

# From Concept to Cash: An Entrepreneur's Guide



[www.theinventorsarena.com](http://www.theinventorsarena.com)

## Introduction

This is a story about two entrepreneurs, Josh and Dakota, who find themselves unemployed after their recent jobs and conceive a business idea they want to pursue. While these characters and their situation are fictional, this eBook aims to illustrate the challenges many entrepreneurs face when launching a startup business and nurturing it into a successful small business, and perhaps beyond. The examples presented are certainly not exhaustive, but they represent some of the circumstances our entrepreneurs might encounter as they launch their new ventures. Let's learn more about our characters and their situation that leads them to address a problem or opportunity that inspires a new business idea.

### Characters

**Josh** is 27 years old and, until just a few weeks ago, worked as an engineer at a local midsized company. He started working for this company right out of college, after graduating with a degree in mechanical engineering. Josh has been married for three years to Maria (whom he met in college), and they have a two-year-old daughter, Scarlett. Josh and Maria recently bought their first home.

**Dakota** is Josh's 20-year-old younger brother. He goes to college part-time (he hasn't figured out his major) and worked part-time at a local pool supply store until it recently shut down. Before that, he worked as a lifeguard at the local community pool on the weekends and during the summer.

**Scott** is a management consultant specializing in helping organizations design strategies they need to help take them to the next level. He has worked with organizations from startups to Fortune 500 companies. He facilitates high-level and intense strategy sessions, encouraging entrepreneurs and business owners to think outside the box and see what is possible. Scott also happens to be Josh's next-door neighbor.

**Edwin** is Scott's business partner and consultant. He specializes in helping entrepreneurs design and protect their business ideas. He has a degree in mechanical engineering and is a patent agent, having helped over 3,000 entrepreneurs with their business ideas.

## Our Story Begins...

Josh and Dakota are sitting by Josh's pool one Saturday evening. It is a warm day; everyone has been playing in the pool, and the sun is setting. Maria (Josh's wife) is making dinner in the kitchen, and Josh and Dakota watch Scarlett (Josh's daughter) play with her toys on the pool deck. Josh is stressed because he recently lost his job, and with the new house payment and family responsibilities, he is unsure how to make ends meet.

**Josh:** *"I have to find a job pretty quick. Do you know anyone who is hiring?"*

**Dakota:** *"No, man, I have to find a part-time job, too. Mom is tired of me sitting around the house playing video games all day."*

Meanwhile, Maria asks Josh to come in and help carry some of the food to the patio table. Dakota, who stayed up most of the night before playing video games, begins to doze off. It is a peaceful Saturday evening. Suddenly, Dakota hears a big splash, wakes up, and sees Scarlett in the pool and under the water.

Being a former lifeguard, Dakota immediately jumps in the pool and dives for Scarlett. Josh and Maria run out of the house to see the commotion. They don't know what happened but see Dakota and Scarlett in the pool. Dakota pulls Scarlett to the side of the pool and lifts her to Josh. She is scared but OK.

This story happens all the time across the United States. In fact, Josh did a quick search and discovered that there have been over 3,500 pool deaths in the U.S. since 2005.

***[Unknowingly, Josh has just conducted his first, rudimentary market study that could potentially be valuable in a business plan].*** While Scarlett is just fine, Josh is determined to do more to protect her in the future.

The next day, Dakota goes to Josh's to watch a baseball game on TV. They are sitting in the living room, and Josh mentions the pool incident from the day before. He is still clearly shaken by what has happened. Dakota mentions a device he saw for sale in the pool supply store where he worked that can be attached to the side of the pool and sounds an alarm if something

falls into the pool and makes a wave. He said it didn't sell very well. That might be because the price was over \$200. *[Unknowingly, Dakota has just conducted a competitor analysis].*

**Josh:** *"Why don't we invent our own pool device that can sound a siren if something falls into the water? I think we can make one cheaper than \$200."*

**Dakota:** *"Do you think we could make something like that? I've never done anything like that before."*

**Josh:** *"Me neither, but let's give it a try. It will be a good chance for me to use some of the stuff I learned in my mechanical engineering courses."*

**Dakota:** *"Dude, this is awesome, but how do we make something like this?"*

**Josh:** *"I don't know, but my next-door neighbor, Scott, is a business consultant. Let's text him and invite him over and see what he says."*

Scott walks next door to find an excited Josh and Dakota drawing pictures of what looks like a floating traffic cone with a flashing light on top of a piece of paper. Scott asks what they are doing, and Josh begins to tell the story about Scarlett falling into the swimming pool and how he and Dakota have this idea of creating a pool safety device and bringing it to the market.

Scott immediately tells the guys to slow down. He begins to ask some strategic questions: Are competing devices like this on the market? How many of them? What do they cost? How big is the industry? Josh and Dakota don't know many answers and grow frustrated, thinking that Scott doesn't like their idea. That is not true at all. Scott is just trying to encourage Josh and Dakota to set aside their emotions and look at their idea through a business lens.

Josh sat quietly, thinking about the conversation. Scott could tell he was thinking and processing everything being said. Josh agrees that they don't have the knowledge or the funds to manufacture the pool device, even in small batches. Josh asks to speak with Dakota alone.

**Scott:** *"That's a good idea. I have given you some ideas to think about, and that's probably enough to process in this meeting. If you want to discuss this idea again, I would like to invite my business partner, Edwin, to join our conversation. He has a mechanical engineering degree and has helped file over 3,000 patents. He can add valuable insight to our discussions."*

*In the meantime, think more about your idea, and I suggest you get a notebook and start writing down your ideas as they come to mind.”*

Scott walks next door, and Josh and Dakota decide to list many features they would like to have in their new device.

A few days later, Scott is gathering the mail from his mailbox, and Josh comes over with an update.

**Josh:** *“You are right. We don’t have any way to bring this to market. We can’t manufacture these. We don’t know how, and neither of us has a job, so there is no way we can afford to put in a manufacturing facility. We had a great idea, but we can’t do it. We decided to drop the idea.”*

**Scott:** *“You seem discouraged, and you shouldn’t be. Remember when I said you can’t move too fast? You are working through the natural process most entrepreneurs go through when they have a business idea. This is what I was telling you the other day. This is actually progress. I knew this the other day, but you might not have believed or resented me if I had mentioned it. I was hoping you could work through these issues on your own and come up with your own conclusions. While you may be discouraged, I am actually encouraged because you just grew to the next stage as an entrepreneur. Don’t give up yet. I think it is time for another meeting around your pool.”*

## **Edwin, the IP Expert**

The next day, Scott shares the idea with his business partner, Edwin, who has a background in mechanical engineering and project management and is also a registered patent agent. Scott has already determined that Josh and Dakota will not be able to manufacture these devices, and they will need to either partner with someone to help bring the idea to market or file the device with the USPTO for a patent and then sell or license the technology.

Edwin suggests that the first step is to conduct a patent search to see if anything similar is on the market.

The next Saturday, Josh, Dakota, Maria, Scott, and Edwin meet around Josh's pool for dinner and a strategy session. Scott asks Josh and Dakota to describe what they have discussed and where they are in the process. Josh and Dakota are still slightly discouraged, saying they don't know what to do or how to move forward.

**Scott:** *"That's ok. That is what this session is all about. Let's take your idea to the next level. I need you to stay positive and keep an open mind. Edwin and I have been down this road many times before. Are you ready for the next step?"*

Josh and Dakota look at each other, still not convinced that there is a path forward. Maria looks at Josh and tells him that he has always kept an open mind and worked through adversity before. Why would this time be any different?"

Josh sits quietly for a minute and then nods his head. He tells Dakota they have come this far, so let's see where it goes.

**Scott:** *"Great. I am going to share a few thoughts with you, and then Edwin is going to help you think about different options you might have to develop your idea into a viable product. So, how can you make money from this idea?"*

Josh and Dakota look at each other again. They have no idea how to proceed without manufacturing and selling the device.

**Scott:** *"What business are you in?"*

Again, Josh and Dakota look at each other.

**Dakota:** *"We started out thinking we were in the pool safety device business, but you said there might be too much liability for that, so we decided we were in the pool supply and accessory business."*

**Scott:** *"That's good. I'm glad you remember that conversation. Now, let's take that to the next level. How else can you make money from your idea?"*

Josh and Dakota look at each other again, but they can't come up with any ideas. Dakota finally glances up with a confused look.

**Dakota:** *“Are you asking how we can make money without manufacturing the floater and in addition to just selling it?”*

**Scott:** *“Yes, that is what I am asking. I am going to share an idea with you, and then Edwin is going to share one as well. We need you to keep an open mind. We call this the brainstorming stage, and many ideas are often developed; some good and some bad.”*

Josh and Dakota agree to have an open mind. Edwin asks Josh if he has a whiteboard to capture ideas as they are created. Josh says no, but says he has a large 2' x 3' drawing pad that he has used to sketch some mechanical designs in the past.

**Edwin:** *“That’s perfect. If you can grab that and some markers, we can sketch out some ideas.”*

**Scott:** *“You started out thinking you were in the pool safety business. I think we have abandoned that thought and moved on to the mindset of being in the pool accessories and supply business. Now, let’s take that one step further. Are you ready to really think outside the box? Now, let’s think about you’re not being in the pool business at all.”*

**Dakota:** *“Are we going to create a new product idea?”*

**Scott:** *“No, same product – different mindset. Let’s say you find a way to manufacture the floaters and bring them to market. No matter how you sell them (online or retail), they are still basically one-off sales. In other words, most customers will buy once. Wouldn’t you like to have an ongoing relationship with the customer that allows them to pay you regularly?”*

**Josh:** *“Yeah, that would be great. But the device has to last at least one pool season, I don’t think they will buy more often.”*

**Scott:** *“I agree. But you are not going to be in the pool accessory business. You are going to be a technology company.”*

**Dakota:** *“What?”*

**Scott:** *“Josh, what if you sold the device at a small markup, but the real value comes from the app that you develop. In addition to sounding an alarm, it also sends out cell phone*

*alerts to as many people as you like and notifies them of movement in the pool. Think about Scarlett. You could have alerts automatically sent out to your phone as well as to Maria, Josh, and the babysitter's phone. That way, whoever is closest to Scarlett could hear the alarm and respond. You could even have the option to alert the HOA security guards or even notify emergency services."*

**Dakota:** *"Wow, that's a great idea. Think of how many lives could be saved with something like that."*

**Josh:** *"I really like that. But tell me about the business model of being a technology company that you were talking about."*

**Scott:** *"In addition to selling the device, you also sell this add-on alert service as a monthly subscription. That way, you will have recurring revenue from each customer. Most of them will pay for it – who wouldn't pay for the safety of their child?"*

**Dakota:** *"Oh man, that is great. Most people are too lazy to cancel their subscriptions. And they would pay for them throughout the year, even when it isn't swimming season because the pool is still there, and kids could still fall in them. That is a great idea. And the other company that sells the \$200 model doesn't have anything like that."*

**Scott:** *"That is something for you guys to think about. Now, let's see what idea Edwin has."*

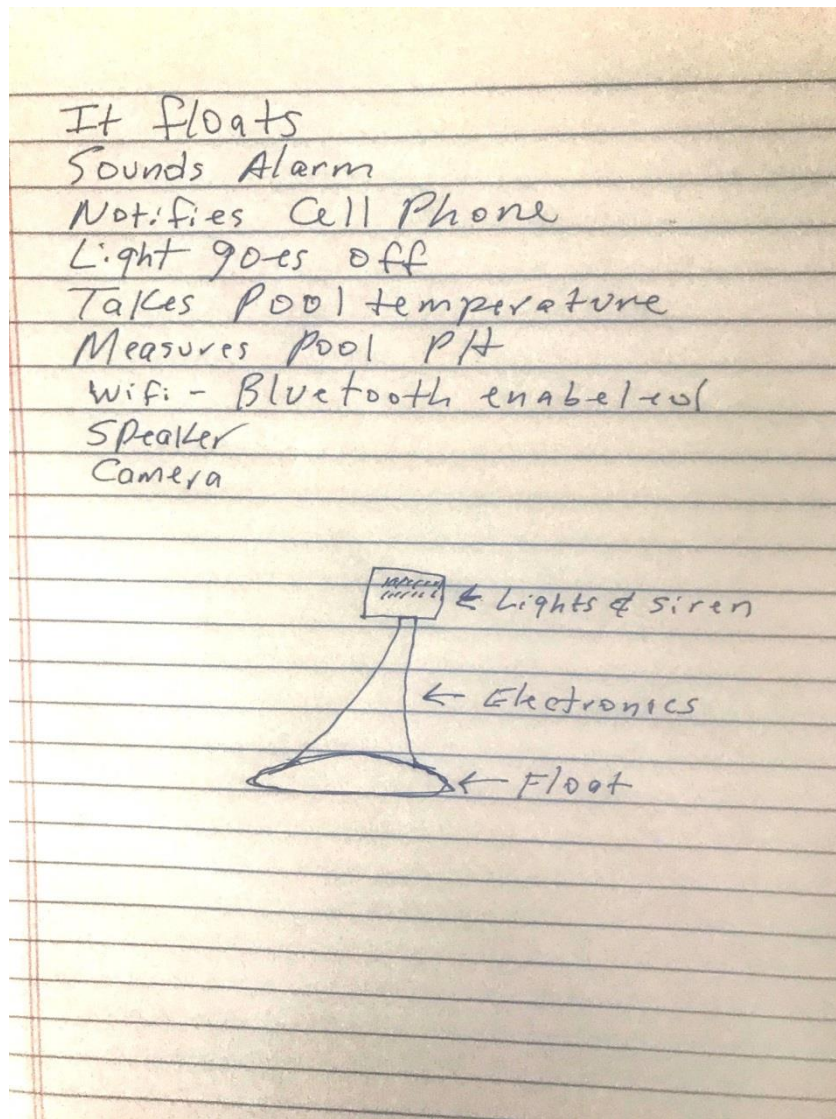
**Edwin:** *"I like the direction this is going. But there are a few steps that we might want to take before moving ahead too much. Have you done a patent search to see if anyone else has anything remotely similar, other than the one example Dakota saw in the pool store?"*

**Josh:** *"No, we never thought about that. Do we need to patent it?"*

**Edwin:** *"Well, from what Scott tells me, it is unlikely that you are going to be able to manufacture the devices yourselves. Do either of you write code and can create the app?"*

**Josh:** *"No."*

Edwin hands Josh a notepad and asks Josh and Dakota to describe their ideas. Edwin knows these words will be instrumental in a patent search in order to see how unique Josh and Dakota's idea is. The list includes solar power with battery backup, Bluetooth technology, flashing lights, monitoring the pool temperature and pH level, sending the data to a cell phone, and many others.



Edwin opens a tab on his laptop browser, enters a web address, and turns the laptop toward Dakota.

**Edwin:** *Dakota, you have the honor of conducting the initial search to see if your idea might be patentable."*

The first result is for a “*safety monitoring system with in-water and above water monitoring devices*”.

Dakota was disappointed at reading the heading, but Edwin asked him to read the Abstract and Description to see how close this patent is to their idea.

It turns out this product is primarily for cleaning the pool and monitoring the condition of the water. The second result was for a similar product. The third result for “*System, Device, and Method of Detecting Dangerous Situations*” described a safety device, but the unit must be physically attached to the swimmer – a totally different type of device. The rest of the results were not similar at all.

**Edwin:** “*It looks like you may have something unique. The reason I wanted you to explore a patent is because you guys probably are not able to manufacture this device. You will likely have to license or assign the patent to someone who can make these for you and you will want as much protection for the idea as possible before opening discussions with anyone.*”

**Scott:** “I think the idea is exciting, but there's a lot to consider when thinking about starting a company like this.” We need to talk this through and develop a plan.”

## **The Inventors Arena**

This describes how Josh and Dakota came up with the idea of creating a pool safety device. The discussion continued for a while. Scott is realistic and tells Josh and Dakota some things to consider as they move forward with their idea.

Knowing that Josh and Dakota have limited funds, and no present income source, Edwin and Scott decide that Josh and Dakota are ideal candidates for their Inventors-Arena program.

Edwin and Scott created The Inventors-Arena program to help startup inventors like Josh and Dakota develop, design, and monetize their invention ideas from the concept stage through to the stage of generating revenue. Scott texts Josh and Dakota and tells them

## A Company is Formed....

Two days later, Josh texts Scott, inviting him over after he gets home from work. It appears that Josh has been online conducting research and has decided to move forward with the idea. He has filed a new company with the state— *Pool Safety, LLC*. Scott agrees to come over after dinner.

**Josh:** *“OK, Dakota and I have decided to move forward, and we want to know what we need to do next.”*

**Scott:** *“Tell me what you want to move forward with. Share your vision with me so I can understand what you want to do.”*

**Josh:** *“We want to design and manufacture a pool safety device that can help parents save their children’s lives.” Hey, that would make a great mission statement, wouldn’t it?*

**Scott:** *“Probably not. But we’ll get to that a bit later. So, you filed for a new company, and you called it Pool Safety, LLC. How did you come up with that name?”*

**Josh:** *“Well, we want to make a product that makes pools safer, and maybe in the future, we might have other products that we can sell under that name, too.”*

It is at this stage that Scott sees that he is going to have some serious strategy discussions with Josh and Dakota.

**Scott:** *“Let’s get you two signed up for The Inventors Arena, and that will provide a step-by-step guide to help you bring your invention to the market.”*

Three days later, Scott, Josh, and Dakota sit on the back porch and talk about the idea. Scott begins by asking what should be an easy question, but one that elicits a great deal of discussion.

**Scott:** *“So, what business are you in?”*

Josh and Dakota look at each other. Neither responds.

**Dakota:** *“What do you mean ‘what business are we in’?”*

**Scott:** *“From your perspective, tell me what business you are in.”*

Josh is the first to speak and states that they are in the manufacturing business. Dakota responds and asks if they are really in the safety business.

**Dakota:** *“We’re in the business of making money.”*

**Josh:** *“Why did you ask that question, and why did you ask that question first?”*

Scott deflects the question and begins what turns out to be a lengthy discussion by asking Josh and Dakota how they came up with the name *Pool Safety, LLC* for their company.

**Josh:** *“This will be the best pool safety device on the market. We are going to save lots of lives.”*

Scott tells them that while the general idea might be good, its positioning in the marketplace is critical.

**Scott:** *“Josh, I know you want to save lives with this idea, but I think you should think carefully before calling it a **pool safety device**. If you do, your potential liability may go up dramatically. I suggest you have it classified as a pool accessory, and you make no guarantees about pool safety.”*

Scott begins to tell Josh and Dakota about selecting names that take into consideration marketing, advertising, branding, and legal considerations.

**Scott:** *“You see, if you state that you are in the ‘pool safety business’ and a child dies or gets hurt, you probably have assumed some liability and could possibly be sued. However, if you state that you are in the pool accessory business and you do not make promises or guarantees regarding safety, that might significantly mitigate your risks. We’ll talk more about that later when we get into the risk assessment.”*

**Dakota:** *“Why is this important right now to discuss?”*

**Scott:** *“Because you have officially (by registering with the state) selected Pool Safety, LLC for your company name. That itself may convey the message to the world (and possibly plaintiff attorneys) that you are in the ‘safety’ business, whether you think you are or claim to be. You may have already assumed risk just with the name you have selected for your company.”*

**Josh:** *“I never thought about that. But how would we market it for something it does, without marketing those characteristics?”*

**Scott:** *“We’ll get there. Actually, there is more to positioning this idea, but it involves your business model, marketing strategies, and sales cycles, and we are too early in your development process for me to share those ideas with you. I need to guide you so you develop these ideas as they evolve.”*

**Dakota:** *“Can’t you just tell us what we need to do now? Let’s start making these and selling them. Josh and I need income.”*

**Scott:** *“No, you can’t move too fast. Being an entrepreneur is a process, and I need you and Dakota to work through the natural evolution of developing and growing an entrepreneurial mindset. If you skip this step, you will struggle whenever an issue arises.”*

**Scott:** *“Guys, there’s a lot of strategy that goes into picking the name of a company.”*

**Dakota:** *“What strategy could be involved with just picking a name?”*

Josh and Dakota look at each other, sit silently and think about their company name.

**Josh:** *“We should have had a strategy session with you before we even selected the name. What do we do now?”*

**Scott:** *“Are you going to fund this business with your own money or are you going to have to seek outside investors?”*

**Dakota:** *“I don’t have any money to put into a business.”*

**Josh:** *“I don’t either. I was hoping to make money, not spend money, with this idea.”*

**Scott:** *“Well, if you are going to have to get outside investors, you probably will have to refile the business as a corporation anyway, so the name you selected can be changed when you refile with the state.”*

**Josh:** *“You mean we selected the wrong type of company to form too?”*

**Scott:** *“Most likely. It depends on who you will ask for money. If you just ask family and friends, an LLC might be OKAY. But if you are going to see angel investors or VCs you may end up forming a corporation. We’ll have to have another investor strategy session soon so you can design your strategy for raising money.”*

This session continues for a few hours with Scott asking strategic questions that Josh and Dakota never considered. By the end of the session, the brothers look tired and frustrated. Scott reassures them that all startups have to (or should) go through a series of strategy sessions in order to establish their organization for success.

Josh and Dakota discuss their progress and decide that not only do they need to sign up for The Inventors Arena, but they also need to sign up for the Concept-to-Cash strategy session Scott facilitates for new inventors. They sign up for both.

## **Creating a Business Model**

A few days later, Josh and Dakota schedule their strategy session with Scott. Now that things are getting more serious, Scott schedules this meeting in his strategy war room. When Josh and Dakota enter, they see that Scott has taped some posters up on the wall to help guide the discussion.

**Scott:** *“Previously, I had asked you what business you are in, and I received different answers. Before moving forward, it is very important that we determine the actual business you are in. I think you debated before whether you were in the pool accessory or pool safety business and Dakota ended up saying you were in the business of making money. So, I ask again for discussion purposes, what business are you in?”*

Josh and Dakota go back and forth on trying to determine what business they are in. Not being able to clearly define the business is a red flag, but this one can usually easily be addressed. Despite previous discussions, Josh states that from his perspective, they have to be in the pool safety device business; otherwise, they won't be able to market it, and no one will buy it.

After the discussion continues for a few minutes, Scott interjects and begins to ask a few strategic questions to refine the discussion. Josh and Dakota lean toward stating they are in the pool safety business, and Scott begins to ask them questions about levels of liability insurance, multi-level structuring of the business, etc., to help mitigate the risk.

**Scott:** *“You can certainly be in the ‘pool safety’ business. Just understand that if there are injuries or deaths in pools where your device is used, you may be subject to litigation. On the other hand, if you decide you are in the pool accessory device business and you put proper disclosures on your packaging and website, this might significantly decrease your risk. Of course, your marketing approach has to match, and if you intend to market safety and then sell a safety device, then you have to make the decision right now to be in the pool safety device category.”*

This line of discussion prompted Josh to take a step back and consider all the potential liability he might be assuming. He wants to sell a pool safety device but starts to think about what a multimillion-dollar insurance policy might cost. He doesn't know what to do.

**Dakota:** *“I think we should be in the business of making pool safety devices. I mean that is what we started out doing. Sure, we might have some liability, but doesn't every company have liability?”*

Josh thinks about Scarlett in the pool and that is the reason for the business idea, so he agrees with Dakota and states – “OK, we are in the business of making pool safety devices.”

They both seemed relieved, but Scott knows this is just the first part of a long discussion. A discussion, he decides, needs to wait until another time.

**Scott:** *“OK, you both used the term ‘making pool safety devices’. Does that mean you are going to be in the business of manufacturing these devices? Are you going to make them yourself, or are you going to outsource manufacturing to someone else?”*

**Josh:** *“We don’t have a place to make these. As an engineer, I can design it, but we don’t have the money or expertise to get into manufacturing these things.”*

So, the decision has been made that Josh and Dakota will be designing a pool safety device, filing for a US patent for the idea, and then locating a manufacturer. There is a lot more that goes into this discussion, but Scott decides to table this for now and talk about some other aspects of the business model.

**Scott:** *“Let’s talk about your vision. If we were to meet here again three years from today, describe for me what the organization looks like.”*

**Josh:** *“Wow, we have not thought about the future. We haven’t even started yet. I think that is a discussion for months from now.”*

**Scott:** *“Actually, that is a discussion for today. Some of the decisions you are making right now can impact the relationship you might have with potential investors and how you will generate income.”*

**Josh:** *“I don’t understand. Why would an investor be concerned about what we are talking about today?”*

**Scott:** *“Investors will review your business model to determine their potential risk and their potential return on investment. For example, if you license your idea to another firm to manufacture these devices for you, and you only receive a licensee fee, investors will receive a percentage of that license fee. But if you negotiate a licensee fee and a percentage of every device sold, that is a larger ROI for a potential investor. So, what is your vision?”*

**Dakota:** *“We will be millionaires.”*

**Scott:** *“So Dakota, your vision is to make a lot of money.”*

**Dakota:** *“Well, yeah.”*

**Josh:** *“My vision is we save 30 lives over the three years.”*

**Scott:** *“OK, so you two have two different visions. That’s not necessarily wrong. You can both achieve your vision simultaneously, but different strategic decisions will need to be made to get you there. Josh, how will you know that you saved 30 lives? Will you require each customer to report to you each time the device is used to save a life?”*

Josh started to think more about his vision. While it seems noble, it may be impossible to monitor when that vision is achieved. Scott assigns working on a vision as part of the homework for Josh and Dakota between now and their subsequent strategy session.

**Scott:** *“OK, let’s move on to pricing. Let’s assume that you will design this pool product and have an outside entity manufacture it for you. While we’ll talk more specifically about marketing later, right now, I want to know what your thinking is regarding pricing. Do you want to be known as a low-cost, best-value, or high-cost provider?”*

**Josh:** *“Why is this part of our business model? Can’t we come back and talk about pricing later? There are so many unknowns right now.”*

**Scott:** *“We will definitely be talking about pricing later when we have our marketing session, but it is important to have an idea on how you want to be known within your industry because that affects other decisions that you make.”*

**Dakota:** *“What do you mean?”*

**Scott:** *“Well, if you are a low-cost provider, you might make different decisions about product features, quality, packaging, and other areas than if you decide, for example, that you want to be a high-cost provider. You will want to make sure you find a manufacturer who aligns with your approach to be low-cost and you will want to make sure potential investors understand that you are a low-cost product and a certain amount of volume will need to be generated for their return on investment.”*

**Josh:** *“Wow, I never thought about pricing being so much a part of strategy that it becomes part of your business model.”*

**Scott:** *“Once a company decides on the level of pricing it will use, that generally becomes part of the organization's fundamental operations. For example, think of a well-known, low-cost company; do you ever envision them being anything but a low-cost company?”*

Josh and Dakota have a lot to think about. Josh wants to be a low-cost provider so everyone who has a child can afford the product. Dakota wants to charge as much as possible for each product. Scott assigns this discussion as more homework for the two in preparation for their next strategy session.

**Scott:** *“Now, you need to have another discussion with Edwin about filing for a patent to protect your idea. The patent process takes a while, and if you are going to move forward, and it sounds like you are, you need to begin discussions on how to protect your idea and position it to monetize it through a license agreement.”*

Josh and Dakota have a virtual meeting with Edwin, and Edwin asks Josh and Dakota to write up a brief description of their product idea and features. He tells them to include anything about their idea that makes it unique, based on their earlier patent search results.

**Edwin:** *“Do you have the funds to file a patent, have 2D and 3D drawings generated for the patent application, produce a prototype that can be shared with others, and create a website and actual video of the prototype being successfully used in a pool?”*

Josh and Dakota indicate that they likely don't have the funds to do all that, and Edwin suggests they talk to Scott about creating a business plan to reach out to investors who might be interested in funding their idea.

## **Josh's House...Later that Same Day**

**Josh:** *“Wow, I never knew there was so much work that went into starting a business. I thought you just came up with an idea and started a business. There are so many mistakes we could have already made without the help of Scott and Edwin making us think through all these areas. The Inventors Arena is helping us stay on track, otherwise, we would be all over the place and not know what to do.”*

**Dakota:** *“Yeah, I Know. I thought, ‘How hard can it be?’. This time I think I better put some thought into completing the next sections of The Inventors Arena. We can’t make any more mistakes.”*

Josh and Dakota spend six hours that evening and into the early morning talking about their business idea. They spend a lot of time thinking about what the business should be in 3 years and what they need to do right now to make sure that vision is achieved. That includes a long discussion on pricing. They decided they needed to sign up for the business plan module of The Inventors Arena to raise some money to move forward.

Josh and Dakota clearly have different personal goals, and those personal goals are impacting their business decisions. Dakota wants to make as much money as possible. He doesn’t have a job, has never had a full-time job, and thinks this is his key to the future.

Josh has different goals. Although he is currently unemployed, he can always search for a new engineering position and take care of his needs. However, having Scarlett fall into the pool had a profound impact on his view of life. While he wants to make some money, that is his secondary goal. His primary goal is to bring this device to market to help save as many children as possible.

Josh sends Scott a text. *“Is it possible for two business partners to have two different goals and the business still succeed?”* Scott writes back, *“Yes, it is. In fact, it would be rare for two business partners to have the same personal and professional goals. Both of you can be successful, but only if you strategically design for these two different goals into your business model. In fact, it is time for you two to start thinking about your business model. That is usually part of the thinking process created in a strategic plan.”*

## **Strategy Update Meeting**

The next day, Josh meets Scott as he pulls into his driveway.

**Josh:** *“Why do we need a business plan?”*

**Scott:** “You said you and Dakota didn’t have personal funds to create, launch, and run this business. That means you will have to seek investors. Investors will want to see a business plan and a pitch deck. And, unlike 99% of the business plans presented to investors, your plan will have the strategies included that the investors are looking for.”

Josh: *“I don’t know how to write a business plan.”*

Scott: *“Well, The Inventors Arena program will help guide you through the development of a basic business plan. It will provide the fundamentals you need for the plan. If you need more, reach out to me and we can discuss working on more of a sophisticated business plan.”*

Josh and Dakota sign up for The Inventors Arena. They decide they definitely want to submit a patent for their idea, and they decide to have some 2D drawings created for their patent submission. The Inventors Arena helps Josh and Dakota create their drawings.

As they progress through the program, they start their business plan, only to discover that they just don’t have the ability to set pricing, complete a competitor analysis, locate current industry data, etc., so they reach out again to The Inventors Arena who helps create the business plan.

## **Ready for Action**

Josh and Dakota finally make it through The Inventors Arena program. Working with a patent agent, they have filed for their patent. They have created their business plan, created their pitch deck, and refined their 2-minute pitch, and they are ready to reach out to possible investors.

They reach out to The Inventors Arena one last time and sign up for an Investor Mock Session. They want to practice their pitch before setting up appointments with investors. It takes three delivery practice sessions, but Josh and Dakota are finally ready to present their idea to the world.

## **The Inventors Arena**

The Inventors Arena is a program designed to help startup inventors create their ideas, protect those ideas, prepare to meet investors, and evolve their inventions from concept to cash.

For more information on The Inventors Arena, please visit our website at [www.theinventorsarena.com](http://www.theinventorsarena.com) or call (855) 443-3283.



This fictional scenario is not meant to serve as legal, financial, fundraising, or other advice. Please seek the help of qualified professionals to bring your idea from concept to cash.