

Lighter Capital & Silicon Valley Bank Help Drive Sendlane's Growth

PARTNERING WITH LIGHTER CAPITAL & SILICON VALLEY BANK EMPOWERED SENDLANE TO IGNITE GROWTH WHILE RETAINING EQUITY & CONTROL

Founded: 2015
Location: San Diego, California
Employees: 44 **Customers:** 4,000 (approx.)
Lighter Capital Funding to Date: \$570K
Rounds of Revenue-Based Financing: 2

Sendlane is an innovative software company that empowers eCommerce brands and content creators to collect, segment, and automate their customer's journey through email and SMS marketing. Headquartered in San Diego, California, the organization was co-founded by CEO Jimmy Kim, CPO Zak Metfah, and Advisor Anik Singal.

In 2013, Kim, Metfah and Singal wanted to create an email marketing platform that would be simple for anybody to use, but designed specifically for digital marketers.

"The three of us saw that many legacy marketing companies at the time didn't truly understand our digital marketing and eCommerce space," explains Sendlane CEO Jimmy Kim. "So, we collectively put some money together to hire a company to help us develop the platform."



"The Lighter Capital investment team truly helped me understand the cost of capital, how the money would come in, and what our goals were for it, making sure it fit into that mold. Especially knowing the rate at which we borrow, and that it's not coming back on me as a personal guarantee. It was incredibly helpful to have someone to lean on and help us understand the thought process behind the loan."



JIMMY KIM
CEO & CO-FOUNDER

Sendlane officially launched its cutting-edge marketing automation technology in 2015.

FUNDING CHALLENGES FOR EARLY-STAGE GROWTH

While originally a bootstrapped company, Sendlane grew rapidly. The company started to look for funding to fuel its growth initiatives. Sendlane met with venture capital firms, but it didn't seem like the right funding path for their current goals.

"We recognized that giving away 30-50% of the company for VC funding was not ideal," says Kim. "Also, while our network of family and friends said they would commit to funding, it didn't sit well with us."

PARTNERING WITH LIGHTER CAPITAL: THE REVENUE-BASED FINANCING PATH

"Fortunately, I found out about Lighter Capital's revenue-based financing model. Their non-dilutive funding spoke directly to me," says Kim. "Maintaining equity and control in exchange for capital was extremely important to us."

After meeting with Lighter Capital and learning about their experience with early-stage startups, the choice was clear for Sendlane.

LIGHTER CAPITAL'S TRANSPARENCY & GUIDANCE

During Sendlane's due diligence process to see if the loan would be a good fit, Lighter Capital helped them gain a better under-

standing of the numbers.

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FUNDING SECURED QUICKLY & WITH EASE

"The typical VC application process is long, tiresome, and would have taken me a lot of time for data collection," recounts Kim. "The Lighter Capital online application portal took me step by step, asked for different pieces of information to upload, and made the application and funding process very easy and fast."

Just seven days after applying for funding from Lighter Capital, Sendlane secured \$300K.

"What I really appreciated about Lighter Capital was the way they focused on the financials and understood what our vision of the company was," adds Kim. "The first round of financing allowed us to accelerate faster, take more risks, not worry about penny-pinching, hire the right people, and empowered us to be better entrepreneurs."

SILICON VALLEY BANK PROVIDING BANKING SUPPORT

Armed with funding from Lighter Capital, Sendlane experienced more rapid growth with revenues from \$130K per month now reaching \$210K a month.

“At that point we wanted to continue our momentum and stay in the race,” explains Kim. “In 2018, we were fortunate to team up with Silicon Valley Bank through Lighter Capital’s partnership with SVB.”

With proof and belief in their business vision provided by Lighter Capital, Sendlane tapped into the partnership benefits SVB could provide.

“Now that we’re with Silicon Valley Bank, we’re able to utilize their resources and banking elements while being with one of the most prestigious tech-focused banking organizations,” adds Kim.

The Sendlane CEO is thankful not just for Lighter Capital’s funding but also the company’s networking, advice and connections. “Lighter Capital has been instrumental in not only providing advice throughout, but also offering introductions, networking. They introduced me to VCs as well,” says Kim. “The Lighter Capital team was later able to give me insight on how Lighter Capital thinks about our company, and things to think about when raising debt versus a Series A round.”

SECOND ROUND OF FUNDING & FUTURE HORIZONS

In May 2018, Sendlane secured a second round with Lighter Capital for \$270K.

“Our second funding round from Lighter

Capital was extremely helpful because we were debating whether we wanted to slow down or pour more fuel on the fire,” explains Kim on returning to Lighter Capital. “We wanted to fuel that fire because it will help us grow so we can achieve our long-term goals and raise VC money.”

With Lighter Capital and Silicon Valley Bank funding in place, Sendlane looks forward to the continuing partnership.

“Sendlane is now positioned to truly define and differentiate itself among other companies in the space.” says Jimmy Kim. “We’re planning to hire the right people soon as part of our plan to accelerate our growth.”

“Lighter Capital focused on the financing, understood Sendlane’s vision, and over-delivered on the quick application process. Time is vital to early-startups and many founders don’t have the 5-6 months to spend looking for funds. Lighter Capital gave us funding to extend our runway while feeling comfortable that nobody is telling us what to do so we could concentrate on growing the business,” says Kim.