

A tide in the affairs of men

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HAVING made plenty of waves over the years as a financial consultant and serial entrepreneur, Brendan Gilmore, chairman of Openhydro, now sees a revolutionary opportunity in tidal energy.

The 61-year-old Dubliner co-founded tidal energy firm Openhydro in 2005 with Donal O'Flynn, a young chartered accountant who had studied the potential of tidal and wave energy from the ocean.

"He explained that we're in one of the 10 best areas in the world for ocean energy and I agreed that it was a terrific idea. So we set up a company and looked for technology that we could license," he says.

They secured the world rights to what is now the firm's open centre turbine -- which looks like a giant polo mint -- and which generates energy while sitting on a steel base on the seabed from the ebb and flow of the tide. It has no hydraulics, meaning it doesn't even use any oil for lubrication, and is the ultimate green energy, with no carbon emissions.

It is more predictable than wave energy, which sits on the ocean surface using the force of wave action, and a lot more so than wind energy, which doesn't generate any power when the wind isn't blowing.

Last month, the firm achieved a world-first by becoming the first tidal energy company to generate electricity for the UK national grid. Its 250kw turbine did so at the European Marine Energy Centre off the northern coast of Scotland.

This, according to Gilmore and his chief executive James Ives, an engineer whose career included a stint working with fluid technologies for Ferrari, is a major milestone in the development of the company.

It was most recently valued at about €145m after Canadian power giant Emera bought a seven per cent stake in the firm earlier this year. The firm has also raised money from Davy Private Clients, while Philip Lynch's One51 also holds a 10 per cent stake in the firm.

Openhydro has already won tenders to supply and install to tidal sites in Nova Scotia, Canada and the Channel Island of Alderney. It employs 26 people, has its own production and research facility in Greenore, Co Louth, and the vision includes building more of these around the coasts of Britain, Ireland and Canada.

"We're among four or five companies in the world who are at the forefront of this industry at the moment," he says.

"To give you an idea of the scale we're looking at, it's estimated that tidal energy could generate up to 20 per cent of the UK's electricity. That's a significant contribution to security of supply, and it would bring in annual revenues of between €16bn and €20bn."

As a serial entrepreneur, he is no stranger to deals of this magnitude. After leaving school, he was a partner with the accountancy firm now known as Horwath Bastow Charlton for 18 years. In 1984 he set up a financial consultancy with Paschal Taggart, who has also since become a well-known Dublin deal maker.

During the six or seven years when they were partners, they sold properties from the H Williams supermarket group, selling them to the likes of Dunnes Stores, Spar, Super Valu and Quinnsworth.

Gilmore also worked as a financial adviser to Independent News & Media chief executive Sir Anthony O'Reilly for about 30 years.

"At the time, he was at the height of his career with Heinz and in the process of building his Irish business empire. He was one of many very wealthy people whom I advised on acquisitions and disposals, while Paschal worked on the tax side of things.

"It broadened my experience enormously and was hugely enjoyable," says Gilmore.

As chief executive and chairman of Arcon Mining in the early Nineties, he oversaw the development and operation, and subsequent sale, of a zinc mine in Kilkenny.

Other moneyspinning ventures included redeveloping the Portmarnock Hotel Country Club and the Royal Dublin Hotel, and building the Fitzwilliam Hotel on St Stephen's Green, along with Michael Holland, who was another partner from his consultancy business.

A minor heart attack in 2002 proved merely a temporary setback. After meeting Donal O'Flynn and building the firm to its

present size, Gilmore is now convinced Openhydro will be the next Airtricity.

It has spent about €18m getting to its current stage, he reveals, and he has bet a considerable amount of his own personal fortune on its success. The focus is on continually improving its turbine and proving it can be deployed rapidly and economically, building the first small tidal array in the Channel Islands and then scaling up operations.

"My tremendous team and I have discovered in our discussions with the big utilities that there's a huge pent-up demand for this. They want to do small trial arrays and then replace fossil fuel power stations with an array of tens or hundreds of tidal turbines.

"Our vision is silent, invisible and clean energy. There'll be some big winners and, hopefully with Openhydro, Ireland will have one of them," he adds.

With wife Ann and two daughters, Suzannah and Jennifer, fully behind him as well, Gilmore, a former hurler and League of Ireland 'B' trophy winner, also enjoys golf, films and music in his spare time.

Source; Independent.ie