

Inventique®

The newsletter of Wessex Round Table of Inventors Feb/March 2007

Solent company wins Hub award

INVESTMENT FOR GROWTH ESCALATOR SCHEME

PATH INTELLIGENCE, a company whose unique FootPath system provides data to understand how shoppers flow through retail centres, scooped the £25,000 first prize at the South East England Development Agency (SEEDA) Enterprise Hub Showcase held at the QEII Centre in London last month.

FootPath is a technology which, using a series of monitoring units to accurately measure the signals from consumers' mobile phones, literally follows their footsteps. The system provides retailers and shopping centre managers with crucial pedestrian 'footfall' information, indicating which areas of a town are most frequently-visited. Data is accessed via Path Intelligence's secure web-based reporting system.

A FootPath paved with gold?

FootPath claims to be the only system on the market that can gather information on shopper paths continuously, accurately and anonymously. Following a series of regional heats across the south east, Path Intelligence beat off stiff competition from other high-

growth business propositions.

"Path Intelligence has all the attributes of a very successful venture with a bright future – a ready market, a good team and novel technology with strong intellectual property," commented Solent Hub Director Arthur Monks.

SEEDA's enterprising Hubs

Since its formation in July 2004, the company has been supported by the Solent Enterprise Hub, one of 22 Hub locations throughout south east England. The Hub was able to advise on suitable funding options – which enabled the company to grow its technology to pilot stage – and made a crucial introduction which led to the system's first live trial.

The SEEDA Enterprise Hub Network began in 2000 as a flagship programme to accelerate the rate at which entrepreneurs, companies and academic researchers could produce successful businesses out of new ideas and concepts originating in the south east of England.

The Network is currently working with over 1,500 businesses



Sharon Biggar, Chief Operating Officer of Path Intelligence, shows off the Enterprise Hub Showcase Award 2007 trophy.

spread throughout Berkshire, Buckinghamshire, Hampshire, Kent, Oxfordshire, Surrey, Sussex and the Thames Valley region.

● www.pathintelligence.com

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Next WRTI meeting WEDNESDAY 11 APRIL

Guest speaker Peter Kemp of Permabond.com will give a talk on on bonding and adhesives. This will be followed by an Inventors Clinic.

Room HC 017, Herbert Collins Building, Southampton Solent University, commencing at 6.30pm.

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

Map: www.streetmap.co.uk (SO14 0RP) www.wrti.org.uk/events

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

VIEW FROM THE CHAIR

THE SUNDAY TIMES' '100 best small companies to work for 2007' makes for interesting reading. The supplement examines which firms offer the 'potential for personal growth' within their organisations, which companies retain staff, and which are able to spend money on training and benefits so that workers enjoy their roles and see a future in what they are doing.



These companies, of course, need to be profitable and able to afford to 'put something back' into their local communities (one of the judging categories) via sponsorship of local organisations and so on.

As a manufacturer, I wish we could afford to do things like this rather than concentrate on survival. I quite like the idea of a bi-monthly drinks party, as enjoyed by one legal firm mentioned (I wonder what their hourly rates are?)

It is a salutary lesson that of the 100 companies included in the report, 53 are service companies and 32 are consultancies – and only nine are in manufacturing, and so actually generating the wealth that the other 85 advise upon!

Invention is a thankless task at the best of times, so it is important to constantly remind both the UK business community and population alike that invention is at the very heart of our nation's future wealth generation and opportunity.

I suppose it is too much to ask to see 'Made in Britain' stamped on the things we buy nowadays – but how about embossing '**Invented in Britain**' on all the things we buy that have been invented here (there are just so many)?

Invention is great television entertainment, but it is also a serious part of our national heritage. We have to bring it back to the forefront of things we are proud of as a nation.

Sincerely, Richard

RICHARD LITTLE, WRTI Chairman

INVENTORATOR Mike Herd

So... what next?

BREAKING FREE FROM THE 'SURVIVAL PSYCHE'

BUSINESS OWNERS will often see a venture solely in relation to their own salary and earnings, or become trapped in start-up mode and not look beyond the survival of their company. Either way, the people behind a company can become its weakest link.

Breaking free of this 'survival psyche' can be difficult: many business owners are frightened of taking the risk of thinking big. Britain's business models are sound and ripe for growth, the ideas fresh, innovative and strong – so it is not the quality of business that is holding companies back. Rather, it is the people behind them who do not have the business acumen, skills or confidence to take the next step.

Reaching the next level

The problem is that we are saturated with information on how to set up and maintain a small business, but there is very little help on hand for people who have reached a certain stage in their company's progression and do not know how to build it to the next level. The gap between a £10k-per-month company and a £100k-per month company is not as big as you might think; an effective growth strategy can help realise the full potential of a business.

Growth is a particular problem for small companies who, once established, find it difficult to leave the comfort zone they have worked so hard to create. It is common for such companies to become stuck at the development phase, focusing solely on perfecting their product and losing sight of the sales and managerial side of the business.

In many cases start-ups are formed by individuals leaving larger companies, when the safety nets are severed and they have to get used to standing on their own two feet. This can make new companies

nervous, stunting their development and abilities to take ideas forwards.

Start-ups can also be reluctant to put their heads above the parapet in case competitors steal their ideas, but without exposure new companies are unable to grow and expand into new markets. Business owners need to balance finding the right time to grow with having the right financial and management plan in place to grow fast enough to stay ahead of the competition.

Setting the sights too low?

Britain's start-ups inherently lack ambition. Entrepreneurs may be reluctant to recruit fresh management talent, or take more of a back seat if that is required for the company to expand, and potential investors or lenders can be put off by a perceived lack of ambition in the management rather than the potential of the idea, so this is not about having an unrealistic business plan but about the clear presentation of a practical growth strategy.

Entrepreneurial networks like the Sussex Innovation Centre can be a real help for start-ups – not least by helping you gain the confidence to grow your business by being in regular contact with like-minded entrepreneurs within a supportive infrastructure, and by providing in-house expertise and an invaluable network of contacts. ■

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● *Mike Herd is executive director of Sussex Innovation Centre, the award-winning business incubator. SinC hosts free monthly workshops to help start-ups and SMEs protect, finance and sell new product ideas, plus the opportunity of talking to visiting and resident experts.*

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LICENSING YOUR PRODUCT-5

SHOULD INVENTORS USE A COMMERCIAL AGENT, OR A DISTRIBUTOR?

IN THE last issue of *Inventique*, I touched upon the legal issues surrounding the termination of an agency agreement, writes *Dr Rosanna Cooper*. This includes an agent's entitlement to indemnity.

Indemnity

An agent's entitlement to indemnity on termination arises where the agent has brought the principal new customers and/or significantly increased the volume of business with existing customers, to which the principal continues to benefit substantially; and where the payment of indemnity is 'equitable' having regard to all circumstances and, in particular, any commission lost by the commercial agent from contracts generated with such customers.

The maximum amount an agent can receive from an indemnity is capped at one year's commission (taking the agent's average annual remuneration over the five years prior to termination, or the whole life of the agreement if shorter).

The grant of an indemnity to an agent does not prevent the agent also seeking damages, which normally arises where the principal deprives the agent of commission which 'proper performance' of the contract would have given him; or the principal has not given the agent

ROSANNA COOPER CLARIFIES THE LEGAL POSITION FOR INVENTORS AND ENTREPRENEURS

the chance to absorb the reasonable costs and expenses incurred in performance of the agency contract.

An agent has to notify the principal of his intention to bring a claim within one year of termination of the agreement.

As principal, you must agree with the agent the basis upon which an agent would be paid in the event of termination before entering into such arrangements.

When does this arise?

The right to compensation or indemnity arises where an agency agreement for a fixed term expires, the agent retires, the principal terminates because of the agent's serious illness, the principal assigns the agency agreement, the principal terminates without any breach by the agent, the principal terminates because the agent made an incidental breach and the breach

does not justify termination, the agent terminates because of circumstances attributable to the principal, the principal terminates because the agent is insolvent or has gone into liquidation or administrative receivership, or the agency agreement terminates because of *force majeure*.

When is commission payable?

Commission is usually payable to an agent as a percentage of the net invoice price of the products sold through the agent or of the cash received by the principal from those sales. A lower commission may also be granted in respect of sales made by the principal to customers in the agent's territory which were not concluded through the agent.

An agent is entitled to commission payable on transactions concluded during the agency contract, and from such transactions concluded as a result of the agent's action; with a third party whom the agent had previously acquired as a customer for transactions 'of the same kind', or with a customer 'belonging' to any specific geographic area/group of customers to which the agent has been given an exclusive right under the agency agreement. ■

Continued next month

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A NEW NAME FOR THE PATENT OFFICE...

On 2 April 2007, The Patent Office changes its name to the UK Intellectual Property Office (UK-IPO), when all

e-mails sent from the Office will end '@ipo.gov.uk'. Its new logo and strapline are illustrated above; the new website address is www.ipo.gov.uk – although the existing 'www.patent.gov.uk' address will redirect browsers to the new site.

This change was recommended

in the Gowers Review of Intellectual Property, to which many *Inventique* readers made submissions.

Recommendations in the Gower Review also include raising awareness and understanding of intellectual property rights, acting to improve the way rights are enforced, and developing the framework of intellectual property laws and agreements to fit the needs of modern UK businesses, competing with those abroad.

● www.ipo.gov.uk

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

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**UK Intellectual
Property
Office** ■■■■
For Creativity and Innovation

SOME YEARS ago, a colleague of mine was doing consultancy work with a company near Canterbury which made tracing paper. The company was worried that their market share was falling and had engaged my colleague to find out why, since architects (their main customers) really liked using their tracing paper for the touch and feel and the way in which a pencil would draw a line across it. But film was taking more and more of the market.

It turned out that the main problem was that the edge of the tracing paper tears very easily. Scotch tape can effect a sort of repair, but increases the thickness of the paper at the edge, so that when the sheets were stacked on top of each other the number of sheets in a drawer would be limited by these repaired edges. And the thickened edges tended to encourage more damage because of their clumsiness.

In accordance with Professor Vincent's commitment to the principles of Open Access, the ideas presented here are freely available. In demand as a lecturer and consultant to industry, he welcomes consultation or research enquiries by companies and entrepreneurs.

A brief time of history

My brief was to devise a way of toughening the edge of tracing paper without affecting the thickness of the paper and without reducing the usable area of a sheet.

At first this seemed impossible, and then I started thinking about some of our recent work on mother-of-pearl, or nacre. This is made of thin plates, between which is an even thinner layer of glue. When the nacre breaks, something like half the resistance to fracture is supplied by the deformation of this thin layer of glue (fig 1).

Was there any way I could use this mechanism? It seemed likely because this mechanism was easily seen and understood in a photograph – in other words it would work in only two dimensions.

So I made up a cutter wheel which would cut 5 rows of narrow slots about 1mm wide and 3mm long – each row 1mm apart (fig 2) – and cut slots into the sheet of

Right: A section of nacre showing the strands of protein stretching across a fracture between two plates. The plates are about 0.5µm thick.

tracing paper 10mm in from the edge. I then filled the slots with soft epoxy resin.

The reasoning was that the slots could be made as the last process in making the paper, rather like the tractor holes in printer paper. The resin could be introduced as a powder between two rollers and polymerised in situ.

In use, a tear would start at the edge of the paper and would run into one of these slots, where the toughness of the resin would stop the crack which would then have to start all over again on the other side of the hole (fig 3). Even my crude version of this mechanism increased the resistance to edge tear by a factor of 3 or 4; I reckoned that a properly optimised system would

strengthen the edge of the paper by up to an order of magnitude.

And the consequence was...

We presented these results to the company, who were very excited. Their research manager said it was the first real innovation he had seen in 30 years. They paid us £3,500 for 3 weeks work (this was about 10 years ago).

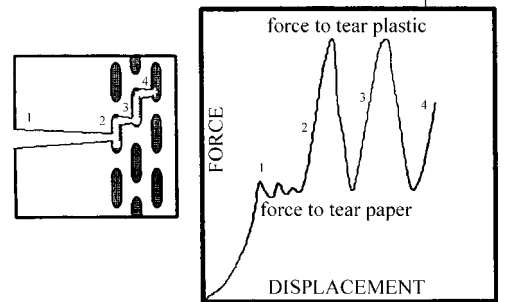
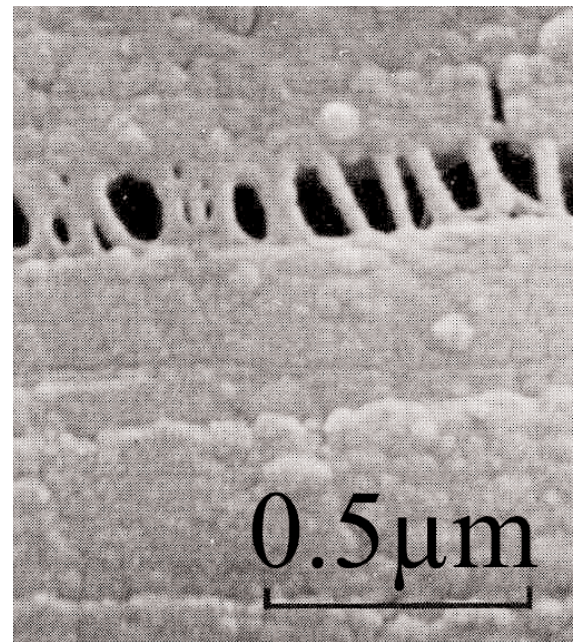
But the innovation has never been implemented... ■

© Julian Vincent 2007

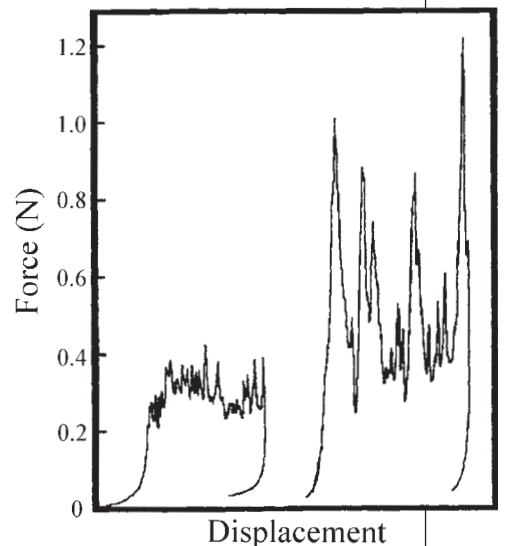
Right: Some real results. The left graph is ordinary tracing paper, the right graph is paper which has been reinforced.

Julian F V Vincent is Professor of Biomimetics at the University of Bath. Biomimetics is the concept of taking ideas from nature and implementing them in another technology, such as computing, design or engineering.

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Above: How the crack is stopped. Driving the crack through the plastic requires much higher force.



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www.wrti.org.uk

THE INVENTORS WEBSITE

CENTRE OF EXCELLENCE PR Newswire UK

Telling your story

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BOOK OF THE MONTH

The Shock of the Old: Technology and Global History since 1900

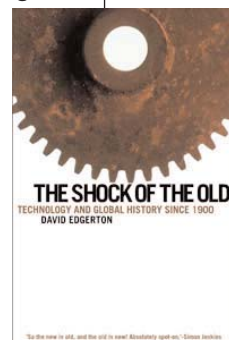
by David Edgerton
Profile Books £18.99

ISBN 1861972962 288 pages

Published in January, this first properly global account of technology — by the Hans Rausing Professor at Imperial College London — reassesses the significance of technologies usually held to be transformative and places them alongside important but unrecognised examples from around the world.

"Newfangled things are sexy, but how significant are they? Edgerton provides a corrective by emphasising some of the overlooked technologies that affect the lives of many."

— John Sparks, Newsweek.



WEBSITE OF THE MONTH

www.bl.uk/bipc

It can be tough to start and run a business. The Business & IP Centre at the British Library, London has all the business and intellectual property information you need as an innovator and entrepreneur. It's free and can save you time and money.

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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