



Root Insurance Closes \$51 Million Investment to Expand Customized Auto Insurance

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Redpoint Ventures leads financing for InsureTech company to reinvent insurance nationally

COLUMBUS, Ohio--([BUSINESS WIRE](#))--Root Insurance, the first car insurance company to incorporate individual driving behavior in every quote, announced today the closing of a \$51-million Series C funding round led by Redpoint Ventures, with Scale Venture Partners and existing partners Ribbit Capital and Silicon Valley Bank Capital Partners also participating in the round. The company will use the new funding to expand into additional states and continue to invest in technology that significantly improves the customer experience.

“Our technology allows us to give drivers rates based primarily on factors they can actually control, bringing fairness to a broken and antiquated industry. We are leveraging mobile technology and artificial intelligence to reimagine the way insurance works.”

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Root is a full-stack automobile insurance company founded on the principle of fundamental fairness. While most car insurance companies rely solely on demographic data like age, occupation and credit score to set rates, Root leverages its proprietary [mobile app](#) to give drivers customized quotes based primarily on actual driving behavior such as hard brakes, aggressive turns, and mileage driven. Because individual driving behavior is the biggest factor in Root's rating algorithm, good drivers can save significantly—up to 52 percent off traditional insurance rates.

“As Root reinvents car insurance, we are excited to have Redpoint and ScaleVP add to the experience and expertise provided by our current investors”, said Alex Timm, CEO and Co-Founder of Root. “Our technology allows us to give drivers rates based primarily on factors they can actually control, bringing fairness to a broken and antiquated industry. We are leveraging mobile technology and artificial intelligence to reimagine the way insurance works.”

Since its launch in Ohio in 2016, Root has expanded to eleven additional states and is poised to be nearly national by 2019. The company has also gained national attention for its data-based approach to individualized insurance pricing and embrace of semi-autonomous driving technology—in 2017, Root became the first insurance company in the nation to [offer a discount](#) for the use of Tesla's AutoPilot technology.

“Root's model of using mobile phone data to reward safe driving is fair to drivers, economically rational, and represents an impressive technical accomplishment,” said Elliot Geidt, a partner at Redpoint Ventures who will join Root's Board of Directors. “Alex and his team have deep domain knowledge and a bold vision to redefine how auto insurance works. I am thrilled to partner with the Root team and look forward to their next phase of growth.”

About Root:

Root Insurance is the nation's first licensed insurance carrier powered entirely by mobile and founded on the principle of fundamental fairness. Root offers personalized car insurance that gives good drivers the rates they deserve, managed seamlessly through a mobile app.

Root uses smartphone technology and data science to understand actual driving behavior, the primary factor in determining personal automobile insurance rates.

Root is headquartered in Columbus, Ohio and is backed by the largest reinsurance companies in the world, including Maiden Re, Munich Re and Odyssey Re. Currently, Root is available to drivers in Arizona, Indiana, Illinois, Kentucky, Louisiana, Mississippi, Montana, Ohio, Oklahoma, Pennsylvania, Texas, and Utah, and will be coming to more states soon. For more information, visit <http://www.joinroot.com> and get the rate you deserve by downloading the [app](#).

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