

HARDWARE ROADMAP

From Idea to Manufacturing

MODULE 2

PLANNING STAGE

Step 4

Formulate Your Plan

- **Too complex to just “wing it”**
- **Identify key obstacles & plan to surpass**
- **Development plan**
 - Self, freelancers, firms, partnerships
 - How far to take development on your own
 - Future products in product line

- **Funding plan**
 - Angel investors, crowdfunding, PO financing, etc.
 - Equity funding – Business structure
 - When do you need funding?

- **Marketing plan**
 - Online marketing
 - Paid advertising
 - Content marketing
 - Tradeshows

- **Sales plan**
 - Retail brick-and-mortar sales
 - Distributors
 - Licensing deals
 - Online sales
 - Own site
 - Other sites – Amazon, etc.

Step 5

Pick Your Development Strategy and Team

Option #1 - Do the product design yourself

- Electronics design
- Programming
- Mechanical/Industrial design
- Manufacturing

Option #2 – **Design only the early prototype yourself**

- Works-like-looks-like prototype
- Begin getting customer, investor, and manufacturer interest
- After funding, hire professional engineers

Option #3 – Find a technical co-founder

- Best if you lack design skills and money
- Finding good co-founders is difficult
- Good fit is critical - Tied to them for years
- Reduces your equity

Option #4 - Hire freelance engineers

- Few engineers do electronics design, programming, mechanical design, and manufacturing
- You will likely need more than one engineer
- You need to manage the various engineers

Option #5 - Hire a full design firm

- All of the engineers already work together
- The firm will fully manage the project
- Lack the skills to manage engineers = Design firm best option
- Most expensive route to develop a new product

Option #6 - Partner with a manufacturer

- Existing manufacturer of similar products may develop your new product
- Manufacturing partners can be hard to find
- Own the intellectual property (pre-prototype)
- Exclusive manufacturing agreement (post-prototype)