

Computrition

**COMPUTRITION**
FOODSERVICE SOFTWARE SOLUTIONS**CUSTOMER:**

Computrition Inc.

CHALLENGE:

Safeguarding the intellectual property development of its unique and innovative software, while providing added assurance for its software licensees in a volatile market.

SOLUTION:

Computrition established an audit trail for original software development as well as an action plan for future support, both of which demonstrate its focus on customer assurance.

BENEFIT:

Technology escrow, furnished by Iron Mountain, safeguards technology ownership and enhances existing legal protection under copyright, trade secret, and patent law. It also provides added assurance to Computrition's software licensees that escrow deposit materials will be available should the company cease to do business.

Safeguarding Intellectual Property and Delivering Superior Customer Assurance

THE CUSTOMER

Computrition Inc., based in Chatsworth, CA, is a leading provider of fully integrated software systems for foodservice and clinical nutrition management. As a software developer, Computrition's systems are designed to increase efficiency and productivity in foodservice and diet office operations.

Ellyn Luros, a registered dietitian and Founder of Computrition, recognized the need for computerizing nutritional analysis and food cost management functions. She founded Computrition Inc. in 1980. Today, with almost 30 years of industry experience, Computrition's software helps to plan, develop, and manage menus, recipes, inventory, and production, as well as patient/resident feeding for its healthcare customers.

Customers include colleges and universities, military feeding, commissaries, hospitals and long-term care facilities. With the software, these foodservice providers can control their food costs, benefit from reduced inventory levels, and increase food safety and consistency.

THE CHALLENGE

As an originator of an unparalleled and unique set of software innovations, Computrition was faced with the challenge of protecting its intellectual property. From Iron Mountain, they learned that they could create an audit trail of software development as proof that Computrition was the original developer of the software. This could be accomplished by date stamping and regularly depositing the software source code in development into a technology escrow account using Iron Mountain's Intellectual Property Development Protection Service.

Later, Computrition started seeing technology escrow appearing as a requirement in RFPs (requests for proposals) from large organizations and government agencies. The management team wanted to be proactive for this initiative as they began to realize the importance of offering technology escrow upfront. The company wanted to be able to offer escrow if the customer requested it, or if they had concerns about Computrition's viability.

"Our customers' past experience with other vendors helped us to realize the move we needed to make toward technology escrow, and we realized its ability to simplify their lives ... If a customer asked about technology escrow, we wanted to be able to tell them that we've got it covered with Iron Mountain."

—Scott Saklad, President & CEO, Computrition

Computrition's customer commitment drives the company's efforts to exceed its customers' expectations in terms of product quality and service excellence. With the ability to offer technology escrow to its customers, Computrition could provide its customers with an even more comprehensive support and maintenance plan. This was important to a company that prides itself on its customer-centric focus.

CASE STUDY

IRON MOUNTAIN | COMPUTRITION

THE SOLUTION

Starting in 1986, Computrition turned to Iron Mountain to protect its intellectual property by entering into a technology escrow agreement that safeguards technology ownership and enhances existing legal protection under copyright, trade secret, and patent laws.

A technology escrow agreement provides evidence of when and how a technology was developed by setting up an account where Computrition's software source code is deposited and date stamped on a quarterly basis. Each deposit "updates," but does not "replace" previous versions of the source code, so that the genealogy of the product is established. These steps toward the protection of its software significantly strengthen Computrition's position in any legal dispute concerning intellectual property rights. Because the documentation of the development of Computrition's technology is administered by Iron Mountain, an independent third party, competitors who may claim to have created it first will find it difficult to substantiate their case.

"If we can simplify their lives and better their bottom lines, we will succeed as a result of their success. Escrow is an assurance to our customers signifying confidence that we will be there for them ... the 'keys to their kingdom' can be unlocked in the form of source code."

— Scott Saklad, President & CEO, Computrition

About ten years ago, Computrition again approached Iron Mountain to create an escrow agreement for the benefit of its customers. Working together with Iron Mountain, Computrition decided that an uncomplicated, cost-effective, two-party escrow agreement designed for a basic level of escrow protection best met its needs and created the added assurance for its software licensees.

The two-party escrow agreement is between Iron Mountain and Computrition. Computrition enrolls its customers who ask for escrow protection into the account. Saklad notes, "We have

been able to close sales on some accounts more easily due to the fact that we have an existing relationship with Iron Mountain."

Computrition's management of its escrow accounts is simplified because the contract's terms and conditions are established once up front and that language is applied to all future escrow arrangements. With this escrow arrangement, Iron Mountain notifies the customers that an escrow account has been



established and sends semi-annual status reports to all parties. If Computrition ever ceased to do business, a customer named within the escrow agreement would be able to request a release of the deposit materials.

Computrition chose to work with Iron Mountain because of their integrity and reputation in the marketplace as the industry leader and the fact that they are easy to work with. "Iron Mountain offers a simple, easy to understand process and pricing model. Other vendors were not as simple to deal with," states Saklad.

Computrition's leading software for foodservice and clinical nutritional management has helped its customers control costs and increase patron satisfaction. To protect the unique software it develops and to continue setting the standard for superior customer assurance, Computrition relies on technology escrow services from Iron Mountain.

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IRON MOUNTAIN DIGITAL®

120 Turnpike Road
Southborough, Massachusetts 01772
(800) 962-0652

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(800) 962-0652

ipm-info@ironmountain.com

www.ironmountain.com/ipm