

# Peter Schroer



BS/MEng EE & MBA



Watson Research Labs: Scanning Tunneling Microscope



Manufacturing Management Intern Program

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Founded 2000 → Exited 2021





## Company Overview

- Aras provides a resilient platform for product lifecycle management (PLM) and related digital industrial applications covering engineering, manufacturing and maintenance of complex products
  - Customers include Airbus, Audi, BAE, Edwards Lifesciences, GE, GM, Hitachi, Honda, Huntington Ingalls, Kawasaki, Mayo Clinic, Microsoft, Mitsubishi, Nissan, Rheem, SAFRAN and others worldwide
  - **Headquarters:** Andover, MA with offices in Europe & Japan
  - **Founded:** 2000
  - **Total Raised:** \$138.2M
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Enterprise Software  
that became  
Enterprise SaaS (*sort of*)

# Financing Summary

Note: non-linear progression!



Date	Type	Amount Raised (\$MM)	Lead Investor / Investors
2002	Series A	0.5	Angel (1)
2003	B	4.2	Greylock Partners Matrix Partners
2004	C	12.3	Oak Investment Partners Greylock Partners Matrix Partners
2006 - 2008	A, A1	2.2	eCoast Angels
2008-2010	B	2.3	eCoast Angels
2015	B1	2.8	Blue Cloud Ventures Bay Capital Investment Partners Boston Harbor Angels
2017	C	39.5	Silver Lake and GE Ventures
2018	D	\$71.5	Goldman Sachs SSG Silver Lake GE Ventures
2021	Exit	\$860M	GI Partners

\$32M Post

\$800K Pre

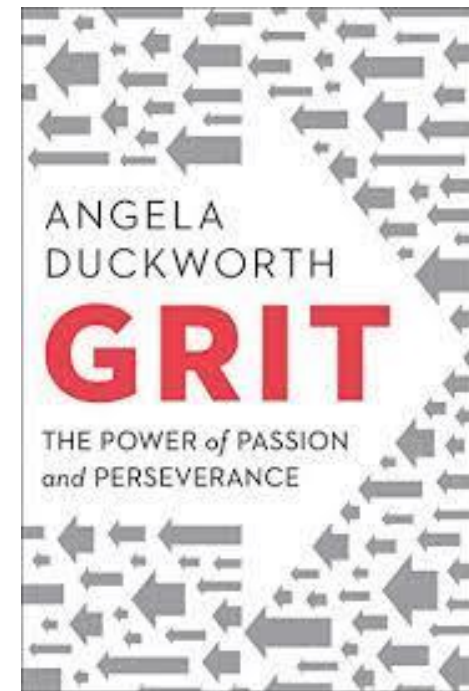
> 100 Angel/VC/PE Meetings  
> 15 in-depth, distracting due diligences

Reboot (partial redemption)

Multiple rounds of Venture Debt  
Bay Capital, Vencore, SVB, Gold Hill

~100 employees received > \$1M checks

- 22 years of constantly running out of cash
- Nearly constant fund raising
- Board voted to close company (*customer check arrives JIT...*)
- Fired 3 times
- Never got to Cash B.E. → but sustained ~35% CAGR up to \$75M ARR
- Tons of micro-pivots
- Had to invent a GTM methodology that fit our role in the market





- Learn to use Board and Investors to help growth
  - Keep them engaged and active... and useful
  - Over-Communicate, bad news first, admit that you need help
- When you pitch to Investors → Tell them how they will make money
- Team is critical... Team dynamics are super-critical.
  - Who is in charge? One point of contact for investors
  - Long-term friends are a red flag
- Laser focus on **Purposefully Shaping** the business for the next Milestone
  - Don't build the organization or processes of a \$50M business when you are \$5M ARR
  - Must prove commercial viability (again and again ...) → **Build the Story**
  - Journey is about step-by-step increments



- Stay in control *(not talking about cap table %)*
  - Accounting, Finance and HR were internal from Day 1
  - Make vs Buy (licensing) decisions → keep control of our product quality and schedules
  - Great legal counsel continuously to keep company ready for raise (or exit) at all times
  - Rigorous cash planning
  - Deliver commercial results. Incrementally.