

July 18, 2004

In the land of Milk and Money

In the United States, ideas = \$\$\$\$. The U.S. Patent Office processes some half a million applications each year, including such recent outlandish ideas as a bird diaper, an anti-eating face mask, and a motorized ice cream cone. For thousands of such cockamamie concepts, one clicks. Sometimes the riches come late, like in the case of the Walkman, whose German inventor Andreas Pavel was only recently rewarded by Sony -- just ahead of the Walkman's 25th anniversary this month -- after a protracted legal battle. On a recent flight, the following products listed in a Skymall catalogue piqued my curiosity: collapsible dumbbells that can be inflated with water, a device to measure the speed of your golf swing, and a portable pet kennel.

The Indian abroad has earned an enviable reputation for enterprise. One of my favorite stories involves Vin Gupta, a native of Nayala village near Rampur-Maniharan, Uttar Pradesh, better known now as the founder of the database company InfoUSA. In 1971, Gupta was a 25-year-old marketing research analyst working with Commodore Corporation, a manufacturer of mobile homes in Omaha, Nebraska. One day he was tasked with compiling a list of all the mobile home dealers in the U.S. He began by ordering all available telephone directories, but had not bargained for the 4800 Yellow Page books that filled up the company's reception area. Move it out or move out, his boss told him.

Gupta carted directories to his own garage and set about compiling the list in his spare time. When finished, he offered the list exclusively to Commodore for \$ 9000, or for free if they allowed him to sell it to others. Commodore took the second option and Gupta was on his way to success, particularly after realizing that Yellow Pages, mined properly, was a cornucopia of data. Today, InfoUSA has a data base of some 120 million American households. In a recent CBS 60 Minutes interview, Gupta boasted of offering the goods on every thing from left handed golfers to fly fishermen in the U.S.

While Gupta showed old fashioned enterprise, the new generation of South Asians is coming up with business ideas more in tune with the age. There is also a crucial difference. The younger generation is more cognizant of intellectual property (IP) issues. Take the case of Metronaps, an idea developed by Arshad Chowdhury, a young entrepreneur of Bangladeshi origin. Metronaps is a siesta bar -- the first one is located in Manhattan's Empire State Building -- where patrons can snooze in space age pods (\$ 14 for 20 minutes), helped by white noise and darkness. In an era where customers are willing to pay for pure water and fresh air (there are oxygen bars), why not for sleep? Chowdhury is so sure of the concept that the first thing he did was to hire a law firm to protect the "intellectual property."

While new ideas are constantly bandied around even in India and China, IP is a relatively new concept. Here's a recent story that has \$\$\$ written all over: In China's Nanjing province, a local entrepreneur has started a bar where people can cry their hearts out. "Cry Bar" charges 50 yuan (\$ 8.45) for a good bawl (drinks are extra), even providing onions and chillies to induce tears and tissues to wipe them away. Apparently, the bar is a howling success. The story reminds one of India's own "laughing clubs" which has attracted attention worldwide.

Such zany ideas would never have gone unprotected or unrewarded in the land of milk and money.
