

The Boston Globe

Cloud storage company Wasabi raises \$112 million

The Boston company specializes in storing data that can be immediately retrieved by customers

By [Hiawatha Bray](#) Globe Staff, Updated April 29, 2021,

Boston-based data storage company [Wasabi Technologies](#) has raised an additional \$112 million in equity funding, as the data storage company scrambles to meet demand for its “hot cloud” storage services. The funding round was led by Fidelity Management & Research Company and follows a debt financing deal in January with MGG Investment Group worth \$27.5 million.

“Demand for Wasabi currently exceeds our ability to deliver,” said David Friend, the company’s co-founder. “That’s why I went out and raised a lot of money.”

Friend and his co-founder, Jeff Flowers, both veterans of the Boston-based consumer cloud backup company [Carbonite](#), launched Wasabi in 2017 to compete with giants such as Amazon in cloud storage of data for large enterprises. Wasabi claims its cloud storage offerings cost as little as one-fifth the price of Amazon storage.

In addition, all Wasabi data is stored “hot,” meaning customers can instantly access it. Amazon, by contrast, offers tiered storage services, where customers pay more for hot storage and less for storage methods that take longer to access, such as on magnetic tape.

According to Friend, Amazon’s approach made sense a decade ago, but he argued that many businesses today need the ability to instantly access all kinds of data — for example, 10-year-old medical records.