

Meet Christian Owens, CEO and cofounder of fintech unicorn Paddle

As part of our quick fire questions series – or QFQs – we spoke to Christian Owens, CEO and cofounder at Paddle, about growing a startup into a unicorn, acquiring another business, and answering an unmet need in the fintech world.

Temps de lecture : minute

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What was the catalyst for launching Paddle?

My cofounder Harrison and I came up with the idea for Paddle in 2012 when we were trying to build our own software company as teenagers. I'd just left school to focus on growing my (second) software business, but I found that the majority of my time was being taken up with complex operational challenges like dealing with taxes and payments, which was frustrating because it meant I couldn't focus on what I really cared about – developing and perfecting my product.

So, Harrison and I launched Paddle to try and solve these operational obstacles for SaaS sellers. Our goal from the beginning has been to enable software businesses to grow while focusing on the things that really matter, like building the best product or improving customer experience or hiring new employees. In that sense, we were trying to 'scratch our own itch', building a software company for software companies.

What is Paddle?

Paddle is a payments infrastructure provider for SaaS companies. Our platform integrates checkout, payment, subscription management, financial compliance processes, pricing and billing, thereby allowing SaaS companies to scale and sell their products faster, in more geographies, with less risk and lower costs. Instead of simply helping solve operational challenges, Paddle's all-in-one platform does it all for you, taking care of the problems facing SaaS sellers instead of just providing the tools to solve them.

Our aim is to remove the barriers to growth for SaaS companies around the world so companies can transform their payments infrastructure into a strategic growth lever to respond faster and more precisely to every growth opportunity.

We now work with over 3,000 software companies in more than 200 markets worldwide, including BlueJeans by Verizon, MacPaw, Framar and TailwindLabs.

How has the business evolved since its launch?

Since we launched Paddle in 2012, the business has seen rapid international expansion, especially in the last couple of years. We've scaled our team from 140 to 275 employees across offices in London and New York, and Paddle has more than doubled its revenue growth since November 2020. Moreover, Paddle's latest \$200m Series D funding round in April means we are now valued at \$1.4B, making us one of the UK's latest unicorns.

In May 2022, we also completed the \$200M acquisition of subscription metrics provider ProfitWell, a startup that has been on our radar since

2012 when we were still running Paddle from an apartment. We've absorbed the Boston-headquartered startup's employees across the US and Argentina, and we're integrating ProfitWell's cutting-edge metrics tools into the Paddle platform, which is super exciting.

Finally, we've also expanded our product offerings. Last year, we announced the world's first alternative In-App Purchasing (IAP) system for iOS developers, our contribution to making a fairer, more open App Store.

How are you funded?

Paddle's recent Series D funding round was led by leading global investment firm KKR, and we are also backed by a number of world-class investors including FTV Capital, Silicon Valley Bank, Kindred, Notion and 83North. In total, we've raised over \$293M from our investors.

What has been your biggest challenge so far?

As cliché as it sounds, *the pandemic* brought a whole new set of challenges, particularly in terms of managing and expanding our global workforce amid lockdowns. With many of our employees preferring hybrid or remote working, many based overseas and others simply hesitant to return to office-based working, we had to develop a philosophy and set up in which flexibility and adaptability came first.

Using internal surveys and discussions with Paddlers across every level of the business, we pioneered a 'digital first' approach. Remote working became the default - not the alternative - option, and we also opened a brand new office in London designed for hybrid and those who prefer in-person working.

I'm also proud of our 'Navigate' scheme in partnership with Airbnb, which

allows employees to work six weeks a year from anywhere in the world. This overall approach has been effective in allowing Paddlers to do their best work in the best setting for them.

How does Paddle answer an unmet need?

From taking payments in multiple currencies to issuing invoices and managing tax and compliance, there are dozens of really complicated problems that limit software companies' ability to grow quickly and prevent them from reaching their potential.

Paddle removes these operational and financial obstacles, saving companies unnecessary time and manpower and allowing them to focus on building a strong product, rather than tackling all the complex operational problems that come with running a software business.

What's in store for the future?

We recently acquired Profitwell, the leading provider of subscription metrics and retention automation software, and we're now working to fully integrate ProfitWell's teams and product offerings into Paddle. Patrick, Profitwell's former CEO and Paddle's new chief strategy officer, and I are really excited to bring our teams together to try and build a holistic, powerful metrics backed payments infrastructure at the heart of the SaaS market. We're also looking to continue rapidly expanding our team to match the growth of our business.

What one piece of advice would you give to future founders?

Encourage employees to tell you when you're wrong, and actually listen to them. Fostering an environment where dissent and disagreement is

encouraged has been key to Paddle's success. When employees across every level of the organisation are empowered to disagree, it creates a culture of improvement and free thinking that allows the whole business to constantly innovate and test new ideas.

Christian Owens is CEO and cofounder at *Paddle*.

Article by Maddyneess UK