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## Mobileye, a Maker of Automated Driving Systems, Raises \$400 Million

BY MICHAEL J. DE LA MERCED

For a handful of investors, the future of mostly automated cars looks increasingly attractive.

**Mobileye**, a provider of driver-assistance technology systems, said on Sunday that it had raised \$400 million in financing, valuing the company at about \$1.5 billion.

The money, raised in an oversubscribed financing round, is coming from five new investors, according to a person briefed on the matter: the money management firms BlackRock, Fidelity Management and Wellington Management; a Chinese investment firm, Sailing Capital; and Enterprise Rent-A-Car, the privately held rental car company.

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The investment, the biggest yet in Mobileye's 14-year history, will help the company

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strengthen and expand its offerings and its global reach. It also comes ahead of what Ziv Aviram, a co-founder and the company’s chief executive, said was an expected initial public offering in perhaps a year and a half.

Some of the money will be used to cash out existing investors, Mr. Aviram added.

Mobilitye, headquartered in the Netherlands, currently focuses on helping cars avoid collisions and pedestrians, as well as drifting out of lanes. The longer-term goal, Mr. Aviram said in an interview by phone, is more ambitious: a semiautonomous vehicle that can handle many, but not all, driving functions without driver input.

In some ways, the goal is not dissimilar to the already famous [Google](#) driverless cars, though the search giant’s systems allow for completely hands-off driving. But Mobilitye is aiming to [get most of the functionality](#) into cars for much less, with fewer cameras and computer equipment that cost hundreds of dollars, rather than the tens of thousand of dollars that Google’s array of sensors is estimated to cost at the moment.

“It’s a camera and a chip, with no exotic technology,” Mr. Aviram said of his company’s current technology. “It’s the most cost-efficient system that’s out there.”

He added that he did not necessarily mind comparisons to Google’s systems, which have raised awareness of automated driving worldwide. But Mobilitye’s goal was getting into more cars at a lower price.

The company began working with three major carmakers – [General Motors](#), [BMW](#) and [Volvo](#) – in 2007, and has since added a number of others. Mr. Aviram said that by the end of this year, over three million cars would have used its technology.

The biggest goal is yet to come: Mobilitye is currently working on producing a vehicle that can run largely on autopilot by around 2016, with four partners on

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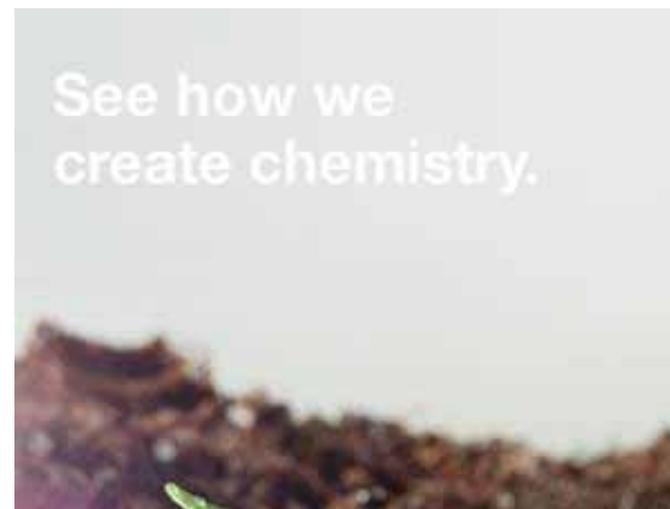
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board. The company is anticipating the rollout of new rules in Europe that will allow for more fully automated driving, with other countries like the United States and China to follow.

Mr. Aviram says he believes fully driverless systems will not be practical for another 15 to 20 years. But systems that assist tired drivers, or let users check e-mail on the road, have potential. One possible use that could roll out in the near term, he said, is Mobileye taking over driving in stop-and-go traffic.

“With a traffic jam, you can completely relax,” he said.

Beyond car manufacturers, insurance companies have also shown interest in Mobileye’s offerings. One insurer in Israel, where the company’s research and development is based, has pushed for the use of the crash-avoidance systems in cars used by teen drivers.

Mobileye was advised on its financing round by [Goldman Sachs](#), which is also an existing investor in the company; [Morgan Stanley](#); and the law firm Morrison & Foerster. The deal is expected to close next month.



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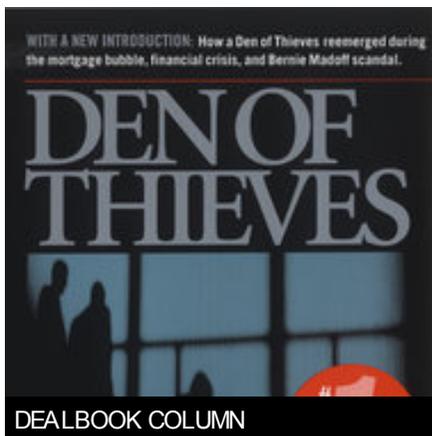
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