

# Archlet

## User-Centric Sourcing and Procurement



### Product and Technology Due Diligence on Software as a Service Startup

Our long-standing client, HV Capital, got us on board to perform the tech due diligence on Archlet, a young company raising for their Series A round. As P&B has conducted many Tech DDs on SaaS and B2B startups, assessing Archlet fell right into our area of expertise.

As always, our report also provided a set of action items and recommendations, which have been picked up and addressed by Archlet after the due diligence.

- **Engagement:** Product & Tech Due Diligence
- **Business Context:** Sourcing and Procurement SaaS
- **Investor:** HV Capital
- **Round:** 10 Million Dollar Series A

### Archlet: Working Towards Better Procurement Through Technology

Archlet recognized the impact of data-driven strategic sourcing while solving their client's everyday sourcing challenges. They focus on combining their backgrounds in data science and machine learning with deep hands-on procurement expertise to rethink strategic sourcing.

Archlet aspires to drive better outcomes for businesses by helping Procurement think about more than just costs. Their idea is to empower Procurement professionals to make holistic decisions and become a true source of impact within organizations.

### TechDD Ahead of Funding Round: Assessing Sourcing SaaS Startup

The objective of the audit was to get an overview of the product itself and of the team, its processes, architecture and best practices across the product and engineering teams in order to identify potential risks ahead of a Series A funding round.

The due diligence was conducted with P&B's signature 360 degree assessment framework, in which we evaluate the big picture, including business and growth strategy, as well as looking into the nitty-gritty, such as coding, hosting, security and privacy. The findings resulted in a report that provided an initial indication and overview of Archlet's technical health at the time of the audit, as well as offering a basis for discussing further steps in tech.



**Jakob Manz, Co-Founder, Archlet**

## Valuable Findings and Recommendations for Future Growth

While the founders and the team at Archlet were already experienced with financial and legal due diligence, this was the first time they went through a technology and product due diligence. Understandably, there was some nervousness prior to the assessment. “While there was awareness about certain areas with room for improvement within our young company, the outside perspective helped us to prioritize. At the same time, certain documentations and materials we had to create for the due diligence that did not exist before, actually helped us, moving forward”. Jakob Manz, Co-Founder at Archlet reflects on the tech due diligence with P&B.

Jakob also found that the format was helpful: To have a dedicated process and time frame to focus on tech topics and SWOT analysis, detached from the daily business, gave a different focus on tech topics and possible blind spots. Recommendations provided by the report included: Focus on strengthening technical leadership, such as CTO, and Engineering, as well as implementing measures that build up enterprise readiness and improve the existing infrastructure. “Regarding the recommendation, we addressed the high priority topics, especially around leadership, architecture, and enterprise readiness, and with our new CTO we are taking it from there.” Jakob says.

### About Archlet

Archlet is a user-first sourcing software company that helps Procurement make better sourcing decisions faster. From large enterprises to SMEs, Archlet believes that easy to use and data driven sourcing decisions should be available to every company, no matter their size, industry or maturity. The Archlet Sourcing and Sourcing Optimization Apps provide users with the focused sourcing and negotiation features required for a modern Procurement organization.

### About HV Capital

Founded in 2000, HV Capital has deep track record of spotting European winners at seed stage: HV Capital backed the first generation of German billion-dollar businesses. With over € 2.1bn under management, HV Capital has invested in about 225 disruptors from every industry, partnering with them for the long-term and sustained growth that has led to some of the most successful businesses in the German market. From early stage to growth, HV Capital has the experience to know what makes a leader – which is why HV Capital is the leading all-stage investor in the German market, and one of the leading investors in Europe.

### About Philipps & Byrne

Philipps & Byrne provides Technology Partnership as a Service to investors, founders, and tech companies. We are an industry leader in product and technology due diligence and health checks. With 14B+ EUR of guided funding, 20+ years of experience in 25+ countries, and 500+ tech assessments under our belt, we help the European and Global tech ecosystem thrive. We stand for honest, reliable, and applicable tech advisory with zero bullshit. We unite strong deep tech and standard tech expertise, and real startup and scaleup understanding, with a truly comprehensive 360 degree analysis driven by people. Valued as trusted sparring partners by our clients, we empower investors to make informed decisions and help companies scale their tech organization across the entire growth lifecycle.

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