

PROJECTS

LARGE JAPANESE ENTERPRISE

RESULTS

REVENUE-GENERATING CONTRACT IN TARGET MARKET
PRODUCT TRIAL IN A NEW MARKET

BACKGROUND:

A \$21 billion global Japanese enterprise has expanded its technological focus to include a portfolio of digital imaging and information products, services, and e-solutions. To this end, the Japanese parent organization formed a research development subsidiary in Silicon Valley to develop digital image software solutions for their new imaging and information product lines.

The Silicon Valley-base R&D organization developed a set of unique image presentation and search technologies for use in facial recognition. The complex software algorithm accomplished three objectives:

1. Facial Detection: Detects a face in the picture and automatically crops the picture to normalize size and placement
2. Auto Image Enhancement: Automatically enhances the image by removing red eye, providing color balancing, exposure adjustment, and dynamic range adjustment
3. Facial Comparison: Automatically verifies the match between two different photos of the same person or provides close matches between photos of different people

PROBLEM:

As a research and development organization, the organization lacked the expertise to determine market interest in their unique products and the viability of this technology as a revenue generator. Yet, the company's engineers believed the technology had an immediate application in the online dating world.

SOLUTION:

The R&D subsidiary hired Mr. Barañano to assess the online dating market for their facial detection and recognition software. Although Mr. Barañano was unfamiliar with the online dating market at the outset, he immediately researched the opportunity, spoke to major players in the industry, attended trade conferences representing his client, and concluded that the organization's suite of software products would provide online dating web sites a small competitive advantage. Mr. Barañano contacted the major sites and signed the first customer within weeks of the final customer-ready product release.

PROJECTS

RESULTS:

In nine months, Mr. Barañano had:

1. Thoroughly understood the facial recognition technology
2. Sized the online dating market
3. Segmented the online dating market
4. Developed a preliminary lead list
5. Developed preliminary marketing materials and finalized them
6. Developed a preliminary pricing plan to take to market
7. Prospected the top twenty sites
8. Presented to five interested sites
9. Worked with outside legal counsel to develop a software use contract
10. Negotiated the first deal with market acceptable pricing
11. Finalized the first contract
12. Identified and recommended pursuit of a better market for this technology

In addition, recognizing the size limitations of the online dating market, Mr. Barañano identified another larger and untapped market for the suite of software products – offering medical establishments an easy way to be compliant to the new and stringent HIPAA (Health Insurance Portability and Accountability Act) regulations. The organization decided to pursue the medical application to address HIPAA regulations.

Mr. Barañano personally participated in the HIMMS conference with company executives. Over a period of several months, Mr. Barañano obtained a technology trial with a large nursing home in Denver.

Both the trial in the health care market and the small contract with online dating were insufficient for the R&D organization to continue its very expensive engineering development of the facial recognition product. The company withdrew support for the facial recognition product to focus on the medical diagnostic field.