PLANNING

**Development Phase**

Engineering Prototype

**Definition:** The process of proving that the concept is technically possible.

**Objective:** The objective of the technical feasibility step is to confirm that the product will perform and to verify that there are no production barriers.

**Product:** The product of this activity is a working model.

**Technical Activities:** During the technical feasibility step the following must be completed.

* Test for technical feasibility
* Examine the operational requirements
* Identify potential safety and environmental hazards
* Conduct a preliminary production feasibility assessment
* Conduct a preliminary manufacturing assessment
* Estimate engineering prototype costs

**Technical Information**: The technical feasibility step generates knowledge about the product or process's design, performance, production requirements, and preliminary production costs.

**Assessment:**

Do you have a working model of the product?

Have you evaluated the safety factors of the model?

Have you evaluated the environmental factors?

Have you evaluated the feasibility of producing the product?

Have you measured how the product will perform?

Do you have a design for the product?

Do you have a design for the production process?

**Development Phase**

Strategic Marketing

**Definition:** The process of making specific decisions concerning the marketing approach that will be incorporated into the business plan.

**Objective:** The objective of the strategic marketing step is to narrow the marketing decisions to those that offer the highest opportunity to maximize profitability.

**Product:** The product of this step is a concise marketing component of the business plan that reflects the optimum strategic business options for the enterprise.

**Marketing Activities:** The marketing activities common to this step are those necessary to articulating a specific explanation on the marketing approach the enterprise will use.

During the strategic marketing plan step, the following activities must be completed:

* Define competitive advantage of enterprise and product
* Define marketing objectives (product, markets, image, service levels, business results, market share and sales levels)
* Select target markets
* Identify target market niche
* Select product features
* Select price
* Select distribution channels;
* Obtain direct market feedback
* Identify marketing team

**Marketing Information:** The completion of the marketing study step usually will result in a comprehensive explanation of what and to whom the enterprise will market the product as well as when, where, and how the product will be marketed.

**Assessment:**

Have you defined the competitive advantages of the enterprise and the product?

Have you defined market objectives for the product, market image, service levels, market share, and sales levels?

Have you selected target markets?

Have you selected your market niche?

Have you selected product features?

Have you selected a price?

Have you selected distribution channels?

Have you obtained direct market feedback?

**Development Phase**

Strategic Business Plan

**Definition:** The process of making critical decisions concerning financing options, organizational structure, marketing approaches, and strategic partnerships are matched with the aspirations of the founders and the capabilities of the organization.

**Objective:** The objective of the strategic planning step is to identify and prioritize the business options, which optimize the opportunity for success.

**Product:** The product of this step is a concise business plan that reflects the optimum strategic business options for the enterprise.

**Business Activities:** The business activities common to this step are those necessary to develop a formal business plan.

During the strategic planning stage at least the following activities must be completed:

* Finalization of intellectual property requirements
* Finalize business organization structure
* Select a board of directors (or advisory team)
* Finalize agreements on any concurrent break-through technology requirements critical to commercialization
* Develop a formal financial plan that includes the strategy and timing of present and future funding rounds
* Develop a detailed business plan for the product development stage including objectives, schedules, milestones and allocations of the required financial and human resources
* Ensure that the management team has critical experience and expertise in technology/product/market and business development
* Form a cohesive commercialization team (design, manufacturing, marketing, management)

**Business Information:** Completion of the strategic planning step usually will result in a formal business plan, finalization of enterprise formation (or corporate commitment for implementation), finalization of intellectual property requirements, acquisition of pre-venture capital funding, and finalization product development agreements.

**Assessment:**

Have you developed a strategic business plan?

Have you finalized the intellectual property requirements?

Have you finalized the business organizational structure?

Have you selected a board of directors (or advisory team)?

Have you finalized agreements on any concurrent break-through?

Have you developed a formal financial plan that includes the strategy and timing of present and future funding rounds?

Have you developed a detailed business plan for product development including objectives, schedules, milestones and allocations of the required financial and human resources?

Can you ensure that management has critical experience and expertise in technology/product/market and business development?

Have you formed a cohesive commercialization team (design, manufacturing, marketing, management)?