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The Polite Nod

If you're like most of us, you have at some point experienced "The Polite Nod" – that nod people give when they don't understand what you're talking about and they don't want to admit it. To avoid looking foolish or getting into a conversation "over their heads," they will simply nod politely. The Polite Nod leads you to believe people are engaged with you in conversation, but that is not the case.

In the world of scientific discoveries and technical innovations, inventors and researchers experience "The Polite Nod" all too often. Inventors are often so passionate about their discovery, idea, or invention that they want to talk in detail about it. But for most people who are not working in the inventor's field, there is a huge language barrier that draws out "The Polite Nod."

The challenge for an inventor or technology entrepreneur is how to get an audience to engage with you in conversation, because that's the sure way to avoid The Polite Nod. The sign of an interested, engaged audience is this: they are asking you questions and even debating certain points you raise. If you want to turn your idea into a commercial opportunity, you need that kind of interest.

So what? who cares? why you?™ is the inventor's answer to The Polite Nod. It is a methodology I have developed over many years working with technology innovators, scientists and researchers as they bring their ideas from the lab to the

market. I've named the process after three little questions because these are the core questions that business backers – including angel investors, venture capitalists (VC), licensees, customers, and managers – will use to validate and make decisions about your idea.

Whether you're an inventor in a lab, a researcher at an institution, a product team developing a new idea, or an entrepreneur in your basement, developing clear and compelling answers to these questions is what transforms a good idea into an idea with great potential for commercialization. And, it's the ideas with great potential that get business backers saying, "YES."



The Language of Business

Why is it that so many good ideas fall victim to The Polite Nod and never realize their full potential? The plain truth is that most people on the business side of the equation cannot always understand the business value of these remarkable ideas. This has little to do with the science behind the idea, because business backers are not evaluating the quality of the science. In fact, they are assessing an entirely different set of criteria than you might expect. And that's precisely why the gap widens between a good idea and a great opportunity.

Difficulty arises in the language barrier that often exists between an inventor and a businessperson. Inventors and tech entrepreneurs are typically experts in their chosen fields first, and business people by necessity. They've created something novel and unique and they want to share it with the world. But when they talk about their ideas, they often speak in the language of their colleagues – a language that's foreign to people outside their field. More than that, it's a language that the business-level people have no need or intention to learn.

So, while you may want to jump into an enthusiastic discussion of the idea, how it's built, and the detailed description of how it works, that's not what investors and other business backers want to hear. Instead, they are looking for specific answers about the

There's no shortage of good ideas, but investors are looking for great opportunities. It's not surprising, then, that, "for every 3,000 new ideas that emerge, only 1.7 make it to market launch and just 1 becomes a market success."

Source: Conference Board of Canada

business value proposition for your idea. This is a different language than most inventors and tech entrepreneurs speak; in this book, I will call it the language of business. Working through *So what? who cares? why you?*TM will teach you to use this language and will show you how to answer the key questions that all types of investors want addressed.

Investors are not evaluating the quality of the science behind your idea. They have a different set of business criteria.

*You say "tomayto" and I say "tomahto,"
let's call the whole thing off.*

– George Gershwin



What Language Do You Speak?

Imagine for a moment that you're at an executive-level meeting or business function attended by several key potential supporters or sponsors of your idea. If you were given the chance to tell them about your idea, would you do one or more of these things?

- 1. Describe the idea in detail**, particularly how you came up with the idea and how you developed the technology behind it.
- 2. Explain the details of how it works.**
- 3. Describe many different applications and uses for your idea** – as many as you can think of to be sure to get people's interest.
- 4. Use acronyms and technical terminology to validate your idea.**
- 5. Point out that there is no competition for the idea** – that no one else out there is doing anything like it.

If you relate to any one of these – if you think you'd approach that kind of situation in any of these ways – then this book is for you.

That's because none of the approaches listed here is suitable for a business conversation about your idea. It's human nature to focus on the things that we are proficient in. But without understanding the business language required for this type of situation, you will focus on the wrong elements and ultimately will fail to capture the interest of the people who can help you commercialize your idea.

***So what? who cares? why you?™*; the Spadework**

The *So what? who cares? why you?™* methodology will help you develop the answers that investors, customers, and other business backers want to know most about. Briefly stated, these questions are:

So what? – What is the business problem you are solving and how “burning” is that problem? If the idea has a real opportunity, in what market space does it fit?

Who cares? – Is there a cluster of potential customers that are willing to pay money to solve this problem? If so, how do you plan to reach them?

Why you? – What makes your idea different? What is your competitive edge and how do you plan to sustain it?

Don't underestimate the power of these questions. On the surface, they may look obvious, but beneath the questions lies a great deal of spadework required to create the substance necessary to bring your idea to life.

It won't be easy! Seeking these answers will bring the voice of the market and the customer to bear on your idea. Along the way, your idea may be subjected to disbelief, misunderstanding and outright nay-saying. But, digging below the surface using *So what? who cares? why you?™* will dramatically increase the odds of your success. And, with the odds stacked 3,000:1, anything you can do to shift that ratio in your favor is worth the effort.

Many inventors and entrepreneurs cringe at the thought of what it might mean to apply “business language” to their idea. But let me be clear: this is not about spinning a good story or using business buzzwords. In fact, if you do that, you're guaranteed to get The Polite Nod. Instead, this process – this book – is about answering the right questions with the right amount of detail in a clear and compelling way.

Proven by Innovators Like You

Before it could be made into a book, *So what? who cares? why you?*TM was field tested across many different types of innovative ideas and technology business models. I've used it with startup entrepreneurs, inventors, scientists, researchers, and businesspeople in industries including telecommunications, life sciences, software, transportation, consulting services, and many others. I've delivered it on three continents through workshops, workbooks,

personal coaching, and executive retreats for organizations, government labs, incubators, and research institutions.

It combines more than two decades of academic and entrepreneurial experience to deliver a proven and practical approach for inventors and entrepreneurs who are at the early stages of commercialization. I'm thrilled to be sharing it with you now in this book form.

What You'll Find Inside

This book walks you step-by-step through each element of the *So what? who cares? why you?*TM spadework. It's packed with real-world examples, how-tos, tools and worksheets for you to complete as you move through each chapter.

Each of the first nine chapters sets the groundwork for the next, with Chapter 10 providing you with next steps to move forward, so it's best NOT to skip ahead or jump around. As you progress through the process, you'll create the compelling answers you need to convincingly answer these questions:

So what?

1. What's Your Idea?
2. What's the Problem?
3. Where Does Your Idea Fit?

Who cares?

4. Who's Your Customer?
5. What's Your Path-to-Market?
6. Where's the Money?

Why you?

7. What's Your Competitive Edge?
8. Who's On the Team?
9. What's Your Story
10. Now What?

How to Use This Book

I've devoted a separate chapter of the book to each of the three areas of questions on page 6. To support you through the process, you'll also find background material to help you think about your idea using frameworks, worksheets and practical tools. Inside each chapter, you will encounter:

Concepts

Each chapter first introduces the key concept you will cover and explains why it is essential to turning your idea into an opportunity. The concepts are presented in a practical and straightforward manner – this is not a theoretical exercise, it's spadework!

Tools

Each section includes one or more tools to be used to flesh out your idea. These tools are proven to put an innovative idea through its paces. By putting your sweat into these tools, you'll be surprised at what you discover. And, you'll hammer and hone your idea into a solid business opportunity.

For each tool, I explain what it is and how to use it. I have tried to keep each tool simple and easy to understand and use. If you want more, you can use the online "ToolShed" to get a deeper understanding of the tools, more examples, and more information.



Case in Point

Throughout the book I provide many practical examples from the real world to illustrate the concepts and to give you some ideas about how to use the tools effectively. These examples are labeled, "Case in Point."

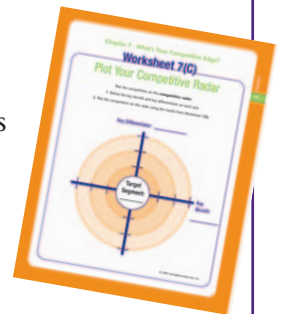
Quick Tips

These are sprinkled throughout each chapter to provide helpful advice or to remind you of relevant points from earlier chapters.



Worksheets

The worksheets are the heart of this book. Each section ends with one or more of them, and completing them with care and intent builds the spadework for your idea.



Online Resources

Complementing this book, a number of resources are available to you at www.wendykennedy.com. In particular, I'd like to point you towards:

The ToolShed

Often, this book will refer you to the ToolShed, my online resource center. There, you'll find oodles of additional resources, templates, and generally useful stuff to work with, as well as a comprehensive Glossary of Terms.

The Blog

You'll find daily doses of *So what? who cares? why you.?*TM on my blog (online journal) at www.sowhatwhocareswhy.com. Bookmark it, add it to your RSS reader, or sign up to receive email alerts so you're sure not to miss a thing.

Before You Begin

Before you begin working through *So what? who cares? why you?™*, take a moment to understand that:

1. This isn't a science and technology exercise.

I devote very little time in this book to the science and technology behind your idea. This is deliberate, but my motive is not to minimize the importance of the innovation you have created. You are an expert in your field – you hardly need a book to develop that aspect of your idea. Instead, my goal is to help you bring the market and customer perspective into play with your idea. These perspectives are required to turn your good idea into a great opportunity. So, with the exception of scoping the idea in the first few chapters, the remaining chapters focus on building the business side of this equation.

2. You need to identify your “investor.”

In this book, you'll see frequent reference to the word “investor.” When I talk about an investor, I mean the business backer for your idea. This is the person or organization that you need to gain support from in order to pursue the opportunity. If you are a scientist or researcher looking to license your idea to someone, then “investor” will refer to the receptors or organizations that would potentially value your idea. If you're an entrepreneur looking to spin off or start up a company, “investor” will refer to angel investors, venture capitalists, bankers, or others providing money to fund your new business concept. If you work in an organization and must present your idea internally to a committee, your boss, or internal approval team, then think of

these people as your “investors.” After all, they must invest in and support your idea.

3. Invest your own sweat equity.

Defining the opportunity your idea represents will take work. You will be expected to contribute a lot of “sweat equity” to think through and complete the worksheets in this book. Don't rush your analysis; the concepts and ideas herein are guaranteed to make you step back and think. You'll be challenging your assumptions as you work through the exercises, so invest time to think things through and discuss and debate with your peers and/or research team.

4. Give yourself freedom to think.

This book is deliberately packaged to be portable. I hope you will find that the style and format allows you the freedom to think about your idea and its potential in comfortable surroundings – the kitchen counter, at the gym, or anywhere else you find that you do your best thinking.



5. Don't get stuck.

At the end of every chapter, you'll see the ToolShed icon.

The ToolShed is an online library of support materials through which I give a deeper understanding of the concepts in this book. If you feel stuck at any point, visit the ToolShed for a rich collection of how-tos, examples, and resources.



This is a sample chapter from the book, *So what? who cares? why you?™: The Inventor's Commercialization Toolkit*. To read all 10 chapters of the workbook, and to gain access to the online ToolShed that's chock-full of additional examples, tools, tips and advice from Wendy Kennedy, visit www.wendykennedy.com.