

Toolpath Closes \$10M Seed Round to Transform the Machining Business with Applied AI

Atlanta, Georgia - Sept 9, 2024 – Toolpath, a company leveraging AI to optimize the machining business, is excited to announce the successful closure of its \$10 million Seed Round of financing led by Leaders Fund. This funding marks a significant milestone in the company's short history. It enables them to accelerate their technology aimed at addressing the key challenges faced by manufacturers related to analyzing new business opportunities, cost estimating, job planning, and CNC programming (CAM).

The Seed Round attracted a prominent group of investors, including Leaders Fund, Tech Square Ventures, BLH Venture Partners, Carl Bass, John Saunders, and Chris Welch. These investors bring a diverse range of industry and institutional experience and expertise, reflecting strong confidence in Toolpath's innovative approach to creatively solving real-world problems in the machining business.

Toolpath's AI-driven platform is designed to intelligently analyze parts and processes, enabling manufacturers to make informed decisions about which jobs to quote, accurately estimate costs, and efficiently plan machining operations. This approach addresses the critical front-end workflow, from initial job evaluation to the machining plan, including tooling and machining operations. By harnessing Applied AI and their proprietary Part Comprehension Engine, Toolpath empowers professionals at these critical stages of the machining business, enhancing their work rather than replacing it—much like the auto-pilot has supported and reshaped the role of pilots in aviation.

“In a world where capitalizing on the promise of AI is often elusive, Toolpath has shown up with a practical approach to address a much-needed gap in the manufacturing industry,” commented Stephen DeBacco, Managing Partner at Leaders Fund. “Toolpath is demonstrating that manufacturers remain eager to invest in practical solutions that give them a measurable advantage when running their business. By focusing on the workflow side of the equation, Toolpath is helping where it counts.”

Blake Patten, Managing Partner at Tech Square Ventures, states, "We are thrilled to partner with the ToolPath team as they pioneer solutions and help define the future of the machining industry. With AI unlocking a new era of intelligent automation, ToolPath is at the forefront, delivering innovative technologies that enhance and automate design and manufacturing processes and unlock unprecedented levels of efficiency and productivity."

“Within five years, the way machines are programmed will change,” states Carl Bass, Toolpath investor and former CEO of Autodesk. “AI and the team at Toolpath understand this and have the industry relationships needed for success. I believe Toolpath will have a significant impact on the industry.”

“Reducing the time to evaluate a part’s machinability and getting a jump-start on a job by having the Toolpath platform effortlessly and intelligently generating the associated machining plan and

CNC toolpaths will be a huge benefit for manufacturers like SMW, “states John Saunders, Toolpath Investor and President of Sauders Machine Works (SMW). “We believe Toolpath has assembled the right team and technology to lead the fundamental transformation that will happen, thanks largely to AI-driven automation, in the CNC machining world.”

Chris Welch, CEO of Swissomation, states, “Toolpath is addressing one of the most challenging tasks for our company - quoting. This process demands the highest level of machining skill but doesn't directly generate revenue. Pulling a skilled machinist off the floor for quoting is costly and prone to errors from simple oversights. Toolpath helps prevent those oversights and has the potential to free me up to focus on more critical tasks.”

“We are thrilled to have the backing of such experienced investors who believe in our vision of transforming the machining business,” said Al Whatmough, Toolpath CEO. “Our platform streamlines key aspects of the business that have traditionally been time-consuming and complex, allowing professionals to focus on growing their business and delivering value and high-quality results for their customers.”

Looking ahead, Toolpath plans to expand its platform to assist end users, from shop owners and estimators to CNC programmers, helping them operate more efficiently and increase productivity. The next phase of development will prioritize productivity enhancement, ensuring that Toolpath solidifies its status as a leader in innovation within the machining sector.

About Toolpath

Toolpath is an AI-focused start-up focused on new solutions for the manufacturing industry. Our mission is to help manufacturers achieve greater efficiency and profitability through the practical application of artificial intelligence, machine learning, and decades of real-world experience.

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