

Executives from Microsoft, Palo Alto Networks and Seagate Named as Strategic Investors in DriveNets' \$117M Series A Funding Round

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Influential business leaders back DriveNets' vision of a new Telco-scale network architecture that will change the networking operational and economic model for decades to come

Steve Luczo, Chairman of Seagate's Board of Directors joins DriveNets' board

(Ra'anana Israel, July 8, 2019) [DriveNets](#), the networking software company, today announced the high profile strategic investors who have joined their [\\$117M Series A round](#): Steve Luczo, chairman of the board of Seagate and its former CEO, Mark McLaughlin, former CEO of Palo Alto Networks, and John Thompson, chairman of the board of Microsoft. Steve Luczo has also joined DriveNets' Board of Directors. The new investors bring enormous business and industry experience that will help guide DriveNets as it pushes the boundaries of how CSPs build and pay for their networks and grow in profitability.

Other key strategic investors include C4 Ventures, the fund created and led by Pascal Cagni, former GM and VP for Apple EMEA (2000-2012), Doug Gilstrap, former CEO and COO of global data telecom companies and former head of strategy for Ericsson, and Benny Schnaider, a successful Israeli entrepreneur with six successful startup exits to date, two of which were sold to Cisco. This high-profile endorsement of DriveNets validates the industry's respect for the software networking company whose technology has already been adopted by a tier-1 North American service provider.

Communication service providers (CSPs) are now facing the greatest demand surge in their history, but their current network architecture has not changed in years and cannot efficiently accommodate this massive opportunity. They cannot scale up capacity economically and require long lead times to deliver basic services, which impacts their growth and profitability. DriveNets solves these challenges with a radically new way to build networks. Adapting the architectural model of hyperscalers to Telco-grade networking, it offers a software-based

networking solution - [Network Cloud](#) - that radically simplifies the network's operational model.

Network Cloud is a fully disaggregated, cloud-native software that runs the routing data on carrier-grade white boxes with only two types of white-box building blocks, and the control plane on standard servers. It turns the network into a fully-optimized shared resource that can support many networks, with Telco-scale performance and a more profitable economic model.

“Our investors are industry leaders in some of the greatest technology companies in the world. They have disrupted industries and built multi-billion-dollar companies. We are proud that they have put their trust in us. Their broad experience and business knowledge will guide us as we grow our company and scale our reach, as well as help us to better serve our customers,” said Ido Susan, DriveNets' CEO and co-founder. “We are also delighted to have Steve Luczo join our board and we will benefit from his experience and hands-on involvement in our business growth.”

Steve Luczo is joining the current members of DriveNets' board, Ido Susan, Hillel Kobrinsky, Adam Fisher, partner at Bessemer Venture Partners and Aaron Mankovski, Managing General Partner at Pitango Growth. In addition to his leadership of Seagate's Board of Directors, Steve also served on the boards of Microsoft, VMware and Veritas. “I am excited to work with the talented team at DriveNets and help guide the company's business strategy, product development and key strategic alliances. I see great similarity between my role at DriveNets and the time I served on the board of VMware, the company that revolutionized virtualization. I am excited about a similar opportunity, this time in the Telco space,” said Steve Luczo.

DriveNets was founded by Ido Susan and Hillel Kobrinsky, two successful Telco entrepreneurs. Susan previously co-founded Intucell, the company that invented the Self Optimizing Network (SON) which was acquired by Cisco in 2013 for \$475 million. Kobrinsky founded the web conferencing specialist, Interwise, which was acquired by AT&T for \$121 million.

“The transition to the cloud is inevitable and the pace has clearly accelerated over the past 2-3 years.” said John Thompson, Partners at Lightspeed Ventures and Chairman of the Board of Directors, Microsoft. “Ido and his team understand how the promise of the cloud meets the needs of the Telcos and I believe their vision can help CSPs enhance their profitability in the face of staggering demand for services. DriveNets is creating a positive disruption in the market that service providers should pay close attention to.”

“DriveNets has done incredible work with a top US Telco in transforming its network and business model” said Pascal Cagni, Founding Partner C4 Ventures. “The C4 Ventures Team and I look forward to collaborating with Ido and his team to drive similar success with top



European SPs. We believe that the European market is equally ripe for Telco-scale cloud disruption.”

About DriveNets

[DriveNets](#) helps Communications Service Providers (CSPs) take advantage of the greatest demand surge in Telco history, substantially growing their profitability by changing their technological and economic models. DriveNets’ solution - Network Cloud changes the traditional networking architecture that has been in place for the past twenty years by adapting the architectural model of hyperscalers to Telco-grade networking. Network Cloud is a cloud-native software that runs over standard white-boxes, radically simplifying the network’s operational model, offering Telco-scale performance at a much lower cost.

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