

# IR-0056 Linear

Report ID: IR-0056

Generated: June 01, 2026

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Private Draft Business: Linear Generated: June 01, 2026 Identity & Overview Linear is a software company making issue management software for software development and bug tracking, headquartered in San Francisco, California, and was founded in 2019 by Jori Lallo, Karri Saarinen, and Tuomas Artman. The legal entity is registered as Linear Orbit, Inc. All three co-founders hail from Finland and were active in the startup community in Helsinki before their careers in the Bay Area. Lallo and Saarinen participated in the 2012 YC batch for their collaborative bookmarking system Kippt, later acquired by Coinbase in 2014. Each subsequently held senior positions — Lallo as a Senior Engineer at Coinbase, Artman as a Senior Engineer at Uber, and Saarinen as a Principal Designer at Airbnb. The founders built Linear out of their own frustrations working on software projects at high-growth companies like Airbnb, Coinbase, and Uber, wanting to create tools that focus teams on making progress, not getting in the way. Linear is a fast, opinionated issue-tracking tool built specifically for software development teams, running on a proprietary Sync Engine — an offline-first data layer that makes every interaction feel instantaneous even on poor internet connections. The core business model is a subscription SaaS business with usage expanding through team growth and feature adoption, following a product-led growth model where teams can start using Linear immediately without lengthy sales cycles.

Market Position Linear operates in the software project management and issue-tracking category. Its main competitor is Atlassian's Jira, which has more than 180,000 customers and is considered the legacy standard for software-development management. Linear is a direct rebuttal to Jira — notably fast and only minimally customizable, defined by meticulous design in both aesthetics and product logic. Linear is better suited to small-to-mid teams wanting fast, opinionated project management with minimal configuration, while Jira serves larger organizations needing deep customization and enterprise compliance. The trade-off is speed and simplicity (Linear) versus flexibility and scale (Jira). Beyond Jira, ClickUp pursues an all-in-one strategy with AI agents and a single-license procurement advantage, while Notion and Monday.com target engineering teams as an expansion from knowledge management — all emphasizing unified workflows across departments rather than developer-specific optimization. Shortcut, Height, and other specialized tools compete directly with Linear on speed and developer experience. Linear's strategic differentiator is opinionated design: Linear calls Agile outdated. Agile has matured from rebel to status quo — both the opportunity and risk of Linear's point of view. As Saarinen has stated, "We want to show there's a different way, because, in our experience with most of the top tech companies, they're not using Agile."

Traction & Scale Founded in 2019, Linear has become the tool of choice for more than 33,000 companies, including OpenAI, Coinbase, and Ramp, to plan, build, and ship their products. The startup claims more than 15,000 paying customers, including OpenAI, Scale AI, and Perplexity. Linear employs approximately 178 people as of 2026, up from 88 in 2023. The team is distributed across North America and Europe and continuing to grow internationally. Linear did not follow the traditional SaaS growth playbook — with just \$35k spent on marketing and a product-led strategy, it became one of the fastest-growing issue trackers. Thanks to the founders' large Twitter followings, they lined up 10,000 people for their closed beta waitlist. Linear has been profitable since 2021 — three years after founding — while competitors raised hundreds of millions and burned through it. Key enterprise customers span fintech, AI, aerospace, and healthcare, with noted names including OpenAI, Perplexity, Cursor, Ramp, Vercel, and Boom.

Financial Picture Linear previously raised a \$35 million Series B led by Accel in September 2023, following a \$13 million Series A from Sequoia Capital in December 2020. Its initial funding came from a \$4.2 million seed round led by Sequoia in November 2019. In June 2025, Linear raised an \$82M Series C at a \$1.25B valuation, led by Accel with continued support from Sequoia and 01A, and joined by new partners Seven Seven Six, Designer Fund, and others. Total raised stands at \$134.2 million, according to Crunchbase. In 2025, Linear's revenue reached a reported \$100M ARR, up from \$8.4M in 2023. This figure is sourced from GetLatka and should be treated as estimated/reported rather than audited. The company stated that its profits grew 280% last year. The founders have operated with a net-negative lifetime burn rate — they have basically never spent

the \$52M previously raised, a remarkable capital efficiency for a unicorn-stage company. As part of the Series C, they also completed a tender offer allowing current and former teammates to sell vested options at the \$1.25B valuation.

Public Sentiment Sentiment is notably positive and cult-like for a B2B productivity tool. Linear has been rated 4.5 stars by 87 verified reviews on G2. Linear's NPS is described as through the roof, churn is minimal, and expansion is strong. User reviews consistently highlight speed and onboarding ease: Setup took minutes, and the biggest win was that our engineers adopted it quickly (like 5 minutes kinda quick); They loved that they could work right from their terminal without constantly context switching; (Efficient App review) Engineers who typically resist PM tools tend to respond well: When Bob (our Head Engineer), who normally HATES normal project management tools, actually liked it, we were like, okay, cool. It's cleaner than Jira and less bloated than general PM tools; (Efficient App) Common criticisms focus on scope limits: users note that Linear is not a tool to roll out across an entire company — marketing, sales, and ops teams feel boxed in and should look at alternatives like Asana or Monday.com. Recurring user complaints include limited customization, narrow focus on software development, a restrictive free plan with only 250 issues, and basic reporting that lacks depth for enterprise resource planning.

Media & Press TechCrunch covered Linear's Series C in June 2025, framing it as an Atlassian rival raising \$82M at a \$1.25B valuation, led by Accel. Sequoia Capital published a dedicated spotlight on the company, describing its Finnish design sensibility and developer-centric philosophy, and noting internal adoption even within Sequoia itself: There have been times where management requests to consolidate tooling or use incumbent products, and the teams using Linear inside of an organization revolt! That even happened within Sequoia itself, when our engineering, product and design teams rallied together with a full memo on why they would not use anything except Linear; (Sequoia Capital) The most significant negative press event was a January 2024 infrastructure incident. On January 24, Linear experienced a temporary data loss incident from 04:47 to 09:56 UTC due to restoration from backup, affecting EU workspaces heavily and taking the platform offline for one hour, impacting all users. A database migration caused the incident, which accidentally deleted data from production servers. Linear restored over 99% of lost data within 36 hours. The company published a detailed post-mortem but the incident drew significant Hacker News attention and raised reliability concerns among enterprise prospects. Additionally, Linear CEO Karri Saarinen publicly alleged in early 2024 that Carta mishandled sensitive cap table data, generating notable industry attention.

Current Status Linear is in an active growth phase — accelerating, not stagnating. The platform has expanded to include tools for managing customer feedback, real-time analytics, and workplace requests, with profits increasing 280% last year and serving more than 15,000 enterprise customers. The most significant strategic development is the launch of Linear for Agents, a platform that treats AI agents like Cursor, Devin, and Codegen as first-class users who can be assigned issues. In December 2025, Linear introduced agent-powered integrations with Intercom, Zendesk, and Gong, parsing customer conversations and call transcripts to create structured issues and route them via Triage Intelligence — extending automation into support and sales workflows. The Series C funding is being used to accelerate product development, including deeper integration of AI and agent capabilities into product workflow, and to continue scaling the platform for high-growth teams. The main strategic risk is platform consolidation by major cloud providers and DevOps ecosystems, plus Linear's opinionated simplicity potentially limiting expansion into large enterprises requiring extensive customization and legacy system integration.

Summary Verdict Linear is one of the most capital-efficient software companies in the current SaaS cycle — a genuine outlier.\*\* Built by three Finnish engineers who experienced the pain of bloated project management tools firsthand at Airbnb, Coinbase, and Uber, it has compounded into a \$1.25B unicorn on \$134M raised, with most of that capital still unspent. It reached profitability in 2021, grew ARR from \$8.4M (2023) to an estimated \$100M (2025), and achieved 280% profit growth in the last reported year — all with a team that has only recently crossed 178 employees. The product's core strength is a singular, well-executed thesis: build for software engineers and designers, not managers. That focus has generated cult-like loyalty, word-of-mouth growth, and a customer roster that reads like a directory of the AI and fintech vanguard — OpenAI, Perplexity, Ramp, Cursor, Vercel. Its NPS is uncommonly high for a B2B tool, and churn is minimal. The risks are real but manageable: its opinionated simplicity is a ceiling as well as a floor for enterprise expansion; the January 2024 data loss incident exposed infrastructure fragility in a critical moment; and the entry of GitHub, ClickUp, and AI-native tools into the same market intensifies competition. The move toward AI-agentic workflows (Linear for Agents, Triage Intelligence, MCP integrations) is the right strategic pivot, but execution must accelerate to outpace better-resourced rivals. One-line assessment: Linear is a rare, profitable, engineer-beloved unicorn that has proved a focused, opinionated product built

