

# ASSESSING OPPORTUNITIES

Professor Karl T. Ulrich



# Key Criteria

- How significant is the need?
  - How many potential customers have the need?
  - How deep is the pain? (“itch” vs. “migraine headache” vs. “bleeding wound”)
- How effective is the solution at addressing the need?
  - “vitamin pill” or “pain killer”?
- Will there be large gross margin?
  - Willingness and ability to pay.
  - Cost efficiency of the solution concept.
  - Competitive intensity.
- How hard will it be to acquire customers?
  - Are they easy to identify?
  - Can we reach them?
- Are we the best team to go after this opportunity?
  - Fit with our passions and capabilities.
  - Access to required resources, including capital.

**Alan J. Cook**  
Founder and former CEO  
Scoop Free



**Photo:** Alan J. Cook

# Alan's “Next Opportunity” Criteria

- Big market.
- Big gross margins.
- Strong recurring revenue streams.
- Take advantage of our engineering and product development capabilities.
- Utilize our sourcing connections.
- Flow through our supply chain capabilities.
- Leverage direct-to-consumer and subscription sales capabilities and/or can be sold into channels where we already have strong retail connections.
- Will resonate with our friends in the press.
- In markets with large, “obvious” potential acquirers (i.e., good “exit” possibilities)

Source: Alan J. Cook

COMPOSTING  
DISSOLVING P  
MAGIC CLEANING  
DISSOLVING WIPER  
MANUAL LITTER P  
DISSOLVING DISTRO  
AUTO WASHES PAY  
MISTING DRY COLLAR  
ZINGER VODKA FOR CO  
BACON BALLS [MT. RUS  
FANCYNAME BABIES  
LA LA LA - SASSY  
FACT BE GONE  
SUBSCRIPTION CENTRAL  
MONDOCHIP GARAGE  
HUNGRY CATS KITCHEN  
LOW-LOFT EDITION  
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