

AIB presents its Technology, Media and Telecoms Outlook for 2024

by AIB

The Technology, Media and Telecoms (TMT) sector plays a key role within the Irish economy and accounts for more than half of total service exports in Ireland. Despite recent challenges, TMT will continue its strong contribution to the Irish economy for the foreseeable future and is vital to our economic resilience.

AIB plays a critical role in funding the diverse range of businesses in the Irish TMT sector. The bank has a holistic approach with a full range of products and services that provide support at every stage of a TMT customer's life cycle, from start-ups to SME and corporates, all supported by specialist sector teams. AIB is very proud to be one of the most prominent TMT funders in Ireland across all stages of the life cycle.

'We are focused on making sure our customers have the right support and funding to scale at every stage of their business life cycle,' says Denis Ryan, TMT Sector Specialist, AIB Business Banking. 'We can provide tailored solutions ranging from equity, debt capital and treasury solutions to corporate finance advisory services, fund raising, M&A, as well as an array of advisory services for individuals and businesses at all stages of the technology life cycle.'

Denis points out the role a bank plays in the early stages of a company's lifecycle. 'There are a huge array of products and advisory services a bank can provide to augment growth. This is often overlooked in the early stages of a company's lifecycle where companies are focused on product market fit. Like a technical stack, a good banking foundation can set a company up to handle the complexities of scaling the team and growing internationally,' says Denis.

Fuelling emerging companies and innovation

AIB is proud to support the technology and business communities in regions across Ireland as a founding partner in the Portershed in Galway and through its partnership with Ludgate in West Cork. PorterShed and Ludgate are two excellent examples offering companies a gateway to the world in some of Ireland's most beautiful locations.

The Portershed now has capacity for over 300 members. This new innovation space, which can host up to 100 people, has held over 60 events since it launched in November 2023 and continues to be the fulcrum for tech events in Galway and the West region. The Portershed's core focus for 2024 is rolling out a suite of AI programmes and supports for their members and community.

Ludgate is also thriving and has hugely optimistic plans for supporting innovation across Cork. It recently celebrated the one-year anniversary



of the partnership between Ludgate and Skillnet Innovation Exchange, facilitated by Skillnet Ireland. Over the past year, this partnership has flourished, creating a vibrant ecosystem for innovation, growth, and collaboration.

This piece is an extract from AIB's recently launched Technology, Media and Telecoms Outlook for 2024. The full report is available on [Technology \(aib.ie\)](https://www.aib.ie)

Financial Planning for Family Businesses: Future-Proofing Succession

In the realm of family businesses, where passion, heritage, and commitment intertwine, the importance of sound financial planning cannot be overstated according to Tom McDonald, Regional Manager, Customer Financial Planning. "I've witnessed firsthand the pivotal role that financial planning plays when it comes to the unique challenges faced by family businesses. These businesses have a critical requirement to navigate succession planning alongside wider financial planning needs".

"AIB has been backing SMEs for decades. Fostering a deep understanding of the challenges faced by family businesses is of critical importance to us. The recent Family Business research report conducted with Dublin City University's National Centre for Family Business (NCFB) highlighted that succession aspirations are healthy across the island of Ireland. The report also highlights that Succession Planning is critical to futureproofing, and failure to plan for the medium and long term in this way ultimately damages the viability of the family business for future generations. Financial planning stands as a cornerstone of succession planning, enabling family businesses to thrive through generations."

When engaging with an AIB Financial Advisor, the initial question posed often revolves around identifying the most crucial asset—the business owners and Company Directors themselves. Understanding the



personal and corporate implications in case of unforeseen events allows for the creation of a robust financial plan that emphasises protection and continuity. Protecting business loans emerges as another critical component of financial planning for family businesses. The ability to maintain debt payments in the face of unpredictable circumstances can be challenging without proper strategies in place. Tax-efficient plans can help alleviate the burden and safeguard the financial stability of the business during turbulent times.

When considering retirement planning, distinctions arise between self-employed individuals and Company Directors. With evolving legislation and changing landscapes, it is imperative for business owners to reassess their retirement strategies to optimise tax efficiencies and capitalise on new opportunities. By aligning retirement planning with succession goals, family businesses can transition smoothly to the next phase while securing their financial future. Moreover, family businesses should look to extract company profits in a tax-efficient way. AIB Advisors can evaluate existing structures, devise comprehensive financial plans, and identify opportunities to reinvest profits strategically.

By integrating succession planning principles, businesses can unlock new avenues for wealth creation and expand their financial horizons beyond the present. "We worked with a business recently where we were involved from the business formation,

through to a buyout situation," shares Tom McDonald. "Ahead of the buyout, we recommended utilising measures to extract value from the business into retirement vehicles and investment options. Now, we're collaborating on investment strategies post-sale and planning for future ventures. Working closely with founders, family members, and Company Directors is always rewarding. Family businesses are the backbone of our communities. Your business works hard for you; it's essential you're ensuring its working hard for your financial future."

For guidance tailored to your unique business and personal needs, contact us at 01 771 5867 to schedule a chat with an AIB Financial Advisor. Whether in-person at an AIB Branch or virtually, our advisors are ready to support you on your journey towards financial security and succession success.

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