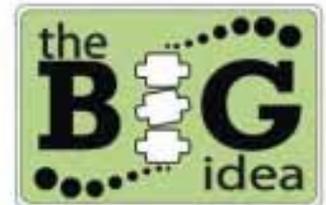
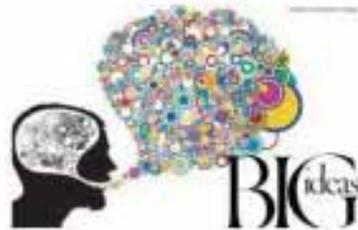


# The Revolution in Innovation and Entrepreneurship: Process Meets Inspiration

Don Gooding

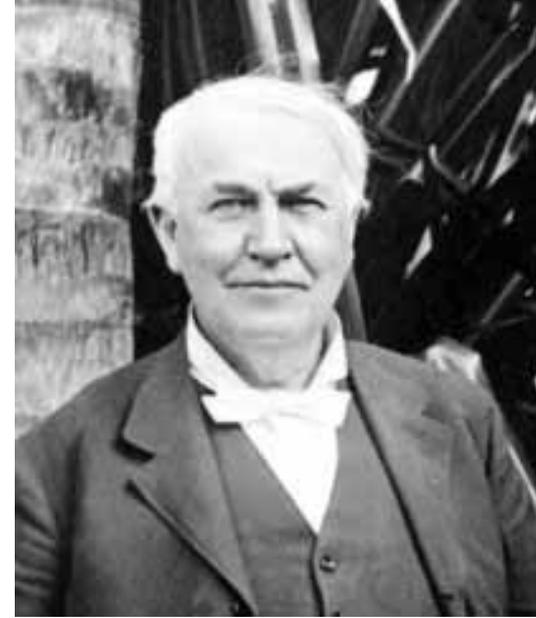
Executive Director, MCED

August 29, 2012



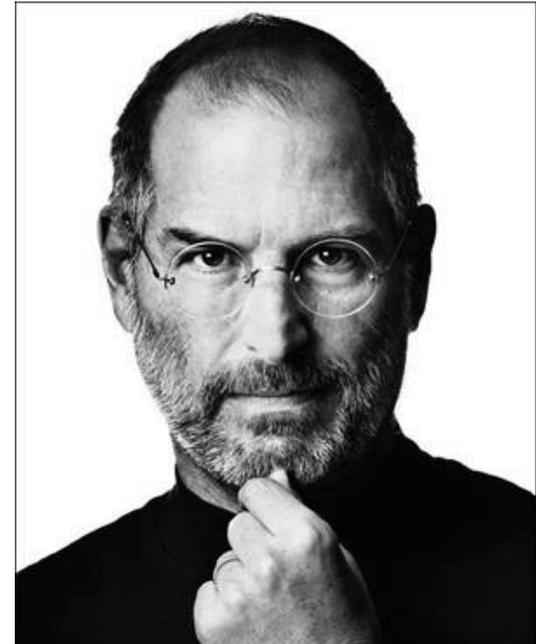
“Genius is one percent inspiration,  
ninety-nine percent *perspiration*.”

- Thomas Edison



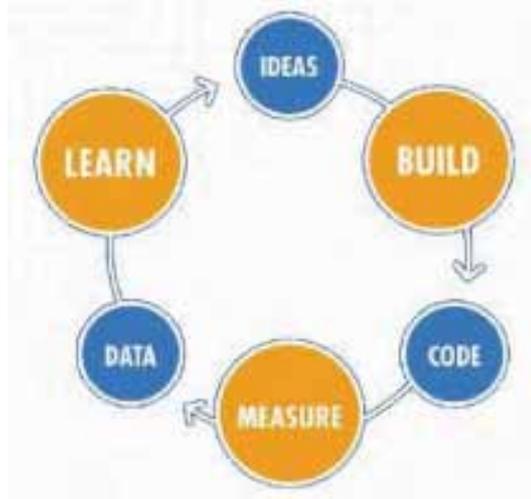
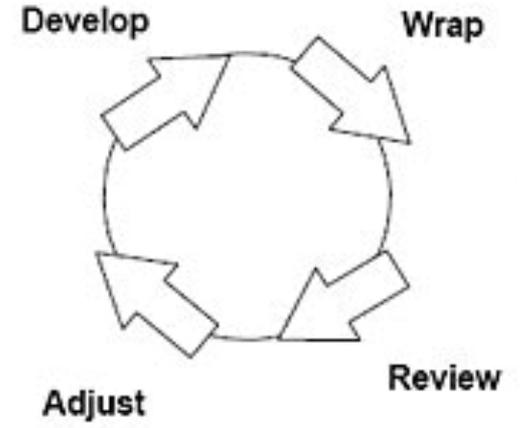
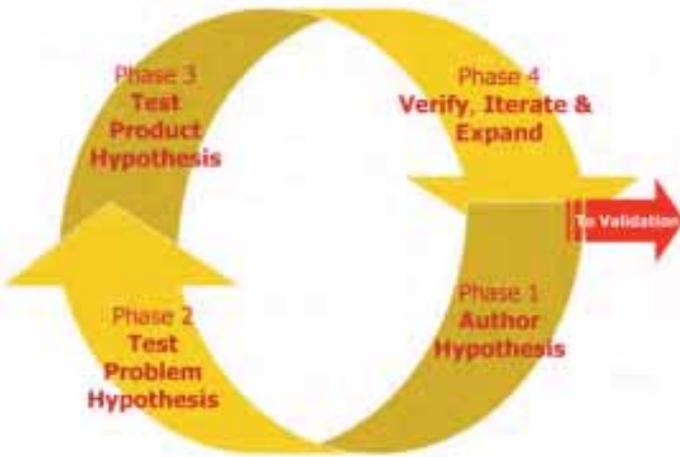
“I’m convinced that about half of  
what separates the successful  
entrepreneurs from the non-  
successful ones is pure  
*perseverance*.”

- Steve Jobs



my aha moment

aha







**Fred Gooding**



**Bill Simpson**



**Fritz Mackes**



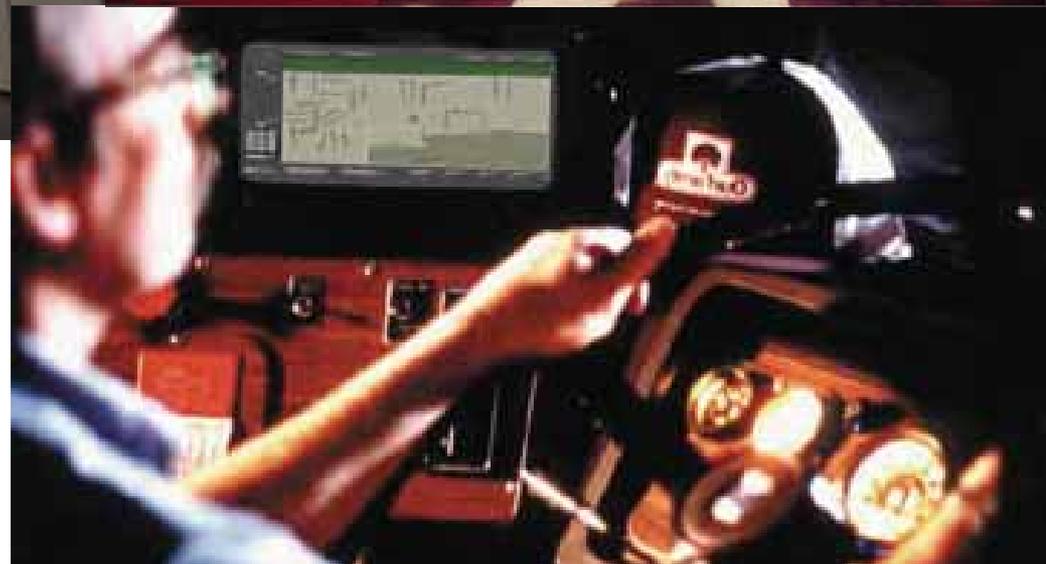
**John Gooding**  
Chairman of the Board



**Reed Gooding**  
President



**Will Gooding**  
General Manager –  
Elkton, MD operations





PictureTel



a-cappella.com  
all-vocal CDs, sheet music & more



Maine  
Angels

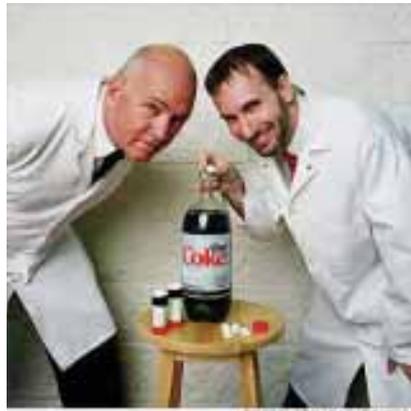


MCED



# TOPGUN

## Entrepreneurship *Acceleration*



**Value Propositions**

How often do distribution & transportation?  
What kind of government's regulatory environment?  
What kind of partner's trust system are you offering to build Customer Segment?  
What kind of revenue model are you offering?



**! " \$**

**INNOVATION  
ENGINEERING**



# Maine Business Incubation System

	Open	Selective
Education & Training	Lunch and Learn Table Talk Top Gun Prep Innovation Engineering Leadership Institute	Expert Webinars
Assistance	Office Hours	Top Gun Coaching CEO Roundtables Interns Mentor Network
Connections		R&D Services Networking Events
Other		Office in a Box

In Person

Virtual & In Person

Virtual



Blackstone

Accelerates  
Growth

3 years • \$3 million

To spur innovation and entrepreneurship in Maine



- Business plans are ignored by VCs
- “An MBA is inversely correlated with entrepreneur success.” – Reid Hoffman

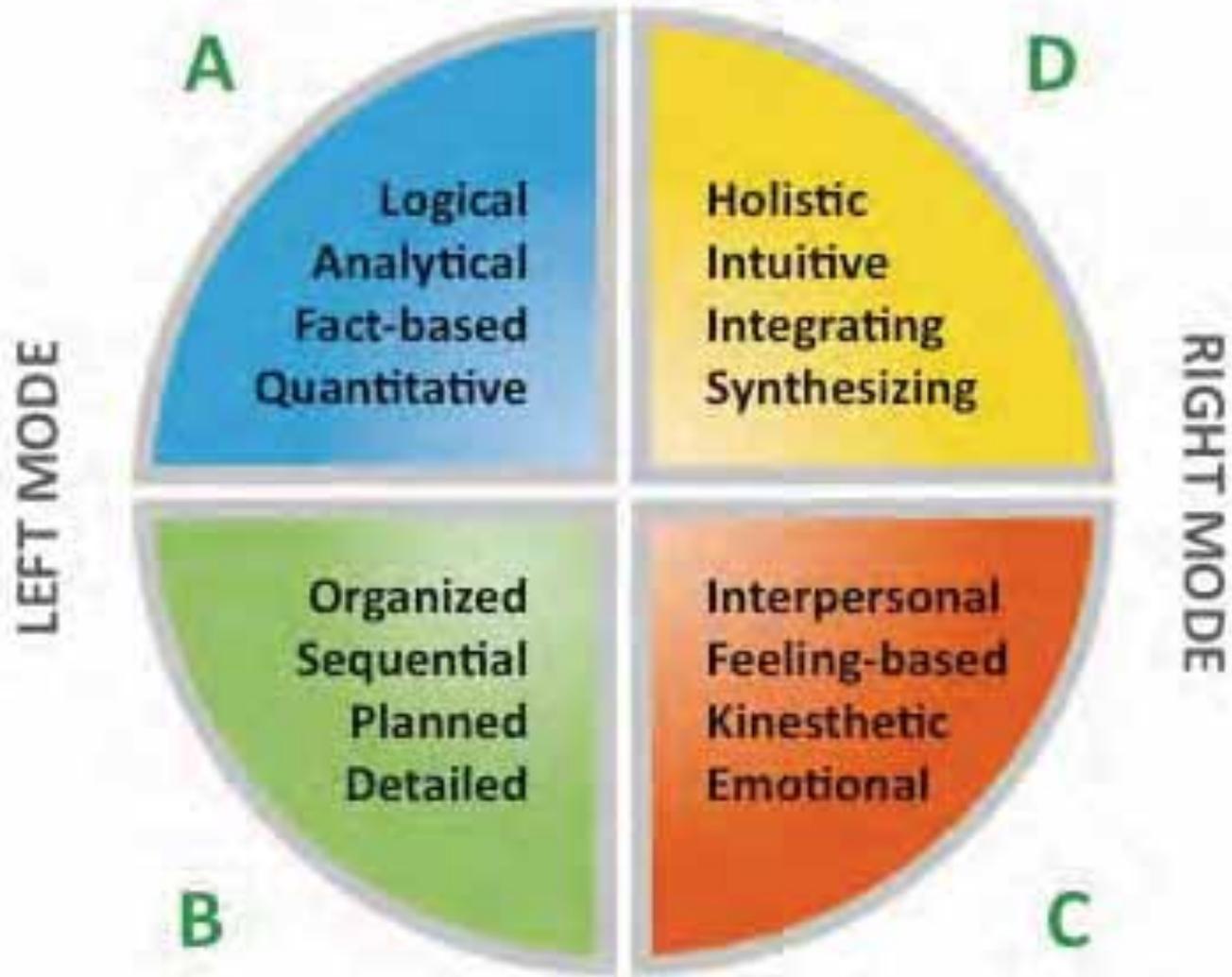


# Welcome to Innovation Engineering

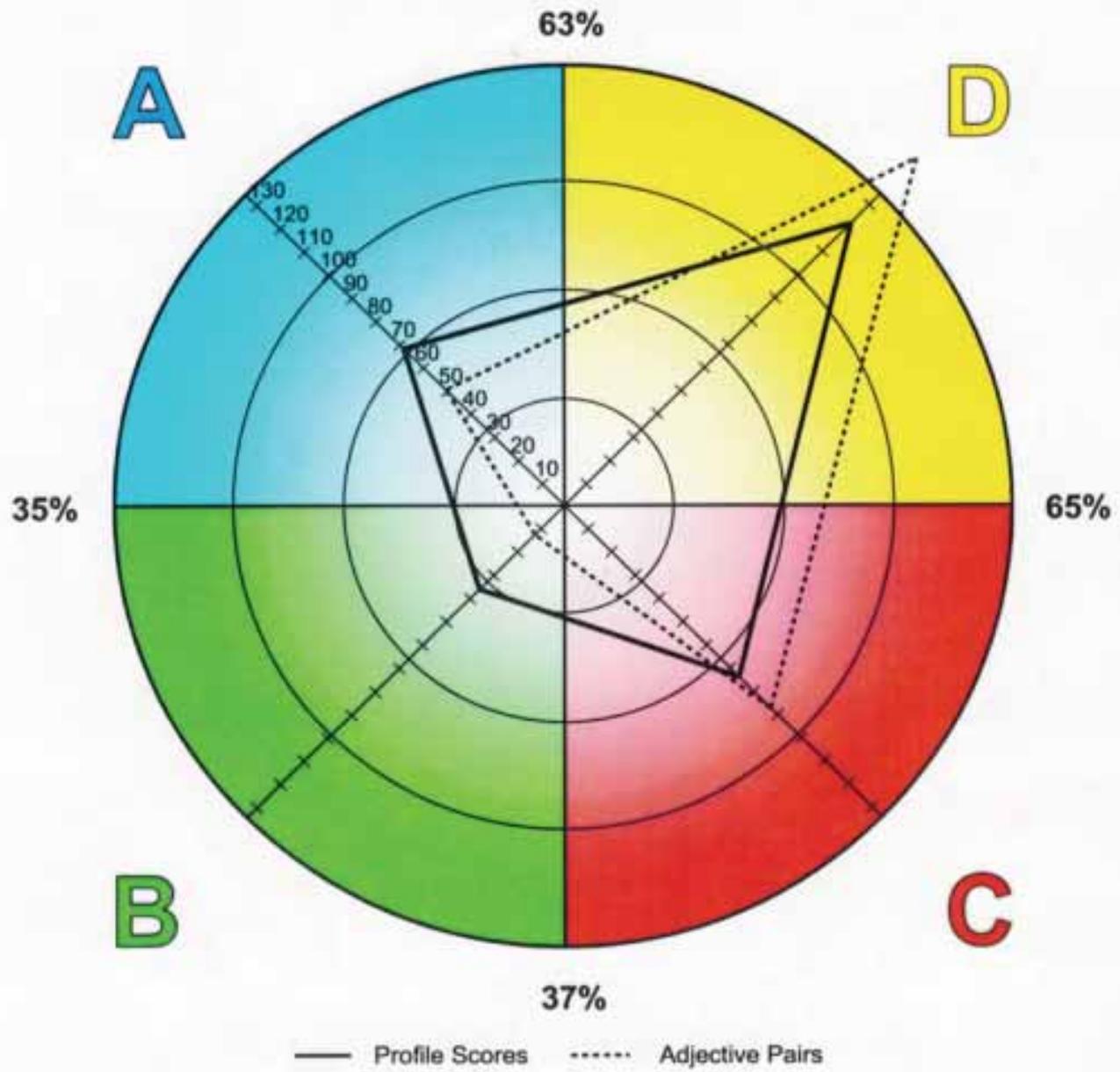
*"To give you the tools and confidence to  
create meaningfully unique ideas"*



# CEREBRAL MODE



# LIMBIC MODE



# TOPGUN

Entrepreneurship  
*Acceleration*



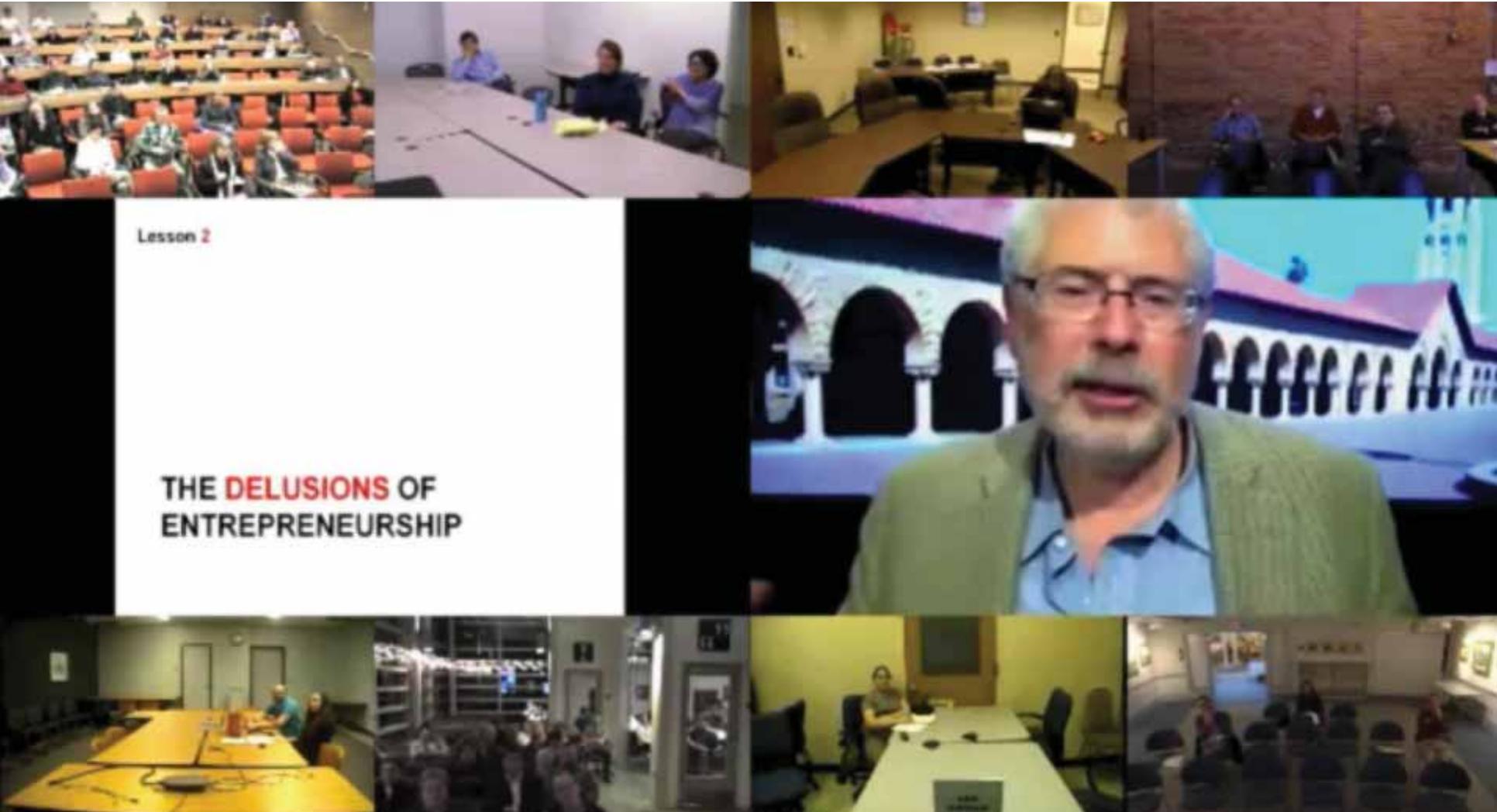
**Value Propositions** 

What value do customers expect?  
What value do you want to create for customers?  
What is the business model you will use to create value for customers?  
What is the business model you will use to create value for customers?

**INNOVATION  
ENGINEERING**

# Steve Blank @ Top Gun / Maine Entrepreneurship Week



# Why Startups Are Not Small Versions of Large Companies

# Startups Search and Pivot

## The *Search* for the Business Model



### **Business Model found**

- customer needs/product features found  
i.e. Product/Market fit
- Found by founders, not employees
- Repeatable sales model
- Managers hired

# Startups Search, Companies Execute

The *Search* for the Business Model

The *Execution* of the Business Model

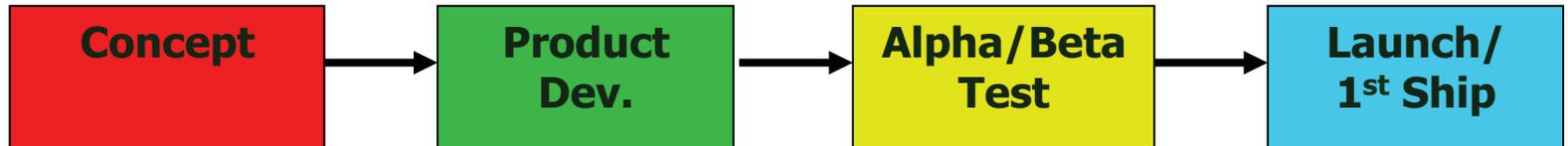


- Business Model found
- Product/Market fit
- Repeatable sales model
- Managers hired

- Cash-flow breakeven
- Profitable
- Rapid scale
- New Senior Mgmt
- ~ 150 people

# Traditional Product Introduction: Two Implicit Assumptions

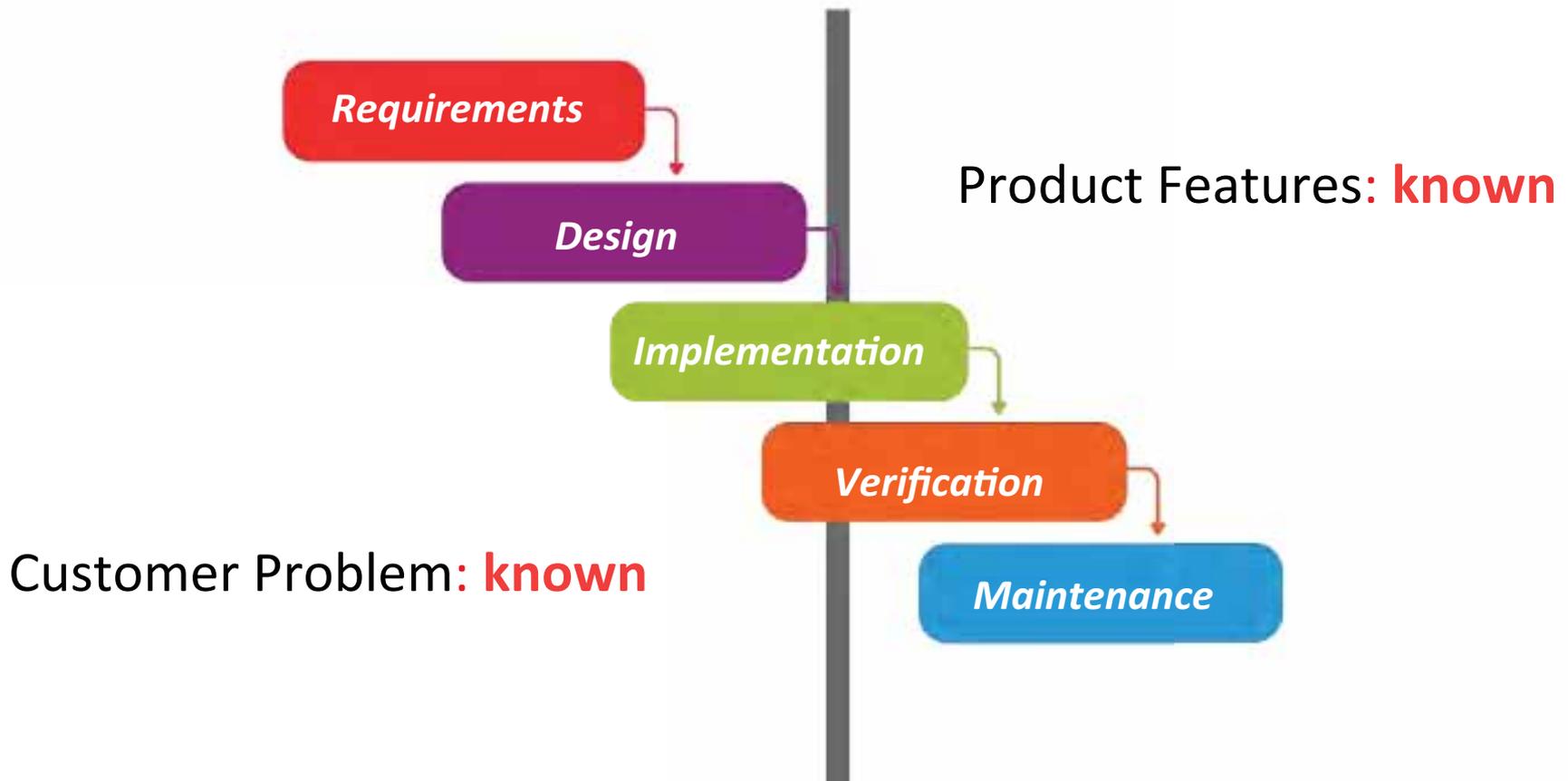
Customer Problem: **known**



Product Features: **known**

# Waterfall / Product Management

Execution on Two “Knowns”

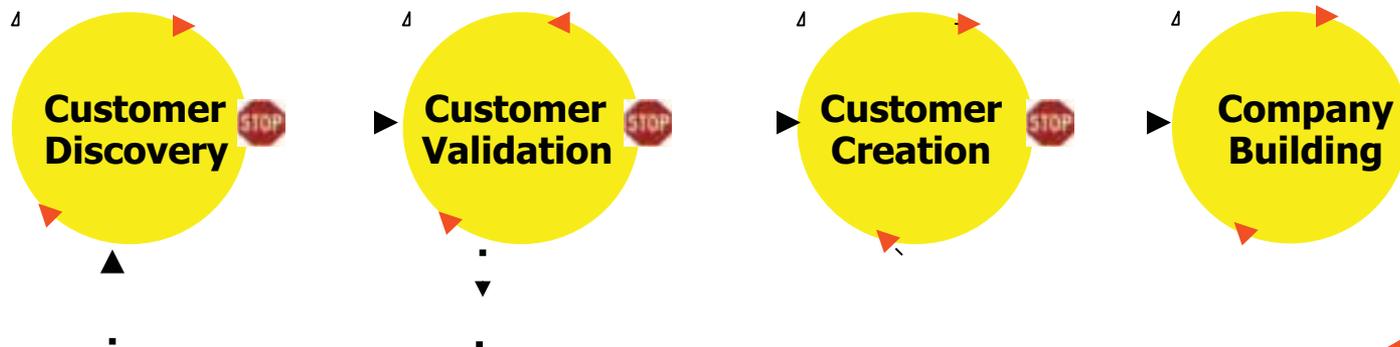


# Customer Development

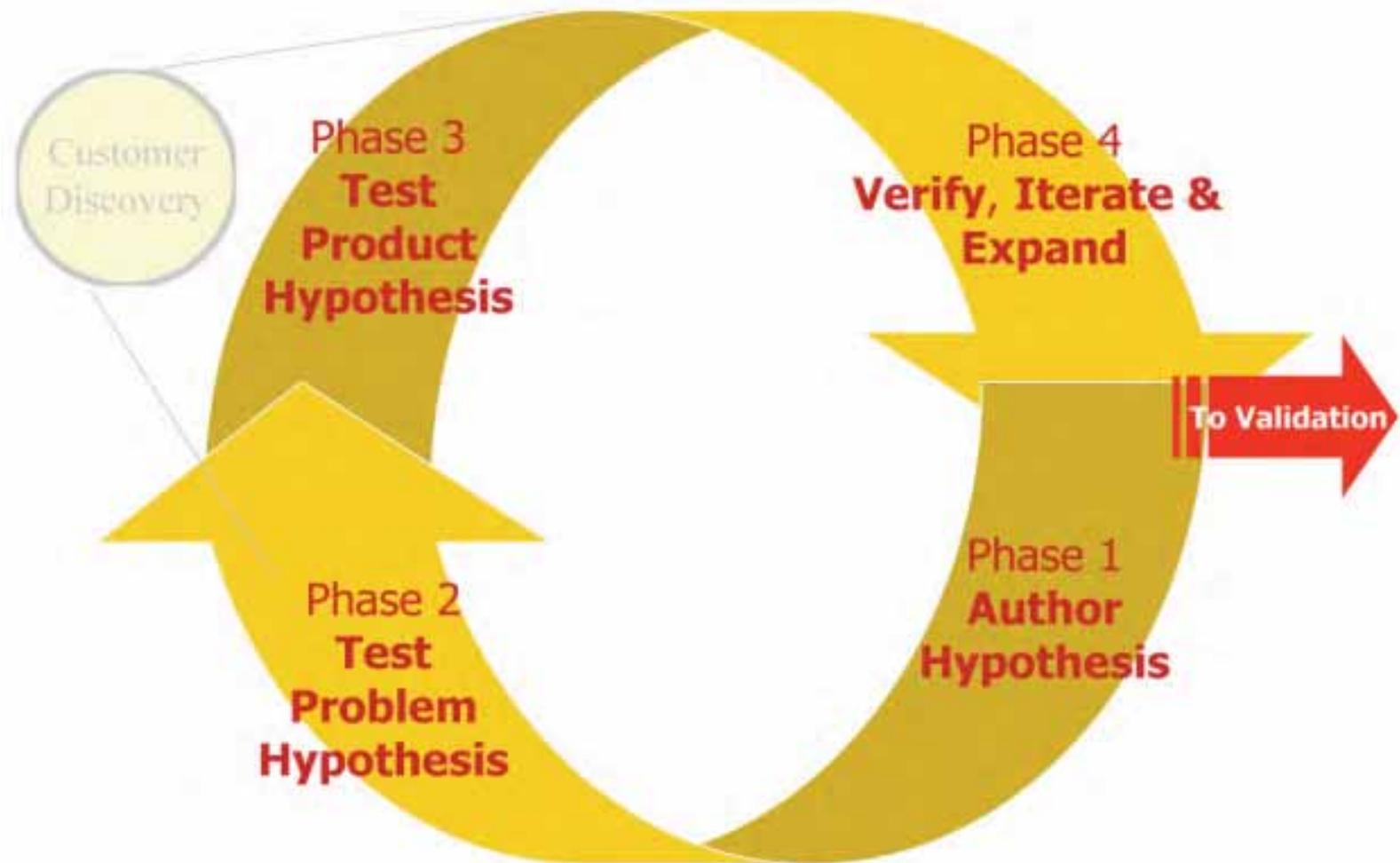
## Product Development



## Customer Development

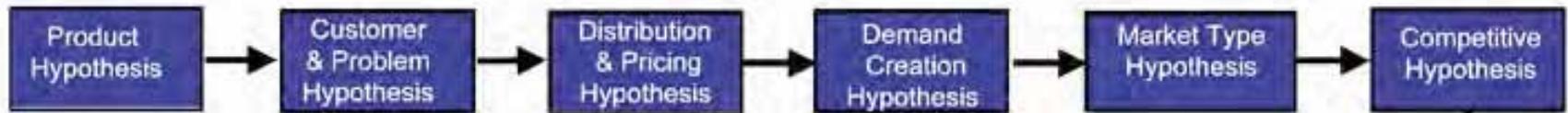


# Customer Discovery

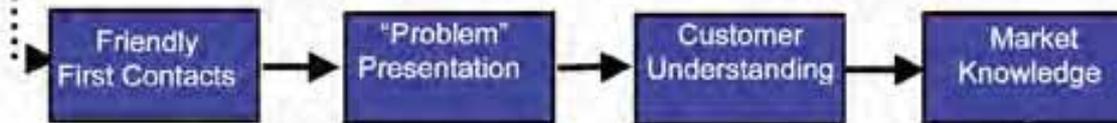


# Customer Discovery

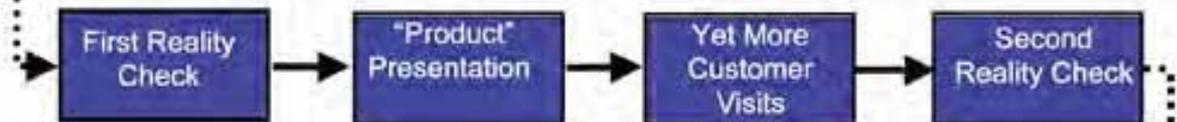
## Hypotheses



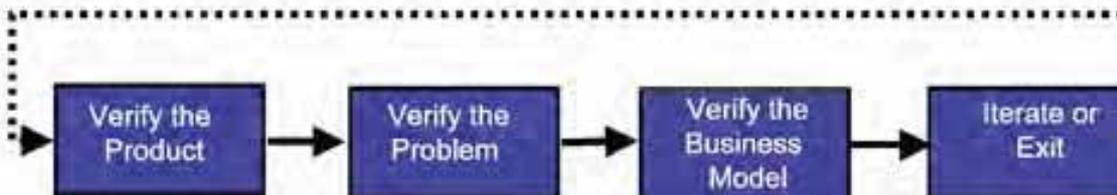
## Test "Problem" Hypothesis



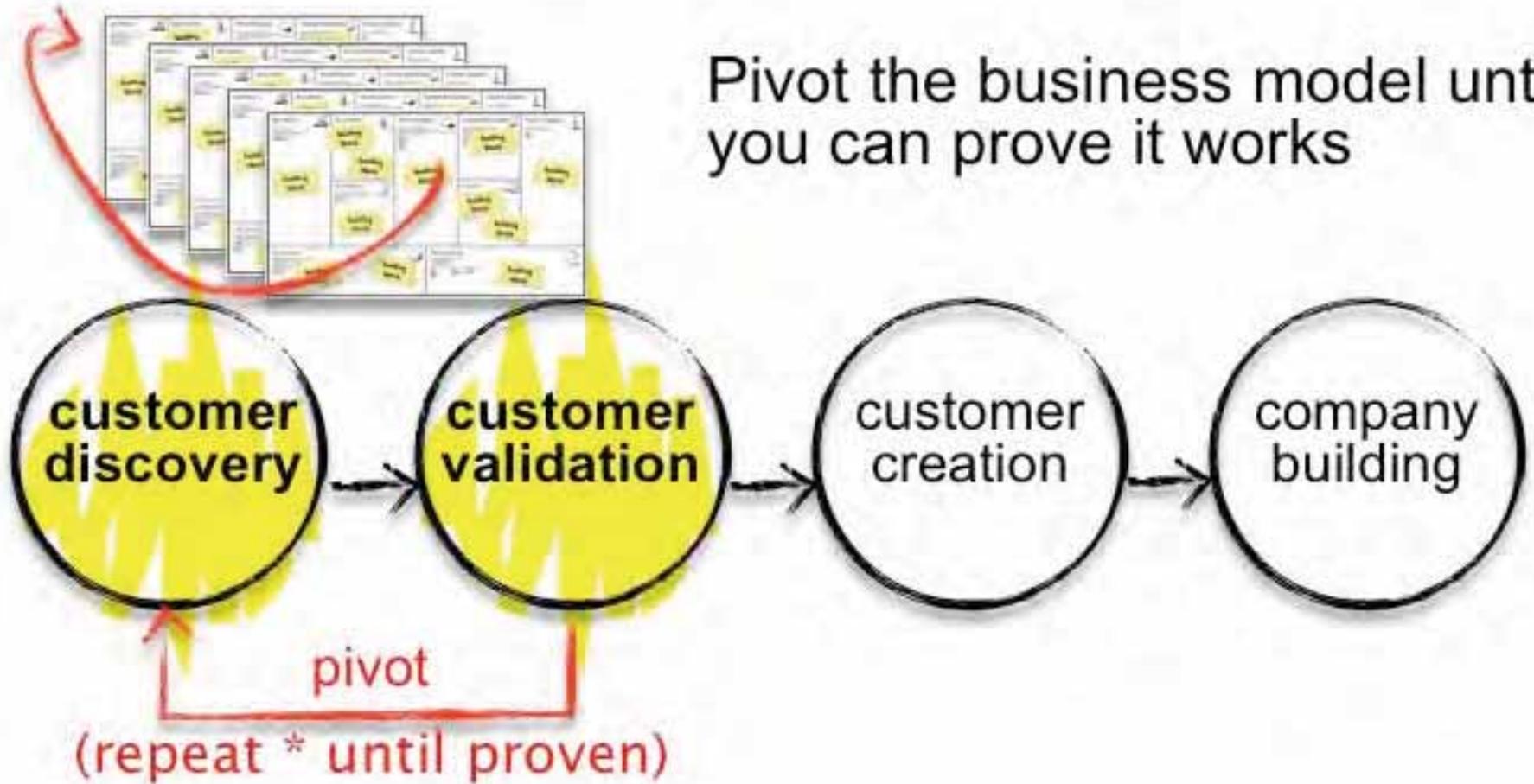
## Test "Product" Hypothesis



## Verify



Pivot the business model until you can prove it works



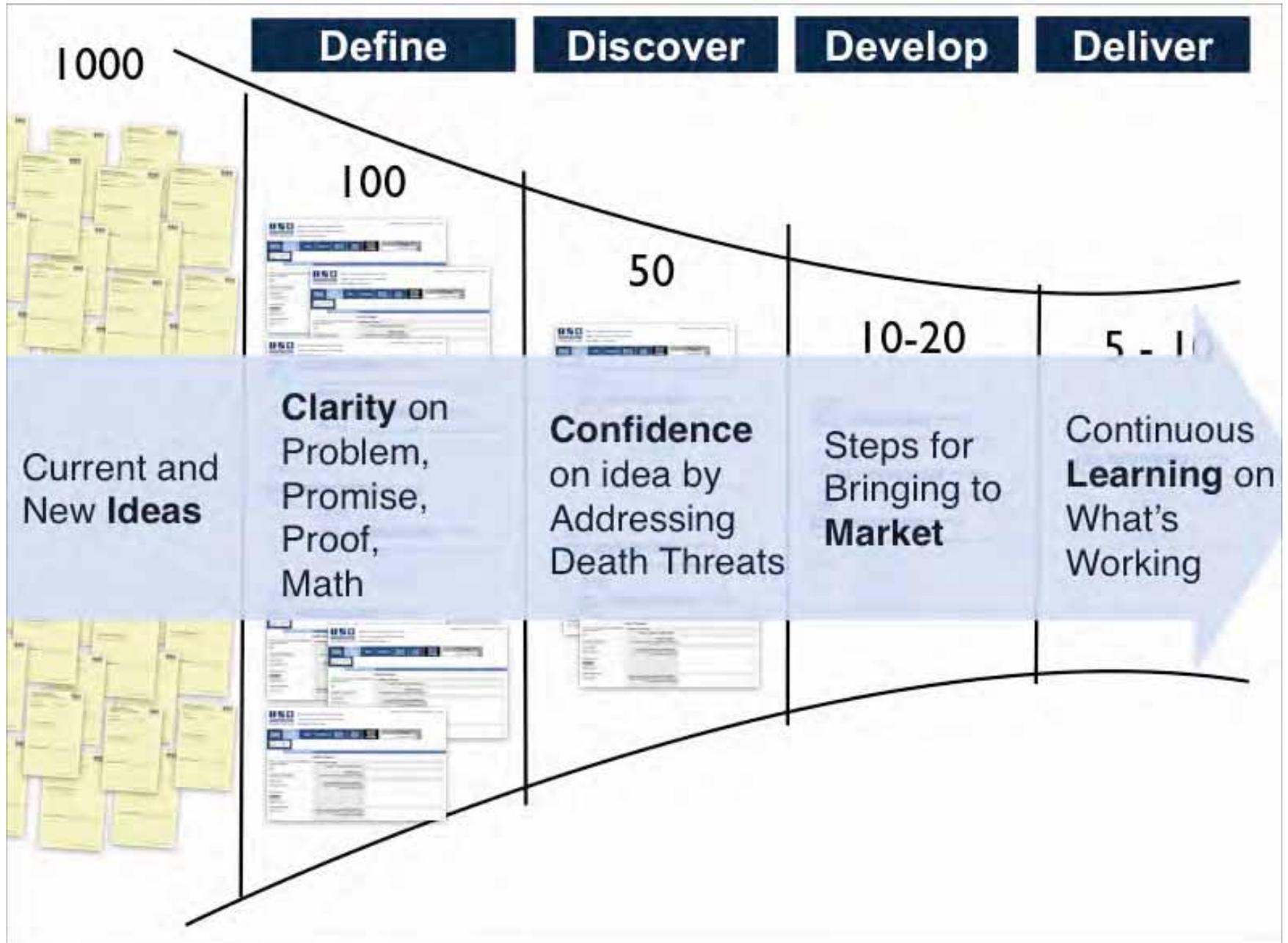


**INNOVATION  
ENGINEERING  
BLACK BELT**

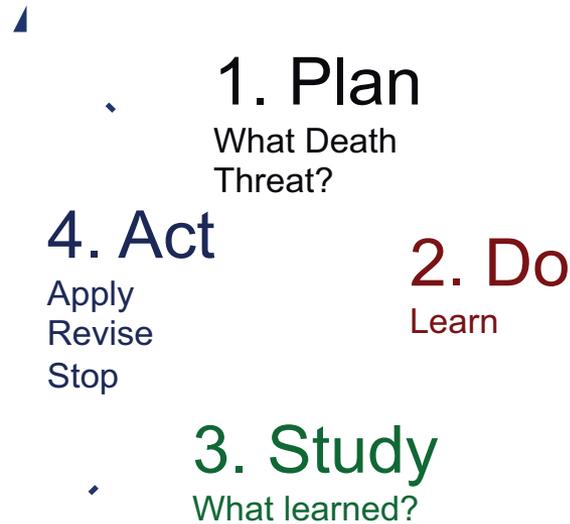


Researched, Developed & Presented by





## Fail FAST Fail CHEAP



Maximum Cycle Time = 7 Days

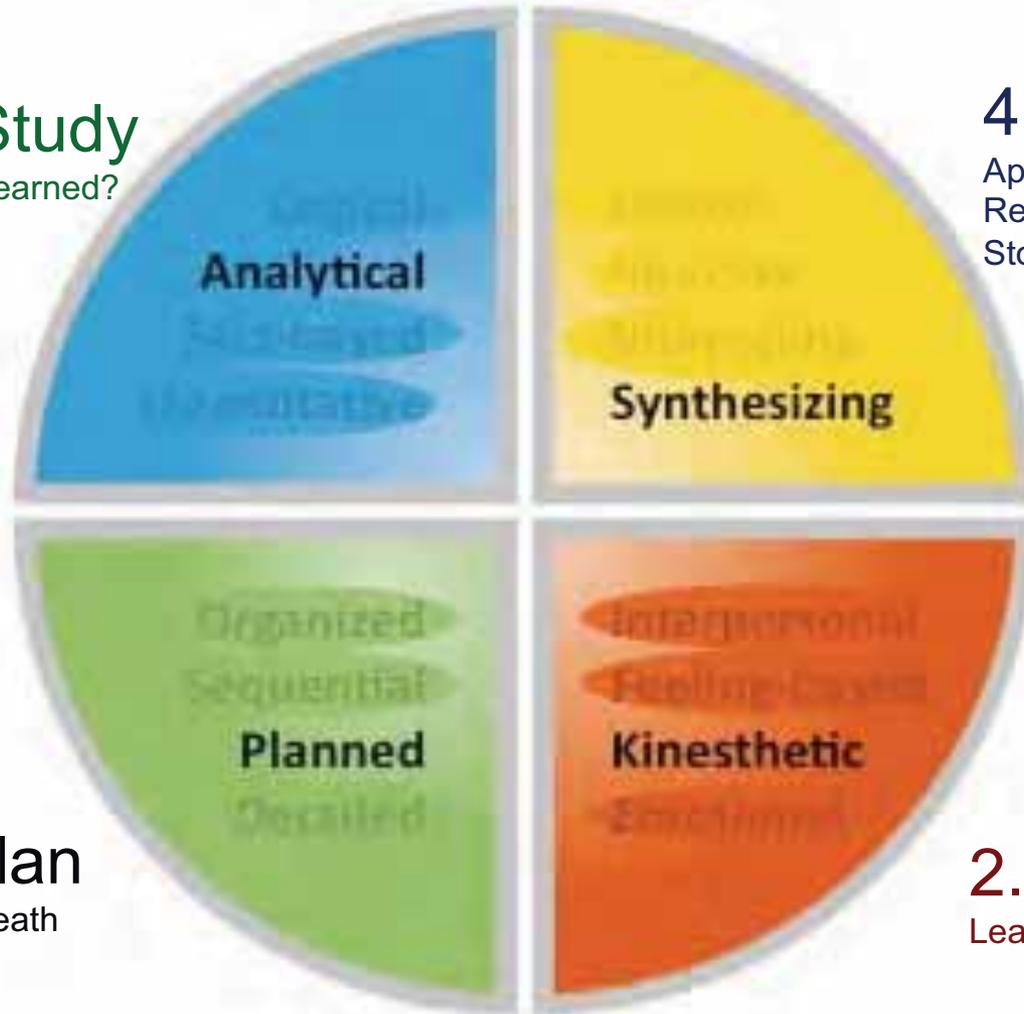
World Class = 24 Hour Cycles

# CEREBRAL MODE

**3. Study**  
What learned?

**4. Act**  
Apply  
Revise  
Stop

LEFT MODE



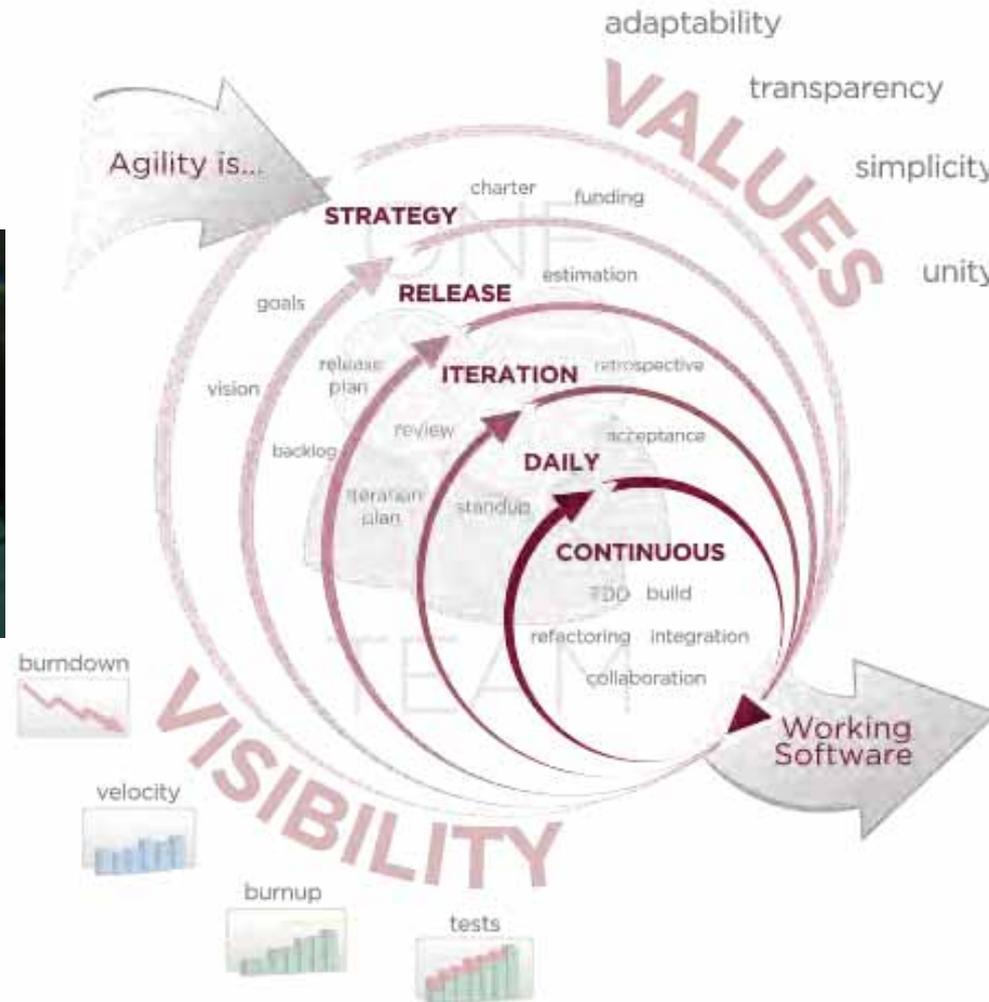
RIGHT MODE

**1. Plan**  
What Death  
Threat?

**2. Do**  
Learn

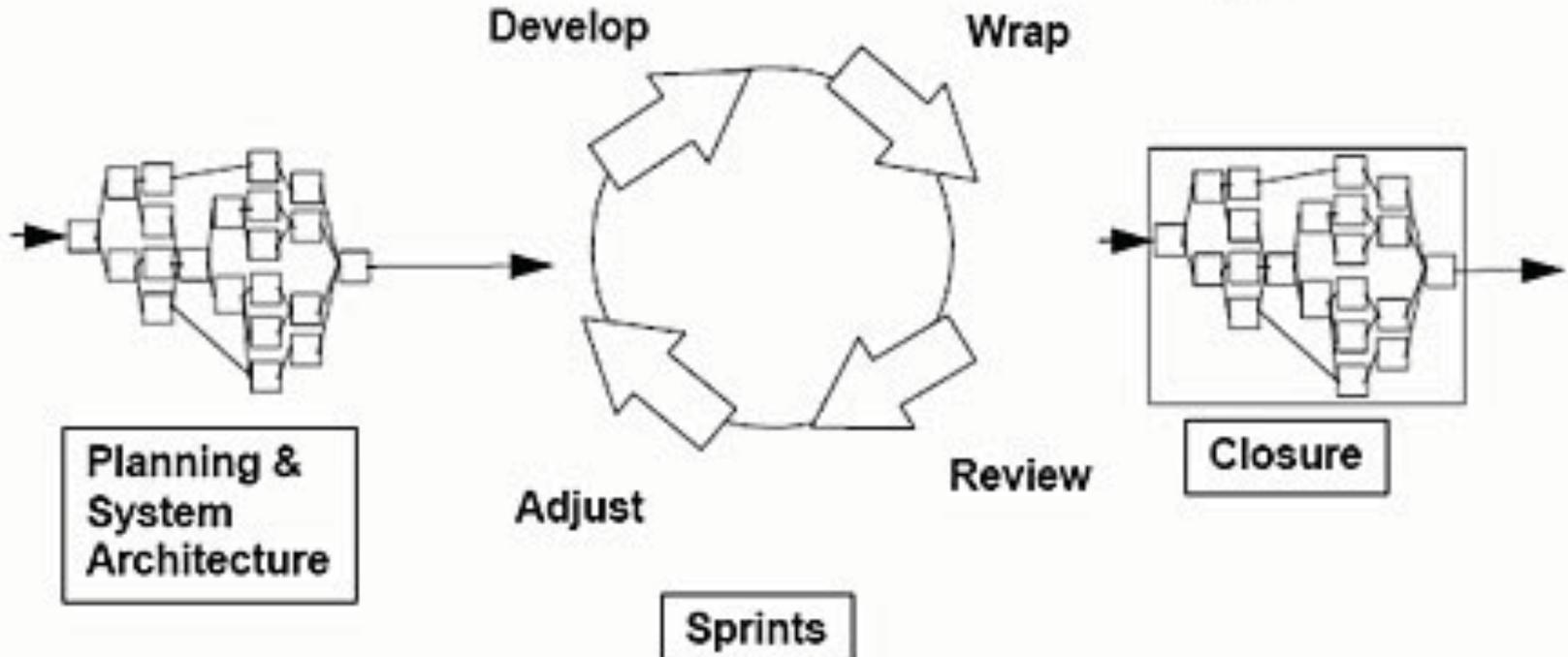
# LIMBIC MODE

# AGILE DEVELOPMENT



## ACCELERATE DELIVERY

# SCRUM Methodology

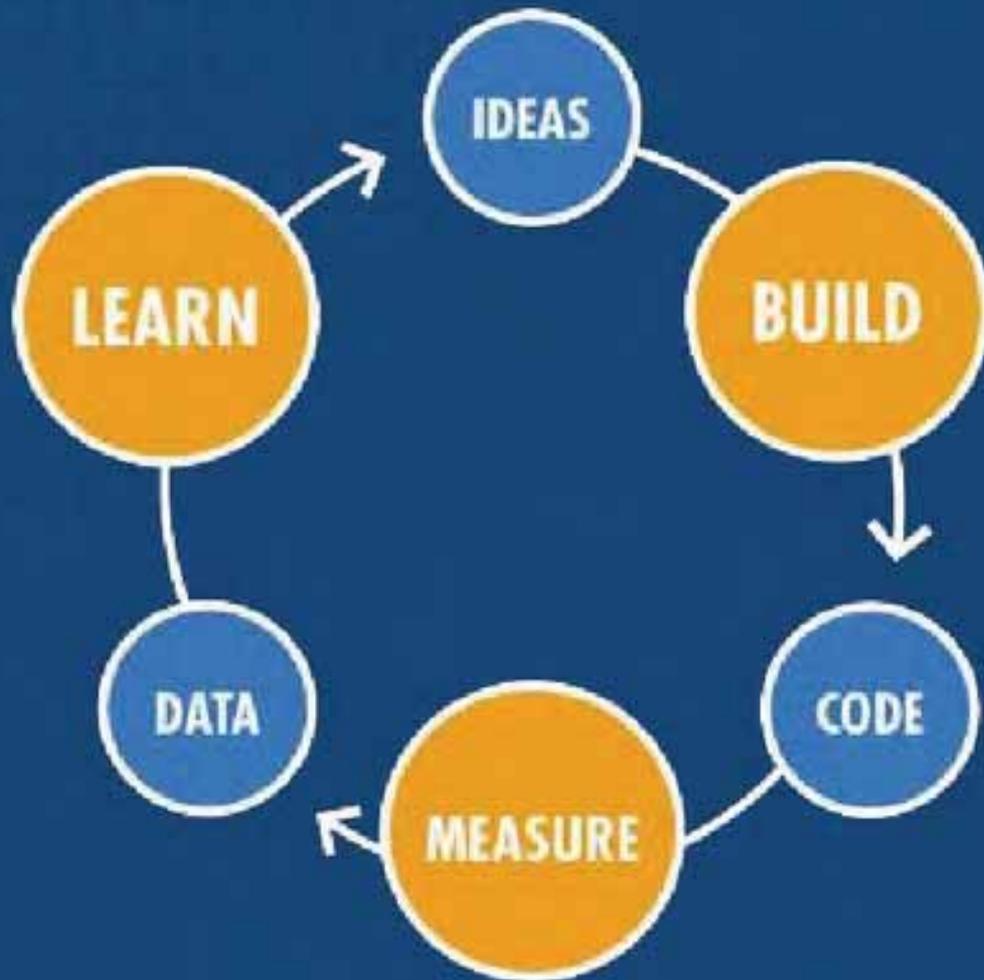


**To Make the**

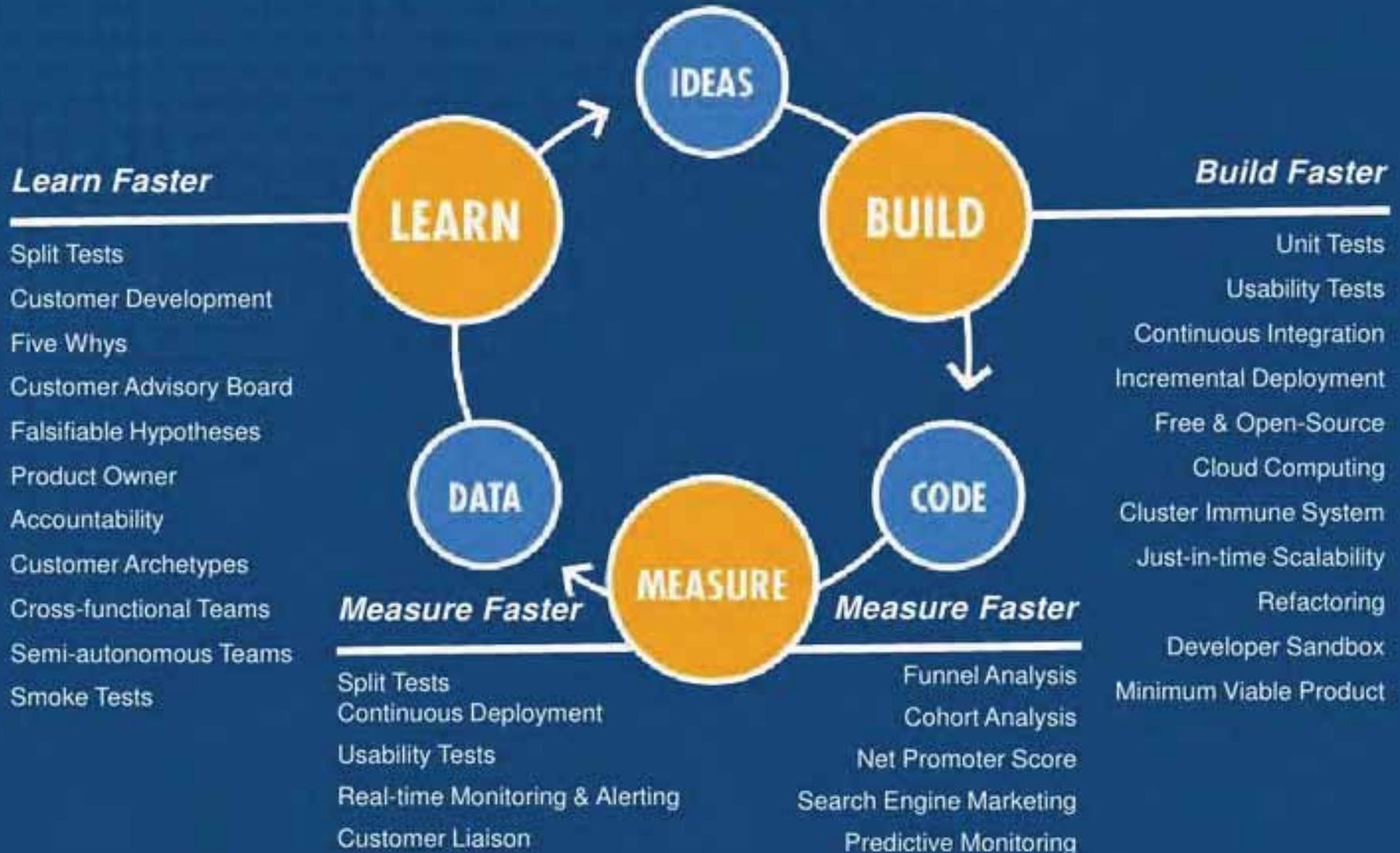


**Unknown Known**

Minimize **TOTAL** time through the loop



# There's much more...



# Design-Thinking for Innovation

## 1. Define the challenge/opportunity

## 2. Gather data

Audit / Benchmark  
Trends, understand  
customer

## 3. Re-frame/ clarify challenge

## 4. Incubate

Arts, science, culture,  
meditation, sleep on it

## 5. Ideate/ illuminate

co-creative, multi-disciplinary  
visual, brainstorming, future  
scenarios

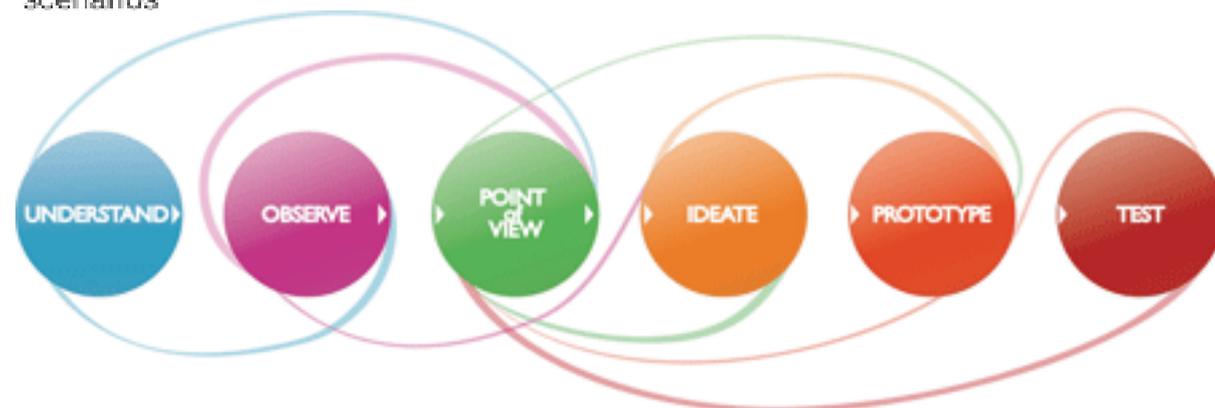
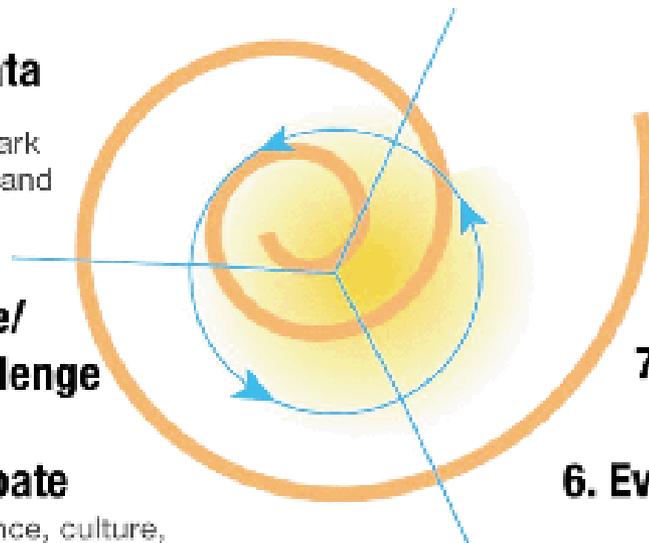
## 6. Evaluate/Refine

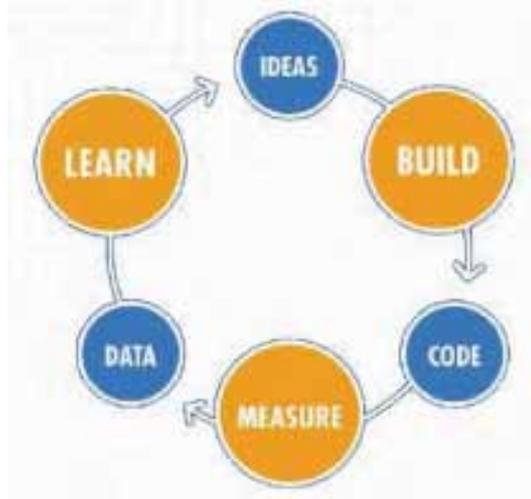
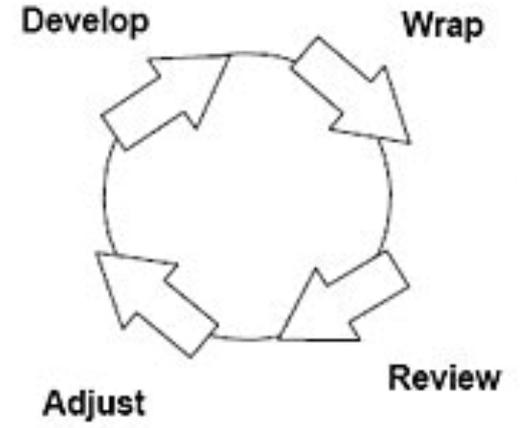
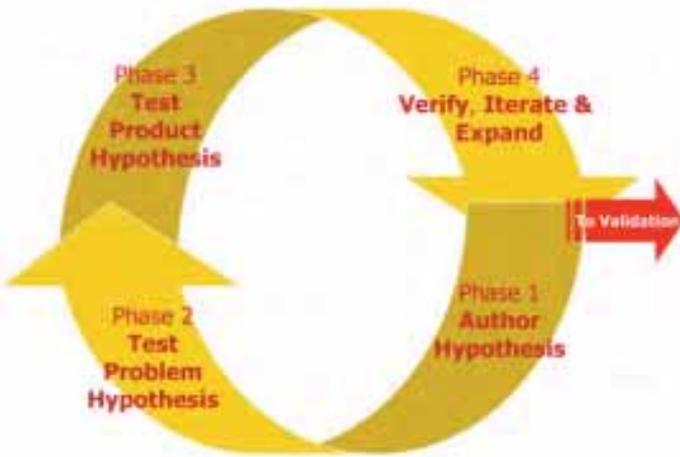
## 7. Prototype / test

## 9. Implement

## 8. Assess outcomes/refine

## 10. Iterate

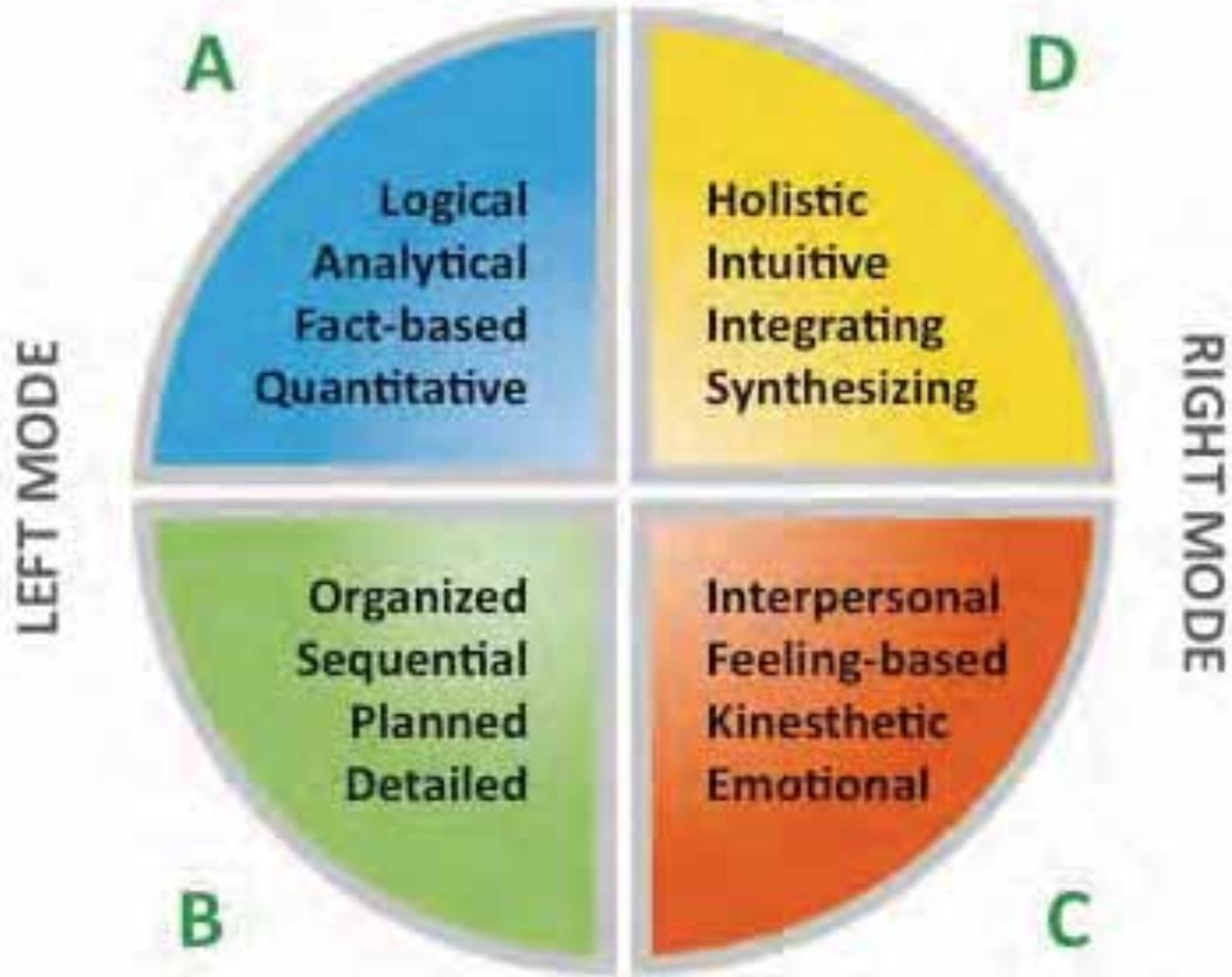




# Common Elements of Processes for Addressing Uncertainty

- Rapid iteration until validation
- Prepare for continual changes
- Learn fast, learn cheap, learn by doing
- Leverage diverse groups
- Balance planning, ACTION, analysis, synthesis

# CEREBRAL MODE



# LIMBIC MODE

# Entrepreneurship



# Innovation



Customer Discovery  
Customer Validation  
Business model hypotheses  
Elevator pitch  
One-pager  
Thinking BIG  
Founder team building  
Strategic partnering  
Lean startup cycle  
Minimum viable product  
Pivot  
Crossing the chasm  
Guerilla marketing  
Cost of customer acquisition  
Niche marketing

Ideation (“Create”) tools  
Whole brain innovation  
“Communicate” tools  
Fail fast fail cheap  
Death threats  
Deming cycle  
Like/Different surveys  
Product wack-a-mole  
Business model innovation  
Design thinking  
Prototyping

Bootstrapping techniques  
Startup financing strategy  
Advisory board  
Mentors  
Raising equity  
Runway  
Startup Wheel  
State & federal grants  
Equity compensation

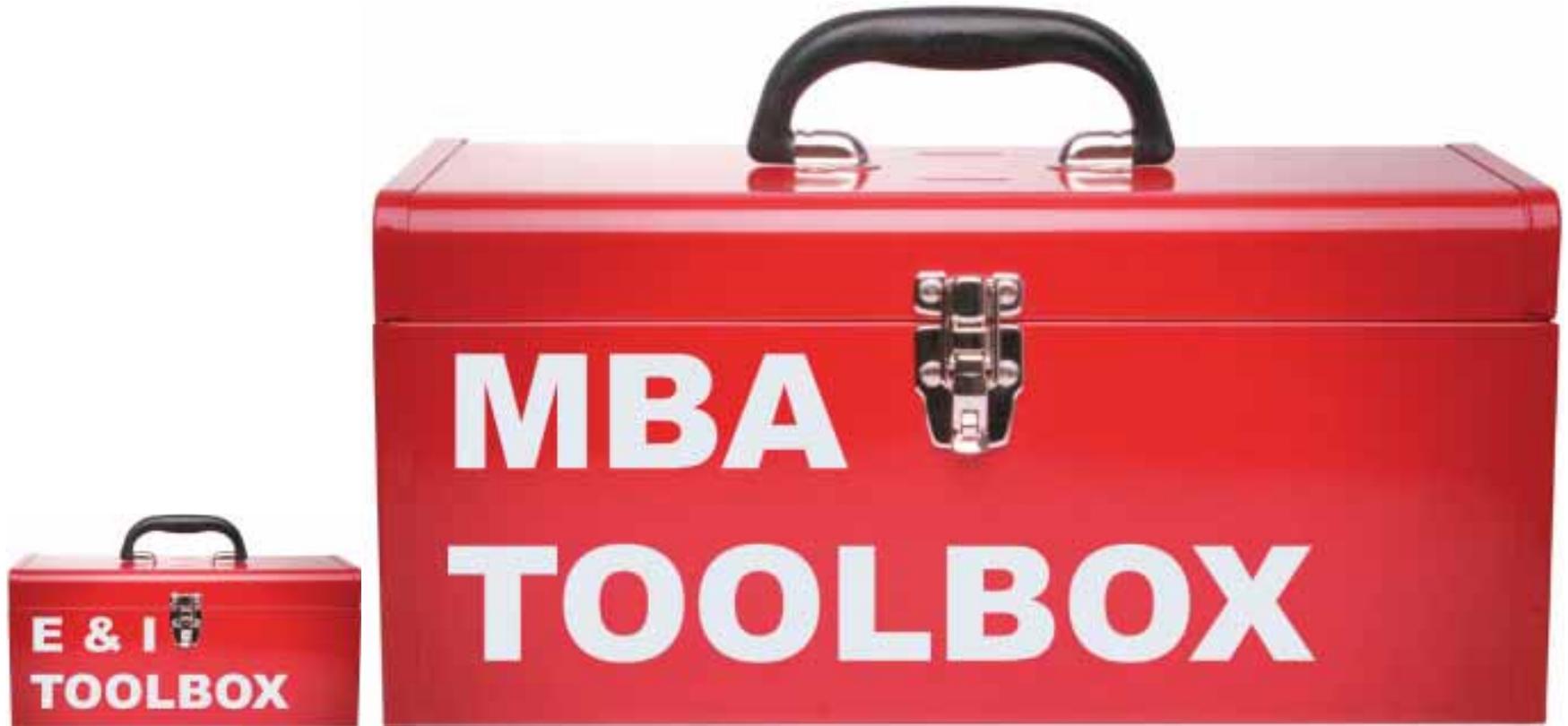
**TOOLBOX**



# When Uncertainty Is High...



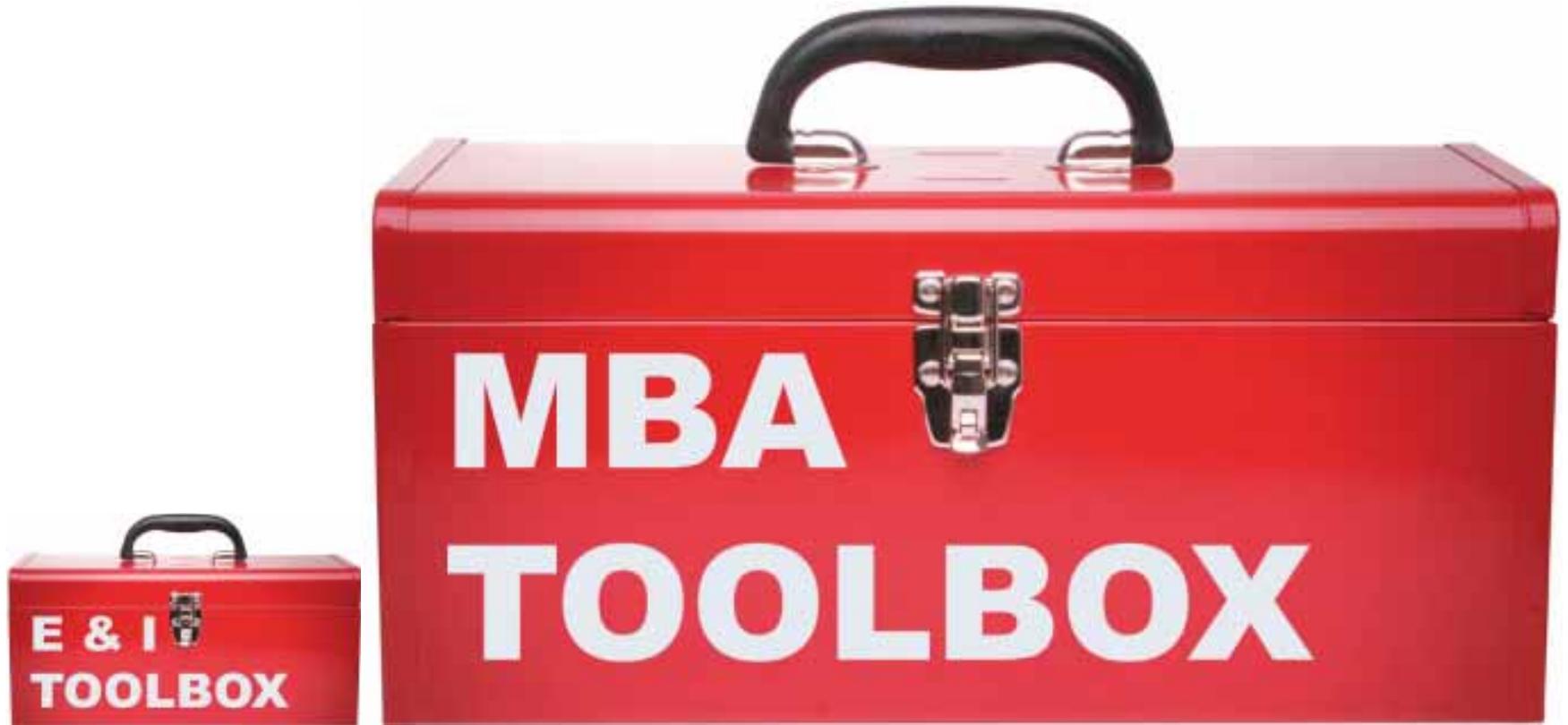
# When Uncertainty Is Low...



# When You're Small



# When You've Scaled





->-uncertain----->----->----->----->----->--certain-->  
 ->-small----->----->----->----->----->----->--large-->

# A Leader in the Entrepreneurship & Innovation REVOLUTION

