WESLEY CLOVER QUARTERLY UPDATE

FEBRUARY 2017

Growing a Global Ecosystem

Breaking News: The Celtic Manor Resort has just won the prestigious M&IT Best UK Hotel award, voted on by guests themselves. And if that was not enough, construction is to start this month on the International Convention Center (ICC) Wales on the property. This new complex will accommodate 5000 guests.

In terms of this Update, I am a big believer in going global fast with my companies.. Get your local market right, then go for it. In 2009, we took the technology investment management expertise and resources of Wesley Clover and worked with like-minded people at the University of Victoria in British Columbia to form a non-profit partnership. The group then leveraged innovation programs from both the Federal and the BC provincial governments to select, fund and grow entrepreneurial technology companies. The Alacrity Foundation was born — the beginning of a global initiative.

The model was foundational. Combine local partners/investors, governments and academic institutions in a business vehicle that attracts, funds, mentors and grows technology start-up teams and turns them into globally competitive, investable companies. The success of that first initiative (which continues to be very active) proved the idea was a winner.

The BC model was then refined and deployed in South Wales in the UK. The focus in this case was on 'charitable' incubation, using corporate and government contributions to provide seed funding and create technology entrepreneurship opportunities for local engineering and business graduates. Today, the UK Alacrity Foundation remains the only such charitable technology incubator in Europe.

A for-profit model was then deployed in Istanbul, Turkey, albeit using a different brand, with local partners, government programs, mentors/advisors and post-secondary graduates. Since then, Alacrity has been initiated in Lille France, Pune India, Shanghai China, Mexico City Mexico, Singapore and Jakarta Indonesia. At various stages of development, each regional fund is, or will be, operated with the requisite degree of local autonomy and control. All are supported by the global Alacrity network and share the vision to create successful local companies with global reach, economic benefit and social impact.

The Alacrity ecosystem provides entrepreneurial founders with intellectual property, partnership, channel and customer opportunities that enable success. I am pleased to include updates from the Alacrity executives and many of the companies themselves in this issue of Q, along with results from several of our other start-up teams and established companies.

Thank you for your continued interest.
Kind Regards,
Terry Matthews, Chairman

Q is a quarterly publication of Wesley Clover, highlighting some of the latest accomplishments from the wide range of businesses in our portfolio. Visit wesleyclover.com for more information.

Wesley Clover

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Alacrité France Joins the Ecosystem

The latest addition to the Wesley Clover network of technology company incubators and accelerators is now open for business in the city of Lille, France, in the recently-created 'Hauts-de-France' region. Lille is situated between the key cities of Brussels, Paris and London, making it an ideal spot to launch tech start-ups seeking to grow within Europe and beyond.

The investor-partners in **Alacrité France** are now in place, the local manager has been hired, appropriate office space near the two rail stations in Lille has been rented, and the official Grand Opening festivities are planned for March 21st, 2017.

With Wesley Clover as the lead investor, matching funding for the program was secured from Hub One, the systems integrator and telecom services provider owned by Aeroports de Paris (ADP), as well as from local accelerator Aleph1 and Mitel Networks. A major investment was also obtained from the national 'French Tech Acceleration Fund' through the government financial agency, BPIfrance. At least one investment agency from the Lille area is also expected to sign on to the program.

From the academic partner perspective, The Catholic University of Lille and the well-known Paris engineering university Centrale Supélec are both part of the founding team. A group of twenty experienced entrepreneurs and managers have also signed on to become mentors and advisors to the start-up teams. Recruitment of the first teams is underway now, with representatives from Wesley Clover and the other investors, the advisory group and the universities reviewing the initial opportunities to determine which will be first to launch.

You can find out more and monitor the progress on the alacrite.fr website. The team at Q will also be watching closely. ⭕

Transforming India Into a Digitally Empowered Society

No, Wesley Clover has no illusions of grandeur regarding that objective. But the government of India does. And that is creating opportunities the Alacrity program is tailor-made to help address. Which is why India is now one of the next regional funds on the priority list for the company.

To understand why, we need to look at some realities. India currently has about 1.2 billion citizens. Much of that population would be characterized as 'rural' (more than 800 million people), but rapid urbanization and migration to cities continues to take place. Until recently, the Indian government was a large and paper-based bureaucracy. Citizens had multiple sets of identification tailored to deal with individual government departments. Or they had no ID at all, as in the case of the 'invisible millions' of rural poor in India. In addition, it was estimated in 2010 that as many as 600 million Indians did not have a bank account.

So, we had a country with a huge population, largely rural but rapidly migrating to the cities, half without bank accounts but with a confusing set of IDs to deal with a bureaucracy that could only move slowly. What could possibly go wrong for a government knowing it must ignite an economic growth engine to raise people out of poverty and begin to realize the opportunity to become a significant player on the global stage?!

Not to be dismayed, the government set in place a 'Digital India' strategy, beginning with a number of targeted and transformational programs to provide secure, universal ID for its citizens, bank accounts for all, digital authentication and document signing services, and the most advanced public payments interface in the world. The programs were designed to coincide with a key enabling technology becoming pervasive among the citizens — the mobile phone. Fast forward five years, and the results have been outstanding.

The next step in the program is rolling out now. Called "India Stack", it is a set of feature-rich APIs that sit on top of the initiatives just mentioned, and "allow governments, businesses, start-ups and developers to use a unique digital infrastructure to solve India's hard problems and move towards presence-less, paperless, and cashless service delivery."

This is the tip of the iceberg. The vast number of use-cases for India Stack have yet to be conceived. The opportunity for start-ups to develop applications that leverage India Stack is immense. So is the opportunity to create software to impact positively the lives of hundreds of millions of people. And so too are the opportunities to fund and equip these start-ups for that success.

It is with all this in mind that **Alacrity India** is being launched. The initial focus will be on leveraging India Stack, targeting small towns and tier-2 and -3 cities, working with strong, local technical and business colleges, solving local problems with local solutions, and then building forward from there to go global.

For a more complete telling of this exciting story and the opportunities for the Alacrity India fund, read this recent blog post by Mike Manson, who is leading the initiative for Wesley Clover. *Also stay tuned to Q for further developments as they unfold.* ⭕

Istanbul Start-Up Innovating in a Growth Area of Advertizing

How do you decide to buy something new? Maybe you see it on TV or a website, hear about it on the radio, perhaps read about it in print. Often however, you hear about it from, or see it being used by a friend or someone else whose judgement you trust. And whether you realize it or not, those individuals have influence over your purchasing decision.

That common behaviour is the catalyst for evolving advertising tactics today. Instead of paying movie or music stars to promote (read: put their 'influence' behind) a given product or service, brands are looking for ways to partner with new 'stars' who have built large followings on YouTube, Instagram and other social media channels. These generally young stars create digital content that reaches thousands or more people daily, including and in particular the much-coveted millennial consumer, who increasingly is abandoning traditional TV, radio and print publications, and leveraging ad blockers in their internet experience.

Studies suggest that influencer content does in fact generate significantly higher viewer engagement. One reason is a much higher level of trust in the influencer when compared to standard advertizing. And with no ad agencies or large production costs in the way, these new on-line stars are becoming an ever-more attractive marketing channel.

Therein lies the opportunity being chased by **CreatorDen**, one of the young companies in the Netas-Wesley Clover incubator fund in Turkey. CreatorDen has created a self-service, online marketplace that connects social media influencers

How the CreatorDen app works.

Browse Leading Brands | Collaborate on Campaigns | Create Your Post & Set Your fee | Once Approved Publish Direct to Your Socials | Get Paid Immediately

with leading product and service brands, as well as with other media, PR and advertising agencies, to create 1:1 campaigns designed to engage targeted audiences. The CreatorDen platform and mobile application enable these parties to more easily connect, collaborate and transact in brand-appropriate projects.

When asked about the impetus behind the start-up, the founders describe "a fragmented marketplace between public relations, social media managers and influencers". Still a relatively new advertizing concept, many brands find it difficult to establish the right match with an influencer. Since most of the content producers are individuals or small teams of friends making videos or posts with their phones, it can be difficult for a brand to know how to reach out to them. Moreover, these influencers are at their most effective when they are speaking to their niche audiences, so finding the right pairing is critical.

CreatorDen devised a smarter means of managing these challenges. For example, the CreatorDen platform uses a proprietary algorithm to match marketers and influencers automatically. Marketers and influencers can access the platform either on the web or through a mobile app. A marketer can set up a campaign request in only 10-15 minutes, putting out requests for creative content. That call for content will then be seen only by the relevant influencers that can provide the desired audiences.

And those audiences are key. Advertisers are learning that micro-influencers often have niche interests and narrower focus, but that makes their insights and expertise more relevant — more 'influential' — to their audience. And they reach those audiences using Facebook, Instagram, Twitter and YouTube. Snapchat is also expected to take an increasing part of the pie in 2017.

The new digital paradigm for the industry. We will continue to watch the progress. **creatorden.com**

CREATORDEN
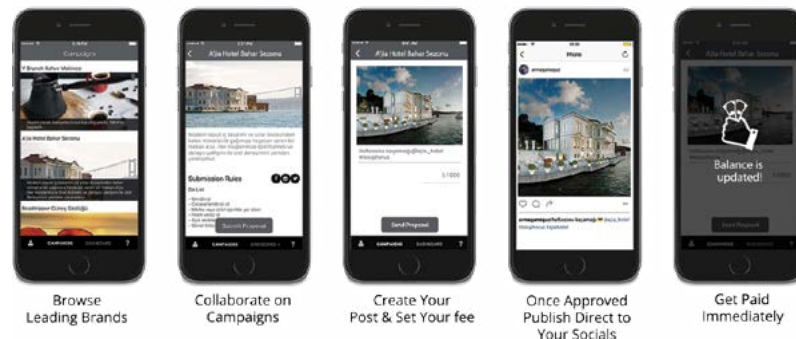
WEB-CALLING — AN INTRODUCTION, FROM THE UK

TALKATIVE, one of the companies founded through the UK Alacrity program has a powerful story to share. Today, almost 90% of customers everywhere visit the website of a supplier before making contact with them. But if/when they do make contact, voice communication is still the dominant form of interaction. And that voice communication is done almost exclusively over a separate device — the telephone. A telephone that carries no context from the website session, other than a verbal replay by the customer.

This is a missed opportunity to improve both customer service and operational efficiency. Luckily, there is an answer — Talkative Web-calling. Web-calling is voice calling embedded into a website, leveraging now-ubiquitous PC/laptop speakers and microphones, or those of a smartphone, as well as extended tools such as videos, chat boxes and co-browsing services. All to help redefine what customer contact can be.

With the Talkative technology, a simple, customizable widget (just 3 lines of code) gets added to the website or mobile application. When a customer call is placed from within the enabled website, the caller is asked for permission to use their microphone. That web/voice call is then connected to a customer service agent on the vendor end, and collaborative, multimedia interaction begins.

Customers can now browse the website until comfortable, then initiate a call for assistance or next steps with just a single click. No plugins, downloads or need for a separate app or device. No need to type in a number. And calls are free, globally.

From the customer-service-agent perspective, the context of the customer browsing session is available along with the voice call. Also, customers can be routed through to the most relevant agent based on where they were browsing on the site. Agents have the context for the call based on the content being viewed, and can further guide the customer through the site, share added documents if relevant, even annotate the screen for further clarity or help the customer as they fill in forms or other required data fields.

Marketers can understand where customer calls come from within their website, and importantly, better determine why they are being made (the good and/or the bad). This information can be used to improve the site, but more so, to engage strategically with customers at key points in their web journey. Since web-calls are now a functional tool within the site, they can be presented dynamically, unlike a static phone number.

It's hard to think of a business that does not have a website as its main marketing tool today. Why not better communicate through it? Talkative is pleased to offer web-calling as an integrated service that is simple to setup and use. **talkative.uk**

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TALKATIVE

ECHOSEC CONTINUES TO GAIN VIRTUAL GROUND

The location-based social media search platform that **Echosec** has created continued to gain market traction during the Quarter. The unique way the SaaS product aggregates data for clients is allowing them to react to information of significance before anyone else. It gives clients a real-time data advantage which they are turning into revenues.

Over this latest period, Echosec partners and outbound sales teams drove new engagements with customers in the media, marketing, retail, hotel/hospitality and finance industries. Many these new engagements

"I've said it before and I'll say it again, this tool has really increased our insight and reduced our response time."
— Fortune 500 retail company

focused on the recently updated functionality of the software, including enhanced location searching, keyword searching, compound searching, saved searches, alert features and new analytics capabilities. Also notable during the Quarter, Ben Milsom,

Managing Director of Echosec UK, was honoured with the Technology Entrepreneur of the Year award at the Entrepreneur Wales Awards gala. Echosec also received an accolade as one of the Top 30 Technology Innovations of 2016 in the latest Security Sales & Integration magazine.

The encouraging results keep coming, and we watch for that trend to only continue. **echosec.net**

Echosec

A PICTURE WORTH 1000 WORDS FOR L-SPARK

L-SPARK, based in Ottawa, Canada, is focused on accelerating market-ready enterprise SaaS start-ups. A key component of the Wesley Clover ecosystem, the company wrapped up 2016 with an excellent milestone — the inaugural SaaS North conference.

The conference was conceived of and co-founded by L-SPARK, and was held in Ottawa on November 30th and December 1st. The event succeeded in bringing together more than 800 key participants (founders, investors, executives). The two days were filled with content and networking opportunities.

More than 60 speakers took to the stage, including CEO's/Senior Executives from SaaS industry leaders such as Salesforce, Survey Monkey, FreshBooks, Hootsuite, Shopify, Intercom, 500px, LEAGUE, Vision

Critical and more. Senior partners from money firms Bessemer, Georgian VP, Inovia, BDC, OMERS, Whitestar Capital, Arthur Ventures and others were also in attendance. A few more highlights include:

- 817 guests in attendance
- 381 companies represented
- 29 deeper-dive breakout sessions presented
- 98.33% of attendees would recommend the event to colleagues
- **99.8% of attendees will attend again**

On the heels of this success, SAAS NORTH 2017 is now committed for November 29th and 30th. Stay tuned for plenty more details, and review the graphic below for the rest of the L-SPARK 2016 track record. *Not bad for Year Two!* l-spark.com ⊙

COUNTERPATH MOVING FAST WITH BRIA X

Vancouver-based **CounterPath** (NASDAQ: CPAH) (TSX: PATH) provides enterprise Unified Communication (UC) and collaboration solutions that overcome the challenges of corporate network security and deployment.

Last September **BRIA X** was launched, a robust new Unified Communications-as-a-Service (UCaaS) solution that overlays any existing VoIP service, adding secure team messaging, presence, screen sharing and application access on up to three devices per user. Supported by the Bria X Web Platform for IT administration, Bria X was designed to become the new standard in enterprise UCaaS.

During the latest Quarter the company began to see the promising results expected. Targeted initiatives to a network of more than six million IT professionals continue to grow the user base dramatically. In parallel, user feedback continues to be collected through

surveys and other customer engagement efforts, making Bria X a truly customer-driven solution.

In response to the feedback, certification testing with leading interoperability partners is increasing. Recent work has added USB headset support for Plantronics Hub for Windows and Mac, as well as Jabra USB and Bluetooth units. Next headsets for certification include devices from Logitech and Sennheiser.

"The launch of Bria X and the introduction of a subscription-based service for customers ushered in a new era for CounterPath", said Todd Carothers, Executive Vice President of Sales and Marketing for the company. "The shift allows us to provide a better customer experience and unified communications experience by including ongoing updates. Bria X also removes barriers for remote working teams, companies looking to adopt BYOD programs, and business users looking for easy-to-use communications and collaboration tools that are accessible anytime across multiple devices." **Bria-X.com** ⊙

PRETIO INTERACTIVE CONTINUES IMPRESSIVE GROWTH

Pretio Interactive is one of the start-ups in the Canada Alacrity program, and is now a leader in creating more effective mobile advertising strategies and deployments. The company experienced another record-breaking Quarter with triple-digit growth in three major financial metrics:

- Revenues grew 105% quarter-over-quarter
- Gross Profit grew 217%
- EBITDA grew 163%

This growth was attributed to a combination of strong end-of-year campaign budgets with key clients and the culmination of months of business development activities by the team in new geographic markets and industry verticals.

In January, Pretio acquired the core team and technology assets of a Victoria-based performance marketing firm which was focused on the growing video advertizing market. The move adds five key members to the Pretio team: three who are expected to bring immediate revenue and profit upside to the existing Atlas business unit, and two who will join the 'Apollo' (internal code name for the automated ad-buying platform being developed by Pretio) team to accelerate that program. The technology acquisition adds an industry-leading campaign tracking platform for ad buying to the Pretio portfolio, and offers unique insights into performance optimization and direct reporting/finance integrations that can be leveraged.

The company also signed an exclusive integration contract with a leading retail-focused marketing agency that will use the Apollo platform to A/B test a suite of promotional offers for its tier-one consumer packaged goods (CPG) clients. In earlier beta tests with this agency, the Apollo intelligent ad buying features outperformed traditional media and delivered an ROI at or better than industry leaders such as Facebook.

An impressive measuring stick indeed. *Stay tuned for further updates from Pretio.* **pretio.in** ⊙

BETTER SOFTWARE IS THE MISSING PIECE TO FRANCHISING PUZZLE

L-SPARK Accelerator graduate **The Better Software Company** kicked off the New Year by formally introducing an integrated Franchise Operating System that simplifies and improves operations for franchisors and multi-location businesses.

The new BPro SaaS software was launched at the International Franchise Association (IFA) 2017 Convention in Las Vegas, NV, with hands-on demonstrations of the all-in-one features designed to address the needs of the four key stakeholders in a successful franchise: the franchisor, franchisee, manager and customer. Features include real-time mobile access, inventory and warehouse management, central reporting, quote management and customer account tracking.

"Our goal is to help small business owners around the globe become successful, and a large part of the small business market is made up of franchises", stated company CEO and co-founder Steve Cody. "Using BPro, franchisees have an integrated system that manages everything necessary to run and grow a small business. Functions such as email marketing, lead generation, opportunity management and more are included. For the franchisor, it provides a single viewpoint into the performance of their franchisees, enabling them to track trends, identify potential areas for support and better communicate with their franchise teams."

A serial entrepreneur with 15 small businesses to his credit, Cody co-founded The Better Software Company in 2015 in response to his own frustrations in finding a simple-to-use software tool that could incorporate all the functionality essential to running a small business. The company now has more than 450 small business customers, and the new Franchise Operating System is already in use by 15 multi-location brands. **thebettersoftwarecompany.com**

A NUMBER OF AWARDS FOR PRONTOFORMS

With more than 3,500 customers using its configurable mobile forms platform to transform business processes, Ottawa-based **PRONTOFORMS** is the global leader in automating mobile workflows. During the past Quarter the company continued to drive growth and develop strategic partnerships. The company also received positive validation of all that it is doing from a number of external sources, including:

- **The 2016 Deloitte Technology Fast 50 Award**, celebrating leadership in the Canadian technology industry over time. The award recognized the impressive 269% growth in revenue the company has achieved over the preceding three years.

- **The 2016 CIX Public Top 20 Award**, showcasing the most innovative public technology companies in Canada. Only 20 companies were selected from the hundreds of small- and mid-cap technology companies considered.

- **The City of Ottawa 2016 Immigrant Entrepreneur Award**, recognizing ProntoForms founder and CEO Alvaro Pombo for his considerable contributions to the Ottawa business community.

"These past few months have underscored the forward trajectory of ProntoForms," said Pombo. "Our strengthening partnerships with top-tier technology brands, and our recent string of third-party recognition, adds further credibility to our platform for those in the enterprise market."

For more news from ProntoForms, visit the recently renovated company website. **prontoforms.com**

CLINICONEX SEES RECORD QUARTERLY GROWTH

CLINICONEX, an L-SPARK Accelerator graduate, provides SaaS software that automates patient outreach for health clinics and helps physicians track the quality of care being delivered. Tailored to the clinic workflow, the light-touch, automated communication and reporting software streamlines pre- and post-appointment outreach, and improves preventative patient care and individualized health literacy.

In the latest Quarter, the company saw record growth. Healthcare provider count (clinics using the system) jumped 18% to exceed 1900, compared to 1600 last Quarter. Transaction volume through the Cliniconex platform now exceeds 200,000 appointments per month, compared to 170,000 last Quarter. And the pipeline for the coming Quarter is already projecting continued strong growth.

Cliniconex CEO Anthony Mar participates in Ottawa Chamber of Commerce Health Innovation Council

Electronic Medical Records (EMR) partnerships are driving much of the growth, and the company continues to nurture relationships with groups such as Telus Heath and Shoppers/QHR, the dominant EMR vendors in Canada. In the U.S., work continues to close the first pilot installation, at a 600-bed hospital in Buffalo, NY. That pilot will open up a promising partnership opportunity with a major American EMR vendor.

To increase exposure in the U.S. market, the company will be exhibiting at the Healthcare Information and Management Systems Society (HIMSS) tradeshow later this month, in Orlando, Florida. HIMSS is the largest Health IT show in North America, drawing in some 45,000 participants and 1,200 vendors. It is expected to help Cliniconex initiate new partnership opportunities with U.S. and global EMR vendors, health insurance companies and system integrators, as well as provide valuable first-hand input on the massive U.S. market shift from volume to value and outcome-based care delivery.

Also during the Quarter, the company was pleased to add **Calian Group Ltd.** (TSX:CGY) as a new strategic investor in the company. As part of the investment, Scott Murray, Vice President of Calian Health Services, has assumed a seat on the Cliniconex Board of Directors. Calian Health is one of Canada's largest national health services organizations, with more than 10 years of experience in the management of healthcare professionals and health programs, as well as the operation and management of primary care and occupational health clinics. That company has a network of more than 1,500 healthcare professionals, and supports more than six million patient visits per year at 180 clinic locations across the country.

Calian and Scott are welcome additions to the team. **cliniconex.com**
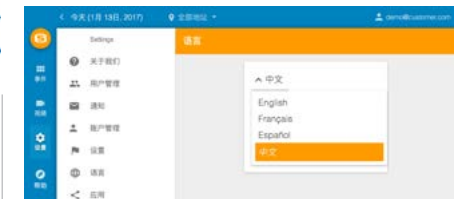

SOLINK IS ON A MISSION

Ottawa-based **SOLINK CORPORATION** is disrupting the security surveillance industry with an innovative new, cloud-based video recording and analysis solution that dramatically improves incident investigation and loss prevention. The company entered 2017 with dramatic growth prospects. The new product and business model are clearly catching on.

Through 2016, Solink increased customer deployments five-fold, to 800 sites, all of which are now paying monthly recurring SaaS fees. Already in 2017, more than 1000 new installations are in backlog, and plans are in place to support at least 1500 more paying customers over the year. Installs can now be found in South America, Australia, the U.S. and Canada. Opportunities are also being pursued in the U.K., the Middle East and France.

The company has partners that can distribute and install platforms all over the globe. An Application Programming Interface (API) is now available for developers to build or enhance video solutions for new vertical markets and expand the Solink customer community further. The development team is busy adding new language support to the mobile and web user interfaces to support this expansion. *Solink is on a very positive roll, and we will bring further updates to you as the year unfolds.* **solinkcorp.com**

HYAS THREAT INTELLIGENCE PLATFORM HELPS FBI

HYAS continued this Quarter to make solid progress through the customer-testing phase for Comox, the new flagship software for the company, and one of the most powerful threat intelligence investigation and attribution systems to date. Industry response from Fortune 500 companies, government agencies and other information security service providers using the platform has been very positive.

"Everyone is trying to do attribution, but they are doing it with crap data. Comox fixes that", stated Andre DiMino, Founder of Shadow Server and part of the beta test group. Comox gives analysts, researchers, and investigators the tools to be much more effective at their jobs, and increases the accuracy of their findings significantly.

The platform connects specific attack instances and campaigns to billions of historical indicators of compromise faster than ever. It helps research millions of malware samples and their corresponding network traffic patterns, bringing valuable insights to security incident and event management efforts.

Comox recently assisted the FBI with a ransomware investigation. Using data from a HYAS domain registrar partner, Comox was able to obtain the login IP addresses and contact emails behind several of the C2 domains associated with the ransomware. It also obtained the postal address on the credit card used to purchase those domains. Social media searching then led to a suspect. Once this information was passed to the FBI, they used court orders to obtain corroborating data which confirmed the Comox findings. The results: the arrest of a suspect in New York, and strong validation of the power of Comox.

As further evidence, several information security companies recently came forward with the results of their investigations into a well-publicized breach of DNC servers during the 2016 U.S. election. Comox was used in a number of those investigations, and discovered the customer phone number behind the purchase of several domains involved in the breach as well as other malicious domains not yet used in an attack. This information enabled an expanded investigation via a data thread that previously would have been unavailable to investigators without international police assistance and multiple court orders.

The big leagues of threat analysis, and HYAS is right in the middle of it. *We look forward eagerly to the stories that come next.* **hyas.com** ◗

> **It helps research millions of malware samples and their corresponding network traffic patterns, bringing valuable insights to security incident and event management efforts.**

FileFacets Secures Solid Series A Financing

FILEFACETS, an L-SPARK Alumnus and recent addition to the Wesley Clover portfolio, achieved a significant milestone during the Quarter. The Ottawa-based data analytics and content migration software company concluded a Series A **financing round** that brought $4.0M of new funding into the firm.

The financing round was led by **Celtic House Venture Partners** of Ottawa, and included participation from **Green Capital Ventures Ltd.** from San Diego, CA, Wesley Clover International and a number of smaller investors. FileFacets plans to use the funds to expand North American sales and marketing efforts and accelerate the growth of its channel sales strategy.

"We are delighted to secure this funding," said Chris Perram, FileFacets co-founder and CEO. "It will allow us to focus on scaling our operations across North America and into markets abroad. We will continue our mission of making it cheaper, faster, easier and more secure for organizations to move data from disparate sources into ECMs."

FileFacets software provides content analysis and migration services for enterprise customers, taking the multitude of employee data files which are typically scattered across shared hard drives and other IT resources, and streamlining them into a more organized Enterprise Content Management (ECM) system. The software automates the categorization of files through the application of metadata, and a file sorting algorithm enables clients to more easily locate specific data and detect duplicate files as well. The tool works particularly well for the migration of unstructured content from multiple sources.

"The high-tech scene in Ottawa continues to flourish and shine on the international stage," said Sir Terry Matthews, founder and Chairman of Wesley Clover International. "FileFacets fits very well into the Wesley Clover global portfolio of next-generation cloud and SaaS companies and we look forward to supporting the success of FileFacets."

Look for further FileFacets updates in future issues of Q. **filefacets.com** ◗

Planning and Execution Fueling Global Growth for Martello

Well-aligned product development plans coupled with successfully executed launch activities resulted in continued sales growth this Quarter for **Martello Technologies**, the developer of network performance management SaaS for the Mitel family of hosted communications offerings.

When Mitel acquired Aastra in early 2014, Martello saw an opportunity to enter new global markets in Europe, Latin America and Asia Pacific by developing support rapidly for the MiVoice MX-ONE call platform that Aastra had made dominant in these regions. The strategy paid off for Martello, with its enhanced Mitel Performance Analytics (MPA) software gaining traction in nine new countries. This Quarter alone, new high-value enterprise accounts were secured in Austria, Spain and Italy.

In other areas of the business, cloud-hosted unified communications continues to drive global growth in IP telephony, with CAGR projected to be 28% between 2016 and 2019. Mitel has a customer-centric approach to the premise-to-cloud transition, and MPA software is a key tool in that journey. Many channel partners are shifting their business model as a result. Mitel partner TCS Canada, for example, offers both premise-based Unified Communications (UC) and managed voice services, and uses MPA to deliver reliable voice quality to their entire customer base.

"Customers are more sticky to us with MPA", said TCS owner Mike Tavares. "They are more tech-savvy than ever, and with MPA, we have a way to demonstrate quickly where a problem originated, and ensure our first level support techs have it resolved quickly".

As Martello moves into the final Quarter of its fiscal year, the focus is on development of the next MPA release, which will meet customer demand for features such as network diagrams, emergency call notifications, and expanded analytics. Martello has also invented new voice network service testing and site qualification technology, which has resulted in a patent application.

The company is also actively seeking acquisition targets to fuel further growth, and will soon move to larger office space. Bigger should be better. *We will keep watching …* **martellotech.com** ◗

INITLIVE OFF TO THE RACES
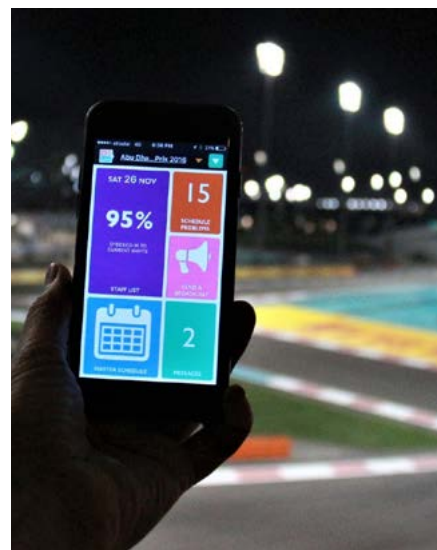
During the past Quarter, the 2016 Abu Dhabi Grand Prix was held at the Yas Marina Racing Circuit in the United Arab Emirates. The final race of the season saw 5 million people watch Nico Rosberg win his first World Drivers Championship title, beating Mercedes team-mate Lewis Hamilton to the crown but finishing second in this last race to pole-sitter Hamilton.

The highlight for us, however, was the fact that **InitLive**, provider of mobile staff and volunteer management software, won the contract to manage the organizing and on-site team at this Grand Prix. Given the magnitude of the event, it was a nice win for the young company. While he certainly did not do it alone, credit for much of the local business development and support goes to Dubai-based Ahmed Al-Hayderi with Wesley Clover.

A complicated schedule across multiple facilities and locations proved no problem for the InitLive app. Staff were dispersed over many floors of six grandstands, with supervisors in place for each. Regardless communication

with and between the teams, and shuffling of staff as required, were all handled smoothly. An independent staffing company provided much of the workforce, and the manager of that company used the app to keep an eye on all the activities in real time. One of the more positive outcomes was the fact that this new software tool provided an added sense of accountability between the staffing company and the venue itself, who was paying them.

In the end, the event was a tremendous success. The app performed admirably, and garnered many compliments from the staff, supervisors and event managers who were experiencing its capabilities for the first time. Strong customer validation in a real-world environment. Enough so that the clients are planning to increase their purchases of the software, and provide valuable references within the racing community and lucrative region overall. *Congratulations to the InitLive team, and we look forward to further successes from the partnership.* **initlive.com** ⊙

MITEL PERFORMANCE REMAINS STRONG

The latest financial results for **MITEL®** (Nasdaq:MITL) (TSX:MNW), a global leader in enterprise communications, were announced during the Quarter. Commenting on company performance for the period ended December 31, 2016, Richard McBee, Mitel's Chief Executive Officer, said "Strong operational execution enabled the company to deliver a solid fourth Quarter in a highly competitive market driven by technology migration and vendor consolidation".

Steve Spooner, Chief Financial Officer with the company, added that "Mitel continued to gain share with a particularly strong performance across Europe, and executed well against our Cloud strategy, driving a 35% increase in hosted seats and 60% increase in total seats year-over-year. The

pending divestiture of the Mobile Division, expected to close in the first Quarter of 2017, resulted in a goodwill impairment charge of $213 million, a GAAP loss of $209.2 million and a GAAP loss per share of $1.72. Our non-GAAP earnings per share of $0.25 and adjusted EBITDA of $56 million, which both exclude the impairment charge and other items, exceeded analyst consensus estimates. With continued focus on operational execution we improved our cash position by $27 million from third Quarter levels, enabling us to pay down $23 million in debt shortly after the quarter closed."

Other highlights from the Quarter included:

● Hosted cloud seats grew by 49,000, up from the 43,000 seats added during Q3-2016 and now totalling 543,000.

● The company achieved the highest score for satisfying Hybrid UC Requirements among the 16 providers evaluated in Gartner's Critical Capabilities for Unified Communications as a Service (UCaaS).

● The City of Marseille selected Mitel to replace an Avaya system as the first step in a digital transformation of the 300 locations and 7,000 seats installed at the organization. Mitel secured the business after competitions with Cisco, Avaya and Alcatel-Lucent.

More details on these and other developments can be found on the Mitel website. *Q will continue to share updates from the company each Quarter.* **mitel.com** ⊙

Funding Agreed to Build International Convention Centre Wales at Celtic Manor Resort

THE CELTIC MANOR RESORT had some momentous news to kick off 2017 when final details were worked out to begin construction of the new International Convention Centre Wales (ICC Wales).

With a development cost of £85M including car parking and landscaping, ICC Wales will attract many major events to Wales. The facility will be capable of accommodating up to 5,000 delegates in a total floor space exceeding 26,000 square metres. Projected to open for business in the summer of 2019, the centre will house a 1,500-seat auditorium and separate exhibition hall which, at 4,000 square metres, will provide the largest pillar-free ballroom in Europe, capable of hosting 2,400 people for a gala dinner.

Celtic Manor Resort Chief Executive Ian Edwards stated that "The International

Convention Centre has been many years in the planning. I am delighted that we are now in a position to build and deliver a facility that will be such an asset to the United Kingdom. The Celtic Manor Resort has already established a reputation as the number one Conference Hotel in the U.K., but this new centre will be a game-changer. ICC Wales will allow us to attract the biggest and most lucrative business events to the Celtic Manor and Wales, as well as high-profile summits and party political conferences."

Excavation work has already begun on land adjacent to the Resort Hotel and existing Convention Centre at the Celtic Manor, clearing the way for the two-year construction project to commence in March. As well as the auditorium and main hall, included in the detailed designs are five divisible meeting rooms, breakouts at all levels to outdoor

networking spaces, state-of-the-art technology with fully integrated audio visual facilities and fully serviced client offices, green rooms and production facilities.

Government Cabinet Secretary for Economy and Infrastructure, Ken Skates, said "This will be a major asset for Wales, enabling us to compete with any venue in the U.K. and indeed Europe to attract and host key events. This development will provide a very real long-term boost for the entire economy. It will place Wales firmly at the forefront of business tourism destinations and I am delighted it is being delivered in partnership with the Government."

Stay tuned for further exciting developments from the Celtic Manor next Quarter. **celticmanor.com** ⊙

Snow Day

Snow Day

Pretzel race

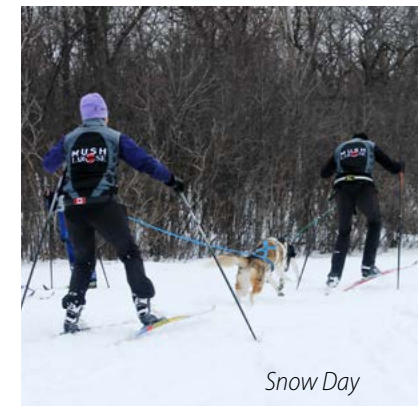Gift of Lights Tunnel

Pretzel race

Wesley Clover Parks

Not-for-profit community hub Wesley Clover Parks ended 2016 on a roll and looks forward to an even bigger and better year to come. Here are some highlights.
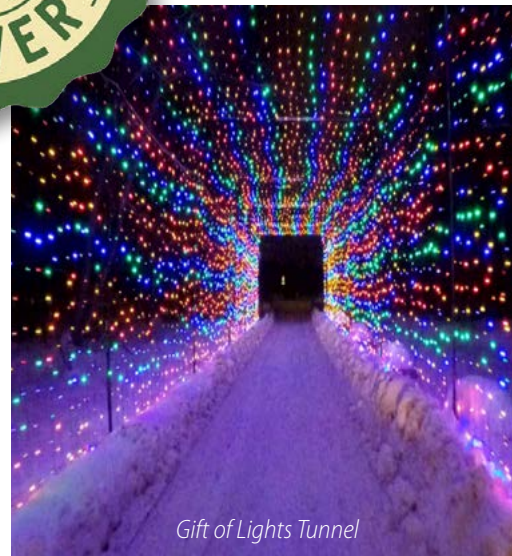
CAMP

Moving into 2017, preparations are underway to celebrate the 50th anniversary of camping in the capital at the Wesley Clover Parks Campground. The facility is on track for the busiest year in that 50 year history. For example, Canada Day weekend sold out before last season ended!

FARM

As a part of the national celebrations for 150th birthday of Canada, the City of Ottawa is organizing the Canada 150 Groves project, designed to leave a lasting legacy by planting a grove of 150 native Canadian maple trees in each of the 23 city wards. Planting for all groves will take place throughout 2017. Wesley Clover Parks is proud to have been selected as one of the locations to receive these trees. This is in addition to the more than 1000 tulips, also known as the Canada 150 or Maple Leaf tulips, which have already been planted on-site as part of the overall celebrations.

GATHER

The Parks hosted the second annual "Holiday at the Parks" gathering on December 11th. More than 800 people from the community were invited to celebrate the Christmas season with activities including a craft market, horse-drawn carriage rides, kid's entertainment and more.

The Gift of Lights display saw more than 25,000 cars tour a brilliant display of Christmas lights staged throughout the Campground between November 25th and January 7th. The event, which benefitted the Ottawa Senators Foundation, received very positive feedback from the public, and we look forward to building on this holiday tradition again next year.

LEARN

The Ottawa Forest and Nature School continued to run sold out programming through the Quarter. The organizers have also hosted a number of "Adult Forest School" nights to encourage people of all ages to embrace nature and the outdoors during the winter season.

PLAY

Kanata Nordic Ski members have been enjoying the winter sport at their new trailhead in a newer, larger area of the Campground. The club hosted a number of successful public events over the Quarter, seeing the highest-to-date attendance at their Pretzel Race and Snow Day.

RIDE

Plans are underway for The Ottawa Equestrian Tournaments to return bigger and better for 2017. This year will feature three full weeks of competition, beginning with the introduction of the Ottawa Welcome tournament in June. All told, the competitions this year are expected to host more than 1,600 horses and 35,000 visitors!

wesleycloverparks.com

PRINCIPAL COMPANY INDEX

*Featured in this issue of *Q*

AirVM - airvm.com

Alacrity Canada - alacrityfoundation.com

Alacrity Foundation UK - alacrityfoundation.co.uk

Alacrité France* - alacrite.fr

Alacrity India* - alacrityindia.com

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Celtic Manor Resort* - celticmanor.com

Cliniconex* - cliniconex.com

CreatorDen* - creatorden.com

CounterPath* - counterpath.com

Deriva - derivalabs.com

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Encore Networks - encorenetworks.com

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FileFacets* - filefacets.com

HYAS Infosec* - hyas.com

InitLive* - initlive.com

Iven - iven.io

KRP Properties - krpproperties.com

Learnium - learnium.net

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StartSub - startsub.com

Talkative* - talkative.uk

TaraSpan - taraspan.com

Teldio - Teldio.com

The Better Software Company* - thebettersoftwarecompany.com

ThinkRF - thinkrf.com

Tutela Technologies - tutelatech.com

Twentify - twentify.com

Wesley Clover Parks* - wesleycloverparks.com

Wesley Clover Solutions - wesleycloversolutions.com

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