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JD Metcalf
System, Inc.
(877) 467-9788
info@system.com

Sophie Currah
Seven Hills
+44 20 7199 2204
+44 7446 886 603
sophie.currah@wearesevenhills.com

SYSTEM RAISES \$10.7M IN NEW FUNDING TO HELP THEIR CLIENTS WITH DIGITAL TRANSFORMATION

PLANO, TX – August, 2019 – System®, a provider of a digital operating platform for small to medium-sized businesses (SMBs), announced it has raised \$10.7 million in its latest round of funding led by London-based venture capital firm Octopus Ventures. The company will use the funding to add new functionality to its cloud-based software, and to expand its sales and marketing efforts.

System combines major business operations like inventory and order management, marketing, CRM and digital commerce into a single platform that delivers ‘Enterprise Class’ operational capability. “This breaks down silos within a business and provides them with real time data and business intelligence,” Mansfield said. “It allows SMBs to offer seamless, customer-centric digital experiences that rival Amazon and eBay.”

System is the only comprehensive and affordable software solution wholesale distribution SMBs need to run all of their customer facing operations. “When you ask business owners in the wholesale distribution sector how many software applications they use to run their operations, the answer is normally between five and ten separate applications,” said System CEO Dean Mansfield. “We’ve been able to crack the code and consolidate all of those functions into one single application that works seamlessly with accounting software packages like QuickBooks® and Xero®.”

The investment from Octopus Ventures comes as the annual revenues in the wholesale distribution sector top \$5.8 trillion, according to the *Economic Benchmark for Wholesale Distribution* (EBWD) report published by Modern Distribution Management.

“As SMBs grow, they add headcount and processes, but often instead of scaling and seeing positive growth, things can slow and a business can ultimately stall. System has been designed from the ground up to address all the growth challenges found in wholesale distribution, tackling this issue of scaling head on,” said Zihao Xu, Octopus Ventures Investment Manager. “We are thrilled to be welcoming System into our growing portfolio and supporting the fantastic team in their own growth journey, as they look to provide innovative solutions to their clients as they undertake the same pursuit.”

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The System leadership team consists of industry veterans who have taken other management software firms public and created solutions for over 20,000 SMBs while leading companies like NetSuite and SAP. As well, their board membership includes former c-suite executives from Facebook and Demandware. This kind of talent helped System recognize key trends that are shaping the wholesale distribution industry. “Over 70% of B2B buyers are Millennials,” said Mansfield, citing recent research by Merit. “In their personal lives they use Hulu and Apple that offer seamless, customer-centric digital interfaces. They expect the same experience when they’re managing inventory and customer data.”

For more information about the System solution or wholesale distribution industry insights, visit www.system.com or contact System directly at info@system.com.

About System

System is the cloud-based software that SMBs have been waiting for. With System, businesses can manage inventory, operations, sales and customer service for an entire wholesale and distribution firm from just a single application. Designed for wholesalers and distributors, System goes beyond inventory and warehouse management to also provide CRM, B2B sales portal, and CMS. Because all transaction and customer data is centralized, business owners have access to real-time business intelligence populated to a central CEO dashboard. For more information about this powerfully affordable solution, visit www.system.com

About Octopus Ventures

Octopus Ventures helps pioneers change the world. The pioneers we back dare to reimagine the future of health, money and industry. With £1.2 billion under management, Octopus Ventures is one of the largest VCs in Europe. Our typical investment is from £1 million for Seed to £5 million for Series A and we can follow our investment from a few hundred thousand right up to £25 million. Our team is based in London and New York with Venture Partners in San Francisco, Singapore and China. The companies we back become a part of this network, with access to a formidable resource of experience and expertise. Octopus Ventures have backed the founding teams of nearly 100 companies including Zoopla, Secret Escapes, Elvie, Depop, Sofar Sounds and Cazoo. Some of our portfolio companies have gone on to join forces with the world’s largest businesses including Google, Amazon, Microsoft and Twitter.

Our investment team is focused on the three areas we believe have the most potential to change the world for the better:

- **Future of Health** - Helping the pioneers who are improving lives through digital health, tackling ‘taboo’ issues and creating essential software to power health systems.
- **Future of Money** - Backing the companies that will transform the way we exchange and allocate resources as a society.
- **Future of Industry** - Focusing on the tools and technologies that will power the next industrial revolution. These include human computer interaction, edge computing, robotics and synthetic biology.

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Octopus Ventures is part of Octopus Group

Octopus is a group of innovative, entrepreneurial businesses investing in the people, ideas and industries that will help to change the world. We are experts in financial services and energy, transforming these markets by offering our customers access to smart and simple solutions that do what we say they will. Today we manage more than £8.6 billion on behalf of retail and institutional investors. Octopus Energy, Octopus Investments, Octopus Renewables, Octopus Real Estate, Octopus Ventures and Octopus Wealth are all part of Octopus Group. Visit octopusgroup.com.

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