



NO. OF
BANKRUPTCIES
DOWN BY 50%



START-UPS
LOWEST SINCE 2016



CO. INSOLVENCIES
CONTINUED DECREASE



JUDGMENTS
BY VALUE REGISTERED



DUBLIN
REDUCTION IN NEW COMPANIES

AVG. AGE OF FIRST TIME
DIRECTORS
DECREASES TO 43 YRS

COMPANY
INSOLVENCIES
CONTINUE TO DROP

Foreword

IRISH START-UPS HIT 4 YEAR LOW

Given the unpredictable nature of the Covid-19 pandemic, it is difficult to measure the full economic impact of restrictions and lockdowns. However, as we approach almost a full year since the first case of Covid-19 was confirmed in Ireland, there is a lot that we can learn in terms of trends and changes.

According to our latest figures, 2020 was the lowest point for the number of new start-up companies in Ireland since 2016, with a noticeable decline in activity from the second quarter of the year. The correlation between this decline and the first Covid-19 lockdown is a clear indicator of the immediate impact that the national lockdown had on new business creation.

From the early stages of the pandemic, the Government was quick to provide support for SMEs and new business start-ups, introducing a range of measures that have been consistently extended and adapted in line with Covid-19 developments. While these supports have played a vital role in facilitating early recovery, the concern now is that the return to lockdown restrictions will reverse the progress that has been made so far.



Christine Cullen
Managing Director,
CRIFVision-net

The impact of prolonged closures and restrictions on businesses has been well documented over the course of the pandemic, and while restrictions are still vital, we must ensure that we are simultaneously developing a sustainable environment in which businesses can recover.

SMEs account for 99% of all businesses in Ireland. They will play a massive role in the overall recovery of the economy. The focus must therefore remain on ensuring there are supports and measures in place to prevent current restrictions undoing the positive recovery seen in new business creation in the final quarter of 2020.

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An International Perspective

THE DRIVE TOWARDS DIGITAL TRANSFORMATION

As we continue to navigate through the Covid-19 pandemic, the full extent of the economic impact remains unclear but what micro-economic forecasts reveal, is that the impact will vary across different industries and sectors across Europe.

When we consider industries that are deemed essential, including those that are linked to core needs such as food and beverages or health, the overall impact of the pandemic is likely to be limited. Other sectors however, mainly those linked to social interaction such as hospitality and leisure, are likely to suffer substantially greater challenges in terms of adapting to new workflows, staffing capacities, credit flows, remote-working and regulatory obligations.

For most businesses, the focus is now heavily concentrated on re-starting, stabilising and adjusting to the new normal. In doing so, identifying, and managing the risks within this new business environment will be a crucial step.

At CRIF, utilising latest risk evaluation intelligence, allows us to combine financial, industry and company data, with the latest real-time alerts and risk monitoring to gauge risk quickly, and extend credit with more confidence in a more uncertain post-pandemic environment.



Sara Costantini
UK and Ireland Regional
Director, CRIF

These strategies and their execution are continually adapting in line with the rapidly changing environment, ensuring best services for our customers.

In the current environment, the acceleration of digitalisation and disruption is one of the key driving factors of all activity. Never, have organisations experienced such a dramatic digital transformation in such a short period of time – a digital drive that is only likely to continue.

In response, CRIF's expertise, is continually adapting to complement the information needs of businesses. Supporting businesses across each wave of recovery going forward must be the priority and as a result, the ability to interpret the full value of information will become strategic for fast tracking progress, minimising bad debt and to recover turnover.

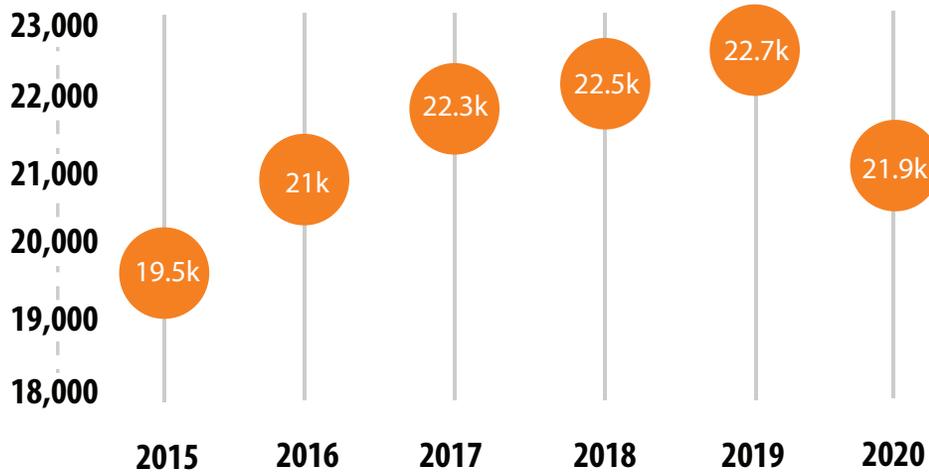
Other factors such as the recent Brexit agreement, will also play a significant role in shaping the future business landscape in both the UK and Ireland. This agreement provides a unique opportunity for Ireland in particular, providing a strong competitive advantage going forward.

Navigating the outcomes of Brexit may present a number of challenges for businesses, particularly in the early stages of its roll out. However, at CRIF we believe that the use of market experience and real time data to deliver tailored solutions that can mitigate risks and allow businesses to capitalise on the opportunities that Brexit may provide.

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Company Start-Ups

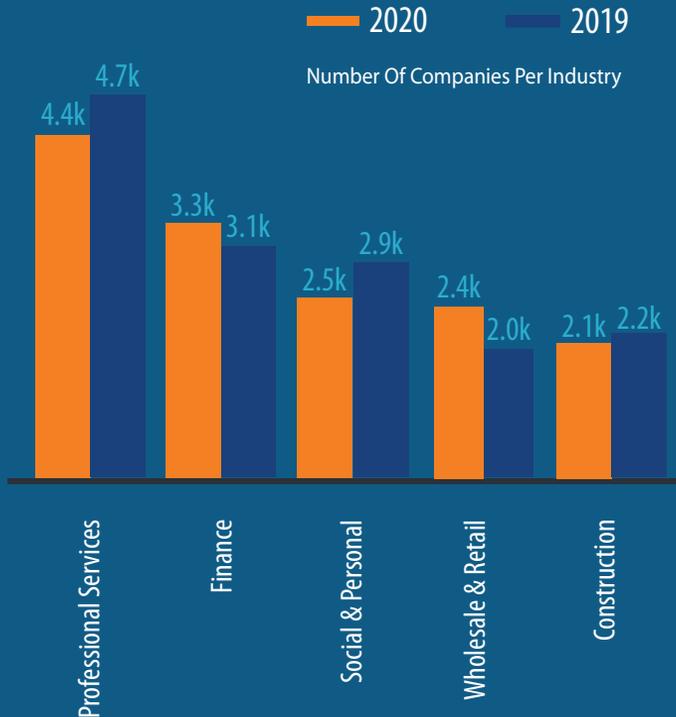
FIRST DECREASE IN 7 YEARS



2020 did not follow the upward trend seen since 2013. Ireland's new company start-up levels reached their lowest point in four years in 2020, recording 21,924 new companies - representing a 4% decrease compared to 2019's figure. The figure also represents the first time in 7 years company start-ups experienced a decrease compared to the previous year.

Company Start-Ups

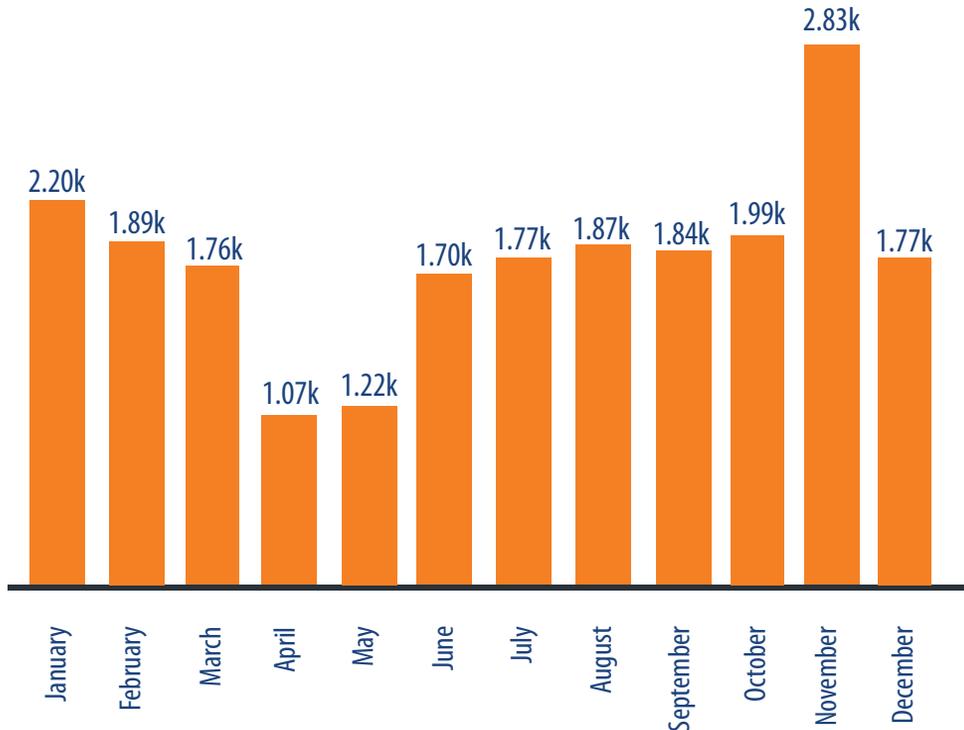
5 KEY INDUSTRIES FOR START-UPS



- The most popular industry was professional services (Legal, Accounting & Business) which accounted for 4,401 of all company start-ups, down 6% on the previous year.
- The finance sector was the second most popular industry for start-ups in 2020. 3,322 new companies were set-up, up 8% on 2019 (3,322 vs 3,088). One of only two industries to see a substantial growth in start-ups compared with 2019.
- The only other industry which saw a growth of more than 200 new companies was Wholesale & Retail (+326).

Company Start-ups

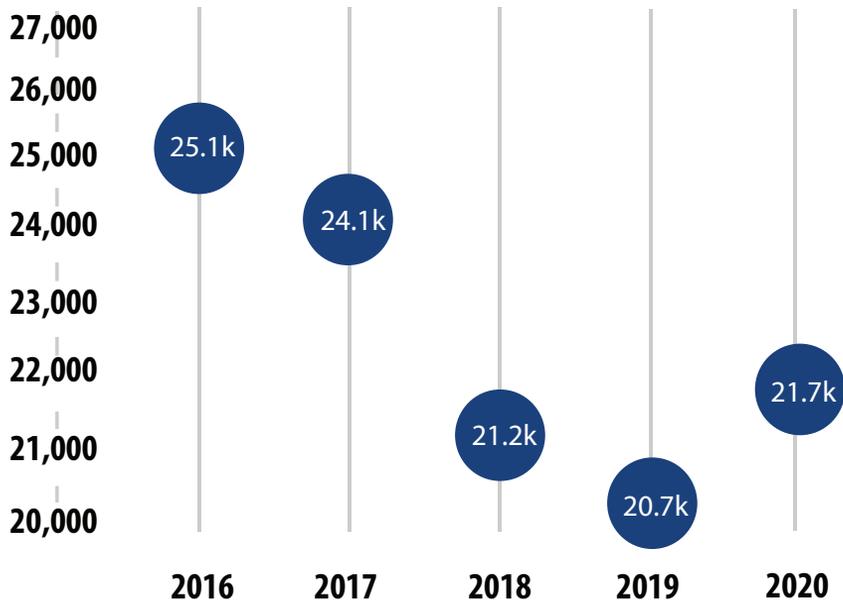
BY MONTH



- The full impact the first lockdown had on company start-ups can be seen when looking at the start-ups per month in 2020 - April recording just 1,078. Despite the overall decrease in activity among the start-up community in 2020, there have been early signs of recovery, with levels increasing from June (1,701).
- The final quarter of the year proved particularly strong, marking an increase of 20% in new registrations compared to Q3. In total, 6,583 new companies were registered in Q4, a 23% increase on the same period in 2019.

Business Name Start-Ups

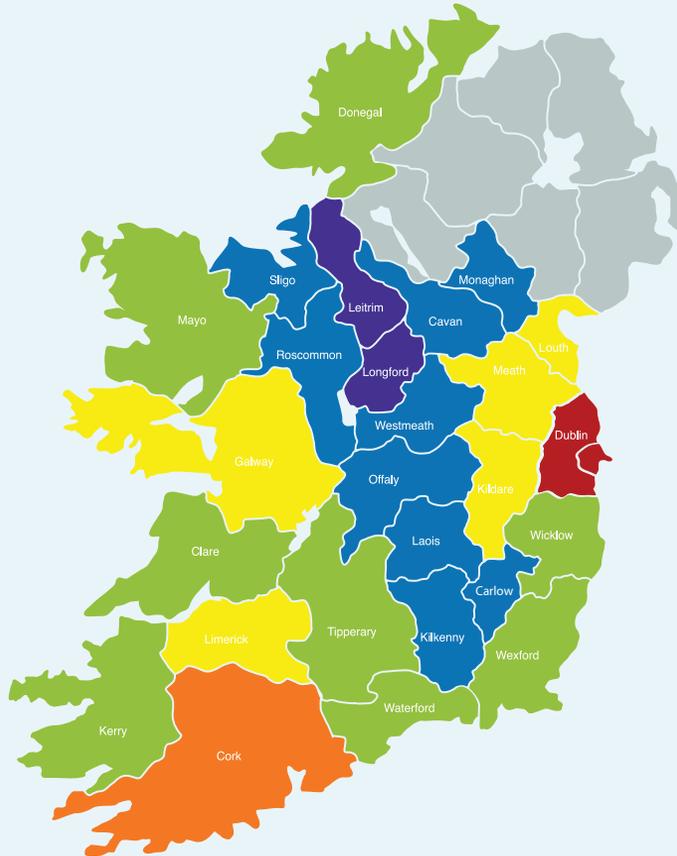
FIRST INCREASE SINCE 2015



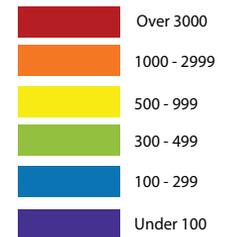
- In total, 43,595 companies and businesses were registered in Ireland last year - up slightly by 0.2% on 2019's figure due to the number of business registrations climbing by 4.6% (21,671 v 20,725).
- While company start-ups have fallen for the first time in 7 years, there has been an increase in Business Name start-ups for the first time since 2015.
- This increase could be attributed to existing businesses needing to diversify, as well as more people setting up businesses after becoming unemployed due to the pandemic. This 'Necessity-Led Entrepreneurship' was seen in the last recession.

Hottest Counties: Ireland

START-UPS - BY LOCATION

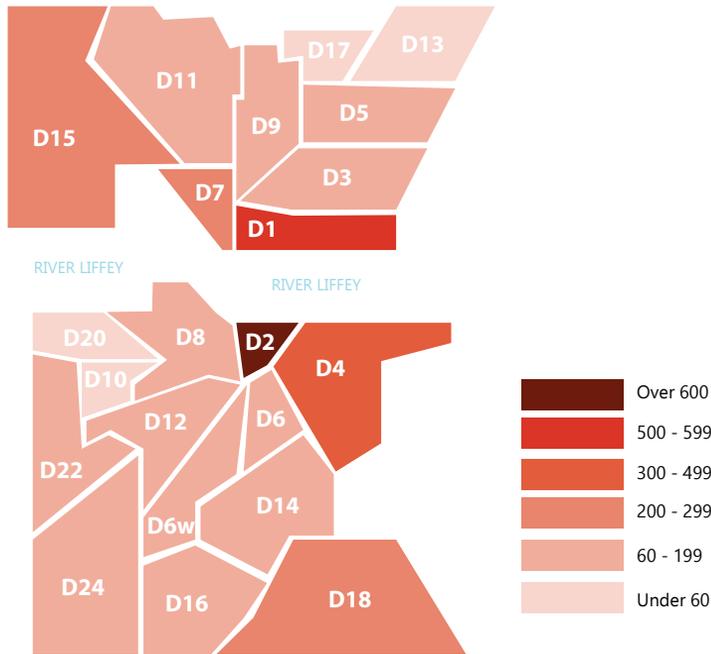


- Dublin was the most popular location for company start-ups (10,089). Cork, Galway, Kildare and Meath make up the remainder of the Top 5.
- Cork in second place had 2,000 start-ups, down 8% compared to 2019 (2,176).
- Galway, Kildare and Meath accounted for 2,170 company start-ups between them.
- Leitrim and Longford were the only counties to have less than 100 start-ups (55 & 98 respectively).



Hottest Postcodes: Dublin

START-UPS - BY LOCATION

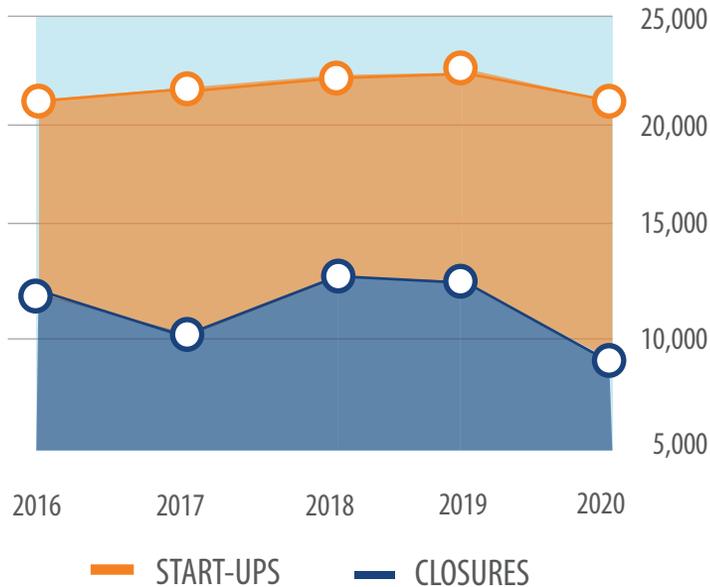


- In Dublin City, D2 accounted for 21% of company start-ups (800). D1 in second place (509) and D4 in third (338).
- The least popular Dublin postcodes for company start-ups were D10 (11), D17 (12) and D20 (28).

Start-Ups Vs. Closures

COMPANY START-UPS vs COMPANY CLOSURES

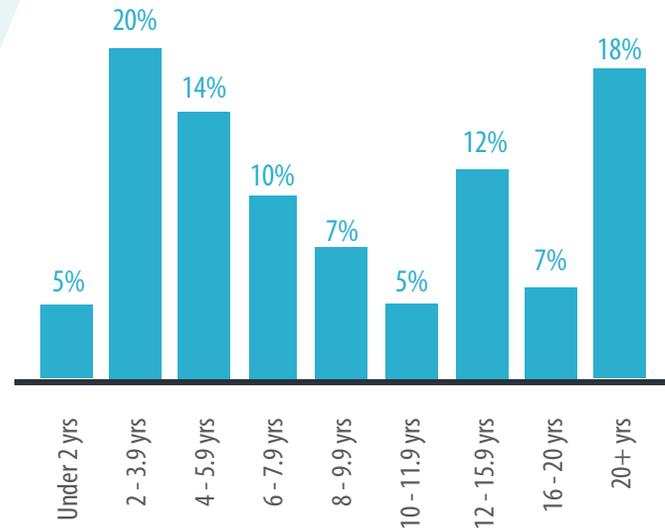
9,094 Irish companies were dissolved in 2020 which is down 26% on last year's figure (12,335). It should be noted that most companies can be dissolved for reasons other than insolvency - e.g. a company reaching the natural end of its life.



YEAR	START-UPS	CLOSURES	DIFF PY
2020	21,924	9,094	12,830
2019	22,774	12,335	10,439
2018	22,493	12,836	9,657
2017	22,380	10,592	11,788
2016	21,027	12,578	8,449

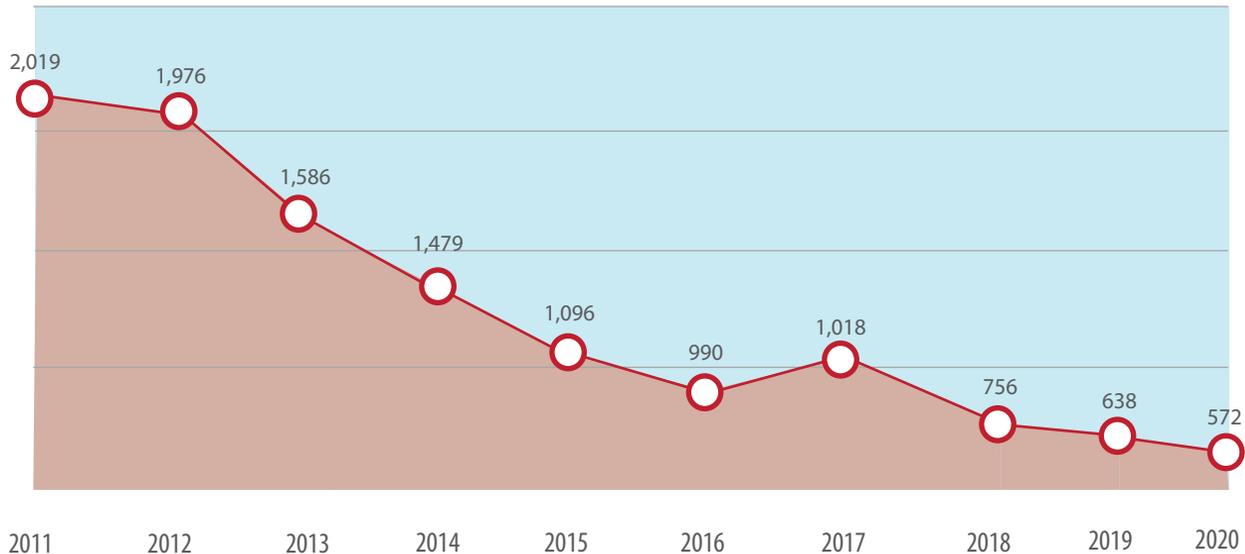
- Company start-ups have outnumbered company closures for the past 11 years.
- Last year saw Irish company start-ups exceed company closures by 12,830 entities.
- This decrease in closures could be caused by businesses waiting to see the outcome of the pandemic while also being able to survive on Government assistance.
- With over 249,000 companies now trading as normal in Ireland, this represents a 6.4% net gain in companies.
- 25% of companies closed before completing 4 years in business. Almost half closed by year 8.

CLOSURES - LENGTH OF TIME IN BUSINESS



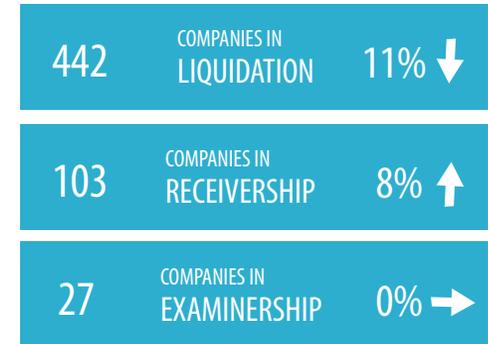
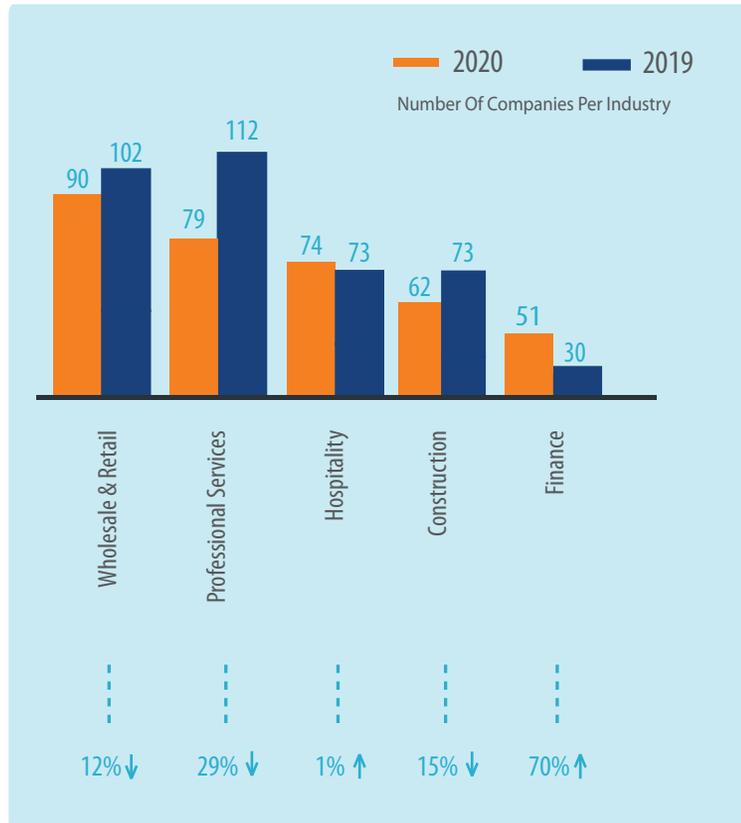
Company Insolvencies

IRISH COMPANY INSOLVENCIES: 10 YEAR TREND



The overall insolvency rate for 2020 was down 10.7% compared to 2019, totalling 572 insolvencies for the year. This decrease in insolvencies levels for 2020 can be widely attributed to the prolonged closure of courts during the Covid-19 pandemic as well as the suspension of activities for many businesses.

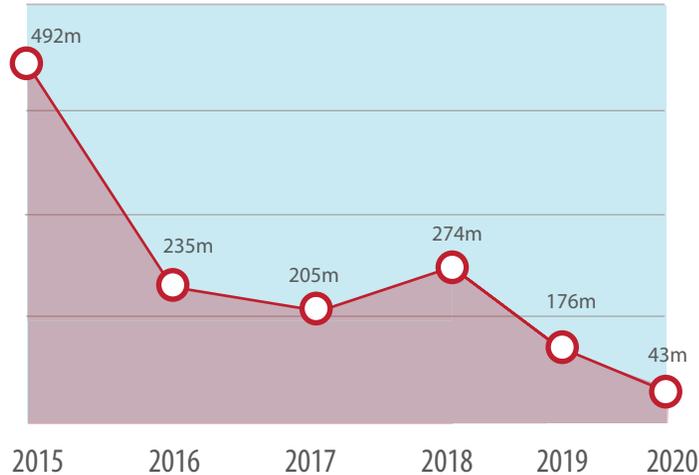
Insolvencies in 2020 - Industry Comparison



- 2020's company insolvency figure is down 10% on the previous year. The largest numbers of insolvencies were recorded in the month of February, with a total of 76 insolvencies
- The most insolvent sector was wholesale, retail and trade (90), down 12% on 2019.
- There was an average of 48 companies with an insolvency notice, per month in 2020 (compared to 51 per month in 2019).

Bad Debt Judgments

LOWEST VALUE IN OVER 10 YEARS



- The value of Judgments registered in 2020 decreased by 76% compared to 2019.
- This decrease can be attributed to suspension of activities due to Covid.

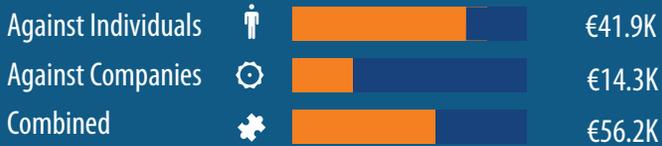
CONSUMER JUDGMENTS

YEAR	VALUE	NO.
2020	€37m	876
2019	€163m	2,329
2018	€259m	1,949
2017	€186m	2,019

COMMERCIAL JUDGMENTS

YEAR	VALUE	NO.
2020	€6m	445
2019	€13m	648
2018	€15m	576
2017	€19m	676

AVERAGE VALUE OF BAD DEBT Judgments



CONSUMER JUDGMENTS - TOP PLAINTIFF

Revenue €12.67m

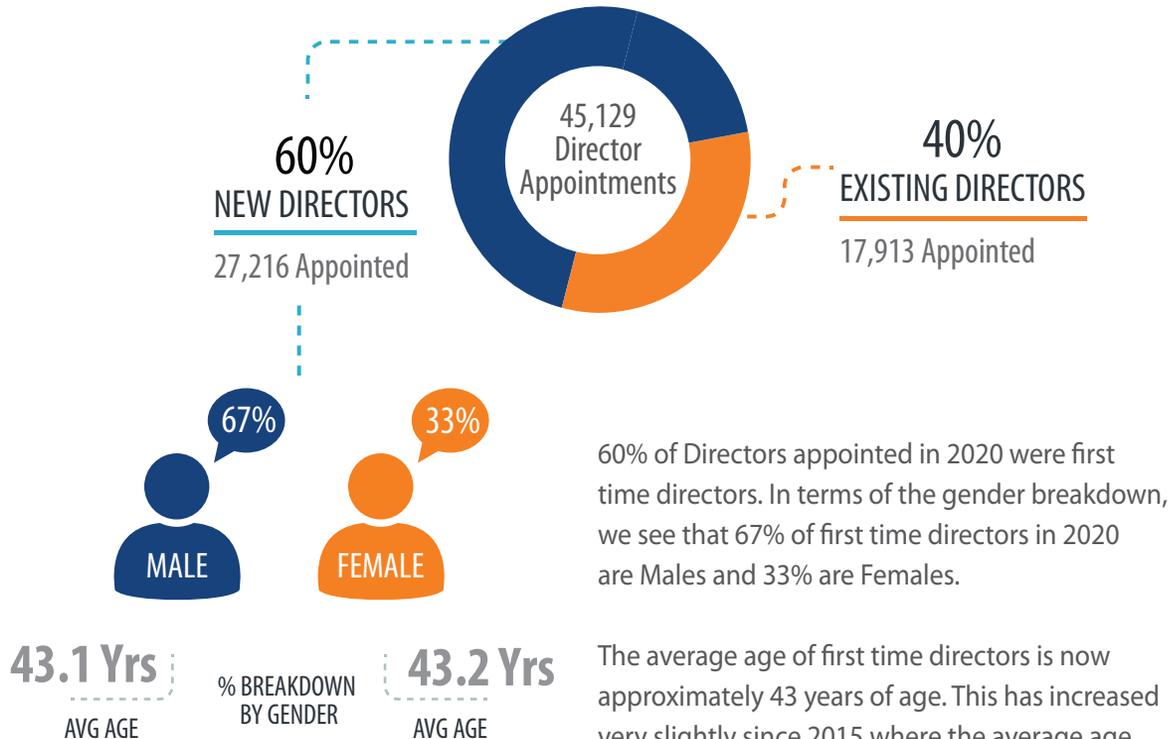
COMMERCIAL JUDGMENTS - TOP PLAINTIFF

Revenue €1.36m

Ask us about our
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Entrepreneurial Spirit

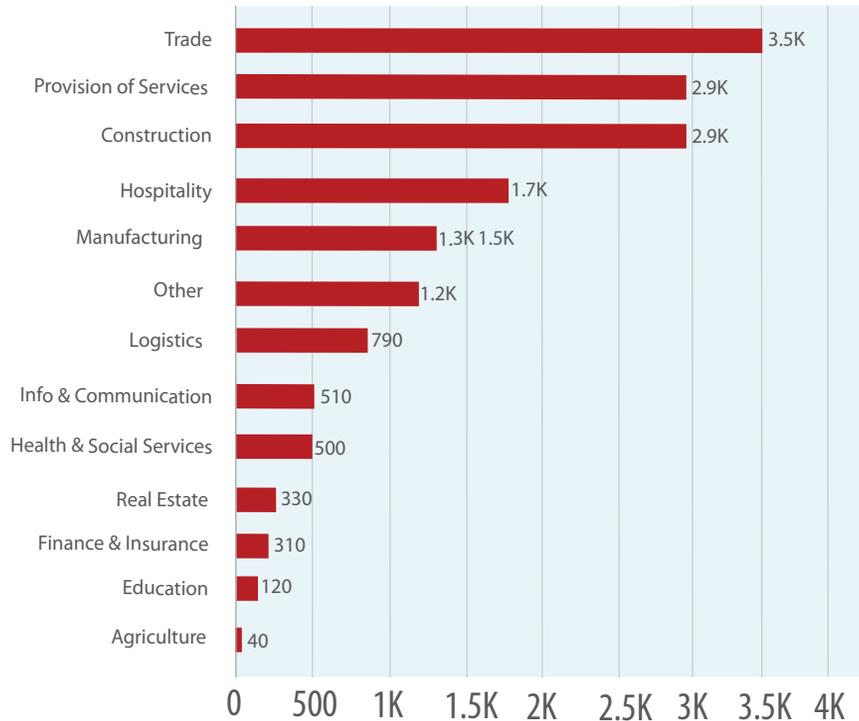
FIRST TIME DIRECTORS



Spotlight: Germany

GERMAN INSOLVENCIES 2020

German Insolvencies in 2020 - Industry Comparison



- Analysis provided by CRIFBURGEL shows the industry with the largest number of insolvencies in Germany was Trade with 3,500 companies.



PSD2 Real-time Credit Decisions

COMING TO YOU SOON THROUGH CRIFVISION-NET

Our new innovative Open Banking solutions, enable you to **take your business and consumer credit evaluation process to the next level!** Soon CRIFVision-net will be able to provide you consent based access to your customers' bank accounts - for more real-time credit assessment.

Using bank account data in this way will greatly enhance your ability to **provide credit in confidence** while developing profitable opportunities. Advanced scoring, blended with open banking data, can work to better calculate your decision KPI's, enhancing your ability to make **rapid but informed decisions**.

Soon through CRIFVision-net, you will also be able to link your business bank account to your credit score providing a unique **real-time view of your company's financial strength**.

The future of Credit Screening has arrived.

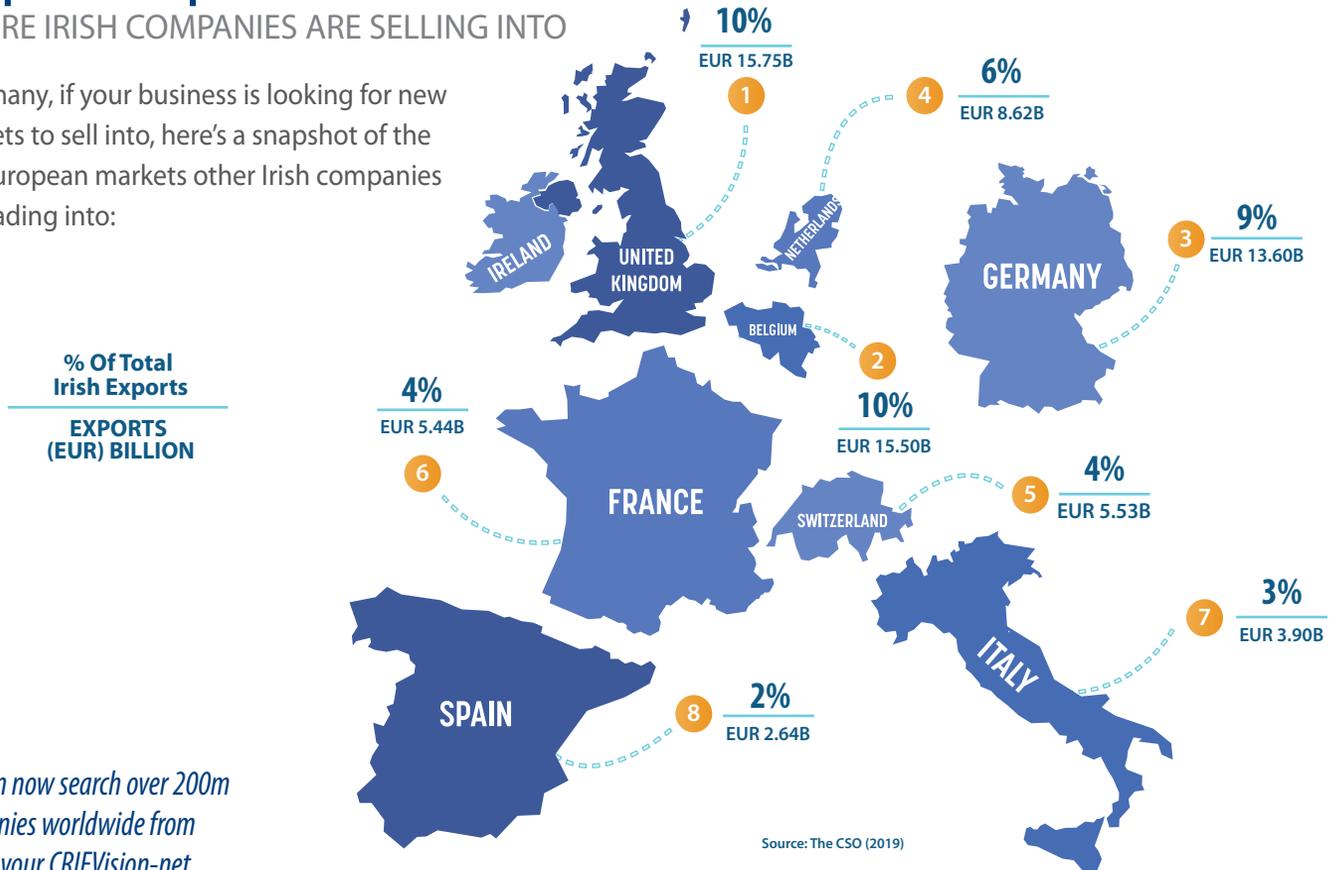
If you would like to find out more why not contact us at: info.vision-net@crif.com



Top European Markets

WHERE IRISH COMPANIES ARE SELLING INTO

Like many, if your business is looking for new markets to sell into, here's a snapshot of the top European markets other Irish companies are trading into:



**% Of Total
Irish Exports**
**EXPORTS
(EUR) BILLION**

*You can now search over 200m
companies worldwide from
within your CRIFVision-net
account!*

Source: The CSO (2019)

Unpaid Debts

TOTAL BAD DEBTS IN IRELAND 2020



*The bad debt from Personal Insolvency and Bankruptcies figures are representative of H2 2019 and H1 2020.

Bankruptcy

PERSONAL INSOLVENCY

129 bankruptcy cases were recorded in 2020 - a decrease of 50% compared to the same period in 2019.

Period	NO. OF BANKRUPTCIES	DIFF
2020	129	-129 ↓
2019	258	-96 ↓
2018	354	-113 ↓
2017	467	-56 ↓

QUALIFYING DEBT FROM BANKRUPTCIES 2020



Companies and
business managers
are encouraged to
fully risk check
customers to
minimise exposure
to bad debts.

Personal Insolvency

VEHICLE BREAKDOWN

There was a 30% decrease in approved Insolvency Arrangements in H1 2020 compared with H2 2019. These figures show the positive impact moratoriums had at supporting people during the first lockdown period.

PERSONAL INSOLVENCY - H1 2020 v H2 2019				
INSOLVENCY TYPE	H1 2020 NO. OF CASES	H2 2019 NO. OF CASES	MOVEMENT	DIFF
Protective Certificates	652	1,084	-432 ↓	-40%
APPROVED ARRANGEMENTS				
Personal Insolvency Arrangements	435	543	-108 ↓	-20%
Debt Settlement Arrangements	33	62	-29 ↓	-47%
Debt Relief Notices	53	136	-83 ↓	-61%
Totals	521	741	-220 ↓	-30%

- In the year from 1st July 2019 to 31st Jun 2020 there were 1,262 approved insolvency arrangements.

PERSONAL INSOLVENCY VEHICLES

While they still often represent a point of last resort, the options available to individuals unable to meet debts as they fall due, are much greater today in Ireland than just a few years ago. The right option or vehicle will often depend on the overall level of debt and the way it is secured. The Insolvency Service of Ireland offer various arrangements to best suit the needs of their applicants.

- 652 individuals sought a Protective Certificate to protect their assets during H1 2020, a 40% decrease compared to H2 2019.
- Personal Insolvency Arrangements decreased by 20%, Debt Settlement Arrangements by 47% and Debt Relief Notices by 60%.



CRIFVision-net, is a leading provider of business data.

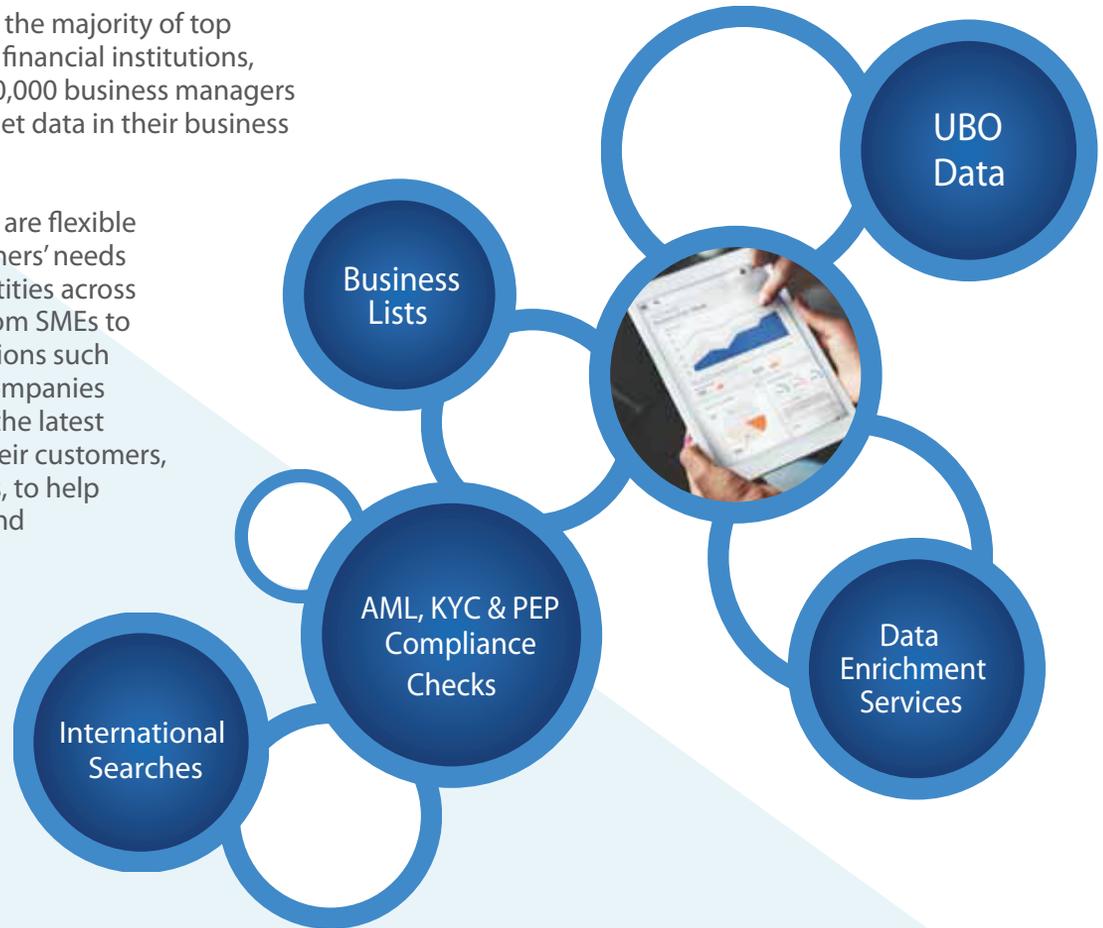
Our cutting-edge information services enable our clients to make better decisions in relation to AML, credit assessment, risk management, customer insight and anti-fraud.

With CRIFVision-net, you can expect exceptional expertise in accessing the very latest real-time data on Irish and UK companies. This coupled with over 30 years researching and reporting on businesses, has led our service to be ranked as one of the leading information agencies in Ireland.



In any single business day the majority of top professional service firms, financial institutions, media outlets, and over 10,000 business managers use and trust CRIFVision-net data in their business processes.

Our information solutions are flexible and tailored to our customers' needs and budgets, ensuring entities across the business spectrum, from SMEs to large enterprise organisations such as banks and insurance companies alike, can enjoy access to the latest insights and reports on their customers, competitors and suppliers, to help enhance their decisions and protect and grow their business.



CRIFVision-net, is part of CRIF, a global company specialising in credit bureau and business information, and credit solutions. The group currently has 5,000+ staff professionals and 70+ subsidiaries in 35+ countries across four continents. CRIF is a leading provider of credit information for banks in continental Europe and is one of the leading international companies in integrated services and solutions for business information and credit and marketing management.

The company is included in the FinTech 100, a ranking of the leading global technology solution providers for the financial services industry. 10,500 banks and financial institutions, 1,000 insurance companies, 82,000 business customers and 1,000,000 consumers across 50 countries currently use solutions from CRIF every day.

For further details on CRIF simply visit - www.crif.com

Call us today on Tel: [01 903 2660](tel:019032660) or Email: info.vision-net@crif.com to learn more on how we can help your business.

BUSINESS IN IRELAND

2021
START

CRIFVision-net

For further information
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