

JW Player



Jeroen Wijering,
CPO - JW Player

Industry: Media

Mission statement: "Unlock the power of video SDKs, analytics, APIs, advertising, engagement, delivery. Grow your business with JW Player's flexible platform of video services, powered by billions of signals from across our vast network."

Headquarters: New York, New York, United States

Founded: 2005

JW Player is a New York-based company that pioneered online video and continues to innovate in this space. As creators of the world's first open source video player in 2008, JW Player powered the original YouTube and has since expanded to video hosting and streaming, advertising, and analytics for one billion monthly unique viewers in 200 countries.

The company combines ultra-fast video delivery with cutting-edge intelligence, enabling publishers to tell impactful visual stories and successfully monetise their content. We recently chatted to JW Player's Co-founder & CPO Jeroen Wijering in Eindhoven, about his entrepreneurial journey from the Netherlands to the Big Apple.

Key takeaways:

- You don't have to go it alone, instead consider partnering with a U.S. based company
- Obtaining L1 visas was a pain back then (during the Trump era it's not doubt even more difficult) if you plan to relocate lots of employees it pays off to hire an immigration lawyer
- Jeroen shared his key things to look for when assessing a potential partner company
- Another benefit to partnering up is that it gives you immediate access to a group of VCs making fundraising in the U.S. much easier
- Be aware that NYC is very career driven, making it more difficult to retain employees and find the right culture fit. If you're looking for a place with a similar work/life balance to the Netherlands smaller cities like Austin may be more of a fit
- Before partnering with a U.S. based company, it's important to build trust over a period of time and be sure it's the right fit



Important to note are the numbers.

According to our survey, legal and immigration matters were the top challenge entrepreneurs needed support with. **65%** recommended hiring a service or legal representative.*



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You don't have to go it alone

Unlike most trans-Atlantic entrepreneurs from the Netherlands, Jeroen and his company did not open a brand new office in the U.S. and begin building their business there from scratch. Instead, they sought out a suitable U.S. based partner they could join forces with to mutual benefit. Jeroen had been running an Eindhoven-based company called Bits on the Run, which found alignment with a firmly established partner in New York called LongTail Video.

LongTail had created a successful digital video player called JW Player and Jeroen's company began working with them roughly a decade or so ago until, in October 2013, the two companies officially rebranded as JW Player.

How did the merger come about - and what was the motivation behind it?

Jeroen points out that, although Bits on the Run had been actively seeking ties with a U.S. company for a while, they were also getting inbound enquiries and, in fact, it was Longtail which reached out to them. Bits on the Run was amenable:

“For us, this was all about growth,” says Jeroen. “We're in digital video, and especially ten years ago, the U.S. was more or less the only country with enough scale to make money (with digital video). So for us, it was clear that we wanted to go where we could build out a monetisation model for online video. If you had to do that from any other country, or any European country, it was going to be further behind just from the sophistication of the market, the language base, and the audience base perspective.”

What were the steps required to get off the ground in New York?

Jeroen and his team had to first become incorporated in the U.S. - which they did through New York law firm, Gunderson. They also took on a round of funding, around over a million U.S. dollars. They were lucky enough to be provided with office space from a friend of the company so they didn't have to look around for a workspace in New York. Later they did move elsewhere - “kind of a sublet of a sublet” and have moved several times since.

In the beginning, Jeroen and his team in New York numbered about 4 or 5 and there was a lot of flying back and forth between New York and Eindhoven. In 2012, however, they managed to raise a round of VC funding (the lead investor company was Greycroft).

This allowed them to move a chunk of their team to New York and become more settled. Incoming employees had to apply for an L1 visa, whereby employees of a company based outside the U.S. can go and work at a stateside satellite office, for up to five years.

After that, Jeroen explained that some members of his team went back to Eindhoven, some went on to a new London office, and others chose to stay in New York, meaning they had to begin the green card process.

On the challenge of bringing your staff into the U.S.

“The visas were a pain,” Jeroen explained. They involved a lot of leg work and obscure levels of administration. For example, to apply for the visa you would have to go to three different offices in different parts of New York; one to get a (17th century) stamp, a second to get one piece of paper, and a third for another. What's more, all three would have different ways in which you were allowed to pay.

This was of course in the pre-Trump era, says Jeroen. Today, the visa application process is even more arduous than it was. He explains that having in-house immigration lawyers became mandatory for them, otherwise they would never have been able to get everything done in terms of visas.

* Source: Halve Maen's Best Practices Report, “How to Make it Big in the Big Apple”

How other Dutch companies should approach merger opportunities

In assessing LongTail as potential partners, Jeroen and his team looked at the company's credibility, their business plan and their vision for the future. It was also about what his company and theirs could offer each other: "I had the technology, they had the money."

Finally, it's good to test out potential partnerships for a couple of years before the merger takes place to see if the respective parties click with each other and can both see themselves working together.

Jeroen points out that LongTail approaching them for a partnership was not generally the norm because most U.S. companies tend to look within the U.S. for potential partners. This means that finding merger possibilities is not necessarily the easiest route to go when plotting a move into the U.S. market but, if you can make it happen, it's arguably much easier than starting up a U.S. operation of your own from scratch.

What was it like raising capital in the U.S. as opposed to Europe?

Jeroen said that having a U.S. partner was really great in this regard because they were able to enjoy access to a network of angel investors, from day one. Raising U.S. capital on the seed side and on the VC side also proved to be a better experience. He found that, because the U.S. is such a big market and very competitive, investors tended to mete out fairer treatment to entrepreneurs. The investor market is more developed stateside, whereas there are not as many potential Dutch investors and, when it comes to terms, they're often "wanting a guarantee, of a 3 - 4 times return on investment".

Why New York for a video company, as opposed to San Francisco?

Jeroen explains that it definitely is advantageous for a tech company to be in the environment of Silicon Valley where you're in the tech "bubble" and have access to Google Facebook et al. However, he says that New York does have a great venture capital culture – a plus for entrepreneurs –, and is becoming more tech-strong, with big companies like Spotify setting up there in the last decade. Silicon Valley, he says, is very challenging in terms of getting talent, as well as affording education for kids, or buying property. He and his team were happy with New York in terms of their specific business sector, because it has a lot of media, and a lot of advertisers.

The challenge of retention

As Jeroen said: "You're in New York to make a career; you're not in New York to live". He found it to be much more business-oriented than the Netherlands or even cities like Paris and Berlin - where tech companies do not have the same focus on monetisation. Of course it's also very expensive finding and retaining talent in New York, and Jeroen points out that they're looking into the viability of a move to other smaller cities, such as Austin, Texas, where the culture might not be quite as career-driven as in New York.

Jeroen says that he can see a better work-life balance in these kinds of areas, and also "commitment to the company", by which he explains, "I think our average New York based employee tenure is probably something like 18 months". By contrast, in the Netherlands, people tend to switch jobs less often and stay with the same job for longer.

So companies moving across the ocean need to be prepared for that challenge: "for 20-some-things in New York, it's all about building your CV quickly."

Any last words of advice for Dutch entrepreneurs eyeing the USA?

As Jeroen explained, 'the standard path is to open a new office and start from scratch. Instead, why not try finding a partner who's already there and knows the market?'

However, entrepreneurs shouldn't rush to formalize partnerships with U.S. companies. It is important to first build trust over a couple of years. If you do so and a partnership does come together, it can be a lot easier because you won't have to build all the soft parts and network relationships for your company. Plus you'll have the cultural and institutional knowledge already in place."

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