

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, FEBRUARY, 2010, 7:00PM

NUMBER TWO

February Featured Speaker

Starting at 7:00 pm February 11, 2010

Our speaker is Arlin Blum, inventor of the RC Fishing Pole. Arlin's background is in Real Estate. He made a lot of mistakes, but he was able to put his remote control fishing pole on the market.

Come hear about his journey from idea to market which should be very interesting to our inventors. See you all there.

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

January 2010 Meeting

Steve Rau, owner of Harvest Media Works was our featured Speaker. He stressed the value of an up to date web site for your business inventions. He explained how things have changed and key words are no longer a good search strategy.

We want to thank Steve for a very informative presentation.

Mark your calendars

Mary Kordyban of the Detroit Public Library has invited our inventors to attend a USPTO event in July.

Save the Date! July 24, 2010, we are having a program here at the Detroit Public Library. Two people from the USPTO are coming to town to do an all day event for inventors. Mary will be at our regular meeting to talk with us about the event. If you need patent information, you should plan on attending.

Turning an Invention into a Business From Idea Buyer LLC

The way most people (and infomercials) portray inventing, it seems like building something is the endgame. Create the widget, the logic goes, and your job is done. All that remains now is sitting back and waiting for fame, fortune and orders to pour in. This extends at least as far back as Henry David Thoreau, who famously declared "build a better mousetrap and the world will beat a path to your door." Indeed, what could be more appealing from an inventor's point of view? Unfortunately, this is not the way it usually works in practice. As marketing guru Perry Marshall countered, "Henry David Thoreau never built any mousetraps, and the world never beat a path to his door." Marshall's point - and our point today - is that inventing is a **business**. Like any other business, money is not made merely by developing a product. To truly cash in, you will need to create **demand** for what you invented and **monetize** that demand in a life-sustaining way. Several ways of doing this are discussed below.

Above, we said that turning your invention into a business starts with creating demand for the invention. But demand from who? There are actually a few routes you can take in generating demand for the invention. Perhaps the most obvious and intuitive is creating demand among **customers**. If your invention is a consumer product that could be sold on a store shelf, this is certainly something to consider. However, if you are going after the consumer market, their desires must be taken into account during the inventing process. Rather than merely inventing what **you** want, you must design, prototype, and develop what the buying public will **pay for**. It is possible that the latter might be something slightly or entirely different than what you imagined at the outset. Don't let this stop you. Remember, your goal here is turning your invention into a business. Business is about finding needs and filling them.

That means it is far wiser to gauge demand for your invention at the **beginning** (by conducting market research or surveys) than to invent whatever you want and try to force it down people's throats later. Many unhappy inventors have taken this path, only to find that their dreams of market success were doomed from the start. The phrase "an ounce of prevention is worth a pound of cure" comes to mind. Even if you are certain your invention has demand in **general** (for example, a new kind of bike tire), you can boost your odds of market success even higher by figuring out what current versions are lacking. What are some common complaints about **alternatives** to your invention that are already out there? Such questions will help you create something that people are already eager to buy without a whole lot of selling and hype. In fact, that is the central lesson of this entire article. The surest way to turn an invention into a business is to invent something for which there is much known, obvious, ready-made demand. If you have to convince people that they "should" want your invention, you're looking at an uphill climb from day one. Of course, inventors can create demand for their inventions from people other than consumers. Maybe your personal strengths and weaknesses are ill-suited to marketing your invention personally. It is not for everyone. An alternative strategy is to create demand among **manufacturers**, who would buy or license your invention and bring it to market themselves. Several advantages stem from this strategy. For one, you have the luxury of focusing on decision makers at a small handful of companies, rather than trying to juggle the logistics of selling in stores around the country.



MARKETING

Hints from the Fog
by Mike Ball, President



Turning an Invention into a Business (cont.)

Conceivably, you could spend a few weeks creating a presentation, booking appointments and conducting product demos and close a deal rather quickly. The terms of the deal are completely negotiable by you and the manufacturer. For instance, the two of you could enter into a licensing agreement, whereby you get \$50,000 immediately and 2% of gross product sales for 20 years. Or, you could agree to sell the invention outright for a larger up-front sum.

The main difference between creating demand among consumers vs. manufacturers is in how you promote the invention. Selling an invention in stores, again, demands publicizing the benefits of the invention to the **consumer**. Keeping our bike tire example, you would likely want to advertise how durable the tire is, how it is more puncture-resistant than the leading brand, and how it offers better traction over rocks, branches and mud. This is the information pertinent to a consumer's decision making process. Manufacturers, of course, have their own decision making process. Rather than product benefits, the manufacturer is concerned with profit margin, production costs, short and long-term demand and the likelihood of the product triggering lawsuits, among other things. Pitching to manufacturers, therefore, requires having pleasing answers to these questions.

Again, the overall idea is that turning an invention into a business centers around demand. Without demand from others, money never changes hands. We cannot stress enough, therefore, that you are not inventing simply what you want. While this is a great starting point, what you personally want to invent must always take a backseat to what consumers or manufacturers will pay for. Luckily, there is often room for both to co-exist. If you have spent your life working with a product category, chances are you are one of its consumers who knows what you and others will pay for. Keeping these principles in mind will go a long way towards turning your invention into a feasible business.

2010 Invention Training and Speaker Series will begin for our members in February

We will be announcing the subjects for the year in the March Newsletter. Various Club Members will be presenting depending on their expertise.

The training and presentation material is free to our members. If you know people who want to learn about the inventing process, invite them to attend. Our club is growing and we want to help others bring their inventions to market.

The first topic covered will be "The White Board Idea Fest". This is the process that was used by the Product Development teams in the GM Truck Group to map out a plan to evaluate and implement product and process ideas.

Mike Ball will lead the hands on training. You will not want to miss the first session

2010 Dues for ICMM

We are currently at about 40% dues paid for 2010. Please get them in to Jim Harris as soon as you can. They are only \$55 per year.

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 6:15pm before each meeting. Call Panel Chairman Mike Wiley at 810-691-4451 for an appointment.

Review Panel Members
Marty Sovis Mike Wiley
Jim White Mike Ball

Bob Ross 1919 - 2004 Inventors Education Column

Inventors Event Notices

For Entrepreneur news/events go to:
<http://www.gleg.org/>.

This is the Michigan entrepreneur group based in Ann Arbor

USPTO Coming to Detroit

USPTO will be presenting to inventors at the **Detroit Public Library on July 24, 2010**. More information will be presented during the Regular Monthly Club meeting.

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