

Uber joins scooter wars with Lime investment

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A Lime electric scooter is seen in Paris, one of 70 cities in the US and Europe where the California startup has operations

Uber made a move into electric scooters Monday, as the ride-service giant agreed to a strategic partnership with Lime, one of the major players in the fast-growing segment.

Lime announced the new \$335 million investment to be led by GV—formerly Google Ventures—with additional funding from Google parent Alphabet and others including Uber.

Uber will make "a sizable investment," according to Lime co-founder and chief executive Toby Sun, and will enter into a partnership allowing users to rent scooters directly from the Uber app.

"The new funds will give us the ability to expand our operations globally, develop new technologies and products for consumers and build out our infrastructure and team," Sun said in a blog post.

"Uber will work with us as a strategic partner in the electric [scooter](#) space to offer people a greater variety of transportation modes at their fingertips and make it increasingly easy to live without a car."

Sun said the agreement will allow for co-branded scooters which will be available in the Uber app.

Uber recently acquired the electric bike startup Jump and allowed users to choose two-wheelers as it moves to expand its role in transport beyond ride-hailing.

Its rival Lyft, meanwhile, acquired the bike-sharing group Motivate as part of a similar strategy.

Lime offers electric scooters in about 70 cities in the US and Europe, with a launch last month in Paris.

Scooter sharing has been gaining traction for short-distance transport in cities. Proponents claim the electric two-wheelers can be an alternative to the automobile.

The trend has led to a frenzy of investment in scooter startups, with Lime and Bird reportedly reaching valuations of more than \$1 billion.

The new Lime investors include IVP, Atomico and Fidelity Management and Research Company, joining existing investors Andreessen Horowitz, Coatue, Fifth Wall and the Singapore sovereign wealth fund GIC.

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