

How saving lives served up \$190 million in funding and unicorn status for this Bay Area startup

A Zipline drone makes medical supply deliveries.

ZIPLINE

By Dawn Kawamoto – Staff Reporter, San Francisco Business Times
May 17, 2019 **Updated** May 17, 2019, 2:47pm PDT

Half Moon Bay-based Zipline snagged a \$190 million funding round that gave the company a \$1.2 billion valuation, giving unicorn status to the five-year-old startup medical drone delivery service.

Zipline, which delivers medicine, blood, and various medical supplies to remote areas in east and west Africa via autonomous drones, plans to use the proceeds to increase its worldwide workforce by three-fold at the end of the year to 600 people, according to [Justin Hamilton](#), Zipline spokesman.

The funds and additional manpower will be used to expand Zipline's service from two African countries, Rwanda and Ghana, to other countries in Southeast Asia, South Asia and regions within the United States. Currently, Zipline expects to launch its medical drone delivery service in North Carolina during the third quarter, as part of the Federal Aviation Administration's UAS Integration Pilot Program.

Zipline's goal is to serve 700 million people in the next five years, up from the 22 million people it assists across Rwanda and Ghana.

There is a growing feeling around the world that technology is not benefiting the vast majority of people, said [Keller Rinaudo](#), Zipline CEO, in a statement. He pointed to the notion that successful technology companies are built on exploiting users' personal information or grabbing their attention through questionable means.

"Zipline wants to establish a new model for success in Silicon Valley by showing the world that the right technology company with the right mission and the best team can help improve the lives of every person on the planet," Rinaudo said.

Zipline assembles its drones and develops its technology from its operations in South San Francisco, conducts drone testing in Davis and operates distribution centers around the world with teams of local operators. Healthcare workers send text messages with medical supply orders to the distribution centers, which then dispatch

drone deliveries that arrive on average within 30 minutes. The drones drop the package, which is tethered to a parachute, onto a designated spot at the health center.

The company has made more than 13,000 deliveries, with approximately a third for life-saving emergency deliveries.

[Susan Choe](#), a founding partner at Katalyst Ventures, told the San Francisco Business Times that her firm is happy with its investment in Zipline, given its drones save lives with every delivery they make, as well as the technical and operational execution the company has performed to date.

“It's always hard to create something from nothing, especially when you are combining hardware and software in a startup. I don't think there is anything they need to be doing better, however, I know they will need to start hiring more people to serve the high quality of demand that they already have,” Choe said.

Zipline has raised a total of \$225 million in funding to date. In this latest mega-round. Baillie Gifford, TPG's The Rise Fund, Katalyst Ventures, GV, Temasek, Bright Success Capital, Goldman Sachs, Oakhouse Partners, Toyota Tsusho Corp., and the Design to Improve Life Fund contributed to the \$190 million round.