THE IRISH TIMES BUSINESS AWARDS 2019 in association with KPMG

Executive Profiles

Twelve business leaders are in contention for the Irish Times Business Person of the Year award. **Peter Hamilton** profiles the final contenders as well as the shortlisted candidates for small enterprise of the year

Patrick and John Collison
Stripe

January's award went to Stripe founders Patrick and John Collison after the Limerick-born brothers started the year with a bank, announcing a $100 million (€88.7 million) follow-on funding round for Stripe and the appointment of a tech titan to the company's board.

The latest investment, from Tiger Global, came just four months after Stripe secured $245 million (€216.7 million) in a round led by the same company.

The online payments company also announced that Diane Greene, who previously co-founded and ran VMware, and who was until recently chief executive of Google Cloud, was to join what is already a strong board.

> **The rapidly growing valuation for the company has seen the Collison brothers more than double their financial net worth to €2 billion each in the past year**

The company, which employs more than 1,000 people worldwide and handles billions of dollars in transactions each year, started off with relatively small clients. However, it now counts large companies such as GE, Adidas, Docusign, Slack, Nasdaq, Macy's and the NFL among its customers.

Chief executive Patrick Collison has stressed on numerous occasions that both he and his brother are in it for the long run. He has also said that the company is still very much at the start of its journey and that with just 5 per cent of global commerce currently taking place online, it sees huge growth opportunities.

For Stripe, there appears to be no heights to which it can't climb and the company founded by the Limerick brothers now comes with a valuation of $22.5 billion (€19.9 billion).

The rapidly growing valuation for the company has seen the Collison brothers more than double their financial net worth to $2.3 billion (€2 billion) each in the past year.

There's no doubt that the company has worked hard to achieve that lofty valuation. In the next few months it intends to add a half-dozen countries to the 23 where its service is widely available.

In particular, it's about to enter smaller European markets like Estonia, Greece, Latvia, Lithuania and Poland.

Dómhnal Slattery
Avolon

In February it was the turn of Dómhnal Slattery, chief executive of Irish aircraft lessor Avolon, to pick up our monthly award.

Dublin-headquartered Avolon recently raised $1.1 billion (€970 million) through the private placement of unsecured bonds which it will use to pay down existing debt and take a key step in winning an investment grade rating.

The move followed Avolon's announcement that its aircraft-leasing operations generated $2.2 billion (€1.96 billion) in cash last year and grew profits by 30 per cent to $717 million (€639 million).

> **By December 31st, the Irish company owned or managed a total of 971 aircraft, a 7 per cent increase on 12 months earlier. It also drew investment from global financier, Orix**

During 2018, Avolon delivered 33 new aircraft to airline customers around the world including the first Airbus A330 neo. By December 31st, the Irish company owned or managed a total of 971 aircraft, a 7 per cent increase on 12 months earlier.

It also drew investment from global financier, Orix, which took 30 per cent of the Irish company last year.

Days after Mr Slattery was announced as the award winner for February, the company said so strong was the response to its borrowing plans that it would increase the debt to $500 million (€445 million).

Mr Slattery has three decades' experience in the aviation industry. He began his career in marketing roles with Guinness Peat Aviation (GPA) and GE Capital Aviation Services (GECAS).

He subsequently established International Aviation Management Group, which was bought by Royal Bank of Scotland, and became RBS Aviation Capital, which Mr Slattery ran from 2001 to 2004.

Mr Slattery founded Avolon in 2010 and has led it through private equity ownership, to flotation on the New York Stock Exchange and through a take private to become part of China's HNA Group. Avolon ranks as one of the top five in its industry worldwide.

David McRedmond
An Post

March saw the chief executive of State-owned An Post David McRedmond pick up our Business Person of the Month award in March having firmly turned the organisation around into a growth position.

Since he joined the company in 2016, the executive has presided over a swift turnaround of An Post's troubled position and last month the company said profit grew from €8.4 million in 2017 to €40 million in 2018. That came with turnover growth of 6.8 per cent to €897 million.

> **The turnaround overseen by Mr McRedmond involved a step-change increase in stamp prices and a widening of the services the company offers**

To put those numbers in context, in 2016, An Post's pre-tax loss ballooned to €15.6 million while its pension deficit swelled by more than €100 million.

The turnaround overseen by Mr McRedmond involved a step-change increase in stamp prices, a widening of the services the company offers, more flexibility in parcel deliveries, and a consolidation of its network, the largest retail chain in the Republic.

Mr McRedmond is also overseeing the company's move into the mortgage market and it announced plans last month to offer loans of between €5,000 and €75,000 on terms ranging from one to seven years.

The loan offering through Avantcard has a tiered interest rate starting from 8.5 per cent depending on a person's credit rating.

An Post is launching a sub-brand called An Post Money, supported by a series of advertising campaigns as part of a €5 million brand refresh to position it for its growth ambitions.

An Post services about 1.5 million customers per week and processed €14 billion worth of transactions last year.

While revenue from mail services has witnessed a global decline, An Post recorded growth of 40 per cent in its parcel business last year with Christmas parcel deliveries up 60 per cent on the previous year.

Small Enterprise of the Year
Innovators driving the economy

While the Republic's big corporates often dominate the headlines, the small and medium enterprises remain the backbone of the State's economy. Here we profile our shortlisted candidates for The Irish Times Small Enterprise of the Year award.

East Coast Bakehouse

For a business that started out just before the Brexit vote with a business plan focused on the UK, East Coast Bakehouse's results this year are quite impressive.

This year the company forecasts revenue growth of 300 per cent to between €10 million and €12 million.

Established in 2016 by entrepreneurs Michael Carey and Alison Cowzer, the company secured investors on the basis of its plan to sell 80 per cent of its product to the UK market.

Following the Brexit referendum result, the company was forced to make a quick pivot and has gone on to substantially develop its presence in the Republic, making own-brand cookies and selling them across a wide-range of supermarkets.

Additionally, the company, which also engages in contract baking for other brands, is now exporting to 25 countries including the Middle East and mainland Europe as well as the United States.

East Coast is most certainly poised to pick up business as a result of the Brexit fallout, given that the Republic buys about €5 million a week in biscuits. As well as that, with the scale of its factory – it can produce 77,000 packets of biscuits in an eight-hour shift – it's well placed to pick up contracts that move out of the UK if uncertainty there persists.

Alison Cowser and Michael Carey of East Coast Bakehouse


Diaceutics founder Peter Keeling

Stephen and Jack Teeling of Teeling Whiskey


Strong Roots founder Sam Dennigan

Diaceutics

Dundalk-based medical technology company Diaceutics started as it meant to go on in 2018, raising €4.3 million through a mix of debt and equity financing to fund its expansion last April.

As part of its aim to hit revenues of about $40 million (€35.6 million) by 2020, in March 2019, the company went on to raise a further £17 million (€19.7 million) through a placing of over 22 million shares on the London stock exchange's junior market.

On that very first day, shares jumped more than 25 per cent.

Founded by Peter Keeling in 2005, Diaceutics works with pharmaceutical companies on diagnostic testing and data analytics to bring more personalised medicine to patients.

Its current data set includes information from 2,500 laboratories, including 3.5 million longitudinal patient records, insurance claims data for 50 million patients and 58 million testing event data points from 35 countries.

While this year was a good one, Keeling is looking to ensure the future is even brighter. He noted the funds would be used to fund acquisition of data and information technology capabilities to drive the business, develop its new software as a service platform and extend into new geographical markets.

Its AIM listing makes Diaceutics the fourth Northern Irish company listed in London.

Teeling Whiskey

Its hardly surprising given their stock, but the Teeling family appear to have struck gold again with their new Teeling Whiskey brand. With a distillery in Dublin's Liberties, the company has gone from strength to strength in the past year.

By June, it had grown its revenues from visitors to €9 million having welcomed more than 300,000 visitors, anticipating growth of around 10 to 15 per cent by June 2019.

And they're backing up their claims to visitors. At the 2019 World Whiskies Awards, Teeling's single malt claimed the World's Best single malt, the first time an Irish brand has achieved the honour.

The plan now for brothers Stephen and Jack is to grow sales to €30 million annually by 2020 by aggressively targeting the US and Irish markets and airport retail sales. Impressive work for a company that built its own distillery in 2015 and has since laid over 2.5 million litres of whiskey.

Backed by drinks giant Bacardi, the company is capitalising on the increasing support for Irish whiskey and with its ramping up of investment, one suspects there's plenty of headroom for growth.

And their award, which will help fight against Scottish whiskey, does them absolutely no harm.

Strong Roots

Fast-growing Irish food company Strong Roots is quickly reaching dizzying heights. Having aggressively expanded into the UK, becoming stocked in every major retailer, the company which specialises in healthy frozen vegetable products is firmly focusing now on cracking the US.

Founded by Dubliner Sam Dennigan in 2015, Strong Roots plans to almost double the number of stores its goods are sold in globally with its launch in the US later this year.

With products such as kale and quinoa burgers, roasted beetroot wedges and sweet potato fries, the company has agreed deals with three major US chains to distribute its goods at more than 3,000 stores from May.

The company's products are currently available in about 4,000 stores globally with eight million packs sold since Strong Roots was established. Half of this total was sold last year.

It expects revenues of about €20 million this year, growing to €100 million by the end of 2022.

In both Britain and Ireland, Strong Roots is stocked by all of the leading grocery retailers outside of the German discounters.

In Britain, its products are also stocked by Ocado, the world's largest dedicated online retailer, Harrods, Whole Foods and Amazon Fresh, which introduced fresh food deliveries to that market in 2016.