

Box.net Raises \$81 Million Expansion Round

By Pui-Wing Tam

On the heels of raising a \$48 million Series D financing in February, enterprise application maker Box.net has closed an \$81 million expansion round of capital.

Aaron Levie, the 26-year-old CEO of Box.net, said the expansion round brings in strategic partners like Salesforce.com and SAP Ventures, as well as venture-capital firms such as New Enterprise Associates and Bessemer Venture Partners, along with former investors including Andreessen Horowitz. In total, Box.net has now raised \$162 million.



Box.net CEO Aaron Levie

Box.net, founded in 2005, gives businesses a secure way to share content online and on mobile devices.

Levie said the Palo Alto, Calif., company decided to raise new capital so soon after its February financing because the business did better than expected in the first half of the year. With so much change in the cloud computing and enterprise tech space, “we wanted to capitalize on the size and scale of the opportunity,” he said.

With the new round, Levie said the money will go towards initiatives like the Box Innovation Network, essentially a move by the start-up to bring in partners to build out a platform whereby people can build applications for enterprise. The platform effort launches next month, he said.

In addition, Box.net plans to ramp up its hiring. While Levie said he expected the company to end up with 250 employees by year end, up from 120 at the beginning of the year, he now expects the firm to have around 320 to 340 employees by year end.