

Using the AllianceCORE Program Questions and Answers for Xilinx Field Sales

The following questions and answers are designed to provide some guidelines for using the AllianceCORE program and partners. In many cases a partner can be more valuable than just the products they offer, so be willing to get them directly involved. At all times, stay involved yourself.

Selling third party cores is a new process. There is no way to cover every possible scenario that might arise. If you ever get stuck in a situation and are not sure what to do, try these solutions, in this order:

- 1) If it is an issue that involves a partner, use the golden rule. If you are considering doing something that does not help the partner in a particular opportunity, ask yourself how you would want the partner to handle that situation for you in reverse before your act.
- 2) Call us. We're here to help. Contact us at (408) 879-5381. You can also email us at alliancecore@xilinx.com.

What is my best source of information on the AllianceCORE program and products?

Always consult WebLINUX first for the latest product information. While the data book is a great sales aid, we are constantly adding and updating products. Bookmark the following URLs and check them *before* calling the factory:

For the latest datasheet versions of all CORE Solutions products (including LogiCORE and AllianceCORE products and reference designs):

<http://www.xilinx.com/products/logicore/tblcores.htm>

For information on the AllianceCORE program and partners:

<http://www.xilinx.com/products/logicore/alliance/tblpart.htm>

For a listing of all recent changes:

<http://www.xilinx.com/products/logicore/whatsnew.htm>

Obviously, if you are in a situation where you need information right away and do not have access to the web, call us.

How do I make my customer feel comfortable about working with one of our partners?

The sticking point for customers is that many of them have never bought third-party IP before. They can be nervous about taking a risk with a company they have never dealt with (or maybe even heard of) before. And since you probably have no experience with that partner either, it is difficult for you to provide the reassurance the customer is looking for.

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Call the AllianceCORE group *before* things go too far to find out about any experiences we've had with that partner and product. Be honest with the customer and set the right expectation. If you don't know whether or not the partner and his solution are viable, let the customer know up front. Be as positive as you can about a partner, but *do not* over-commit a partner's products or reputation. Your customer will only blame you if things don't work out.

Your job is to be a facilitator and a conduit of information. Beyond that, our partners have to sell and prove themselves. Make sure you position the partner as a *possible* solution for their need. The customer has to make, and be responsible for his own decision. As you gain experience dealing with different partners, you will be able to provide either caution or encouragement of your own.

How can I guarantee that the partner's solution will work for my customer?

You can't. Xilinx does not verify the functionality of AllianceCORE products. We don't have the expertise, resources or time to do so. Even if we did, there is still no guarantee that the function will work in your customer's specific application. That is also true for an AllianceCORE product that has been used successfully by other customers. Each application is unique, and you should *never*, repeat *never* put yourself in a position of guaranteeing a particular AllianceCORE product, even if the customer is pressing you to do so.

What if I am not happy with the way the partner is handling the opportunity?

Notify the partner first, and be specific with the problem *as you see it*. Don't place blame, but instead identify the issue and offer a possible solution. Be willing to play your part in that solution. Our partners are generally willing to address issues that we bring to them in a spirit of cooperation.

If this is not resolving the problem, then bring it to the AllianceCORE group, and we will help in any way we can. Of course, all along you have been keeping us in the loop so we already know some of the background and can help drive for a resolution. Please don't throw something to us as it is bursting into flames and expect us to sort through it. We usually hear one story from the field and another from the partner. With no background, we don't know what is really true.

We have found that the most common root causes for problems come from 1) a lack of two-way communication between the partner and the field, and 2) a lack of established ground rules for engaging with customers. We are working to address the second issue over the course of 1998. It is your responsibility to play your part in reducing the problems caused by the first.

This is still a new program, and we are all in the process of learning together. Instead of giving up on a partner or the whole AllianceCORE program because of a problem, try to learn from it. We have found that approaching issues with a proactive spirit of cooperation has helped us improve our relationship with the partners involved. It has also helped us fine-tune the policies that we will be driving all partners to follow. Please share your successes and your problems with us. We cannot help you or benefit from your experience if you don't.

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One thing we need to be sensitive to is that some customers can be incredible time wasters as they try and make their decision. Our partners only make money on the license fee. They have to prioritize their time to support paying customers and pursue real opportunities, just like you do. If your customer is creating a lot of work but never reaching a decision, you may need to either help move things along, or determine if a sale is really a possibility.

What if I continue to have problems with a particular partner?

If you have tried to do everything as described above, and the partner is consistently providing poor support, then let us know. We will evaluate the situation to determine if it can be resolved, and if not, will remove the partner from the program.

What if a customer is looking at solutions from multiple partners and wants me to recommend one?

Don't do! In a situation like this, stay neutral. Recommending one over the other implies endorsement by you, and Xilinx. This will only get us all into trouble later if that solution does not work for them, because the customer can claim that "you told me to use that".

The ultimate decision is theirs, and you may need to kindly remind them of that, before the decision is made. Remember that we are not the experts in the functions that our partners sell, and are unqualified to make a decision like that for them. Set up plenty of conference calls between the customer and the partners involved. This way, the partners make the commitments directly to the customer rather than filtering them through you. This puts the responsibility for the decision making process where it belongs.

Staying neutral can be challenging because customers may try to pressure you into making the decision for them, or claim they don't have time to research the options. Don't give into it. If you find yourself in a situation like this, call us and we will help you.

What if my customer wants to try a core out before committing to buy?

Xilinx does not currently have a mechanism for a customer to evaluate a core in-house in a manner that protects the partner's IP. Most partners want to be paid *before* they will deliver the netlist to the customer. This is a problem we are trying to solve, but it will take considerable modifications to the way M1 works. Altera has an advantage here with their OpenCore technology that permits protected evaluation.

If the customer insists on an evaluation, there are a few options. We have worked with some partners in helping them draft an agreement for the customer to sign, similar to the one we use with the LogiCORE PCI interface. Contact the AllianceCORE group if you want to try this, and we will help you negotiate with the partner.

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Please note that this option does not physically prevent the customer from stealing the IP but relies on their honesty and integrity. If you aren't sure whether or not you would trust the customer, then please don't ask the partner to.

Another option is to see if the partner can provide a non-synthesizable behavioral model of the core. This will at least allow the customer to perform some functional simulation.

Many partners provide Xilinx-based prototyping boards for their products. This might provide the option of using a loaner board as an evaluation tool. The core can be programmed into a PROM on the board, allowing the customer to test the core in a physical environment.

What if my customer wants to use cores from multiple partners?

Today, this could be a difficult thing to do, since each partner has their own license agreement terms and conditions. Over the course of this year, we will be working with key partners at first to try and generate a single license agreement that is as close to our own LogiCORE PCI agreement as possible. This would minimize the amount of negotiating that a customer would have to do with each partner. It would be possible to try and pre-negotiate an agreement like this with strategic customers to help clear the legal path up front for using cores from Xilinx and these partners. If something like this is successful, then we believe it would be easier to get the majority of our partners signed up to support the agreement.

What about support for international customers?

Today, we have partners in North America and Europe that can provide support for customers in those localities. If you feel that you need partners who are within your territory (e.g. Japan, SEA), then I invite you to help me track down and recruit local companies that you feel can provide the support your customers need. We will work with you on the application and approval process for bringing a new partner on, and will rely heavily on your experience and judgement regarding any candidates you suggest.

What if my customer thinks the partner's pricing is too high?

First, make sure you find out if the partner is quoting source code or Xilinx netlist pricing. This is the cause of most pricing discrepancies. The Xilinx netlist version usually costs 50-85% less than the source code.

If the pricing is still "too high", then you will need to get involved in trying to help work out a deal that is good for both your customer and the partner. Remember, our partners make their money on the sale of the core and/or the design services only. We must try to preserve the value of this for them. Part of the negotiation includes educating the customer on the value of using IP. Don't just pressure the partner to lower his price. Providing and supporting IP is expensive, and if we do not allow the partner to make an equitable business selling cores to our customers, they will stop trying to do so.

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Typical license agreements involve full up-front payment for a core *before* it is delivered to the customer. The partner often asks for this because it is a software product, and it is difficult to regulate a customer's use of it once it is delivered. In the end, what the partner really wants is to be guaranteed a fair payment for the use of the core. The customer probably just wants to reduce the cost or have the partner share in some of the risk. There are some creative options that can be explored to meet the needs of both, and we will help you attempt this with the partner.

First, it might be possible to negotiate staged payments based on milestones for the partner to achieve, such as customization and delivery of netlist, delivery of test bench, successful integration into the customer design, and so on. This helps share the risk of success.

If the customer only wants to use the core once, we might be able to negotiate a lower single use cost if the standard fee is for unlimited usage. This would then require the customer to pay another fee later if they wanted to use the core in another project. This also relies on the integrity of the customer to report and pay for additional uses.

Another option might be to pay some percentage of the license fee up front, and then pay royalties on each device programmed with that core. Since license fees are usually paid by the development group, and royalties are paid by purchasing, this shares the cost over different organizations. It also spreads that cost out over time, and helps share the risk of success between the partner and the customer. Any royalty scheme like this must be worked out between the partner and the customer directly. Xilinx will not get involved in collecting and paying out royalties for deals like this.

If none of these work and the opportunity represents significant revenue for Xilinx, then field sales might consider paying a portion of the license, possibly in conjunction with a distributor.

If cost is really an issue, there are always alternatives that might satisfy both the customer and the partner. Remember, the partner may experience this in reverse, where the FPGA pricing might be considered too high, thereby jeopardizing the core sale for the partner. Treat the partner as you would want him to treat you in this kind of situation.

What if the partner's core does not work?

There can be many reasons for this. Don't automatically assume the partner is at fault. A critical issue is how is the partner responding? The partner is responsible for technical support of the cores they provide. They are also responsible for guaranteeing it's advertised functionality when used properly. If it is a case where the core just does not perform as stated, then the partner will need to either remedy the situation, without additional cost to the customer, or fully refund the customer's money.

If the customer is using the core in a non-standard way, or has modified it to the point of breaking it, then there may be additional costs involved to fix the problem.

This can become a hostile situation, and you may find yourself caught in the middle. Notify us of the problem. We will see if there are any resources we can bring to help. The Xilinx hotline will only handle tool related problems. It is up to field management whether an FAE or AE should get involved. If the customer asks for an alternative solution, then you can offer it if one exists and notify the partner that this has

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occurred. Be honest with yourself in a situation like this and make sure that you did not create any unrealistic expectations for the customer. Commitments and guarantees are the responsibility of the partner only. Don't use overselling as a tool to get a design win.

What do I do when I contact a partner about an opportunity?

Before you do, you should already know if what the customer wants is available as a released AllianceCORE product by checking WebLINX. If you want, check with the factory to get additional background on the partner(s) and product(s) involved. Then contact the partner.

Identify yourself as a representative of Xilinx, bringing a Xilinx opportunity. Understand if the partner is aware of the opportunity or not. Describe what you know of the opportunity. Most likely they will have questions that need to be asked of the customer. DO NOT just have them call the customer directly. Instead, arrange a conference call so you can see how they interact and if things get off to a good start. You do not have to be present at all subsequent conversations, but should do your best to stay in the loop with both parties. Remember, you are the expert on Xilinx, and are responsible for quoting software and devices.

Should I bring partners into the account with me?

Yes! If the partner is willing, joint visits do a lot to promote partnership and help dedicate the partner more to you and their relationship with Xilinx. Call us for advice if you wish, and make sure everything is carefully prepared before you go in.

Can I trust partners who also support competition?

It is understandable that you prefer to work with partners who are dedicated to Xilinx only. It is easy to forget, though, that we support many partners who compete with each other. They have the same nervousness about us taking their leads to a competitor as we do. If we keep this in mind, it will help us to treat them the same way we want them to treat us.

Many of the good partners out there are being courted by other PLD suppliers. In those cases, it is our responsibility to make sure their solutions in Xilinx are better than the competition's. We also need to make sure we get our unfair share of mind by bringing them the most business. At the same time, we do need to monitor their activities to make sure that they act responsibly in competitive situations. But then, we need to do the same in return. Read on.

Is there a policy for handling leads?

We have established a policy for handling leads that involve AllianceCORE partners. We are in the process of enforcing this with each partner. You need to be aware of this, as it includes guidelines for you to follow too. This is similar to the lead registration program in place with Xilinx distributors, but with some program specific caveats. The complete policy is a separate document, but the basic issues are outlined in the questions that follow.

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What do I do when a customer contacts me asking if we offer a specific core?

If a customer is asking about a core with no reference to a particular core vendor, then you are free to offer the solution you are most comfortable with. If there are several partners with a possible solution, offer any or all of them you wish. If you are offering solutions from more than one partner, then you will need to tell them that they are competing for the business.

If you were the first to bring that lead to the partner(s), then is it registered to Xilinx, and they are obligated to only offer a Xilinx solution. Go ahead and talk to them about this.

If you are only working with a single partner up front, then by default, that lead is also registered to that partner, and you cannot bring in another partner unless the customer asks for one. If that happens, you will need to notify the registered partner, and allow them to compete.

What if the customer later asks the partner for a competing PLD solution?

If the lead is registered to Xilinx, then the partner will need to notify us as soon as this happens, and then they are free to do so. They must allow us both to compete for the socket.

What if the customer asks about cores from a specific partner?

Then we can only offer the products for that partner, even if we know that a better solution exists. The lead is registered to that partner. Work with that partner to try and secure the design win. If we were the first to bring them the lead, then it is registered to Xilinx too, and they must only offer a Xilinx solution.

Can I divert leads to another partner or to my favorite consultant?

You can only do this if the lead is not registered to a specific partner, or if the customer tells you that he is not happy with the registered partner or his product and asks for a different solution. You must tell the registered partner of this before you bring in another party. You should also tell that other party that someone is already talking to the customer. The two should be allowed to compete for the business. Remember, stay neutral (neutrality is covered in an earlier question).

What do I do with the leads forwarded to me from WebLINX?

On WebLINX, each of our partners has their own profile page. At the bottom of each profile is a form that the customer (and you) can fill out to request more information. When the form is submitted, it generates an email to the partner with copies to both the AllianceCORE and Customer Marketing groups. Customer Marketing will forward them on to the field. An example is attached at the end of this Q&A.

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By default, leads generated from the web are partner-specific, and we can only offer solutions from the partner(s) the customer has requested from. If they have only asked for a solution from one partner, then that lead is registered to that partner only, and all of the above guidelines apply.

As with all leads, only a small percentage turn into real business. You can usually get a feel of how real the lead is by reading their request, but that is never conclusive. Follow up with the customer to find out. Ask if the partner has responded in a satisfactory way. We ask all our partners to respond as soon as possible and copy us on their response, with varying degrees of success. We are trying to drive for more consistent response time, and your follow through will help this. Again, alert us if there are any problems.

Summary: Handling Leads

The table below provides a quick reference summary of your responsibilities in dealing with customers who are interested in AllianceCORE products.

Xilinx Lead Responsibilities

Source of Lead	Lead just asks for core	Lead asks about core from specific partner
Customer contacts you	<ul style="list-style-type: none"> • Notify Mark Bowlby • Offer best solution(s) • Notify partner(s) 	<ul style="list-style-type: none"> • Notify Mark Bowlby • Notify that partner only • Provide information on that solution only
Partner contacts you		<ul style="list-style-type: none"> • Notify Mark Bowlby • Do not offer other solution unless customer asks; tell first partner it they do
Provided by factory	<ul style="list-style-type: none"> • Offer best solution(s) • Notify partner(s) 	<ul style="list-style-type: none"> • Contact that partner • Provide information on that solution only

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Example customer lead generated from WebLINX:

Below is an example of the email that is generated from WebLINX when a customer fills out the form at the bottom of a partner's profile page. This email goes directly to the partner with copies to the AllianceCORE group and Customer Marketing. CM will forward these on to you for follow up, so be looking for them.

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XILINXILINXILINXILINXILINXILINXILINXILINXILINXILINXILINXILINXILINXILINX
XILINX
XILINX      This Is An Automatically Created Customer Request
XILINX
XILINX      SUBJECT: Potential Sales Lead for Cores
XILINX
XILINX      TO: Virtual IP Group
XILINX      FROM: Xilinx AllianceCORE Program
XILINX
XILINX      Thu Feb  5 06:29:38 PST 1998
XILINX
XILINX      Please contact "Alberto Campanini" and send this information ASAP
XILINX
XILINX      Name:      Alberto Campanini
XILINX      Company:   Custom Engineering
XILINX      Address:    2, Berettine street
XILINX      City:       Fontevivo -PR-
XILINX      State:      Italy
XILINX      Country:    Italy
XILINX      Postal Code: 43010
XILINX      Phone:     +39 521 610700
XILINX      Fax:       +39 521 610701
XILINX      E-mail:    campanini@custom.it
XILINX
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CUSTOMER COMMENTS OR QUESTIONS

I'd like to have more information about EPP/ECPP
Extended parallel port/enhanced capability parallel port
with X5202

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XILINX      -----
XILINX      Attached above is an email from a customer with a specific
XILINX      application interest. Please:
XILINX
XILINX      1) Respond to them via e-mail.
XILINX      2) Copy alliancecore@xilinx.com.
XILINX      3) Keep in mind that this is a Xilinx lead and we appreciate
XILINX      your attempts to provide a Xilinx-based solution.
XILINX
XILINX      If you have questions regarding this lead or the AllianceCORE
XILINX      program contact:
XILINX
XILINX      Mark Bowlby
XILINX      AllianceCORE Marketing Manager
XILINX      (408) 879-5381
XILINX      alliancecore@xilinx.com
XILINX
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