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## Convoy Raises \$400 Million to Reduce Hundreds of Billions of Waste in Trucking

Lowering costs for shippers, improving trucking for America's 3 million drivers and reducing carbon emissions

Seattle, WA — **Convoy, the first nationwide digital freight network**, today announced it has secured \$400 million in Series D funding to **eliminate hundreds of billions of dollars of waste in the trucking industry**. Generation Investment Management, a dedicated sustainability investment firm, and funds and accounts advised by T. Rowe Price Associates, Inc. (previous Convoy investor), co-led the new round with participation from Baillie Gifford, Fidelity Management and Research Co., Durable Capital Partners LP and Series C investors CapitalG and Lone Pine Capital. This brings Convoy's total capital raised to more than \$668 million from investors including Greylock Partners, Y Combinator, Cascade Investment (the private investment vehicle of William H. Gates III), Salesforce.com CEO Marc Benioff, Code.org founders Hadi and Ali Partovi, U2's Bono and The Edge, Jeff Bezos via Bezos Expeditions, among others.

Convoy has built **the industry's first digital freight network**, moving tens of thousands of truckloads per week in the U.S. In this new model the pricing and matching of shipments to carriers happens automatically, and machine learning is used to evaluate all shipments and carriers simultaneously to match the right job to the right truck. This round of funding accelerates Convoy's efforts to eliminate the inefficiencies that remain in the trucking industry, leading to lower costs and improved quality for shippers, increased earnings and respect for the millions of truck drivers on the road, and the elimination of excess pollution from miles driven without cargo.

"Generation's investment in Convoy is grounded in many years of research into the future of logistics," said Joy Tuffield, Partner at Generation Investment Management. "Through its use of data science, Convoy is driving the next evolution in efficiency across the industry. This is an exceptional opportunity to achieve a reduction in carbon emissions, while simultaneously increasing earnings for truck drivers and increasing service quality for shippers."

"We built this company from the beginning with a focus on creating a more efficient model for connecting shippers and truckers," said **Dan Lewis, Convoy co-founder and CEO**. "Trucking has historically been a zero-sum game, born from a marketplace where when one side wins the other side loses. The magic of applying technology to this decades-old industry is that we can create a true win-win for both sides, lowering the total cost to shippers with better service, while removing the hassle of wasted time and miles for truck drivers, allowing them to earn more. Building a more efficient digital freight network also means we can dramatically reduce carbon emissions associated with empty miles, which is good for the planet."

### THE MOST EFFICIENT DIGITAL FREIGHT NETWORK

The trucking industry is rife with inefficiencies born of decades of fragmentation and antiquated operations, resulting in hundreds of billions of dollars of waste. As a digital freight network, Convoy uses machine learning and automation to create a flywheel that drives efficiency for both shippers and carriers, resulting in a dramatically lower cost structure. Convoy has led the industry with first-to-market innovations, including being the only company to **automate 100% of the process of matching loads to trucks** in top markets. Convoy's **Automated Reloads** feature, which uses machine learning to group full-truckload shipments for carriers, accounts for over 50% of matched loads in top markets

and is already yielding a **45% decrease in carbon dioxide (CO<sub>2</sub>) emissions** from trucks running empty less often. **Convoy Go** offers drop trailer shipments to millions of drivers across the nation supported by a large and expanding Convoy trailer pool giving carriers access to billions of dollars in new shipments and allow them to complete twice as many jobs per week.

In its four years of operations, Convoy has become a trusted partner to some of the largest shippers in the world, including Anheuser-Busch, The Procter & Gamble Company, Wayfair, CHEP, Land O' Lakes, Niagara, Ardagh, Waiakea, and Unilever. Customers value the benefits of automation, which lowers the total cost to shippers while providing advanced analytics to improve the efficiency of their supply chain.

"Our partnership with Convoy has helped P&G reduce costs and improve service by looking at transportation differently. We value Convoy's commitment to transparency, innovation, and sustainability, underpinned by a culture of operational excellence," said Andy Butler, Associate Director – North America Market Operations Purchases, The Procter & Gamble Company.

"At Anheuser-Busch, we are always looking for ways to streamline our workflows and deliver our products as quickly and efficiently as possible. Convoy has continued to deliver new and effective programs that have a meaningful impact on our business and the industry overall," said Loren Foster, Sr. Director Procurement for Anheuser-Busch.

Further, Convoy is working to improve the lives of the 3 million truck drivers who keep our nation moving. While many are professionals with a passion for their work, the typical trucker's day is riddled with time waiting for appointments, completing paperwork and scheduling. When they are forced to drive with empty trailers to find loads, the cost of simultaneously running their trucks while not generating an income can make it difficult to earn a living. Convoy's digital freight network is addressing these daily hassles and empowering truckers to earn more with first to market innovations like free **QuickPay with no fees, one-click automatic detention requests, load requests, and instant bidding**. Through this work and more, Convoy has earned the highest rated app experience in the Industry.

"Convoy makes it easy to keep my drivers full. Whether we are booking multiple back-to-back jobs or adding an automatic reload to an existing shipment, the app efficiently bundles our shipments to keep deadhead miles to a minimum." – Guri Bhathal, National Transportation Services

**Read more about Convoy's singular focus on reinventing trucking here.**

#### **REDUCING 72 MILLION METRIC TONS OF CARBON EMISSIONS**

According to the EPA, heavy-duty full truckload freight accounts for more than 205 million metric tons of CO<sub>2</sub> emissions per year, which is 13% of total vehicle emissions in the country. The manual process of matching trucks to loads hasn't seen material innovation in decades. Its inefficiency has resulted in 72 million metric tons of CO<sub>2</sub>-equivalent emissions, or 7 billion gallons of wasted diesel, from trucks driving to, or from, jobs without cargo.

**Reducing this "empty mile" waste is at the core of Convoy's founding mission.** Convoy's technology is already reducing carbon emissions by enhancing the ability to connect shipments more effectively. Convoy's Automated Reload program reduces empty miles from the industry standard of 35% to 19% by bundling shipments. If the entire industry were to achieve the same efficiency, it would lower CO<sub>2</sub> emissions by 32 million metric tons, equivalent to taking 6.9 million passenger vehicles off the roads for a year.

Today, 74% of S&P 500 companies have corporate environmental impact goals specific to sustainability and carbon reduction. Aligned with its mission to reduce waste, Convoy has become a key partner to companies like Waiakea, CHEP, and Anheuser-Busch in achieving their sustainability targets.

“Convoy’s mission aligns with our corporate goals focused on sustainability, namely a Zero Waste World,” said Scott A. Roberts, Vice President of Logistics at CHEP North America. “By collectively addressing the challenge of empty miles within the industry we are not only streamlining our business but are contributing to a more sustainable world. We are excited to partner with Convoy on this initiative.”

**Learn more about trucking industry waste and potential savings through innovation.**

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#### **ABOUT CONVOY**

Convoy is the most efficient digital freight network. We connect shippers to carriers to move millions of truckloads, saving money for shippers, reducing hassle for carriers, and eliminating carbon waste for our planet. We use technology and data to solve problems of waste and inefficiency in the \$800B trucking industry, which generates over 76M metric tons of wasted CO<sub>2</sub> emissions from empty trucks. Shippers like Anheuser-Busch, CHEP, and Waiakea trust Convoy to lower costs, increase logistics efficiency, and achieve environmental sustainability targets. For more information, visit [www.convoy.com](http://www.convoy.com).

Convoy’s investors include Generation Investment Management; funds and accounts advised by T. Rowe Price Associates, Inc.; Lone Pine Capital; CapitalG; Greylock Partners; Y Combinator’s Continuity Fund; Baillie Gifford; Fidelity Management and Research Co.; Durable Capital Partners LP; Allen & Company; Fuel Capital; Red Sea Ventures; Mosaic Ventures; Cascade Investment (the private investment vehicle of William H. Gates III); Salesforce.com CEO Marc Benioff; eBay founder Pierre Omidyar via Omidyar Technology Ventures; KKR CEO Henry Kravis; Jeff Bezos via Bezos Expeditions; Code.org founders Hadi and Ali Partovi; U2’s Bono and The Edge; Dropbox CEO Drew Houston; former Starbucks President Howard Behar; Barry Diller; Kevin Systrom; former U.S. Senator Bill Bradley; and other angel investors.

#### **ABOUT GENERATION INVESTMENT MANAGEMENT**

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