

# A force to be reckoned with

A whopping € 500 million was invested in 75 Dutch startups in 2014. This high number shows the important role startups play in the Dutch economy. According to StartupDelta, a Dutch organisation which aims to support startups with former European Commissioner Neelie Kroes as figurehead, startups 'can establish new business models, disrupt vested interests and systems thoroughly or add more incremental improvements to our lives. Startups are a force to be reckoned with.'

*The first Barge Master T40 has been installed on the Walk-to-Work vessel Kroonborg, operating for NAM/Shell in the North Sea, photo by Flying Focus*



Startups can also be found in the Dutch maritime industry. Maritime Holland spoke to startups Barge Master, DMS Holland and Barqo to find out what their strength is, what other entrepreneurs can learn from their experience and what the future will bring them.

## Cost-effective sharing

Barqo is the youngest of the three, founded in August 2014, although the base for the concept can be dated back to February 2014. Floris van Hoogenhuyze, Thijs Janssen and Sebastian de Groot are the brains behind the sharing platform for boats. Located in Rockstart, an office where startups can find support for their first 1,000 days, at the canals in Amsterdam we meet an enthusiastic Van Hoogenhuyze: "We are really

busy at the moment, amongst others with the development and launch of our new website and app. The idea for Barqo actually came into existence in front of this office. We saw a boat sailing through the Amsterdam canals and wondered why nobody thought of a sharing platform for boats. Sailing is often perceived as inaccessible because of the costs of buying and maintaining a boat, but by sharing the owner as well as the tenant can manage those costs. After half a year of product development and branding our website went live in August 2014; one month before the end of the boating season so we had one month to put our idea to the test. 40 transactions were made in that first month, much more than expected and we got a lot of media attention which is also really important for your reputation."

## Stabilising yachts

In 2012 Arnold van Aken and Patrick Noor, who knew each other through Naiad Dynamics, founded DMS Holland and AntiRoll, although Van Aken started the development of the product AntiRoll, a stabiliser for yachts, in 2011. AntiRoll focussed on developing and patenting their product, while DMS sold the RotorSwing, a stabilising product for yachts under 30 metres. Noor: "The development of AntiRoll costs a lot of money, therefore we needed a lot of investments before we could start producing. Both Van Aken and I invested a lot of our own resources during the first two years, and Burgmetaal, the manufacturer, has a ten per cent share in AntiRoll. Furthermore, we received some subsidies. Eventually, we got our first client in September 2013 through our partner Van der Valk. Although we had not publically presented AntiRoll we told some of the bigger yacht yards about the product under a nondisclosure agreement and Van der Valk happened to have a client who was open to trying new innovative products. In January we merged both companies into one, DMS Holding BV and we both have a 50 per cent share in the company."

## Solution for a problem

Funding also plays an important role in the foundation of Barge Master, the oldest of the three startups. Rogier de Jong, business developer at Barge Master says: "Martijn Koppert had a lot of experience in the offshore industry, amongst others as one of the founders of engineering firm Temporary Works Design, and knew all about the issues high waves cause. He came up with an innovative solution for this problem, in the form of a wave-compensated crane platform. He started to develop it in 2008 and in 2009 Barge Master was officially founded. One of the first steps taken by the company was to patent the product, now called BM-T700. The next step was to find funding, building the first model



During the Maritime Awards Gala 2014 AntiRoll won the Maritime Innovation Award



The way the AntiRoll works is inspired by the fins of a whale

required a large investment. The first investor was Frans van Seumeren, who purchased a share in Barge Master. Last year Parcom Capital invested € 20 million and has also become a shareholder of the company. Our investors give us the time, trust and money to develop the products. They do not expect a return on investment immediately, but know this will come on the long term."

"Although Barge Master's product is developed after the market's demand, it is hard to introduce an innovative idea in a conservative market. All startups who present something new have this problem. You have to convince your possible clients of your product's value", explains De Jong one of the struggles young companies face. "In 2014 the BM-T40, a motion-compensated knuckle boom crane, came into operations for Wagenborg. At the beginning of March Shell and Boskalis used the first BM-T700. This gives us the proof to show that our products actually work the way we prom-

ise. Our strength lies in our product, but also in our people. Around 20 really smart people work for Barge Master, all very driven and determined to make the product a success, and to keep on innovating."

### Redirecting

"It is regularly confirmed that we have accomplished a lot in two years time, for example Minister Kamp of Economic Affairs has named DMS as an example of a startup in the Dutch Lower House in the context of the recovery programme. But we are not finished yet. We have faith in our concept and are already known by important companies as Heesen Yachts, Feadship, Van der Valk, Moonen, Amels, Oceanco, Royal Huismand and Hakvoort", shares Noor. "As an entrepreneur you always have to be critical and to have a set plan. We developed a business plan and are determined to keep on track with this plan. On the other hand, and this is definitely the case with a startup, you also have to redirect as things not always work out as planned."

Van Hoogenhuyze agrees: "One of Barqo's struggles has been insurance. Lessors do not tend to rent their boat when there is no insurance which covers damage. Tenants do not want to rent when there is a risk of a lot of costs when something happens. To cover this, we have declared that we definitely will sort out the insurance part but this is easier said than done. We did not want to miss another season, so we decided not to wait but just start. Finally, in April our insurance policy was launched. Furthermore, we want to create a community for sailing enthusiasts who enjoy meeting each other, share news and eventually go sailing. This last part is also a challenge. We have to show what our company and product can offer."

### Be passionate

"I think our strength is that we are passionate about our product. That is really important when starting a new company", says Van Hoogenhuyze. "You have to know and to have feeling with your product, know what the general spirit of the industry is. Recess yourself in the industry, because when someone notices that you have no idea what you are talking about they are done." De Jong shares this opinion: "A startup has less chance to actually be successful with only a genius idea when there is no real problem they solve. Immerse yourself in the industry. Next to this, it is important to have patience. In our case, the money did not start coming immediately. It takes time to develop and market a product, especially when it is new and innovative. And then it is really important to find your first client, a launching customer, to actually be able to show your product."

### Future plans

"My tip for other startups has to be 'know your partner's strength", says Noor. "In our case, Van Aken does the development of AntiRoll and I am in charge of sales and marketing, and that is why we are such a good team. We value each other's competences and complement each other. For example, I like to go to exhibitions while he prefers performing tests at MARIN. Furthermore, it is important that you do not let others lead your company but as I said, that you follow the track you planned. You can start expanding abroad immediately when those requests are made by potential clients, but I think it is more important to establish yourself in the Netherlands first", Noor reveals the secret of their success.

And that is exactly the plan of DMS. "In the coming five years we want to grow in the Netherlands and eventually become the market leader in stabilizers. First in the yachting industry, but the possibilities in the other maritime branches are endless", De Noor says. "If you want to expand abroad and to be able to provide service at all time, your base in the Netherlands should be well established. The *Santa Maria T*, the first vessel with the AntiRoll system, will be launched within a few weeks, and the second AntiRoll has been ordered by the owner of the yacht *Endless Summer*, which will be retrofitted in America. This retrofit has been advised by AntiRoll and will be guided by Feadship from the Netherlands, since Van Lent delivered the vessel there in 1991. They know the vessel the best and it fits within our strategy: the Netherlands first! Because of our own investments, trust and the first buying customer we have high hopes for our future."

### A positive boost

Barqo as well thinks it is wise to be established in the Netherlands before expanding. "We want to extend the Dutch



The young team of Barqo, bottom left Floris van Hoogenhuyze

community first. After that, we see a lot of possibilities in Europe; especially North Europe has a nautical focus. When I look back, I think that our concept gives the boating industry a positive boost. The industry finds itself in dire streets and Barqo offers a platform which can be used to earn some extra money, or to pursue your hobby when you do not have enough money to buy a boat yourself. We want to navigate the boating industry towards a more positive direction."

### Crucial year

De Jong adds: "The results have to show after the first projects have been finished. The need for more customers is still present, in order for us to be able to develop and build new products. Eventually, we want to have disposal over a rental fleet of BM-T700s and to sell more motion-compensating cranes. But, there also are a lot of ideas for further product development since there is a lot more equipment that does not function well when exposed to high waves. However, we have to stay focused on the market demands and the potential profit. Last year was an important year for Barge Master and 2015 will be crucial as well."

Anne Kregting

Barqo's online sharing platform

