

Issue 76 www.wrti.org.uk

Inventique®

The newsletter of Wessex Round Table of Inventors April 2007

BFIIN HONOURS WRTI

THE WESSEX Round Table of Inventors were the proud recipients of an award by the British Female Inventors & Innovators Network at a glittering awards ceremony held at the Café Royal in London on 24 April.

The Chairman's Discretionary Award was made to the club "for the many years of keeping the BFIIN informed and updated with crucial and capacity-building information," and was received by committee member Peter Hebard.

This year's winner was Dr Maire McLoone from the Institute of electronics, communications and information technology (ECIT) at Queen's University, Belfast, who has invented a product that enhances security mechanisms to protect the public from cyber-criminals. *Inventique* will feature the BFIIN awards next month. ■

● www.gwiin.com

Next WRTI meeting WEDNESDAY 16 MAY

A club visit to the TUV environmental and EMC test house at Fareham (www.tuvps.co.uk).

TUV work with a range of industries covering the defence, aerospace, transportation, telecommunications, IT, consumer and medical sectors.

● Members wishing to attend should e-mail: secretary@wrti.co.uk or tel: 01420 562 378

Is this iDEA for you?

AWARDS FOR INNOVATIVE PRODUCT DESIGNS

THE DEADLINE for initial online entry for the Innovation & Design Excellence Awards (iDEAs) 2007 is now imminent, with final entry deadline of 31 May.

Entrants complete a simple online entry form describing how they apply innovative design within their companies. If successful, iDEA judging teams make scheduled visits for a more rigorous assessment.

Free entry to national awards

If in the last three years a company has developed an innovative product or process that dramatically changed its business (or that of a customer), or has changed the way it develops new products, made strategic investment in developing

employees' creative and problem solving skills, or instituted cross-functional new product development teams, it should certainly enter these high-profile national awards (entry is free).

This year's categories include design collaboration, B2B and consumer products, 'green' innovation, small companies, and design cycle reduction.

The iDEAs 2007 Awards Ceremony will be held at the Hilton Park Lane Hotel, London on 21 September. ■

● Maggie Bridge, Awards Coordinator
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www.ideawards.co.uk/awards.cfm

Brian gets the picture with TalkingPhotos.co.uk

WRTI MEMBER BRIAN STICKLEY has launched www.TalkingPhotos.co.uk – a new division of his company Talking Products Limited – which enables customers to combine digital photos with a personal voice message to create their own Talking Photos. Brian teamed up with Voice-Express Inc in the USA to bring this new remote recording technology to the UK market.

Aimed at both retail consumers and the Gifts & Incentives market, the patented online system is fun to use and allows visitors to create personal talking photo cards and record a personal message in a few simple steps.

"We believe this application has extraordinary potential," says Brian. "Audio brings an image to life. Imagine that photo of the new baby including the sound of it's first cries, or children singing Happy Birthday to a favourite grandparent from a Talking Photo they made themselves." ■

● Contact: Brian Stickley, director Tel: 01794 516677 www.TalkingProducts.com

Wessex Round Table of Inventors meet at 6.30pm on the second Wednesday of each month at Southampton Solent University, East Park Terrace SO14 0RP

Grass Snake grabs two Industry Awards

GRASS SNAKE LIMITED, the WRTI-supported start-up company, has won two silver medals in the prestigious Industry Awards 2007. The awards were gained in the Garden Equipment and Hardware categories for the Grass Snake Cable Grip, a device which helps users avoid accidents when operating electric garden equipment and DIY power tools.

The product, which will appear at the BBC Gardeners' World Live and GLEE trade shows at NEC Birmingham later this year, has now won five awards in just nine months.

● www.grasssnake.co.uk

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Grass Snake Limited wishes to appoint a commercially-focused MD to help grow the company and fully implement its start-up business plan.

The company – a supplier to Wyevale Garden Centres – manufactures the Grass Snake Cable Grip, which has already won five awards and is the first of ten Grass Snake-branded products.

Trade awareness of the company is high and a customer awareness PR campaign is imminent.

Please apply to:

GRASS SNAKE

Grass Snake Limited, 42 South Way
Lewes, East Sussex BN7 1LY
Tel: 01273 475 184
Mob: 07919 091 178
info@grasssnake.co.uk
www.grasssnake.co.uk

INVENTORATOR Nick Sharpe

The Top 10 lies...

VENTURE CAPITALISTS HAVE HEARD THEM ALL

VENTURE CAPITALISTS and other investors cast a sceptical eye over many of the claims made by start-up entrepreneurs.

The following is an edited version of a list dubbed *The Top 10 Lies of Entrepreneurs* compiled in 2000 by Guy Kawasaki, CEO of Garage.com, a US company that sifts through 12,000 business plans a year and helps promising startups find early-stage funding (source: www.businessweek.com/smallbiz/content/dec2000/sb20001229_421.htm).

“Our projections are conservative...” Entrepreneurs, by nature, are optimists. It's not uncommon, for instance, for founders of start-ups to claim they'll generate \$75m in revenue in their third year – even as they insist their numbers are ‘conservative’.
VC Response: When we hear this lie, we multiply the number by 0.1 and add three more years; that seems to be about the right financial forecast.”

“A consulting firm predicts our market will swell to \$50bn...” Such studies have become commonplace. Many predictions now appear unrealistic.
VC Response: Refrain from giving numbers, and let us weave our own fantasies about the potential market.

“Amazon (or another huge company) is about to sign a sales contract with us...” With such a premium placed on partnerships in today's business environment, it's often tough for companies to say no. “Will you please send us more information?” becomes, to an entrepreneur, “We're going to do the deal!”

VC Response: “It's easy for start-ups to misinterpret a polite rejection as true interest.

“Key employees will join our start-up as soon as we get funded...” This is an easy lie to expose. VCs need only pick up the phone and call the prospective employees. It also overlooks just how much the requirements for funding have changed. Before the Internet bubble burst, the money typically came first. These days, VCs want to see the management team in place before they write a cheque.

VC Response: Entrepreneurs who can't attract talent on the strength of their vision aren't likely to get funded at all.

“We have first-mover advantage...” Yes, this claim still appears in business plans; however, first-mover advantage doesn't often matter, the real key is ‘first to scale.’ Second, few companies really have the head start they claim – and it's easy to find out.

VC Response: We know how to use Google. Do you know how to use Google?

“Several VCs are already interested...” Another claim that's easy to check. Also, an investor may learn that the VC said to be interested in the deal has, after due diligence, opted to pass.

VC Response: If, after a quick phone call, it's clear the statement isn't true, the entrepreneur's credibility is blown. ■

Continued next month

● Nick Sharpe is CIO of 3en Ventures, who support early stage technology businesses within Basingstoke and Deane.

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LICENSING YOUR PRODUCT-6

SHOULD INVENTORS USE A COMMERCIAL AGENT, OR A DISTRIBUTOR?

THIS MONTH I conclude the issue of an agent's entitlement to indemnity, commenced in last month's *Inventique* whilst outlining the legal issues surrounding the termination of an agency agreement, writes *Dr Rosanna Cooper*.

The meaning of a transaction being 'concluded' for commission purposes most often means when the sale contract between principal and customer is made – in other words, when an order is placed.

The phrase 'As a result of the agent's actions' is used where it might be difficult for an agent to otherwise prove that a transaction was concluded as a result of his or her actions (whether s/he 'brought in' new customers single-handedly, for example, or contributed to a joint initiative between the principal and agent by contacting customers on a list provided by the principal).

An agent would be entitled to commission on transactions concluded after his or her agency agreement is terminated if the transaction is 'mainly attributable' to the his or her efforts (during the period of the agency agreement)

ROSANNA COOPER CLARIFIES THE LEGAL POSITION FOR INVENTORS AND ENTREPRENEURS

and the deal was entered into 'within a reasonable period' after the agency contract terminated, or if a customer's order reached the agent or principal prior to termination of the agency agreement but the order was only accepted afterwards.

In order for commission to be payable, both 'mainly attributable' and 'within a reasonable period' requirements have to be satisfied. The term 'mainly attributable' means there is a link between the agent's activities and the principal placing the order.

Claiming compensation

If an agent is claiming compensation (or an indemnity)

through the courts, the principal would have to produce sales records as a result of transactions before termination of the contract, to determine whether or not they were attributable to the agent.

Conclusion

Principals should take steps to protect their businesses because making a claim for compensation or an indemnity does not negate an agent's entitlement to commission already earned. ■

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● *Dr Rosanna Cooper is a partner at RT Coopers, a commercial law firm focusing on inventors and business start-ups.*

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● UNDER STARTER'S ORDERS

ENTERPRISING WOMEN is holding a conference for 300 delegates at the Newmarket Rowley Mile Racecourse on 13 June.

The day includes a mix of inspirational speakers, workshop sessions on such topics as securing funding for business, growing sales, pricing, competition, marketing and managing stress effectively – and a market on two floors of the famous Millennium Grandstand at which delegates can sell products, network and share ideas

Dawn Gibbins MBE, CEO of Flowcrete – who has conquered the world of specialist flooring from Argentina to Australia through continued innovation – and Michelle

Mone, CEO of Ultimo Bras (whose lingerie is now stocked by the likes of Selfridges and Saks Fifth Avenue) and are guest speakers.

Almost 2,000 women participate in the EEDA/ESF-funded project to date, with over 600 promoting their businesses and expertise online.

● **Booking hotline, tel: 01223 421 468**
www.enterprising-women.org/conference

● NIGHT VISIONARIES

CHANNEL 4's CODEX, hosted by Tony Robinson, is back – but this time two teams will compete every week to win the series.

Are you interested in history? Are you brave enough to spend the night in a museum? Can you make up a team?



The makers of CODEX are looking for three people who work together or have shared knowledge – such as inventors or entrepreneurs – to make up a team. Or you might wish to make up a team of friends, relatives or colleagues.

Teams will compete in a series of quiz rounds, based around some of the most famous historical artefacts in the British Museum. ■

● **Contact: codex@diverse.tv**
Tel: 0207 855 7463

www.wrti.org.uk

THE INVENTORS WEBSITE

CENTRE OF EXCELLENCE www.istvonline.com

Video inventors...

FILM YOUR PITCH – IT COULD SOON GO ONLINE

THINGS ARE GETTING interesting up in Sutton Coldfield. The founders of Inventors Showcase have not only created an online marketing portal at www.innovations4u.co.uk, but are about to launch what they claim to be the most comprehensive video library of (IP protected) inventors' pitches anywhere on the web at www.istvonline.com.

ISTV comprises a gallery of inventors' 4-minute videos demonstrating or describing their product or process, where it will be viewed by fellow inventors, buyers and the global online community.

Are you sitting comfortably?

Inventors Showcase director Casey Jones took a product (Klenz) into BBC TV's Dragons' Den and was successful in obtaining an investment from Richard Farleigh and Deborah Meaden, followed by a further offer from a well-known

high net worth investor.

He was then almost overwhelmed by the number of angel investors, trade buyers and media outlets looking for new products, which led to the idea of compiling a video catalogue of inventions for viewing by investors and company buyers.

And it's free: the costs for the ISTV site are covered by sponsors, with no charge to inventors. ISTV will even shoot the video for participants and supply a script for to follow if required, simply in return for the inventor signing a disclaimer undertaking that IP protection is in place.

Phew!

● **ISTV Ltd, 22b Boldmere Road
Boldmere, Sutton Coldfield
West Midlands B73 5TD
Tel: 0121 355 8181
contact@istvonline.com
www.istvonline.com
www.innovations4u.co.uk
www.inventors-showcase.co.uk**

BOOK OF THE MONTH

The Unwritten Laws of Business

by W. J. King
Updated by

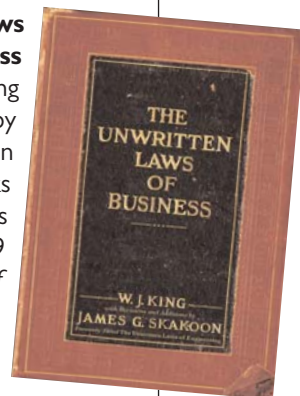
James G. Skakoon
Profile Books

£9.99 104 pages

ISBN 1846680379

"This is really one of the best books I've seen"

– Warren Buffett.



In 2005 a US business magazine published a cover story on a management pamphlet by the CEO of American aerospace contractor Raytheon. Lauded by chief executives, it became a phenomenon – and more than 300,000 people wrote in to ask for a copy. But in fact much of the pamphlet was drawn from *The Unwritten Laws of Engineering* (1944) – which Profile have now revised, updated and reissued as *The Unwritten Laws of Business*.

Covering every aspect of working well in an organisation, from running meetings and managing subordinates to dealing with your boss and advancing your career, *The Unwritten Laws of Business* is a collection of clear, jargon-free principles that have stood the test of time.

BUSINESS LINK WESSEX INNOVATION CLINICS

Are you thinking about developing a new product or process? Have you invented something and don't know what to do next? Through its series of free Innovation Clinics, Business Link Wessex provides confidential and impartial guidance on such subjects as investigating an innovative idea, developing a new product or process, working with universities, exploiting inventions and intellectual property rights. Innovation clinics are held in the Bournemouth, Portsmouth and Southampton regions.

● **Advice Hotline: 08454 58 85 58** innovation@businesslinkwessex.co.uk www.businesslinkwessex.co.uk/events

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