



WESLEY CLOVER QUARTERLY UPDATE

NOVEMBER 2016

Driving into Fall

Yes, here it is, another issue of **Q**, the **Wesley Clover Quarterly Update**. I am pleased to share with you more stories of focus, hard work and success. Many of the companies in our portfolio are entering the busiest time of the year, coming out of the planning and refining months of summer and into the execution, hunting and gathering months that lead toward the end of the calendar year. I very much relate to the drive, the urgency, for the companies, the partners and customers alike.

In this issue, you will read about an adjustment in branding and positioning that is setting one of the premiere members of the technology portfolio up for increased market leadership and growth. For others, product enhancements that were planned and developed over the summer months are now launched and being actively

marketed and sold, opening up even more opportunities with existing and new customers. Some of the new companies are establishing first-time or expanded partnerships that hold high growth potential. And many of the other companies are continuing to win awards and grow monthly and annual revenues. Almost like 'business as usual'! And all are doing this with a continued eye to domestic and global business expansion, and that includes the team at Wesley Clover International itself.

For other Wesley Clover business areas, the change of Quarters means a change of seasonal focus. The hotels are shifting their hospitality offerings over to fall and Christmas themes. The golf courses are focusing on indoor events and making plans for next summer. And Wesley Clover Parks, the



not-for-profit philanthropic initiative, is moving into exciting fall and winter programs and events.

I am pleased to report that all businesses had strong results to share in this Update, and solid plans looking ahead. Do enjoy reading about the activities, and 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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FileFacets Welcomed to the Wesley Clover Portfolio

We are pleased to begin this issue by announcing another strong addition to the technology company portfolio. Ottawa-based **FileFacets** has created a highly automated and scalable SaaS solution that provides sophisticated content analysis and migration services for enterprise customers who need to move millions of disorganized data files from shared drives over to Enterprise Content Management (ECM) systems in a strategic and controlled manner.

As organizations grow, employees inevitably store documents on the computers at their desk, and arrange that information in ways that make sense to them. One person might use a different folder for each year. Another might structure files by project. The result for the company, however, is a fragmented and confusing array of data that is difficult to collate, manage and use.

ECM systems are built to organize data for ongoing records management and file sharing, however the onus of first evaluating and processing those multitudes of original files is a daunting task for any corporation. Migrating large amounts of data from one or multiple systems to another, including the processes of discovery, classification and attribution of content with relevant business value, can take months or even years.

The FileFacets cloud platform enables businesses to conduct these tasks rapidly and easily, providing automatic file sorting algorithms to locate and categorize essential data, applying file metadata for ongoing management, and migrating unstructured content from multiple sources

into structured ECMs. The software can access and scan files without interruption, and will detect duplicate files before moving them. Because it analyzes and leverages file metadata, as opposed to actual content, client data remains secure at all times. And as the only file migration tool available in a pure SaaS format, the software is able to scale easily to support any number of users across multiple locations, in a safe and efficient manner.

FileFacets is a graduate of the L-SPARK Accelerator. The company used the nine-month program and its resources to successfully grow monthly recurring revenues (MRR) from roughly \$4K to more than \$100K. Instead of the \$10 a month an SMB might pay for an online bookkeeping system, FileFacets customers typically pay between \$2,000 and \$5,000 per month, and use the software service for 32 months on average, providing FileFacets with a much better than average SaaS revenue model that is helped further by very strong product margins.

This certainly garnered the interest of Wesley Clover. "The high-tech scene in Ottawa continues to flourish and shine," said Terry Matthews in announcing the new partnership with the company. "FileFacets fits very well into the Wesley Clover global portfolio of next-generation cloud and SaaS companies, and we look forward to helping this company continue to grow."

More announcements from FileFacets are expected over the coming Quarter, and we will report on those in the next issue of Q. filefacets.com



Refining a Rocket ...

For Ottawa-based **Solace**, the Quarter was an outstanding one, with the company updating its branding, announcing a new strategic direction, and releasing nine company/product announcements over the period. In October, 'Solace Systems' refined its growing brand to simply 'Solace'. The change brought along a new logo and a new web site, at solace.com. At the same time the company made a series of business and product announcements marking a new strategic focus, called "Open Data Movement."

Open Data Movement gives companies and developers complete freedom and flexibility in the data movement layer of their application infrastructure. It helps avoid vendor, cloud and product lock-in, and is what sets Solace apart from all other message broker and streaming server products in the market.

Solace supports all popular open messaging APIs and protocols, delivers each type of message, offers all quality of service levels and runs natively in all popular public and private clouds. Open Data Movement helps companies modernize legacy applications and pursue analytics, big data, cloud computing and Internet of Things strategies. Solace is the first and only company to address all these problems with a single platform, eliminating the complexity and hassles that make most distributed systems fragile.

Other keys from the Quarter include:

- A new version of Solace Virtual Message Router (VMR) software, called the "Community Edition", which allows developers to evaluate and deploy the product at limited scale, for free.
- An upgrade to all versions of VMR software, delivering new functionality and significant performance boosts.
- Expanded support for popular IaaS and PaaS platforms, adding Microsoft Azure, Pivotal Cloud Foundry, RedHat OpenShift and IBM BlueMix to a list that already included Amazon Web Services, OpenStack, HP Helion and Mirantis.



- A strategic partnership with Pivotal Cloud Foundry (PCF), and the introduction of a PCF "tile" to provide easy access to Solace messaging services from within PCF.

These developments were announced at the Open Data Movement launch party held in the heart of Silicon Valley for a gathering of several hundred customers, partners, industry luminaries and friends of the company. The team took the opportunity to celebrate the journey that has brought the company to established market leadership, and to look forward with optimism to the future.

You can find more information about these Solace announcements on their website.



Disrupting the Enterprise UC Market

Vancouver-based **COUNTERPATH** has revolutionized the way people communicate with over-the-top (OTT) unified communications (UC) solutions like X-Lite and Bria, becoming a top supplier to SMBs, enterprises and service providers around the globe.

This quarter marked a key milestone as CounterPath launched Bria X, a feature-rich, secure team messaging, presence and screen sharing service which can overlay any hosted or premise-based call server a company may have. With apps available for desktop, smartphone and tablet devices, and up to three downloads per subscription, businesses can easily add mobile and BYOD options for employees and provide them with the flexibility to be reached on the device of their choice, in the method that makes the most sense. And with the Bria X Web Platform, IT administrators can set up, provision and manage all subscriptions from one central, web-based dashboard.

Bria X is designed for the millions of Bria and X-Lite customers who use CounterPath software every day for high quality voice and video calls, but may be searching for options to integrate team messaging and screen sharing. By providing these hosted services, along with streamlined set-up and management tools, CounterPath adds significantly more value to Bria and a better end-to-end experience than what is typically available today.

Key Bria X capabilities include:

- Secure team messaging – send and receive 1:1 and group messages on the device of your choice.
- Presence – see who from your team is online, on the phone or away from their desk to reach contacts without delay.
- Unlimited desktop screen sharing – initiate a screen share with anyone on any device without the need for downloads or plug-ins.
- Compatible with any existing call server or VoIP service – on premise or hosted.



- Cloud-based management tools and provisioning portal to set up and manage users, including SIP server settings
- Low monthly cost of \$3 USD per user when purchased on an annual subscription basis.

With the global emergence of BYOD, remote working and location-flexible teams, cloud-based unified communications is becoming the foundation of effective communication and collaboration over varied networks, call server platforms and devices. Bria X is designed to remove technology barriers, enabling businesses to provision and empower their employees with superior unified communication services. Bria-X.com



Expanding to Meet Demand

Vancouver-based **ENCEPTA** is a digital-first service provider to the telecommunications and infrastructure engineering industries. The company uses proprietary software to conduct mapping and infrastructure assessment projects that serve as inputs for the design of ongoing expansions and upgrades to outside 'plant' (poles, towers, wirelines, etc.).

Encepta brings a 'smart' design process to a traditionally low-automation environment, emphasizing the use of digital photos, videos and mobile software instead of paper forms, drawings and binders. The new designs, and the digital data that accompanies them, enable customers to increase efficiency, save time, reduce cost and thereby improve the return on capital infrastructure investments.

This additional account activity allowed the company to more than double the size of the field team over the Quarter.

The company continued to build customer traction over the past Quarter, including being awarded several exclusive new, provincial-scale contracts to collect and verify Telecom outside-plant data. The USP (Unique Selling Proposition) behind so many of these wins is the fact that the proprietary software and operational methodology used by the Encepta team offers more than a 25% improvement in the quality of data collected, when compared to the results of traditional

Encepta

contractors. This improvement yields an order of magnitude improvement in capital investment and operational decision making by the downstream business units of clients.

This additional account activity allowed the company to more than double the size of the field team over the Quarter. This growth is well timed as Encepta was already experiencing space limitations in one of its key operational locations. The company is now negotiating a new lease agreement that will combine field operational and research activities in a new facility that will be 250% larger. The new facility will help enable faster technology development and increased customer services. encepta.net

PARTNERSHIPS PREPPING CLINICONEX FOR NEXT LEVEL OF GROWTH



CLINICONEX, an Ottawa-based graduate from the L-SPARK Accelerator program, is a SaaS company that automates patient outreach for clinical providers. Software features include automated patient reminders, booking notifications, preventative care notices and surveys. These tailored doctor/patient communications promote better health outcomes.

During the Quarter, clients and revenues continued to rise for the company. At the end of October, more than 1,600 health care providers were using the system, processing approximately 170,000 appointments a month. The company ended October with a net revenue increase of more than 60% compared with January.

Much of the current growth is starting to come from important new EMR (Electronic Medical Records) partnerships the company is establishing. In September, a definitive agreement was signed with TELUS Health, the dominant vendor in the Canadian market. The TELUS team launched the product partnership at their western Canada user conference in late October. Cliniconex was in attendance, and came away from the event with several signed TELUS customer orders. Five days later, the first of those TELUS

customers went live with the system! A promising partnership to be sure.

The EMR market continues to consolidate in Canada. Loblaw's, as an example, owns and operates healthcare operations under the Primacy Medical Clinic brand and the Shoppers Drug Mart retail brand, and recently acquired QHR, which is an existing Cliniconex partner. Similarly, TELUS acquired Nightingale Health and the 4,000 doctors who subscribe to that platform. In total, about 25,000 Canadian doctors use EMR systems in the TELUS and QHR ecosystems, making such partnerships significant for Cliniconex growth.

That motive is the same behind customer and EMR partnership activity the company is pursuing in the U.S. For example, this December will see the first system pilot with a 550-bed hospital in Buffalo NY, and discussions are proceeding with another U.S. hospital for a similar pilot to begin in January.

On the U.S. EMR partnership front, with the support of the local Canadian Trade Commission offices, the company recently introduced Cliniconex to buyers, sellers and marketers in the Philadelphia and Boston healthcare ecosystems. Important

conclusions from that work include the fact that the post-visit patient education and patient experience features of the Cliniconex software will definitely resonate with and differentiate the product in the extensive U.S. market. Despite uncertainty around the healthcare policies of the incoming U.S. administration, the company is confident changes to provider reimbursement rules will make those software features even more relevant.

Looking to the next Quarter, capital from the seed financing round closed by the company in the summer is being focused on preparing for continued growth, in terms of customers, partnerships and revenues. The company is actively expanding the software development, testing and customer success teams. *We will continue to watch the progress.* cliniconex.com



Cliniconex exhibits at their first TELUS EMR event in Alberta, Canada.

HYAS Named Top Start-Up at Venture Forum

Western-Canada-based **HYAS** won a coveted award this Quarter, taking home the top honours as the Best Start-up in a competitive field at the 2016 Banff Venture Forum. HYAS outdid a number of well-funded BioTech and FinTech companies, and won significant praise from the panel of U.S. and Canadian venture capitalists for the ground-breaking information security offerings the company provides.

"We are humbled to receive this honour," said Chris Davis, Founder and CEO of HYAS. "We have been receiving positive industry

feedback on the upcoming release of Comox, our threat intelligence and attribution platform. To see the venture capital community express strong interest in the HYAS technology and recognize the fast growing market it targets is very encouraging."

In limited release with leading financial institutions, Fortune 500 companies, law enforcement agencies and security companies, Comox acts as a 'force multiplier' for companies who must work ever-harder to protect themselves against information security breaches that can result in millions of dollars

in losses. For these companies, HYAS technology makes their security operation centers far more effective, dramatically increasing the accuracy of their investigative findings and allowing them to respond quickly to potential threats.

Founded by a team of renowned security researchers, analysts and entrepreneurs, HYAS is developing the next generation of information security technology for the enterprise, SMB and consumer markets. hyas.com

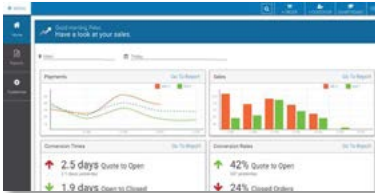


Bringing All-in-One SaaS Value to the Franchise Industry



Ottawa-based **THE BETTER SOFTWARE COMPANY** provides all-in-one business management SaaS, named BPro, for small- and medium-sized businesses. BPro helps established and growing businesses become more organized and efficient, and helps improve their core business processes.

During the last Quarter, the company released BPro Platform, a version of the software which has been optimized for franchise and multi-location businesses.



BPro Multi-location Dashboard

With BPro Platform, owners/operators can monitor and manage key functions of the business using one easy-to-use application, on their office computer or mobile phone. The feature set is extensive, covering billing/invoicing, payroll, inventory management, analytics/reporting, even business-boosting functions such as email marketing, lead generation, and opportunity management. As a modern, mobile, SaaS solution with disruptive pricing and advanced features, BPro Platform is expected to have a large and positive impact in the franchise industry.

Also during this Quarter, the company was selected to join the exclusive Lazaridis Institute and its **Canadian Scale-Up Program** which is targeted at a cohort of the 10 Most Promising New Technology Companies in Canada. The program was created to address three challenges that often prevent Canadian companies from growing: access to capital, access to experience and access to markets. Featuring renowned international instructors and mentors, the Scale-Up Program aims to enable the cohort to knock down barriers and accelerate their plans for global scalability.

On the heels of this selection, The Better Software Company closed another round of financing, increasing the total raised by the company over the last 12 months to nearly \$5M. These funds will continue to fuel the company mission — to help small business clients grow and become even more successful. 📍

thebettersoftwarecompany.com



Mitel Posts Yet Another Solid Quarter

MITEL® (Nasdaq:MITL) (TSX:MNW), a leader in real-time business, cloud and mobile communications, reported more strong GAAP results at the end of this latest Quarter. The company had total Revenues of \$279.8M, net Income of \$25.1M and EPS of \$0.20. These last two figures were both reversals of losses in the same Quarter of Fiscal 2015.

“In a highly competitive and rapidly changing landscape, Mitel continued to win new enterprise accounts in premise and cloud environments, and earned more global industry recognition,” said Richard McBee, Chief Executive Officer. “With a clear migration path for customers, a series of new product offerings now in market, and a strong pipeline, we are well-positioned moving into what is typically our strongest quarter of the year.”

The following are also highlights from the Quarter:

- Recurring cloud seats grew by 43,000, up from 31,000 new seats last Quarter and raising total deployments to more than 494,000. The company also won the Frost & Sullivan Competitive Strategy Innovation and Leadership Award for Cloud Services in North America and Europe.
- In addition to securing new customer wins, Mitel Mobile also achieved solid year-over-year improvements in gross margin of 300 bps.
- The Enterprise Division secured a customer win for 60,000 new users with a major German automobile manufacturer, and also introduced the 6900 Series set featuring a high-res touch screen, seamless smartphone/desk phone integration, Bluetooth synch and WiFi connectivity.

Looking forward, as noted above, the company looks forward to another strong quarter and has set analyst guidance accordingly.

We will continue to watch. mitel.com 📍

“In a highly competitive and rapidly changing landscape, Mitel continued to win new enterprise accounts in premise and cloud environments, and earned more global industry recognition.”

— Richard McBee, Chief Executive Officer



CONNECTING EVER MORE DEVICES WITH IVEN

IVEN is an IoT (Internet of Things) company based in Istanbul. The company has created a cloud-oriented platform and service capabilities for monitoring connected devices across multiple markets and applications. IVEN offers simple APIs and SDKs for incorporating all appropriate devices, quickly and easily, which helps clients:

- Increase R&D efficiency by leveraging remote, real-time and historical product performance data to influence development and support roadmaps.
- Reduce operating costs in areas such as post-sales service, by centralizing equipment monitoring to optimize field activities.
- Develop new revenue opportunities with value-added services enabled through the IVEN platform.

During this Quarter, IVEN became the IoT platform partner for Vestel, one of the largest home appliance makers in Europe. Vestel produces more than 40M appliances every year, including a line of internet-connected refrigerators which are now IVEN-enabled. The innovative solution was showcased at one of the largest consumer electronics and home appliance shows in the world, the IFA 2016 show in Berlin.

IVEN also provides IoT solutions to Wesley Clover portfolio companies, Encore Networks and Deriva Labs. Using the IVEN Device Management Platform, these two companies are able to improve field operations and explore additional revenue possibilities through new services. According to Brad Pool, Director Market Development at Encore Networks, “With the help of IVEN, we have expanded enCloud from a simple reporting interface to a true device management system capable of handling all aspects of device deployment, configuration and ongoing maintenance. enCloud is a platform that is competitive with the leading device management products on the market today.” iven.io 📍



Martello Ranked
Number 31 in
Growth by
PROFIT Magazine



MARTELLO TECHNOLOGIES, provider of service quality management software for Mitel communications networks, was recognized this Quarter by *PROFIT MAGAZINE* in the **STARTUP 50** Top New Growth Canadian Companies list. The list is based on revenue growth over the preceding two years, and the 298% increase experienced by Martello over that period placed it at number 31 for the 2016 list.

Driving this growth, the partnership the company enjoys with Mitel continues to flourish. The release of Mitel Performance Analytics (MPA) 2.1 software at the end of the Quarter marks

the introduction of much anticipated Martello analytics capabilities, and also enhances support for the Mitel MiVoice MX-ONE platform. Martello software has found traction in nine new countries since support for the MX-ONE was added initially, as it helps Mitel service partners and resellers manage customer churn with tools that deliver problem resolution BEFORE users are impacted.

This coming Quarter, doors to the company headquarters in Ottawa will be open to investors and potential employees from Waterloo, Montreal and Toronto, Canada, as part of the

first local 'Startup Open House.' This is an opportunity to showcase innovative SaaS start-ups such as Martello to key visitors from other Canadian technology clusters. martellotech.com



MRR Continues
to Climb
for Echosec

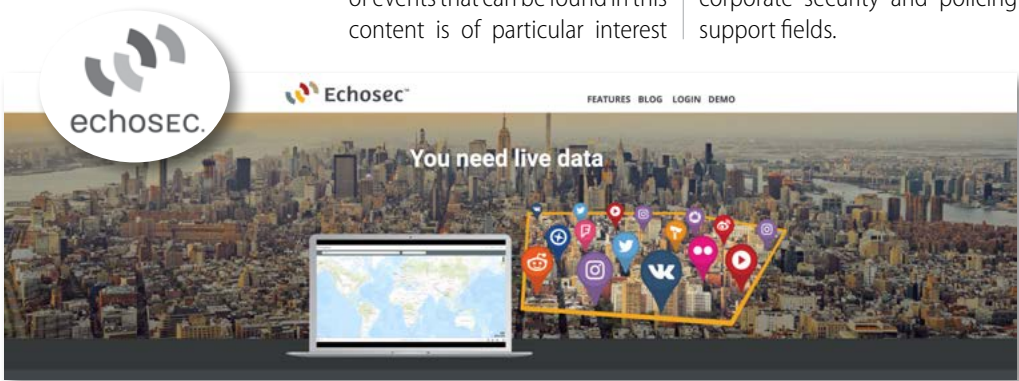
Victoria, B.C.-based **ECHOSEC** is a location-based social media search and analysis company. Users of the technology can access, in real-time, all publicly posted, geo-tagged social media messages, images and video content within an area of their choosing on a map. As might be expected, the capability for rapid action/reaction to the incidents or events that can be found in this content is of particular interest

to the Security, Investigation, Geographic Information System (GIS) and Law Enforcement communities.

The latest Quarter was the most successful to date, setting a new high for monthly recurring revenue (MRR). Key customers came from the military intelligence, independent think tank, corporate security and policing support fields.

A number of these new contacts came as a result of the company exhibiting at the 63rd annual ASIS Security Expo in Orlando, Florida during the Quarter. This international security conference and tradeshow draws top decision makers from companies around the world each year. The response from attendees to the Echosec technology was very positive, and the team has several more connections it is actively exploring for prospective new customer and partnership relationships over the coming Quarter.

We look forward to more good results ... echosec.netc



A Quarter of Going Global, Partnering Locally for InitLive



INITLIVE, an event, staff and volunteer management software company based in Ottawa, had an interesting Quarter to be certain. Developments took place on multiple fronts for the business.

From a sales perspective, the first customer in Australia was acquired during the Quarter. Australia is a country with a strong culture around volunteering, and as such, is an attractive international market for the company. In a similar global-expansion vein, the first reseller in India was also signed to an agreement. With its massive population, the number of festivals, concerts, sporting and other events available to be targeted by this Indian partner borders on limitless, and InitLive looks forward to bringing aboard the first customers from that country before long.

On the product development front, the company continued to work on technology patents in the U.S. during the Quarter.

Of note, last but certainly not least on the sales side, what could be more Canadian than this? The company signed a multi-year deal this Quarter with The Wickenheiser Festival. Now in its sixth year, the Wickenheiser Female World Hockey Festival attracts more than two thousand female hockey players of all ages from around the world to an annual three-day competition and celebration. An ideal environment for Canadian-made event management software if there ever was one.

On the product development front, the company continued to work on technology patents in the U.S. during the Quarter. One patent has now been granted,

and three more are pending. These patents center on some of the key differentiators in the software, around the event-day communications subsystem, for example, and serve to protect valuable intellectual property as well as provide yet another important corporate asset.

The company also secured an important technology development grant under the Industrial Research Assistance Program (IRAP) of the Canadian government and the National Research Council. The program provides financial support to qualified small- and medium-sized enterprises in Canada to help them undertake innovative new research and development

activity. In this case, the company will use the funds to add Application Programming Interfaces (APIs), white labelling/custom branding features and the first integrations with third-party event management tools to the InitLive software.

This development will increase the openness and broaden the appeal of the software considerably — to partners and customers alike. For example, one of the first integrations being considered could bring the Live Chat and VOIP technology from Mitel directly into the InitLive application. This holds the potential to open up a very large, global base of potential partners and customers for the company.

We will be following this initiative with great interest. initlive.com

Much More to
Come from
New Ad Platform



Victoria, B.C.-based **PRETIO** Interactive, a leader in creating more effective mobile advertising, achieved double-digit growth again this past Quarter. Revenues for the August through October period outpaced the previous Quarter by more than 20%, due in large part to the ability of the sales teams to diversify global audience partners and advertisers. As important, in parallel with the influx of new partners, the company was also able to improve gross margins Quarter-over-Quarter by more than 50%.

The progress made in delivering these results allowed the Pretio team to invest more resources in the development of a much-anticipated automated ad-buying platform, currently code-named "Apollo". By leveraging the experience of the Pretio media buying team and the millions of daily data points running through the client platform, CTO Rob O'Dwyer and Machine Learning/Data Scientist Craig Thomas are creating a more intelligent approach to performance marketing.

"The idea behind Apollo is to be able not only to detect and target users who are great matches for the brands we are representing," says Thomas, "but also to be able to reach across virtually any traffic source — not just a few apps and publishers. And

because of the machine learning capabilities we are embedding, we won't simply turn on traffic sources, cross our fingers, and hope for the best. The platform itself will get better at optimizing connections between brands and customers, without needing human inputs."

Looking forward, future growth for Pretio Interactive will not only come from the algorithmic capabilities of Apollo. As reported in the previous issue of Q, the old-fashioned partnership-building efforts the company is leveraging in China are poised to deliver significant value by virtue of the access these relationships will open up to the immense mobile advertising market there.

Stay tuned ... pretio.in

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Summer Winds Down and Celtic Christmas Preparations Begin at the Celtic Manor

The **Celtic Manor Resort** in South Wales welcomed some special guests to its golf courses this past Quarter when injured soldiers from the U.K. and Australia competed for the Clyde Pearce Trophy. The team match-play event featured participants who had lost limbs in the conflicts in Iraq and Afghanistan. With golf playing an important part in their rehabilitation, the teams were delighted for the opportunity to stay and play at a Ryder Cup venue.

Military veterans gave way to sporting veterans when the Sir Gareth Edwards Golf Day took place on the Twenty Ten Course in September. Sir Gareth was joined by fellow rugby legends Zinzan Brooke, Scott Quinnell,

Martyn Williams and Mike Tindall. Following a landmark year for Welsh soccer, when the national team reached the semi-finals of Euro 2016, it was only fitting that football was represented by Wales greats Mark Hughes, Dean Saunders and Cliff Jones, while the dinner celebrations were hosted by Football Focus presenter Dan Walker.

With the shifting of seasons, the Resort is now gearing up for a busiest-ever festive period that includes improvements to the popular Christmas Kingdom attraction and new additions to the Festive Party Nights calendar.

Christmas Kingdom returns for a sixth year in 2016 and for the first time the ice skating rink will be covered by a clear roof, keeping away any rain and allowing skaters to see the sky and stars on clear nights.

More than 30,000 people will visit the Christmas Kingdom between late November and early January, with the Santa's Grotto enchanting children with a magical experience that includes decorating gingerbread men, writing letters to the North Pole, and meeting the reindeer along with the main man himself!



On the big day, the Celtic Manor will serve lunch to more than 1,500 guests across the eight restaurants and the Winter Wonderland in the Caernarfon Ballroom. Here are some additional facts to demonstrate the scope of the Christmas festivities at the Resort. There will be:

- 7,000 Christmas puddings prepared, all in one large batch, with ingredients that include 125 pints of Guinness, 30 bottles of rum and 200kg of mixed fruit!
- 22,000 mince pies baked.
- 3,500 bottles of bubbly served.
- More than 19,000 Christmas Crackers.

- 85 outdoor Christmas trees installed — including 30 indoor trees in the Caernarfon Suite alone.

All these Christmas decorations take a full week to install, and span the four hotels, two golf clubhouses, convention centre and 10 luxury Hunter Lodges that make up the Resort. It takes one full day just to erect the much-loved centrepiece tree in the Resort Hotel lobby, and another day to construct the train track around it. *It looks and sounds wonderful. A shame we can't all be there to enjoy it ...* celticmanor.com 🍷

Alacrity UK Teams Looking at Ways to Get and Stay Healthy

To start with some context, it is recognized worldwide that healthcare demand, delivery services and resulting costs all face significant challenges over the coming years. Due to aging populations, nearly all developed countries are being confronted with this reality. In one health area in Wales, for example, a recent estimate suggested that more than 80% of the 'whole-life spending' on health care is being experienced in the last five years of a person's life.

It is safe to say that this is not unique to Wales. A bit of good news is that, while the 2008 global financial crisis caused a spending slow-down in many areas, the latest data from the Organization for Economic Cooperation and Development — the foremost economic think-tank for the developed nations of the world — suggests the rate of spending on healthcare and social care is returning to its long-term norm.

Along with that good news, however, major public policy questions are emerging regarding appropriate levels of spending, as there are always competing priorities for state funding. The appropriate follow-on question comes, of course, whether spending is being



undertaken efficiently. For example, health authorities are being asked to look for ways to shift the burden of responsibility onto individuals to do as much as they can to prevent and manage their own illnesses, as a means of reducing or avoiding the high costs of hospitalization.

Against this backdrop, the **Alacrity Foundation in Wales** had the opportunity this Quarter to work with local health organizations to explore if and how it could develop digital applications to help address the issues of increasing healthcare spending. Three new teams who joined the Graduate Entrepreneurship Programme are now in the process of assessing, for example, how gamification principles might be applied to increase the ability of post-operative cancer patients to self-manage their conditions and general well-being.

These are among the most demanding and complex business issues to be put in front of teams in the Programme, and it is a strong indication of the maturing of the Foundation and its brand. A successful outcome will not only provide a significant pathway to a commercially viable business, but will also help solve what is one of the world's most intractable challenges — how to make life better for people facing disease. *We can only wish these teams the best of luck ...* alacrityfoundation.co.uk 🍷



Last Quarter Vietnam — This Quarter Jakarta



Greg Vanclief from Wesley Clover joins hosts and dignitaries to open the 2016 CABF.

On the heels of efforts last Quarter to understand more about the investment and growth opportunities in the emerging markets of Vietnam, Wesley Clover was at it again this past Quarter, in Jakarta, Indonesia this time. **The Canada-ASEAN (Association of Southeast Asian Nations) Business Council (CABC)** conducted the 2016 Canada-ASEAN Business Forum (CABF) in that city, from September 7 to 8. The two-day forum brought together more than 260 global business leaders and senior government officials from Canada and Southeast Asia to explore opportunities for accelerating multilateral trade and cooperation.

Wesley Clover was a co-sponsor of the event, and was represented by Greg Vanclief, Managing Director of Global Investments. Greg participated on several panels and roundtables, but was also active in getting a first-hand sense of the potential for Wesley Clover initiatives in the region. The Alacrity investment model developed by Wesley Clover has been designed for success in emerging markets, with key stakeholders including local governments, academia and entrepreneurs.

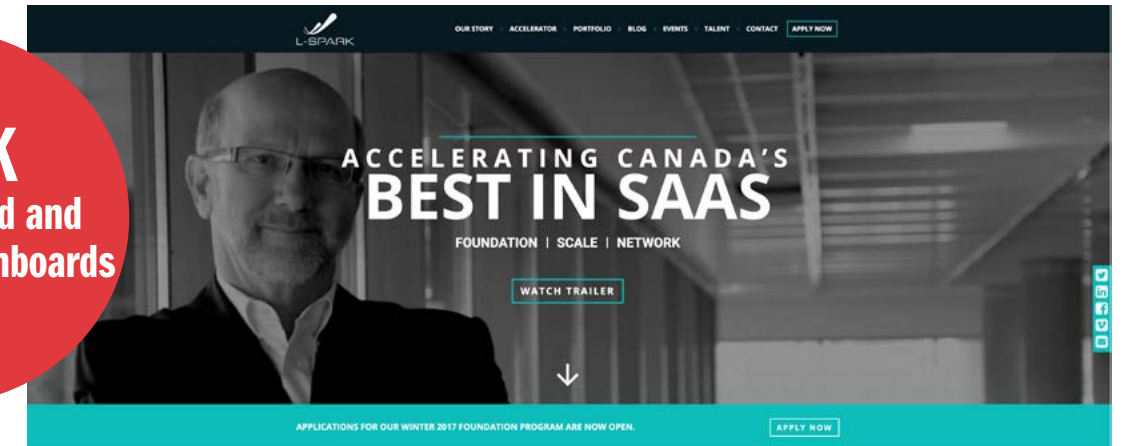
The forum provided participants with significant opportunity for business networking and for discussing their priorities with government representatives. According to CABC President Wayne Farmer, there was “a strong sense of optimism among participants, reflecting the growing economic importance of South East Asia”. A survey undertaken during the event suggested that 94% of respondents felt they had positive investment opportunities in the ASEAN market, an increase of 13% in the past three years.

Supporting data includes:

- ASEAN is the sixth-largest trading partner for Canada, and offers some of the most dynamic markets in the world.
- ASEAN had an estimated collective GDP of more than \$3.1 Trillion in 2015. Canada-ASEAN trade totaled \$21.4 Billion that year.
- Trade development is rapidly expanding, into diverse sectors including oil and gas, high tech, telecommunications, agri-food, financial services, aviation and consumer goods.

Look for further developments on such Wesley Clover ‘Go Global Fast’ initiatives in future issues of Q. ◉

L-SPARK Evolves Brand and Programs, Onboards Next Cohort



L-SPARK, the Ottawa-based destination for market-ready enterprise SaaS and cloud start-ups to scale and grow, had another very busy Quarter.

The team hosted the first Canadian Innovation Showcase in New York City, in partnership with the Harvard Business School Alumni Angels of NY and the Canadian Consulate General. The pitch event featured five of the L-SPARK alumni and more than 50 attendees, including several angel and institutional investors. A number of follow-on discussions remain active.

Over the two years since L-SPARK was formed, the team has met with many hundreds of SaaS entrepreneurs and investors. Through selection processes with leading venture capital groups and others, 19 SaaS companies have been accelerated, and some have grown revenues from \$7K to more than \$100K per month (MRR) and raised millions of dollars in follow-on investment.

This experience has taught the team that the methodology used — one of high-intensity engagement that demands founders’ full focus — is unique, different from traditional Incubators and Accelerators. L-SPARK thinks in terms of actions and results, not processes and exercises. A concentrated effort to grow the market reach, opportunities and revenues is applied to the cohort companies.

These realizations drove an internal project this Quarter to refine the market positioning and program focus of the organization. No changes were made to program delivery, but an updated identity was created to better reflect the style of engagement and stage of company the team targets and supports.

The result? L-SPARK is now no longer an Incubator, but is exclusively an Accelerator, with two programs for enterprise SaaS entrepreneurs — a Foundation Program and a Scale Program. A new website and video were launched to support this rebranding, conveying the true environment and experience that entrepreneurs will find when joining the L-SPARK Family.

Using this refined positioning, selections for the Fall 2016 Scale cohort took place. From the more than 200 applications received, eleven companies (coming from Montreal, Waterloo, Toronto and Ottawa) were invited to the Pitchfest. A veteran selection committee then chose six winners. These companies moved into the L-SPARK offices shortly afterward, and began their nine-month Scale journey to increase revenues by a factor of 10. You can find an overview of the new cohort on the L-SPARK website.

Also during the Quarter, L-SPARK launched a curated online community for SaaS leaders, participants and subject matter experts to share strategies, advice, best practices and

related content for managing and growing software businesses. Called Voice of the North, the platform provides an industry service or resource, and further positions L-SPARK among the thought leaders and facilitators in the SaaS environment.

In addition, the team continued to drive the plans and preparations for the inaugural SaaSNorth conference and trade show, the first in Canada designed exclusively for the SaaS community. The home stretch is now here, with more than 60 speakers and 1000 delegates from across Canada and the north-eastern United States expected in Ottawa for the two-day event, November 30th and December 1st.

As soon as the team concludes and analyzes the success of this milestone event (ensuring it is made repeatable annually), the focus for the next Quarter shifts into recruitment for the Winter 2017 Foundation program. Applications are already open, and the team will hit the road again in Waterloo, Toronto, Montreal and Ottawa, seeking more of the Best in SaaS candidates to compete for the eight prized slots available in this four-month session.

Look for another update in the next issue of Q. l-spark.com ◉





The Marshes Golf Club

The 2016 golf season at **The Marshes Golf Club** in Ottawa came to a close at the end of the Quarter, marking another successful year with an increase in rounds played relative to 2015. The renowned course, designed together by Robert Trent Jones Jr. and Sr., gained further Provincial and National recognition by hosting the Ontario Senior Men's Amateur Championship and being endorsed by Golf Canada as a National Junior Golf Development Centre.

The Senior Men's Championship was played for the 80th time in its storied history, but only for the first time in the National Capital area. 120 of the best Senior Amateur golfers in Ontario competed over three rounds (54 holes), and the winner hoisted the trophy after posting scores of 71, 72 and 71. One-over par for the tournament and four strokes ahead of 2nd place — an enviable performance to be sure.

With an understanding that the health of the sport of golf lies in the advancement

and growth of the next generation of golfers, The Marshes was endorsed earlier in the year as one of Canada's National Junior Golf Development Centers, thanks to prior successes in providing golf development pathways to children aged 4-18. The objective of this next-level program is to foster a life-long passion for golf, whether the juniors wish to play recreationally or pursue a more competitive experience. The nationally-endorsed programs are to be delivered by trained and certified professionals. In the first full year of operation, the Marshes program doubled in



participation, with more than 500 junior golfers joining the summer programs.

And also this Quarter, the Head Golf Professional at the course, Andrew Donaldson, was recognized by his colleagues and industry partners for his continued passion and dedication to the business and sport of golf, being selected as the Club Professional of the Year for the Ottawa area. This is an honour that Andrew shares with the entire Marshes Golf Club team. marshesgolfclub.com



Wesley Clover Parks Wraps Up Another Busy Summer in the Capital City

Not-for-profit community hub Wesley Clover Parks continued to evolve the programming and events offered in the Quarter. Here are some highlights.



More than 600 pounds of honey were harvested from the hives at The Parks!

CAMP

- This season saw another increase in campers compared to the previous year. However, with the scope of the celebrations planned for the 150th birthday of the Nation in 2017, it is likely we have not seen anything yet! Next season will also mark the 50th anniversary of the campground itself, which is also a good reason to celebrate ...

FARM

- The 300,000 honey bees on site have been tucked in for winter, and a well-deserved rest. More than 600 pounds of honey were harvested from the hives in just this first season of operation!

GATHER

- The Parks once again hosted two exciting 'fun runs' this Quarter. The Color Vibe 5K, supporting the Boys and Girls Club of Ottawa, and the BADASS Dash, in support of the Ottawa Regional Cancer Foundation, each welcomed thousands of participants.
- 'The Ride' (formerly known as 'Ride the Rideau') ended its 108km bicycle race at The Parks. The event raised more than \$1.3M for cancer research at The Ottawa Hospital.

LEARN

- The Ottawa Forest and Nature School, located in the Wesley Clover Parks Campground, began fall programming in September, and this will continue during the winter months.
- The school is also welcoming students from local Public Schools for a day of outdoor learning, as part of an effort to expand awareness of the outdoor school and its attractions.

RIDE

- Polo in the Park Ottawa, in support of the Wabano Centre for Aboriginal Health and TROtt (Therapeutic Riding Association of Ottawa-Carleton), returned to The Parks this Quarter. The second year for the event brought with it tremendous growth in attendance, with the 2000-plus guests doubling the number that attended in 2015.
- The 2016 horse show season wrapped up with a number of successful hunter/jumper competitions. The Parks also announced exciting news for the equestrian community for next season, as the 2017 Ottawa Equestrian Tournaments will be expanded to three weeks of competition with the addition of an Ottawa Welcome event to be held from June 21st to 25th.



The Color Vibe 5K



Polo in The Park

wesleycloverparks.com

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