

The PARAGON Perspective From the President

PARAGON Perspective is sponsored by PARAGON Development

We want to use this newsletter to do the following:

- Share information we have learned that we consider important concerning best practices, trends, successes and failures, conferences, and other elements that will enable all of you to grow your organizations with maximum top and bottom line results.
- Share information about select client initiatives that may be of interest based on technologies, markets, or business needs that you believe could fit within the scope of those client's interests.
- Share personal observations and even humorous items given to us by others.

All issues of *The Paragon Perspective* are archived on our website, so you may easily pass along past issues to colleagues.

This month's perspective, "**Staging Strategy – Part 2**" is the second part of a two-part-series. It can be invaluable in both determining and capturing new value. Last month we began this topic with an overview understanding of using staging strategies and this month we will provide a little more detail on how to do that.

We hope you are enjoying a prosperous 2008, even with the economy having the problems it does!

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Paragon Update

Amazingly, PARAGON has remained vibrant and we are already formally scheduling first quarter 2009 assignments. It has been a record breaking year and we offer a very humble and sincere thanks to those whose trust has made this a reality.

Conferences

Upcoming conferences that we have been asked to include in the newsletter are:

LES—Licensing Executive Society
Annual Meeting—Orlando FL
October 19-23

LES is an organization that is best in class in technology transfer and intellectual asset management. Well beyond the Licensing aspect of it. We thoroughly recommend this even and hope to see you there. Information and registration is at: WWW.LES.ORG

Technology Transfer/Capabilities

This section is open for clients, friends, and other newsletter recipients to spotlight technologies they have available for licensing, acquisition, development, or could be available to use. Please send a description of your technology to be posted in this section for future newsletters. Inquiries can either be sent directly to those who have posted information, or, we could forward any/all inquiries to you. This section highlights non-client project technologies.

This newsletter has a distribution of several thousand individuals who are primarily in new business development, so the audience has the potential to generate legitimate interest. We do reserve the right to withhold posting any technology closely related to ones in which we have a client conflict.

Technologies of Interest

1. Inductive Power Transfer: A client has considerably improved efficiency and distance in power transfer without wires or direct connection. This opens doors for many applications in electric vehicles, industrial applications, and other fields too numerous to mention.
2. Wax modifier: A client had developed an additive that modifies waxes with many new property improvements. One key one is that it makes waxes more adhesives which enables significant possible improvements in hot melt adhesives and sealants in cost reductions and enabling use in new areas.
3. Thermo-set process: A client of ours has developed a new thermo-set material that offers better processability to comparable thermo-sets such as polyurethanes while improving properties and lowering costs in many composites applications.
4. New engine: A client has developed a new and proprietary engine that could be used in automobiles and other vehicles. It is 40% less cost and weight with the same horsepower and it also would have 20% better fuel economy than a comparable horsepower motor. There is no compromise on robustness or durability.
5. Fuel cells: A client is investing in producing the next generation of fuel cells directed at large vehicles such as buses or trucks. They are interested in any new technology that could add robustness; power efficiency; storage; etc. to a commercially successful next generation platform.
6. Additive materials: A client is interested in licensing or acquiring either binder or additive materials that have differentiation in specialty; high performance; and industrial coatings.
7. Advanced materials: A client is looking to make significant investments in a wide range of advanced materials including metals; composites; polymers; and additives such as nano-particles. They encourage discussions with venture and academic communities in addition to commercial enterprises.
8. Acrylics technologies: A client is interested in any new technologies related to acrylics production or in functionalizing acrylics in areas such as coatings

For more information on the above 8 opportunities contact
Jack Peregrim @ (203) 288-4154 or Peregrim@ParagonDevelopment.com

9. Anti-Hair & skin amino acids: A client has a proprietary technology based on natural amino acids and peptides for anti-aging skin and hair with cosmetic and personal care formulations available. The technology addresses the issue of hair aging which is unique but also applies to areas such as: treating wrinkles; loss of collagen; dark skin and age spots; cellular inflammation; acne; facial oil; hair loss; and premature hair graying. This technology is available for licensing and other commercial vehicles.
Contact Shyam@BiodermC.Com

Quotes of the Month

"Innovation is not the product of logical thought, even though the final product is tied to a logical structure."
Albert Einstein

"Defeat is not defeat unless accepted as a reality—in your own mind." *Bruce Lee*

"You always pass failure on the way to success." *Mickey Rooney*

"Long shots do come in, and hard work, dedication and perseverance will overcome almost any prejudice and open almost any door." *John H. Johnson*

"The essential thing is to put oneself in a frame of mind which is close to that of prayer." *Henri Matisse*

"Worry often gives a small thing a big shadow." *Swedish proverb*

"Thorough preparation makes its own luck." *Joe Poyer*

"A new idea is delicate. It can be killed by a sneer or yawn; it can be stabbed to death by a quip, and worried to death by a frown on the right man's brow." *Charlie Brower*

"A problem is an opportunity to do your best." *Duke Ellington*

Interesting Words

Nosism: (NO-siz-em) Noun

The use of 'we' in referring to oneself

Demarche: (day-MARSH) Noun

A course of action, especially a diplomatic petition or protest

Louche: (loosh) Adjective

Of questionable character, dubious, disreputable

Apograph: (AP-uh-graf) Noun

A copy or a transcript

Pleoexia: (pli-uh-NEK-see-uh) Noun

Excessive or insatiable covetousness

“Stating Strategy – Part 2”

Background:

Last month we gave an overview of what a staging strategy is and the rationale for employing it formally and with a stronger commitment than is typical today. This month we will offer suggestions on the “do’s and don’t’s” in implementing a staging strategy.

Recommendations:

- Have a staging strategy written formally into all stage-gate processes. Stage-gate is inherently a staging approach for projects but does not set staging in implementation as a critical component. These are mutually exclusive.
- Don’t overlook the ‘long term’ requirements! In other words, most organizations utilize a staging strategy as a means of generating short term contributions that can fund longer term developments; and that is a healthy and efficient means to ensure that initiatives can reach their ‘inevitable’ potential. Yet, there can be a drawback if the shorter term contributions become the mission and not just the means to accomplish the ultimate objectives. Basically, a balance is needed that does not sacrifice efforts needed to achieve both short and long term objectives.
- Allow short term (first stage) targets to have latitude in deviating from strategic fit. As an example, an organization could functionalize a material with an ultimate value in automotive applications and they define themselves as being in transportation materials, but, the shortest term applications could be in areas such as building and construction; packaging; or electronics. This does not mean that the company is diversifying; it is only setting themselves up to strengthen their position in their core market over time. And, there are many ways to implement the commercialization that do not require the same level of commitment that an organization would have to its core business or industry using approaches such as licensing; partnering; distribution; etc.

We have been involved in projects where an organization will set very strict parameters up front that preclude a staging strategy from being executed. In the example above, the organization would set scope that any development must be in transportation. The most productive way to set scope would be that the “primary target” would be in transportation but secondary applications could be pursued if they furthered the ultimate objectives by providing quicker revenues or showing proof of concept.

- Allow greater risk in the earlier stages. Take your risks in those areas offering quicker rewards and that may not be your main strategic markets.
- Don’t start with your existing, main customers. There is no more certain way to get locked into a non-staged strategy than to focus initially (and it will become completely) with your existing main customers who have the most leverage on you.
- Have two different S.P.A.’s (single point accountability) assigned to short term activities and someone else assigned to the longer term. It is difficult to wear both hats at the same time.

Summary:

This is a topic that we are emphasizing in the corporate environments but it also applies to ventures and any smaller sized organization, probably even more so in smaller companies. This is also a topic with the potential to

have the most positive contribution impact long term of any we have addressed, at least this year to date. It is just amazing how much waste and lost opportunity occurs because of the lack of a good staging strategy.

As always:

We address many topics and most are at the request of readers, clients, and other business colleagues as this one was.

We hope that this perspective has stimulated thoughts and helps improve your future returns. It has been our intent to pass along things we have learned or experienced on topics involving growth and new business development. Particularly ones that may be provocative or be beyond those considered every day. We do not try to presume to be the leaders in all areas we cover and we invite others to contribute with comments, additions, or criticisms. We encourage feedback in any media and will post your contribution in a future newsletter if you allow it.

We also will continue to focus on topics that the readers choose in almost all cases over ones we consider within our staff so please continue to send requests for topics that you want to have covered.

PS:

We want to remind our readers that this section of the newsletter is open up to anyone with a development topic or an approach they would like to share. Four of the twelve topics of 2007 were submitted by others and we know many consultants, company managers, and academics who have very solid and profound contributions they could make in future newsletters. We ask that it be from 600 to a 1000 words although that is not a 'hard' range. Let us know and we will gladly distribute your topic to the thousands of people on our distribution list. Also, we will agree that the copyright and ownership is kept by the contributor and that we only have a right to reproduce it in conjunction with this newsletter.

Trivia

1. What is the origin of the tradition whereby a man proposed with a gold ring?

The tradition of a man proposing with a gold ring dates as far back as 860 A.D. when Pope Nicholas I stated that a man should give his bride a gold ring to show his personal financial sacrifice for her hand in marriage. Since the 12th century a ring has been included in wedding ceremonies thanks to Pope Innocent the Third who preordained that rings should be exchanged when parties were marrying in a church and that they should be exchanged at some point during the service. But it was not until the early 1900's that men began to wear a wedding ring.

2. What are the fastest growing hairs on the human body?

The hairs on a man's beard grow faster than any others. If the average man never shaved, his beard would grow about 30 feet in his lifetime.

3. What will a raisin do if dropped in a fresh glass of soda?

It will bounce up and down continually from the bottom of the glass to the top.

We hope you learned something from this and/or stimulated an action that leads to new opportunities for you and your organizations.

Previous issues of our newsletters can be found at <http://www.paragondevelopment.com/perspective.html>.

Your friends at:

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<http://www.paragondevelopment.com>

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Mission:

The PARAGON Perspective

To ensure that our clients make decisions that optimizes their growth and measurable value creation. We will do this with unequalled effort and efficiency.

Background:

PARAGON employees and affiliated industry partners are dedicated to helping clients optimize their planning and development efforts. We bring a network of external industry experts who provide objective information and insight into critical areas affecting our client's success potential. In addition to our own experience base and the external access to knowledge, we utilize a decision making process that combines best practices such as Voice-of-Market™; Stage-Gate; and Discovery Based Learning. Very simply stated, we combine efficient processes with the information necessary to ensure that commitments are made with solid, objective knowledge. We allow planning and development from the 'outside in' that compliments internal efforts.

We are not industry specialists. The experts from our PARAGON Network™ provide the specific knowledge in their fields while PARAGON brings process and functional experience that generates and interprets the relevant information.

Focus:

Our client assignments are broken into three main areas:

1. Retainer agreements in which we offer discounted plan with minimum thresholds for numbers of Forums or phases. They are exemplified by clients who may write us into their R&D or new product development processes in which a PARAGON Forum is required as a part of a gate approval.
2. Evaluation and monetization of assets such as technologies, operational capacities, or new product extensions. PARAGON's support is particularly valuable when the potential is unknown but falls outside core markets or industries.
3. Support in strategic planning and strategic expansion into non-core business areas. The deliverables are typically in the form of a strategic commitment into new platforms.

Mechanics:

The steps employed are a combination of internal (client) and external events. The internal events include:

- Setting criteria for the project.
- Examining the internal knowledge base.
- Setting scope and charter issues.
- Determine specific outputs required for overall success.

External events are:

- PARAGON Forums that have 6-8 external experts who bring distinct but complementary knowledge about markets, industries, trends, competition, channels, downstream value, and function excellence that is specific to the assignment. These are typically day long events that have been referred to as "Super Focus Groups" with the client involved in the planning and then viewing the group and providing guidance and direction throughout the day. All this without the outside experts knowing whom the client is and they are thus unbiased, creative, and provide different perspectives than our client has because of their 'inside-out' viewpoints.
- Surveys and interviews with people from our PARAGON Network™ that generate very targeted information that our clients require.

We hope that you have enjoyed the issues of *The* Paragon Perspective that you have received and will let others who might find this newsletter useful know about our publication. To provide us with profile changes; or to let us know about other individual interested in receiving our newsletter; or for other information just click on this link <http://www.paragondevelopment.com/contact.html> (or copy and paste this shortcut) and complete the Contact/Request for Information form (be certain to include your email address) or you may simply reply to this email and provide us with (or ask us) the information.

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