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Tech firms vie for profile in Tech Tour

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by **Martin Lynch**

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Twenty lucky Irish high-tech companies will soon be battling it out for tens of millions of euro of venture capital funding.

After a five year break, the Tech Tour is coming back to Ireland, and out of roughly 100 carefully chosen Irish technology firms, 20 will get the chance to pitch to some of the leading international venture capital firms and IT companies. Organised by the European Tech Tour Association -- a not-for-profit Swiss group -- the November event will open the doors to much needed venture capital for many Irish IT firms.

The Tech Tour was last held in 1999, where finalists that received funding included Massana, Baltimore Technologies, Eurologic, AES, Peregrine, Parthus and Trintech. The economic downturn claimed eight of the 24 companies that presented in 1999, but many others went on to be listed on the stock exchange while others were acquired. Both Massana and Eurologic were sold for approximately EUR35 million each.

"This represents a great opportunity for Irish technology companies because you need international venture capital to expand into new markets, like the US and Asia," commented Conor McCarthy, associate director of NCB Corporate Finance and vice-president of the 18-member Irish selection committee. "There was a bit of a view among venture capitalists that the Irish tech bubble had burst, but the sector is strong again."

Finalists will be chosen on numerous criteria, including unique or proprietary technology, products for high growth markets, credible business models and clear go-to-market strategies, among others. The 18-member selection panel is made up of technology and investment companies, like Microsoft and NCB, as well as representatives from Enterprise Ireland and the Irish Software Association. Roughly 20 percent of the companies will already have had first round funding, 60 percent will be at the development/expansion stage, and 20 percent will already have mature products and some international presence.

While there is no guarantee of a cheque at the end of the day for presenting companies, the chances are high that some funding or business will come out of it, according to McCarthy.

"The type of venture capital firms we are bringing in are looking to put several million euro to work, and some will have a lot more than that," he said. "For instance, the 60 percent of the finalists seeking expansion capital will be looking to raise around EUR3 million each. The VCs there that day will be managing hundreds of millions in funding."