

Invention: Success is in the Relationships

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“No Bozos” — an overview of the invention process
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What good is an invention if it never makes it to market, or for that matter, if it never rewards its creator? Invention doesn't end with coming up with a new device or a new process. It takes an equally adroit tenacity to form the relationships that will make the invention payoff. At each step along the way you need the right people with the right stuff to believe they can win with you. From investors and licensee to the professionals that help you craft and license a winning product, you need their collective goodwill to succeed.

There is no question that companies need new products and new processes to survive. Fifty percent of the products now on the market were not known a decade ago. The competition to come up with the next blockbuster product is incredibly intense. That is measured by the marketplace and who gets there first. Those organizations that thrive have won substantial market share and keep on winning it. They are doing it by an openness to new ideas and by not wasting time.

Consider the phenomenal pace at work. One study, for example, discovered it takes nearly 530 product ideas to yield a product that stays on the market ten years. Clearly the marketplace is the final arbiter. But it is people who decide which idea to carry through development, and it is people who carry it to market. These are the same people that will decide the fate of your submission. One thing for certain, the initial impressions you make on a potential licensee form the basis for your ultimate relationship. This can be either direct or through an emissary, but the credibility and respect forged here go a long way in deciding the outcome.

First off there has to be a *market for the invention*. If the fledgling product doesn't appear to have what it takes to knock the customers' socks off and rival the competitions' it doesn't stand a chance. Lots of money is spent on focus groups and other market research to answer these questions. But before money is spent, there needs to be a glimpse of a market of sufficient dollar size to warrant the investment. You need to have an idea of the market for your invention before you approach anyone. On the same token, start researching the market *before* running up hefty legal bills preparing a patent. If you get juiced from your research and your idea passes the snicker test you're probably on the right track.

It is not necessary to have a patent to begin the licensing process. Much of this has to do with the nature of your invention, how crowded the field, and the companies you are dealing with. But if you follow this route, you'll need an adequate non-disclosure agreement protecting your invention and ideally a reasonable patent search. The search begins to answer the likelihood of obtaining a patent and how broad the coverage could be.

Because you can get a patent, however, doesn't mean you have a marketable invention. All that a patent provides you or your licensee is the right to sue any scoundrel that comes into your market with a copycat product. But make sure you patent the right thing. I once began licensing-in a product from an inventor who had come up with and patented a sure winner for the hospital market. It was a marketer's delight too, a “razor and blade” affair. The only problem was he didn't think to patent the disposable and that was where the money would be made. Now who's going to develop a market for the competition to help

service? Talking to companies or to a business development professional before filing the patent application would have made all the difference.

As your invention takes shape, you will undoubtedly need professional help; maybe a patent attorney, market researcher, business development pro or perhaps an invention-marketing group. As a rule, however, when one of them starts telling you how great your invention is while selling you their service, watch out. Remember, flattery is like perfume, smell it, but don't swallow it. But if you want seasoned help you're going to have to pay.

This idea of getting them to take their fees from the future earnings of the invention can be a mistake. For one, you are buying yourself an unknown and untested partner who ultimately may prove to be a major aggravation. For another, you will be getting what you pay for. When the other clients that are paying the bills call, you'll go right to the bottom of the "to do" list. On the other hand, if you hire them, you can fire them, and that is important. They will be the ones building a relationship with you. I've been burned on this several times trying to squeeze a dollar. Good judgment comes from experience and experience comes from *bad* judgment.

A word to the wise is sufficient, buy other peoples' experiences... life is too short. Know what you want from them, come to a fee agreement and then ask for three references. If they don't provide them, walk. And make sure you get bids or proposals from three different sources while you're at it. The differences will be surprising! You will also find those counselors *with whom you want to build* a relationship; those who will do right by you.

The History of Science proves it; people personify discoveries and inventions. *You are your invention.* While I should never say never, let me say *never* let yourself be separated from your invention. If you own it, you control it. You will also become known by your emissaries, so pick them wisely. Initially, you have to *rationaly* satisfy yourself that you have conceived a winning invention. This will be tested many times throughout the development process. Ultimately it will be your enthusiasm and conviction that keeps the process oiled and gets you and those working for you over the rough spots.

Having said this, let me warn you about hubris. As Walt Kelly's cartoon character Pogo once said, "I've seen the enemy and the enemy is us!" When you start believing your own stuff simply because its yours and stop listening to your advisors, you are in trouble. Sometimes we just have to get out of our own way, but that doesn't mean abdicating control. Good luck.