

# BUSINESS INSIDER

*September 20, 2022*

**Leonardo DiCaprio's Regeneration VC joined on-site rental startup Tulu's \$25 million Series A after seeing this 12-slide pitch deck**



Tulu cofounders Yishai Lehavi and Yael Shemer. Tulu

- **Tulu puts kiosks of household goods like blenders and drills in residential buildings and offices.**
- **The US startup hopes people will rent items instead of buying them – shifting to a circular economy.**
- **Check out the 12-slide pitch deck it used to secure funding from Leonard DiCaprio's Regeneration VC.**

A startup banking on a consumer shift from ownership to rental has just topped up its Series A to \$25 million, with new backing from Leonard DiCaprio-funded firm Regeneration VC.

New York-based Tulu operates kiosks inside apartment blocks and student halls that allow residents to rent products like vacuum cleaners, printers, and VR headsets instead of owning them.

The company was founded in 2019 by Yael Shemer and Yishai Lehavi. The pair, who met on an accelerator at MIT, are set on making the circular economy more convenient by bringing appliances, tools, and e-scooters to the doors of consumers.

"We believe that there's a smarter way of consumption," Shemer told Insider.

"We don't think that in today's economy every single apartment needs to own all of the stuff that is barely used. On the building side, we're starting to centralize the demands for the basic needs of people. You need to clean, you need to cook, you need to host; what are the items that you need for that?"

Shemer said the next generation of consumers were moving from apartment to apartment and that they had limited space. "They just want to have access to things rather than to own them," she added.

Residents can use the Tulu app to hire a product instantly or book in advance of needing it. Kiosks are on-site at residential buildings and offices.

The cofounders see Tulu as infrastructure for the circular economy. "If you don't put a recycling can right next to the building, you won't expect them to recycle," Lehavi said. "We actually create infrastructure for this shift in mindset – so people can really consume differently, not just talk about it."

Product usage is tracked and insights are given to brands so they understand who is using items, what time of the day, and for how long. Tulu said it does not give away customer data, and that all product usage data is aggregated and anonymized.

This is one of the company's revenue streams, while property owners pay to have the kiosk on-site. Residents also pay to use the service, but it is "very affordable," Shemer said.

Tulu kiosks are in 19 cities in the US, UK, the Netherlands, Germany, Spain, and Israel, the company said.

While residents are expected to return items in a good and clean condition, building landlords take on maintenance of the kiosks and Tulu sends someone to deep clean items every two weeks.

The cash injection, adding \$5 million to a previously-announced \$20 million Series A, brings the company's total raised to \$30 million.

It will be used to grow the team from 30 to up to 50 by the end of the year. Funds will also be used to make its operations more environmentally friendly, such as how it ships the kiosks.

The company was not actually seeking further investment, Lehavi said, but didn't want to pass on the chance to work with Regeneration VC.

He added that he was impressed with the firm's due diligence, which took a holistic look at Tulu's environmental credentials, including an elevator's energy use when a user heads to the kiosk to rent an item.