

Q&A with Stanislas de Remur, founder of Oodrive

Market dynamics are changing as digitalization accelerates.



Stanislas de Remur is the founder of oodrive, the European leader in sensitive-data management.

Tell us about the history of Oodrive, and the journey you have been on.

Oodrive was founded in 2000 by three entrepreneurs: my brother Edouard, myself, and a friend, Cedric Mermilliod. Our initial plan was to create a company dedicated to last-mile delivery, as it was difficult in the early 2000s to pick up e-commerce orders without wasting a lot of time at the post office. During our brainstorming sessions, we had to share files with a lot of data, which was simply impossible at the time. USB sticks did not exist and the only solution was to use floppy discs or exchange mails with a limited size of attachments. That's how we got the idea to create a solution that enabled file sharing without using emails.

In 2001 we marketed a hard disk on the internet, and in 2002 we launched

iExtranet, a secure online file page solution for companies and AdBackup, a managed remote backup service. We also pioneered innovative solutions in online collaborative working, thanks to the acquisition of Mayetic in 2006.

Our development and expansion in Europe (France, Spain, and Benelux), was also backed by several PEs (Iris Capital in 2007, TimeForGrowth in 2011, and more recently in 2017 a capital raising of EUR 65 million from Tikehau and other growth equity investors), that enabled us to completed add-on acquisitions, in electronical signature and vaults, for instance.

Oodrive is now the only player on the European market capable of providing its customers with collaborative solutions for file sharing, content and media management, data backup and electronic signing that can be accessed on demand via a single platform. Moreover, data security and protection has been at the heart of our concerns since Oodrive was created. We are committed to developing solutions that comply with the security

requirements recommended by ANSSI (French National Cybersecurity Agency) and abide by current regulations. We therefore provide trustworthy services that protect our clients' most sensitive content. Oodrive achieves sales of more than EUR 50 million, with 400 employees. Oodrive has a million users in more than 90 countries, and over 15,000 corporate clients, 80% of which are CAC 40 companies. But we never did create that last-mile delivery company!

How was your company impacted by the COVID-19 and successive lockdown?

The first lockdown that began in mid-March in France was very complicated to manage and really hit us by surprise. In addition to managing internal issues—people working from home, remote connections, secured and distant access—we had concerns about our clients: would they still exist after this period? Would they be able to pay for the SaaS we were providing? Fortunately we did not experience major bad debts, but did have to deal with payment delays of one to three months during this period. Progressively, from June, our company became completely organized for employees to work from home and after a pause we noticed an increase in activity: more and more corporates became conscious of the need for digitalization and remote access.

With regards to specific measures to protect the profitability and cash position of Oodrive, we decided to retain all employees, despite subsidies proposed by the government. We also did not have to borrow any money with the state-guaranteed bank loans. Finally,



Oodrive achieved growth in consolidated revenues of around 10%, slightly lower than previous years, but still profitable. We also continued to pursue our aggressive recruitment policy to sustain our development, with the addition of 50 people in 2020.

Are you noting a return to normality?

Not yet, as far as our employees are concerned. We are still experiencing some stop-and-go regarding the lockdown or semi lockdown period since the beginning of January. We also do not really know when the population will be significantly vaccinated, and the effect of the new strains of the virus. Regarding our growth and clients however, it is pretty much business as usual.

Will the upheaval mark a permanent change in your business?

Recent events have considerably accelerated needs for digitalization and dematerialization, not only for blue-chip companies, but also for all companies whatever the size or sector. We have also seen a huge demand for collaborative tools, video-conference apps such as Zoom and Teams, and the need for sharing documents online. This need arose in emergency conditions and with no forewarning. This trend is a factor for rapid growth for Oodrive and our market.

How do you see the future of your industry?

We see a brilliant future for our industry. After this rapid switch towards digitalization and electronic bookkeeping tools, companies will undergo new



challenges: what is the security and confidentiality of video conference apps, of attachments? Are we sure that documents or data exchanged are not stored on the systems of major providers (Microsoft/Azure, AWS, Google, and so on)?

As we provide European alternatives to these solutions, in a totally secure environment (we own and operate the hosting assets), we are convinced that more and more clients will take the country of origin of their providers into account and will switch to our service. We have the capacity to manage sensitive data that requires a trusted partner. As an example, we recently signed a major non-governmental organization based in Switzerland as a client, because we

certified that all data will remain in Switzerland on local systems.

How do you see M&A at your company and in your industry in 2021?

We see no slowdown in M&A at this stage. Companies in our sector are performing well and they did not experience bankruptcies. Most players are raising money from private equity at attractive valuations as we are seen as a resilient sector, with predictable and recurring revenues deriving from SaaS and growing underlying demand. Multiples also remain high, and it is difficult to purchase targets at an attractive price. For Oodrive, as a buyer, we see a lot of competition; as an investment target, we see a good year ahead. ■