

A bad deal for GOOD IDEAS

The odds against turning an idea into a money-making invention are long. And in Victoria they just got longer, as **CRAIG SHERBORNE** reports

TRY telling inventor Ron Kukler that Australia is a clever country and he's liable to laugh in your face.

There are plenty of clever Australians, he'll say, but it's as if the nation's movers and shakers want to drive them overseas.

He spent \$4 million developing a revolutionary diesel fuel system. It won him last year's Australian Invention of the Year Award.

It has been fully tested by Melbourne's leading mechanical engineers and will cut fuel consumption and pollution dramatically.

But he became so frustrated trying to find local companies or government organisations to partner him in commercialising his invention that he considered burying it in the back yard.

"The hard thing with inventing something like this is that it's a long, drawn out process of getting people interested in it as a money-making possibility," he says.

"The ability to commercialise an invention is 12 times greater in somewhere like America than in Australia. Is that because we're 12 times dumber? No. It's because in the US they have a can-do philosophy. They'll have a go.

"But here, Australian governments will only back a particular invention that's already producing some dollars."

Mr Kukler was lucky. He was able to raise a \$3 million research grant from the National Australia Bank, but he reckons most inventors' grants in Australia are useless.

"They're either tiny, tiny dollars — petty cash dollars — or they're absolutely non-existent," he says.

"Every time we applied to a government department they just looked at us funny and said, 'Nah, sorry, you don't fit what we have in mind.'"

MR Kukler has been forced to take his invention to America. The State Department is keen to use it in all US defence trucks and cars.

He is about to demonstrate it to US army officials and if it's successful (a formality, according to Mr Kukler) he has been promised a multi-million-dollar contract.

Each unit costs \$20 to make, much less than other diesel systems. It injects diesel at an exceptionally high pressure in two stages at a constant pressure delivery.

By producing essentially a diesel gas, the fuel burns very cleanly. Its retail price would be about \$1000.

"This is potentially a \$1 billion-a-week earner globally for the truck market alone," Mr Kukler says.

"Yet the attitude in Australia has been: who cares if the invention goes overseas. There's only a small market for it here.

"I was running into influential people here in Australia, including politicians, who had no concept of export. I was saying to them, 'If it goes overseas the only taxes the Australian Government will get will be if I come back from overseas and buy a cappuccino'. 'Who cares?' was the reply."

Australians are said to be the world's most prolific inventors per capita. The Hills hoist, refrigeration, the flu vaccine, IVF and teeth braces were all Aussie ideas.

Most inventors are amateur tinkerers and have little idea how to operate in the ruthless world of big business.

DEBORAH Kalisse was a school teacher before she turned inventor.

She created an elevated baby change mat four years ago when her first child suffered reflux and medics advised the infant be elevated while changing and feeding him.

"I tried raising the change mat we had with phone books, towels, and bricks. You name it, I tried it," she recalls.

They didn't work. So she set about designing and manufacturing a mat herself.

"I found it very, very difficult — A, because I was a woman, and the people I'd be dealing with were men, and they didn't take me seriously. And B, I was a small business that really hadn't started yet," Ms Kalisse says.

"I didn't have a production run going and so I needed small quantities of everything.

"At every step of the way it was, 'No, we can't help you. You need to order large quantities.'"

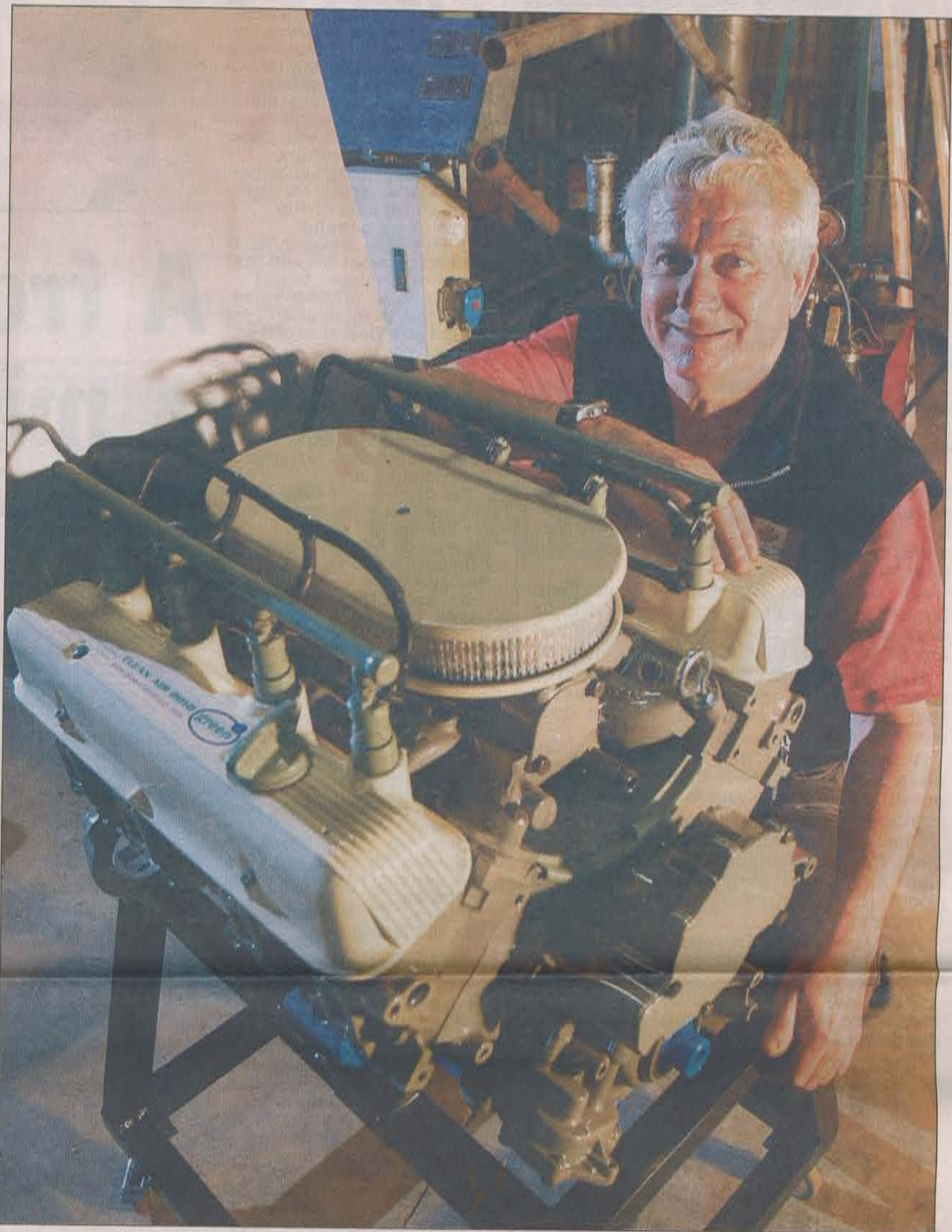
The mat is now sold nationwide through baby stores.

"The financial year before last I turned my first profit," she says.

Like Mr Kukler, she sought the Triton Foundation's advice on how to commercialise her invention.

The foundation was started in 1999 by Melbourne's George Lewin, the former journalist and backyard woodworker who invented the Triton workbench.

This invention made Mr Lewin a rich man but his initial battle to win corporate support prompted him to set up the non-profit foundation



Green with envy: Ron Kukler's clean-burning diesel engine is destined to go overseas, above.



No support: Deborah Kalisse with her simple solution for changing babies with reflux, left. Pictures: ROB BAIRD

"If you don't have the money to defend it, a rival company might get your patent for nothing.

"That's why I'm very careful with my patenting. I don't expose too much in them."

The cost of a patent can be punishing. Mr Kukler's first global patent cost him \$200,000 and was, he claims, absolutely worthless.

"I threw it in the rubbish bin. The next patent I did cost me about \$300. I didn't disclose anything in it and therefore didn't risk anything."

Triton is partly funded by the Victorian Government at \$600,000 a year. But that contract is about to end and is unlikely to be renewed, according to the Government.

If it's not renewed, the foundation may relocate to Queensland where the Beattie Government is keen to become a sponsor.

"It's a big blow because Victoria is our national office. We're pretty devastated really," Mr Lamond says.

ASPOKESWOMAN for Innovation Minister John Brumby says the foundation has achieved key performance targets but lacks plans to offer direct help to early-stage innovators. Other service providers are being vetted to take over Triton's contract.

But Mr Kukler deplors the Government's rejection of Triton. "No other organisation can do what Triton does," he says. "And Triton's service is free. Others charge a considerable fee."

to advise other inventors. Its mentoring system helped Ms Kalisse turn her idea into a business.

Mr Kukler says: "What Triton did in my case was put my name up in lights. It said this is a viable invention and it let people know that."

Triton advises 3000 Australian inventors a year and scrutinises about 400 inventions. One of its main functions is to ensure inventors don't waste their limited finances on a pointless invention.

TRITON uses a simple rule of thumb to test their viability.

"An idea needs to be three times better or a third of the cost of anything in the market that satisfies the same purpose. That's the guide," says foundation general manager Alex Lamond.

Triton also tries to curb inventors' impetuosity, especially in pa-

tenting their inventions. "Too often they come up with their ideas and go straight to the patents office and try to patent it, and inevitably they patent too early," Mr Lamond says.

"They get caught up in the patent cycle which is pretty strict. Once you've lodged a provisional patent you've got to come up with the final version of your idea within one year.

"People can find it may take years to get the prototype right. Sometimes the best thing is to start selling a product without a patent."

Mr Kukler agrees, describing international patenting laws as seriously flawed.

"You can get something patented and there are a lot of organisations, especially in Asia, where you get a frivolous claim against you and you have to defend it in the courts," he explains.