



Venture Forum News

To inspire and facilitate technology-based entrepreneurial activity and economic growth
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Do-it-yourself patent searching: Or fun and adventure using free online databases

by Peter D. McDermott

Tuesday, April 9, 2001
WPI, Campus Center Odeum*
Registration: 6:00 pm
Meeting: 6:30 pm
Cost: \$10, Venture Forum individual annual
& lifetime members
\$20, Venture Forum non-members

You have an idea. It may be a new product or a new process, or perhaps a new feature or improvement for an existing product or process – yours or a customer’s or a competitor’s. You want to know if your idea may be patentable. After all, applying for a patent is a typical first step to licensing an invention or preventing competitors from copying the new product or improvement or otherwise exploiting its commercial value.

You already know that to be patentable an invention must be new and not obvious in view



Case presenter Geva Barash, Executive vice president sales and marketing at i-Ray Technologies, Inc.

of prior technology, the so-called “prior art.” The prior art includes publications both here and abroad, products that have been sold or offered for sale, and other activity in the past. Even for a single, well-defined invention (and they seldom are in the beginning), searching all of the prior art could be a lifetime career. So where do we draw the line? Can we do a sensible amount of prior art searching within a reasonable time and expense budget? And where do we start?

If you don’t have a corporate patent department to handle the task, you might consider using a patent law firm. Often, however, the best first step is a do-it-yourself search using one or more free on-line resources. Evidence that your invention has previously been described in publications by others – or the implication that it hasn’t based on the lack of such evidence – may

be found using public search engines, such as AltaVista, Google, etc. But in the event you ever file a patent application for your invention, the body of prior technology that will primarily be relied upon by an examiner in the United States Patent Office, will be the issued patents and published patent applications of the U.S. and foreign countries.

Before deciding whether to file a patent application, and even before consulting with a patent attorney, you can search the same U.S. and foreign collections of issued patents and published applications from the comfort of your home computer or any computer with internet access. Altogether, there are millions of such issued patents and published applications.

We’ll go on-line together during the Venture Forum meeting (the internet gods permitting), visiting the U.S. patent office web site and maybe even one or more foreign patent office web sites, using on-line patent search functions. With audience participation, we’ll attempt to develop

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* Please note change in meeting location.

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Letter From the Chair

Taking advice and where to find the good stuff

by Dick Prince

“When you come to a fork in the road, take it!” That was just one of the pearls of wisdom expounded by Yogi Berra, former baseball great.

The poet, Robert Frost puts it a different way in “The Road Not Taken.”

The last few lines go like this . . .

*Two roads diverged in a wood, and I –
I took the one less traveled by,
And that has made all the difference*

According to Poor Richard's Almanac, “Fools need advice most, but only wise men are the better for it.”

We could go on ad infinitum with examples of good and bad advice, realizing we have all experienced the spectrum. The task at hand is to gather as much advice as possible, run it through your judgment system, select the most appropriate and make informed decisions.

Jack Welch, former CEO of General Electric and author of *Jack, Straight From The Gut*, writes in his book, “While information will be available as never before, it will always be human judgment that will make the organization go.” He advocates exposing yourself to quality people who will provide the best advice.

Entrepreneurs rarely have enough time to achieve all they desire, let alone take the time to seek advice. In addition, they generally cannot afford to pay a great deal for it. The dilemma, then, is to expose oneself to the broadest array of information, in an efficient way and at the most reasonable cost.

This can be accomplished by associating yourself with organizations such as the WPI Venture Forum where one can rub shoulders with a multitude of experienced professionals.



Other entrepreneurs, along with principals, partners and associates from a variety of service providing firms, are accessible and willing to share their advice. Ultimately, as one progresses through the cycles of entrepreneurship and selects those employees, directors and service providers that will assist toward the goal of running a successful business, cost will be involved. But, what better way to screen these selections and make the big decisions than to meet with the experts and partake of their advice.

Join us at WPI Venture Forum meetings and networking events. Meet some of the best, take their advice and successfully enter the world of entrepreneurship.

Dick Prince

Dick Prince is retired from Norton Company and Siebe, plc and is presently a partner in Brooksville Associates, a merger and acquisition company specializing in the health and safety industry. **VF**

Please note that after February 1, the Venture Forum membership fee is reduced to \$20.

“True genius resides in the capacity for evaluation of uncertain, hazardous, and conflicting information.”

Winston Churchill (1874-1965)
English statesman, author

Seven secrets about entrepreneurs

There are some facts of entrepreneurship or “secrets” not often discussed that can help you to better understand entrepreneurs, and even why sometimes they are not successful.

Secret #1: Entrepreneurs are not always the healthiest, most well-balanced creatures around.

The same ingredients that cause someone to put in the needed work to move mountains and make the impossible, possible, often make for unhappy people. Initially, breathing life into an entrepreneurial venture demands an intensity that shifts the scales of life, putting almost anything other than that dream a distant second. Despite the initial motivations, which sometimes can be extreme and even unhealthy, most entrepreneurs mellow and mature. The wisdom that comes with maturity and experience can lead to a fuller, healthier personal life.

Secret #2: You've got to know when to hold them and know when to fold them.

Almost always, entrepreneurs start out extremely sure of themselves. Many entrepreneurs are a little cocky in the beginning. They have passion and a commitment to an idea. Only time and getting beaten up tends to bring them down to earth. But tough experiences test us and teach real lessons. Many of the traits of successful entrepreneurs, especially during challenging times, are conflicting. The resolution of that conflict is often a secret to success. The secret is in balancing the conflicting traits within the narrow scope of workable bounds. There is no perfect formula that can apply to every situation. The key is to hone an instinctive sense of conflict resolution between these various traits.

Secret #3: It's only the one or two (usually simple) ideas that matter.

So often we make things overcomplicated. People tend to think of business situations as a series of important decisions. The secret is keeping it simple. It is only one or two, usually simple, ideas that really matter. Certainly management is critical, but if the main ideas don't work, the whole concept is doomed. One simple idea well executed makes the difference.

Secret #4: Don't underestimate luck and timing.

Luck comes and goes, and knowing when and how to cash in and take advantage of it is a critical component of success. Sometimes that knowledge comes from experience, critical judgment, or good sense, but often it's just plain luck. Luck and lucky timing is without a doubt a significant factor in many American success stories.

Secret #5: Boredom and believing your own press are the entrepreneur's devils.

The tendency of entrepreneurs to feel infallible while desiring constant action can be dangerous. It's important for entrepreneurs to understand that it's okay and even good to have time on the sideline. It's important to keep perspective, to look at the big picture, and to hedge your bets. Outside forces are always bigger than any of us might think.

Secret #6: Being honest and fair pays off.

In the United States, just as anywhere else in the world, people get greedy. Attempts are made to take advantage of positions of weakness. These

greedy types often try to get the edge on a deal by renegotiating and tying up transactions for months. While someone might benefit in such a transaction, I believe that being honorable has been far more beneficial than engaging in delay tactics and dirty dealings ever could have.

Secret #7: Positive cash flow is an entrepreneurial law of nature.

Being true to cash needs with careful cash-flow budgeting and monitoring is critical to being a successful entrepreneur. As sure as Newton showed the law of gravity with an apple falling from a tree, entrepreneurs over and over prove that positive cash flow is a critical law of success.

Excerpt from The Responsible Entrepreneur, Hall, Craig, Career Press, 2001, 243-249. Reprinted with permission from the Small Business Advancement National Center (SBANC) Newsletter, provided as a service to the Association for Small Business and Entrepreneurship (ASBE) members and the International Council for Small Business (ICSB) members. VF

Do-it-yourself

Continued from front page

an on-line search strategy and then execute that search strategy, to test the potential patentability of a proposed "invention." Maybe we will discover the next new thing!

Peter McDermott works with technology-based businesses to obtain and enforce patents and other intellectual property rights, both domestically and internationally. McDermott's practice focuses on coordinated licensing and litigation of intellectual property rights, in support of competitive market position. His broad licensing experience includes preparing and successfully negotiating patent licenses and other technology transfer agreements covering technologies, such as polymer coatings, glass fabrication, fiber optics and plastic molding. McDermott has handled licensing and due diligence studies in support of acquisitions, divestitures and corporate joint ventures of U.S., European and Asian corporations.

McDermott's experience includes in-house counsel at Ford Motor Company. He earned his J.D., with honors, from Suffolk University Law School in 1978. He earned his undergraduate degree in chemical engineering at Worcester Polytechnic Institute, where he has served as an executive board member and past chair of the WPI Venture Forum. Currently, McDermott is a partner with the patent law firm of Banner & Witcoff. He can be reached at pmcdermott@bannerwitcoff.com and 617.227.7111.

Case presenter

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Are you looking for a way to extend your wireless reach and stand out from the crowd? Geva Barash, executive vice president of sales and marketing for i-Ray will explain how his company can provide solutions to those problems. i-Ray develops wireless location and posi-

tioning technologies to transform resource management by delivering far-reaching read-ranges, highly accurate 3D-positioning, web-based remote systems management and open and scaleable platforms.

i-Ray's products are designed for high volume usage in harsh industrial conditions. The company offers a complete technology solution that includes EXACT Passive Tags and LongReach Active Transponders, a Base Processing Station (BPS), antenna systems, function-rich software and an internet provider (IP) communications platform that enables complete Real Time Location Solutions (RTLS). i-Ray's products can be easily integrated into any third-party software product in order to provide a holistic solution.

Barash oversees sales and marketing activities as well as day-to-day operations for the company nationally, with plans eventually to expand globally. Barash's present role also includes

developing a nation-wide distribution network, creating relationships with end-users and designing a comprehensive customer support network.

Before joining i-Ray, Barash served as the vice president of sales and marketing for NUR America, Inc., where he supervised sales and marketing activities in North and Latin America for machines and consumables. Through his experience and insight, Barash increased sales by more than 400 percent, contributing to the company's 800 percent jump in stock during this time period.

Barash also served as sales director for Idanit USA, Inc. During his tenure, he was responsible for all sales in North and Latin America, as well as the introduction and marketing activities of new products, building the company's direct sales and distribution channel to support new product launches and other company growth initiatives. **VF**

Breakfast With...

This year's Breakfast With event will feature Daniel P. Burnham, chairman and CEO of Raytheon Company in Lexington, MA. Burnham joined Raytheon on July 1, 1998 from AlliedSignal, Inc. where he served as vice chairman and member of the board of directors.

Burnham's career at Allied Signal began in 1982 when he joined the company as vice president and controller. For the next two years, he continued as vice president and general manager of the Engineered Plastics Division in AlliedSignal's engineered materials sector. In 1986, he was named president of its fiber group. In 1990, Burnham became president of the AiResearch Group within the company's aerospace sector. From 1992 to 1997, he served as president of AlliedSignal Aerospace, the company's largest business sector and the world's largest supplier of equipment and subsystems to the aerospace industry.

Before his lengthy career with AlliedSignal, Burnham held positions of increasing responsibility with The Carborundum Company from 1971 to 1982.

Born in Pontiac, Michigan, Burnham received a bachelor's degree in economics from Xavier University in 1968 and a master's of business administration from the University of New Hampshire in 1970. In 1999, Pepperdine University presented Burnham with an honorary Doctor of Laws degree.

Burnham is chairman of the President's National Security Telecommunications Advisory Committee (NSTAC), a member of the Defense Policy Advisory Committee on Trade (DPACT), a trustee for Xavier University, a member of The Business Council and the FleetBoston Financial Corporation board of directors.

The Breakfast With event will take place on Tuesday, May 7 from 7 to 9 a.m. at the Radisson, 75 Felton Street, Marlboro.

The cost is \$30 for members, \$45 for non-members. Space is limited, so sign up early. Registration deadline is May 1.

You can download the registration form from the website and send your check or credit card information to: WPI Venture Forum, Breakfast With Event, 100 Institute Road, Worcester, MA 01609-2280. **VF**

Now is the time to profit from your relationships

by Jeffrey Shuman and Janice Twombly

We're sure you've seen the pictures. The ones showing Enron employees carrying their cardboard boxes of personal possessions out of the building after being laid off. And, unfortunately, that's a scenario that's being played out over and over these days. According to the latest data, nearly 2 million people were laid off during 2001, and unemployment in our home state of Massachusetts is reportedly up 83 percent over last year. In fact, this report from Northeastern University claims Massachusetts has lost jobs at a faster rate than almost any other state.

If you're one of these newly unemployed professionals, what are you supposed to do?

In today's volatile and uncertain business environment, regardless of whether you work (or worked) for a corporate giant, or more commonly, for a smaller business, you must think of yourself as an independent business professional. Writing in *Fortune* magazine, Michael Schrage, co-director of MIT Media Lab's e-markets initiative, characterized the profound change taking place in today's workplace: "Bursting bubbles and toppling towers have utterly destroyed the cheery truism that 'people are a company's most important resource.' The truth is that the perception of viability is what matters most. If uncertainty exceeds opportunity, companies become loyal to their own survival... When the going gets tough, the tough send out pink slips. We knew it all along. We are all contingency workers now."

We agree. We also believe this presents a great opportunity if you understand the bootstrapping mindset of an entrepreneur. Webster's Dictionary defines bootstrapping as "promoting or developing by initiative or effort with little or no assistance." Bootstrapping is what entrepreneurs do to cleverly leverage all their resources and make their precious dollars stretch as far as possible. Likewise, you must creatively parlay your competencies, your skill set, into revenue. And more than anything else, it is our view that the skill set that separates the successful from the unsuccessful

is the ability to build trusting, mutually beneficial relationships. However, developing this skill set takes a lot of hard work and requires an analytical and disciplined approach.

As we see it, a business relationship between any two parties is based on a continuous stream of underlying value propositions that help each party move successively closer toward achieving their respective goals (which in this case means getting a job and/or generating income.) Most simply, a value proposition can be thought of as the bi-directional flow of "currencies" between the parties in that relationship. We include as currencies: access to, information about, as well as actual cash, customers, competencies, products and services, technology, intellectual property, and validation, that you either utilize or trade. Everyone makes use of non-cash currencies in the value propositions they strike with the people they do business with, but discovering and utilizing those values is a skill that must be learned and practiced.

A friend of ours named Mike was recently laid off. He had a valuable skill that helped solve important problems for customers, yet at the same time he realized in the current business environment it would be tough to get a new job. As a dedicated relationship builder, he immediately reached into his cardboard box and pulled out his Rolodex®. Mike analyzed his relationships to determine who had complementary competencies and, most importantly, who had access to customers. First, he found Pamela who had complementary competencies and who was willing to work for a share of any future revenue. Then, Mike located Jim who had access to customers, and in particular, a marquis customer who could provide Mike and Pamela with important validation of their expertise. As it turns out, Jim was happy to provide that access because Mike and Pamela would use Jim's products as part of their business. So, Mike got the customer, who not only has provided cash and important validation, but he's also giving Mike and Pamela access to other potential customers.

Thus, building trusting, mutually beneficial relationships to help you achieve your goals is really a three-step process: One, recognizing the value of your relationships and the currencies they bring, such as validation, competencies, or access to customers. Two, identifying the value propositions you need to offer to gain access to those currencies. And three, once you have gained access to those currencies, working diligently to transform them into the specific value needed to achieve your goals. Of course, always remembering that for such relationships to work they must be built on trust and be mutually beneficial.

Like many things in life, some people have an in-born, intuitive ability to build trusting, win-win relationships. And they seem to do it ►

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The love of a challenge

By Laurence Hayward

Sure, we all love a good challenge. But when, and how, does the love of a challenge apply to your job and to the motivation of your employees?

Abraham Maslow, the psychologist renowned for the *Hierarchy of Needs* said, "The organism has one sovereign drive, that of self-actualization. People strive continuously to realize their inherent potential by whatever avenues are open to them. Man has an internal, natural drive to become the best possible person he can be."

Is that true, or simply self-glorification? In my limited experience, people love challenges, so long as they are in an area which interests them, while challenges outside their areas of interest — however much they might improve them — are frequently avoided altogether. If you have an interest in mountain climbing, for example, tackling the next, more technical climb is a thrill. If you aren't inclined to this sport however, it might just seem silly or dangerous. It may in fact be both, but to the mountain climber, the thrill of the climb, combined with the sensation of accomplishment from surviving the next most challenging objective, is incomparable.

Challenge equals happiness

So what about the workplace? Can you ever incite the same level of passion someone has for her sport or leisurely activity? Mihaly Csikszentmihalyi, author of the book *Flow*, found through a series of studies that not only were people the happiest when they were challenged, but also that this state occurred most frequently at work. Frightening, eh?

Yet, that still doesn't seem to provide a complete answer. For instance, I remember my father attempting to motivate me by asking me to see how fast I could cut the lawn. The challenge seemed rather hollow. I suppose that I would use the challenge to keep myself going, but the hard part seemed to be first pulling that cord (we didn't have electric starters back then).

The advantage of the workplace setting is that employees "pull the cord" in order to achieve desired income. In recent years, however, the growth of personal incomes has mitigated that advantage, and many employers would say

that the younger generation of employees, who haven't known a recession, just don't show the same levels of initial motivation.

Income not always a motivator

So, we're back to square one — unless, perhaps, the labor market continues to ease. Regardless, the problem with using income to motivate employees is that it is extrinsic. As such, it doesn't help people enjoy their task(s) anymore. Further, one winds up in an endless cycle, as evident with today's sports players, who require continually higher pay in order to stay on board. That doesn't work too well for a company trying to maintain healthy profitability.

So, that leaves business leaders in the unenviable position of trying to figure out the passions of their people, and then unleashing them. If you accept Maslow's presumption that people want to be the best they can be, then you simply need the path they'll be willing to take and the carrot to get them on it. It may seem like a road to nowhere, yet while there are no nicely wrapped solutions, great leaders address this challenge through several measures.

Great leaders address challenge

First, great leaders know how to make the carrot attractive. Like a great salesperson, they make mountain climbing seem attractive to acrophobics (those fearful of heights). They accomplish this in part through an understanding that the carrot or "vision" really comprises two components. The first component is perhaps what we most commonly think of when we hear the word

vision: The envisioned future or "where we want to go." The second component, and possibly the more important of the two, is the company ideology or "who we are" or "who we want to be." The former is subject to continuous change, but the latter is something that binds employees through the climatic shifts in business. Founder Walt Disney's focus on creativity and imagination still distinguishes his park from other theme parks today. When Sony was founded, Masaru Ibuka described its ideology with, "We shall welcome technical difficulties and focus on highly sophisticated technical products that have a great usefulness for society, regardless of the quantity involved." That statement built a deep-seated core value of innovation that has survived economic and competitive shifts.

Second, great leaders understand their people. They get to know their employees and encourage their managers to do the same. Larry Bossidy, the former CEO of Allied Signal, personally interviewed and evaluated many of the 300 new MBAs that were hired shortly after he started with the company. He was looking for clues as to how they would fit in, and he didn't rely solely on the human resources department to provide the answers. Bossidy became personally involved and encouraged his managers to do so as well. Only through such involvement will managers know to assign projects or tasks that are well aligned with an employee's interests or work style. Extending my previous analogy, this is how "pulling the cord" happens. Every person I ►

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Hanlon

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Love of the challenge

Continued from previous page

know has certain undesirable elements to his or her job, however small they may be. Certain tasks simply must be done. However, there is usually room for some added variety even in the most mundane activities. Continuing my previous analogy of lawn-mowing (a pretty mundane task), I was more motivated to mow the lawn when I could be involved with landscaping the property, that is, if I could contribute to how the lawn was shaped (maybe I could make it smaller!) and how the property looked as a whole. This brought a sense of pride to the task, even for a teenager.

Third, great leaders create stress. While it may seem counterintuitive, stress stimulates growth. When you stress your muscles, they grow larger. When you stress your brain, you learn. Of course, stress also can be damaging. According to James Loehr, trainer of professional athletes and author of *Stress for Success*, the difference

seems to be in what he terms "oscillation" — having an appropriate balance between stress and recovery time. Likewise, Csikszentmihalyi showed that stress needed to be balanced by knowledge or learning. In other words, if you have the knowledge or training requisite to take on a new challenge, then that challenge is stimulating (e.g. a well-trained runner attempting his first marathon). If, however, the challenge is beyond achievement given your current conditioning (e.g. a couch potato attempting a marathon), the stress is simply overwhelmingly negative. Great leaders make the carrot a stretch goal. It's almost as if the carrot is just beyond reach, but not entirely. At some point, the employee reaches the goal, thus completing the cycle, but then the carrot is replaced with something new and interesting. That then becomes the stimulus for the next chase. James Collins, author of *Built to Last*, termed these BHAGs — big, hairy, audacious goals.

So, are there opportunities for your employees to experience the exhilaration of accomplish-

ment? If your company is like mine, many primary goals will require some time to achieve. That means breaking those goals into shorter-term objectives that provide employees an opportunity to experience accomplishment sooner, even if it is in smaller increments. Then, there is the challenge of knowing your people the best that you can and tailoring specific challenges to each of them. This certainly becomes more manageable if you can enlist your managers in this endeavor. But, it's all worth it if your employees can experience the love of a challenge where they spend the majority of their time — at work.

Laurence Hayward is a vice president at vcapital, where he manages the company's operations, products and services directed towards entrepreneurs and professional service providers. Hayward also serves on the board of directors for The Entrepreneur Institute (TEI) and the Research Institute for Small & Emerging Businesses (RISE). In addition, he is a member of the advisory board for Travis Maguire & Associates, a student-run advertising agency he helped build in 1989. Hayward can be reached at lhayward@vcapital.com. VF

SPONSOR'S BUSINESS HIGHLIGHT

Sullivan Group

*Our company values are family values.
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and committed to excellence in everything we do.*



Sullivan Group has been serving U.S.-based organizations with worldwide operations since 1957. The Emerging Markets Risk Finance (EMRF) Practice was organized in order to bring more capabilities and hands-on service to practice clientele, most of whom are emerging life science and high technology firms.

Sullivan Group understands these industries and utilizes and leverages its experience to arrange coverage forms unique to the industry. It tailors coverage to each client's needs as individual cases present themselves. In addition, the group partners with each client along its growth curve in order to ensure protection as a result of quickly changing needs.

The four principals involved in the EMRF Practice have seventy years of combined insurance and risk management expertise and offer continuity and stability. They understand corporate long-term goals and aspirations and can create and maintain a risk management program that suits these goals while understanding budget constraints.

Their lines of coverage include a variety of property and liability areas as well as the following:

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Political risk/kidnap and ransom**

For more information, contact John M. Brisbois, CPCU, LIA, vice president and principal of Sullivan Group at One Chestnut Place, Worcester, MA 01608 or 72 River Park, Needham Heights, MA 02194 or call 1-800-649-1553. You will also find more information at their website: www.sullivangroup.com. **VF**

The value-added consultant

By John A. Haas, Ph.D.

More professionals are leaving corporate lives behind - by their choice or their employer's - and entering the consulting world. These consultants continually bombard entrepreneurs with offers for everything from software solutions and fulfillment services to outsourcing accounting, human resources, customer services and so on.

Do I need help?

Many entrepreneurs have a proud history of figuring things out and simply getting the job done. But, as technology, competition and e-commerce evolve, self-sufficiency becomes more difficult, time-consuming and inefficient.

In light of increasingly heavy schedules and growing business responsibilities, the key question becomes: do I need the services a consultant can supply or am I better off attempting to solve the problems myself? Before answering that question, consider costs, availability of necessary expertise and your key business strategies and core competencies.

Two types of consultants

Depending on your needs, you may choose to seek out expert or process consulting help. An **expert consultant** is someone who can apply or adapt their direct experience and knowledge to your situation and develop and implement solutions. Expert consultants might include systems integrators, advertising/PR firms, financial/accounting consultants, webmasters, etc. The primary advantage to obtaining the services of this type of consultant is access to proven solutions. However, you should be aware that considerable training may be needed and/or ongoing costs may be incurred to sustain the results your expert consultant provides.

A **process consultant** acts more as a facilitator or change agent, working with your staff and other stakeholders to analyze the current situation, identify directions for change, develop and evaluate alternative solutions and design action plans for implementation and follow-up. With a process consultant you receive tailored solutions

to fit your unique culture and operating environment. You also obtain greater ownership and understanding of solutions, leading to a much higher probability of success. You should understand that this approach is not necessarily efficient - it will take time and effort to arrive at compelling solutions.

Consultant selection and management

Here are some quick guidelines to help assure a successful outcome when working with a consultant:

- Define your objectives clearly before making your choice.
- Seek referrals through your own contact network. Check credentials and references.
- Meet with several candidates. Assuming they are qualified, seek good chemistry and cultural fit.

- Require written proposals outlining project goals, deliverables and costs.
- Communicate the project to all relevant employees and others.
- Be cooperative and supportive.

Working with a qualified, interested consultant who understands your business needs and operating culture can produce sustainable excitement, energy and momentum.

John A. Haas, Ph.D. founded Management Strategies Group (MSG) in 1987, building on 20 years of consulting experience, 15 of which were spent with The Hay Group. At MSG, he works with small and medium-sized companies to improve organizational effectiveness through practical approaches to organization design, team building, shaping corporate culture, employee empowerment and management and sales incentive compensation. He can be reached at 411 Waverley Oaks Road, Waltham, MA 02452-8412, (781) 906-6600 phone, (781) 906-7690 fax, jahaas@gis.net. VF

Business Plan Workshop

When: March 27, 2002 from 6 to 9 p.m.

Where: WPI Campus Center, Odeum

Cost: \$25 members, \$40 non-members

Download registration form at: www.wpiventureforum.org

Who should think of attending?

Anyone interested in either starting a company or putting together a business plan to better project business needs and milestones. The workshop is open to everyone interested in learning about the different aspects of a business plan. There are no restrictions.

What exactly is involved in the workshop?

A discussion on different aspects of the business plan, including the market definition, size, and segmentation, competitive dynamics, internal operational details, financial projections, and management team biographies, and a discussion of the state of venture capital, other financing sources, and the overall economy. The workshop is the perfect primer to the WPI Venture Forum business plan contest.

Naming your product or company: tips from an expert

By Lauren Teton

How does your name rank on the success scale? The Teton NameScale is an objective formula for ranking the success quotient of names. This system rates characteristics from pronunciation and spelling, to how much fun they are to say and whether they contain objectionable letter combinations. Name traits are given point values in the proprietary formula so that one name can actually be scored against another.

Here are some tips for guaranteed success:

1. Get the message across.

A descriptive name will help explain what your company or product does. Neologisms (made-up words) can be memorable, but may not help get the message across.

2. Use memory hooks.

The more vivid associations your name has, the more memorable. And if customers can remember the name, they are more likely to look for your company or product.

3. Make it easy to remember.

Don't overestimate the pronunciation or memory skills of your audience. If the name is hard to say or remember, it's probably a dog.

4. Make sure it sounds nice.

Use linguistic devices such as rhyme, alliteration, and vowel harmony.

5. Test, test, test.

If you can't use market research, ask a panel of your peers, potential customers, mother, brother-in-law or strangers on the street if they can pronounce the name, and what it means to them. Testing can help avoid disastrous choices on meanings or associations you may have overlooked.

Examples of great names include LEXUS and Muzak. Examples of not so great names are Arudis KT and National Car Rental Center. Check out: <http://www.namescale.com/> to see why.

Lauren Teton is a partner in the firm Name One! (www.nameone.net), which creates names for new products and companies. She is an expert at naming products and services and "molding words into trademarks." Lauren can be reached at 914-764-0115 or NameOne.net. VF

WPI Venture Forum Radio Show

Join fellow entrepreneurs every Saturday evening from 5 to 7 for the WPI Venture Forum radio show, broadcast on WTAG AM 580.

Executive producer Bob Hokanson brings more than 20 years of broadcast expertise to the show as he interviews a variety of business professionals each week.

Topics might include how to write a business plan, raise capital, create a benefits package or the best way to structure management.

Weekly guests offer expert opinion and advice to rising business stars. If you'd like to participate in this lively, entertaining and informative radio talk show, call 508-755-0058 with your questions regarding entrepreneurship and managing technology-based corporations.

Please note that sports events or late-breaking news stories may occasionally pre-empt the regularly scheduled program.

Intellectual property coverage: an overview

By John Diercks, A.R.M., C.I.C. and John M. Brisbois, CPCU, principals, Sullivan Group

An intellectual property liability insurance policy is designed to protect your corporate assets. While this intent is no different than any other liability policy, the claims it is designed to protect you from are challenging, carry the potential to put your firm out of business, and are not covered elsewhere.

In this article we attempt to create a coverage synopsis, enabling you to better understand a few issues involved with this insurance.

The first question to address is: what does this insurance cover? The policy will respond to claims of actual or alleged patent, copyright, trademark, trade secret and/or trade dress infringement. Beyond this, some insurers will offer coverage for misappropriation of proprietary information and enforcement of intellectual property rights, among other items. As with most policies, scope of coverage can vary dramatically with each insured and should be analyzed closely prior to purchase.

A number of exclusions are usually built into each policy. These items may include bodily injury and property damage, anti-trust exposures, SEC-related claims, pollution liability, dishonesty and illegal acts. Generally, the exclusions are either against the public good and/or insurable via another policy. It is especially important that you deal with an insurance professional familiar with all types of available coverage and with the experience and facilities necessary to create a program that identifies your exposures and dovetails with your other insurance policies.

Most intellectual property policies contain a deductible that may vary greatly from one policy to another. Beyond the deductible, the insurers are usually obligated to pay 100 percent of the loss up to the limit of liability on the policy, although in some cases, an insurer will make use of coinsurance. The term "loss" is inclusive of settlements, judgments, interest, defense costs, and, in some cases, punitive damages.

Only a few insurance companies offer a variety of intellectual property insurance coverages; that number has decreased significantly, due to the claims dollars paid to date.

Below are a few of the more commonly asked questions about intellectual property liability coverage:

How do I know which insurer is right for me?

Tough question, and one which can really only be answered by working through the quotation/proposal process. However, there are two immediate factors to consider:

1. The industry within which your firm specializes is a critical issue. Some insurers will only work with firms in high technology/software fields, while others provide high-quality coverage for other industries, such as life sciences, general manufacturing, distribution, etc.

2. Premium is another aspect for first-time buyers to consider. Generally, premiums start in the \$10,000+ range for a \$1,000,000 limit of liability. For firms who want to consider lower limits, some insurers offer limits as low as \$100,000 for a \$2,500 premium. However, it is important to recall that defense costs alone often run from \$100,000 to \$1,500,000 for intellectual property claims.

What factors make my firm an attractive risk to insure?

- How long have you been in business? (the longer the better)
- Do you have a favorable claims history?
- How strong is your management team?
- Is a favorable opinion letter available from counsel?
- What is the competitive nature of, and your position in, your industry segment? (*i.e., it is better to be the leader in an emerging segment vs. a follower in a more established industry*)
- Does your firm actively enforce your intellectual property position?

If I am a high-tech company, what should concern me most?

1. Be sure that the covered offenses include all items of concern. Some policies stop at coverage for patent, copyright and trademark infringement. Other coverage might also include infringement of titles, slogans, service marks, trade dress, etc.

2. The definition of "matter" to be covered should include not only printed, audio/verbal and visual expressions, but also source code and numeric items.

3. The coverage territory should not be restricted to the United States. Although you may only conduct physical from the United States, the Internet knows no physical/geographic boundaries.

Who is covered under this policy?

Generally speaking those parties insured include the entity itself, as well as the entity's directors, officers and employees while operating within their scope of duty for the entity. Shareholders are usually covered as well, but only for their liability as a shareholder of the entity being covered. Licenses can also be added.

For more information, contact John Diercks or John M. Brisbois, Principals, Sullivan Group, One Chestnut Place, Worcester, MA 01608, 800-649-1553, phone, 508-797-3689, fax, email: jdiercks@sullivangroup.com, email: jbrisbois@sullivangroup.com. **VF**

**Are you ready
for the 2002
WPI Venture Forum
Business Plan Contest?**

 **Don't wait, \$
prepare now!**

How to use a federal law to make junk faxers pay you

Junk faxes – we all get them from time to time. Removing your name from the junk fax list should be as easy as calling the number printed on the bottom of the page. But if that doesn't work, there are steps you can take to stop this annoying practice.

A federal law, part of the Telephone Consumer Protection Act, makes it illegal to send an unsolicited commercial advertisement to a fax machine from anywhere in the U.S. This law gives people who receive junk faxes the right to sue for at least \$500 per fax. In most cases, the law authorized courts to award up to \$1,500 per fax.

If you receive junk faxes, this guide can help you solve the problem.

Save and date your faxes.

Even where it's clear that a business advertised by fax, one thing that might be in dispute is whether the business actually sent a fax to you. A court may ask for your fax number and the date you received the fax, so the business can check its records on this point. You can sue for up to four years from the date you receive a junk fax.

Identify offenders.

To use the federal law you must learn the name and address of junk fax advertisers. If a fax ad promotes a website, visit the site or do a "whois" search to get contact information for its registered owner. Foundation for Taxpayer and Consumer Rights (FTCR) has used BetterWhois.com for such searches. If you know the name of a business advertised in a junk fax, call the business or use public records to learn who owns the business. Although you can sue a business using only its name, you have the best chance of success if you act against real people or state-registered corporations.

Send demand letters.

Some businesses will pay you to avoid a lawsuit. If you write a letter telling a business it violated the law and asking for \$1,000 per fax, you might receive a check or a settlement offer in return. Generally, you must demand payment before you sue in small claims court.

Sue in small claims court.

If you don't get satisfactory results from demand letters, consider small claims court. Small claims courts have money limits that vary from state to state and no individual may bring more than two claims for more than \$2,500 in one year. Many small claims courts have phone advisors who can help guide you through the required procedures.

Sue in general jurisdiction court.

If you receive a lot of junk faxes from one business or many that seem to be coming from the same faxing service, you may want to bring a case that's too big for small claims court. To do this, you should go to a general jurisdiction state court. FTCR recommends that you consult a lawyer in this case.

Information provided by The Foundation for Taxpayer and Consumer Rights (FTCR), www.consumerwatchdog.org VF

Now is the time

Continued from page 5

in business and in their personal lives. However, for the majority of us, this ability isn't programmed into our DNA. For us, it requires understanding the process and practicing it. With it, you too, can develop this ability. It is a key element to success and spreading your success to those around you.

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Jeff Shuman and Jan Twombly are the co-founders of The Rhythm of Business, a Newton, MA consulting firm that helps build customer loyalty and grow profitably through creating awareness, understanding, and adoption of collaborative business practices and tools. They are the authors of the forthcoming book, Everyone is a Customer: A Proven Method for Measuring the Value in Every Relationship in the Era of Collaborative Business (Dearborn Trade, August 2002) and Collaborative Communities: Partnering for Profit in the Networked Economy (Dearborn Trade, June 2001). Shuman is also a professor and director of Entrepreneurial Studies at Bentley College in Waltham, MA. VF

Back by Popular Demand!

Recognition of entrepreneurs*

Last season the Venture Forum instituted a new event intended to give entrepreneurs an opportunity for a "60-second commercial." We are pleased to announce the return of this much-anticipated event. After the keynote speaker and before the break, seven or eight entrepreneurs (first come, first served) will be invited to give a one-minute presentation from the podium. Our goal is to recognize entrepreneurs.

The one-minute rule will be strictly enforced and there will be no questions allowed. Each entrepreneur will be allowed to show one overhead slide, which you can bring with you or prepare on site with materials provided by the Venture Forum.

Each entrepreneur will be allowed only one opportunity to do this per each new business venture. Your main objective is to generate investments and/or advice through this opportunity, rather than sales.

**Definition of an Entrepreneur - One who organizes, manages and assumes the risk of a business or enterprise. This can include pre-startups.*

WPI Venture Forum

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WPI Venture Forum Calendar of Events

April 9 - Intellectual property

May 14 - Exit strategies

Directions to WPI Campus, Campus Center Odeum

From The East:

Take Mass. Turnpike (I-90) to Exit 11A (I-495). Proceed north to I-290, then west into Worcester. Take Exit 18, turn right at end of ramp, then an immediate right before next traffic light. At next light, proceed straight through, bearing to the right on Salisbury St. At the WPI sign, turn left onto Boynton St. There is parking in the large lot on the right behind Gordon Library or continue on Boynton St. then right onto Institute Rd., then right onto West St. Visitor parking is on the left after footbridge.

From The North:

Take I-495 south to I-290. Follow directions as from east.

From The South And West:

Take Mass. Turnpike I-90 to Exit 10 - Auburn. Proceed east on I-290 into Worcester. Take Exit 17, turn left at end of ramp, follow Route 9 west through Lincoln Square, straight onto Highland St. then right at light onto West St., through first intersection of West and Institute Rd. Visitor parking is on the left after footbridge. Additional parking on Boynton St. behind Gordon Library.

