

smart CEO

The cover of smart CEO magazine features a large photograph of Michael Saylor, Founder, CEO and Chairman of MicroStrategy, sitting in a wooden chair. The background is a light green wall with large white text. At the top left, there are three small portrait photos of other individuals. The main title 'smart CEO' is prominently displayed in the center, with 'THE INNOVATION ISSUE' written inside the 'O'. Below the title, the main headline reads 'THE LONG VIEW' in large, bold, orange letters. To the right of the headline, there is a text box that says 'How MicroStrategy maintains an innovation pipeline poised to make billions'. In the top right corner, there is a small orange box that says 'The Voltage Awards honor firms driving business technology' and 'PAGE 30'. In the bottom right corner, there is a video player icon with the text 'PLAY VIDEO' and a small text box that says 'TO WATCH Michael Saylor says that the public work can be crushed by it. See his Page 8'.

Wired in

The Voltage Awards honor firms driving business technology **PAGE 30**

WASHINGTON
smart CEO
activating ideas for growth

THE LONG VIEW

How MicroStrategy maintains an innovation pipeline poised to make billions

Michael Saylor
Founder, CEO and Chairman
MicroStrategy

TO WATCH Michael Saylor says that the public work can be crushed by it. See his Page 8

PLAY VIDEO

We asked six area CEOs about what barriers to competition they have set up for their businesses. The responses extended beyond technology and IP, showing that every business has a barrier, even if it's initially hard to define. Spend some time thinking about yours — and how to keep it strong.

• **Copyright** protect expression, which can be anything from the text on your website to product plans and software code itself.

The stronger IP protection is a patent, but Peyton cautions CEOs to be mindful of long-term goals and how they can leverage their IP assets moving forward.

"You can also decide to do creative things with the technologies to develop strategic partnerships that create other barriers to entry, like licensing third parties or collaborating with third parties to create combined products that give you greater market share," she says. "You can bring these IP assets to the table to increase your market share through these collaborative relationships."

Peyton advises that clients start getting serious about filing for patents when they are working on a beta version or prototype of a product. "That's the period where you've really developed something and understand what it is you've developed, and you should start thinking about protection before you put it out to the public and let everybody see it," she says.

But remember that patents are often prohibitively expensive, so don't just file for the sake of doing it. You may think you can't succeed without the patent, but this is still a business decision, so your budget needs to be a significant consideration. Consult an IP attorney to craft a creative IP strategy based on your business' needs, rather than simply filing for whatever protection you can get your hands on.

It's a lot easier than it used to be to set up these barriers, but that's not where the work ends.

"It's a business decision that drives the IP discussion, not vice versa," Peyton says. "I don't believe in gaining IP protection just for the sake of IP protection. Filing for patent applications and copyright applications and registering your trademarks take a lot of time and money. You have to balance this with everything else that needs attention."

Finding a niche



DOMINIQUE BROADWAY
Founder and Personal Finance Coach
Finances Demystified

"A lot of my friends were coming to me [for] financial advice. I thought it was crazy that there were no financial resources for people who weren't millionaires yet. I started a company to provide financial planning and personal finance coaching for young professionals and entrepreneurs. No one was talking to the person under 35. I wanted to focus on them, to take money and put it somewhere people don't normally talk about in money parties. We had our first event with four days' notice and had 65 people come out to the happy hour. Little things like signature cocktail names can persuade people to have the money conversation in nontraditional locations."

Focusing on quality



ROGER GORE
Founder and CEO
GNatural Products

"We didn't have attractive packaging when we started off. We focused on the ingredients in the products. We figured if we could get that right, that would separate us from the big companies that were focusing on marketing and packaging. [We] let the product speak for itself. We wanted to partner with places that focused on quality [like Wegmans]. We found a home because if we could reach our customer, they would tell other people, and those people would come looking for our products."

Filling a need



JANICE TIPPETT
President
Millennium Marketing Solutions

"We are a full-service marketing agency, which has a very low barrier to entry. If you have a computer, you can set up shop. So we set up experts in each division. My goal in the Home Box Club was keeping promotional products as an effective marketing tool. That's why we're delivering very high-end value items, from Bluetooth speakers to ergonomic electronics chargers. It's easy to become a promo product distributor. But it's difficult to be professional and deliver your client value. We craft the right selection that supports the brand and the campaign for their target audience."

Acquiring IP



AMIT PURI
President and CEO
Ingenicon, Inc.

"In 2012, Ingenicon successfully [acquired] a competing product line that our engineers were intimately familiar with. The IP acquired had more than 150 man-years' worth of engineering serving customers all across the world. Overnight, Ingenicon became an international player with tons of credibility. Coupled with the existing development of our next-generation product line, Ingenicon was able to leverage this acquisition to create a best-of-breed technology unparalleled by competitors, eventually making it our success formula."

Brand loyalty



ARIANNE BENNETT
CEO
Amsterdam Falafelshop

"People were surprising us all the time by telling us, 'We just came an hour and a half,' or calling us to say, 'We're coming to DC, what museums are near you?' That's not what we expected. The mental challenge became how to give this opportunity to other people who could become franchisees. The things that you do intuitively are hard to put into words: to quantify how to greet people or how the food is going to look ... how do you put that down on paper? Somebody might copy our salads, but our brand loyalty would keep people with us. They can't capture the magic of what we do."

Customer experience



BOB KRANTZ
CEO
Mintype

"When you don't have the liberty of making expensive mistakes, you better make sure that your barriers to entry are solid and well considered. Our market segments are diverse, and they each have their own barriers to entry. Historically, we needed to gain traction and build awareness. The best barrier to entry you can have is to treat each client as if they're your most important client and [to create] a great customer experience. The times are changing; the buying habits have changed dramatically. The buyer is a lot smarter and has done a fair amount of research. A barrier that you've established today may not [exist] six months from now. You have to constantly have a strategic vision."

Brand loyalty



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