



**Alan Meaney**  
Co-founder and CEO,  
Fund Recs

# Problem-solving software creates business opportunity



Being able to look at challenges from a customer perspective can give you a great head-start in business as can keeping an open mind on a new business. Entrepreneur Alan Meaney's background in funds accounting – having worked in this role for HSBC and for SEI Investments – means he knows the difficulties clients encounter.

In fact, solving a reconciliation problem for a major fund administrator, following a referral from a friend, provided him with the traction to get his software business, Fund Recs, off the ground. His initial business ideas were recast around the opportunity, a key 'pivot' that solved a lot of issues that would otherwise have proved difficult. Now, the fledgling firm sees huge opportunities to scale its business internationally.

"It was an opportunity for us that a big company with massive resources had issues it struggled to resolve. As a start-up you are always solving problems so it came naturally to us and we could see the potential to take this further," notes Alan Meaney.

Velocity, the company's recently launched platform for fund administrators, includes Capita Asset Services and Mitsubishi UFJ Fund Services as clients.

With co-founder Padraig O' Scanaill, who has a software background, and two other staff, Meaney has developed a cloud-based automated solution to reconcile financial data, initially targeting the funds industry – but with the potential to work in many other spheres as well.

The firm has received financial backing from both Enterprise Ireland and Telefonica through its Wayra accelerator. Alan has enjoyed the benefit of expert advice as a participant in Enterprise Ireland's New Frontiers Development programme.

"One of the things that the programme emphasises is lean development, something that we have always practiced. It's vital to get paying clients early with a viable proposition rather than spending too long building a feature-rich product. Small businesses typically have very limited funds so it's vital to get something into the marketplace early and - if necessary - to tweak the proposition as you go."

Credibility is a hugely important issue in the sector the firm has targeted, something the backing of Enterprise Ireland and Telefonica has really helped with, Alan Meaney notes.

Fund Recs has decided on a 'software as a service' rather than a licensing fee business model. This enables it to both leverage the power of the cloud and to tailor a solution with a small number of deployments, so users can test its efficacy before going for a full-roll out. "The cloud is clearly the future and it provides a huge advantage for a business like ours, allowing rapid development and scalability that otherwise would not be possible if we had to have people implementing the solution on the ground," notes Alan Meaney.

At the moment, the partners are busily engaged in client demonstrations in Dublin and London, both of which are huge global centres for fund administration. Alan Meaney says that while the software has potential applications in a wide variety of industries, there is huge scope in the short to medium term within the funds industry alone.

## *If you do one thing...*

Choose your founding partners carefully. Find someone with complementary skills and that you get on well with. When times are tough, you need to have someone that you can go to war with.

**Ken Owens**  
PwC Asset Management Partner  
interview

## **Doors wide-open** for Irish entrepreneurs to help growing funds industry

Ireland's fund management industry is expected to have over 3.5 trillion euros of assets under administration by 2020 and over 50 significant fund administrators operating here - mainly based at the IFSC. Employment estimates for the sector range up to 18,000, equivalent to around half of the workforce at the IFSC.

These impressive statistics highlight the scale and importance of this industry to Ireland and also represent a significant opportunity for Ireland's SME community to service this burgeoning sector.

"Ireland is the second largest country in Europe for international funds with the industry servicing a wide range of clients in Europe, the United States and Asia," explains PwC's Ken Owens. "We have scale in this sector with most of the biggest companies globally, either having a presence in Ireland already or considering establishing operations here."

This is a sector that has proved its worth over a period of 25 years, turbo boosted by the success of the IFSC. Ireland has established itself as a leading global centre in the fund administration industry with an excellent reputation for the availability of people with the appropriate skills as well as a secure regulatory environment and an attractive tax regime.

Moreover, Ireland is ideally positioned to gain further investment. Indeed, PwC's report *Asset Management 2020: A Brave New World*, predicts that the global industry is set to grow from 64 trillion dollars under administration to over 100 trillion dollars by 2020. Much of this growth is set to come from Asia, where the burgeoning middle classes are creating huge demand for new savings and investment products.



According to Ken Owens, two other mega trends identified in the PwC report, namely pressure on costs and fees and the move to greater automation and deployment of technology, also create opportunities for entrepreneurship and new innovative solutions. "There are opportunities for new disruptive players, especially in the area of risk and compliance, an area where we have good expertise in Ireland," he notes. "Companies that can develop solutions that help fund managers run their operations more cost effectively are also very well placed," he adds.

Ireland provides an ideal test-bed for companies that can develop software solutions with some 830 asset managers in the country and over 50 significant companies in this sector. This is relatively unusual in the software industry where companies typically have to look outside Ireland to develop their businesses.

Enterprise Ireland is actively supporting companies exploring opportunities in this sector, through its various support programmes. "Those who have worked in the industry are at a particular advantage if they have the right ideas and skillsets to take advantage. The doors are wide-open for those with this profile," Owens says.

### ***If you do one thing...***

Change your mind-set and realise that the market is global. Think more ambitiously about how you can add value for customers and where these customers might be.