

Inventors Council

OF MID-MICHIGAN

PO Box 232, Lennon Michigan 48449

Web Site: INVENTORSCOUNCIL.ORG

The Inventors Council is an independent, non-profit 501 C-3 corporation formed to help inventors pursue their dreams of bringing new and innovative products to market. Our goal is to help fellow inventors succeed in the most efficient and least costly manner possible by providing education and business networking.

Founded by Robert (Bob) Ross in 1995

We meet monthly at Walli's Restaurant, 1341 South Center Road Burton, Michigan. Just Two blocks south of I-69, Exit 139

VOLUME FOURTEEN

NEXT MEETING THURSDAY, August 12, 2010, 7:00PM

NUMBER EIGHT

Idea Development Process is the Training Subject

August 2010 Meeting

Our Speaker tonight will be James Churchill from Minnesota. James is the inventor of a 5th wheel hitch that mounts in the bed of a pickup truck without any drilling. His invention is DOT approved and mounts into a Reese Hitch. James designed and fabricated the hitch as part of a 4H project and now sells his invention to others.

Come join James for an interesting story of how you also can succeed with your invention

The meeting will begin at 7:00pm in the upper level of Walli's Restaurant on Center Road in Burton.

July 2010 Meeting

Our July meeting was a lively one. We learned to use the Idea Development Process to arrive at a solution to an inventor problem. We used an actual product that one of our inventors was trying to improve the sales of.

By using all our members ideas on our white board, we were able to use everyone's input and select the best solution from all the inputs we received. All ideas have value, even though we may not use them in the end, every idea drives other ideas you may not even consider by yourself.

It was a true networking experience for our inventors club. Our goal is to help as many people as possible, so bring a friend and get them involved helping others.

In less than two hours we identified the top five issues customers are looking for and we are now changing the web site to reflect these changes. Great job inventors.

Screening Ideas (A reprint of Ed Zimmer article)

This is addressed primarily to inventors. It's theme is don't spend money unnecessarily. The old saw, "You have to spend money to make money", is extremely dangerous to those not skilled in business. The better saying is, "The way to make money is to not lose what you have".

We're seeing far too many inventors rushing off to a patent attorney with their first idea. If you want a patent to hang on the wall and you have an un-needed \$5,000 laying around, fine -- but that's not the way to make money. The odds are at least 100 to 1 against you, i.e., you have at best a 1% chance of getting that money back - let alone make a profit.

The way (for an inventor) to make money is to go find a customer with a problem, solve it, and sell him the solution.

"But I have a solution to a problem that everybody has."

You don't sell to "everybody" -- you sell to people. Go ask some people whether they'd buy it -- and not your next door neighbor.

You have a sporting goods product? Go to a few sporting goods stores and ask the buyer, "If you had a product that does such-and-such (whatever benefits you perceived when you came up with the idea in the first place), would you buy it?" If you expect it to sell through retail, ask the retailer, not the end user.

Then "At what price?". The product will have to be manufactured at 1/4 to 1/6 of the retail price. Get a feeling for whether that's in the cards.

Then "What reps that call on you carry this kind of product?". And go talk with the reps and ask the same kinds of questions.

Now you have at least some objective notion of whether the thing might sell, and you know at what cost you have to bring it in at. If you're honest with yourself, this alone will screen out 90-95% of your ideas. You've spent some time -- but, importantly, no money.

This applies whether you're intending to manufacture or license. If a potential customer doesn't get excited about the possibilities of buying from you, it's not likely they'll get excited about buying from anyone else.



MARKETING

Hints from the Fog
by Mike Ball, President



Screening Ideas (cont.)

For ideas that get through this screen, ask yourself, "Do I have the sales and business skills necessary to put this across?" Carrying it half way (or even most of the way) doesn't count. You'll have spent money, but there'll be no return (at least no profit) until the end, i.e., until the product is actually selling in the marketplace.

Again, this applies whether you're intending to manufacture or license. It's just as hard, maybe harder, to negotiate and sell a license than to start a business.

If you don't have the sales and business skills, and are unable or don't want to learn them, you have two choices -- hire them or find a partner who has them.

Under the principle. "don't spend money unnecessarily", first choice is to find a partner. How do you find a partner? You get out to meetings and events where you'd expect to find the type of partners you're looking for -- trade association meetings, Chamber of Commerce meetings, the Enterprise Forums...

For example, if you're looking for a partner with selling skills, see if there's an active manufacturers rep association meeting in your area. If there is, ask if you can sit in on one of their meetings to get a better feeling for how their business works. And when you attend, make a concerted effort to mix and mingle. Try to meet everyone there. Get them to talk about what they do and the problems they encounter -- and tell them a little about yourself and your interests.

For those you seem to have a little rapport with, stay in touch. Call them occasionally with a question. Offer to help them with a task or expertise when appropriate. In other words, build *relationships*. If you do this well in advance of the need, when the need becomes real, you'll have some choices -- and the experiential knowledge to make some reasonable choices.

If you insist on waiting until the last minute and *hiring* the missing skills, recognize there's a good possibility you're going to get burned -- more likely because of miscommunication than dishonesty, but the effect's the same.

Look for people who are willing to break their work down into small quantifiable tasks costing no more than what you're willing to write-off to education.

Be very careful with contracts. Take the time to ask yourself, "What are my options if the other party doesn't perform?". *The Termination clause is the most important clause in any contract.*

Don't expect a contract with no risk. Every business transaction involves risk. Just try to negotiate an equitable division of benefits and risks. And, to the maximum extent possible, make your risk loss of time and effort -- not loss of money.

Keep in mind -- the best way to make money is to not lose what you already have.

We are inventors helping inventors.

See Page 3 for upcoming Events for Inventors

Invention Review Panel

For objective evaluation and priceless feedback, share your invention ideas with an educated group of inventors, business owners, engineers and authors!

Our Panel will sign a non-disclosure agreement to guarantee your ideas are kept secret while we provide you with the input needed to make decisions, no matter what stage of the invention process you're at!

There is a \$25.00 cost for a review. The Panel meets at 6:00 pm before each meeting. Call Panel Chairman Marty Sovis at 810-659-6741 for an appointment.

Review Panel Members
Marty Sovis Rick Mason
Jim White Mike Wiley

Bob Ross 1919 - 2004
Inventors Education Column

Inventors Event Notices

Patents and Trademarks 101

Saturday July 24, 2010
Detroit Public Library

Marty Sovis and Mike Ball attended the meeting and were on the discussion panel. The USPTO speakers did a nice job of talking about patents and trademarks and some of the challenges they faced.

Some of our members and the Detroit club members were there as well many would be inventors.

Thanks to Mary Korbydan for coordinating this event and inviting our members to participate.

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Move Events for our Inventors (Opportunity to educate and network)

GLEQ Business Plan Competition. Registration for the GLEQ Business Plan Competition will open on Monday, **August 23**. Entrepreneurs in all fields and in all stages of business development are encouraged to participate. You'll be matched with a business coach, receive investor feedback on your business plan and meet angel and venture capital investors. Registration ends October 22. Cash awards will be presented at ACE'11 on Thursday, January 27. Registration will be available on August 23 at www.gleq.org.

MI-SBTDC (Michigan Small Business & Technology Development Center) is presenting workshops throughout Michigan for entrepreneurs launching and growing businesses. Visit their Calendar of Training at <http://www.misbtcd.org/> to locate the programs in your area. GLEQ participants are encouraged to meet their local SBTDC counselors and attend available workshops on applying for government grants, writing business plans, developing marketing strategies, financing your business, and more.

Deal Incubator. The first Tuesday of every month, join a dynamic group discussion with other entrepreneurs, advisors, and investors concerning their ideas, concerns, or unique business obstacles. Walk away with valuable input from lawyers, entrepreneurs, financial experts and others. Participants' suggestions can offer one-of-a-kind solutions to common problems concerning marketing and funding. Obtain helpful feedback from your peers and free legal advice from Hertz Schram's expert team. Details: Tuesday, **August 3**, 4-6 p.m., Law offices of Hertz Schram PC, 1760 S. Telegraph, Suite 300, Bloomfield Hills - contact Sandra Kott at 248-335-5000, or skott@hertzschram.com to register. Space is limited - <http://www.dealincubator.com/>

SCORE: Could I...Should I Start My Own Business? Lost your enthusiasm for your job? Does it not give you the satisfaction it once did? Heck, you could do a better job than your boss! Or do you have this idea, one you know would be better than the way things are done now? Maybe you should start your own business... but how? Details: **August 4**, 8:45-11 a.m., Southfield Public Library, Meeting Room, Southfield - <http://scoredetroit.org/content/view/16/30/>

Equality in Partnership Microlending-Numbers Talk Entrepreneurship Training. Numbers Talk is a six-week course that will teach you about business plan basics, cash flow analysis, funding resources, business operations, market research, and much more. Receive advice from experts in small business and access assistance to help you launch your entrepreneurial dream. Workbooks, refreshments and certificates provided. Details: Thursday, **August 5**- Thursday, **August 19**, 6-8:30 p.m., Detroit Federation of Musicians Building, 20833 Southfield Rd., Suite 240, Southfield - <http://eipmicrolending.weebly.com/>

Innovation RainMakers: Innovation Acceleration. Breakfast and networking. The morning will include a brief presentation on innovation, followed by breakfast, and a networking event designed for you to get to know other professionals in the community involved and interested in innovation. Space is limited, so please respond promptly to take advantage of this great opportunity! Details: Friday, **August 6**, 6:45-9 a.m., Kirby's Coney Island, 5407 Crooks Rd., Troy - <http://www.innovationrainmakers.com/irm.html>, Contact: Dana W. Clarke, Sr. dclarke@aia-consulting.com

Small Business Loan Workshop. Getting a small business loan can be a challenging process. Learn the "5 C's of Credit", how to develop a winning loan proposal and what you need to know to position your business to be "bankable" before you meet with a lender. Speaker: SCORE/SBA. Details: Wednesday, **August 25**, 9 a.m.-Noon, Oakland County Business Center MI-SBTDC, Executive Office Building, Waterford - <http://www.misbtcd.net/events.aspx>

Alley Summer BBQ Blast. See what's cooking at Automation Alley during our summer BBQ blast! Network with fellow Automation Alley members, both new and old, and enjoy lunch on us. As an Automation Alley member, one of your best benefits lies within the relationships that can be formed with other members. The Alley team will be on hand to introduce you to fellow members, which can lead to new business opportunities and partnerships. Attend this exciting member-only event and get *more* out of your membership! Details: Tuesday, **August 17**, 11:30 a.m.-1:30 p.m., Automation Alley, 2675 Bellingham, Troy - http://www.automationalley.com/a2_nws_eventcal?m=8&y=2010