



Eureka! Recession Sparks Inventive Spirit

Finding Opportunity in the Recession, Inventors Strike Out on Their Own

By KI MAE HEUSSNER

May 29, 2009 —

When the going gets tough, the tough unleash their inner Edisons.

Across the country, in garages, home offices and basement workshops, [inventive Americans have been burning the midnight oil](#), putting the final touches on the prototypes and sketches that they hope will push their homespun products to market.

[Spotting opportunity in the depths of the recession](#), these resourceful men and women are optimistic that through innovation, they can pull themselves -- and the country -- out of the [economic decline](#).

"If you look back, a lot of innovation happens when we have [these downturns](#)," said Stephen Key, an inventor himself and founder of [InventRight](#), a company dedicated to educating and supporting inventors just starting out. "It's an interesting time but it's a great time for people who are innovative. You are seeing a lot of people now dusting off these ideas and bringing them to market."

For some, genius struck after they [lost a job](#). For others, the light bulb flashed when they saw that they had a low-cost way to help other cash-strapped consumers.

"I think, generally speaking, recessions have been fertile breeding grounds for inventive minds," said Louis Foreman, creator and executive producer of the PBS reality show "Everyday Edisons."

Foreman is also the founder and chief executive of the Charlotte, N.C.-based product design and engineering firm Enventys. "If you look at history, some of the greatest companies were created out of recessions," he said.

Scotch Tape, Fluorescent Light Bulb and Fortune magazine born in Great Depression

The Great Depression gave birth to Fortune magazine, Scotch Tape, the fluorescent light bulb and Hewlett Packard, he said. Diet Coke was launched during the economic downturn in the early 1980s.

Cheaper resources and labor during a recession can make it easier for entrepreneurs to develop and launch products, he said.

"I'm sure there will be products that launch now [and people will say], 'I can't believe that was launched during the worst economic recession in history'," he said.

Patrick Raymond, president of the United Inventors Association, said he has seen membership in his organization grow about 20 to 25 percent in the past six months.

Inventors Groups See Membership Soar

"When we are in a recession, you end up with more time on your hands," he said, adding that membership is up at both the national and local levels, with about 60 groups across the country supporting local inventors.

"If they've been laid off, if they had a package ... now that you're not working for the man anymore, your ideas and your improvements can be yours," he said.

Adrian Pelkus, president of the San Diego Inventors Forum, confirmed that membership in local groups is booming. Last year, about 40 to 50 people would show up for monthly meetings. Now, he said, that number is closer to 75.

After her private practice started losing clients, April King, an anesthesiologist and member of the San Diego Inventors Forum, decided to take matters into her own hands.

King, 42, had been working at both Kaiser Permanente and in private practice but, in recent months, fewer private clients had been seeking her services.

'It's a Perfect Time for an Entrepreneur'

"That's pretty much dried up," she said. "A lot of people aren't paying large sums of money to have plastic surgery now."

So she struck out on her own, using her savings and financial support from family and friends to launch her own product.

Her [Jaw Elevation Device](#) is a non-invasive device that keeps a patient's airway open when he or she is sedated.

"I've been thinking about this forever," she said. "With the economy being the way it is, it's the perfect time for an entrepreneur."

She launched her Web site in October and is working with a couple of distributors to get the device into doctor's offices, operating rooms and the hands of emergency medical technicians. In October, she will present her invention to the American Association of Anesthesiologists.

Across the country in Andover, Mass., a single mother of two embraced her entrepreneurial drive when freelance work started disappearing and she worried that she wouldn't be able to pay monthly bills.

"My kids are full-time in school during the day so I was looking to see what I could do to help myself financially in this situation and still take full-time care of my kids," said Daniela Stark, 42, who was trained as an industrial designer.

For Inventors, Ideas Come From Daily Life

Inspiration grabbed her when her young son fought to wear a new Spider-Man tank top to pre-school in the dead of winter.

Despite the 25-degree chill, her toddler pointed to the sun and said he didn't need to wear a sweater.

"It's so hard to explain to little kids that the sun is not enough," she said. "I would tell him that it's very cold outside but he would stick his hand out and say it's perfect."

After talking with other parents, she learned that other families experienced the same early-morning clothing quarrel.

Her invention, which will be available on her [Web site](#) and select Learning Express stores for \$6.99, is an outdoor thermometer that shows kids how to dress appropriately. Next to 80 degrees, for instance, it shows kids in tank tops and shorts. Next to 30 degrees, it shows jackets and hats.

"It's empowering these kids to do something that they would otherwise have to fight about," she said.

Funding the project entirely with savings and credit card debt, Stark designed the product and the packaging and worked with a manufacturer in China to bring the thermometers to market. The first 5,000 are expected to arrive on her doorstep next week.

Cost-Cutting Products Launched for Lean Times

For other inventors, recession spells opportunity not because they've been a victim of it but because they think their products are poised to help others who might be.

Recognizing that people are trimming their budgets wherever possible, Bart Foster's [Solo Health Inc.](#) has launched kiosks that screen for eye disease and visual impairment.

Last year, 30 million Americans at risk for vision loss didn't get an eye exam, he said.

"Our kiosk is designed to educate people on eye health and drive them in to get an exam," Foster said.

Once consumers are seated at the kiosks, they answer a series of questions about health and family history through a touch screen. Then, the consumer receives a customized vision test that assesses their near and distance vision.

If no problems are detected, the consumer doesn't pay a dime. If the machine notices a problem, it prints out a list of doctors in the area.

Doctors pay Foster to be included in his database and the consumers pay the doctors for their services.

It launched in February 2008 in one Atlanta Wal-Mart. Now, he said, it's in 20 stores in the area and has serviced about 120,000 people in the past six months. Despite the recession, he said, his company has experienced growth.

Time Is Right for Inventions That Save Time, Money

"As the economy tightens and people put off getting eye care, this is a way to assess if you need vision correction or not," he said.

Jennifer Holloway is also hoping that the economic downturn will make her invention a success.

For decades, Holloway had been a news anchor for a cable news operation in Tampa Bay, Fla. But she found that getting up at 2 a.m. and going to bed at 6 p.m. made it difficult to keep in shape.

Tired of scrambling to get herself to the gym to workout, Holloway looked around to see what she could piece together on her own.

The result was [Workout 180](#), a full-body workout device that costs \$179 and fits in any apartment.

"I really kind of recycled a little stepper used in gyms across America," she said. "That's how the whole thing started, out of my economic need and my time constraint."

Holloway appeared on "Everyday Edisons" about three years ago, but aired her first infomercial last month.

As people find ways to cut back, she and her supporters think the timing could be right for her invention. In December, she left her job as a news anchor to pursue her new company full-time.

"This is a gym replacement. You can do all of these exercises in the comfort of your home," said executive producer Foreman about the product that debuted on his show. "In the long run, it could save you a lot of money."

Inventing Our Way Out of the Recession

Others are even more ambitious, targeting their inventions at some of the core problems plaguing the economy.

[Jared Joyce](#), a 28-year-old entrepreneur in Bozeman, Mont., thinks he has an invention that could help the country's ailing banks pay back taxpayers' money.

"In the U.S. alone, there are 10 million credit cards issued each month," he said. "How can we save money? The solution is, if you envision a dual-account credit card."

Working with Arthur Blank and Co., a global credit card manufacturer, Joyce is trying to sell banks and the government on a two-in-one card that would let consumers make transactions for two accounts on one piece of plastic.

One side could have a personal account and the other side could have a business account. Or one card could have credit and debit accounts.

Figuring that each card costs \$30 to \$50 to produce and market, Joyce thinks the banks could save up to \$3 billion a year by halving the number of physical cards issued.

Other dual-sided cards have been tried -- and failed. But Joyce thinks his could succeed because it can be made with the same manufacturing process as the regular one-sided cards.

Granted, not all consumers might be interested in such an efficient card. But Joyce has a patent pending on his innovation and is on the verge of submitting a business plan to the White House and Bank of America.

Still, despite the momentum many inventors are finding during the recession, some are also learning that extra time, cheaper resources and great ideas can only take them so far.

The Timing Isn't Right For Everything

When Ronald Rojas, 39, lost his job at a nanotechnology company in early 2008, he took the opportunity to pursue the development of his own technology.

Trained as a semi-conductor equipment engineer, Rojas created a high-powered lithium-ion battery that would let consumers use their electronics longer without a charge.

With it, he said, the infamously short-lived iPhone battery could last for six hours with continuous use without a charge. Laptop batteries could also maintain a charge for longer.

He spent \$50,000 of his own money and as much time as he could spare on the project.

At first, the San Diego, Calif., engineer tried consulting and part-time work so that he could devote as much time as possible to his battery. But, in August, he took a full-time job.

He has filed a patent for his invention and has continued to test his product with successful results. But, having run out of his own funds, he has found that the recession is now stymying progress.

"I've already gone through and reached out to some venture capitalists in the Bay Area," he said. "But the responses have been that it's too early stage.

"I need more funding to get to the prototype stage," he said.

While the recession may give inventors time and open doors, sometimes they still need that last key ingredient: more money.

So, while veterans of the industry encourage inventors to take the plunge, they also offer some words of caution.

"It takes time, it takes a lot of persistence," InventRight's Key said. "It takes luck."

Copyright © 2009 ABC News Internet Ventures