

Golf tech company eager to drive on with €500,000 investment

BY JOE O'SHEA

Dundalk-based Golfgraffix is a well-established and profitable fully Irish-owned tech company that creates cutting-edge technologies for every aspect of the game and business of golf.

Founded seven years ago by John Aherne, Golfgraffix originally developed 3D mapping applications for the golf course industry, which led to a high-profile deal with Nicklaus Design, the course design firm founded by golf legend Jack Nicklaus.

Initial international success led to the company being designated a high-potential start-up by Enterprise Ireland, which led in turn to a seed investment of €500,000. This combined with two additional EIS rounds of funding has allowed Golfgraffix to develop and bring to market a truly innovative integrated management system for virtually every facet of the game.

The new ClubNet platform covers member management and invoicing, tee time booking, marketing, point of sale, CRM and more. Launched in spring 2018, the ClubNet product already has 20,000 users, with over 1,000,000 interactions over the summer.

"We feel that this is the first real one-stop-shop platform for golf club managers, green-



John Aherne, founder, Golfgraffix: "We feel that this is the first real one-stop-shop platform for golf club managers, greenkeepers, committees and club and casual golfers"

keepers, committees and club and casual golfers," says Aherne.

In addition to the successful launch of the ClubNet platform, the other vertical markets for Golfgraffix continue to grow. This year, Golfgraffix became the mapping supplier to the new Shark Experience product, a collaboration between Greg Norman, ClubCar

and US mobile giant Verizon.

So far this deal has brought in an additional 110 golf courses in the USA, with another 700 projected over the next two years. The area of TV broadcast also continues to grow, with Golfgraffix's services in use at this year's Ryder Cup, Irish Open and Open Championship. Next year, Golfgraffix will enter

the computer gaming market, with deals already in place with two of the biggest players in the golf simulation space, Trackman and Skytrak.

This is the third year that Golfgraffix has sought investors through EIS, with seasoned EIS investors Tom MacGuinness (Horseware Ireland) and Fergus McArdle among those who have al-

ready got involved. Aherne stresses that the fresh injection of capital will be used for sales and marketing rather than research and development. In terms of their EIS offering, Aherne says it's "very straightforward".

"We are looking to raise half a million, the minimum investment is €10,000. So for, let's say, a €100,000 in-

vestment, you get your EIS tax relief over four years and at the end of those four years you get your €100,000 back plus an additional return of 25 per cent on the original investment," he explained.

Aherne says he and his team are confident in the products that they have developed (which are already in use on courses around the

world) and in their track record to date.

"What we can say is that we are well-established – seven years in business – this is our third year in the EIS, we are profitable, with all the R&D complete and contracts in place, we are ready to ramp up significantly. We are at the stage now where our full focus will be on sales and mar-



The ClubNet product already has 20,000 users, with more than a million interactions over the summer

keting," he said.

Deals such as the one with Club Car in the US will raise the profile of the company and get many thousands of golfers accustomed to their products. With consumers spending over €540 million a year on golf in Ireland alone, the sport remains a huge market worldwide.

2019 is shaping up to be a very busy year for Aherne and his team – they will be lucky to find the time for a few rounds of golf.

For further details or to request a copy of the Golfgraffix EIS Memorandum, contact John Aherne at john.aherne@golfgraffix.com or 042-961117

Navigating EIS with some expert advice

The EIS scheme has been modified extensively since it was first introduced with changes in qualifying criteria, the amounts that can be invested and the approach taken by Revenue.

It can be a challenging landscape for SMEs and investors to navigate, especially if they are new to the scheme or con-

cerned about maximising the potential of what remains an attractive opportunity.

Mary McKeogh, tax partner with HLB McKeogh Gallagher Ryan, has extensive experience of EIS and its predecessor, the Business Expansion Scheme (BES).

As one of the leading firms in Ireland specialising in EIS, HLB McKeogh Gallagher Ryan is well-placed to advise on all

aspects of the scheme and can call on more than two decades of experience gained by McKeogh and her team.

"We provide the full range of EIS services," says McKeogh. "We work with promoters to structure their offering in line with EIS regulations, assist them with their investment memorandums, which detail the project for prospective investors, and submit the

applications to Revenue.

"We also work with clients on fundraising the EIS investment funds, monitoring the investment over its lifetime and advising on the exit. We can provide all of these services as one complete EIS service or individual elements to clients."

McKeogh has become a nationally recognised expert advisor in the area with her team advising clients across a wide range of sectors including renewable energy, IT services, food production and manufacturing.

"I have been fundraising for EIS projects since establishing HLB McKeogh Gallagher Ryan in 2012, and prior to that I fundraised EIS and its predecessor the Business Expansion Scheme, in my previous roles as a tax partner in two other practices," says McKeogh. "So I have a long history and much experience of tax-based fundraising."

With offices in Limerick, Nenagh, Ennis and Dublin, her firm works with a diverse range of clients across the country.

"We typically work with established promoters who have a good track record in



Inset: Mary McKeogh, tax partner, HLB McKeogh Gallagher Ryan Limerick



demonstrable returns and a clear exit."

2018 has seen the focus remain significantly on the renewable sector, with HLB McKeogh Gallagher Ryan fundraising for a major solar farm development company.

"The promoters are very experienced experts in the solar energy industry and have 180+ MW of solar farm pipeline at various stages of development across 32 solar farm projects," says McKeogh.

"They have forward purchase agreements with a third party which will fund all construction costs including grid connection.

"Furthermore, a third party has an option to purchase the

both business and ideally in raising and successfully exiting EIS funds," says McKeogh. "Our investors are generally risk-averse so, while you can't eliminate risk for an EIS project, we look to minimise it by working with solid projects that have good projections, and a realistic return and exit mechanism for investors."

"Most of our recent projects have been in the renewable sector as we find the business model is understood with

fully operational solar farms upon completion. They have six projects with planning and grid connection offers which are expected to participate in the first Renewable Electricity Support Scheme (RESS) auction due in 2019."

When it comes to the information clients typically look for, McKeogh says their promoters are interested in how much it costs to raise EIS finance and how the investment needs to be structured, the various administrative and regulatory requirements placed upon them.

"Investors are concerned with how sound the investment is – when they will get their tax relief and their mon-

ey back. It's our job to manage these interests and ensure they are aligned," she says.

As for the advantages in being involved in EIS, McKeogh says it offers promoters the opportunity to raise finance at a relatively low cost. The money doesn't have to be repaid until after the investment period (typically four years), which enables promoters to build up the funds to buy out the EIS investors.

"The scheme is also structured so there is to be an employment generation aspect to the investment, which has positive economic impacts. It helps businesses develop and expand," McKeogh adds.

EIS INVESTMENT OPPORTUNITY



THE SPIRIT IS ALIVE IN DINGLE

The Dingle Whiskey Distillery is inviting you to be part of an EIS Fundraising drive as we embark on a dramatic new stage of expansion.

The investment will allow us to upscale our production with a focus on continuing to increase our whiskey stock over the course of the year as well as increasing our ability to produce our award winning Dingle Gin and Vodka.

- AVAILABLE TAX RELIEF: 30% in year 1 with an expected further 10% in year 4
- MINIMUM INVESTMENT: €10,000 in €1 "A" Ordinary Shares
- RETURN ON INVESTMENT: Predicted Annual Return of 5%
- INVESTMENT TERM: Minimum of 4 years

The Dingle Whiskey Distillery was the first purpose-built whiskey distillery to open in Ireland for over 150 years and marked a new beginning in the ancient craft.

Over the coming months, we will continue to release a variety of premium Single Malt and Pot Still whiskeys, as well as new collections of Gin and Vodka.

Embrace the passion and spirit of Dingle. This is the next chapter in our history and we want to share it with you.

Sláinte!



CONTACT: helena@dingledistillery.ie

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POWER CAPITAL SOLAR FARMS 2018 EIS PRIVATE PLACING

<ul style="list-style-type: none"> Experienced team of senior solar energy experts with international & local track record 180MW+ solar farm pipeline, 120MW with planning granted Construction funding in place Defined exit strategy Grid connection stage payments locked in 	<table border="1"> <tr> <td>INVESTMENT TERM</td> <td>4 years</td> </tr> <tr> <td>TAX RELIEF</td> <td>Up to 40%</td> </tr> <tr> <td>MAXIMUM INVESTMENT</td> <td>€150,000</td> </tr> <tr> <td>MINIMUM INVESTMENT</td> <td>€5,000</td> </tr> <tr> <td>RELIEF CERTS DUE</td> <td>Q2 2019</td> </tr> <tr> <td>PROJECTED BUYOUT PRICE (Capped)</td> <td>€1.15 per €1 invested</td> </tr> </table>	INVESTMENT TERM	4 years	TAX RELIEF	Up to 40%	MAXIMUM INVESTMENT	€150,000	MINIMUM INVESTMENT	€5,000	RELIEF CERTS DUE	Q2 2019	PROJECTED BUYOUT PRICE (Capped)	€1.15 per €1 invested
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FOR FURTHER DETAILS CONTACT

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ClubNet By Golfgraffix

A Unique EIS Opportunity!

To invest in a profitable Irish company with market ready technology & existing proven business plan.

- 7 Years in Operation.
- Enterprise Ireland HPSU Client.
- 3rd EIS Raise.
- 400+ courses worldwide.
- Projects include Ryder Cup, Sky Sports, Club Car and The Irish Open.

To Avail of this scheme please contact john.aherne@golfgraffix.com - 042 9611171