

Climate change in action

As co-founders of Vivid Edge, **Tracy O'Rourke** and **Eimear Cahalin** are putting their accountancy experience into action to help solve climate change



Tracy O'Rourke and Eimear Cahalin

Helping to solve climate change and decarbonise the planet—that's the mission fuelling Vivid Edge, the innovative energy efficiency venture co-founded by Tracy O'Rourke and Eimear Cahalin, both Chartered

Accountants and passionate advocates of sustainable business.

Launched in Dublin in 2015, the climate action impact company has pioneered an "as-a-service" model to fund energy efficiency projects for large-scale energy users.

"We fund 100 percent of the fully installed cost. The idea is to enable our clients to save energy and cut costs while helping the planet," said Tracy O'Rourke.

Different way of thinking

As she sees it, climate targets can be achieved, but only with a "different way of thinking".

"Vivid Edge brings something completely new to funding energy efficiency. It's about looking at energy efficiency as an asset class, and that's just not something we've seen up to now," said O'Rourke.

So, how does it work? In a nutshell, capital provided by Vivid Edge can be used for the building upgrades and new equipment needed to reduce energy consumption in areas like heating, cooling, lighting and control systems.

"The reality is that most businesses waste 30 per cent or more of their energy," explained O'Rourke.

"We deliver a full turnkey energy efficiency upgrade,

retrofitting buildings and processes with new efficient equipment ranging from LED lighting, to heating, ventilation and air conditioning (HVAC) upgrades, heat pumps and roof-mounted solar."

Vivid Edge manages the project

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installation and ongoing maintenance. Instead of an initial capital outlay, clients pay an ongoing service fee.

Vivid Edge works with commercial and industrial clients in sectors ranging from healthcare, pharmaceutical and telecoms to data processing and food manufacturing. "They are typically big energy users with an annual bill of between €500,000 and €1 million-plus," said O'Rourke.

"The energy savings we deliver for them often pays for their service fee and our deals are generally revenue-generating for at least eight years."

The company's main markets are Ireland, Europe and the Middle East, but, as Cahalin explains, Vivid Edge can work across multiple locations and currencies.

"We can support projects in most OECD countries, and deliver in euro, sterling and the US Dollar," she said.

"What we've found is that Ireland is a really great springboard for gaining a foothold in other markets, because there are so many multinationals with operations here. Once we have worked with them here, we can follow their footprint into other markets."

Aircraft leasing model

A Fellow of both the Cartier International Women's Initiative for global impact entrepreneurs and the Barclays Unreasonable Impact programme, O'Rourke came up with the idea for Vivid Edge while working in the aircraft leasing sector.



Eimear Cahalin

"The idea was simple. I wanted to transfer the aircraft leasing model to energy efficiency to help promote investment in sustainability," she explained.

"Renting instead of buying gives you a lot more flexibility. In the airline sector, leasing has allowed airlines like Ryanair to expand much more rapidly because they didn't have to keep buying planes, which are really expensive. They could rent them instead."

Before establishing Vivid Edge in 2015, O'Rourke worked in senior financial roles in FMCG, education, banking and aircraft leasing in Ireland and overseas, often with organisations operating large-scale facilities in multiple locations.

"I don't remember thinking very much about purpose in the early stages of my career, but, as you mature and you gain more experience, your priorities change," she said.



Eimear Cahalin and Tracy O'Rourke

"I wanted to do something for myself and to make a difference. I remember it really struck me that the most pressing problem facing the world was—and still is—the climate crisis.

"There was this growing realisation that big companies using lots of energy needed to become more energy-efficient.

"It wasn't just about the transition to more renewable sources of energy, but in finding ways to cut down on the amount of energy they were using to run their operations, and provide products and services."

The biggest barrier to becoming more energy efficient was not apathy or lack of awareness, however, but the costs involved and resulting underinvestment, O'Rourke discovered.

"The whole idea behind Vivid Edge was to adopt the leasing model—in particular, the aircraft leasing model, to encourage greater investment in energy efficiency and support climate action," she said.

Origin story

Eimear Cahalin was introduced to O'Rourke by Eddie O'Connor, co-founder of Mainstream Renewable Power, the renewable energy group.

Already a seasoned senior financial professional who had worked in banking and financial services in Dublin and London, Cahalin had been Group Chief Financial Officer with Mainstream Renewable Power for six years before deciding to take some time out.

"I learned so much from Eddie and the team at Mainstream Renewable and then, one day after I'd decided to take the career break, he said to me, 'I have someone you've got to meet', and that's when Tracy and I got together and started working on Vivid Edge," she said.

"I had always been climate aware. Even back when I was living in London, we paid extra to have wind-generated power in our apartment and to get a green bin from the council.

“What I loved about the Vivid Edge proposition straight away was that it was about helping businesses use less energy. Ultimately, the cheapest unit of energy is the one you don’t use.”

O’Rourke and Cahalin work with Paul Boylan, a third co-founder and Technical Director of Vivid Edge. An engineer and former head of realty services with Citi in Ireland, Boylan also ran his own environmental and energy consultancy before co-founding Vivid Edge.

“As CEO, I look after general management and marketing. Eimear is our CFO, so she oversees funding and the legal side of things, but she is also involved in developing new markets and in sales, as is Paul,” said O’Rourke.

“We are two Chartered Accountants and an engineer, so we are naturally very risk-focused. Eimear and I come from audit backgrounds and Paul is an energy auditor.

“Part of the innovation in our model is that we allocate risk much more efficiently than most energy people in the

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market can, but we are not natural sellers, so part of our next phase of growth will involve hiring a professional sales team.”

Vivid Edge was in the process of raising capital to fund expansion and had projects in the pipeline ranging in value from €5 million to €20 million, Cahalin added.

“We work with a range of funding partners in Europe and further afield. It makes sense for us to have a good spread, because one might prefer projects involving a particular technology, while another might only fund projects of a certain size, and a third might like a certain project duration.

“Having a suite of funders means we can approach them on a case-by-case basis. They know us and our approach to risk so that works out well for us,” she said.

Entrepreneurial experience

Vivid Edge topped the Environmental, Social and Governance (ESG) Finance category at the inaugural ESG Awards held last July by Business and Finance, which has also named Cahalin CFO of the Year 2022.

The company is a High Potential Start-Up (HPSU) client of Enterprise Ireland, the state agency, and is headquartered at NovaUCD, the hub for new ventures and entrepreneurs at University College Dublin.

“Being based at NovaUCD is really important for us,” said O’Rourke. “The entrepreneurial journey is different to working for a well-known brand. The passion you have for your start-up has to be bigger than any obstacle you might face.



Tracy O’Rourke

“The highs are higher and the lows are lower and, even though all of us are highly experienced, it is a bigger challenge to get your foot in the door with clients than it is when you work for a big organisation.

“That’s one of the reasons it helps enormously to put yourself in an environment where you are surrounded by a community of entrepreneurs, and to reach out and create and maintain connections with other start-up founders who can understand your experience and support you.”

For Cahalin, meanwhile, the perks of working for a start-up far outweigh the pitfalls. “I love variety and the opportunity to shape your role yourself and be a part of shaping a business you really care about,” she said.

“Today alone, I’ve been working on fundraising, sales, and legal contracts. You can learn and develop so many skills that go far beyond accounting. I really love having the opportunity to help create a company and a culture that people can grow and thrive in.”