Out on your own

John Dennehy, chief executive, Zartis Picture: Provision

Recruiter finds 'true North' in international expansion

Elaine O'Regan

A blended approach to tech recruitment, combining an online platform with traditional selection techniques, is proving a winner for Cork's Zartis as the company prepares for expansion abroad.

The brainchild of tech entrepreneur John Dennehy, Zartis is taking its unique recruitment model to four overseas markets, with new offices in Germany, Russia, Britain and Spain.

In the past eight months, Zartis has supplemented its existing four-strong staffing cohort with eight new hires. Zartis RU, a Moscow-based joint venture, employs 12 more.

A recently-secured contract with Ryanair will see the company handle all of the low-cost airline's IT recruitment, and Dennehy is confident that the Zartis model has potential applications in other sectors and locations.

Despite its recent success, however, the company's future has not always looked so assured.

"We made all the mistakes a start-up tends to make. We set up the company in 2009 looking for opportunities in the online HR or recruitment space," said Dennehy.

"We went through a lot of twists and turns, building out products we couldn't scale at the start. Then, around December last year, we launched Zartis.com and we've got a good product/market fit with that. It's taken a few years to find our true North, but we've finally found it."

In its current incarnation, Dennehy describes Zartis as an online marketplace connecting tech and multilingual candidates with employers.

"Candidates create a professional profile on the site, including information such as where they want to work and what they want to earn," he said.

"We get about about 250 candidates every week coming to us," said Phelan. "We screen those candidates with a follow-up phone call and we ascertain if they're abroad, their true desire to move, their availability, their salary expectations – those kind of details.

"We publish those details on Zartis.com on a private part of the site, where employers can log in. Every week, they see the 20 candidates we think are the best."

The companies can then contact those candidates directly to request an interview through the website.

"Then, ultimately, the candidates get interviewed and hired, and we charge companies 10 per cent of the candidate's annual salary."

Zartis publishes 30 new profiles each week, during which time 50 companies log on to use the service, on average, including Apple and PayPal.

"Most of the candidates are software developers with .Net, Java, or mobile – iOS/Android – front-end developers and designs, product managers, QA engineers, and online marketing professionals," said Dennehy.

Since launching just under six years ago, half of Zartis' candidates have been based in Ireland, and the remainder in other European countries.

"What's happening now is there is a migration from the south and east of Europe to the north and west of Europe," said Dennehy.

"We're sourcing candidates for software developers. A lot come from Spain, Portugal and Eastern Europe, and then they're getting placed in Dublin, London and Berlin.

"We've just opened a small office in London and another in Berlin. We have the joint venture in Moscow and we are opening in Madrid at the end of January.

"That office will be specifically to source software developers from Spain and Portugal and bring them to Northern European cities."

The company plans to introduce a referral fee, so that if a candidate tweets about a role or puts it on Facebook or LinkedIn, and somebody else sees it, applies for the job and gets hired, we're going to give that candidate €250.

Dennehy's longer term plans for Zartis include possible expansion into other sectors, including financial services, pharmaceutical and energy.

"The model we have is equally applicable in those markets," said Dennehy. "I don't think you can completely automate the recruitment process.

"I don't think it's possible to take humans out of the process. There's 'value add' – nuances that come into it. You must have really good software and I think you need to have a really strong service component as well."

Maureen Gahan, foodservice specialist at Bord Bia Bryan Meade

Looking beyond the supermarket shelf

Small Irish food and drink producers should look at everything from restaurants to vending machines to grow their business

BY MAUREEN GAHAN

Small food and drink producers should begin to look beyond the shop shelf to foodservice as an alternative or additional market.

Foodservice describes all food consumed out-of-home, incorporating everything from restaurants and cafes to workplace catering, hospitals and vending machines.

Right now, the out-of-home food and drink market is performing better than predicted growth rates.

Bord Bia's Foodservice Insights Report revealed that the Irish market had grown from €6.07 billion in 2013 to €6.13 billion this year.

In order to successfully target the market, companies should focus on understanding two key areas: the outlets that can offer the best potential for their products and the consumer behaviour that is shaping the industry.

The out-of-home market is divided by "channels" that define the foodservice outlets by type.

Our Foodservice Insights Report found that quick-serve restaurants or fast food remains the largest Irish foodservice channel (38 per cent), demonstrating that lower spend is motivating consumers' choice of venue.

Although the decline in the number of pubs has been well-documented, this channel still accounts for one quarter of consumer spend, as the improved food offering has gained traction.

Full-service restaurants account for 11 per cent of consumer spend, with hotels at six per cent and business and industry at 4.6 per cent.

Coffee shops account for 5.6 per cent of market value and are continuing to capture sales, as coffee is deemed an affordable luxury that can drive footfall.

Leisure and travel, education, the Defence Forces and the prison service account for the remaining market share.

These channels should be reviewed in order to identify a potential fit for products within your business. From here, you should create prospect lists to help focus on the most appropriate channels.

It is paramount that you conduct research in advance of approaching buyers by visiting one of their sites and observing their customer profile and existing food and beverage offering.

Due to the fragmented nature of the market, developing a relationship with a distributor is vital. Work closely with your distributor to gain a deeper understanding of the challenges facing foodservice operators and identify products that can potentially address them.

Educate your distributors' sales team to ensure that your product is pulled through to the operator. The old adage about the importance of building relationships holds true in developing sales and in turn, your foodservice business.

Consumer demand is the driving force behind the industry's direction and requirements, and should be monitored by suppliers.

There is an ever-growing demand for quality casual dining, takeaway and food-to-go options that reflect the consumer need for value, convenience and customisation.

Diners are also drawn to the more experimental, non-traditional offerings, with budding consumer interest in ethnic cuisine opening up prospects for establishments to broaden their menus.

Health and wellness continues to experience growing demand, with notable moves towards increased nutritional information on menus and consumers seeking smaller portions of food and healthy alternatives when eating out.

From December 13, EU legislation will require detailed allergen information on all food including nutritional information.

The onus will now rest on caterers to ensure that details relevant to food allergies or intolerances are passed on to their customers.

Food and drink companies will be required to help consumers make the right choices for their health whilst offering convenient solutions.

The origin of food and drink is continually identified as a driving trend and producers are encouraged to tell the provenance story.

A "local" or "made in Ireland" positioning can provide a meaningful point of differentiation. With growing interest in ingredients, manufacturers need to offer transparent sourcing information declarations.

Businesses should also ensure that they stay informed with what is happening on the domestic market, while understanding international trends will help to anticipate the needs of tomorrow and feed innovation.

Maureen Gahan is a foodservice specialist with Bord Bia

The Lowdown Tips for SMEs

Meeting your company's registration office deadlines

BY CORMAC FITZGERALD

Missing the filing deadline for a company's annual return to the Companies Registration Office (CRO) can be a costly mistake for a company. In 2013 alone, Irish companies paid more than €10 million in late-filing penalties.

While the total amounts paid in late-filing penalties is gradually decreasing (in 2012 it was €11 million) it still represents a significant amount of money that could be better spent elsewhere by a business.

One of the costs of operating a business through a company and enjoying limited liability is the obligation to submit certain information to the CRO on an annual and ad hoc basis regarding your company. If your company, for example, changes its registered address or appoints a new director, the CRO must be informed.

The cost for getting these filings wrong can add up. Where a company does not file its annual return on time, there can be several consequences, including the late-filing penalty of €100 with an additional daily penalty of €3 up to a maximum penalty of €1,200.

Another often overlooked penalty is the loss of the eligibility of the company to avail of the audit exemption for the year in which the return is late, and for the following year.

For a company that had previously decided to avail of the audit exemption, it now faces the additional burden of a statutory audit, requiring it to formally appoint a new statutory auditor. This requires the use of time and money that may have been earmarked for other projects.

In addition, a company may be struck off the register for failure to file an annual return. On average, 7,000 companies are being struck off each year. The consequences of a strike-off are very serious, particularly for a company that is still trading. The assets of the company become the property of the state.

> **Where a company does not file its annual return on time, there can be several consequences**

Cormac Fitzgerald, president CPA Ireland

The protection of limited liability for the directors is lost and a disqualification order may be made against them. If a company remains struck off the register for a period exceeding 12 months, a company may only be restored via Court Order Restoration. Having a company restored to the register is a very time consuming and costly exercise.

The good news is that staying compliant is not particularly onerous. The process of filing documents with the CRO has been getting increasingly easier with the introduction of e-filing and further enhancements to the electronic filing of accounts in 2014. It is worth embracing these developments to simplify and speed up the process. Filing online is the cheaper option and you can also avail of additional time for filing of the accounts and payment.

The requirements

- A company, whether trading or not, must submit an annual return to the CRO at least once in every calendar year.
- Each company has an Annual Return Date (ARD) allocated to it and you can check your company's ARD on the CRO website (cro.ie). This is the latest date to which an annual return must be made up to.
- The annual return must then be filed with the CRO within 28 days of the date to which it is made up. To ensure the timing of your filing is as advantageous as possible for your company you can change your ARD. You can either bring it forward to an earlier date or extend it to a later date using a form B73. However, such a move can only be made once every five years.
- The annual return form (Form B1) requests certain information in respect of the company, such as the registered office, directors' details, members' details and share capital details. It must also be accompanied by the accounts for the company. The accounts should be to a date, meaning not earlier (by more than nine months) than the date to which the return is made up.
- However, a new company is exempt from filing accounts with its first annual return. This first annual return is required to be made up to a date not later than six months after the incorporation of the company.
- Your company may not need to file full accounts with the CRO. Generally, small, private companies do not have to file full accounts. They do not have to file the directors' report or a profit and loss account. These are referred to as abridged accounts.
- Other returns that must be filed to indicate a change in the company include a change in director or secretary, registered office, share capital or changes to its memorandum and articles.
- For users of CRO information there is a wealth of information available that can be extracted from the CRO website regarding companies in Ireland.

You can perform company searches online researching company accounts, directors and the shareholders of Irish companies. This is invaluable information when deciding who you do business with and how it's done.

For more information about your CRO obligations, contact a certified public accountant adviser. Visit cpaireland.ie for a list of certified public accountants in your area.

Cormac Fitzgerald is the president of Certified Public Accountants Ireland

Movers & Shakers

Volkswagen Group Ireland has appointed a new managing director. Lars Himmer has been head of group sales strategy with VW Group in Germany for a year-and-a-half. Prior to that, he was MAN Truck & Bus AG's chief executive, sales region, Eastern Europe, for seven months.

Irish Life Investment Managers has appointed a new head of Defined Contribution Portfolio Management. Eoin Keating joined Irish Life Investment Managers in 2007, working on a range of investment and relationship roles for defined contribution, defined benefit and AVC schemes.

Brian Delaney is the new executive chairman of Gillen Markets. He was formerly head of institutional equities with NCB Stockbrokers for two years, and head of private clients with Goodbody Stockbrokers.

Derek Reilly is Aramark Ireland's new culinary director. Reilly joins from Sodexo Ireland where he was executive chef for four years. Prior to that, he was group executive head chef for Sodexo in Aviva for three years.