The Email below was sent to the Irish Times and the Department of Environment, Climate and Communications in response to an Irish Times article titled, <u>Are the days of the tech-firm-founder-as-rock-star finished? – The Irish Times</u>

Purpose of Email: To highlight how tech incubators (VC firms) can potentially abuse taxpayer funds (not that this is the case here), by relating the NDRC situation mentioned in the article to the experience of the founder of Opportunity Ireland in bringing an FDI project to Ireland, and the subsequent negative actions taken by the Irish Government towards the project.

Dear Mr. McManus,

I read your article this morning. It was very interesting.

The backdrop to my reports was Polaris Partners, who created Dogpatch labs.

I did a rudimentary analysis within my reports on the funding these types of 'labs' receive from

the state. Most of it I concluded, in my case at least, ends up being taken out of Ireland,

comingled with the private investment funds in the portfolios of these venture firms.

It doesn't surprise me that a junior FF minister would be for keeping this type of 'ruse' going as

it's a way to get enterprise funding that can be deployed elsewhere out of Ireland giving those

ministers an opportunity of a quid pro quo arrangement with the venture firm that receives it.

Conor Lenihan was the minister at the center of my case.

I'm not being conspiratorial here. I put a lot of effort into trying to objectively make my case, ultimately bringing it to the High Court. That was certainly an eye opener!

I guess EI EI O learned something from my reports by staying away (or dumping it on somebody else) from this type of tech center model, although I'm certain they have just figured out a way to continue such funding abuse in their other funding models.

Unfortunately, when state agencies are exposed for wrongdoing, instead of learning from it in a positive way by becoming more transparent, they use the experience to fill in such exposure gaps and become less transparent. I base this on the reasonable assumption and many subsequent cases that nothing

changes in the Irish Government. They just learn how to better cover themselves in future.

I have stressed while writing my reports the importance of developing indigenous industry in Ireland. My family business back in the day is enough proof of how these businesses can considerably improve your quality of life.

EI EI O has become too preoccupied with the 'Innovation economy' as a focus on developing indigenous businesses in Ireland. While more glamorous than the regular run of the mill indigenous businesses and getting EI employees connected with the Googles, Metas etc. of this world for their subsequent private sector endeavors, it won't scale up indigenous industry in Ireland in and of itself. While every economy needs innovation, a good balance I believe would be 20-30% innovation focus while the remaining 70-80% of businesses concerned with regular support functions. This is common sense.

Therefore, 70-80% of employees at EI, IDA and other support agencies should be focused on the nutsand-bolts businesses. Lump it or leave it!

I've experienced firsthand EI employees who could care less about doing the nitty gritty work required to develop indigenous business in Ireland.

Finally, I'm curious about the NDRC. The article states that, "It is run on a commercial basis by Dogpatch Labs and backed by a number of tech industry figures."

I never heard of the NDRC until now. Dogpatch Labs in Ireland originally got its funding via Innovation Fund Ireland (see <u>Polaris-second-investment.pdf</u>) which was a joint program between EI and the NPRF.

My US Iverna Group applied to the same program, scheme, ruse, whatever you want to call it. So, what's all this back and forth?

I also don't understand your statement, "The reason why it is responsible for the NDRC has been somewhat lost in the mist of time but reflects the view that prevailed in the mid noughties that all things digital sat under the communications banner."

The NDRC was set up in 2007?

Based on my experience where taxpayer funding is funneled into these types of tech incubators by junior ministers on a quid pro quo basis and not used for the benefit of the Irish people, I say dump it asap.

It should have been dumped long ago. It's not worth a second look!

Also, you state, ""According to the research centre..." I read that the 'research' part is no longer active for a time?

But you hit the nail on the head when you stated, "...the incubator-based model is now something of a self-perpetuating circus that detracts from the more important work of putting place a structure that will grow indigenous Irish businesses of scale."

Anyhow, I offer my opinion for what it's worth.

You can access my reports on Failte32.org...

Notes to the above email:

- What I express above is my opinion only (as in, when I state, 'Most of it I concluded, in my case at least, ends up being taken out of Ireland...') but is based on several credible reports I wrote on the mismanagement of Irish Government funds, and so might be valuable for oversight purposes. And I tend to be a bit cheeky in my communications, reflecting my hope that things can change, although I'm not yet confident they will.
- 'EI EI O' above refers to Enterprise Ireland (EI), an Irish Government state agency, aka Old MacDonald's Farm :)
- In my email above I ask, "So, what's all this back and forth?" when referring to the NDRC specifically. What I gather from my experience and the Irish Times article is that a VC firm's creation, Dogpatch Labs, funded in 2010 by a government program jointly run by Enterprise Ireland (an agency under the Department of Enterprise) and the National Pensions Reserve Fund (NPRF), subsequently effectively became part of a different Irish Government department (Department of Environment, Climate and Communications or DECC) via the NDRC. The DECC later tried bringing the NDRC, and by extension Dogpatch Labs, back under the Department of Enterprise's purview. All par for the course in the Irish Government!

- When I state, "The NDRC was set up in 2007?", I say this because the article states, "...the NDRC has been somewhat lost in the mist of time...".

Yes, lots of things in the Irish Government get lost in the 'mist of time', an Irish Government phenomenon even though we're talking about 2007 here, that is seven years after 2000AD and in relative terms not that far away from today, 2024. Even 50 years before 2007, we had archiving facilities and the ability to record important private and government information, but it seems in the Irish Government, when convenient everything gets lost in that mysterious 'mist of time'. I hope my email above clears this mist somewhat by informing readers of the Irish Government's (EI and NPRF) 'abandonment' of its funding of Dogpatch Labs (circa 2014) and the DECC's seeming lack of awareness of my Reports before taking Dogpatch Labs under **its** Irish government wing by awarding it funding of approx. \$20M to manage the NDRC in 2020 (I hope it has all remained in Ireland!) and the reason I believe the DECC's position should be upheld. I guess the DECC could claim ignorance, right! :)

I also refer to this 'mist' but using a different term, the FOI process, in my update Report, p.62, when communicating with EI effectively on their shredding of evidence pertinent to my case.

 I notice that I no longer receive acknowledgement emails from the Irish Times departments or the Irish Government, as I used to. This could be a good sign that they are taking my points on board but don't want to leave any confirmation 'trace,' providing them with plausible deniability.