





## OUR MISSION

To Change The World  
through Systems that Enable Innovation  
by Everyone, Everywhere, Every Day.

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We Deliver on This Mission in Multiple Ways



**Find, Filter & Fast Track  
DISRUPTIVE Innovations**  
Strategy - Products - Services

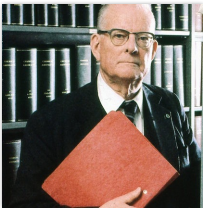


**PROACTIVE**  
PROBLEM SOLVING  
Workshop  
All Employees

**BLUE BELT**  
Leading Proactive  
Employees  
Team Leaders

**BLACK BELT**  
Leading & Coaching  
Disruptive Innovations  
Innovation Specialists

**The Foundation Of  
All of Our Work...**




Dr. W. Edwards Deming

We Apply The System Thinking of  
**Dr. W. Edwards Deming**  
*To Strategy, Innovation, & How We Work Together*

**1950**


Rebuilt Japan



Toyota

**1980**

Rebuilt North America



Ford  
Xerox  
P&G  
Lean  
6 Sigma

*"94% of failures are due to the system  
6% are due to the worker"*

## DISRUPTIVE Innovations Are Not OPTIONAL

**DISRUPTIVE Innovation** describes a new technology, product, service or strategy that fundamentally changes the way a market or industry operates, often displacing established competitors.

DISRUPTIONS create new markets and value networks by attracting a different set of customers and creating new ways of doing things.

**It Doesn't Matter what you call them..**

BIG Idea  
LEAP Idea

Big "I" Innovations  
Patentable Breakthroughs



## SADLY - There Is Broad Need to RE-IGNITE DISRUPTION As TRUE DISRUPTION Has Declined by 80 to 90%

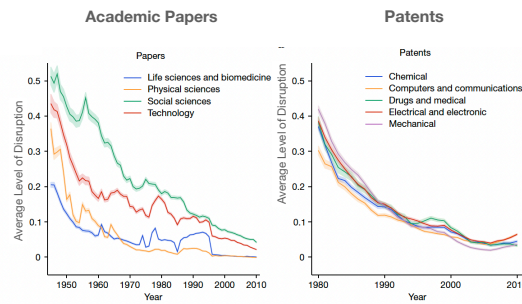
Article  
Papers and patents are becoming less disruptive over time

<https://doi.org/10.1016/j.respol.2010.05.004> Michael W. Evers, Michael J. Franks  
Received 10 November 2009  
Received in revised form 10 January 2010  
Accepted 10 January 2010  
© 2010 Elsevier B.V.

**Abstract**  
The purpose of this study is to investigate the decline in the disruptive nature of academic papers and patents over time. The study uses a sample of 100,000 academic papers and 100,000 patents from 1950 to 2000. The study finds that the disruptive nature of academic papers and patents has declined significantly over time. The study also finds that the disruptive nature of academic papers and patents is higher in the life sciences and biomedical sciences than in other fields. The study concludes that the decline in the disruptive nature of academic papers and patents is a cause for concern, as it suggests that the current system of academic research and innovation is becoming less effective. The study also suggests that there is a need to re-ignite disruption in academic research and innovation.

**Keywords**  
Academic papers  
Patents  
Disruption  
Innovation  
Research and development

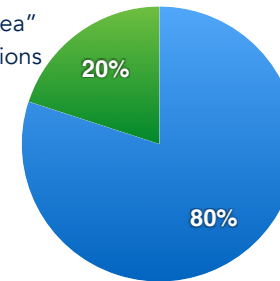
**1. Introduction**  
The purpose of this study is to investigate the decline in the disruptive nature of academic papers and patents over time. The study uses a sample of 100,000 academic papers and 100,000 patents from 1950 to 2000. The study finds that the disruptive nature of academic papers and patents has declined significantly over time. The study also finds that the disruptive nature of academic papers and patents is higher in the life sciences and biomedical sciences than in other fields. The study concludes that the decline in the disruptive nature of academic papers and patents is a cause for concern, as it suggests that the current system of academic research and innovation is becoming less effective. The study also suggests that there is a need to re-ignite disruption in academic research and innovation.



**Almost 50 Million  
Patents &  
Academic Papers**

## But DISRUPTIVE Innovation is not enough Employee Driven Ideas Are The Secret to Realizing the FULL POTENTIAL of Disruptions

DISRUPTIVE  
“Big Idea”  
Innovations

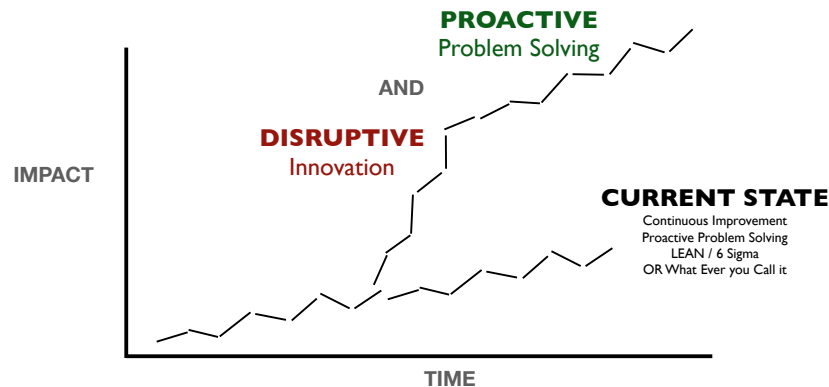


**Employee Driven**  
Thousands of Ideas  
**PROACTIVE Problem Solving**

- Driving Down Costs
- Increasing Effectiveness
- Increasing Efficiency

**Delivers 4X More Impact**

## In TRUTH it's about AND not OR DISRUPTIVE PLUS PROACTIVE



Paraphrasing Yo-Yo Ma

*“With **this** webinar our goal  
(Lydia, Corie & I)  
is to take you to a different place such  
that when you come back you look at  
life a little differently”.*



## EXPERIENCE PEDIGREE



System Driven Innovation  
P&G Innovation Record  
9 to MARKET in 12 Months

Finance Dept. Audit for Similar Project:

- System Approach **16% of the time**
- System Approach **18% of the cost**
- System Approach **10% of staffing**

## PUBLISHING PEDIGREE



## Founding & Growing a Manufacturing Company Changed How We Look At **DISRUPTIVE** & **PROACTIVE** Innovation



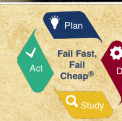
## A Short Story On Our Distillery Bourbon Whiskey FLAVOR is...

- **70% from WOOD**
- **20% from GRAIN**
- **10% from DISTILLING**

## DISRUPTIVE INNOVATION "How Hard Can It Be?"



AND...3,000+  
PROACTIVE  
Problem Solving  
Improvements  
(SO FAR)



World Class Whiskey








**Very Successful Collaboration**



**National Distribution**  
Fastest Growing  
Super Premium Bourbon

95  
2019  
COGNAC  
GOLD

97  
TOP 100  
SPIRITS  
2020








**WoodCraft Franchising**  
Enables  
YOUR Bourbon YOUR Way  
By Glass or Bottle

From hundreds to  
**100,000+ Cases**  
10th Largest  
Bourbon Producer  
In 2023


"One of the  
World's 12 Best  
Bourbons"  
95  
Dexter

**Another  
DISRUPTIVE  
INNOVATION**

**Situation**  
After Just 18 Months  
We WON




**Winning two of eight  
DOUBLE GOLD Medals**

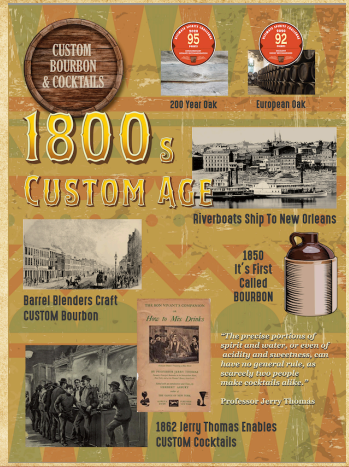


**Free Associating**

Joe & Doug...  
What if we shared  
the feeling



**Returning Bourbon to its Roots**  
Of the People - By the People - For the People



**Custom Bourbon**

- Barrel Blenders
- Riverboat Exports

**Cocktails are Born**

- Jerry Thomas



## Custom Bourbon Set Up



## THE GREAT OAKS

## ARTISAN WOODS

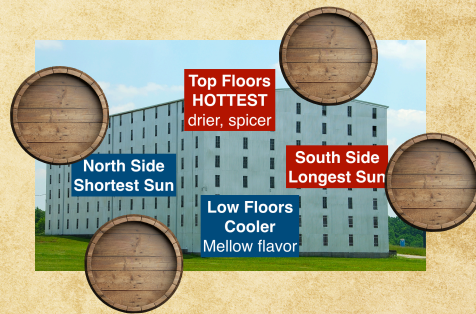


## Cheap Bourbon

## LUXURY Bourbons



One Type of Barrel



Whiskey Maker - Blends for DEPTH & COMPLEXITY

## To Ensure Accurate Measuring We Created Bourbon Blending Ladles



START with 1 ml GREY  
ADJUST with 1/2 ml WHITE



**DISRUPTIVE INNOVATION Example...**

2 ml  
American Oak  
Classic Bourbon

1.5 ml  
Cherry Wood  
Bright & Clean Flavor

2 ml  
Maple Wood  
Mellow Aftertaste

=

WOW  
A Great  
Easy Drinking  
Bourbon

**EUREKA! INVENTING**

# DISRUPTIVE Innovation

# WHY IT MATTERS

**EUREKA! INVENTING**

Recall...

## DISRUPTIVE Innovations

Create a new market...

or can enable you

To enter an existing market  
and eventually  
displace market-leading firms.

**DISRUPTIVE Innovation: 40+ Years of Learning**

BEST IN CLASS PROFITABILITY

PROACTIVE  
Problem Solving  
Grows Capacity, Quality,  
Capacity, Sales & Profits

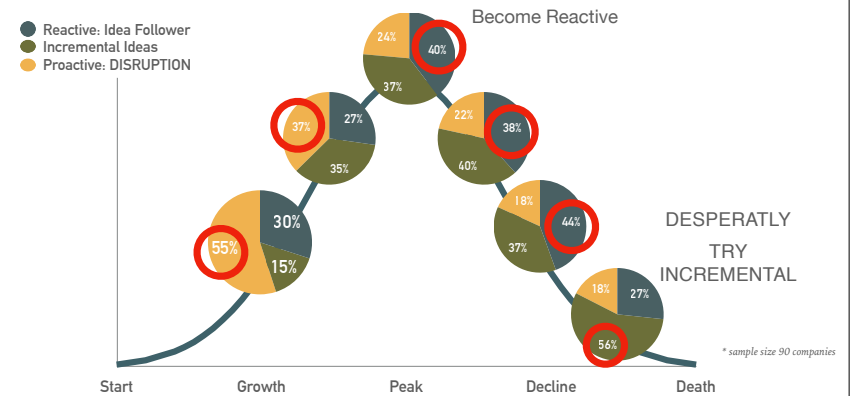
PROACTIVE Means  
Making Changes  
Even When You Don't Have to

A DISRUPTIVE Idea  
Is Commercialized

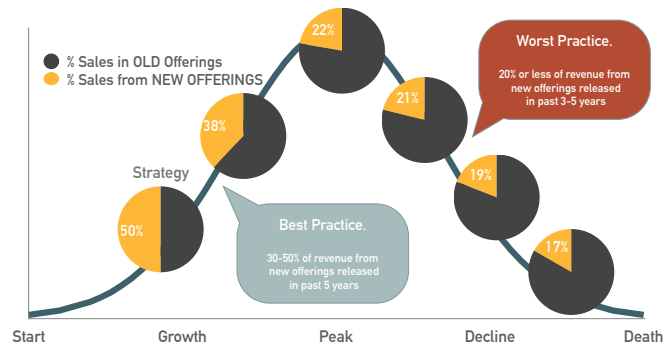
## DISRUPTIVE Innovation: 40+ Years of Learning



## DISRUPTION is Not Optional



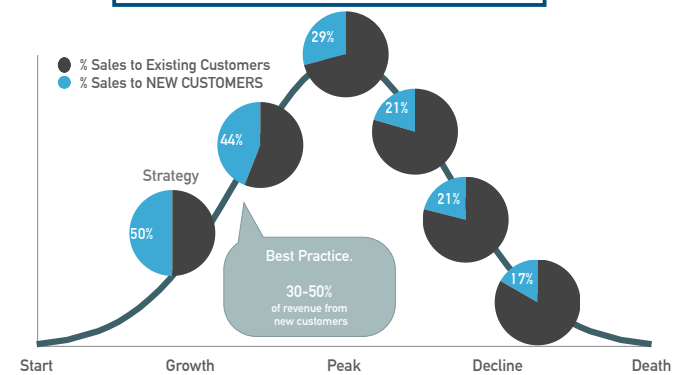
## DISRUPTION is Not Optional



**Decline of a Company is Easy to See**

\* sample size 90 companies

## DISRUPTION is Not Optional

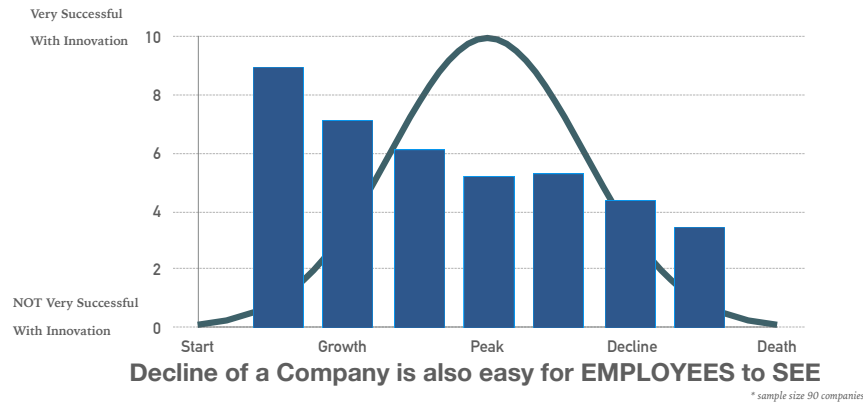


**Decline of a Company is Easy to See**

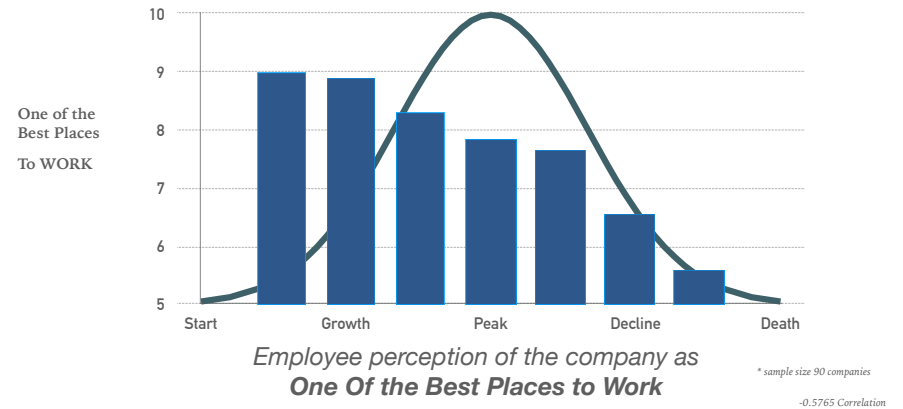
\* sample size 90 companies



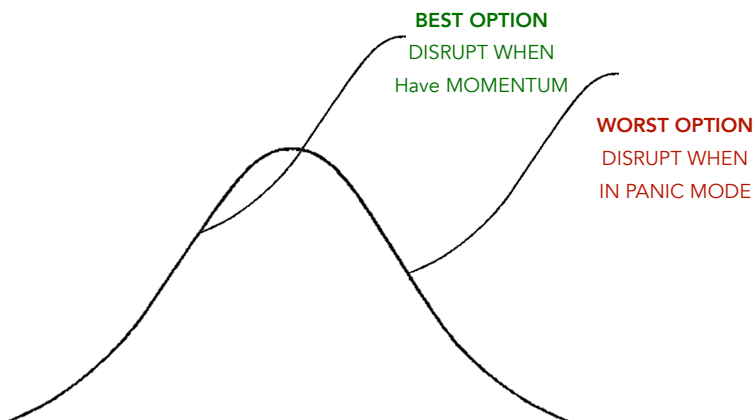
## DISRUPTION is Not Optional



## DISRUPTION is Not Optional



## DISRUPTION - The Two Options



## DISRUPTIVE Innovation: 40+ Years of Learning



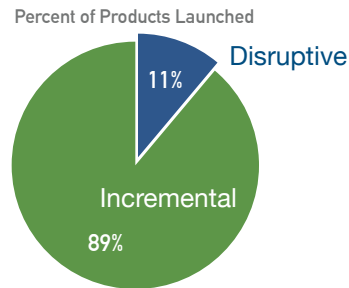



**DISRUPTIVE INNOVATIONS**  
Identified & Rejected As Risky

Bottom Line  
**DISRUPTION is NOT OPTIONAL**



### Most Organizations Do INCREMENTAL Innovation



Incremental creates incremental....

Source: Journal of Product Innovation Management Impact of product innovativeness on performance

### The REALITY of DISRUPTIVE IDEAS That Work

They Selectively BORROW SOME but NOT ALL Assets

They Require NEW CAPABILITIES from Outside Company

They are HARD to Evaluate Based on Past Experiences

They are DIFFERENT Than What Anyone Has Done Before

### The REALITY of DISRUPTION Today

Investment in True  
Research & Development

HAS BEEN REPLACED

With Short Term Focused  
**Product & Process  
Development**

+

**Merger/Acquisition  
of Innovators**

Leading With  
Disruptive Innovation

HAS BEEN REPLACED

With Short Term Focused  
**Optimization And  
Fear of Cannibalization**



## DISRUPTIVE Innovation

## 7 KEYS TO SUCCESS



# DISRUPTIVE Innovation

**Key #1** - Upgrade  
Market Research  
Methods & Standards

## DISRUPTIVE INNOVATIONS - Simple Definition

Meaningfully Unique

PURPOSE

VALUE

NON-  
OBVIOUS  
LEAP

NEW TO  
THE WORLD



## HOW WE QUANTIFY IT....

**Meaningfully**

**Unique**

**Purchase  
Intent**

0 to 10 Scale

**New &  
Different**

0 to 10 Scale

Weight 60%

+

Weight 40%

## Success Standards

Based on What Ignites Word of Mouth

**5's 6's 7's**



Not Worth Effort



Good for  
Incremental  
Innovations



**DISRUPTIVE  
Innovations**



## Key #2 - DISRUPT Strategic Planning Process

## DISRUPTIVE INNOVATIONS - Three Focus Points

LEADERSHIP Agreement to DISRUPT

SYSTEMS to CREATE DISRUPTIVE Innovations

SYSTEMS to ACCELERATE Commercialization of DISRUPTIONS

## DISRUPTIVE INNOVATIONS

Leadership LEADS

PROACTIVE Mission

Product/Technology LEAD

## INCREMENTAL INNOVATIONS

Leadership MANAGES

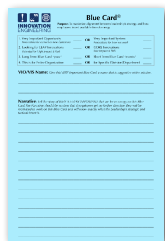
REACTIVE Management

Marketing LEAD

## DISRUPTIVE INNOVATIONS - How it Starts...

Best Practice is  
BLUE CARD

Or "Commanders Intent"



It goes by  
many names

Strategic Plan  
Strategic Mission  
B.H.A.G.  
Project Objective  
Strategic Intent  
Commanders Intent

## DISRUPTIVE INNOVATIONS - How it Starts...

Best Practice is  
BLUE CARD

Or "Commanders Intent"



Absolute Clarity on Vision

- WHAT NEED
- WHY NEED
- WHERE TO LOOK



## DISRUPTIVE Innovation

**Key #3** - DEEP DIVE Into  
Technology & Wisdom  
Mining

At Their Most Basic,  
**SOLUTIONS**  
are Feats of  
Association

Stimulus is a Spark that Ignites

DISRUPTIVE CONNECTIONS  
MAKES  
DISRUPTIVE IDEAS

Exploring Stimulus is basically...



So You Have More  
“Stuff” to Make  
Connections With





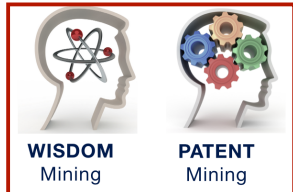


DISRUPTIVE INNOVATION

## DISRUPTIVE Innovation STIMULUS MINING



855 Pages



WISDOM  
Mining

PATENT  
Mining



MARKET  
Mining



INSIGHT  
Mining



FUTURE  
Mining



UNRELATED  
Mining



## DISRUPTIVE Innovation

**KEY #4 - No MATH**  
**No Project**

**MATH is the  
Courage Gas Pedal**



## DISRUPTIVE Innovation Problem

“Estimating Numbers”  
when there is a lot of  
**UNCERTAINTY  
& UNKNOWN**S

# Fermi Estimating

Creating estimates with limited information

**Step 1:** Deconstruct into a Few Key Factors

**Step 2:** Estimate Factors to an Order of Magnitude

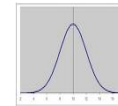
**Step 3:** Do Simple Math



ADVANCED METHODS - You May Connect With

## Monte-Carlo Simulation

- Make Three Estimates for EACH Number
- BEST GUESS
- LOW (less than 1 in 5 chance of being lower than that)
- HIGH (less than 1 in 5 chance of being higher than that)



High Confidence



Low Confidence



ADVANCED METHODS - You May Connect With

## Monte Carlo Simulation

Computer Computes Estimate  
10,000 Times Based on Odds



Highest Simulation run # 10,000

8,000th simulation run - **AGGRESSIVE** (20% odds actual number is at least)

5,000th simulation run - **MOST LIKELY**

2,000th simulation run - **CONSERVATIVE** (80% odds actual number is at least)

Lowest Simulation run #1



ADVANCED METHODS - You May Connect With

Calculate	Conservative	BEST GUESS	Aggressive	
Conservative time savings in hours per year 80% odds of at least		Median time savings in hours per year	Aggressive time savings in hours per year 20% odds of at least	
2,811.50		3,899.20	5,110.40	
Risk Management Summary of Variable				
		Risk Index:	<div>0-10%</div> <div>11-20%</div> <div>20%+</div>	
Variable	Risk Index (St.Dev. / Mean)	Mean	Standard Deviation	Increases Uncertainty of time savings in hours per year by
minutes	31%	40	13	Best Opportunity to reduce uncertainty
times	15%	500	75	
12.00	0%	12	0	
60.00	0%	60	0	

Consider learning more about the higher risk variables and adjusting your estimates to reduce overall risk. You could even add another math game plan focused on calculating a more precise estimate of the variable.

## No Math No Project



Industry Standard  
Retail & Bar Distribution

\$3.40 a bottle profit



Experience  
Custom Bourbon

\$57.45 per customer profit



## DISRUPTIVE Innovation

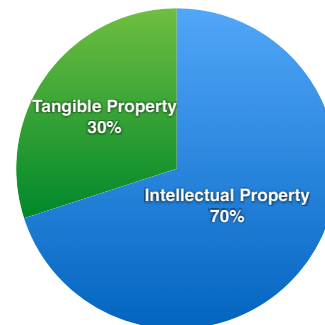
**KEY #5 - No PATENT**  
**No Project**

## 1. No Patent No Project



**Disruptions - are NON OBVIOUS Leaps**  
They should be so ORIGINAL they could be patented

We have become a knowledge economy - Intellectual  
Property now accounts for 70% of company value



**Conclusion:**  
**Patents Matter**



PwC research was presented to WIPO  
showing "total intangible assets comprise,  
on average, more than 70% of companies'  
value." (IP Valuation, Exploration and Finance - presented by Tony Hadjiiloucas)

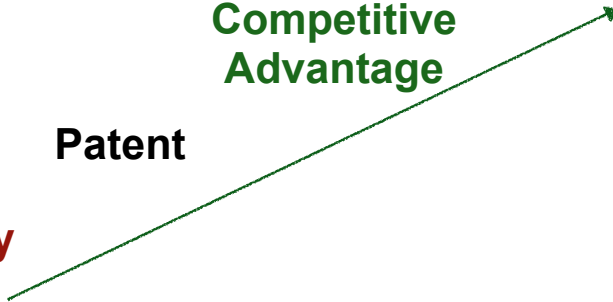
Profits come from being  
Meaningfully Unique



Competitive  
Advantage

Patent

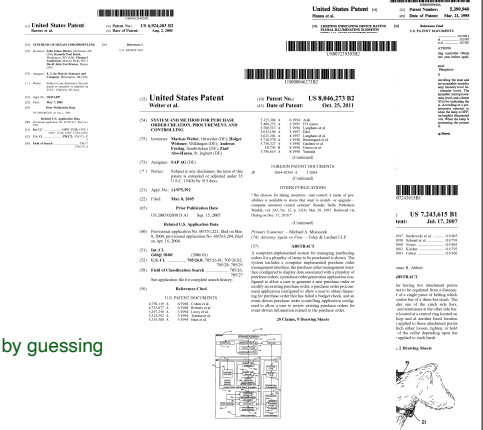
Meaningfully  
Unique



Managers are  
functionally illiterate  
with regard to new  
patent laws / systems

We ran a test with a small sample...

- 20 True/False Questions
- 50% Chance of being correct by guessing
- 60% correct in our test



## DISRUPTIVE Innovation

**KEY #6** - Embrace...  
Plan - Do- Study - Act  
(Fail FAST - Fail CHEAP)

## Meaningfully Unique IDEAS

**ALWAYS** Have  
**UNCERTAINTY**  
**ALWAYS** Ignite  
**FEAR**

# Disruptive ideas Can Feel DANGEROUS

**"A new idea that is not  
dangerous is unworthy of  
being called an idea at all."**

Oscar Wilde



**We Decrease Uncertainty & RISK  
By Making the Unknown Known**



Using the  
Deming Cycle  
Of PDCA



Also known as...

**Fail FAST Fail CHEAP**

## Death Threat

**PLAN:** Our Theory for how to vaporize the  
Death Threat + what success looks like

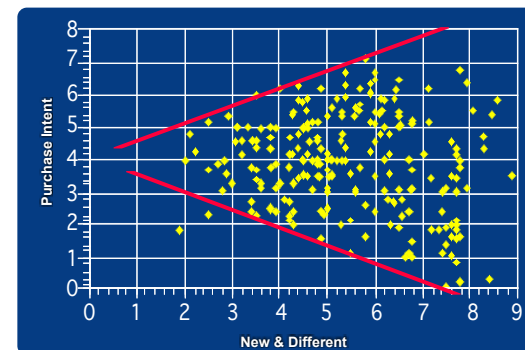
**DO:** Experiment / activity.

**STUDY:** What learned from the experiment - why did  
we or didn't we achieve success?

**ACT:** Based on what we learned we will...



## DISRUPTION Can Create Marketplace Disruption



**WOW  
5X Greater \$**

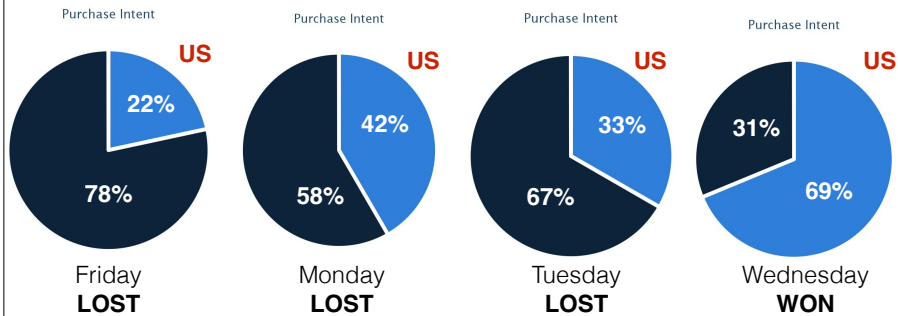


Plan - Do - Study - Act

**UGLY**

## The REAL world of PDSA

Testing a New Brain Brew Whiskey



## Respect Emotional Nature of Fear of DISRUPTIONS

“Re-Label” with

Equally Emotionally Language

<b>Fear</b>	→	<b>Death Threat</b>
<b>“No”</b>	→	<b>Death Threat</b>
<b>Can't Do it</b>	→	<b>Death Threat</b>
<b>Can't Afford It</b>	→	<b>Death Threat</b>
<b>Can't Make It Work</b>	→	<b>Death Threat</b>

## DISRUPTIVE Innovators

Confront REALITY At The Start

**IDENTIFY challenges as  
DEATH THREATS**



## FAILURE is Your FRIEND

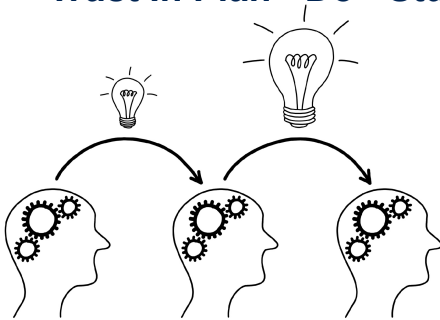
Don't be Scared of It

The faster you fail



the sooner you will be successful

## Trust In Plan - Do - Study - Act Cycles



10% odds

You fail but get  
twice as smart.

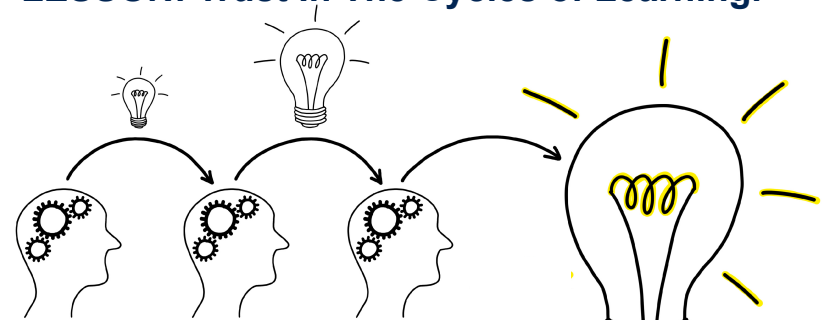
20% odds

You fail but get  
twice as smart.

40% odds

You fail but get  
twice as smart.

## LESSON: Trust In The Cycles of Learning.



10% odds

You fail but get  
twice as smart.

20% odds

You fail but get  
twice as smart.

40% odds

You fail but get  
twice as smart.

80% odds  
**You WIN!**

## The PDSA Mindset is a New Way of Working

*It's about EMBRACING  
Never Ending LEARNING,  
PIVOTS, CHANGE*



## Richard Branson's 5 Favorite Words



***"Screw it, Let's Do It!"***

His Next 3 Favorite Words...

***"Protect the Downside"***

The Key Words are

Fail **FAST**  
Fail **CHEAP**



**DISRUPTIVE** Innovation

**KEY #7** - You Have to  
**LOVE IT**



Do "Stuff" That Matters

The Secret to Success is

**Passion**



**No PASSION - No SUCCESS**



You gotta **LOVE IT!**



**The secret to exhaustion is not rest.**

**The secret to exhaustion is  
whole heartedness.**

David Whyte

### In Closing - I'm Optimistic

**“As long as I have known the world  
I have observed that Wrong is always  
growing more Wrong, and that Right,  
however opposed, comes Right at last.”**



*and on taking responsibility...*

**“Up sluggard,  
and waste not life;  
in the grave will be  
sleeping enough.”**



*Ben Franklin*



*St. Thomas  
Springbrook PEI*

## ABOUT EUREKA! RANCH

### MISSION

**to change the world through systems that  
enable everyone to think and act smarter,  
faster, and more innovatively.**

Since 1986 our team of professional inventors, innovation systems consultants, & educators have helped over 2,000 organizations innovate.

What makes us unique is our systems-driven approach to innovation that delivers viable innovation faster & with less risk.

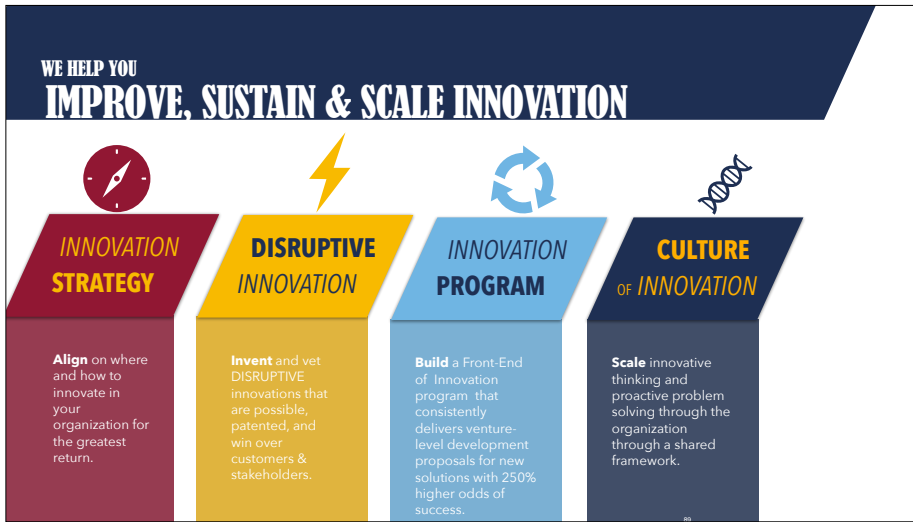
Our team of diverse thinkers consists of engineers, educators, innovators, programmers, marketers, scientists, operators, artists, statisticians, PhDs, R&D experts, entrepreneurs and six-sigma black belts.

**INNOVATION  
ENGINEERING**  
Training & Tools  
for an Innovative  
Culture



**EUREKA! RANCH**  
Strategy, Inventing &  
Incubation for  
DISRUPTIVE Innovation

**EUREKA! INSTITUTE**  
R&D on the art and  
science of Innovation



**We help you navigate the innovation landscape - avoiding the pitfalls and leaping to the winning strategy faster.**

Our long history of working in innovation with so many teams gives you and incredible advantage.

- We've been front lines when organizations were on the precipice of change and how to navigate it.
- We've seen what kind of ideas get traction and what kind fail.
- We've seen innovation fads come and go. And we've seen what sticks and what doesn't.
- We've seen employees engage and reject innovation initiatives - and know why.



We've worked with

**2,000+ organizations**

to help them innovate including global corporations, non-profits, small companies, universities, & governments from 22 countries

We have over

**40 years**

of experience in innovation

We've created and tested

**26,000+ innovations**



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