



**THE WALL STREET JOURNAL.**  
WSJ.com

July 14, 2010, 2:23 PM ET

## Accel Invests \$60 Million in Atlassian

By Pui-Wing Tam

Atlassian, a maker of software-development tools based in Sydney, Australia, closed a \$60 million round of funding from Silicon Valley venture-capital firm Accel Partners. Accel said the investment, known as a “growth equity” round, is its largest-ever single investment in a software company.



Mike Cannon-Brookes, co-CEO of Atlassian

The investment is the second major announcement from Accel this week. Earlier Wednesday, Web publishing company [Squarespace said it closed](#) a \$38.5 million round of financing from Accel and venture-capital firm Index Ventures.

For Atlassian, which was founded in 2002, the Accel investment is its first outside financing. The company, with 225 employees, counts more than 20,000 customers in 140 countries, including major tech firms such as Microsoft and Facebook, said Mike Cannon-Brookes, co-CEO of the firm. The company's best-known product is a development tool dubbed Jira, which is a project-management tool that helps keep track of software development milestones in a collaborative fashion, he said. Atlassian charges low software licensing fees of less than \$10,000 per product and also has a software-as-a-service business model for a part of its business, he added.



Scott Farquhar, co-CEO

Atlassian has been profitable since its founding, adds Mr. Cannon-Brookes. As of its most recent fiscal year ended earlier this month, the company recorded \$59 million in revenue, up 30% from a year earlier, he said.

Mr. Cannon-Brookes said Atlassian decided to take a growth equity round because “we want to use the funding to spur global growth and we’re also looking at acquisitions.” He added that “Accel will be helpful with growth,” especially as Atlassian seeks to approach the \$100 million revenue barrier and “we want to go through it.”

Rich Wong, an Accel partner who is joining Atlassian's board, said the venture firm came across Atlassian because so many of Accel's start-ups used the company's software-development tools. Mr. Wong said he sees Atlassian as a company that Accel can eventually take public. The investment comes out of Accel's growth fund.