

'We are going to \$100 million or bust. It is printed on the wall'

Teamwork, the fast-growing project management company, is one of Ireland's best-kept technology secrets



Tom Lyons
Business Editor

A virtual map of the world fills the reception of Teamwork. In real time, it allows the project management and collaboration software company to track where in the world its users are. It is 11am on Monday in Cork, and 274,000 people are at that moment using its products. They are mainly in Europe, but there are also clusters in eastern and southern Africa.

Donal Cahalane, Teamwork's vice-president of growth and marketing, tells me its user base will shift later in the day towards North America. Then Australasian clients take over. In total, 1.9 million people and over 300,000 companies use Teamwork, the super-fast growing 100 per cent Irish-owned software company. It is, I am told by industry experts, one of Ireland's best-kept technology secrets.

Teamwork's list of clients, many of whose names are emblazoned on the blue reception wall perpendicular to its giant screen, tells its own story. Disney, Pixar, Spotify, Harrods, Cisco and Santander are just a few.

"We did that wall in September," Cahalane explained. "If we were doing it again now, we'd try and squeeze in Aston Martin, Snapchat and Jaguar."

He gives me an impromptu tour of Teamwork's office, apologising for the plastic bags filled with beer bottles and balloons near the entrance. It is, he explained, the remains of a recent launch party of its new product, Teamwork Desk, a hassle-free customer support system.

Next stop is another wall, with a timeline setting out the landmark moments for Teamwork, from its foundation in January 2007 by Peter Coppinger and Dan Mackey, to its launch last month of Teamwork Desk.

From March 2015, there is a long gap until

the year 2020. High up at the top right-hand corner of the wall, however, is a big bullseye and the phrase: "Goal - \$100,000,000 recurring revenue."

That might seem ambitious for a company which has been entirely bootstrapped by its two resolutely independent founders. But consider this: Teamwork's revenues last year doubled to €6.5 million. This year, it hopes to hit €14 million in sales from its core product alone. It is certainly going places.

Teamwork has achieved this growth with only 27 staff (plus four nine-month student placements) and, until last year, it had invested almost nothing in marketing.

Cahalane continues his tour of Teamwork's office, which is on the top two floors of a building at Northpoint Business Park in Cork.

"Every developer has his own office. We think it allows them to think better," he explained.

Other functions like support and marketing share rooms. A table tennis room and a pool table help bring staff together to chill out.

Cahalane makes me a coffee in a break-out room as we wait for Teamwork's co-founders to join us. Mackey, Teamwork's chief technology officer, is the first to arrive, wearing jeans and a Nike t-shirt.

Coppinger, its chief executive, is next to appear, in a Teamwork branded sports top. We head into a corner room which is Teamwork's games room. It has comfortable black and white leather couches and giant screens for playing Microsoft's Xbox.

Coppinger and Mackey met while studying computer science in Cork IT, they explained.

Both men already knew of each other by reputation as rival 18-year-old website designers chasing the same small business contracts.

"Within five minutes, we realised we had a lot in common," Mackey recalled. "And within two weeks, we ditched our business partners and the two of us were off making games."

Mackey got into coding when his parents banned him from buying a games console. "I felt if I couldn't get games, I'd make my own!" he laughed.

Coppinger had a similar experience. "I got a Commodore 64 and, after running out of games, I made a little game with a ball bouncing around the screen. That was me hooked."

After their second year of college, in 1999, both developers dropped out. Coppinger founded a web design and software development business called Digital Crew, which Mackey joined a few months later after travelling overseas.

Then Pfizer, a client, asked them in 2006 to design a simple dashboard to help its team manage projects. Its budget was a few thousand



Peter Coppinger and Daniel Mackey, founders of Teamwork, pictured at its office in Northpoint Business Park, Cork. It counts Disney, Snapchat and Pixar among its clients

Clare Keogh



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"Eventually, we got a reputation for being good, and we started getting work from large organisations," Coppinger said. The two men were putting in 60- or 70-hour weeks building apps for Irish and multinational clients.

"We didn't seem to be getting ahead," Coppinger said. "Our friends were driving around in Porsches and BMWs [from working at US tech multinationals], but we were scraping by. There were good weeks, but projects could drag on and on."

The two men began to think there had to be a smarter way to do things. They tried leading project management software like Basecamp, but were not impressed.

"We thought: how is Basecamp so popular? It had a basic feature set and it looked terrible. We felt we could do this a bit better," Coppinger recalled.

Then Pfizer, a client, asked them in 2006 to design a simple dashboard to help its team manage projects. Its budget was a few thousand

euro. Coppinger decided to build it while on holiday with his sister in Boston.

"I spent three weeks on my sister's sweaty couch, in the hottest summer ever, working on version 1 of Teamwork. I was just hacking at it night and day," he said.

Pfizer ended up with a project management suite, when it had only asked for a simple application.

Coppinger and Mackey became convinced they had something, so in 2007 they "threw" their product out on the internet to see if anyone would use it.

"Our first month, we made \$127," Coppinger said. "It grew very slowly. We decided we were going to have to dedicate Fridays to it, or it was never going to go anywhere."

Gradually, Teamwork began to attract more followers, and when its revenue passed the €30,000-a-month mark two years later, the two men decided to focus entirely on it. Word of mouth was starting to win them clients.

"We knew, from running our consultancy for eight years, what people wanted," Mackey said. "Teamwork is more collaboration software than project management. It helps you run your business, and is very practical."

Teamwork's price plan starts at free, and progresses to \$249 a month, making it affordable. Coppinger said Teamwork was plotting to launch an enterprise version as well, in response to the demands of its big corporate customers.

As Teamwork grows, it regularly receives approaches from billion-dollar venture capital funds who want to invest in it.

"They give us bullshit: 'The value network we provide...'," Coppinger laughed. "We know exactly what to do and we have millions in the bank to do it."

Both men said they had no interest in tak-



Teamwork staff (above and below) are working to develop new products for the company's 1.9 million users

Clare Keogh



ing money off the table, by taking in outside investment. "We are taking on companies like Zendesk now," Coppinger said, noting the firm had raised tens of millions of dollars from investors like Benchmark Capital, Goldman Sachs and Index Ventures.

"They have a ridiculous amount of staff and we are taking them on with a product that is as good or better," Mackey added. "We are going to catch them up, and we are going to do that bootstrapped."

"[Venture capitalists] are all in it to flip the company. We are not in it for that," Coppinger said. "We have one huge advantage... all our products are going to talk to each other seamlessly. Our integrations are beautiful, so the second it updates in one, it updates in the other."

Teamwork currently has three products - project management/collaboration, helpdesk support and chat - with two more secret ones in the pipeline. "We are going to be the first company that has five products that talk to each other perfectly," Coppinger said.

Teamwork attracted some rare media attention when it spent \$675,000 in January 2014 to buy the Teamwork.com domain name.

The company had spent a year trying to buy it after making an opening bid of \$5,000, which the American squatter owner of the domain rebuffed with a demand for \$7 million.

"I took 30 seconds to decide [when a price of \$675,000 was arrived at]," Coppinger said. "We knew it would just take us to the next level."

"The domain name has propelled us to bigger numbers," Mackey said. "It also gave us more credibility."

Teamwork believes it can become a big global business without leaving Cork. "We have the exact same resources as California, but we don't have the same access to staff," Coppinger said. "That said, we have been very lucky. For people who want to get out of the rat race in Dublin, we are a really attractive option... you can have a decent job and still be at home in Cork."

This year, Teamwork wants to hire 15 more staff, on top of six new hires since January.

"We give every developer a sense of autonomy, and that gives you a sense of joy," Coppinger said. "In our company manual, we say: 'Good ideas can come from anywhere'."

At the moment, 100 per cent of the shares in Teamwork are held by its two co-founders.

"I have given my word that, if Teamwork Desk is a massive success, then the entire team... I will make them millions!" Coppinger said.

But where does Teamwork ultimately want to go? Will it ever take in outside money, or could it see itself on the stock market?

"We are going to \$100 million or bust," Coppinger said. "It is printed on the wall. These figures are achievable."

Teamwork's company name could just as easily describe its founders' own ethos. "We are two developers," concluded Coppinger, "and we love what we do. Money isn't the motivator. It is about doing what you're proud of. I don't want to ever sell out."

Teaching new entrepreneurs some new tricks

The Entrepreneur Experience rode into Co Cork last week, with newbies learning from old hands



Colette Sexton

What does Ireland rugby star Donncha O'Callaghan have in common with paper cup manufacturer Terry Fox?

It might be that they are both from Munster. O'Callaghan's Cork roots are well known, while Fox is a Clareman. But that's not the reason the pair were sitting onstage in a glorified barn in the depths of Cork surrounded by about 70 people who were dressed to go to a hoedown.

They were both attending the Entrepreneur Experience, an annual event that brings emerging entrepreneurs, like O'Callaghan, together with seasoned entrepreneurs, like Fox.

On stage in the middle of the country- and western-themed dinner (that would explain the cowboy hats and check shirts) O'Callaghan spoke of his plans for his digital media and data analytics company, 4Impacts Intelligent Solutions, including his hopes for the company to end up on the US Nasdaq.

"I don't want to be good at it. I want to be great at it," the lock-forward said. "Once you've tasted success, you want more."

Fox then told the crowd how he kept everything together when his father was forced to



Donncha O'Callaghan (second left) with Terry Fox (centre) at the country- and western-themed Entrepreneur Experience in Ballymaloe, Co Cork

John Allen

shut down the family's commercial print business during the recession.

Using money from a remortgage of the family home, Fox started to make bespoke

paper cups for SMEs and from there, grew his company Cup-print into an international business manufacturing nearly ten million cups a month.

March 26 and 27 marked

the fifth Entrepreneur Experience, which took place at Ballymaloe, Co Cork. Set up by CorkBIC, the event consisted of speeches, group sessions and private one-on-

one discussions as emerging entrepreneurs tried to glean as much wisdom as possible from the people that had seen it all before.

However, Jim Breen, the founder of e-learning platform Pulse Learning and the charity Cycle Against Suicide, remarked that the seasoned entrepreneurs learned just as much from the emerging entrepreneurs as the newbies learned from them.

Peaches Kemp, founder of food company Itsa, agreed. "It's interesting to see the challenges that emerging entrepreneurs are facing and it makes you reflect on your own business. I'm going back to Dublin really energised, I have a list of things I want to do," she said.

Among the speakers at the event was Jim Barry, managing director of Barry Group, the retail group that operates Costcutters, Carry Out Off Licence and Quik Pick symbols.

He said credibility was the most important resource that

any business could have, and added that "credibility cannot be bought, it is created".

Meanwhile, Paul Prendergast, the chief executive of Inhance Technology, a mobile service platform for wireless retailers and insurance and warranty professionals, told the entrepreneurs that it was better to have constructive conflict than to have the team walking on eggshells around each other.

He said that, while everyone in a team might not get on, they all have to learn to work with each other.

"People say that our team is like a family. Well, no one likes Uncle Joe in the corner, but you can't get rid of him," he said.

Angel investor Paulo An-

drez was so enthusiastic about attending the Entrepreneur Experience that he accidentally-on-purpose fell off the stage.

He said that entrepreneurs should spend 80 per cent of their time reducing the risk of the company and signing up customers and 20 per cent of the time raising money.

He told the crowd that customers' money is the most important money, advising that if a business has customers, it might not even need investors.

The Entrepreneur Experience is supported by Bank of Ireland, Byrne Wallace and EY. Cork County Council and Cork City Council are local partners, while The Sunday Business Post is the official media partner to the event