

Guidebook of IP/Technology Transfer

Track 1

Entry-level Tech Transfer Professional

Topic 1.5.7a

Developing the Value Proposition

Developing the Unique Value Proposition

- Define and quantify a “Unique Value Proposition” (the UVP)

The UVP = inventiveness-based technical performance and economic justification for why someone will buy the product or service)

Develop at least one “UVP”

Note 1: if the invention has more than one application, initially pick the one that is easiest to develop a Value Proposition

Note 2: Eventually, one should look for the UVP which has the highest value in the most meaningful market application

The Unique Value Proposition

“Value” = “Benefits” – “Cost”

Value, Benefit, and Cost

should be described initially in a qualitative narrative,
followed by an effort to quantify, when possible.
some aren't easily quantifiable

the UVP is typically a careful weaving together of
qualitative narrative with quantified features

The UVP of an invention concisely describes:

The benefit(s) it will provide.....

[describe them clearly, concisely, and thoroughly]

....at a cost, that a future buyer (the customer) will perceive as a compelling “value”

[“Value” = Benefits – Cost]

[define and quantify the benefits and costs]

The Unique Value Proposition (UVP)

- Explains how the invention provides this unique value (specific benefits – cost) to a future buyer, compared to alternatives.
- Is a clear and concise statement that summarizes why someone would buy the product or service based on the invention.
- Describes how the invention will produce a product or service that will add more value, create more profit, or better solve a problem than current alternatives.

The Unique Value Proposition (UVP)

- Makes it clear how the invention will solve future buyers' problems or improves their situation such that profitability is enhanced
- Identifies why the technology is superior to the competition (unique differentiation).

What makes a good UVP?

- Clarity! It's easy to understand.
- Communicates concrete results that will result from using the technology and its products and/or services.
- States how it's different (and better) than the alternatives.
- Avoids hype (... “never seen before, amazing miracle product”), superlatives (“best”), and business jargon (“value-added interactions”).
- Can be read/understood in about 10 seconds.

UVP Examples

“Achieves the same level of pest control as current chemistries at 30% cost reduction.”

“Produces materials that exhibit 25% increased life at temperatures above 450°C at a cost comparable to existing high temperature materials.”

“Increases the manufacturing yield of large Li batteries by 50% with no cost increase”

UVP Examples

“A natural topical antiseptic 90% as effective as current chemical antiseptics.”

“A tomato variety that exhibits 50% more solids and 25% more sugar per unit weight than currently available varieties.”

“Reduces scours mortality in new-born calves from 15% to 1.5% at a cost of less than 6 Pesos per animal.”

Strengthening the Business Case

**Develop at least one
Unique Value Proposition
("UVP")**

The Unique Value Proposition

Never forget:

**The “UVP” is always founded on
Inventiveness**

(uniqueness and superiority of the performance characteristics, and the PCP)

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Thank you