



# WHAT'S THE BIG IDEA?

**B**ig things can come from simple ideas. Just ask Glen Krummel, co-founder of Stubbyglove Enterprises. Together with his brother, Leon, and close friend, Jim Kroezen, Krummel turned a novelty idea into a viable business that has topped sales of 100,000 and is on the cusp of an international distribution deal.

The idea for the glove-meets-stubbyholder was born out of necessity when Leon and Krummel watched Kroezen, who lost an arm in an accident more than a decade ago, struggle to keep his beer cold and hand warm during a chilly trip to the Snowy Mountains in New South Wales. When the boys were planning a future trip to the New Zealand ski fields, Kroezen was determined not to be caught short again, and so the inventive trio whipped up a handful of prototypes.

"It was a gag between mates, but as we got to the ski fields and were using them in the local pubs, everyone loved the idea," says Krummel. "A publican took me aside and asked, 'Can you print these with my logo on them?' I immediately said, 'Yes, as soon as we're back in the office I'll get the quote

through to you.' But of course there was no office – there was no business."

Back in Australia, the new-born entrepreneurs pooled their savings – and their credit card limits – to commission a patent attorney and travel to Thailand to search for potential manufacturers. Then there was more fast-talking to pub and shop owners in their hands-on quest to build a distribution network.

"We were all young lads and were never shy of a drink, so we stepped up our leisure activity and took the Stubbygloves everywhere with us. One of us would get chatting with the patrons while the other one worked the publican," continues Krummel. "We had 800 for our very first order, which sold in eight weeks, then 1,000 for our second order, which sold in a fortnight, and another 1,000 on back order."

Sounds easy enough, yet the long and winding road from drawing board to retail shelf is by no means a smooth one. Joss Evans, CEO of INNOVIC, has seen many great ideas become the victims of poor research and bad planning. ▷

IT TAKES MORE THAN A GREAT IDEA TO TURN LIGHT-BULB MOMENTS INTO CASH IN THE BANK. **SHANE CONROY** WALKS THE ROCKY ROAD OF PRODUCT INNOVATION.

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“Coming up with an idea is really the easy part. Ideas are two-a-penny – if you don't do the follow-up and research, then an idea is worth nothing,” she says. “You have to ask yourself some questions. First of all, what need does your idea address? And does it solve a problem or address a particular market niche? If nobody wants it, you're never going to make any money out of it.”

INNOVIC is a not-for-profit organisation that helps over 1,800 innovators turn their big ideas into viable businesses every year. This month, they'll also host the annual Next Big Thing Award ceremony, which recognises Australia's latest innovative talent. But before you start writing acceptance speeches, Evans suggests you put in the hours defining the unique selling point of your bright idea and confirming that it is a genuine original.

“It's remarkable how many things get reinvented,” she says. “The wisdom is that it

takes about two years, and probably longer, from the time you file your patent to the time your product is on the market. So there will be a lot of products [still in development] that you'll see on an online patent search, such as IP Australia's website, that you won't have seen in the shops yet.”

Had you been knee-deep in a patent search in early 2002, one of the products you would have come across is ModelCo's LASH WAND Heated Eyelash Curler and the company's subsequent TAN Airbrush in a Can. Both were instant worldwide hits and sent ModelCo spiralling into an incredible 350 per cent turnover growth within its first five years. Now, with no less than 125 unique products on the market, the company has made major investments in its product development lifecycle.

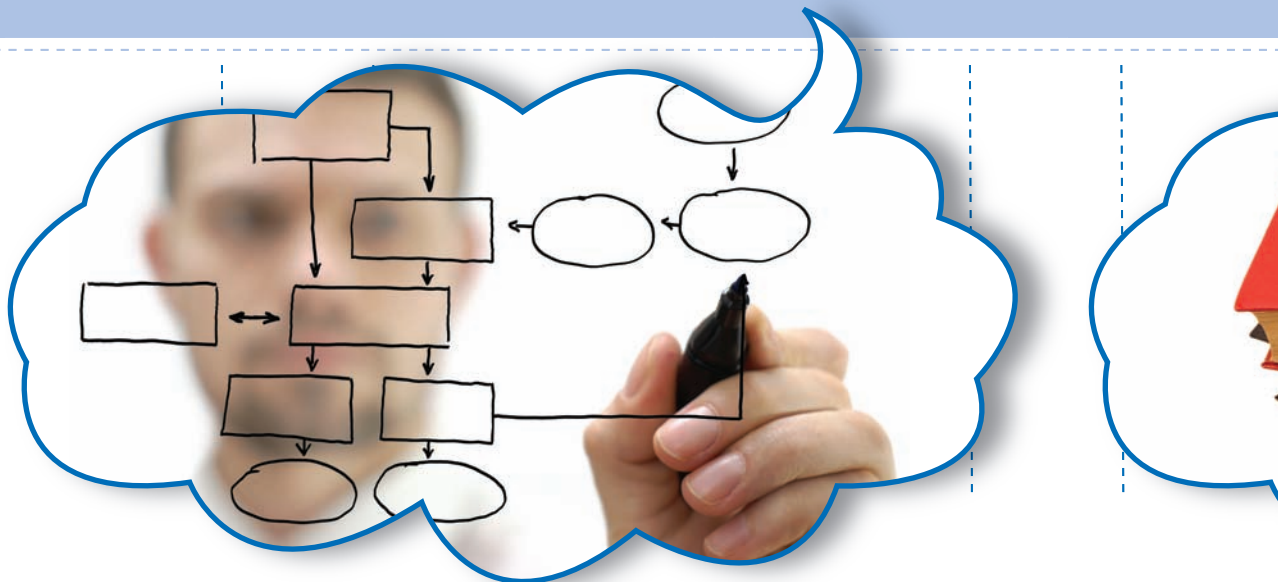
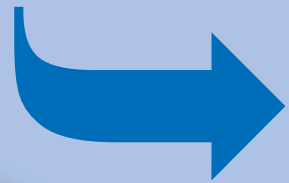
“Creating a world first was not without its difficulties. Everything is trial and error

## SEVEN STEPS TO MARKET

Brian Gay – managing director of Quench Solutions and the inventor of the Quench recirculating shower – reveals what it takes to get a product from the drawing board to the retail shelf.

step 1

**IDEA ::** Identify a problem and how best to solve it. “The most water-consuming product in the house is the shower, so I thought, ‘let's attack the shower and see what we can do to save water.’”



when it's a new innovation. TAN Airbrush in a Can was still being tweaked right up to a few hours before the official launch," says company founder, Shelley Barrett. "ModelCo prides itself on the strictness of our product development lifecycle. There are about 120 steps in the cycle and up to 30 products going through at any one time. We have many RIPS (Rest In Peaces) along the way. Some of the product ideas we love the most just don't make it to the final stages."

Success fosters imitation, and ModelCo is well aware of the importance of protecting its Intellectual Property (IP). "From experience, when you have a great idea, other companies quickly create a copycat version," continues Barrett. "We take our IP very seriously and have many legal measures in place."

Your first stop in the patenting process should be IP Australia and a familiarisation

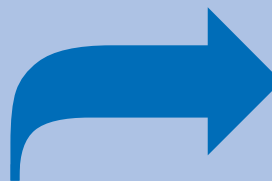
with its application process. Evans advises that you commission a patent attorney to guide you through the complicated process and help eliminate future loopholes. "You can file a provisional patent yourself for as little as \$80," she says, but be prepared for the real deal to run to \$15,000-plus.

"A lot of products go through an evolutionary stage. Your first idea invariably changes. And that's why most people take out a provisional patent first because it gives you 12 months to modify your product. It's hardly ever that an idea goes out to the market exactly as you envisaged it."

With your IP protected, it's time to steer the focus back to ensuring that you have turned your idea into a workable product. For Brian Gay – managing director of Quench Solutions and the inventor of the Quench recirculating shower system – that meant devising a complete design and prototyping process. ▷

**step 2**

**RESEARCH ::** Look at your solution from every angle to highlight any sticking points. "You're balancing everything from energy consumption to water recirculation. Then there's the control system, avoiding contamination and safety."



**step 3**

**PATENT ::** Protect your Intellectual Property (IP) with a patent. "You have options – go for a patent in just one country or go for an international approach."



“ Know what your product is, who needs it, what your market is, who the competitors are and how you're going to reach your market. ”

The end result was the world's first recirculating shower system that requires only four litres of water, in Quench Auto-Mode, to run temperature-controlled, high-pressure showers – representing more than 80 per cent water and energy savings. Those are numbers that, during the prototyping process, surprised Gay himself.

“There were quite a lot of surprises – like how little water was required for the recirculation process. I thought we'd need 30 or 40 litres of water to pump, but it turned out we only needed four litres,” he says. “We started with buckets and pumps and hoses to flow the water and do some temperature tests. We made up prototypes using wood and put a lot of thought into the reservoir that was put into the shower base. Then there was the issue of how to make the control systems easy to operate, safety and avoiding the risk of contamination.”

ModelCo also emphasises the importance of getting the prototyping process right to prevent taking a sub-standard product to the market. “We work closely with our manufacturers, from drawings and 3-D visuals to finished models,” says Barrett. “We develop all of our own tooling for our products, so it's essential to do a test run

on everything to ensure pans fit, lids lock and so on. Even all the perfect planning can sometimes be proven wrong when you see a final prototype.”

With a working prototype safely locked away in your tool kit, it's time to consider your commercialisation strategy. Broadly speaking, there are two paths to choose from – independent manufacturing and distribution or a licensing agreement.

Handling the manufacturing of a product yourself comes at a much higher cost, and requires an important investment in understanding how your product should best be packaged to appeal to your target market. Finding a trustworthy manufacturer to deliver the quality you expect is important, as is the need to build a relationship with them that's strong enough to withstand bumps and glitches along the way.

“Creating first-of-a-kind products and working within quick-to-market time frames, we put a great deal of pressure on manufacturers to work within these deadlines,” says Barrett. “It can also be difficult to prompt possible problems along the way when they are unique products, with no benchmarks to compare them with.” ▷

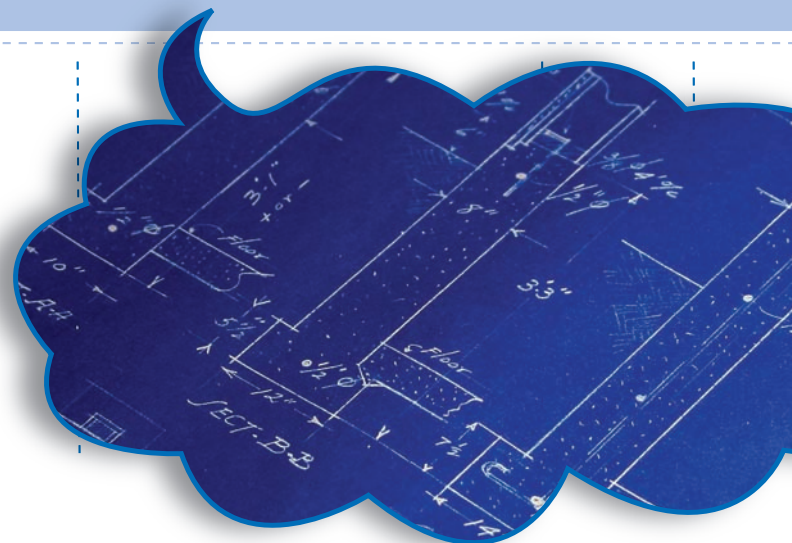
**step 4**

**PROTOTYPE ::** Test your product in real-life conditions to see where improvement is possible or necessary. “There's a lot of testing that goes on before you put it into final tooling.”



**step 5**

**DESIGN ::** Consider how you will present your product to the market, and how you can streamline the manufacturing process. “I had to design equipment that could accommodate any level of packaging.”



“If you expect your light-bulb moment to pay dividends, you must be committed to much more than just the genius of your idea.”

You will also need to keep the costs of manufacturing as low as possible in order to achieve an attractive retail price point. Evans suggests taking your prototype to a experienced industrial designer, who will look at ways to streamline your creation.

“If you go to a designer, they’ll look at ease of manufacture,” she says. “So where you might have come up with a back-of-envelope drawing for your new little robot, the fact that you’re using 100 moving parts as opposed to 50 makes it more expensive.”


Evans also advises that you consider your distribution chain carefully before you begin manufacturing your final product. Ending up with a garage full of great products will mean nothing if they are the wrong colour, material, size or price for your largest retail partners. “This is why a business plan is important,” she says. “It’s your map for how you’re going to do things and what your outcomes are going to be.”

The same emphasis on research runs true for inventors seeking licensing agreements. If you’re a budding inventor, get to know the major players in the market, how they differentiate themselves from their

competitors, how your idea fits into their current product range and exactly what you can offer in terms of forecasted sales in order to raise their eyebrows.

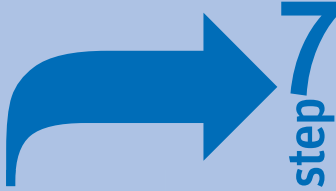
“It’s not easy to interest companies in licensing because many have in-house resources to throw at developing new ideas themselves,” warns Evans. “It’s a case of what’s in it for them. If you can’t hit those buttons, then they’re not going to take you seriously.”

So if you expect your light-bulb moment to pay dividends, you must be committed to much more than just the genius of your idea. Getting from drawing board to market place is a laborious process that relies as much on your ability to ask the right questions as it does on your talent in answering them.

“It’s not good enough just to have an idea, if you have no management skills,” explains Evans. “It’s not a ‘get rich quick’ scheme – it’s ‘get rich slow, if you ever get rich at all’. If you know what your product is, who needs it, what your market is, who the competitors are and how you’re going to reach your market, then you’re on your way. It’s not easy, but it’s not impossible.” 



**PUBLICITY ::** Build interest in your product before you approach potential retail partners. “Try to win awards. And your website is very important – have as much information on there as possible.”



**THE HARD SELL ::** Focus on what you can do for the investor, not what the investor can do for you. “It’s a matter of finding out if they’re the right sort of partner for what you’re doing.”

