

Innovation and Australian Financial Services

by Dr Robb Musgrave

Australia is recognized as the world's driest continent, and unfortunately the drought continues. Yet in the field of ideas and innovation Australia is not left to sweat under the relentless sun. We as a people have made up for the tyranny of distance and the shortage of product solutions by creativity and making do; solving problems with a minimum of fuss and usually a modest budget.

Australian Financial Services as an industry does not have a particularly vibrant history of supporting innovation and new business concepts. In their own space, the industry is made up of a range of institutions which react to change, rather than leading change, or imposing change. Large Banking institutions, accustomed to maintaining the status quo, have been forced to consider making use of mobile lenders to provide a minimum level of service to compete with the new breed of mortgage lenders using securitization. While for Insurance companies paying a premium on a monthly basis is seen as something so new it forms the core of the corporate advertising message.

However, as the rest of the world is changing, so will the world of transactions, which is of course the world of financial services. For some time innovative leaders like Dan Sullivan, the US based www.strategiccoach.com has been teaching the concepts driving change; like globalization, consumerism, commoditisation and the solutions which involve evolution, innovation and defining core capacities. Sullivan feels the global change will be led by those who are closest to their customers and in a position to understand their needs, who build a strong process and are able to deliver difference. Difference protected by intellectual property. In financial services, new products and services have never been protected in any real way.

In 25 years, I have seen 4 institutions use the same product name for different but similar products. Yes, it was a daft name to begin with, but imagine all that advertising budget, washed down the drain, again and again, not even the name protected, let alone the proprietary processes. This very commercial world is built on transactions, but there is an ongoing theft of ideas. The industry managed by financial behemoths but run as if it was a cottage industry built around suburban accountants running on shoestring budgets. The best glossy brochures money can buy but little to no substance in product design or process protection.

In designing a new business, on completion of my research PhD, I looked for the protections that would add security for the business model and would add enormous value to the business as it developed. Creating business and product names that could be owned and protected through international trademarks. Attempting to create and own the language that would be used within the business and surrounding the processes.

While I do expect this business will be “googled” by customers and competitors, it will own and protect the various patents for products and processes. So when you decide you wish to know about your most dominant values, your Valgenics®, you will use the Legenis patent pending process and it will be our report that guides you further along our Legenis process.

We have used innovation to include multi-disciplinary teams from accounting to legal to financial planning to deliver a business process built around our clients’ values. When you think of these particular professions, and for the minute think of your own professional advisers, you know they are technically proficient but are they good at connecting to people like you, or emotions like yours? Usually they are very good as problem explainers, not necessarily problem solvers. Our process allows client values to be used for detailed and integrated instructions for professional service providers.

While expensive and immensely time consuming, we felt that our business process was innovative and valuable enough to patent. Being somewhat naive about the patent process we expected lightening registration and instant acceptance. However business process patents are a new beast, so new in fact, that they cannot be registered in the EU. Australia, it seems, is still on the fence, our patent office will accept them, but no one is giving us any ideas as to how easy ours will be to defend. So after a long and educational 18 months we own and can defend our core business processes. Having a patent has added substance to a business that is hard to quantify and has added value to our bottom line.

So what do you do if you want to build a living legacy; if you want the people *who* are most important to you, know *what* is most important to you. Up until now, you talked and talked to different advisers, but no one could pull it all together, so your life made sense and showed purpose. No one could combine your wishes for your family and loved ones with your desire to help others, to minimize tax but yet to be significant in your world. So you settled for less than you expected, you focused on the money and not the opportunity the money provides for creative solutions. At Legenis, we generate living legacies, a new business model built around being smart, creative, technically astute and very, very personal. We are keen for both of us to learn a lot more about each other.