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Demands and Potentials of European LT Enterprises

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The Small Startup



Normally a startup comes from an academic environment

Software has been developed conforming to the needs of a client or a user group

Due to the limitations of the initial conditions the software is far from ready for marketing

Most people starting LT SMEs have no clue as how to run a company both legally and financially and are easily eaten by sharks

The Small Startup cont.



The Startup often needs seed financing to get to the marketing stage

The seed financing is usually not enough nor the time given by the investors long enough, which is often their goal specially if the contract gives them the right to sell and get rid of the innovators

In most cases we have short lived successes and it simply doesn't need to be that way.

The First Steps



What is it I don't know?

What do I need help with?

The problem is – everyone wants to help you for a price and finding people that are help isn't all that easy

The LT Software “our pot of gold”



Normally the initial software should be thrown away and reprogrammed – the experience learned from the mistakes made are far more important than the software

Having a good LT software means you usually have to break ground where nothing has existed before and this is a difficult point to argue in sales – “if nothing is there why do I need it...” so not so easy to make money from it

The Market



A very vague idea that you need to pin-point as target clients or you waste your time!

People usually refer to the translation market when selling translation software to avoid the truth that the translation software economic market is ca 100 Mil Euro Annually

I'm an optimist everyone uses language so why shouldn't most people use language software and they do – spelling correction.....

The Client Communication Process



Really tough – here promising too much lands you in trouble and clients want to get what they have paid for.

You may be fined or lose your company because you signed a contract that promised too much.

The Clients and Their Demands



Measurable improvements

Legal and economic responsibility

Deadlines secured with penalties you can't afford

24 hour support and flawless operation

Different technical requirements

Expanding



Size Matters – isn't that a cliché

The power of making products matters since this is where your revenue comes from, the fewer people making it, the less costly and the bigger the profit

Size is used by VCs to build fast and usually make you fall flat on your face

So move slow and see your revenue build well enough to support your people

Changing your Identity



Who are you?

You must leave your academic identity behind

You will have no time to run your business and
be on top of evolving R&D in your field

You need to stay in touch but it can't cost you too
much time since your focus is and should be
your business

Establishing an Identity



As a business person you must make money and provide for your people so that they continue to produce

You are what you produce – nothing more nothing less – but that's good enough

Don't build a false image – it is bound to fail

Research and LT SMEs



Hm!!!! Not working well

R&D tends to see the small SMEs as competition
and sometimes the reverse

This must change since it is undermining all our
future

We need each other – the answers to improving
commercial LT software lies in R&D and
the R&D community needs the business minded
people to reach the market

Effective Model of Communication



Advice needs to go both ways

Academics starting think business is far too simple

You need to be a lawyer, an economic expert, and the be able to build software that someone wants to use

Summary



Support Contractual Communication and
Business Strategy

Support Marketing (meetings that attract
potential clients)

Support Innovation by giving R&D expert advice