

Powering Blue Prism's mission to automate



“It takes commitment and a clear understanding of the concerted effort and resources required to make a success in what is a dynamic market environment” January 2019

Summary Blue Prism

2016

Investec advised Blue Prism through their IPO

>£1BN

Value of the company today

£150M

The amount raised by Investec since the IPO in 2016



About Blue Prism

As the pioneer, innovator and market leader in Robotic Process Automation (RPA), Blue Prism delivers the world's most successful Digital Workforce. The company's intelligent digital workers provide government and business leaders with new operational capacity and intelligent skills to automate mission critical business processes, while meeting the requirements of the most demanding IT environments, where security, compliance and scalability are paramount. Blue Prism is a billion-dollar company and has emerged as the platform of choice for large enterprise across the globe. In March 2016, Investec advised Blue Prism through their IPO, raising funding that enabled the company to resource the rapid scaling of their channel programme and to fund their continued global expansion.

Key Investec Facts

- Guided what was an exciting but still early stage technology company with approximately £6m turnover to IPO on AIM of the London Stock Exchange in March 2016, raising an initial £10m to support their channel programme and US expansion
- Raised a second round of funding (£40m) in January 2018 to support the continued growth of Blue Prism's global channel programme
- Raised a third round of funding (£100m) in January 2019 to support significant investment in sales and marketing, bringing on additional technical experts and researchers to boost research and development; as well as further investment in Blue Prism Digital Exchange
- Continued to advise Blue Prism on its position on the stock market during which time the value of the company has increased from £50m to over £1bn today

The Evolution of Blue Prism

Today, Blue Prism is the world leader in Robotics Process Automation – a digital workforce powered by software robots to automate routine back-office clerical tasks. The company's enterprise grade software is in the vanguard of enabling organisations to increase efficiencies and performance levels in routine tasks, while helping to alleviate corporate skills shortages and freeing up workers to focus on higher-value activities.

The company's software robots have been designed to provide a robust, highly scalable, digital workforce that can be operated by the business function and supported by their IT department. Its solution can seamlessly interface with third-party platforms or applications within an organisation's existing software suite such as an ERP, CRM or billing system. It can be hosted on-premises, or hosted within a private, public or hybrid cloud environment. This makes it highly adaptable for any IT estate.

Formed in 2001, the company began as an automation consultancy, primarily selling directly to the financial services sector. However, its close customer relationships enabled Blue Prism to develop its own software robotics to automate clerical tasks and it launched its first commercial version in 2008. Blue Prism then spent four years developing the software with a number of blue-chip customers, including Barclays Bank, Co-operative Banking Group, Telefónica O2, RWE npower and Shop Direct. This helped Blue Prism to commercialise and importantly industrialise its software to ensure that it could support its customers' needs.

From the start, the company has heavily involved its customers in its RPA development and created the Operational Agility Forum – a think tank for developing ideas around the use of RPA in the business services industry.

The strength of these industry relationships, and the direct sales strategy that supported it, were a primary reason for Blue Prism's early success having founded the RPA market.

Moving into the Channel

Having built a rigorously tested RPA in close partnership with enterprise customers, in 2013 Blue Prism began to build a channel partner network as a new route to market. Direct sales to customers had been an extraordinary enabler – seeding the market for indirect channel partners, acting as important references of success and of course helping to incubate and develop the market leading software. However, taking a solely direct approach was also inhibiting truly scalable growth.

The company quickly benefitted from this decision, gaining access to a large base of new customers, in a range of geographies and vertical markets. The company found that it was able to avoid the expense and complexity of establishing its own direct sales operation and worked effectively with its channel partners to build a successful, scalable sales and delivery capacity.

Blue Prism gained recognition from some of the largest go-to-market partners in the world. Such was the enthusiasm for RPA that EY became one of Blue Prism's largest customers, using the platform to automate many of its internal accounting and auditing workflows. Accenture, Deloitte, KPMG and many others shared this enthusiasm, and Blue Prism

consequently gained greater access to the enterprise market, servicing many Fortune 500 and FTSE 250 companies.

Investing to achieve true scalability

As Blue Prism began to successfully transition to a partner sales route to market, Investec took a keen interest in the company and were very impressed with its detailed and strategic approach to the development of its channel partner programme. Sebastian Lawrence, Associate Director at Investec commented:

"What really impressed us from the start was the level of sophistication Blue Prism took in its approach to its channel partner programme. We see many technology companies who treat their channel as a bit of an afterthought to add some value to their direct sales approach and do not dedicate the time and effort to making the channel the success that it could be. To get the channel right takes a lot of continuous effort and resource. Blue Prism understood this."

To capitalise on the increasing interest in the RPA market, Blue Prism needed to invest to accelerate its organic growth opportunities. So in March 2016, Investec took them through an IPO, raising £10m specifically to invest into building a scalable sales and delivery channel partner infrastructure model to allow for rapid expansion. At the time of the IPO, 60 per cent of Blue Prism's customers were through or with partners, but following the IPO this increased rapidly to 100 per cent, such was the success of its programme.

Ensuring channel success

The key features of Blue Prism's channel partner programme are:

- Scalable, automated partner onboarding programme
- Online accreditation, training and sales academy for partners
- Collaborative and integrated approach to joint marketing alongside partners
- Understanding how RPA integrates with partners' broader market offer and assisting partners in their go-to-market

It is not just about getting the processes and systems in place. Blue Prism attributes much of its channel success to the personal relationships it has built with its partners. Linda Dotts, Sr VP Global Partner Strategy and Programmes explained:

"Blue Prism invests a significant amount of resources, time and energy to ensure its partners have all of the tools and abilities needed to succeed. We place a large emphasis on educating our partners so they can clearly communicate our value proposition and deliver consistently excellent results.

"Within this close partnership, we foster a culture of collaboration and community to do this. For example, Blue Prism World, which takes place every year in multiple locations, brings together partners, clients and industry thought leaders to discuss their experiences of the platform. Clients are keen to discuss how building a digital workforce has driven value to their organisation, and partners share stories of successful delivery."

A key element of Blue Prism's channel programme is the support it provides to its partners in marketing their business services. Blue Prism runs many joint marketing and sales campaigns to help its partners break into key markets. This has helped many of Blue Prism's partners position themselves as RPA specialists, and this has aided rapid expansion in a number of industries, including financial services, pharmaceuticals and retail.

Blue Prism has also developed a channel partner accreditation and training programme through its predominantly online training and sales academies. The formal training programme includes foundation courses, mentoring sessions, accreditation exams and guides and tutorials. This programme has seen significant take-up from Blue Prism's partners, with the number of accredited developers increasing 389 per cent in 2017, and the number of customers taking accreditation exams increasing 408 per cent.

This programme is designed to ensure that Blue Prism has a scalable, automated partner on-boarding programme to ensure that its partners have both the technical and operational skills to sell and deliver the Blue Prism's services.

Linda continued: "By focusing on building personal relationships with our partners, giving

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them the resources, training, accreditation and support they need to sell our services to their customers, we have seen astonishing growth in our channel sales. In 2014 we secured 18 new customers through the channel; in 2017 that number was 324, representing an incredible growth in revenue which would only have been possible by working effectively with our partners.”

A continuing partnership

Investec's support did not stop when the IPO was completed, but continues to ensure that, as the company scales-up globally, the right investors are onboard to support the growth of the company.

Sebastian continued: “Since we raised £10m in the IPO for Blue Prism in 2016, the financial needs of the company have changed as the RPA market has developed. We have continued to act as their financial adviser and broker, advising them on positioning their story with investors, their share price and the fluctuations in the market. In January 2018 we also helped to raise an extra £40m to enable further investment in the development of their channel and to help grow the business in the Asia

Pacific region alongside Europe and the US. Today, the company is valued in excess of £1.0bn, up from a value of £50m when we completed the IPO back in 2016.”

Blue Prism has also faced the need to keep the right investor profile to fit its continued expansion. Sebastian from Investec explained:

“When we initially raised funding for Blue Prism the investor profile was predominately blue-chip UK institutions with a keen interest in high-growth technology businesses. However, Blue Prism has always had global aspirations, so as its footprint expanded into new territories at greater scale, it was important that we also ensured that the investor profile reflected the changing nature and size of Blue Prism as a company. This helps to ensure stability and confidence in the financial foundations of the business.”

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Looking forward

Blue Prism has built a billion-dollar company through its successful channel programme, but the company recognises that the job is never done. The market is constantly changing, requiring new types of investment and support to partners. It is this attitude to change that has made Blue Prism such a success as the company has shifted and evolved to accommodate for new challenges and opportunities. Through remaining attentive and conscientious to its partners' needs, Blue Prism has built a global network of highly enthusiastic advocates. Blue Prism aims to take this approach forward, and build on its international success. Investec is working with them every step of the way.



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