

New \$40 Million Investment in Aras

CIMdata Highlight

Earlier today, September 6, 2017, Aras announced they received a \$40 million strategic investment led by Silver Lake Kraftwerk, a fund of Silver Lake Management, L.L.C. (Silver Lake), a global leader in technology investing, with participation from GE Ventures, the investment arm of General Electric. Aras states they will use the money to “expand operations, drive global growth, and extend technology leadership.” As a minority investor, Silver Lake will have one board seat.

Blue Chip Investors

Given the amount invested and the reputation of the investors, CIMdata sees this as well-deserved recognition of Aras’ position in the global PLM industry, as well as their future potential. Their innovative technology and business model are well proven at this point and continue to gain traction in the marketplace. This traction coupled with the additional funds will make Aras an even stronger competitor. CIMdata is confident Aras will be able to maintain its competitive position using this large investment to scale up. While it should be extremely beneficial to Aras and its current and future clients, such large investments can be distracting. CIMdata believes that Aras will be able to maintain focus in leveraging this investment.

Big Wins, More Coming?

Over the last few years, Aras has had big wins at Airbus, Microsoft, and General Motors, putting significant pressure on their competition. Additionally, Aras reportedly has pilots running at many large manufacturing enterprises, and CIMdata expects that they will win more than a few of them. This investment is an indicator that Silver Lake and GE Ventures have a similar view. While some of the traditional PLM solution providers have been somewhat dismissive of Aras in the past, this investment should persuade them to take notice and treat Aras as a serious competitor.

Conclusion

CIMdata recognized Aras as a mindshare leader in our 2017 PLM Market & Industry Forum and PLM Market Analysis Report (MAR) series. Today’s announcement shows that blue chip investors believe in Aras and want to help them become a market leader. CIMdata would like to congratulate Aras on this milestone and is looking forward to their next big move.

About CIMdata

CIMdata, an independent worldwide firm, provides strategic management consulting to maximize an enterprise’s ability to design and deliver innovative products and services through the application of Product Lifecycle Management (PLM). CIMdata provides world-class knowledge, expertise, and best-practice methods on PLM. CIMdata also offers research, subscription services, publications, and education through international conferences. To learn more about CIMdata’s services, visit our website at <http://www.CIMdata.com> or contact CIMdata at: 3909 Research Park Drive, Ann Arbor, MI 48108, USA. Tel: +1 734.668.9922. Fax: +1 734.668.1957; or at Oogststraat 20, 6004 CV Weert, The Netherlands. Tel: +31 (0) 495.533.666.