

DecaWave raises €1.6m in seed funding

By Emma Kennedy

A Dublin based start-up has raised €1.6 million in seed funding to finance further development of its technology.

DecaWave, which has its headquarters at the Digital Depot in Dublin, is a 'fabless' semiconductor company, which means it specialises in the design and sale of hardware devices implemented in semiconductor chips. DecaWave was set up in 2004 by Michael McLaughlin, who previously worked with ParthusCeva.

McLaughlin was joined by his university friend and for-



Ciaran Connell

mer electronic engineering classmate, Ciaran Connell, in July last year. Connell previously worked with a number of large firms, including Freescale and Motorola. Connell is

now the firm's chief executive, while McLaughlin is its chief technology officer.

The company has already secured more than 50 per cent of the €3 million seed funding that it set out to raise. The investment to date has come from friends, family and Enterprise Ireland. Connell said Enterprise Ireland had committed to match its initial investment at a future date, once the company had met certain targets.

He said the firm planned to launch a funding drive through the Business Expansion Scheme in December in order to raise the remaining €1.4 million required in seed funding. He also said the firm was con-

sidering closing its seed funding round early and progressing straight to a Series A funding round.

"We would require Series A funding of €5 million to grow the business," he said.

DecaWave has been in talks with a number of venture capital firms in Ireland, the US and Britain. The company makes chips which have applications in real-time location systems (RTLS) technology.

Connell said the technology could be used to tag people, equipment and communications devices. He said the technology had applications across a variety of sectors, including health, security and manufacturing.

While this type of technology has existed previously, Connell said DecaWave had developed it further to allow for greater precision and could now locate items to within 10cm.

The company already has five customers, and Connell said the first prototype would be ready by December. He said DecaWave would have a silicon chip ready to go by August of next year, with production starting for customers in December 2009.

DecaWave employs eight full-time engineers and five subcontractors, split between Dublin and France, with Connell based in Toulouse. He said the company intended to have

30 staff within three years, with 25 in Dublin and five in Paris.

For now, the company is still in a research and development phase, but Connell said the first revenues should start to come in next year, once the chip goes into production. He said this year's revenues would be "negligible", with the sale of five prototypes likely to generate in the region of €50,000.

Connell said: "We are predicting revenues of €2 million to €3 million in 2010."

If the business goes to plan, Connell said it should break even by 2012. He predicted that by 2016 it would be generating €50 million annually and would be in a position to consider an IPO.