



## 15.387 – Entrepreneurial Sales

<i>Case</i>	<b>Delphi Software</b>
<i>Title</i>	<b>Product Knowledge</b>
<i>Assignment</i>	<b>Write up 15 objections and 15 answers to those objections</b>

### **Overview:**

Your company, Delphi Software, is in the crystal ball business. Your product, Delphi One, has the ability to warn network administrators of impending faults on their network at least 20 minutes before that fault occurs.

Networks are continually sending signals and those signals can be analyzed to find where and when a fault occurs. Much like seismic studies that can predict earthquakes, Delphi One continually monitors a network and can anticipate when faults may arise. This would allow a network administrator to engineer around those faults or to reduce load on his network so that the faults could be handled without bringing the network to its knees.

The basic technology came out of Intel Israel and was used in the first Gulf War when scud attacks threatened and Intel decided that it would not shut down. It was refined by Norbert Goodguy, a former classmate of Gil Shwed, CEO of Check Point Software. Goodguy had worked on the early instant messaging standard for both Yahoo! and Microsoft and is considered a genius of the first order.

Your firm has been funded to the tune of \$10 Million by a coterie of Boston and Israeli based venture capital firms, led by Gemini Israeli Ventures and Battery Ventures. The research that forms the basis of the company was licensed from Intel through their Technology Licensing Office.

After two years, you have an up and running Beta Site, John Hancock Life Insurance, and you are ready to begin selling this software product, which costs \$100,000 and which also carries a \$15,000 annual Maintenance fee. The product is designed in a two-tier architecture that can manage up to 50 routers, but is scalable for up to 1500 routers.

Your company believes that the best markets are those Enterprise firms where the network is key: institutional brokerage, banking, health care and large manufacturing firms – in fact, any firm where network uptime is critical.

### **Your background:**

You have worked at the IDF Logistics and hold a B.Sc.Ed in computer science from Carnegie Mellon. You have a trained sales technician on your staff and you have identified five major companies –Ford, AOL, Citibank, DOD and AEG Insurance, as



companies who rely on their networks to an extent where they should have some interest. Each of these firms spends well over \$500 Million on computing and networks every year. Each of these firms is also under heavy financial pressure and has put in a hiring freeze.

The product continually monitors networks and networks are always crashing. Sometimes the transceiver goes out of spec, sometimes memory begins to leak, and sometimes networks crash because false packets are being generated. One of the advantages of your product is that it can categorize network problems on an A, B, C basis, indicating the severity and the duration of the probable problem. A service of the company is the ability to build a library of faults between users so that they are continually exchanging profiles of faults.

### **Assignment:**

1. Come up with 15 objections that the Chief Information Officer at one of these five German companies might have. Note that all five are already key customers of HP, Cisco and Siemens.
2. Come up with 15 answers to those same objections.

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