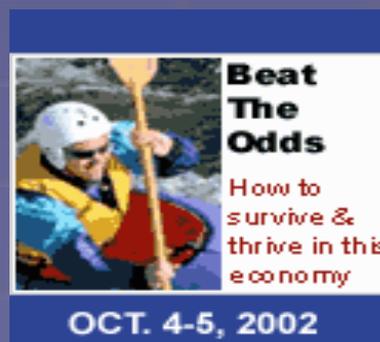




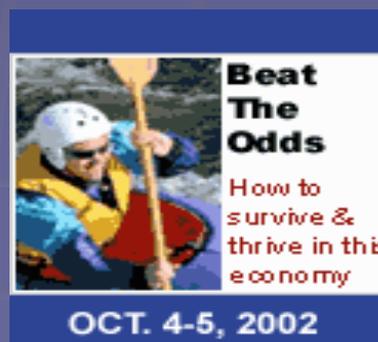
Power Partnerships

Delivered by Walt Wright @ the
TiE-Boston Business Summit



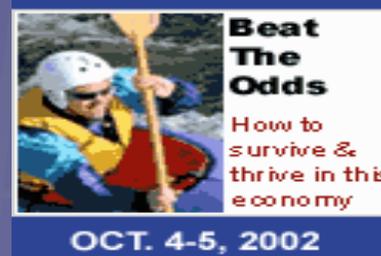


- **When times are tough...**
- **People seek power**
- **And misery loves company**



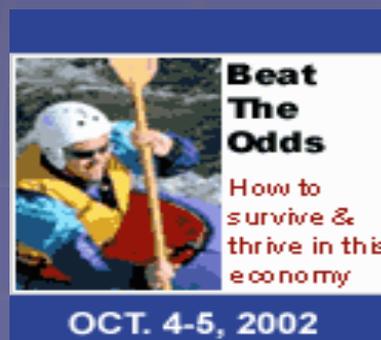


- Define the term partnership
- Explore the conditions that support partnerships
- Explain the partnership process
- Explain the skills and knowledge needed for effective partnerships
- Identify the most common problems that partnerships face
- Explain how experience tells us these problems may be overcome





- **What is a Partnership?**
- **Why Lawyers don't like the word?**
- **Where does the Power come from?**

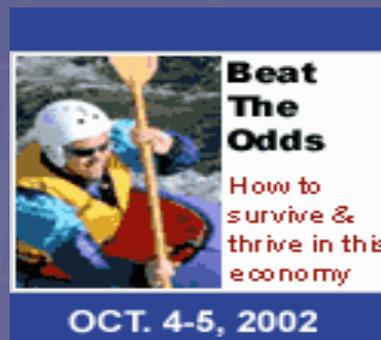




- **the non-partner Partner language**

Legalese to the extreme....

“The use of the word “Partner” in this Agreement means a party to this Agreement and does not create a partnership between the parties. Furthermore, each Partner shall have no partnership or fiduciary obligations to the other Partner or any other obligations, duties, rights or privileges imposed under the Uniform Partnership Act or any other applicable law, except as expressly provided under this Agreement.”





Strategic Alliances

- “We showed MonopolySoft our Proprietary Business Model and they really liked it.”
- “We are partners.”



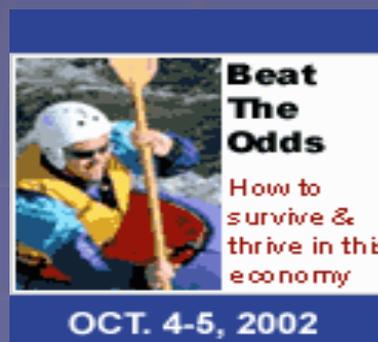


- A PWC study showed that 43% of the companies that launched breakthrough services and products did so with outside collaboration.
- “It's a very lopsided picture in favor of companies with one or more strategic partners,” says Pete Collins of PWC.
- “A good rule of thumb is that a good strategic partner can double the value of your company,” says James Atwell of PWC.



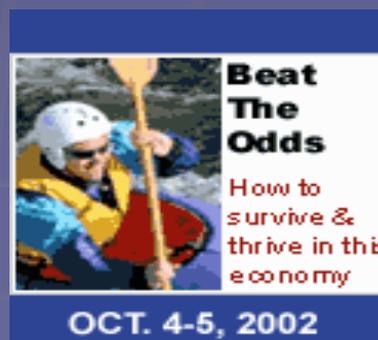


- **What are the objectives?**
- **Revenues**
- **Near term**
- **Long term**



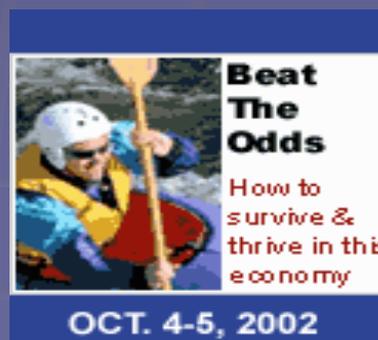


- Access to technology
- Sales
- Cross selling, up selling
- Use of sales force
- Free mentoring
- Image credibility
- VCs think it is a good idea.....many times it is.....
- Practice working on a big deal
- Feedback in product development, IP value, even strength of team



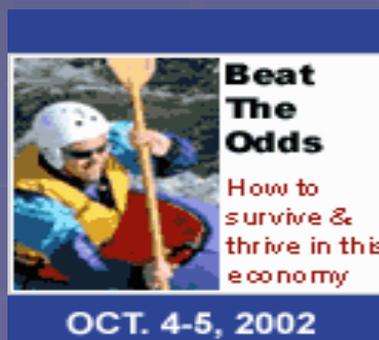


- When you team up with another business, one plus one can equal three.
- Companies of all sizes are forming strategic alliances.
- You can look and act bigger than you are.
- Accomplish what you can't alone--often more quickly and profitably.
- Can be an effective way to pool resources and cut costs.
- Can help your product get to market more quickly.
- By filling the blanks, a group of companies can offer up new products.
- You don't have to hire more people than you need or develop costly in-house expertise.
- Partnerships let you stay nimble and flexible, bringing in the right players for the job at hand.



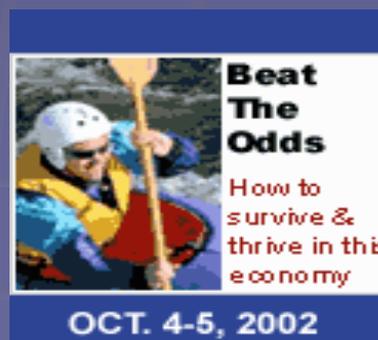


- Analyze where a partner might help.
- Are you shut out of certain markets or contracts?
- Do you need a specific function, talent, resource?
- Explore the relationship carefully.
- Make sure capabilities and strengths are complementary.
- Document clearly and use a lawyer.
- How will you divide authority, duties, and costs?
- Express your goals and expectations--and create plans and benchmarks.
- Protect yourself. Your intellectual property and proprietary information and operation autonomy need protection.



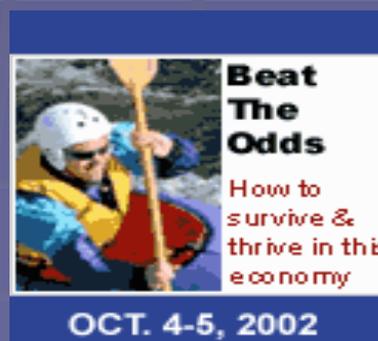


- Alliance Agreements
- Joint Ventures
- Creeping Acquisitions
- Licensing Agreements
- Co-Marketing Agreements



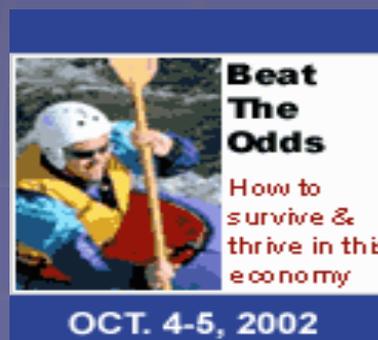


- Don't pin all your hopes on any one partner deal
- large corporate partner company may be dangerous



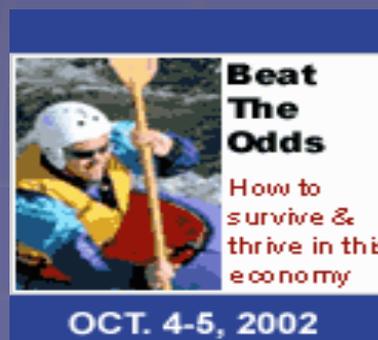


- **Big companies...little people**
- **Middle management/senior management**
- **Different objectives...personal...divisional....**
- **Tie up the tech while they look for better or develop their own**



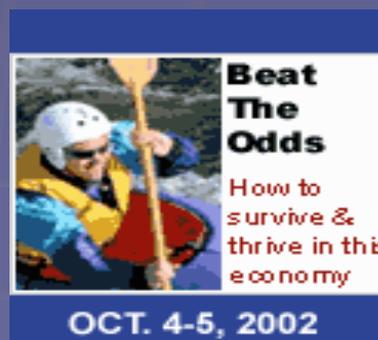


- **keep the goals in line**
- **acknowledge the risk**
- **focus on the opportunity**
- **realistic and pragmatic assessment**





- **Stockholm Syndrome**
- Pay attention to groupthink & your team's psych...Not a marriage...and that's a good thing





- **Till Death Do Us Part...does somebody have to die?**
- **Make sure the “Divorce Law” is properly drafted with foresight, detachment, and fairness...**
- **Wright’s Objective: “Opportunity to be generous and the right to be ruthless”**

