Tembici raises US$47 million in Series B funding led by Valor Capital Group and Redpoint events

Latin America’s micromobility leader to use new funding for electric bikes, fleet expansion and tech R&D

São Paulo, Brazil — June 3, 2020 — On World Bicycle Day, Tembici, the leader of micromobility in Latin America, is announcing a Series B funding round of $47 million (R$270 million) led by Valor Capital Group and Redpoint events. Additionally, International Finance Corporation (IFC), part of the World Bank Group, and Joá Investimentos participated in this investment round. The new funding marks IFC’s entry into the fast-growth micromobility market.

The Series B investment will be used for Tembici’s rollout of electric bikes and to broaden the current access to bikes in the major cities where Tembici already operates. It also plans to invest in more technology R&D. All of these investments will contribute to improving urban mobility and further position the company as sector leader in the main urban markets in Latin America.

The micromobility market for startups first skyrocketed in China. The global sector has “attracted a strong customer base and has done so roughly two to three times faster than either car sharing or ride hailing,” according to an analysis on the global market sector by McKinsey & Company last year.

Tembici was co-founded by entrepreneurs Tomás Martins and Mauricio Villar in 2010 with the sponsorship of Itaú Bank, Brazil’s largest private bank. Born at the University of São Paulo (USP), Tembici uses a system with locking stations for the return and removal of bikes (dock), a profitable and proven business model. Tembici is currently present in Latin America’s main urban capitals such as São Paulo, Rio de Janeiro, Salvador, Recife and Porto Alegre in Brazil, as well as Buenos Aires in Argentina and Santiago in Chile.

The new funding comes at a time when several countries in the world are making major investments that encourage the use of bicycles as the main transportation mode in the post-Covid-19 era.

For example, European United Nations members recently created a taskforce to explore a “post-Covid-19 green recovery” and ways to make “mobility more environmentally sound, healthy and sustainable.” Part
of the inspiration comes from the city dwellers’ realization that skies were clearer and less polluted, and we can hear birds sing again as the noise of urban life decreases. In addition, as we move forward without a vaccine for the novel coronavirus, social distancing will be top of mind for people worldwide.

“We are taking another important step in urban mobility in cities. The funding takes us to another level that lets us make even more investments in fleet expansion and the implementation of electric bicycles, and positions us to lead the growth of the micromobility sector in Latin America as bicycles become the most efficient mode of transportation in major cities. Bicycles will undoubtedly play an important role in the post-pandemic world because they’re being strongly recommended by public health agencies for safe, sustainable transportation for individuals. As more people change their habits, the new investment will help us meet the increasing demand,” said Tomás Martins, CEO of Tembici.

“We are happy to support Tembici and its sustained growth in Latin America. Urban mobility has always been an issue of great importance in the region and we believe that individual and sustainable means of transportation will play an important role in the next-normal across the globe”, says Scott Sobel, founding partner at Valor Capital Group.

“Tembici has created a high quality mobility service people trust to use for their daily commutes or to run errands around town. The bicycles are modern and their dock system is efficient and cost-effective,” said Romero Rodrigues, managing partner at Redpoint eventures. “With its move to introduce sustainable electric bicycles and more advanced technology, the micromobility leader is poised for tremendous growth in the years ahead.”

“IFC is excited to support Tembici’s mission to provide a safe and efficient transport solution, which will be critical in the post-pandemic context, said Carlos Leiria Pinto, IFC Brazil Country Manager. “IFC investment in Tembici is as an opportunity to promote micromobility solutions and offer more efficient urban transportation, helping to improve the environment in our cities with green solutions.”

With this Series B investment, Romero Rodrigues, managing partner of Redpoint eventures, and Scott Sobel, managing partner and co-founder of Valor Capital Group, join the Board of Directors of Tembici.

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About Tembici:

Tembici is the leading micromobility company in Latin America. It is responsible for more than 2.5 million rides by bicycle in the main Brazilian capitals such as Rio de Janeiro, São Paulo, Salvador, Recife and Porto Alegre, in addition to Santiago in Chile and Buenos Aires in Argentina.
Over the past few years, Tembici has followed the warming up of the micromobility sector in the world and due to the company business model, the firm’s consolidated highly growth and has contributed to consolidate the bicycle as a mode of transport in the cities in which it operates.

About Redpoint Ventures:

Redpoint Ventures is a venture capital firm investing in Latin American startups. The firm partners with visionary founders using technology to create new markets and solve big problems in existing ones. With an experienced team in Brazil and in close partnership with two Silicon Valley firms (e.ventures and Redpoint), the firm helps its founders secure the capital, talent and growth to succeed further, faster.

Founded in 2012, Redpoint Ventures invests across seed, early and growth stages. It manages over $300 million and has more than 40 companies in its portfolio, including Creditas, Gympass, Minuto Seguros, Olist, Pipefy, Rappi and Resultados Digitais. As part of its mission to support the Brazilian ecosystem, the firm co-founded Cubo (www.cubo.network), the second largest innovation hub in the world, based in Sao Paulo, where it’s headquartered. For more information, please visit www.rpev.com.br.

About Valor Capital:

Valor Capital Group was founded in 2011 as a pioneer cross-border venture capital fund bridging the US and Brazilian technology markets. The firm partners and offices are based in São Paulo, New York, and Silicon Valley. Valor looks to partner with visionary entrepreneurs building transformative businesses from startup to scale-up. We are committed to their success by providing capital, operational support, and connectivity to the global markets.

About International Finance Corporation (IFC)

IFC—a sister organization of the World Bank and member of the World Bank Group—is the largest global development institution focused on the private sector in emerging markets. We work in more than 100 countries, using our capital, expertise, and influence to create markets and opportunities in developing countries. In fiscal year 2019, we invested more than $19 billion in private companies and financial institutions in developing countries, leveraging the power of the private sector to end extreme poverty and boost shared prosperity. For more information, visit www.ifc.org.

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