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If I may take a moment and introduce our NETL Partnership Team ... DD Newlon, Curt Nakaishi, Art Baldwin, Brent Sheets, Betty Felber, Bob James, Oriane Soileau, and myself Randy Harris

Many of us heard our good friend from Vanderbilt's opinion on metrics yesterday. Like everybody else our system too imposes metrics that attempt to focus efforts on things often simply the easiest to measure to the exclusion of all else. We also agree with our friend that success speaks for itself. Our team's definition of success is to increase the number of businesses that our "key stakeholders" can visit and be told these jobs exist because of DOE's R&D.

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DOE is not my first career. I spent most of the first 20 years of my work life building and running businesses. In my experience business is pretty simple: you do some stuff, most of which fails, some of which works. You do more of what works. If it works big, other will copy it. Then you need to do something else. The trick is knowing when its time do something else -- its time. We have come to the conclusion that Technology Focus must give way to more Market Focus.

In the late 60's I was in the wholesale electronics business in St. Louis. One of my customers ran a small business installing TV antennas. Sam was obsessed with trying to get into cable TV because he saw it would quickly turn his business obsolete. Unsuccessful he was on the verge of closing. While contemplating what he would do next he began to study trends in the region. One trend was an increase in crime rate. He started thinking what that meant to him. Sam soon realized that an increase in crime would be followed by an increase demand for home burglar alarms. A perfect fit for his fleet of vehicles and technicians.

If I had been smart I would have been ready for the change and been prepared to supply him with new products. As it was I ended up losing the account to someone that was prepared. There is probably still a warehouse full of antennas somewhere in St. Louis.

How can smart people like you see these potentials? Here are three insights that might help.

**Develop business empathy.** The ability to know what its like to be in someone else's shoes. Spend time with local business organizations. Befriend small business people. Talk to them about what they worry about, how they make decisions, what they consider success. I was recently at a WV Entrepreneurs Forum where, to a standing ovation, one small business owner proudly announced she had just complete her company's first full quarter in which she was able to make payroll without dipping into her savings. If you don't understand what is important to small business you will not be able to judge what in your technology portfolio may be of value to them.

**Spend time anticipating.** Intel's Andy Grove has a rule - "Only the paranoid survive." Every successful businessperson believes that someone or some force is out to get them. And they are right to fear. Everyone and everything is out to get them. Become a scenario planner. Think about the future of the businesses you want to work with. What's selling? What could cause this to change? How could your technology help?

**Acknowledge that Tech Transfer is economic development.** Economic development is fundamentally a local phenomenon. Those agencies that have responsibility for economic development don't do it from D.C.; they execute it through a network of regional, state, and local organizations. The reason is simple, economic development policy is all about encouraging individual entrepreneurs to make the decision to mortgage their homes, cash in their retirement accounts, and take on the debit required to start a new business or expand into a new product line. While you will occasionally find a Fortune 500 company hot for your technology you are more likely to find a small business willing to take the risk. Besides, large corporations are not known for forward thinking. They are best at buying small companies that have already proven the market. For example who said, "There is no reason anyone would want a computer in their home." Ken Olsen, founder of Digital Equipment, 1977 -- Digital Equipment now owned by a home computer company.

Think global market then act locally by connecting your "know-how" to regional small businesses.

Do your homework. Anticipate the markets. Provide what the small businesses needs. Pick battles big enough to matter, small enough to win. Ralph Waldo Emerson said it best, "The creation of a thousand forests is in one acorn".