

Key Resources

What are the most important financial, physical, intellectual and human assets required to make the business model work?

Tangible Resources

Physical Resources

- Companies facilities (location, office space, etc.)
- Products/Services (supply of silicon wafers or warehouse space, etc.)
- Many physical goods are capital intensive.

Financial Resources

- Friends, family, crowdfunding, angels.
- Venture capital, corporate partners, government funds, small business administration funds,
- Once your startup is running or you have confirmed purchase orders: lease-lines, factoring (lending you money on that purchase order at a discount), vendor-financing.

Human Resources

- Qualified employees for the company. Qualified employees are the difference between a good idea that never went anywhere and a billion dollar firm. You always want to hire people that can see further than you, that have better skills than you.
- Mentors, teachers and coaches for Founders/CEOs.
- Advisors - people you need to help advance your company's success. Listen to experienced advice can help you sort out whether your vision is a hallucination. Getting an advisory board - by expanding your circle of accumulated wisdom - is so important that it's an explicit step in the customer development process.

Intangible Resources

Type	Protectable	Examples
Trademark	Branding	Marks, logos, slogans
Copyright	Creative Work	Software, films, music, websites
Trade Secrets	Secrets of Value	Private tech, contacts, formulae
Contract	Contract-defined	Technology, business info

Trademark

Trademark protects branding & marks: it gives you the right to prevent others from using “confusing similar” marks and logos.

- Protection lasts as long as you use the mark
- The more you use the mark, the stronger your protection
- Trademark registration is optional, but has significant advantages if approved.

Copyright

Copyright protects creative works of authorship

- Gives right to prevent others from copying, distributing or making derivatives of your work.
- Way more than just technology (songs, books, movies, photos, etc)
- Protection lasts practically forever.
- Does not prevent independent development.
- Registration is optional, but is required to sue for infringement.

Trade Secrets

Copyright protects creative works of authorship

- Information that is kept secret and has economic value to the business
- Cake recipe, customer lists, product road maps, etc.
- No registration required.
- Can last for as long as you take reasonable steps to keep confidential.

Contracts

- Protection agreed to by contract.
- No registration process.

- You have whatever protection is defined in the contract.
- The protection lasts for the time period defined.

Patent

- A government granted monopoly.
- Invention must be non-obvious.
- Protection lasts for typically 15-20 years.
- Application and examination is required.
- Must file in US within one year of sale, offer for sale, public disclosure or public use.
- Provisional application alternative.

Other intangible resources can be:

- Trust
- User base
- Website Traffic

Key Activities

Key activities are the most important things you need to be able to perform for your business model to perform, things you need to excel at.

You must identify which activities make or break your business model.

Production Activities:

These activities are related to designing, manufacturing, and delivering a product in substantial quantities and/or of superior quality.

Business Model Canvas Example:

Key Activities: Production Activities

Key Resources: Production Facilities

Value Proposition: Product

Customer Segments: Buyers

Problem Solving Activities:

These activities are related to coming up with new solutions to individual customer problems. Such as the operations of consultancies, hospitals, and other service organizations are usually dominated by problem solving activities.

Business Model Canvas Example:

Key Activities: Problem Solving Activities

Key Resources: Talented Problem Solvers

Value Proposition: Consulting or Advice

Customer Segments: Clients

Building & managing a platform or networks (value networks)

Business models designed with a platform as a Key Resource are dominated by platform or network related Key Activities. Networks, matchmaking platforms, software, and even brands can function as a platform. eBay's business model requires that the company continually develop and maintain its platform: the Web site at eBay.com. Visa's business model requires activities related to its Visa® credit card transaction platform for merchants, customers, and banks. Microsoft's business model requires managing the interface between other vendors' software and its Windows® operating system platform. Key Activities in this category relate to platform management, service provisioning, and platform promotion.

Business Model Canvas Example:

Key Activities: Network Management

Key Resources: Platform (requires a high upfront investment)

Value Proposition: Connecting & Mediating

Customer Segments: Merchants & Buyers (if successful it generates a positive network effects)

Original Source: Content curated from Steve Blank, Strategyzer and Alexander Osterwalder.