

# Lightwave technology inc

Technology



LightwaveTechnology, Inc. is a lighting company owned by partners George Kinson and Dr. Schyler Weiss. The company focuses on marketing blue LED lighting products as a replacement for an ordinary LED lighting. The idea of blue LED technology rooted from Weiss and Kinson's hobby in electronics during 1990's (Timmons and Spinelli 2007). The two started their business by financing it using their own savings and credit cards. They also spent money to ensure patent of their technology and products. The products are marketed to various business industries like hospitals, schools, residences and others that use lighting (Timmons and Spinelli 2007).

Since the day that the two introduced their idea of blue LED, different industries started to recognize its economical, financial and environmental benefits. Unlike ordinary LEDs, blue LEDs has low UV output, long lifetime and strong color contrast. Furthermore, a lot of savings can be achieved by using blue LEDs due to its flexible characteristics and wide range of use. Weiss and Kinson strongly believe that their product is perfect to industries that use a lot of lighting like hospitals, factories and residences (Timmons and Spinelli 2007).

Manufacturing of lights are done through outsourcing. The company provides the idea and the complete product description as well as the materials to be used to the manufacturers in US and China. Between the two, the manufacturer in China offers lower cost than the one in US that is why more orders are produced in China (Timmons and Spinelli 2007). As more and more industries recognized the benefits of using blue LEDs, Lightwave Technology continued to expand, achieve profitability and even established a joint venture with a Japanese distributor in Tokyo.

In accordance, competition with other giant companies became tighter and the two decided that an initial public offering (IPO) was their best strategy. However, the 9/11 incident resulted to the decline in revenues of lighting industries including giant manufacturers like GE and Philips lighting. Now, the two are deciding on what to do next to keep their business moving forward (Timmons and Spinelli 2007).

References: Timmons, J. and Spinelli S. (2007) New Venture Creation. Mc Graw Hill Professional.