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MEETING DATES:

June 9th

July 14th

September 8th

October 13th

November 10th

December 8th

A thought on Business:

Nothing is as irritating as the fellow that chats pleasantly while he's overcharging you.

Kin Hubbard

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Do Entrepreneurs Need a Mission Statement?

by Helena J. Sturnick, PhD

What is a Mission Statement anyway? Is it like a mission to the Moon or to Mars? (Well, sometimes it may seem that way!) Why does it matter? Does a one or two-person operation really need a written Mission? If I carry a Mission concept in my head, why do I need to write it out? When I have so much to do in starting my business, how much of a priority is this? These are all good questions—and most of us have asked them at least once in our entrepreneurial lives. And the truth is that a good Mission Statement makes all the difference for a number of reasons.

But let's start with a quick definition of Mission. It is a short, concise statement, from a few words to a short paragraph in length. In essence, **it is a public declaration of your belief system—the priorities, values, principles by which all your actions and decisions can be measured.**

Your Mission is your passion, and the Statement reflects your passionate

“WHAT IS A MISSION STATEMENT ANYWAY?”

state of mind. It answers the question: What is your fundamental purpose? Why does your business/



organization exist, and what do you hope to achieve in the future?

Because the Mission reflects your dreams, the following examples, which are diverse in content and

“A GOOD MISSION STATEMENT MAKES ALL THE DIFFERENCE”

length., provide different models to jump start your thinking.

McDonalds's: “To be the world's best quick service restaurant experience. Being the best means providing outstanding quality service, cleanliness, and value, so that we make every customer in every restaurant smile.”

Ken Blanchard, author of *The One-Minute Manager* and other books: “To be a loving teacher of simple truths to help myself and other to awaken the presence of God in their lives.” ESON: “Creativity, Mentoring & Success Outcomes for Entrepreneurs.”

First American Bank, one of the sponsors of ESON: “Helping people succeed.”

Preamble to the US constitution: “We the People of the United State, in Order to form a more perfect Union, establish Justice, Insure domestic Tranquility, provide for the common Defence, promote the general Welfare, and secure the Blessings of Liberty to ourselves and our Posterity, do ordain and establish this Constitution for the United State of America.”

(Article continued on page 4)

“When your work speaks for itself, don't interrupt”

NONDISCLOSURE/CONFIDENTIALITY AGREEMENTS (NDA)



Ed Livingston
Legal Chair

**If you
aren't fired
with enthusiasm,
you will be fired
with enthusiasm.**

Vince Lombardi

**He who stops
being better,
stops being
good.**

Oliver Cromwell

By: The Livingston Firm

Before disclosing sensitive information regarding an invention or other trade secret to a third party, it is always important to have that third party sign a NDA. In fact, the only time it is unnecessary to have someone sign a NDA before disclosing a trade secret is when you are speaking with an attorney for the purpose of seeking legal advice.

In the situation where you are speaking with an attorney to seek legal advice, the law already imposes strict confidentiality requirements.

A NDA is a contract between two or more parties where the subject of the agreement is a promise that information conveyed will be maintained in secrecy. A NDA can be mutual, where both parties are conveying confidential information and both parties are obligated to maintain secrecy, or it can be unilateral, where only one party is turning over confidential information, perhaps to a potential investor or manufacturer and the receiving party becomes obligated to maintain secrecy. People who have such a confidential relationship created through the use of a NDA are legally bound to keep the information a secret.

NDAs are commonly used to maintain and protect trade secrets. A trade secret is defined as information, including a formula, pattern, compilation, program, device, method, technique, or process that derives independent economic value from not being generally known to, and not being readily ascertainable by proper means by, other persons who can obtain economic value from its disclosure or use. A trade se-

cret can be as straightforward as a client list or pricing information, or as complex as system control methods or process technology for manufacturing products. In either case, trade secrets are valuable to a business and reasonable efforts must be made to maintain the secrecy of the trade secret, that is, by only disclosing trade

"NDAs are commonly used to maintain and protect trade secrets."

secrets to those who have an absolute need to know and requiring those who are receiving confidential information to sign NDAs.

Many individuals do not know that inventions are also trade secrets and should be maintained and protected as such until the invention is made public. NDAs not only protect an invention as a trade secret but also maintain an inventor's patent rights prior to a patent application being filed. In the United States patent applications must be filed within one year of the first public disclosure of the invention. A public disclosure is any disclosure made on a non-confidential basis. Therefore, it is important to ensure that all discussions about the invention with any third parties are kept confidential through the use of a NDA. Avoiding public disclosures by having third parties sign NDAs is even more important if an inventor wants to secure foreign patent protection. Unlike the United States, which allows a one year grace period after the first public disclosure of an invention in which to file a patent application (often referred to

as a statutory bar), most foreign countries require absolute novelty in order to obtain patent protection on an invention. This means that any public disclosure of an invention will bar an inventor from obtaining a patent in most foreign countries.

Even after a patent application has been filed, it is still important to maintain an invention as a trade secret until the invention is on the market or until the patent application is published. Patent applications in the United States are held in secrecy for a period of eighteen months from the date of filing, unless non-publication is requested. Only the inventor and the inventor's patent attorney have access to the patent application during this eighteen month period. After eighteen months, patent applications are published and made public. Once the patent application is published or the invention is on the market and being sold, the

"A NDA is a contract between two or more parties"

invention is no longer a trade secret. However, if a third party breaches a NDA while the invention is still a trade secret, then that third party can be sued and held liable for breach of contract, breach of a

fiduciary duty and theft of a trade secret. This is especially important considering an inventor cannot sue for patent infringement until a patent application has issued as a patent.

CONCLUSION

It is important for businesses and individuals to protect their ideas by maintaining confidential relationships with third parties by requiring those third parties to sign NDAs that are individually tailored to the situation at hand and the type of trade secret being protected. (con't page 3)



Banks and Angels under Attack!

“the Federal Government is the real culprit”

By Ted Farah

What does the Financial Reform bill in Congress mean for you the business owner and entrepreneur? Banks are one of the many targets of the financial reform bill and thus they will be even more heavily regulated with added paperwork, reports and tighter hoops to jump through before they even consider giving you or your business a loan. The banks claim that they are not the reason for the slow lending of money to businesses but the Federal Government is the real culprit. Banks now are required to maintain a much higher level of cash reserves on hand as a percentage of every dollar they lend out to businesses which makes their lending requirements more difficult and a much slower process.

So you say, no problem, I will just contact my local Angel Investor and pitch them for some funds. Not so fast because the financial reform bill

of over 1700 pages has buried deep within some devastating new regulations for angel investors. If the bill passes as is Accredited investors will be required to have a minimum net worth of \$2.3 million or an annual income of \$450,000 where current regulation states \$1 million or \$250,000. All accredited investors, in the past, had to be registered with the SEC but now they will need to have their financial position reviewed for 120 days before investing thus slowing down the entire process for at least four months if not more. Finally, the states would control and regulate these private offerings if the bill passed which initially sounds good but very costly for entrepreneurs as they cross state lines to search for funding not to mention cumbersome with varying state processes and regulations. The Kauffman Foundation says this change in rules will eliminate 77% of all angel investors thus making it MUCH harder for entrepre-

neurs to find people to invest in your company. ESON will be monitoring this bill and how it effects entrepreneurs in future issues of the newsletter. Take action now and **write your congressmen and tell them the angel investor regulations should not be changed** as the new bill will only eliminate entrepreneurship in the United States.

Sources for this article include USA Today (Rhonda Abrams)FT and IBD.

Florida's Senators:

George LeMieux (R) 356 Russell Senate Office Building Washington DC 20510 (202) 224-3041
email: <http://lemieux.senate.gov/public/?p=EmailSenatorLeMieux> (copy in address line)

Bill Nelson (D) 716 Hart Senate Office Building Washington DC 20510 (202) 224-5274
Email: <http://billnelson.senate.gov/contact/email.cfm> (copy in address line)

“this change in rules will eliminate 77% of all angel investors”



NDA con't from page 2

Therefore, the drafting of a NDA should be performed by attorneys who understand the value of trade secrets and the laws in place that offer protection for trade secrets. The Livingston Firm specializes in all areas of intellectual property law including patents, trademarks, copyrights, trade secrets, franchising, litigation and business law. As the larg-

est full-service intellectual property law firm in Southwest Florida with over forty years of combined experience, The Livingston Firm can be there to assist you from beginning to end with protecting your ideas and inventions and getting those ideas and inventions to market.

The Art of Strategy

Those who are victorious plan effectively and change decisively. They are like a great river that maintains its course but adjusts its flow... They have form but are formless. They are skilled in both planning and adapting and need not fear the result of a thousand battles: for they win in advance, defeating those that have already lost.

Sun Tzu
Chinese Warrior, Philosopher
50 BC

www.ESON.me

Meeting Location, Dates & Time:

- * Hodges University (Naples Campus)
2647 Professional Circle Naples, FL 34119
Science & Technology Building Rm 150
- * 6:30—8:30 pm (see website for map)
- * 2nd Wednesday every month (except August)

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Next Month's Meeting (June 9th)

Guest Speaker: Marcus Zillman

Wonders of a Cloudy Web World for Entrepreneur

The world wide web has mashed up with millions of new applications taken from the mobile environment creating applications that entrepreneurs only dreamed of a few years ago! We will visit many of these resources that will show the present day entrepreneur how to collaborate, how to create virtual assistants, and resources that will make their administrative capabilities soar!! Also Grid, Distributed and Cloud Computing resources for the Entrepreneur will be explained in a way that you will understand their true importance for the future of the Internet and the Entrepreneur!



ESON Mission:

Creativity, Mentoring & Success Outcomes for Entrepreneurs

(Con't from page 1): Do Entrepreneurs Need a Mission Statement?

State of America.”

With these examples in mind, here are seven reasons why your Mission Statement matters.

1. In practical terms, the Mission is part of your strategic business plan.

Every business plan template begins with your Mission Statement. Bankers, potential investors, and other key players need to see how it specifically translates into market niche, target audience, revenue streams, growth potential, and so on.

2. Your Mission is integral to your marketing plan, and it is a branding tool.

Because your Mission states your purpose and values, it also defines how people see you and how they remember you. In this way, your Statement effectively declares

your unique niche and differentiates

your business, thus creating a memorability that translates into business.

3. It serves as an inspiration for you, your stake holders, and your public.

“Seven reasons why mission statements matter”

hours, those written words focus your dreams and keep those dreams alive. For you, it sustains your inspiration. For your investors, customers, friends, employees—all your stakeholders—the Mission keeps the faith.

4. It is a living statement that keeps you on track.

For any business in this complex economy, there

are numerous potential diversions. Go back to your Mission Statement for your reality testing. Every decision you make will be based on that Mission, the golden dream you have articulated in writing. It also reminds you of the values you intend to live by and it keeps your priorities in place.

If your Mission focuses on the value of customer service, for example, your highest priority may be hiring another service employee rather than renting another five hundred square feet. In effect, the Mission keeps you honest.

5. The Mission is a road map.

“The real challenge, of course, is living your Mission...”

business. It assures people that you know where you're going—and sometimes you need that reassurance too!

6. If your business consists of a partner and/or one or more employees, the Mission keeps everyone on the same page.

Everyone understands and supports your purpose and values, as well as the strategic actions being taken. All business communication, then, is characterized by clarity of purpose, consistency and shared values.

7. Your mission sets the tone, creates the culture, and the “feel” of your organization—even if the organization is just one person at this point.

The real challenge, of course, is living your Mission and using it as the daily foundation on which your business is built. Does an entrepreneur need a Mission Statement? Do you think Sam Walton had one? Or Henry Ford? Or Bill Gates? You bet they did! And you need one too.