Chapter VII

Waleli:
Bringing Wireless Opportunities to Life

Paul Kirwan
Nikos, University of Twente, The Netherlands

Peter van der Sijde
Nikos, University of Twente, The Netherlands

Aard Groen
Nikos, University of Twente, The Netherlands

ABSTRACT

This chapter tells the development story of Waleli, a high-tech company utilizing the latest proven developments in wireless communications to bring innovations to the market. It presents the journey of the firm through the entrepreneurial process, from initial idea right through to value creation. Furthermore, it looks at the roles and origins of network contacts and how these impact the entrepreneur’s effort to accumulate the necessary resources to establish and subsequently develop the firm. This chapter adds to our understanding of network activity in the entrepreneurial process and as a real life case has relevance to both potential and practicing entrepreneurs in that it details the trials and tribulations of the process, and academics, as it provides in depth data on the role of the network in the entrepreneurial process.

BACKGROUND

History of the Organization

Waleli is a high tech company which utilizes the latest proven technological developments in wireless communication to bring innovations to the market. It aims to develop wireless communications to solve needs, both between people (mobile applications) and between machines and apparatuses (machine-to-machine, or M2M, communication), in a simple way.

Siete Hamminga, the founding entrepreneur, graduated with a master’s degree in industrial engineering and management from the University of Twente in 2001. During his time as a student he ran a one man business, Well-Suited, selling suits to students. He also completed an internship with Unilever in Switzerland and while enjoying the
work, this experience reinforced his desire to start his own business. He completed his Master’s thesis in Silicon Valley studying the business models of Internet service providers (ISPs). His study period coincided with the collapse of the Internet bubble and his thesis was accordingly entitled “Back to Basics.” Inspired by his stay in Silicon Valley, he, along with Roel Pieper (former vice president of Philips, current professor of e-business at the University of Twente and chairman of Favonius Ventures, a venture capital firm specializing in funding software start-ups), and Vincent Kouwenhoven wrote the book Beyond the Hype (see Figure 1). In this book, top Dutch executives give their vision on e-business now that the hype is over. Based on these experiences, Siete Hamminga founded Waleli in February 2002.

Armed with the knowledge he obtained in Silicon Valley, Hamminga recognized that current mobile technology ideas were far ahead of consumer needs. The practical idea for the business came from his brother, who posed the question “Why can’t a mobile phone be used to answer the doorbell?” To answer this he conducted some formal research, borrowed some money, built the prototype, and launched the “GSM-doorbell.”

While developing this product he continued to come up with ideas to bring practical solutions to meet needs in a simple way using wireless communication; this became the mission of his company.

**Type of Business**

Recognizing that current mobile technology ideas were far ahead of consumer needs, Siete founded Waleli on the premise of developing applications for wireless communication which meet needs in a simple way. Siete recognizes the great potential of wireless communication and Waleli has capitalized on this with its first product: the “GSM doorbell.” Subsequently, Waleli has extended the market for this product by identifying its usefulness in an alternative industry, that is, health care. Waleli has further increased its product and service offerings to include among others the “Basiqphone” and “MMS-witness” (see Products/Services Provided).

To meet the needs of its customers Waleli engaged with them to transform innovation into concrete products and/or services. Waleli’s products have two things in common: they are wireless and they meet needs in a simple way. Further, these applications are thought of and evaluated based on their market potential. Waleli’s client portfolio ranges from large corporations through to SMEs; most of these companies have established names and market positions, for example, KPN, Siemens, and JohnsonDiversey.

Waleli views the key to being successful in this market as being able to bridge the technology market gap. Critical within this process is the role of participation, as it allows everyone to excel at what they do best. Also integral to this process is the “art of limitation,” defining what a product should not do. To this end, Waleli is a networking organization; it works with specialized development teams and partners to meet the needs of specific project assignments. The innovative nature of the venture’s process of turning ideas into...