on the GRAPEVINE

with **JOE DERMODY**

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Dave and Sue Beesley of NetDef with John Lennon and Patrick McAliskey of Novosco at NetDef's offices in Cheshire.

Novosco adds to core services

Managed cloud provider Novosco has increased its workforce to 140 staff on foot of its recent acquisition of specialist IT security solutions and managed services expert NetDef.

The seven-figure deal will see Novosco add a world-class security specialism to its highly-regarded service offering. Novosco is one of the fastest growing technology businesses in the UK and Ireland, with existing offices in Belfast, Dublin, Manchester, and Cork.

Novosco managing director, Patrick McAliskey, said: "NetDef is an established provider of network and security solutions to some of the UK's most high-profile organisations, and its expertise and competence have seen it entrusted with data and projects of the utmost public sensitivity. Working with Dave Beesley and his team will give Novosco added scale and a new dimension to our service as we further grow our business across UK and Ireland."

Novosco services many of UK's largest health trusts, universities, and housing associations, more than 50% of Northern Ireland's top 100 firms, and some of the Republic's largest organisations.

PC sales up in US, but still in global decline

Sales of PCs have regained some growth in North America, but they continue to lose market share globally, according to the latest PC shipment report by IT industry research and advice firm Gartner.

Worldwide PC shipments totalled 64.3m units in the second quarter of 2016, a 5.2% decline from the second quarter of 2015, according to Gartner.

This was the seventh consecutive quarter of PC shipment declines, but Gartner analysts said the market is showing some signs of improvement.

Mikako Kitagawa, principal analyst at Gartner, said: "One of the ongoing problems in the PC market has been the price hike in selected regions due to the weakening local currency against the US dollar.

"All regions except North America experienced a PC shipment decline," she added. "The Latin America region was still very weak largely because of political and economic instability. PC shipments in Latin America are expected to fall below 5m units for the second quarter of 2016, which is a decline of more than 20% from the second quarter of 2015. These shipment results would be some of the lowest in the history of the Latin America PC industry."

While the UK's vote to exit the European Union did not have a major impact in the worldwide PC results in the second quarter of 2016, Gartner analysts said Brexit could potentially create uncertainty, not only in currency, but also the entire economy beyond Europe.

Lenovo maintained the No1 position in worldwide PC shipments in the second quarter of 2016, despite a 2.2% decline in units from the same period last year.

This was the fifth consecutive quarter of global PC shipment declines for Lenovo.

The company experienced double-digit growth in the US mobile PC market, but EMEA continued to be a challenge due to inventory build during the quarter.

In Asia/Pacific, Lenovo's shipments declined, but the decline was less than the overall average in the region.

Mikako Kitagawa, principal analyst at Gartner.

Cut tax on labour to boost new rural jobs

The high costs associated with employing people is the single greatest factor holding back the growth of small businesses — but this can be overcome with a review of income tax policy, says Ireland South MEP Deirdre Clune.

Ms Clune has brought Irish insights to a new EU report on measures to help small businesses and start-ups create more jobs. Her tax suggestions have gained some traction with her EU colleagues.

"Some areas we looked at were reducing red tape and unnecessary regulation for small business and start-ups," she said. "That means smarter regulation — not more regulation. We need to make it easier and cheaper to set up a company, create jobs, avail of supports."

"We looked at labour costs for small business and how they can impact on SME competitiveness and bottom line. National governments, including Ireland, should look to reduce taxation on labour — broadening out the tax base to other areas. SMEs can create jobs in rural Ireland but not if they are stifled by excessive USC and such taxes on taking on new staff."

Some 16,257 new Irish enterprises started up in 2014 — up 18% on 2013. There were 19,159 persons engaged in these new companies. Almost 85% of startups formed in 2013 were still active in 2014.

"We looked at access to SME funding and tax incentives to encourage young entrepreneurs to start new business — in particular in rural and outlying parts of Europe."

The group's recommendations to help SMEs will be voted upon in a full session of the European Parliament in Strasbourg in September.

Code Institute steals a march in the world's busiest industry sector

SPECIALIST Dublin-based EdTech company Code Institute has seen 94% of its first cohort of students land top quality jobs within three months of their graduation — the Institute having only launched its 12-week coding bootcamps in 2014.

It's no secret that talented IT people with coding experience are among the most sought after skill set; they're being wooed not just by their own industry, but across every sector from pharma and medtech to aviation and auto-motive manufacturing. Coders are being snapped up globally.

The European Commission has identified a shortage in ICT skills is booming, with 825,000 job vacancies predicted across the EU by 2020 due to a lack of digital skills. What's more, the US is also predicting it will create about 1m ICT vacancies from now to 2020.

"Every industry is looking for more coders," said Jim Cassidy, CEO of Code Institute. "Coding is literacy in the 21st century; it's needed in every industry. When most people think of coding, they think of companies like Google or Facebook. The reality is that every company is now a technology company; they're all using software, so they need product designers who understand their business.

"Companies want to know where the next disruptive technology is coming from. It is vitally important for all companies to understand how new technology will present challenges to their business. When we think of the auto-motive sector, we'd be forgiven for thinking it as heavily manufacturing-based. In fact, you have over 100 million lines of coding in any new car. Pharma and medtech are the same. It's every industry, and that is what's driving the demand for coders."

Code Institute is giving its students "full stack" training; ie, everything from front end coding for visual content that the user sees, and the back end data coding we can't see. The relevance of the training is what is exciting industry attention. A lot of people signing up for the bootcamps will complete their studies online.

Thus, many will take longer to complete the course than participants in the 12-week classroom bootcamp. The Institute expects to have from 1,500 to 2,000 people complete its courses in Ireland next year. Most of those will be online participants.

"We are expecting exponential growth to come from online," said Jim Cassidy. "We look at Ireland as a digital hot spot for Europe, and we see the Institute being located here as being of great benefit to us. Ireland is a vital market for us in terms of the types of student and the talent we can access. But Ireland is also coming up against a lot of other countries who are trying to do something similar in this sector. It is important that our Government continues to work hard to attract outside talent. We care deeply about Ireland, but our bigger picture is that we are also trying to change the way that people get into coding, and how these skills are taught.

"This is a global problem, not just an Irish problem. We are an Irish company, but we're working in a global industry. There is a real opportunity for coding training, but it needs to be looked at from a fresh perspective."

Code Institute saw 138% industry growth from 2014 to 2015. It developed full on-boarding support, including trainer training. Its channel

Jim Cassidy, CEO of Code Institute, says the snowballing demand for coders is driven by the fact that new technologies now play a central role in virtually every sector of industry.

partners trained more than 16,000 US bootcamp graduates last year. Its courses are uniquely credited in Europe, with an industry-validated and reviewed syllabus.

The Code Institute's bootcamps are credit rated by Edinburgh Napier University. The Institute's Industry Advisory Council is a panel of industry-leading experts unique to Code Institute, with expert input from PayPal, Morgan McKinley, Ogilvy, Accenture and Dell.

The pace at which Code Institute's offering is taking off is itself a lesson in how coding is so vital to all industries. Code Institute has just appointed an executive in Asia who is signing up partners for its services. Likewise Holland and Germany. It is already making serious inroads into the UK. The fact that the institute

expects most of its growth to come from online training tells its own tale of the appetite for this training.

"Our bootcamp gives students the 'full stack' training they need to go out a get a job," said Jim Cassidy. "We give them the relevant skills that the industries want, the skills that are being sought by our partners, everyone from Accenture, Ogilvy, and PayPal to Dell and GSK. We are also partnering with recruitment firm Morgan McKinley.

"Our bootcamp is very different from the usual STEM courses in college, which are great courses and which deliver a comprehensive education and great personal development over four years. What we are looking at is just coding, just giving people that one skill, but with great relevance. The college courses take a long time to come together.

"We are far more agile, and more in tune with what industry is looking for. We're getting a wide mix of people coming to us. Some are completely new to coding, people with degrees in engineering or arts. We're also getting experienced coders who want to make sure their skills are up to speed; and people working in the back end who want to be updated with the latest front end training."

It is this cohort of people already in jobs taking on Code Institute's online training which is set to drive the company's growth. A few weeks ago, Code Institute secured €500,000 syndicated investment from Kernel Capital and Enterprise Ireland.

Following the investment, Micheál Ó Foghlú, CTO of Red Hat Mobile and former co-founder and CTO of Kernel Capital investee FeedHenry, has joined the Code Institute's advisory council. The investment will be used to develop a suite of future courses and to support the company's international market expansion plan.

▪ codeinstitute.net

Intel drone inspector

A team from Intel and Airbus has conducted an aircraft visual inspection using an AscTec Falcon 8 with Intel RealSense cameras, a recent demo exercise at Farnborough International Airshow in England on an Airbus passenger airliner.

"This collaboration and demo with Airbus showcases the advancements and innovation Intel brings to the drone industry," said Anil Nanduri, VP and general manager within Intel's new technology group. "We believe this prototype showcasing the Intel RealSense collision avoidance technology on the AscTec Falcon 8 will further enable our products and our industry, as well as others."

The drone took a series of automated pictures. Any images of scratches, dents and paint defects, will be compiled in a 3-D digital model, recorded in a database and analysed. This data will help to improve damage traceability, and also to prevent and reduce them.

Intel is recruiting for a variety of roles at its Irish operations in Cork, Shannon and Leixlip, Co Kildare.
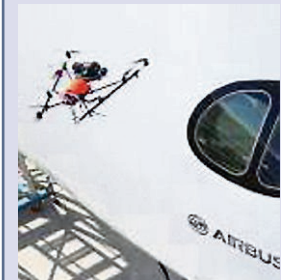
The Intel drone inspection demo with Airbus.

Strong interest in startup package

Businesses have expressed strong interest in a new Bank of Ireland Business Startup Package offering a range of supports to help start and grow a successful business.

As part of the programme, the Bank has also partnered with a number of leading professional organisations to offer a suite of digital, legal as well as financial support to startups launching their new enterprise.

Declan Galvin, Bank of Ireland head of small business, said: "We're offering startups a competitive suite of business supports through our new business startup package.

"Access to professional services is a key component when starting out in business and our new offer provides free access to these

Declan Galvin, Bank of Ireland and Paul Wood, marketing director, FCR Media Ireland.

professional consultants at a time when cash flow is really important."

Partners on the startup package include FCR Media, offering startups a year's free online presence.

The free offer includes: a web page, a dotcom domain, free hosting with unlimited bandwidth, 24/7 security protection, a listing on www.goldenpages.ie, among other invaluable supports.

To avail of the bank's new package, startup businesses can open a new business startup current account with Bank of Ireland, or log on to bankofireland.com/startup to find out more.

BMS seeking top quality marketing personnnel

Pharma firm Bristol-Myers Squibb has a number of vacancies at its operation in Dublin.

Among other key roles, this developer of innovative medical products is looking for a field access manager to provide strategic and tactical HSE/healthcare insight to the company's sales and marketing functions.

Essentially, this is a marketing role. The successful applicant will build and maintain excellent relationships with key stakeholders in the Irish healthcare arena. Qualifications would include relevant education, eg, an academic degree (science, economics) or sufficient professional knowledge and experience. Previous oncology experience or background

preferable but not essential. The most important element is an ability to communicate effectively and persuasively on complex clinical and economic matters to clinicians and payers in an emerging and changing Irish healthcare system.

BMS employs more than 27,000 people worldwide, and about 550 people in Ireland in its global manufacturing and supply (GMS) and commercial operations.

Its operations in Ireland include two active pharma ingredient manufacturing sites in Swords, Co Dublin and Cruiserath, Dublin 15, a global biologics drug product testing laboratory and its external manufacturing facilities in Cruiserath, Dublin 15, and Shannon, Co Clare.

Sven Kussmann has been appointed as chief financial officer with SR Technics, MRO service provider for the civil aviation sector. He succeeds Christina Johansson, who is leaving the company. He joins from Mubadala Development Company, where he was part of its corporate finance team being responsible for the companies' merger and acquisition activities as well as the group-wide portfolio. Prior to this, he worked for companies such as Allianz Capital Partners and PwC. He holds an MBA from Passau University, Germany, and executive education degrees from Harvard Business School and Insead.

David McRedmond has been appointed as non-executive chairman of financial PR firm Powerscourt Ireland. He was until recently the chief executive of TV3. He was previously a director at Eircom plc (now Eir). He started his career in retail and held senior positions at Waterstones and WH Smith, where he was CEO of WH Smith International. Powerscourt Ireland's advisory team is led by Jack Hickey, a corporate lawyer who also worked in London and Dublin in financial communications consultancy; and David D'Arcy, an ex-journalist and TV producer who spent 10 years in the European Commission, latterly as a senior press officer.

Katie Farrell has been promoted to director of sales in Dublin with The Westbury, part of the Irish-family owned hotel group The Doyle Collection. She joined the sales team during 2014. She will now provide strategic leadership for all sales, revenue management, e-commerce and public relations activities and will continue to act as key account manager for Leading Hotels of The World and the American Express fine hotels and resorts programme. She has previously worked with hotels such as the Millennium, New York and the Breakers, Palm Beach, Florida. She holds a degree in hospitality management from DIT.

Joseph Scott Lennon has been appointed duty manager at Fitzpatrick Castle Hotel, Killiney, Dublin, responsible for assisting the general manager in running of the hotel. Son of owner, Eithne Fitzpatrick, and brother of general manager, Mark Scott Lennon, Joseph has been working at the hotel since he was 15 years old and has been involved in working within every department in the family run business over the years. The youngest of Eithne's four sons, he majored in economics in UCD and attended school at Blackrock College. He is also a very active member of Blackrock Rugby Football Club where he plays alongside his two brothers.

Boards need greater role in managing tax strategy

While two thirds of CEOs say the management of their tax affairs has a big impact on their reputation, only 41% of the same chiefs say their boards are actively involved in determining their companies' tax strategies.

This surprising position was one of the responses given by business leaders in the recent PwC 2016 Irish CEO Pulse Survey. It seems PwC themselves were a bit surprised by the response.

In fact, the directors' compliance statement in Ireland requires the board to be involved in both setting tax policy and ensuring that it is implemented appropriately. And, apart from the board's regulatory role, given the potential impact of tax non-compliance on their reputation, boards should be involved in that tax strategy.

Joe Tynan, PwC's head of tax, said: "CEOs are telling us that they want a sustainable tax model that they can easily explain to consumers,

to government and other stakeholders. However, they have to balance this with the fact that tax is a very significant cost for most companies and 90% are very focused on managing this cost.

"Governments continue to impose extra tax reporting requirements on companies. Rather than adding incremental processes and incremental costs, companies should look to re-design their overall tax reporting capability. Done appropriately, with new technology, this can reduce cost and bring new insights to a company on their tax strategy.

"Most companies are telling us that the tax reporting requirements are driving up cost and complexity. Innovation is key and tax reporting processes should incorporate better integration of data and adopt analytic capabilities. We are working with companies who are rethinking their overall tax reporting strategy."