

Independent Innovation:

Business at the Bleeding Edge

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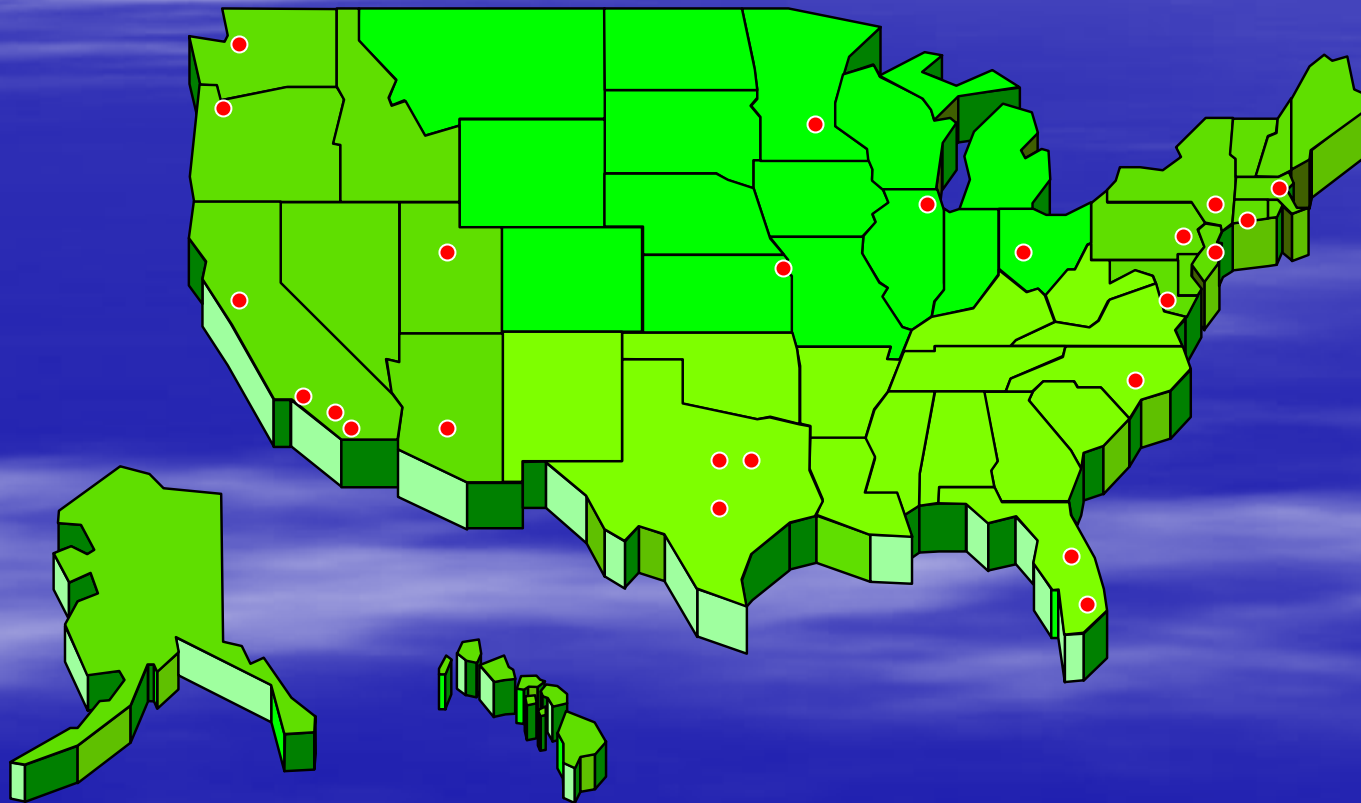
Things You Can Do Right Now...

- Learn about business from the IEEE Consultants Network
- Talk to an Accountant, NOW
- Start collecting resources, NOW
- Think like a business, not like an employee
- Learn how to LISTEN
- Learn how to SELL
- Closing thoughts

What Are the IEEE Consultant Networks?

- In recent years, about 25 Consultant Networks have formed across the US
- Local networks usually run an informal referral service, + meetings and events
- There is an umbrella organization, AICN, which
 - links the local networks,
 - publishes a national directory
 - runs 1-2 Workshops every year

Where Are They Located?



Topics of Some of Our Meetings

- Finance 101 for Consultants
- Defining WHAT to Market
- Marketing and Sales Workshop
- What PRICE Am I Worth?
- The Ins and Outs of Consulting Contracts
- Avoiding Misunderstandings w/ Clients
- "Negotiating with the Elephant in the Bathtub"

Financial Issues Before Startup

- Get advice from an accountant ASAP!
- You don't have to put off buying equipment & software until you start your business. Just keep records
- Plan to subsidize yourself during first few years. Rules of thumb:
 - First year -- 100%
 - Second year -- 70%
 - Third year -- 20%

Resources You Should Have: Lab

- Lab equipment can be bought used
 - Cheapest way is ham fests
 - Ads in Nut & Volts magazine
- Older computers (>386) may be OK for data acquisition
- If you haven't started your business yet, at least start accumulating test equipment
 - You can write this stuff off, even if you bought it years before

Resources You Should Have: Library

- You won't have access to a good technical library anymore
- I developed a technical library long before I started my business
- Don't skimp here
- Some ways to reduce costs
 - Trade magazines are usually free
 - Data books and Application Notes
 - Local university

Re-Inventing Yourself If Necessary

- From "Narrowband" Employee to "Wideband" Consultant
 - Big company pushes you into narrow specialty, like tall narrow peak on spectrum analyzer
 - As independent business, you get to do EVERYTHING. Like many shorter peaks on spectrum analyzer.
- No substitute for continuous learning
- Look for "reverse cash flow" learning

Think like a BUSINESS, not like an EMPLOYEE

- Realize that everything is negotiable
- Think CASH FLOW
- Think MARKETING, all the time
- Answer your business phone as a business
 - Make sure that your outgoing message on the answering machine makes it clear that they have reached your business, & that their call is important

Learn how to LISTEN

- You can usually tell if someone is new to consulting
- He's used to talking to people as if they were his technical cohorts at Universal MegaCorp Inc
- He tends to do more TALKING than listening
- He's more interested in *impressing* than *helping*

How to Be a Better Listener

- Concentrate on what they are telling you
- Repeat information they tell you, especially their *needs* and *objectives*
- Clarify it
- Restate or rephrase information
- Summarize it
- Tolerate thoughtful silences

Learn the Difference Between FEATURES and BENEFITS

- Seems very difficult for us techies
- A Feature is some physical characteristic
 - E.g., 300 MHz Pentium II
- A Benefit is a value that the customer will actually get from the feature, e.g.
 - More time to do other things ('cuz it runs fast)
 - Be the envy of the neighborhood, get more girls, etc.
- To us techies, the link between features & benefits is obvious, which is why we confuse the two

Learn How To TALK TO CUSTOMERS

- Your customer may be horribly ignorant of technology
- Our potential customers need to hear BENEFITS first. The link to a feature needs to be explained
- In fact, the customer may never care too much about specific technology issues, and may even feel threatened when you try to explain them!

Why You Shouldn't (Always) Use a Resume

- Giving a resume implies that you (individually) are seeking a job
 - (I.e., trying to become an EMPLOYEE)
- Giving a brochure says that your company seeks to do business with their company
- Use a resume as a specialized tool
- If you have to use resumes, at least make one that sells
 - Think like a *business* now, not like an employee

If You Must Use A Resume, Use One That Sells

- Use action verbs
- Show quantitative business effects of your accomplishments
- PSR Techniques:
 - Problem: situation before you came along
 - Solution: what you did to fix
 - Resolution: the good results of your fix
- VALUABLE EXERCISE: Think of a past success & express as PSR

Use a PORTFOLIO!

- A nice-looking leather-bound notebook
- Pictures of your facilities, if applicable
- Pictures of stuff you've done in the past
 - Pictures from projects when you were an employee, before you started your business
 - Even pictures from technical hobby work
 - If you have some other talents, like writing or artistic skills, show samples of those, too
- Don't expect to show every page of your portfolio -- be selective

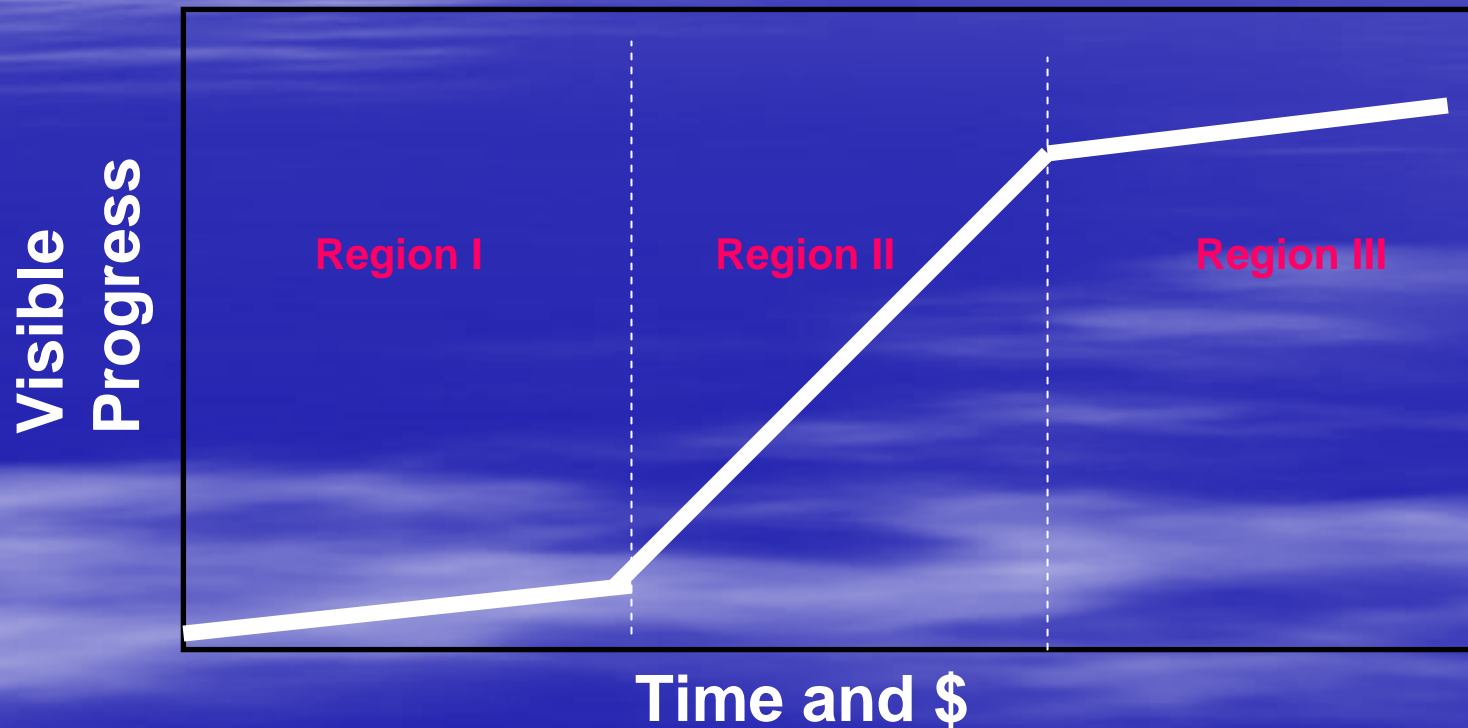
Your Web Site

- Can work for you 24 hours a day
- Use it to display pictures or samples of what you do
- Allow people to download a brochure
- I ask them to give me their name first
 - This warns me that something is coming
- Search engines

Advantages of Fusion Marketing

- Can offer a more complete set of services
- Two HEADS are better than one:
 - General advice & support
 - Support during client meetings
 - Debrief after client meetings
- Two MOUTHS are better than one
- Two PENS are better than one
- Four EYES are better than two
- You can get past the "Modesty Barrier:" **SELL EACH OTHER!**

Why You Should Multiply by **THREE**: The Raines Curve



Closing the Sale

- Customers buy from people that:
 - They feel confident can do the job
 - They can afford
 - They LIKE
- When you've gotten the customer to say "Yes," then STOP SELLING !
- Get them to sign an agreement

Royalties - 2

- The good news: royalties can help you "beat linear time"
- The bad news:
 - Royalties are *deferred* income
 - Have to fit in with cash-producing work
 - Higher risk -- may not get enough to pay for the time you spent

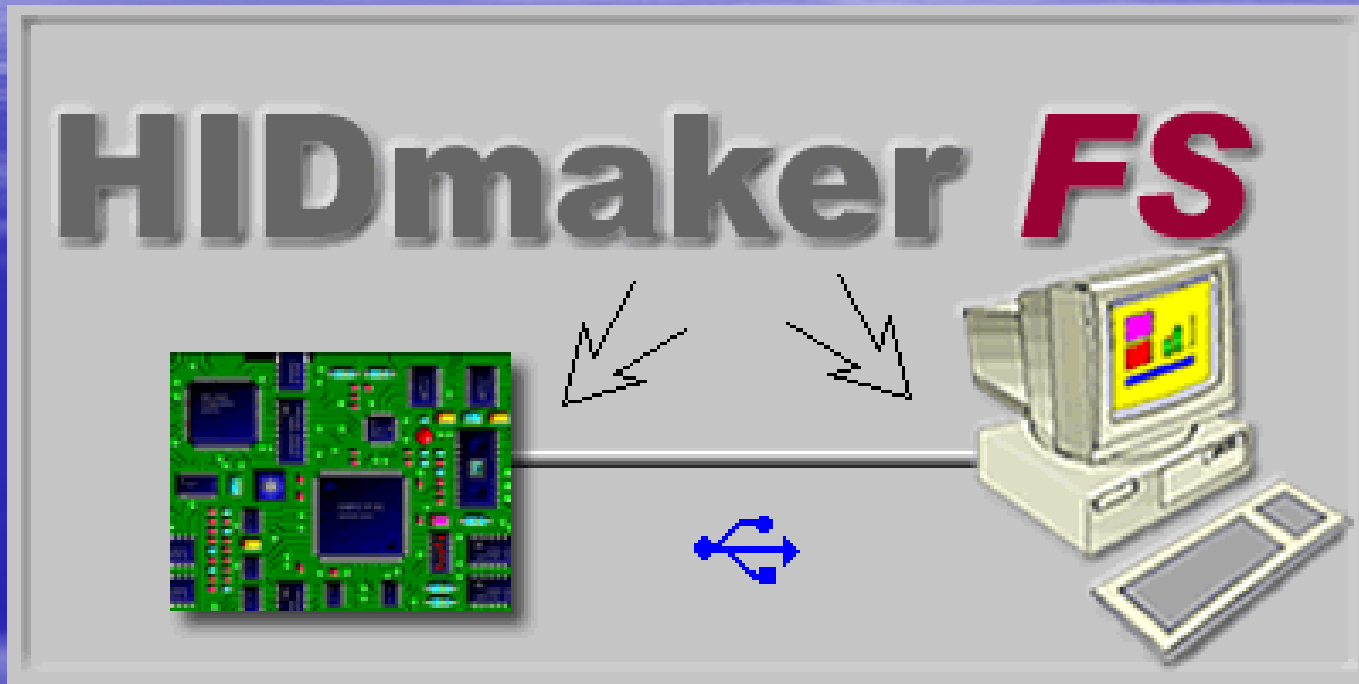
Closing Recommendations

- Join or set up a support group like IEEE Consultants Network
- Network a lot
- Remember to LISTEN to your customer's needs
- Use a portfolio of past work
- Try "Fusion Marketing" -- it really works!

Closing Recommendations

- Use defensive contract techniques, and protect yourself against unscrupulous clients with good Terms and Conditions
- Try to build up some royalty income
- To get more time for your family, level your load by calling Dr. Bob!

Shameless Plug #1



FULL SPEED
It writes your USB Code!

Shameless Plug #2



Control your microprocessor device from any web browser!

Shameless Plug #2 – Cont'd

mc2 - Windows Internet Explorer provided by Comcast

File Edit View Favorites Tools Help

Back Forward Stop Refresh Home Search Favorites Home Mail Print Wordpad

Address <C:\TCPmaker\Jen\Upd100107\index.html> Go Links >>

Google G Go << >> Bookmarks PageRank >> Settings >>

TCPmaker

Button Types

Momentary

Toggle

P

R

N

D

L

Gauges

Plot

LED Indicators

Horizontal Slider

Alpha Supply
1.17 Volts

Horizontal Gauge

Alpha Supply
1.17 Volts

Numeric Indicator

Alpha Supply
1.17 Volts

Vertical Gauge

Alpha
1.17 Volts

Console

Alpha Input Console

Line 1
Line 2

Type a line here and hit enter to send to micro

swf/jpg

macaria

Done My Computer

Final Thoughts

- THERE ARE NO LIMITS: the only limits are imposed by YOU:
- "If you think you can, OR, if you think you can't, you're probably right."

Your Speaker: Dr. Bob Miller

- Complete Capability:
 - Great Software Tools for USB and Embedded Ethernet Devices
 - Windows Software to Control Hardware
 - Low Cost Product Development
 - Prototyping / Test Lab
 - Microprocessors

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We Give Your Product a
Pleasant Personality
and a VERY Pretty
Face!