



Crescent Cove Conversations

featuring

Josh Araujo
Chief Executive Officer of Forterra



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What is it and why was it created?

Fundamentally, people do business with people. Our founder series is a place where we can show the person behind the business. It will tell the story of how and why the business was started. Our series will be personal and pointed. Our founders are impressive people. Sometimes, they are following a calling to right a wrong, fill a gap, be of greater service, but in all cases, they have a great story to tell.

We look forward to you listening to their stories and learning more about these entrepreneurs.

Crescent Cove Conversations:

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In this series, Crescent Cove invites insights and life lessons from the founders and leaders we've worked with over the years. Acknowledging there is no 'secret sauce' to success, these vignettes explore the human dimension of high-performing individuals and the companies they lead.

Josh Araujo is Chief Executive Officer of [Forterra](#). A retired Marine, Josh joined Forterra in 2021 to lead the company's successful Series A fundraising and help spearhead the company's Autonomy as a Service business model. Josh has more than 20 years of experience across military, investment banking, and financial leadership roles. He holds a Bachelor of Science in Mechanical Engineering from Texas Tech University and an M.B.A. from Texas A&M University.

Josh sat down with Crescent Cove to talk about how Caller ID featured in one of the biggest moments of his life, how your reactions as a leader create filters for others, the most important thing the defense industry isn't thinking about, and why happiness is found in the delta between expectations and reality.

Crescent Cove (CC): We always begin by asking about childhood. Where did you grow up? What were the formative experiences?

Josh Araujo (JA): My origin story? I was born in Orange County and spent my early years in Southern California, but I claim Texas. My family moved to West Texas when I was young. For the best analogy, think Friday Night Lights or the show Landman. I spent my formative years out there, from junior high through grad school, surrounded by tumbleweed and cactus. High school football was everything, but I wasn't that big or that fast.

After high school, I figured on enlisting in the Marine Corps. So far as I knew, no one in my family had served since the Civil War, so when I went down to the recruiter, it caused a big freak-out. I later found out my grandfather had actually spent time in the Marine Corps Reserves and just never told anyone.

CC: How did your family respond to your decision?

JA: My mom made a deal with me: I had to take the SAT and apply to at least one college. If I got in, I had to go for a year. That was the deal. So I did. I applied to Texas Tech. I figured if I'm only applying to one school, might as well pick the toughest place I could think of and study the hardest thing I could imagine. My uncle was an electrical engineer, so I filled out the application for that degree. I sent it off and sure enough, I got accepted. So off I went to Texas Tech.

I wasn't the greatest undergrad student, and I had to take remedial math courses over the summer. I did a year at Tech and realized I wasn't fully prepared for college and that electrical engineering probably wasn't the right fit for me after all, so I enlisted in the Marine Corps anyway.

CC: Why the Marines?

JA: I don't know. I always respected the institution and the environment. I enlisted in the reserves and didn't tell anyone in my family. I went to the recruiter, did the military processing, the physical, the intake, swore the oath of enlistment – and then I called my mom. This was 1999, so caller ID was still new, but she saw the number.

'Amarillo, Texas? Aren't you in class?' She asked. I said, 'I'm at the military entrance processing center. I just enlisted.'

Caller ID tipped her off.

CC: So you enlisted, but you ended up completing college and becoming an officer?

JA: Yes, after boot camp, I decided to switch from electrical to mechanical engineering. I wanted to make that my career. I then entered the officer program. I had dreamed of flying, so I signed up for a flight contract. The Marines were the only branch with guaranteed flight contracts at that time, and I figured I was going to be an aviator.

My junior year, I was home for Christmas at the family ranch in West Texas when I got a call from my team leader. This was December 2002. ‘We’re getting activated. Deployment will be anywhere from six months to two years, and we don’t know where. Be at the reserve unit in 72 hours.’

It wasn’t rocket science to figure out that we were going to Iraq. I moved out of school, out of my apartment and checked in. I deployed to Iraq in 2003 for the initial invasion. That’s when I really learned how important an officer is to the welfare and livelihood of his men.

CC: You never got to fly, but you spent ten years in the Marine Corps?

JA: Six months after that phone call, I came back and re-enrolled in school. I figured I’d done my combat deployment, and that would be that. But things ramped up again – Fallujah, and all. I ran into my selection officer, someone I hadn’t seen since my initial deployment. I told him I wanted to switch to ground combat and stay in the infantry. I graduated and went through the commissioning pipeline. Did my five years. Deployed again to Iraq.

CC: How was the transition coming out of the Marines?

JA: I got out in 2009, after I had my first son, and I had no idea what I wanted to do. I had an engineering degree and ten years in the Marine Corps. So I bought a study guide for the Fundamentals of Engineering exam. One of my best friends—also a former lieutenant—was at Wharton at the time. He told me, ‘Dude, just go to business school. Get your MBA.’

That didn’t compute for me. I thought you needed a business undergrad degree to get into a business master’s program, but obviously that wasn’t the case. I applied to A&M. I didn’t know accounting or marketing; I only had an engineering degree and that was it. But I applied to every company that came on campus to recruit, no matter the role—HR, finance, supply chain, marketing. I think some of my cohort were annoyed by that, because they were more focused on their area of interest and thought I was cutting in. I was shooting at everything.

“ So far as I knew, no one in my family had served since the Civil War, so when I went down to the recruiter, it caused a big freak-out. ”

CC: Interesting. What was the best interview you got?

JA: HR manager at Exxon. I thought it was perfect. Slam dunk. On my drive back to Houston a few hours later, they called. ‘It was a great conversation, but HR is not going to be your path. We recommend you find a different career field.’ Basically, they told me I’d hate the job. And they were right.

CC: What led you to finance and investment banking?

JA: When I told my Wharton friend about the Exxon interview, he asked me, ‘What classes do you like?’ I said, ‘Accounting.’ He told me, ‘You should do banking.’ I asked, ‘Like, be a bank teller?’ He said, ‘No — investment banking. Come to New York, I’ll plug you in.’

This was 2009, post-financial crisis. All the banks had set up veteran hiring programs. Wall Street had a PR problem, and vets helped with that. I interviewed at Lazard. They took six interns, almost all of them from the Ivy League. Of the six in my class, half were vets — and all three were Marines.

So I did banking. I got my foot in the door. It was an incredible experience. For every year you work, you get two to three years of experience just from the pace. That said, it was also my most valuable mistake.

CC: You beat me to it. Why was investment banking your most valuable career mistake?

JA: Doing investment banking for as long as I did was the mistake. I stayed too long. It wasn’t a mission-oriented field. It was very transactional. You’re on deal teams, advising. You don’t own the problem. In New York City, it’s all financially driven. In hindsight, it was the wrong fit because it lacked an outcome-oriented mission.

My first day at Lazard, the vice chairman met me for lunch, and we talked for 45 minutes. Then he asked me something that has really stuck with me ever since. He asked, ‘What motivates you?’

I said, ‘Working on a team, getting things done, doing good.’

‘Are you motivated by money?’ He asked.

I told him I had been paid close to minimum wage to deploy overseas.

He answered, ‘If you’re not motivated by money, this is going to be a difficult profession for you.’

Nine years later, I realized he was right. If you’re not motivated by transactions and generating fees, you won’t find much fulfillment in banking.

Today, I'm in a place where I can do both — run an enterprise with a mission outcome. Banking was a misstep, but it gave me exposure to executive-level decision-making, M&A, capital-raising, advising CFOs. It gave me insight into what makes a company tick.

CC: What did you do after you realized investment banking was a mistake?

JA: I took all that financial knowledge and applied it to my roots by joining a company in West Texas as CFO. It was a company of 300 construction workers. Again, straight out of Landman. The CEO was a friend from college. I helped him professionalize the business. Then COVID hit. Oil went negative. He sold the company, and I went looking for another CFO job.

I hadn't done a resume since I interned at Lazard. As I was updating it, I texted the first guy I had ever worked for there, someone who used to give me all the brain damage. Now here I was, eleven years later, texting him. He called me the next day.

'What are you doing? Where are you?'

'I'm in Maryland. I'm an aspiring CFO. I'm looking.'

'I've got just the company.'

He called me again a few days later, very cryptic. 'In ten minutes you're going to get a call. Take it. Good luck.' He hung up.

Ten minutes later I did get a phone call. It was someone asking me, 'How'd you like to ring the bell at the NYSE?'

CC: And this was your first introduction to Robotic Research — the company that became Forterra?

JA: Yes. The person on the phone was talking about taking them public. I asked him what do they do? When he said self-driving vehicles for military applications, that got my attention.

I interviewed with Alberto, and he sold me. But when I asked why the company was going public, he said that it seemed like the right thing to do to raise money.

'So you're going to raise money to do what?' I asked.

'Be engineers,' he said.

I told him, 'This is where I can help. You've built the tech. Now you need capital to scale it.'

I came onsite, interviewed, did the tour. There were maybe 100 employees then and 95 were engineers. And they were all focused

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on hard problems. How do we get tech to the warfighter, to the Marines, to Special Ops? How do we make them more effective, take them out of harm's way?

They needed capital and a go-to-market strategy. Plenty of other companies had finance departments, but they didn't have the tech Alberto and his team had. I thought, if I can take this tech and team and build around them the right finance, accounting, and go-to-market functions, we'll be cooking with gas.

But then, right in the middle of a call with the investment banking syndicate — talking through margins, the roadshow, contracts — I realized: we had no business going public. The administrative burden would distract from building and delivering the tech. I had to convince the founder not to go public via SPAC, even though that was the trend at the time. Instead, we raised private capital. We ran that process, and we closed the round.

Now we had the money, and the time to execute. I volunteered to be the head of BD. I hired a chief growth officer, helped him build a team, signed contracts. I jumped onto the operations side. I helped build all the foundational functions. It was great prep to step into the CEO role three years later.

CC: How did you come to be CEO of Forterra?

JA: Like I said, I initially interviewed for the CFO position. I saw the technology, and if they had offered me the janitor job, I'd have taken it. The mission Alberto laid out, the caliber of people, and the tech he developed were just so compelling. I thought: this has to be productized and deployed at scale.

Then Alberto said, "I want to go write code. Can you do this CEO thing?"

CC: Is that how you connected with Jun and Crescent Cove?

JA: We actually met during the Series A back in 2021. The deal was mostly done, we'd filled the book, but I got introduced to him through a former colleague who said Jun was a great investor.

Jun was just such an intellectually curious person. It was as much his curiosity around the problem as assessing the investment that got my attention. He ended up investing and though he wasn't a controlling investor, naturally, over time, he became one of the closest advisers on the business.

Jun has really awesome feedback, great insights. I talk to him probably once a week. I can give him the good, the bad, and the ugly and he will give a very balanced answer. He's someone I want to call to discuss things with because I know I'll get valuable answers. He's a friend that I can trust with whatever I'm thinking about as CEO.

That's something I think is really important about leadership, by the way – how you react as a leader. Because you will create a filter for others with your reaction. I try really hard to let people know I can get unfiltered news. If I walk into the meeting and the tone or tenor changes, then I know I'm not doing something right. I want people open, honest, and candid. Hit me with the bad stuff up front. Jun is like that.

CC: In a previous conversation, we asked Forterra founder Alberto Lacaze how he made hiring decisions. He answered that he enjoyed solving new problems, that he couldn't sleep until he got some kind of an answer, and that he hired people that way, too. What's your approach?

JA: I look at it like, 'Are they outcome-oriented and mission-driven? Are they more indexed on the challenge of solving the problem?' Just enjoying the ride is not gonna cut it here. Did the thing ship? Did it get deployed? Did it work for the customer – a 19-year-old lance corporal whose life depends on it?

If we don't deploy our system, that kid who is going on a dangerous

mission is at a disadvantage. If the employee is mission and outcome-oriented, they can get alignment around deploying autonomous systems and making them more lethal and effective. Anything that's extraneous to that is a waste of time. Everything else is window dressing if it's not around that singular mission.

In terms of satisfaction from the job, it goes back to that lance corporal. You're making an impact on an E1 who makes probably \$20,000 a year, who is away from their family much of the time. If it doesn't make you happy that you're having a positive impact on that person's job, then it's not a good fit.

Everything else can be taught.

CC: I can hear the conviction in your voice on this. Great approach. Let's shift now and look at the macro picture, at Forterra's industry. What's something no one in the defense ecosystem is thinking about now but should be?

JA: What's actually going to be required of their product or capability to sustain it in an expeditionary environment.

Pulling together some tech for a demo, a marketing video, or a one-time showcase is one thing, but deploying it in a real, scaled, production environment? That's orders of magnitude more difficult. You're talking about building hundreds of thousands of something that ultimately needs to get to a soldier or Marine, who then has to integrate it into their operation. At that point, someone is literally placing their life or safety in the hands of this system.

In the defense tech ecosystem, the mindset is 'move fast, innovate.' And that's great. But at some point, you have to build these systems at scale and hand them off. There's a level of rigor and reliability that has to go into that handoff. I saw the consequences of getting it wrong on my second deployment.

There were containers filled with every claptrap widget of tech you could imagine. No manuals. They broke the moment you opened the box. Most of it ended up right back in the same container it



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came in. Someone had sold the thing, shipped it over the wall – and that was it. It wasn't what we needed. And worse, there was no one to call when it didn't work.

That's the problem we think about constantly. Everything we do at Forterra is grounded in that experience, because we are veterans, combat engineers, special operators. We built this company for exactly those moments. When someone calls us with a problem, we get excited about solving it.

Now the Secretary of Defense is talking about our systems as a strategic deterrent. Pete Hegseth is talking about Nemesis, and we're like, 'Yep, that's our system.' And if there's ever an issue, we don't disappear. We say, 'Here's our number. If this thing doesn't do what you need it to do, call me in the middle of the night. I don't care. We'll pick it up and make it right.'

That's a level of commitment I don't think has existed in the defense industrial base in a long time. We're talking about being held accountable — on an ongoing basis, in the field, at scale. Not just building for a demo, a prototype, or a slick marketing video. The level of effort required to truly support the warfighter is far beyond that, and that's where we live.

CC: You sound like a purpose-driven person, so I'm excited to ask this last question, which is one we always close with: what is happiness?

JA: The delta between expectation and reality. Some of my happiest moments were, obviously, getting married and seeing my kids be born. But in terms of individual, day-to-day happiness, it's that delta between expectation and reality.

Let me give you an example: coming off a patrol in terrible conditions, and there's hot food ready for us that I wasn't expecting, and the next episode of 24 just showed up in the mail. Somehow that can just make you really happy. Meanwhile, you can be working a cushy job in investment banking at 30 Rockefeller Center and be absolutely miserable.

It comes back to your expectations. Even when expectations are low, people can be generally be happy in crappy environments. Then, when you understand the problem, good, bad, or indifferent, then you can exceed expectations by making things better. You can get an honest, objective assessment of where you are. Everyone in investment banking is working 100 hours week, so if you're in a job and you work 80 hours a week, well, that's not so bad.

That applies across the board. Having five kids is challenging, but knowing that in advance can help you be happy even when you're exhausted.

You can kind of hack your mind. If you have an unrealistic view, you're naturally going to be unhappy. You're gonna be constantly disappointed. But if you can get objective and focus on how things are – instead of wallowing – and channel that effort into closing the gaps, you're going to get a much more effective use of your energy.



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Josh Araujo

Chief Executive Officer of Forterra

Josh Araujo is the Chief Executive Officer of Forterra. He previously served Forterra as Chief Operating Officer and in that role garnered key insights across all company operations and now brings his dynamic experience in corporate development, finance, and operations to the CEO position.

Josh joined Forterra in 2021 lead the company's successful Series A fundraising, and through that process became a trusted leader advisor across all core disciplines of the company and helped spearhead development of Forterra's Autonomy as a Service business model.

Josh has more than 20 years of experience across military, investment banking and financial leadership roles. He was previously CFO of OGT Engineering and Construction, and prior to that served as Senior Vice President in Jefferies Industrials Investment Banking Group, where he worked on a broad range of M&A, debt, and equity capital market transactions in the aerospace, defense, and government sectors. Josh started his finance career as an M&A associate at Lazard, focusing on a variety of public and private transactions in the industrial and consumer sectors. He holds a Bachelor of Science in Mechanical Engineering from Texas Tech University and an M.B.A. from Texas A&M University.



Crescent Cove is a technology-focused investment firm that is dedicated to supporting entrepreneurs and founders. Established in 2016, Crescent Cove leverages its global network of relationships and insight across markets, emerging industries, and technologies to build businesses and accelerate value creation across its portfolios.



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