



8 West Consulting is pivoting to a bigger mission: saving lives.

Despite employing 230 people in Cork, software firm 8 West Consulting has maintained a low profile. However, as it pivots to IoT, this could be about to change. Its co-chief executive Eamonn Franklin talks strategy, finance and rescue missions.



Tom Lyons
Chief Executive

Start-up guru Eric Ries first popularised the concept of pivoting in business in a June 2009 blog post. “The concept of the pivot,” he explained is “the idea that successful start-ups change directions but stay grounded in what they've learned. They keep one foot in the past and place one foot in a new possible future.”

Over the years I have heard many stories of how and why Irish businesses have pivoted. Few, however, can match that of Cork-based 8 West Consulting.

In 2010, the company’s joint chief executive John Murphy broke various bones in his body after falling 200 metres. A keen extreme sportsman who loves to deep-sea dive, Murphy was descending the slippery Contamine-Mazeaud route on the north face of Mont Blanc du Tacul when a fellow climber slipped sending them both plunging into the abyss. Murphy was fortunate to survive the fall as he hit a snow covered ledge below him. As he lay there in agony, with frostbite and shock beginning to set in, he struggled to access his mobile phone to call for an emergency rescue.

Finally, his weak fingers managed to make the call and he was eventually airlifted from the mountain to safety. His fellow climber also lived. Afterwards Murphy reflected on his narrow escape. If his fingers hadn’t been able to dial the number, or if his phone had broken or run out of battery, he would probably have died from exposure.

Afterwards, Murphy spoke to his business partner Eamonn Franklin. Their business was doing well but they decided to pivot. From then on, they would not just create insurance and e-commerce software but also work on creating a device that would save lives by making it easy for adventurers to be located and rescued.

“So, that’s where our first product emerged from, from the hospital bed in France with John and it’s called SafeTrx,” Franklin told me. “It’s a tracking application primarily aimed at the maritime industry.”

8 West Consulting, he said, had worked closely with Chris Reynolds of the Irish Coast Guard to perfect this product. “It takes the search out of search and rescue,” Franklin said. “It is free to download. It just tracks where you are going, and you know if you don’t come back in time it will send out the necessary alerts. If you do get in trouble out at sea you just hit the alert button and it has its coordinates. This means rescuers can reach you very, very quickly.”

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Eamonn Franklin

To-date 500,000 people have downloaded the app in 13 countries. “We’ve had 500 plus rescues including two that happened only on Friday and Saturday; one in Germany and one in South Africa,” he said.

“It was very, very fortunate in South Africa on Saturday. The guys rescued had just downloaded it the previous day. They got caught and taken out on a swell kayaking. They would not have made it apart from having this app.”

While retaining its focus on its consultancy business, this new safety product was just the start of 8 West Consulting pivoting into the world of Internet of Things. A quiet success story created over 22 years; 8 West is beginning to make noise.

Eamonn Franklin is sitting in his home office upstairs when we speak on a Zoom call. He is in Dungarvan in the south east of Ireland in Waterford. The sun is streaming in the windows behind him. For the last 22 years Franklin has travelled either every month or every second month to the United States to meet clients. Since travel restrictions began last March, he has not travelled. "This is the longest I've been at home for a while," he laughs.

Franklin's company, 8 West Consulting, is a 22-year-old software development company based in Bishopstown in Cork. It employs 230 people and successfully competes for engineering talent against some of the biggest companies in the world such as Apple and Amazon. The Irish-owned company is the engine powering the e-commerce portals of household name like Estee Lauder, Ralph Lauren and Jo Malone while at the same time developing groundbreaking Internet of Things devices that doing everything from helping coast guards save lives to trialling new products to help everyone from frontline healthcare staff to professional football clubs adapt to their new Covid-19 reality. 8 West Consulting has sales of \$30 million a year - it is a hidden gem of Irish business working with some of the biggest companies and brands in the world.

Back to the beginning



Eamonn Franklin: "It was the late 1990s and there was a real buzz in the country."

To understand how 8 West Consulting has become so successful requires an understanding of its history and the characters of its joint chief executives Eamonn Franklin and John Murphy. Both graduated in the 1980s from Cork Institute of Technology, although they were not classmates.

Franklin moved to London in 1990 where he spent seven years working for investment bank Rothschild as a senior software engineer before joining F&C Asset Management as a systems development manager. Murphy, meanwhile, joined Galway-based Digital Equipment Corporation as a software engineer before moving to Clonmel with Seagate Technology. Franklin and Murphy didn't know each other before they joined a company called Decare Systems Ireland in the same month: April 1998.

Decare was a massive company based in Minnesota which was led by Mayo-born Michael F Walsh and had sales of close to \$1 billion a year. It originally came to Cork to make software to help its parent company in the United States process insurance claims for dental insurers.

Gradually it increased the services it ran out of Ireland serving the wider insurance industry and it also began to develop e-commerce solutions for big retail sites which were moving online for the first time.

Franklin and Walsh joined Decare in the run-up to Y2K. For those too young to remember, Y2K was a fear that swept the world in the late 1990s that the world's computer systems would crash because of a bug associated with the year 2000. Franklin recalled that Decare came to Ireland in order to be sure it could access enough engineering talent to cope with this issue, and things went on from there. Franklin's own decision to come back to Ireland was for both business and personal reasons.

"It was the late 1990s and there was a real buzz in the country. I was also going to get married to Niamh who I had known since I was a teenager," Franklin recalled. "She had stayed in Ireland and we were due to get married in September '97." After their wedding Franklin joined a start-up based in Dublin called Exact Software that was founded in Delft in Holland in 1984. Every weekend, however, he was heading back down to his family in the village of Abbeyside on the east bank of the Colligan River to Dungarvan.

Seven generations of the Franklin family had grown up near Dungarvan and his wife's family had lived there from the 1970s after they uprooted from Cavan. At this stage they'd had their first son, Cal, a honeymoon baby, and Franklin decided to look for a job that would allow him to commute from his hometown yet be challenged as a software engineer. It was then that he heard about Decare.

"I suppose what attracted me to it was it was based in Cork" Franklin said. "And then the folks I met were very open to a lot of the ideas that I had about where we could go with it. The primary one was still being a competent software development outfit for the parent insurance company in Minnesota, but they were also open to us growing the company commercially into other industries if we wished."

Before long Franklin and Murphy were working closely together. Franklin was technical director while Murphy was general manager. There were just seven people in their initial team. Murphy and Franklin went to Minnesota for their initial training.

Over three months they learned about what Decare currently did in Cork and mapped out a plan to win new business from other companies. Franklin came back to Ireland just before the birth of his first son Cal on June 27, 1998.

In company lore, this became the date that 8 West Consulting considers its foundation. “It was quite full-on,” Franklin recalls. “We were recruiting and we soon had 10 or 11 people. I came home for Cal’s birth, and then I went back out again to the States a week or so later.”

Walsh was well connected to other businesses in America, and he began to open doors for Murphy and Franklin. Other companies liked the idea of outsourcing their e-commerce work to a team of skilled engineers in Ireland. The United States couldn’t produce enough software developers, so it was attractive to a lot of companies to use English-speaking lower cost software developers based in Ireland instead.

“There are a lot of things going on, on that side of the business,” Franklin explains.

It was a time of massive change in American retail. In July 1995 Jeff Bezos had sold his first books online via Amazon.com and, despite the business coming under pressure in the wake of the tech bubble, there was a clear trend in America to buy things online. One of the companies trying to adapt to this new reality was a company called Fingerhut, a giant catalogue company that employed almost 5,000 people.

Decare ended up selling 50 per cent of its Cork business to Fingerhut and the Cork firm’s new task was to bring its thousands of catalogues online. Rapidly the business scaled up to 50 people. “We were converting all these paper catalogues and coming up with a digital strategy,” Franklin recalled. “We were now moving out of the insurance sector into retail as well.”

In 1999 Federated Department Stores, America’s largest operator of traditional department stores, bought Fingerhut for \$1.5 billion. The business did not do well. Credit

delinquencies spiked and in January 2002 FDS announced plans to dump the entire Fingerhut business, which at that stage employed 6,000 people.

Decare ended buying back its shares at a discount, a deal that put it back in complete control of its Cork division. In an unexpected way the fall of Fingerhut turned out well for Franklin, Murphy and their team.

“We now had a lot of people who were leaving Fingerhut and going to different organisations. They were opening doors and kind of bringing us with them,” Franklin said.

It was a connection to a former Fingerhut employee that brought them one of the early big clients Avon Cosmetics, one of the largest beauty product retailers in the world. Now Franklin and Murphy were running a business that was about much more than just working in the highly specialised field of insurance.

It built a thriving business working with big name American and European retailers on their e-commerce and digital strategies. Traditional retailers Macy’s and Bloomingdale’s started to work with it. Estee Lauder, Fenty Beauty by Rhianna, Mac, Levi’s and Jo Malone all became customers. Its clients are sticky working with the company for years and even decades.

“There are a lot of things going on, on that side of the business,” Franklin explains.

“Look, would you guys be interested in doing an MBO?”

By 2009 Franklin and Murphy were leading a team of 150 people in Cork. In the same year, Anthem, the second largest health insurer in America, acquired their parent company Decare in the United States.

“This brought a whole new scale to our business,” Franklin said. “We were now working with a company that had 50,000 employees. It was quite the learning curve and very

quickly were in the middle of some very strategic and important projects with them. We learned a lot and grew even more.”

The systems and processes the Cork firm had built for the former American owner was now applied by Anthem to dozens of other companies within its portfolio which was growing every year through more acquisitions as the business marched towards revenues of \$90 billion.

“We were working on everything from helping insurers register providers, doctors, dentists and stuff like that all the way through to defining the benefits packages at the end,” Franklin. “We were building massive claims adjudication engines, doing billing and payments, and then developing the portals to allow customers to go in and check things like their benefits online. It was end-to-end.”

Now the business was free to take the plunge into creating new smart devices, while holding onto their consultancy business which still accounted for 80 per cent of revenues.

Anthem had grown exponentially over about a decade. In 2014 it started to slow down buying new businesses and concentrate instead on improving margins in the business it had. Its tiny Cork division Decare Systems Ireland was still important, but less so.

At the same time it had built a decent side-business working with retailers on e-commerce, and Franklin and Murphy had started taking it into a new area called the Internet of Things where they wanted to use their expertise to create wearables and smart devices.

“Anthem approached us and said: “Look, would you guys be interested in doing an MBO?” Franklin recalled. “It had always been on myself and John’s mind, but we just really hadn’t got around to it.”

In November 2014, a deal to do an MBO was drafted, but it would take years for a deal to close.

In June 2015 Anthem tried to do a \$54 billion merger with rival Cigna, and as a result, the sale of its business in Cork wasn't a priority. The deal was eventually blocked on anti-competitive grounds and finally Franklin and Murphy could do their MBO.

By January 2017 they had full control of the business. They didn't require third-party funding to buy the business as they used a promissory note from Anthem and working capital from the business to do the deal instead. They decided to become joint-chief executives of their business with Franklin more in charge of day-to-day decisions and Murphy leading its technical team.

Now in full control of their business, Franklin and Murphy announced its rebranding to 8 West Consulting. The new name, referring both to the longitude of Cork and the time difference between Ireland and the west coast of America, hinted at their ambition.

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8 West and Investec

One of the biggest challenges for 8 West is currency risk. It is based in the eurozone but most of its revenue of some \$30 million a year is paid in dollars. “We have a major exposure to the US dollar,” Franklin admits. Prior to 8 West’s management buyout its parent didn’t try to hedge its currency exposures. Anthem’s business was primarily in the United States so it didn’t need to. “When John and I took over we knew we had to hedge,” Franklin said. He was introduced to Investec who came up with a business plan for his business. “They really suited us because they’re quite nimble like us,” Franklin said. “They had the right ideas and the right people and their products are very competitive.” Franklin said his company dealt with Investec on an almost daily basis as it sought its advice about currencies. “It’s been seamless. They just know how to do the job right,” he added. “Currency fluctuation is a major issue for us. We hedge maybe 12 to 18 months out. There’s been a huge weakness in the US Dollar since July. It had its worst July in history against the euro. Currency markets are very tricky. It is certainly a challenge for us. I think there’s no company that can say they know what’s coming next year.” The impact of Covid-19 he said had a “see-saw” impact on its customers with some doing better and others worse. “It’s hard to know, whatever the outcome is in the US presidential elections, what the impact will be economically on that country. It’s interesting times, let’s put it that way!”

Working with healthcare workers (and football clubs)

After John Murphy’s fall inspired 8 West Consulting to move into developing software for IoT devices it needed to think about how to build revenue. Its app made some money through licencing agreements with search and rescue organisations around the world, but it wasn’t that much. Sony, however, heard about its work and approached 8 West

Consulting to help it develop its mSafety wearable device to monitor people's safety remotely.

“One of the big problems you have with wearables is that if you're going to track somebody every minute to see where they are, then you are going to run out of battery very, very quickly,” Franklin explained.

The other issue, he said, is that in many places where safety devices were needed, such as in lowly populated wilderness, mobile phone signals were poor or non-existent. A final issue was around security and privacy so any signals from devices needed to be encrypted, and not easily snooped on.

“So, what Sony was building was number one a fully encrypted medical grade device,” Franklin said.

In addition, the device is locked down so it was not possible to install other software on it that might impact the performance of its devices. 8 West Consulting also worked with Sony on ensuring its devices had a long battery life as was needed by adventurers or oil exploration workers who could spend days or even weeks out of regular contact. 8 West Consulting helped develop a special antenna that requires only a tiny percentage of the battery life required in a normal mobile phone to send its signal using a special IoT network.

“In essence this allows you then to get multiple days of tracking on this device and it has the same kind of accuracy and possibly better accuracy even than the phone. It's quite robust too,” Franklin said. “If you do fall into the water you don't have to worry, it's fully waterproof.

“There's been a hell of a lot of testing going on into this. It has not been an easy road. It is quite demanding technically to do what needs to be done on something that small. But we're nearing completion on it now, we're doing our final tests and we're lining up our first few commercial clients to start with,” Franklin said.

How big is the market for this device? “It depends on where you want to go with it,” Franklin replied. “You could open it up to anything. It could be used at sea or by mountain climbers.

“We've had a lot of interest from different police forces as well. They want, for example, the ability to track police officers when they're out and about. So, they want something that is medical grade, encrypted, with longevity.”



Eamon Franklin CEO of West 8. Pic. Bryan Meade 27/09/2020

Franklin said his business was also working with Huawei to develop products for more day-to-day use. It was also looking at developing products for lone workers in difficult environments.

“We had a huge amount of interest in what we were doing but then Covid-19 kicked in. Everything kind of stopped dead. We had challenges obviously with our supply chain in that Chinese manufacturing companies shut down so we couldn't continue with testing,” Franklin said.

“So, that’s when we pivoted to a new thing called Crew,” he explained, adding that Crew stands for Covid-19 Remote Early Warning System (Crew).

It is a new wearable that 8 West Consulting has developed with the College of Medicine and Health in UCC to remotely identify healthcare staff who may be developing a temperature symptomatic of Covid-19.

All of the knowledge that 8 West had accumulated now found a new outlet in a device called Temp Pal which is a digital thermometer sensor worn under the armpit that measures in real-time and continuously body temperature. Temp Pal is made by a Singapore company but packed full of software created by 8 West.

“Temperature is a very, very good indicator of early Covid symptoms. So, we worked with a number of physicians in CUH (Cork University Hospital) and came up with a kind of a plan around how you would help frontline workers. We just wanted to do something that would at least help reduce the infection rate,” he explained.

“One of the big challenges with Covid-19 is that temperatures generally tend to spike overnight and then it disappears. Workers can go into the hospital the next day and they take your temperature and seem fine but they’re not.

“We have built all the backend software to take all this information from Temp Pal and build the dashboards for the individuals that need to monitor this and send out the necessary alerts.”

The project by identifying healthcare workers with or suspected to have Covid-19 early is stopping the spread of the disease to other frontline staff as well as patients and on into the community. Franklin said the device was approved for use in Ireland in 72 hours in a process that would usually take six months.

“We are being used in a few hospitals here in Cork and in a few nursing homes as well and then it kind of grew into a bigger thing where other companies got quite interested including Huawei and Samsung,” Franklin said.

Now the focus became on creating cheap devices that could be used by millions of people to monitor their temperatures at once.

“When we talk about the future of where all this is going it’s probably the idea of a hospital without walls,” Franklin said. This is the idea of being able to treat people remotely in their homes, a concept particularly important in a pandemic.

“We are working, believe it or not, with a couple of fairly large football clubs as well on how to get the fans back into the arena.”

Eamonn Franklin

Over time, Franklin said he expected that smart wearable devices would be worn to track not just temperature, but other symptoms associated with Covid-19 like pulse, respiratory rate and blood pressure.

“Effectively, you will have a device that will require very good battery life, very good antenna with all of this functionality in them,” he said. “It will remove a lot of the need to be in the hospital.”

He said this would also help prevent other illnesses by allowing doctors to monitor their patients wellbeing remotely rather than risking bringing them into their surgeries or hospitals for routine check-ups. It would also help to monitor patients recovering from Covid-19 who can suffer dangerous side effects.

Crew, Franklin said, was an open system that could be used with any sensor. “There's a lot of AI [Artificial intelligence] involved in it as well,” he said. This AI, for example, can monitor your pulse to check if say body temperature is rising because someone is working out rather than suffering from Covid-19.

The potential partners for 8 West Consulting are huge. It is talking to both European and Premiership football teams about how wearable devices could allow fans to attend games.

“We are working, believe it or not, with a couple of fairly large football clubs as well on how to get the fans back into the arena. You could choose the Crew application to monitor vital signs for say three days before an event to ensure that there are no spikes and that then

builds into releasing your electronic season ticket to go to a game. That way when fans get to the arena, they've already had a clean bill of health," he said.

Eamonn Franklin is excited about the future for 8 West Consulting as a leading developer in the world of IoT. "Devices are getting smaller, they're getting smarter. Reliability is better, battery life is more," he said. "At the end of the day it's really just where your imagination goes in terms of coming up with the applications for those things."

Would 8 West Consulting ever look to raise outside money to make products itself? "We've actually invested a hell of a lot in the business. We've got a very powerful engine on the professional services side. We take a lot of what comes out of that and we pump it back in," he said.

"We haven't had any investment at this point which is quite unusual and we're at a very well-developed stage with the products. I suppose at the end of the day, it depends on what relationship you have with the likes of Sony or Phillips or with Dell, we do a lot of work with them as well.

"It depends on what you want as really the investment would come on the hardware side. Do you start to purchase on that side, or do you partner with folks to basically bring this to a mass market? And as I say, a lot has already been invested to get it to a point where we are where the software side of things is very strong."

"There are things that need to be built to make lives easier, we've no issue at all with that - but it is not what we are focused on. Our focus really is on trying to save lives."

Eamonn Franklin

Would you ever raise venture capital to go faster? "Potentially yeah," Franklin said.

"Investment is not so much of an issue at the moment.

"We're not focussing on that right now because, look you're looking at two guys that are ex-engineers, you know. We're not the sales and marketing guys. We've been successful in

growing a good solid company but we do tend to concentrate on engineering and we're in this for the long haul.

“We’ve gone from maritime search and rescue to now remote patient monitoring. So, it’s going in the right direction and yes, you’re absolutely right every company eventually needs investment but I think when the time is right on that, that’s when we’ll look at it.

“I think we’ve got a good market opportunity right now. The reason we survived is we don’t compromise on quality. I would not be in a rush to become mass-market that quickly.

“We have a lot of good partners who prove that what we have works. Like any software, no matter how good it is, you have to have a very firm user base who believes in it and who really tests it and puts it through the ringer. Because remember we’re dealing with lives here. It is very, very important to get this absolutely right.”

How do you compete with the like of Apple which employs 6,500 people in Cork for staff?

“I think what would probably surprise you is that the things some big tech companies have to offer are nice. But the kind of people we attract are really interested in the technology and there aren’t many doing what we do be it on the professional services side or on the product side.”

“In the professional services side there’s very few companies in Ireland doing what we do at the scale that we’re doing it. Our systems process billions of dollars of insurance claims on a yearly basis and that doesn’t happen easily. You need very, very good technical people to build systems like that because anyone can build something to process a claim. Can you process it at scale? That’s a lot harder.”

Overtime Franklin said he believed IoT would become of ever greater importance to 8 West Consulting.

“The business is still probably 80 per cent on the professional services side and 20 per cent on the product side,” Franklin said. “The idea then is to switch that in the next five years so that flips over.”

“That’s the direction for us but that doesn’t mean that we’re going to take the foot off the gas on the professional services side,” he said. “There’s a huge amount of opportunities out there. IoT is a very challenging area but we really feel we can contribute.”

“We didn’t get into this to sell products that we don’t believe in. We’ve already had many lives saved with just the app that we built, and we’d like to grow on that.”

“We have a very good offering; an excellent engineering team, we’ve got good business understanding and good relationships. At the end of the day software is going to be in everything and we’d like to be part of that. It would be a great legacy to be able to say that your software is out there helping people.”

“We’ve been very fortunate in life. We’ve got a good business and John probably had an awakening (when he nearly died) to say there are people who are vulnerable and there’s technology out there that can certainly help them.”

“This is a tough market to get right. There are things that need to be built to make lives easier, we’ve no issue at all with that - but it is not what we are focused on. Our focus really is on trying to save lives.”

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