

## WyoLum Sweat Equity or WSE

noun

*wī - ōlūm swet 'e - kwi - tē*

A system based on *trust*, whereby project-earned value is distributed equitably among contributing team members.

### Equity Transaction Example

	A	B	C	D	E	F	G	H	I
1	Expenses		<b>-\$9,153</b>						
2	Receipts		<b>\$11,504</b>						
3	Cash		<b>\$2,351</b>						
4									
5	Inventory		<b>\$356</b>						
6									
7	Cash and Inventory		<b>\$2,707</b>						
8									
9									
10									
11									
12									
13									
14									
15									
16									

		Pre %%	Pre Value	Post %%	Post Value	Equity Withdrawal	Desc.
10	WyoLum Share	0.50	\$1,353	0.50	\$966		
11	Project Lead	Christian	0.20	\$541	0.08	\$154	\$387 19 Nachbau Kits
12	Board Design	Anool	0.20	\$541	0.28	\$541	
13	Photography	Brian	0.05	\$135	0.07	\$135	
14	Admin	Justin	0.05	\$135	0.07	\$135	

WyoLum is an experiment in open source collaboration between like-minded people with complementary skill sets who may have never met in person. Our first large revenue-generating project was the Kickstarter funded ClockTHREE.

Soon others wanted to know how they could pitch in. Their contributions were significant and led to an overwhelmingly successful second Kickstarter campaign (ClockTHREEjr). We needed an equitable way to weigh their contributions against the initial monetary investments Anool and I had already made.

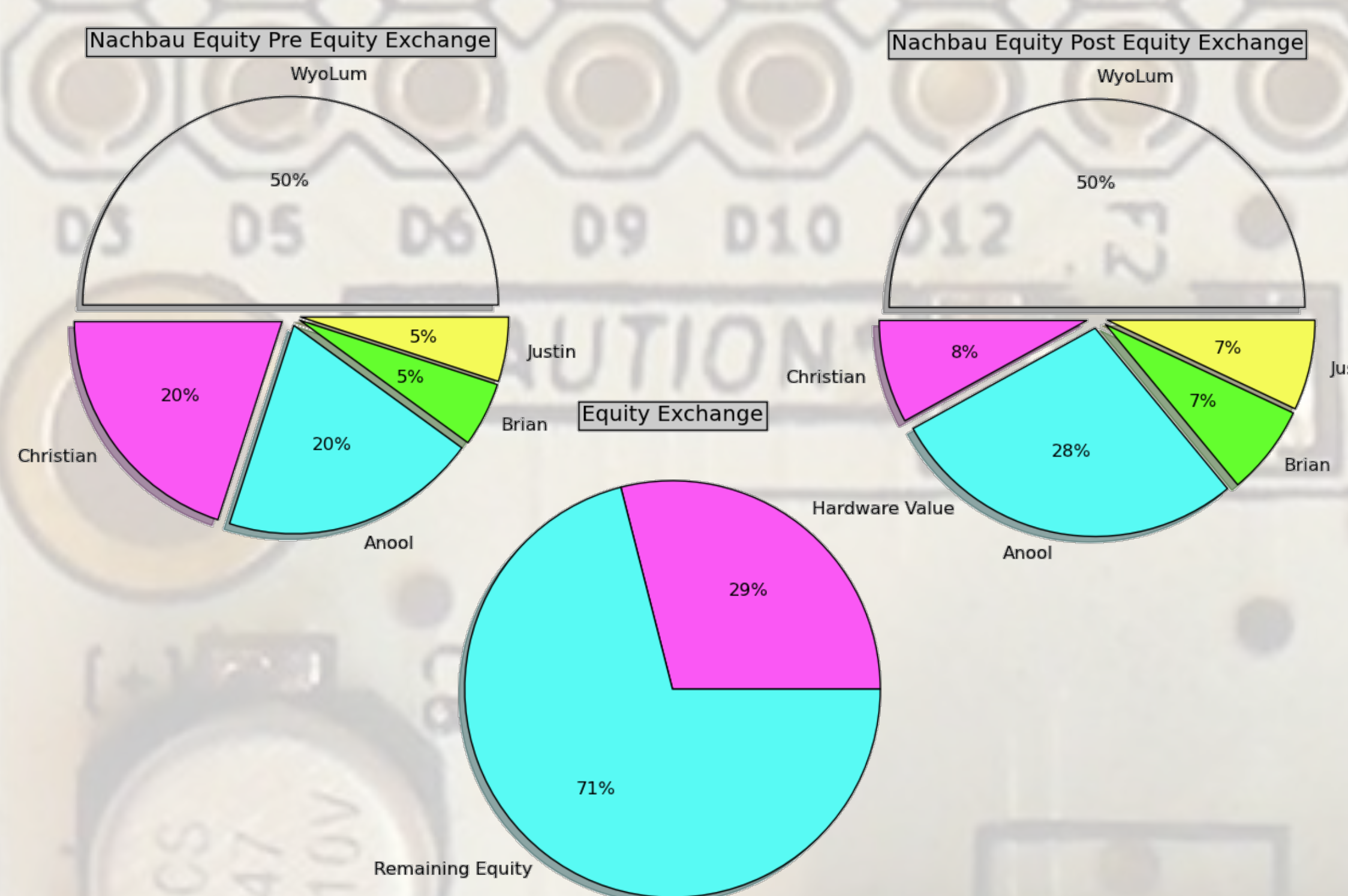
We call the result **WyoLum Sweat Equity** or **WSE**.

The first rule of WyoLum Sweat Equity is "We're not in it for the money." Some of our projects have made money and the funds should be fairly distributed among the project participants. When proceeds exceed expenses, participants are offered two options:

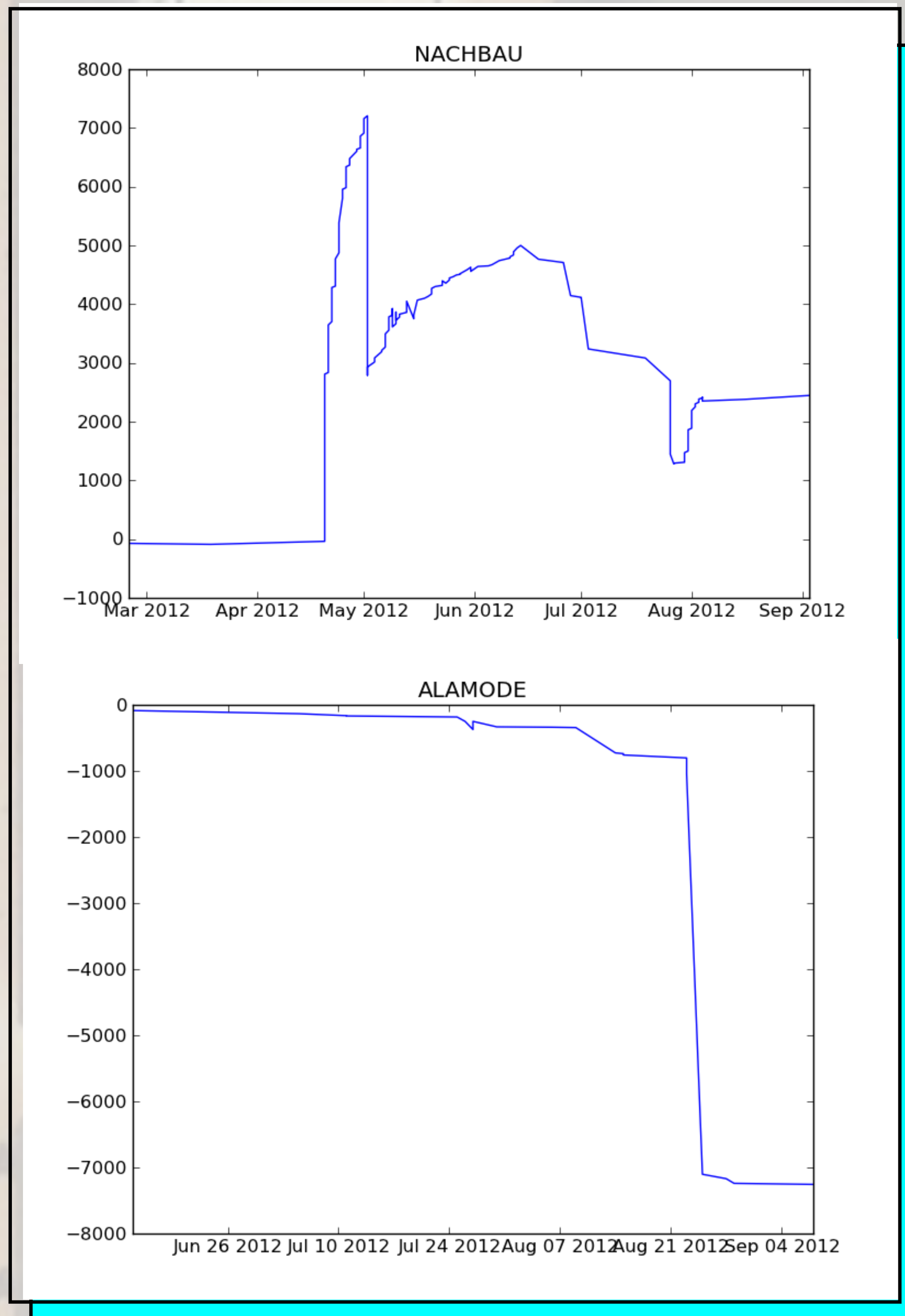
1. "Take the money and run" (recommended) or
2. "Let it ride" (popular)

These contributions are treated and recorded the same as cash, so that if we should disband today, we can divvy up any remaining shares in a reasonable manner.

WyoLum Sweat Equity is an innovative experiment in open hardware collaboration that we think is working well and we are thrilled at the chance of sharing with the rest of the open hardware community.

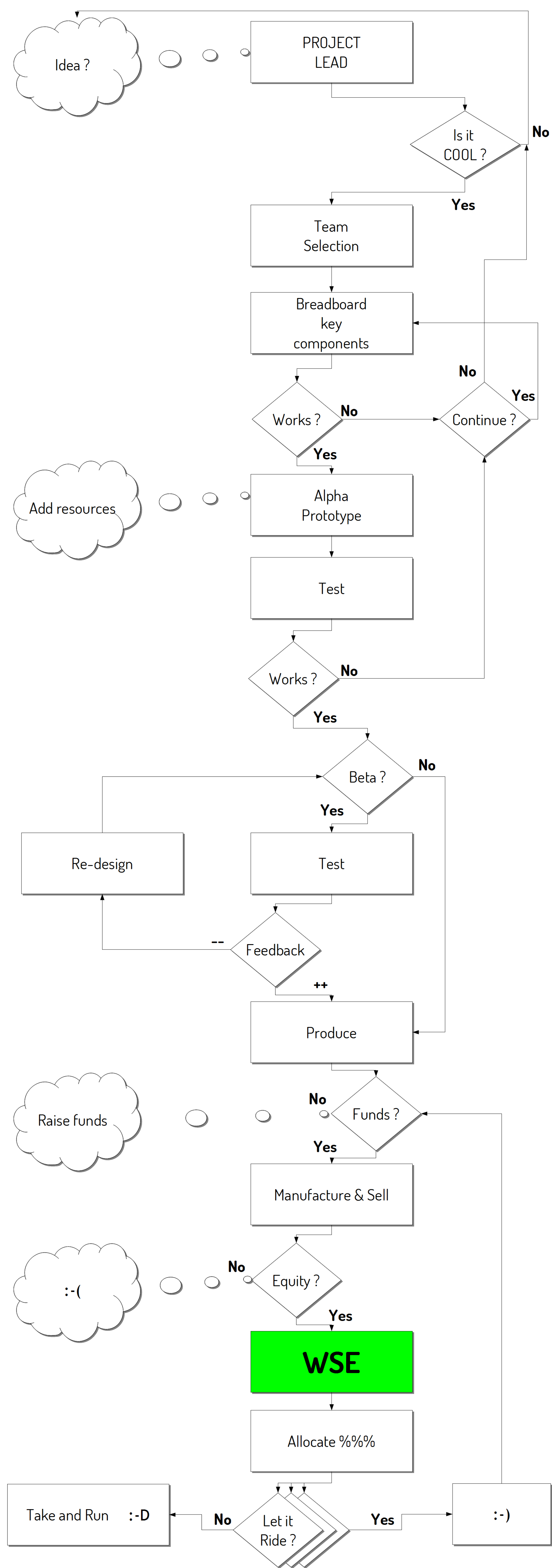


The table and pie charts show how our equity exchange works when a contributor dilutes equity in exchange for inventory. Christian exchanged 12 Nachbau percentage points for 19 Nachbau kits. The monetary value of the other team members remains the same, but since the total project equity is diminished post exchange, their portion increases to compensate.



The plots show the project value over time for the mature Nachbau project, a 16x16 LED driver circuit and the nascent AlaMode project, an Arduino compatible board for the Raspberry Pi.

Questions? Please contact us:  
[anool@wyolum.com](mailto:anool@wyolum.com), [justin@wyolum.com](mailto:justin@wyolum.com) or visit [wyolum.com](http://wyolum.com)



# WyoLum Sweat Equity

