

Shooting star

by Heike Dieckmann

Accentra facts:

Founded: 2003
HQ: Newtown, USA
European office:
Munich, Germany
Founder/CEO:
Todd Moses
Sales coverage:
60 countries

With its PaperPro stapler, Accentra has injected some new life into a thus far rather uninspiring product. And CEO Todd Moses clearly delights in invigorating the category

OPI: In little over a year, you have managed to convert the humble stapler into an exciting product category. How did that happen? Please tell me a bit about Accentra, PaperPro and how it all came about.

TM: The excitement that PaperPro staplers are generating is attributable to the consumer's natural enthusiasm for products that really work. Since staplers were first introduced 100 years ago, they have improved very little - you still need to use your own force to push the stapler through the paper. The PaperPro stapler provides that power for you. Once consumers experience the ease and simplicity of our one-finger staple-driving power, all regular staplers are rendered obsolete.

It was my own frustration with a regular stapler that led me to develop the PaperPro. I was preparing an important presentation for a meeting with some venture capitalists when, as so often happens, my stapler jammed. I was so annoyed I ended up throwing it against the wall.

Out of that frustration came the idea to remake the desktop stapler with mechanical power. I began working with Joel Marks, a brilliant engineer and co-founder of WorkTools, to explore ways to take the staple-driving mechanism of a



staple gun and re-engineer it to work within a desktop format.

The end result of this collaboration is the now-patented PaperPro technology that we use in all of our staplers. We were able to quickly develop and launch our first product in early 2004. We now have three staplers in the line and more under development.

“We like to think we’ve done for stapling what power steering did for the driving experience”

OPI: You obviously had somewhat of a defining moment yourself when you decided that you wanted to create a new type of stapler. At the time, were you sure, or even aware, that other people felt the same way?

TM: When I first began telling family and friends about my plans to re-invent the stapler, I quickly discovered that almost everyone had similar stories about staplers jamming or just not working very well. But since no one was offering a better stapler, we all had to live with their shoddy performance - as if that's just the way staplers worked - or perhaps didn't work. The PaperPro has changed all of that.

OPI: And now?

TM: Well, I love to watch people's reaction when they first try our products. Usually they say "wow" while their jaw drops, and then they try it again because they don't believe it's so easy.

We like to think we've done for stapling what power steering did for the driving experience. Before we had power steering available in

Todd Moses: "All regular staplers are rendered obsolete"



cars, there was no other choice and consumers just used what was available. Imagine now, after 25 years of having power steering, if you were to go back and drive without it.

Today, for the first time, consumers have a real choice in staplers. They can now have a stapler that has better ergonomics, doesn't jam, and provides one-finger stapling power - all at a cost that is comparable to that of regular staplers.

"We have been profitable in every quarter since we launched our first product"

OPI: Did you expect the PaperPro to create such a stir though, particularly so quickly?

TM: I was always pretty excited about the potential of our stapler as I knew the market was large. I also saw how WorkTools products had transformed the staple gun market. In addition, our competitors have been stuck in a commodity market for years, one which until now has experienced very little in terms of true innovation. These factors made me confident about the possibilities, but it was really once we had the first working prototype that I knew we had something very special.

Stapling is such a mundane task that we do it almost without thinking because our expectations are so low about the experience. When consumers are trying a PaperPro for the first time, we like to put 20 sheets of paper into one and ask them simply to try it. Typically they will stand up and begin to lean down on the stapler with all their might.

At that point we'll stop them and ask them to try it with just one finger. Once they press down lightly on the spring-loaded handle, once they hear and feel the satisfying 'pop' of our staple-driving mechanism, once they see the clean, crisp attachment - they have their own little moment of discovery. It's like: "Why would I ever want to use a regular stapler again!"

OPI: So what's the technology behind it all?

TM: From the beginning, we have worked collaboratively with our business partner WorkTools which was able to apply its unique knowledge of spring-powered devices based on its success in the staple gun industry.

WorkTools' particular genius with regard to the PaperPro was in devising an internal mechanism of springs and levers that delivers 30 lbs of staple-driving force - while still fitting within a standard desktop housing.

Believe me, it's more difficult than you might imagine - Joel Marks has been working with these devices for over 15 years. He was

able to overcome all of the challenges inherent in downsizing and rightsizing the technology to ensure it not only works as expected, but is durable, manufacturable and does not detract from the design elements.

PaperPro staplers are protected by over a dozen patents, some that are issued and other that are pending.

OPI: I know that Staples is selling the PaperPro under its One-Touch store brand. That obviously creates great exposure for you all over the US. Who else do you deal with?

TM: I am happy to say that worldwide customer response to the PaperPro has been every bit as enthusiastic as that of the consumers. We have our products distributed in over 60 countries and our growing list of customers includes almost every major player in every distribution channel. In addition to our strong relationship with Staples, in the US the PaperPro will be available in over 12,000 retail outlets by the end of the year.

OPI: Your success in such a short time has been phenomenal. What are your sales now? And what about profitability?

TM: One of the benefits of being a private company is not having to answer questions like this! What I will say is that we are selling millions of units this year and that we have been profitable in every quarter since we launched our first product.

OPI: I can only assume that your competitors - including Swingline which has the lion share of the stapler market at present - haven't idly stood by while Accentra has been cutting into their sales?

TM: I think that our competitors' real problem is that they have remained idle for 70 years. They are so accustomed to being in a commodity market - one which until now has required very little in terms on innovation and product development - that they are acutely ill-prepared to respond to the PaperPro, a product that will completely redefine the market and change the way consumers think about staplers.

OPI: How big is this particular product category?



TM: Well, we have just passed our second anniversary - and 16 months of PaperPro in the marketplace - and we have shipped well over two million units worldwide. Our goal in the US is to upgrade 414 million staplers that currently exist in peoples homes, offices and schools. There is a total of 600 million staplers worldwide that we are looking to replace.

OPI: Your competitors will have a thing or two to say about that...

TM: I'm sure they will. But we are happy with the technological lead we have developed and our mission is to continue to innovate and develop our products so that our competitors are forced to play catch up.

OPI: So what's the next challenge for Accentra?

TM: Now that we have been able to gain access to multiple distribution channels around the world, our biggest challenge is to establish the PaperPro brand name. In 2005 and 2006, we are going to do everything we can to enhance consumer awareness of our brand, to support what will soon be a remarkably ubiquitous retail presence.

OPI: And you're clearly aspiring to be an international rather than a US-focused company. What about geographic expansion? You already have a European HQ in Munich, Germany, haven't you?

TM: I started this company in the US with the hope of being labelled a global company rather than a US company. Accentra has heavily invested in all markets around the world and we're seeing the benefits of that investment. The PaperPro is now available and selling in 60 countries in most major markets throughout the world.

Mark Farnham, our director of worldwide markets, has done a wonderful job of establishing a network of agents and distributors to cover the entire globe. In Munich, our partner is responsible for processing all of our European and African sales. The Accentra Munich team has done a tremendous job in

setting up what will be the PaperPro hub for all international business.

OPI: To sum up, please describe how Accentra works. What's your philosophy and that of your staff?

TM: Accentra is a company that is changing the way we work in the office, home and school by providing products that are much more user-friendly. It is also changing how we sell office products. Instead of resellers making money out of built-in rebates of commodity-like office tools, they will gain power from the consumer upgrading their old office products.

I started this company because of an emotional response. I dislike mediocrity and I feel more immersed in it every day. My only issue is that I don't have enough time or energy myself to change my entire world. So I have gone about the Accentra business model in a different way.

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The key executives and employees in Accentra are mostly former business owners, CEOs and entrepreneurs who have graciously put aside their careers to join the Accentra cause. We have groups of highly motivated people making things happen - from selling to inventing. We are all self-starters looking to leap forward and create the most innovative office products company ever. When I say 'innovations', I actually mean that, not to be misconceived as a fancy buzz word.

Colour changes do not create long-term consumer spending, but continuous functional innovation creates incremental sales and gets consumers excited about stepping up to better products.

As I see it, Accentra will do to office products what Black & Decker did to hardware products.

OPI: I take that to mean that you're also planning to expand into other product categories? Or are you going to stick to staplers?

TM: Let's just say that we feel there are a number of office products that are long overdue for an update, and we have the desire and expertise to do just that.

OPI: An ambitious outlook indeed. Todd, many thanks for your time today - it's been great talking to you. ■

