Developing a Winning Business Model

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Today

• What is a business model?

• Why does one need a business model?

What does a good business model look like?

Why do I need (to waste time developing) a business model?

- Why?
- Because scientists/engineers think like scientists/engineers

Scientists/engineers are notoriously:

- Smart
- Logical
- Rational
- Practical
- Fair-minded
- Proud of their work
- ... and that's the problem
- Business development is different than technology development and requires a (slightly) different skill set

But what about Ralph Waldo Emerson?

- "Build a better mousetrap, and the world will beat a path to your door"
- Two problems
 - 1. He never said it.
 - 2. The research doesn't support it.
- The basic mousetrap (1897)





 How much innovation in mousetraps since then?



Mousetrap innovation

- Since USPTO's founding in 1828, how many mousetrap patents in U.S.?
 - 4,400 patents (Hargadon, 2010)
- How many new mousetrap patent applications each year currently?
 - 400 as of the mid-1990s (Hope, 1996)
 - 40 of these are granted
- How many out of these have made money?
 - 20 out of the 4,400

Mouse Trap Having Retractable Biting Portions

ates Patent (12) United ! Huang

US 8,181,383 B2 (10) Patent No.: (45) Date of Patent:

U.S. Patent May 22, 2012

Sheet 2 of 10

US 8,181,383 B2

(54) MOUSE TRAP HAVING RETRACTABLE BITING PORTIONS

(76) Inventor: Chang-Hsiu Huang. Pusin Township, Changhua County (TW)

Subject to any disclaimer, the term of this patent is extended or adjusted under 35 U.S.C. 154(h) by 366 days.

(21) Appl. No.: 12/591,802

Dec. 2, 2009

Prior Publication Data US 2011/0126446 A1 Jun. 2, 2011

(51) Int. Cl. A01M 23/00 (2006.01)A01M 23/24 (2006.01)

(52) U.S. Cl. 43/81: 43/82: 43/83.5

Field of Classification Search 43/77, 81-83.5. 43/58, 59, 90, 91.95, 96: 24/507, 521, 561.

See application file for complete search history.

(56)References Cited

U.S. PATENT DOCUMENTS

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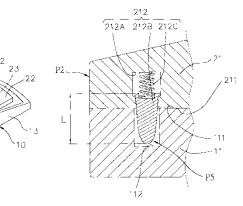
May 22, 2012

Primary Examiner David Parsley Assistant Examiner Danielle Clerkley (74) Attorney, Agent, or Firm Rosenberg, Klein & Lee

ABSTRACT

This invention relates to a mouse trap having retractable biting portions. It includes a base, a movable portion, and trigger. The base has a front seat which has a lower outer ed and several receiving holes. The movable portion is dison the base and has a front frame portion and a restor; generating element. The front frame portion is disan upper outer edge and a plurality of retracta tions. These retractable biting portions are ed the receiving holes. The restoring force generating element is able to urge the movable portion moving from the first position to the second position. So, it can capture a mouse quickly, The protruded length of each retractable biting portion is automatically adjusted. Hence, the captured mouse will not bleed so it is sanitary. The capture method is humane without sacrificing its capturing result. The safety of the product can be enhanced. Plus, the biting depth is automatically adjusted.

5 Claims, 10 Drawing Sheets



"The protruded length of each retractable biting portion is automatically adjusted. Hence, the captured mouse will not bleed, so it is sanitary."

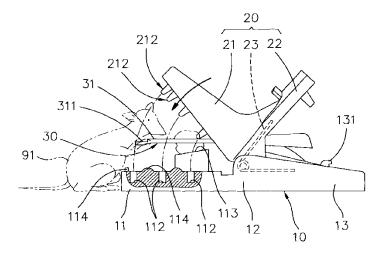


FIG.2

Rearming Electronic Animal Trap with Infrared Sensor and Multiple Killing-Plate Configuration



United States Patent
Wetzel et al.

(10) Patent No.: US 8,024,888 B2 (45) Date of Patent: Sep. 27, 2011

(54) REARMING ELECTRONIC ANIMAL TRAP WITH INFRARED SENSOR AND MULTIPLE-KILLING-PLATE CONFIGURATION

(75) Inventors: Troy A. Wetzel, Mohnton, PA (US);
Robert T. Cruz, Lititz, PA (US);
Richard L. Eyer, Lititz, PA (US)

(73) Assignee: Woodstream Corporation, Lititz, PA (US)

(*) Notice: Subject to any disclaimer, the term of this patent is extended or adjusted under 35 U.S.C. 154(b) by 0 days.

(21) Appl. No.: 12/805,198

(22) Filod: Jul. 16, 2010

"A high-voltage output circuit is connected to killing plates which are activated with a high-voltage pulse train when a pest interrupts the infrared beam signal..."

See application file for complete search history.

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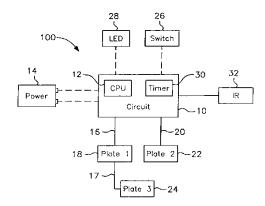
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Primary Examiner Christopher P Effis (74) Attorney, Agent, or Firm Jacobson Holman PLLC

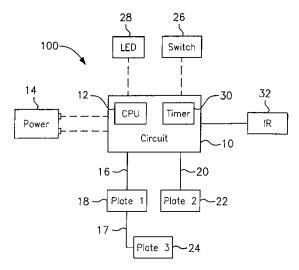
57) ABSTRACT

An electric or electronic animal trap with a CPU-controlled, rearming, multiple killing plate configuration and automatically resetting interruptible beam sensor for triggering a high voltage cycle. A high-voltage output circuit is connected to killing plates which are activated with a high-voltage pulse in terrupts the beam signal, such as an infrared committee of the properties of the

19 Claims, 5 Drawing Sheets

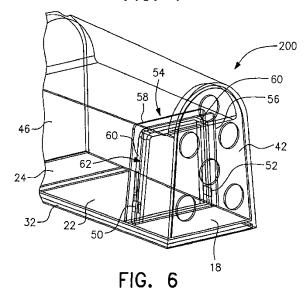


U.S. Patent Sep. 27, 2011 Sheet 1 of 5



US 8,024,888 B2

FIG. 1



Electrocuting Mousetrap with Automatic Chamber-Clearing Mechanism

(12) United Bucher et a

(54) ELECTROCUTING MOUSE TRAP WITH AUTOMATIC CHAMBER-CLEARING MECHANISM

(75) Inventors: Alan Weir Bucher, Manheim, PA (US): Richard L. Eyer, Lititz, PA (US): Marko Konstantin Lubic, Shillington. PA (US): Troy A. Wetzel. West Reading. PA (US): Robert T. Cruz. Lititz. PA

ates Patent

(73) Assignce: Woodstream Corporation, Lititz, PA

Subject to any disclaimer, the term of this (*) Notice: patent is extended or adjusted under 35 U.S.C. 154(b) by 817 days.

(21) Appl. No.: 12/213,382

Jun. 18, 2008 (22) Filed:

Prior Publication Data (65)

US 2009/0313880 A1 Dec. 24, 2009

(51) Int. Cl.

(56)

A01M 19/00 (2006.01)A01M 23/38 (2006.01)

(52) U.S. Cl. 43/99 (58) Field of Classification Search 43/98, 99:

A01M 23/38 See application file for complete search history.

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US 8,151,514 B2 (10) Patent No.: (45) Date of Patent: Apr. 10, 2012

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009 0192763 7 009 0223112 7		7 2009 9 2009	Gardner et al

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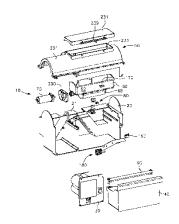
Primary Examiner Son T Nguyen

(74) Attorney, Agent, or Firm - Jacobson Holman PLLC

ABSTRACT

An electronic mouse trap is provided having multiple kill and automatic killing chamber clearing capabilities. The trap includes an elevated killing chamber rotatably mounted on a base that houses a collection bin positioned under the chamber and which has an entrance pathway that provides mice with access to the chamber. Upon completion of a killing cycle and the killing of a mouse, the chamber is automatically rotated by a gear motor about a longitudinal axis that is slightly below the floor of the chamber. The chamber rotates approximately 180 degrees so as to be inverted, allowing the dead mouse to fall downwardly into the collection bin. Once the chamber has been inverted and the mouse removed by gravity, the gear motor reverses the rotation direction and returns the chamber to its upright position where it is ready to reinitiate the killing cycle for another mouse.

20 Claims, 25 Drawing Sheets



U.S. Patent US 8,151,514 B2 Apr. 10, 2012 Sheet 3 of 25

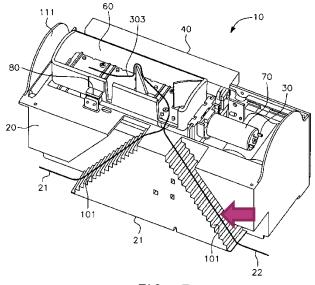


FIG. 3

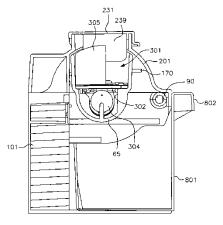


FIG. 17A

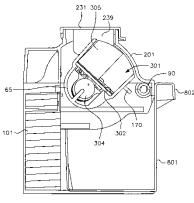


FIG. 17B

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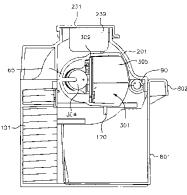


FIG. 17C

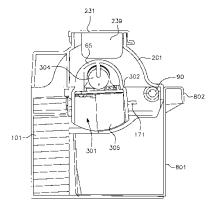


FIG. 17D



Networked Pest Control System

United States Patent Borth et al.

US 8,026,822 B2 (10) Patent No.:

(45) Date of Patent: Sep. 27, 2011

(54) NETWORKED PEST CONTROL SYSTEM

(56)References Cited

(75) Inventors: Paul W. Borth. Zionsville, IN (US): Peter N. Scherer, Lebanon, IN (US):

U.S. PATENT DOCUMENTS 7,212,129 B2 5 2007 Barber et al.

Mike P. Tolley, Indianapolis, IN (US): Christopher J. Voglewede. IN (US): Brian M. Schneid IN (US): Nallah Orr, Carm Richard V. Baxter, Jr., App (US): Douglas K. Brune. (

(US)

(73) Assignce: Dow AgroSciences LLC, Ir

(*) Notice: Subject to any disclaimer, th patent is extended or adju U.S.C. 154(b) by 106 days.

(21) Appl. No.: 12/584,581

(22) Filed: (65)

Sep. 8, 2009

Prior Publication Data

US 2010/0134301 A1 Jun. 3, 2010

Related U.S. Application Data

(60) Provisional application No. 61/191.461, filed on Sep.

(51) Int. Cl. G08B 23/00 (2006.01)

..... 340/573.2: 340/573.1 (52) U.S. Cl. (58) Field of Classification Search 340/573.2.

340/573.1, 531; 73/865.8; 43/82, 132.1 See application file for complete search history.

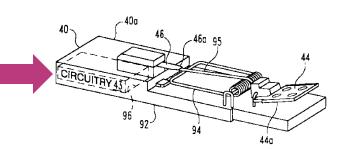
"Each pest control device includes a pest sensor and a wireless communication circuit to transmit information from the corresponding sensor. The devices also configure to define a local wireless communication network."

ABS ACT

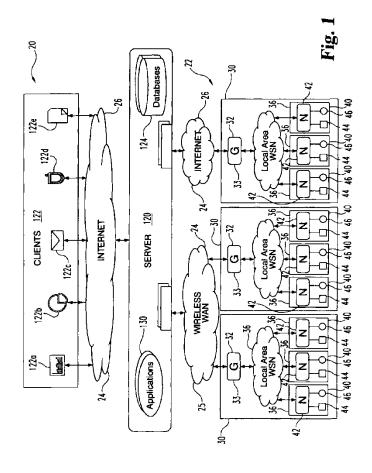
A pest control device syst includes a plurality of pest control devices and a data to tor. The system may further include the data collector in the form of a gateway that is connected to a data management server via a computer network along with other gateways in corresponding pest control device groups. Each pest control device includes a pest sensor and a wireless communication circuit to transmit information from the corresponding sensor. The devices also configure to define a local wireless communication network that can relay the information from one to the next and ultimately to the data collector.

22 Claims, 6 Drawing Sheets



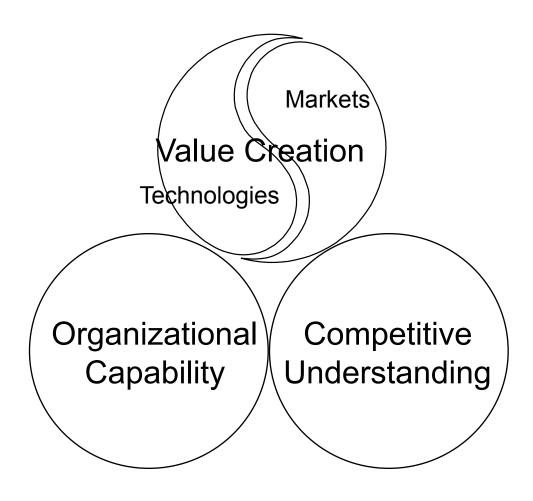


U.S. Patent Sep. 27, 2011 US 8,026,822 B2 Sheet 1 of 6

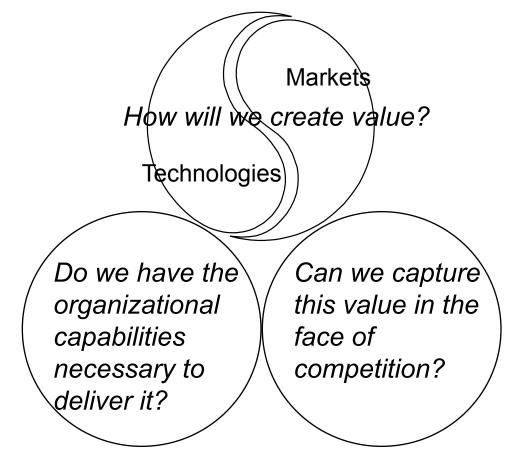


Why don't these innovations succeed?

Successful development of a technology-based venture rests on three foundations

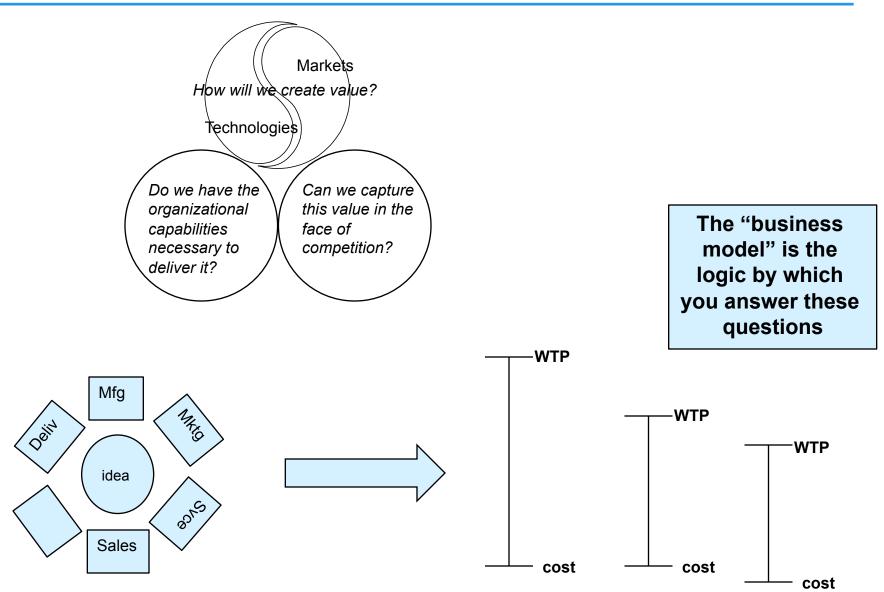


...or rests on answering three key questions



The "business model" is the logic by which you answer these questions

...or rests on answering three key questions



Business model logic – questions to ask

- Customer value proposition
 - what value do we create for the buyer?
- Technology and operations management
 - what organizational capabilities must we assemble?
- Go-to-Market plan
 - at what level of profit can we attract customers, given likely competitive responses?

Customer value proposition: What do buyers value?

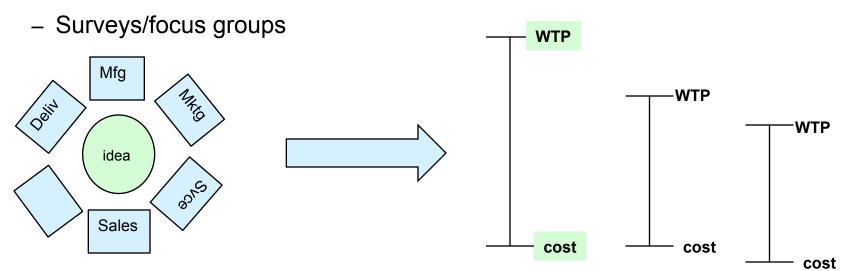
- Customers care about benefits, not technological prowess
- Customers might not receive any benefit from an invention
 - Examples: whiteners in detergent; aircraft that can fly halfway around the world
- Customers value benefits over technological elegance
 - Example: my buddy Vito (Microsoft vs. Apple)

 Aside: Why do entrepreneurs often overestimate the benefits that customers see in their product/service? Let's go to the research...

So how can you identify what buyers value and how much they value it?

One rule of thumb and four tools for thinking about buyer value

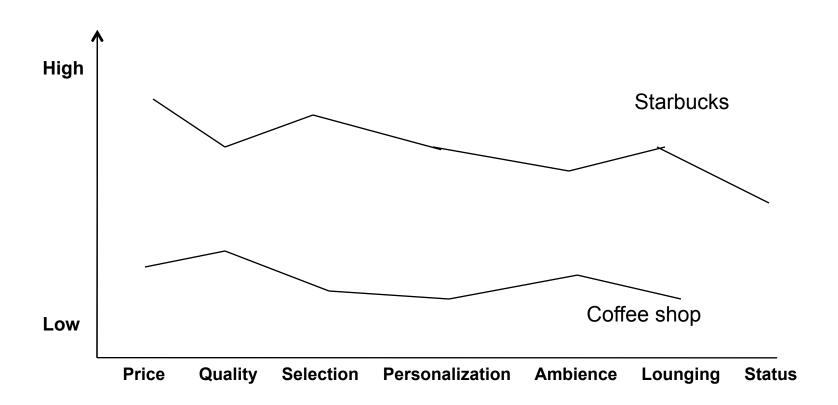
- Rule of thumb:
 - Allocentrism
- Tools:
 - Value curves
 - Scenarios
 - Economic valuation



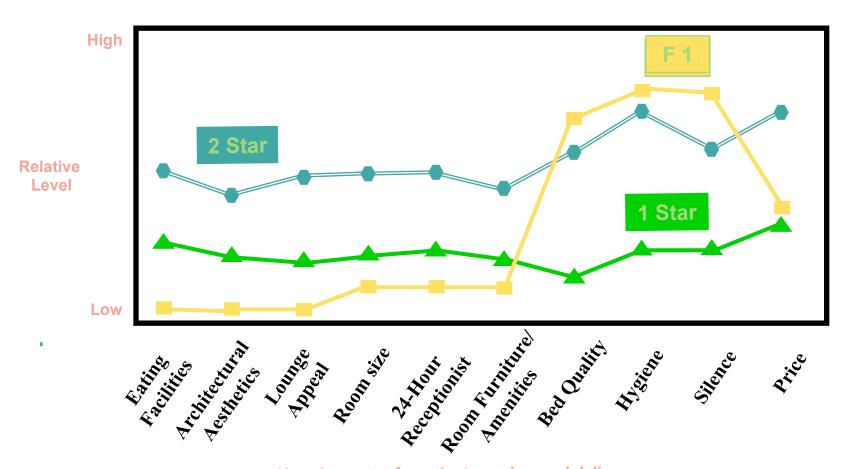
Rule of thumb: Allocentrism

- Put yourself in the shoes of the buyer
 - Observe buyers in action
 - Do what buyers do
 - Talk to buyers
- Examples
 - Bloomberg
 - User-generated innovations (tennis rackets; medical devices, etc.)
- Aside: this is one of the big secrets of successful strategy!
 - (You would pay several thousand dollars for this insight at a business school)

Picture = "strategy canvas" Line = "value curve"

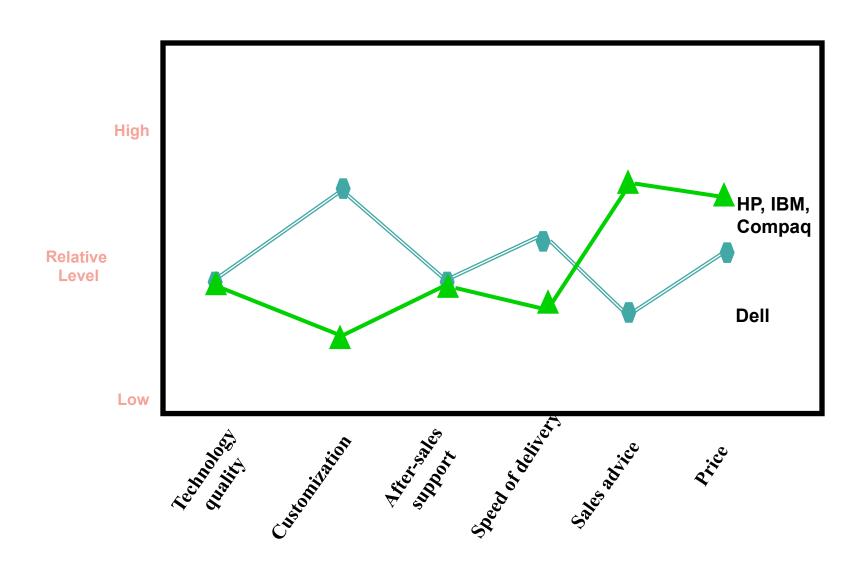


Value Curve of Formule 1 in French Low-Budget Hotel Industry



Key elements of product, service, and delivery

DELL value curve in personal computers



Time out: Shall we try to develop a value curve?

(NB: See examples of scenarios in G. Moore, *Crossing the Chasm*, and/or in the Harvard Business School case "Documentum," HBS Case #502-026)

[P. Ghemawat & J. Rivkin, "Creating Competitive Advantage," HBS Note 798062]

"Toy" example:

- My machine allows you to make twice as many spoons as her machine
- My machine uses 100,000 fewer kWh in electricity each year
 - Electricity costs 1 cent per kWh
- I should be able to charge up to two times the price of her machine, plus the discounted present value of \$1,000/year

Real-world example: "Silverman" Injection Molding Company *

- Silverman charges \$1.2 million for a plastic-bottle-making machine
- Rival charges only \$1 million
- Is Silverman charging too much?
- Insert some math here...
- Buyer must pay \$1.3 million plus \$45,000/year to get same output from rival machine as from Silverman machine (in present value, roughly \$1.5MM)
 - → SILVERMAN INJECTION MOLDING CO. IS NOT CHARGING ENOUGH!

^{*} Name of firm has been changed

Tool: Surveys & focus groups

 It is possible to find out how potential buyers are likely to respond to your invention through surveys and focus groups

- Key:
 - Ask right questions
 - Listen
 - Gain input from competent market researchers
- Approaches:
 - Qualitative
 - Quantitative (i.e., conjoint analysis)

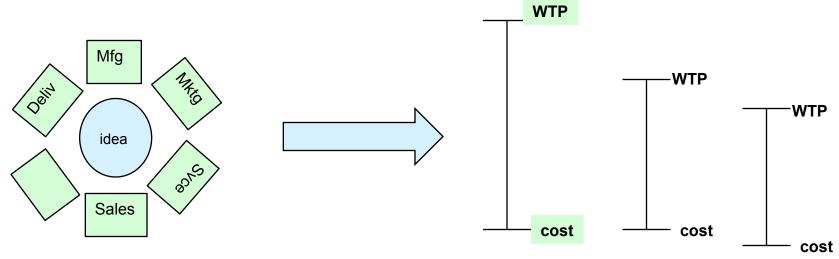
Technology and operations management: how can you deliver on this customer value proposition?

- Every activity/policy is a potential opportunity to deliver customer value
 - Every activity is a potential opportunity to deepen uniqueness
 - Every activity is a potential opportunity to reinforce other activities
 - Example: EDLP at Wal-mart
 - Example: Dell's cutting out conventional retail activities
- Assets/resources are required to support value-enhancing activities
 - Every investment in assets/resources is a potential opportunity
 - There is no limit to the creative ways in which you can access these assets
- Customers care about benefits, not activities or assets themselves (most of the time)

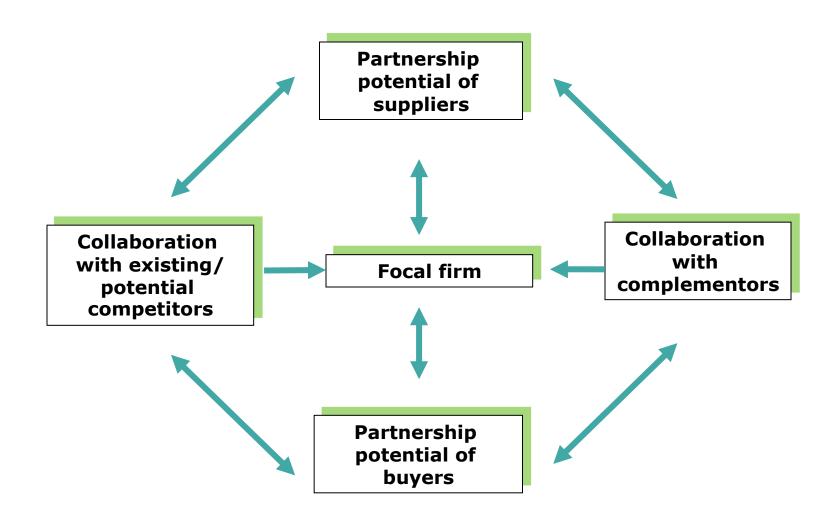
So how can you evaluate opportunities to deliver value?

One rule of thumb and two tools for thinking about assembling assets/activities to deliver value

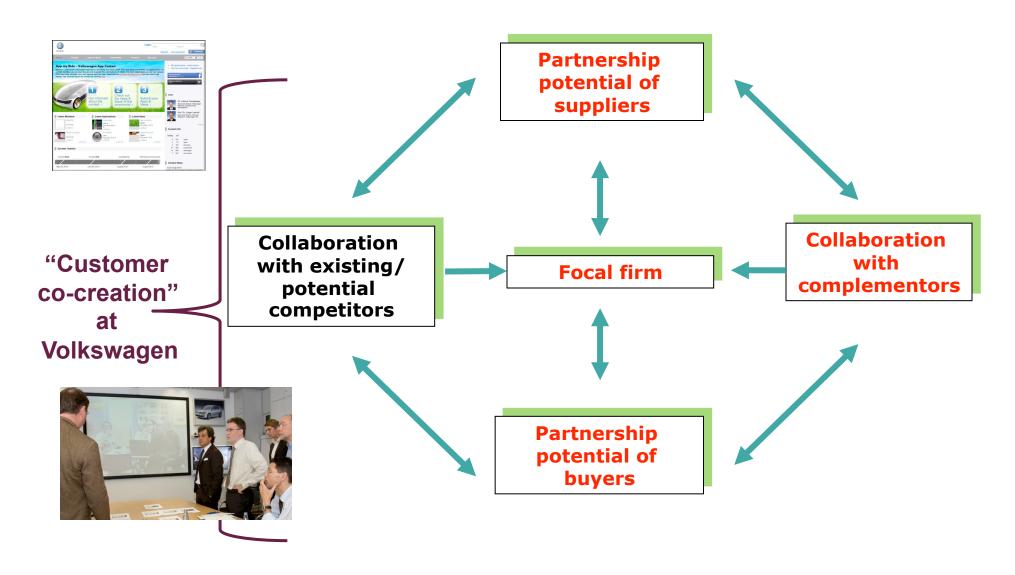
- Rule of thumb:
 - Allocentrism
- Tools:
 - Value net
 - Appropriability/complementary assets framework



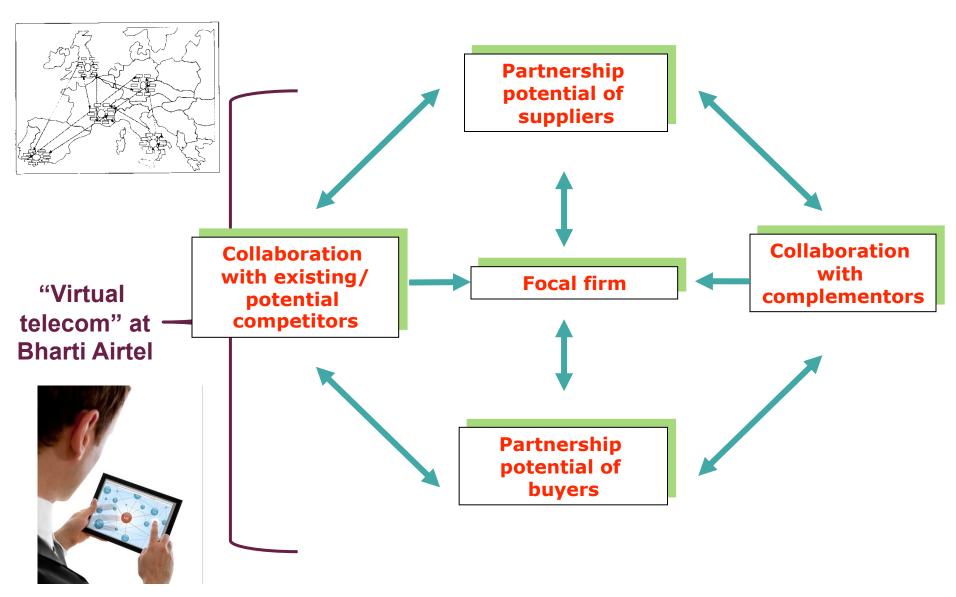
Tool: Value Net (to make choices about how to access assets/activities)



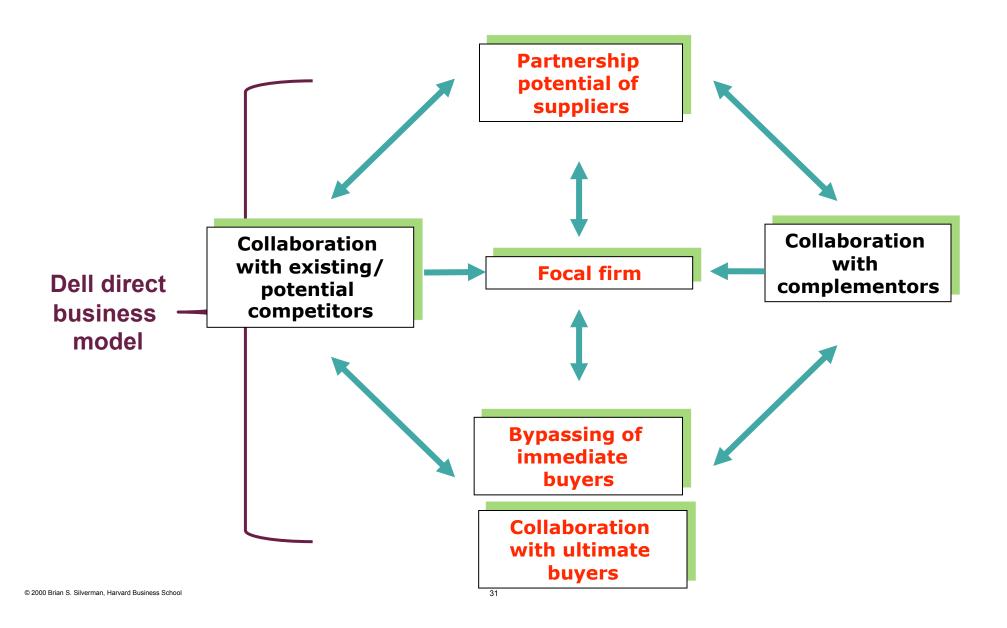
Tool: Value Net (to make choices about how to access assets/activities)



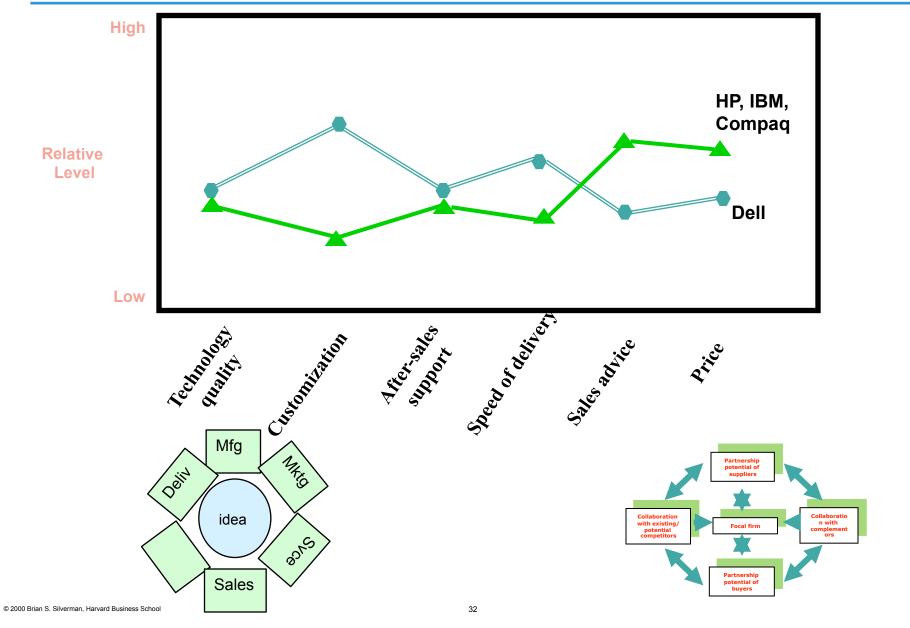
Tool: Value Net (to make choices about how to access assets/activities)



Dell and the Value Net



Linking assets/activities to the delivery of customer value



Tool for thinking about accessing assets: Appropriability/Complementary assets framework

[Teece 1986]

How should an innovator try to access assets?

Who captures value?

Complementary Assets

F	<u>reely available</u>	Tightly held
Tight Appropriability	Innovator	Divided b/w Innovator and Complementary Asset Owner
Regime Loose	???	Complementary Asset Owner

How to organize?

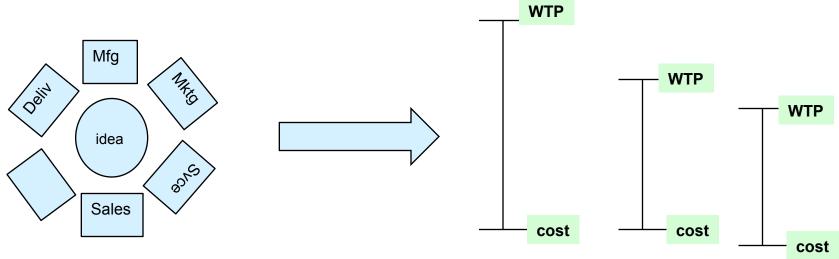
Complementary Assets

	Freely available	Tightly held
Tight	Access complementary assets via open market	Partner with Complementary Asset Owner
ity		
Loose	Diversify; Access complementary assets via open market	Can you buy or rent compl. assets assets without revealing how valuable they are to you?

Appropriability Regime

Go-to-market plan: Will we be profitable, given competitors' responses?

- Competitors will not sit still
 - Yet we often are surprised when they respond
- It is often possible to assess the magnitude of response
 - Economic motivations
 - Psychological motivations
 - Procedural cues
 - Behavioral cues



So how can you anticipate success given competitors' future responses?

One rule of thumb and two tools for thinking about this

- Rule of thumb:
 - Allocentrism
- Tools:
 - Resource assessment (VRIO)
 - Competitor analysis

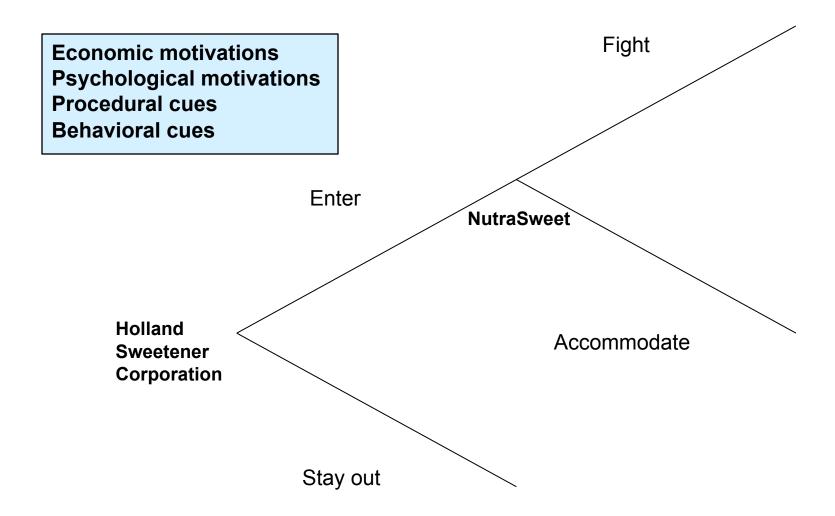
Assess the sustainability of each key activity/asset— it may be unique today, but will it be unique tomorrow?

A key source of sustainability can be the system of activities in which an activity is embedded.

Example: Dell

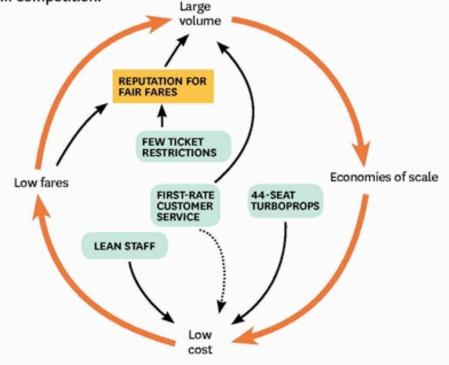
	Valuable?	Rare?	Inimitable?	Organized properly?
Just-in-time production capability	V	V	V	V
Supplier relationships	V	V		V
On-line ordering capability	V	V		V
Strong innovation skills	V			

Tool: Competitor analysis



Ryanair's Business Model Then

This depiction of Ryanair's business model in the 1980s highlights the airline's major choices at the time: offering excellent service and operating with a standardized fleet. The airline was forced to redesign its business model in the face of stiff competition.



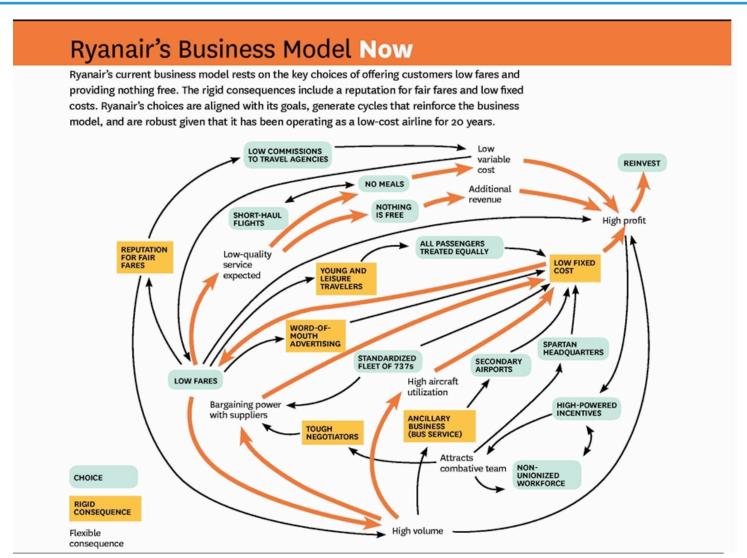
Does the logic make sense?

Are the underlying assumptions plausible?

Are there positive feedback loops? (to support growth and profit)

Is it robust to likely competitive responses?

A good business model will (probably have to) evolve over time



Additional resources

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