

# Degree of Difficulty

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Some dives are harder



# Difficulty is rewarded

## **FINA DEGREE OF DIFFICULTY - FORMULA AND COMPONENTS**

**Note: Degree of Difficulty (DD) is calculated by adding: A + B + C + D + E**  
**EFFECTIVE 15 SEPTEMBER 2009**

### **A Somersaults**

	0	$\frac{1}{2}$	1	$1\frac{1}{2}$	2	$2\frac{1}{2}$	3	$3\frac{1}{2}$	$4\frac{1}{2}$
1m and 5m	0.9	1.1	1.2	1.6	2.0	2.4	2.7	3.0	-
3m and $7\frac{1}{2}$ m	1.0	1.3	1.3	1.5	1.8	2.2	2.3	2.8	3.5
10 m	1.0	1.3	1.4	1.5	1.9	2.1	2.5	2.7	3.5

**(Performance Score) x ( $\Sigma$  Difficulty\*) =  
Total Score**

**\*Somersaults, flight, twists, approach, entry**

# Difficulty in businesses



# Business degree of difficulty

- Amount of capital
- Regulatory requirements
- Technical complexity



# Capital intensive



# Regulatory complexity



Financial  
Compliance

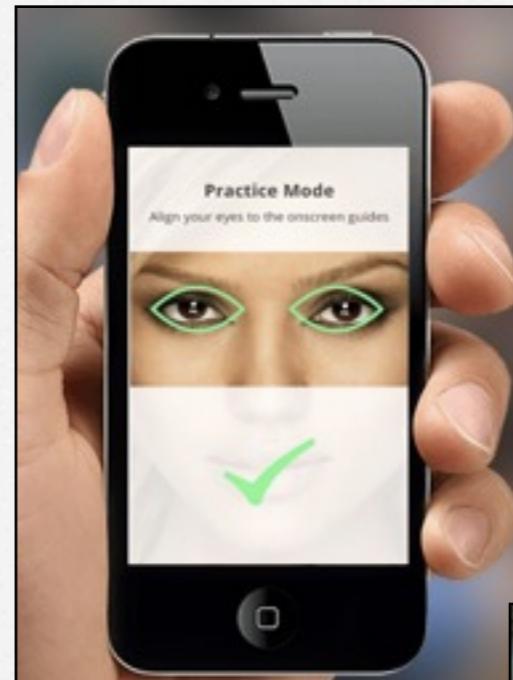
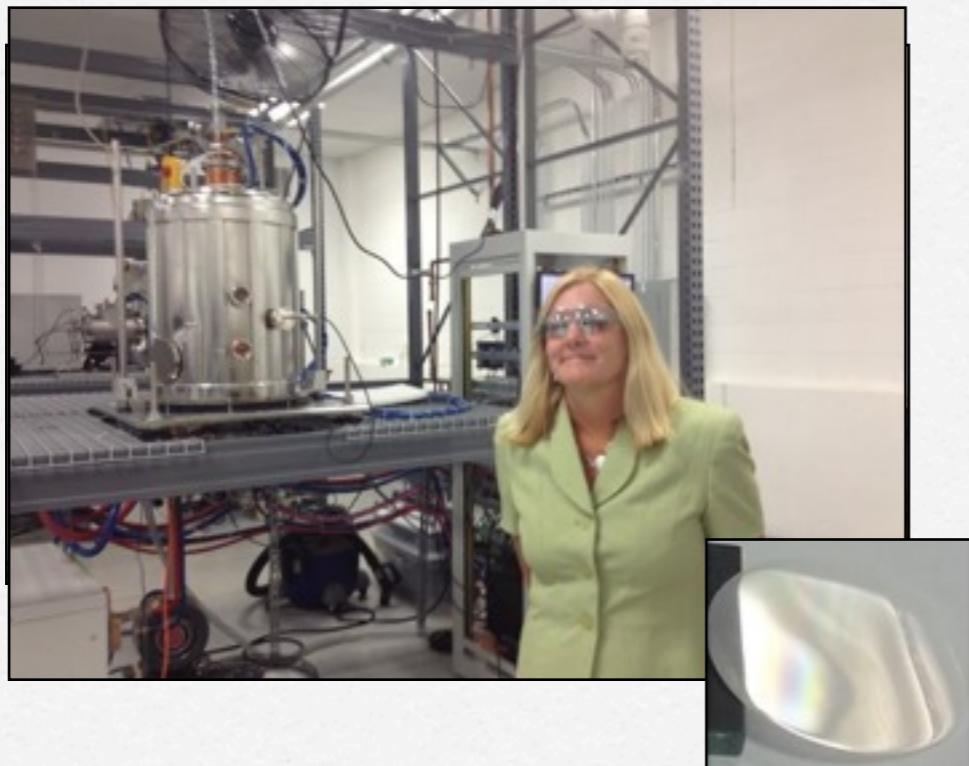


EPA



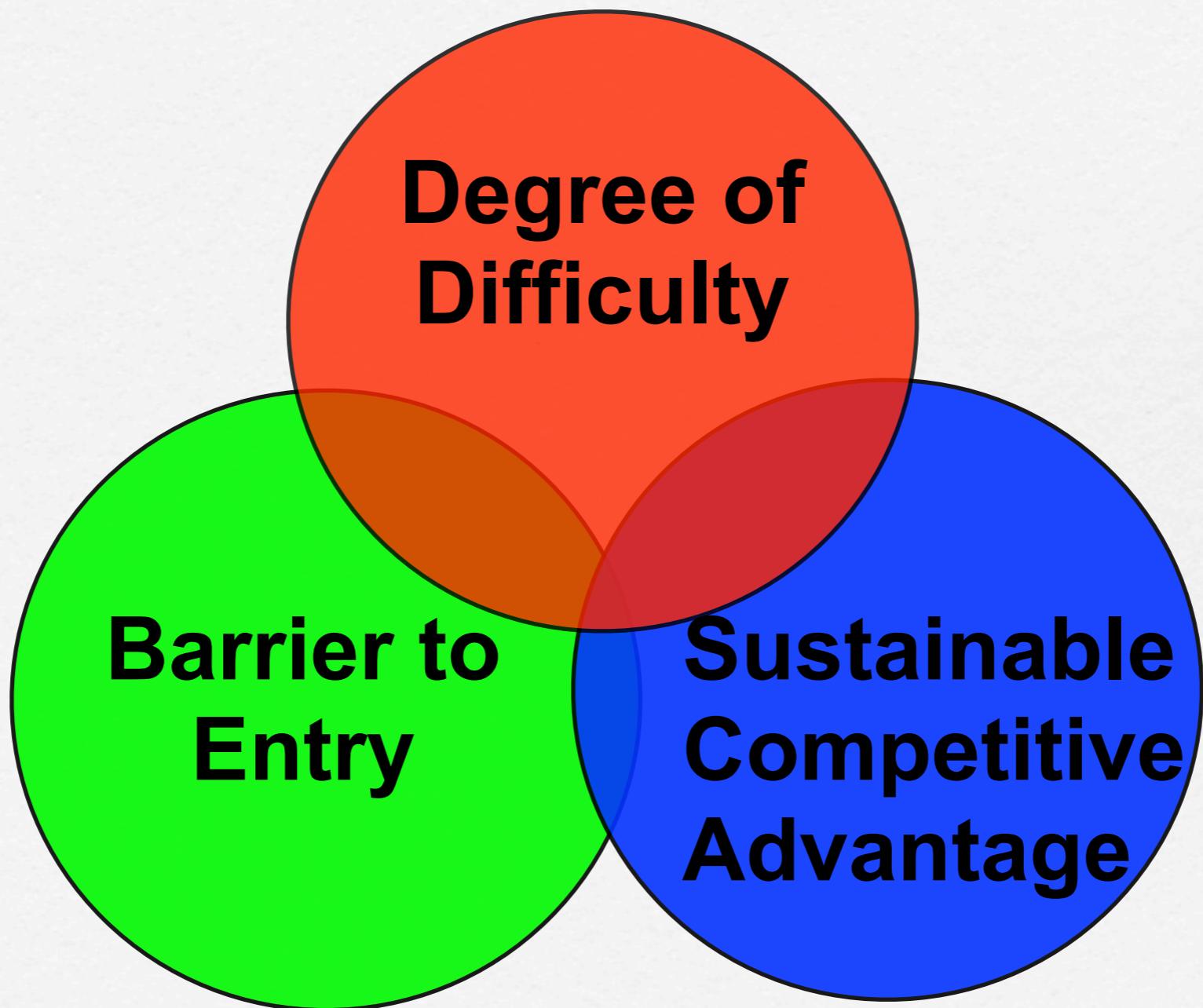
FDA

# Technical difficulty\*



\*Ever-changing

Not Synonyms, but related...



**Degree of Difficulty:**

Examples:

capital, regulatory,  
technical complexity

**Barrier to Entry:**

Intellectual  
Property

**Sustainable  
Competitive Advantage:**

Manufacturing cost,  
Incumbency

So you if you are  
considering founding  
a company or  
investing in a start-  
up...

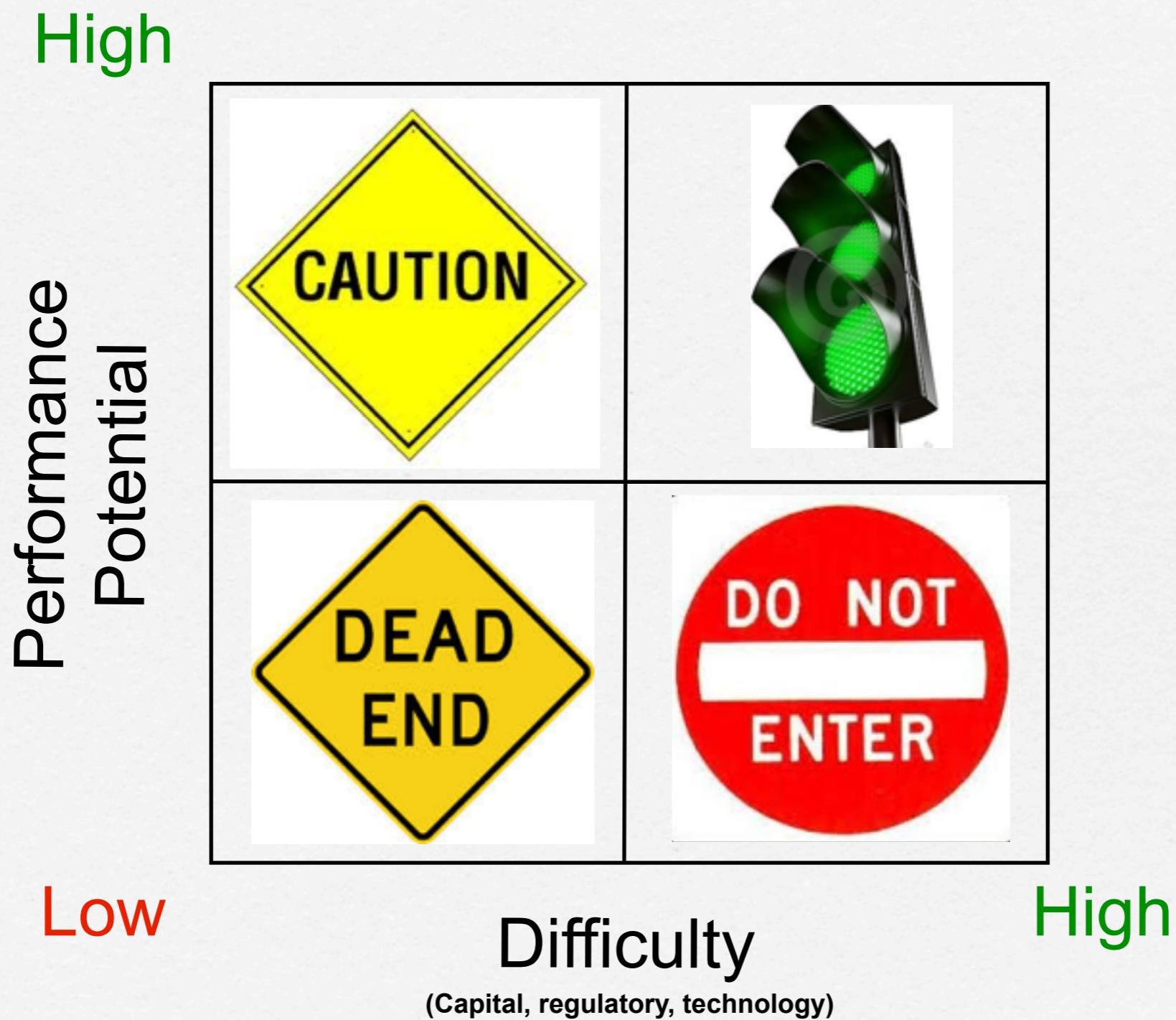
Diving

**(Performance Score) x ( $\Sigma$  Difficulty) =  
Total Score**

Business

**(Quality of management + market need +  
product features & quality + execution +  
scalability + IP ± competition) x ( $\Sigma$  Capital,  
regulatory, technology) =  
Chance of, or magnitude of success**

# Should I become involved in a business?



So in summary, dive...



but, think before you dive

Thank you

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