

MuleSoft Postpones IPO for More Funding at \$1.5 Billion Valuation



MuleSoft Chief Executive Greg Schott

MuleSoft

Last year, MuleSoft Inc. Chief Executive Greg Schott **told Dow Jones VentureWire** that by the end of 2014, the software company would have enough revenue growth to go public and would decide then whether it was the right time.

Last week, Mr. Schott said it isn't time.

Instead, **MuleSoft**, whose software automatically integrates disparate data, applications and application programming interfaces so they can all work together, raised another \$128 million at a valuation of \$1.5 billion from at least a dozen corporate, public market and venture capital investors.

This new round, which was led by current investor Salesforce Ventures, nearly doubles MuleSoft's valuation as well as its total funding since May of 2014, to \$259 million. Investment terms were standard, Mr. Schott said.

MuleSoft, whose headquarters are in San Francisco, was founded in 2006 around an open-source software project. It provides a software backbone that connects cloud apps from companies such as **Salesforce.com** Inc. with other cloud apps or with apps that don't run in the cloud, enabling them to exchange data even though they weren't originally designed to connect, and solving what Meritech Managing Director Paul Madera has called "one of the dirty secrets" of cloud software. MuleSoft also supports a variety of mobile devices.

Although MuleSoft hit a \$100 million annual run rate in bookings last quarter, a growth rate year over year of 110%, Mr. Schott said there are still plenty of reasons to stay private.

Morgenthaler Ventures Partner and Canvas Venture Fund General Partner Gary Little said staying private enables MuleSoft to drive growth harder than it could as a public company, where it would be under pressure to hit whatever quarterly guidance it gave to investors.

There is no timetable for an IPO and no changes to the board with this round. Investors who participated in addition to Salesforce include new investors Adage Capital Management, Brookside Capital, Sands Capital Ventures and ServiceNow Inc., along with current investors Bay Partners, Cisco Investments, Hummer Winblad Venture Partners, Lightspeed Venture Partners, Meritech Capital Partners, Morgenthaler Ventures, New Enterprise Associates and Sapphire Ventures.

To read the full article about MuleSoft's funding round go to [Dow Jones VentureWire](#).

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