

Inventors COUNCIL

OF MID-MICHIGAN

PO Box 232, Lennon Michigan 48449

Web Site: INVENTORSCOUNCIL.ORG

Pro-Trades Manufacturing, LLC

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, October 14, 2010, 7:00PM

NUMBER TEN

Cash Flow is King

October 14, 2010 Meeting

We will have Kevin Pappert, Co-Founder of Prosperity Funding Solutions presenting to us this October meeting.

They specialize in financing and funding solutions for new and established businesses.

Kevin has been credited with saving over 60 companies from financial ruin.

He has also helped 100's of companies turn around their negative cash flow and provided financing and funding through a network of private financing and funding companies as part of his vast business models.

Meeting begins at 7:00pm, Come share a night of fun with our inventors.

September Meeting We had two speakers and a great time was had by all. Cullen Tate spoke about his dew drop trailers and shared his vision to take his products to the market. We will watch as he expands and improves his distribution.

The Badgon Box Boys were back to introduce us to their new product launch, the harmonic mic and Chris kept us entertained with playing and his marketing one liners. Dave Eden shared the engineering challenges and how constant improvement of the product has cost a lot of extra time and cash.

They launch this month and we wish them much success in the sales of their new invention.

We want to thank both inventor groups for sharing their experiences with our inventors. We love to have inventors share their stories with us

We hope they are both very successful.

With Orders in Hand, You are Sure to Stand (Reprint from Idea Buyer)

"If you want a recipe for a startup that's going to die, here it is: a couple of founders who have some great idea they know everyone is going to love, and that's what they're going to build, no matter what." - Paul Graham

As an inventor, it is all too tempting to fall into the "trap of the idea." What we mean by this is that inventors and businessmen alike often end up with a kind of tunnel vision, such that they ruthlessly pursue their exact idea regardless of what their market has to say about it. The passion most inventors have about their project is so strong that their invention soon becomes an extension of themselves, and criticism of the project is often taken personally. The old "If you build it, they will come" attitude soon pervades the mindset of inventors, until they truly believe that if they could just get the project perfectly right, down to every minute detail and exact feature, the market would finally be held in awe of what they have created, and everyone and their mother would be calling in orders.

Sometimes this is the case, but it is a lot less common than you might imagine. The Segway Scooter, invented by Dean Kamen, is an example of this phenomenon. Discovering a breakthrough technology that allows gyroscopes to monitor the rider's center of gravity about 100 times a second, Kamen decided he would use it to build a revolutionary transportation device, and that's exactly what he did. Thanks to an absolute ton of media hype and mystery surrounding the project, and also thanks to the futuristic look and feel of the device during a time (2001) when the world was hungry for such space-age devices, the project was a moderate success. An inspiring story to be sure, but not a scenario every inventor should hang their hat on. What is most important to remember is that a business lives, thrives and dies by one thing and one thing only: Demand. With orders in hand, you're sure to stand, when orders slow to a crawl, you're sure to fall. With that in mind, let's examine a few of the errors that can cause orders to slow to a crawl, and how to avoid them.

Neglecting to identify your target market is a common mistake among new inventors. We see very unique and creative ideas from very smart people all the time and one of the biggest predictors in early success is whether or not they know whom they will be selling to. When asked, "What specific group of people will use this, and why," we are often met with a blank stare quickly followed by a rehash of how awesome and revolutionary the product is. If you cannot identify the exact kind of person who will pay money for what you are creating, do yourself a favor and dedicate some time to figuring it out.



MARKETING

Hints from the Fog
by Mike Ball, President



With orders in hand, you are sure to stand (cont.)

Perhaps the most valuable lesson an enterprising inventor can learn is to be flexible and open minded about your invention. You might have a very helpful invention on paper that will make it easier for business executives to keep track of sales, but if you show it to several executives and they all recommend similar changes to your original design, chances are you should consider them. Since you will be selling to these people, their suggestions reflect what your market is looking for. Failure to adapt to these suggestions and indignantly building exactly what you think is best is little more than exercise in narcissism that is sure to cost you valuable sales. If you are truly committed to meeting the demands of your market, you might consider developing a kind of feedback loop with your customers such that they can make new suggestions to you. These suggestions will inevitably help you to identify how you can rake in more orders and expand your business to new heights, rather than hit a glass ceiling due to neglecting the requests of your customers.

Another common reason why sales do not pour in is a failure to secure widespread reach. "Reach" is your ability to spread the word about your invention and to ensure that your message reaches your target market. Many new companies fail to give this problem proper consideration, and go full speed ahead into production without any idea how they will generate publicity once they have products to sell. Many inventors brush this concern off as a secondary issue, assuming that reach will work itself out naturally once they have their amazing invention created. This is a mistake, as reach is actually of prime importance to any new inventor, and routes to exposure should be carefully thought out and planned before you get too far into production. If there isn't a clear way for potential customers to discover your product, they have no chance to place their order.

The biggest take away from all of this is that demand for your product is the only factor that will keep you afloat in the long run. It is therefore your noblest duty as an inventor and owner (or soon to be owner) of a nascent company, to make sure that those orders pour in. By identifying your market, adapting to your customers demands, and through ensuring that new customers can learn about your product, you will be establishing your company on a solid, stable foundation with a much greater potential to succeed.

Don't wish for it, work for it!!!

We are inventors helping inventors.

The Events on the following page(s) are listed to try to help our inventors and friends of ICMM club to network and learn from other organizations and resources. Share these with your friends and attend an event that will help you take your product to market or start your business.

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

Club Events Coming Up

Looking for names to put in our "Circle of Trust" initiative. These include designers, prototype builders, graphic artists, machinists, etc. Give the names to Mike Ball or Marty Sovis. Election nominations will be held in November.

Election to the Board will be in December 2010 for next year.

If you have ideas to improve the way we help people, let us know. Get involved, it's easy to be a critic, become a cook.

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All-Volunteer
Corporation

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

GLEQ Business Plan Competition. Register today at <http://www.gleq.org/> to participate in the statewide business plan competition, be matched with a Coach, meet Investors, get valuable feedback on your plan, and possibly win cash prizes. Your GLEQ Coach will guide you as you prepare your Executive Summary. Registration deadline is November 1 -- but register right away and get started with your Coach. Executive Summaries are due December 17. Submissions are judged by venture investors that provide written feedback and suggestions. Winners will be awarded cash prizes at ACE'11 on January 31, 2011.

Another reason to register today -- your GLEQ Coach can help you navigate the other opportunities this month, including:

Accelerate Michigan Innovation Competition. ****New Deadline and Updated Info**** The registration deadline has been extended to Wednesday, **October 13** (October 20 for the student competition). If you checked this out before, take a look again -- the rules have been fine-tuned and you may discover this competition is a better fit for your venture than you thought. This is a Michigan-based international business plan competition for second-stage businesses offering more than \$1 million in awards. A separate track gives Michigan university students the opportunity to develop innovative business ideas and win cash awards. Michigan-based companies and student teams are encouraged to register in the GLEQ Business Plan Competition for coaching and connections to resources. Accelerate Michigan's schedules and deliverables streamline participation in both. The top GLEQ winner will be advanced to next year's Accelerate Michigan semi-finals. Accelerate Michigan participants can shift participation to the GLEQ competition any time prior to the November 1 registration deadline. Learn more at <http://www.acceleratemichigan.org/>

TiECon Business Plan Competition. ****Updated Info**** The top five business plans in this tech venture competition will be presented to the judges (Venture Capitalists, Investment Bankers and TiE Charter Members) in the final round of the competition at TiECon October 28-29. Prizes including cash and in-kind business services (such as marketing, business coaching, legal and accounting) totaling \$50,000 will be awarded to the three winning teams. Submit your Executive Summary by **October 11**. Semi-finalists will be matched with mentors to prepare for subsequent rounds. The top ten ventures will submit full business plans. The top teams will be selected in mid-October and will advance to the final round. Prizes include in-kind business services for three winning teams. To get in the game, submit an Executive Summary at www.tieconmidwest.org/business-plan-competition.html

3rd Annual Automotive Industry Innovation Accelerator Competition. ****Application deadline extended**** Through this competition, SAE Detroit Section and MIT Enterprise Forum collaborate to identify new, promising technologies that are solutions to real problems in the automotive industry. Winning automotive-related technologies are introduced directly to relevant industry decision makers. Innovators and entrepreneurs worldwide are invited to participate by submitting an application by October 15. Finalists will present at the awards event on December 6. Additional information and instructions are available at www.sae-detroit.org or by contacting jpiasecki@sae-detroit.org.

Blue Water Angels - Boost Michigan. Be one of the early-stage entrepreneurs selected to present to angel and venture capital investors this fall at a Boost Michigan. "Boosts" are informal Pitch Night opportunities to get in front of coaches and mentors that will help you prepare for investor presentations. You'll talk about your business for two minutes and have the chance to win an impromptu Advisory Board dinner -- and the opportunity to present to Blue Water Angels and other investors. Upcoming Boost events are scheduled for **October 12** in the Thumb Region, **October 21** in Traverse City, and **November 13** at Michigan State University. Check the GLEQ website for details at <http://www.gleq.org/> or e-mail contact@gleq.org. For information on Blue Water Angels, contact Chris Moultrup at the MidMichigan Innovation Center (moultrup@mmic.us or 989-839-2336).

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E2Detroit 2010. The Lean Launch: Creating a Business in a Down Economy. In today's economic climate, with money tight and investors on the sidelines, entrepreneurs must be creative to stretch the resources they have and develop ways to launch their businesses with little or no capital. That's what makes this year's topic at E2 Detroit 2010 so timely. With panel discussions such as "How to Market and Advertise in a Lean Launch," and "How to Launch on the Cheap: Saving Money in the Back Office," this year's gathering will be full of tips and practical advice every entrepreneur should know. Opening Keynote will be presented by Josh Linkner, chairman and founder, ePrize and the opening address will be presented by Barry Moltz, entrepreneur, angel investor and author. Details: Wednesday, **October 13**, 8:15 a.m.-4:15 p.m., Wayne State University - <http://www.e2detroit.wayne.edu/index.php>

Making It In Michigan -- MSU Product Center Conference. Michigan's premiere specialty food show. Perfect for entrepreneurs that have an idea for a food business. Bring your idea to the "Developing It" session and determine if your product can pass the virtual market validation test. Put your product in front of hundreds of key food and agricultural buyers at the tradeshow. Educational sessions cover strategies in recipe expansion, choosing the right co-packer, improving overall food safety, marketing and finding the ideal customer for your product. This is the one day that every entrepreneur, producer, buyer and processor in food and agricultural businesses needs to attend. Keynote presentation by Harvey Hartman, Founder, Chairman & CEO, The Hartman Group, Inc. Details: Tuesday, October 26, 8:30 a.m.-4 p.m., Lansing Center, Lansing - <http://www.productcenter.msu.edu/>

Reminder: MI-SBTDC (Michigan Small Business & Technology Development Center) will be presenting workshops throughout Michigan this fall 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 writing business plans, developing marketing strategies, financing your business and more.

Annual Collaboration for Entrepreneurship - ACE'11. ****New Date - Corrected Sign Up URL**** Register early for a display table and a chance to be selected for the ACE'11 Elevator Pitch Competition. During this fast-paced competition with emcee Chris Holman, six entrepreneurs present three-minute pitches to win awards and services. This is an event highlight. Get in front of nearly 1,000 attendees as ACE celebrates its 11th year on Monday, January 31. Sign up at <http://ace-event.org/signup.aspx>. Learn about the event at <http://www.ace-event.org/>.

NEF - Prepare Your Pitch. New Enterprise Forum still has a few openings for Showcase Presentations in 2010. If you're an entrepreneur seeking funding or other resources, NEF can set you up with a coaching team and an opportunity to pitch your ten-minute investor presentation to the NEF audience of entrepreneurs and investors. To be considered, contact me at diane@gleq.org. Your NEF coaching team will prepare you to make a polished investor presentation. You'll be ready for pitch opportunities with at the Accelerate Michigan Innovation Competition, MichBio Expo, Midwest Healthcare Venture Forum, Michigan Growth Capital Symposium -- and more. Find out more about NEF at <http://www.newenterpriseforum.org/>.