

Supporting laptop users

Thinking global takes SA company to Canada and the US

TIRED OF PROPPING the back of his laptop computer on a telephone directory to obtain a more comfortable typing position, Herb Ostroff was determined to find a solution. After drawing a blank in the commercial environment to meet his needs, Ostroff knocked together a few stands made of Perspex – one for himself, giving others to friends with similar issues.

“Seeing the reaction of those early guinea pigs, it was clear that there was a need in the market for a product like this. I then brought a top-notch industrial designer on board to create the final product and Ergo-Tilt was born,” says Ostroff.

“The other founders (Sonja Bregman and one other) and I put the initial capital into the business and the rest was funded by a loan from the bank and a short-term loan for our Canadian operation, where manufacture has just commenced.

“From the very beginning I made sure that the design and ideas were properly protected. A design registered wAas applied for and everyone whom we spoke to at a commercial level was asked to sign a non-disclosure agreement to ensure we were able to bring the product to market without the fear of copycat designs undercutting our first mover advantage,”

Ostroff says. “In total we’ve spent between R400 000 and R500 000 to protect our intellectual property.”

While that may seem a little excessive – possibly even paranoid – the simple nature of the device, which consists of a base plate with ventilation holes to place the notebook on and a hinge to elevate the back of the computer from a desk, is something that could be copied relatively easily. But Ostroff is taking no chances when it comes to protecting his product.

He adds that he also refrained from marketing the stand extensively until he was satisfied that it had a presence countrywide and the first mover advantage for Ergo-Tilt was entrenched.

For many less ambitious people, having



No more phone books.
Herb Ostroff

“Once the product had reached this stage I made sure that the design and ideas were properly protected.”

built up a business in just less than two years would be enough and they’d be sitting back happy to entrench their position in the SA market. But for this 66-year-old grandfather, SA is the pilot project for a global strategy.

Ostroff says the company is currently launching Ergo-Tilt in Canada, with plans to enter the US market also in the pipeline. He says the decision to go to Canada and then the US was partly motivated by his experience in both markets, plus a desire to take on the largest market for notebook PCs – the US – as early as possible.

“Part of our strategy is to manufacture the product as close as possible to the target market. That means we manufacture in SA for the local market and have found a manufacturer to produce it for us in Canada for that market. And we’ll do the same for the US in first quarter 2008.

“Not following the crowd into outsourcing the manufacturing to a company based in China has given us the flexibility we need to ensure that deliveries happen on time. When building a brand, you can’t afford to

slip up on delivery and manufacturing and assembling in SA allow us to keep our promises,” says Ostroff.

A vital part of the company’s strategy has been keeping overheads low. Ostroff says until May he was the only permanent employee. There’s now one new employee – the manager (Ostroff’s in Canada) – plus two part-time staff.

By using outsourced and sub-contracted skills and resources, the company’s been able to deliver a product at an average R100, a price point Ostroff says makes it more of an impulse buy than a considered decision.

However, he adds that the feedback from existing users and the amount of word-of-mouth business that’s coming through indicates that the product’s delivering on its promises. Ostroff says though Ergo-Tilt is profitable, the company’s focus is to reinvest that into new product development.

For someone of an age when others would think of slowing down or retiring, Ostroff clearly comes from a different mould. If he’s right this could be yet another story of an SA company making good on the global stage.

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