

A promising start

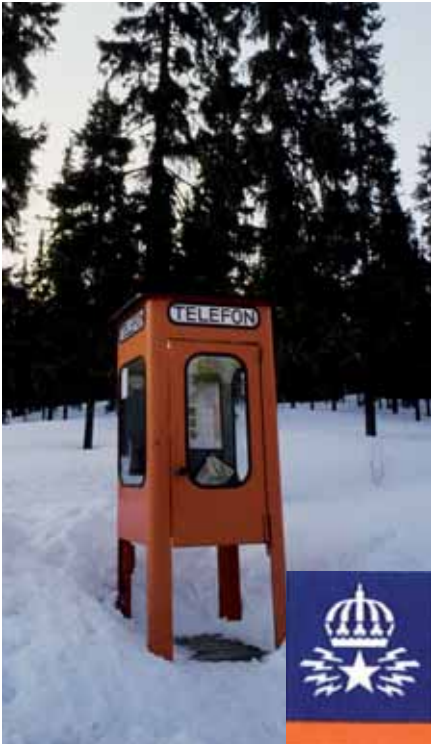
At the same time as construction of the Sparbank building continued, work carried on at Peter Renkel and John-Erik Eriksson's small sound company. During the evenings and weekends they worked on the construction of a conference telephone that didn't cut the sound off and could be adjusted to Bank Manager Nygren's difficult sound environment.

John-Erik Eriksson recalls: "Peter asked me what I thought. Would it be possible to get rid of the problem with echo and feedback if you let the sound and microphone remain 'open' in order to avoid the cut-offs?"

"A technical problem like this was a big challenge and exactly to my taste. I had had some experience from local radio where we often connected the telephone to the hi-fi system via a so-called telephone hybrid". After several builds, tests and re-builds, new tests and new modifications of the system the Sparbank building was nearly finished. It was time to deliver the goods!

Peter Renkel remembers: "A technician is very rarely satisfied and keeps wanting to make further adjustments but eventually we felt that we were done. This isn't too bad, we thought - let's put the gear in Erland's conference room and make a live test".

In 1987 a conference phone wasn't a small device placed in the middle of the table. Rather it was the complete opposite - an entire system with



At the end of the 80s the old Swedish Televerket was undergoing radical changes. The state-owned organisation was becoming the privately owned Telia. It was a time for new ideas and products. Konftel's conference telephone was the right product at the right time.
Photograph: Scanpix, Jan Håkan Dahlström

separate speakers that were positioned in the ceiling and microphones that had to be adjusted and tuned into the room.

In addition to this there was also a control panel. The unique thing with the system was the fact that the guys had managed to eliminate the irritating cut-offs and you could now talk to several people at the same time. It worked brilliantly.

And Erland Nygren was very proud. He had a unique system that he willingly showed people when the building was opened and continued showing to his visitors. It was a great success - mission accomplished!

After that Peter Renkel and John-Erik Eriksson didn't think much more about the project because they felt it wasn't an obvious ready-made product.

The system was relatively complicated to install and adjust and the market for large conference rooms was limited, at least in Umeå.

But the rumours started spreading. Bank Manager Nygren was using his equipment all the time and constantly showed it off to his visitors.

The control panel was built into the wall in a special box that he could pull out and then explain what excellent sound his conference telephone could deliver. It was an impressive construction for its time.

The staff from Televerket became interested and Peter Renkel started getting asked questions.

"I was beginning to realise that what we had done was bigger than we really appreciated ourselves. But how were we going to take this further?"

"We started getting asked to build more systems but we didn't have any resources, not even any employees. So far everything had been done purely on a hobby basis".

At this time most telecommunication companies in Europe were still state owned, or as in Sweden's case by a state authority - Televerket.

A product that was approved and then distributed by Televerket would soon gain access to the entire national market. It was a dream situation for those who found a solution that suited the telecommunications market.

There were, however, many bureaucratic obstacles to overcome first. But within this sector – as well as in the banking world – a new era was dawning in terms of organisational structures and ownership and both required new technical solutions. It was a good time for a rethink.

The small company that had constructed the conference telephone was reformed as a limited company and named Creative Communications, popularly abbreviated to Crecom. Apart from Peter Renkel and John-Erik Eriksson Peter's friend Lars Pettersson was also taken onboard. Each of them owned a third of the company. Lars Pettersson was at the time a young IT-skilled business administrator and brought a financial perspective to the business.

The company was still run without any employees but there were plans to create a financial 'buffer' in order to be able to employ John-Erik on a full-time basis.

"I knew Peter as a fun guy with great ideas so I really wanted to be part of it. My tasks were mainly finance and legal issues as well as contacts with banks and other possible finance sources", Lars Pettersson recounts.

At the same time the local staff at Televerket in Umeå had become seriously interested in the bank's remarkable conference telephone.

Those familiar with the market needs on a national level knew that there was a demand for such a solution.

But despite bank loans and a small start-up budget Creative Communications AB couldn't take on such an immense challenge.

They needed a financier – a brave venture capitalist.



Lars Pettersson. In 1988 he was the Finance Director in John-Erik Eriksson and Peter Renkel's small 'hobby company'. Today Lars is Managing Director of the IT giant ATEA.