Danielle Royston (00:00):

I'm Danielle Royston and this is telco in 20

Danielle Royston (00:14):

I'm fresh off my trip to Barcelona where you probably know by now I took the stage at MWC22 to beat the drum about the public cloud. I worked my ass off to prepare for that talk and it was awesome. In case you missed it, you can watch the video on my website at telcodr.com or listen to it on our podcast. But that's not the only talk I gave in Barcelona. I also had a chance to chat with Claus Verner, business development manager at AWS startups, in their space at MWC. Startups are so powerful because of the ability for a small group of people to focus on a single goal and take on the world. I mean, who doesn't love an underdog story? Our conversation was part of MWC's 4 Years From Now (4YFN) exhibition, which is basically all of hall six and devoted a hundred percent to up and coming startups.

Danielle Royston (01:07):

The AWS space for my talk was packed, standing room only. But I should disclose that there was also an open bar. So maybe that's why everyone was hanging out. But seriously, Claus and I had a great conversation covering everything from how I saw the opportunity for the public cloud in telco, to taking over Ericson's booth at MWC 21 and turning it into the amazing CLOUD CITY, to why this is a super exciting time for telco startups that are betting the future of their company on the public cloud and building their products on AWS. It's time to grab a beer, settle in and listen to my conversation with clouds on startups, the public cloud, and MWC22. So, let's take 20!

Claus Verner (01:51):

With me today, I have Danielle Royston, she's the founder and CEO of TelcoDR. The theme of the talk is: taking calculated risk. And taking a calculated risk is really an Amazon principle that we stand by, we live by. But here today, you're gonna hear from a founder who has actually done it in real life and not a corporate slave like me.

Danielle Royston (02:19):

I do it all the time. Yeah.

Claus Verner (02:21):

I would like to dive right into it then.

Danielle Royston (02:23):

Sure. Let's do it.

Danielle Royston (02:25)

I wanna start with your personal background and how you ended up in telco, right? Because when I researched you and what I know of you, you started at a completely different place, and then the journey from there to here. You also had a very diverse background… professional background. Could you, could you tell us a little bit about that?

Danielle Royston ([02:49](#)):

Yeah. So, one of the things I always sign off on my podcast is, "Later nerds." And so I am a nerd at heart. I have a computer science degree from Stanford University; probably one of the best degrees you could have. Always loved coding, programming, and so that's how I got my start. I've always been in enterprise software, so I've always focused on software for businesses, which is super boring. But I've always had a really, really, great time with it. And so I've done almost every job: coding, consulting, selling. I mean, I was an engineer. I did not wanna sell at all. Thought it was like, evil bad. I did HR, which is totally crazy. I learned how to recruit, I learned how to fire people. I learned how to promote, manage their performance. That's super important.

Danielle Royston ([03:43](#)):

And then about 12 years ago, I became a turnaround CEO. So I went into really, really bad situations: bankruptcy, companies failing in some way, can't find funding. But what was interesting about all these companies is that they had a product that they were able to sell. They had customers and they had revenue. And so a lot of times, it's just sort of like looking at the profit and loss sheets and it's just a little bit of a math equation of why this isn't working. And that's how I ended up in telco. I went into a pretty much bankrupt company, Redknee, a lot of people called it "dead knee." That was like the joke. I was like, "What's the name of the company?" And so I went to this company that was on the verge of bankruptcy and it was in telco and I realized that no one was using the public cloud. And I thought that was a really big idea. And so that's how I kind of ended up here or today.

Claus Verner ([04:41](#)):

Okay. And if we didn't take, uh, the journey, from TelcoDR right from the beginning, could you walk us through that? Where you started out, how you started out and, and how you…

Danielle Royston ([05:00](#)):

With TelcoDR

Claus Verner ([05:01](#)):

TelcoDR, yes.

Danielle Royston ([05:03](#)):

Yes. Yeah. So I go to this company, RedKnee, and I realized that no, one's using the public cloud. Almost every other industry is using the public cloud: governments, banking, right? Typically legal, just super slow industries, telco's not using it. And I start asking the people in the company, will anyone start to use a public cloud in telco? And they're all like, "No, you're crazy." And so I start talking to telco execs. I go traveling around the world: go to India, I go to Japan, I go to Africa and everyone's like, "Yeah, we would totally love to use the public cloud." And I'm like, okay, this is a really big idea. It's been a really big idea in every other industry. It's gonna be a big idea in this industry. So I pivoted that company for the public cloud, which resulted in a hostile takeover of the business. The investors started fighting and it was really, I mean, when you're in a, I mean, basically we were a 20 year old startup. Yeah. Right. This

company was 20 years old. It had gone through its startup phase. A lot of times with products, they kind of go into the backside of product adoption or, you know, whatever. And we were kind of on the backside. And so we were kind of into this next phase of pivoting. And so it was really more like a startup than an old company and the investors we're fighting. And I'm like, you're, you're slowing down all of our progress, you're confusing the customers, people don't know what's gonna happen. So I ended up quitting and I started TelcoDR about a little more than 18 months ago, and basically the idea was to continue my work around the public cloud in telco.

But one thing I realized, and I call myself the public cloud evangelist in telco: no one was talking about it and I needed to, I mean, AWS wasn't really talking about it, Google wasn't talking about it, Azure. And I'm like, we need to educate the telco executives on how it works; that it's not a scary thing, you know? And they're really, I mean, they were afraid the, the hyperscalers, they still are, in some cases afraid that the hyperscalers will steal their data. And so I'm like, we gotta evangelize this, we gotta educate. So I was like, I guess that's me. I guess I'm gonna do it. All right. So we launched a podcast, the newsletter I started, I was like, we're gonna make it rain, DR, Right? Everyone knows me, Danielle, Royston, those are my initials: DR. And so I was like, I'm gonna write articles, I'm gonna write blogs, I'm gonna post on Twitter, I'm gonna post on LinkedIn. And I mean, all I did for a year was make it rain, DR. I'm like, you Google public cloud and telco, it's like 20 links of me. I'm not even like right now, if you guys Google it, it's like DR. And so it's just to continue the work right, to do all this stuff.

Claus Verner (07:35):

And that's where I need to tell the audience a story, because I was here with the startup AWS startup team last year at Mobile World Congress. It was in the midst of the pandemic, it was a little bit different size. I don't think I offend anyone when I say that in the Mobile World Congress. And then out of the blue, I see in the cloud, something called CLOUD CITY, and I see your company for the first time. And I see your messaging, your evangelizing, the way, your take on it. Right? So can you explain, and tell the story about how, at that point it was not even 18 months old, the TelcoDR. Well, how do you end up in the Mobile World Congress, in one of the largest spaces? We are talking, Erickson's size.

Danielle Royston(08:36):

It was Erickson.

Claus Verner (08:38):

Exactly! But I wanted to say, Huawei's size, Erickson's size. Exactly. Like we're talking that magnitude, right? And compared to our little booth here. You know how big that is?

Danielle Royston (08:49):

Well, it was 6,000 square meters. Yeah. 65,000 square feet. It was ginormous. I mean, it was huge. So, it was actually March 9th, I remember the day exactly. I had just participated in a…I was making it rain DR that day. And so I was in, on a panel and I had done a talk and I was tired and I was eating my lunch and I was scrolling. I was…it was, I'm a big Twitter person, love Twitter. So I'm on Twitter, kind of catching up. And I see that Ericson has bailed on MWC 21. So for those of you who don't know the story, MWC normally held the last week of February, had been moved to June. They bail in March. So there's less

than a hundred days before MWC. And when it happened in 20 words was, they were the first people to bail and then NOKIA bailed, and then, I mean, just like one by one, and it just decimated the show and it got canceled. And I was like, we were planning to go, but only in a, I think a four, 15 square meter booth, my friends are here. And so, which is like 5,000 square feet. And I was with a friend at lunch and I was like, Erickson's bailed, everyone's gonna bail. And I'm like, this is a huge opportunity because we could probably maybe get a good negotiated price, take it over, right? Be really loud! How often could you take over the world's biggest telco event? MWC Barcelona. Not LA, not Shanghai, not what like, Barcelona! Typically in the normal year, I think it would cost you a hundred million to take it over. It would be a lot less in a pandemic. And so this is our chance to land on the map and get public cloud noticed.

And so my friend was like, how are you gonna fill it? And I'm like, I have no idea. I have a hundred days to figure out what we're gonna do. I'm like we could put a… I'm a big tennis player. I'm like, we can build a tennis court. We can build a tennis court, maybe two, what are we gonna do? And so we just… it's a very much like a startup one foot in front of the other, you have a thousand things to do. How are we gonna get this big idea across the line? And for the people who came to MWC 21, it really was like this amazing space. Yeah. I mean…

Claus Verner ([11:06](#)):

It was the place to be.

Danielle Royston ([11:07](#)):

It was peaceful. It was educational. It was a place we had this whole idea of like this space to learn. And then, you know, outside gave you an idea of being outside. And then on the inside was a place to like, shop and work, and so it was like an Apple store, right? We.. it looked like an Apple store. I mean, the people that were here that built it, I mean, we all just like, I go over to the Erickson space and I'm just like… it's like a little knife in my heart. I'm like… oh..coz CLOUD CITY was just amazing! So yeah, it was totally worth it. It was not a hundred million dollars, it was tens of millions of dollars. We spent a lot of money on it, but we got 800 mentions in press articles. Even with MWC 22, we got mentions, still of like, well CLOUD CITY, and I think we really did change the industry, cause when I walk around at MWC 22, I see banners with cloud, I see people on their booths about cloud, you see announcements about what they're doing with cloud. We've changed it. We've rocked the industry, not just cause I had Bon Jovi either, but we totally rocked the industry. It was amazing.

Claus Verner ([12:11](#)):

Bon Jovi was actually there, that's not just the byline here.

Danielle Royston ([12:15](#)):

It was awesome. Well, I mean, it was like the first concert he had done in 18 months. So he was super pumped to do it. And I just, I mean, short of lighters, right? Like people had their phones up. I mean, it was amazing. It was so great.

Claus Verner ([12:26](#)):

Yeah. So if we take this thought process, like: how, what in you, enables you to take a calculated risk like that? Because you already took a risk by becoming a founder starting to stop. That's the biggest risk most

founders will take, but to them, do that once more and that big, how did you, well, motivate yourself to…

Danielle Royston ([12:51](#)):

I'm 51, so I'm not exactly a spring chicken. And so I think anyone that's doing a startup, you have to be a little bit crazy. You have to like, turn off the voice in your head that says, "It's not gonna work and it's not gonna make it." And you just have to say, "How can I solve the very next problem in front of me?" And this was just an opportunity. I mean, if we, if we didn't do it at all, no one would notice, at all. But if we did it and we executed, we'd be on the map forever. Forever. And I think it was totally worth it. And so I think you just gotta go for it. And in the middle I was crying. I was crying a lot. A lot of people were crying, not just me. We were just like, what are we doing? We're so stupid. You should not have done this. But, um, but when we saw the result, we were like, that was, I mean the best thing we could have done. It was amazing.

Claus Verner ([13:44](#)):

And am I correct to say that you actually moved it? CLOUD CITY, it still lives today, but more virtual?

Danielle Royston ([13:51](#)):

It does. And so, you know, we looked at MWC 22 and Omicron is kind of starting to take off. For CLOUD CITY, we were just here seven months ago. So I was like, it was, and it's still millions of dollars. It's one of the reasons why 4 Years From Now really works because the space at GSMA at MWC is so expensive. And so it's really hard for small companies to have anything sizable. And so, um, we're like, we were just here, we don't need to do it again. So we did it virtual and a lot of the people that were in the booth last year have returned, which is really great. But I was trying to kind of continue to build my CLOUD ARMY. And we passed out these little pins that are all on the chairs here. I'm gonna give you, I'm gonna give… you're already part of the CLOUD ARMY, but I'll make you part of the TelcoDR.

Claus Verner ([14:37](#)):

Thank you so much.

Danielle Royston ([14:39](#)):

There's a little note on the back. You can like, flip it over and you can see my little secret message. But yeah, I'm trying. This is a movement and I think, and I think we're gonna pivot the interview into this in a second, which is, we've never had a technology, enabling technology as powerful as the public cloud to help startups, kind of ride that wave. And I think there's a lot of startups in the world and I hope in telco, that are starting to bet on this technology and I'm trying to, I'm like, "Guys, we should like, group together, we should work together, we should help each other out to make it." Coz making it in telco is not like normal Silicon valley work. I mean the price points are much higher, the deals take longer to close, you have to have a lot more funding than us a lot longer. And so the public cloud is an investment by AWS or Microsoft or Google that you can leverage for your startup. And I think that is a really, really big idea.

Claus Verner ([15:37](#)):

So let's continue a little bit on that path because we have a lot of early stage startups, we have a lot of potential founders in this crowd also. If you had to start now, knowing what you know, you are a potential founder, you are looking for that one idea that can get you started in telco, which areas would you look at? You don't have to get all specific, but which areas do you feel like there's room for solutions, challenges.

Danielle Royston ([16:09](#)):

Any? Any area. So I think that this industry is ripe for disruption around software eating hardware, and we're seeing it with Open RAN. Open RAN is a big software play, a disaggregation of the hardware and the software, and I think that's…there's tons you can do there. I think in the more typical BSS sort of side of the world, the software sucks. I mean it's like software from the nineties. I mean I'm old enough to have lived to see really, really crappy software and our telcos, that's what they deal with. And so when, when our…the subscribers and the customers go on the phone, and they're like, they have to talk to someone to get anything fixed. Whereas the rest of the industries, you can do it on the mobile phone. You can do it by yourself. You know, it's all self-served, telco gotta hold on the phone for 20 minutes.

And then you have to explain to the person for the hundredth time, my problem, right? What ends up happening is my mom calls me for tech support with her, you know, with her, right? Because she doesn't wanna deal, she doesn't understand what they're saying. And so there's tons of opportunity here. I mean like literally go in any direction and you can improve it. And I think you gotta bring this like Silicon valley and out-of-this industry sort of mindset. And that's so hard because our telcos are like, well, that's not how we do it, and you gotta install it in my data center and you gotta make it work with my, you know, whatever Amdoc system. But I think if you look forward, right? If you think about how long it takes to change this industry, which is five years and ten years, and you bet on that future and you build your stuff for that, and you have enough funding and you have enough patience and you have enough time and you have to really cultivate that experience.

You can't just… 1 million, 2 million dollars. I mean you need, probably tens of millions of dollars. But if you can get that funding and convince your investors to give you the time, and you focus not on the short term, but on the long term, I think you can be really, really successful in this industry. And I think it's right for disruption. And I'm kind of like, I hope no one figures this out, coz I have so much work to do. I wanna do it all. And I wanna create the community that's changing this industry because I mean us as subscribers and consumers deserve a better experience.

Claus Verner ([18:27](#)):

Exactly. So our team AWS for startups, we work with startups, we help startups. How do you see our role in this? What, what should, what should we do to help the startups on this journey?

Danielle Royston ([18:41](#)):

Well, I think AWS, well, all the cloud vendors, but especially AWS, number one: just as a business, you guys are investing so much in innovation. I think that something that makes AWS distinctive from the other guys is that you get ideas to market very quickly. And sometimes they're not like, fully ready. They're not like all the features and perfect documentation.

Claus Verner ([19:02](#)):

Maybe a preview or….yeah

Danielle Royston ([19:0](#)4):

You know, it gives people a taste. And I think a mistake that sometimes, founders make and startups make, they look at the technology at where it is at this moment. And they're like, oh, that database isn't ready for me. Or that I can't bet on AWS's version of whatever, coz it's just not right yet. And then they go off and build it themselves. And what you gotta understand is, that's gonna take time and money and which one will happen faster? Will AWS's innovation get to where you need it to be before you will get there, right? And it's just like a graph and you're like, well, AWS, isn't ready right now, but it will be. And so I can save those dollars. I can save that time, go focus on the other algorithm or whatever part of your idea is, and by the time you're ready to go to the market, AWS will be there.

And so that's what I'm doing. I'm betting on you guys putting, I mean there's not data centers in every single country, but I think over 10 years there will be data centers and almost everywhere where I need them to be. And so I'll run into telcos and they're like, oh data, privacy, blah, blah, blah. You know, there's no data center here. And I'm like, just wait, just wait. Either the regulation will change or the data center will be there or there will be a data center in a country that you can use. And so we're not gonna make a decision and pivot to another cloud or like make it work on premise. We're just gonna wait for the world to change coz the world will change.

And so AWS, what you can do is keep pumping out tons of great innovation. I mean, you guys are, I don't know exactly your CapEx per year. You guys don't report AWS versus retail, but I mean, we're talking, it's more than the telcos do, right? I mean, collectively the hyperscalers are putting in 80 to a hundred billion dollars per year, that the startups get to just sit on top of your innovation. And that's what I mean. I mean, there's never been a technology as enabling as a public cloud and why I like AWS, and not just cause I'm in the booth. But I am betting my company on you guys, right? And all of my stuff is because you guys innovate more quickly. You get stuff out there. We can try and play with it. We can see your roadmap and we're just betting on you guys. Continue doing what you're doing.

Claus Verner ([21:22](#)):
Okay. Thank you so much, Danielle.

Danielle Royston ([21:24](#)):
Awesome.

Claus Verner ([21:25](#)):
For everyone in the crowd who has a question for Danielle, let us take our mics off, let us get a drink in our hand, and…

Danielle Royston ([21:33](#)):

Oh, Socializing

Claus Verner ([21:34](#)):

We'll try to keep Danielle here as long as we can.

Danielle Royston ([21:37](#)):

Awesome.

Claus Verner([21:39](#)):

But I know you have a busy schedule. But let's give a round of applause for Danielle and for TelcoDR.

Danielle Royston ([21:46](#)):

Thank you so much.

Claus Verner ([21:47](#)):

And her team.

Danielle Royston ([21:49](#)):

Thank you. That was fun.

Claus Verner ([21:50](#)):

And thank you so much.

Danielle Royston ([21:51](#)):

It was super fun. Thank you.