

EPS COMPANY HISTORY AND BACKGROUND INFORMATION

Gerald Buckley founded EPS - then called Kanturk Electrical and Farm Services - some 38 years ago and was quickly joined by his brothers Paddy and Tadhg and sister Betty. From its inception, the potential for growth was recognized and targeted. However, unfortunately for Kanturk, the BUCKLEYS found considerable resistance when they tried to secure an adequate site for expansion in the town and they had to relocate to Mallow in 1973. It was a decision they were reluctant to make at the time but have come to recognise as a turning point during that period because, as Gerald says, the central location of Mallow with train station, phone system and access to cork attracted the very best professionals to work for EPS and these people have played and continue to play a crucial role in the success of the company.

At the beginning, Kanturk Electrical and Farm Services employed six people. EPS now employs over 280 staff between branches in Mallow, Ballyhaunis in Co Mayo, Mountrath in Co Laois and Naas in Co Kildare. The company also now has subsidiary companies EPS Environmental in Cookstown in Co Tyrone, JF Andrews in Enniskillen in Co Fermanagh and AH Cullen in Naas Co. Kildare. In the more modest days of the early 1970s, the fledgling company pushed ahead to open a Galway branch in 1973 and to have then Minister Dick Barry officially open their long-term Mallow headquarters in 1976.

At that time, the main thrust of investment in the water and wastewater industry was the provision of group water schemes. In 1970, difficult as it is to now believe, about 60% of the people living in the west of Ireland had no running water. The ESB was appointed overall contractor to link people up to a supply and EPS hit the ground running with the provision of water schemes and also the very popular mono-pumps, which were used to source individual supplies on rural holdings. Tadhg Buckley, who moved permanently to Galway in 1970, was at one stage installing five group water schemes a week in the west of Ireland.

EPS's growth from the mid to late 1970s was rapid. A branch was opened in Mountrath in 1975 again with Tadhg's involvement before he moved onto setting up in Ballyhaunis in 1978. The provision of strategically placed branches has always been central to the Buckley's business ethos. Tadhg notes: "You can't service a market unless you are actually in that marketplace." Driving ever forward into new territory for the sector, Tadhg and Gerald traveled to Italy in the early 1980s and secured agencies for a number of world-leading pump manufacturers; many of which plus others EPS still holds today, some 30 years later. In fact as James Murphy outlines "the key sales staff who developed the local agencies across the country are still striving forward today on the back of these excellent products."

During this period, there was a massive growth in demand for borehole pumps and submersible pumps for water extraction, mainly for the provision of drinking water. Once more, EPS was to the fore in providing, installing and maintaining these pumps. At this stage, EPS's strong relationship with many of the country's local authorities was forged, beginning with fluoridation and chlorination projects and as Paddy Buckley states "our continued and long term relationship with all of the local authorities from a service and repair aspect has helped the group in many of our larger projects along the way"

Liam Sheahan joined the company in 1978 as financial director and In 1981, EPS acquired the Lister Group's Water and Wastewater business, whereupon Tom Ruddy joined the Buckley brothers as a director and shareholder of the extended businesses. The new EPS moved into the provision of regional water and wastewater schemes which provided a new platform to launch the company into collaborations with major consultancy firms, and on the path to significant local authority contracts. Gerald recalls: "EPS was moving from being a domestic service provider to a municipal service provider."

During the 1980s and from then until today, there were many major, groundbreaking schemes on

which EPS were the main service providers. In 1983 EPS worked on the Monaghan Lough Egish Regional Water Supply Scheme and the company constructed a full scale wastewater treatment plant in Portarlinton in the same year, and another sewage scheme in Fermoy. In 1985 there were more major works, including the Central Kerry Regional Water Supply Scheme, which carried water all the way from a Killarney lake to the Shannon Estuary. The Drogheda Water Supply Scheme was among the other major projects carried out by EPS in that year alone and in 1988 EPS provided a new sewage scheme for Middleton.

There was yet another landmark in the early 1990s with the provision of the Dorisland Water Treatment Plant in Northern Ireland - EPS's first major contract outside of the Republic. Throughout the 1990s EPS's workload, workforce and reputation grew with steady success in winning contracts for everything from industrial wastewater treatment facilities; dairy, chemical and food industry installations to the acquisition of Aquapure in the UK, which opened up markets in Cyprus, Bahrain, Libya, Saudi Arabia, Scotland and Wales. During the 1990s, EPS became the leading supplier to Welsh Water and enjoyed significant success at home and abroad.

In the mid 1990s there was a re-think of this policy, however, when the only other two Irish owned water and wastewater treatment companies were taken over by international consortia. Tom Ruddy recalls: "As a means of defence, we decided to consolidate all of our interest in Ireland and to exploit all of the opportunities in the Irish market." The timing was perfect because, in 1995, the first National Development Plan specifically targeted water and wastewater treatment facilities for major infrastructural investment. In that year, EPS worked on the largest municipal wastewater facility in the country at the time as part of the Clonmel Main Drainage scheme, and on the Clara Water Treatment Plant, a full scale water treatment plant project." The National Development Plan ensured a continuous revenue stream upon which we were in a position to grow the business " stated Liam Sheahan .

Again, new standards were set in 1998 when EPS won contracts for the Dundalk Wastewater Treatment Plant - a facility serving a population of over 180,000 people; and the Killarney Sewage Scheme, the first ATAD digester in Ireland. Major international competition vied with the Mallow firm for this contract, but EPS won out with their groundbreaking ATAD technology.

The year 2000 brought the new National Development Plan and EPS's first major endeavour under another huge programme of governmental investment in water and wastewater infrastructure was the formation of the country's first every consortia for a D.B.O. (design, build and operate) project for Cork's Main Drainage. Four additional partners came on board, three international expert groups and Hegarty's of Cork. The consortium pre-qualified, tendered and won the contract for the largest ever greenfield-site wastewater treatment plant ever constructed in the British Isles. The project treats the wastewater generated by a population of some 380,000 people.

A new division of the company ,EPS Bison , was established in 2002, tapping directly into the potential of Ireland's housing boom; particularly the rural housing boom and the specific requirements of these rural 'one-off' dwellings. The days of the old-fashioned septic tank are numbered, as a steady and growing emphasis on the protection of groundwater emerges at EU, governmental and even at individual citizen level. The products offered by BISON produce, in essence, a far better quality of effluent and offer the householder a comprehensive package of site assessment, installation and maintenance, ease of operation and the reassurance of environmental protection. EPS Bison continues to lead the way in innovation concerning the treatment of wastewater in unsewered areas and are the first to introduce and commission a number of Package Membrane Treatment Plants for hotel and housing developments in highly sensitive areas as well as special areas of conservation .

Since 2002, BISON has provided wastewater treatment solutions for in excess of 30,000 Irish homes. That figure is set to grow considerably in the coming years as, by June 2008, a new EU

standard for the certification and testing of sewage treatment systems is to be enforced across all EU member states including Ireland. EPS Bison currently has two products available and tested to this new standard and will launch a third later this year and these will comprise a very short list of systems available in Ireland which are tested to this new mandatory European wide standard. Rainwater harvesting, wastewater re-use and rainwater attenuation are all areas of growth for the BISON division of EPS as a result of our changing economic climate and environmental concerns. With the future in mind EPS Bison has formed a number of strategic alliances with exclusive suppliers and partners to guarantee the delivery of innovative solutions for the Irish market and beyond.

The new government, in its programme for government, has flagged the introduction of grant aid for the upgrading of all septic tanks aged 15 years and over. This, clearly, marks a significant opportunity for EPS into the future. EPS Bison already supplies a product called the Aquamax, specifically designed for retrofitting existing and defective septic tanks. Increasingly, responsibility for water quality in the countryside is falling on the individual householder and the range of products on offer from EPS BISON offers a solution for every eventuality.

EPS has been selected by the Department of the Environment, Heritage and Local Government to pilot the STEDS programme in Co Tipperary. This involves the connection of 30 existing dwellings (previously served by individual septic tanks) into a clustered scheme which will be operated by EPS on behalf of the homeowners over the next 20 years. STEDS utilizes US technology, which has been acquired exclusively by EPS for this project. The finished product in this process is of the highest possible quality and meets all relevant standards, including the Nitrates Directive and the Phosphates regulations.

During the lifetime of the last and the current National Development Plans, the Irish government has invested extensively in improvements to water and wastewater infrastructure. The next tranche of funding will focus on the upgrading of the country's group sewage schemes. EPS is, once again, ahead of the game, pioneering a vacuum system technology, which is being utilized as part of the 'Seven Villages Project', which also incorporates the Pilot STEDS project in Co. Tipperary.

The Department's confidence in EPS is well-founded, given the company's prioritization of quality and health and safety. EPS has already been awarded ISO 9000 and ISO 14000 certification - and was the first wastewater company in the British Isles to achieve the latter. EPS is the only accredited UVDB Quality Standard contractor in the country at the moment; UVDB is the recognized quality standard in Northern Ireland for preferred supplier's lists and already is similarly being used by the ESB in procurement. The company is currently working on achieving ISO 18000, a standard pertaining to health and safety. Gerald confirmed: "Health and safety is an absolute driver in our company. The health and safety of our employees is of paramount importance as part of the drive towards growth and product development."

To an extent, the EU is one of EPS's greatest allies. Because 52% of Ireland's drinking water is currently considered to be contaminated to some extent, the European Union is forcing Ireland's hand and pushing both local authorities and individual householders towards the best possible water and wastewater treatment solutions; solutions provided to the very highest standard by EPS. Patrick Buckley, who heads up the BISON division, advocates a national grant system which would facilitate rural householders threefold; in the upgrading of their septic tanks, the provision of rainwater harvesting and the upgrading of well water supplies. A combined approach would, Patrick believes, "conserve water supplies and ensure long term environmental benefits moving forward. This in turn will help in our efforts to ensure compliance with the requirements of the EU Water Framework Directive".

With branches in Mallow, the centre of Munster; Ballyhaunis, the centre of Connaught; Mountrath, the centre of Leinster; Cookstown, the centre of Ulster and Naas, on the edge of the pale, EPS has got the country covered. Economic vision, the seizing of opportunities and the right

investment at the right time have allowed for the remarkable expansion of a wholly Irish-owned, indigenous and vital industry. Gerald stresses: "We wouldn't be where we are without, number one, our staff, present and past; our customers and clients; the local authorities and our national network of agents – who are all a crucial part of our business."

The future looks extremely promising, with ongoing investment under the National Development Plan, vital works to comply with stringent EU directives on water and wastewater quality, the upgrading of the country's vast network of group water and group sewage schemes and a re-entry into the export market, with a significant involvement in Scotland's equivalent to the National Development Plan. EPS is the first and only Irish contractor appointed to the Scottish water-spend programme. It took a significant amount of work and effort to make it through the pre-qualification process and EPS is once again poised to make a significant mark on the international stage.

At home EPS is well represented by its current management team comprising of the original founders and directors together with the rest of the management team for the various business units within the group.

This Friday, EPS officially open their new, 2,000 square metre headquarters at Quarters town in Mallow. The state-of-the-art €4 million facility featuring the latest technology and video conferencing facilities to link all of the EPS branches around the island, incorporates the new Research & Development and Export divisions and accommodates 130 staff.