needs of his original market (the B-C transition in Fig. 4.2), there is no movement indicated along the market newness axis.

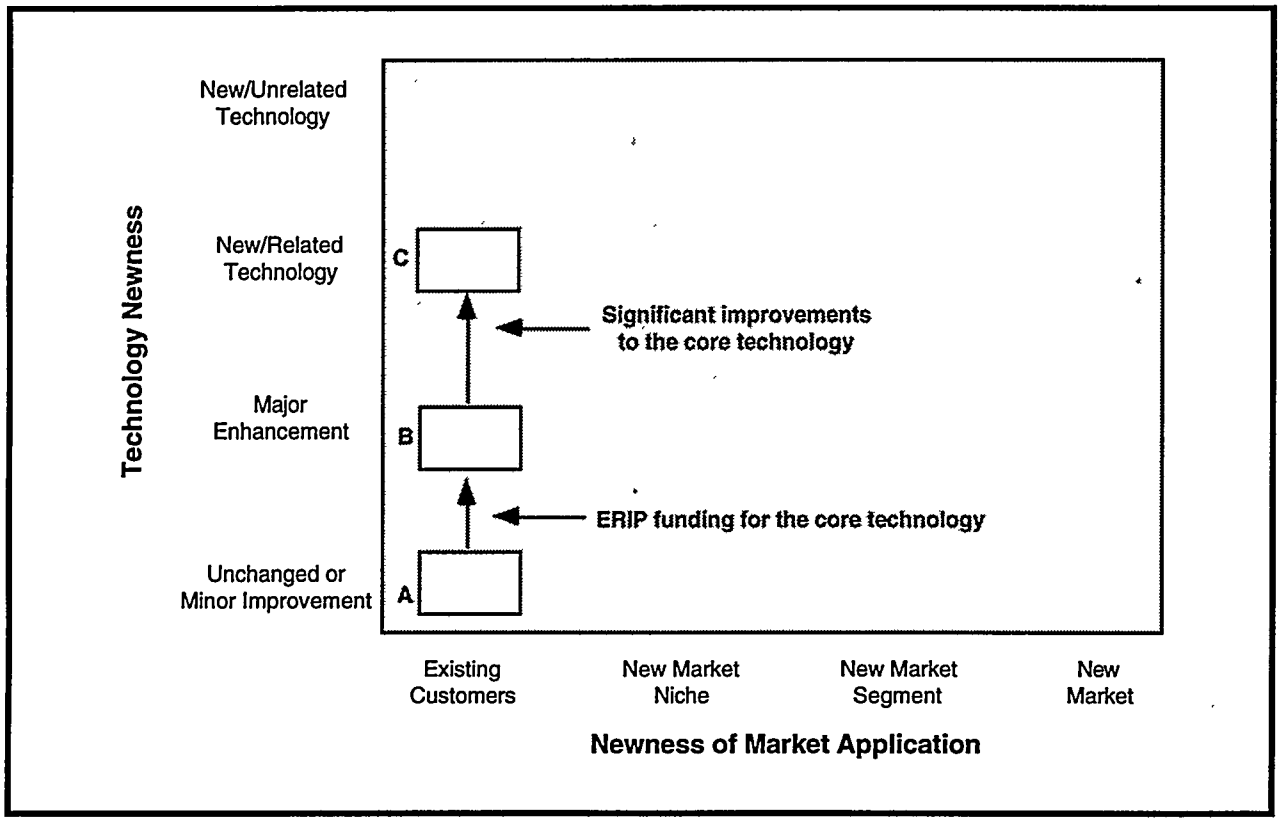

Fig. 4.2 A Second-Generation ERIP Technology Directed Toward Existing Markets

Usually these second-generation technologies build on experiences in addressing a particular market or industry-specific need. The original technology advances to the prototype development or initial market introduction stages, and it encounters limited, if any, market success. User feedback from that initial effort helps orient the next round of technology development.

This was the case with an energy conservation measure for ice rinks. The spinoff from this technology also is an example of a second-generation technology resulting from modifying the "key technologies" that comprise its core. The original technology supported by ERIP involved applying a foam directly to the ice at night, using a specially-designed machine, and then removing the foam to a storage area during the day. The "new but related" technology involves a low-cost retrofit to the standard Gamboni ice-prepping machine; it uses a similar type of foam, but the foam is created each day and disposed of each night, eliminating the additional storage space required by the original technology. ERIP enabled the inventor to develop the more marketable second-generation technology as the result of the market knowledge acquired in trying to commercialize the original technology.