

# Sysdig, the leader in unified container and cloud security, raises \$350M in Series G Financing at \$2.5B Valuation

***Funding will accelerate international expansion and investments in partner program, multi-cloud security and talent***

***Appoints new Chief Financial Officer and Chief Human Resources Officer***

SAN FRANCISCO -- December 15, 2021 -- Sysdig, Inc., the unified container and cloud security leader, today announced that it has raised a \$350 million Series G funding round at a valuation of \$2.5 billion – bringing total funding to \$744 million and more than doubling the company’s valuation in eight months. The financing was led by Permira’s growth fund. Guggenheim Investments joined this round on behalf of select clients, alongside existing investors Accel, Bain Capital Ventures, DFJ Growth, Glynn Capital, Goldman Sachs, Insight Partners, Next47, Premji Invest & Associates, and Third Point Ventures.

**Read: [Sysdig CEO Suresh Vasudevan’s blog](#)**

Sysdig empowers organizations to confidently secure the cloud by providing real-time threat detection to eliminate security blind spots and one-click remediation to close the loop. With the Sysdig Platform, teams detect and respond to runtime threats, and continuously manage configurations, permissions, vulnerabilities and compliance for containers, Kubernetes, and cloud services. Sysdig partners with major cloud providers, including Amazon Web Services, Google Cloud Platform, Microsoft Azure, IBM Cloud, Red Hat, and SUSE Rancher.

This funding will be used to accelerate Sysdig’s global expansion in Europe, the Middle East, Asia-Pacific, and South America, double its headcount in 2022, expand its partner program and invest in a unified multi-cloud security experience across runtime, configurations, permissions, and vulnerabilities.

The company’s platform is built on an open source foundation, including Falco and open source Sysdig, standards for container and cloud threat detection and incident response. Open source drives transparency and more effective solutions through a community of contributors that crowdsource security policies, report issues, contribute features, and fix bugs. Since contributing Falco to the Cloud Native Computing Foundation, Falco has been downloaded more than 37 million times, with a 335% increase since it became an incubating project in the CNCF in January 2020.

## **Key Sysdig Milestones:**

- Annualized revenue run rate from security more than tripled in the last 12 months. Strong pattern of expansion by customers demonstrated by an annual net revenue retention (NRR) of 149% as of the most recent quarter.
- Customer base increased 140% year-on-year (YoY), and includes nearly 700 customers. Sysdig has an average annual recurring revenue (ARR) of more than \$875,000 across the top 50 purchasing customers.
- Sysdig's rapid global expansion has led to a doubling in sales and marketing teams YoY with employees across five global offices and in more than 20 countries.
- In August, Sysdig [acquired Apolicy](#), expanding the Sysdig platform to include infrastructure as code (IaC) security. Sysdig introduced guided remediation for IaC manifests and out-of-the-box

integration with GitHub, GitLab, Azure DevOps, and BitBucket to provide risk and policy feedback on IaC pull requests. Additionally, the company added [cloud configuration risk management](#) and [cloud infrastructure entitlements management](#) (CIEM) to the Sysdig Platform this year.

- In August, Sysdig was recognized as a Representative Provider in 2021 Gartner® Innovation Insight for Cloud-Native Application Protection Platforms Report. [1]

Sysdig has emerged as the clear unified container and cloud security leader. The company has experienced a 300 percent increase in Sysdig Secure sales in the last 12 months. Over the last year, the company has expanded its SaaS hosting locations from nine to 16, including the addition of [Australia earlier this year](#). Over the past few months, the company has heavily invested in its partner program. On November 1, Sysdig announced that all deals outside the Global 500 will be indirect.

**Suresh Vasudevan, CEO of Sysdig:** “We’ve seen massive investor interest in Sysdig as the cloud security market is experiencing hyper growth. Cloud adoption has accelerated into the mainstream, and as a result, demand for Sysdig and Falco have skyrocketed. Cloud security teams quickly realize the importance of runtime threat detection for containers and cloud, and Sysdig is the clear choice.”

**Alex Melamud, Principal at Permira:** “The generational shift to cloud and containers requires security that is able to detect and respond to threats in real time. The question is no longer if companies will adopt cloud security solutions, but which solution to choose – and Sysdig has emerged as the clear unified container and cloud security leader. As a rapidly growing industry leader at scale, Sysdig perfectly aligns with our investment approach, and we look forward to leveraging our global platform, and software and security expertise to help them achieve their growth objectives.”

**Ping Li, Partner at Accel:** “Accel partnered with Sysdig early on. We believe that organizations need a unified cloud and container solution that spans development to production. Sysdig has proven its ability to scale, is based on open source, and deployed as SaaS, a winning formula. Today, they are the clear leader in runtime security for cloud and containers.”

#### **Rory Twomey, Vice President at Guggenheim Investments**

“Guggenheim Investments is delighted to help Sysdig further its position as the leader in secure DevOps and address the security challenges of modern cloud applications. We look forward to watching the company capitalize on the significant opportunities ahead of them.”

#### **Leadership Appointments**

Sysdig also announced today that Karen Walker has joined the company as Chief Financial Officer and Paul Whitney has joined as Chief Human Resource Officer. Karen brings more than 20 years of experience in senior leadership roles at companies that include, PagerDuty, Uber, Pandora Media, Virgin America, and CBS Interactive. Throughout her career, Karen has scaled finance teams in high growth and global organizations, led IPO readiness, and supported ten acquisitions. Paul has significant international experience supporting organizational performance through cultivating company culture and helping people realize their potential. Prior to joining Sysdig, Paul served as Chief People Officer at Cohesity and Databricks, and he has led two past companies through IPOs.

#### **Market Momentum**

- According to Gartner®, “By 2023, 70% of all enterprise workloads will be deployed in cloud infrastructure and platform services, up from 40% in 2020.” [2]

- IBM found that the average cost of a breach for companies operating in public cloud is \$4.8 million. [3] According to the IBM report, companies that are “further along in their cloud modernization maturity were able to identify and contain breaches 77 days faster than those in the early stages of modernization.” The study also found that reducing time to identify and contain a breach significantly reduces the cost of breach.

## Resources

- [Sysdig customer stories](#)
- Sysdig’s CEO blog: [Our \\$350M funding round will help translate container and cloud security momentum into global scale](#)
- [Background information on Sysdig](#)
- [April 2021 funding announcement](#)

## About Sysdig

Sysdig is driving the standard for securing the cloud, empowering organizations to confidently secure containers, Kubernetes, and cloud services. The Sysdig platform enables teams to secure the build, detect and respond to runtime threats, and continuously manage cloud configurations, permissions and compliance. Sysdig is a SaaS platform built on an open source stack that includes Falco and Sysdig open source, the open standards for runtime threat detection and response. The largest and most security conscious companies rely on Sysdig for container and cloud security. Learn more at [sysdig.com](https://sysdig.com).

## About Permira

Permira is a global investment firm that backs successful businesses with growth ambitions. Founded in 1985, the firm advises funds with assets under management of approximately US\$65bn (€58bn) and makes long-term majority and minority investments. The Permira funds have made approximately 300 private equity investments in four key sectors: Technology, Consumer, Services and Healthcare. The Permira funds have an extensive track record in tech investing, having invested US\$18.7 billion in 67 companies across enterprise SaaS, cybersecurity, digital commerce, fintech and online marketplaces. Permira employs over 350 people in 15 offices across Europe, North America, and Asia.

Permira’s growth strategy is to back disruptive and market leading companies as they scale to the next level. The Permira growth funds have previously backed and helped scale some of the largest and fastest-growing internet and technology businesses globally, including Klarna, Minted, FlixBus, Mirakl, Zwift, Nexthink, Full Truck Alliance, Relativity, G2, FullStory, Carta, mParticle, and AllTrails. For more information, visit [www.permira.com](http://www.permira.com).

[1] Gartner, “Innovation Insight for Cloud-Native Application Protection Platforms”, Neil MacDonald, Charlie Winckless, 25 August 2021.

[2] Gartner, “Hype Cycle™ for Cloud Security, 2021,” Tom Croll, Jay Heiser, 27 July 2021.

[3] IBM, “[How much does a data breach cost?](#),” 2021.

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