

WEST COAST COOL

Ireland's financial technology professionals and start-up founders offer their advice on making a big splash in Silicon Valley and the San Francisco Bay area



BARRY O'BRIEN

Silicon Valley Bank

Former vice consul O'Brien reckons the old-fashioned drive – long-associated in America with the Irish work ethic – is what is needed to make headway in the US tech sector

Former Irish diplomat Barry O'Brien is managing director of Silicon Valley Bank's corporate venture capital group, a position he took up in 2012. Before that, the 32-year-old was vice consul at Ireland's consulate in San Francisco, responsible for a region which spans more than a dozen US states and accounts for 42 per cent of all global foreign direct investment into Ireland.

The numbers at Silicon Valley Bank (SVB) are just as impressive. Its clients include 50 per cent of all venture capital-backed technology

and life science companies in the US and 600-plus venture capital firms. The bank, which is listed on the Nasdaq, has a market capitalisation of \$6 billion (€5.4 billion) and \$47 billion in assets under management.

Its more than 1,900 employees provide commercial, international and private banking through 34 locations, including, as of this year, Dublin, where it appointed Clive Lennox as permanent representative.

At the same time, the bank committed a further \$100 million in new

lending to the Irish tech and life sciences sector here, to be made over the next five years. This is in addition to the \$100 million already committed in 2012. The bank has worked with some of the biggest names in Irish tech, including Logentrics, Intercom and Stripe. "SVB will only go to truly global innovation centres, which is why Dublin is on our radar," he said.

For O'Brien, who moved to the west coast in 2008, one of the biggest things that struck him was how competitive the venture capital market is there. "You're up against not just the best in the US, but the best in China, Israel, the world," he says.

To succeed in this high-tech environment you need some old-fashioned drive. "One of the first things I did with the consulate was to accompany [former] president Mary McAleese to Portland, Oregon. I remember how moving it was to see graveyards there with names of Irish people born in places like Cobh in 1870 and who died out here. To



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their family it would be the equivalent of us saying we are going to live on the moon. It was a pioneering spirit that drove them to make a new life here and you still need a little of that today.

"Entrepreneurship isn't enough. You have to be pioneering too and have a little of that 'burn the boats on the beach' mentality. It's not a market you can come and nose around in; you have to commit."

The other characteristic that continues to strike him is the depth of diversity in Silicon Valley.

"Google founder Sergey Brin is Russian, Steve Jobs of Apple was born to Syrian parents. There are people here from all corners of the Earth. I work with people of all nationalities.

"I always tell people that if you only ask for the opinion of a bunch of middle-aged white guys from the golf club, that's what you'll get. But if you seek out diversity, have a vibrant mix of backgrounds, good things happen and innovation takes hold."

EILEEN TREANOR

Lever

Supplying technology tools to the recruitment sector puts Treanor in the ideal position to see where the best opportunities lie in the San Francisco Bay area

An enjoyable trip to New York with friends for St Patrick's Day prompted Eileen Treanor to try her luck full-time in the Big Apple. An accountant by profession, she landed a job at PwC in March, 2004, and, if it wasn't for the "bone freezing" winter that followed, she might be there still.

Instead, she followed some friends out to the west coast of the US. It was a good move. A recruitment agency there asked if she would consider working with Yahoo. She ended up staying there for five years before taking up senior roles with Virgin America and entertainment site Wikia.com.



This year she was appointed chief financial officer at San Francisco-based HR tech firm Lever. "It's a great company to work for because the recruitment sector has a lot of legacy tools and Lever is part of the new wave of tools that are helping companies deal with changing recruitment trends," says Treanor.

A particular trend is for more "active recruitment," she says. "We're seeing companies actively seeking out the talent they need

In every job I was in I identified the job I wanted next and then I up-skilled so that I'd have the right skill set for that position

rather than waiting for it to come to them."

Supplying tech tools to the recruitment sector puts Treanor, who lives in the Pacific Heights area of San Francisco, in a good position to see where the greatest opportunities lie right now in the Bay area.

"Everybody is talking about big data because every company has the same problem; with the advent of technology we have all this data but we don't know what to do with it, or even, what we could do with it."

Her own sector – HR tech – is particularly buoyant. "There are a lot of players, a lot of competition, but a lot of investment too. \$2.5 billion (€2.25 billion) was invested in HR tech in 2015 and \$600 million in the first quarter of 2016."

Strategic moves

If her experience moving to the US has taught her one thing, it's that the key to securing the job you want is to be strategic. "In every job I was in I identified the job I wanted next and then I up-skilled so that I'd have the right skill-set for that position," she says.

For Irish people in the tech sector looking to head out to the west coast of the US, her advice is to not underestimate the value of the Irish network.

"There have been Irish people in every company I've worked at here. Here in Lever we have Irish connections too – we use [Irish payments technology company] Stripe and we're meeting with the guys from [Irish sales forecasting software company] Datahug next week.

Don't be afraid to tap into that resource, she says.

"Pick up the phone and ask people for a little help getting the lie of the land. We've all been there and it's nice to help."

DAVE SPILLANE

Stripe

Networking is a fundamental aspect of doing business on the west coast, advises Spillane, a former Ernst & Young accountant who is on his second tour of duty there

San Francisco has proven itself to be a land of opportunity for Dave Spillane not once but twice. Formerly an accountant with Ernst & Young in Dublin, he was transferred to San Francisco early on in his career. While there, he kept in touch with friends and family back home by means of a little-known social media site called Facebook.

When that company offered him a job as its chief accountant, he took it. "I just loved the product," he says. Not everyone thought it was a good move. "People told me I was mad to give up a good 'permanent and pensionable job'. It was the end of 2008 and there

was hardly anyone on Facebook. They all thought it would go the way of Friendster."

The rest is a personal history that saw Spillane not just enjoy four-plus great years at Facebook but ultimately land a great payout too when the company floated on the stock exchange. Spillane followed that up by taking a year out to go travelling with his wife. They got eight months into their trip when a call came from Stripe, an online payments company started by two young brothers from Limerick, the Collisons.

"I told them I wasn't looking for a job but that I'd like to meet them. So I

met them and ended up joining Stripe the very next week," he says. That was two years ago, at which point the company had a staff of around 100. Today it employs 600 people and is looking for more.

The most marked difference in the business culture of the west coast US and back home, he says, is how open people are. "They're very into networking. If you call someone up to meet them, they usually will. They make the time to do it because someone will have done it for them."

He advises anyone heading over to tap into Enterprise Ireland's networks. "They know everybody and will help put you in touch with the

right people," he says. "And the IDA does great work helping companies going in the other direction."

Technology has transformed how people live there in a more pronounced way than at home. "We

don't even go out to a restaurant anymore, we have six or seven apps we use that deliver restaurant food in minutes. People don't go to the supermarket, you shop on an app and it's dropped to your door in two hours."

Stripe's products underpin much of this activity but you don't even

have to be in the tech sector to succeed here.

"One of the biggest VC funding races we are seeing at the moment is between coffee shops, of all things. Boutique chains like Bluebottles and Philz are growing rapidly simply because they make great coffee. It doesn't matter what sector you are in, what matters is that you have something people want."



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IAN MATTHEWS

Wattz



Alchemist, a prestigious California-based accelerator programme, gave Matthews and his cousin the tools they needed to launch their internet of things start-up

Ian Matthews (left) and his cousin Alan Matthews set up Wattz in February of this year, developing products that harvest ambient energy to power products for the internet of things.

Ian, who has a PhD from Cork's Tyndall Institute, left a job at Bell Labs in Dublin to launch the business.

In doing so, he had a very particular start-up strategy in mind. "I was at a talk for entrepreneurs at which one of the speakers said that too often Irish start-ups spend years setting up and building a business and then come to the US where, essentially, they are back to square one. Our plan was to try and establish ourselves in both markets at the same time."

He pulled off this wizardry by landing a place on a prestigious accelerator programme, Alchemist, based in San Francisco.

"What made it of particular interest to us is that it focuses only on business-to-business start-ups, not consumer driven ones," he says.

The move has proved a good one. "What we have found is that people are incredibly open here, even though we are at a very early stage. We're still at product/market fit stage and looking for our first customers. Most of our time to date has been spent talking to businesses so that we can establish their pain points in this area. And we are finding that businesses are very open to talking to us."

The fact that the accelerator is backed by tech giant Cisco has been helpful too. "It has been very open about having conversations with us too," he says.

Being part of an accelerator programme in San Francisco also enables them to plug into a ready-made support network, offering an invaluable sharing of contacts as well as knowledge. "Around half of the participants on the accelerator have already started businesses in the Valley and are on their second time around, so it's great to be able to tap into that experience."

A trend he notices among the start ups in San Francisco is that many are

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"mission driven – they want to change the world," he says. Being in an accelerator is a good way of keeping his ear to the ground on the investor front too. "What we're hearing is that seed rounds are very doable but Series A rounds, although they are coming back a bit, are trickier to land than in the past."

Right now he's busy executing the second part of his start-up master plan; while cousin Alan stays on in San Francisco, Ian is coming back to participate in New Frontiers, the Enterprise Ireland supported acceleration programme. He will be based at the Rubicon Centre in Cork.

So just how come Alan gets to stay in the sunshine of San Francisco while Ian has to return home? "Alan kite surfs." Enough said.

EDEL CARTER

Grant Thornton

A fresh approach to the start-up lifecycle made an impression on Carter when she moved to San Francisco to setup the West Coast Desk as part of the Grant Thornton US Irish Business Group

Edel Carter moved to San Francisco in January, 2016, on appointment as a director in Grant Thornton's US-Irish business group which was already on the east coast.

Today, much of her work involves helping US-based companies interested in establishing a European base in Ireland. She also helps Irish companies heading in the other direction. As such, she is well placed to spot tech sector trends in both places.

One of the first things that struck her was how early in their lifecycle companies are looking to establish an overseas base.

"Even five or six years ago companies making the decision to move would have been further down the lifecycle path. These days the type of companies coming through are working off a fast, scalable model, looking to access as many markets as possible, as quickly as possible," says Carter.

Many Irish companies head to the US with a view to establishing a market presence or to access investment. "We can support them in a number of ways, including with introductions," she says.

"There's a big networking scene here and the business culture is very relaxed. You never know who you are going to meet and many of the key players are the guys in the hoodies and trainers; it's that informal."

For companies looking for investment, it's all about making a standout pitch. "These guys are pitched to at the rate of a mile a minute. That's good, because it's a reflection of the fact that the quan-

tum of funds available here is just so much bigger. But it also means you really need to distinguish yourself."

Ireland punches above its weight in terms of awareness on the west coast of the US, thanks in large part to the IDA's success attracting foreign direct investment to Ireland.

"Ireland's reputation is such that very many of the people I meet in business here already know guys who have gone to set up operations in Ireland. That history has helped the

The type of companies coming through are working off a fast-scalable model, looking to access as many markets as possible

Irish to develop good networks here over the years," she says.

The hottest sectors in San Francisco's tech scene right now include augmented reality, artificial intelligence and the internet of things. Ireland makes an attractive proposition for companies in all these spaces, and others, to locate in, she says. What's

more, tax is not as important a part of Ireland's appeal as it was previously.

"It's about talent. Talent here in the west coast is expensive. I didn't realise how much so until I got here. For these high-tech companies it's all about attracting the brightest and the best.

"And in Ireland not only do we have a highly-skilled, highly-educated young workforce, but we have salary levels that are attractive too."

