

Cutting through the competition

What are the entrepreneurial and leadership skills needed to launch an innovative new product into a crowded and mature world market – from Brisbane?

Mark Henry was a fitter and turner before

he gained double degrees in engineering and business, but he was also a man with a plan. And his plan was to convert a long-term interest in knife and steel technology into a multi-million dollar export business.

During his university studies, he observed chefs at work, researched blades and the history of knife making. He then developed an improved knife with a fatigue-reducing handle, and commenced commercialising his product with just \$7000 in start-up capital.

The only Australian designer of such products, Henry has been able to build brand acceptance in a conservative market traditionally dominated by European manufacturers. Today his company, Füritechnics Pty Ltd, markets a range of knives and sharpening systems, the Furi Tech Edge, around the globe and enjoys the endorsement of high-profile chefs like the UK's Nigella Lawson and the US's Rachael Ray.

In 2005, Henry was the recipient of the AIM Medal for Management Innovation. Here he talks about innovation and entrepreneurship with Carolyn Barker, CEO of AIM Queensland & Northern Territory.

Carolyn Barker: After learning about your story it is apparent you possessed courage and passion from a young age. You earned a trade and two degrees, and your passion about knife technology resulted in developing a truly innovative product in a very mature market. What did it really take?

Mark Henry: You're right, I couldn't have made it without a lot of passion and courage. I am fairly focused and pretty passionate about what I do in a lot of things: for instance, two of my great loves are surfing and sailing. I get excited and curious about how things work and how they can work better – such as the engineering of knives.

I think that without a single-minded passion for something, it is just too hard. I call it the “masochism factor”: if you're not passionate you won't last through tough times. I think it also has to be part of your personality; I don't think you can fake it, because it is just too hard. In my case, I went through eight years of persistence. If you are not really passionate about the outcome, and [don't] really believe you are going to make a difference, you won't last.

I started with nothing, but I really wanted to make a difference in an industry where I thought I could. I wanted to build a brand that would be around for generations, it was never about starting a business to make some money and then get out. I think that's the true underpinning of entrepreneurship: a passion to create something long-lasting rather than a single money motive. To me this is the real achievement, designing something that people love and talk about – if it was just the money side I would have quit a long time ago.

CB: What were the external barriers?

MH: When I founded the company and showed people my designs they said: “Aussies don't design knives”, >>





» “How can an Aussie do this?”, and I replied that it is probably because I didn’t really care about centuries of knife-making tradition in Europe. As a race, Australians just want to make things work. I believed I could build a brand that would be recognised for generations. Now we have been around for a while, a lot of college lecturers and chefs are recommending our knives to their team. The best commercial kitchens are saying: “Let’s use the Tech Edge system so that all the knives in the kitchen are always going to be sharp without variation”.

We have six people in the Brisbane head office, nine in the San Francisco office, with many contractors, part-timers, distributors and representatives all round the USA.

CB: With your interesting business model, which resembles a cobweb spanning the world, what sort of leadership style makes this work?

MH: I guess it must be laissez faire because I don’t consider myself a professional manager. I never have been one and I have never tried to be one, although I had to do a lot of things as owner of the business that were pure general management, because I couldn’t afford a professional manager. I also find surfing clears my head. I have never designed anything worthwhile in the office. My belief is that real innovation doesn’t come from an office environment.

I just thank god I did the business degree along with the engineering degree, because I had to be the accountant, the marketing manager and the sales rep.

I had no idea about retail, what I was doing was designing knives for professional chefs never thinking it was going to be as big as it is now. Of course, I thought there might be some crossover with some high-end people and gourmet stores wanting our product. We are just about to expand into retail in the UK as we have been there via the chef’s market for quite a few years.

CB: In those years that you were “playing the role of masochist”, how were you thinking you would conquer the world?

MH: I always planned for Füritechnics Australia Pty Ltd to be an international company and to achieve recognition from the industry. That also motivated me. But in terms of actually picturing an office in San Francisco, overlooking the bay, no, never.

It started by walking into Telstra in Spring Hill

(Brisbane) and picking up the biggest Yellow Pages for London and the biggest cities in the USA. I started to look for the biggest adverts, as I assumed they would be the biggest players. I figured they spoke English and I would just give them a call. So I started ringing around and asking them who were the best distributors.

It now feels pretty good and I feel comfortable in San Francisco. I have worked out enough things in Australia that are transferable to the USA, and I really play up the Australian angle and the Americans love it. This background has been of great benefit, and the same principles from when I started exporting (from Australia) to the USA and UK still hold good.

CB: We hear a lot about our best and brightest heading overseas; the brain drain. What’s your view?

MH: The simple fact is that there are lots of Aussies who are good at things, and the overseas markets are just so much bigger. For us it is a nice combination with the head office and parent company situated in Brisbane. Australians have a unique way of doing things, they are well-respected by other countries as “can-do” people. The bigger issue is, will our Aussies come back to Australia at some time in the future and share the benefit of all that international experience.

CB: We’ve talked about your early journey and passion, but if you talked to a younger entrepreneur, what would you tell them about yourself?

MH: I always thought I would run a company and do my own thing, mostly because I didn’t like the idea of working for someone else. I was either going to do it my way, or just go surfing. I wasn’t going to work in an office for someone else, so having that kind of independent spirit, I think, is crucial. Having a broad experience across a lot of cultures and walks of life is important. To do some things you can’t grow up in an insulated environment, you have to be exposed to a lot of different ideas, and I was pretty fortunate with that.

My dad was a minister of religion and he now runs a ministry where he builds schools and orphanages in places like India and New Guinea. While I was growing up here he was a preacher, so I had a lot of exposure to different people. I also travelled, and when I completed my apprenticeship I explored Australia, instead of the usual trip to Europe. I wanted to get to know Australia. »

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» I have always been fascinated by China, so when I got back to Brisbane I started to study Mandarin. Then I spent a lot of time in China. Lately I have been learning French and Spanish, so my Chinese is pretty rusty.

CB: Let's talk about relationships; are they an important part of how you do business?

MH: Yes, for sure, but it is also something I like to do, and it suits the kind of business I am in. It is not just the chefs, but also the celebrities and media people involved in cooking. In the early days I just regarded it as free publicity, and it partly built the company, along with word of mouth from the opinion leaders in the industry. Their world fascinated me. I wanted to get to know those people, and they seemed to like my story – then they got to know me and spread the word.

CB: Who are your mentors?

MH: My dad. He was never interested in business or commerce, but a lot of his character traits and a lot of what he taught me have been more valuable than the knowledge I got through university. This includes the importance of integrity, of honesty, of always being yourself and standing up for your principles.

I have also had investors who have helped as mentors. Take, for instance, Kevin Weldon. I learnt an enormous amount about business in the three years he formally invested in the company. Since we bought him out he has stuck around as mentor.

If you can find someone with those sorts of business skills and mentoring ability then I think you should grab them. There were also other people from whom I learnt a lot.

There are certain things it would just take too long to learn yourself and you probably wouldn't survive. I would have worked most things out eventually, but Kevin condensed it all down and cracked the whip when I probably would have relaxed a bit and done it at my pace.

He knew the importance of certain things that I didn't realise at the time. We got there faster, made less mistakes and he helped me survive. For instance, I was always good at making quality products in China, but he helped get the big volume controls in place for the big US opportunities. He made me revise a lot of my manufacturing strategies.

Kevin tells you exactly what he thinks, he's not shy, and I think with us he saw the potential, we were sort of rough diamonds.

CB: Are there key traits that make an entrepreneur?

MH: I believe you almost have to be born with them, or grow up exposed to dreaming the impossible as a child. They are so innate that if you learn them, that is okay, you will get by, but when the pressure is on, particularly over long periods of time, unless it is in your nature I don't think you will make it. You have to do things according to your own nature. You can't fake it.

CB: Do you think entrepreneurial skills can be transferred from one business to another?

MH: Yes, in fact I am pretty sure the model I have got is transferable to a lot of industries. For example, in another mature industry where everyone assumes it's all been done and there is no innovation available. Especially old brands that have had it easy for a lot of years and they are no longer innovating. I think I could take any of those industries and/or products and do what I have done with the Furi model.

CB: They say you've made it in the US when you've been on Oprah! Have you or your knives starred on that show yet?

MH: Not me personally, but my products have lots of times. Art Smith, Oprah's chef, has used our products for years and taken them on the show. Rachel Ray, who is probably the next Oprah, has been on plenty of times with our products. The other day she was using our orange-handled model, which we don't sell in Australia, and she was flashing it around for 10 minutes. You can't buy that...

But this sort of exposure has come through building the brand with lots of hard slog. And during those years of groundwork the shareholders never understood – they wanted profits, but I kept saying, "They'll come".

CB: What does the future hold?

MH: I have to work out whether I want a UK office and whether I want to live in London. At present I need another two or three years to complete what I want to do in the US, and then perhaps solidify the European market, maybe from London. This will be a tougher market than the US, it is more fragmented.

I will just keep going. [Mit](#)



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