The Moscow Times
30 YEARS
INDEPENDENT NEWS FROM RUSSIA

Russian Food Tech Startup Scoops $46M For U.S. Launch

Samokat will launch in New York over the summer — the latest Russian tech company with eyes on lucrative Western markets.

By Adrien Henni

June 29, 2021

Samokat has expanded rapidly across Russia over the last two years. **Andrei Lyubimov / RBC / TASS**

A group of Russian entrepreneurs have raised $46 million to launch a food delivery service in the U.S.

Named "Buyk," the service will be a U.S. version of Samokat, a successful startup born in St. Petersburg and last year acquired by Mail.Ru Group and Sber.

Buyk is the brainchild of Samokat co-founders Vyacheslav Bocharov and Rodion Shishkov, along with Sergey Sulgin, the general manager of Arrival, a Russian-founded British electric vehicle maker. The new company will leverage the technology developed by Samokat in

Russia, and receive support from Sber, Bloomberg reported.

Buyk is already hiring around 100 people to manage operations and another 500 couriers for the launch.

The investor pool includes three venture capital funds and firms with Russian roots — Fort Ross, which is also backed by Sber, Citius and CM Ventures — as well as unnamed "international business business angels."

Related article: Russian Food Tech Firms Look to Conquer U.S.

The service is set to launch in New York in August under current plans and aims to reach 10,000 monthly orders by late 2021. Buyk says it already has agreements in place with dark stores — mini distribution centers located in residential areas.

Buyk will be up against a plethora of food delivery services already operating in New York, including initiatives backed by the likes of Amazon and Walmart. But the service still hopes to become a market leader.

There are "no serious players yet" in the specific segment Buyk is targeting, founder Shishkov told Russian business daily Vedomosti.

While the firm has experience scaling projects quickly and entering big cities, experts say higher labor costs are likely to be one of the main challenges to succeeding in the U.S. market.

Original url:
https://www.themoscowtimes.com/2021/06/29/russias-foodtech-startup-scoops-46m-for-us-launch-a74367