



2ND PRODUCTCAMP OTTAWA

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CaseWare – St. Laurent



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SUCCESSFUL PARTNERSHIPS

HOW DO I AVOID THE SCARS?

Andrew Armstrong



- 20 years in Marketing, PLM, PMM, Biz Dev
- 26 partnerships
- \$80M+ direct revenues
- \$150M+ in pull-through-revenues
- 100s of cuts, bruises, gashes, and scars

Too Often Reality



The Perfect Partnership

Partnering

5Ws

...and one H



Types

- Supplier
- Reseller (3rd-party / Outbound)
- Technology Transfer
- Joint Venture (Dev't, Marketing, Sales)
- Private Label
- Consortium
-

Why Partner?

- Higher Sales / Lower Costs
- Market / Mind Share
- New Markets
- Speed Development
- Access
- “Dating” / Risk Mitigation



Partnerships drive TTR and Growth

When to Partner?

- Required + Low ROI
- Can't / Shouldn't Build or Buy
- TTM
- Leapfrog Competition / Differentiate
- Best of breed
- Custom Solutions
- Risk Reduction

When (not to) Partner

- IP
- Core to your business
- Industry Expertise
- Have time to build + High ROI
- Unclear support, strategy, goals, plans

Partnership Lifecycle

- Strategy Development
- Partner Search
- Relationship Building
- Contract Negotiation
- Launch
- Operation
- Termination / Renewal



Who To Partner With?

What do you look for in partner?

What questions should you ask?

What will they be looking for in you?

Know yourself

Create an evaluation process

Who To Partner With?



Who To Partner With?

“Philosophically, I don’t partner and compete later. I won’t enter into strategic partnerships that I think will not have lasting evolution. We share what we’re doing with them very closely and they share what they’re doing with us very closely.”

- *John Chambers, CEO, Cisco Systems*

5 Keys

- Stability
- Trust and Openness
- Strategic Alignment
- Commitment
- Execution

Talk

What's in it For Them?

- Get to know one another
- Build a relationship
- Meet face-to-face
- Get into some of the specifics
- Then... keep talking
- Don't forget your team
- Set expectations all around

Nurture trust and lay the groundwork

Negotiation

- Establish Goals and set metrics for measuring performance
- Think about every team & their req'ts:
 - PLM, Sales, Marketing, Eng., Customer Service ,
Ops / Purchasing / Shipping / Finance
- Go First & Know Your “Gives”
- Maintain The Trust

Come out with a Win-Win.

Implementation

- Treat launch the same as you would your own products
- “Honeymoon” phase is the most difficult
- Monitor closely
- Deal with all issues IMMEDIATELY
- Communicate regularly
- Council

What To Avoid

- Lack of ownership, commitment, Buy-In
- Poor Planning or rollout
- Diverging Strategies / Goals
- Egos / Rigidity / Greed
- Complexity
- Unclear Expectations
- Quickies and “we’re going to be rich”

60-70% of all partnerships fail (HBR)

What To Avoid



Termination

- Distrust, Silence
- No ROI
- Poor execution
- Divergent goals / expectations
- Drain on resources
- Lack of interest / disengagement
- END IT



Don't risk your brand, business, or customers

How To Partner

- Buy-in, Support, and Empowerment
- Collaborate
- Communicate - Always
 - Openly and Honestly
 - Internally and Externally
- Be Flexible
- Culture of Partnership Success

It is a lot of work

But...

- 56% see improved service levels
- 57% see greater business differentiation
- 66% see greater industry differentiation
- 78% see greater technical differentiation

Where Do I Go From Here?

- Existing : Soul searching
- Exploring :
 - Confirm Commitment
 - Re-evaluate ALL goals, metrics, & objectives

What's In It For Them?

REMEMBER

Partnering (properly) is not easy or a quick-fix.

You can't plan for everything

Done right, it will pay off.

Partner Management is a learned skill.

Invest in it.



HOW TO BUILD A LASTING RELATIONSHIP:



1. CUT ON DOTTED LINE.
2. ROTATE 180 DEGREES.

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