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## Amazon primed to hit brakes on \$1.3B Zoox purchase if too many employees bail

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Amazon.com Inc. can reportedly walk away from its planned \$1.3 billion purchase of Zoox Inc. if the robotaxi developer loses too many of its 900 employees before the deal is completed.

The Seattle online retail and cloud giant hopes to head that possibility off with a pool of stock awards to be offered to Zoox workers that's worth at least \$100 million, Reuters reported, citing confidential deal documents it obtained.



TODD JOHNSON | SAN FRANCISCO  
BUSINESS TIMES

FILE -- Inside Zoox's Foster City headquarters.

The price agreed to by Amazon is likely a disappointment to Zoox workers whose dreams of a much bigger jackpot from stock options they owned were fueled by a lofty \$3.2 billion valuation after the company raised its last round of private funding two years ago.

A pair of top engineers — James Philbin and Marc Wimmershoff — left the Foster City-based autonomous vehicle startup to join Alphabet Inc.'s Waymo within days of the Amazon deal's announcement, The Information reported earlier.

Cruise Inc. also tried to poach Zoox workers in early June after word leaked out that the company was seeking a buyer after failing to raise needed capital.

Reuters cited unnamed sources who said that Cruise — the San Francisco autonomous car company backed by General Motors, Honda and SoftBank — also tried to buy Zoox, offering to pay \$1.05 billion. But Zoox had already signed an exclusive deal to negotiate with Amazon and didn't respond to the offer.

The sale came just as Zoox was about to run out of cash, according to Reuters. It said deal documents showed Zoox was going through more than \$30 million a month and projected it would run out of capital by this month. Amazon reportedly had an option to lend Zoox \$30 million when it signed the agreement in June, with an option for more loans to bridge the time until the deal closes.

It further reported that the deal documents talk about two lists of “key employees” at Zoox. Everybody on the first list must take Amazon jobs for the deal to close and at least 19 from the second list must stay.

It also includes three other groups of Zoox employees it plans to offer jobs to, requiring that 90% of the first two and 88% of the third accept jobs to close the deal.

Amazon said when the deal was announced that Zoox will operate as a standalone business within Amazon. Zoox CEO Aicha Evans and co-founding Chief Technology Officer Jesse Levinson will continue to lead the company.

**Cromwell Schubarth**

TechFlash Editor

*Silicon Valley Business Journal*

