

Micro-Pledge Scheme Released to Fund Software

Debut a funding scheme that lets software users team up to fund software. The users pledge funds, spreading the load of development costs between them. The funds are held in trust to provide security for developers.

Christchurch, New Zealand, August, 2007 – microPledge releases world's first micro-pledge scheme for online software funding. It's an open-source software house, a contract developer website, and an online auction all rolled into one. Users collaborate by pledging funds to the software projects they like. The funds are held in trust for the developers' security but they receive payment only after a negotiation with the users on their level of progress.

Put simply, a user plugs in say \$10 and gets an email client out the other end. How? Because 1000 other users also put in \$10 and together they paid for its development. The service allows users to fund the software they like, but only pay when they see results.

Founder Berwyn Hoyt says, "The unique appeal of microPledge comes from its secure trust fund. This gives both the pledgers and developers the security of knowing the money is safe. Pledgers get their money back if progress is not made, and developers can be sure they'll get paid for work done."

"It's like Grandma putting in \$5 to help buy a truckload of oranges and the volume discount gets her a huge box of oranges at 10c each," says Director Geoff Shaw, "except that we're doing it for software. And for software, every buyer gets the whole truckful."

There's a lot in this little nut. microPledge fills several market gaps: funding, market testing, IP protection, and a sales channel. Let's elaborate a little:

1. The **funding** options are built for open source, shareware, and commercial ventures so as to support both development funding and sales.
2. **Market testing.** Will customers buy your software once you've made it? Placing an idea for on microPledge can test its popularity without costly market research.
3. **Intellectual Property protection.** Ideas are not always give-aways. The system offers its users a \$20 IP protection service equivalent to a US patent pending application, and guarantees an incubation period on its own website.
4. **Sales** can be made on site by owners of proprietary projects who set a minimum price for their completed project – this amounts to a completely new sales channel in a new market.

To achieve the features mentioned above, the site has combined highlights from several popular online services. From micro-payments comes micro-pledges, from escrow systems comes trust-account security for both users and developers, from online auctions comes the bid-based developer quotes, and from Web 2.0 comes user-generated tags, Ajax voting via a slider bar, and heavy user participation.

For additional information on the funding, market testing, IP protection or sales services, contact Ben Hoyt or visit [microPledge.com](http://micropledge.com).

About microPledge:

Founded in 2006, microPledge aims to use collaboration to provide high-quality low-cost services to as many people as possible.

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