Selling Democracy:
Business Strategy for the *Burgess*™ Idea

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Abstract

Burgess is a simple, but radically new software technology that allows a group to conduct its entire democratic governance online. Members log in to a web site, view and discuss resolutions others have created, submit their own resolutions, and vote on each resolution that is being considered. Passed (and failed) resolutions go into a searchable archive. Burgess is intended to be the group's facility for democratic deliberation and decision making, perhaps replacing or complementing its various committee meetings and group assemblies.

Burgess is posed to capture a large and neglected market of small democratically lead organizations. Converting the demand into profits is best achieved by an application service provider business model. Preventing others from emulating the service and entering the market will be difficult if not impossible as any patents on the core technologies are easily evaded. However, armed with a community-based approach and good positioning tactics, Burgess can reduce rivalry and be profitable.

Background

Small-Town Democracy

When thinking about democracy, businessmen and academics alike focus on national, state, or even local political structures, but rarely small, self-contained organizations: high school clubs, service organizations, civic associations. These groups lack democratic participation, usually handing their leadership to an annually elected elite. They are ignorant of more democratic styles and intimidated by formal procedures.

Frustrating attempts at encouraging democratic processes, lead to an examination of the root problem. Often people find democracy to be too much trouble and aren't interested in formal procedures, such as *Robert's Rules of Order*[1], or long meetings. Democracy on a small scale seems hardly worth the effort. A formal, structured set of rules for speaking to each other might seem ridiculous when there are only five people present. However, these procedures are designed to insure that everyone gets a fair chance to voice their opinion. This democratic standard is often neglected in small groups, precisely because they are small and therefore assume, often wrongly so, that the opinions of a few people accurately represent those of the group. For many individuals, the inconviences of not always being heard or abiding with executive decisions are not nearly as troublesome as inconviences arising from wasted time. This is especially true of small organizations that wield little power over their day-to-day lives. If these barriers could be easily broken, then small organizations could successfully operate democratically, and therefore be more effective at satisfying their intended roles in the lives of the members.

One solution to this problem is Burgess. By creating a structured computer interface through which people can use democratic procedures, Burgess reduces the intimidation and inconvenience of democracy. Debating topics, opening new issues, voting on actions is clear and accessible. Individuals can easily voice their opinions and objections, and votes can be routinely and simply taken. The decisions generated

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[1]The nearly universal protocol for running meetings.

by the group are transparent and legitimate. Moving the democratic decision making process to the Internet, in the way of so many other things in our daily lifes, alleviates many of the problems.

Burgess is software that manages democratic decision making. All members of a group use the software through a web interface to propose ideas, debate actions, and take votes. The conclusions reached by the members through the software are the official, binding will of the organization. The software, of course, can't do anything: Burgess can't buy supplies, perform a ceremony, or throw a party. Burgess provides a vehicle for the leadership of the organization.

Rather than a clearly defined meeting in which people are gathered together at the same point in space and time, deliberation takes place remotely and asynchronously. This allows groups to avoid inconvenient and inefficient group meetings. Instead of needing to be available at one set meeting time, individuals can take time whenever they are free to read and post their opinions to the group. Also unlike conventional meetings, issues can be considered completely in parallel, allowing the group to discuss more issues. Burgess provides a means for groups to get more done more quickly in a democratic setting.

The Protocol

There must be a formal procedure behind the decision-making engine. What issues are considered? How is discussion managed and regulated? How are votes conducted and what margins are necessary for approval or rejection? These questions are answered by Burgess' protocol, which is openly available.

Protocols for holding meetings in person (such as *Robert's* or Congressional rules) are cumbersome, intricate, and centuries old. They face the giant problem that meetings of people can only do one thing at a time (a single issue is at hand, only one person is talking) so these things must be prioritized and taken one-by-one. Burgess's parallel approach makes for an amazingly short and simple protocol, making the democratic process easy to learn and understand. A complete barebones protocol is included as an appendix.

Usage Example: The Fraternity

The hard-drinking, hell-raising frat house decides to use Burgess. Joe logs in with his username and password, scans over some resolution other boys have posted and then creates his own:

> Be it resolved by this Eternal Brotherhood assembled that: there ought and shall be a party of awesome proportions in honor of the incoming pledges next Saturday and three hundred dollars for booze and whipped cream shall be allocated from the social budget to support this endeavor.

A couple hours later, Billy logs in, sees Joe's resolution and quickly posts a comment that this is the same night as his favorite sorority's big party and votes no. The next morning, Ted checks out Burgess, sees some talk about this party, and posts a new bill:

> Be it resolved by this Eternal Brotherhood assembled that: there ought and shall be a party of awesome proportions in honor of the incoming pledges next Friday and three hundred dollars for booze and refreshments shall be allocated from the social budget to support this endeavor.

After much discussion and voting on the two bills, the first receives a majority vote, the second fails with a majority voting no. The party is good, but falls short of the epic proportions imagined by the bill's author.

Usage Example: The Board of Directors

The Board of Directors of a certain publicly-held company are required by government regulation and the shareholders to meet with certain regularity. They generally come to a consensus on issues over the phone or through e-mail, and then try to find a time when they can all get to the same place and officially pass what they have already decided with someone taking minutes. To save travel and scheduling trouble, they decide to post and vote online through Burgess. Most of the strategy and horse-trading still goes on in smoke-filled rooms, but the record of their activities is official and they can be held accountable

Business Model

Like all web-based services, the Burgess software requires a server computer on which to run. This machine can be running just about any operating system, but must have a web server installed and working. The people using Burgess then log on to a web site hosted by the server from any computer with internet access. Notably, the software alone would be useless without a server and expertise about installing and maintaining the software. This is true of many software packages, and for communication-based applications in particular. As a result, selling Burgess as a shrink-wrapped software product is unlikely to be successful. Not only is this approach historically not profitable, but the amount of customer knowledge required for using the software is prohibitive.

The nature of the information technology industry requires a focus on service rather than goods, as indicated by the rapid growth of application service providers (ASPs). This growth, observed since the dawn of the Internet, can be attributed to the high cost of software and hardware maintance. Small groups can rarely afford to purchase the goods and hire the staff necessary to maintain a server. The complexity of software and upgrades simply requires too much expertise. Companies like Oracle and IBM offer software for sale to big buyers but also provide application services for smaller customers. Burgess, although simple to describe and easily coded, requires a tremendous amount of support to function properly. There must be a computer to run the software and routers to handle system traffic, in addition to a stable and reliable operating system, web server, and database software.

The Burgess software is the cornerstone of an application service provider that offers use of the Burgess software for a fixed monthly or annual fee. For potential customers, using an application service provider is significantly cheaper and easier to understand than an in-house solution.

Substitutes, Technology Context

Organized online discussion and online surveying or voting are about as old as the Internet. Bulletin board systems allowing asynchronous discussion predate the web. Many groups decide issues based on Internet voting technology. Some fringe groups are striving for complete online democratic leadership.

The Debian Constitution

Far and away the best example of online democratic deliberation is the proceedings of the Debian Project, a group of people across the globe that manage the Debian Linux distribution. Debian began as a tightly knit group of hacker hippies coordinated over the Internet. By 1998 the undertaking was large enough to be formalized and the Debian Constitution was written. The Constitution begins:

> This document describes the organizational structure for formal decision-making in the Project. It does not describe the goals of the Project or how it achieves them, or contain any policies except those directly related to the decision-making process.

The Constitution does just that; it proscribes how the project will be democratically lead through a hierarchy of developers and votes conducted over email. The Constitution has lead the project through six years with only two minor changes leading Debian to be one of the most trusted Linux distributions.

Deciding technical issues, selecting managers, writing guidelines, and just about all the business of the Project is decided through email. Eavesdropping on the mailing list sounds something like this[2]

> Subject: Second Call for Votes: General resolution - Editorial changes to the Social Contract
>
> Hi,
>
> At the midpoint of this vote, there have been 99 unique voters who have exercised

their franchise (the non free GR had 303 voters by this point)

> Voting starts on: Sunday, April 11th, 23:59:59 UTC, 2004
>
> Votes must be received by Sunday, April 25st, 23:59:59 UTC, 2004
>
> The following ballot is for voting on a General Resolution to add editorial changes to the Social Contract. The vote is being conducted in accordance with the policy delineated in Section A, Standard Resolution Procedure, of the Debian Constitution...

Many groups who have considered conducting their democratic leadership over the Internet have looked at the Debian project as a model, but found it too complicated and confusing to be practical.

Online Discussion and Voting

Although democratic leadership may be hard to find on the Internet, just plain discussion continues to be a driving force bringing many people to the web. An abundance of free[3] software for hosting online discussions is widely available. However, this software takes skill well above the average user to install and maintain. For most small groups looking for an online discussion medium, downloading the software and hosting the service themselves is not an option. There are, however, many businesses that offer free hosting of online discussion boards, albeit with annoying advertisements. For example, Yahoo! now offers a Groups service (taken over from eGroups) which facilitates online discussion, polls, and file-sharing. Many .coms offer discussion hosting services for a nominal fee.

Similarly, plenty of free software is available for download that allows users to conduct polls and surveys, although they require some expertise to manage. There are even some free online polling services available on the web. Many university groups and companies take make use of these downloaded or

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[2]This is an actual message posted by the Debian Project Secretary to the debian-vote mailing list on Monday, April 19 2004.

[3]Richard Stallman, the founder of the Free Software Foundation, makes a distinction between "free as in a free beer" and "free as in freedom". Free here means at no cost, like a free beer.

home-brew online voting systems. However, democracy is not just discussion and voting; a more substantial base is necessary, so that

Wikis

A "wiki" is software that allows for collaborative writing by having many people contributing to and editing the same document. Anyone can start adding, deleting, editing the website. The first wiki was made by Ward Cunningham[4] in 1995 who wanted a website on which others could work as well. Wikis take many shapes based on the people who contribute to them and often end up looking half-way between a static page and a discussion board with content evolving over time and occasionally switching topics completely.

Wiki technology is interesting because some implementations actually incorporate voting to determine what changes to include. There are no standards or protocols here, and some wiki communities are in heated debate over whether or not wikis should use voting at all. So far, the wiki has been a hippy success story. Anyone could come through and say false, offensive things or delete others contributions, but this hasn't been a problem. Information seems to just congeal, like stone soup.

Like the previously mentioned software, there is plenty of free, hard-to-use wiki software. However, only a few online hosts exist. Groups interested in running a wiki have to set the software up on their own server or find an online host.

Fringe Movements

In February 2000 two guys working on a project to create a "universal business language" and standards for business documents (purchase orders, invoices, etc.) came up with the idea to interface with *Robert's Rules of Order*, in all its rigidity and formalism, through a computer. They proposed a *Parliamentary Assistant* that would guide the deliberations in holding with *Robert's*. They require that interested parties join their standards organization for $250 a year and have not been heard from since their initial proposal.

At the other extreme from these standards-driven businessmen are cyberpunks who dream of ways to have freedom and democracy on the Internet. These kids know little about democracy or voting systems and practices, but have been inspired by the communities that have evolved on the Internet, such as wikis. They talk about complex proxy systems and democratic ideals, but implementations have been elusive. One lofty attempt, VeniVidiVoti, is an advanced collaborative writing system with voting and representative democracy. It's protocol is more confusing than *Robert's* and it hasn't been developed in a year.

For now, Burgess is just a fringe idea on the same order as these. The protocol is available and an implementation is in the works.

Suppliers

The Burgess application service provider will need programming and information technology labor, computer hardware, and bandwidth. Fortunately for Burgess, these are all competitive markets, so that purchasing needed supplies at low costs should be easy.

All the software needed to run Burgess (operating system, web server, database) is available for free[5] and also available with service from other providers[6]. Whether to supply this under the same roof or rely on another service provider is a key consideration. For a widget-maker, it might make sense to outsource information technology. But for an information technology application service provider, much of the equipment and know-how already exists, so relying on another supplier is not wise.

The software stack that Burgess will use has earned its own buzzword: LAMP, or Linux (operating system), Apache (web server), MySQL (database), Perl (programming language). LAMP and close variations are the leading solution for small and medium enterprises as the software is free and powerful. LAMP leaves room for outsourcing if it is needed later.

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[4]Ward, a lover of simple programming and hippy technology, took a job with Microsoft last December.

[5]i.e. Linux, Apache, MySQL.
[6]i.e. RedHat, Oracle.

Buyers

Despite the unending lip service, most people are frustrated with democracy. They love the principles they learned in elementary school social studies, but seldom vote and can't stand meetings. People don't look forward to big meetings and generally view them as cumbersome and unproductive. Most small organizations solve this problem by electing officers annually and entrusting these officers to decide pressing issues. These officers meet in person and hash out decisions on issues, usually taking some type of vote. The meetings rarely adhere to any formal procedure, but occasionally *Robert's* is used nominally and practically. People don't generally view this organizational structure as a problem. However, if there were a better alternative, it is likely that they would at least give it a chance, since even this structure is not always satisfactory.

Because there are none available, the demand for an online democratic deliberation hosting service is difficult to guage accurately. Interviews with potential customers are complicated because of the amount of explanation required. Telling a member that there is a better way to conduct their organization isn't easy. However, once potential customers begin to understand how the service can be used, all sorts of applications come to mind. "I'm on my church's vestry, and we could really use this." "This non-profit group I work for has a hard time keeping stable management and decision-making."

The biggest advantage potential buyers see is not having to get everyone together at the same time and place. People are occasionally annoyed at the lack of democratic participation in their groups, but view this as an inherent, unsolvable problem. Some seem encouraged that more would participate if they could meet more conveniently, as Burgess allows. Abstract advantages such as parallel versus serial processing of decisions generally go unnoticed.

Selling to whole associations and not just individuals requires a different approach. Convincing some individuals of the service's merits is a good start, but the whole organization must benefit from the new procedure.

A few companies have focused on providing democracy support services to governments. However, independent associations have been completely ignored as a potential market for these services. This is an easy mistake to make, since most people are reminded of presidential elections and not town hall meetings when they hear the word "democracy". By neglecting small-time democracy these companies have comitted a vast oversight, not a solid strategic move.

Most notably, corporate customers have been omitted from the targeted clientele. Although most firms are not democratic by nature, many groups of people do work together to decide issues. Corporations use meetings, project management, shared whiteboard software and other techniques to coordinate progress and help in the decision-making process. They are a perfect consumer for a service that allows a group to rapidly make good decisions.

Academic researchers who like controlled experiments might also be interested in Burgess[7], but this is a small and neglected group.

The power of all potential buyers to bargain will be very high at first. Buyers will have a believable threat to simply go along with their old system and not use software at all. If Burgess is unable to prevent copy-cats, buyers will maintain their bargaining power even if they view the service as necessary in the future.

Entry, Rivalry

The market for online democratic service must be created. Massive amounts of education are necessary as people do not instantly see the value of the service. For this, free trials and limited tests are usually the most successful. Buyers will not read literature or examine merits, but will eagerly try out a new toy. The company would be wise to allow interested people to test the software by starting their own Burgess, while limiting usage to allow a restricted number of participants or to offer only limited time service.

The web has been known to turn truly innovative ideas into overnight sensations, but that is no guarantee of sucess. On the Internet, word travels fast and ideas are quickly accesible, but the company must be

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[7]i.e. Charles Plott at Caltech.

prepared for a long and difficult foray into an unknown land. Furthermore, no product or service will be ready for a mass market straight out of the shoot. The customer and Burgess itself must climb learning curves. Initial education will have to begin with one-on-one interaction with clients. From there the service and marketing will be improved.

Starting from scratch requires a slow building of trust. Few groups are going to want to jump in without any experience. The sales force must be attuned to the workings of target organizations in order to ease this process. For example, rather than having the whole fraternity start using Burgess, maybe only the seven elected officers on the council would hold their proceedings on Burgess. This way there is no huge change, but Burgess will have a foot in the door.

A simple online presence with instant access to free sample use is absolutely essential. Clients who can attract new clients, such as national organizations with local chapters, are a good initial target. Online communities are incredibly powerful and must be harnessed to the company's benefit. A community must be fostered around the service and the service must reach out to existing cliques.

Preventing entry by other companies can be accomplished through patents or very good marketing. The core technologies are clearly patentable, but this provides little protection. Specific and detailed patent claims are easily evaded by doing something slightly different. Vague and comprehensive patent claims take an army of lawyers to enforce.

Daniel Bricklin is unquestionably acknowledged as the inventor of the spreadsheet. He came up with the idea of using computers for tabulations and routine calculations and created VisiCalc in 1979. VisiCalc ran on the meager Apple II and new IBM personal computer, not mainframes, and was incredibly powerful, selling for $100. Dan chose not to patent the spreadsheet. He now claims that it was his commitment to improving software that led him not to patent, but he was also advised at the time that the idea was simply not patentable. Lotus 1-2-3 copied VisiCalc's design and added improvements rapidly. By 1985 VisiCalc was dead.

The obvious moral of the story is that you lose a fortune by not patenting great ideas. The moral that free software hippies would read is that you make much better software available by not patenting great ideas. However, many business patent experts would argue another side. Although the idea was patentable, Dan wouldn't have been able to enforce his patent. VisiCalc did not have the resources to fight a battle, and any result would not have come quickly enough. Ward Cunningham, inventor of the wiki, thought he could patent it, but doesn't think it would have made him any richer. "The patent business is a big boys game," he says.

Burgess technology is patentable, and this strategy could slow entry of small companies without resources to fight a long patent battle, however it would not prevent entry by large companies with more resources or by small companies with clear alternatives to the Burgess software. In general, it is very easy to setup an online service provider. Burgess will need a sound business strategy if it is to succeed, because online service provider are easy come, easy go.

Since Burgess is introducing a new application, it will benefit from first-mover advantages in establishing a trusted brand. Clever marketing, such as getting the word "Burgess" to mean an online decision making venue in people's vocabulary, would be the ideal result. This advantage is large over other small companies, but negligible compared to the advantages of established, well-known online service providers. Google, Yahoo, and Microsoft could all easily leverage their capital, reputation, legal department, and know-how to enter the market dramatically.

As the first-mover in the industry, Burgess will also have to educate potential consumers in an attempt to create a market. Education is tough, and Burgess will invest the most resources in this education. The decision to use the service requires a large commitment from an organization, so switching costs could be high and logistics complicated, locking in early customers to Burgess.

By creating a unique, community-based, "good guy" presence, Burgess can differentiate itself from potential competitors and the .com bubble in general. A simple, barebones approach worked very well for Google and showed that people see through frills on the web. A community approach will make cus-

tomers feel like part of the development team.

Complements

Complements to the core Burgess sofware offer a way to attract customers and may be a way to earn revenues. Classic information technologies such as web and email hosting for a group are an obvious start. But tools that have value especially to an organization, such as member search, calendar, and budget services are more important. By integrating these features with the Burgess protocol, a more powerful application is created, because the simple passing of a resolution could appropriately modify the current year's budget or update the official calender. Burgess may grow to provide everything a club could want, such as chat and file-sharing, but at first too many complements is likely to distract from the product's intended use.

Burgess must have a powerful archiving and search feature set, allowing users to see what the official word on an issue is, as well as how things were done in the past and how members views have evolved over time.

An entirely different class of complements are democratic support services. The Burgess corporation employees must be experts on democratic management, so they can solve customer's particular problems. For example, a board of directors wants to democratically select a slate of five people to lead a very important task force. Should they vote on members individually or whole slates together? By being experts in the issues that small democratically run groups face, we add much value to the service.

Growing the Company

In the first three years of operations, the company faces its biggest challenge, because it not only must establish itself as a market leader, but also must create the market. This increases the risk involved in starting the company, because introducing a new product to the market may take a significant period of unprofitable time. Consequently, it is important for the company to be prepared to take losses initially, while simultaneously developing the product and strengthening its service.

A large initial investment in marketing, educating consumers, and customer service are essential to the development of a sustainable business strategy. However expending too many resources on marketing may backfire if the company does not simultaneously develop the product. While the first mover educates consumers and creates a market, another company may spend resources creating a more user-friendly or more reliable democratic deliberation provider. This competitor could then steal the newly-created market from the first mover just when they thought they might start bringing in some profits.

Additionally, as the market begins to grow, the company must be able to handle the added customer capacity. Any hardware and software should be designed with large amounts of reserve capacity as the customer base may grow rapidly. The idea of maintaining a balance between reserves and cost are therefore crucial in the first years of market development. Creating and growing the market must be managed with an eye toward sustainability.

Open Source Considerations

The open source movement has recast the information technology sector since the Free Software Foundation's humble beginning in 1984. Any business hoping to be competitive must have a solid open source strategy.

At the heart of the movement and controversy is the GNU Public License (GPL). Unlike traditional software licenses which jealously guard the source code behind the program, GPL software includes the source code with the caveat that any derived works also be released under the GPL. This philosophy and license have produced a sea of open source projects developed by volunteers and companies alike that are seriously competing with traditional software providers across the market.

From the standpoint of a company that has developed some new software, using the GPL has several advantages. Open source software gets more at-

tention right off the bat. Developers and savvy potential customers are unlikely to pay attention to a little-known closed source software package. Online communities of people feel more comfortable with an open project than a corporate scheme. This effect is measurable for initial exposure, but isn't as important once the software is established and well-known.

The open source community will clone a great new software package. The Burgess software is easy to copy; plenty of college dropouts and computer junkies would jump on a project to make an open source version. Fitting with the community-based philosophy, Burgess must enlist the support of the open source movement, or it will become a competitor. If the core Burgess software is under the GPL, the Burgess company will have access to any improvements made on its own software. Burgess then becomes the open source standard and the company that is responsible for it attracts much attention.

MySQL has masterfully captured the power of the open source storm instead of running aground. The open source movement uses and contributes to MySQL database software[8], which is under the GPL. MySQL openly embraces the open source philosophy as part of a good citizen approach that includes friendly support and fun atmosphere. MySQL gains revenue by selling subscription and support services, commercial licenses, and franchising the MySQL brand to value-added partners. Because the company developed the software, they can offer it under multiple licenses. In addition to being under the GPL, large corporations can buy MySQL under a commercial license that does not have restrictions on derivative works. By producing trusted, widely-used software, they have attracted well-known customers such as AOL, Google, and Yahoo while remaining privately held and without debt.

When NASA switched their contract management and acquisition system from Oracle to MySQL in November 2000, they noted several improvement. MySQL, which is free for download, was far cheaper because support was the only cost paid. The sup-

port was better not only from the company itself, but from the open source community. Because MySQL is open, compatibility and interfacing with other packages was easier.

The software development is not a huge barrier to entry. Trust and recognition are barriers to entry and open source is a way to gain both trust and recognition. Votehere.com, a provider of government election validation software, released its source code to the public scrutiny in April 2004. Critics were silenced or turned into free product testers.

The GNU Public License makes sound business sense for the Burgess software source code, gaining the support of the online community while allowing a shift to larger customers.

Case Analogy: Delphi Forums

Delphi forums, now Prospero Technologies, has quite successfully created and maintained a market position in online community services. While their initial success can be attributed to their first mover advantages, the profitability the company has maintained in an extremely competitive market can only be due to their smart and innovative business strategy.

Delphi established the use of online discussion forums, creating a market where there had previously been none. These modest beginnings have led to a prosperous business only because Delphi successfully established and maintained a large customer base. As with other network goods, such as the telephone, a larger customer base adds value to product (the online community). After all, no one wants to belong to a club in which they are the only member. Consequently, establishing and maintaining good customer relations is vital to the successful creation of a communications market. Delphi created their market quickly by giving their service away to customers for free. By deriving funds from banner advertisements, Delphi was able to create an apparent need for their service, while being sure to at least not lose money. Like a drug dealer, the idea is to give the product away for free just long enough that once you start charging, most of your customers are hooked and so will pay some reasonable price for the services that

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[8]MySQL is low-end database software compared to high-power solutions such as Oracle. MySQL AB is the official company name the develops MySQL and also provides database services

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were previously given away.

This tactic was successful until other businesses, such as Yahoo, began offering similar services for free as a complement for their standard products and services. This undermined the fee charged by Delphi and threatened to destroy their customer base. Delphi managed to deflect the competitor's blow with only a little wincing by offering a basic membership to customers for free, and charging for enhanced accounts with special services. Delphi also responded by offering partnerships with companies wishing to offer similar services. In exchange for an equal division of the profits, Delphi will host and maintain forums for other companies. These sites are developed along with the company so that they can seamlessly integrate the company's business philosophy into the look and feel of the Delphi-hosted website. By offering Delphi's large customer base, good reputation, and years of experience to these potential competitors, Delphi makes cooperation very attractive. By working with companies who want to imitate Delphi's services, it strengthens its market position, turning potential competitors into customers.

Today, this is the focus of Delphi's business strategy. By concentrating its marketing efforts on businesses that would otherwise imitate it by developing their own services, Delphi ingeniously turns the tables on potential rivals, making them instead into the primary customer. Delphi's biggest insight was to recognize that as a communications market, it is not profitable to charge individuals for a service that is easily replaceable. The profitable area of the market comes from developing a large customer base and then offering access to this commodity, as well as service, for a premium. This strategy is particularly effective, because from the perspective of the cooperating company, they are simply getting paid not to compete. Meanwhile, the actual effect on Delphi is to increase the value of its product, since it enables it to expand its customer base. By taking advantage of this strategy, Delphi has remained profitable in a highly-competitive market where most companies with similar offerings are forced to declare bankruptcy.

In order to reap profits from the Burgess idea, a similar tactic could be pursued. In order to establish a strong customer base, basic Burgess usage will be offered to individuals and small groups for free. As Burgess's customer base increases, larger groups and businesses will become interested in taking advantage of the services provided, and so can be charged a reasonable fee for more enhanced and specialized services. By paying close attention to market developments, Burgess competitors could be turned into team mates.

Conclusions

The Burgess software can be the cornerstone of a successful venture. Creating and tapping the market will require much investment, but will leave Burgess well-positioned to be the trusted and profitable online democratic service provider. Burgess must engage online communities to this end.

An application service provider engaging open source while reaching out to companies interested in the idea will translate the software's revolutionary nature into sustainable profitability.

The Ristroph Democratic Deliberative Protocol Version 0.02

Gunnar Gibbens Ristroph

July 7, 2003

Abstract

All members belong to one Committee called the Assembly which collectively designs and votes on Resolutions. A Resolution is simply a declaration. Any member may create a Resolution. Once created, a Resolution is subject to discussion from all members of the committee. The Resolution is also subject to an immediate and ongoing vote. As soon as the vote reaches the required fraction to pass (more than .5) it is passed immediately and closed to further discussion. If the Resolution is defeated by the requisite fraction, it is immediately removed and discussion ends. This vote is ongoing and members may continue to change their vote until the Resolution is passed or defeated.

1 The Committee

The committee is the basic organizational group. The committee discusses Resolutions and votes on them. All members belong to one, main, general committee called the Assembly.

1.1 Members

The Members of a committee is simply a list of members of the committee. Only members can create Resolutions, discuss, or vote. All members are equal. There is no way to add or remove members.

2 Resolutions

A Resolution is just a statement. There is no amending procedure.

3 Voting

Once a Resolution has been posted, all members may vote yes, no or abstain. When the ratio of those voting yes to the total numbers of members less those abstaining is greater than .5, the Resolution passes. When the ratio of those voting no to the total numbers of members less those abstaining is greater than .5, the Resolution is defeated. In either case, the Resolution is removed from discussion.

4 The Register

The Register is a document that contains all Resolutions passed by the Assembly and the date there were passed.