

# Get your software spending under control with Lemon

*As part of our quick founder questions series - or QFQs - we spoke to Matt Bird, cofounder and CEO of Lemon about SaaS subscription dilemmas, becoming the go-to place for all things SaaS finance and the work-life balancing act.*

Temps de lecture : minute

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In one of my previous businesses, we were selling subscriptions and wanted more customers to pay upfront which would help our cash flow. To incentivise this, we offered a 30% discount if they paid for the year upfront. However, the challenge for us was that our customers preferred to pay monthly to preserve their own cash flow. They would ask us if they could spread the discounted annual subscription price over 12 monthly payments. At the time, we said no, but looking back, we now know that this is a common and huge dilemma in most B2B SaaS transactions.

## Tell me about the business - what it is, what it aims to achieve, who you work with, how you reach customers, and so on?

Lemon connects software companies with banks and lenders and through our platform, they can offer financing to their customers for discounted annual or multi-year contracts. For vendors, this increases the chances of converting a customer from monthly to longer-term contracts and also getting paid in full upfront. For their customers, it means they can save a significant amount of money without needing to pay upfront and for lenders, Lemon gives them access to a new asset class and eliminates a

lot of the cumbersome and time-consuming tasks they have when dealing with a financing opportunity.

## How has the business evolved since its launch?

We started working on this in April 2023. The idea was to build our own line of credit, but this proved to be very difficult. So we launched a free subscription tracking product for companies to start centralising their subscription management whilst we figured out the financing side. That subscription tracking product launched in February 2024 and has been received really well. We changed our financing model to become a gateway as opposed to a lender around about the same time and it is clear that this is the right direction for the business to take.

## Tell us about the working culture at Lemon

The working culture is a good mix of high performance, collaboration, and forward-thinking. We are only a small team, but all with lots of relevant experience, so we are all working very well together to achieve our goals. We collaborate when needed, but equally, we are all equipped and trusted to deliver our areas of the business individually too.

## How are you funded?

We raised an initial £500,000 in early 2024 to launch our subscription tracking product, deliver it to customers, and make our initial partnerships and early product prototypes for and with lenders and SaaS companies.

# What has been your biggest challenge so far and how have you overcome this?

The biggest challenge was being able to raise the funding we required (both equity and debt) last year when the market was terrible for it. We were becoming increasingly frustrated that we couldn't deliver the product to the customers who had signed up. We overcame it by tweaking our strategy to help us in the longer term and this resulted in a successful and oversubscribed funding round.

# How does Lemon answer an unmet need?

When it comes to financing for the buyer of SaaS, there are very few options that actually work for them. Any traditional debt product will wipe out any discount that has been unlocked by paying upfront due to high interest. There are newer companies who help companies spread larger payments, but again the numbers don't work out due to those companies needing to raise the debt themselves, which is very expensive. Lemon works better for all parties involved as we cover everything from origination to underwriting, to contract signing, and eventually to deploying funds to them. We make it much more cost-efficient, easy to access, and scalable. For the SaaS vendors that use us, we will be making it even easier for them to identify suitable customers to offer this financing to, through some intelligence we're integrating into their CRM.

# What's in store for the future?

Lots! We're on the journey to raising £250M of credit availability that we can offer to SaaS vendors. Over the coming months of doing that, our product will evolve and become the go-to place for all things SaaS finance. We want to be able to cover most bases, from discovery to payment management, so it's a really exciting time for us to be building

Lemon. The market needs this more than ever.

## What one piece of advice would you give other founders or future founders?

It's very tough. If you need encouragement to get you going in the first place, you probably shouldn't do it. You need to be all in on the problem you want to solve. This may mean you think differently to everyone around you, and you should. Don't wait for your peers or your network to tell you how amazing you are or that this is the right time. If you're waiting for that, get a better-paying job. Life will be much easier!

## And finally, a more personal question! What's your daily routine and the rules you're living by at the moment?

I'm particularly busy at the moment, building Lemon and finding my feet with parenthood. I need to caveat that I have 3 x "busy" days in the office and 2 "flexible" days where I juggle working from home with looking after our 8-month-old son. My "busy" day currently looks something like this:

- 05.45 am: Wake up (the baby is the alarm clock)
- 06:00 am: Baby & Dog duties whilst triaging the inbox for anything that's come in overnight.
- 06:45 am: Shower. Sometimes it'll be a cold shower, mainly so I don't procrastinate for too long.
- 07:00 am: I aim to be out of the house and on my way to the office at this point.
- 07:30-9 am: Plan in place for the day and do any deep work without any distractions (this could be anything from financial modeling to Q&As like this one)
- 9-9.45 am: Catch up with the team - talk about progress, big problems,

new opportunities, any collaboration that's needed, any additional help, etc.

-10 am-4 pm: This block is always guaranteed to be full of meetings- new bank partners, new investors, new business opportunities. Currently, my meetings are centered somewhat around finance so most topics will be in that remit in one form or another.

- 4-5 pm: Catch up with the wider team (advisors / PR etc) - this will be around GTM activities and sharing any progress from the day that may help with that.

- 5-6 pm: Finish up anything that's been left open, tie up loose ends, and get through any emails that need to be done.

- 6-6.30 pm - I'll head home.

- 6.30-8.30 pm - My partner will go to the gym or do something for her to relax after a big day of mum-life, so I'll do dinner, bath, bed for the baby and then make dinner for my partner and me for when she gets back.

- 8.30-10 pm: Dinner and catch up with my partner and do something to wind down a little bit. (There are occasions where I'll have a call with someone in the US at this time too!)

- 10 pm: 6-9 minutes in the cold plunge at as cold a temperature as I can get it. This not only helps me enter the closest state of mindfulness and mental clarity but also resets my body for the next day. I have very restless legs, so the cold water reduces that so it doesn't affect my sleep.

10:20-10:30 pm: I'm in bed!

Matt Bird is the cofounder and CEO at [Lemon](#).



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Article by Matt Bird