



JULY 2021

WESLEY CLOVER QUARTERLY UPDATE

**Kanata North is Selected
as an Important New
'5G Innovation Zone'**

**COVID Has Put Global
Digital Business
Regulations in an Even
Brighter Spotlight**

**Alacrity Comes Home
in Partnership with the
University of Ottawa**



Wesley Clover



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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.

A Message from the Chairman

Welcome to another issue of **Q**. As the second Quarter of 2021 closed, I am pleased to share that the levels of business activity are definitely returning to a more rapid pace. It is nice to see optimism in several parts of the world that the worst of the Pandemic may be behind us, and that things can finally, fully return to a more normal state, with a re-emergence of energy and opportunity. New partnerships are being formed, new initiatives are getting underway, new client business is being negotiated and secured across many sectors.

As you will read, our local region is moving on a number of fronts to leverage the tremendous potential of the next generation of wireless networking technology, 5G, and establish itself as a leading hub of innovation, development and commercialization around that technology. Integral to that environment, enterprise software Accelerator L-SPARK is helping drive innovation in a number of key new industry sectors. And the Alacrity Global program now has its latest member by virtue of a partnership with the University of Ottawa here in our city.

Further afield, management at Alacrity Canada company Pretio Interactive took advantage of an opportunity to exit a portion of the business from the portfolio and spin a new firm out as part of that process. Hutsix in the U.K. surpassed the 30,000-user mark of its online security training platform, driven by the ever-stronger need for better defenses against the growth in digital cyber attacks, in some ways accelerated by the realities of the pandemic and global geo-political tensions. And speaking about effects of the pandemic, the sometimes-stunning



growth experienced by many technology companies over the past 18-24 months has created renewed scrutiny around the need for reforms in international tax and other policies, having the potential to influence investment and other trends in the process.

On the commercial real estate side of the business, management is navigating their way through a demand for space that is strong but different in several key ways. Tenant leasing has not declined, but demands for how that space is 'fitted up' is evolving to accommodate more social distancing, reworked central meeting areas and public areas, and other nuances brought about by the pandemic.

And in terms of the hospitality operations, emergence from lockdowns is occurring at different rates in different regions, however there is no denying demand has been pent up. As restrictions are removed, occupancy rates and facility bookings are growing strongly. If the demand for golf reservations, for example, can be viewed as any sort of future indicator, the challenge will shift quickly to keeping up.

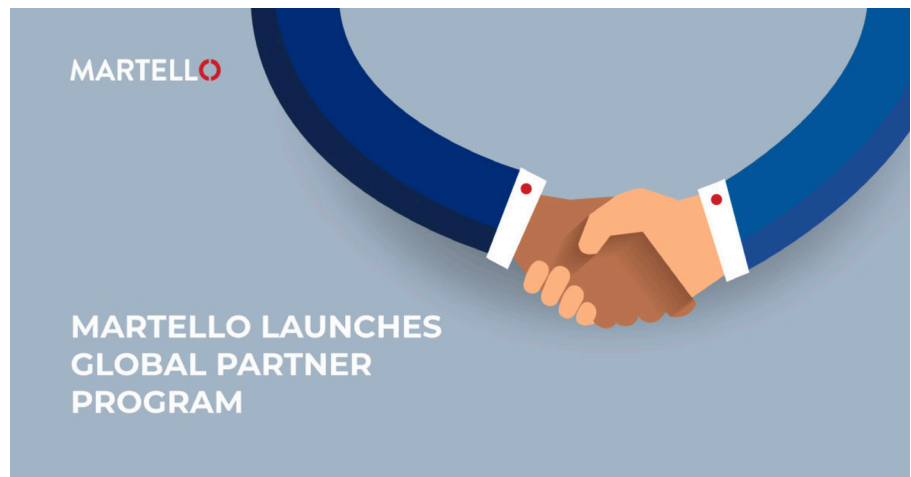
So please read on, as I trust you will enjoy these latest insights. Thank you for the continued interest and take good care.

Kind Regards,
Terry Matthews, Chairman

HIGHLIGHTS FROM OUR MOST MATURE COMPANIES

MARTELLO – SaaS for Enterprise Digital Experience Monitoring (DEM)

Martello Continues Executing on its 2021 Growth Strategy



As the world carefully navigates through post-pandemic life and works toward a new 'normal', the rapid adoption of cloud computing and storage services over the last year is showing no sign of slowing down. As a result, the digital experience monitoring (DEM) solutions provided by **Martello Technologies** have become increasingly important, monitoring and measuring the performance and user experience of these cloud services to keep user productivity and satisfaction at a high and uninterrupted level.

The latest Quarter saw Martello continue the execution of its growth strategy as planned. Among the milestones reached was the successful launch of a Global Channel Partner Program which provides managed service providers (MSPs) and value-added resellers (VARs) an opportunity to add Martello DEM for Microsoft 365 and Microsoft Teams to the solutions they offer to small and medium-sized enterprises (SMEs). The Program includes software training, automated management of Service-Level Agreements (SLAs), and co-marketing services to help reinforce the value of DEM to customers.

LDI, a New York-based leader in the sale and service of digital office technology with a client base of more than 7,000 small- and medium-sized enterprise customers, was among the first to join the new Channel Program. Robert Handel, Senior Director of LDI Cloud Services, explained their rapid move this way: "Partnering with Martello brings us unique new tools that differentiate us from our competitors and drive additional services revenue." This Program creates the opportunity for companies like LDI across the global Microsoft partner ecosystem to provide added value to their customers and grow their own revenues.

As remote work and hybrid workplaces become the norm, cloud services such as Microsoft 365 have become business critical, and the Martello 'work from anywhere' DEM solution set provides business leaders with the tools to ensure these services perform optimally, wherever the user is located. Martello is focused on developing and delivering industry-best DEM solutions for Microsoft 365, enabling its customers and partners to improve their software user experience, increase employee productivity and grow their businesses.

martellotech.com

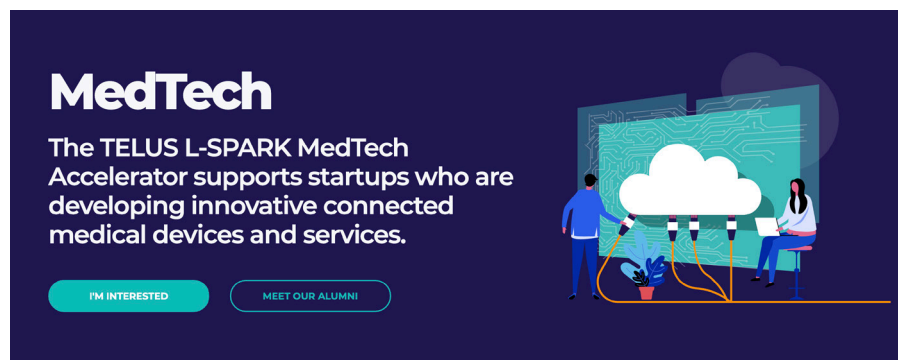
MARTELLO

L-SPARK TEAM FEELING BULLISH MOVING INTO A POST-PANDEMIC MODE

Reporting on the progress achieved over the Quarter, the team at L-SPARK feels positive about the near- and longer-term programs being planned and executed. These include the current and upcoming Accelerators and the return to live events.

However, until now the team had to focus on delivering key events in a requisite virtual fashion. In April, SaaS Showcase 2021 was held — the seventh instance of this annual event. It provided opportunity for the latest cohort of B2B and B2B2C Accelerator companies (9 companies in total this year) to network with and pitch their refined investment stories to a group of relevant online audience members. Information about the pitching companies can be found [here](#).

In May, together with partners TELUS, Blackberry, Solace and CIRA, L-SPARK celebrated the graduation of the eight start-ups that formed the first MedTech Accelerator cohort. The virtual MedTech Demo Day showcased the innovative new Healthcare solutions being developed by these young Canadian companies using advanced new connected, secure medical platforms and devices. Details are available [here](#).




Both events above celebrated the successes of the entrepreneurs and highlighted the progress and growth they experienced over their time with L-SPARK.

While those two programs came to a close, L-SPARK kicked off the second cohort of **Compass North**, the Accelerator formed in partnership with Queen's University and dedicated to women-led technology companies. They also opened [applications](#) for the next SaaS Accelerator, LSA-8.

The application process for LSA-8 runs until mid-August, and is open to Canadian start-ups who believe they have a business vision that matters, a large addressable customer market, and as a B2B or B2B2C software company, a \$5-10K monthly recurring revenue (MRR) stream. If the company is focused on deep technology but is still pre-revenue, they must at least demonstrate a prototype of the product.

As Q3 wraps up in September, applicants who manage to get short-listed will be invited to a Selection Day event, where they will pitch their plans to a Committee made up of the L-SPARK team, interested investors and key partners. This Committee will review all the plans, and also be looking for healthy doses of passion, leadership, coachability, focus, commitment and perseverance. These characteristics will help determine the final cohort for what will become the eighth L-SPARK SaaS Accelerator.

Eight cohorts and counting. To date, L-SPARK has welcomed into their programs more than 75 companies, helped those start-ups raise just shy of \$100M in funding, and developed an international community of more than ten thousand members. As you might guess, the ongoing Quarterly activities shown here suggest that those numbers are going to continue to climb. l-spark.com 



KNBA, TELUS, CENGN – Enabling the Commercialization of the Latest Wireless Network Technology

NEW PARTNERSHIP CEMENTS KANATA NORTH AS THE CENTER OF A KEY NEW '5G INNOVATION ZONE'

This Quarter saw a significant development for start-ups, academic institutions and technologists in the Kanata area. A new partnership was launched between the Kanata North Business Association (**KNBA**), **CENGN** (the Canadian Centre of Excellence in Next Generation Networks), and **TELUS** (a primary Canadian telecom provider) that will

see the deployment of advanced infrastructure and supporting programs to accelerate the development and commercialization of new platforms, devices and applications that leverage the faster, more powerful, more reliable next-generation of wireless networking technology known as 5G.

This announcement represents a multi-year opportunity to grow a 5G-related technology ecosystem that will benefit Kanata North and the surrounding region on several levels. Estimates suggest that 5G could create as many as 250,000 jobs and contribute as much as \$150 billion to the Canadian economy over the next 20 years. These numbers

KNBA, TELUS, CENGH – Enabling the Commercialization of the Latest Wireless Network Technology

stem from the size and scope of the industry sectors that are ripe for advancement from 5G. Examples include:

- Advanced new medical technologies,
- More efficient robotics and manufacturing processes,
- More intelligent agriculture,
- More powerful, safer Smart City applications,
- Smarter buildings and other infrastructure for cleaner, greener environments,
- More advanced VR/AR for commercial and personal uses,
- Broader Internet of Things (IoT) commercialization,
- Continued evolution of connected and autonomous vehicles, and much more ...

The list is long, some solutions are near and some are further away, but work is well underway to seize upon the potential. This new partnership is focused on ensuring that local expertise is exploited and local companies benefit as part of turning that potential into reality for Canada.

Three primary initiatives are committed to as part of the launch of the '5G Innovation Zone':

- A TELUS 5G Innovation Lab with a private, stand-alone 5G core, accessible by the local technology community for the development, testing and productization of new wireless products and services.
- A TELUS 5G commercial network 'over-build', creating a dense 5G local network and a variety of small cells to support real-world trials of new technologies.
- The pursuit of new 5G-supported use cases, inspiring new products and start-up companies focused on segments such as Multi-Access Edge Computing (MEC), Network Slicing, new APIs, enhanced virtual and private wireless networks (e.g., public safety, Smart Cities) and many other capabilities.

The 5G Innovation Zone will be centered in **Hub350**, the new 12,000 sq. ft. Technology Centre opening later this year in the heart of the Kanata North technology park. In an environment that includes modern collaboration

spaces, meeting rooms, a licensed café, a garden terrace and more, Hub350 will provide the community with a range of services to support start-up through to scale-up and enterprise-level business needs.

Anchoring the TELUS 5G Innovation Lab in this center adds to the value it will provide to the more than 540 companies that already operate in the area – a great many of which are technology companies that range from start-up to large multi-national in size. Nearly 30,000 workers are employed in the community, at brand-name companies including Ciena, Ericsson, Dell, Nokia, Syntronic, Galtronics (OEM to Samsung), Solace, QNX (Autonomous cars) and many others.

Wesley Clover is also a key member of this community, and a key partner in the Hub350 and 5G initiatives through our commercial real estate company, **KRP Properties**. Many of the firms noted above are tenants in the 34 buildings owned and operated by KRP. Add to that mix the Brookstreet Hotel and Marshes Golf Club, and the result is an ideal environment of real-world infrastructure in which to deploy, test and prove a cross-section of new applications. ▶



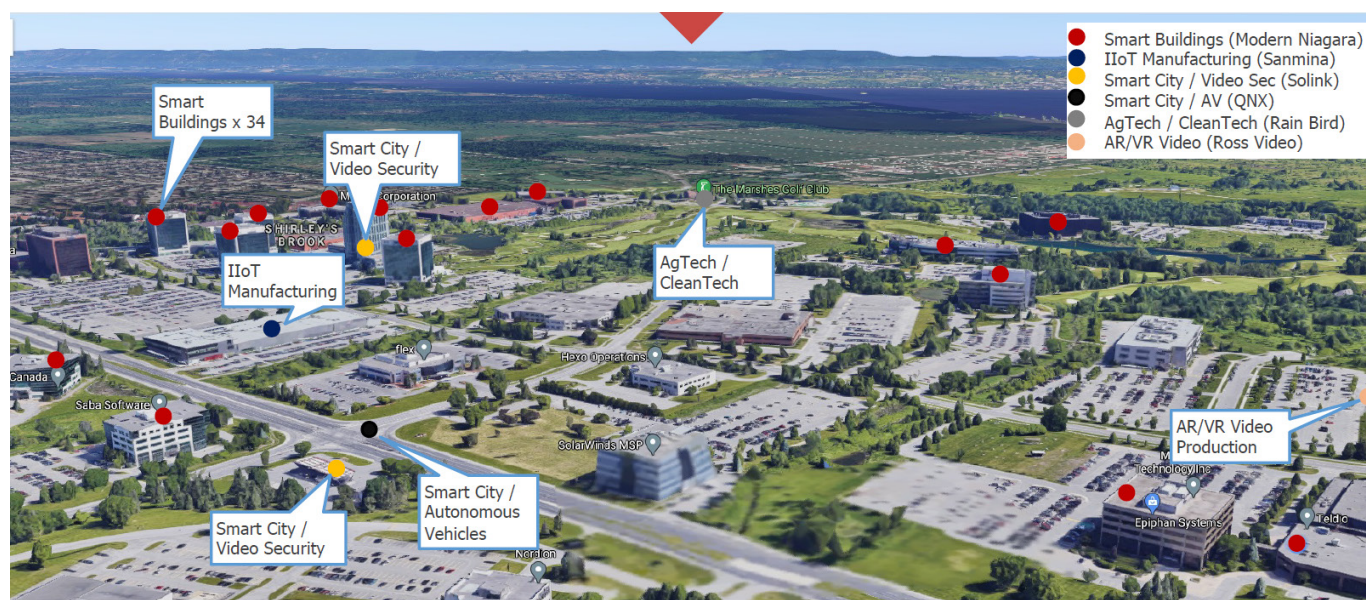
KNBA, TELUS, CENG – Enabling the Commercialization of the Latest Wireless Network Technology

Kanata North is also in the latter stages of being recognized as a Special Economic Area by the City of Ottawa. This will facilitate, for example, faster approvals and other forms of support for projects that might involve city infrastructure such as roadways, traffic lights or streetlights. This infrastructure will be instrumental to some of the more visionary applications of 5G, in areas such as transportation, smart cities, security and others.

“5G represents one of the most significant new advances in communications technologies to date and no other area in Canada

has the combination of experience, talent and commitment to 5G, in complementary fields of software, data, computing, applications and other technologies, that the Kanata North Technology Park has,” said Terry Matthews, founder and Chairman of Wesley Clover and KRP Properties. “As a long-time supporter of digital networking, I see the vast benefits of 5G across a variety of industries and I am pleased that TELUS has chosen to bring their Innovation Zone to Kanata and Hub350, to further accelerate the growth of this industry for Canada.”

“The 5G Innovation Zone will allow some of the country's greatest innovators to leverage new IoT technologies to improve upon solutions for public safety, autonomous vehicles, medical technologies, manufacturing automation, and create positive outcomes for Canadians overall,” said Ibrahim Gedeon, Chief Technology Officer at TELUS. “Investments like this help to generate sustainable financial and intellectual growth. Partnering with the KNBA aligns with our vision to address real customer problems and drive our economy forward through our world-leading technology.” ●



ALACRITY GLOBAL – Funding and Scaling Technology Start-Ups Around the World

TECHNOLOGY ADVANCES ARE DRIVING DIGITAL- BUSINESS POLICY REFORMS – INSIGHTS FROM ALACRITY GLOBAL



The need to modernize policies governing how corporations do business — in particular, global, digital business — has been in the spotlight before, however the past eighteen months of COVID disruption have only increased the concerns and calls for reform. The demands of the pandemic served to accelerate the ‘digital transformation’ of whole sectors of economies, and as part of that, amplified the power and success of many technology products and companies. Around the world, governments, lawyers, tax

men, privacy groups, security organizations — the list goes on — are recognizing more than ever that current regulations are not adequate for managing these new business environments. The following is a look into just three of the higher-priority areas of concern for global policy restructuring.

International Corporate Tax Policies¹

At the 2021 G7 summit earlier this year, a focus group studying this unequal landscape proposed the implementation of a minimum

corporate tax rate of 15% across participating nations. The annual revenue this new tax 'floor' could potentially generate was in the range of USD\$150B. Due to the maturity of their technology economies, the three primary beneficiaries would be the EU at USD\$48.0B annually, the U.S. at USD\$40.0B and Canada at USD\$16.0B. The even better news is that since that initial summit an additional 130 countries have signalled their intent to support such a proposal.

A key driver of this support is a sentiment that many corporations are not paying their "fair share" into the domestic tax systems where they originated and are effectively based. There are many examples of companies either incorporating or setting up subordinate operations in more tax-friendly locations, leveraging local government incentives to do so, creating attractive local jobs in the process, and flowing as much revenue as 'realistic' through those operations in order to reduce their net tax burdens. And per the numbers above, estimates of those real burdens are very significant.

While mostly still legal, this has been a source of concern for some time, and change may finally be coming. Fortunately for smaller companies this won't be an immediate issue as the proposal only targets companies once they exceed certain revenue levels.

Global Competition Policies²

With size often comes success and influence, but scrutiny as well. It is no secret that the FAANG companies as they are sometimes called — Facebook, Apple, Amazon, Netflix and Google (parent company Alphabet) — have been the targets of commissions, investigations and other forms of government and other scrutiny because of their global market power. Microsoft was a bit late to that influential party, but the eye-popping growth of these and other newer players lately has only increased concerns by policy reform advocates.

For example, the Whitehouse released a briefing recently of new executive orders



designed to promote better competition in the American economy. The section specific to technology targets "Big Tech Platforms" in the areas of:

- acquiring competitive companies,
- competing against small businesses,
- collecting and accumulating customer data,
- tracking and other forms of customer surveillance.

Generally speaking, these reforms are intended to help smaller technology companies by creating a more open market. However, one unintended consequence might be that company exit strategies based around acquisition by larger tech companies could become more difficult. And business models that depend on existing regulations around data usage, for example, will need to be revised.

Stakeholder Capital Gains Policies³

The Venture Capital (VC) industry in the U.S. is recognized for its size and strength. Many firms invest globally. They also attract new technology companies to the U.S. to be closer to that investment activity. This year, the American Families Plan proposed changes to the tax policies around long-term capital gains — a significant draw for investors in these VC markets. The proposed changes could:

- make short-term investment activity more attractive for investors. Unfortunately this would also accelerate deal exit expectations, making early-stage funding more challenging and making

aggressive speed of growth and scale more critical in investment due diligence.

- cause investors to look for greater gains from an exit to make up for the losses of current tax benefits. This could result in more strict value expectations and larger investor entitlement in the deal, in turn leaving founders with a smaller share of any gains.
- influence the investment strategies of VCs, as many have a global presence and are geography-agnostic in their investment practices. This could mean more aggressive pursuit of investments in more attractive locations in terms of capital gains taxes.

None of these outcomes are appealing. Part of the issue lies in the fact the current policy proposal appears to group VCs in with Hedge Funds as the main target for new tax rules. However, in the past removing incentives for a healthy VC industry was never a tax policy aim, as capital gains there are frequently cycled back into the innovation ecosystem and keep that system thriving. So time will tell.

In Closing

These policy reform proposals target areas of the economy that continue to perform well. Policy makers should bear in mind that innovation is a hallmark of a competitive economy, and the technology sector has demonstrated resilience and considerable contribution to national GDPs. Some policy updates are clearly warranted, however allowances to support and protect early-stage investments and new technology start-ups remain critical.

alacritycanada.com 

¹ <https://www.oecd.org/tax/beps/130-countries-and-jurisdictions-join-bold-new-framework-for-international-tax-reform.htm>

² <https://www.whitehouse.gov/briefing-room/statements-releases/2021/07/09/fact-sheet-executive-order-on-promoting-competition-in-the-american-economy/>

³ <https://news.crunchbase.com/news/proposed-changes-to-capital-gains-likely-to-affect-early-and-late-stage-vc-investing-differently/>

SPOTLIGHT ON OUR GROWTH-STAGE PORTFOLIO

CLINICONEX – Patient Engagement Platform for Care Professionals

CLINICONEX PLATFORM SAVES EXTREMELY VALUABLE TIME

cliniconex

The COVID-19 pandemic caused senior care homes to face many challenges. Regular communication with residents, families and staff members became a critical one. Portfolio company **Cliniconex** has developed an automated messaging platform focused on addressing that ongoing challenge.

In early 2020, the company established a partnership with key industry supplier **PointClickCare**, and since that time the two have deployed the Cliniconex Automated Care Messaging (ACM) platform into more than 1,600 senior care homes. The platform reduces the need for manual communications outreach by vital staff, instead enabling administrators to craft and distribute one-to-many voice messages as required. Integration with Electronic Health Record (EHR) systems means all communications are logged, including in resident records to ensure compliance with guidelines mandated by authorities such as The Centers for Medicaid and Medicare Services (CMS).

As of this Quarter, the software had enabled those 1,600+ facilities to dispatch more than six million messages to keep families up to date on everything from vaccination developments to visitation policies. In the process, it allowed staff to keep their focus on resident well being. The effect of six million automated messages is about **one million hours** of time saved, and redirected into that all-important care.

The pandemic provided Cliniconex with additional insight into the communications challenges senior care operators face, not just in times of stress but on a daily basis as well. Streamlining internal communication and coordination was identified as an important issue for organizations of all sizes, and was certainly amplified during times when rules and regulations were subject to frequent change.

As a response, the team recently launched a new Staff Add-On to the ACM platform, which enables administrators to reach staff, doctors, nurses and other practitioners rapidly using email, voice or text messaging. Michelle Stroud, Administrator for the Durham Christian Homes care facility shared the following about the new feature: "The Automated Care Messaging solution has been a huge time saver for me, particularly as it now allows me to reach out to staff when I need to fill an open shift. Overall, the system has improved our ability to communicate with families and to coordinate our employees."

With the Staff Add-On capability now in full release, the Cliniconex team is working on the next effective messaging tools for adminis-

trators and care directors. The team is proud to play an ongoing role in keeping senior care communities connected, and it looks forward to increasing the value and benefits provided by the ACM platform as the company continues to grow.

cliniconex.com



TALKATIVE – Digital Services Software for Contact Centers

TALKATIVE CONTINUES TO ADD NEW CUSTOMER ENGAGEMENT OPTIONS TO THEIR CONTACT CENTER SAAS

Talkative

In addition to the full voice, video and web co-browsing capabilities UK-based **Talkative** provides for contact center agents, this Quarter saw the team add Social Media Messaging integration to their software features. Clients can now use live chat on WhatsApp, Facebook Messenger, Twitter or traditional SMS as yet another set of options

for engaging with their customers – interacting with these valuable contacts wherever they are, using their favourite communications channel.

From the agent perspective, all these social and messaging channels are integrated into a single inbox and used through a single

dashboard. It enables fast, frictionless communication and service, for both the customer and the agent.



WhatsApp is now the most popular messaging app in the world. Talkative contact center agents can now receive and respond to

TALKATIVE – Digital Services Software for Contact Centers

customer WhatsApp messages directly from their chat dashboard. Conversations can be initiated by customers using a WhatsApp phone number or a QR code. In addition to standard text messages, these conversations can include different media types, including pictures and even emojis.



While not the most popular in the world, **Facebook Messenger** is still used by nearly 1.5 billion people every day!

Customers preferring to communicate using this app can now be added directly to the call center chat queue. If agents are supporting more than one Facebook page, incoming

messages from each page will be streamed to the same inbox for each agent, with clear visibility of which page they originated from. And Facebook Messenger integration is particularly quick and easy to deploy, typically requiring less than 30 minutes effort with no assistance from the Talkative team.



Twitter has also become an increasingly popular tool for customers to connect with companies. Talkative clients can take full advantage of this channel by integrating agent live chat with a company Twitter account. All direct messages will be routed to the same agent or inbox, and no one

needs to monitor these Twitter messages separately. Also, self-service set up takes less than half an hour, making the capability virtually painless to leverage.

Continued innovation from a fast-growing technology company .

gettalkative.com 

HUTSIX – SaaS Platform for CyberSecurity Awareness Training

BUSINESS DEVELOPMENT AT HUTSIX CONTINUES TO INCREASE



A graduate of the U.K. Alacrity program, portfolio company **Hutsix** provides cybersecurity awareness training through a digital SaaS platform. The company enables clients to customize, deliver, track and measure the effectiveness of online security training, and conduct ongoing audits to address the single biggest vulnerability companies face — their unsuspecting, unprepared employee workforce.

The world over, the media is full of reasons for organizations to increase their defenses against malicious cyber and security attacks. Increasingly, employees themselves are the targets by which hackers, thieves, criminal gangs, state actors and others gain access to exploit a company. To implant spyware, to steal funds, to infect key computing infrastructure and orchestrate a ransom attack, and more. Their tactics for these attacks are evolving all the time, and staff in junior through to senior roles are potential victims. At work and at home.

The good news is that Hutsix is providing a valuable solution to battle back against these

criminals. Increasing employee awareness of the risks and tactics, increasing their levels of caution and even suspicion in their daily digital activities, improving their ability to detect potential attacks — all help plug an otherwise unwitting gap in a client's defenses.

And the market response bares out these claims. This Quarter saw Hutsix pass the 30,000-user mark on their online platform, driving their monthly recurring revenues (MRR) to new levels as a result. Early customers are renewing their software subscriptions. Active lead numbers are increasing steadily. Referrals are bringing new clients to the table. The demand for trials/proof of concepts (PoC's) continues to rise. Partnership opportunities are emerging. All data points to the fact the company has a software solution timed extremely well for increasing global demand.

To fuel ongoing growth, continued software enhancements are being made available. A new 'phishing simulator' is being promoted to entice prospects into testing their own levels of current defense, and letting the results



guide their next steps. Client and partner webinars focused on these additional features are being delivered. Client onboarding processes are being made easier. Work is being done with industry analysts to spread the word further. And special 'cyber-shorts' videos are being crafted to help individuals and families educate themselves against cyber threats outside a work environment, where the potential for risk is no less.

The Hutsix team is leveraging current successes to generate future ones. These are exciting and encouraging times for the company, and we look forward to continued progress. [Hutsix.io](https://hutsix.io) 

How the Pandemic has Helped Propel Cleantech

As vaccination programs continue to progress globally, and everyone focuses on reopening instead of locking down, a perhaps unexpected result of the COVID pandemic has been an increase in attention being paid to the clean technology sectors of economies.

The U.S. election at the end of 2020 was international theatre for many reasons, but not the least of which was the Democrat platform of emerging from the pandemic and rebuilding the economy on the backs of some enormous investments in clean and green initiatives. Here in Canada as well, the latest Federal Government budget (announced in April) dedicated a full Chapter to climate action, and the shift toward a green economy specifically, intending to build Canadian prosperity as the country transitions to net-zero emissions by 2050. Budget 2021 allocates “\$17.6 billion towards a green recovery that creates jobs, builds a clean economy, and fights and protects against climate change.”

Of course, it is not just North American governments looking to green initiatives as a way to stimulate economic recovery and growth while also working to meet international

commitments and avert potential disasters. The European Union consistently leads in such plans and policies. The United Nations and other governing bodies are implementing new directives. And importantly, it is no longer just the scientists and activist groups championing the changes. Banks, fund managers, private investors and ultimately, private corporations themselves, are getting the messages too. The increase in new green and cleantech strategies and investments is becoming remarkable.

“About a third of central banks and sovereign wealth funds have raised their focus on environmental, social and governance (ESG) issues over the past year, as the COVID-19 pandemic highlighted issues from carbon emissions to inequality”, according to an Invesco¹ survey. “63% of central banks responding to the survey felt tackling climate change fell within their mandate, and nearly half believe mitigating the consequences of climate change should be a monetary policy objective.”

And this trend shows no sign of slowing, as more governing institutions and financial players see strong value in cleantech, tackling the problems of job creation and

economic recovery while spurring sustainable development, profitability and social/environmental good. But how much of the current trend is hype, marketing or opportunism, and how much is real and tangible?

It is true that the broad reach of Cleantech creates opportunities for hardware and software applications across a range of public and private industry sectors. However, many of these solutions tackle big problems that can work with or sometimes against entrenched technologies, infrastructure, supplier and cost structures. This can make the development and sales cycles more difficult and lengthy, and that results in more complex and challenging investment cycles.

That said, there is no denying the flow of funds into Cleantech initiatives has never been greater, the world over. But investors are still looking to do proper diligence and find the same types of indicators as always in terms of investments with real technologies and solutions, credible teams and an accessible market with high growth potential. Impact on existing processes, infrastructures and industries, from a global perspective, will carry significant weight in any decisions. One nuance is that a flexible investment approach and timeline is likely required to help increase the chances of success.

All of this means the time is now for Canadian cleantech policymakers, companies and investors to work even harder at establishing the country as a technology innovator for complex climate problems. And by providing support to such companies, particularly at the early stage of commercialization, programs like the **Alacrity Canada Cleantech Initiative** helps mitigate some of the risks these entrepreneurs and investors face as they work to found, fund and scale Canadian cleantech companies. alacritycanada.com/cleantech



¹ <https://www.reuters.com/business/sustainable-business/sovereign-asset-managers-raise-esg-focus-wake-covid-19-invesco-2021-07-11/>

MILESTONES FROM OUR EARLY-STAGE COMPANIES

HYALTO – Cloud Monetization Platform
for MSPs and CSPs

**HYALTO IS HELPING
CLIENTS INCREASE
COMPETITIVENESS
AS THE MARKET
TRANSFORMS TO THE
DIGITAL ENTERPRISE**



“Managed Service Providers (MSPs) who saw strong revenue growth in the first half of 2021 are setting high expectations for the rest of the year amid continuing demand for cloud and security services in the wake of the COVID-19 pandemic.” This is the lead from a recent story by [IT channel industry publication CRN](#), and the picture it paints is equally strong for portfolio company **HyAlto** as they continue to equip MSPs and CSPs (Cloud Service Providers) to prosper in the new multi-cloud IT world.

Service Providers today require a platform that supports effective multi-cloud monetization in public, private and hybrid cloud environments. This is because evermore enterprise customers, regardless of size, want the flexibility to shop, compare and select the mix of cloud services that best fit their own needs and budgets. The market has very much entered an age of “Bring Your Own Cloud.”

However, inherent in this new and flexible model are scalability, efficiency and security challenges for any MSP or CSP who does not automate older, manual workflows. Throughout the pandemic, HyAlto has heard from prospective clients that they felt an increasing need to make their businesses more agile and drive efficiency through automation. They worried about falling into a competitive disadvantage otherwise, unable

to efficiently deliver and manage the multi-cloud experience their customers are now expecting.

The challenges they described begin with workflow logistics to provide accurate, real-time usage monitoring, and help the end customer avoid cloud sprawl and costs overruns. It should be straightforward for the service provider to ensure they produce the right granular data to bill properly each month, but in a multi-cloud environment it is not. From there, the complexities include the need to manage licensing, security, administration rights and access controls just as easily. Next comes the need to ensure all audit and compliance requirements are met. Again, in a multi-cloud environment, these are far from trivial tasks, but they are expected today.

Long before the pandemic, HyAlto was building on its VMware pedigree to add support for the growing number of cloud technology partners and providers. The company goal has always been to offer a platform that serves as a single point of management for both the MSP and their enterprise customers in multi-cloud environments. As you might imagine, the last 18 months of IT disruption has fueled the demand for this platform considerably, and the fire is not going out any time soon. hyalto.com 🔴

HYALTO



Volunteer Recruitment & Qualification

- Build a beautifully branded volunteer sign-up page
- Gather key information online with custom forms
- Collect volunteer waiver, certification document, background checks









Nonprofit, Education & Philanthropy SFDC Clouds



Volunteer Management Solution

Get A 360-Degree View Of Your Impact With InitLive For Salesforce

Convert volunteers into donors and vice versa by meaningfully engaging your supporters through integrated data management.

INITLIVE LAUNCHES A PROMISING NEW PARTNERSHIP

Portfolio company **InitLive** was pleased to announce this Quarter that they secured a significant new partnership. Salesforce.org recognized the company as an Independent Software Vendor (ISV) partner, and launched the InitLive staff and volunteer management SaaS on the influential Salesforce AppExchange global marketplace.

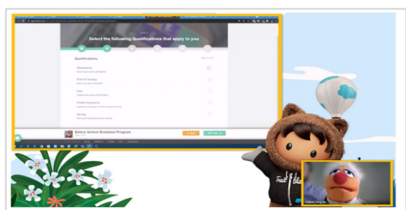
This recognition is the result of a set of integration work the InitLive team completed to link their application tightly into that of Salesforce, allowing all the data points required to measure and maximize the effectiveness of the event programs run by an organization to be managed through their Salesforce software. This integration combines key tools that will help organizations build more meaningful, longer term engagements with their volunteers, donors and supporters.

In the non-profit world, there is a direct and important linkage between volunteers and donors, many of whom do both. It has been shown that volunteers donate more time, money or services than those donors

who do not volunteer. This means there is added value in a management system that is able to leverage the volunteer and the donor databases together. More targeted, meaningful campaigns can be structured to attract more of both audiences, and the right metrics and results can be tracked to optimize these campaigns on an ongoing basis.

As a new Salesforce.org ISV partner, InitLive was able to participate in the Unite Partner Summit 2021 this Quarter, which included Demo Jam, a fun, fast-paced three-minute demo battle between different ISVs. The company had a special guest volunteer, Mr. Steve Muppet, demonstrate the volunteer sign-up process. And Mr. Muppet did such a terrific job of representing the product and the company that, when all was said and done, InitLive was declared the winner of the competition! Not bad for a new recruit.

InitLive now looks to build on this promising development and draw many more benefits from the channel partnership with Salesforce. initlive.com



Mr. Steve Muppet demonstrates the volunteer sign-up process



Teldio is Seizing a Leading Position in the Emerging Edge Computing Market

Edge Computing is a distributed computing paradigm that places computing, analytics, storage and other IT resources closer to the sources of inputs, triggers, data — at the 'edge' of the network, so to speak. The model works in concert with cloud computing services where appropriate (based on the specific Use Cases), and improves application response times, conserves network bandwidth and costs, and improves overall reliability. Importantly, while not dependent on new 5G wireless networking technologies, many applications are enhanced further when able to leverage the even faster, more reliable connectivity inherent in this new standard.

Edge computing was developed in response to the exponential and ongoing growth of Internet of Things (IoT) devices and applications, which connect to the internet either to receive information or stream data onto the network. Many IoT devices generate enormous amounts of data as they operate, and there are literally millions of new devices coming online each day. In many cases, exchanging all that two-way data with remote, cloud-based resources is some

Research firm IDC predicts that as soon as 2025, every connected person in the world will have at least one digital data interaction every 18 seconds.

combination of bandwidth, speed, reliability or cost prohibitive.

Enter edge computing. From wearable computers on your wrist to wireless patient monitoring devices, smart utility grid nodes, crop management drones and many other applications, edge computing is already in use today. And research firm IDC predicts that as soon as 2025, every connected person in the world will have at least one digital data interaction every 18 seconds — likely from one of, by then, the billions of IoT devices in service.

This environment is expected to generate more than 90 zettabytes of data, which translates into more than **90 billion terabytes** of data! Beyond the obvious, challenges also include security of all that data, management of that data and more. Portfolio

company **Teldio** is working to address these challenges and enable clients to deploy integrated, well-managed edge computing applications at scale. One of the first new customer applications is being delivered this Quarter — an IoT-enabled Asset Tracking solution to monitor the status and movement of Automated External Defibrillator (AED) devices in the first of several airports.

But that is just the start. According to Grand View Research, by 2028 edge computing solutions are expected to represent a USD\$61.1B global market, with a growth rate of 38.4% CAGR. Armed already with an established customer base and strong channel partnerships, including for example with Motorola, Teldio is moving rapidly to ensure they become a leading supplier of innovative applications into this market. We will be following their progress closely. teldio.com

Teldio

PRETIO INTERACTIVE EXITS THE PORTFOLIO; BILLI LABS ENTERS



This Quarter, Alacrity Canada portfolio company **Pretio Interactive**, a data-driven media-buying agency for mobile application brands, announced the sale of the company to **Bold Collective**, a California-based growth marketing firm. As part of the deal, many of the current Pretio team transferred with the company and now work for Bold Collective. The remaining staff, however, moved instead into a new spinoff called **Billi Labs**.

Billi As Tyrone Sinclair, former CEO of Pretio Interactive and current CEO of Billi Labs, put it, "This is an exciting development and marks the beginning of a new era for Pretio Interactive. For more than a decade, Pretio has focused on providing efficiency and high conversion rates for performance marketers. Pretio has enjoyed working with the Bold Collective crew over many of those years, and the Pretio team members who are now moving forward with them are excited about the future."

Billi Labs, on the other hand, is taking a different track, aimed at the evolution of the financial marketplace. This is a larger, more diverse environment than ever, with more open and aggressive competition among banks, other lenders, brokers, mortgage firms, investment platforms and other service providers – many of whom are digital-only. For example, with more than 50% of Canadians now banking at more than one physical or virtual institution, the average person already manages several different bank accounts.

This expanded market does provide more access to more products, in many cases more easily, but with that comes fragmented security processes, user experiences, information flows, fee structures and more. The lack of effective integration between services and accounts makes it hard to track total spending, for example, or to flag missed payments or avoid extra fees. In reality, it is harder now to keep regular track of where all one's money is and where it is going. Perhaps it is no coincidence then that fifty-four percent of Canadians state they do not have any overarching financial plan today.

The Billi team has created a SaaS platform to help individuals better manage this range of financial services and tasks. Billi is an inclusive

application that allows users to connect and control multiple financial accounts, and uses Open-Finance standards to gather and unify this cross-institution information. It then uses secure AI and machine learning technologies to clean and categorize all relevant data, analyze individual trends and patterns, and present the results in a clear and concise user interface. This enables the user to track and manage cross-institution spending, subscription and bill payment activities, and even forecast the future, set goals, and make ongoing, informed financial decisions.

The waitlist for this new personal finance tool is currently open and the platform will be launched in Public Beta later this summer. For more information visit billi.app





BUILDING THE NEXT GENERATION OF LOCAL TECHNOLOGY ENTREPRENEURS



As part of the Alacrity Global start-up ecosystem, Alacrity Ottawa offers aspiring entrepreneurs the combination of a Master's degree in business management, on-the-job experience, and mentoring services to launch new Canadian technology businesses.

UNIVERSITY OF OTTAWA AND WESLEY CLOVER PARTNER TO LAUNCH ALACRITY OTTAWA


This Quarter saw the latest member of the Alacrity Global ecosystem of technology start-up programs come to life with the launch of a home-town instance — **Alacrity Ottawa**. This partnership will marry Masters-level academic learning with hands-on business and technology work placements, supported by experienced mentorship, to build new Canadian technology entrepreneurs and companies. Students will leverage local expertise in 5G+ wireless networking as a basis for new applications in industry sectors including MedTech, Cybersecurity, A.I., autonomous transportation and more.

The first registrants will enter the inaugural, two-year Master's degree in Entrepreneurial Engineering Design (MEED) program at the Ottawa Faculty of Engineering in September of this year. As the budding business leaders move through the curriculum, they will also intern with local technology companies in the Kanata North business park, and work closely with mentors from the L-SPARK

technology Accelerator to develop the real-world skills they will need after graduation.

Key to the process, the students will form teams and begin to tackle technology/business challenges identified by members of industry. Those teams which produce viable and scalable solutions will then be presented to potential investors, and if a match is made, they will secure funding to form a company and start their journey as a new technology start-up.

Alacrity Ottawa executives are engaging with corporate and other partners now to enhance the funding opportunities and other forms of support for this latest addition to the Alacrity ecosystem. We look forward to its continued growth and success.

alacrity.co/ottawa 





Contact Us

PRINCIPAL COMPANY INDEX

* Featured in this issue of Q

Alacrity Canada* – alacritycanada.com

Alacrité France – alacrite.fr

Alacrity Global* – alacrityglobal.com

Alacrity India – alacrityindia.com

Alacrity Mexico – alacritymexico.com

Alacrity Ottawa* – alacrity.co/ottawa

Alacrity Turkey – alacrityturkey.com

Alacrity UK – alacrityfoundation.co.uk

Benbria – benbria.com

Brookstreet Hotel – brookstreethotel.com

Brookstreet Pictures – brookstreetpictures.com

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Celtic Manor Resort – celtic-manor.com

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Codeherent – codeherent.tech

CreatorDen – creatorden.com

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InitLive* – initlive.com

International Convention Centre Wales – iccwales.com

KRP Properties – krpproperties.com

Learnium – learnium.net

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L-SPARK* – l-spark.com

Marshes Golf Club – marshesgolfclub.com

Martello* – martellotech.com

Mydoma Studio – mydomastudio.com

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Persona – personajobs.com

Pisano – pisano.co

Pretio Interactive* – pretio.in

ProntoForms – prontoforms.com

SaaSquatch – saasquatch.com

Segmentify – segmentify.com

Solace – solace.com

Solink – solinkcorp.com

Talkative* – talkative.uk

TaraSpan – taraspan.com

Teldio* – teldio.com

ThinkRF – thinkrf.com

Thrive – thrivemycareer.com

TrustEat – trust-eat.com

Twentify – twentify.com

Wesley Clover Parks – wesleycloverparks.com

Wesley Clover Solutions – wesleycloversolutions.com

Whispeak – whispeak.io/en

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.

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