



# Reflections through windows

Lockdown-inspired thoughts from ETF Partners

This is the fourth of a series of short blogs by the individuals at ETF Partners. Each will offer a personal view of the trends, challenges and opportunities we now see.

## Thriving Through Crisis

The best entrepreneurs can thrive during a crisis. The founders of Zeelo did just that, proving to be adaptable, creative and fast moving.

The first week of March is when our world began to change. At ETF, we decided that non-essential travel should be cancelled, and Board meetings moved to video. Still, the magnitude of Covid-19 crisis was not yet fully appreciated. On the Friday, I was biking over to Shoreditch to visit our portfolio company, Zeelo. Top of my agenda was to understand better what they were seeing, and what this might mean for the Company.

Sam and Barney had started Zeelo a couple years back and were doing well. With great support from their early investors and then from ETF Partners, they had built a fast-growing, sustainability focused business – digitally enabled coach services for commuters to out of town factories and business parks. In essence, providing shared transport in ‘public transport deserts’. The need was clear, the demand was large, and they had plans to grow even faster.

Now, we were facing Covid.

Days after my meeting with Sam and Barney, Zeelo experienced a grace period of about two weeks before customers started asking for a “temporary” freeze of the service. “We are

looking at about 80% for business being placed on hold,” Sam told us over the phone. “The good news is that the team has fully transitioned to remote working. No glitches.” I could only imagine Sam's expression on the other side of the phone. At that point of time, every transportation business in Europe was taking a massive hit. Could a transport business even survive this period? Let alone a young start-up heavily investing in growth?

Any number of articles have been written on surviving crisis – in essence, they all say, “act fast, stock up on stuff, and grow your own”. But, in our world, while first you must survive, you also need to thrive.



Survival meant cutting costs, fast. But, planning simply to survive would have been planning to join the living dead. Sam and Barney, it turns out, have what great entrepreneurs share – on top of the usual resilience, they were adaptable, creative and fast moving.

But to thrive? Thriving means rising to the challenge. Seeing it as a new opportunity.

In the middle of their cost cutting and firefighting, the Zeelo team was reflecting on what they could now do. They realised that Zeelo could be more useful than ever during the pandemic - to get critical workers safely to their place of work. Within days, using their technology and working with their local partner coach companies, they launched Zeelo Critical Workers Commute. This service had a new priority: safety.

Within three weeks, companies such as Amazon and Argos were using the service to help and protect their employees. Social distancing was enforced on the coaches, and the drivers protected during the trips. Buses were frequently sanitised. So successful was Zeelo in the UK, that companies in other countries requested the service, most notably in hard-hit Italy and South Africa. At the height of the crisis, Zeelo did indeed thrive. In fact, business grew to be better than ever.

Lockdown is now gradually easing. However, traditional modes of transport are really struggling to cope. As more and more of us begin to go back to work we are looking for safe transport options. An even greater number of companies will likely seek to provide their employees with bespoke, secure shared transport.

Society will move to construct a “new normal” for transportation. In this new normal, we have an opportunity to accelerate the transition to a “climate-minded” way of living. Zeelo, will be well placed to play a critical role.



## Tomer Strikovsky

With a particular interest in how technology can help us solve the climate crisis, Tomer joined ETF Partners in 2016. Coming from Tel Aviv, he constantly complains about the London rain, yet he never skips a bike ride. He is an Investment Manager at the firm and a board observer of Zeelo, Tomorrow, Greenbird and Eagle Genomics.



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