



# EY Entrepreneur Of The Year™ International finalists

The final four nominees in the Ernst & Young Entrepreneur of the Year Award, in association with 'The Irish Times', RTÉ, Enterprise Ireland, InterTradelreland, Invest Northern Ireland and Newstalk are profiled today

Suretank founder Patrick Joy, ATA Group chief executive Peter Cosgrove, Callan Bacon managing director John Walshe and Voxpro co-founders Dan and Linda Kiely, which are all finalists in the interna-

tional category of the Ernst & Young Entrepreneur of the Year competition, are profiled today.

Overall eight companies have been chosen as finalists in each of the three award categories: interna-

tional, industry and emerging.

The finalists were chosen by a judging panel chaired by 2002 EOY winner and Aer Arran founder Pádraig Ó Céidigh. Members of the panel also included Digicel owner Denis

O'Brien, PCH International founder and chief executive Liam Casey and CPL chief executive Anne Heraty.

The overall winner of the 2013 Ernst & Young Entrepreneur of the Year Award – and the three category

winners – will be announced on October 24th. The final will be broadcast on RTÉ, with the winner representing Ireland at the World Entrepreneur of the Year finals in Monte Carlo in June 2014.

The awards, now in their 16th year, aim to recognise and acclaim Ireland's entrepreneurs. Last year, Edmond Harty, CEO and technical director of Kerry-based Dairymaster, won the overall award.

## Peter Cosgrove ATA Group

Peter Cosgrove is the chief executive of the ATA Group, which manufactures precision tungsten carbide burs and pneumatic grinding tools.

After 16 years with the Jefferson Smurfit Group, including four years as CEO of Smurfit Packaging on the US west coast, Cosgrove decided in 2006 to exit the corporate world and return to Ireland.

His ambition was to invest in, and run, an indigenous manufacturing and exporting business with potential to grow a world market share.

In 2008 he led the acquisition of precision engineering business ATA Group headquartered in Cavan.

Immediate investments in capital, with support from Enterprise Ireland, and in management personnel, helped the company to grow substantially.

Today, the ATA Group has more than 1,200 distribution customers, operating in 65 countries. About 210 people are employed worldwide including 100 in Ireland.

**What vision prompted you to start your business?**

What prompted my investment, and that of others, into the ATA Group in 2008 was an appreciation of the technical quality of the product produced, the quality of personnel and a strong belief that ATA Group had the potential to become a world-leading business in its target market.

I worked with the support of Peter Crowley and Neil Hughes at FL Partners in Dublin to raise the equity and bank debt to allow us to complete the 2008 acquisition of ATA Group. We were able to get support because prospective investors saw the potential in adding an experienced management team to a well-invested technically capable company.

**What was your "back-to-the-wall" moment and how did you overcome it?**

Within six months of the acquisition the economic crisis hit the industry full-on, leading to a 30 per cent decline in sales year on year and an



even greater EBITDA [earnings before interest, taxes, depreciation and amortisation] impact.

We got huge support from highly flexible employees to ensure we were able to take out as much cost as possible.

We were also able to take advantage of a suddenly soft economic environment to get cost reductions throughout the supply chain. Recovery in our main export markets took hold in late 2010 and by 2011 we were already ahead of our previous peak year 2008. We had rehired all tempo-

rary lay-offs, were back on full overtime and reversed pay cuts.

**What moment or deal would you identify as the "game changer" for the company?**

The acquisition of the bur division of our biggest competitor SGS Tool (Cleveland, Ohio) in December 2012 put us into a world leadership position in our niche, and added \$23 million to the revenue line. The fact that this niche remains fragmented below us provides ongoing consolidation opportunity.

**Were there any early signs that you would eventually follow an entrepreneurial path?**

I'm not sure I consider myself an entrepreneur in at least the traditional sense. I do however consider myself a risk taker and have put substantial funds in to this and other businesses.

While I worked for 20-plus years as an employee in the corporate world, I have always wanted to strike out on my own or in partnership with a few others. I eventually did this in 2006/7, at age 43, paying my own salary and paying transaction costs on a number of deals, many of which we didn't get over the line.



**I consider myself a risk taker and have put substantial funds into businesses. I was an employee for 20-plus years but always wanted to strike out on my own**

## Patrick Joy Suretank

Patrick Joy is the founder and executive chairman of Suretank, which designs and manufactures cargo carrying units (CCUs) and tanks for the offshore oil industry.

The company manufactures offshore transport tanks for chemicals, heli fuel and acids and has a 62 per cent global market share.

The business was founded in Dundalk in 1995 supplying these products to the North Sea. Revenue in year one was €1 million with 14 employees. Today, Suretank employs more than 600 people and the revenue is €68 million.

Suretank manufactures in seven countries (Ireland, the UK, Poland, Thailand, China, Brazil and the US), and has sales offices in Dunleer, Aberdeen, Bergen, Bangkok, Zhongshan, Perth, Rio de Janeiro and Houston. In 2010, Suretank set up a separate R&D group in Dunleer where prototypes are designed and tested.

Earlier this month, Hitelevision agreed to buy a two-thirds stake in Suretank. Mr Joy said the Norwegian company's offer for its stake values the overall business at €52 million, implying a purchase price of almost €35 million.

**How did you secure your first investment?**

I ran a business expansion scheme, which is a tax-relief incentive scheme that provides tax relief for investment in certain corporate trades.

Through that I raised IR£90,000 to which I added my own savings of £60,000. I borrowed £150,000 from AIB and that was the capital for the start-up of the business.

**What was your "back-to-the-wall" moment and how did you overcome it?**

I had up and downs, one of which was a four-month period from November 2008 when no new orders were received (the price of oil had collapsed) but I just kept going, knocking on doors and eventually the tide turned and the orders started to come in.



We had a 40 per cent fall in revenue that year but we batted down the hatches, managed our costs and still turned a profit.

**What moment or deal would you identify as the "game changer" for the company?**

The move into manufacturing CCUs in Poland in 1999 was a game changer. It increased our product range and made us more attractive to our customers but because we did it on a sub-contract basis, it put no strain on our cashflow. In fact, in a short while

the profits generated allowed us to expand our tank business, move out of rented premises in Dundalk, and build our own factory in Dunleer with minimum borrowings.

**Do you plan to extend your services to a new customer demographic or penetrate a new sector in the next 12 months?**

We are looking at a possible acquisition of a much smaller engineering company which is manufacturing products that are very complementary to ours and, if successful, would provide us with a new customer demographic and a new product to sell to some existing customers.

**What are the biggest challenges you face now?**

One of the biggest challenges I now face is to be able to step back and trust my management team and CEO to move onwards and upwards with the business that I started. The business itself is facing competitive challenges from China and, to stay ahead of that, we must innovate, improve existing product offerings, develop new products, stay close to our customers and be best in our class in quality, design and delivery.



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## John Walshe Callan Bacon

Callan Bacon is a Kilkenny-based bacon and pork processing company. Established in 1924, the company is a fourth-generation family business.

John Walshe became the managing director of Callan Bacon in 1985, when the business was purchased by his parent's company, M&M Walsh. At the time the company had a turnover of £800,000 and a dozen employees.

Since then the company has expanded rapidly and now employs over 200 people with a turnover of €56 million.

It has a presence in Ireland, Britain, Sweden, Finland, Norway, Denmark, France, Italy, Portugal and Spain. Its main customers include Aldi, Lidl, Iceland Frozen Foods, Dunnes Stores and Tesco.

In the past three years it has won 12 awards including those from Blas na hÉireann, The Grocer and Great Taste.

The company completed a 36,000 ft expansion in 2010 and in November 2011, Walshe purchased cooked pork specialist Ribworld in Clonmel.

Since taking it over, Ribworld has seen great success growing by more than 50 per cent, with employee numbers increasing from 35 to 76.

**How did you secure your first investment?**

When I purchased Callan in 1985, it was a very small business with hardly any funds. The plant was not suitable for a food factory.

Enterprise Ireland and Feoga gave us funding and we also raised finance from Bank of Ireland to purchase a five-acre site just outside Callan in 1988. We completed the construction of a 20,000 sq ft factory in April 1990.

Our total expenditure was £2.3 million, which was a very large investment back then.

**What was your "back-to-the-wall" moment and how did you overcome it?**



1999 was our worst year in business. We lost a major customer and were left very exposed. A contract we had in the UK also turned out to be a substantial loss maker. That year we recorded a loss of €750,000, which was our biggest loss in the history of the company.

We came out fighting for every bit of business available and ensured we never left ourselves in a situation where we depended on one customer again.

**What moment or deal would you identify as the "game changer" for the company?**

The day we decided to stop disassembling pigs and only do things which added value for our customer. We stopped slaughtering pigs when we purchased the company and paid someone else to do it for us. However, we found buying the entire pig took up a lot of our processing capacity and we didn't need the entire pig always as there wasn't year-round sales for all the various pieces.

So we decided to just buy in individual pieces, as we needed them on days we wanted them.

**What top tips would you give entrepreneurs starting out today?**

Give value to the customer and build their trust. At all times know your three important figures – margin, wages and overheads. Invest in your team – they are your future.

I always look for driven people who are generally over-qualified for the job as they have the potential to grow the job and hence the company.

**What are the biggest challenges you face now?**

The competition for contracts with multiples has increased in the last five years.

The downturn in the economy has added to that pressure as people are consistently looking for value and low prices. At the same time, energy costs, rates and transport costs are all increasing.



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## Dan and Linda Kiely Voxpro

Cork-based Voxpro is a multilingual business process outsourcing (BPO) company. It delivers customer contact services and multilingual technical support on behalf of 300 companies, including Google.

An alumnus of the Stanford University Graduate School of Business, Dan Kiely joined Pageboy Communications in 1992 as sales manager and was soon promoted to general manager. In 1995, he purchased the company along with his business partner Linda, who is now his wife.

Following the acquisition of Eirpage, the national paging network, from Vodafone in 2005, Pageboy Communications expanded into the wider contact management arena, providing clients with an integrated business solution across phone, web, email and SMS. The same year, Pageboy rebranded to Voxpro.

In 1995 the company had eight employees. By the end of 2013, Voxpro will have almost 400 multilingual technical sales and service professionals based at its three locations in Cork. Voxpro has doubled in size every year for the past three years and has grown from a monthly turnover of £20,000 in 1995 to a forecasted turnover this year of €15 million. More than 80 per cent of Voxpro's turnover originates from companies with headquarters based in the US.

**How did you secure your first investment?**

Having made the decision to buy Pageboy from its owner, Noel Murphy, in 1995, we began the task of putting together the finance to affect the deal. The advice from all the financial institutions approached was that this was a bad deal and not to go ahead. We'll always be grateful to Noel Murphy for providing the opportunity and his advice in helping us to secure the loan.

**What was your "back-to-the-wall" moment and how did you overcome it?**

2012 was a very challenging year when we aggressively pursued a num-



ber of opportunities. Without the help of Enterprise Ireland and the financial institutions, Voxpro would not have secured the new business.

We could be accused of overstretching ourselves but our passion and belief in what we were doing, along with our very strong management team, resulted in us winning the business and stabilising the operation. Looking back at 2012, a year of 100 per cent growth for Voxpro, we always believed we would find a way.

**What moment or deal would you identify as the "game changer" for the company?**

Acquiring our first international client was a "game-changing" moment for Voxpro. Even though that contract was for €500 a month, it was the significance of identifying and securing this company. We were subsequently able to use this client as a door opener to other potential international clients.

**Do you plan to extend your services to a new customer demographic or penetrate a new sector in the next 12 months?**

Following a year of 100 per cent growth in 2012, 2013 will see a focus on building out the strength of the company, while managing 50 per cent growth in 2013 and the addition of another 100 people to the Voxpro team by the end of the year. Anthony O'Mara, most recently SVP of Trend Micro, has joined Voxpro as chief operations officer to assist it in expanding its international reach.

We will be launching a new multilingual shared services centre this year. This new concept will provide us with the ability to deliver complex technical support for our customers across the globe.



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