### What we must do.

### What we must do.



Participate or perish?

### We must choose.

Since our beginning, we have steadfastly believed that Sun's success depends on sharing our ideas.

The network is sharing. Java is sharing. Solaris is sharing.

We have a controversial business model built on inventing technology, sharing it, and making money on the infrastructure that allows people to participate in the opportunities that result.

To most corporations, sharing is blasphemy. They call their inventions "trade secrets" or "proprietary," but we treat ours as seed corn. Opportunity grows quickly and widely **because** we share.

And our continued success depends on solving the world's biggest, most important problems, and sharing the results.

#### How big?

When we destroy barriers to technology's use, more people will be able to participate in solving more problems – the biggest problems we face.

We plan to eliminate the digital divide, so that everyone in the world can participate, and share in the opportunity revolution that results.

We have big dreams, and we understand that making them come true depends on the choices we make.

The book you are holding is the result of many conversations among people both inside and outside Sun.

#### Now I'm asking for action.

First, that you read this book—which lays out our vision, our cause, our mission, and our strategy for continued success, and why it matters to us, our shareholders, our developers, our partners, and our customers.

And, second, and more important, that you join me in committing to the choices it will take to make our dreams come true.

(Our vision)

# Information or participation?

## We choose participation.

#### Welcome to the Participation Age.

The Information Age is so last millennium.

In the Information Age, value was created by ownership of information. It used a broadcast model that produced more value at the center than at the end points. In it, markets were created and controlled by a small number of people.

So the goals of the Information Age were to control the creation and distribution of information.

Now, in the Participation Age, information does not take center stage – human interaction does.

Participation means interacting or sharing in something. When you participate, you become an active, sharing member of a community.

In the Participation Age, the world is not smaller – you are bigger.

The Participation Age is built on a model of networked human beings who share, interact, and solve problems. Their participation creates ideas, information, opportunities, entertainment, and value – social and economic – everywhere on the network.

When people can participate you, and millions like you, can constantly improve, remix, reinvent, and find dazzling new uses for ideas.

In the Participation Age, the network connects not only the computing power of each node, but also all the humans behind that power.

While the Information Age leveraged bandwidth and processing, the Participation Age leverages the network and amplifies the opportunities of the individual.

Given the scope of the problems and opportunities we all will face in the coming century, the Participation Age isn't a luxury—it's a necessity. We need every voice and every creative instinct amplified to its greatest potential.

When you participate, you are not just an audience member, an end point, or a consumer. You are an actor, a starting point, and a producer of value. And every new participant increases the possibilities, and the opportunities, of all participants.

In the Participation Age, your value is determined by the number of participants you connect with, the number and quality of your interactions, and the number of ways you interact.

### $V = N^{P}$

Where V is the value, N is the number of participants, and P is a participation rating.

The value created on a network grows exponentially as the amount of participation grows incrementally.

For example, let's say you had 10 nodes on a given network. Let's give the participation rating on this network a 1 on a scale of 1 to 5. In this system, the value produced on the network would be 10. If you raised the participation rating to 2, you would increase the value produced on the network to 100. Raising it to 3 would increase the value of the network again to 1000, and so on.

In this simple formula, you could improve the value produced on a network by adding nodes, but increasing the amount of participation would be much more effective—which, of course, is the point of the Participation Age. (Our opportunity)

# Scarcity or abundance?

## We choose abundance.

In the Information Age, the number of people who could participate was limited by the high cost of information technology, the lack of technology's availability, and its complexity. This limitation was good for the people who controlled those barriers.

In the Participation Age, the opportunity for Sun is to create ways to eliminate those barriers, so that as many people as possible can participate in as many ways as possible.

To do that, costs must be dramatically cut, and technology must be made dramatically simpler, safer, and more convenient—abundant.

As these barriers are removed, the volume and value of participation will skyrocket, as will the ensuing capacity challenges. And the opportunities will grow for the people who take on those challenges.

More participation attracts more participants.

It's a circular argument, but it describes a circular process that creates more and more value while creating more and more demand for what we do.

### (Our mission)

# Simple or complex?

## We choose simple.

#### Our mission is:

To increase shareholder value, make money, and grow, while providing our customers with opportunities never available to them before.

Our strategy is simple to understand.

It is precisely what gets us out of bed in the morning—and has for a long time:

We will engineer solutions to our customers' biggest, most important problems:

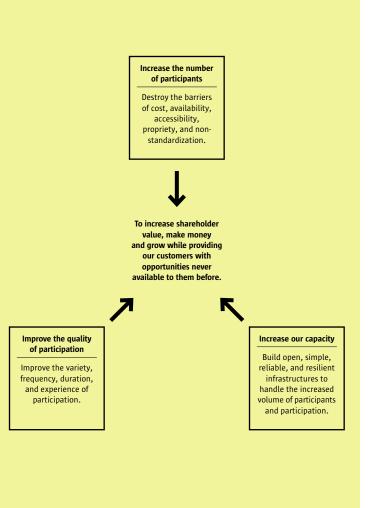
- To *drive down costs* to increase the quantity, quality, and variety of participation.
- To *expand reach* to include everybody.
- And to *increase capacity* to handle the mind-bogglingly high volume of interactions and transactions that result from driving down costs and expanding reach.

We will share our solutions to grow communities, to increase participation, and to create a larger market for what we do.

We will build and run the world's participation infrastructure to make sure the job is done right.

With every barrier that we destroy, every solution that we share, and the new infrastructure we build, we narrow the space between those who can participate and those who cannot.

And, as a result, our market opportunity and value will grow.



(Our cause)

## Economic or social?

### We choose both.

*Our cause is to create a revolution by solving one of the world's most important problems:* 

To eliminate the digital divide: the gap between those who can participate and those who cannot—the people waiting.

In the Participation Age, economic and social interests are aligned. The more participants, the more markets and opportunities they create. And the more value all participants realize.

When this happens, participants and providers (us, our shareholders, our customers, our developers, and our partners) all win.

So we must destroy every barrier that stands in the way of participation:

- Cost of participation must be driven down.
- Reach must be expanded so that no one is excluded from participation.
- And capacity must be increased so that no matter how many people, no matter how many ways they are participating, and no matter how they participate, the participation infrastructure will handle it.

Of course we want to lower the cost barrier. But our cause is not low-cost computing.

#### Our cause is this:

To eliminate the digital divide so that everyone can participate in the ensuing opportunities, and in solving even more of the world's biggest, most important problems.

Our cause is not a whim. Or an unachievable pipe dream.

Our cause is made of the same stuff that inspired us to create Sun that ideals can be massively profitable, and that rewards can be measured in more ways than dollars.



(Who we are)

## Incremental or revolutionary?

## We choose revolutionary.

We are not incremental problem solvers. They are the people who slightly improve last year's version of a solution to a problem that was originally solved five years ago.

Incrementalists will never uncover and exploit opportunities hidden within technical or business problems, because that is not what they do.

They produce inbred, incremental solutions to problems people already know they have.

Incrementalism is the engineering equivalent of baby steps.

Incrementalists aren't pushing anybody anywhere.

Count on them for revisions, not revolutions.

Our purpose, instead, is to create revolutionary solutions to problems that are important to the world.

Because at Sun, we are revolutionaries.

We reveal what people cannot see without us.

We ask questions no one else asks, challenge assumptions no one else challenges, propose solutions no one else considers, and engineer systems no one else can.

We are engineers obsessed with inventing revolutionary solutions to important problems, so that more individuals can participate in more ways and create more value and more opportunities.

And revolutionary solutions are what will eliminate the digital divide, and move the world from the Information Age to the Participation Age.

#### We are obsessed.

We have a magnificent obsession with things that matter: sharing, simplicity, usability, and resilience.

They are the prerequisites for engineering revolutionary solutions to the world's most important problems.

#### We are perfectionists.

We are especially critical of technology. We see it as fragile where it should be flexible and vulnerable where it should be bulletproof.

And so it is with imperfect parts that we attempt to build more perfect systems.

#### We are frank.

We exhibit bluntness and integrity unseen in companies that put sell before solve.

Our principles demand that we tell the truth: If a system is junk and can kill you or your business, we tell you. If there are holes in your systems, we tell you. If you have been sold a bill of goods, we tell you. And then we will help you fix it.

Bad news is the first step toward the good news of actually delivering engineering revolutions.

#### We are passionate.

We know what we are doing and why. We are confident.

We listen. We discuss. We argue. We spar. We push. Because great ideas are born of debate.

#### We are fearless.

We take giant leaps when everyone else takes baby steps.

We are hungry for challenges.

We are not afraid to attack the world's most important problems, because we have the people, the passion, the communities, and the imagination to solve them.

And we are not afraid to share.

#### We are contrarians.

We create radically better systems by turning our backs on conventional wisdom and daring to build open solutions unlike any that have come before.

#### We are creative.

We believe that technology can be used to devise revolutionary solutions to the world's most important problems.

And we believe that technology can bring people opportunities that they could never have imagined – or even hoped for.

(Our beliefs)

# Share or hoard?

We believe in sharing ideas, technology, and opportunities so that markets can thrive.

We believe in imagination. That things can be engineered better. And that we will make them so. We see limits exactly as they should be seen — as challenges.

We believe ideas need not be proprietary. In a free and open marketplace, the best ideas win. So we share, to destroy barriers to access and participation—and to drive economic value.

We believe in protecting our intellectual property because it is our most durable asset, and that by sharing, we can drive closed, proprietary customer traps out of the market. And because you must own something before you can share it.

We believe that generosity is repaid on a massive scale. That it is a seed that produces abundant fruit.

We believe that revolutionary solutions come from the collaboration of diverse of minds, experiences, and cultures.

We believe we must protect our developers and partners so that they can courageously innovate.

We believe in innovation, not litigation.

We believe that there are new business models for today's businesses.

We believe in freedom of choice – no one should be boxed in tomorrow by decisions made today.

We believe that when we act on behalf of communities, we are acting in our own best interests.

We believe that when people are free to assemble, participate, and create it is good for them, for us, and for everybody.

## We choose to share.

### (Our strengths)

# Exercise or atrophy?

## We choose to exercise our strengths.

We are growing and changing. We know where we are going. To get there, we need to exercise strengths we already have, and build some we don't yet have. We include both here, because we require all of these:

**Iconoclasm.** We do things differently, because we can't help ourselves. We are independent thinkers. There are no conventions we will not question or questions we will not ask.

**Imagination.** We see what few see. We don't just improve what is. We create what has never been before. Because the one thing we cannot imagine is doing what everyone else does.

Tenacity. We never give up.

**Brilliance.** We are continually building a diverse organization that values diverse ideas. We ask hard questions. We have an endless thirst to know how everything works. And to engineer things that work way better.

**Decisiveness.** We sacrifice what we must, so we can afford to never sacrifice the things that matter. Sacrifice requires hard decisions.

**Integrity.** Because we engineer revolutionary solutions, we must also ensure that our customers can trust them, and the people behind them.

**Customer focus.** We listen to our customers. So that we can engineer solutions that really matter to them.

**Fun.** We love the work we do, and we do it with enthusiasm and fun.

**Passion.** We believe. And because we believe in what we do, we can accomplish the near miraculous.

### (Our promise)

# Complacency or opportunity?

We can't allow our customers to be satisfied with the baby steps offered by the incrementalists. Incrementalists will *never* show customers what is possible—what real engineering imaginations can create—so we must help our customers see these great opportunities, and then deliver.

#### This is our promise:

To engineer revolutionary solutions to the world's most important problems, so that people can exploit opportunities never available to them before.

## We choose opportunity.

(Our call to action)

# Participate or perish?

Your first job is to know and understand who we are, what we do, and why it matters, more or less the way you have just read it.

Your next job is to commit to the effort it will take to keep our promise and to eliminate the digital divide between those who can participate and those who cannot — to be a part of the company that goes down in history as having achieved something so vital to so many members of the human race.

And the third is to be unafraid to tell this story and help turn it from our dream into our dream come true.

### **Participate.**

## What we must understand.

#### Our vision

Everyone and everything participating on the network.

#### **Our mission**

To create the technologies and fuel the communities that power the Participation Age.

**Our cause** To eliminate the digital divide.

#### Our strategy

We will engineer solutions to our customers' biggest, most important problems.

We will share our solutions to grow communities, increase participation, and create world-changing new market opportunities.

We will build and run the world's participation infrastructure to make sure the job is done right.

#### Our not-so-secret agenda: The Participation Age

Technology's real value is not created in the lab, in the manufacturing plant, or on the sales floor. It's value comes at the interaction point between people and devices – where participation happens.

So, participation is a one-word summary of peoples' immense, insatiable need to:

Connect	Compose	Play
Interact	Talk	Chat
Invent	Design	Discover
Vote	Message	Research
Write	Create	Learn
Publish	Plan	Buy
Program	Swap	Sell
Photograph	Email	Compete
Collaborate	Blog	Compute
Share		

Three things are guaranteed:

- 1. This list of interactions will grow.
- 2. As it grows, more and more people will want to participate in more and more ways.
- 3. This will create vast profit opportunities for someone to create bigger, better, faster, smarter, more capable infrastructures to make all that possible.

Ultimately, our job is to make sure that that someone is us. Participate.

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