



Venture

VENTURE FORUM NEWS

To inspire and facilitate technology-based entrepreneurial activity and economic growth
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Volume 10 No. 6
February 2001

A look at the upcoming meeting

Crossing the pond – A critical phase in the process of turning brains to bucks

By Phyllis Hanlon

Tuesday, February 20, 2001
WPI Campus, Salisbury Lab, Kinnicutt Hall
Registration-6:00 pm
Meeting Begins-6:30 pm
Admission Fee- \$5 Members
\$10 Non-members

New businesses are springing up across the country in record numbers. Without a doubt, the entrepreneurial spirit is the backbone of American business and industry. Breaking into a particular field can be difficult, though, as start-ups face marketing, funding and leadership issues, among others, before they can establish a firm foothold. These challenges are multiplied for young foreign companies attempting to enter the American market. At our February meeting David Barone, co-founder and



David Barone, co-founder and chairman of Sleep HealthCenters, LLC

chairman of Sleep HealthCenters, LLC, will address the issue of companies from “across the pond” and how they can successfully penetrate the U.S. marketplace.

An engineer who has successfully made the transition from the Israeli business world to the United States, Barone will explore ways in which aspiring foreign start-up companies can gain a foothold in this country.

Barone served as design engineer at the Ministry of Defense in Haifa, Israel before coming to the United States. During the 1980s, he participated in starting a new company focused on the development and marketing of medical

devices, including hyperthermia equipment for cancer therapy and a computer-controlled dialysis system. He has obtained patents for his two products.

From 1980 to 1987, Barone rose from group leader of research and development at Oranon Teknika Corporation in Oklahoma City, a medical devices and diagnostic company, to director of the department. He also assumed senior management positions, including director for research and development; director of marketing for the surgical products division; director of management of joint ventures and acquisitions, and director of management of pilot manufacturing at Haemonetics Corporation in Braintree.

Later, as the co-founder and CEO of Coral Therapeutics, Inc., Barone managed a 15-fold revenue growth during 1995 and 1996.

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Letter from the chair

Board update – 2001 – A new face

Our committees are busy! As you read this article, a newly refurbished web site is being launched. With the help of Amy Marr, manager of web development at WPI, we have reorganized the site, added new content and included search capability. You can view the “new and improved site” at www.wpiventureforum.org. You'll find information on the following items:

- The Forum
- Monthly programs
- Radio program
- Newsstand
- Business resources
- Sponsors
- Business Plan Contest
- Special events
- Membership... and more to come!

Our thanks to Shari Worthington, Amy and the Marketing Committee.

In April, we will be sponsoring a Business Plan Workshop as a precursor to our annual Business Plan Contest. Details regarding dates, location and costs for both of these events will be arriving in the mail and are also mentioned in this newsletter.

In May, our “Breakfast With...” series, a breakfast meeting with a featured speaker, will continue under the leadership of Norm Brust. Featured speakers in the past have included Ken Olsen and Jane Swift.

Our sponsorship committee has done an outstanding job recruiting sponsors this year, including several new faces. Look at the side bar on this page to see who is helping your Forum continue to produce new and exciting programs.

Our executive board has also been very active. We are in the process of reviewing the monthly program, newsletter, radio show and special events formats, to see if there is any need for change or improvement. As many of you know, we have been conducting a survey at each of our monthly meetings in order to get your feelings about the Forum. These responses, together with



the experience of our board and committee members, will be used to evaluate all programs. Please call and let us know if you have any additional suggestions.

Jerry Shapiro and the program committee continue to bring us outstanding and well-attended events. Look for an exciting spring season.

Marcia Priestley and Phyllis Hanlon keep the presses rolling with each monthly edition of the Venture Forum News. We encourage you to submit business articles and newsworthy information.

The golden voice of Bob Hokanson can be heard every Saturday night from 5 to 7 PM on WTAG AM580 where the WPI Venture Forum features some of the leading business people in central Massachusetts. Tune in for some exciting and practical information regarding entrepreneurship.

These volunteers and their activities continue to make the Forum the place to learn more about business and meet people who can help you become an entrepreneur. Please join us.

Our thanks to all of you that make this happen. Keep up the good work.

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

Upcoming meeting

Continued from front page

During his tenure, the company developed the industry-first outsourcing and management of hospital-based donor rooms and hemotherapy clinics. Additionally, under his leadership the company obtained the first FDA approval for multi-site outsourcing of blood collection and processing services.

Most recently, Barone conceived, researched and developed a healthcare service company that creates and operates comprehensive diagnostic and treatment centers for people with sleep disorders. Sleep HealthCenters, LLC is based on a leading Israeli sleep provider model. A team of specialists, including board certified experts in pulmonology, neurology, psychology, dentistry and psychiatry work together to diagnose and treat patients with disorders such as obstructive sleep apnea, insomnia, narcolepsy, restless legs syndrome and a variety of others.

In addition to the broader issues associated with transitioning from the initial lab-oriented development of an off-shore technology company into the U.S. marketplace, he will provide examples from his own Israeli experiences in the healthcare industry.

Case presentation

Wendy Coleman, MBA
President, BioTherapeutic Devices
Stratham, NH
wcoleman@biotdevices.com

According to the U.S. Department of Health and Human Services, cumulative stress traumas, especially those concerning repetitive motion injuries to the wrist, are now the fastest growing category of workers' compensation claims. More than \$22 billion is spent each year in the treatment of carpal tunnel syndrome and other upper extremity cumulative trauma disorders (CTDs).

BioTherapeutic Devices is developing a range of innovative screening devices designed to detect incipient sensory loss as an early indicator of these debilitating disorders. According to co-founder and president Wendy Coleman, early detection enables early intervention as well as significant reduction in the number of healthcare dollars spent to treat these illnesses.

BioTherapeutic Devices has developed SensiMouse™, a small, stand-alone vibratory

device enclosed in a computer mouse housing and intended to be used at a computer workstation. By using specially-designed software, an individual can track the trend of sensory response and store the information in a PC program. If results deviate from a "normal" baseline, warnings will be issued. The device can be self-administered or used under the guidance of a therapist or an ergonomist. Broad market release for the product is expected in late 2001.

The company is currently preparing to launch a search for secondary funding for between \$3 and \$5 million to take its tested prototype through clinical trials, expanded marketing efforts and increased production. The company's second-stage products include, among others, a device designed to detect diabetic sensory loss in order to optimize insulin levels and deter or eliminate diabetic neuropathy.

Panelists

Three panelists will offer informed opinions, suggestions and other feedback following the case presenter segment. Elaine Caughey, associate with MPM Capital, brings her expertise in the biotechnology field to the panel. MPM Capital focuses exclusively on biopharmaceutical, biotechnology, medical technology, bioinformatics and e-health companies.

The second panelist, Charles Burke hails from the offices of Monument Partners, a management consulting firm that deals with both biotechnological and non-biotech companies. Burke is also launching a website for custom home building and engages in strategic management consulting. He has been president or general manager of several companies.

Guest speaker David Barone will round out the panel. Questions from the audience will be taken following the experts' comments. **VF**

Business plan contest

Even though the announcement for the annual WPI Venture Forum Business Plan contest winner is still five months away – June 12, 2001 to be exact – it's not too early to start thinking about the May 11th submission deadline. Last year the judges had a record 23 business plans from which to choose.

Prizes include \$5,000 cash and \$5,000 of in-kind services. Don't procrastinate. Collect your information and write the best plan you can. Your company might be a winner!

If you would like more information or are interested in becoming a sponsor for the business plan contest, please contact Brian Dingman at 508-791-8500 or Gina Betti at 508-831-5075.

Past meeting summary

Funding your business

By Brian M. Dingman, patent attorney, Mirick, O'Connell, DeMallie and Lougee, Worcester

The January meeting of the Venture Forum was invaluable for any technology entrepreneur trying to secure funding for a venture. The meeting featured presentations by a venture capitalist, an angel and an entrepreneur who recently raised millions of dollars for his business. The audience also had an hour to ply the three panelists with questions and comments in an effort to develop their own fundraising ideas.

The evening's first speaker was Gary Martinelli, Esq., a business and securities attorney with Gary E. Martinelli & Associates in Springfield. As an angel investor, both solo and in conjunction with an informal group of angels, Martinelli has experienced many angel investment opportunities. He captured the audience with several tales of past and present expe-



Gary Martinelli, Esq., a business and securities attorney with Gary E. Martinelli & Associates in Springfield.

riences, some successful and some not. Martinelli emphasized that angel investment is usually the appropriate route for companies that need capital to turn their concepts into products, a stage at which venture capitalists are much less likely to invest. Martinelli highly recommended networking your way to suitable angels through vehicles such as the *WPI Venture Forum* and through professionals such as attorneys and accountants.

David Diamond, the managing director of the Redleaf Group, an international venture capital organization, followed with his expert opinion.



David Diamond, the managing director of the Redleaf Group.

Redleaf, which has an office in Waltham, invests in and helps operate companies that utilize innovative Internet, telecommunications and securities technologies applications. Diamond addressed the current state of the investment market, which is slower than it has been, but far from dead. His comments concentrated on two key themes. First, the business plan must be compelling and sound in order to garner even a hope of getting that first meeting with the venture capitalist. His other primary thrust was on making connections with venture capitalists.

Diamond echoed the theme of networking and contacts as effective means to reach venture capital firms. Additionally, he emphasized finding a venture capitalist firm and an individual within the firm with enough experience and knowledge in the appropriate industry to be

excited about your venture. Such individuals should be able to provide invaluable non-capital assistance such as post-funding business introductions, he added.

Dick Foemmel, founder, president and CEO of CytoLogix in Cambridge, related how he raised approximately \$20 million for the company during three funding rounds. CytoLogix has developed a system for staining specimens for pathology slides and expects sales to reach the \$100 million range. Foemmel obtained funding for the company from more than 20 angels as well as from a handful of venture capitalists. He highlighted perseverance and frugality as key themes.

Foemmel spent 15 months raising the first angel round after the product development was well underway. He recommended the Massachusetts Technology Development Company (MTDC) as a vital participant in all

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Dick Foemmel, founder, president and CEO of CytoLogix in Cambridge.

three of his rounds and cited the lead investor as the ice-breaker for other investors. CytoLogix carefully increased staff slowly so as not to burn through the capital too quickly, he said. The company utilized consultants for virtually every important position until its product was on the market. Many of these consultants had already been working for options.

The roundtable discussion and question and answer period allowed for some interesting interaction between panelists and the audience. Several specific strategies concerning attendees' business ventures emerged. In one interesting exchange, the audience and panelists discussed and debated the concerns investors have with companies that are on the leading edge of a technology field. Is it best to be first to market, or a close second? Diamond said that he would need to see an order of magnitude advance in technology (e.g., 10 times faster or cheaper) in order to consider investing in a first-to-adopt company. Otherwise, he said, the investment would be spent on creating the market for others to successfully follow, rather than in making money for the investors! **VF**

Give notice when your employees do

The law regarding employee termination

by Paul Peter Nicolai, Esq.

When times are good, employers may feel employees change jobs more often than they change their socks. But no matter how suddenly workers leave, recent laws passed in Massachusetts dictate what employers must do when an employee leaves a job — or face fines up to \$500.

It's taken the Massachusetts legislature a few attempts to get the provisions governing employee termination just right. In January 1998, they passed a law requiring all employers to explain to employees how to apply for unemployment insurance benefits. These regulations replaced a previous law passed only a few months before, in November 1997. Then in May 1998, the legislature made significant changes to the January law. So pull out your scorecard — here's what employers need to know today to comply with the latest legislation: how to notify employees about the law and why they must display a poster outlining the law.

On an employee's last day of work, they must receive a booklet published by the Massachusetts Division of Employment and Training (DET), *To Massachusetts Workers: How to File for Unemployment Insurance Benefits*. In this pamphlet, employers need to provide the company's name, address and DET employer identification number. They also must include the address and telephone number of the regional DET office

so former employees can find walk-in unemployment claims offices and access the TeleClaims service. Most importantly, employers must supply departing employees with instructions on how to file a claim.

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Preparing a powerful presentation

Part II: The visuals

by Janice Lindsay

Once you've devised a well-crafted message for your presentation, as discussed in the first part of this two-part article, it's time to think about visuals.

Do you need visuals?

Every presentation doesn't require slides or overheads. Visuals create a barrier between a speaker and the audience. You might be more effective and more persuasive looking directly at your audience and showing them your confidence, sincerity and enthusiasm.

Consider your message, your objective and your audience. Then decide whether you need visuals.

Visuals should complement and enhance your remarks, not detract from them or substitute for them.

The most compelling use for visuals is to show photographs, diagrams, graphs, charts or other graphics that will help your audience understand and remember what you're saying. Some speakers use visuals to outline their main points; this helps the audience follow the talk.

Simplicity

Practically everyone uses PowerPoint presentation software to create visuals. It's one of the most useful business tools ever invented. It's also one of the most misused and abused. We learn to manipulate all those wonderful whizbangs and gizmos, then we think "I can, therefore I should." But in many cases, we shouldn't. Most of us are

not graphic designers, so we have to take care when we venture beyond simple graphics and basic templates. Otherwise, slides can look unplanned and chaotic — exactly the impression you don't want to create about your business.

Whether you're using overheads, traditional slides or PowerPoint, the same basic principles apply.

Simplicity is key.

There might be a million colors to choose from, but white or yellow letters on a medium-to-dark background still seem to work best (and, unlike some fancier colors, they're readable even if the room isn't dark).

Each word slide should hold no more than five or six lines of type, with the fewest words possible. Type should be large. Some speakers put everything they want to say on their slides. When that happens, audience members read the slides and stop listening, or ignore the slides to concentrate on what's being said. Then they wonder why the speaker didn't just hand them a printout instead of giving a speech.

Graphics should contain the smallest amount of data possible that will still make the point. Photos should be big, bold and uncomplicated.

Use the same template for every slide. As a part of that template, include your organization's logo so that it's clearly visible but not conspicuous enough to interfere with the slide's contents.

A presentation that looks sharp on the desktop can look washed out and confusing on a big screen. Project the slides and see how they look. View the presentation with the room lights on: you might not be in a totally darkened room when you speak.

Practice

Practice giving your speech with the visuals.

Pay attention to where you stand in relation to the screen: speakers often forget this when they talk, and block the screen or cast a shadow on it.

In your remarks, make sure you address all the points on each slide, in the order in which they appear, and that each important point in your text is represented on the slide. If for some reason you decide to deviate from this, tell the audience so and explain why. Otherwise, they're apt to get lost and miss your message.

When you plan to use visuals in your speech, arrive at the meeting room well before the program starts. Set up your equipment and run through the visuals. If you're using supplied equipment that others will use before you, practice queuing your presentation and keying through it. You don't want to irritate your audience by forcing them to watch you fiddle with the laptop, the slide projector or the overhead projector, while their valuable minutes tick away.

One last word about presentations

During my business writing career, I've witnessed hundreds of speeches by executives who are expected to give thoughtful, polished presentations. When they don't, I feel let down, as if they didn't consider this audience important. When they do, I want to stand up and cheer. That's probably the reaction you prefer. You can achieve it if you devote time and attention to preparation.

Janice Lindsay, of Janice Lindsay Communications, provides writing and editing services to business executives, management consultants, and marketing and public relations firms. She has been writing speeches for more than twenty years. She can be reached at 508-485-9167 or jclindsay@aol.com **VF**

Five steps to Internet marketing success

Should you or shouldn't you? Before investing in a website, you should answer a few questions to determine how, why, and if, you should be a presence on the web.

1. Know exactly why you want to be on the web.

There are good reasons. And not so good reasons. Good reasons: "We want to improve customer service;" "We want to open up international markets;" "We want to generate RFPs for new product application areas."

Not so good reasons: "It seems like the in-thing to do these days;" "We want to look techy;" "Can't do any harm and it might help us, who knows."

Determine what your objectives are and carry those objectives through. You need to figure out what role the website will play in your overall marketing and marketing communication scheme...will it add value? How?

2. Start with a simple web foundation, then build on it.

Keeping it simple accomplishes several objectives. You can keep your start-up costs down; you can get up and running faster; you can maintain the site easier, faster and more economically; and you can build your site gradually, basing your expansions on experience, customer feedback and better understanding by other company departments that now want to join you in the web venture.

3. Remember, visitors value substance over glitz.

A recent survey indicated that 51 percent of web users value content the most when they visit a site. That doesn't mean that the "look and feel" of the site, including its graphics, isn't important. It just means that web users are roaming around cyberspace looking for information that is worth something to them. The temptation for neophytes who are designing their own sites is to go for the "bells and whistles." Complex graphics may mis-communicate and take too long to load. Web visitors are notoriously impatient. They want their information now.

Why not think of your site as a bookstore or a library? When people browse around a bookstore

or library, they are often looking for a "pearl." Yes, they may know that they want a business book or a sci-fi novel or a biography, but they are on an exploration for the "right one." Well, the analogy is apt for your website too. Your visitors are there "in your library" searching for a certain type of information that will provide satisfaction. Help them by displaying it attractively in an organized, appealing fashion.

4. Be wary of self-designing the site.

If a lawyer who defends himself has a fool for a client, what does a marketing communications manager who designs his own website have as a client? The analogy isn't quite perfect. But you get the point. As good as you may be technically, you may not save money by developing the site yourself. After all, your time is worth money to your employer. And it could take an awfully long time to build that site. What's more, copy and graphics values in most homegrown sites just aren't as good as those in professionally done sites. They often look shabby in comparison.

A couple of tips when you decide to use professionals: make sure they know your business. Pay them to sketch out a basic structure for your site — a structure that is based on the objectives you gave them. Review it carefully; make final adjustments. The process is much like a print process where you ask for "thumbnail" layouts first and then proceed to the comprehensive design stage.

5. Display a "welcoming attitude" to web visitors.

One of the major advantages of web marketing is that visitors (read "customers," "prospects") come to **you**. But, it's also one of the major disadvantages. If your site does not contain useful information or is too slow or too convoluted to use, you can say goodbye to that visitor. Make your site informative and interesting.

Make it a habit to keep changing the creative at least every 90 days, more often if you have timely information to share. Make sure you have a "What's New" section. If you have an online newsletter, edit it weekly. If you have a juicy tidbit, timely info that you can put out daily, do it.

Make sure your graphics load easily and quickly, and are relevant, interesting and pleasing to the eye. Make sure that it is easy for the visitor to navigate. You don't want the visitor to feel awkward and unwanted.

Always make sure that email and requests for information are acknowledged ASAP, and with a "thank you." If it is going to take a while to get definitive information back to the visitor, email and let him know what you're doing and when to expect the information. Common courtesy is good business.

Look for five more steps next month!

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The benefits of making your banker a friend – Part II: Creating a good relationship

Clear, frequent, open lines of communication are a necessary component of a strong business owner/banker relationship. Owners and bankers should communicate at least quarterly, urges Dave Brown, senior vice president at Key Bank in Utah, who speaks to some clients every week. Bankers usually require quarterly financials, with a major review once a year. If a loan is based on inventory or accounts receivable, monthly financials may be needed.

There is more involved in communication than mailing out financials, however. Invite your banker to tour your facilities, recommends Scott Clark, author of *Unleashing the Hidden Power of Your Growing Business*. And, he warns, don't extend the invitation just before you ask for a loan, as that will arouse suspicion.

Be sure to call your banker when something important occurs, such as gaining a major account.

Put your comments down in writing to provide ammunition in case the banker's boss questions why something happened. It's also valuable in the event your banker moves on, as the replacement can quickly become familiar with your situation if your file is complete and up-to-date.

Just like any relationship based on trust, this one requires time. Paul D. Brawner likens it to a winning football team that relies on its running game. "A relationship is like three yards and a cloud of dust," he says about the strategy that slowly, but eventually, results in a touchdown. "A

banking relationship needs to be nurtured day in and day out, not once a year." Brawner is senior vice president of Huntington National Bank in Columbus, Ohio, and former chair of the American Banker's Association Small Business Unit.

The adage, "it's better to give than to receive," is true in a banking relationship. Don't ask for favors at the beginning. First, give the bank your business and try to bring in other accounts. This strategy will create good will on which you can capitalize later.

Don't tell them everything

The banker can be a friend, ally and consultant, but not someone in whom you necessarily confide, specifically about things that don't directly affect the banker's interests. If your marriage

goes on the rocks, for example, don't rush to tell your banker. And if something bad happens in your business, try to determine the cause and develop a plan for remedying the situation before talking to your banker.

No business or business owner is perfect, so it's unrealistic for a banker to want to know everything that is happening. "We all have acne in a corporate sense. The banker doesn't need to be our business confessor," Bill Byrne notes.

Look for Part Three in March's issue of the Venture Forum newsletter.

*This article can be found in its entirety online at: <http://www.sba.gov/gopher/Business-Development/Success-Series/Vol7/banker.txt> **VF***

Save the date!

April 4 - Business Plan Workshop

May 10 - Annual Breakfast With...meeting

May 11 - Business Plan Contest submission deadline

June 12 - Business Plan Contest winner announced

Newsworthy Events

Have you or your company weathered a merger, IPO, job change, joint venture, start-up or other important event?

Are you or your company sponsoring a business-related conference, seminar or workshop?

Here's your opportunity to share your news with others in the technology-based entrepreneurial community.

If you have business information that you would like to submit, please contact Gina Betti at 508-831-5075 or gbetti@wpi.edu or Phyllis Hanlon at 508-248-5161 or polishpen@aol.com.

Licensing is leverage

By Jean D. Sifleet

You can't do it all. As a key business strategy, licensing is a way of aligning with others to get what you need. It's not just about defending your rights; it's about maximizing the earnings from your creation. For example,

Small companies 'LICENSE OUT' – They use licensing to get to the market through big company distribution channels.

Big companies 'LICENSE IN' – They use licensing to adopt technologies or creative innovations to enhance their products or services.

Large and small companies license both 'in' and 'out' strategically to meet their needs. Whether it's extending the brand name by allowing trademarks (e.g., sports teams, Coca-Cola) to be used on clothing, or allowing designs to be used for new applications (e.g., defense industry plane designs used for toys), it's all about generating more revenue from what's been created.

Examples of successful licensing are all around you, from Beanie Babies and Sesame Street characters to computer chips and software models for Internet companies.

Licensing is everywhere:

- Apparel
- Furniture
- Eyewear
- Characters
- Software
- Technology
- Design

The License is the agreement.

The Licensor owns the intellectual property rights.

The Licensee is granted rights for a fee called a royalty.

Key provisions of the agreement include Scope, Performance Requirements, Payment (Royalty), Support, Term & Renewal.

Scope:

What's included? (This is called the 'field of use' - defines what is authorized.)

What's excluded?

Is it exclusive or non-exclusive?

What media (print, TV, catalogue, Internet, CD, 'all media now known or hereafter created')?

What geography (US, Pacific Rim, worldwide)?

Performance Requirements:

Minimum volume and \$\$ payments required to maintain license

Restrictions on use of child labor

Quality control requirements

Marketing plans

Payment:

Upfront payments? Minimums? Milestone payments?

Royalty = Percent of Sales

Rule of thumb (25 percent pre-tax profitability to licensor)

With incentive provisions (lower per unit royalty at higher volumes)

Consulting payments for support services

Support:

How will Licensee & Licensor work together?

What is expected regarding know-how transfer?

Or promotion?

Will there be quality control reviews?

Term & Renewal:

Usually at least a three-year term

Renewable if licensee performs

OTHER KEY PROVISIONS Include:

Audit rights and how you'll handle enhancements.

What Do You Have?

The first question is what intellectual property ('IP') do you have? Patents, trademarks, copyrights, product designs, customer lists, or proprietary

methods & tools for how you do business?

Could your IP be used in other applications and markets? Frequently, there are applications in different markets for the same technology. For example, a patented chemical process may apply in multiple industries.

What Do You Need?

Instead of trying to do everything yourself, is there 'IP' that you could use?

Why re-invent the wheel? License it.

Many universities have licensing programs and actively support the commercialization of their technologies.

Want to add music or logos to spruce up your web site? Be sure to get permission before you use someone else's creations.

Licensing is a complex subject. This article is intended to give you food for thought. Intellectual property really drives many businesses today.

Add licensing to your business toolkit. Licensing OUT is a way to leverage what you've created. Licensing IN is a way to enhance your current business offerings.

Remember: collaboration between Licensor and Licensee is critical for a successful licensing deal. Hardball tactics in negotiations can derail or seriously damage the working relationship that is necessary for success. Don't let the lawyers become adversarial.

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Give notice when your employees do

Continued from page 5

What if, as often happens, the employee fails to come to work on that last day? One of the changes to the law gives employers a 30-day grace period to mail the information to the former employee's last known address.

While some employers may include this pamphlet as part of the orientation package that a new hire receives upon beginning employment, that's not enough to fulfill the law's requirements. The law is clear: provide the pamphlet at the time of separation, whether the employee departs voluntarily, is fired for misconduct or for any reason.

Remember, this new law has teeth. Although employers have those extra 30 days, any further delay by the employer to notify former employees about unemployment compensation will result in financial repercussions. The DET now has the right to backdate an employee's claim if the unemployment benefits pamphlet is not in their hands within 30 days of separation. So if the claimant — the terminated employee — files a claim inappropriately because they have not received the informational pamphlet, the employer has to pay the unemployment benefits retroactive to the original claim date.

And don't forget the poster. The new law also stipulates that every workplace should prominently display a poster outlining the filing process for unemployment benefits. If there's no poster, first offenders receive a warning. If there's a second violation, the DET will assess a \$100 fine. A third offence raises that to \$250. Each subsequent violation will cost an employer \$500.

So put up the poster. If you don't, the law doesn't offer employers the chance to appear in court and present their side of the story. This is an example where, in Massachusetts unemployment law, civil penalties are replacing the concept of criminal penalty.

By taking the time to comply with these new regulations, an employer can avoid unnecessary fines and help terminated employees apply for benefits without errors and delays.

Paul Nicolai is President of Nicolai Law Group, P.C. in Springfield and specializes in business law. For more information on these and other business law issues, check the firm's website at www.niclawgrp.com or call 413-272-2000. This article was originally published in the February 2000 issue of BusinessWest Magazine. VF

SPONSOR'S BUSINESS HIGHLIGHT

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Introduction

The law firm of Mirick O'Connell combines leadership, depth of experience and enterprising attorneys in a firm that is unsurpassed in Central Massachusetts. With offices in Worcester and Boston, Mirick O'Connell serves clients throughout New England and across the country, and meets the diverse needs of corporate clients, entrepreneurs, research pioneers, public and private school systems and individuals.

In addition to practice groups in corporate and business law, tax and estate planning, labor and employment law, land use, litigation and municipal law, the firm offers cross-departmental and intra-departmental practice groups in areas such as creditors' rights and bankruptcy, high technology, health law, banking and environmental law. The firm also aggressively recruits and trains the best attorneys and continually adds to its expertise by expanding its practice areas.

Our commitment

The firm believes it is crucial to keep abreast of changes, not only in the legal community, but also in other areas that affect the well-being of its diverse clients. To that end, the firm participates in local and regional bar associations, and is committed to ongoing training, communication and continuing legal education. The firm regularly conducts a series of free topical seminars and its attorneys are published in a wide variety of media. *The Mirick O'Connell Report*, a client newsletter, recounts recent cases and topics of interest.

While Mirick O'Connell is large enough to provide the depth of legal services needed in today's complex legal environment, the firm continues to recognize the importance of close, personal service. The firm's client focus is central to its philosophy.

Activities

Mirick O'Connell is focused not only on its clients, but also on its community. Among the firm's attorneys are officers, trustees and directors of civic and charitable organizations, coaches, scoutmasters and members of many educational and cultural groups. The firm co-sponsors annual environmental awards and has donated legal services to many non-profit organizations and, in particular, contributed significant time to the planning and creation of the Massachusetts Biotechnology Research Park.

The firm's attorneys have also taken leadership positions in the many revitalization and redevelopment efforts ongoing throughout Worcester County. Active in the legal community as well, Mirick O'Connell lawyers have served as presidents, vice presidents, and treasurers of the Worcester Bar Association and as appointees to the Secretary of State's Task Force on Massachusetts Securities Regulation.

Practice areas

In addition to practice groups in corporate & business law, labor & employment, land use, litigation, and tax & estate administration, the Firm offers cross-departmental practice groups in such areas as creditors' rights & bankruptcy, high technology, health law, intellectual property, biotechnology, banking and environmental law. The Firm aggressively recruits and trains the best attorneys and continually adds to its expertise by expanding its practice areas.

Upcoming events

- CPA seminar series
- Labor seminar series
- Estate Financing seminar series

For more information on our services or seminar series, contact Mirick O'Connell at 508-791-8500 or visit our website at www.modl.com.

2000-2001 WPI VENTURE FORUM MEMBERSHIP FORM

WPI Venture Forum, 100 Institute Road, Worcester, MA 01609-2280

The \$20.00 yearly membership benefits include:

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Business plan contest workshop

Who: Sean Seton-Rogers, an associate with Commonwealth Capital Ventures, will facilitate this workshop. Seton-Rogers graduated from Rice University with a Bachelor's degree in Chemical Engineering and previously worked as a consultant with Bain and Company, Inc., a strategic-management consulting firm.

What: During this **business plan workshop**, several speakers will focus on their areas of expertise in an effort to present a clear explanation of how to write a business plan. Attendees will learn how to construct a comprehensive and com-

plete business plan. Critical areas will be highlighted and the contents of a successful business plan will be explained. Handouts will be available.

When: Wednesday, April 4, 2001

Time: 6:30 to 9:30 p.m.

Where: Archives Conference Room, Gordon Library at WPI (tentative)

Cost: Workshop - \$50

Business Plan Contest - \$50

Workshop and Contest - \$75

If you would like to register for the workshop or would like more information, please contact Gina Betti at 508-831-5075 or gbetti@wpi.edu.

WPI Venture Forum

Collaborative for Entrepreneurship & Innovation
Department of Management
WPI
100 Institute Road
Worcester, MA 01609-2280

WPI Venture Forum Calendar of Events

February 20, 2001 – Crossing the pond

March 20, 2001 – Marketing

Directions to WPI Campus, Salisbury Labs; Kinnicutt Hall

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-209 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.

