



# DRIVING FORCE

HAMMERFORCE WAS BORN FROM A SMALL GROUP OF PEOPLE UNHAPPY WITH NAIL GUN TECHNOLOGY. CEO **ANDY COSTER** SAW IT HAD MUCH MORE POTENTIAL, SO TO FULFIL IT, LAUNCHED HIMSELF BACK INTO THE WORLD OF ENTREPRENEURSHIP.

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**H**ammerforce's origins lie with, as CEO Andy Coster notes, what sounds like the setup to a joke. "There was a builder, a chemical engineer and a commercial businessman. And they all walked into a pub," he laughs. "No, no. But the three of them – the builder in particular – had some concerns about the current offering in the nail gun market, which was a butane-driven product – the Paslode gun, which runs on butane gas. And yes, they're portable, but they create carbon dioxide, carbon monoxide and carbon residues and they're very, very inefficient and quite expensive to maintain."

The solution that the three landed on was pneumatics, but with a key difference. Typical pneumatic nail guns require long hoses to feed the compressed air from a separate compressor. Cleaner than butane, to be sure, but still inefficient and cumbersome to use.

"What these guys wanted to do was to find a way to cut the cord to be able to get all the benefits of the air technology, with the advantage of portability," Andy explains. "It forced them to find a different way to use very high-pressure compressed air, a way that no-one had ever done before."

This new technology employs a unique method of using highly compressed gas, and while it could also use a variety of gases such as CO<sub>2</sub> or nitrogen, air is cleaner. The compressed air serves as an alternative power source for mechanical devices in place of combustion, pneumatics, hydraulics, batteries or electricity, and it carries vast potential for countless industrial applications.

But the project, with its existing assets, wasn't destined to find commercial success anytime soon. Andy's involvement with the technology began in 2009, as he was preparing to exit the successful business he'd been running. The entrepreneur was put onto the opportunity by his business partner's father, and Andy became one of the first financial investors to support what would become the New Zealand-based tech company Hammerforce.

To him, the technology's potential was immediately clear – he knew it would be able to deliver massive benefits to companies and the way their industries power mechanical devices.

For a time, that was the extent of Andy's involvement. In the following years, the nail gun's developers continued to produce prototypes and secure patents in various countries, while Andy had retired from the professional life. Despite the original



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team continuing to work on it, this new technology didn't get any further than patents and prototypes.

Andy, meanwhile, was growing tired of retirement. "I'd sold out of my business, which was a life-changing event for me, back when I was about 38, and I thought life was going well," he recalls. "I did that to spend time with my children. In my own mind, I was pretty successful, being able to retire and look after everyone and not have to worry about anything. But that didn't turn out too well when I realised I needed something to do. So I went back and revisited the progress of the technology I'd invested in, as I had originally seen a ton of potential, but these guys were stuck in, underfunded, bedded down and had kept the focus on nail guns, not seeing the broader implications of this technology across multiple industries. So I made the decision to dust off my boots."

After six years of retirement, Andy returned to the workforce in 2016 as CEO of Hammerforce, with a

strategy to commercialise the technology and prove to consumers that this was a practical, viable piece of tech. "My view was that to demonstrate the technology that exists within a patent, you need to bring it to life, commercialise it and take it to market," says Andy. "Then you've got a real-life, tangible demonstration of the technology's ability manifested in a product, and a competitive marketplace in which customers can actually judge and value it. Therefore, it's not something that just exists on a piece of paper – it's something that actually sits on shop shelves and people buy it."

model to succeed – otherwise, the technology only offers the potential for disruption. "Key to the success of the Hammerforce business model is our ability to help our partners gain a competitive advantage," Andy explains. "It's not a large team and it doesn't need to be, but it's a different type of team. As individuals they are holistic, systems-based problem solvers who integrate engineering, design and commercialisation capabilities. The team's ability to solve problems, not only accurately but at pace, is phenomenal. "By running parallel workflows and detaching tasks from the more traditional process, we shorten development, testing and production timelines for each of our partners, which reduces risk to them and to us. The expertise, knowledge and experience of each person allow us to focus on the entire project, not just the technological aspect. It means we can quickly adapt to the needs of the different partners we work with." »

But while that may have fulfilled the vision behind Hammerforce's initial burst of inspiration, Andy continued to pursue a broader ambition for the company. While New Zealand was an ideal proof-of-concept testing ground for the technology, it remained a small market, unable to accommodate the scale for which Hammerforce seems destined.

Hammerforce employed consultants to review the technology and identify areas globally where the company could thrive. "What we were able to do was evaluate the opportunities according to the industry, to specific companies, and see where there was a tangible, pragmatic application and relevance for our technology and their business. Without having done that, it would have been – and it still feels a bit – like drinking out of a fire hydrant. There's just an immense amount of opportunity. So, one of our key

skills is being able to target and focus."

This goes to the heart of Andy's philosophy that technology alone isn't enough to introduce disruption, which is itself essential to being competitive. He believes that cutting edge, state of the art technology must be accompanied by the right people, ideals and business

## THE CALL TO ENTREPRENEURSHIP

While Hammerforce represents a uniquely brilliant foray into entrepreneurship, it's not Andy's first effort, although even before that, he had a successful journey into the corporate world. Fresh out of university, he joined prestigious high-value management consultancy AT Kearney, offering strategies and solutions at the CEO level, for companies like Rolls-Royce and Barclays.

Although this was before Andy had the chance to dip his toe into entrepreneurial waters, it was a formative experience for him, since it taught him problem solving in the context of business. "It gave me exposure to understanding how you solve problems, how you structure them across different industries. What I've got out of that was it doesn't really matter what industry you're in. You can always work to understand what the underlying issues are and therefore develop the right strategy."

Having worked for AT Kearney in London and Sydney, Andy soon transferred to Carter Holt Harvey in New Zealand, where he held the responsibility of transforming a cost centre into a profit centre, eventually commercialising it. Andy was only 29 at the time, leading a 250-person business unit as General Manager, but was soon successful in "taking cost out, getting aligned, developing a commercial culture and then creating external revenues and generating value."

As fruitful and informative as these experiences were, Andy nevertheless found the corporate world to be frustrating. Not long after, he embarked on his first entrepreneurial journey.

"I had an idea of setting up a company, taking the principles of management consultancy and applying them to market research," he recalls. "Market research was a suboptimal industry which underdelivered to most corporates and engaged at a very low level. What I decided to do was to reinvent the way in which market research was done."

Alongside a team of collaborators, he started a market research company, Conversa Global, back home in New Zealand, and grew it to be the country's largest. With the business problem solving skills Andy had picked up while in various consultancies, Conversa Global's success saw it acquired by global market research firm Kantar, part of multinational WPP. It was well timed – the sale went through in July 2007, just before the GFC struck. Years later, however, Andy takes pride in the

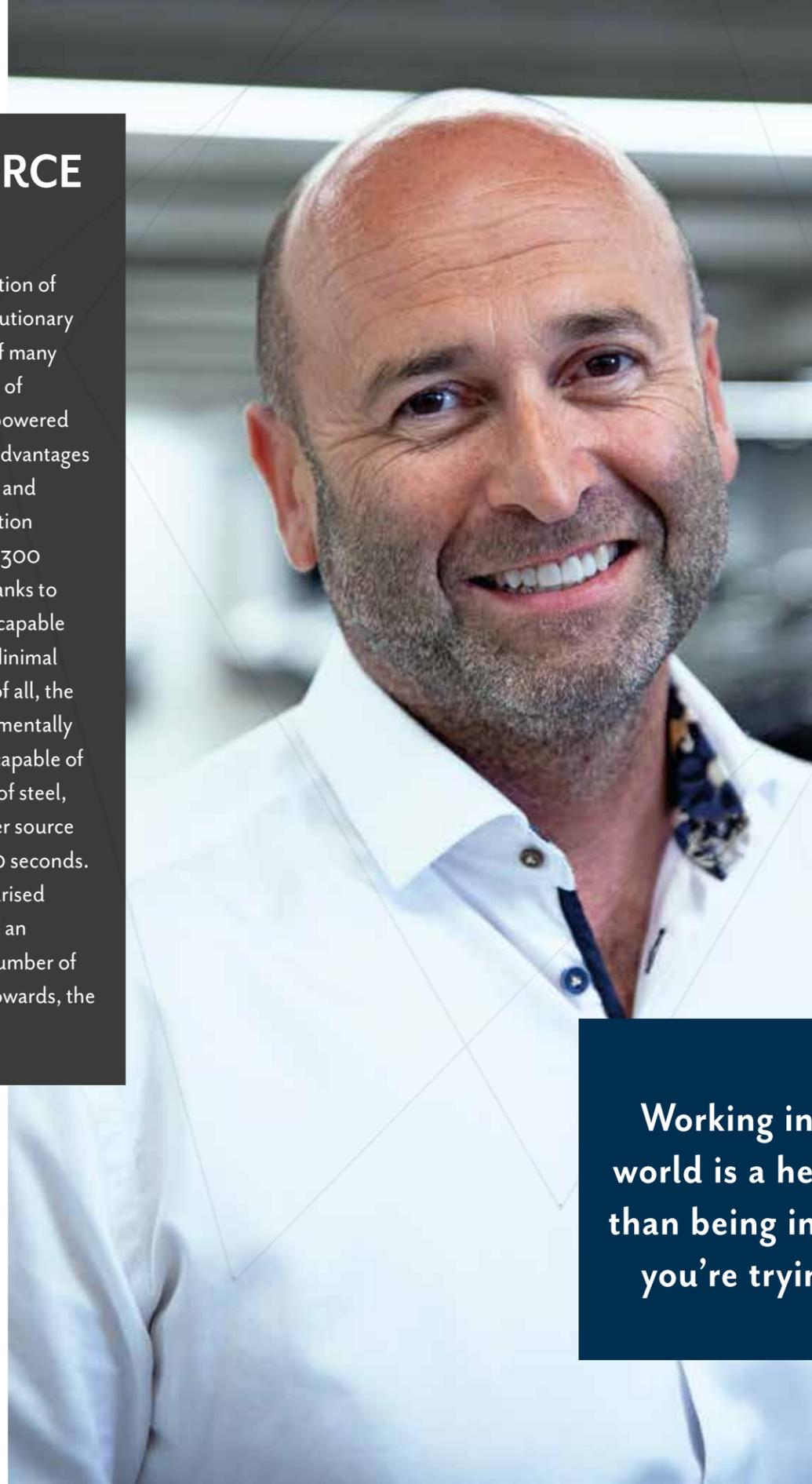
## WHAT CAN HAMMERFORCE TECHNOLOGY DO?

As the first (but certainly not the last) practical application of Hammerforce technology, the Airbow framer is a revolutionary addition to the construction industry, and is just one of many industry wide applications. Developed over the course of numerous prototypes and millions of tests, Airbow is powered purely by high-pressure air and carries none of the disadvantages of traditional nail guns. The system requires no power, and the design does not incorporate electronics, a combustion system or butane gas, but is still capable of firing up to 300 nails from one charge at a rate of three per second. Thanks to the uncomplicated design, it's also weatherproof, and capable of operating effectively in a wide temperature range. Minimal recoil and sound makes it a lot easier to use, and best of all, the lack of batteries and fumes means it's safe and environmentally sustainable. Airbow's follow-up, Airbow Concrete, is capable of driving pins into all types of concrete and up to 10mm of steel, while the Airbow Compressor provides an onsite power source for all Airbow tools, allowing users to charge tools in 10 seconds. It's just the first step forward for Hammerforce's pressurised air technology, but it's an extremely promising one and an important proof-of-concept for the market; with the number of partnerships across other industries Andy is working towards, the future of the tech looks exciting, to say the least.

fact many of the original team he'd worked alongside remain a part of the company.

With that sale, Andy entered the temporary retirement that preceded Hammerforce. "That's my story," he says. "The first part was management consultancy – getting exposed to different industries around the world, solving problems. The second one was I got involved in corporate, trying to understand how the hell you manage people, as well as all the politics. And then the third part was taking those lessons and taking on the risk myself, setting up my own company and then exiting that company."

With a combination of corporate and entrepreneurial experiences, Andy has some keen



insights into what it means to be an entrepreneur. "People look at entrepreneurship and they think 'risk'," Andy asserts; he agrees that this is true to a degree, but he views it with a little more complexity than that, and in fact, doesn't think it's as risky as other career paths.

"I've always viewed it as taking calculated risks. Working in the corporate world is a hell of a lot riskier than being in control of what you're trying to achieve. As an entrepreneur, you can understand where the value and opportunities are, and have the conviction to be able to go after an opportunity. To me, that's what entrepreneurship's about, doing your homework, and at the end of the day not doing too much analysis, and then taking a little bit of a risk."

Even though Andy sees entrepreneurship as taking on risks on one's own, it doesn't mean doing everything alone. One of the key skills for any entrepreneur is knowing when to go to others for assistance, he says. "I realised that I needed people around me who would be able to support me and fill in the gaps that I had. I think a lot of entrepreneurs jump out on their own. They think they know it all. They want to be the boss.

"My view was that I knew what we had, what we needed to do, but I knew pretty well I couldn't do all that on my own. So, my view on entrepreneurship is understanding when you need to ask for help and understanding what skills and which people you need to have around you."

## A CHALLENGING CHILDHOOD

Even before his successful career in business, Andy believes he was made for entrepreneurship, thanks to the childhood experiences that shaped him. It wasn't a typical childhood for the young Andy; nor was it without challenges. For one, he was diagnosed with epilepsy at just 18 months, and he continued to experience fits until he was 11, which would leave him without his memory for a few days afterwards.

Naturally, the uncertainty that resulted left Andy on the back foot to begin with.

Equally, he struggled with another source of adversity – one that continues to this day, although »

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he only discovered it recently. When his children were diagnosed with dyslexia, his realisation that he'd had many of the same challenges throughout school led to his own diagnosis too. "We have an education system where there's a certain mechanism with which you evaluate people on whether they succeed or not. If you're dyslexic, you don't fit into that."

The analogy that Andy draws originates from an unattributed cartoon that made the rounds online in 2012. It depicts a row of animals, including a monkey, an elephant, a fish and others, being asked to take the same test, as an impartial means of assessing their abilities. The test – climb a tree – is obviously difficult for all but the monkey, the implication being that a standardised system of assessment doesn't allow for differences like dyslexia.

"Dyslexic people have to work within a paradigm and a framework of the world which doesn't quite fit them," Andy says. "They need to learn a mechanism themselves to get around that. It makes me think I can see things in ways that other people can't. What is seen as a disadvantage in the traditional school system is actually an advantage when you're out in the business world, and you're able to see things differently."

Pointing to successful individuals across a broad spectrum of society, such as Richard Branson, Muhammad Ali and Albert Einstein, Andy argues that dyslexia is far from the curse it's perceived to be.

"If you look at entrepreneurs, there's a disproportionate number of them – and comedians actually – who have dyslexia. I see it as an awesome advantage to me. It's like a gift – I've been able to do the things I do because of the wiring in my brain."

Asked what advice he'd offer to other business leaders who may be dyslexic or non-neurotypical, Andy explains it's important to "understand who you are" – as was the case with Andy, many people may not be aware of their condition until much later in life. When he was diagnosed, however, he recalls it was a comfort to be able to reconcile his past difficulties.

The other piece of advice he offers is to ignore the social perception that dyslexia is a disadvantage – a view also challenged by Richard Branson as part of the Virgin founder's Made By Dyslexia initiative.

One other element of Andy's childhood made him well suited to entrepreneurship – a commitment to his family, and the drive to do everything he could to help look after them.

"I was adopted into a family who were loving, caring people. But from the age of 12, I was managing their finances, their cash flow," he recalls.

"That brought me an element of worry and insecurity and, as I got older, led me to think differently about how I could help my family – my sister and her children, my mum and dad. I knew I had to think differently to be able to create value in a way that I wouldn't traditionally be able to create it, so that I could help my family."

#### TEAM SPIRIT

That sense of family and togetherness carries across to the Hammerforce team too, a little group comprised of fewer than 20 people. Hammerforce

regards those people as the company's greatest asset – as Andy believes, it's all very well to have access to this revolutionary technology, but it means nothing without the right people. With the international reach

and worldwide partnerships offered by Hammerforce's technology, it's crucial to maintain a world-class standard in people and their development.

For Andy, the development of his team is one of the most engaging parts of his work. He takes an in-depth, serious approach to managing that team, guiding them towards the organisation's goals while also acknowledging their own hopes and challenges. "The way I think about that is if you look at a star at night, the light that you see today is the light that was a function of the star's creation about a million years ago," explains Andy.

"So when you look at the people around me today, the decisions that they make and why they make them is a function of who they are, their upbringing, their relationship with their mother and father, all sorts of stuff. I invest a lot of time in understanding the psychology of the people around me, so that I can align who they are and what their challenges are with the challenges of the organisation."

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Part of Andy's efforts in this regard is fostering an environment of openness, by rewarding his team "for saying what they think". On the flipside, he also ensures it's an environment where people don't feel insecure about being challenged on ideas, and instead regard it as a constructive thing. Andy's goal is that anyone within Hammerforce feels like they can talk to anyone else in the company about any issues they're working on.

Andy sees himself as part of this environment – not above it. "First and foremost, you need to lead by example. Now, that may be a super cliché, but everything I've said, I aspire to myself. I'm just as open to being challenged. I put myself out there just as much, put forward ideas which may or may not be right, and I'm equally open with everyone so that they can approach me and vice versa. You've got to demonstrate leadership in yourself."

"Things may not be going right in your personal life, but you've got to front up every day. People look to you for full guidance and know what they need to do. If I've had a rough day at home, I'll come in and tell people, 'You know what, guys, I've had a rough day at home'. It's an open and honest culture of leadership, because people look at you for leadership. If you're open and honest about your situation, that goes a long way. That's my philosophy."

As Hammerforce continues to sign agreements with huge industrial companies around the world, it'll be essential to maintain this team environment. After all, having these big developments in the pipeline is something that Andy regards as central to his sense of personal success. He views success as having three components; one, having something to do, which he's achieved by ending his retirement and joining Hammerforce. Another component is having someone to love – in Andy's case, his children and partner. The last is, again, having something to look forward to, and with Hammerforce making waves around the world, with more and more big partnerships being signed, Andy has plenty to look forward to. ■