

Essential #2 Exploit a High-Growth Market

- | | | | | | | |
|---|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| 8. We can clearly identify the (demographic and needs) characteristics of the market segment being served | 1 | 2 | 3 | 4 | 5 | N/A |
| | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> |
| 9. The market segment targeted by our products and services is growing at annual compounding rates | 1 | 2 | 3 | 4 | 5 | N/A |
| | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> |
| 10. There is an achievable opportunity to grow at least one 'billion-dollar company' in our market segment | 1 | 2 | 3 | 4 | 5 | N/A |
| | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> |
| 11. As far as can be determined, our company's revenue growth rate is greater than our industry peers | 1 | 2 | 3 | 4 | 5 | N/A |
| | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> |
| 12. There is market opportunity to grow our overall business at least 10 times our current size | 1 | 2 | 3 | 4 | 5 | N/A |
| | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> |
| 13. Our industry has a demonstrated track record for customers buying from small, next generation high-growth companies | 1 | 2 | 3 | 4 | 5 | N/A |
| | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> |
| 14. There is a low number of competitors we truly compete with because our product or service is so distinctive | 1 | 2 | 3 | 4 | 5 | N/A |
| | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> |

Essential #3 Marquee Customers Shape the Revenue Powerhouse

- | | | | | | | |
|---|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| 15. Our best customers partner with our company to define the value of our offering in terms associated with customer benefits not capabilities | 1 | 2 | 3 | 4 | 5 | N/A |
| | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> |
| 16. Our most important customers are providing feedback on product requirements through field trials, surveys and/or advisor councils | 1 | 2 | 3 | 4 | 5 | N/A |
| | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> |
| 17. Our best customers proactively share the value created from buying and deploying our products and services with other customers | 1 | 2 | 3 | 4 | 5 | N/A |
| | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> |
| 18. A small percentage of our customers account for a disproportionate level of sales | 1 | 2 | 3 | 4 | 5 | N/A |
| | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> |
| 19. Sales to our best customers are growing at compound growth rates and exceed the growth rate of our company's revenue growth rate | 1 | 2 | 3 | 4 | 5 | N/A |
| | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> |
| 20. The company uses customer testimonials in most public relations initiatives and/or utilizes customer testimonials at tradeshow | 1 | 2 | 3 | 4 | 5 | N/A |

21. Our most important customers proactively sell for us by recommending or introducing us to peers **1 2 3 4 5 N/A**

Essential #4 Leverage Big Brother Alliances

22. We have an explicit strategy to leverage complimentary alliances with bigger companies **1 2 3 4 5 N/A**

23. We have an impactful alliance with a bigger company and we are actively cultivating that alliance **1 2 3 4 5 N/A**

24. We realize significant business benefits from alliances (lower costs, supply, revenues, etc.) **1 2 3 4 5 N/A**

25. The executive champions in this company and in its alliance partners are involved in the alliance relationship: communicate regularly about aligned incentives/goals, programs being executed and future plans **1 2 3 4 5 N/A**

26. Our Big Brother alliance partner does not have similar alliances with competitors to our company **1 2 3 4 5 N/A**

27. Alliances account for a measurable impact on our business (i.e. revenue growth or profitability) **1 2 3 4 5 N/A**

28. There is a clearly articulated and agreed on set of win-win interests with our Big Brother alliance partner(s). These interests are regularly checked on and, if necessary, updated **1 2 3 4 5 N/A**

Essential #5 Become the Masters of Exponential Returns

29. The management is transparent about its financial picture to shareholders and employees; this information is easily accessible **1 2 3 4 5 N/A**

30. This company consistently exceeds management's stated quarterly goals as well as analysts' expectations; when quarterly goals are not met, management quickly takes corrective action as an integrated team **1 2 3 4 5 N/A**

31. Return on investment greatly exceeds the cost of capital **1 2 3 4 5 N/A**

32. The management team balances investment decisions in R&D and SG&A with achievement of earnings. This balance comes from honest discussion and clearly stated long-term goals **1 2 3 4 5 N/A**

45. There is a board member who understands and represents customer requirements 1 2 3 4 5 N/A
46. A Big Brother alliance partner is an active member of the Board of Directors 1 2 3 4 5 N/A
47. A well-respected community member is a member of the Board of Directors 1 2 3 4 5 N/A
48. The board focuses more on the long-term growth of the business than achieving "short-term" returns for investors 1 2 3 4 5 N/A
49. The management team is well prepared for board meetings and "the best it can be" when engaging with board members 1 2 3 4 5 N/A

Linking the 7 Essentials

50. The management team of this company meets regularly with our most important customers - and when we do we listen carefully and non-defensively 1 2 3 4 5 N/A
51. This company measures and optimizes its initiatives to maximize profitability per customer 1 2 3 4 5 N/A
52. The suppliers of this company are a strategic source for lower cost or highly differentiated products or services 1 2 3 4 5 N/A
53. Marquee Customers and Big Brother Alliance partners proactively helping to grow our market or our share of the market 1 2 3 4 5 N/A
54. The research and development resources of this company work directly with leading customers 1 2 3 4 5 N/A
55. The management clearly identifies top strategic priorities that are shared with all employees 1 2 3 4 5 N/A
56. High performance, cross-functional teamwork is an established work/culture norm 1 2 3 4 5 N/A

NAME _____ EMAIL _____

COMPANY _____ JOB TITLE _____