

## **BDO DEVELOPMENT CAPITAL FUND INVESTS €10 MILLION IN BLUEFACE TO LAUNCH INTERNATIONAL EXPANSION**

- **Investment to drive Blueface's global expansion in new markets**
- **80 additional jobs in Ireland and abroad to be created over 5 years**
- **Investment is the seventh and largest to date by the BDO Development Capital Fund**

**Dublin, 5<sup>th</sup> March, 2017:** In its seventh and largest investment to date, the BDO Development Capital Fund is funding a €10 million investment in Blueface, the leading Unified Communications-as-a-Service Provider to businesses, enterprises and carriers. The investment will be used to accelerate significant international expansion plans by Blueface.

Blueface currently has over 50 high-skilled employees operating from its headquarters in Dublin. It plans to increase this number by 80 to over 130 by 2022 across its markets in Ireland, Europe and the US.

As part of the investment **Anthony O'Driscoll, Investment Director** of The BDO Development Capital Fund has joined the Blueface Board.

Announcing the investment, **Andrew Bourg, Head of Investments of the BDO Development Capital Fund** said: *"The BDO Development Capital Fund is delighted to announce details of this significant investment in a highly ambitious Company and management team. We are backing Blueface's goal of becoming a significant international player in its chosen market segments with the objective that this sizable investment in conjunction with the support of our Funding Partners will drive, exploit and maximise Blueface's international growth opportunities."*

**Blueface Group CEO, Alan Foy, commented:** *"In the BDO Development Capital Fund, we have found the right investment partner that understands our ambition to take our best-in-class technology global. This investment will help us with our plans to accelerate our growth into several new markets. Today's announcement marks a significant milestone in our journey and will enable us to continue to hire the best and brightest here in Ireland and in our new international offices."*

**Enterprise Ireland CEO, Julie Sinnamon, commented:** *"Enterprise Ireland has worked closely with Blueface over the last 10 years to support their growth journey and build a strong international customer base. This innovative and ambitious company has grown from strength-to-strength with further plans for recruitment and R&D development here in Ireland. Enterprise Ireland will continue to work closely with Blueface as they expand their global market reach, and we wish them continued success for the future."*

Founded in 2004 and headquartered in Dublin, Blueface's proprietary cloud voice platform services business customers of all sizes ranging from SME's through to large multinational enterprises.

The Enterprise-Ready cloud voice solutions provided by Blueface are recognised as cutting edge and global best-in-class, providing customers with reliable, feature rich, flexible and scalable UC solutions across hosted voice, landline and mobile services, messaging, conferencing, global services, workforce mobility and a suite of cloud based business applications.

The BDO Development Capital Fund provides development and growth capital for established, mid-sized and profitable Irish companies to assist them to achieve and accelerate their export-led growth plans. As well as facilitating its ambitious international expansion plans, the BDO Development Capital Fund will enable Blueface to take full advantage of the increasing shift to cloud communications.

The project is supported by the Department of Jobs, Enterprise and Innovation through Enterprise Ireland's investment in the BDO Development Capital Fund.

Blueface's international expansion strategy is driven by the significant and projected uptake of UCaaS (Unified Communications as a Service) solutions by SME and Enterprise customers moving from on-premise solutions to cloud-based delivery models for reasons including:

- need for scalability;
- high performance of workplace tools across territories;
- cost advantages of cloud-based utilisation of services;
- obsolescence of current capital equipment, and;
- global wind-down of PSTN analogue telephone networks.

Since 2004, Blueface have developed a proprietary Unified Communications platform that has grown to incorporate evolving Unified Communications features across hosted voice, landline and mobile services, messaging, conferencing, global services, workforce mobility and a suite of cloud based business applications.

Beauchamps and Deloitte acted for The BDO Development Capital Fund while Blueface were advised by Mason Hayes & Curran.

**(Ends)**

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**About Blueface**

Founded in 2004, Blueface is a full-service hosted Unified Communications platform provider. Blueface operates a proprietary cloud communications network and platform servicing a direct SME and Enterprise customer base, while also providing White Label and managed services for clients. Blueface is deployed through a Unified Communications as a Service (UCaaS) model, enabling end users, channel partners and White Labels / managed service clients to leverage the benefits of cloud communications.

Blueface offers a differentiated proposition in the UCaaS market in terms of a differentiated software platform and customer value proposition. The software platform has been developed to meet the needs of customers and is focused on delivering an enterprise grade platform to

customers of any scale, which can be deployed in multi-territory, multi-tenant and customised deployment scenarios. Customers benefit from a core suite of services which can be enhanced from elective add on features. The platform is fully integrated and allows customers to both access and self-manage their services through an intuitive user portal. [www.blueface.com](http://www.blueface.com)

### **About the BDO Development Capital Fund & Development Capital Fund Management DAC**

*The BDO Development Capital Fund* is a €75 million Fund aimed at investing development and growth capital in established, mid-sized and profitable companies to support and accelerate their export growth plans. The Fund is managed by Development Capital, a 100% subsidiary of BDO.

*The BDO Development Capital Fund* forms part of the Government's Development Capital Scheme, an initiative under the *Action Plan for Jobs* through which a total of €225 million is being made available to mid-sized Irish companies with significant growth potential. As part of this Scheme, €75 million in funds from the Department of Jobs through Enterprise Ireland will be matched with €150 million of private sector funding for investments in Irish companies through a series of different funds.

Development Capital has created a unique and unprecedented smart funding model centred on a partnership approach that, in addition to substantial capital, will give the selected companies access to advice and international contacts from a range of large Irish corporate and senior business executives. The **corporate partners to the Fund** include **Bank of Ireland, CRH plc, Glanbia plc and Glen Dimplex**. The Fund, which will invest in approximately 15 companies in total, invests between €2 million and €10 million in each investee company for an investment term of five years.

The other companies invested in by the *BDO Development Capital Fund* since it was launched in 2014 are **Version 1** (IT Services - €8m in 2014); **Lifes2Good** (Health & Beauty - €5m in 2015); **Perigord** (Life Sciences Packaging - February 2016); **Obelisk Group** (Telecoms & Utilities Infrastructure - €3m in April 2016); **Netwatch** (IT- remote visual surveillance- €9m in July 2016); **Broderick's** (Consumer Foods - €3.2 million in February 2017).

**BDO Smart Funding Model and Advisory Board.** Led by Investment Directors, Sinead Heaney and Andrew Bourg, the team at Development Capital operate a unique 'Smart Funding Model' for the *BDO Development Capital Fund* that combines capital with access to, both corporate and executive experience as well as international contacts. The fund capital sources include Enterprise Ireland, Bank of Ireland, CRH plc, Glanbia plc and Glen Dimplex.

This unique approach combines to create a broad and deep bank of international business experience for investee companies to draw upon. In addition to the Corporate Partners who have committed both funding and expertise to assist investee companies, the investee companies have access to proven **industry experts** who have created, grown and developed Irish Companies into international success stories comprising: **Alan Crosbie** (Former Chairman of Thomas Crosbie Holdings and family business expert), **Dr. Noel Kelly** (former Executive Director of Kentz), **Dr Jim Mountjoy** (founder of Eurstix), **Helen Ryan** (former CEO Creganna Tactx Medical) and **John Moloney** (Non-Executive Chairman of DCC plc and former Group Managing Director of Glanbia PLC). The Development Capital Investment Directors are supported by an Investment Committee chaired by **Eoin O'Driscoll** (Chairman of SWS). [www.developmentcapital.ie](http://www.developmentcapital.ie)

### **About Enterprise Ireland**

Enterprise Ireland is the Irish Government agency that works with Irish enterprises to help them start, grow, innovate and win export sales on global markets. Enterprise Ireland partners with entrepreneurs, Irish businesses, and the research and investment communities to develop Ireland's international trade, innovation, leadership and competitiveness. The ultimate objective is increased exports, employment and prosperity in Ireland. [www.enterprise-ireland.com](http://www.enterprise-ireland.com)