# NEW PRODUCT EVALUATION TEST & Commercial Potential Checklist

## CONTACT INFORMATION

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<th>Name</th>
<th>Company Name</th>
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## TEST CONTENTS

1) **Contact Information:** Name and Address
2) **Introduction:**
3) **Written Descriptions:** 10 Written Questions
4) **Descriptive Factors:** 10 Multiple Choice Questions
5) **Design Factors:** 10 Multiple Choice Questions
6) **Marketing Factors:** 10 Multiple Choice Questions
7) **Legal Factors:** 10 Multiple Choice Questions
8) **Business Factors:** 10 Multiple Choice Questions
9) **Evaluation Summary:** Commercial Potential Graph

## INTRODUCTION

**Evaluation Used By:**
New product developers, inventors, professionals, development teams, engineers, designers, entrepreneurs, venture capitalists

**Purpose of Evaluation:**
1) Analyzing the commercial potential of a new product, invention or service
2) As a standard format to provide a detailed product definition
3) As a developmental checklist for the new product developer
4) Periodic examination of a new product’s progress, indicating current deficiencies and strengths
5) Educational / communication tool

**Product Evaluation Scoring:**
1) Five categories of multiple choice questions are separately scored
2) Each category’s score is individually charted in the Commercial Potential Graph

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Evaluation Testing Variations:
1) Professional examiner prepares and scores test after interviewing client and researching data
2) Group evaluation with multiple self-scored tests, verbal discussion with comparison of scores.
3) Self administered self-scored test using available data (website test)

DISCLAIMER:
1) Scrutiny of individual test questions and answers by professionals in their respective disciplines is advised
2) Test accuracy is influenced by the examiner’s experience
3) Test accuracy is influenced by the quality of the product description
4) A high test score does not exempt the product from business risks

START TEST

Written Descriptions: (1a through 10a)
Complete the written answers. Answers should be clear and as short as is practical.

1) Name of the product is: ________________________________
2) Description of the product is: ________________________________
3) Use of the product is: ________________________________
4) Most outstanding feature of the product is: ________________________________
5) Materials used in the product are: ________________________________
6) Shape and size of the product are: ________________________________
7) Color and graphics of the product are: ________________________________
8) Package for the product is: ________________________________
9) Display of the product is: ________________________________

10) Advertising of the product is: ____________________________

Multiple Choice Questions: (1 through 50)
Select one answer for each question.

DESCRIPTIVE FACTORS: What is the product?
1 through 10 refer directly to written descriptions (1a through 10a)

1) Name of the product is:
   □ 1 Unknown at this time  □ Not applicable
   □ 2 Name appears confusing or unsuitable
   □ 3 Several suitable names
   □ 4 Registered trade name, outstanding name

2) Description of the product is:
   □ 1 Unknown at this time  □ Not applicable
   □ 2 Difficult to understand
   □ 3 Clear lengthy description
   □ 4 Clear short description

3) Use of the product is:
   □ 1 Unknown at this time  □ Not applicable
   □ 2 Not fully understood
   □ 3 Approximately defined
   □ 4 Well understood

4) Most outstanding feature of the product is:
   □ 1 Unknown at this time  □ Not applicable
   □ 2 Difficult to understand
   □ 3 Clear lengthy description
   □ 4 Clear short description

5) Materials used in the product are:
   □ 1 Unknown at this time  □ Not applicable
   □ 2 Partially defined
   □ 3 Approximately defined
   □ 4 Proven, tested, obvious materials
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6) Shape and size of the product are:
   - 1 Unknown at this time
   - 2 Partially defined
   - 3 Approximately defined
   - 4 Well defined shape and size

7) Color and graphics of the product are:
   - 1 Unknown at this time
   - 2 Partially defined
   - 3 Approximately defined
   - 4 Well defined color and graphics

8) Package for the product is:
   - 1 Unknown at this time
   - 2 Partially defined
   - 3 Approximately defined
   - 4 Well defined package

9) Display of the product is:
   - 1 Unknown at this time
   - 2 Partially defined
   - 3 Approximately defined
   - 4 Well defined strategy

10) Advertising of the product is:
    - 1 Unknown at this time
    - 2 Partially defined
    - 3 Approximately defined
    - 4 Well defined program

DESIGN FACTORS: Is the product well planned?

11) Present development stage of the product is:
    - 1 Unknown at this time
    - 2 Concept only
    - 3 Preliminary prototype or drawings, plans
    - 4 Prototype with testing

12) Existing solution for the product is:
    - 1 Unknown at this time
    - 2 Impractical
    - 3 Not ambitious enough
    - 4 Achievable goal
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13) **Prototyping difficulty of the product is:**
- [ ] 1 Unknown at this time  
- [ ] 2 Expensive, difficult and slow  
- [ ] 3 Reasonably accomplished  
- [ ] 4 Easy and accurate

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14) **Reverse engineering of similar products:**
- [ ] 1 Unknown at this time  
- [ ] 2 No comparative products, inconclusive data  
- [ ] 3 Competition analyzed  
- [ ] 4 Integrated into product’s design

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15) **Manufacturing processes for the product are:**
- [ ] 1 Unknown at this time  
- [ ] 2 Complex, exotic  
- [ ] 3 Partially defined  
- [ ] 4 Defined and conventional

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16) **Stock hardware and software for the product is:**
- [ ] 1 Unknown at this time  
- [ ] 2 Not available, difficult search  
- [ ] 3 Partially defined  
- [ ] 4 Integrated into design

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17) **Function of the product is:**
- [ ] 1 Unknown at this time  
- [ ] 2 Questionable, will not “work as intended”  
- [ ] 3 At some risk, possible modifications necessary  
- [ ] 4 Without apparent problems

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18) **Product appearance is:**
- [ ] 1 Unknown at this time  
- [ ] 2 Perceived as poor  
- [ ] 3 Perceived as good  
- [ ] 4 Perceived as excellent

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19) **Consumer attitudes about the product:**
- [ ] 1 Unknown at this time  
- [ ] 2 Contradict present design  
- [ ] 3 Require minor changes  
- [ ] 4 Confirm present design

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20) Further development of the product is:
- [ ] 1 Unknown at this time
- [ ] 2 May be impractical
- [ ] 3 Appears positive
- [ ] 4 Appears market-ready

EVALUATION NOTES

MARKETING FACTORS: What are the marketing pros and cons?

21) Existing competition to the product is:
- [ ] 1 Unknown at this time
- [ ] 2 Extensive, highly contested
- [ ] 3 Normal barriers to entry
- [ ] 4 Low or no competition

EVALUATION NOTES

22) Competitive price of the product is:
- [ ] 1 Unknown at this time
- [ ] 2 Higher than competition
- [ ] 3 Relative to competition
- [ ] 4 Favorable pricing

EVALUATION NOTES

23) Product benefits are:
- [ ] 1 Unknown at this time
- [ ] 2 Communicate poorly
- [ ] 3 Requires explanation
- [ ] 4 Easy to understand, compelling

EVALUATION NOTES

24) Market acceptance of the product is:
- [ ] 1 Unknown at this time
- [ ] 2 Low perceived acceptance
- [ ] 3 Requires marketing effort
- [ ] 4 Fits existing attitudes

EVALUATION NOTES

25) Perceived value of the product is:
- [ ] 1 Unknown at this time
- [ ] 2 Of limited value
- [ ] 3 Expected value
- [ ] 4 Higher than normal

EVALUATION NOTES

26) Market size for the product is:
- [ ] 1 Unknown at this time
- [ ] 2 Very limited
- [ ] 3 Moderate size
- [ ] 4 Very large

EVALUATION NOTES
# NEW PRODUCT EVALUATION TEST & Commercial Potential Checklist

## 27) Market trends for the type product are:
- Unknown at this time
- Declining market
- Established market
- Growing market

## 28) Line extensions for the product are:
- Unknown at this time
- Stand-alone product
- Supports variations, upgrades
- Generates other products

## 29) Media interest about the product is likely:
- Unknown at this time
- Minimal at best
- Narrow in scope
- Hot, topical, ideal

## 30) E-Commerce applicability of the product is:
- Unknown at this time
- Not an E-Business
- Viable connection possible
- Optimized for web

## LEGAL FACTORS: What are the likely legal risks and opportunities?

## 31) Registered trademark protection for the product is:
- Unknown at this time
- Not likely, difficult
- Possibly trademarkable
- Registered trademark granted

## 32) Utility patent protection for the product is:
- Unknown at this time
- Not likely, appears difficult
- Possibility, patentable
- Utility patent granted

## 33) Design patent protection for the product is:
- Unknown at this time
- Little protection likely
- Possibly patentable
- Design patent granted
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34) Trade secret protection for the product is:
☐ 1 Unknown at this time  ☐ Not applicable
☐ 2 Not likely, nothing obvious
☐ 3 Possible but not apparent
☐ 4 Multiple valuable protected trade secrets

35) Safety of the product is:
☐ 1 Unknown at this time  ☐ Not applicable
☐ 2 Serious safety problems apparent
☐ 3 Appears safe when used as intended
☐ 4 Appears safe, hard to misuse

36) Legal liabilities of the product are:
☐ 1 Unknown at this time  ☐ Not applicable
☐ 2 Complex legal issues, may violate laws / regulations
☐ 3 Managable liabilities for this product category
☐ 4 No apparent conflicts

37) Regulatory agencies impact on the product are:
☐ 1 Unknown at this time  ☐ Not applicable
☐ 2 Complex regulations
☐ 3 Readily defined regulations
☐ 4 No apparent regulations or has regulatory program

38) Documentation of the design process for this product is:
☐ 1 Unknown at this time  ☐ Not applicable
☐ 2 Of minimal legal value
☐ 3 Some documentation
☐ 4 Excellent documentation

39) Licensing potential of the product is:
☐ 1 Unknown at this time  ☐ Not applicable
☐ 2 Impossible, improbable
☐ 3 Low
☐ 4 Possible

40) Dependence on future legal agreements is:
☐ 1 Unknown at this time  ☐ Not applicable
☐ 2 Very dependent
☐ 3 Manageable dependence
☐ 4 Independent
### BUSINESS FACTORS: What are the business risks and rewards?

**41) Testing of the product is:**
- 1. Unknown at this time
- 2. Not accomplished
- 3. Only partially evaluated
- 4. Complete and definitive

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**42) Manufacturing complexity of the product is:**
- 1. Unknown at this time
- 2. Very difficult or impossible
- 3. Expected for this product category
- 4. Uses proven “turnkey” technology

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**43) Technical complexity necessary for the product is:**
- 1. Unknown at this time
- 2. Very complicated and risky, “May not work”
- 3. Requires careful planning
- 4. Uses reliable technology

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**44) Financial costs required for the product is:**
- 1. Unknown at this time
- 2. Very high costs
- 3. Requires experience and capital
- 4. Costs appear low

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**45) Promotional costs for the product are:**
- 1. Unknown at this time
- 2. Very high
- 3. Requires normal marketing
- 4. Possibly low, self-promoting

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**46) Product service costs are:**
- 1. Unknown at this time
- 2. Needs extensive service
- 3. Manageable service requirements
- 4. Limited or no service required

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**47) Return on investment capital is:**
- 1. Unknown at this time
- 2. Low rate of return
- 3. Payback average
- 4. High rate of return possible

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48) Business start-up potential of the product is:
   □ 1  Unknown at this time  □  Not applicable
   □ 2  Poor, many barriers to entry
   □ 3  Appears average
   □ 4  Appears to be good

49) Business experience of principals is:
   □ 1  Unknown at this time  □  Not applicable
   □ 2  No experience in this area
   □ 3  Related experience
   □ 4  Previous successful experience

50) Financial planning for the product is:
   □ 1  Unknown at this time  □  Not applicable
   □ 2  Poor planning
   □ 3  Roughly defined
   □ 4  Sophisticated and realistic plans

FINISH TEST
NEW PRODUCT EVALUATION TEST
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COMMERCIAL POTENTIAL GRAPH

HIGH COMMERCIAL POTENTIAL
WELL DEFINED
EXTENSIVE PLANNING

MODERATE COMMERCIAL POTENTIAL
PARTIALLY DEFINED
STILL IN PLANNING

LOW COMMERCIAL POTENTIAL
POORLY DEFINED
NEEDS PLANNING

VERY LIMITED
INFORMATION AVAILABLE

NOTHING KNOWN

EVALUATION FACTORS

PRODUCT NAME __________________________________________ EVALUATION # ______________________

PRODUCT EVALUATION SCORING
1) Five categories of multiple choice questions are separately scored.
2) Each multiple choice answer is scored 1 through 4 points.
3) The points are totaled from the 10 answers in each category. The maximum score for any category is 40.
4) Each category’s score is separately charted in the Commercial Potential Graph. Manually graded test graphs may be marked with a felt tip highlighter pen.

EVALUATION SUMMARY Using Scoring Results
1) A low score on any specific question indicates this factor requires review.
2) A low score on the descriptive factors may indicate necessary rethinking of the "Definition of the Product".
3) A low score in a specific category may indicate the category needs further planning.
4) An overall low score may indicate low commercial potential, excess risk, or a need for revisions and effort.
5) An overall high score may indicate positive commercial potential and well-conceived planning.

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