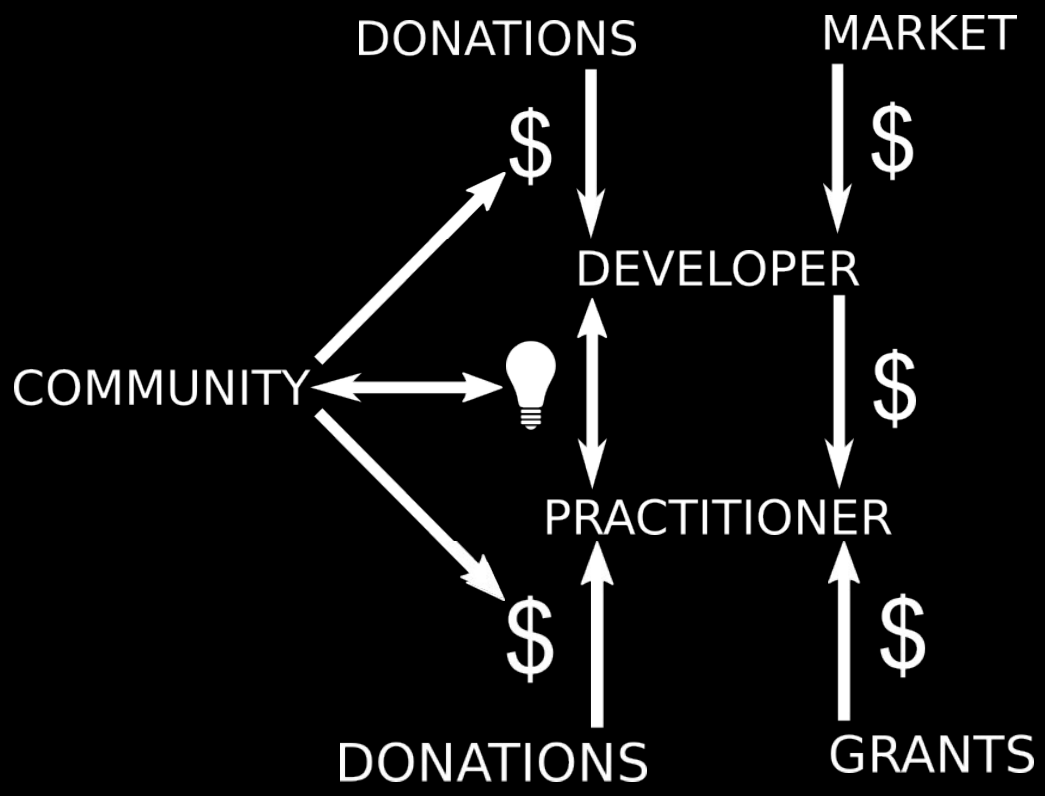
Income Loop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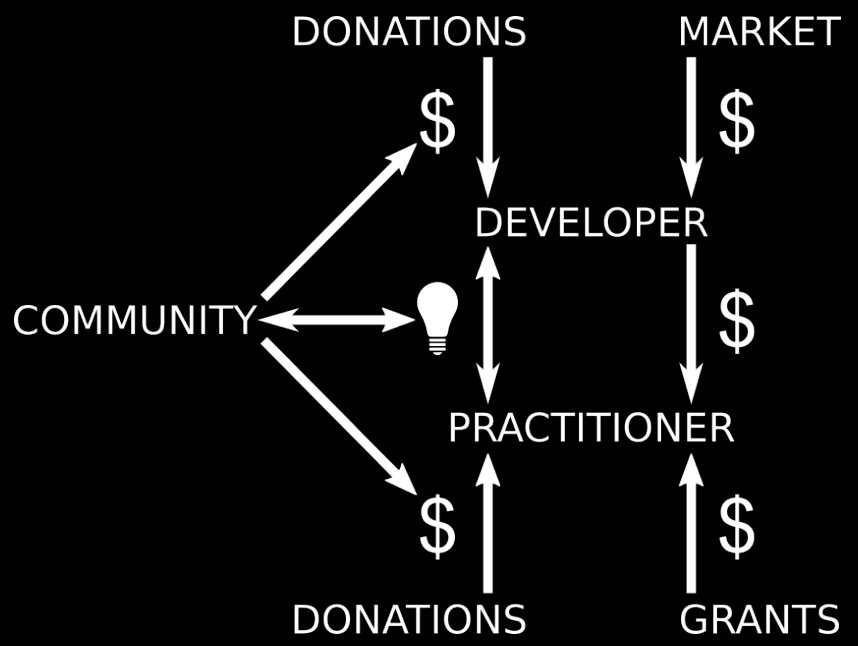
Income Loop

- Revenue sharing between developer(s) and practitioner(s)
  - How to define share of revenue
    - Static Percentage (“50/50 split”)
    - Slicing Pie[3]
    - Tracked by software (von Hippel equation)
      - Value = Design + Communication + Production + Transaction
    - Research on Other Models?
- Practitioner income lags product development



Questions

- Who else is already doing this?
- What related research is available on sharing revenue in this context?
- Will researchers be interested in this model?
- Will this still just result in chasing market trends?
- Can a single paradigm work across regions (Global North vs Global South, across continents, etc)?
- Legal issues: such as liability for practitioners?

Links

- Free Innovation by Eric von Hippel
- Emerging Business Models for Open Source Hardware by Joshua M. Pearce
- Building Open Source Hardware by Alicia Gibb
- How Open Hardware Will Take Over the World – Ted Talk by Nathan Seidle
- Learn The Slicing Pie Model by Mike Moyer
- Tweet With Resources - Julieta Arancio