Finding the Next $1B Idea
CRA Workshop
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Finding the next $1B opportunity…

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Step 1: What is it?

First: Define what we’ll make

One paragraph that answers 3 key questions

– What is it?
– Who will buy it?
– Why do they want it?

Why a short answer only?

– If there’s no simple reason to do it, it probably won’t work
– Don’t spend time on detail until you’ve got the right idea

Key message is FOCUS

Can’t evaluate the idea until we boil it down to its core
Step 2: Is it worth doing?

Validate the opportunity
Market size: $$$
  - At this stage:
    Only two answers: big or small

Customer value
  - Look at it from the customer
    Better yet, ask the customer
  - “nice-to-have” or “must-have”?  

Competition and Differentiation
  - Look at what else is out there (or will be soon)
  - How is this better than the alternatives for the customer?
    • Note: customers may know some of this already
  - Why this?  Why us?

Key message is about CUSTOMER
Your customer is a person. What does that person really need?
Step 3: Can we do it?

Only now fill in the details

Product realization plan
  – What will we do ourselves?
    • Key staff
    • Project size / timeframes
    • Key milestones

Business realization plan
  – Who else are we dependent on?
    • Key partnerships / suppliers
    • Target lead customers

Financials / business case
  – Revenue -> Profit -> ROI

*Key message is about US*

*Who are we? What are core things we should make? What can others help us with? What are the incentives?*
Why Isn’t This Easy To Do?

This sounds really easy, right?
What happens when you try it in real life?

This demands some skills / mindsets that are really different
  – We (technically-trained people) are really good at developing ideas – how to solve the problem
  – This is a problem about choosing what we should work on before developing anything

What to do about this mismatch?
  – Understand this up front & talk about it
    • Great technical work may or may not have great business to match
  – Get specialized help for specific tasks
    • Business development, product dev. planning, financial modeling
Some Specific Lessons…

What Is It? (Low effort, hard to get right)

– We’re not used to defining problems with these goals ($, customer impact, etc)
– Lesson 1: A good idea has many reasons why it’s good, and it’s important and hard to focus on just a couple.
– Lesson 2: The hard part isn’t finding something we can do, it’s finding something worth doing, so work backwards
  • “Who needs this” question has to come all the way to the front
Finding Opportunities is Like Matchmaking…

What could we potentially invent?

What do people really want? (ie, what would people pay money for?)
...But There’s Not A 50-50 Mix

The viewpoint of a (self-confessed) technology optimist…

If you believe that technology can solve almost any problem, then you also believe that the market side is the key bottleneck to resolve!
Some Specific Lessons (II)…

Is It Worth Doing? (Medium effort, very hard to get right)

– Note: This thinking applies to “impact” as much as $$$$.
– We’re used to finding answers about the objective world. Some parts of this are really about what others need and think.
– Talking to others (not just other technologists) matters.
– Lesson 1: Your customer has many needs. You better solve an important one for them if you want to get them interested.
– Lesson 2: Frequently, the real need is much simpler than you think.
– Lesson 3: Solving a problem for a specific real person is a powerful motivator for the inventor, in addition to being good for business.

Can We Do It? (High effort, but more straightforward with right skills)

– We’re used to building things ourselves.
– Lesson: Know what you’re good at and what you’re not. Get help with the stuff you’re not good at ASAP.