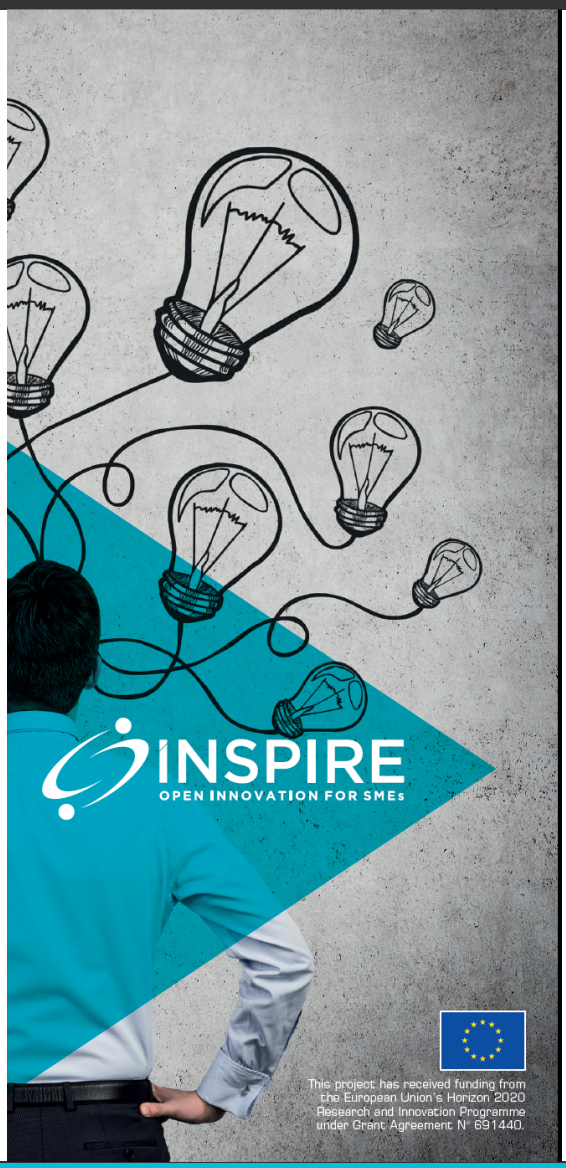

ANYCES

France, www.anyces.com

A young company joins an Open Innovation programme run by a large corporation and starts developing solutions for them. Their reputation travels by word of mouth to other important players in the sector who request the SME to do business with them

Executive Summary

The company manufacturers control solutions to make interactions between electronic devices and users intelligent, secure and simple. Anyces is a technology provider to industrialists who want to enter the market of intelligent objects. The firm uses Bluetooth technology on nomadic platforms, such as smart phones, to make electronic objects intelligent and capable of communicating with their users via their mobile phone without being connected to the internet.

CASE N°: FG24

SECTOR: INFORMATION TECHNOLOGY

TECH INTENSITY: HIGH-TECH

LIFE CYCLE STAGE: START-UP

INNOVATION VECTORS: PRODUCT, PROCESS

OI PARTNERS: PSR, LARGE CORPORATION

KEYWORDS: NFC, collaboration with large companies, business angels, intelligent objects

- BACKGROUND FRAMEWORK
- INNOVATION CHALLENGE & MARKET OPPORTUNITIES
- OI TRAJECTORY
- BUSINESS IMPACT
- LESSONS LEARNED

Anyces
ce monde est le vôtre

BACKGROUND

Anyces was co-founded in 2011 by Nicolas Drabczuk and a couple of colleagues to develop Bluetooth technologies for nomadic devices so that they can communicate with other objects. With a computer science degree in modelization and industrial applications, Nicolas began his professional career with Gemalto, an international digital security company developing software applications and secure personal devices such as smart cards and tokens. After starting life doing subcontracting for customers, Ancyes later joined an Open Innovation programme designed by a large company which gives it the freedom to develop solutions for the telecoms market with the potential to reach 97% of the world's population.

After working for Gemalto for a few years at the beginning of his career, Nicolas Drabczuk decided to leave the company in 2006 after a merger and, together with a colleague, joined a start-up in the south of France working on Near Field Communication technology (a method of wireless data transfer that detects and then enables technology in close proximity to communicate without the need for an internet connection, such as paying with your smart phone). Although the company had to cease its activities because of a lack of money, Nicolas and his colleagues were sold on the potential of this kind of wireless technology. They therefore decided to create their own start-up - Anyces - to facilitate the integration of Bluetooth technology (similar to NFC, but capable of connecting two devices over a greater distance) into their customers' products. The idea was that thanks to Bluetooth-type technology nomad devices, such as mobile phones, smart phones and tablets, would be able to communicate with other objects with potential application in sectors ranging from security to the automotive and construction industries.

INNOVATION CHALLENGE & MARKET OPPORTUNITIES

Over time Anyces started working with another company called Aximum, which is a subsidiary of Colas, one of the world's leading road construction companies. As it happened, their mother company Bouygues was running an Open Innovation programme through which its subsidiaries were encouraged to invest in and work with young start-ups of their choice. This offered Anyces the ideal opportunity to open up its capital to a leading French industrial group and to work with them to integrate its technology into their products.

OPEN INNOVATION TRAJECTORY

Concept development

The idea came from the founders' work on NFC, Bluetooth and similar technologies and to integrate them into electronic devices. For example, the solution permits communication and interaction via an SMS platform in the vicinity of the device. Regardless of the location, the system can work over the GSM network, requiring no internet connection. The concept was to operate devices directly from the phone.

Anyces is a small company with currently 7 employees. Most of them have a technical background and have developed extensive know-how in this area. The company works with universities and research centres on the R&D side. After that stage, however, it prefers to develop the technology in-house, mainly in the interest of protecting it. Anyces has managed to acquire all the skills it requires in-house and is able to build electrolytes and, on the other side of the value chain, to build web and mobile applications. Manufacturing, on the other hand is being outsourced. Anyces integrates customized solutions for management, regulation, detection, and manages simple, secure and economical functions thanks to mobile platforms and without resorting to any Internet network.

The development process, IPR and competition strategy

The idea originated from the co-founders of the company who also happen to be experts in this field with extensive experience of similar technologies. A number of research collaborations have been initiated with public research organizations, such as the University of Nice, to work on improving the technology and other R&D related matters.

Anyces has cutting-edge technology and has won two innovation awards since its establishment in 2011. The technology has many advantages over competing products. For example, it ensures the security of personal data; the latest AnySet, which installs a direct interaction between the user and

the objects in his/her environment, ensures compatibility with more than 7 billion mobile terminals in the world of which more than 67 million are in France.

Commercialization and follow-up

The market has huge potential as Anyces technology can cater to up to 97% of the world's population. As it is a small company with seven employees and they are all technicians, the management is currently not rushing to get involved in many sales activities. Instead, they prefer to do business with large companies who are able to communicate widely about Anyces technologies, thereby building the company's reputation by word of mouth. The SME believes that it is having a snowball effect and many large companies are now approaching Anyces to work with them.

Instead of going for outright licensing, Anyces opted for a strategy of sub-contracting. They ask the customers what their requirements are and make the technology to measure. For example, in the security sector they built a message with the application and the electronics that customers integrate into their products, making objects accessible as soon as someone gives the access right; this is also possible without connecting to the internet.

Anyces was founded by experts in mobile telephony (nomadic computing and the development of network applications) as well as secure communicating systems (electronics and embedded computing). Currently, all seven employees are technical personnel. The team has acquired extensive and varied experience in the field of radio-frequency communications, notably around Bluetooth, WiFi and NFC technologies. Herein lies the main reason why the company does not want to engage in more commercial activities, thereby avoiding managerial issues. A manager familiar with working with external partners and experienced in negotiation would open up many new avenues for the company.

With limited human resources capacity, Anyces keeps its commercial activities very targeted. They market to large companies who in turn spread the word about Anyces and they benefit from the shared reputation effect. As a result of this snowball effect, Anyces is being approached by many large companies.

The success of Anyces technologies, especially in the construction and automotive sectors, has opened up opportunities to expand into other industries as well. The technology has the potential to become omnipresent in terms of areas of application. The company is now working and collaborating with several big companies as a part of their expansion.

BUSINESS IMPACT

The company has learned the art of dealing with various research partners and big customers. The technology has continued to improve as a result of these research collaborations. It also learned a number of new skills over time. Dealing with the larger companies and negotiating with business angels and venture capitalists are the main skills that have been acquired by management. On the one hand, investors are usually reluctant to invest in an early-stage SME, while large companies have a completely different style of working.

Anyces business is based on its core technology using nomadic platforms. Its collaboration with research organizations and large companies has yielded momentous growth in business. The company is now expanding its customer base. Thanks to its efficient technology and its marketing-pull strategy, big customers are now contacting the SME to do business with them.

LESSONS LEARNED

The case illustrates that a company as small as seven employees can be a huge success by broadening its horizons. The collaborations have started to pay off and with its limited resources it is still able to manage its core technology and increase its customer base. It will be interesting to see how this company does in 5-10 years' time. It can cater to more geographical areas by licensing out its technology in certain markets and, in the meanwhile, continue to develop the technology with increased revenues.

Main lessons learned:

1. Negotiations with large companies and investors should be done with due diligence.
2. The manager who has experience of working with large partners and of commercial activities is essential for shaping the business model and streamlining further revenues.
3. While attracting investors, it is very important to make them agree on your terms to keep the technology and basic operations under your own control.

4. In some cases it is crucial to keep research partnerships and technology development separate in order to protect the core technology.
5. Catering to big customers in the commercialization phase may help to create greater word-of-mouth reputation among potential clients.