

Amazon Leads \$575 Million Investment Into Food Delivery Startup Deliveroo

Amazon is leading a \$575 million investment into fast-growing food delivery service Deliveroo. The funding round, set to close in the coming months, will bring total investment in the London-headquartered business up to \$1.53 billion.

Deliveroo did not disclose what valuation it raised the funding at but it was valued at \$2 billion when it raised its last round of \$482 million in September 2017. Deliveroo was recently seeking investment based on a valuation of around \$4 billion, according to sources familiar with the matter

Founded in 2013 by former Morgan Stanley investment banker Will Shu and software engineer Greg Orlowski, Deliveroo has scaled its business at a rapid pace; the company now operates in 500 towns and cities in 14 countries around the world. It relies on an army of 60,000 riders to transport food from 80,000 restaurants to people's homes and offices.

Several other European food delivery companies are competing with Deliveroo including Berlin's Delivery Hero and Takeaway.com in Amsterdam. In the U.S., there's Postmates, Grubhub, and DoorDash, which is also in the process of raising big money according to [a report from The Information](#) on Thursday.

But it's not just startups fighting for a piece of the food delivery pie. Uber has set up UberEats and Amazon has its Amazon Restaurants business. Both have been rumoured to be sniffing around Deliveroo and this investment tees Amazon up nicely for a possible acquisition in the future.

Deliveroo said it will use the capital to increase the size of its tech team in London , expand its service further around the world, and improve its delivery only "Editions" kitchens.

"This new investment will help Deliveroo to grow and to offer customers even more choice, tailored to their personal tastes, offer restaurants greater opportunities to grow and expand their businesses, and to create more flexible, well-paid work for riders," said Shu in a statement.

"Amazon has been an inspiration to me personally and to the company, and we look forward to working with such a customer-obsessed organisation.

Amazon U.K. country manager Doug Gurr added: "We're impressed with Deliveroo's approach, and their dedication to providing customers with an ever increasing selection of great restaurants along with convenient delivery options.

"Will and his team have built an innovative technology and service, and we're excited to see what they do next."

Beyond Amazon, other investors in the latest Deliveroo funding round include T Rowe Price,

Fidelity Management, and Greenoaks.

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