

CEO says Irish business people need ‘strong jab of adrenalin’ to boost the economy and look to overseas expansion

Taoiseach joins business elite at UCD Business School to encourage Irish businesses to go beyond borders

Dublin, 12th Thurs, Nov 2009: CEO of Glen Dimplex, Sean O’Driscoll, said Irish business people “need a strong jab of adrenalin” in order to boost the economy and look to overseas expansion while addressing the ‘Beyond Borders’ conference hosted by UCD Smurfit School. Along with fellow speakers Liam O’Mahony, Chairman, Smurfit Kappa Group plc, Michael Cawley, Deputy CEO, Ryanair, John Moloney, Group Managing Director, Glanbia, Colm Lyon, Founder & Managing Director, Realex Payments and Frank Ryan, CEO, Enterprise Ireland, O’Driscoll urged Irish businesses to be proactive in their approach to internationalisation and to “just get out there and do it.”

John Moloney said “It is important not to waste a crisis. Now that we are going to be at the bottom of the cycle, it is going to be difficult and painful, but business by business, person by person, all the way up to the top of the government, we are going to have to adjust. If we don’t, we won’t survive.”

“If you don’t believe in internationalisation, then it won’t work. We are out there because there is a market for our products. Being international is part of our DNA,” said O’Driscoll. “People say that this is not a good time to internationalise. There is never a perfect time to do it. CEOs need to be proactive. If you don’t free up your personal capacity to lead the effort, then it won’t work. Wearing out the shoe-leather – that’s what it’s about. 70% of the route to success is hard work. ”

While all the speakers acknowledged that the road ahead will be difficult, many also commented that Irish businesses have a competitive advantage due to their nationality. Cawley offered his perspective saying, “The Irish are underestimated but liked abroad. Our historical status of being colonised helps us. We are the underdog and we should maintain this perception. This is a key competitive advantage. We are immediately welcomed into markets but still have to offer something that is significantly better than our competitors.” O’Driscoll added, “Glen Dimplex is proud of being Irish, yet less than 2% of our annual turnover is generated by the Irish market.”

Each of the companies that were represented on the panel spoke of their strategy for overseas expansion. Cawley compared Ryanair to the “McDonald’s of the airline industry.” He noted, “We have a modular structure for transnational markets, with massive growth potential, just like McDonalds. We simplify the process. We do exactly the same thing at every airport, on every flight.” He went on to add, “Ryanair is actually very humble at its core. We have the humility to say that what we are doing is selling a commodity. Customers do not see any difference between us and the competition except

price... others can enter business cheaply, therefore we must do it better-continuous improvement and continuous cost reduction.”

Frank Ryan said, “The world has changed and we can’t go back. New markets might be difficult at first but that is where the growth is going to be.” Prof. Thomas Lawton, Professor of Strategic Management, Cranfield University, said “Do not only chase the obvious but also seek out markets where there are growth prospects. While ten years ago it may have been sufficient to look to UK or other EU markets, Irish firms need to get creative and start considering options such as India and Nigeria.” The Taoiseach echoed this sentiment when he said, “Another key challenge will be to keep pace with the challenges in international trade patterns and to follow the growth of the future. The projected growth in the Chinese economy is, perhaps, the most obvious example of this. But there are other countries, such as Brazil and India, whose economies are projected to grow rapidly in the years ahead. We must be active in seeking out opportunities and consistently strive to diversify our export markets...This involves breaking free of traditional patterns and comfort zones.”

“The role of government is not to create jobs but to create an environment in which jobs and enterprise can be created and flourish,” said John Moloney.

Taoiseach Brian Cowen assured Irish businesses that the Government will play a key role in providing a sound basis for an export led recovery saying, “This Government will continue to intensify marketing and promotion efforts and we will make every effort, in partnership with other key players, to secure business development opportunities for Irish companies. We will position ourselves for that upturn when it comes and will take this opportunity to make our economy more competitive.”

For more information on the panel speakers or for details of the Growing Ireland series visit: www.ucd.ie/growingireland. **ENDS**

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