



## In This Issue

**Practical professional development.**

**These seven deadly sins of business wargames, part 1.**

**Networking for CI career buoyancy.**

**Promoting business use of CI.**

**Breaking down the barriers of information scale and complexity.**

**Pull-out directory in CI magazine.**

**Extracting CI from investor conference calls.**

**Pat in formatics: identifying haystacks from space.**

**FYI: new and notable.**

May 06, 2003

### Bring Order to Data Chaos

**QL2 Software** tools and solutions locate and extract information from unstructured data sources—the Web, email, on-line information services, internal documents—to support business activity monitoring, competitive intelligence, business intelligence, and knowledge management applications. Click [here](#) for a free proof of concept.

May 06, 2003

## Practical professional development.

### Practical professional development.

Are you at the peak of your professional power? Can you demonstrate the value of intelligence for your organization? If you can't answer yes to these questions, then it's time to sign up for SCIP's Summer Symposia, today.

This Summer Symposia is going to be a truly exceptional peer-driven learning experience. You will work in a challenging group environment, leveraging the knowledge of your peers and guided by industry experts. This is your key opportunity to really learn how to leverage intelligence for organizational effectiveness.

### Sales and Marketing Intelligence Symposium , June 9-10, 2003.

This symposium will increase your CI program's odds for success by providing you with techniques to embed CI and market research into your new product development process. In this highly interactive seminar, four experts (from the fields of marketing, market research, new product development, advertising and CI) will walk you through a real life example of how CI can become your company's strategic weapon, revealing insights that optimize and maximize your new product introductions.

From developing strategy to product features, benefits, positioning, messaging, sales strategy and tactics, you'll learn first hand from Kay Keenan (Growth Consulting), Joan Bassett (BankOne), Diane Ray (Innovation Focus) and Chuck Husak (August Lang & Husak), as to when and how CI can help stack the deck in your favor.

### Strategy and Planning Intelligence , June 11-12, 2003

This second symposia emphasizes the importance of CI within the strategic planning process. This innovative two days symposia will teach you how to improve the quality of your company's strategic planning efforts. Topics covered include CI methods for strategic planning success, the use of intelligence in strategic flexibility, continuous scenarios and strategic early warning, and CI and strategy as the catalyst for organizational change.

Michael Raynor (SCIP 03 Anaheim keynote speaker), Wayne Rosenkrans (AstraZeneca), Ken Sawka (Deloitte), and David Gibson (Kaiser Associates) will help you learn how to:

- position CI as a key component of strategic planning,
- articulate the improvements the planning function can realize by systematically incorporating CI, and
- ultimately track the contribution that CI makes to the planning effort.

The end result is creating an environment where CI has a seat at the strategic planning table.

The third symposia of the series will teach you how to increase the effectiveness of intelligence dissemination within your company, as well as how to create and sustain a culture of competitive intelligence. The key to organizational success often depends on the C team's ability to establish real dialogue with peers and leaders.

How you present and distribute valuable CI insights is as important as developing them in the first place. This symposia explores intelligence dissemination and knowledge management on both personal and organizational levels, giving CI practitioners a new toolkit for communicating insights. Topics covered include:

- Managing the message: communicating intelligence that makes a difference.
- Knowing what you need to know: needs analysis.
- Information flow through organizations.
- Intelligence into the hands that matter.

Michael Sperger (IBM), Steve Barth (KM magazine), David Kalinowski (Proactive Worldwide), and Martin Kormanik (O.D. Systems) will provide a strategic framework for improving the way your management draws on insights from your CI team. After attending this seminar, you will improve your ability to focus your intelligence efforts on the people and issues where they can deliver the most value.

After reading all of this, don't you want to sign up today? Get online and reserve your spot to attend the most practical professional development experience of the summer. After attending one, two or all three symposia, you will be able to answer 'yes' to the questions at the beginning of this article.

Don't delay, [sign up today!](#) Remember, if you sign up for more than one session the savings are significant: \$795 (one), \$1,395 (two); and \$1,895 (three). This includes all course materials and meals (breakfast, lunch, refreshment breaks, and dinner).

copyright 2003 Society of Competitive Intelligence Professionals

*scip.online*, issue 31, May 8, 2003

May 08, 2003

## These seven deadly sins of business wargames, part 1.

## These seven deadly sins of business wargames, part 1.

### Mark Chussil, Founder and CEO, Advanced Competitive Strategies, Inc.

I've been involved with strategy decision-making for nearly 30 years, and in business wargaming and strategy simulation (its key enabling technology) for more than 16 years. I've learned a lot about what to do, and what not to do, in developing and implementing business war games. That's what this two-part article is about.

With business wargames, strategists rapidly uncover opportunities and threats that they otherwise would not have seen. They credit war games with boosting their bottom lines by tens and even hundreds of millions of dollars. [Especially in times of international tension, some managers are reluctant to use martial terminology. At ACS we have found that some clients embrace "business wargame" while others prefer "virtual competition" or "strategy game." You can use any of these terms without loss of meaning.]

### Making the gamework

Strategists find that business wargames work for several reasons.

- **Surprise.** Getting one or more surprises about your business gives you proprietary insight that you can parlay into greatly improved performance.
- **Experimentation.** The safe, private, rigorous, and impartial environment of a good business wargame lets you experiment with your strategy options before you have to commit real money.
- **Consensus.** The intense, shared experience, in which strategists see the same numbers and have ample opportunity to ask what-if questions, is effective at defusing conflict and building commitment.
- **Expertise.** A business wargame also helps strategists learn about rigorously analyzing their markets, customers, and competitors, and therefore about effective decision-making.
- **Decisions.** The bottom line is that a business wargame helps you, directly or indirectly, make much better strategy decisions. If it doesn't, what's the point?

Although those benefits are available, they are not guaranteed. Here, then, are these seven sins of business wargames that you should avoid as you select and deploy your own business wargames.

## 1. Nothavingaclearobjective

Whatdoyouwanttoaccomplishwithyourbusinesswargame?

- Abondingexperienceformanagers.
- Acatalystforasalesmeeting.
- Astimulustogenerateideasorprovokethinking.
- Arehearsalofaspecificstrategy.
- Arigorouswaytomakeacriticalstrategydecision?

Youwanttheatricalityandexcitementforabusinesswargamethatkicksoffasalesmeeting. Youneedadvancedanalyticpowerfora businesswargamethattestsastrategyorcontrastsmultiplescenarios. Ifyouuseheavyweightanalysisatthesalesmeeting,theworstyou'll doisputpeopleintoabadmood. However,ifyouinvestintheaterwhenyou'remakingstrategydecisions,youcanputpeopleoutofagood job. Greatdramaonlylookslikegreatthinking.

Youcanavoidthisinbymakingsurethebusinesswargameyoupickfitsyourobjective. Rememberthattherearemanyformsofbusiness wargames;shoparound.

Objective	Typical example	Desired characteristics of business wargame	Look for	Don't invest in
Raise excitement	Sales meeting	Theater, hoopla, fun, energy	Event planners and facilitators	Sophisticated analysis. The outcome is preordained: victory!
Raise consciousness	Internal management development courses	Knowledge and culture transfer	Solid, non-obvious analysis tailored to your business	Mind-numbing detail, which (incorrectly) says that precision wins
Raise questions	Scenario planning	Out-of-the-box thinking	Process to generate and summarize "wild" ideas	Industry analysis, which implicitly constrains thinking
Raise performance	Strategy decision-making	Much better strategy decisions	Realistic simulation, rapid what-if analysis	Do-it-yourself models, extrapolations of history

## 2. Gaming the game.

Strategists in a business wargame want to win, so they do their best to figure out the game itself. It's natural; it's part of being human.

Isaw an extreme example of this behavior in business school, where a friend a year ahead of me convinced her team to slash expenses and raise the price of their product (which normally was a few dollars) to a million dollars. She gambled that the game software wouldn't let unit sales go down to zero, and she was right. As a result, her team had a million in sales, negligible expenses, and the highest profits. Clever and victorious; not very realistic.

Asimple business wargame (that is, one based on a simple computer model or one with familiar consultants or analysts serving as judges) makes it easy for participants to game the game. They know what the model or judges want to hear, and so that's what they say. Clever and victorious; not very realistic.

A more subtle version of this occurs when participants know too much about the war-game parameters. For instance, if you know you'll be rated on profits and if you know that the game is about to end, you have an incentive to stop spending money and let your business coast for the last year or the last quarter. You inflate your profits, and the damage you do is invisible because it's beyond the game's horizon.

The cure is as obvious as it is challenging: pick a game that's hard to game. The way to find such a game is to talk to potential vendors about what drives their business wargames. It's relatively easy to game a game that predicts results with human judges or with computer models based on historical trends or financial analysis. It's much more difficult to predict which actions will work, and which won't, when using a highly realistic model based on competitive dynamics.

I remember the day when I could no longer predict what Value War would say. I realized that that's when it became really useful: when it told me something I didn't already know.

Look for that experience when you select a business wargame. You want something that makes sense, and yet you also want something that doesn't simply confirm your expectations. If it always does what you think, then it isn't helping you think.

## 3. Relying on conventional wisdom

No one consciously selects a business war game that favors conventional wisdom. After all, part of the allure of business war games is that they can help strategists break out of traditional ways of thinking. However, even though business war games don't intentionally favor conventional wisdom, some do so inadvertently and invisibly.

At ACS we ran a war game for a company whose managers insisted they sold a commodity. If we had built their assumption into the war game — as an inexperienced model-builder or an industry specialist might do — we would have limited their market moves to changes in price. We retained ValueWar's market-differentiation factors and temporarily turned them off. It turned out that price moves would not produce positive profits, so we re-opened the topic of differentiation moves. Those moves proved successful. If we had built in conventional wisdom, our client would not have found a strategy that improved their bottom line by hundreds of millions of dollars.

Conventional wisdom can infect your business war game in two ways:

- how you generate strategy options.
- how the business war game determines winners and losers.

### **Generating strategy options:**

Ask the vendor how their war-game process generates strategies to test.

- If you can create free-form strategy options for your business and its competitors, that's good. It's especially good if the strategy-creation process encourages out-of-the-box alternatives, even those that neither you or your competitors have ever implemented.
- If you must select options from a canned list of strategies ("low-cost strategy," "cut budgets 10%," etc.), that's not so good. Such a list implies conventional-wisdom constraints or limited analytic capabilities.
- If you select a strategy for your business and not for your competitors, that implies they will remain passive no matter what you do. Run screaming. Note, by the way, that a spreadsheet of your business alone implicitly assumes that your competitors will not respond to your moves.

### **Determining winners and losers:**

Ask the vendor how his or her war game allocates market share among the businesses in the war game.

- If there's a causal model that directly links customer preferences and business moves to market-share results, that's good. Such a model mirrors customer thinking. Better is a model that uses data from the market to calibrate customer behavior. Best of all is a data-based model that supports what-if tests to see if future shifts in customer wants will change the strategy option that's best for you.
- If human judges or "umpires" decide among themselves which competitors get how much share, that's not so good. Human beings are not calculators; we don't do so well at balancing many quantitative factors. In addition, we humans tend to favor the familiar, including our interpretations of our experience, which means we impress our individual conventional wisdom on our judgments. [One wag felt that he was so expert, he doesn't have 'gut feeling,' he has 'gut fact.'
- If their technology allows you to specify a strategy that includes the outcome—for instance, "our strategy is to gain seven points of market share"—run screaming.
- Subtle point for model mavens: if the market-share allocator assumes that shares stay stable unless something changes in the market, then the war game effectively protects the status quo. Such a model will tend to underestimate market volatility and the ability of new competitors to make inroads.

Forecasts, history, trends, experts, judgment, experience... in short, the more you hear those words as a vendor describes his or her business war game, the more you should look carefully for signs of conventional wisdom.

[Part 2 will appear in issue 32, May 22, 2003]

### **About the author**

Mark Chussil is Founder and CEO of Advanced Competitive Strategies, Inc. ([www.competing.com](http://www.competing.com)) and lead creator of the award-winning ValueWar@strategy simulator. He and his colleagues at ACS have implemented business war games for dozens of companies, in many industries, around the world. He has spoken at numerous conferences and companies, has published extensively, and has been quoted in Fast Company, The Wall Street Journal, and other publications. Prior to founding ACS, Mark worked at The Strategic Planning Institute (The PIMS Program) and Sequent Computer Systems. He earned his B.A. from Yale and his M.B.A. from Harvard. Mark may be contacted at [mchussil@competing.com](mailto:mchussil@competing.com).

copyright 2003 Society of Competitive Intelligence Professionals

*scip.online*, issue 31, May 8, 2003

May 08, 2003

# NetworkingforCicareerbuoyancy.

AnewSCIPwebinar.

## NetworkingforCicareerbuoyancy.

OnMay15,2003at2:00p.m. EST SCIPwillfeatureanewwebinar, presentedbyDorothyOrszulak

“**CareerDevelopment:NetworkingforCICareerBuoyancy,**”

Asanintelligenceprofessional,youneedmanycorecompetenciestobesuccessfulonthejob. Onekeybehaviorstandsabovetherestto ensureyourlongtermcareerbuoyancyintheintelligenceprofession:personalinfluence, theabilitytocommunicatewithpurpose, orbetter knownasnetworking.

Networkingisacareerbuoyantbehaviorthatallowsyoutostayafloatinthesehardtimes, whileinvestinginasetoftechniques, habitsand behaviorsthatwillkeepyousailingthroughroughseas, intocalmerwaterstowardnewhorizons. Inthissession, learnabout:

- thenetworkingmodel,
- howtobuilditbothinsideandoutsideyourcurrentintelligence/workcommunity, and
- specificdevelopmentstrategiesandtactics, whichincludemasterfultechniquessuchasharnessing"networknodes."

LeavearmedwitharoadmapandtacticsthatwillreinvigorateyourCicareerdevelopmentandopportunities.

**DorothyOrszulak** isaCiprofessionalandcareercoach. Shecreatesadeep, richconnectionwithherclients supportingtheirfulfillmentof professionalandpersonallifejourneys. Dorothyworkswithclientstoexplore, discoverandclaimtheirauthenticcareercallingsandto experiencethepowerfulandlifeaffirmingresultsofchoosingbalance, fulfillmentandthehonoringoftheircorevalues. Whatclientsgetisto identifytheircareerbuoyancypathswiththedevelopmentofbehavioralcompetenciesthatwillkeeptheircareersshipshapeandseaworthy. Clientsalsofinddeeplymeaningfulworkandproduceextraordinaryresultswilesavoringmoretime, energyandfinancialsuccess.

Dorothyspent12yearsinthecompetitiveintelligence(CI)professionatDeloitteConsultingandTheFuturesGroup. Anexperienced consultant, trainer, projectmanager&marketerofprofessionalservices, ShefocusedondevelopingandimplementingstrategicCI capabilitiesforherclientsaswellasconductingcompetitiveassessmentsinthepharmaceutical, financialservices, utility, telecommunications, chemicals, consumerproductsandprofessionalservicesindustries. DorothyledtheSCIPchapterinHartford, CT (1997-2000)andhasgivenpresentationstochaptersacrossNorthAmericaonhowtostructureintelligenceprojects.

Today, DorothyisalsotheAssociateDirectoroftheInternationalBusinessRelationsProgramatTheFletcherSchool/TuftsUniversitywhere shebuildsexecutiverelationshipswithFortune500companiesandcoaches"highpotential"graduatestudentsoninternationalbusiness careerpaths. SheisaMagnaCumLaudegraduateofHofstraUniversityandagraduateofTheCoachingTrainingInstitute, apioneering organizationofthe"Co-ActiveCoaching™"modelandinternationalleaderinthecoachingprofession.

Dorothy'sbackgroundismulti-disciplinaryacrosstheprivatesectorandacademia, andincludesexpertiseinbusinessdevelopment, marketing, traininganddevelopment, recruiting, projectmanagement, andcareercounseling. Thisbroadexpertiseallowshertoworkwitha varietyofclientsincludingprofessionals, businessowners, entrepreneurs, executives, graduatestudents, faculty, andindividualsundergoing professionaland/orpersonaltransformation.

Toregisterorformoreinformationpleaselogonto <http://www.conferencearchives.com/cgi-bin/caistore/SCIPWEB06.html>

Membersmustregisterbefore1:00p.m. ESTonMay15, 2003topayonly\$99. PleasereembertoprepareyourquestionsfortheQ&A sessiontoimmediatelyfollowthepresentation. TheentirepresentationwillbeintegratedintoaCD-Romanddistributedtwoweeksafterthe webinar.

RememberyouwillneedQuickTimeProtoviewthepresentations. Pleaseclick <http://www.apple.com/quicktime/download/> todownload.

Ifyouareinterestedinarchivedwebinarspleaselogonto <http://www.conferencearchives.com/scipwebinar/>fororderinginformation.

copyright2003SocietyofCompetitiveIntelligenceProfessionals

**scip.online**, issue31, May8, 2003

May06, 2003

## PromotingbusinessuseofCI.

SCIP's business development committee met recently with several CI companies to identify how SCIP can create a stronger partnership with the vendor community. This group discussion focused on our shared interest in promoting the effective use and adoption of CI within the greater business community, as well as providing the best value possible to SCIP members. A commitment has been made to improve collaboration with CI vendor companies to achieve these goals.

We would like to hear from you! If you have any ideas or suggestions that would enhance the SCIP/vendor partnership, please send an email to [Diane Giese](mailto:DianeGiese), Chair of the Business Development Committee and [Patti Steele](mailto:PattiSteele). We welcome your participation and assistance with this SCIP initiative.

May 08, 2003

## **Breaking down the barriers of information scale and complexity.**

## **Breaking down the barriers of information scale and complexity.**

**Greg Coyle**, vice president at [anacubis](http://anacubis.com) [gregc@anacubis.com](mailto:gregc@anacubis.com)

*Building an understanding of relationships in large amounts of competitive intelligence data using new visual research and analysis tools.*

Management information systems, customer databases, corporate intranets, the Internet; the wealth of online competitive information these systems provide access to has changed the way we do business. Never before have corporations been able to access such a diverse range of information sources with such ease and speed.

Vast amounts of new data are being added daily. There is no end in sight to this information extravaganza, but as available data grows, information overload is becoming an increasing problem. The sheer volume and complexity of the data now being produced presents both those responsible for generating the information and the CI professionals who utilize it with an increasingly difficult task: locating the precise data needed and then extracting maximum value from the results presented, in an efficient and effective manner, to support an informed corporate decision-making process.

### **A visual approach to complexity**

There is a developing change in the way structured online information is delivered and consumed. Online information providers are subscribing to tools that break down the barriers of scale and complexity by delivering CI information in a visual format that is easy to view and navigate. This enables faster access to relevant data for easier understanding and further analysis. With an estimated 80% of CI professionals' time spent looking for information and just 20% spent analyzing it, getting to the relevant information faster brings massive benefits in productivity.

Several online information providers, including LexisNexis, Questel Orbit, Bureau van Dijk and D&B are adding a highly intuitive visual interface to their databases, allowing complex relationships within the data to be highlighted and explored within a single screen at the click of a mouse.

The technology behind this method of delivery automatically creates a visual representation of complex data in real-time, which can be easily manipulated and acted upon. It does this by automatically representing entities, such as people and organizations, pictorially as icons and shows the relationships between the entities as link types. As the user explores the online source, data is continually added to the visualization, providing a big picture overview of a particular organization, market or area of interest.

### **Identifying information relationships**

In the past, complex relationships within large amounts of data were often difficult to uncover and key interdependencies were often overlooked, simply because they were so well concealed within the data. By dynamically visualizing those relationships, they become easier to understand, explore and communicate to others. A huge advantage is gained over the typical user experience, which involves navigating through hyperlinks and wading through potentially hundreds— or even thousands— of pages of, often textual, data.

The true power of the technology may also be easily noted by virtue of the 'live' nature of the visualization— as opposed to being a static picture. Each of the entity icons can be moved, re-ordered, expanded or removed from the visualization to allow for a more complete and thorough analysis. All the underlying data is retained in the visualization, so a user can easily click on any icon or link to view the source document. In addition, the user can continue to pull additional data into the visualization, without opening new windows as would be necessary in a typical hyperlink-oriented search.

### **Intelligently consolidating information**

While visualizing the data helps promote clearer understanding, the true benefits of this technology for CI professionals lie in its ability to intelligently consolidate information from different sources and deliver it in a format suitable for further analysis and communication within the wider organization.

The ability to go to best-of-breed information sources and consolidate them together into a single visualization is extremely powerful. Imagine being able to browse to D&B and get background on a particular company, then go to Questel Orbit and get information about their patents, drag the visualizations of the information onto the desktop and watch the application instantly consolidate the data from both sources.

The opportunity this brings in working more efficiently impact a wider range of CI activities, such as visually exploring and analyzing patents (citations, assignees, inventors and IPCs), quickly identifying licensing opportunities, tracking competitor patent portfolios, uncovering and tracking patent ownership, monitoring patent activity, identifying and qualifying new R&D opportunities and monitoring for patent infringement.

Of course the applications for the visual research and analysis tools go far beyond the field of intellectual property. Financial analysis, mergers and acquisitions, conflict of interest, legal compliance and due diligence are all key areas where this technology brings important benefits.

## Tracking change to uncover trends

In today's fast-moving world, CI information sources are constantly evolving—daily, hourly or even by the minute. Keeping track of changes can often prove difficult, particularly when the information originates from a range of different sources. Saving the visual results of online research off-line, dynamically updating them, and comparing results to previously saved analysis saves time and effort. It also helps to uncover developments and trends.

This type of visualization technology allows organizations to approach their CI activities in a far more proactive manner by streamlining the gathering, analysis and management of information. This helps the corporate decision maker to anticipate changes in a market, rather than having to react to them. By making the research process more efficient and effective, CI professionals can spend less time looking for the information they require and more time analyzing and disseminating the results of their research—and turning information into actionable intelligence that provides a competitive edge.

### About the author

Greg Coyle is a Vice President of Anacubis™ ([www.anacubis.com](http://www.anacubis.com)), a leading developer of visual research and analysis tools for commercial information professionals. The technology behind the Anacubis™ system has been developed over the past 12 years by parent company i2 Limited, one of the world's largest providers of data visualization and link analysis software to investigative analysts and law enforcement agencies around the world. i2's systems are used by many of the federal agencies in the USA. Greg can be contacted at [gregc@anacubis.com](mailto:gregc@anacubis.com)

copyright 2003 Society of Competitive Intelligence Professionals

*scip.online*, issue 31, May 9, 2003

May 09, 2003

## Pull-out directory in CI magazine.

The July/August issue of CI magazine will feature a focused pull-out insert directory of select CI product and service providers. This directory will contain 'business card-type' entries organized by subject that can be pulled out of the magazine and kept at your desk as a handy reference tool.

For CI suppliers, thousands of CI professionals will have your company information at their fingertips with this reference section. To be a part of this listing, contact Bonnie Hohhof at [bhohhof@scip.org](mailto:bhohhof@scip.org). For only \$199, join the CI Magazine Directory and target your customers today!

May 08, 2003

## Extracting CI from investor conference calls.

## Extracting CI from investor conference calls.

### Mark Coker, BestCalls.com founder

At least once per quarter, publicly traded companies hold earnings conference calls with analysts and investors to discuss recent results and future expectations. These calls provide CI professionals a gold mine of timely intelligence that simply can't be found in press releases, 10Ks, 10Qs or annual reports.

Until recently, CI professionals were not allowed widespread access to these calls. Today, nearly all calls are open to the public. This guide provides a simple checklist of ten actionable tips to help CI professionals gain the most benefit from their conference call attendance.

### 1. Listen, listen, listen .

Conference calls help you gain an in-depth understanding of a company. The more calls you attend, the more skilled you will become at extracting valuable competitive intelligence from the calls. You'll learn the underlying fundamentals of a business, form an opinion of management, learn to identify subtleties, and receive tips of pending strategic alliances or new product directions.

### 2. Did earnings meet or exceed expectations?

If there were any disappointments, does management have a decisive plan to remedy the disappointments? Was the disappointment really that bad? For example, did one big order from last quarter fall into this quarter? If they exceeded expectations, were there any shifts in

businessconditionsthatmightsignalacceleratingearningsorrevenuesinthefuture?

### **3. Pay close attention to revenues.**

Did revenue growth keep pace with earnings growth? In this stagnant economy, some companies will be tempted to "window-dress" their earnings to meet earnings forecasts, but revenues are difficult to manipulate. Revenue growth is the most important engine of future earnings growth and can help you determine if the company is gaining or losing momentum in the marketplace. Analyze sequential quarterly growth rates over a 24 month horizon to determine if revenue growth is accelerating or slowing and to factor out seasonal influences.

### **4. Mood of management.**

Is management up beat or down beat? More importantly, how has mood changed compared to previous calls?

### **5. Mood of analysts .**

Are analysts up beat or down beat? More importantly, how has mood changed compared to previous calls? Do analysts preface their questions with congratulatory remarks, or not? Also pay attention to whom make the comments. Congratulatory remarks from a sell-side analyst carries more weight than remarks from the buy-side. Positive remarks from the sell-side could indicate that an upward earnings revision is imminent. Comments from buy-side analysts are more suspect, because buy-side analysts already have a position in the stock and therefore have a vested interest in placing positive "spin" on the results.

### **6. Listen closely to the analyst Q&A.**

This is the most important part of the call. This is where information comes out that you won't find in press release, 10K, 10Q, etc.

### **7. Is management in command of the facts?**

Does the management team have answers at the tip of their tongue for every question, or do they fumble through papers and struggle to provide answers to even simple questions? Do the CEO and CFO pass questions to one another in a seamless manner, or are both unsure of answers?

### **8. Does management articulate a clear vision of the future, and do the results of the quarter demonstrate that they're executing on that strategy?**

Successful management teams can often articulate a clear, simple vision for the future, and they execute every quarter like clockwork.

### **9. How is the company performing in terms of recruiting and employee retention?**

Employees are the growth engine for every company. If the company is having trouble recruiting or retaining skilled staffers, future growth will be threatened. Where are the employees coming from? If key executives are being recruited away from competitors, and the company isn't losing employees to competitors, it's a sign of increased competitive momentum.

### **10. Listen for forward guidance.**

Thanks to Regulation FD, management is no longer allowed to selectively disclose forward looking earnings guidance. As a result, many companies now present prepared remarks on anticipated sequential growth rates, earnings forecasts, comfort with current analyst estimates, etc.

### **About the author**

Mark Coker is founder of BestCalls.com ([www.bestcalls.com](http://www.bestcalls.com)), the Internet's leading directory of investor conference calls and events. The company's Call Trackers service provides CI professionals advance email alerts of pending conference calls, and provides access information and transcripts. Coker is credited with launching in 1999 what many now call the "open conference call movement," which was a grassroots campaign aimed at opening earnings conference calls to the public. The campaign, which gained widespread media coverage and endorsement, shined a bright light on the problem of selective disclosure and served as a catalyst for the SEC's Regulation FD. The author can be reached at [mark@bestcalls.com](mailto:mark@bestcalls.com).

May08,2003

## Patinformatics:identifyinghaystacksfromspace.

## Patinformatics:identifyinghaystacksfromspace.

**Anthony J. Trippe, Sr. Staff Investigator, Intellectual Property  
Vertex Pharmaceuticals Inc.**

Generally, when individual think about patent information they conjure up an image of a diligent searcher, poring over reams and reams of information, looking for the one reference out of hundreds, maybe thousands, that will satisfy their client. The idea of searching for a "needle in a haystack" comes readily to mind when referring to the activities in which these professionals commonly find themselves.

More recently however, information researchers, especially technical intelligence professionals, find themselves being asked to look at the bigger picture. Instead of trying to identify a single grain of sand on a vast beach, business decision makers are asking researcher to identify trends and provide general overviews.

This places information in context when compared to a much larger collection of materials. Instead of finding a needle in a haystack, today's analysts are being asked to identify haystacks from space and then forecast whether the haystack is the beginning of a new field or the remainder from last year's harvest.

### The concept of patinformatics

The title of this article introduces the notion of *patinformatics*. This term is borrowed from the more common fields of bioinformatics or cheminformatics. By definition, bioinformatics is the science of analyzing large amounts of biological data using computational methods. For example, researchers use genomic data to discover relationships or trends between different genes or biological pathways where looking at smaller datasets could mean missing a connection.

In a similar fashion, patinformatics describes the science of analyzing patent information to discover relationships and trends, which would be difficult to see when working with patent documents on a one-on-one basis. The term encompasses all forms of analyzing patent information including:

- **patent intelligence**: the use of patent information to identify the technical capabilities of an organization and the use of that intelligence to develop strategic technical planning.
- **patent mapping**: sometimes described as white space mapping, using published patent data to create a graphical or physical representation of the relevant art pertaining to a particular subject area or novel invention.
- **patent citation analysis**: the study of patent citations for potentially determining a patent's value or, perhaps more reliably, the identification of potential licensing partners or leads based on the citation of an organization's patents by another company in the same or a completely different marketplace.

Patinformatics can also cover additional applications of patent information involving a subsequent analysis step. The key in each of these diverse areas is the analysis step.

### Search, review/analysis, and presentation

One might imagine that the same rules apply to conducting patinformatics as apply to patent searching. This is not entirely the case. Just as in physics, where quantum mechanics outlines the principles for understanding the microscopic world, and Newtonian principles apply to the macromolecular world of large bodies in motion, one can distinguish two different approaches to patent information.

Traditional patent searching deals with the micro level where every small change becomes extremely important and details and precision are imperatives. Patinformatics, by comparison, deals with thousands of documents. Since small details will not be seen across such a vast landscape, it takes a more macroscopic view of the data, using different methods, and reaching different conclusions. This point can be illustrated by looking at how a patinformatics project is put together: performing a search, conducting the review and analysis of the information, and presenting the results.

### Searching

In patinformatics patent analysts may put together a complicated search strategy and try to be as directed as possible in their searching, but generally they want to create a comprehensive dataset as the basis for subsequent analytical steps.

Analysts will use large collections of keywords and database-specific indexing, but they will also try to keep their strategies broad and not narrow results to a fine point. As long as the data discovered is more or less on target, having some irrelevant answers in the search set results may not bother them, since small inconsistencies will not be seen above the baseline.

Statistically speaking, analysis requires the presence of enough data to discover trends and relationships; so patent analysts prefer an overabundance of data as opposed to a lack of it. Making the search too specific can bias the data. It is important to let the data speak for itself, and not have the analysis directed by search results that have been biased by the analyst's preconceived notions. Building a dataset free from bias and subjectivity is key.

Under these circumstances, search result datasets may grow to several thousand records. In the past patent analysts would ordinarily stay away from datasets this large, since working with so much information was difficult for end-user to grasp. Using computerized analytical tools, however, the task of working with large datasets has become much less complicated and should not deter an aggressive search strategy.

## **Review/analysis**

A patent analyst uses review and analysis as separate steps with different objectives and methods. In the review steps, the analyst is building a data warehouse, examining the integrity of the data, and making certain that it is clean. The first step may involve a relevance review, which does not have to be terribly detailed but does eliminate results that are widely off topic. Once again, precision is not the issue here, so the review process goes fairly quickly.

After the analyst is more or less convinced that they have accrued data generally on topic, they begin the process of building the data warehouse. This typically involves importing the data into a software tool and checking to make sure that the process has gone smoothly and that the data is ready for the subsequent analysis phase.

The analyst will scan the data warehouse, occasionally taking samples of the data, and making certain the information has ended up in the proper fields and formatted correctly. Depending on the size of the dataset, this process may take quite some time. A few hundred documents may go quickly, but when the dataset expands to include several thousand documents, this step can become every time consuming.

After building the data warehouse, the review process is complete and the data analysis can begin. Specific details on performing patent analysis will be discussed in part two of this article. The process requires a clear understanding of the business objective and the desired use of the intelligence produced by the analysis. It is less a judgment call based on the analyst's understanding of the subject matter, as an experiment with conclusions drawn based on the results.

When doing an analysis, people may find it difficult identifying trends or patterns within data, since they have a different perspective looking at the 100th record than they did when looking at the 4th. It is also difficult for the human brain to keep track of several variables while examining hundreds of documents. A computer, on the other hand, can objectively weigh a set of variables regardless of which document they came from and identify patterns within the data. Due to the large volume of potential data a patent analyst can draw from, computerized analytical tools can be used to produce valuable intelligence from patent data.

The analyst will typically have a number of computational tools (which will be covered briefly in Part 3 of this article) available that are designed to identify patterns and trends within their datasets.

## **Presentation**

In most cases, business decision makers are not interested in data. They want data to be compiled and analyzed into intelligence. They want different scenarios and their corresponding advantages and challenges laid out so they can draw rapid conclusions and act on them. The analyst's results, therefore, are generally limited to a few slides outlining the business need, the hypothesis under investigation, the result of the analysis, and, finally, some opinions on the potential conclusions of following different courses of action.

With such a limited amount of time and attention available to deliver their message the analyst needs a tool to quickly draw their client to the proposed conclusions. Nothing makes a bigger impact than a powerful visualization to showcase gleaned intelligence. In part three of this article as the computerized tools that have proliferated for conducting patent informatics studies are recovered, the visualization engines that have been developed for representing the results of the analytic techniques will also be discussed.

## **Background:**

Anthony Tripp currently holds the position of Senior Staff Investigator, Intellectual Property at Vertex Pharmaceuticals. He is responsible for designing and implementing patent intelligence and mapping activities at Vertex and for assisting with the leveraging of IP within an external to the company. Previously, Mr. Tripp was Practice Director, Intellectual Property Consulting for Aurigin Systems Inc. and was Technical Intelligence Manager for the Procter and Gamble Co.

Copyright Society of Competitive Intelligence Professionals.

scip.online, issue 31, May 8, 2003.

May 08, 2003

**FYI: new and notable.**

FYI:newandnotable.

BonnieHohhof

- [Searchengines:newsandupdates.](#)
- [Internetsiteswithinformationyoucanuse.](#)
- [Newproducts.](#)
- [Searchingreviewsandt看tips.](#)
- [Generalreadingsofinterest.](#)

#### Searchengines:newsandupdates

**Dialog**, has significantly enhanced its DialogProfound(r)Researchline(tm)service by adding highly valued market and industry data and analysis provided by 20 new information providers. Market research firms now supplying the recently added content to Researchline include: Aberdeen Group, CahnersIn-Stat, Decision Resources, Gartner, Inc., Semico Research Corporation, Simba Information, Wintergreen Research and The Yankee Group. [www.dialog.com](http://www.dialog.com) [http://www.managinginformation.com/news/content\\_show\\_full.php?id=1424](http://www.managinginformation.com/news/content_show_full.php?id=1424)

**eBizSearch** is an experimental niche search engine that searches the web and catalogs academic articles as well as commercially produced articles and reports that address various business and technology aspects of e-Business. This search engine crawls websites of universities, commercial organizations, research institutes and government departments to retrieve academic articles, working papers, white papers, consulting reports, magazine articles, and published statistics and facts. <http://gunther.smeal.psu.edu/index.html>

**Google**, developer of the largest performance-based search advertising program, announced on 23rd April, 2003, that it had acquired Applied Semantics, a Santa Monica, California-based producer of software applications for the online advertising, domain name and enterprise information management markets. May 8. <http://www.searchengineethics.com/03-news/05-google1.htm>

With luck and brains, the **Google** search service has won the hearts and minds of millions and built a booming business. Watch out: Microsoft wants in. "Alleyes on Google," Forbes, May 26. <http://www.forbes.com/forbes/2003/0526/100.html>

One of Silicon Valley's favorite parlor games is guessing when **Google** will go public. Though CEO Eric Schmidt says an IPO isn't imminent, here's a sign that Google is at least thinking of testing the public waters: It has hired respected former CSFB analyst Lise Buyer, 43, to be what she calls "official lug-nut checker." "Google finds a good analyst," Adam Lashinsky, Fortune, April 29. <http://www.fortune.com/fortune/investing/articles/0,15114,447870,00.html>

Thomson Financial, an operating unit of The Thomson Corporation (NYSE: TOC; TSX: TOC), and leading provider of information and technology solutions to the worldwide financial community, today announced the launch of a new homepage for its showcase Website [www.thomsonfn.com](http://www.thomsonfn.com). This is the first in a series of changes to improve the site's usability, navigation and content. Press release May 5. <http://www.stockhouse.ca/news/news.asp?tick=TOC&newsid=1665745>

FirstGov.gov is the U.S. Government's official web portal. It provides a comprehensive search of government information including over 51 million web pages. The **Vivisimo** Clustering engine will automatically cluster FirstGov search results into meaningful subject categories. <http://vivisimo.com/form?form=FirstGovAdvanced>

#### Internetsiteswithinformationyoucanuse

**BloggingHeadlineNewsDaily** collects from across the Internet 20,000 posts, sorts them, sifts them and then presents to its human editors the robot's best guess. Then human editors work through the posts and pick the best of the best to serve up. Entries are sorted into over 130 subject categories. <http://blogging-news.info>

**GoogleAlert** runs daily Google searches for you and emails you whenever new results appear. You can use GoogleAlert to automatically keep track of anything on the web. Many people use GoogleAlert to keep track of what the web is saying about them, their interests or any projects they are involved in. <http://www.googlealert.com/>

The **LookupDirectory** provides over 22 ways to simply lookup items from addresses, phone numbers, locations, demographics, zip codes, campaign contributions, nonprofit organizations and more. <http://www.melissadata.com/Lookups/index.htm>

The **ResourceShelf** is a daily weblog covering resources and news for information professionals. Includes good descriptions and wide range of sources. Run by Gary Price, co-author of 'The Invisible Web.' <http://www.resourceshelf.com>

A free tool, the idea is to let users enter in the amazingly long URLs that dynamic websites provide and in its place, receive a manageable "TinyURL" that can be sent to others via email without worry of the link breaking. <http://tinyurl.com/>

TornadoInsiderreleasedthethirdannualTornado100list **featuringEurope's top100emergingprivatetechcompanies** .Thelist represents themostpromising, andinnovativeemergingcompaniesintheEuropeanITandbiotechsectors. <http://www.tornado-insider.com/tornado100/>

**Yahoo!**recentlylaunchanewlyre-designedhomepagethatfeaturesacleanerlayoutandabettershowcaseforadvertisers.Thehomepage overhaulcomesastheWebportalhasintroducedpronouncedchangesthroughoutthesite,addingfeestoservicesathadpreviouslybeen offeredforfreeandplacinglarge,animatedadsinpopularareassuchasfinance,sports,newsandemail,amongothers.SearchEngine OptimizationEthics,May8. <http://www.searchengineethics.com/03-news/05-yahoo1.htm>

Justsevenmonthsafter **Yahoo**madeamajorchangetoitssearchengine,theNewYahooSearchhasnowbeenunveiled.What'sdifferent? Quiteabit,buttheusefulnewadditionsdon'tdetractfromthepreviouschanges."Yahoo'ssearchenginecontinuesevolving,"SearchEngine Report,May6. <http://www.searchenginewatch.com/sereport/article.php/2201931>

## New products .

TheFuld-Gilad-HerringAcademyofCompetitiveIntelligence,sponsoredbyTheFinancialTimesofLondon,isofferingfivedaysof **core intelligencecertificationcourses** inLondononMay19-23.Thecourseswillcoveranalyticaltools,techniquesandconcepts,rangingfrom thefundamentalsofcollectiontomoreadvancedcompetitiveblindspotsandcross-competitorstrategicanalysis.Forinformation,contact LynneSmithat [lsmith@academyci.com](mailto:lsmith@academyci.com).

**Hitwise**announcedtheavailabilityofitsonlinecompetitiveintelligenceservicefortheUSmarket.Hitwiscurrentlymonitorshowmorethan 10millionUSInternetusersinteractwithover200,000onlinebusinesses,across150industrycategoriesdaily.May8pressrelease. <http://www.optinnews.com/read-article.php?id=1725>

Growthisanimperativeforallpublicminingcompanies,butcompetitivepressurermakesitdifficulttofindsignificantshareholdervaluein acquisitionsandothertransactions.Inthesearchforareasofcompetitiveadvantage,onerichresourceislargelyuntapped--your company'sownstaff.Hiddeninthemassofrumors,gossip,andotherinformationflowingthroughthecompanyonadailybasisarevaluable cluesandinsights--ifonlytheycouldberecognizedandcaptured. **MetalsEconomicsGroup'sAcquisitionandCompetitorIntelligence System(ACIS)**doesjustthat.TheACISisanintranet-basedbusinesssolutionfocusedonacquisitions,divestments,deal-making,portfolio analysis,strategicplanning,andcompetitorintelligenceatalllevelsofacompany. [http://www.minesearch.com/catalog/pages/acis\\_details.htm](http://www.minesearch.com/catalog/pages/acis_details.htm)

**Synapse**,theKnowledgeLinkCorporate,adeveloperofcustomtaxonomiesandtaxonomymanagementsoftware,haslaunchedanewweb servicethatisdesignedtohelpcompaniesidentifyandacquireprofessionaltaxonomies.E-ContentMagazine,May6. [http://www.econtentmag.com/ecextra/2003/2003\\_0506/xtra.html#4](http://www.econtentmag.com/ecextra/2003/2003_0506/xtra.html#4)

**Verity**hasannouncedVerityFederator,whichseamlesslyintegrateshesearchsystemsofVerityUltraseek(formerlyInktomiEnterprise Search,whichVerityacquiredinDecember2002)andVerityK2Enterprise(K2E)customers.Thenewofferingisalsosaidtobedesignedto allowcustomerstoleverageK2E'sadvancedclassificationandpersonalizationfunctionalityacrossallcontent,includingthird-partycontent sourcesandapplications,regardlessofwherethecontentisstored.May5. [http://www.kmworld.com/news/index.cfm?action=readnews&news\\_id=2833](http://www.kmworld.com/news/index.cfm?action=readnews&news_id=2833)

## Searching reviews and tips .

**Daypop**nowallowstheabilitytodometatagsearching. <http://www.danchan.com/weblog/daypop/62457>

ThroughtheInternet,MicrodocNewslocatedandqualified545universitystudentstoparticipateinastudyof **Googlesearchingbehavior** .An objectiveofthestudywastofindhowexpertusersformulatequeriesandtoseeifthereisanythingthatnon-expertuserscanlearnfromsuch querybuilding."HowexpertssearchGoogle,"MicroDocNewsMay6. <http://www.microdocs-news.info/2003/05/06.html>

Judgingfromrecentlegaleventsandrecentssurveydata,protectingyour **onlineanonymity** couldbegettingalottougher.Fromidentitytheft tocyber-stalkingtonewrulesforInternetServiceProviders(ISPs)aboutdisclosingthenamesoftheirusers,stayinganonymousin cyberspaceisbecomingatrickybusiness."Stayingnamelessonthenet,"SebastianRuple,PCmagazine,May5. <http://security.ziffdavis.com/article2/0,3973,1055135,00.asp>

Perhapsthegreatestthreattoourabilitytoperciveenovelquestionsistoapplyatechnologicalsolution.Thesedays,wesimplytypea keywordandthe **searchengine** doestherest.Butthisinstantamounttodumbingdown.Ourtirelesspursuitof'better'searchengines overlooksthefactthatweareabrogatingourobligationtothink,inthemisplacedbeliefthatwhatasearchengineactuallydoesissearch. "Searchenginesmakeusdumb,"JonathanGordon-Till,May1. <http://www.vnuned.com/Analysis/1140721>

Whenitcomesto **searchenginerobots** ,thinksimply.Lotsofgoodcontentandtext,hyperlinkstherobotsfollow,optimizationofyour pages,topicallinkspointingbacktoyoursite,andasitemapwillhelpinsurethebestresultswhenthebotscomevisiting."Searchengine robots,howtheywork,whattheydo,part2,"DariaGoetsch,SearchEngineGuide,May6. [http://www.searchengineguide.com/goetsch/2003/0506\\_dg1.html](http://www.searchengineguide.com/goetsch/2003/0506_dg1.html)

Whoeveristhefirsttolearnhowtowriteeffectivepressreleases,marketingwhitepapers,andezine-newslettercontentthatgenerateleads aswellaspublicitywinstherace." **Searchengines** andfuturehithistoryofpublicrelations,"Traffic,May5.

Search engines are essentially massive full-text indexes of web pages. The quality of the indexes, and how the engines use the information they contain, is what makes—or breaks—the quality of search results. “How Search Engines Make Sense of the Web,” Chris Sherman, Search Engine Watch, May 5. <http://www.searchenginewatch.com/searchday/article.php/2200541>

## General readings of interest

**Blogs** are direct, one-to-many vehicle for communicating ideas. They expand an individual's ability to communicate. They are fresh and timely. The blogger, in order to maintain interest, must communicate often. Blogs enable a single person to share ideas, insights, and useful knowledge with an audience. Two important characteristics are that they are written by a person who is knowledgeable and passionate about the topic, and that they are written in a "real voice." "Adapting blog technologies to corporate e-newsletters," Todd Brehe, May 9, 2003.

<http://www.optinnews.com/read-article.php?id=1718>

**Dashboards** depicting time-series analysis allow managers to spot trends and, in turn, manage operations for ROI. Business intelligence benefits seem limited only by IT's creativity. "Dashboards come in to view," Peter Bochner, IT Toolbox.

<http://bi.ittoolbox.com/documents/document.asp?i=2149>

The Library of Congress Research Centers, Science and Technology Referencedivision have a comprehensive online retrospective of **Harley Davidson**. "Hog heaven: celebrating 100 years of Harley Davidson. <http://www.loc.gov/rr/scitech/harley100/>

Harley

Here are six rules to make sure you connect with your listeners and leave them wanting more."

**Keynote** like a pro," Jeff Wuorio, Business 2.0,

April. <http://www.business2.com/articles/mag/0,1640,47799,00.html?nl=whn>

There are many software solutions to the **knowledge-management problem**. But it's up to people to know what to do with the information before them. Security is important. But for many companies, the insufficient distribution of crucial information is more dangerous than illicit distribution. Any decision someone at a company makes is based on information, so the quality of the decision is based on the quality of the information supporting that decision. Pushing relevant information to the top of someone's attention list is critical. "When Google Isn't Enough," Jimmy Guteman, Business 2.0, May 2. <http://www.business2.com/articles/web/0,1653,49320,00.html>

Seven commandments for **marketing** and brand building are being chiseled onto new stone tablets. Following them...well, religiously(!) is now essential for compelling customers to embrace your brand. "These seven commandments of great marketing," David Sudjian, May 6.

<http://www.marketingprofs.com/3/sudjian1.asp>

Enterprise **portals** tend to be as unique as the companies that deploy them, and recent findings in a report from Line 56 Research, *Web Application Critical Factors Study*, suggests vendors would be wise to keep this in mind. May 8

Portland

<http://www.line56.com/articles/default.asp?ArticleID=4642>

There's been a lot of discussion here and elsewhere about building good **PowerPoint** presentations. With all due respect, says Michael, these discussions miss the point. The difference between a good presentation and a lousy one has nothing to do with slides. "Why PowerPoint quality is meaningless," Michael Fischler, May 6, <http://www.marketingprofs.com/3/fischler8.asp>

An aggressive, business process oriented approach to knowledge and information management, when combined with traditional information discipline, will create value. There is some work being done on **valuing information** and knowledge, and developing metrics to demonstrate and assess the value of information assets. "Beyond the Data Warehouse: The Value of Information," John Ladley, May 2003.

<http://www.dmreview.com/master.cfm?NavID=68&EdID=6732>

copyright Society of Competitive Intelligence Professionals,

scip.online, issue 31, May 8, 2003.

May 09, 2003

**Advertise in scip.online.**

Place your hot-linked 75 word ad in one of the most-viewed CI publications available. Graphic included. Contact

[Bonnie Hohhof](#) for details.