

Doug Hall

Founder & CEO





**Cincinnati, USA - Glasgow, Scotland
Prince Edward Island, Canada**

**We help Business Leaders FIND & FAST TRACK
Innovations that**

www.EurekaRanch.com

513.271.9911 USA



**Cincinnati, USA - Glasgow, Scotland
Prince Edward Island, Canada**

**We help Business Leaders FIND & FAST TRACK
Innovations that**

**Win More, Lose Less
& Make More Money**



Who is Doug Hall?



Chemical
Engineer



3 Rounds
Financing

Entrepreneur
Age 12

9 Products in 12 Months
16% of the time
10% of the cost
10% of staffing



College of Piping & Celtic Performing Arts of Canada

 **EUREKA!**
Winning Ways 2008



2006 North American Champions





It will be like

DRINKING from a FIRE HOSE



Take Notes on Connections



Three Quick Questions



Three Quick Questions

Have your Profit Margins grown in last 5/10 years?



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- **If NO - you should “fire some customers”**



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Have your Profit Margins grown in last 5/10 years?

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If you lost your #1 customer would you survive?



Three Quick Questions

Have your Profit Margins grown in last 5/10 years?

- **If NO - you should “fire some customers”**

If you lost your #1 customer would you survive?

- **If NO - you need to diversify your portfolio**



Three Quick Questions

Have your Profit Margins grown in last 5/10 years?

- **If NO - you should “fire some customers”**

If you lost your #1 customer would you survive?

- **If NO - you need to diversify your portfolio**

Are you having FUN?



Three Quick Questions

Have your Profit Margins grown in last 5/10 years?

- **If NO - you should “fire some customers”**

If you lost your #1 customer would you survive?

- **If NO - you need to diversify your portfolio**

Are you having FUN?

- **If NO - take action NOW - “Life is too Short”**



I Bring you Good News
Growing Profit Margin
is NOT Random

Why the Focus on Profitability?



Why the Focus on Profitability?



***Only 1 in 7 small businesses
close leaving debt***



Why the Focus on Profitability?



***Only 1 in 7 small businesses
close leaving debt***



***Over 80% Close Because
“It’s not worth the effort”***





The **Total Quality Management** principles of Dr. W. Edwards Deming



The **Total Quality Management** principles of Dr. W. Edwards Deming

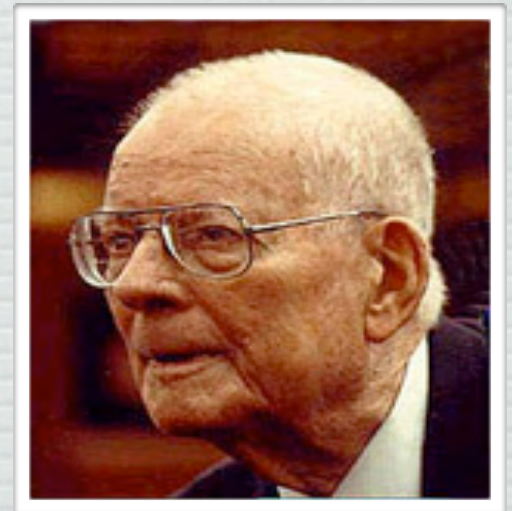
“94% of failures are due to the **SYSTEM**
6% are due to the worker”





The **Total Quality Management** principles of Dr. W. Edwards Deming

“94% of failures are due to the **SYSTEM**
6% are due to the worker”



“The factory offers 3% of the opportunity
for company improvement”

Methods based on Data



1. Statistical Process Control Data

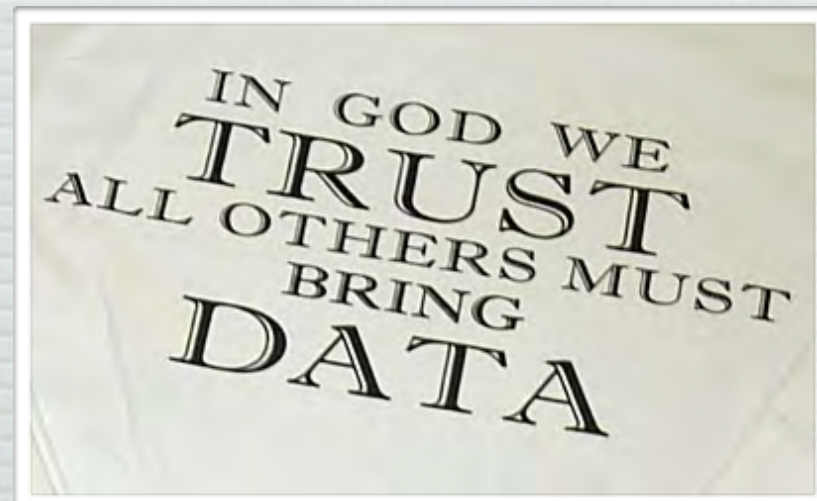
- Over 6,000 Growth Teams

2. Research on What Drives Success

- Over 60,000 data points

3. Customer Research

- 1.2 million data points



4 Paths to Profit Margin Growth



NEW Customers & Markets		
CURRENT Customers		
	CURRENT Capabilities	NEW Products & Services

4 Paths to Profit Margin Growth



NEW Customers & Markets		
CURRENT Customers	DISCOVER New ideas & systems that improve profit margin	
	CURRENT Capabilities	NEW Products & Services

4 Paths to Profit Margin Growth



NEW Customers & Markets	ADAPT Product <u>and</u> Promise <i>so you can</i> <i>"FIRE" less profitable customers</i>	
CURRENT Customers	DISCOVER New ideas & systems that improve profit margin	
	CURRENT Capabilities	NEW Products & Services

4 Paths to Profit Margin Growth



NEW Customers & Markets	ADAPT Product <u>and</u> Promise <i>so you can</i> <i>"FIRE" less profitable customers</i>	
CURRENT Customers	DISCOVER New ideas & systems that improve profit margin	LEAD Proactive Innovation for higher margins
	CURRENT Capabilities	NEW Products & Services

4 Paths to Profit Margin Growth



NEW Customers & Markets	ADAPT Product <u>and</u> Promise <i>so you can</i> <i>"FIRE" less profitable customers</i>	DIVERSIFY Profit Portfolio
CURRENT Customers	DISCOVER New ideas & systems that improve profit margin	LEAD Proactive Innovation for higher margins
	CURRENT Capabilities	NEW Products & Services

YOUR Readiness to CREATE

Ideas for Greater Profits



YOUR Readiness to CREATE Ideas for Greater Profits



Today's Team - vs. World Class

Concern

Warning

Good



YOUR Readiness to CREATE Ideas for Greater Profits

Today's Team - vs. World Class

Concern

Warning

Good

Agreement w/need accelerate Innovations		-9%	
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Agreement w/need accelerate Innovations		-9%	
Urgency to take action		-6%	



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Today's Team - vs. World Class

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Agreement w/need accelerate Innovations		-9%	
Urgency to take action		-6%	
Success with Innovation	-38%		



YOUR Readiness to CREATE Ideas for Greater Profits

Today's Team - vs. World Class

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Agreement w/need accelerate Innovations		-9%	
Urgency to take action		-6%	
Success with Innovation	-38%		
Courage to take action	-19%		



YOUR Readiness to CREATE Ideas for Greater Profits

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Agreement w/need accelerate Innovations		-9%	
Urgency to take action		-6%	
Success with Innovation	-38%		
Courage to take action	-19%		
Balanced Thinking Style			1%



YOUR Readiness to CREATE Ideas for Greater Profits

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Agreement w/need accelerate Innovations		-9%	
Urgency to take action		-6%	
Success with Innovation	-38%		
Courage to take action	-19%		
Balanced Thinking Style			1%
Creativity & Innovation Rewarded	-24%		



YOUR Readiness to CREATE Ideas for Greater Profits

Today's Team - vs. World Class

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Agreement w/need accelerate Innovations		-9%	
Urgency to take action		-6%	
Success with Innovation	-38%		
Courage to take action	-19%		
Balanced Thinking Style			1%
Creativity & Innovation Rewarded	-24%		
Optimistic towards taking action		-11%	

YOUR Readiness to EXECUTE

Ideas for Greater Profits





YOUR Readiness to EXECUTE

Ideas for Greater Profits

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Concern

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YOUR Readiness to EXECUTE

Ideas for Greater Profits

Today's Team - vs. World Class

Concern

Warning

Good

Sufficient resources to get the job done	-22%		
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YOUR Readiness to EXECUTE

Ideas for Greater Profits

Today's Team - vs. World Class

Concern

Warning

Good

Sufficient resources to get the job done	-22%		
People cooperate	-20%		



YOUR Readiness to EXECUTE

Ideas for Greater Profits

Today's Team - vs. World Class

Concern

Warning

Good

Sufficient resources to get the job done	-22%		
People cooperate	-20%		
High level of respect for senior leaders			3%



YOUR Readiness to EXECUTE

Ideas for Greater Profits

Today's Team - vs. World Class

Concern

Warning

Good

Sufficient resources to get the job done	-22%		
People cooperate	-20%		
High level of respect for senior leaders			3%
Talents used well		-9%	



YOUR Readiness to EXECUTE

Ideas for Greater Profits

Today's Team - vs. World Class

Concern

Warning

Good

Sufficient resources to get the job done	-22%		
People cooperate	-20%		
High level of respect for senior leaders			3%
Talents used well		-9%	
Overall quality of work	-17%		



YOUR Readiness to EXECUTE

Ideas for Greater Profits

Today's Team - vs. World Class

Concern

Warning

Good

Sufficient resources to get the job done	-22%		
People cooperate	-20%		
High level of respect for senior leaders			3%
Talents used well		-9%	
Overall quality of work	-17%		
Place to work		-9%	



The Challenge

The Situation



The Situation



CHINA 2006-2020

The Situation



CHINA 2006-2020

New Strategy focused on Innovation

The Situation



CHINA 2006-2020

New Strategy focused on Innovation

Objective

The Situation



CHINA 2006-2020

New Strategy focused on Innovation

Objective

Reduce dependence on foreign tech. below 30%

The Situation



CHINA 2006-2020

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How

The Situation



CHINA 2006-2020

New Strategy focused on Innovation

Objective

Reduce dependence on foreign tech. below 30%

How

- Graduate 2.9 Times More Engineers/year (Duke)

The Situation



CHINA 2006-2020

New Strategy focused on Innovation

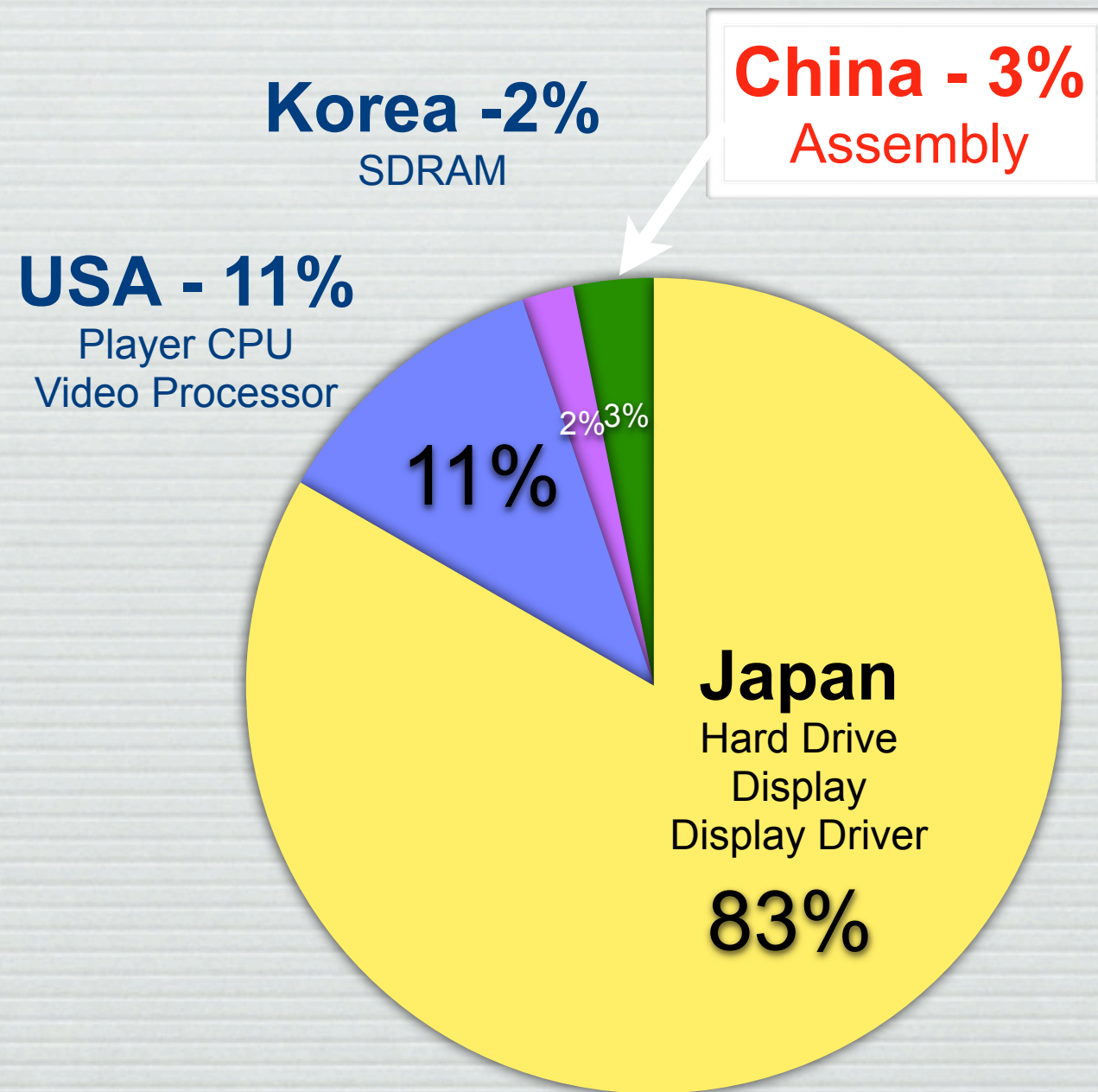
Objective

Reduce dependence on foreign tech. below 30%

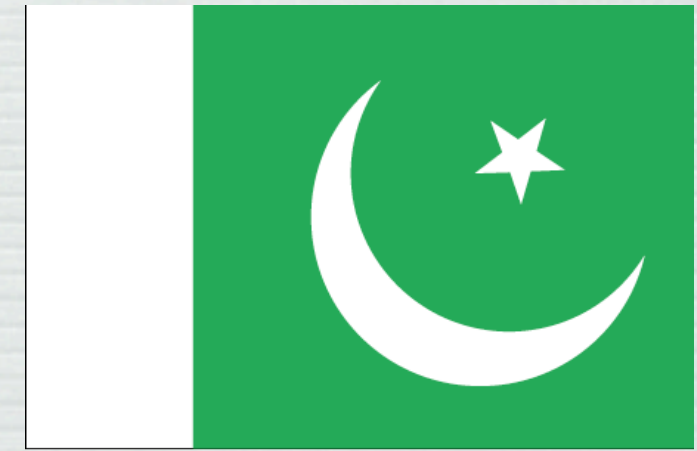
How

- Graduate 2.9 Times More Engineers/year
- Support ***Small & Mid sized companies***

China has a REAL Motivation



The Situation is URGENT



Little Rock - Arkansas





ARE YOU READY?



MEP
Network



ARE YOU READY?

TO LEAD YOUR COMPANY



MEP
Network



ARE YOU READY?

TO LEAD YOUR COMPANY

Towards Increased PROFITS





10 Questions on Leading Profit Development

We'll ADD UP your Responses
No one will be EMBARRASSED



Benchmark #1

How good are you at
Finding & Fast Tracking Ideas
for SIGNIFICANT
Increases in Profitability?

Not Great

World Class

0 1 2 3 4 5 6 7 8 9 10

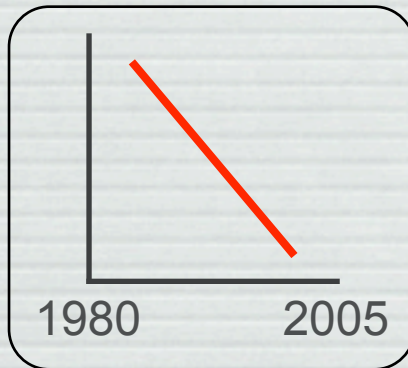
EXPERIENCE



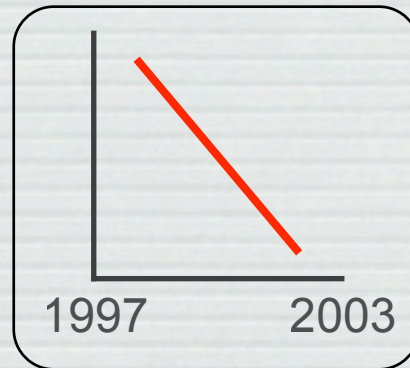
EXPERIENCE



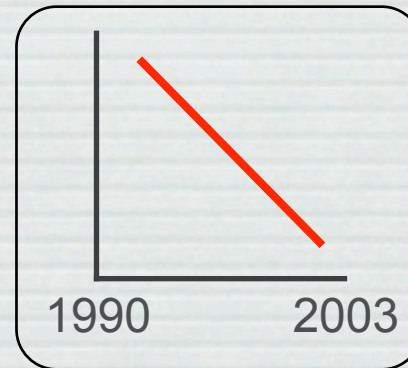
Microprocessors



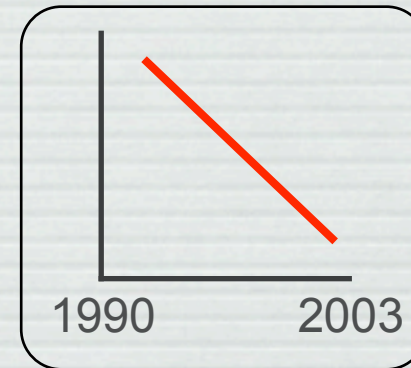
LCDs



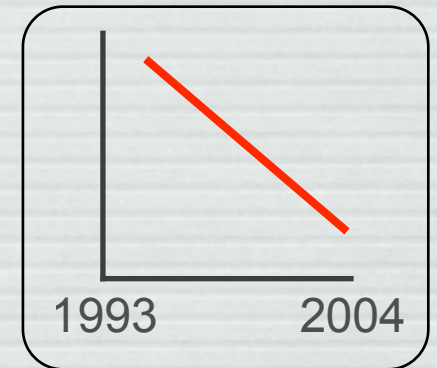
Brokerages



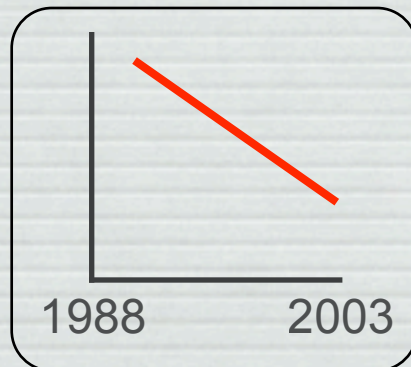
Wireless Services



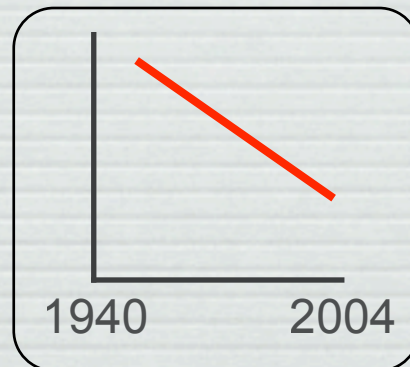
VCRs



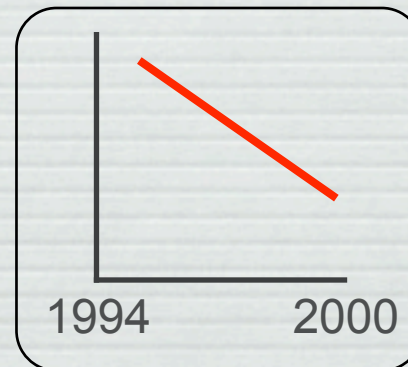
Airlines



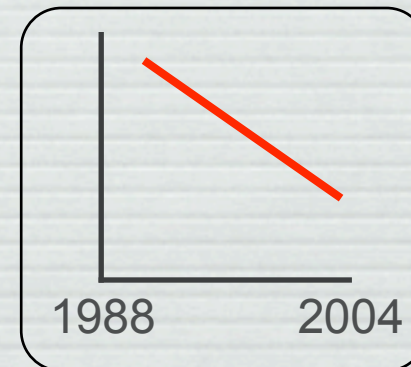
Crushed Stone



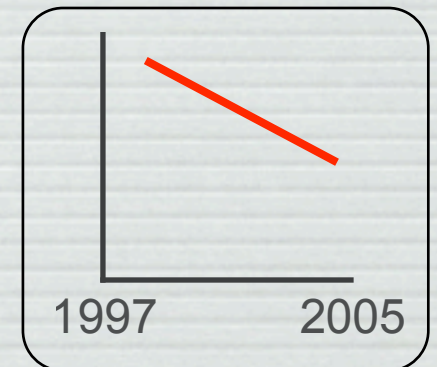
Mobile Service



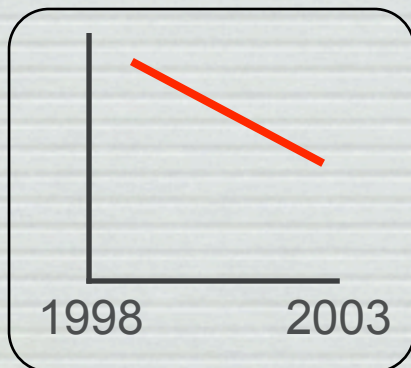
Personal Computers



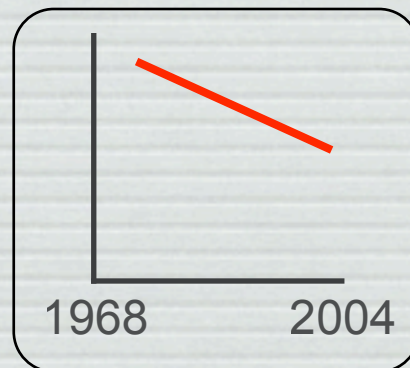
DVD Players



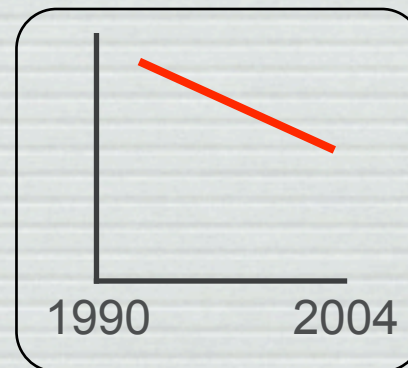
Cable Boxes



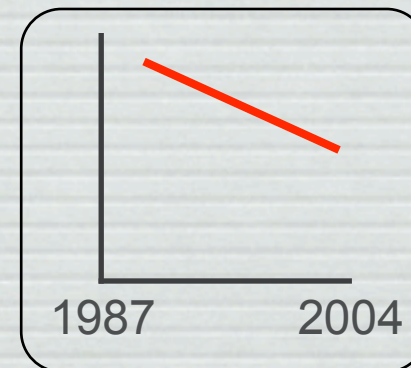
Cars



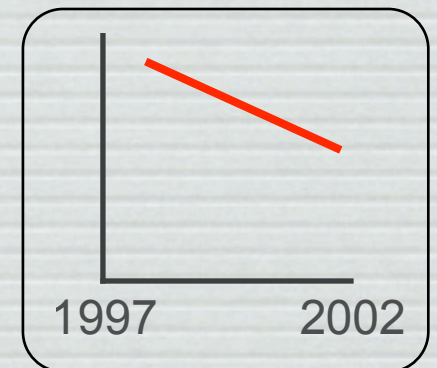
Milk Bottles



Plastics



Color TVs



prices **DECLINE**





A farmer has to produce
3x as much grain



to make the same income
from 50 years ago



If you're not Unique
you better be Cheap



Meaningfully
If you're not Unique
^
you better be Cheap

**U.S. Dept. of Commerce
& Your State Government**



**We help small & mid sized
companies build profit margins.**



**We help small & mid sized
companies build profit margins.**

Lean Manufacturing

- *Reduce Costs so to
increase profits.*



**We help small & mid sized
companies build profit margins.**

Lean Manufacturing

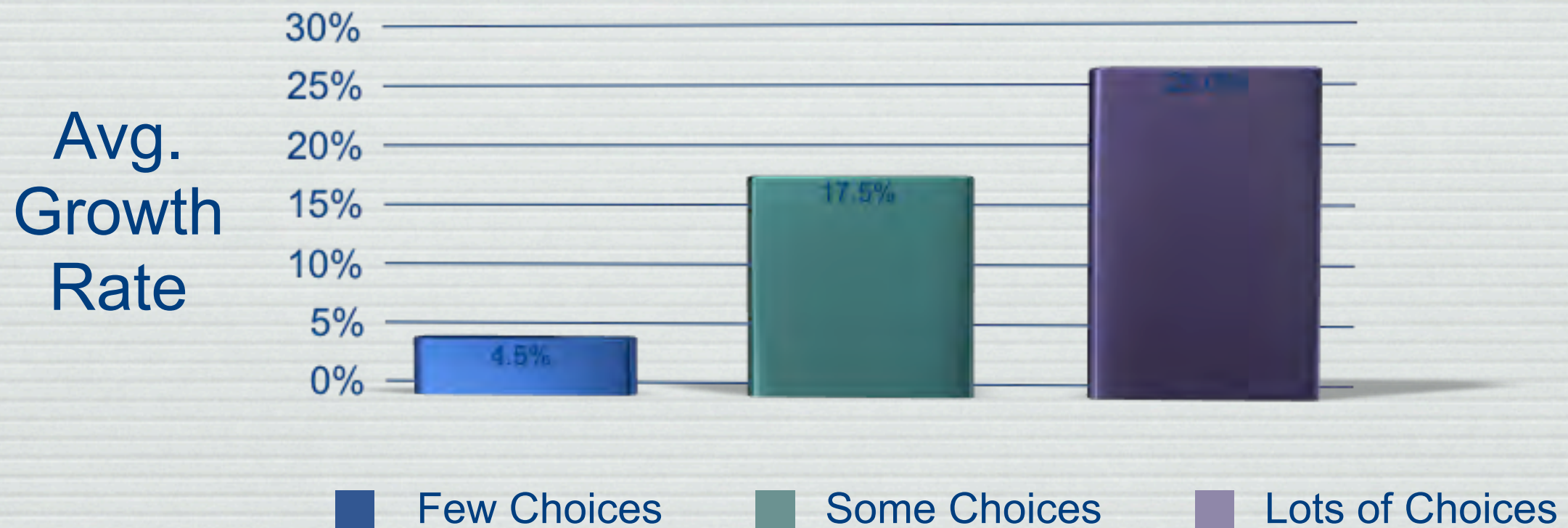
- *Reduce Costs so to increase profits.*

Eureka! Winning Ways

- *Improve Meaningful Uniqueness to Increase Price Driven Profits*



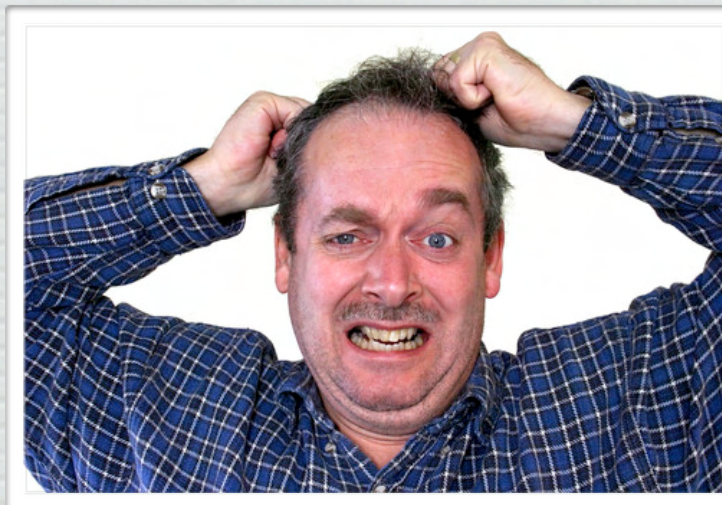
Choices = Smarter Decisions



More choices = 1.5 to 5.8 times faster growth
AND



More CHOICES = More FREEDOM



FREEDOM from
Having to Accept
BAD Deals





Benchmark #2

How good are you at developing
New Customers & Markets?

Not Great

World Class

0 1 2 3 4 5 6 7 8 9 10



MEP
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The Importance of New Customers



- Study of 9,804 businesses
- Divided into 3 sets based on sales

The Importance of New Customers



- Study of 9,804 businesses
- Divided into 3 sets based on sales

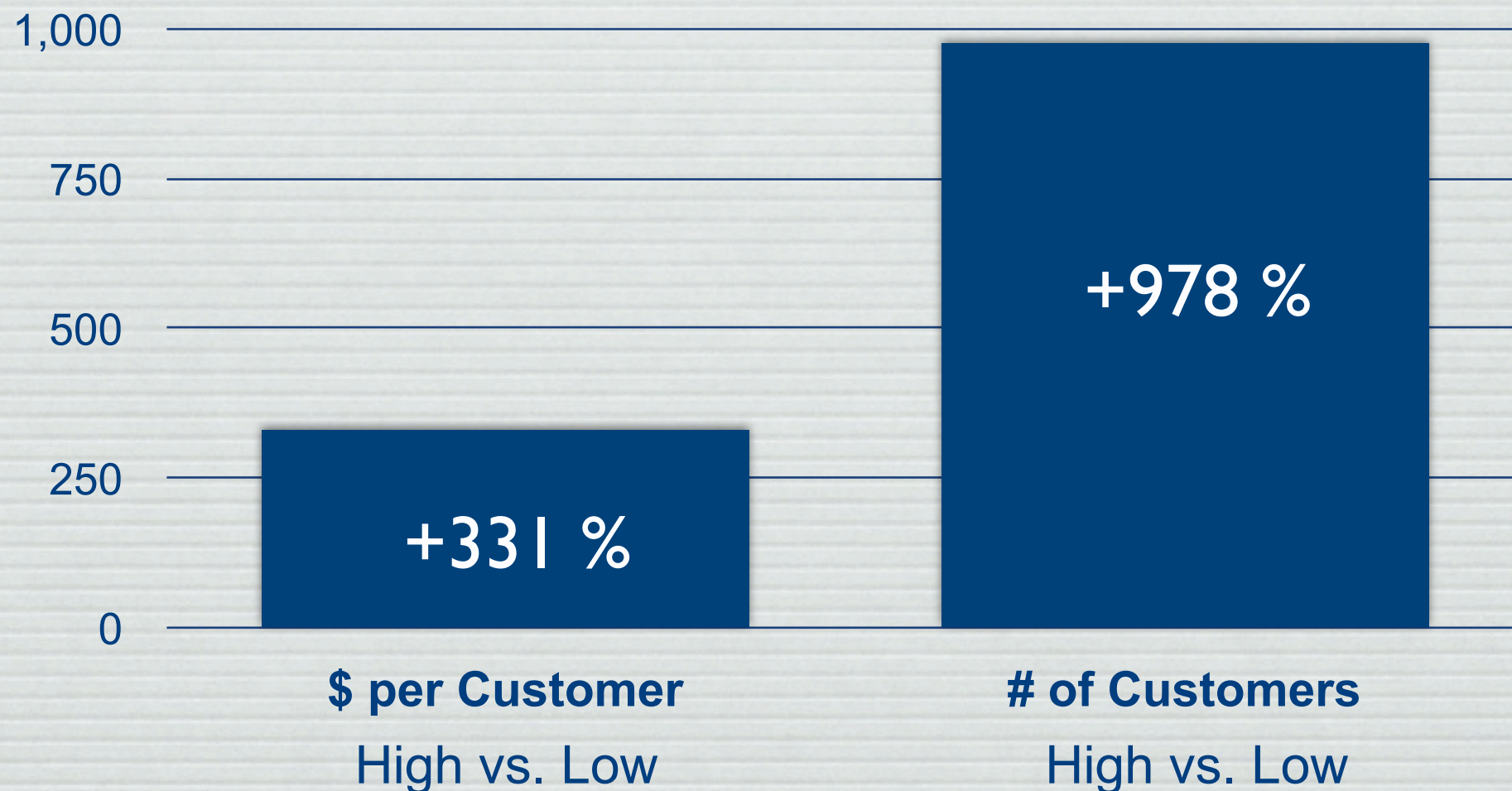
What separates High vs. Low Sales?

The Importance of New Customers



- Study of 9,804 businesses
- Divided into 3 sets based on sales

What separates High vs. Low Sales?



The Importance of New MARKETS

- 108 Companies
- Deep financial Information



The Importance of New MARKETS

- 108 Companies
- Deep financial Information

What is the difference in results between
New Market & Existing Market Projects



The Importance of New MARKETS

- 108 Companies
- Deep financial Information



What is the difference in results between
New Market & Existing Market Projects



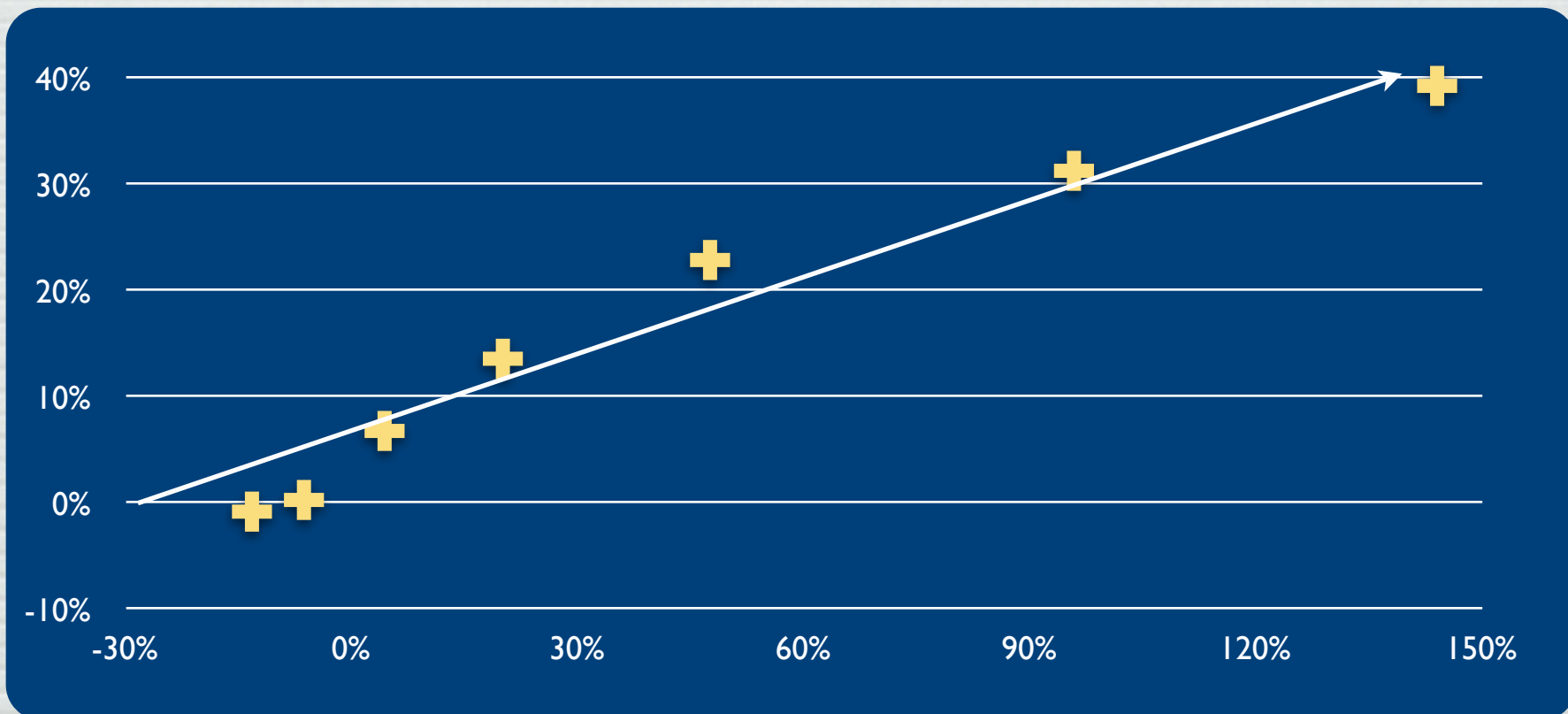


Growth Drives Profit margins In Michigan Manufacturing



Growth Drives Profit margins In Michigan Manufacturing

NET
Profit
MARGIN



2 Year GROWTH RATE



Benchmark #3

How good are you at taking advantage of
EXPORT opportunities?

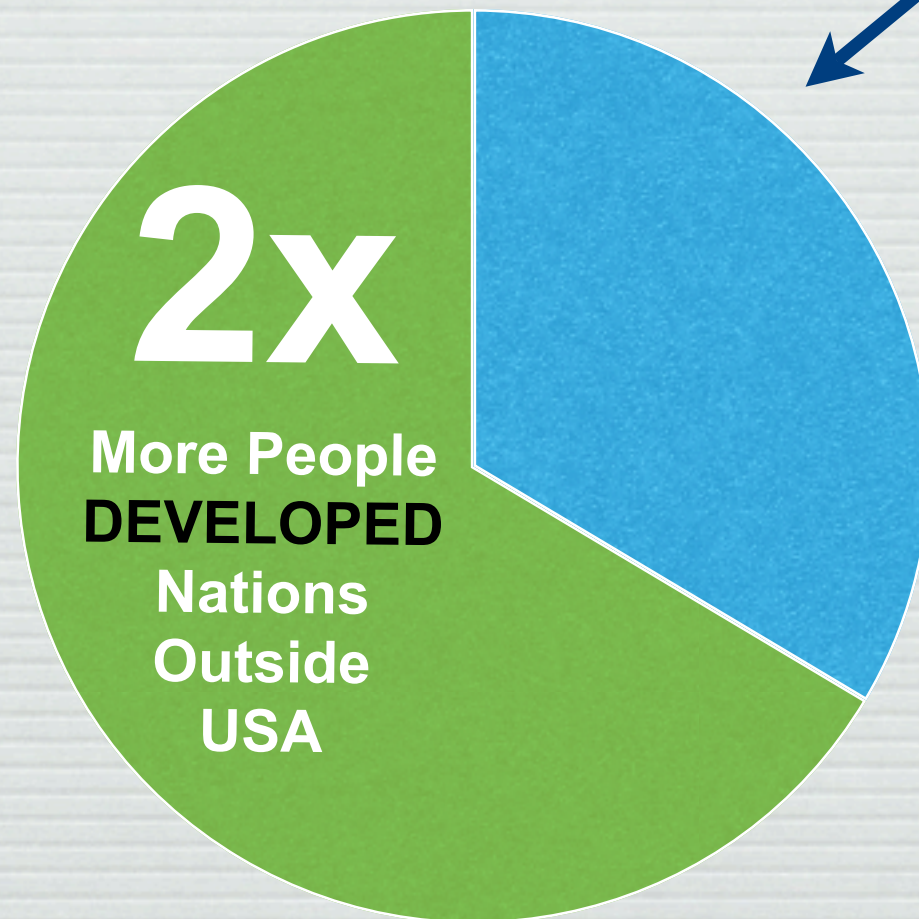
Not Great

World Class

0 1 2 3 4 5 6 7 8 9 10

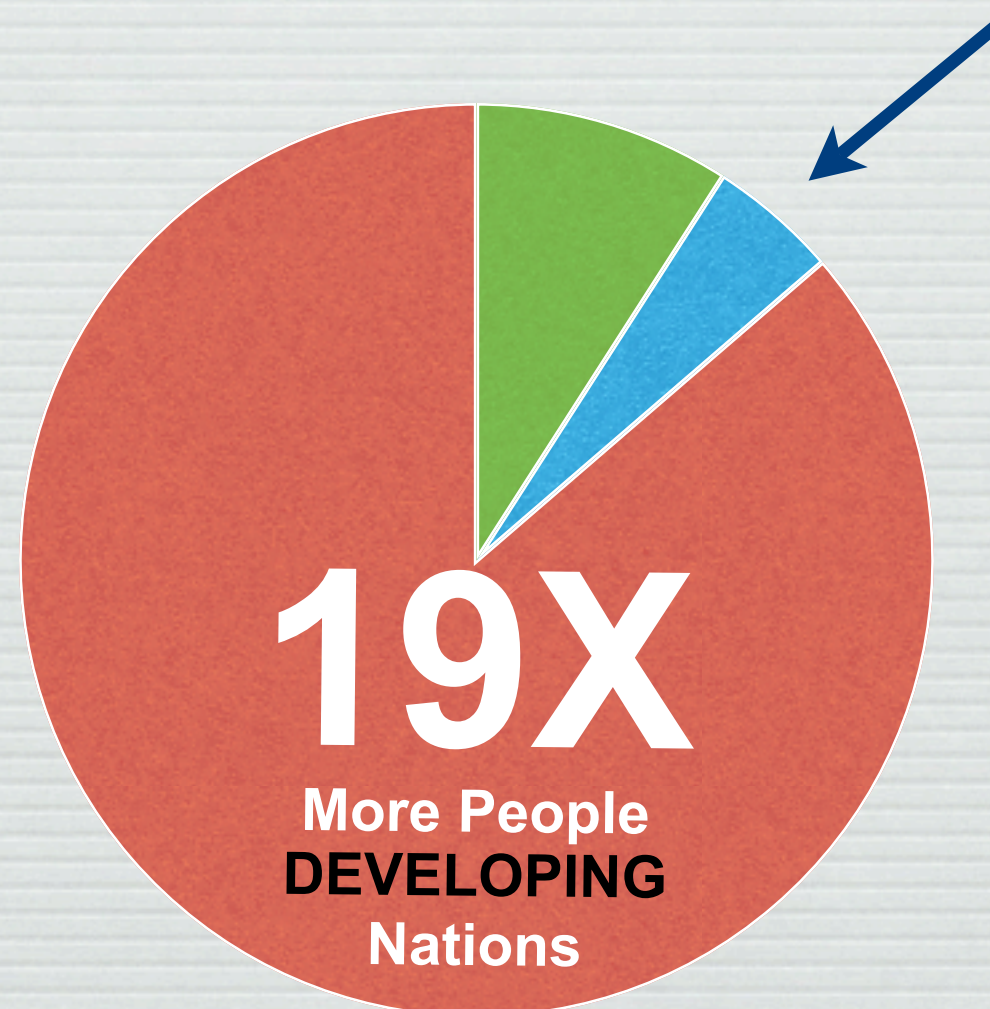
The Export Opportunity

LOTS MORE PEOPLE



The Export Opportunity

LOTS MORE PEOPLE

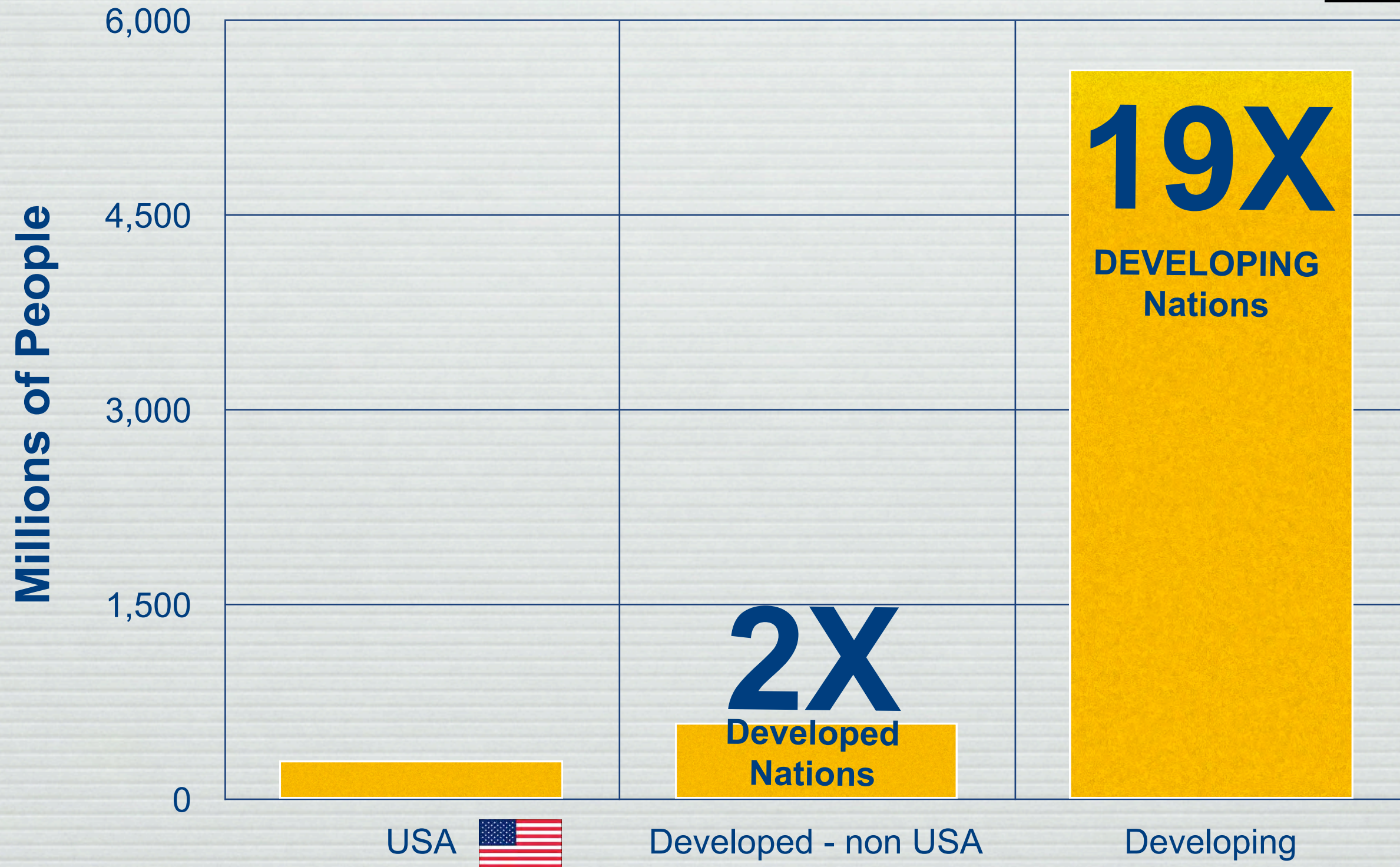


India's Middle Class = 340 Million
USA Population = 302 Million



MEP
Network
Source: World Bank

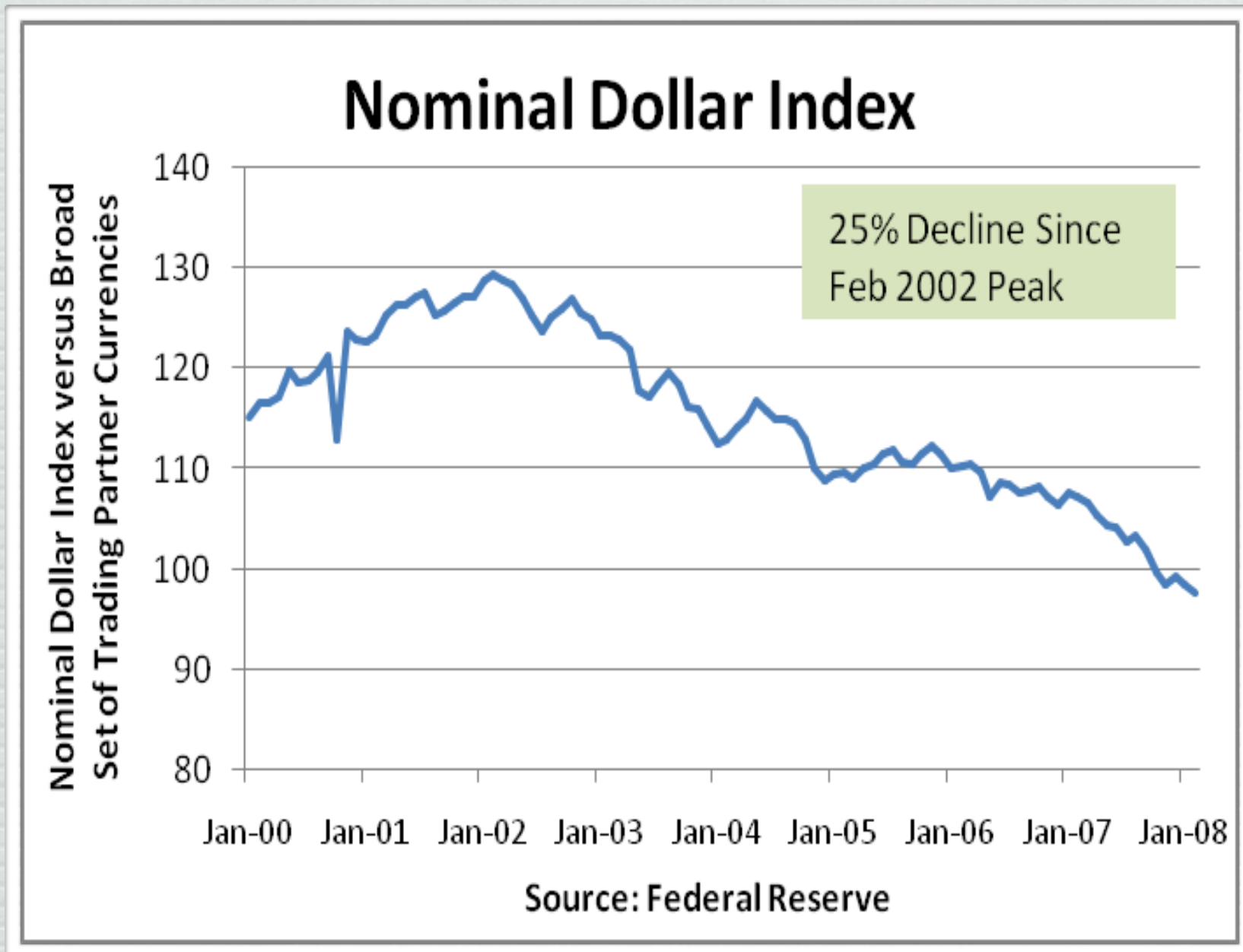
One More Time - WOW!



MEP
Network

Source: World Bank

The Export Opportunity!



**The DECLINE
in Value of \$
is a FREE
Cost Reduction**

Export Opportunity!

Old Can Be New



Pioneers since 1946

**UHF - VHF
Radio Direction
Finders for
Airports & Harbors**



MEP
Network

To Be Successful with Export



MEP
Network

To Be Successful with Export



**If you're not UNIQUE
you better be CHEAP!**



MEP
Network

To Be Successful with Export

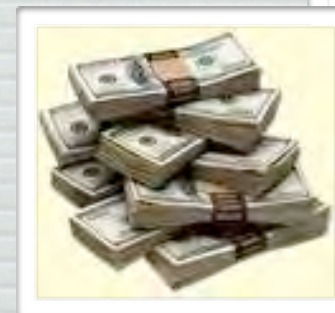


**If you're not UNIQUE
you better be CHEAP!**

Can't offer COMMODITY product or technology and...

**Expect customers to
pay shipping costs!**

**Expect customers to
pay licensing royalty!**



"Mail Box Money"



Where do you want to go?

You're The Boss



MEP
Network

Where do you want to go?

You're The Boss



That's Why



Winning Ways 2008

Started in Scotland



MEP
Network

Where do you want to go?

You're The Boss



That's Why



Winning Ways 2008
Started in Scotland



Turnberry



Royal Troon



Marine Hotel



MEP
Network



Benchmark #4

**How effective are you at developing
Effective Sales & Marketing messages?**

Not Great

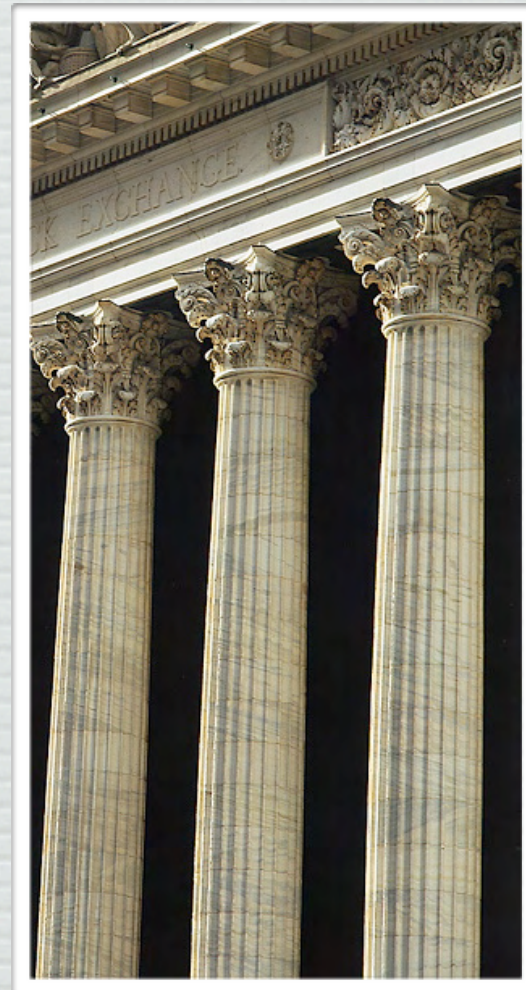
World Class

0 1 2 3 4 5 6 7 8 9 10



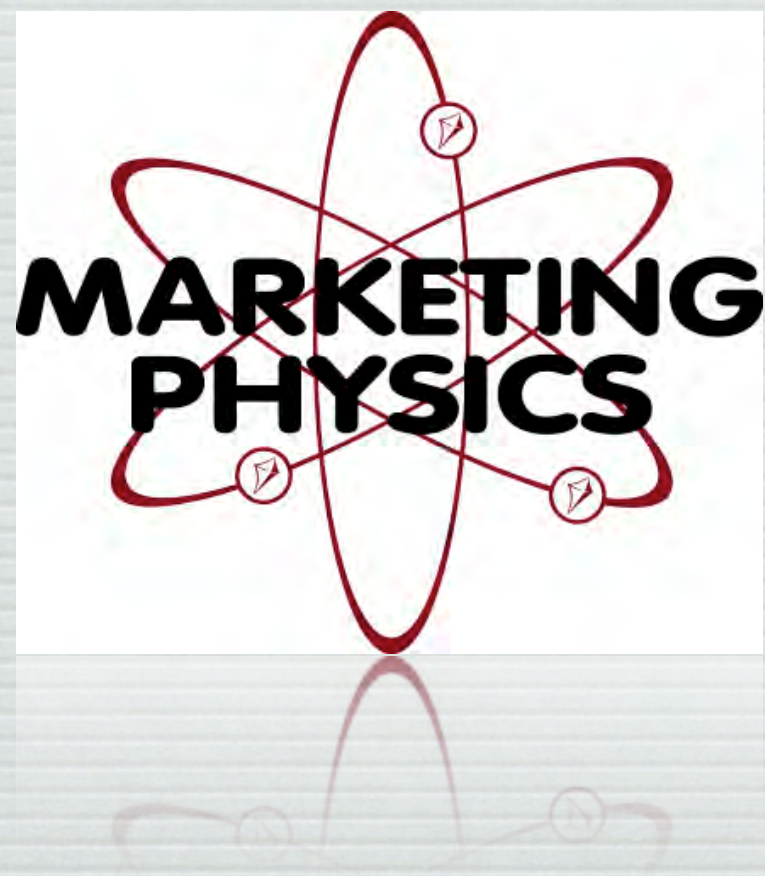
Importance of Sales & Marketing

FACT: Sales messages that articulate an Overt Benefit and Real Reason To Believe are 5 times more effective.





The 3 Laws of



Based on 50 Success Factors

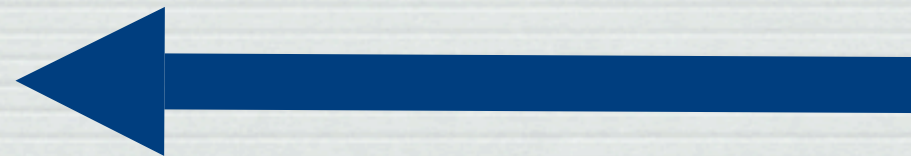


Discovered by
REVERSE ENGINEERING
what separates winners from losers

Core Idea



Marketplace Results



The results for 4,000 ideas were studied
Over 2,000 Academic Journal Articles Reviewed

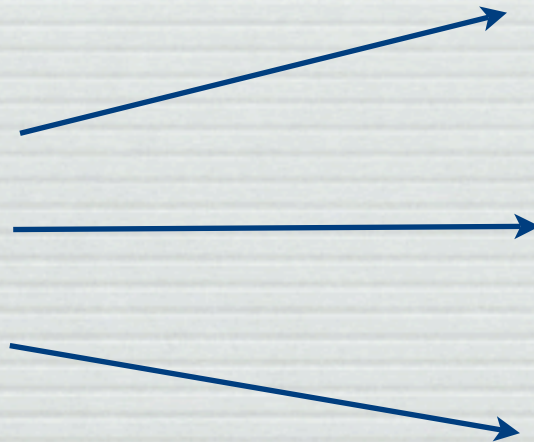


The Eureka! Religion - 1 of 2



Cluster Into

**50 Success
Factors**

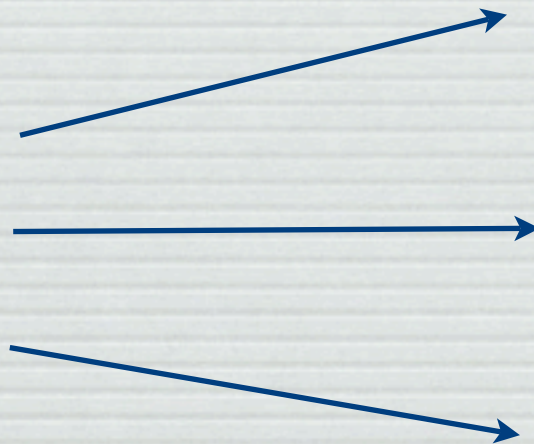


The Eureka! Religion - 1 of 2



Cluster Into

**50 Success
Factors**



1. Overt Benefit

The Eureka! Religion - 1 of 2



Cluster Into

50 Success
Factors

1. **Overt** Benefit

2. **Real** Reason to Believe

The Eureka! Religion - 1 of 2



Cluster Into

50 Success
Factors

1. **Overt** Benefit

2. **Real** Reason to Believe

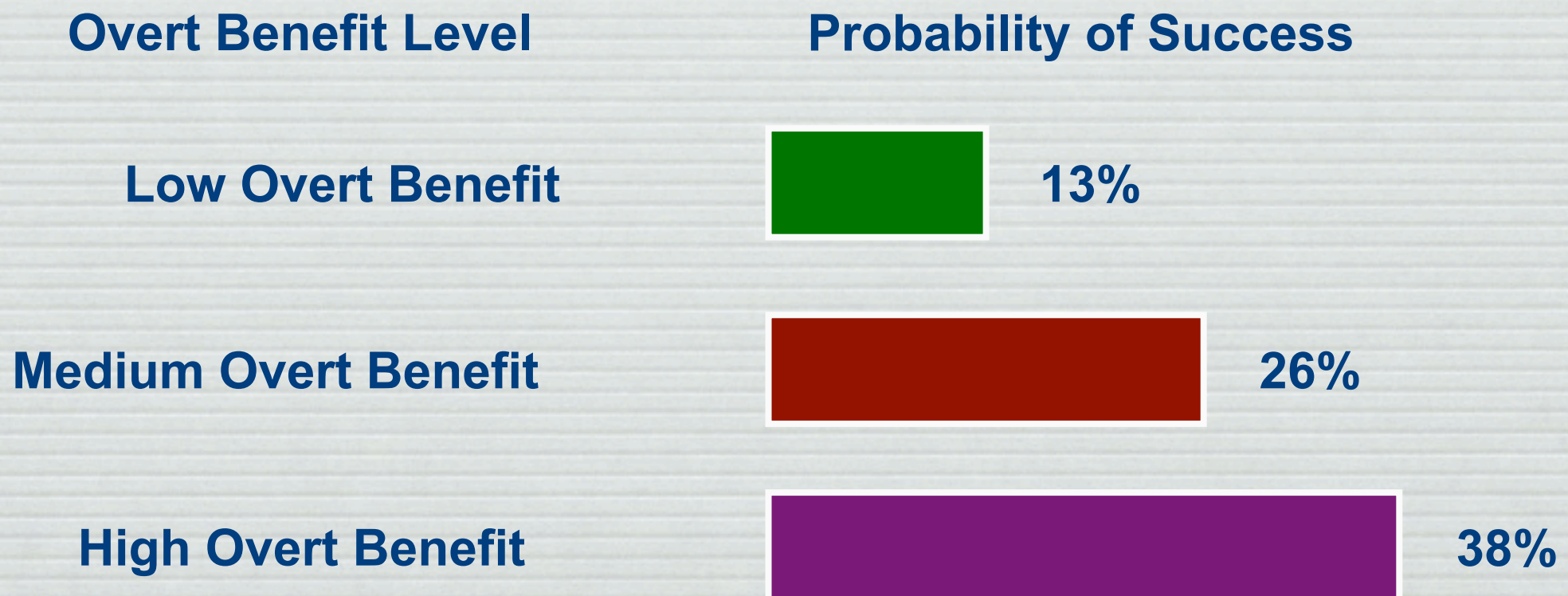
3. **Dramatic** Difference



First Law of Marketing Physics

Overt Benefit

You **TRIPLE** the effectiveness of
your marketing efforts by **OVERTLY**
communicating your customer benefit



Quick Example ... What is it?



Confusion is not a strategy for success





Pull Out Your Business Card



MEP
Network

**Confusion is not a
strategy for success.**

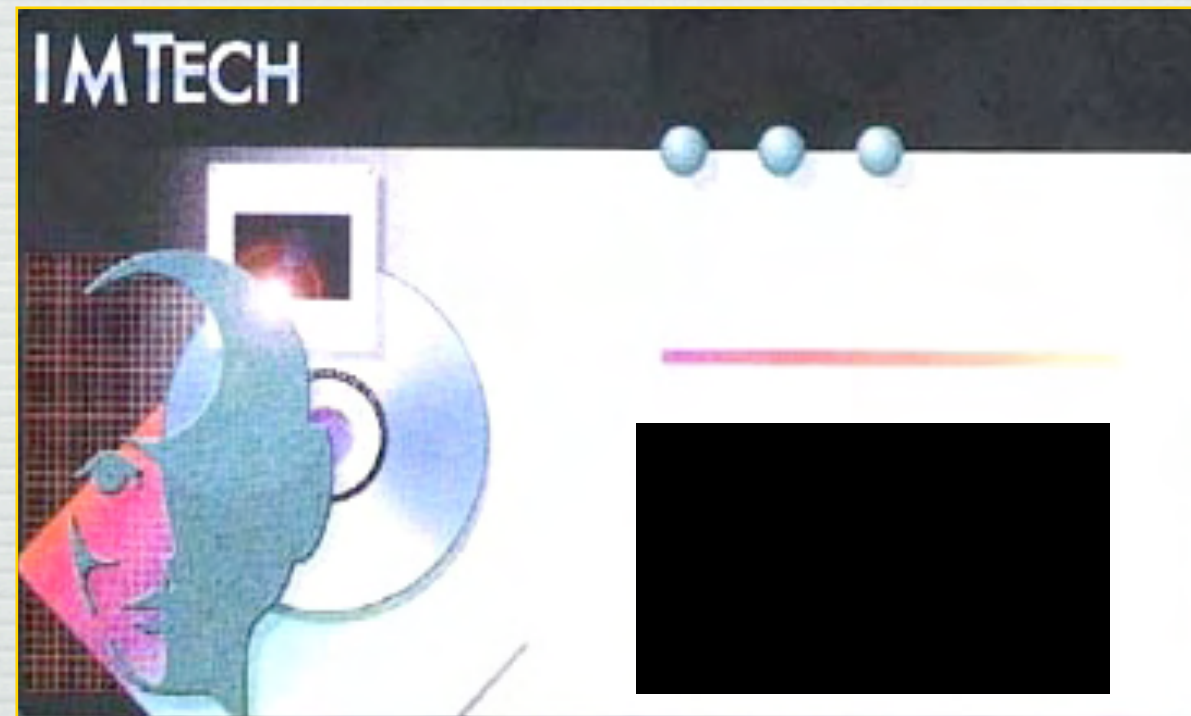


MEP
Network

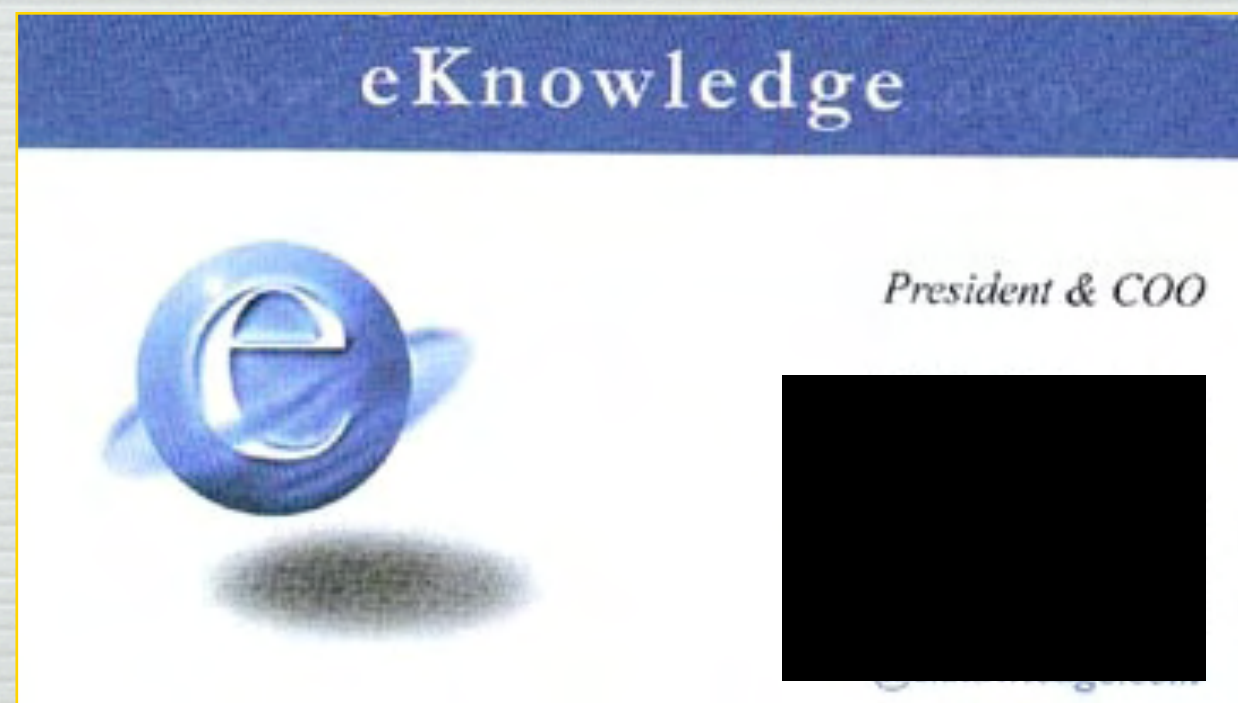
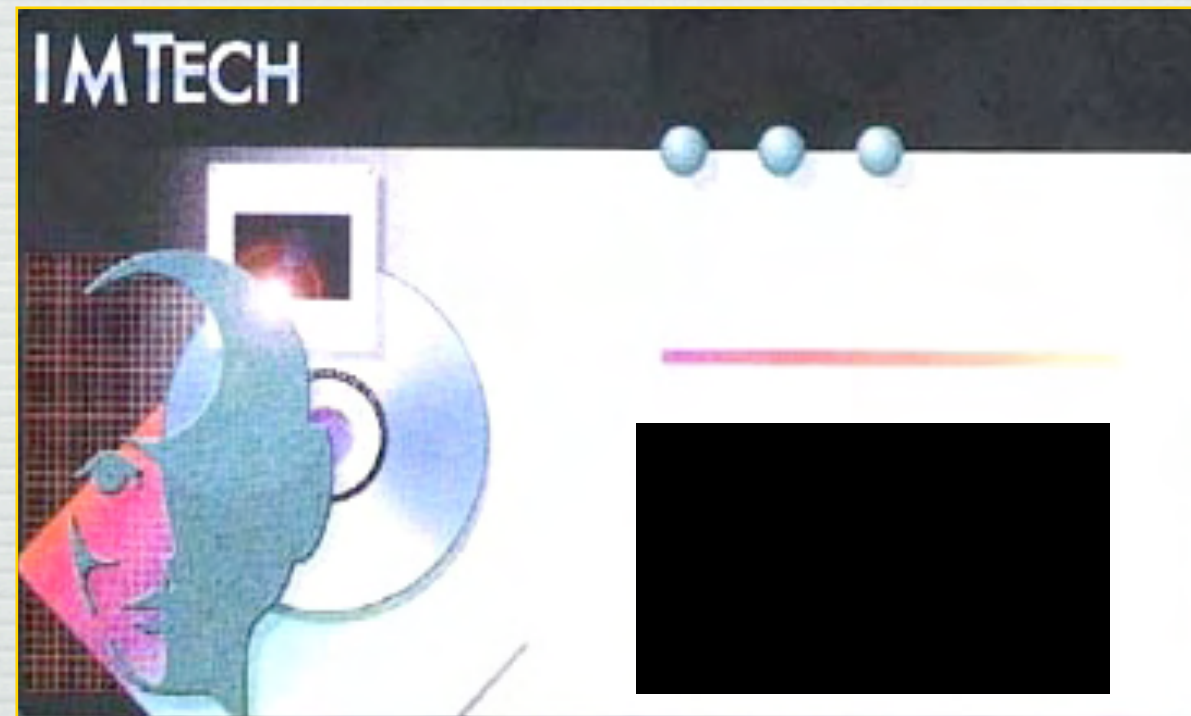
Confusion is not a strategy for success.



Confusion is not a strategy for success.



Confusion is not a strategy for success.





Confusion

Barrier compositions and articles produced with the compositions

A stable, aqueous barrier coating composition includes: (a) prolamine; (b) cold water insoluble polymer; (c) water; (d) water-soluble co-solvent; and (e) stabilizer. The composition, when applied to a substrate, produces an article having a high surface energy and resistance to oil and grease penetration. A method of producing the article involves applying the composition to a substrate...



Confusion

Barrier compositions and articles produced with the compositions

A stable, aqueous barrier coating composition includes: (a) prolamine; (b) cold water insoluble polymer; (c) water; (d) water-soluble co-solvent; and (e) stabilizer. The composition, when applied to a substrate, produces an article having a high surface energy and resistance to oil and grease penetration. A method of producing the article involves applying the composition to a substrate...

Clarity

Cancer Safe Fast Food Wraps

The first biodegradable fast food sandwich wrap that provides grease protection without the chemicals that have been found to cause cancer.



Water Faucet

Confusion

The finest quality faucet available.

Made from heavy cast brass patterns, copper tubing with stainless steel and aluminum accessories, these faucets are designed, built and tested to last for the life of your plumbing system.

They're the BEST Available.



Water Faucet

Confusion

The finest quality faucet available.

Made from heavy cast brass patterns, copper tubing with stainless steel and aluminum accessories, these faucets are designed, built and tested to last for the life of your plumbing system. They're the BEST Available.

Clarity

Our Industrial Water Faucet...

1. Provides 3 times greater flow
 - 19 vs. 6 gallons per minute at 25 psi
2. Installs in half the time
 - Use a standard 1 3/8ths drill bit vs. Chiseling a 3 inch hole



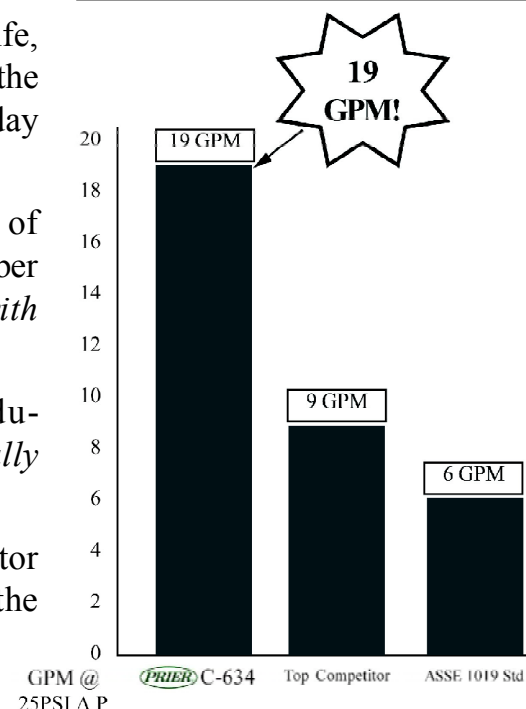
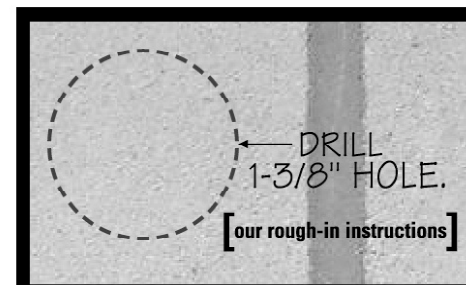
C-634 Heavy Commercial Wall Hydrant

"The Contractors Choice"



Half the Time - Double the Flow

- Innovative design installs through single hole, eliminating the need to cut a 3" x 2" opening in the block, installing in *Half the Time*!
- Prier C-634 is 3rd Party Lab tested to flow 19 GPM at 25 psi, *Double the Flow* of any competitor. Operates equally effectively at full flow or a trickle.
- Triple Seal Stopper design ensures years of reliable life, 3rd Party Lab cycle tested to 250,000 cycles. That's the same as turning the valve on and off *ten times* every day for the *next 68 years*!
- Casted Brass Box that can be installed independently of the hydrant, let the mason install the box and let the plumber install the valve at a later date, *no more problems with coordination*.
- Heavy duty brass pipe on the insertion tube is more durable than the copper used by the competitors *virtually eliminating jobsite damage*.
- ASSE 1052 Approved Double Check Backflow Preventor & Vacuum Breaker ensures foolproof protection of the potable water system.



Ask your wholesaler for details, or call Prier at 800-362-9055





PROFIT LEADERSHIP

Starts With

FOCUS - FOCUS - FOCUS

Getting everyone to

“Pull Together”





Features Are **NOT** Benefits

Features are the

- **Facts**
- **Figures**
- **Technology**
- **and Details**

That make up your offering





Benefits are “What’s In it for the Customer”

What they will

Receive, Enjoy, Experience

In exchange for their

Time, Trouble, Trust and Money



Examples of Features vs. Benefits



Examples of Features vs. Benefits

Features





Examples of Features vs. Benefits

Features



Benefits



Benefits are Relative to TARGET Audience



**Benefits are Relative to
TARGET Audience**



**Core Target
Audience**

**Those who Compete
in BBQ Competitions**

**Benefits are Relative to
TARGET Audience**



**Core Target
Audience**

**Those who Compete
in BBQ Competitions**

Cookshack Cookers
***Send You to The
Winners Circle***



23 Wins in Past 2 years

Benefits are Relative to TARGET Audience



The Challenge: Electric Cookers



Benefits are Relative to TARGET Audience



**The Challenge:
Electric Cookers**



It's Banned in Competition

Benefits are Relative to TARGET Audience



**The Challenge:
Electric Cookers**



It's Banned in Competition

NEW

Target Audience

**Those who don't
compete**

Benefits are Relative to TARGET Audience

COOKSHACK



**The Challenge:
Electric Cookers**



It's Banned in Competition

NEW

Target Audience

**Those who don't
compete**

WARNING

**This Electric Cooker is
ILLEGAL in Competitions**

**It gives the user an
UNFAIR ADVANTAGE
as the even heating
makes it too easy to
Make Perfect BBQ Every
Time**



**I'm a
Repeat Customer!**



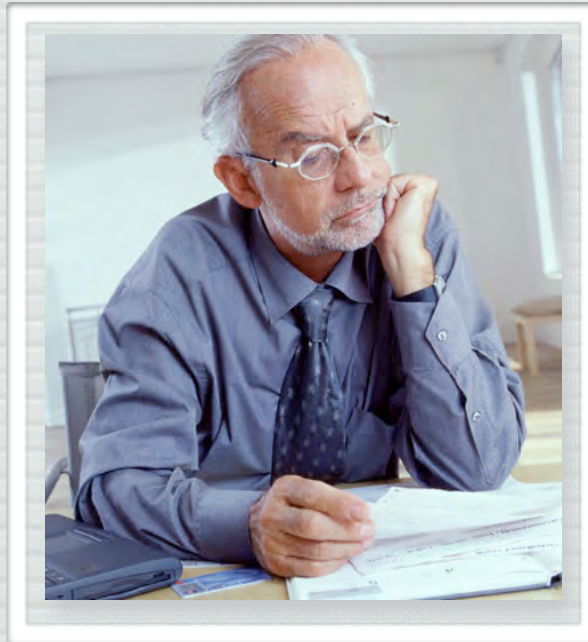
CLARITY is especially true with Technology



MEP
Network



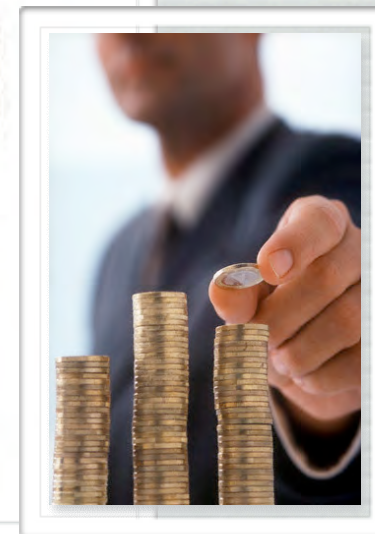
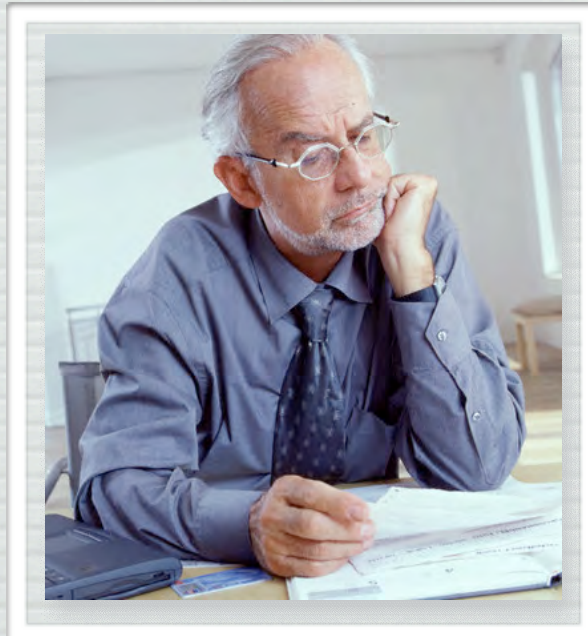
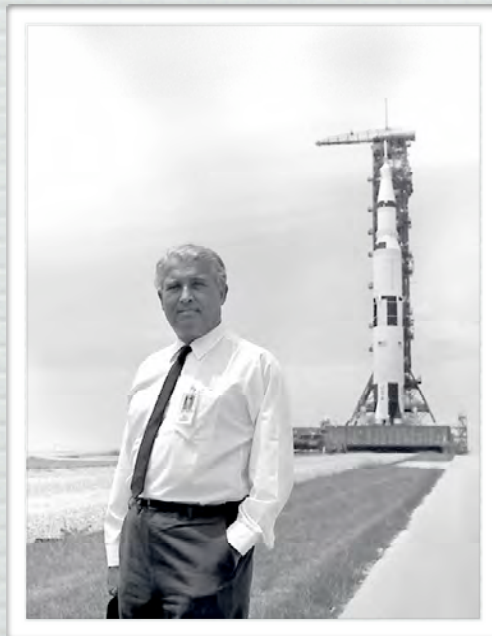
CLARITY is especially true with Technology



Geek to **Geek**



CLARITY is especially true with Technology



Geek **to** **Geek**

to

**Business
Person
Who Controls
The MONEY**



2nd Law: REAL Reason to Believe

You **DOUBLE** your odds of Success when you Communicate a **REAL REASON TO BELIEVE** That your **OVERT BENEFIT** will be delivered.





Lack of trust is at EPIDEMIC PROPORTIONS

**93% of consumers do not have
confidence in the advertising
messages of major corporations.**

-Yankelovich



Lack of trust is at EPIDEMIC PROPORTIONS

**64% of consumers do not believe
that the news media get their
facts straight.**

USA Today/CNN/Gallup



Your Overt Benefit Should...

DEMAND

Real Reason to Believe





It's Simple

BE REAL

***Tell the TRUTH &
do what you promise.***



**MEP
Network**



Reason To Believe Story





Reason To Believe Story





Reason To Believe Story





Reason To Believe Story



**3 Chefs - 3 Years -
World Cooking Competition Medalists**



Reason To Believe Story



**3 Chefs - 3 Years -
World Cooking Competition Medalists**





Questech

Great Benefit

*No need to ever
reseal tiles*

Why should I
believe it's true?



beautiful for life™

**THIS STONE ISN'T
AFRAID TO GET WET.**

*With Q-Seal, you never have to reseal or
worry about water and stains*.*

Q-Seal is the most effective sealer available, and
makes natural stone as easy to care for as ceramic tile.

Our permanent protective sealer is baked right into the tile,
not painted on like ordinary sealers. So you never have to
reseal or buy special stone cleaners—just relax in
the luxury and beauty of your home.



artistry & imagination™

Q-SEAL™

www.questech.com

Q-Seal™ is a trademark of Questech Corporation. ©2007 Questech Corporation | *Tiles protected by Q-Seal™ are guaranteed never to need resealing as long as you own your home.



Questech

Great Benefit

*No need to ever
reseal tiles*

Why should I
believe it's true?

***“baked in not
painted on”***



beautiful for life™

**THIS STONE ISN'T
AFRAID TO GET WET.**

*With Q-Seal, you never have to reseal or
worry about water and stains*.*

Q-Seal is the most effective sealer available, and
makes natural stone as easy to care for as ceramic tile.

Our permanent protective sealer is baked right into the tile,
not painted on like ordinary sealers. So you never have to
reseal or buy special stone cleaners—just relax in
the luxury and beauty of your home.



artistry & imagination™

Q-SEAL™

www.questech.com

Q-Seal™ is a trademark of Questech Corporation. ©2007 Questech Corporation | *Tiles protected by Q-Seal™ are guaranteed never to need resealing as long as you own your home.



Benchmark #5

How good are you at communicating
a **NUMERIC BENEFIT**?

Not Great

World Class

0 1 2 3 4 5 6 7 8 9 10



Customer Pull

is about...

Offering

SPECIFIC

Overt Benefit Advantages



Generic Claim





It's just as GENERIC as
“what makes us great is...”

OUR SERVICE
OUR QUALITY
OUR PEOPLE





Be Specific with Benefit



Be Specific with Benefit

SERVICE

**“100% Delivery in 24
Hours**

**We keep inventory
so you don't have to”**



Be Specific with Benefit

SERVICE

**“100% Delivery in 24
Hours**

**We keep inventory
so you don't have to”**

QUALITY

**“Our SIMMS fishing
wader zippers WORK -
they're the same quality
as Air Force exposure
suits.”**



SIMMS.



MEP
Network



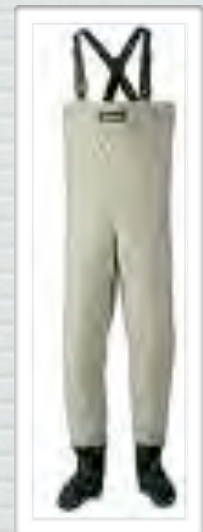
Be Specific with Benefit

SERVICE

**“100% Delivery in 24
Hours
We keep inventory
so you don’t have to”**

QUALITY

**“Our SIMMS fishing
wader zippers WORK -
they’re the same quality
as Air Force exposure
suits.”**



SIMMS.

PEOPLE

**“Our service people
get it right the first time -
each has at least 10
years of experience”**





Specific & Numeric Benefit Advantages

Overt Benefit Advantages . . .

Clear Benefits . . .

Features . . .

Confusion . . .

Where are you?



**“But my customers
are only
interested in
low price!”**





Low Price Is Specific & Numeric



The only way to **BEAT**
a specific promise of
LOW PRICE
is with a specific promise
of **MORE VALUE**



A NUMBER

Increases odds of
success by 52%



MEP
Network



Benchmark #6

How good are you at
ANTICIPATING FUTURE NEEDS
of Customers/Markets?

Not Great

World Class

0 1 2 3 4 5 6 7 8 9 10

Deep analysis of 120 Businesses



A FUTURE FOCUS was
10 times more predictive
of success than a
“Voice of the Customer” approach.

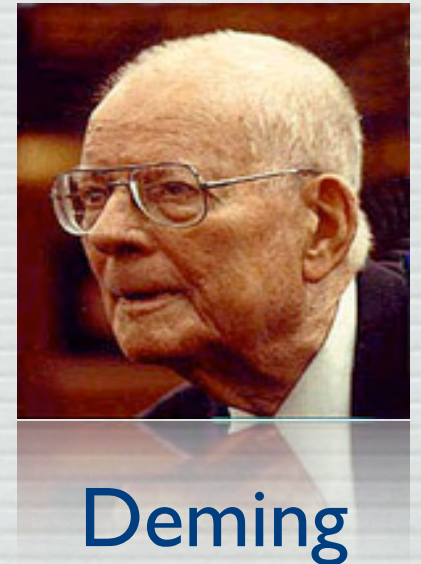


PROACTIVE Product Innovation
vs.

REACTIVE Product Innovation



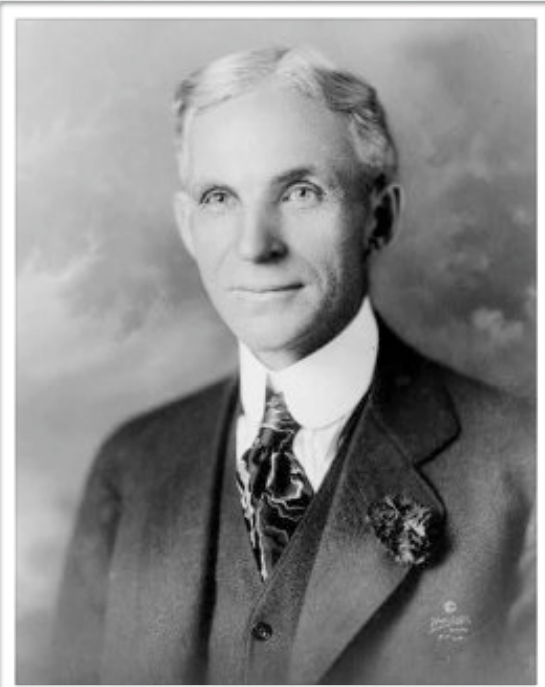
“Did customers ask for the electric light? No. They never asked for it, the producer produced it. No one asked for a car, nor a telephone. No one asked for a copy machine or a fax machine.



Deming

Innovation does not come from the customers. Innovation comes from the producer, from people who are responsible for themselves and have only themselves to satisfy.”

Dr. W. Edwards Deming



Henry Ford

“If I had asked people what they wanted, they’d have said faster horses.”





Profit Leadership SECRET



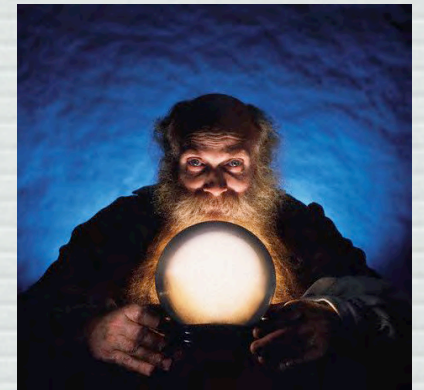
MEP
Network



Profit Leadership SECRET

A Clear Vision of the Future

“What your business will be in 5 years.”

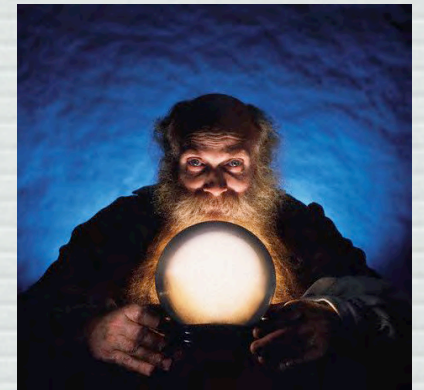




Profit Leadership SECRET

A Clear Vision of the Future

“What your business will be in 5 years.”



Creates URGENCY in the Present



It's Management's Job to **Know the Answer to Two Questions**



Deming



MEP
Network



It's Management's Job to **Know the Answer to Two Questions**



Deming

1. Where do we hope to be five years from now?



MEP
Network

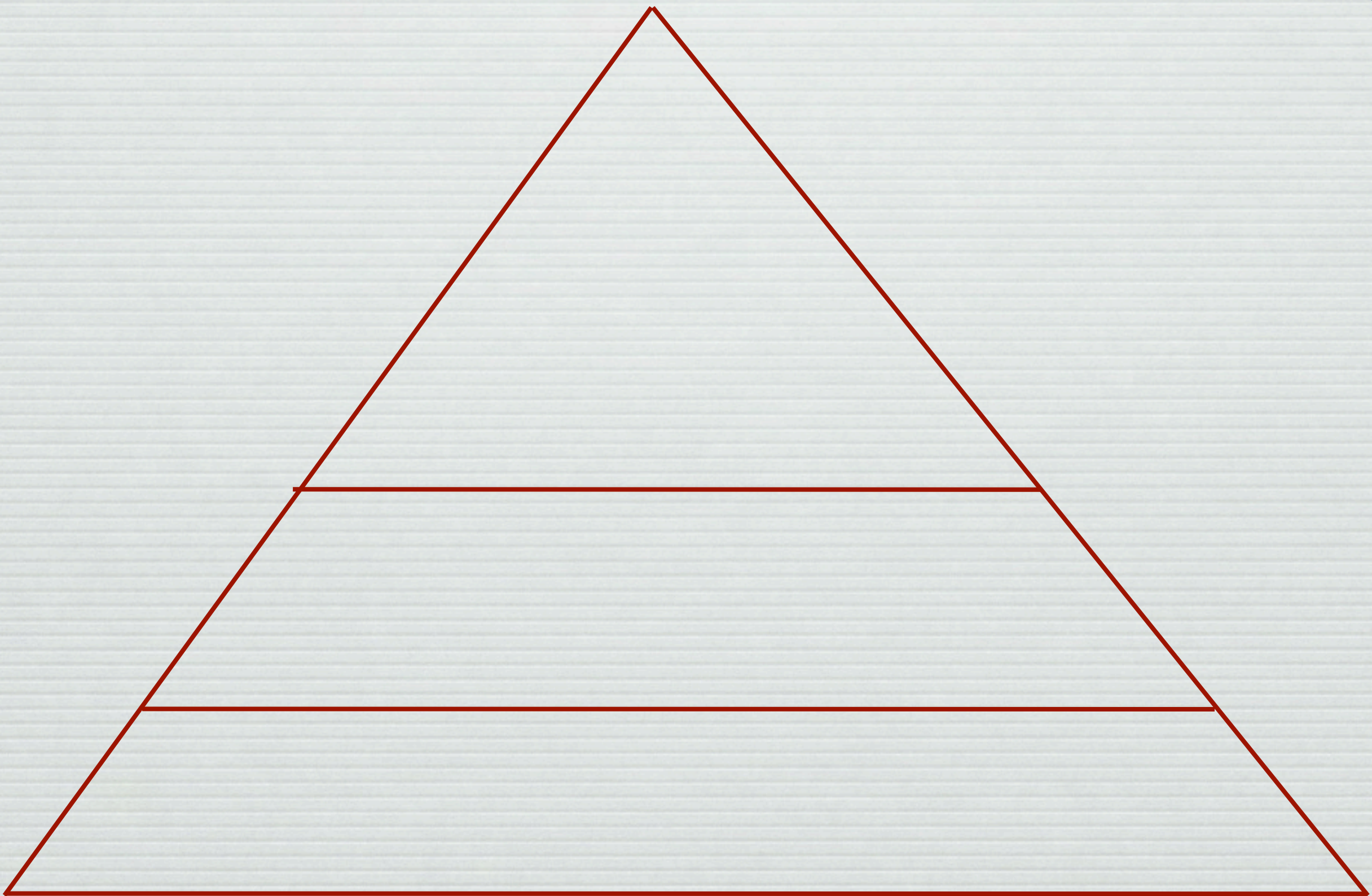


It's Management's Job to **Know the Answer to Two Questions**

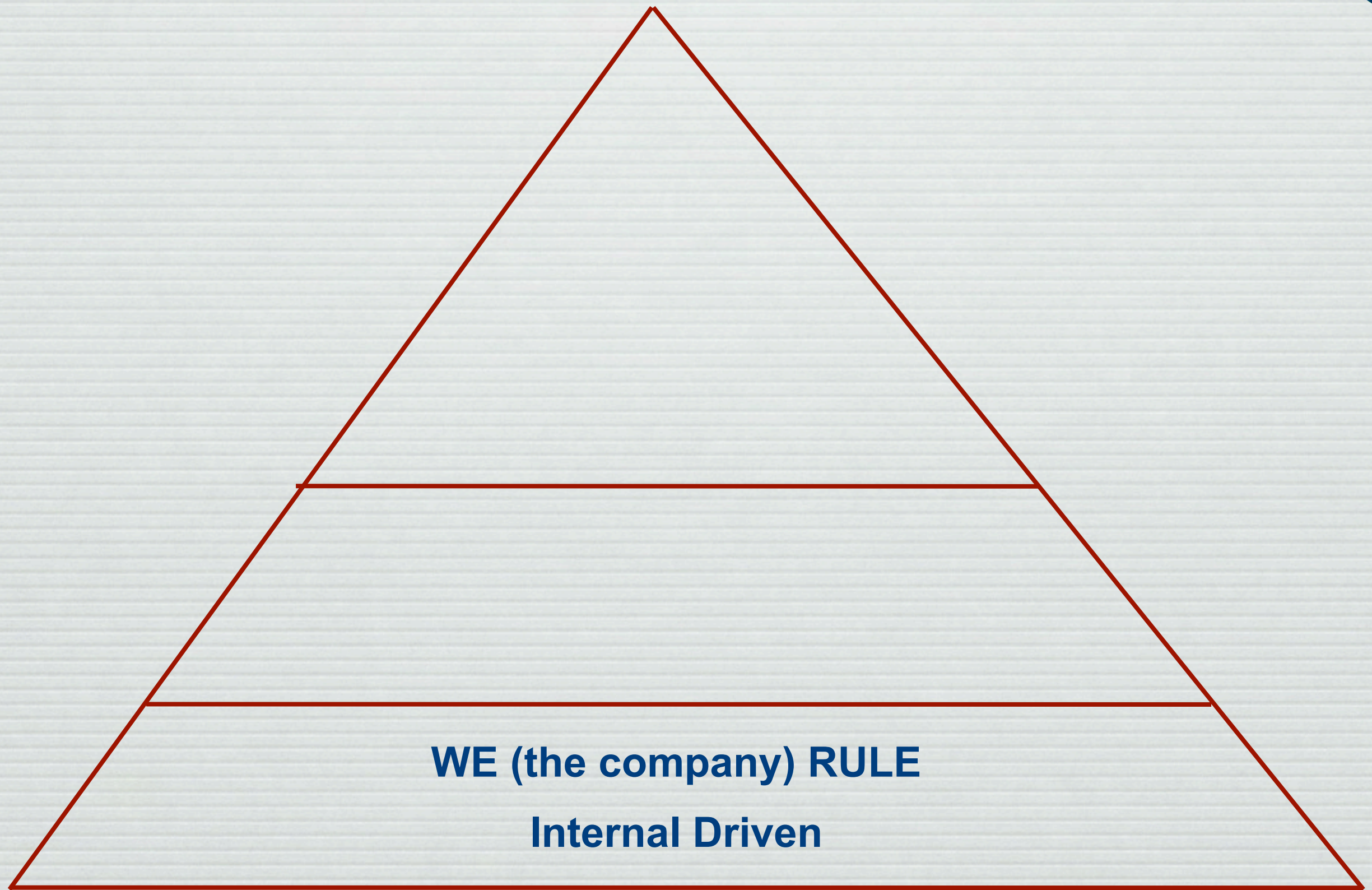


Deming

- 1. Where do we hope to be five years from now?**
- 2. By what METHOD will we reach this goal?**



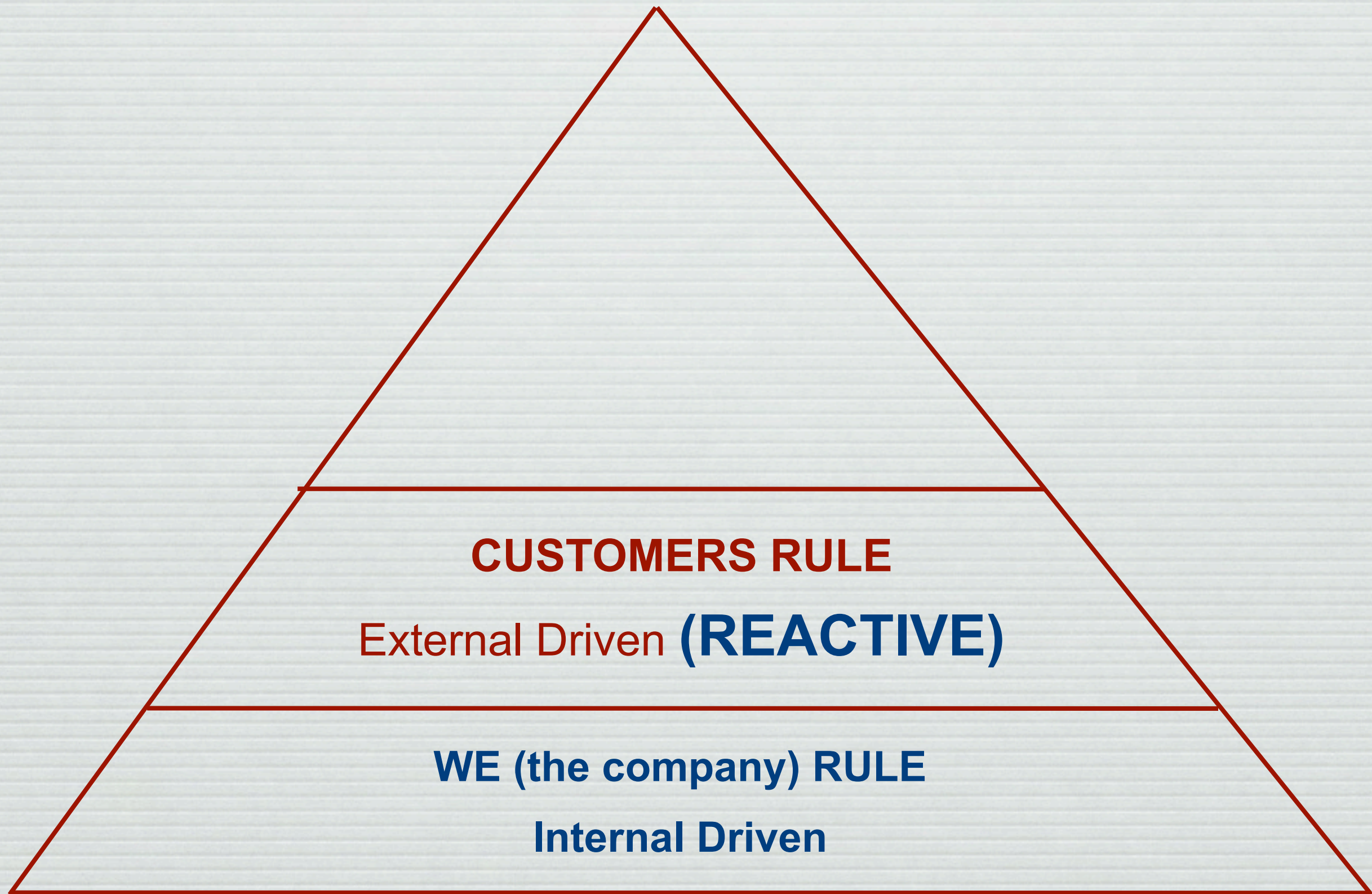
MEP
Network



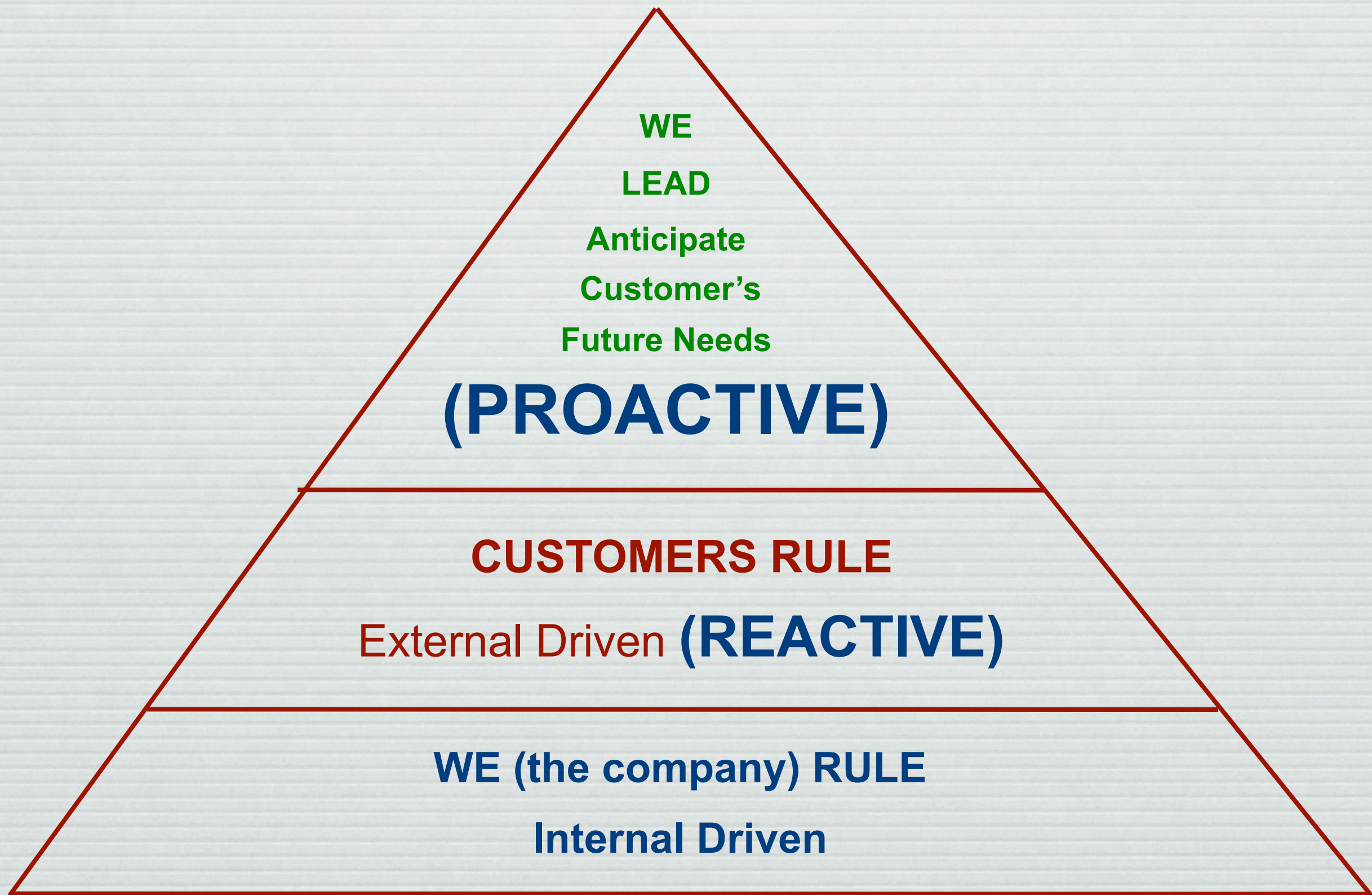
WE (the company) RULE
Internal Driven



MEP
Network



MEP
Network



MEP
Network



Benchmark #7

How good are you at
leveraging Green / sustainability?

Not Great

World Class

0 1 2 3 4 5 6 7 8 9 10



I Don't Care About Your Politics On Global Warming

The PUBLIC is Speaking



2007 Cone Environmental Survey of 1,066 adults



I Don't Care About Your Politics On Global Warming

The PUBLIC is Speaking



**85% of Americans Would Switch Brands
for Environmental Reasons**

2007 Cone Environmental Survey of 1,066 adults



I Don't Care About Your Politics On Global Warming

The PUBLIC is Speaking



**85% of Americans Would Switch Brands
for Environmental Reasons**

21% Donated Money to Save the Environment

2007 Cone Environmental Survey of 1,066 adults



I Don't Care About Your Politics On Global Warming

The PUBLIC is Speaking



**85% of Americans Would Switch Brands
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21% Donated Money to Save the Environment

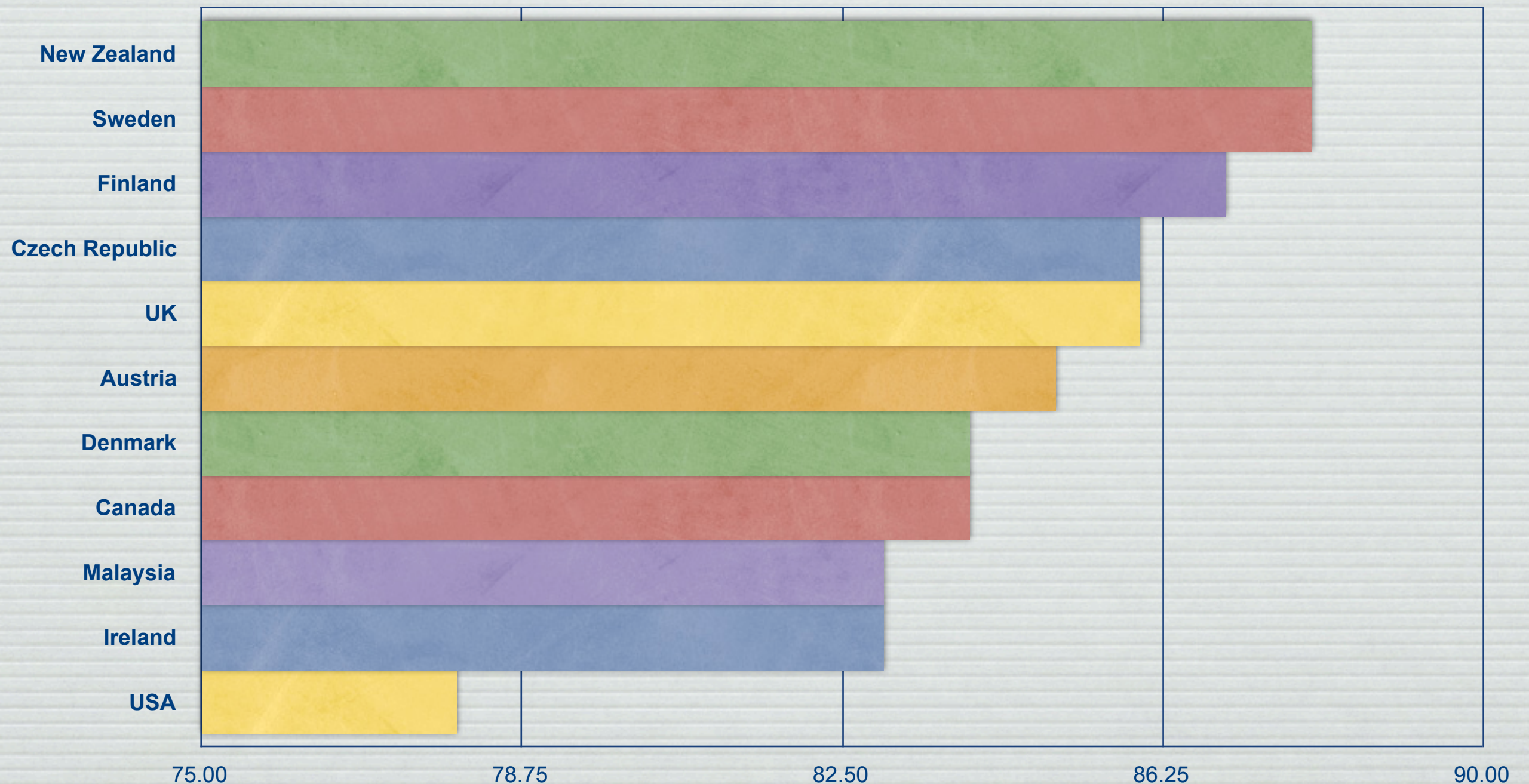
3 to 1 Consumers are MORE “Earth Conscious”

2007 Cone Environmental Survey of 1,066 adults



USA is 28th out of 133 in the World on Environmental Practices

(World Economic Forum - Davos Switzerland)



Acquiring New Customers

GREEN Customers are **INFLUENCERS**



They're thought leaders

They set trends

They're asked for ideas & advice on...

- Current events
- Food
- Business
- Politics



BrainSCAN
4,616 Adults
Summer 2007

GREEN Customers are **INFLUENCERS**

They're REALISTS not fanatics.

- They're a new type of “green”



Not Tree Huggers

They push to understand new technologies

They buy because of “total value”



**BrainSCAN
4,616 Adults
Summer 2007**

GREEN is a great excuse for
Dramatic Differences with consequences



GREEN is a great excuse for Dramatic Differences with consequences

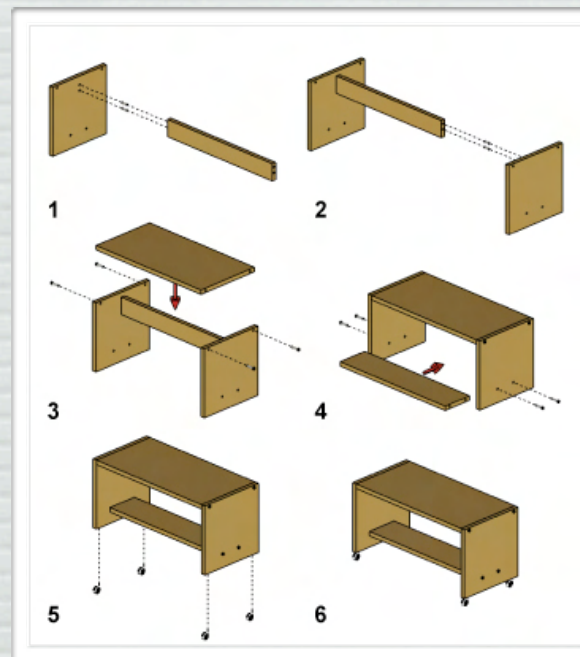


Ugly Products

GREEN is a great excuse for Dramatic Differences with consequences



Ugly Products

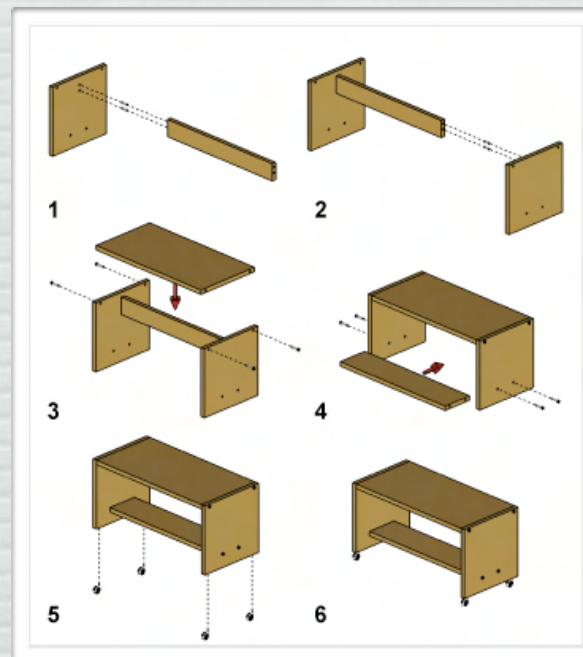


**Assembly
Required**

GREEN is a great excuse for Dramatic Differences with consequences



Ugly Products



**Assembly
Required**



**Refill,
Reuse
or Rent**



Benchmark #8

How good is your team
at working together to create
DRAMATIC Profit Building Projects?

Not Great

World Class

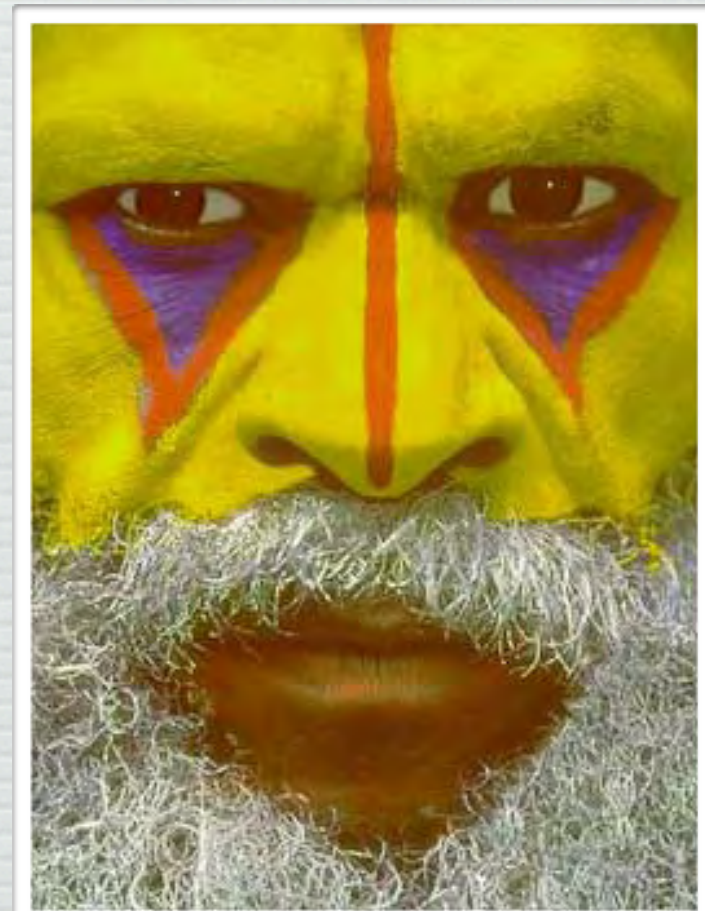
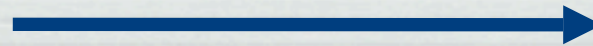
0 1 2 3 4 5 6 7 8 9 10

Classic Brainstorming approach

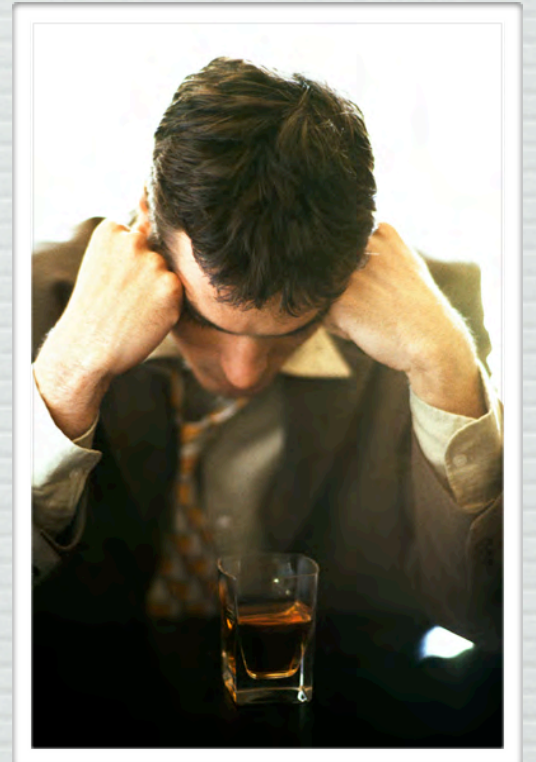


Get everyone to think Foolishly

Act Like a Child - Accept Wild Ideas



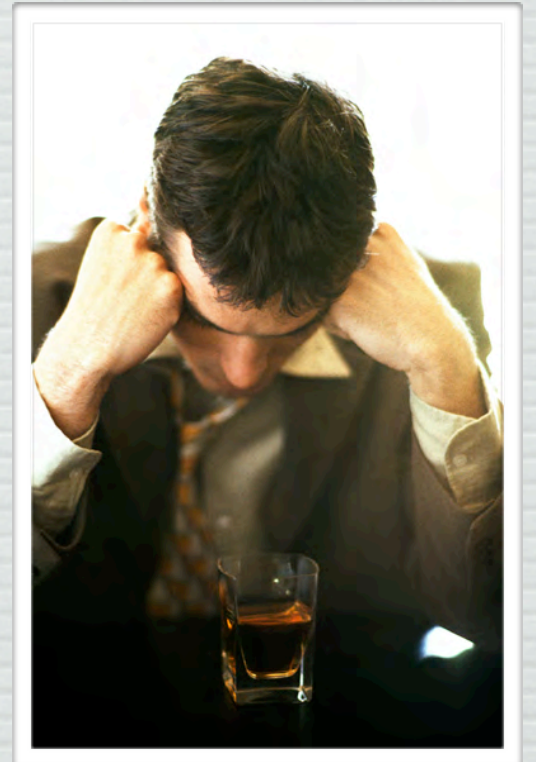
Most Adults HATE Brainstorming



Most Adults HATE Brainstorming



"I really respect the effectiveness of brainstorming. Unfortunately, it runs completely contrary to my reclusive nature."

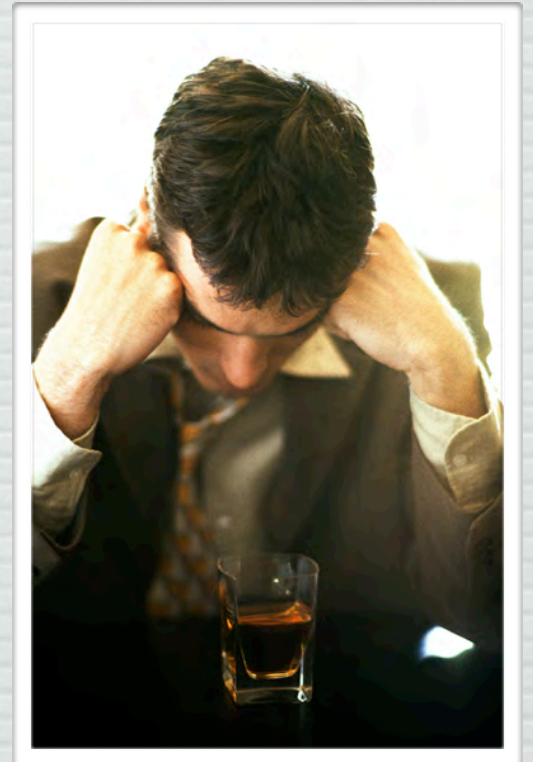


Most Adults HATE Brainstorming



"I really respect the effectiveness of brainstorming. Unfortunately, it runs completely contrary to my reclusive nature."

"Quite frankly Brainstorming makes me bored, crabby and makes me all itchy inside, where I can't scratch."





$$E = \frac{S^D}{F}$$

E = Eureka! - the idea

S = Explore Stimulus

D = Leverage Diversity

F = Drive Out Fear

Traditional Model



Individual Brainstorming

Before





Traditional Model

draining

~~Individual Brainstorming~~

Before





Traditional Model

draining
Individual Brainstorming
After

Before



Suck Method

Uses Your Brain Like A

LIBRARY



Law #1: Explore Stimulus

- Fuel Your Brain
- Sights, Sounds, Smells
- Stretch beyond your boundaries
- Customer Needs & Aspirations

Stimulus Available

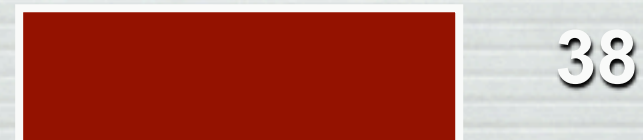
of practical ideas invented

Low Stimulus



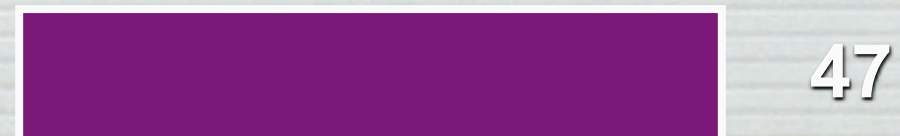
22

Medium Stimulus



38

High Stimulus



47

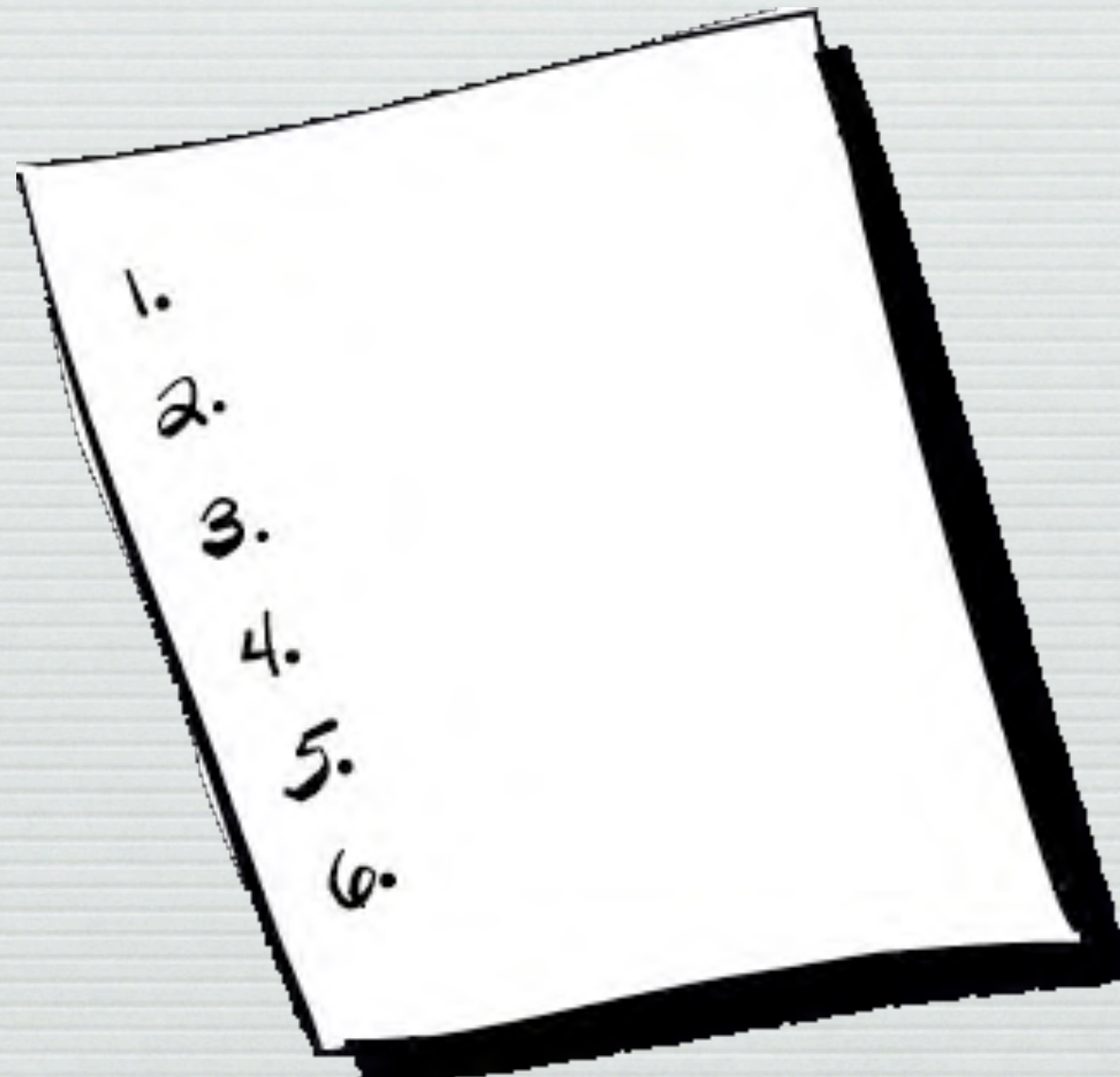


COMPUTER

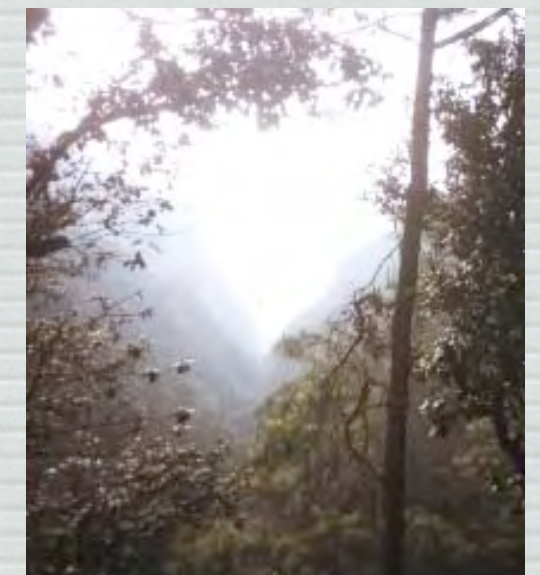
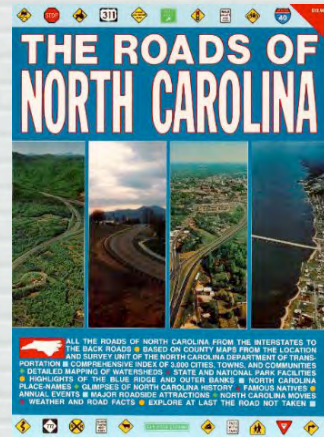
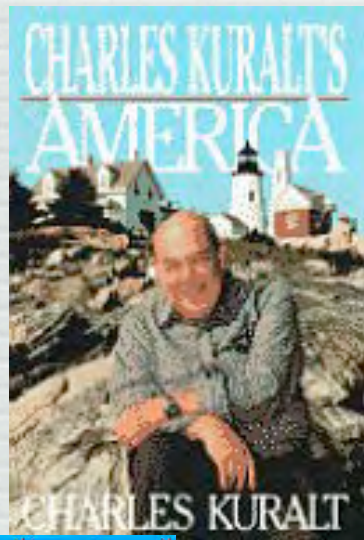


Stimuli sets off a CHAIN Reaction!!!

Where To Go On Vacation?



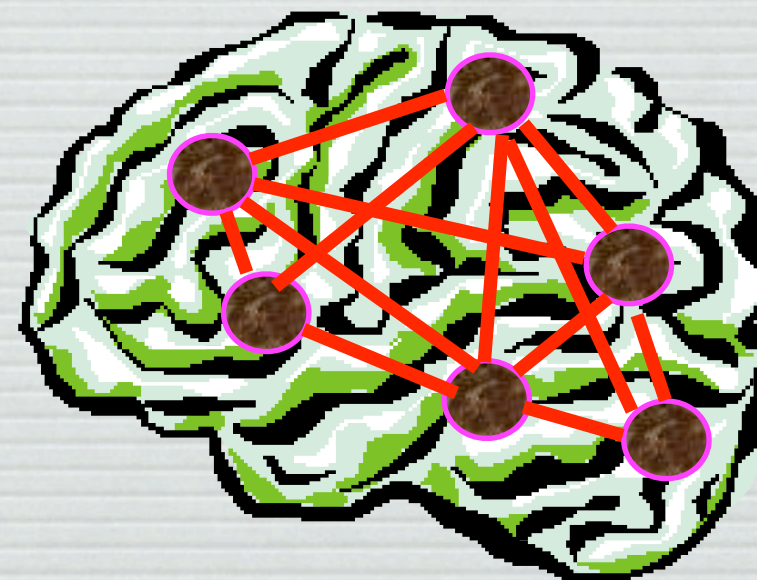
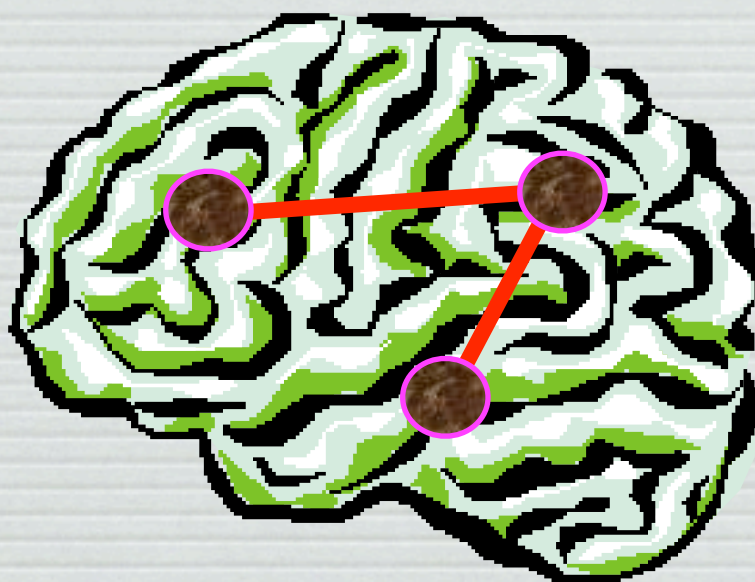
Where To Go On Vacation?



Stimulus Response Is How The Brain Works



- We all have about 200 Million Neurons
- Stress Kills Brain Cells
- Difference in brain power is the # of Synapses
 - Connections between the brain cells

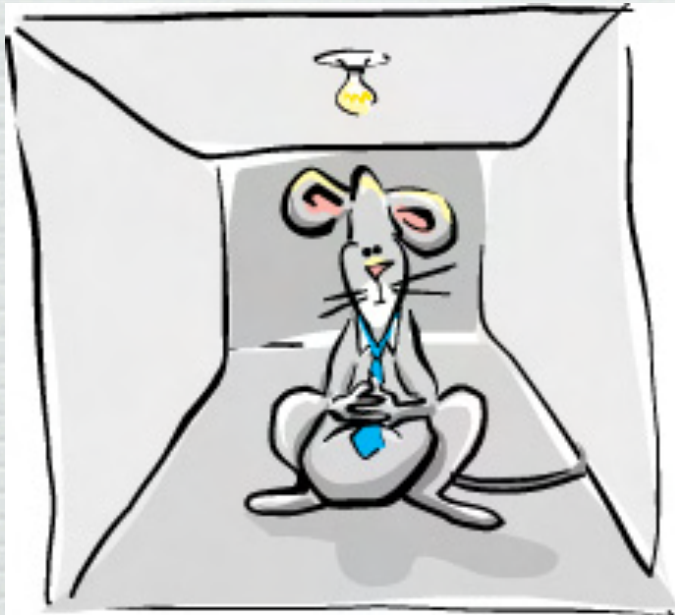


Stimulus Interaction Increases Brain Power



Dr. Rosewig ~ University of California, Berkeley

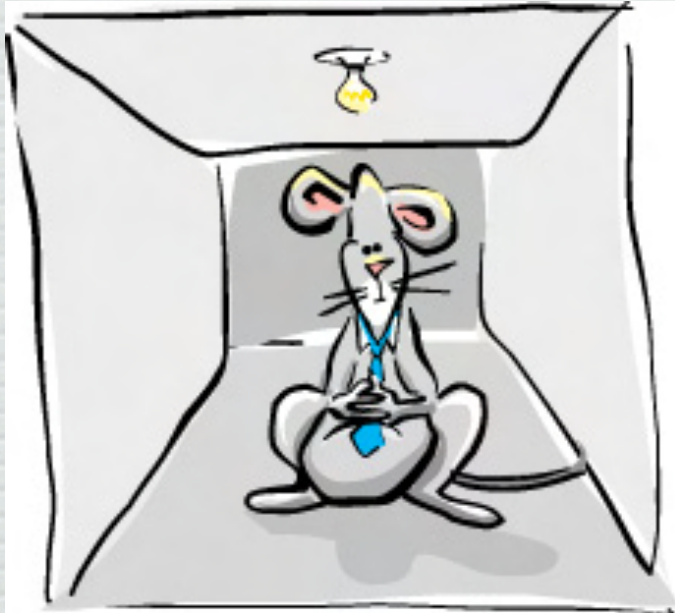
Stimulus Interaction Increases Brain Power



**Impoverished
Environment**

Dr. Rosewig ~ University of California, Berkeley

Stimulus Interaction Increases Brain Power



**Impoverished
Environment**



**Interacted with
Enriched
Environment**

Dr. Rosewig ~ University of California, Berkeley

Stimulus Interaction Increases Brain Power



**Impoverished
Environment**



**Viewed Enriched
Environment**



**Interacted with
Enriched
Environment**

Dr. Rosewig ~ University of California, Berkeley

U.C. Berkley Study Lead To...



Major Changes In How
Children's Toys Are Designed.



It's Never Too Late...



**The Lesson: It's the same as muscle training...
either you use it or you lose it.**



What Do We Do On Friday Night?



What Do We Do On Friday Night?



Gather with the same friends.



What Do We Do On Friday Night?



Gather with the same friends.



Go to the same restaurant



What Do We Do On Friday Night?



Gather with the same friends.



**Go to the same restaurant
...eat the same food**



What Do We Do On Friday Night?



Gather with the same friends.



**Go to the same restaurant
...eat the same food**



Go to a movie



What Do We Do On Friday Night?



Gather with the same friends.



**Go to the same restaurant
...eat the same food**



**Go to a movie
.... that's a sequel.**



What Do We Do On Friday Night?



Gather with the same friends.



**Go to the same restaurant
...eat the same food**



**Go to a movie
.... that's a sequel.**



This is not growing our minds!



**Real Wisdom is about
looking innocently**



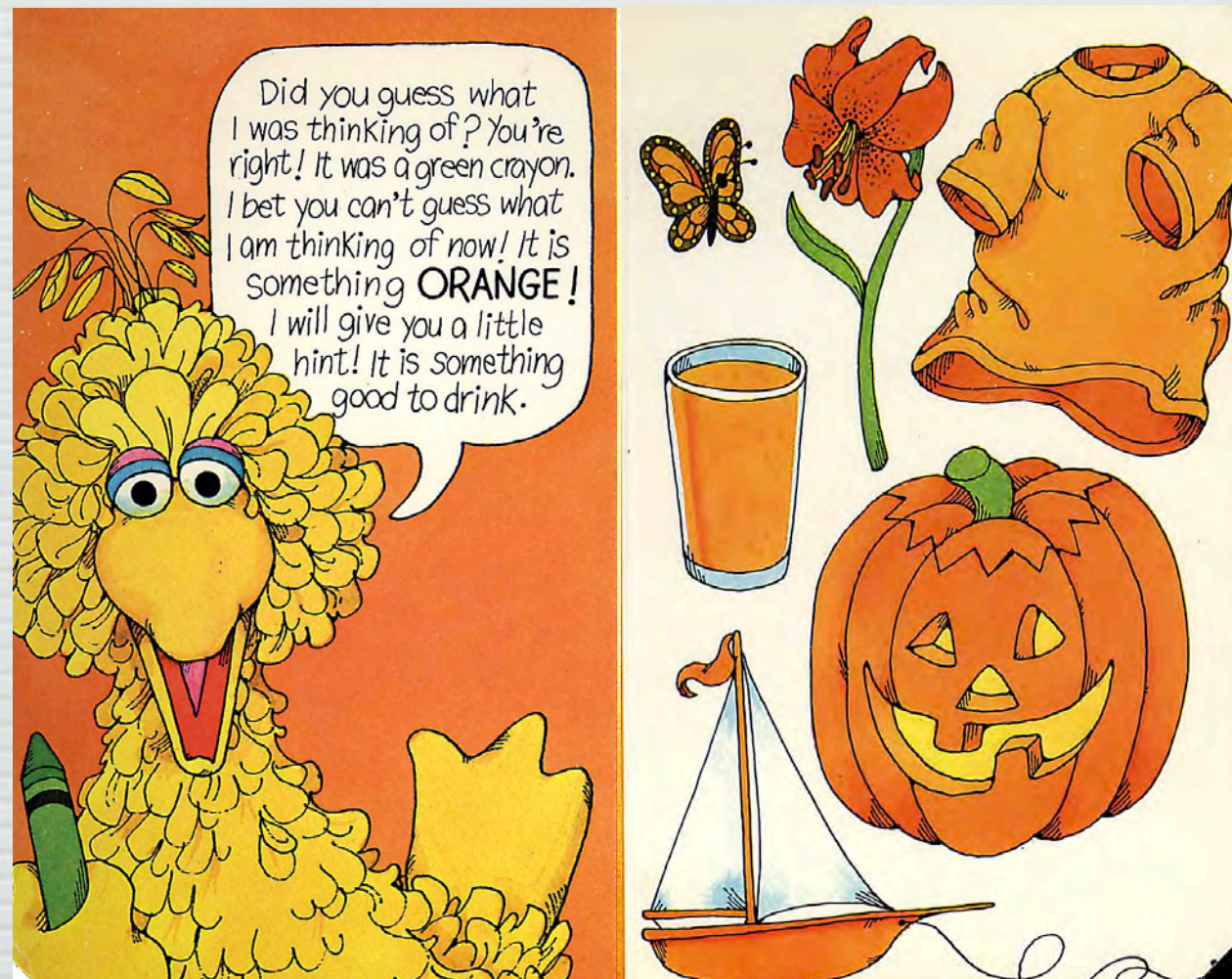


Real Wisdom is about looking innocently

“We find ourselves looking at the same old data, but we now see it in a dramatically different way. We experience another valid -- and sometimes more significant way of understanding what is.”

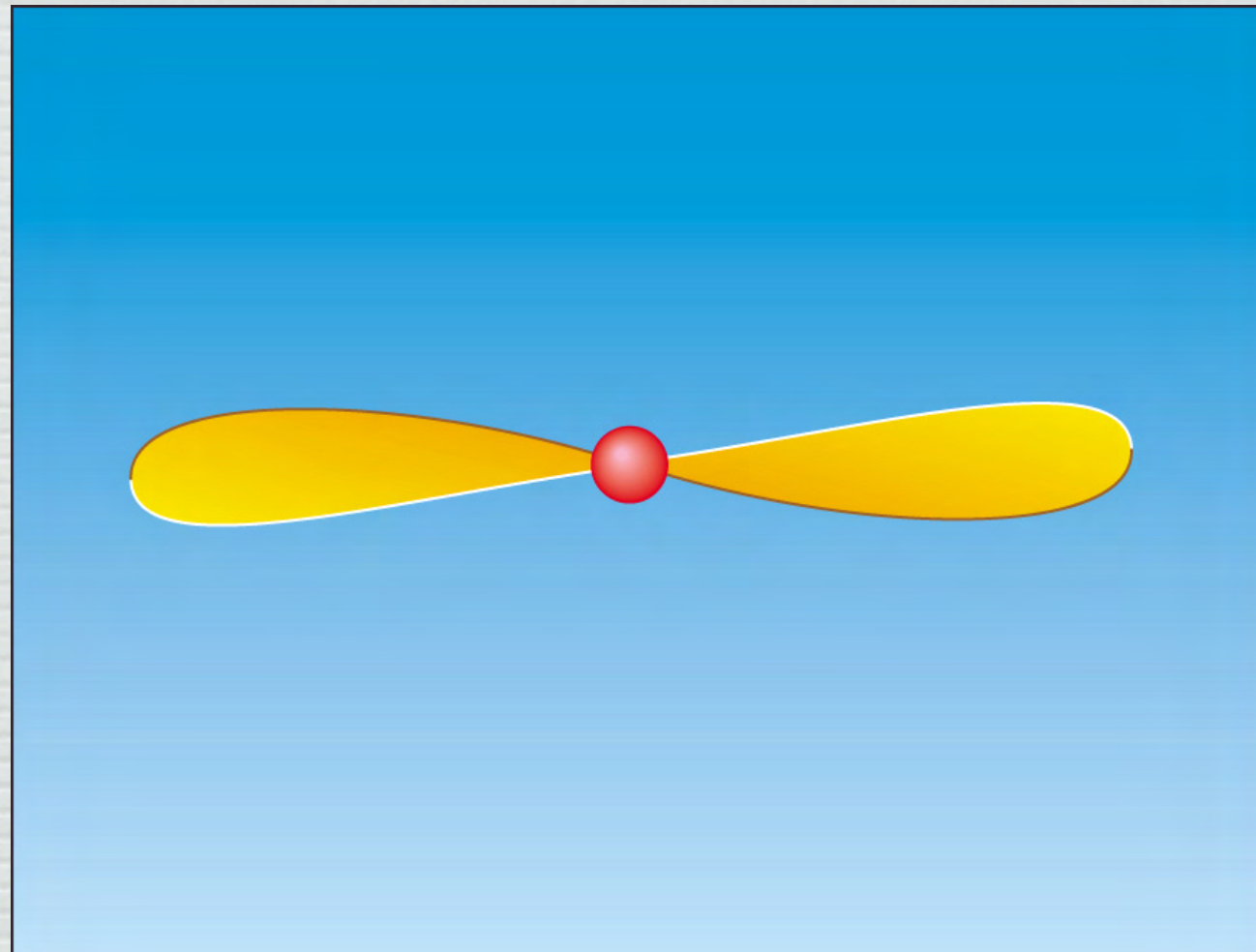
Copthorne Macdonald

What Do You See?



Tori

What Do You See?



Kristyn

What Do You See?



Brad

What Do You See?



Brad



Law #2: Leverage Diversity

Multiplies the impact of Stimulus

Diversity of Thinking # of practical ideas invented

Low Diversity



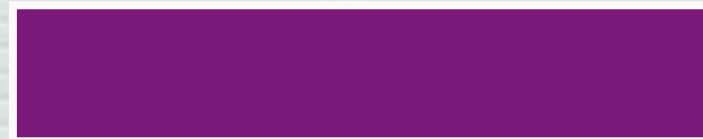
19

Medium Diversity



30

High Diversity

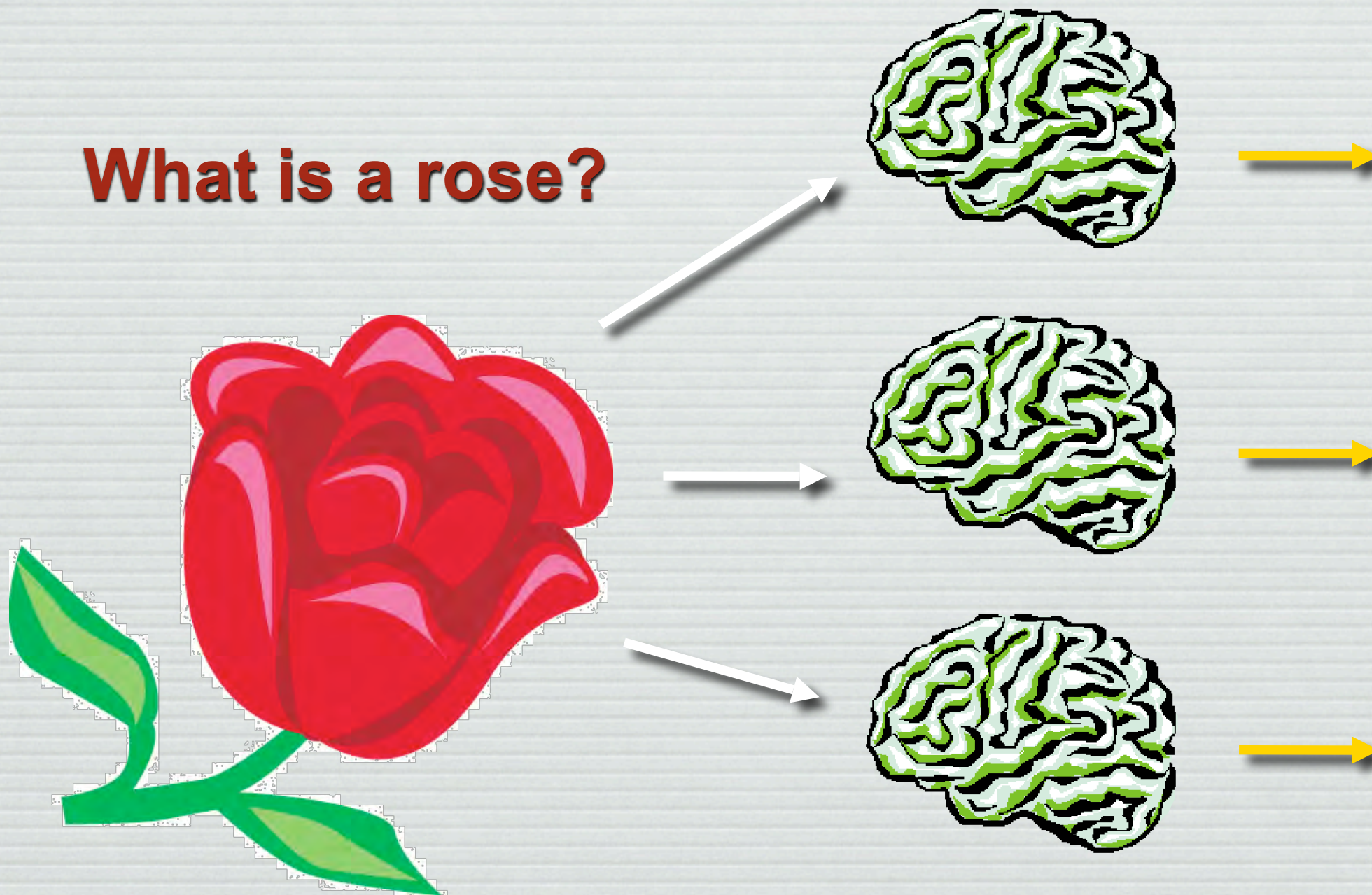


46

Clones Create Clones



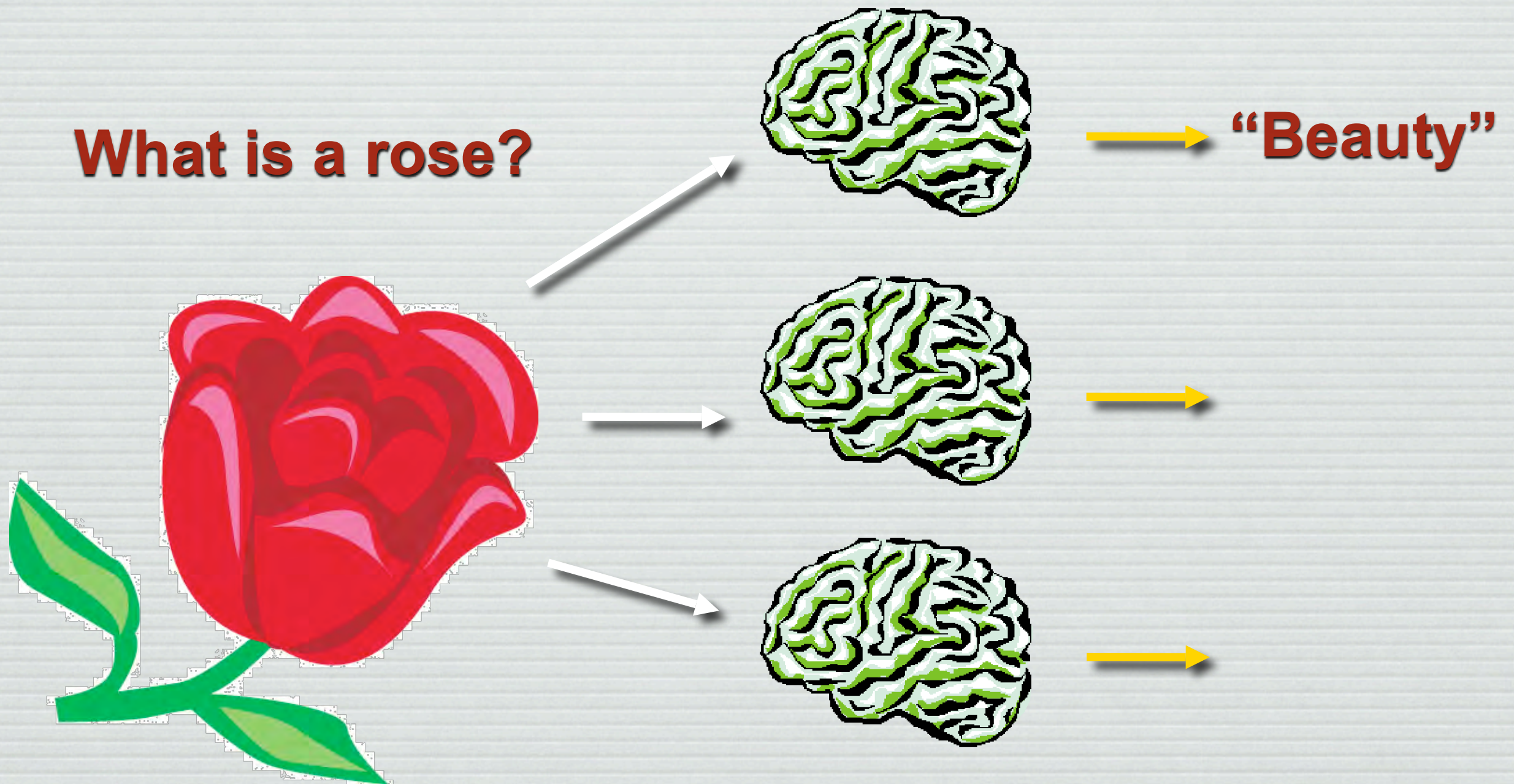
What is a rose?



Clones Create Clones



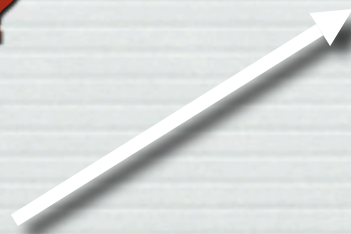
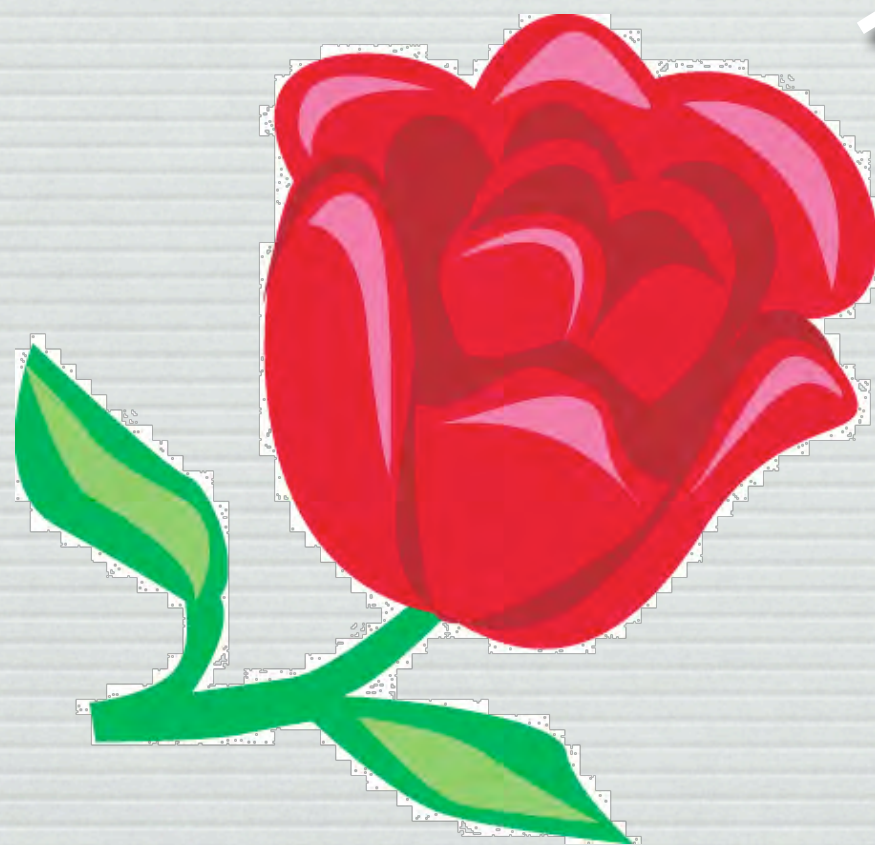
What is a rose?



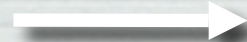
Clones Create Clones



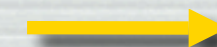
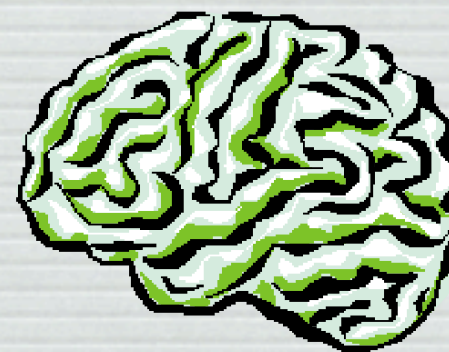
What is a rose?



→ **“Beauty”**



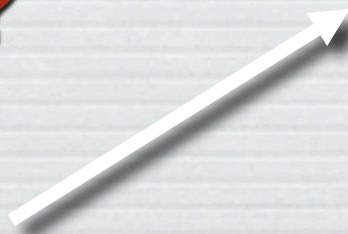
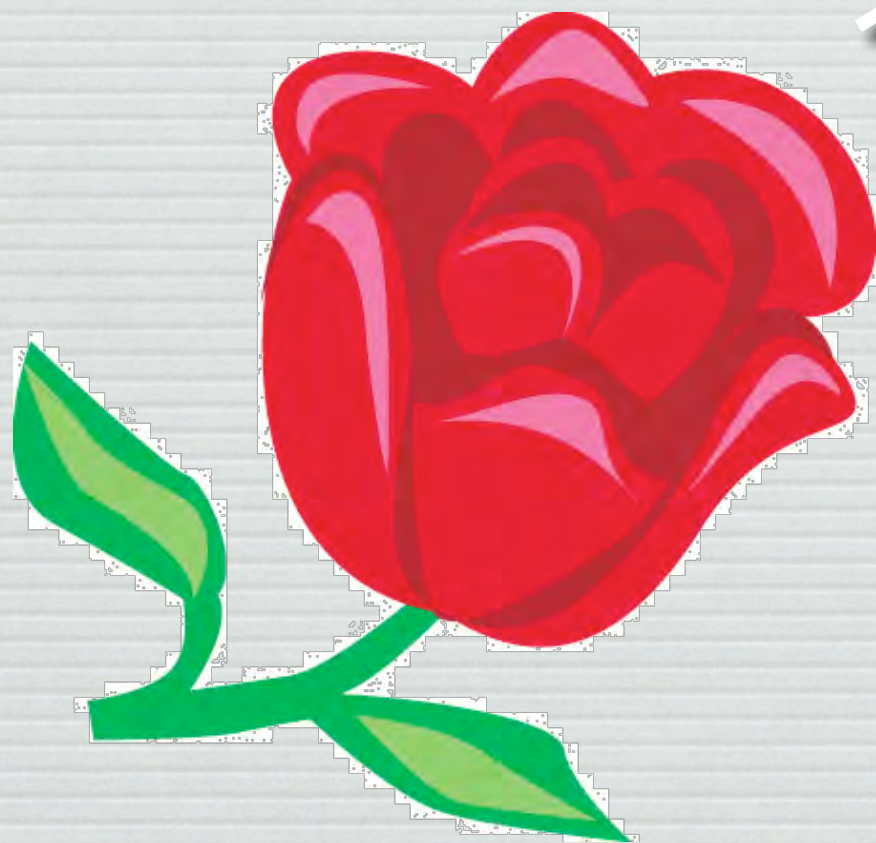
→ **“Beauty”**



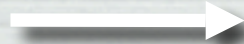
Clones Create Clones



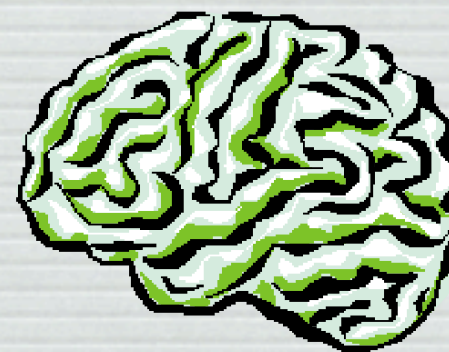
What is a rose?



→ **“Beauty”**



→ **“Beauty”**

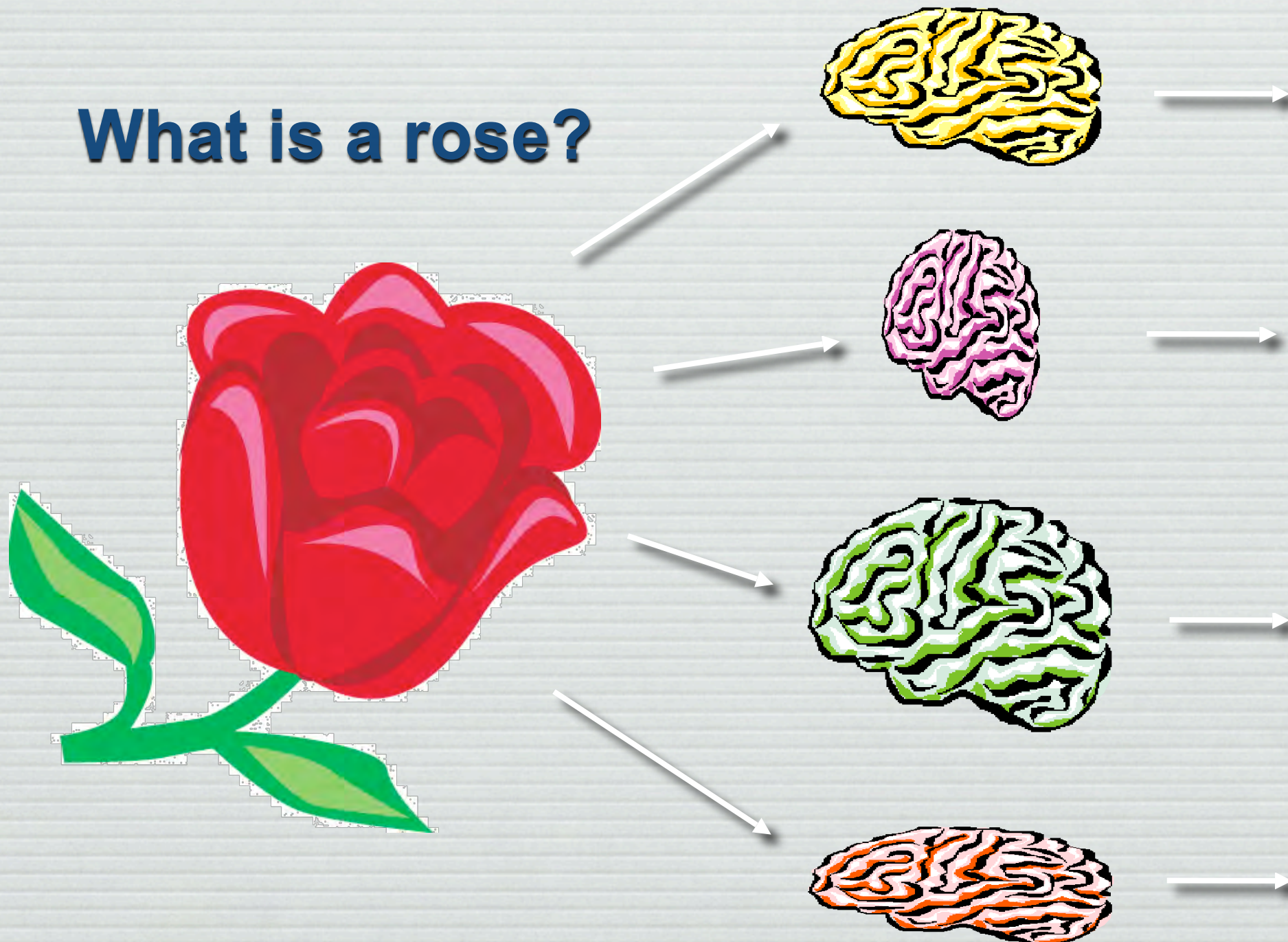


→ **“Beauty”**

Diversity Multiplies Stimuli



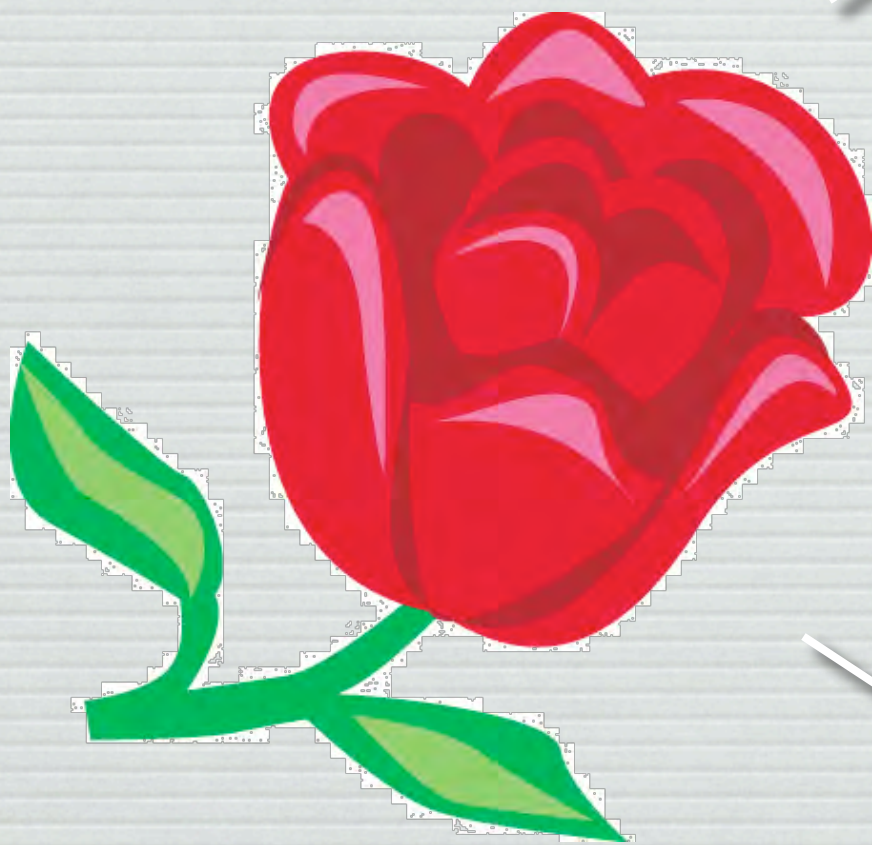
What is a rose?



Diversity Multiplies Stimuli



What is a rose?

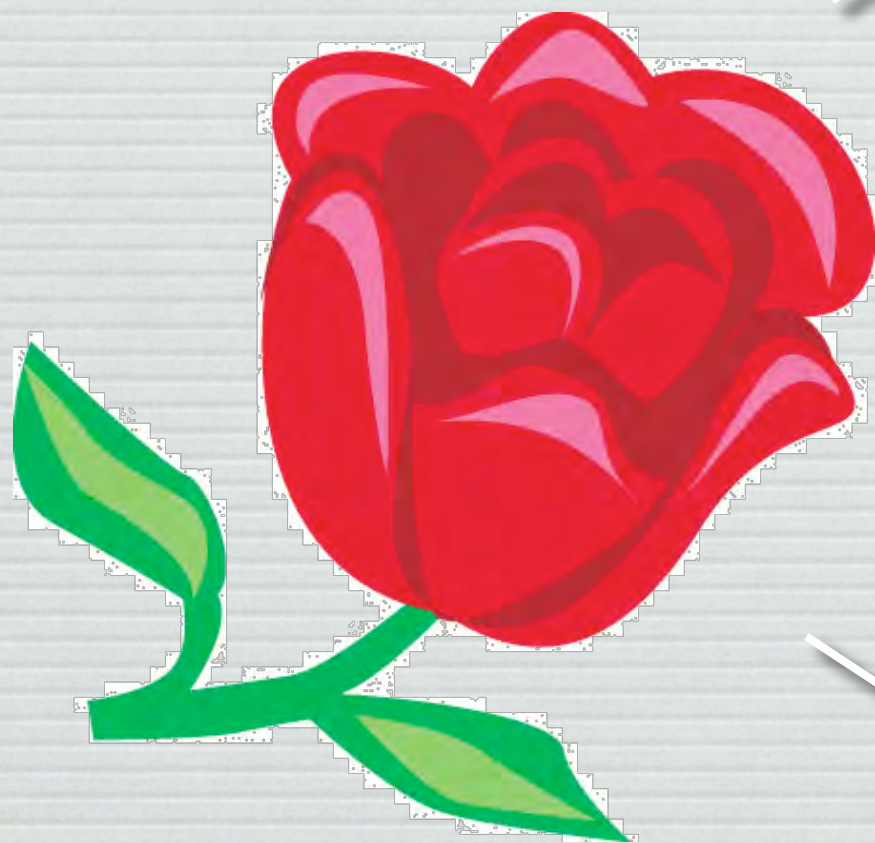


“Beauty”

Diversity Multiplies Stimuli



What is a rose?



“Beauty”



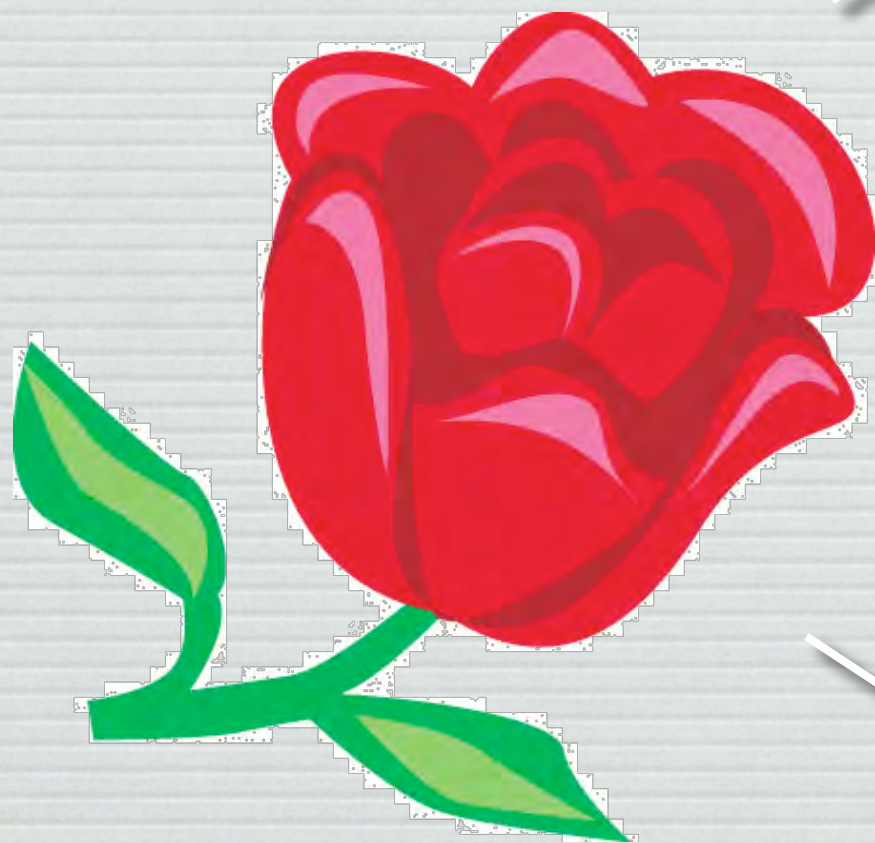
“Vitamin C
Tea”



Diversity Multiplies Stimuli



What is a rose?



“Beauty”



“Vitamin C
Tea”



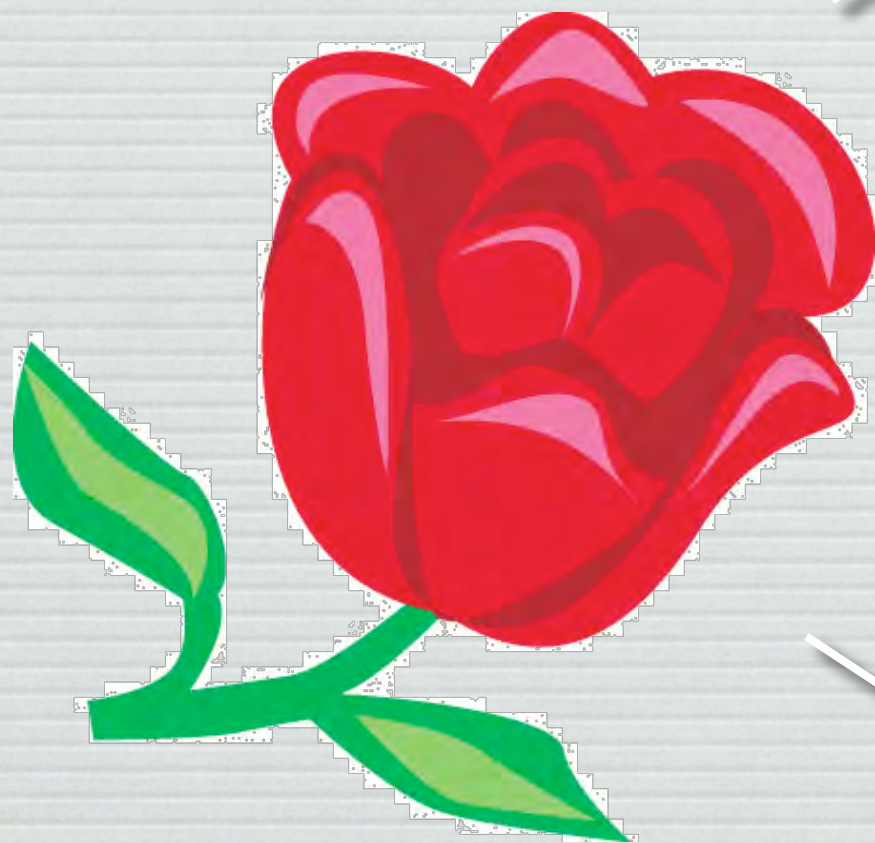
“Rose Water”



Diversity Multiplies Stimuli



What is a rose?



“Beauty”



“Vitamin C Tea”

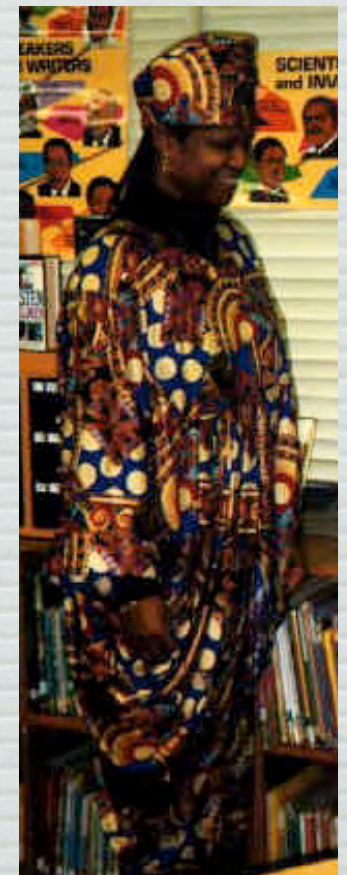


“Rose Water”



“Tango”

The North American Melting Pot



The North American



SALAD BOWL



**Leveraging
Diversity
is not for
WIMPS!**

Thinking Styles Defined

(95% confidence level)

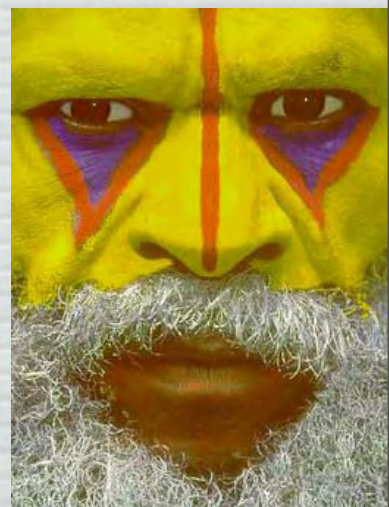


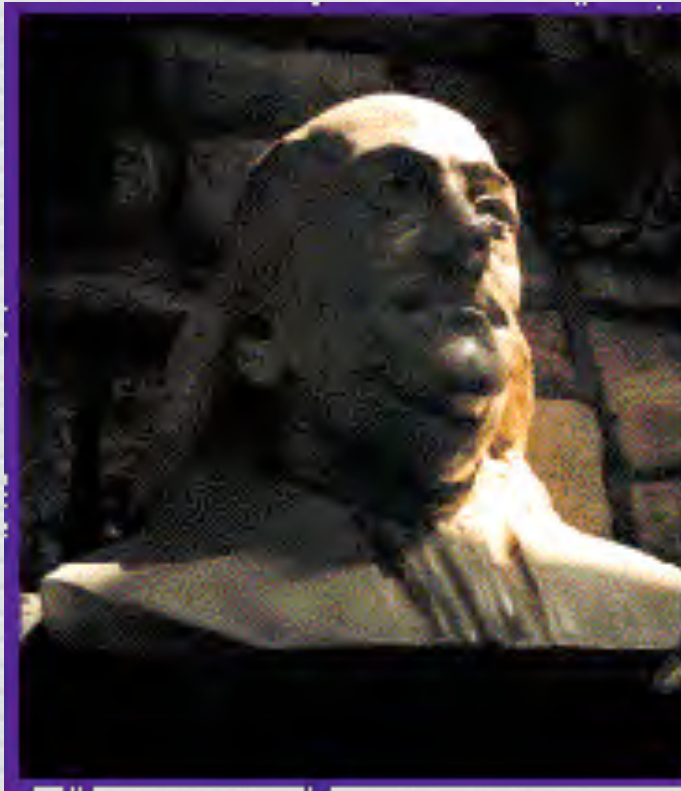
Logical LEFT Brain

- DETAILS
- Asked about business
- Neat & Organized
- Trust the Facts

Radical RIGHT Brain

- DREAMS
- Asked about new ideas
- Messy and Chaotic
- Trust Gut Instinct





“We must all hang together or most assuredly we will all hang separately.”

Ben Franklin

Old World



How Leverage Diversity?

This is how **NOT** to Do it

This is How **NOT** to Do it

Old World



How Leverage Diversity?

This is how **NOT** to Do it

This is How **NOT** to Do it



Old World



How Leverage Diversity?

This is how **NOT** to Do it



This is How **NOT** to Do it



MEP
Network

New World



“Simultaneous Engineering”

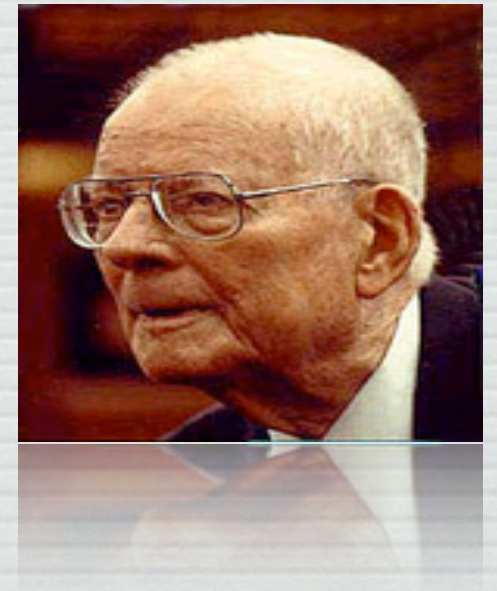
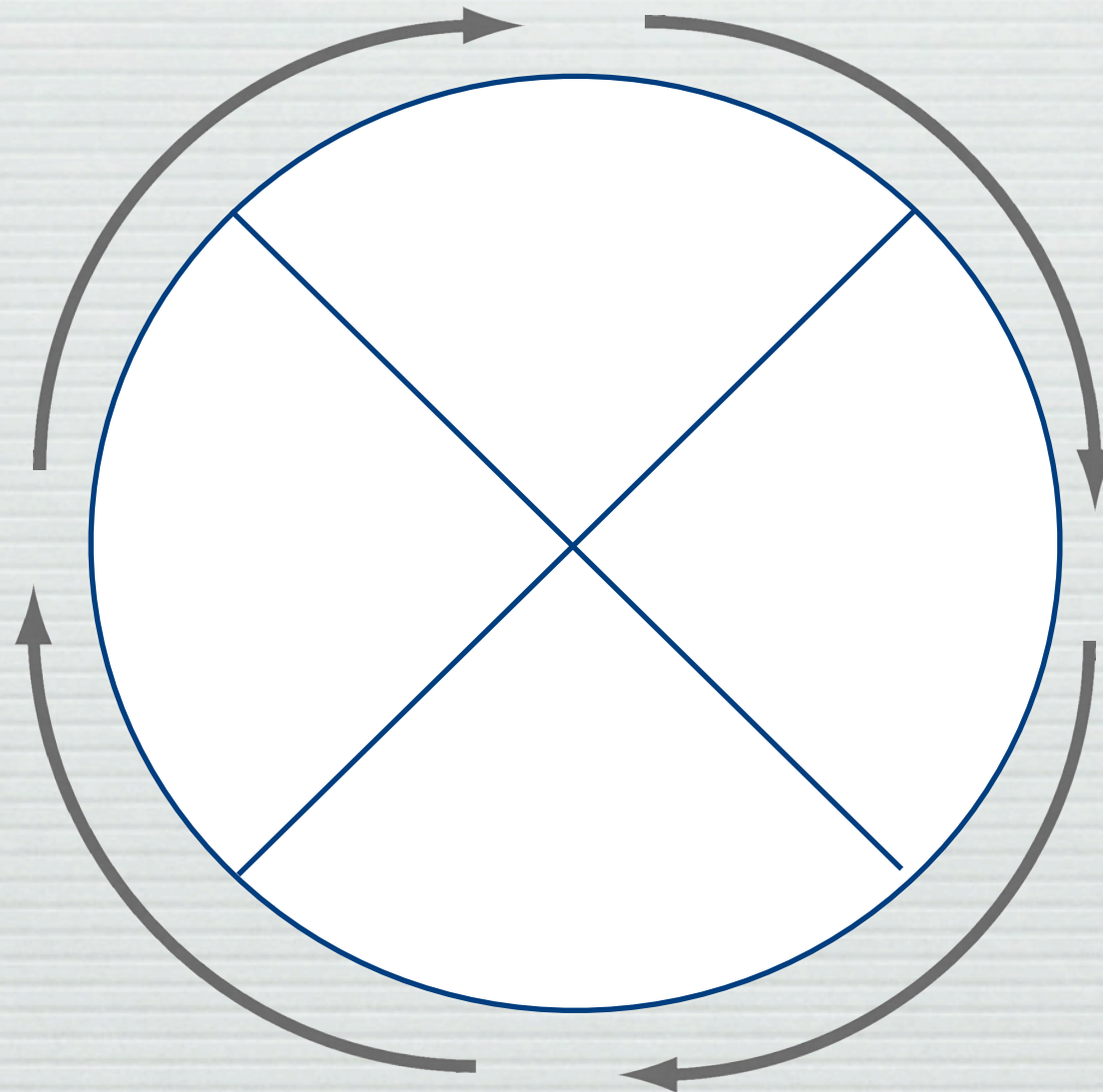
Hardware Engineers - Fantastic Interface

Industrial Designers - Cool Design

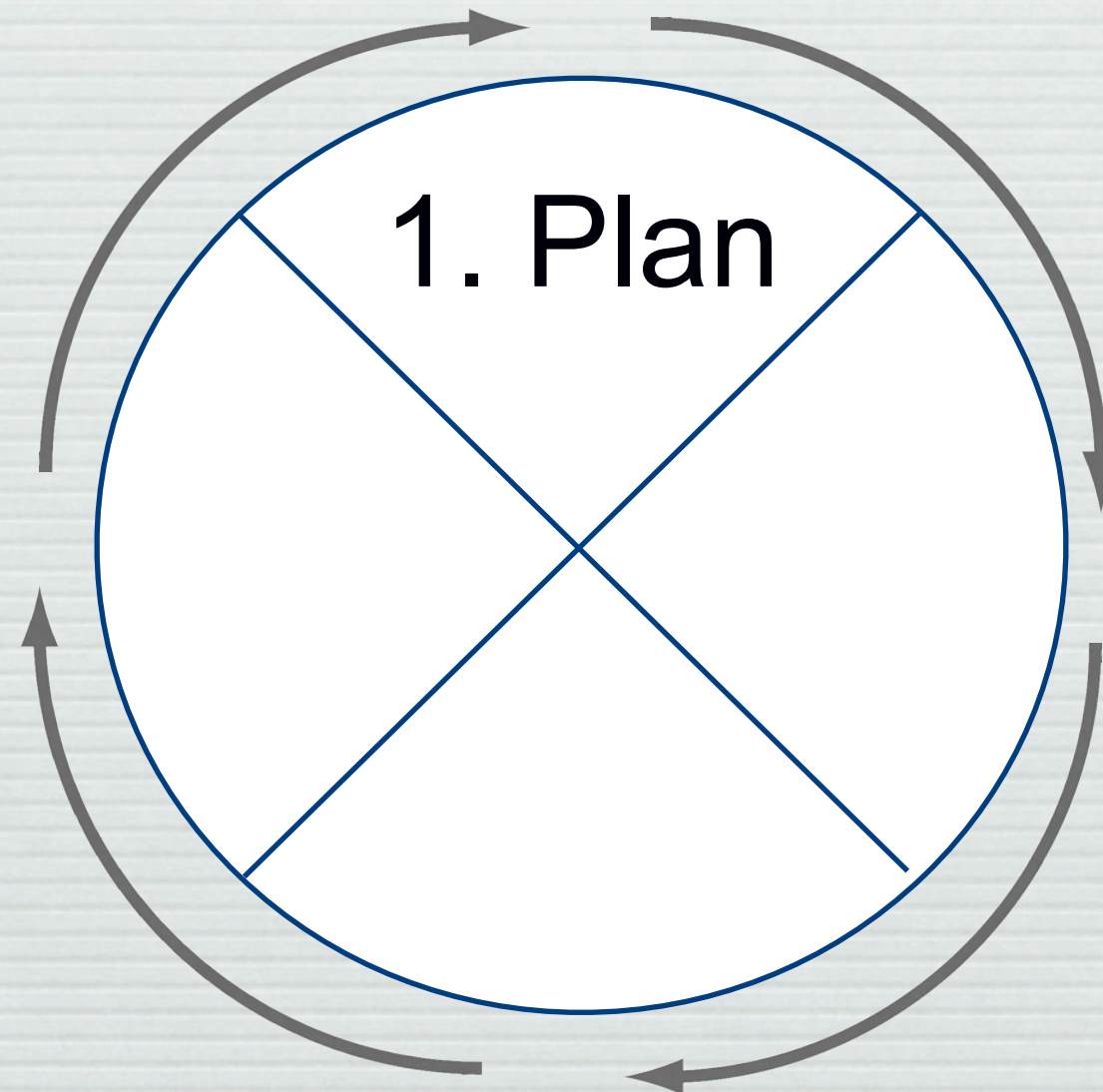
Software Wizards - Seamless I-Tunes Software

Lawyers - Deals with Record Companies

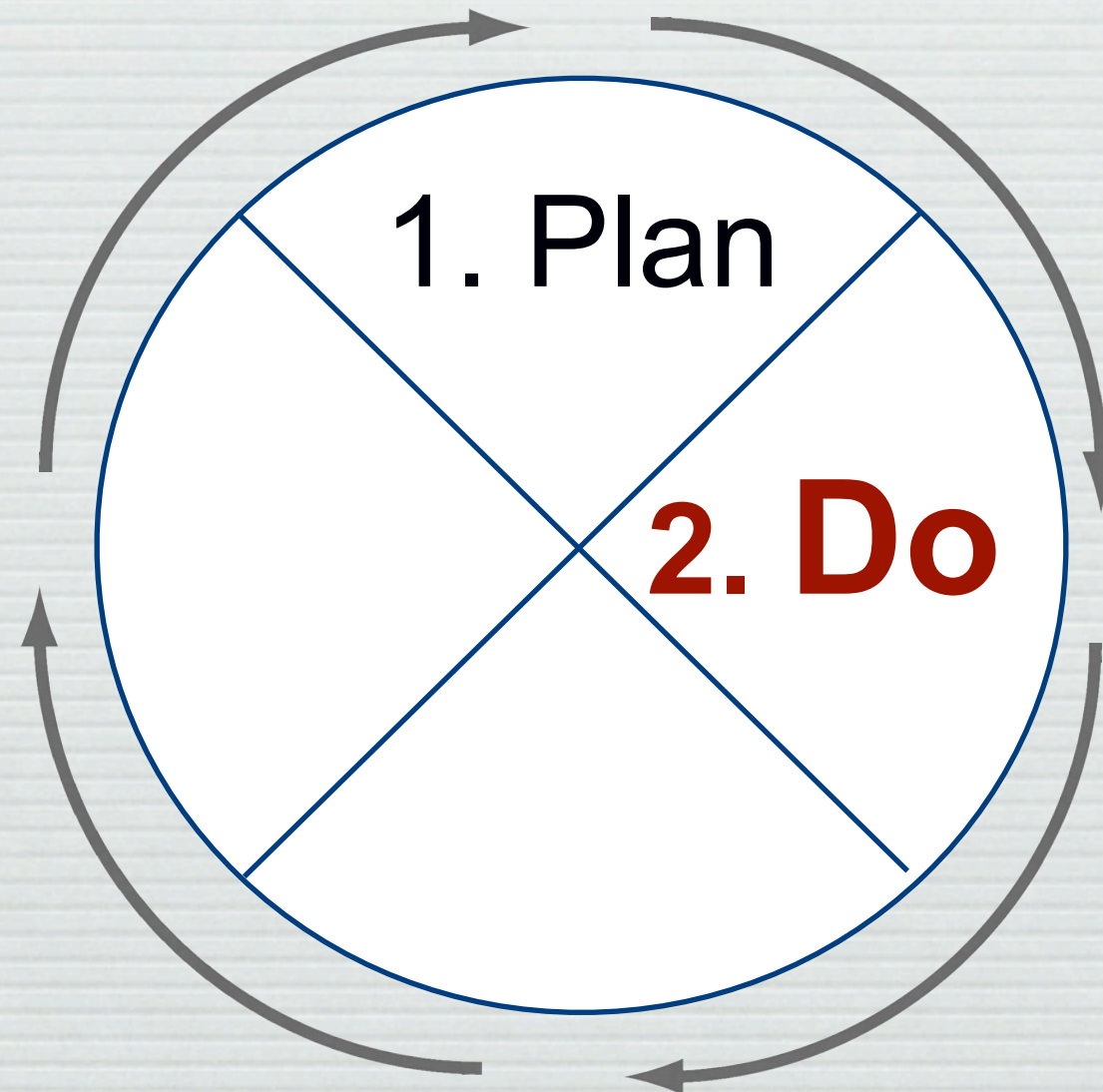




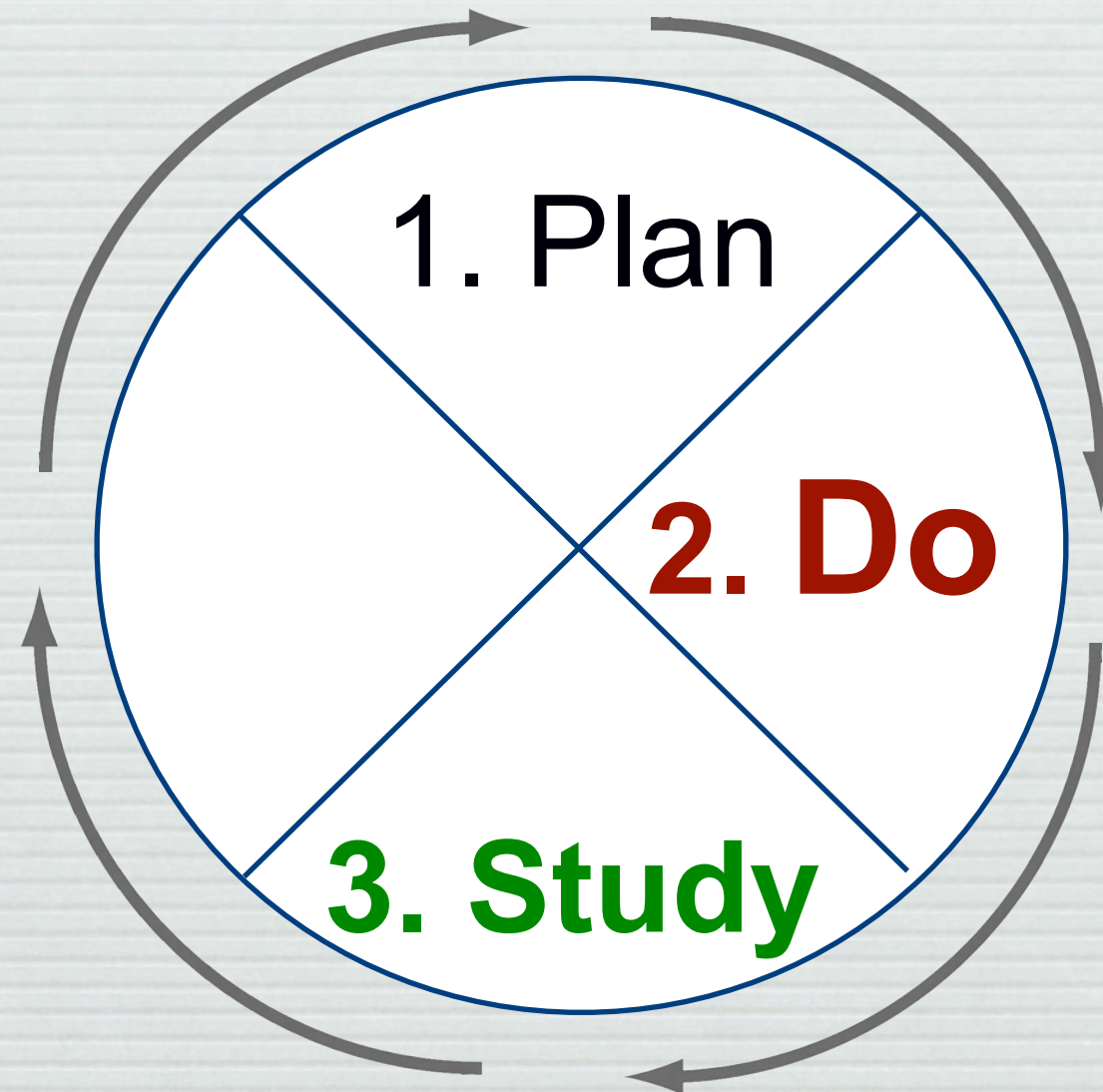
**Is how we LEVERAGE
Stimulus & Diversity**



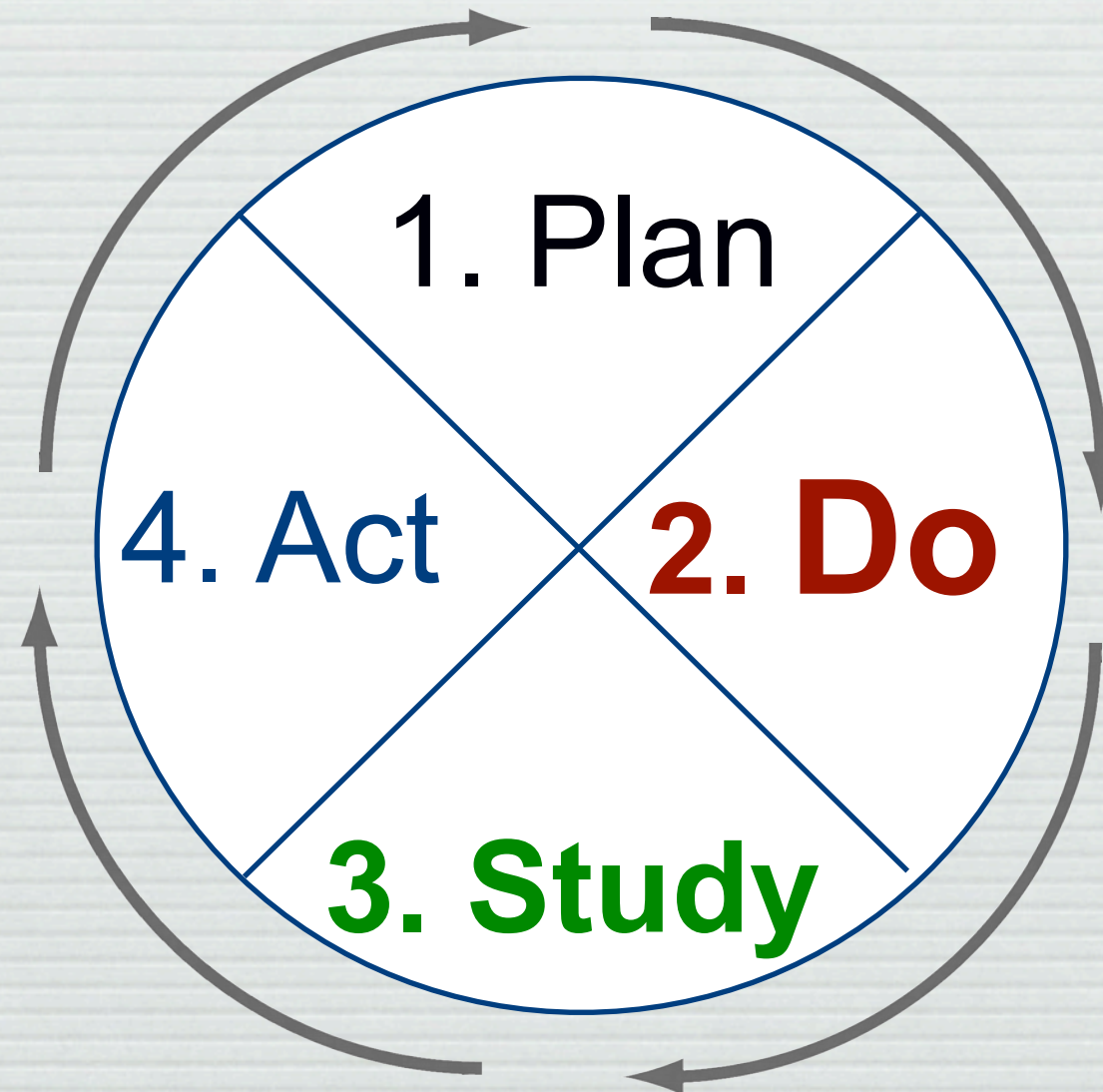
**Is how we LEVERAGE
Stimulus & Diversity**



**Is how we LEVERAGE
Stimulus & Diversity**

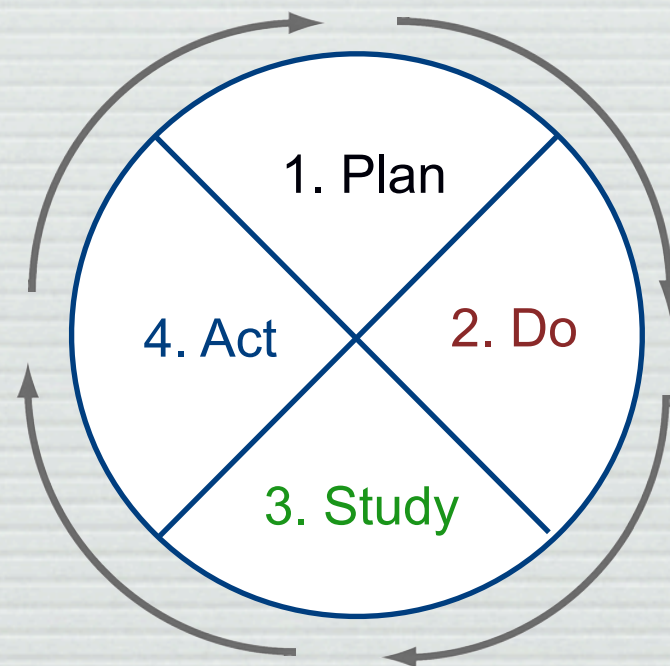


Is how we **LEVERAGE**
Stimulus & Diversity

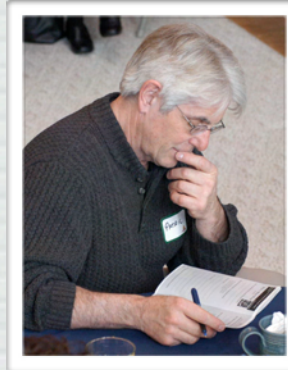


Is how we **LEVERAGE**
Stimulus & Diversity

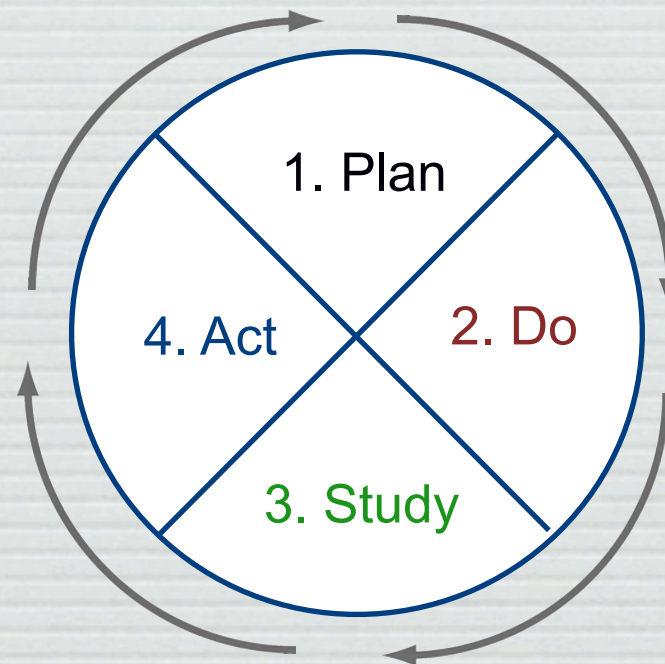
Eureka! 7.0 - Cycle



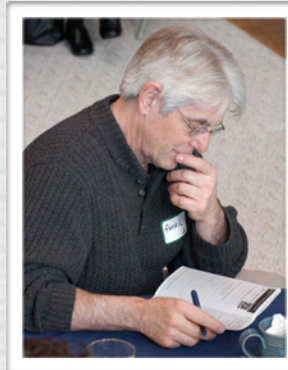
Eureka! 7.0 - Cycle



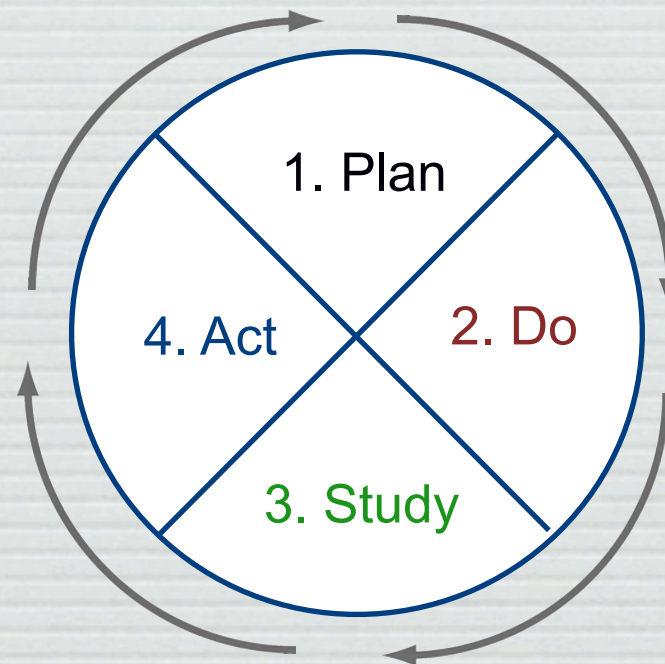
I. Individual Insights
5 to 10 Minutes



Eureka! 7.0 - Cycle



1. Individual Insights
5 to 10 Minutes

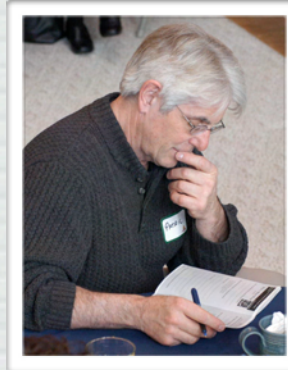


2. Paired Ideation
15 Minutes

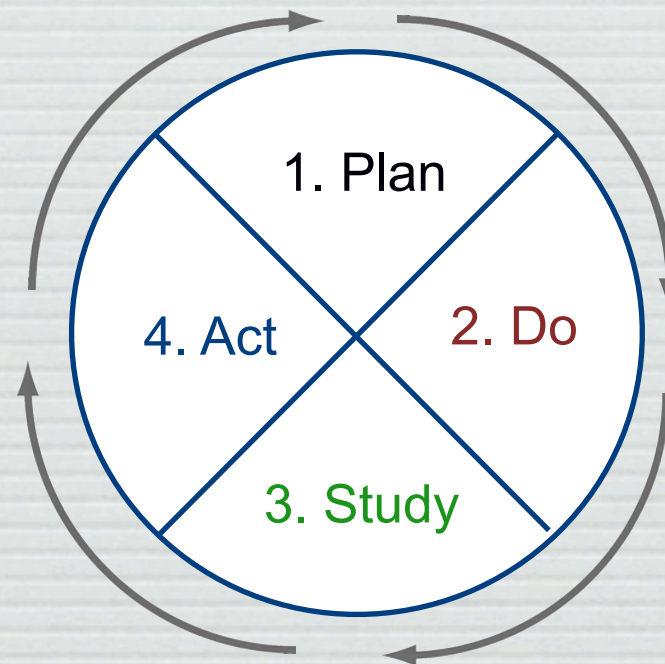


MEP
Network

Eureka! 7.0 - Cycle



1. Individual Insights
5 to 10 Minutes

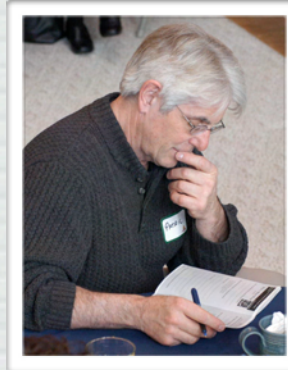


2. Paired Ideation
15 Minutes

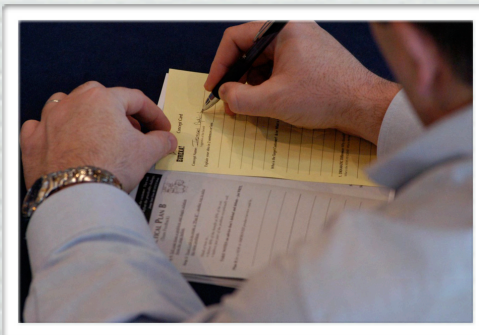


3. Team Feedback
15 Minutes

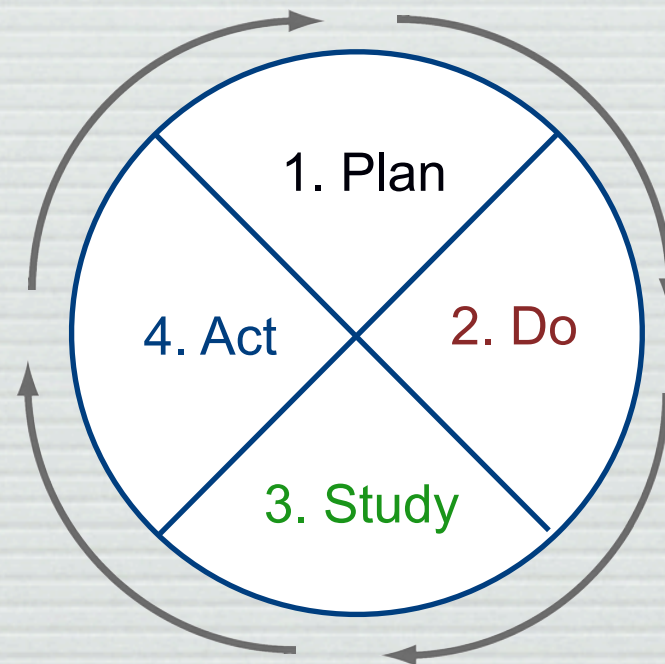
Eureka! 7.0 - Cycle



1. Individual Insights
5 to 10 Minutes



4. Growth Authorship
10 Minutes



2. Paired Ideation
15 Minutes



3. Team Feedback
15 Minutes



Quality at the Source *INDIVIDUAL* ownership

There is no “i” in TEAM - BUT

idea

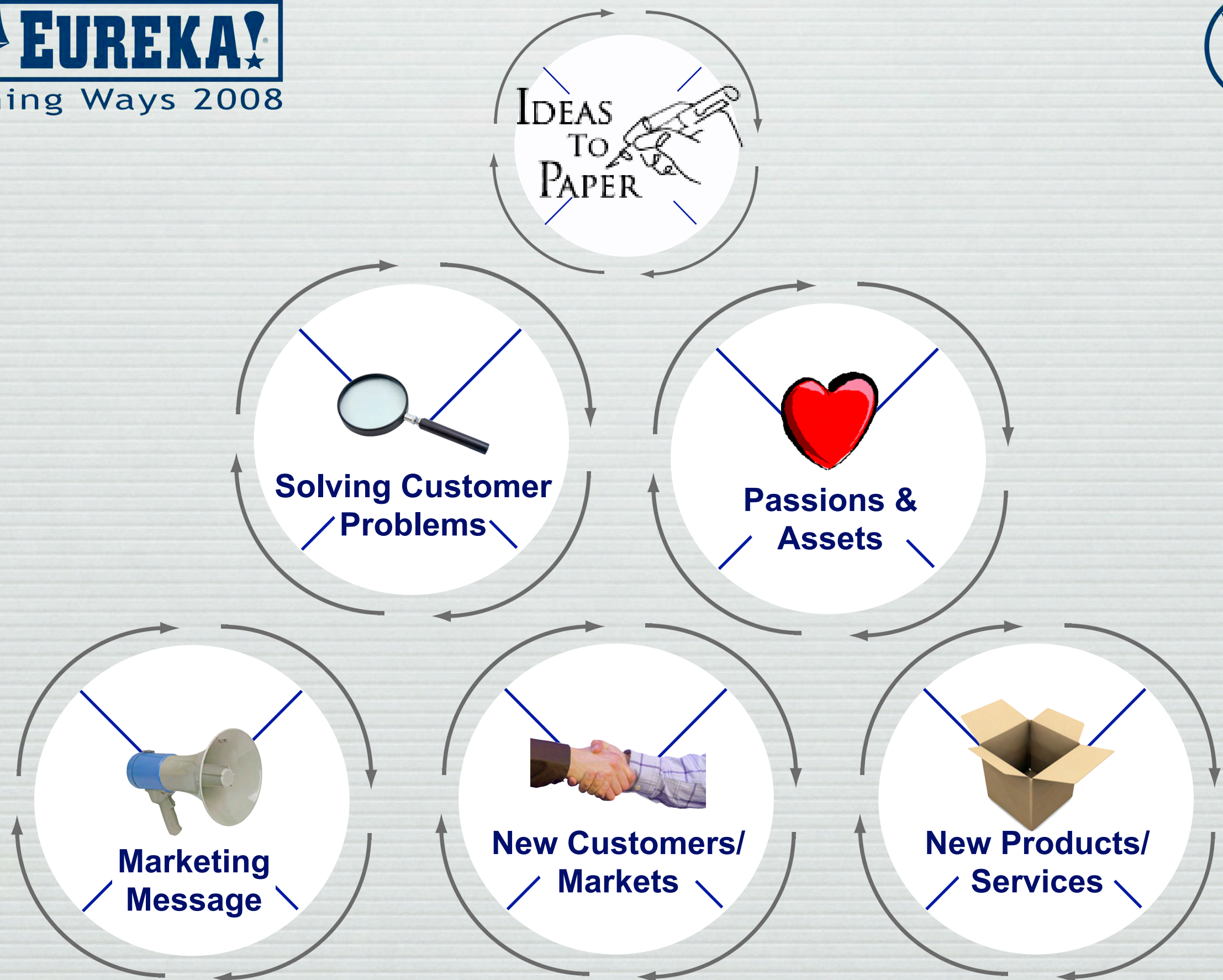


innovation

intention

All start with **i**







E!WW Client Leveraging Assets



Recognition, Jewelry & Gifts Company
Lenexa, Kansas



E!WW Client Leveraging Assets



Recognition, Jewelry & Gifts Company
Lenexa, Kansas

**A Company Asset -
they keep EVERYTHING**

**Including actual military
dies from the 1930's**



E!WW Client Leveraging Assets



Recognition, Jewelry & Gifts Company
Lenexa, Kansas

Creating New Troop Tribute Line



*Unmet Needs
Program
VFW*



Benchmark #9

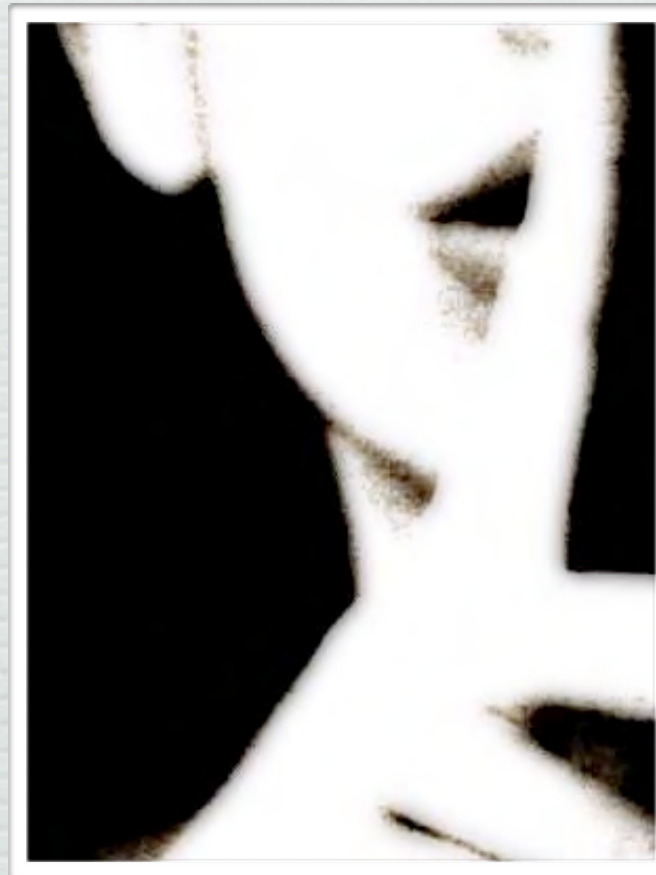
How good are you at
continuously maintaining a
DRAMATIC DIFFERENCE
vs. Competition?

Not Great

World Class

0 1 2 3 4 5 6 7 8 9 10

The Secret



To HIGHER Profit Margins
New CUSTOMERS
New MARKETS



Third Law of Marketing Physics

Dramatic Difference

You TRIPLE your odds of success when you offer a DRAMATIC DIFFERENCE in Overt Benefit & Real Reason to Believe

Dramatic Difference

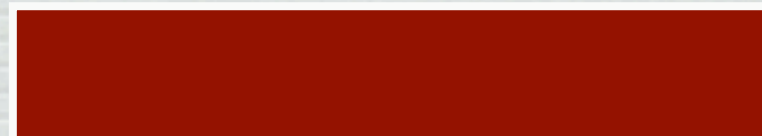
Probability of Success

Low Dramatic Difference



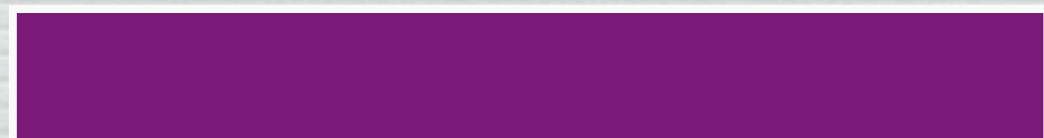
14%

Medium Dramatic Difference



40%

High Dramatic Difference



53%



Dramatically Different

(Harvard Business Review)

370%

**Greater chance of profitable success
for ideas that are
Extremely/Very Unique**



**Business Success is
all about NEWS.**

THE FIRST _____

THE ONLY _____

(Make a legal claim)

***New Customers love* NEWS & hope**

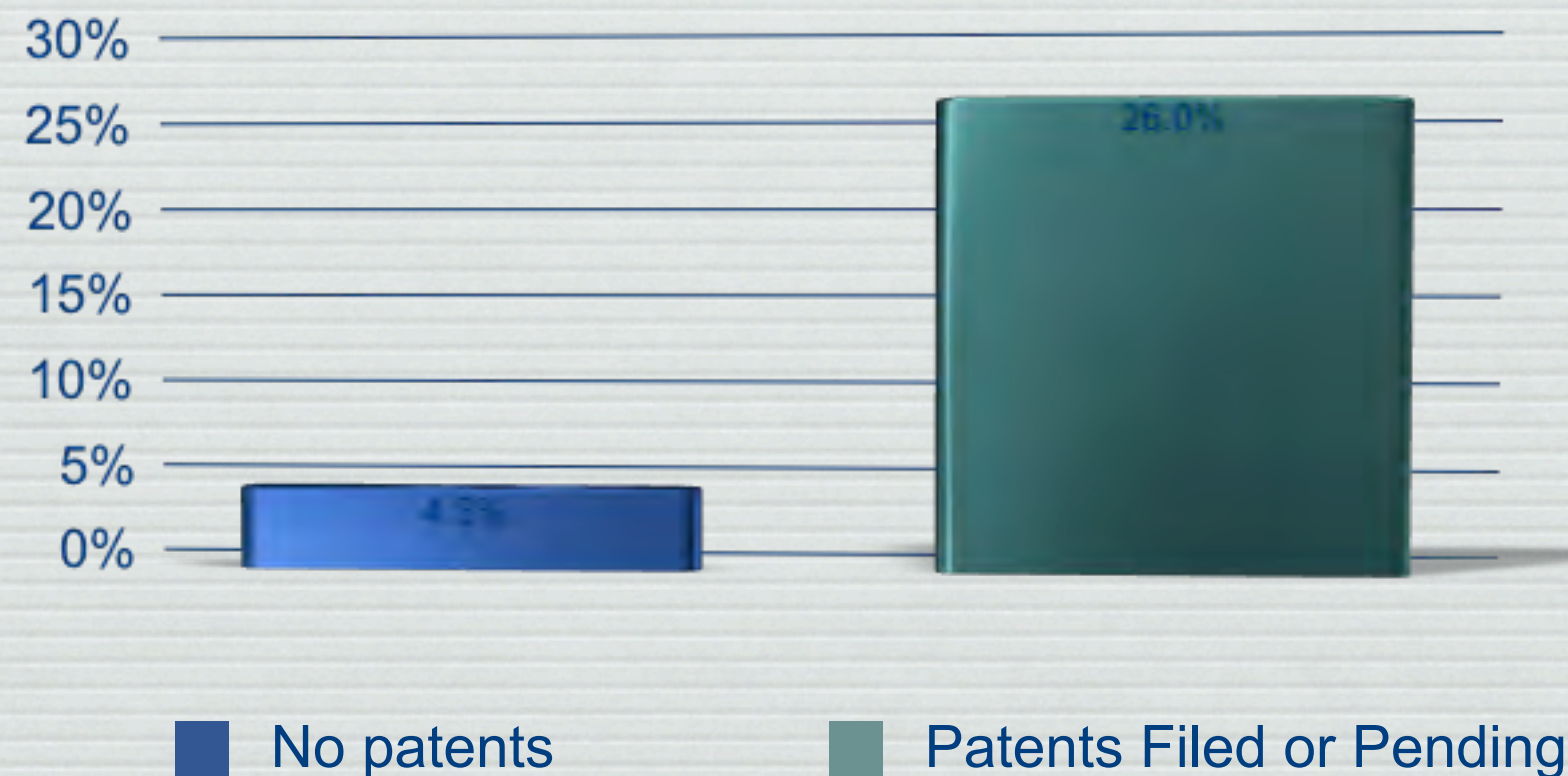




Ideally Dramatic Differences are Patented

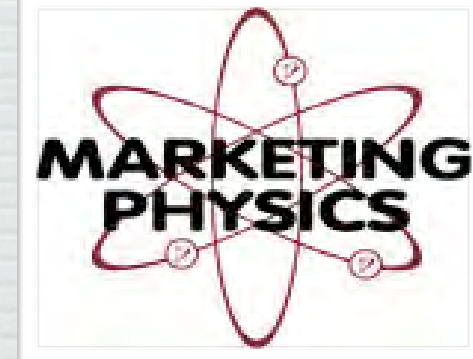
Patents or Pending Patents Drive Growth

More choices = 5.8 times faster growth

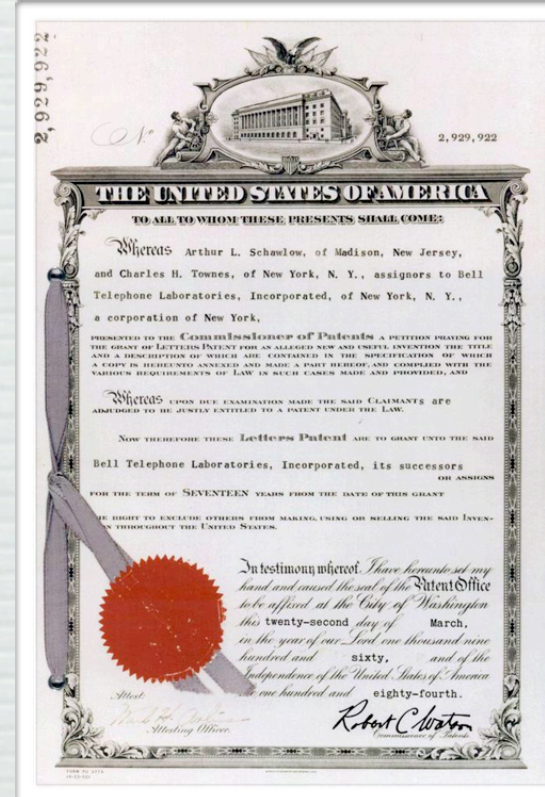




=



Useful



=



Useful

- Overt Benefit



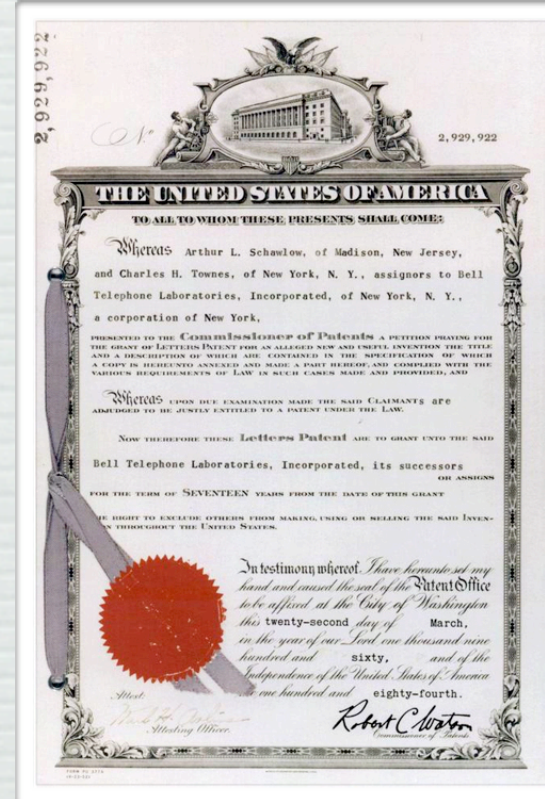
=



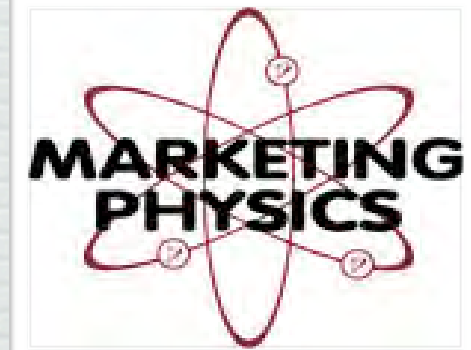
Useful

- **Overt Benefit**

Claims “How”



=

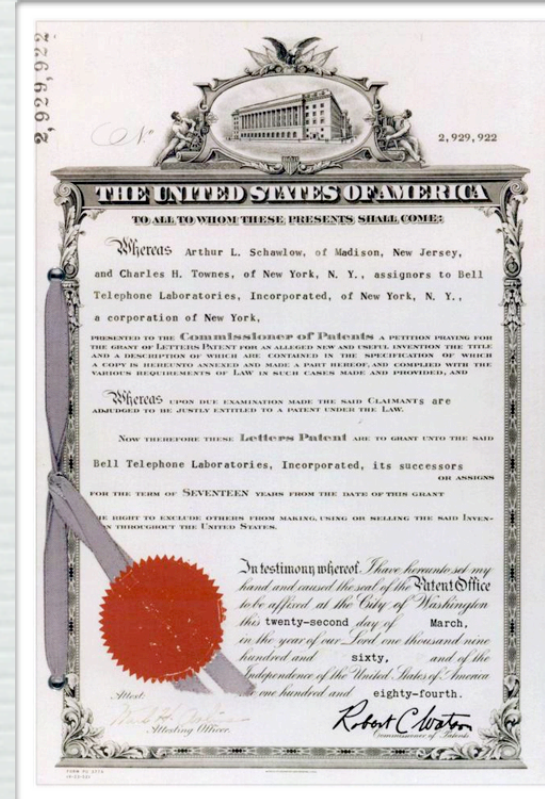


Useful

- Overt Benefit

Claims “How”

- Real Reason to Believe



=



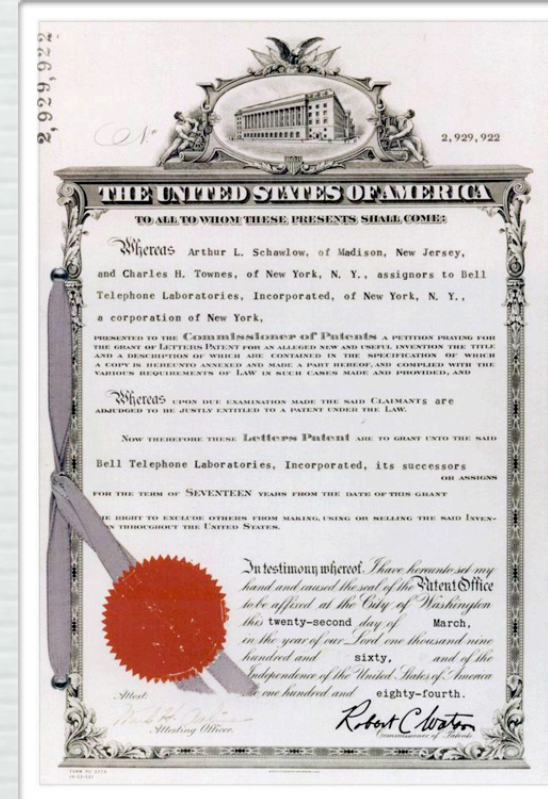
Useful

- Overt Benefit

Claims “How”

- Real Reason to Believe

Novel “Not Obvious”



=



Useful

- *Overt Benefit*

Claims “How”

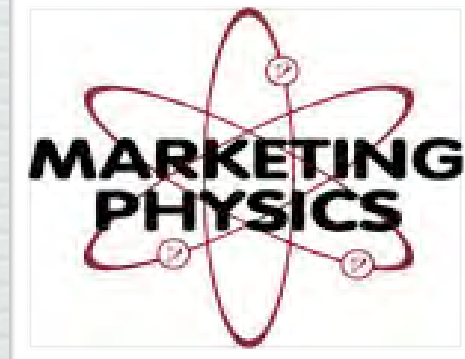
- *Real Reason to Believe*

Novel “Not Obvious”

- *Dramatic Difference*



=





Where is the best place to invest time and energy looking for innovation inspiration?

**Correlation with
Innovation Success
r value**



Where is the best place to invest time and energy looking for innovation inspiration?

Correlation with
Innovation Success
r value

Competitive/Customer Scouting	.13
-------------------------------	-----



Where is the best place to invest time and energy looking for innovation inspiration?

Correlation with
Innovation Success
r value

Competitive/Customer Scouting	.13
Demographic Scouting	.12



Where is the best place to invest time and energy looking for innovation inspiration?

	Correlation with Innovation Success r value
Competitive/Customer Scouting	.13
Demographic Scouting	.12
Industry Trend Scouting	.07



Where is the best place to invest time and energy looking for innovation inspiration?

	Correlation with Innovation Success r value
Competitive/Customer Scouting	.13
Demographic Scouting	.12
Industry Trend Scouting	.07
<u>Technology Scouting</u>	.49**



DRAMATICALLY DIFFERENT IDEAS



DRAMATICALLY DIFFERENT IDEAS

Cause Operational

CHAOS



MEP
Network



Benchmark #10

How good is your **SYSTEM** for
EXECUTING Profit Projects that offer a
Dramatic Difference?

Not Great

World Class

0 1 2 3 4 5 6 7 8 9 10



For REAL Growth

“94% of failures
are due to the
SYSTEM
6% are due to the
worker”





Start Ups Are

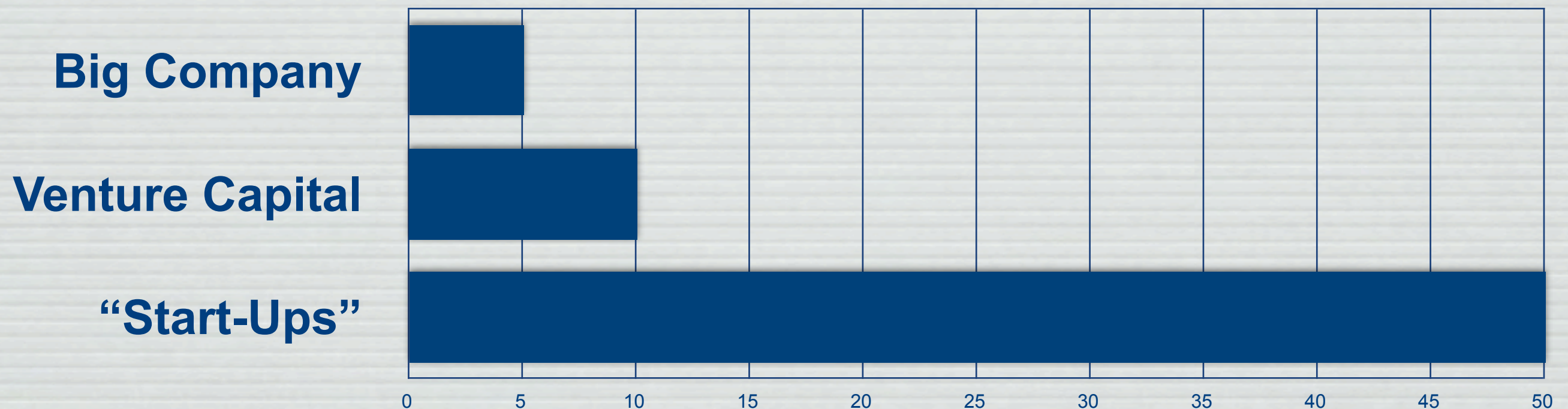
The MEANINGFUL Innovation Experts



Start Ups Are

The MEANINGFUL Innovation Experts

*Probability of still Being In Business
after 3 Years with INNOVATIONS*





Start Ups are

The MEANINGFUL Innovation Experts



Start Ups are

The MEANINGFUL Innovation Experts

*Since WWII more than two thirds of all
RADICAL INNOVATIONS that have lead to
dramatic and sizable transformations in the
economy have been adopted, improved and
developed by SMALL COMPANIES.*

***Federal Reserve Bank
of Kansas City***



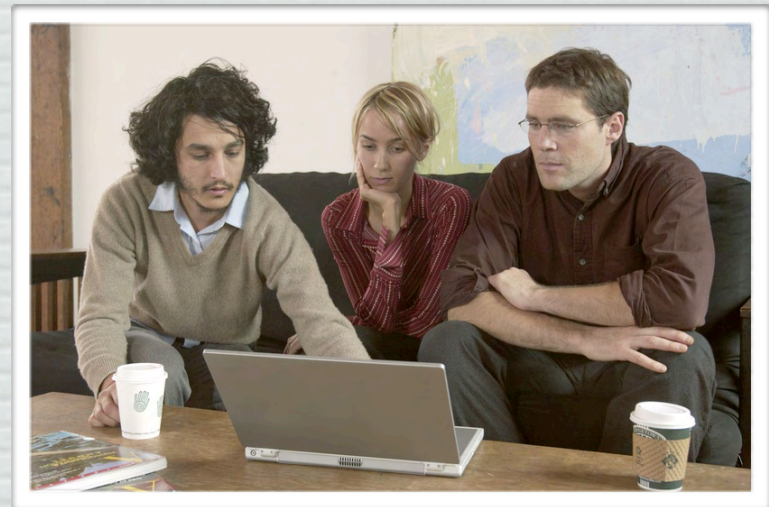
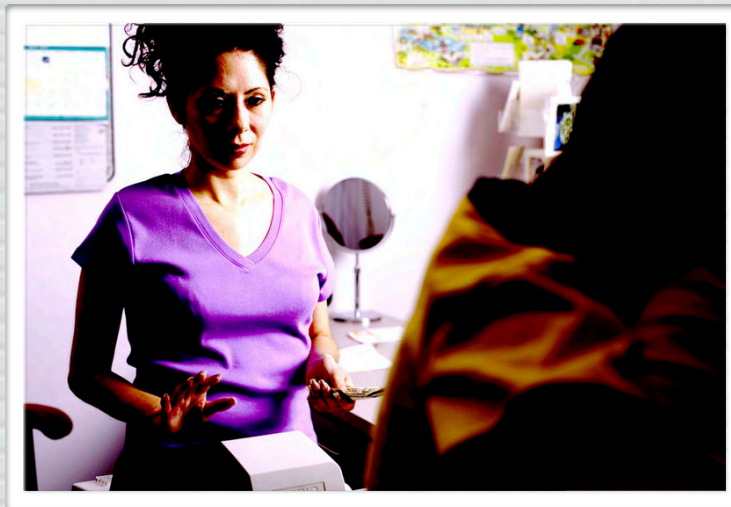
Small Companies = All Net Jobs



Source: 2004 U.S. Department of Commerce, Bureau of the Census



How Real-World Start Ups Reduce Risk & Increase Success Rates





The Eureka! Religion

3 of 3





The Eureka! Religion 3 of 3



SCOUT “Owns Project”
Yes, No, Yes But

The Eureka! Religion 3 of 3



SCOUT “Owns Project”
Yes, No, Yes But



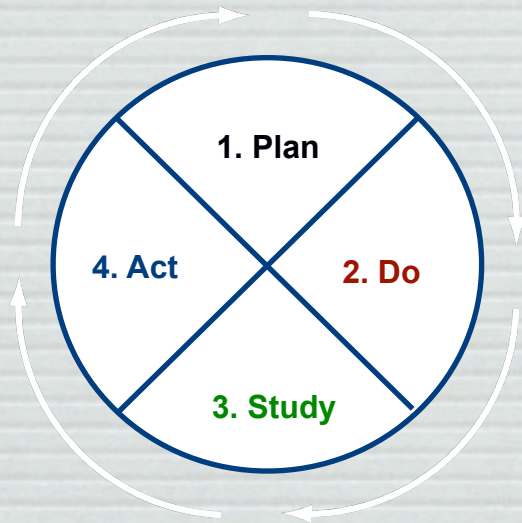
Confront Death Threats
Promise, Product & Business

The Eureka! Religion 3 of 3



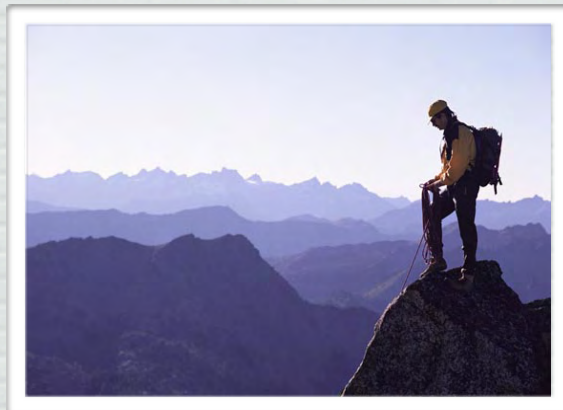
SCOUT “Owns Project”
Yes, No, Yes But

Confront Death Threats
Promise, Product & Business

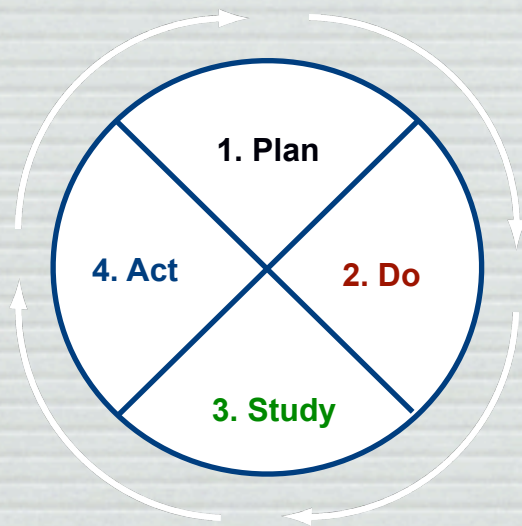


Fail Fast - Fail Cheap
“Get Smart” Cycles of Learning

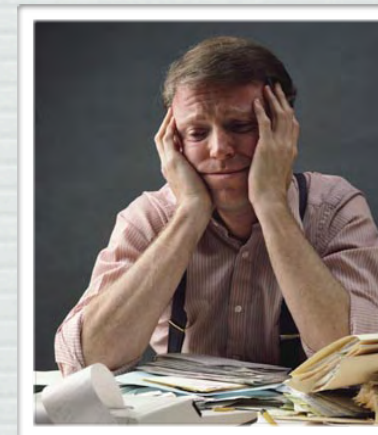
The Eureka! Religion 3 of 3



SCOUT “Owns Project”
Yes, No, Yes But



Fail Fast - Fail Cheap
“Get Smart” Cycles of Learning



Confront Death Threats
Promise, Product & Business



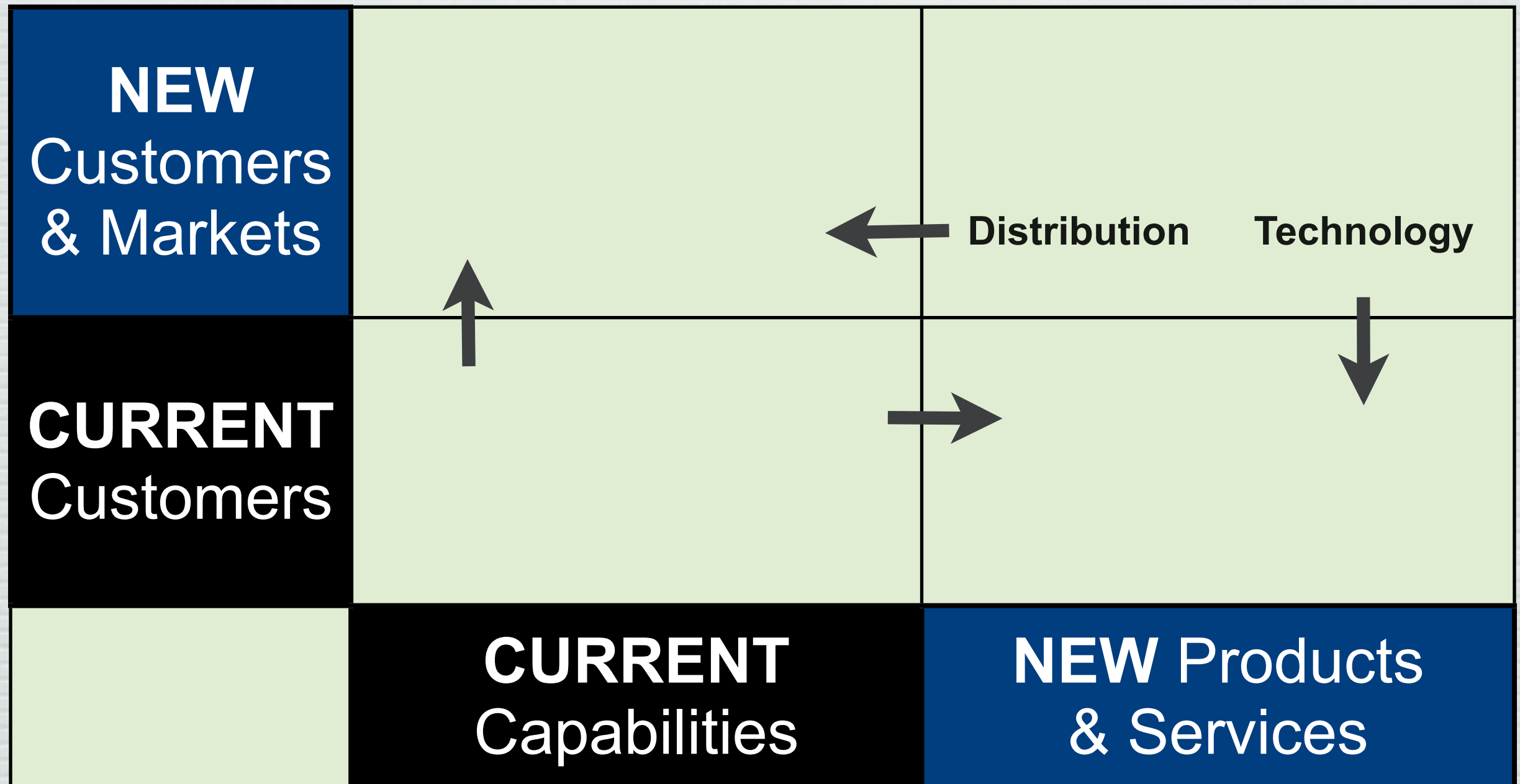
**Planet
Eureka!**



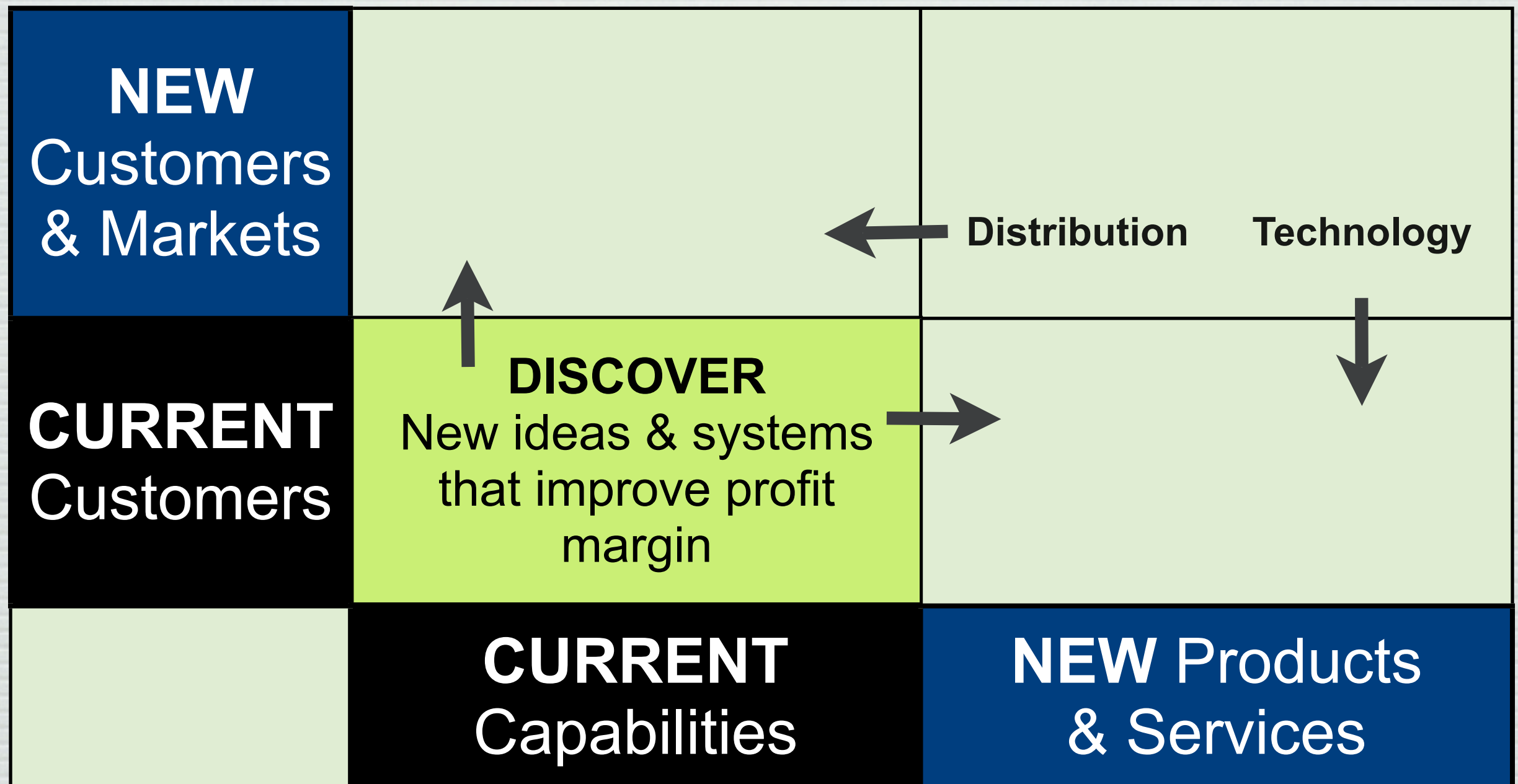
MEP
Network

Borrow Don't Build or Buy
Open Source Innovation

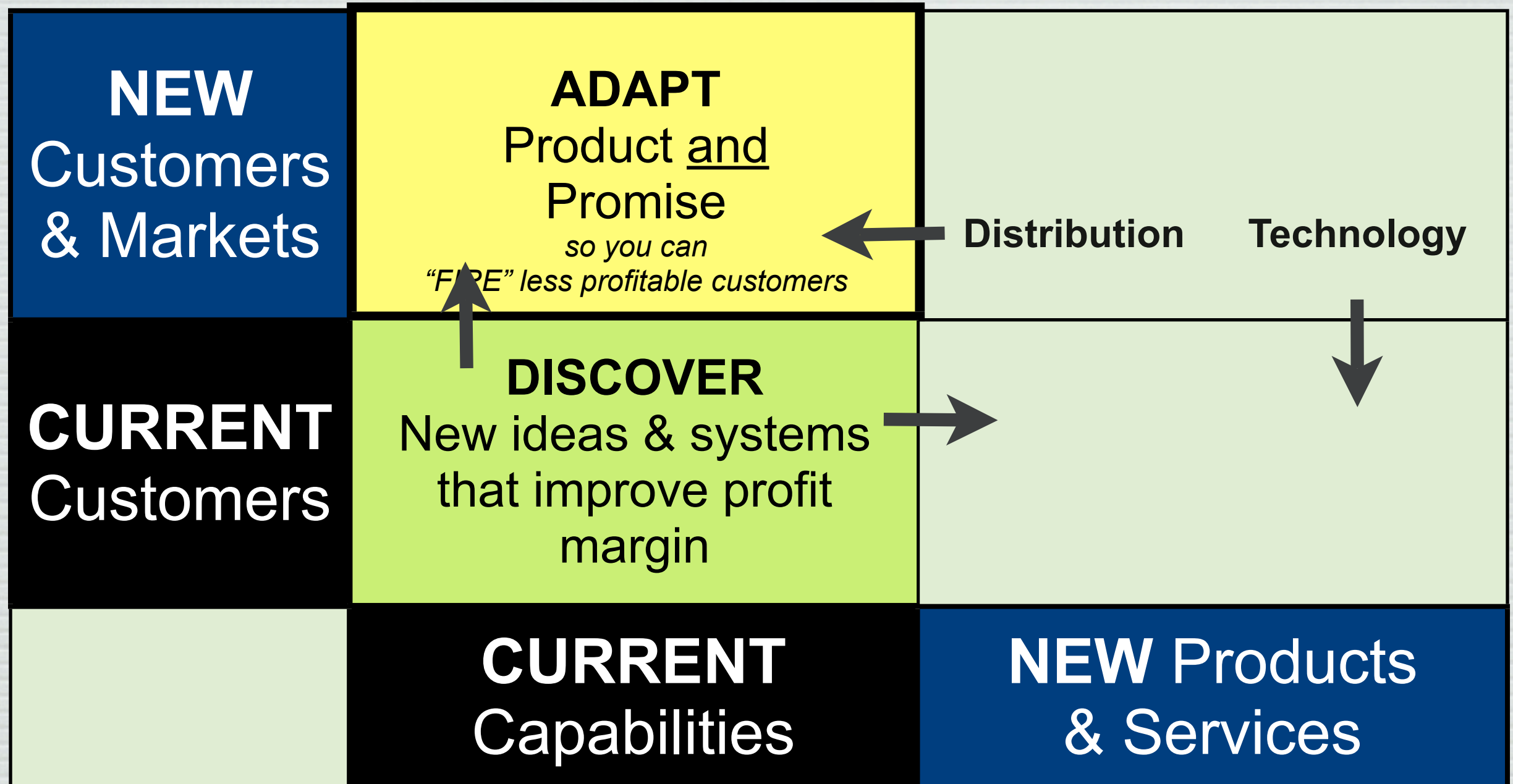
4 Paths to Profit Margin Growth



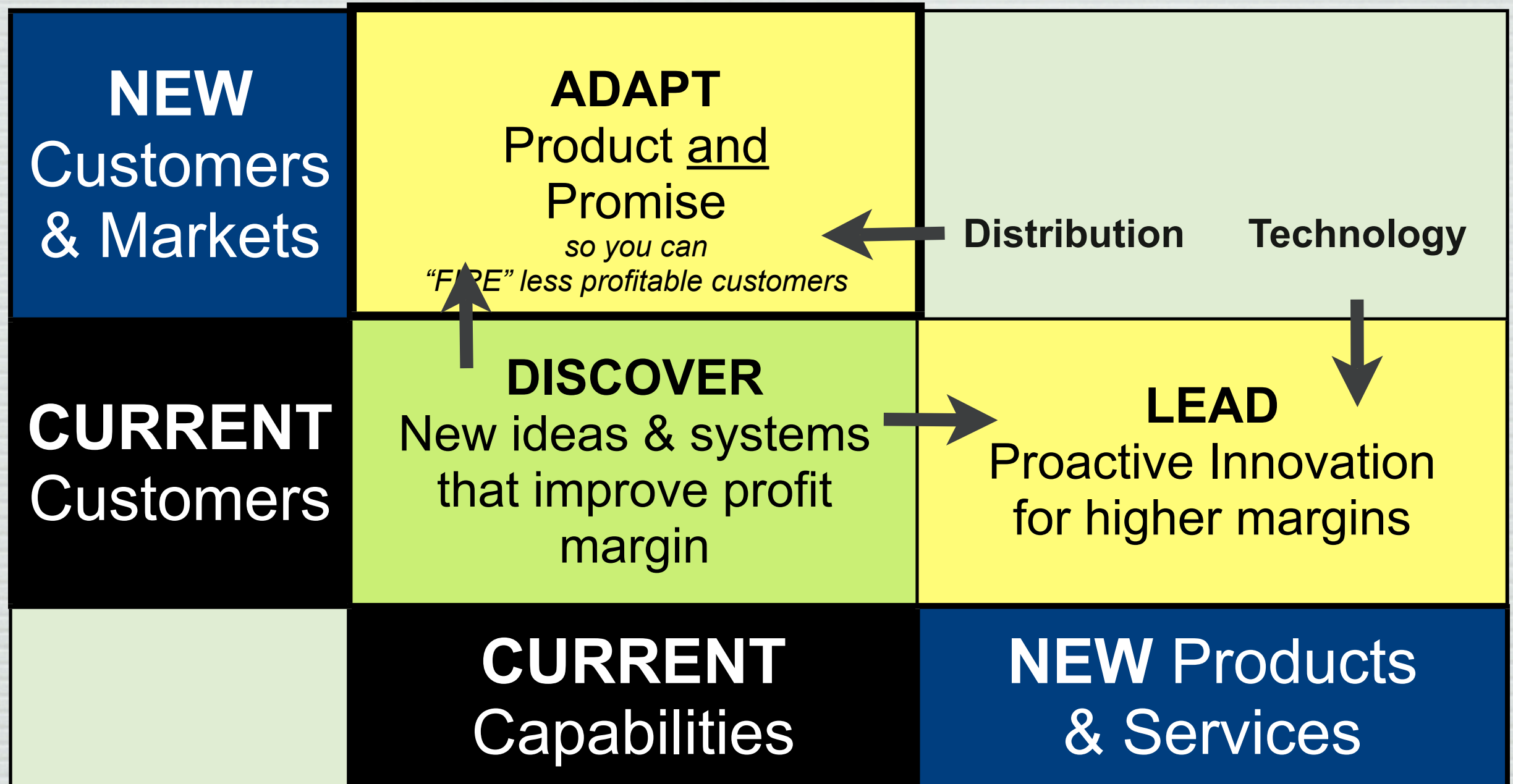
4 Paths to Profit Margin Growth



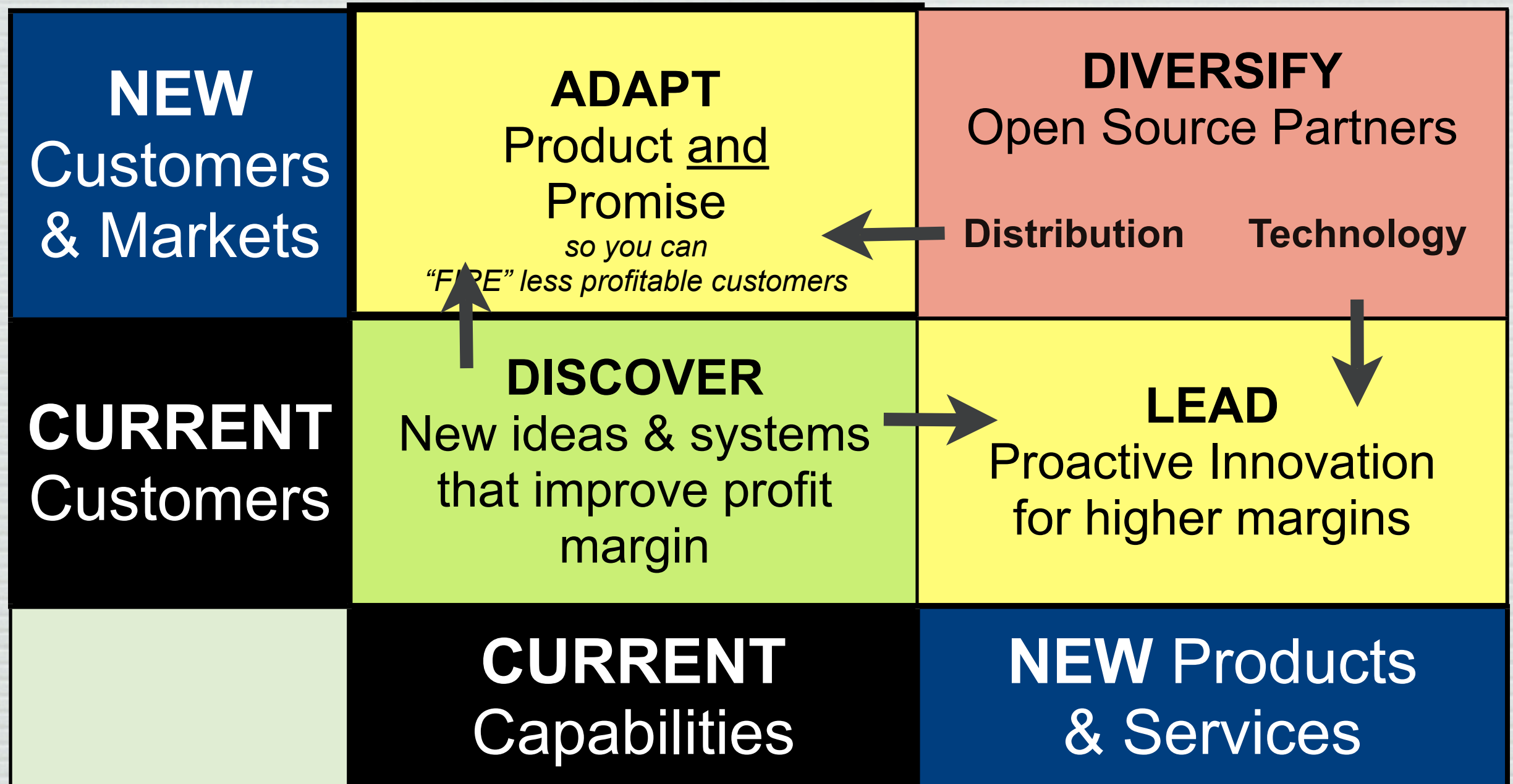
4 Paths to Profit Margin Growth



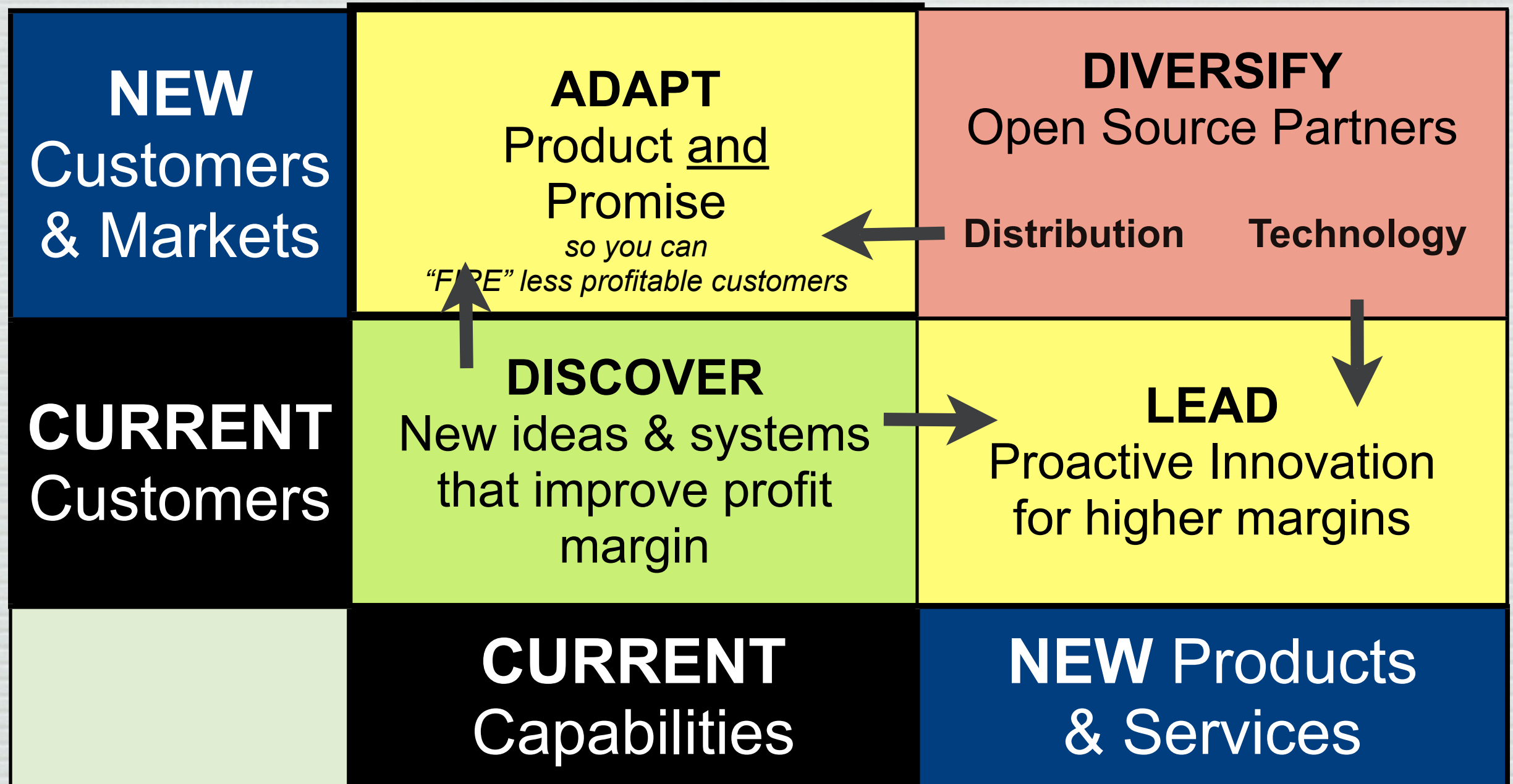
4 Paths to Profit Margin Growth



4 Paths to Profit Margin Growth



4 Paths to Profit Margin Growth

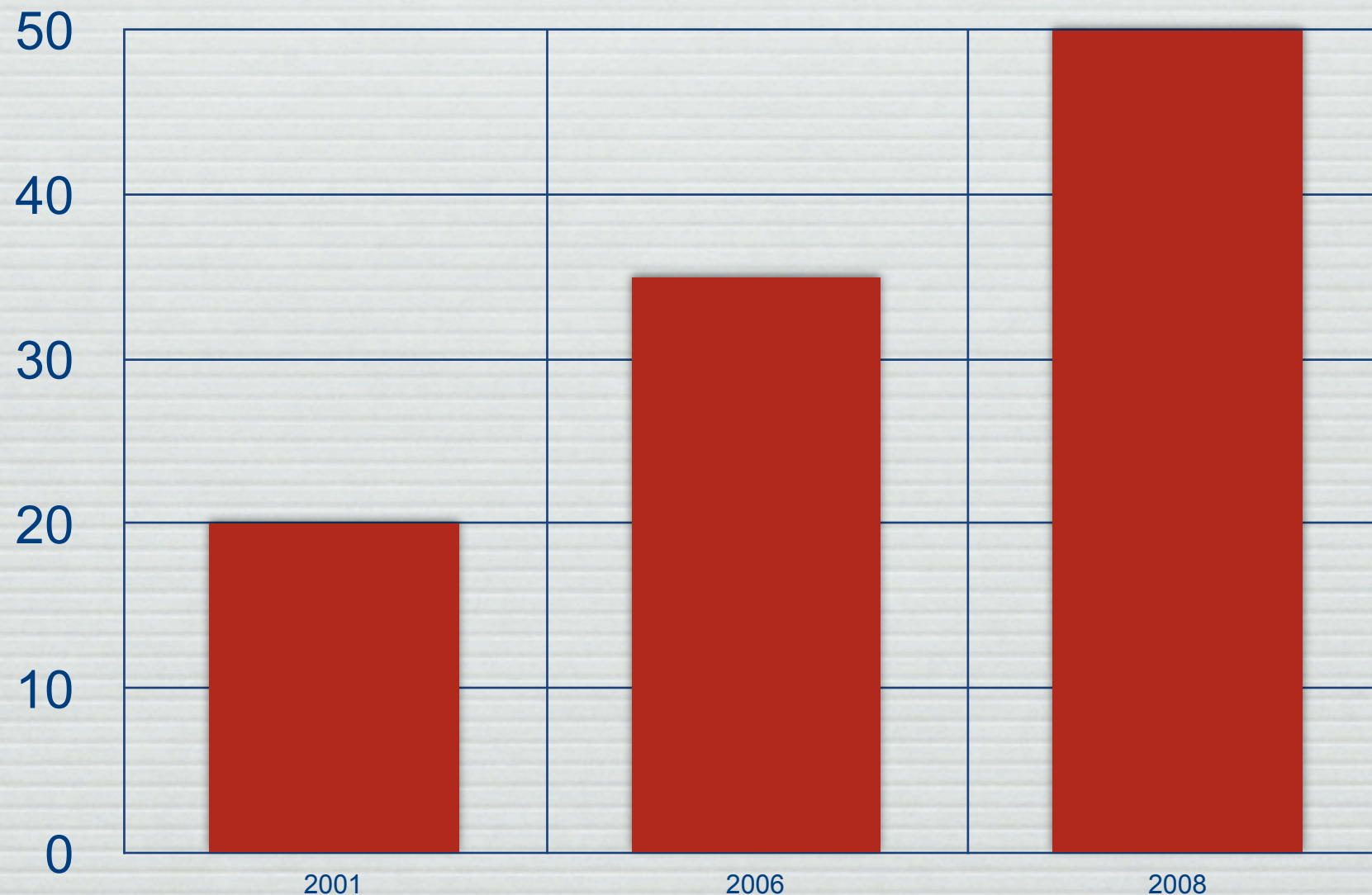


Borrow Don't Build



Open Source Innovation Partnerships

% of P&G ideas from outside the company



MEP
Network



USA

National Innovation Marketplace



USA

National Innovation Marketplace

“FIND & FILTER”

in 60 Seconds

- 340,00 USA SME's
- Retailers & Distributors
- World Wide





USA

National Innovation Marketplace

“FIND & FILTER” in 60 Seconds

- 340,00 USA SME's
- Retailers & Distributors
- World Wide



Give Inventors & Entrepreneurs a

“FAIR SHOT”

- 2nd route to market
- VIP Access

VIP Access for Small Co.



OPEN TO Buy - Distribute - License - Partner

VIP Access for Small Co.



OPEN TO Buy - Distribute - License - Partner



Private Label &
Retail Distribution



Chemicals, Adhesives,
Automotive, Plastics, etc.

VIP Access for Small Co.



OPEN TO Buy - Distribute - License - Partner



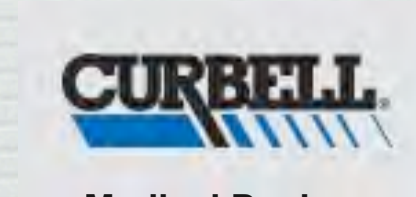
Private Label &
Retail Distribution



Chemicals, Adhesives,
Automotive, Plastics, etc.



Food Processor
Retail & Mail Order



Medical Devices
3,000+ Hospitals



Foods 19 of 20 Top USA
Grocery Chains

VIP Access for Small Co.



OPEN TO Buy - Distribute - License - Partner



Foods 19 of 20 Top USA
Grocery Chains



Food Processor
Retail & Mail Order



Private Label &
Retail Distribution



Chemicals, Adhesives,
Automotive, Plastics, etc.



Medical Devices
3,000+ Hospitals

We are in discussions with...



Venture Capital

**I Believe In Small Business
Owners So Much...**



I Believe In Small Business Owners So Much...

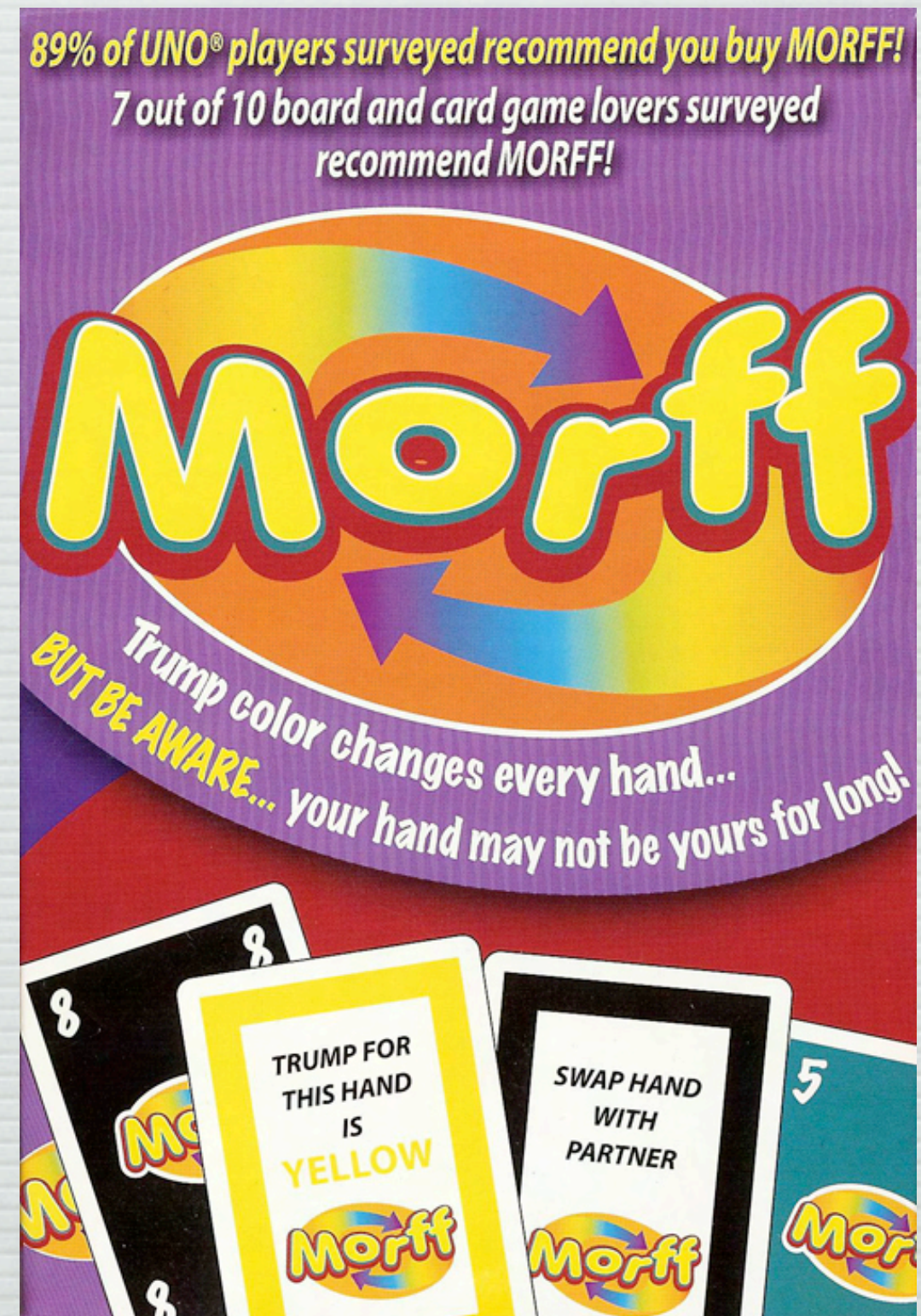


Mark Hartwell
Vegas Cards

I Believe In Small Business Owners So Much...



Mark Hartwell
Vegas Cards





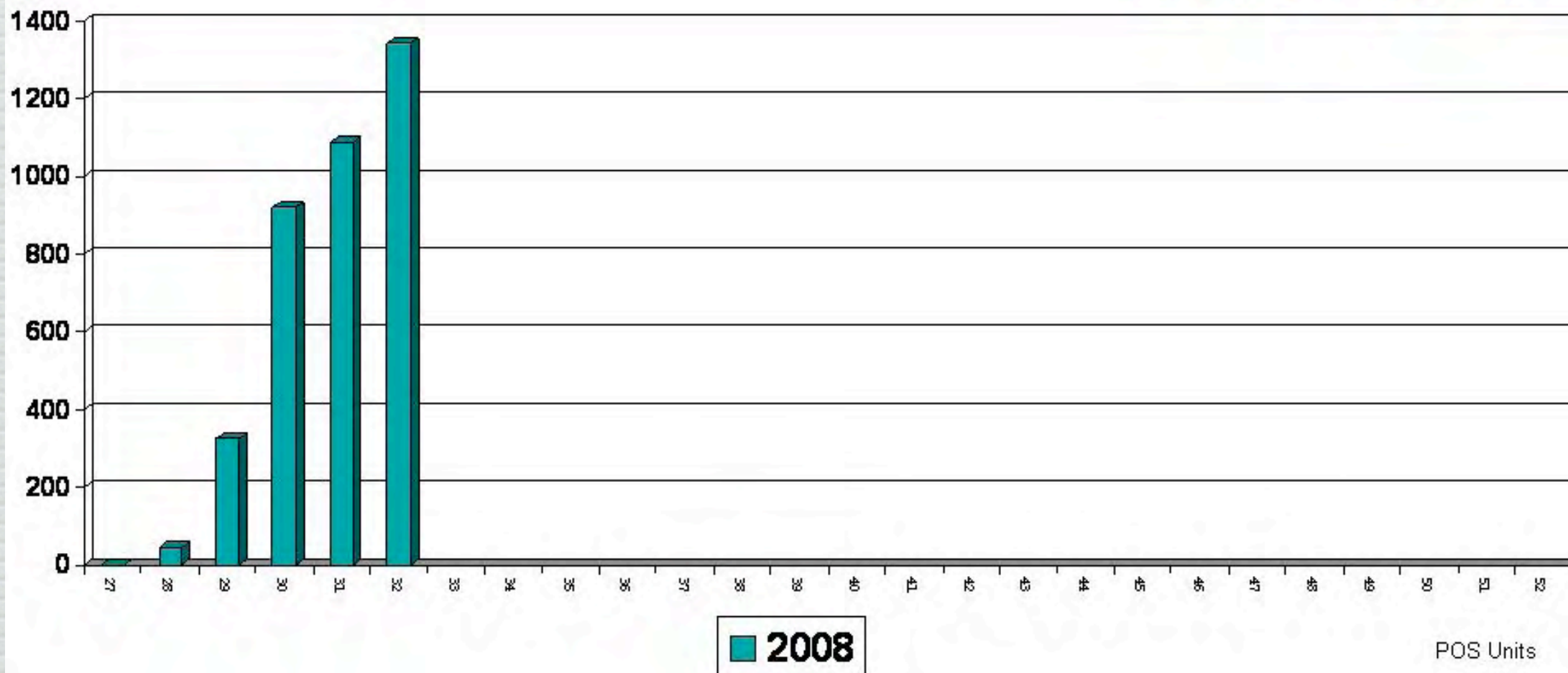
This ROCKS!



&



Morff Weekly Sales Comparisons 2008 YTD



Respecting the “unknown unknowns”

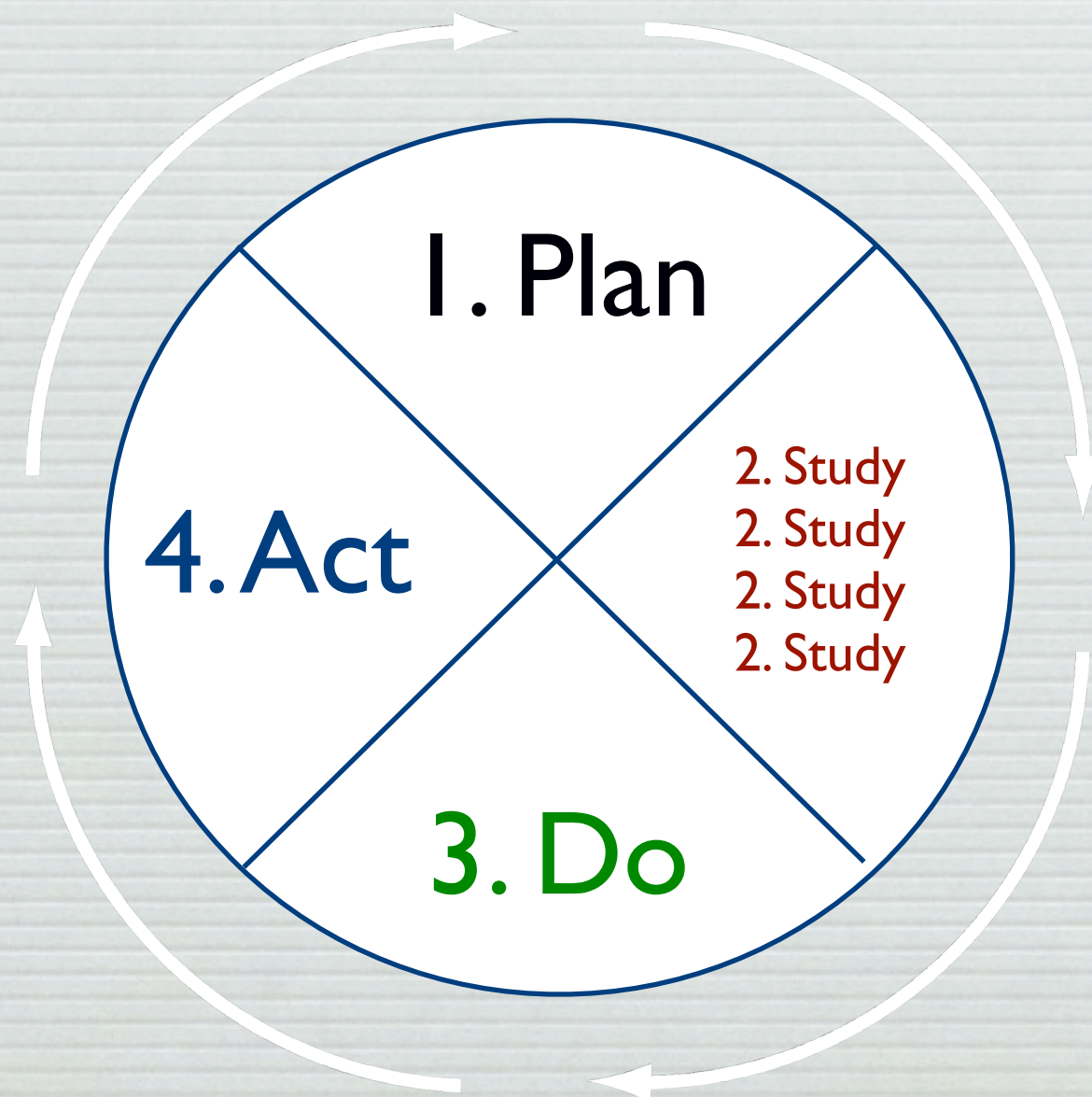


Respecting the “unknown unknowns”



**“Proper & Mature”
Business Innovation
System**

Expensive & Slow



Respecting the “unknown unknowns”

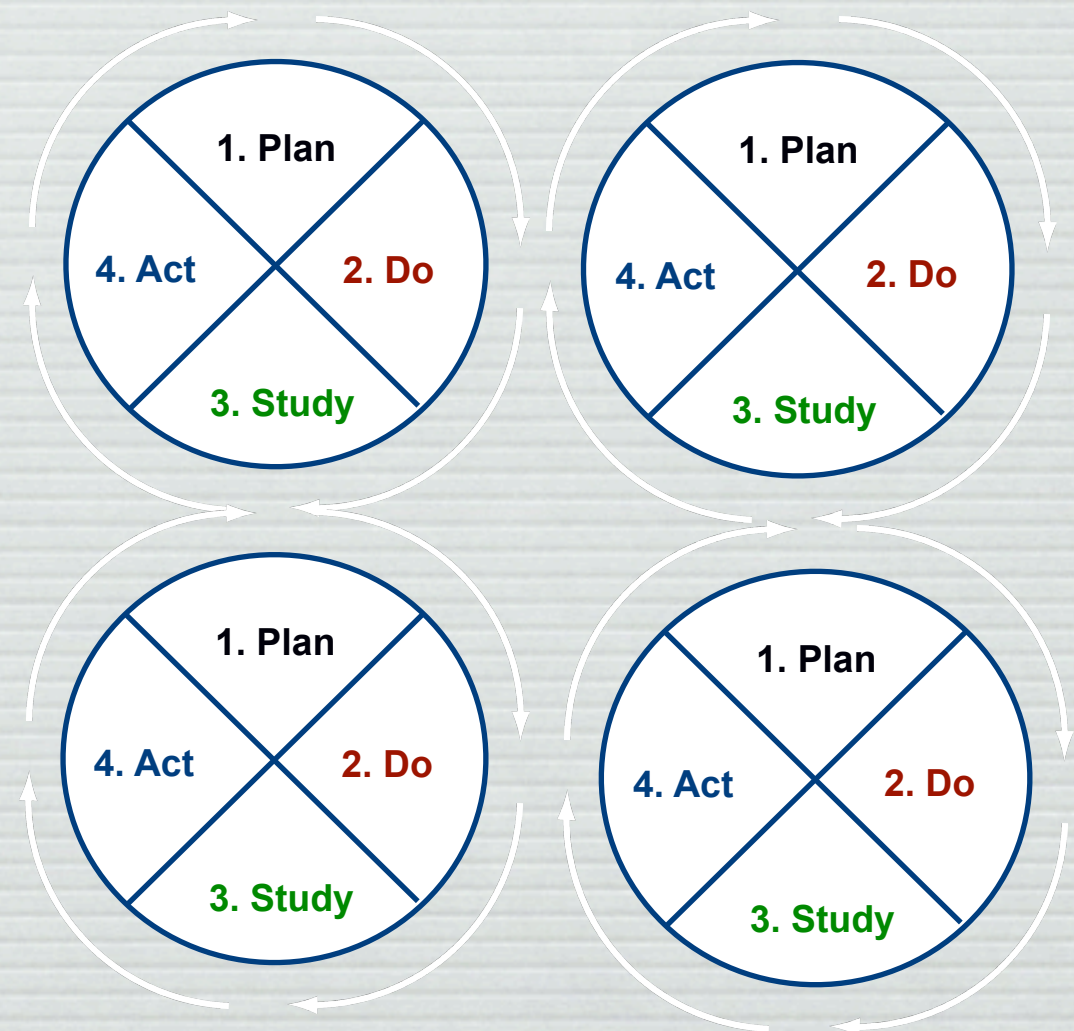
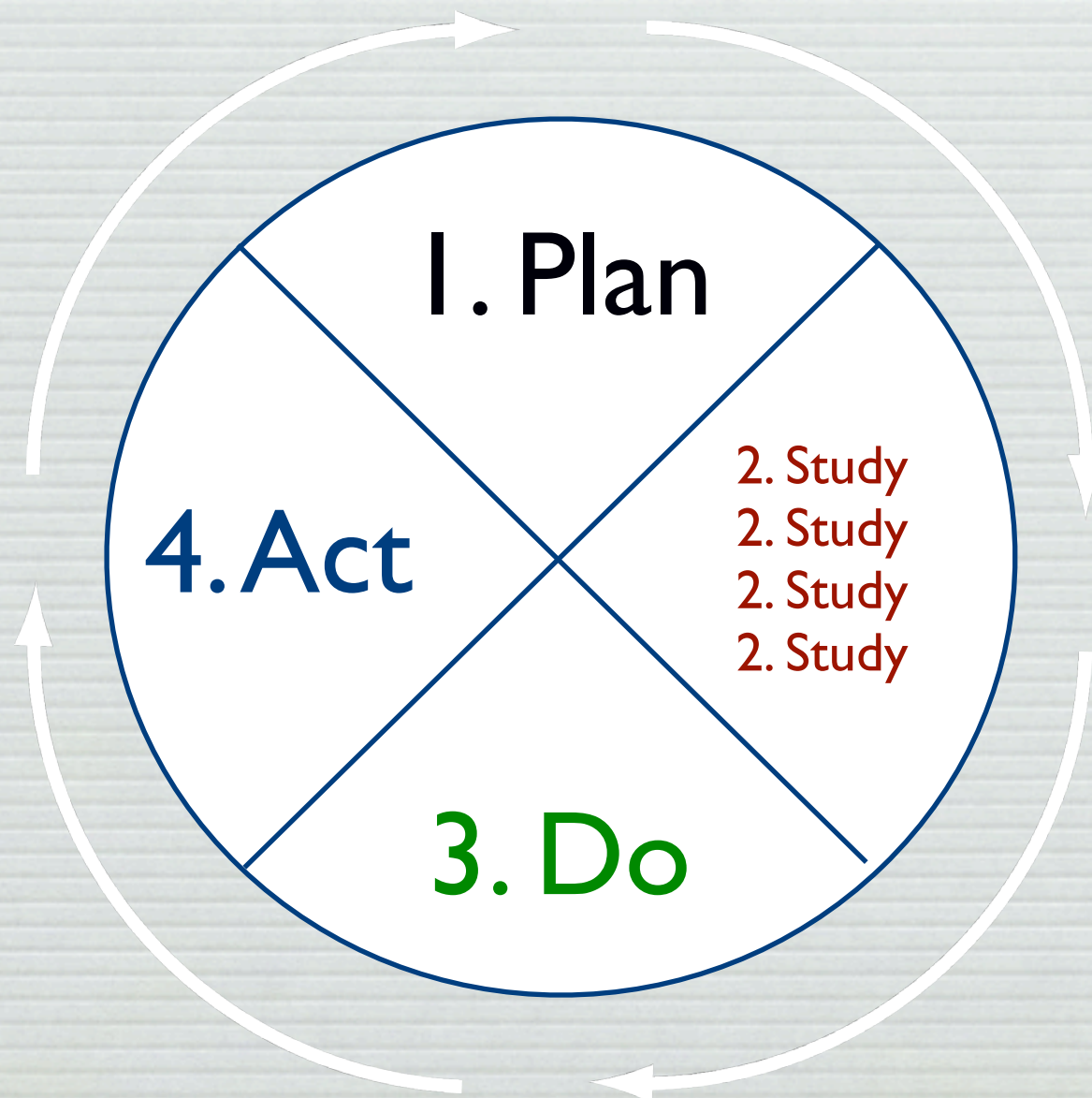


**“Proper & Mature”
Business Innovation
System**



**Fail Fast - Fail Cheap
Get Smart**

Expensive & Slow





1st Quarter

First Fill

Ideas 1 & 2

2 Scouts Lead Development Process

2nd Quarter

RELOAD

Ideas 3 & 4

2 Scouts Lead Development



3rd Quarter

RELOAD

Ideas 5 & 6

2 Scouts Lead Developm

4th Quarter

RELOAD

Ideas 7 & 8

2 Scouts Lead

PROACTIVE Profitability



Growth Pipeline



The IDEA	\$ Opportunity	Odds	\$ that Count	The Scout
Project #1	\$ xxx	high %	\$ xxx	name
Project #2	\$ x,xxx	mid %	\$ x,xxx	name
Project #3	\$ x,xxx,xxx	low %	\$ xxx,xxx	name
		TOTAL	\$ xx	

Old World



MEP
Network



Old World

Leadership Decides Where To Drill for Oil



MEP
Network



Old World

Leadership Decides Where To Drill for Oil

Get Bigger
DRILL BIT

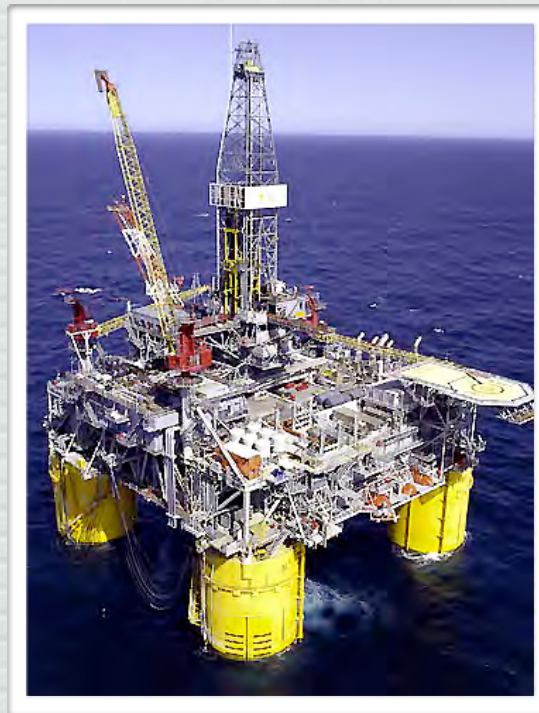
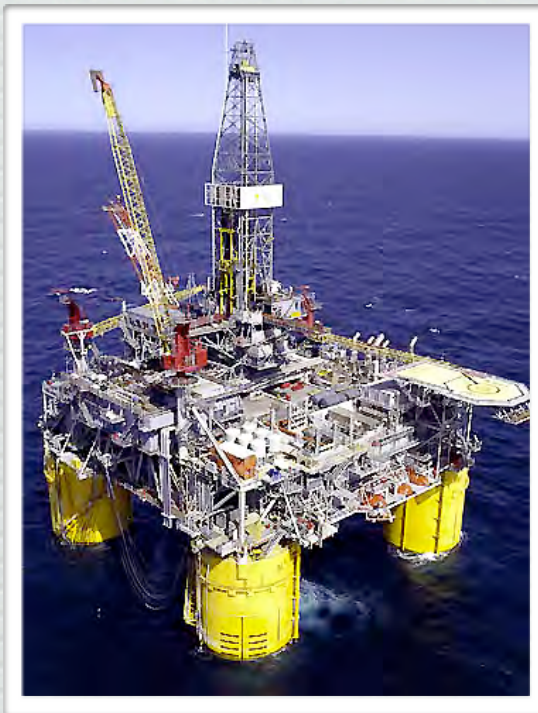


MEP
Network



New World

If hit HARD ROCK - Try somewhere else





Old World



MEP
Network



Old World

*“You don’t
have
Persistence
&
Dedication”*



Old World

*“You don’t
have
Persistence
&
Dedication”*

New World

*“Yeah, but I’m
Rich!”*





Add Your Numbers

**That's your ability
to Grow Your Business**



MEP
Network

How do you compare?



MEP
Network

How do you compare?



Grade	Percentile	Score
-------	------------	-------

How do you compare?



Grade	Percentile	Score
A	90 th	> 70

How do you compare?



Grade	Percentile	Score
A	90 th	> 70
B	80 th	> 63

How do you compare?



Grade	Percentile	Score
A	90 th	> 70
B	80 th	> 63
C	70 th	> 58

How do you compare?



Grade	Percentile	Score
A	90 th	> 70
B	80 th	> 63
C	70 th	> 58
D	60 th	> 50

How do you compare?



Grade	Percentile	Score
A	90 th	> 70
B	80 th	> 63
C	70 th	> 58
D	60 th	> 50
F		Below 50

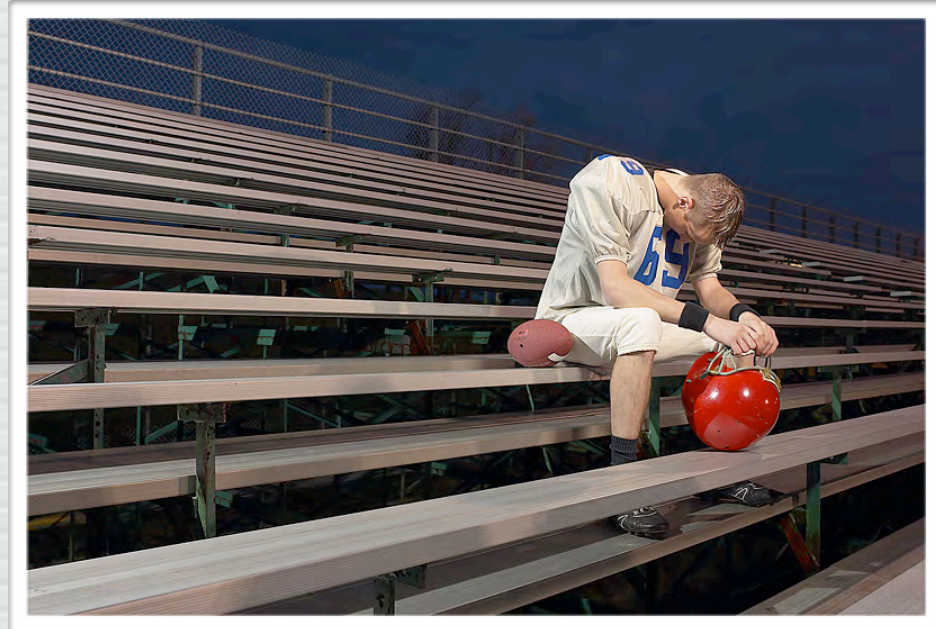


I Bring You

Good News



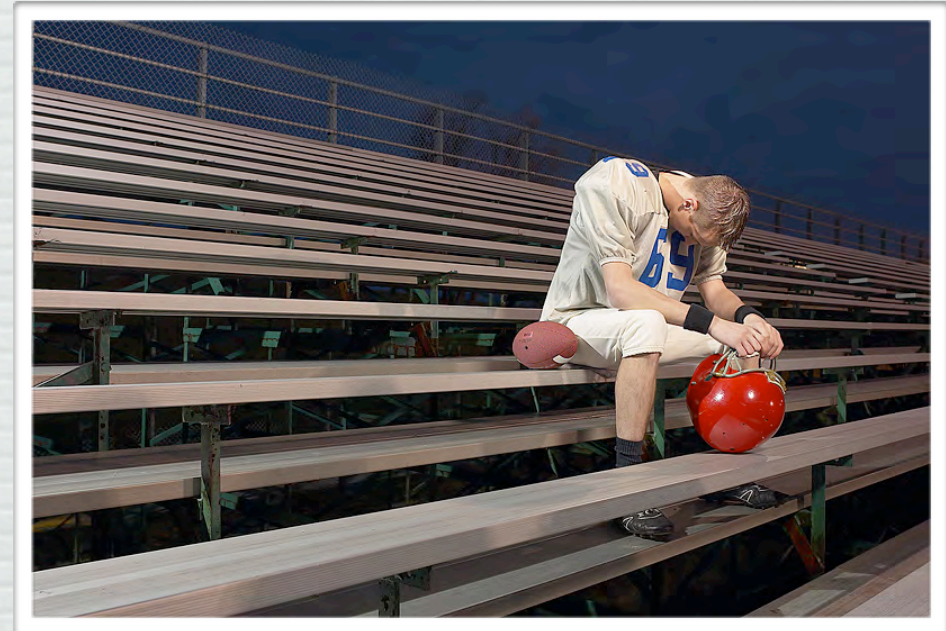
Cycle of Losing





Cycle of **Losing**

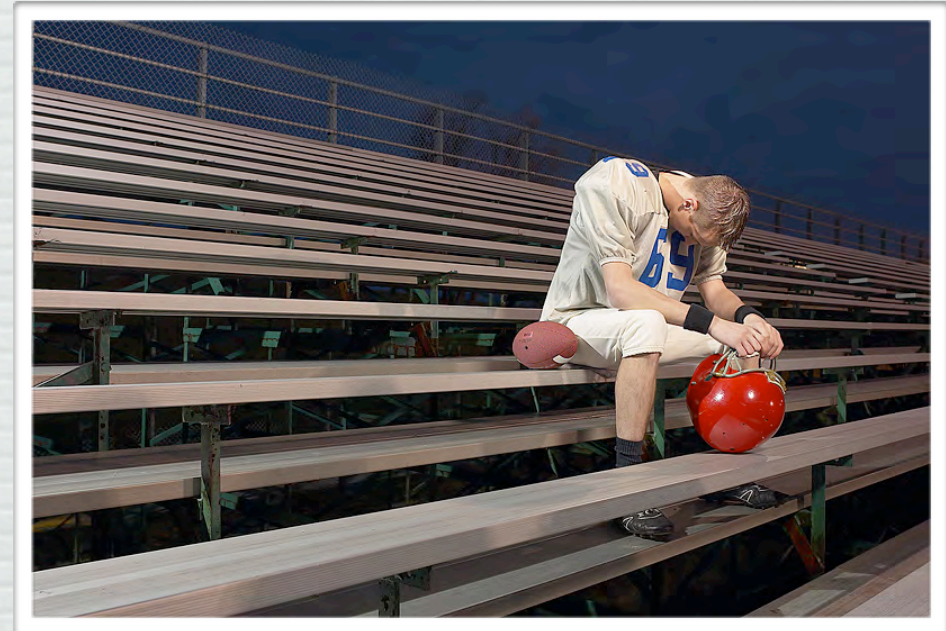
Company Ages





Cycle of **Losing**

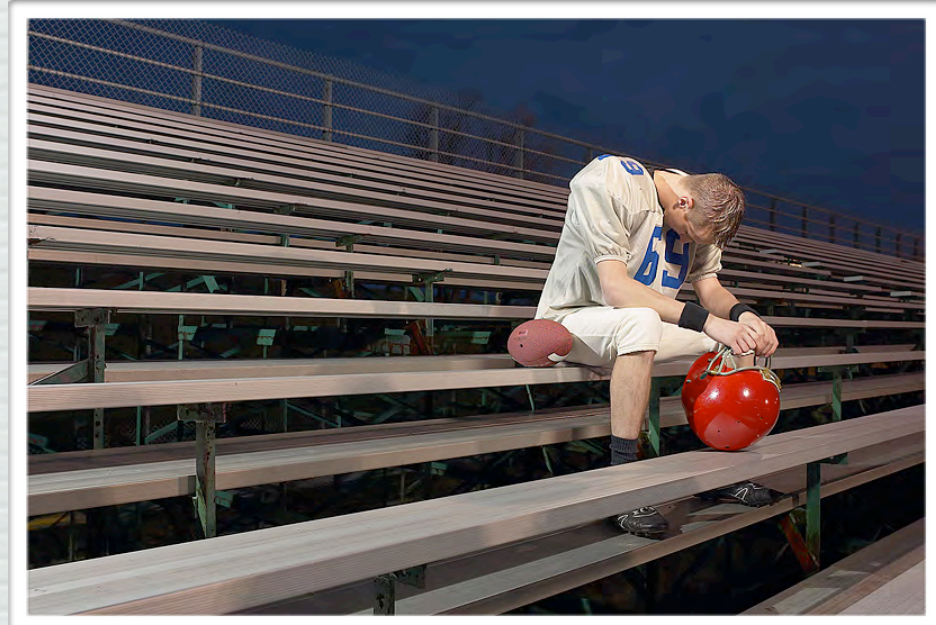
Company Ages
Offerings Get Copied





Cycle of **Losing**

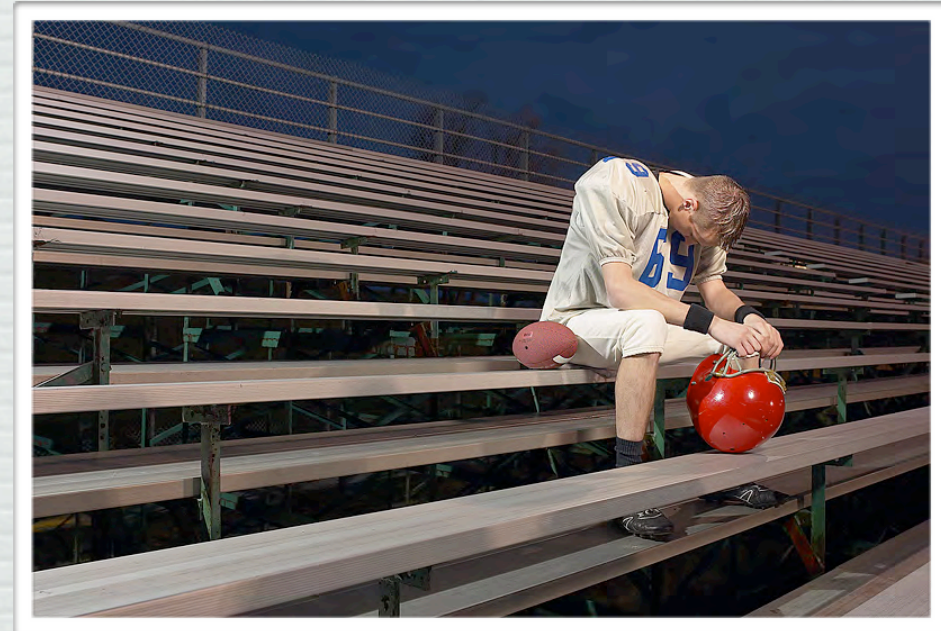
Company Ages
Offerings Get Copied
Markets Become Commodities





Cycle of **Losing**

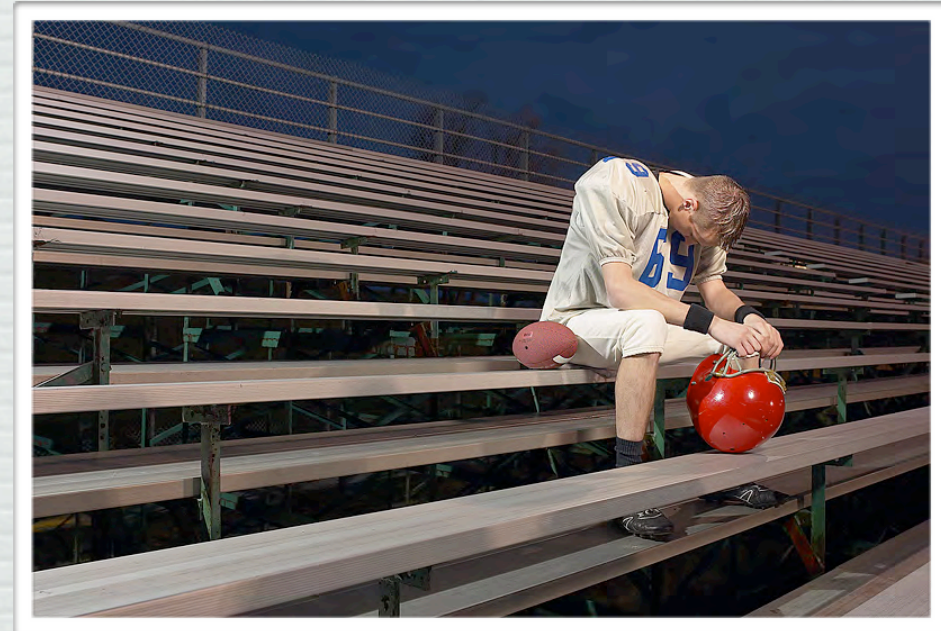
Company Ages
Offerings Get Copied
Markets Become Commodities
Urgency for New Offerings



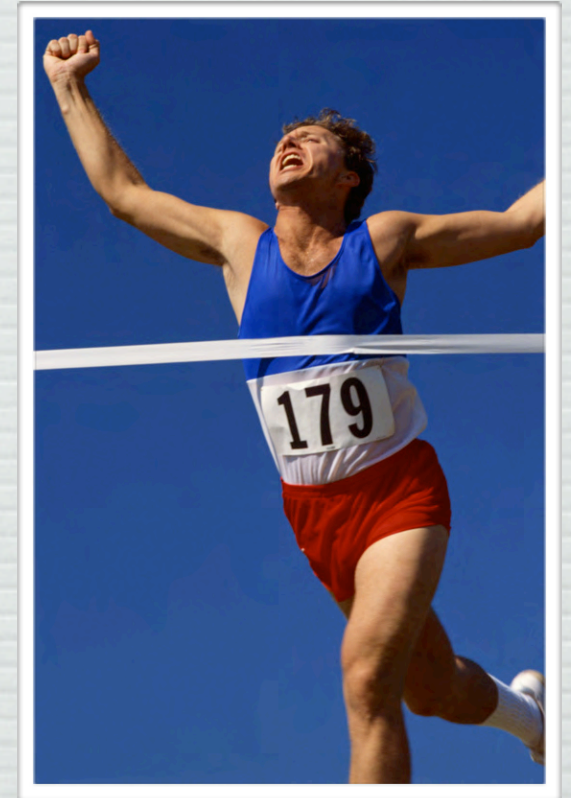


Cycle of **Losing**

Company Ages
Offerings Get Copied
Markets Become Commodities
Urgency for New Offerings
Pessimism About Ability to Invent

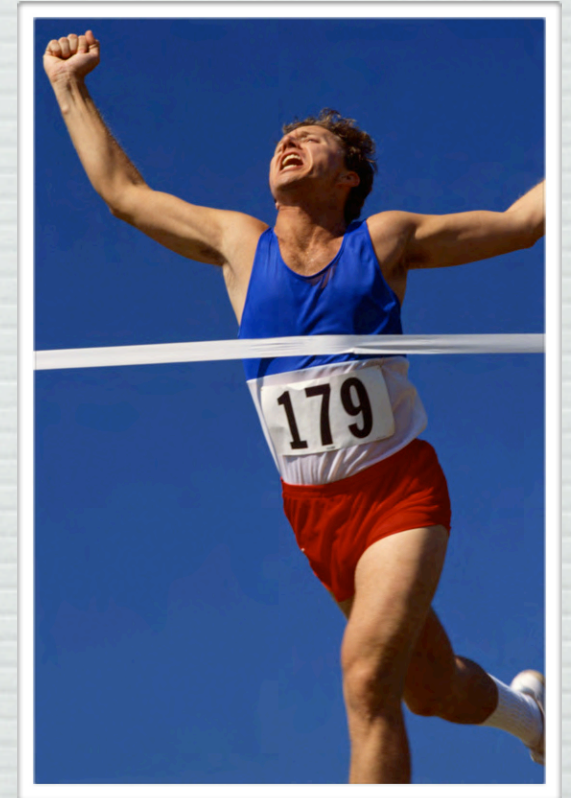


Cycle of **Winning**



Cycle of **Winning**

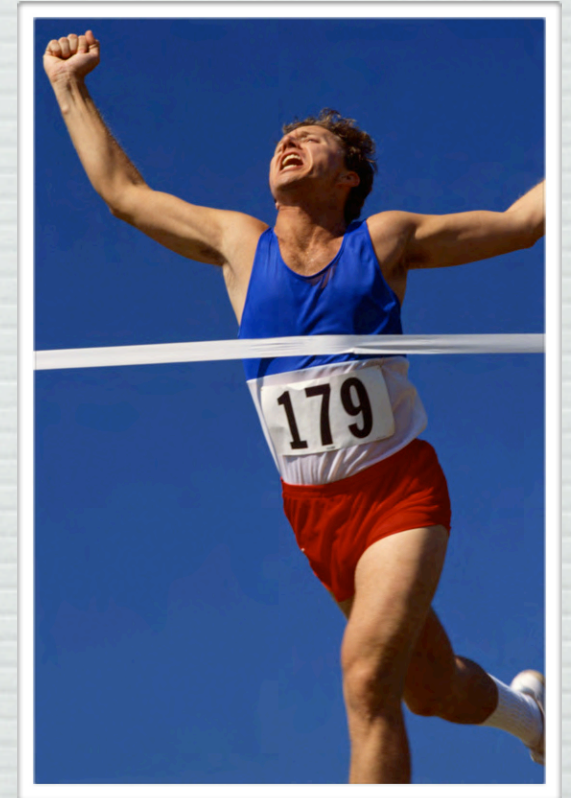
New Products/Services



Cycle of **Winning**



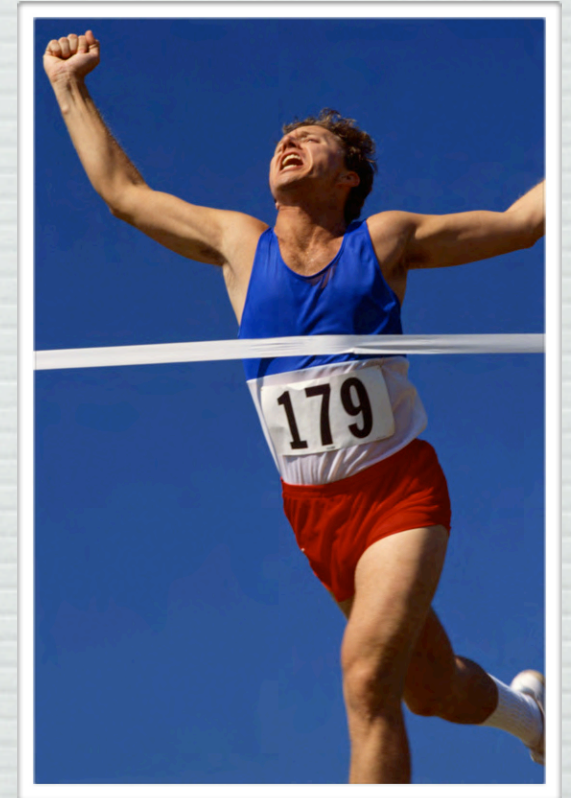
New Products/Services
Commitment to Sales & Marketing



Cycle of **Winning**



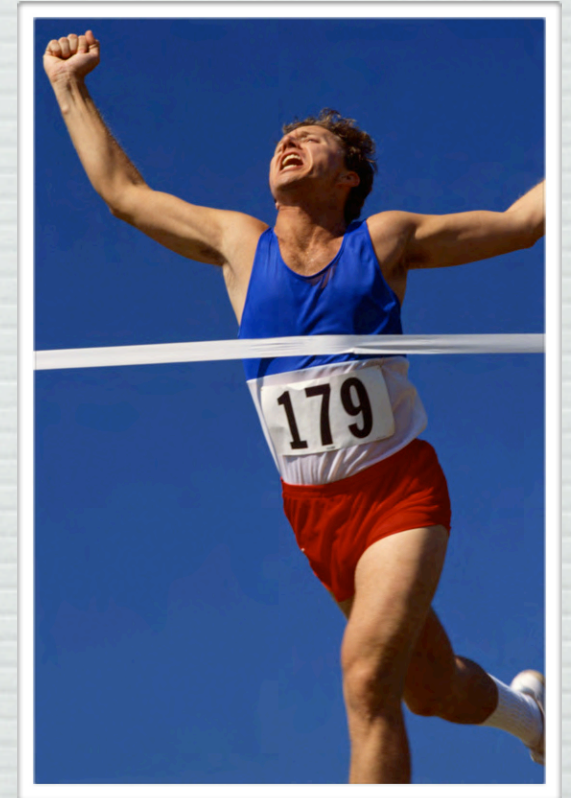
New Products/Services
Commitment to Sales & Marketing
New Customers



Cycle of **Winning**



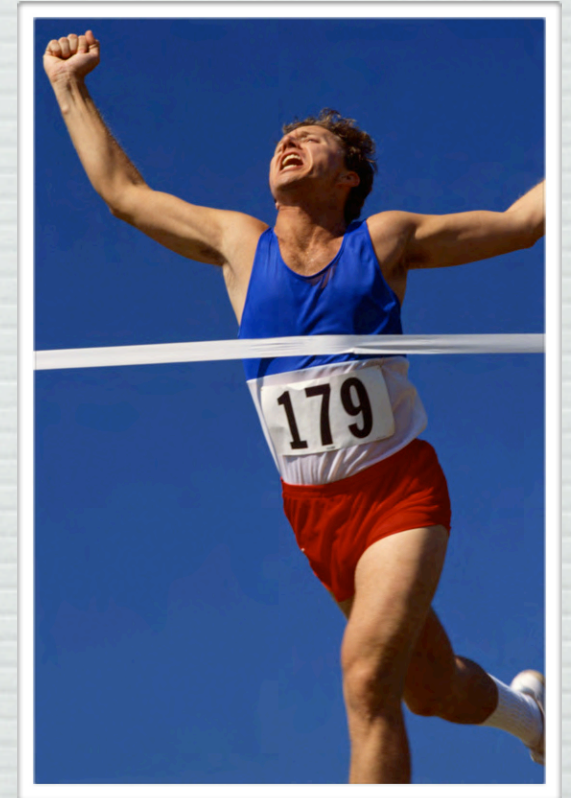
New Products/Services
Commitment to Sales & Marketing
New Customers
Higher Profit Margin



Cycle of **Winning**



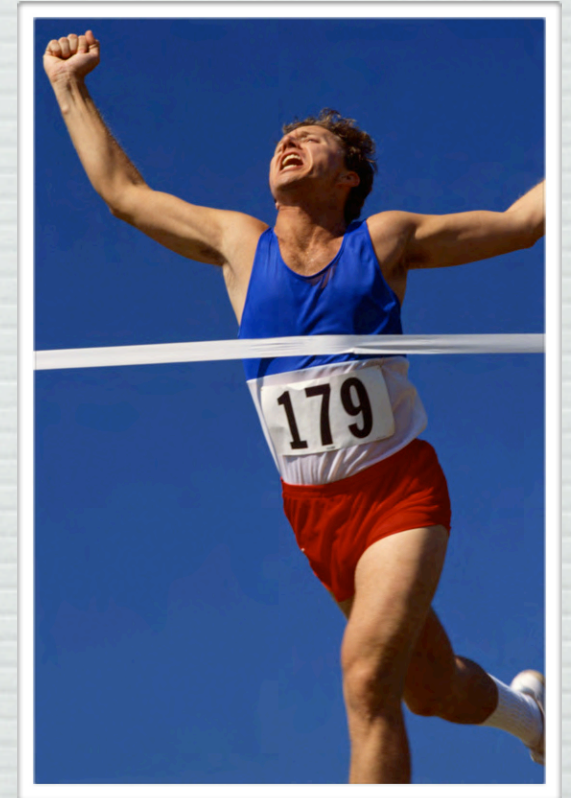
New Products/Services
Commitment to Sales & Marketing
New Customers
Higher Profit Margin
Optimism



Cycle of **Winning**



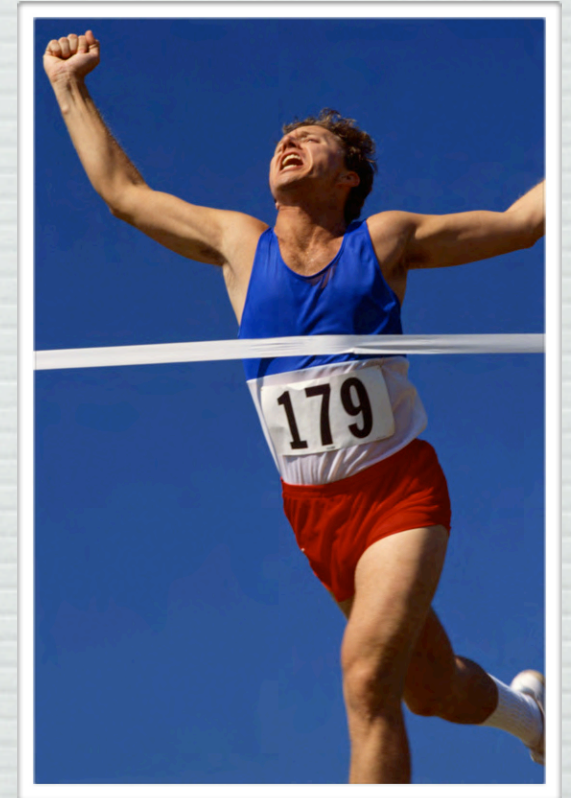
New Products/Services
Commitment to Sales & Marketing
New Customers
Higher Profit Margin
Optimism
More Choices for Growth in Pipeline



Cycle of **Winning**



New Products/Services
Commitment to Sales & Marketing
New Customers
Higher Profit Margin
Optimism
More Choices for Growth in Pipeline



**Is about igniting
Profit Leadership!**





Profit Leadership Requires a NEW MINDSET



Profit Leadership Requires a NEW MINDSET

YOUR TEAM



MEP
Network
Center



EUREKA! 70
Idea Engineering

MERYN
Research

TrailBlazer
Development



***Find & Fast Track
Ideas for Profitable Growth***



***Find & Fast Track
Ideas for Profitable Growth***



Winning Ways 2008



Winning Ways 2009

***Find & Fast Track
Ideas for Profitable Growth***

**Find & Fast Track
Ideas for Growing Profits**



Winning Ways 2008

***Find & Fast Track
Ideas for Profitable Growth***



Winning Ways 2009

**Find & Fast Track
Ideas for Growing Profits**

Cost & Growth Innovations



Winning Ways 2008



Winning Ways 2009

***Find & Fast Track
Ideas for Profitable Growth***

**Find & Fast Track
Ideas for Growing Profits**

Cost & Growth Innovations

Factual Sales Forecasts



The Real Question when Evaluating Innovations...



**The Real Question
when Evaluating Innovations...**

**How Much
Am I Going to Sell?**

Innovation Sales Forecasts



Pessimistic



Optimistic

Innovation Sales Forecasts



of Possible Final Purchasers



Pessimistic



Optimistic

Innovation Sales Forecasts



of Possible Final Purchasers
X Sales & Marketing Support



Innovation Sales Forecasts



of Possible Final Purchasers
X Sales & Marketing Support
X % Trial (From Merwyn Concept Research)



Innovation Sales Forecasts



of Possible Final Purchasers
X Sales & Marketing Support
X % Trial (From Merwyn Concept Research)
X \$ Revenue First Purchase



Innovation Sales Forecasts



of Possible Final Purchasers
X Sales & Marketing Support
X % Trial (From Merwyn Concept Research)
X \$ Revenue First Purchase
PLUS



Pessimistic



Innovation Sales Forecasts



of Possible Final Purchasers
X Sales & Marketing Support
X % Trial (From Merwyn Concept Research)
X \$ Revenue First Purchase
PLUS
Who Made One Purchase



Pessimistic



Innovation Sales Forecasts



of Possible Final Purchasers
X Sales & Marketing Support
X % Trial (From Merwyn Concept Research)
X \$ Revenue First Purchase

PLUS

Who Made One Purchase
X % Repeat Purchase



Pessimistic



Innovation Sales Forecasts



of Possible Final Purchasers
X Sales & Marketing Support
X % Trial (From Merwyn Concept Research)
X \$ Revenue First Purchase

PLUS

Who Made One Purchase
X % Repeat Purchase
X \$ Revenue Per Repeat Purchase



Pessimistic



Innovation Sales Forecasts



of Possible Final Purchasers
X Sales & Marketing Support
X % Trial (From Merwyn Concept Research)
X \$ Revenue First Purchase

PLUS

Who Made One Purchase
X % Repeat Purchase
X \$ Revenue Per Repeat Purchase
X Number of Repeat s



Innovation Sales Forecasts



of Possible Final Purchasers

X Sales & Marketing Support

X % Trial (From Merwyn Concept Research)

X \$ Revenue First Purchase

PLUS

Who Made One Purchase

X % Repeat Purchase

X \$ Revenue Per Repeat Purchase

X Number of Repeat s

= Annual Consumption/Usage Sales Revenue



Innovation Sales Forecasts



of Possible Final Purchasers

X Sales & Marketing Support

X % Trial (From Merwyn Concept Research)

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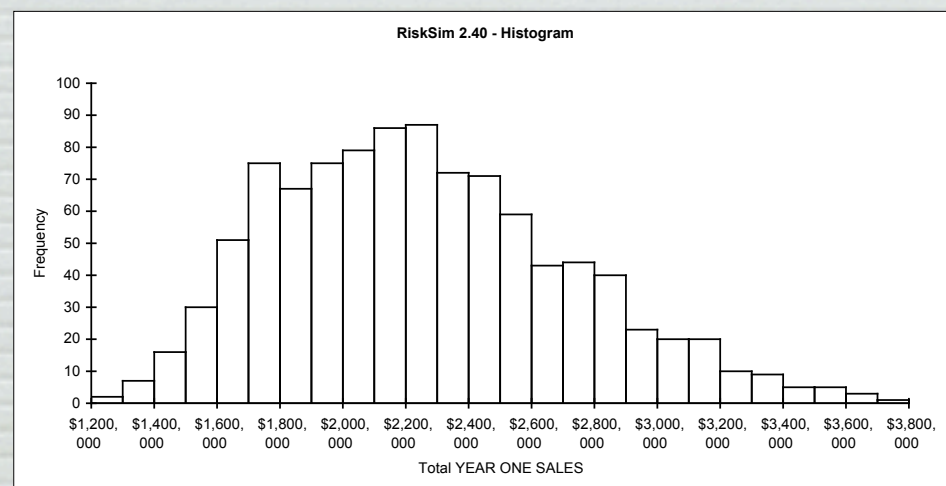
= Annual Consumption/Usage Sales Revenue



Pessimistic



Monte Carlo Simulation



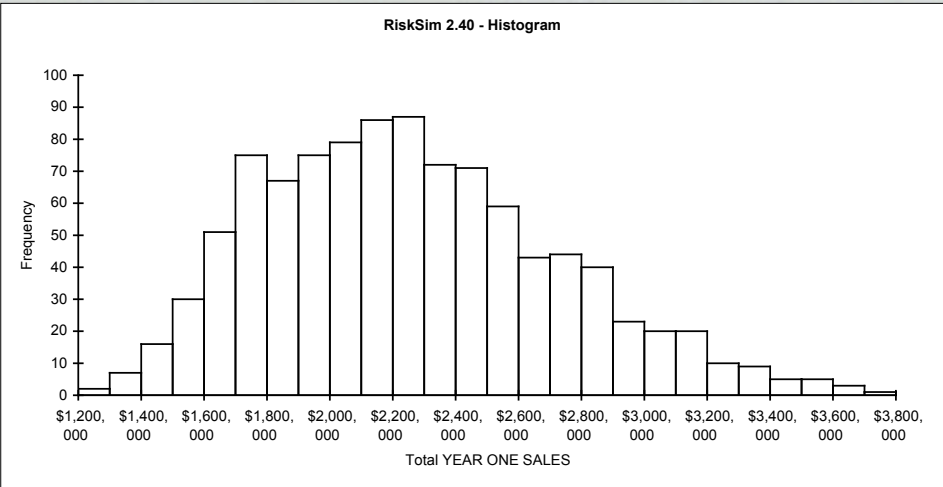
Innovation Sales Forecasts



of Possible Final Purchasers
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= Annual Consumption/Usage Sales Revenue



Monte Carlo Simulation



USA Business Opportunity (end user \$ MM)			
Mkt. Support	80% odds	50% odds	20% odds
Very Low	\$6	\$19	\$60
Low	\$17	\$57	\$148
Medium	\$69	\$184	\$433
High	\$307	\$700	\$1,418



Initial Small Business - Validations

Innovation Sales Forecasts



Initial Small Business - Validations

Innovation Sales Forecasts

Industry	Actual In market	Merwyn Forecast	% Diff.
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Initial Small Business - Validations

Innovation Sales Forecasts

Industry	Actual In market	Merwyn Forecast	% Diff.
Industrial Equipment Innovation for Pharmaceutical Industry	\$1,700,000	\$1,800,000	+6%



Initial Small Business - Validations

Innovation Sales Forecasts

Industry	Actual In market	Merwyn Forecast	% Diff.
Industrial Equipment Innovation for Pharmaceutical Industry	\$1,700,000	\$1,800,000	+6%
Commercial Plumbing Innovation	\$150,000	\$140,000	-7%



Initial Small Business - Validations

Innovation Sales Forecasts

Industry	Actual In market	Merwyn Forecast	% Diff.
Industrial Equipment Innovation for Pharmaceutical Industry	\$1,700,000	\$1,800,000	+6%
Commercial Plumbing Innovation	\$150,000	\$140,000	-7%
Home Construction Service Innovation	\$175,000	\$160,000	-9%



Initial Small Business - Validations

Innovation Sales Forecasts

Industry	Actual In market	Merwyn Forecast	% Diff.
Industrial Equipment Innovation for Pharmaceutical Industry	\$1,700,000	\$1,800,000	+6%
Commercial Plumbing Innovation	\$150,000	\$140,000	-7%
Home Construction Service Innovation	\$175,000	\$160,000	-9%
Bio-Science Material Innovation	\$150,000	\$150,000	0%



Initial Small Business - Validations

Innovation Sales Forecasts

Industry	Actual In market	Merwyn Forecast	% Diff.
Industrial Equipment Innovation for Pharmaceutical Industry	\$1,700,000	\$1,800,000	+6%
Commercial Plumbing Innovation	\$150,000	\$140,000	-7%
Home Construction Service Innovation	\$175,000	\$160,000	-9%
Bio-Science Material Innovation	\$150,000	\$150,000	0%
Sporting Equipment Innovation	\$240,000	\$250,000	+4%



Why Bother?



Why Bother?

***“It is not necessary to change.
Survival is not mandatory.”***



W. Edwards Deming



TO THRIVE

WE MUST

Drive Out Fear!





Quick Test Of YOUR **FEAR &** Courage To Take Action

**THE ONLY WAY TO
FIND THE EDGE IS BY
STEPPING OVER IT**





An Edge I Stepped Over...





**Hundreds of pressure
ridges and open water leads.**



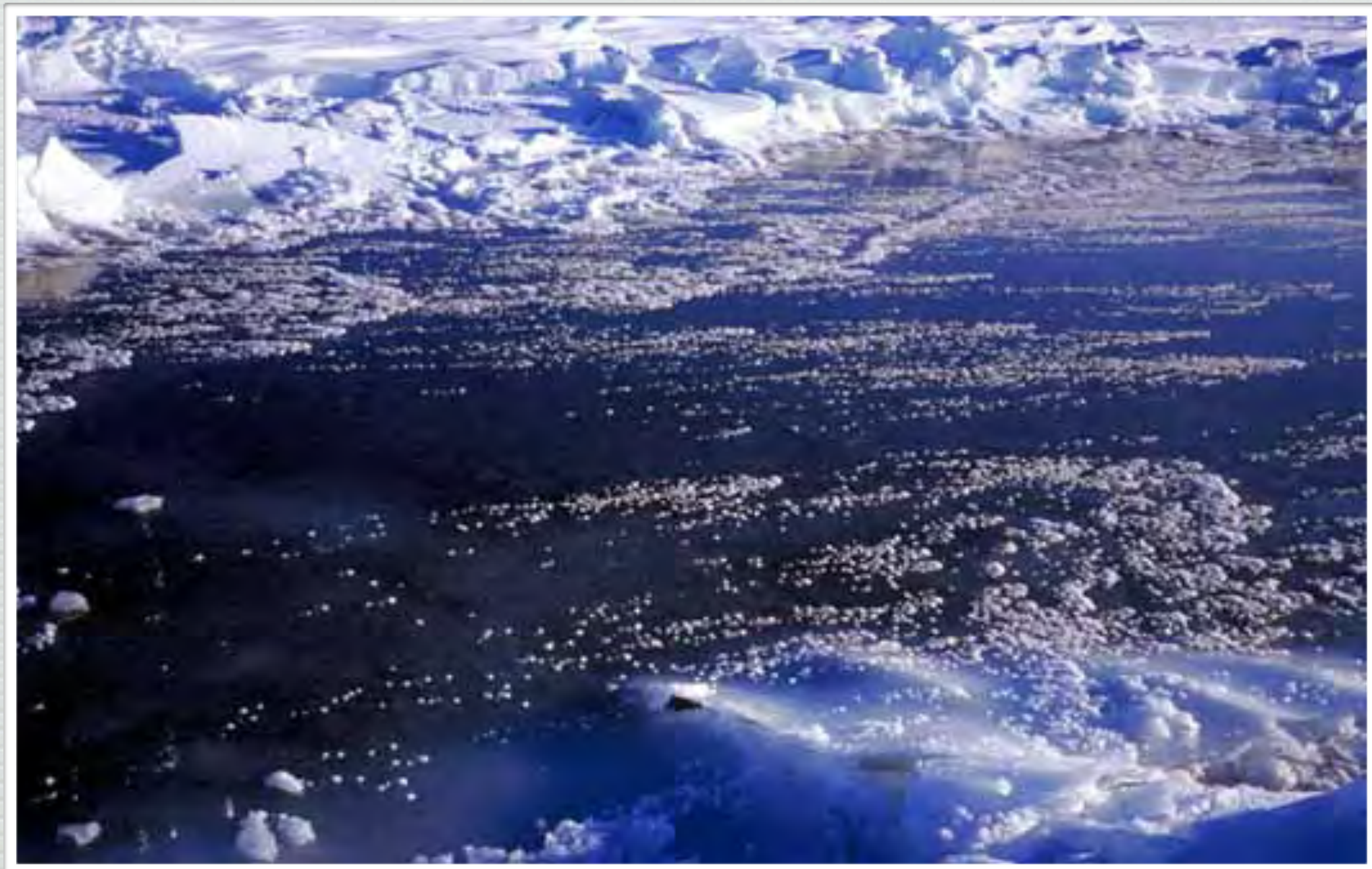


I took off my skis to get ready to cross ahead of the dogs.





**“Rubber Ice” was looking soft....
so I moved to the right.**





SPLASH !

**So, Doug
What went through
your mind?**



**MEP
Network**



69 Year Old Corky Peterson MY HERO





After My Swim In the Arctic Ocean



**After Skiing for an hour....
working to retain heat.**



Prototyping Reduced Fear

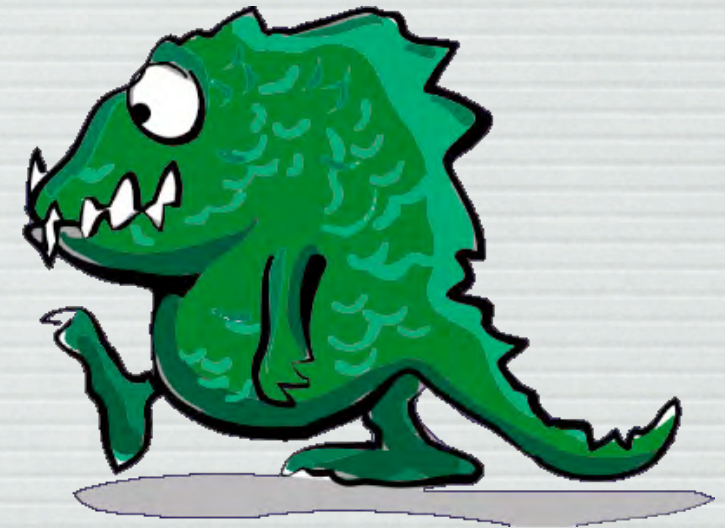
Training Trip -- Ely, MN

“Fail Fast & Fail Cheap”





Laugh In Fear Dragon's Faces



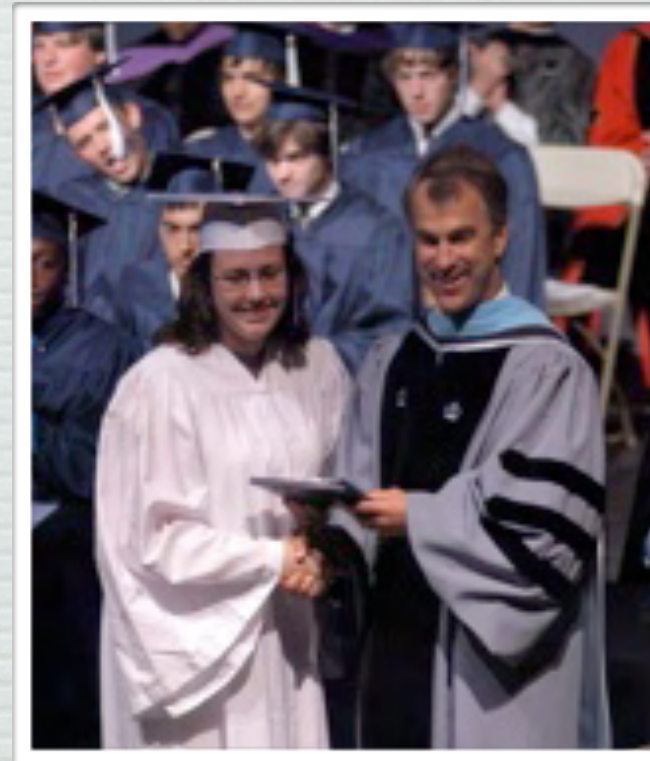
Take comfort in the fact that taking action will result in less regret than if you were to take no action at all.

Cornell University Study

- 75% most regret actions not taken**
- Than actions taken that turned out badly**



True Courage Comes From Doing The Right Thing for Customers



***“Tricks & Treachery are the practice of fools
that have not wit enough to be honest.”***

Ben Franklin



**MEP
Network**

The Secret to Success?

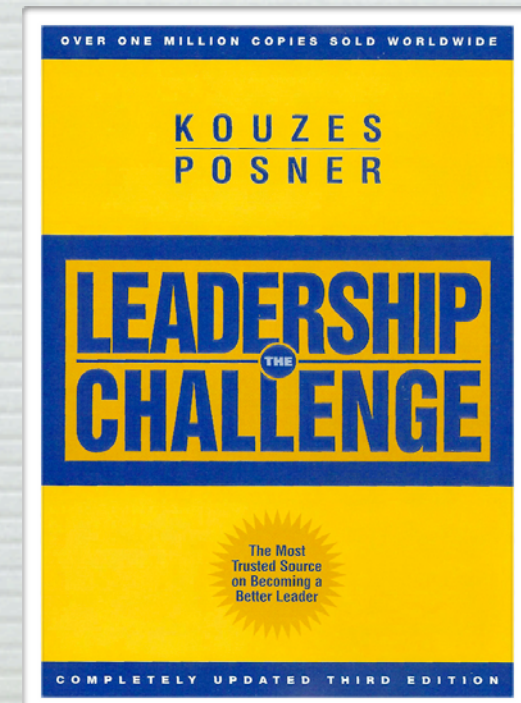
“Emotional Right Brain Answer”



Jim Kouzes



- 30 Second Guru
- Top Expert on Leadership
 - 175 PhD's and Research Projects





The Secret is **LOVE**

“The key to success in business is **LOVE**.

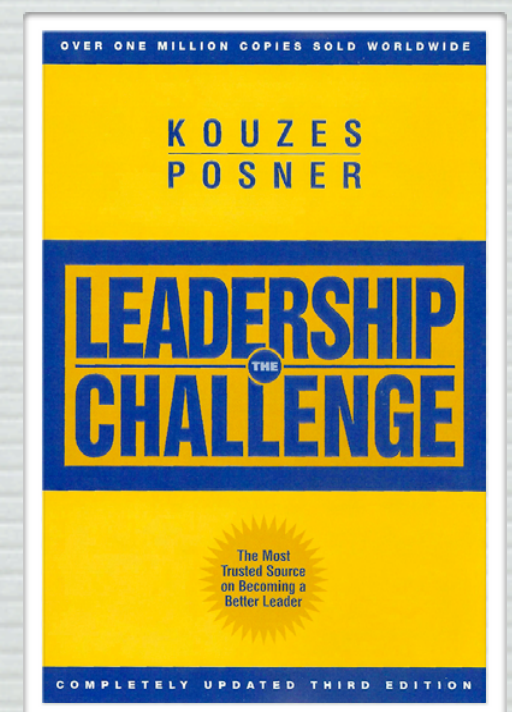
Love your customers

Love your people

Love your product - your service

Love leading!”

Passion Can Be **FAKED** - **LOVE** Cannot





The Secret to Success?

“Logical Left Brain Answer”

1,500 Business School Students

1,245 Plan to Earn \$ Then Pursue Dream

255 Plan to Pursue Dream Immediately



20 YEARS Later



MEP
Network



20 YEARS Later

Checked for Millionaires



20 YEARS Later

Checked for Millionaires

1,245

1



20 YEARS Later

Checked for Millionaires

1,245

1

255

100



MEP
Network



Profit Leadership





Profit Leadership



1. Overt Benefit





Profit Leadership



1. **Overt** Benefit
2. **Real** R.T.B.





Profit Leadership



1. **Overt** Benefit
2. **Real** R.T.B.
3. **Dramatic** Difference





Profit Leadership



1. **Overt** Benefit
2. **Real** R.T.B.
3. **Dramatic** Difference



- 1 . **Explore** Stimulus



Profit Leadership



1. **Overt** Benefit
2. **Real** R.T.B.
3. **Dramatic** Difference



- 1 . Explore **Stimulus**
- 2 . Leverage **Diversity**



Profit Leadership



1. **Overt** Benefit
2. **Real** R.T.B.
3. **Dramatic** Difference



- 1 . Explore **Stimulus**
- 2 . Leverage **Diversity**
- 3 . Drive Out **Fear**



Profit Leadership



- 
1. **Overt** Benefit
 2. **Real** R.T.B.
 3. **Dramatic** Difference

- 1 . Explore **Stimulus**
 - 2 . Leverage **Diversity**
 - 3 . Drive Out **Fear**
- 



The Classic Business Dream



Growth

Launch an IDEA



The Cycle of Continuous Growth



Launch an IDEA



The Cycle of Continuous Growth



Launch an IDEA



Crash

The Cycle of Continuous Growth



Launch an IDEA

Idea



Relaunch



Crash

Three Quick Questions



Three Quick Questions



Have your Profit Margins grown in last 5/10 years?

Three Quick Questions



Have your Profit Margins grown in last 5/10 years?

- **If NO - you should “fire some customers”**

Three Quick Questions



Have your Profit Margins grown in last 5/10 years?

- **If NO - you should “fire some customers”**

If you lost your #1 customer would you survive?

Three Quick Questions



Have your Profit Margins grown in last 5/10 years?

- **If NO - you should “fire some customers”**

If you lost your #1 customer would you survive?

- **If NO - you need to diversify your portfolio**

Three Quick Questions



Have your Profit Margins grown in last 5/10 years?

- **If NO - you should “fire some customers”**

If you lost your #1 customer would you survive?

- **If NO - you need to diversify your portfolio**

Are you having FUN?

Three Quick Questions



Have your Profit Margins grown in last 5/10 years?

- **If NO - you should “fire some customers”**

If you lost your #1 customer would you survive?

- **If NO - you need to diversify your portfolio**

Are you having FUN?

- **If NO - take action NOW - “Life is too Short”**

Think about it...



Source - *Black Swan*

Think about it...



Source - *Black Swan*

Think about it...



Source - *Black Swan*

Why?



Winning Ways 2008



Why?



Winning Ways 2008



Why?

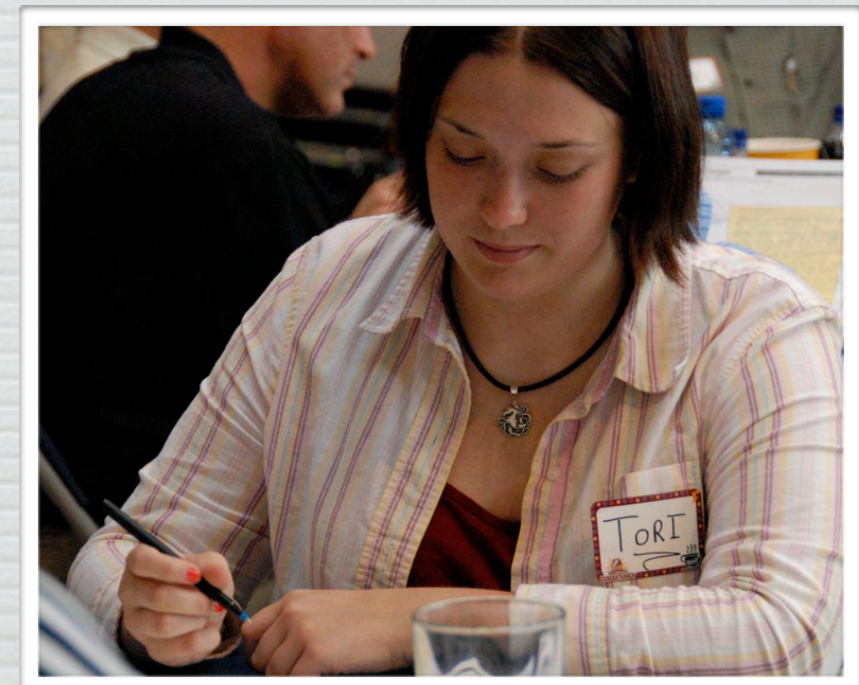


Winning Ways 2008



Too often today companies are really struggling. They have been beaten up and have no courage left. Eureka! Winning Ways puts courage back into companies and gives them a kick-start again.

*I really liked learning how to put **HOPE** back into people.*





Are YOU READY?

We're Ready to help

Help You Use Innovation To

Increase Your PROFITS



**MEP Network
Manufacturing
Extension
Partnership**





I'm Optimistic

**“As long as I have known the world
I have observed that Wrong is always
growing more Wrong, and that Right,
however opposed, comes Right at last.”**



and on taking responsibility....



**“Up sluggard,
and waste not life;
in the grave will be
sleeping enough.”**



Ben Franklin



***St. Thomas
Springbrook PEI***



Win More, Lose Less

Make More Money!

Doug Hall
Founder & CEO

