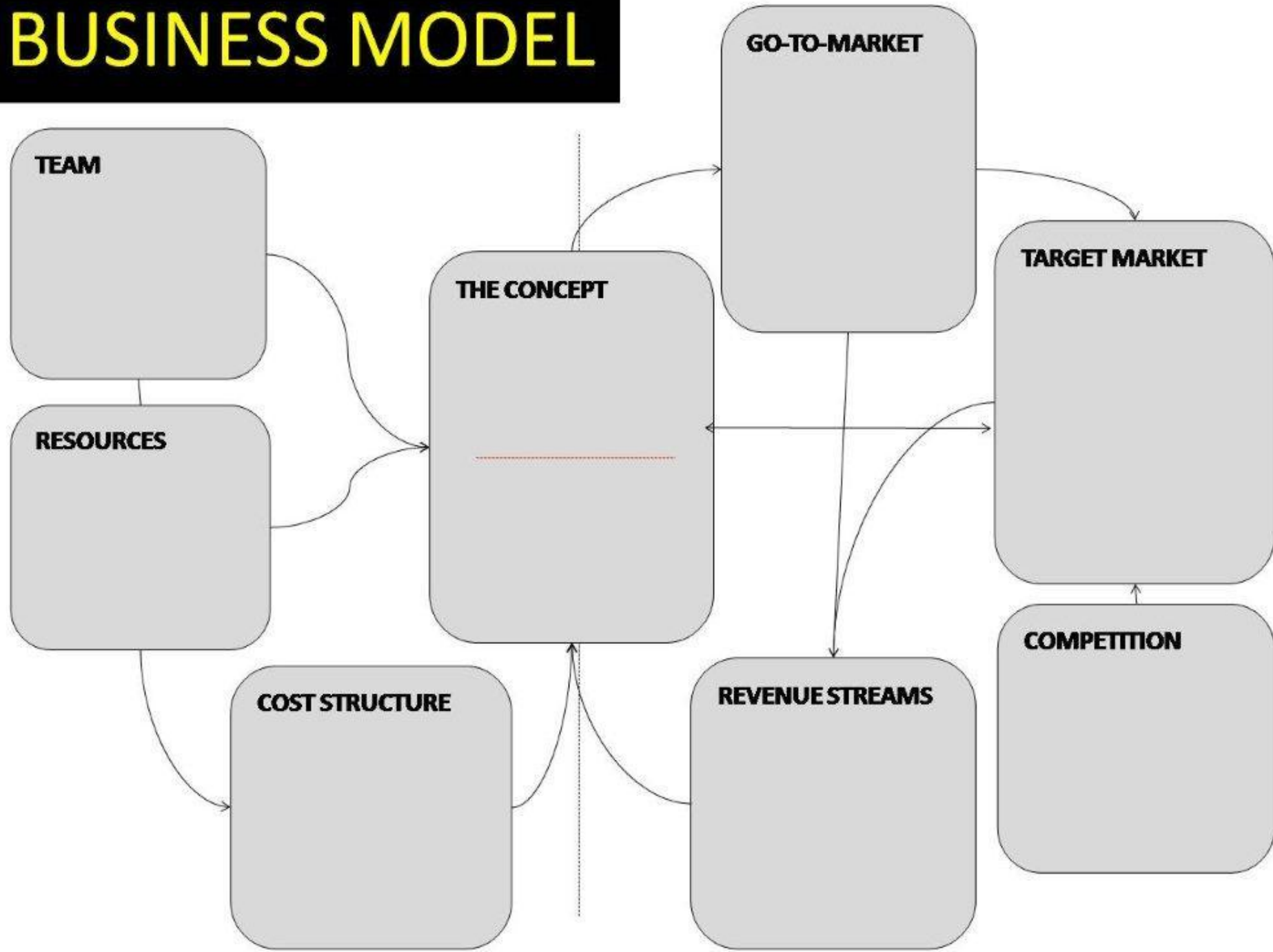


Bright Ideas Challenge

Build the Solution – Technical

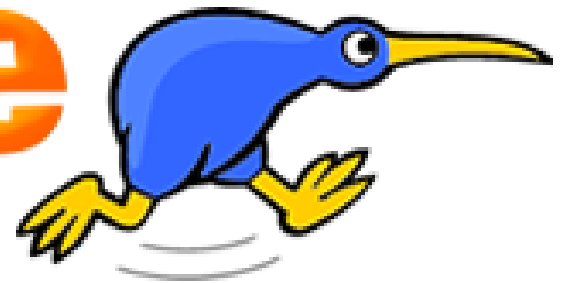


BUSINESS MODEL



trade me

Where Kiwis Buy and Sell



A close-up photograph of two people's faces. On the left, a person's mouth is open as if speaking. On the right, a person with a beard is looking towards the speaker. The background is a plain, light color.

Build a great product and
people will tell their friends

What is a great product?

TRADE ME

NEW ZEALAND'S FREE ONLINE TRADING COMMUNITY

LATEST AUCTIONS

- 1 [Bofors40/60 Anti Aircraft...](#)
no bids
- 2 [Hotwire Mags](#)
no bids
- 3 [Playstation + bits](#)
no bids
- 4 [Banner Ad Impressions - n...](#)
\$20.00
- 5 [AWE 64 SOUND CARD](#)
\$50.00
- 6 [Caller ID Box](#)
no bids
- 7 [Abit PDSII motherboard](#)
no bids
- 8 [Witchcraft](#)
\$5.00
- 9 [Banner Ad Rotation - Linu...](#)
\$11.00
- 10 [17 inch monitor](#)
\$200.00

[more...](#)

Select a region...

All Regions

Enter Trade Me

***This space is
up for auction.
Bidding starts at \$1.00***

[Trade Me News](#)
[Bid online for advertising space](#)

FEATURE AUCTION

*Trade Me
Advertising
space*
Bids start at \$1

[Banner Advertising](#)

Trade Me is auctioning off
all of its banner advertising.
Auctions finish this Sunday.

Bids start at \$1

1999

Genuinely helpful

Well designed and built

Good value

TRADE ME

NEW ZEALAND'S FREE ONLINE TRADING COMMUNITY

LATEST AUCTIONS

- 1 [Bofors40/60 Anti Aircraft...](#)
no bids
- 2 [Hotwire Mags](#)
no bids
- 3 [Playstation + bits](#)
no bids
- 4 [Banner Ad Impressions - n...](#)
\$20.00
- 5 [AWE 64 SOUND CARD](#)
\$50.00
- 6 [Caller ID Box](#)
no bids
- 7 [Abit PDSII motherboard](#)
no bids
- 8 [Witchcraft](#)
\$5.00
- 9 [Banner Ad Rotation - Linu...](#)
\$11.00
- 10 [17 inch monitor](#)
\$200.00

[more...](#)

Select a region...

All Regions

Enter Trade Me

***This space is
up for auction.
Bidding starts at \$1.00***

[Trade Me News](#)
[Bid online for advertising space](#)

FEATURE AUCTION

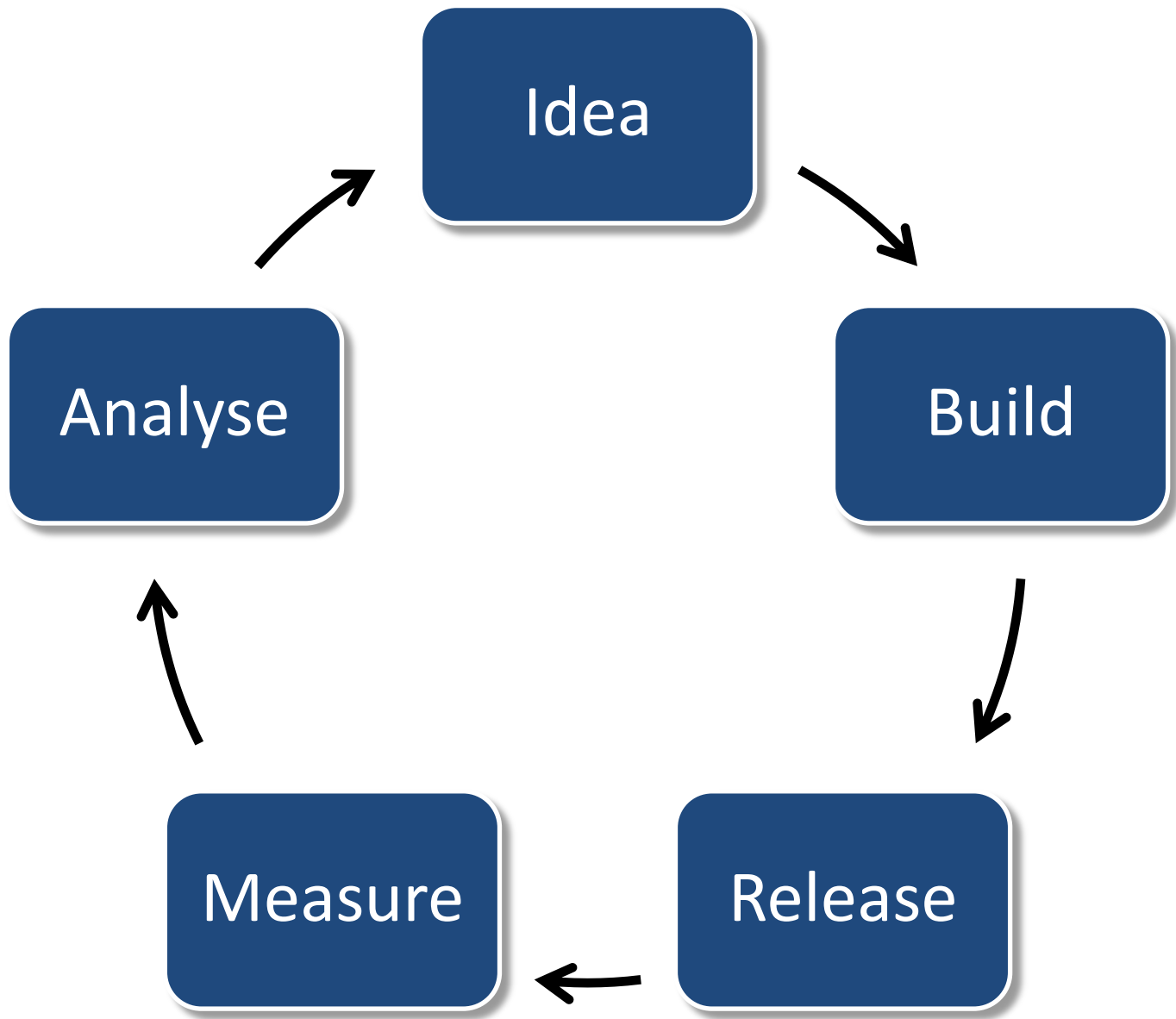
*Trade Me
Advertising
space*
Bids start at \$1

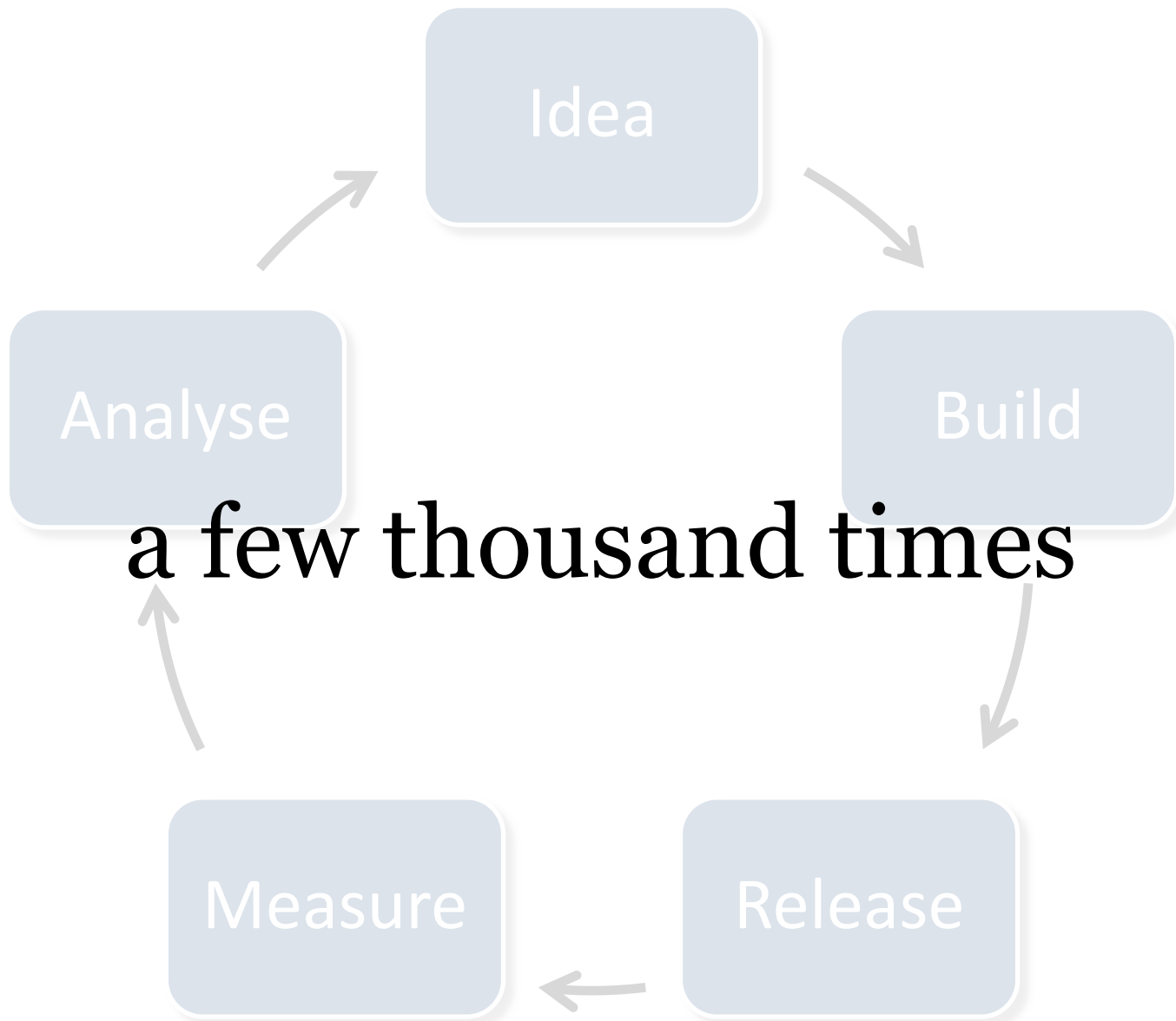
[Banner Advertising](#)

Trade Me is auctioning off
all of its banner advertising.
Auctions finish this Sunday.

Bids start at \$1

1999





a few thousand times



Hi Jon! [Logout](#)

- Home
- Browse ▾
- Sell
- My Trade Me
- Community
- Help
- Motors
- Property
- Jobs

All items [dropdown] [More options](#)

Buying: [Watchlist](#) | [Won](#) | [Lost](#) | [My favourites](#) **Selling:** [Items I'm selling](#) | [Sold](#) | [Unsold](#)

- [Antiques & collectables](#)
- [Art](#)
- [Baby gear](#)
- [Books](#)
- [Building & renovation](#)
- [Business, farming & industry](#)
- [Cars, bikes & boats](#)
- [Clothing](#)
- [Computers](#)
- [Crafts](#)
- [Electronics & photography](#)
- [Flatmates wanted](#)
- [Gaming](#)
- [Health & beauty](#)
- [Home & living](#)
- [Jewellery & watches](#)
- [Jobs](#)
- [Mobile phones](#)
- [Movies & TV](#)
- [Music & instruments](#)
- [Pottery & glass](#)
- [Real estate](#)
- [Sports](#)
- [Toys & models](#)

Cool auctions



Robot costume
\$28.00 | 22 bids
Choice cardboard robot kit, \$\$ to Cancer Society

Advertisement


Latest Jobs **trade me JOBS**

[Support Workers](#)

We are seeking people to work PART TIME, CASUAL & WEEKEND ONLY roles!


Christchurch City | Listed Yesterday

Cars, bikes & boats



Toyota CAMRY GX 2001

Real estate



2 bedroom house in Petone

Jobs

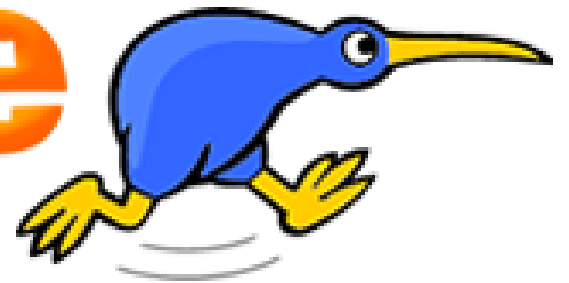


Engineering jobs



trade me

Where Kiwis Buy and Sell



Build the Solution – IP

Mark Hargreaves

Commercial Partner

mark.hargreaves@ajpark.com



The clear leaders in IP

Top tips

- What is IP?
- IP strategy
- Freedom to operate
- Confidentiality
- Ownership



What is IP?



Functionality: patents

Appearance: design registrations

Brand: LIFE chair – trade mark registrations

Drawings and prototypes: copyright

Results of R&D: confidential information/know how



The clear leaders in IP

IP Strategy

- Must align with business strategy
- Innovation and IP protection on their own ≠ success



A J PARK
INTELLECTUAL
PROPERTY

The clear leaders in IP

Freedom to operate (FTO)

- Do your due diligence
- IP protection \neq freedom to operate



Confidentiality

- Don't disclose or use too early
- Understand your strategy
- Balance with need to collaborate and publish



Ownership

- Get your ducks in a row
- Inventor or assignee has right to file



A J PARK

INTELLECTUAL
PROPERTY



The clear leaders in IP





PRODUCT DEVELOPMENT

IN TODAY'S FAST MOVING MARKETS

Michael Elwood-Smith
Business Strategist
Creative HQ – Wellington's Business Incubator



WHO AM I?

Business Strategist at Creative HQ

(Yonix, Dash Tickets, ViewNZ, X-Mapping, ThatHorse.com, Centruflow, Sisu Software, Webstruxure, StarNow.com)
SilverStripe, OMNIMax Software

15 years product development – Including Product Management

Prior: Telecom NZ, Scientific-Atlanta (EMEA), The Fantastic Corp (Switzerland),
Goa (Swiss/NZ), NetworkAdvantage Corp (NZ)

UK, Europe, USA, Asia and NZ experience

BE (Hons) Elect (Canterbury University), CEng (UK), MIET



LESSONS LEARNT...

Thinking you know what customers want

- You really, really need to get inside your customer's head

A product is more than cool technology

- Every successful product has a successful business behind it

Falling for your own fiction

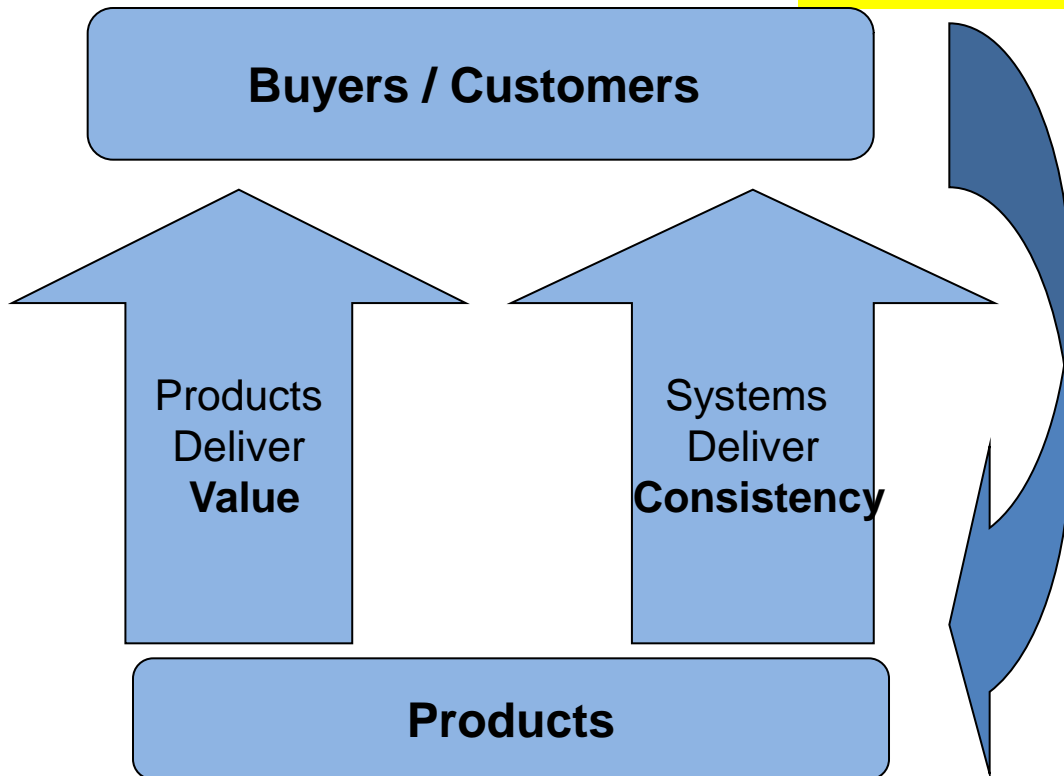
- Don't let your own ego get in the way of your search for the truth

Gear for high uncertainty – dealing with the unknown

- What problem are you solving?
- What is the solution you can provide?



IT'S ALL ABOUT VALUE...



Strong relationships with buyers (customers)

Systems that make it easy

Products that buyers want over anything else

Relationships deliver value and knowledge in return



DOES YOUR PRODUCT DELIVER VALUE?

Do you really know your customer?

What problem you're solving?

Do you really know how your product will solve this problem?

How will you build a product that delivers real value if you don't know the problem or the solution?

In a new product, these are unknown

What is value-creating – and what is waste?

Your customers will tell you: Stop selling and start listening
Focus on creating value.



THE LEAN STARTUP

Introduced by Eric Ries at
Webstock

From the software industry...

But principles also apply to
product development in any
company facing uncertainty
about what customers want

webstock

The Lean Startup
#leanstartup

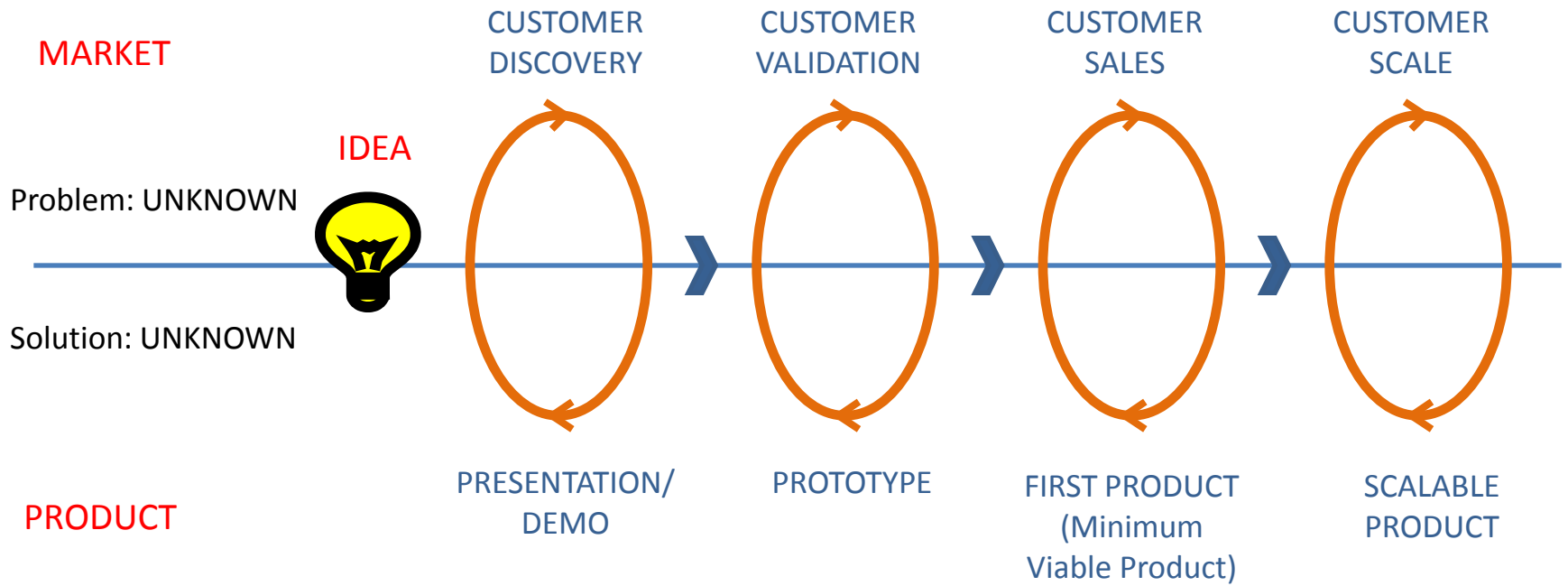
15-19 february 2010
WELLINGTON NZ

Eric Ries (@ericries)

<http://StartupLessonsLearned.com>



THE LEAN STARTUP: CONCEPT



AIM: Minimise time through the cycles



PIVOT

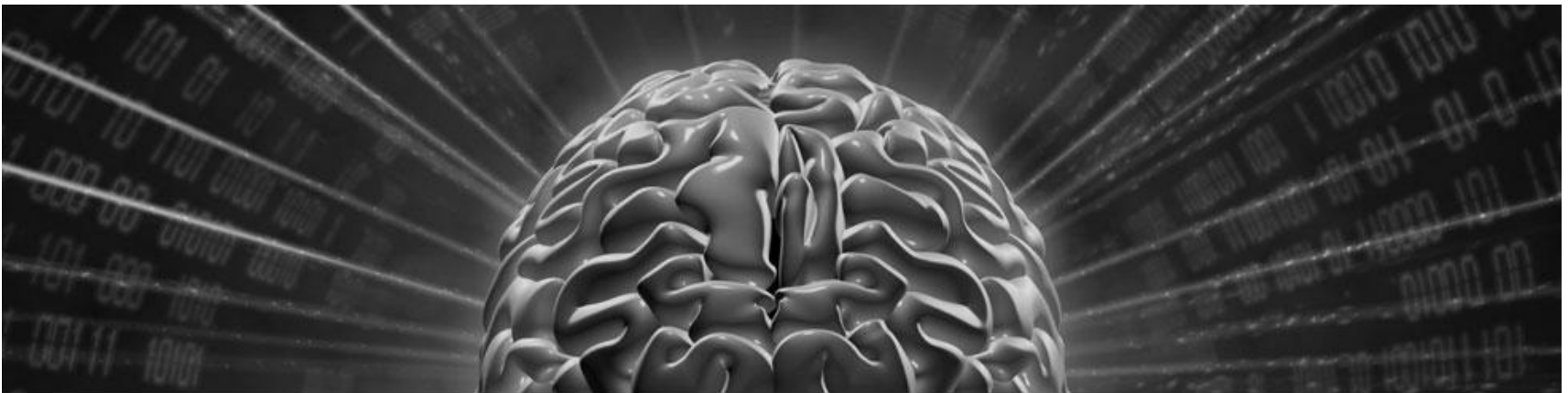
If it's not going to fly, pivot

Pivot = a point where something turns

A change; market, product, business model...

Deal Junkie's pivot www.dealjunkie.co.nz





DEALING WITH FEARS

Only a 'full' product will gain customer acceptance
The minimum viable product isn't good enough
It's not ready yet!

Customer's don't know what they need
We need to educate them!

We're too busy – its faster to just build it right the first time, and not be distracted (by annoying customers, gaining feedback, measuring...)



THE MESSAGE

1. Accept:
 - you don't (can't) know all you need to about your customer
 - your product is probably wrong
2. Stop selling and start listening
3. Put in place a process (not a task) to continually learn what your customer needs, and what your product should be
4. Move with pace, pivot early

BENEFITS

- Product that fits a need, rather than a product looking for a market
- Sleep at night - More confidence & predictability
- Lower risk & increase probability of success



REFERENCES/MORE INFO

Creative HQ – www.creativehq.co.nz

Activate – www.growwellington.co.nz

The Lean Startup: Eric Ries/Steve Blank

<http://www.slideshare.net/startuplessonslearned/2010-02-19-the-lean-startup-webstock-2010>
www.startuplessonslearned.com

Lean Startup Wellington meetup group:

<http://www.meetup.com/Lean-Startup-Wellington/>

Deal Junkie Inc. www.dealjunkie.co.nz

EXACTUS®

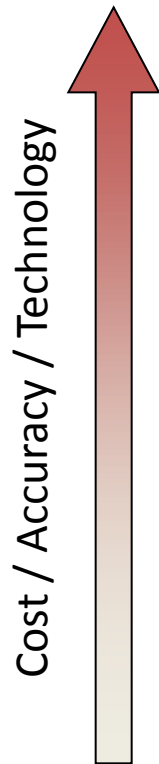
ENGINEERED DESIGN

What is prototyping?



Prototyping Methods

Advanced



Prototype tooling & Injection moulding/casting
CNC Machining
Temporary Tooling (eg aluminium dies)
Rapid tooling
Investment Casting
PU casting in Silicon moulds
Selective Laser Sintering (SLS)
Objet printing
Stereolithography (SLA)
Laser Cutting
Model Making/ Fabrication
Walk throughs
Simulations/Analysis
Animations
Digital renderings
Sharing of digital models
Hand sketches

Simple

Top tips

1. Define your objectives before you make a prototype



Top tips

1. Define your objectives before you make a prototype
2. Measure your prototype against these objectives



Top tips

1. Define your objectives before you make a prototype
2. Measure your prototype against these objectives
3. Record your findings and keep all prototypes



Record your findings and keep all prototypes

4g
No Pilot hole
6.5 kg
27/8/08
12.25 PM START.
15°C



Top tips

1. Define your objectives before you make a prototype
2. Measure your prototype against these objectives
3. Record your findings and keep all prototypes
4. **Prototype early & often**



Top tips

1. Define your objectives before you make a prototype
2. Measure your prototype against these objectives
3. Record your findings and keep all prototypes
4. Prototype early & often
5. **Make your prototypes fit for purpose**



Make your prototypes fit for purpose



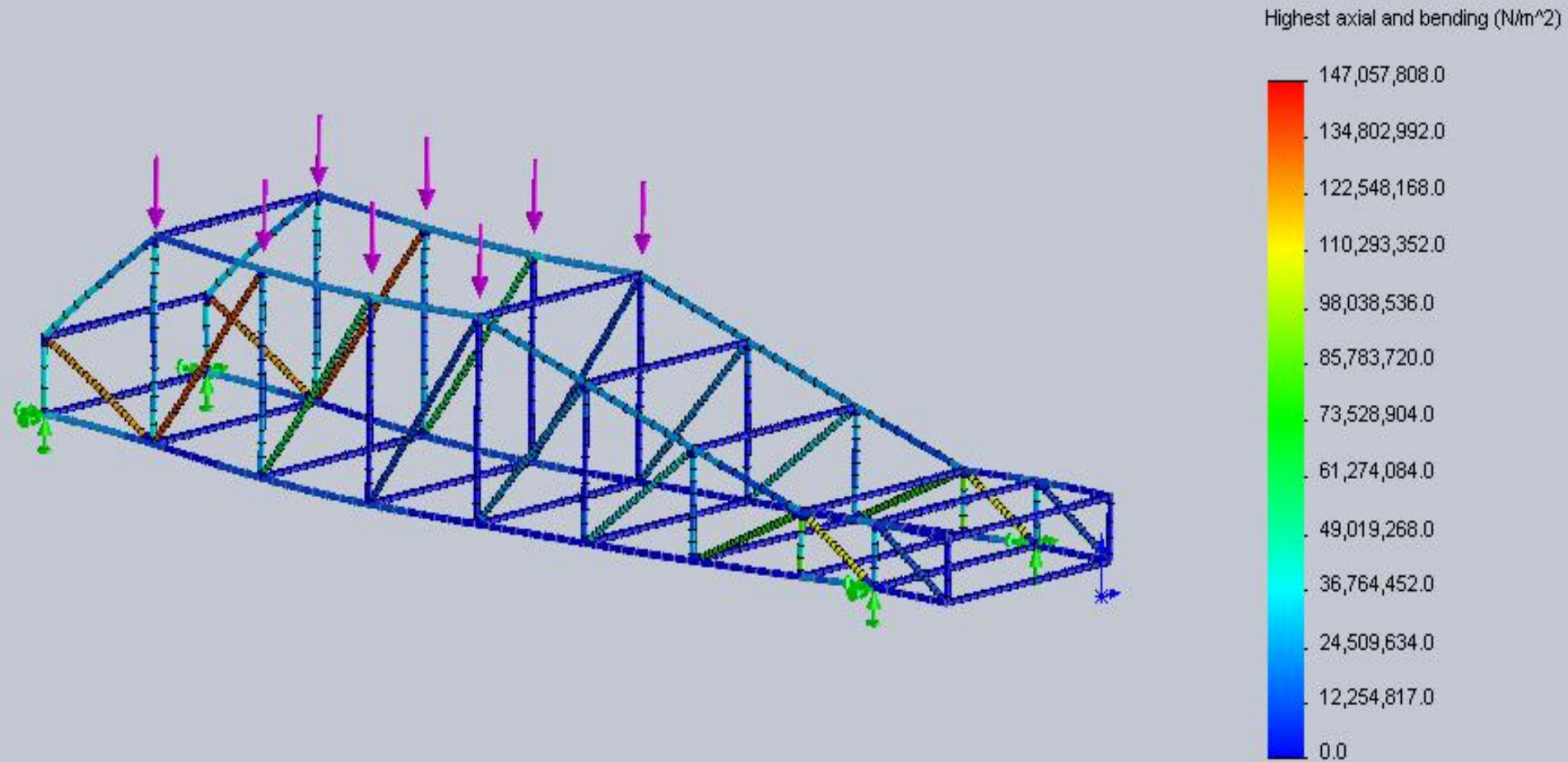
EXACTUS[®]

Top tips

1. Define your objectives before you make a prototype
2. Measure your prototype against these objectives
3. Record your findings and keep all prototypes
4. Prototype early & often
5. Make your prototypes fit for purpose
6. Use computer analysis however check the results



Use computer analysis however check the results



Top tips

1. Define your objectives before you make a prototype
2. Measure your prototype against these objectives
3. Record your findings and keep all prototypes
4. Prototype early & often
5. Make your prototypes fit for purpose
6. Use computer analysis however check the results
7. Don't be afraid to access and utilise expertise where required



EXACTUS[®]

ENGINEERED DESIGN



Andrew Stewart

Morrison Kent, Wellington

Starting out

- What structure? Is a *company* always necessary?
- Who owns what? Where's the IP?
- What risks do you face? Are your personal assets exposed?

Growing your business

- Who's on board as shareholders? Are you “equals”? Should you all be directors?
- What if you fall out? How do you “divorce”?
- Do you have a shareholders agreement?

Investment ready?

- Could you withstand “due diligence” from an outsider?
- Are your legal affairs in order? All resolutions passed, company records up to date?
- What mix of skills do you need on the board?
- Understand who you are accountable to.

Use your advisers...

- Make your adviser part of your team
- Keep your adviser updated with what you're up to
- Enable your adviser to be pro-active (positive), not reactive (negative)

**Successful
SME's**

Bright Ideas Challenge

6 September 2010

Attributes of a Successful SME

1. Clearly articulated plan

- Does not have to be a McKinsey type strategy
- Best I have seen was no more than 10 pages
- Good discipline to written down
- Clear milestones that are achievable and measurable
- Be prepared to change the plan

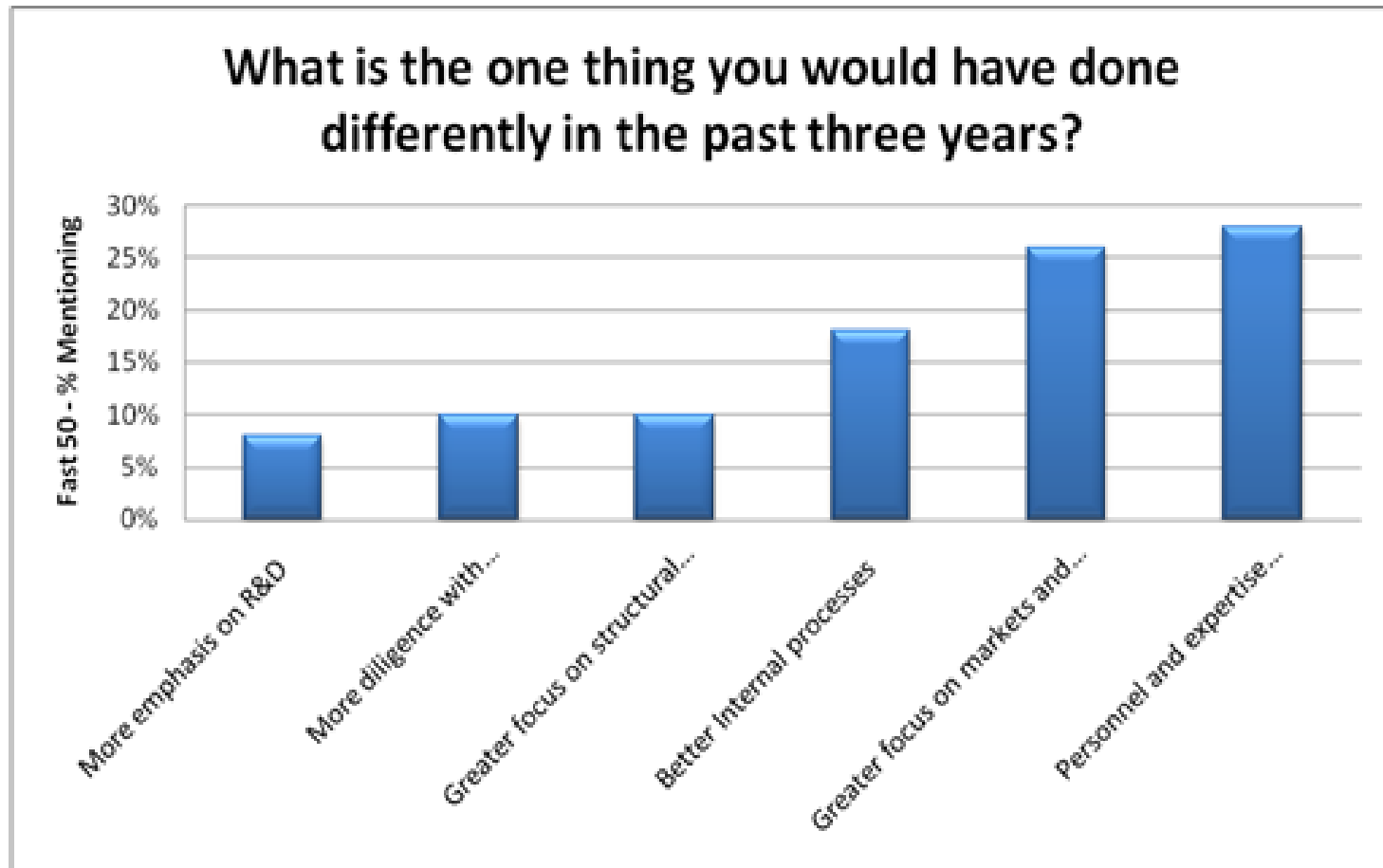
2. Strong Governance

- Independent Board members
- Strong relationship between the Board and Management
- Regular meetings
- Reporting progress against plan

Attributes of a Successful SME

3. Access to capability either internally and/or externally

- Deloitte Fast 50 2009 - Predominant theme: more diligence with regard to acquiring new staff, along with increasing focus on marketing and products
- Use of external advisors – strong correlation to success - ANZ

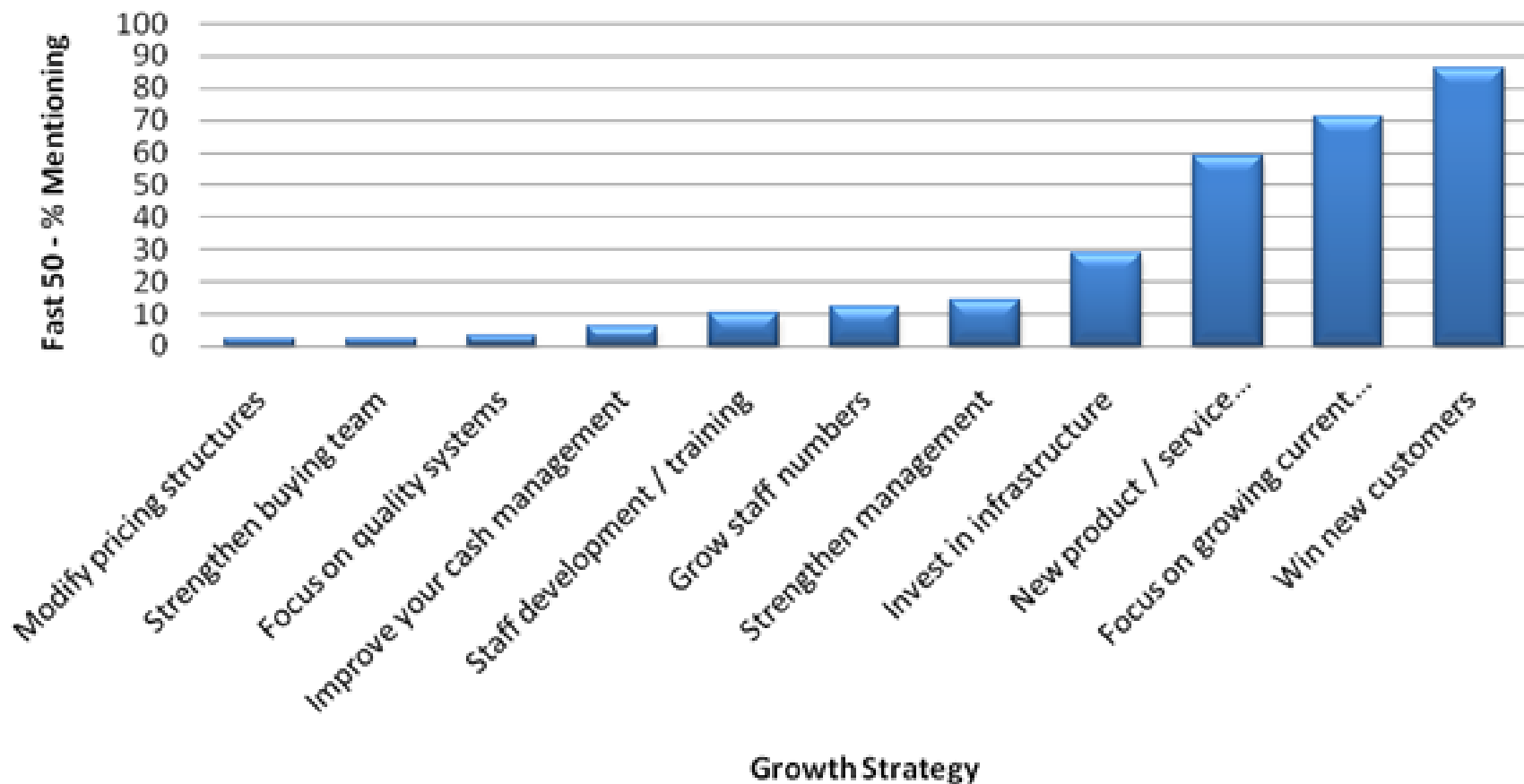


Attributes of a Successful SME

4. Strong focus on creating value and wealth for the investors

- Clear goal is wealth creation
- Wealth creation remains a focus
- Management of cash flows
- Socially responsible
- Goal of growth – a good discipline

Principal Growth Strategies - 2009 Fast 50



Bright Ideas Challenge

Q & A



Bright Ideas Challenge Next Steps

- Go to market, Wed 8th – here
- Co-founder MatchMaking, Thursday 9th – The Loft
- Business Plans due 30 September
- Feedback to you during October
- \$25K seed funding publicly announced 18 November.
- We are here to support you.

