

DriveNets Raises \$110M Series A Funding to Revolutionize Service Provider Networks

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DriveNets' Network Cloud software redefines network economics, enables capacity and service growth at unlimited scale. The round is led by Bessemer Venture Partners and Pitango Growth

(Ra'anana Israel, February 14, 2019) [DriveNets](#), a networking software company, today emerged from stealth and announced a first round of financing of \$110M to accelerate its revolution of Service Provider networks. The round was led by Bessemer Venture Partners and Pitango Growth, with the participation of a number of private investors.

DriveNets addresses one of the biggest challenges facing the telecommunications industry today: demand for services is skyrocketing exponentially but customers are not paying more. Profits are shrinking and service providers need a new paradigm.

Coupling technological innovation with a unique business model, DriveNets' Network Cloud solution disrupts network economics. It disconnects network cost from capacity growth and allows communication service providers (CSPs) to handle skyrocketing demand without sacrificing profitability. Network Cloud radically simplifies network operations, as it can create any network function from the same software stack and only two generic hardware building blocks. And since the entire infrastructure is software-centric, Network Cloud accelerates new service rollouts at full network scale.

DriveNets was founded in late 2015 and has been self-funded until now. Fiercely focused on execution, the company achieved its first major contract in 2017, which brought its technology to the production network of a tier-1 North American service provider. Since then DriveNets has recorded revenues of tens of millions of dollars. The new financing will fuel DriveNets' ambitious growth plans, as it expands its product portfolio and penetrates new markets worldwide. The company has 150 employees and plans to expand to 200 staff members by the end of the year.

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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) and was acquired by Cisco for \$475 million. Kobrinsky founded the web conferencing specialist, Interwise, which was acquired by AT&T for \$121 million.

“By bringing networking to the cloud, DriveNets presents one of the most compelling infrastructure opportunities of the last 20 years,” said Adam Fisher, partner at Bessemer Venture Partners. “Their disruptive architecture will be the final nail in the coffin of traditional telecom infrastructure, and we’re thrilled with the opportunity to back Ido once again.”

“DriveNets’ Network Cloud does to service provider networks what Amazon, Microsoft, Google and Facebook have done to compute and storage in data centers,” says Aaron Mankovski, Managing General Partner at Pitango Growth, who joins the company’s Board of Directors. “It creates a unified shared networking resource that can deliver any service on any port – and at any scale.”

DriveNets’ software runs over a low-cost white box hardware that can address any routing use case, helping CSPs open up and commoditize their physical infrastructure.

“We believe Network Cloud will become the networking model of the future”, said DriveNets’ co-founder and CEO, Ido Susan. “We’ve challenged many of the assumptions behind traditional routing infrastructures and created a technology that will allow service providers to address their biggest challenges like the exponential capacity growth, 5G deployments and low-latency AI applications. We are pleased that investors like Bessemer and Pitango share our vision”.

About DriveNets

[DriveNets](#) helps Communications Service Providers (CSPs) take advantage of the greatest demand surge in telco history. Disaggregating monolithic routers along with redefining CSPs’ cost structure and business models, we transform the way networks are built, managed and grown to meet this demand. Network Cloud helps CSPs re-sync costs with revenue, capture fast-moving opportunities and migrate smoothly to web-scale networking.

About Bessemer Venture Partners

Bessemer Venture Partners is the world's most experienced early-stage venture capital firm. With a portfolio of more than 200 companies, Bessemer helps visionary entrepreneurs lay strong foundations to create companies that matter and supports them through every stage of



their growth. The firm has backed more than 120 IPOs, including Shopify, Yelp, LinkedIn, Skype, LifeLock, Twilio, SendGrid, DocuSign, Wix, and MindBody. Bessemer's 15 partners operate from offices in Silicon Valley, San Francisco, New York City, Boston, Israel, and India. For more information, please visit www.bvp.com.

About Pitango Growth

Pitango has been partnering with visionary tech entrepreneurs since 1993. With more than \$2 billion under management, Pitango invests in Israeli IT and HealthTech companies in all stages and supports them through their growth journey. Over the years, Pitango has invested in over 200 companies, many of which have become public or were acquired by strategic players. Learn more at: www.pitango.com.

Media Contact:

Judith Arkush

Silicon Valley Communications

judith@siliconvpr.com