

*Sappy holidays!*

## *The* PARAGON Perspective

### From the President

PARAGON Perspective is sponsored by PARAGON Development We are not intending, and will not use this communication to promote our business. There are other times and places and opportunities for that.

We hope to inspire debate and pass along information that may enable all of us to better understand and succeed in our new business objectives in the future. Plus, we hope to make you smile and think. We further hope you pass these along to colleagues who may have mutual interests.

We want to use this forum 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.

We welcome your comments on any topic and encourage you to contribute to future newsletters. The PARAGON Perspective is now in its fourth year and this is our 42<sup>nd</sup> edition of The PARAGON Perspective. We thank everyone for their newsletter contributions and for the ideas and suggestions that have brought recognized improvements and made it easier for us to produce.

This month's newsletter will highlight our opinion on the business development topic: "**Striking Fast**".

Jack Peregrim  
Pres., PARAGON Development  
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### Paragon Update

This edition brings us to the end of our fourth year of this e-newsletter. Our thanks to the many people who have made suggestions, requested topics for our essays and who have contributed quotes and other things. We see this effort as a collaborative one in which all of us together are smarter than a select few. We will continue to add "marketing" oriented information about PARAGON at the end of the newsletter as requested, so only those people who are interested need review that information.

At PARAGON we are finishing several projects that we had reported on over the past few months and starting new ones with a large international flavor from New Zealand to Germany. These projects are in fields as varied as bioinformatics to coatings to security processes.

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### Conferences

PARAGON personnel have accepted a number of speaking engagements in 2006. These will be highlighted in future editions. We will also post upcoming conferences where we may be planning to have representation.

This space is reserved for announcements of conferences or events that may have value to our readers. We will gladly add others as requested. We have resisted "monthly" meetings but, due to the many requests, we will add those in 2006.

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## **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.

### **Technology Highlight**

Our client has developed a musculoskeletal/skin computer modeling system. Core competencies of the MusculoSkeletal/Skin Modeling System are:

- They have developed models of all the muscles and bones in the human body, and are presently developing models of all tendons, ligaments, and cartilage, that are able to describe the anatomy (geometry and internal tissue structure) of a body and provide a framework for multi-scale modeling (i.e. connect tissue/organ level function with models of protein pathway processes at a sub-cellular level).
- They have created models of the geometry of the skin over the entire body that can be linked to models of the underlying musculoskeletal system to compute skin stretching in various regions of the body. Including, anisotropy, thickness, and inhomogeneity of skin properties at all locations over the surface.
- Facial animation
- 3-D structure of soft tissues at submicron resolution.
- Mechanical testing of skin for measuring the mechanical and electrical properties of intact soft.
- They have developed models to represent the effects of contact mechanics between adjacent muscle groups and also bone.
- Neural innervation of muscles
- Stress analysis in bone
- Multi-scale modeling (molecule to organ)
- Fitting models to anatomical data
- Host mesh fitting to make person-specific models
- Blood perfusion in subcutaneous tissue
- They have developed their own 3-D visualization software
- They have developed graphical user interfaces

If anyone is interested in this capability, our client will be glad to provide additional information and specific requests will allow responses directed toward distinct applications. They are interested in licensing and forming partnerships for further product and commercial development.

Please contact: [peregrim@paragondevelopment.com](mailto:peregrim@paragondevelopment.com)

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## **Technologies Being Sought**

A client of ours has an interest in additives, processes or other technologies that would have value in delivering new functionality to polyurethanes. The client is a large chemical company. If you have, or know of, any potential technologies or products for this client, please contact:

Jack Peregrim @ (203) 288-4154 or [peregrim@paragondevelopment.com](mailto:peregrim@paragondevelopment.com)

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## **Quotes of the Month**

“Bad is never good until worse happens.” *Danish proverb*

“You can’t measure success if you have never failed.” *Steffi Graf*

“Don’t manage activity, manage results.” *Many authors*

“Problems are only opportunities in work clothes.” *Henry Kaiser*

“Ignorance is not bliss; it is oblivion”. *Philip Wylie*

“No one really knows enough to be a pessimist.” *Norman Cousins*

“Revenge has no more quenching effect on emotions than salt water has on thirst.” *Walter Weckler*

“A great leader is the one who can show people that their self interest is different from that which they perceived.” *Barney Frank*

“It is not because things are difficult that we do not dare; it is because we do not dare that they are difficult.”  
*Seneca*

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### Web Site Additions

Our website has been recently updated but will continue to add to our alliances and partnerships page. It provides sourcing to our clients on services they may be seeking in specialized functional or industry areas. As such, we will post organizations and individuals who we **know** to excel in products and services.

If you would like to be included in this listing (free of charge), please submit a request to us with a short (50 word) description of your products and services, as well as direct contact information. We view this as a mutual service to our clients as well as companies, consultants, and other entities we have had the pleasure to work with.

We encourage readers to review the organizations and individuals on the website as they are limited to those people we have personally qualified. This is also a service we offer without any compensation as our intention is to serve as a catalyst for success in a broad way that extends beyond those areas where we are best in kind.

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### Interesting Words

**Lugubrious:** (loo-GOO-bree-us) Adjective  
Dismal; mournful; gloomy; especially in an exaggerated manner.

**Disquisition:** (dis-kwe-ZISH-en) Noun  
A long elaborate spoken or written account of something.

**Quondam:** (KWON-dem) Adjective  
Former; sometime; or one-time.

**Brachylogy:** (bre-KIL-e-jee) Noun  
1. Conciseness or over-conciseness of expression.  
2. A concise or succinct expression.

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### Striking Fast

#### Background:

This topic is one of two related topics. The first was addressed in the November newsletter: “Dropping Good Projects” quickly if you are going to do it. A reader has asked us to discuss why her organization moved too slowly in dropping projects and capitalizing on the winners rapidly. She basically referred to it as an “easing” strategy or “steady as you go”. This newsletter addresses the second part, which we admit is a big problem in organizations.

Whether we are talking about technology; market; strategy; or product development projects, there are many commonalities within them.

#### Assumptions:

- The organization has determined that the “cause is just”. Regardless of the stage it is in, there is some compelling reason that the effort is considered a project and people are involved and supporting it to some extent.
- It should be assumed that there is some means to achieve competitive advantage.
- There is a strategic fit even if *some* aspects are outside existing structures.

Numerous organizations have projects typical of the scenario above; some are huge failures while others are major successes. Many cannot be determined until the vagaries of the situations are evident at launch.

The reality of this scenario leads to lethargy in that we want to move slowly to try and anticipate things and also to reduce exposure in terms of capital and people investment in case of failure. What tends to happen, however, is that our resources become focused on the least risky areas which also have the least potential for new value capture.

A secondary aspect causes even the "home runs" to be slowed down because the more potential attributed to a project, the more important it is to do things right. Thus, we need to spend more time on legal (IP & other); structural; market studies; etc. The amount of money to speed up requires higher approvals; which means delays until top management teams (Boards, etc) have all their issues addressed and then give approvals at regularly scheduled intervals.

Our Perspective:

TIME IS MONEY! Easy to remember, but often lost in practice. That is the first and probably most important message.

Yet, there are other factors that need to be addressed to ensure that the right projects have the greatest sense of urgency. We see the following as the most critical:

- We apply the same process to ALL projects even though some have much greater potential than others. We need to allow "process deviations" and **force** some projects to be fast-tracked.
- The most dynamic people need to be assigned to the fast-tracked projects. We have been involved in innumerable examples where the champion in a project had the personality of a *plodder*. Those projects with the greatest potential for huge value capture (whether success is calculated at 25% or 99%), should have a champion and supporting people who will push things instead of scrutinizing things.
- Upper management needs to recognize that really large, successful new platforms are hard to find and any projects with that potential need to be aggressively pursued. A good strategy is to have several getting support so that the inevitable failures are buried by the fact that the pipeline has others 'on the way'. Thus, the stakeholders always have something to embrace.
- Lastly, management needs to embrace a philosophy that not just supports but requires projects to either succeed or fail fast. This requires changes to the budgeting system and even structural management and organization changes. This is a concept with large implications but it is a long-range way to reduce investments by spending more in a shorter term but greatly reducing the payments over a longer term.

In a future newsletter we will focus on the type of structural changes and investment approaches required to speed up development projects.

Instead, we will just say that portfolio planning is critical because organizations rarely are able to increase spending to any meaningful extent and that means that the transition to speeding up some projects will mean reducing investment in others. Thus, incremental projects might have reduced assets applied at the risk of upsetting personnel involved, or even customers who have requested the effort.

One idea that may be new is to change the designation of those projects with all the ingredients for success: clear, sustainable, competitive advantage with qualified market pull. These projects could be placed "off balance sheet" from the existing business. Even though this goes counter to prevailing approaches that drive everything into the business units. We believe that these projects could be looked at the same way as acquisitions and would probably be better investments with better value creation potential than most acquisitions we make.

In summary:

Simply, there are problems and failures caused by moving both too fast and too slow. But, knowledge is power and many more projects move too slow where speed would create much more value.

Our business environment requires the hare and not the tortoise.

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.

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## **Business & Other Anecdotes**

### Rocky Graziano

Rocky Graziano was looking at getting into acting after his boxing career was over. Someone asked him if he planned to polish up his syntax with some training at a place like the famous Actor's Studio. To which he replied: "Why should I go to a place like that? All they do is learn guys like Brando and Newman to talk like me."

### Henry Ford

Ford was once asked why he made a habit of visiting his executives when problems arose rather than calling them to his office. He explained that it was time management by saying: I've found that I can leave the other fellow's office a lot quicker than I can get him to leave mine."

### Orville Wright

After trying to explain innumerable times the principles of their Flyer's performance to the inquisitive he came down to the same answer every time. "The airplane stays up because it doesn't have the time to fall."

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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:

PARAGON Development  
[www.paragondevelopment.com](http://www.paragondevelopment.com)

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## **PARAGON Development**

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### Mission:

To ensure that our clients make decisions that optimizes their growth and measurable value creation. We will do this with unequaled 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 <sup>TM</sup> that generate very targeted information that our clients require.

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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 past 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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