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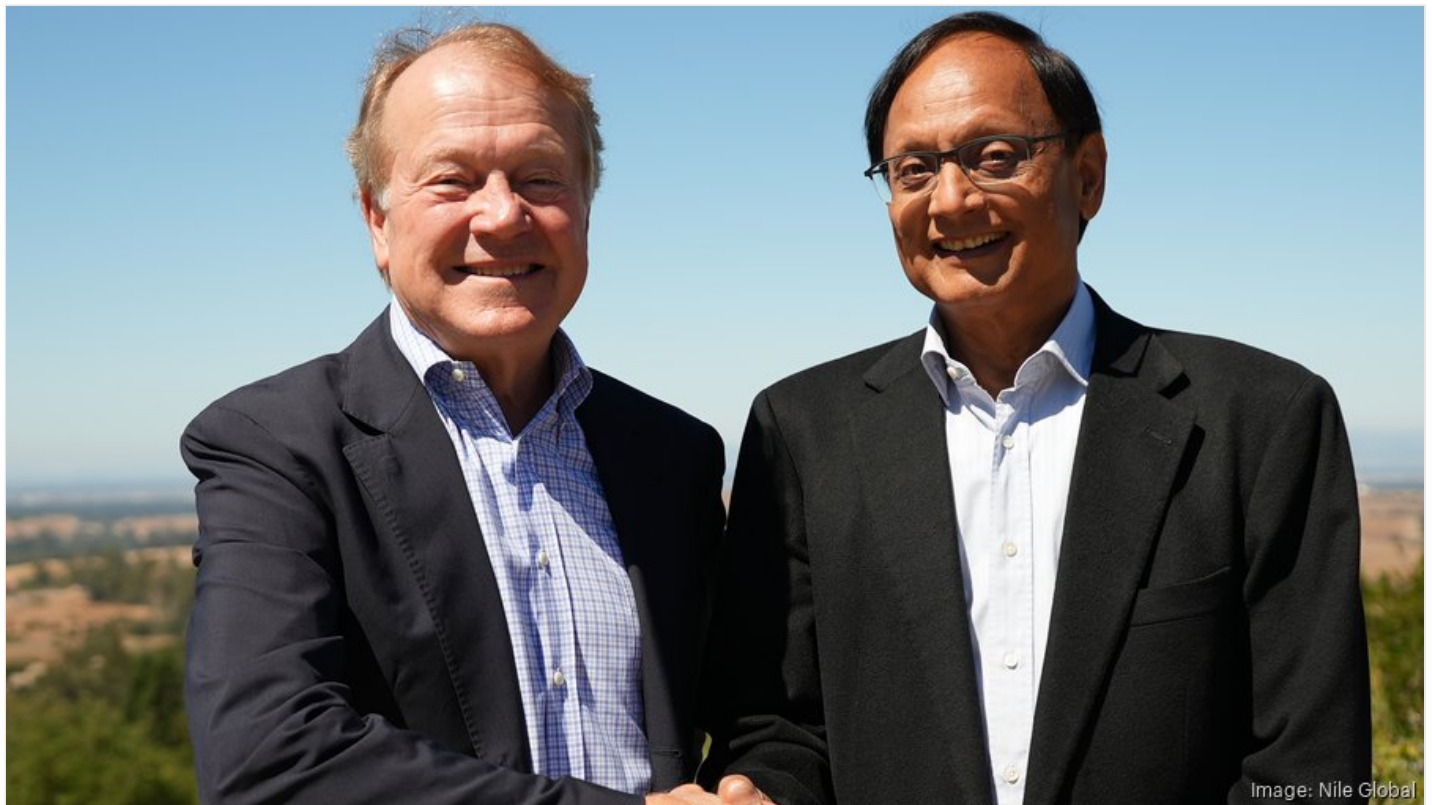
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John Chambers' AI-powered network startup raised a $175M Series C round

Niles Global, founded by Cisco vets John Chambers, left, and Pankaj Patel, raised $175 million in new funding.

NILE GLOBAL

By [Andrew Mendez](#) – Bay Are Inno Reporter, Silicon Valley Business Journal
Aug 1, 2023

John Chambers, it turns out, may have had a good sense of timing when he launched his latest company.

The former Cisco Systems Inc. CEO last September unveiled Nile Global Inc., a networking startup that aims to use artificial intelligence instead of humans to manage data networks. Nile's debut came as venture capitalists were starting to rein in investments but just a few months before OpenAI LLC's launch of the ChatGPT chatbot sparked a frenzy among investors, businesses and the public for all things artificial intelligence.

Nile seems to have benefited from that fervor. The San Jose company announced Tuesday it's raised $175 million in a Series C deal co-led by March Capital and Sanabil Investments in one of the Bay Area's largest venture rounds so far this year.

Artificial intelligence isn't just a buzzword for the company, co-founder Pankaj Patel, another former Cisco executive, told the Business Journal. Nile's service uses machine learning to analyze networking data to identify and solve issues automatically, he said. The company is so confident its system works it offers customers guaranteed uptime, bandwidth and coverage.

"We have created tools to aid in debugging the problem," said Patel, Nile's CEO. "Our approach is: don't have the problem to begin with."

Nile's software is designed to save companies money. Clients can reduce the number of networking professionals they need to manage their networks, Patel said. And Nile helps them manage their spending by offering a "pay-as-you-use" model that it adjusts to fit their needs, depending on their number of employees or the size of their networks.

Patel declined to say how many customers Nile has so far, but among them is Stanford University. The school uses Nile's software to manage basic networking functions, freeing up its IT staff for other tasks, Andrej Krevl, Stanford's IT director, said in a press release.

"After experiencing challenges with unreliable Wi-Fi, which interrupted classes, Zoom meetings, and everyday work for our computer science department, we turned to Nile to upgrade our network with a simplified and secure solution," Krevl in the news release.

Saudi Arabia-based Solutions by STC, Prosperity7, Liberty Global Ventures, 8VC, Geodesic Capital, FirstU Capital and Valor Equity Partners also invested in Nile's new round, which

brought the total amount it's raised to $300 million. Patel declined to disclose the startup's new valuation; its backers last valued it at around $395 million after its Series B round in 2020, according to PitchBook Data.

Nile plans to use its new funds for marketing and to continue to develop its software, said Patel, who founded the company with Chambers in 2018. It also may use some of its new money to add to its current workforce of 185 employees, he said.