

## VENTUREWIRE

### LightSail Gathers \$11M to Help K-12 Students Master Reading

Lora Kolodny

March 04, 2016

**Intuit** founder Scott Cook and Amazon Chief Executive Jeff Bezos are among the investors in an \$11 million Series B round of venture funding for education-technology startup LightSail Inc. also known as LightSail Education.

LightSail's app is a kind of digital library that lets teachers assign reading. Students check out books and then the app measures their mastery of reading along the way.

Stories in the app are interactive and encompass fiction, nonfiction and news. LightSail quizzes users as they progress through reading materials, and determines a reader's areas for improvement, strengths and interests. The app also recommends new reading material to students, and measure the amount of time they spend reading each day.

Educators can get granular reports about students' literacy progress individually and collectively.

Schools or districts pay \$10 per student a year to use LightSail. The basic package gives them access to 1,000 different titles through the app, but they can pay to put more books into their digital library.

LightSail makes revenue from sales of its software-as-a-service, but also generates revenue for itself and publisher partners whose books are on its platform.

"We built this adaptive, instructional technology to accelerate students' literacy. But we also want to get students to read for fun again," said Gideon Stein, LightSail's founder and CEO. "Kids should be able to read anything they want."

Currently LightSail works on iOS, Android and Chrome devices.

Given the new funding, LightSail plans to ramp up sales and marketing to school districts, inside and outside of the U.S., and release a browser-based version of its app so that no matter what device students have access to, including old PCs and laptops, they can access recommended reading materials.

The New York company also plans to expand from 35 full-time employees to about 60 during the next year.

Mr. Cook and his wife, Signe Ostby, led the Series B investment in LightSail through their foundation, Valhalla Charitable Trust, which focuses on making a positive social impact through education and technology.

They were joined by the Bezos Family Foundation and other family offices and angel investors who preferred to remain unnamed.

"LightSail, and really everyone in edtech, should be running rapid experiments where they measure results and figure out what greater impact they can get from different variations." Mr. Cook said

Agile development, common in software companies, hasn't extended to education in the U.S., he said.

The new funding round for LightSail brings the company's total venture capital raised to \$23 million. LightSail also won \$600,000 in different, nondilutive grants and cash prizes before raising venture capital, including \$500,000 from the **Bil and Melinda Gates Foundation**.

Competitors to LightSail include **Renaissance Learning Inc.** and Curriculet among other venture-backed startups getting into the edtech game.

In 2015, education tech companies in the U.S. chalked up \$1.42 billion in venture capital funding, according to industry tracker **Dow Jones** VentureSource. That is a 69.9% increase from the \$836.4 million dispensed to the sector in 2014

and largest amount invested since the dot-com peak in 2000.  
**<http://lightsailed.com/>**

Write to Lora Kolodny at [lora.kolodny@wsj.com](mailto:lora.kolodny@wsj.com). Follow her on **Twitter** at [@lorakolodny](https://twitter.com/lorakolodny)

Document DJFVW00120160304ec34amied