



Business

BY REBECCA MACFIE

Dancing with elephants

A Taranaki medical bed company has worked hard to carve out a successful niche.

Bruce Moller likens his company's strategy for growth as "fitting between elephants' toes". The elephants of Moller's metaphor are the \$1 billion-plus medical equipment multinationals with which his firm, Howard Wright, competes. The spaces between their toes are the market niches the 38-employee Taranaki company can fill with small runs of cleverly designed products.

Howard Wright designs and manufactures hospital beds and stretchers from its headquarters in New Plymouth. The company was set up in 1963 by its namesake, a motor mechanic who had been asked by a local nurse to make a hospital bed similar to those she had seen overseas.

By the 1970s, Howard Wright was making and selling most of the hospital beds in New Zealand, and had introduced some novel designs – he was the first to install hydraulic pumps for adjusting the height of beds, and developed a shower trolley that was exported around the world.

Moller, a mechanical engineer by training, returned to his hometown in 1991 to work as Wright's general manager, and a few years later bought the firm from its founder.

Howard Wright has been a steady performer over the years, with periods of flat sales interspersed with growth spurts. But in the past three years turnover has ticked up by a respectable 10-20% a year. And, despite the recession, Moller believes a steady rate of expansion will continue.

That's partly because the medical equipment market is less prone to extremes of exuberance and despair than the one for consumer products. But it's also because of what Moller describes as a "transformational" shift in strategy that puts simple, functional design at the centre of the company's operations.

In 2005, the company joined the Better by Design programme, a Government-subsidised scheme aimed at lifting company performance through better product development. Companies undergo a design "audit", in which external design



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BRUCE MOLLER

experts analyse and score every aspect of product design, and develop a process for improvement.

For Moller and his team, one of the key changes to come out of this process has been a much more intense focus on the needs of all users of the company's beds and stretchers – not just nurses and patients, but also cleaners, orderlies, and even the store workers who take them out of their packaging when they first arrive on site.

"For example, when we recently designed a new intensive-care-unit bed, we did survey work, we visited a number of intensive-care units in New Zealand and Australia, and we spent time just sitting and observing what was happening. The father of one of our R&D managers happened to be in intensive care for a period, and a lot was gained from that. In those situations you see things that you wouldn't in a quick visit."

Moller says the company's previous approach to product development was to simply ask customers what they wanted. "The problem with that is you spend so much time reacting that you don't get onto the front foot, which is where you almost know more than your customers."

Another major shift has been to ensure industrial designers are involved in product development from the outset, rather than having the process dominated by engineers. "Engineering is about solving known problems; industrial design is about understanding the human issues."

The change in the make-up of the R&D team has produced features that are more intuitive for end-users. "We've recognised that there isn't a lot of time in hospitals for training nurses. So [we look at it from the perspective of busy staff] and say, 'Is this handle or feature telling me what to do, without having to go to a manual to work it out?'"

If only the designers of computers and TV remote controls had such insight.

Moller says involvement in Better by Design and the company's ongoing investment in more efficient manufacturing processes has instilled confidence in his staff. "Four years ago we were a bit nervous about how we were going to cope: we were a bit worried about whether someone would bring product into New Zealand at or below cost. Now we feel, 'Well, they can do that, but would it be the same product?' We feel we've done so much product research that we've got an edge on them." ■