Haberman Global Innovations Ltd – Case Study

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'People say, why are there so few women inventors? Almost, in a way, that's self-fulfilling. The stereotype is nonsense; the reality is that women are natural inventors. Women with families are solving problems all the time in a practical way, they're just having to spread themselves more thinly.' – Mandy Haberman

Mandy Haberman is the epitome of a user innovator. Her first invention, the Haberman® Feeder, was the result of her very personal experience as a mother to a child with Stickler Syndrome. Frustrated with the options available to feed her daughter, Haberman innovated. Her story is not a unique one. Patient innovators 'solve problems in a practical way' regularly, as a response to their own particular needs. However, it is a complex process to take those products to market and diffuse them to the mainstream. In Haberman's case, that process has been littered with lawsuits that characterize the struggles often encountered by individual innovators vying for market share against large competitors. In this study we will explore Haberman's motivation to innovate, and the ways in which she has been able to facilitate diffusion of her innovations. We will investigate the means by which Haberman was able to navigate the perilous legal cases that threatened to sabotage her business, before considering the lessons that can be learnt from Haberman's ability to pursue a very personal innovation and turn it into a successful multi-faceted business.



You can find a video interview with Mandy Haberman here

A User Innovator



A <u>2010 report by NESTA on user innovation</u> in the UK suggested that 8 per cent of UK consumers create or modify one or more of the consumer products they use in order to better address their needs. Considering that the needs these products meet are primarily leisure or day-to-day routine orientated, this study gives us some implication as to the level of innovation that is likely to take place in the patient sphere, where the needs being met are the most primary of all.

This was the position Mandy Haberman found herself in when her daughter Emily was born with Stickler Syndrome, a condition which can affect babies' ability to breast or bottle-feed. When Emily was transferred to Great Ormond Street Hospital for failure to thrive, Haberman found herself forced to experiment with alternative means of feeding her daughter, (even going as far as sourcing lamb's teats from the local vet). Haberman describes her frustration, 'I became quite angry that there was not a solution out there. I tried every bottle, but had nothing to feed her. I was really out there on my own'... 'That is why I decided to find a solution to the problem'. Upon noticing that Emily would use a dummy, Haberman experimented with using a syringe to get milk into Emily's mouth while she was sucking. It worked, and Haberman — a former graphic designer - built upon this observation by designing a bottle with a long teat that worked by allowing babies to strip milk along its length through valves.

Haberman's invention allowed her daughter to feed successfully. However, Haberman's frustrations lingered:

I was angry and upset that there had been nothing available to help Emily. So finally, when she was two years old, I set to work developing my seed of an idea into a finished product to help other families, so that nobody else would have to go through the misery that we had been through. The Haberman® Feeder was born.

Although Haberman's particular position as a user had already given her a thorough understanding of the needs of her market, she undertook a period of extensive research and development before producing her first product, meeting with consultants and studying research papers. Eventually, she approached commercial babybottle companies with her design, but found that the large volume sales they required were not a match for her specific medical needs product. Rather than give up on putting the Haberman® Feeder into production,

Haberman began producing in small batches and supplying hospitals and parents by mail order. Haberman describes, 'even though I wasn't a medical supplier, even though I didn't have any medical training, I was allowed to go into hospitals, I was allowed to talk to mums – hospitals started buying from me by mail order because there wasn't anything else available.' Today the Haberman® Feeder, (now the <u>SpecialNeeds Feeder</u>) is used by healthcare professionals around the world.

It has been suggested that as little as 5% of patient innovators report their innovation to medical professionals, and less than 20% share it online. Haberman has described her experience developing her first product as an 'introduction into the world of intellectual property and business'. Further, Haberman's story provides rich material for anyone interested in the means by which to aid the diffusion of patient innovations. By building on her experience as a user with academic research and meetings with medical practitioners, and by responding to data from her initial commercial meetings with agility, Haberman was eventually able to produce her patient innovation for the benefit of a significant number of families whose needs had simply not been met prior to her invention.



Intellectual Property – The 'David and Goliath' Story

It was Haberman's second invention, the Anywayup® Cup, that had the potential for significant commercial uptake. Similarly designed from a user perspective, Haberman describes watching a toddler playing with a cup of Ribena, spilling stains over a friend's carpet. 'I was able to look at it objectively', Haberman describes, 'I thought it was ridiculous and designed something that seals by itself, without having to put a lid on it.' Once the Anywayup® Cup was ready to take to market Haberman faced difficulties convincing buyers from the major supermarket chains to take on a design from a one-product company. She conducted a stunt, filling an Anywayup® Cup with juice and posting it in the mail to the head buyer of Tesco with a note — 'If this reaches you as a soggy mess, then we have shot ourselves in the foot. BUT, if it reaches you without spilling, please call us!'. Extraordinarily, it worked. Within 18 months of trading Haberman's Anywayup® Cups were stocked in major supermarket chains, and had a 40% UK market share, (75% in Germany).

It was at this point that the former market leader, Tommee Tippee, decided to attempt to claw back their market share. They launched an infringing product, slashing Haberman's sales overnight. Haberman was faced with a decision: either give up the commercial success of her fledgling business, or take a significant risk by engaging in a legal battle with a large company. She decided to engage. Eventually, Haberman won the case, but it was not the last. Describing her experience Haberman has stated, 'for a fledgling business, the only asset that I really had was my intellectual property, and if I didn't defend it, I didn't have anything anyway'. More recently, and because

of the precedent set by Haberman's early legal cases, infringements against her intellectual property have become less commonplace. She <u>explains</u>, 'companies now request licenses, rather than risk infringement. I have a bit of a reputation!'.

'David and Goliath'-type stories of intellectual property infringements are common, and Haberman <u>suggests</u> that with increasing financial pressures on businesses, it is likely they will continue:

When money is tight budgets are diverted from innovation and design. Instead of planning for the long term, businesses focus on short-term gain. Copying is, unfortunately, often perceived as the quickest, cheapest way to go. There will be a significant rise in imitation for this reason.

With this in mind it is worth noting the lessons that can be learnt from Haberman's experience, both in terms of the extensive research that she conducted in order to create products that could be protected with thorough intellectual property defences, and also the insights that her particular experience with intellectual property protections can give.



Lessons to be learnt

There are a number of clear lessons that can be gained from taking an insightful look at Haberman's career. Most prominently, Haberman designs from a user perspective, but takes on board expert advice at key moments. Despite her extensive user knowledge, Haberman still conducted thorough and wide-ranging research prior to the invention of the Haberman® Feeder. In this way Haberman was able to ensure that the Haberman® Feeder not only provided a solution to a problem, but also that there was no other equivalent solution on the market.

Haberman describes the importance of really understanding the Unique Selling Point you are providing, and whether or not it is, in fact, unique:

If people have a problem, and your service (or your product) solves that problem for them, that's fine. But if that problem can be solved in any other way which doesn't require them to use your service (or your product), and is a cheaper way of solving the problem, they're probably not going to use your service (or your product).

By not relying simply upon a broad base of user knowledge, and instead engaging in detailed testing and research, Haberman has been able to ensure that her USP's are truly unique, and can be protected as such.

The thorough testing upon which Haberman's inventions are predicated facilitate the framework for good intellectual property protections. Before a product is taken to market, Haberman has a deep understanding of the needs it meets, how it meets them, and the specific features which mean that it is unique in being able to do so. This detailed knowledge forms the basis of what Haberman describes as a 'wall of protections'- the system of interlinking intellectual property defenses that she suggests are necessary in order to thoroughly protect a product or service from infringement. Whether those IP protections are patents, trademarks, or design rights, as Haberman describes, 'whatever you can get, get it'.

Should infringements occur, Haberman suggests three forms of recourse which were not available in the same capacity at the time of her initial Anywayup® Cup legal cases:

- <u>The Intellectual Property Office</u> Offers a free service on opinions. This is not legally binding, but is a hearing in which both you and your opponent are able to bring evidence, upon which the IPO will give their opinion with regard to the validity of a patent, and whether it has been infringed. Most valuable as a basis for settlement or mediation.
- <u>The Intellectual Property Enterprise Court</u> A cheaper and speedier court alternative, in which damages are capped.
- IP Pro Bono Provides a Pro Bono legal service for those with very limited resources.

By engaging with one or more of these services, individual and small enterprises are able to take action to protect their innovations, thus reinforcing a culture whereby intellectual property infringements are looked upon with more caution.



Conclusion

In her description of her journey to becoming the owner of a global company, Mandy Haberman describes herself as an unlikely character for the task. She has noted the introverted personality traits that made confronting industry giants such as Tommee Tippee a doubly intimidating task, and explained in depth the varied existing means by which she sought to find a product that would meet the needs of her daughter. Ultimately, Haberman's position as an innovator was one that was forced upon her, and her decision to diffuse her original innovation is one that she has described as a 'responsibility'- so that other families might avoid the anger and frustration she experienced. Haberman is not unique in her position as a user innovator. However, by choosing to diffuse her innovation, and by taking careful steps to ensure it was founded upon research and specific knowledge, Haberman ensured that her initial product was extremely valuable to a large number of users. Further, by continuing to innovate, and by continuing to found those products upon a wide base of experimentation and development, Haberman has been able to maintain market share against competitors many times her size. Haberman's case demonstrates that whilst 'David and Goliath'-type victories do happen, they most often do so upon a basis of sustained research, deep user knowledge, and through intellectual property protections.

Questions for Discussion

- Visit the Patient Innovation Website. Choose a Patient Innovation, and create a short presentation on it.
- Can you think of other commercial innovations that were created as a result of the personal needs of a user? Compile a short list of these. What advantages / disadvantages are there to innovators designing from a user perspective?
- Despite her extensive experience as a user, Mandy Haberman conducted extensive research in the development of her products. What are the advantages / disadvantages of this approach?