

# VIEW FROM THE TOP

Dr Simon Miles is chief executive officer, EDW Technology



## Integration a first step

Dr Simon Miles talks to *EIBI* about the takeover of the long-established energy management solutions provider TEAM and how software development is the first step forward post integration

**I**t's said that the state of your office reflects your personality. For most of us it's a disordered mess. But Dr Simon Miles' office is ordered and neat and tidy and very calm. It probably hasn't always been the same over the last year as the chief executive officer of EDW Technology has steered through the purchase last year and subsequent integration of one of the best-known names in the energy market, TEAM.

There is little doubt that the two businesses appear to be a good fit. EDW Technology has specialised in developing and supplying a software system for managing the end-to-end operations of an electricity supply business from metering and billing to customer relationship management. "Our market is a very specialised, vertical market so we were looking to grow," Miles told *EIBI*. "Energy management solutions was a logical extension for us. We did look at other businesses but the timing was absolutely perfect as the directors of TEAM were looking to sell. And although both companies are in Milton Keynes there was no previous connection." And the synergies go further in that the two companies use Java software. "All our software developers would be able to understand the product and get to grips with it quickly", he adds.

And it is now to the TEAM part of the business that Miles sees further growth. "EDW Technology customers come about only every couple of years," he says. "It's a big sell and they are completely dependent on our software. It is very difficult to predict how that might grow, whereas TEAM has several hundred blue-chip customers in both the private and public sectors that are using the company's energy management solutions, including software, bureau, and consultancy services. We'll continue to enhance our software and services, with an aim to double our market share in the next five years."

Miles has steadily built EDW Technology since he set up the company to develop software in 1995. "In the early days we were in the financial sector but after the electricity market was deregulated in 1998, the new independent suppliers were looking for systems to run their businesses. We



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didn't envisage how complex it was going to be. Government legislation makes it extremely complicated. But we have gained an insight into how the electricity market works, particularly around the complexities of billing."

### Intelligent buildings growth

The first priority since the takeover has been to hasten the development of TEAM's long-established Sigma energy management software. Independent research EDW Technology undertook prior to the takeover indicated that energy data, and control of intelligent buildings was one area that is set for steep growth. TEAM had begun development of the latest version of the Sigma software but Miles conceded that the company did not have the resources to deliver the promises. "With 50 people in the development team we were able to

deliver in a short period of time. The Sigma 10 release, now live, includes an energy intelligence module that allows us to take all the data that Sigma brings in and add an analytical solution on top. This is where the market is changing with intelligent buildings and the internet of things. The amount of data is ballooning, but we can now offer management information. For the first time, for example, we can show how much money we are saving our customers."

And the software improvement is just the start, believes Miles. "Historically, TEAM has been strong in the public sector but we don't have massive penetration in the private sector so we need to build on that. And there is more we can give our existing customers. For example, not all our energy bureau customers are aware of our energy consultancy services, so we are in a strong position to support in areas such as CRCs services, DECs, EPCs, air conditioning inspections, and much more."

Another missing piece of the TEAM product jigsaw has been energy procurement, an area that Miles acknowledges has been a weakness. "Some tenders required us to offer bill validation, energy services and procurement which meant we weren't able to bid." As a result, the group has formed a partnership with Tradition Energy, a US-based major global player in energy procurement who is keen to expand its presence in the UK.

Although the future development of the group will be focused on organic growth around the larger customers, Miles believes the larger SME market will open up. "Technology is getting cheaper and cloud-based solutions remove barriers to entry. However, it's not easy to turn SMEs on to energy saving. You have to make it worth their while."

Although EDW Technology's independent research revealed that the energy management market may only grow at a rate of 1.5 per cent a year, Miles believes that the previous trend of energy costs becoming less important in the boardroom is going into reverse. "Wholesale prices are starting to rise and non-commodity costs are going up steeply. This is a good driver for the energy efficiency market." ■