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Bird lays off about 30% of workforce amid COVID-19 pandemic – TechCrunch

Megan Rose Dickey@meganrosedickey / 2:26 am CST • March 28, 2020comment Comment

6-7 minutes

[Bird](#) is the latest startup hit by the COVID-19 pandemic. Today, Bird laid off about 30% of its employees amid the uncertainty caused by the coronavirus, TechCrunch has learned. This came out to 406 people laid off out of 1,387 employees prior to the layoffs, Bird confirmed.

“The unprecedented COVID-19 crisis has forced our leadership team and the board of directors to make many extremely difficult and painful decisions relating to some of your teammates,” Bird CEO Travis VanderZanden wrote to staffers in a memo, obtained by TechCrunch, today. “As you know, we’ve had to pause many markets around the world and drastically cut spending. Due to the financial and operational impact of the ongoing COVID-19 crisis, we are saying goodbye to about 30% of our team.”

Bird has confirmed the layoffs and says it is providing four weeks of pay, three months of health coverage* and an extended time frame of 12 months to exercise their stock options. According to a source, Bird’s balance sheet is strong but it needed to reduce burn in order to extend its runway into 2021.

Bird’s layoffs come shortly after news broke that Lime is looking for a funding round that [would cut its valuation from \\$2.4 billion to \\$400 million](#).

Last week [Bird and Lime suspended](#) their respective services in response to the pandemic.

Bird is not the only startup forced to have layoffs amid the crisis. As [The Information reported earlier this week](#), layoffs are accelerating across Silicon Valley. Meanwhile, Lime is [reportedly considering](#) laying off up to 70 people in the San Francisco Bay Area.

Here’s the full memo VanderZanden sent this morning:

We’ve watched the COVID-19 pandemic radically and quickly transform our lives, the world, and our business in less than a month. This once in a decade black swan event presents one of the greatest challenges in history because of the viral impact it has not just on our health, but also on our lives—our families, friends, communities, finances, work, emotions—the list goes on.

The unprecedented COVID-19 crisis has forced our leadership team and the board of directors to make many extremely difficult and painful decisions relating to some of your teammates. As you know, we’ve had to pause many markets around the world and drastically cut spending. Due to the financial and operational impact of the ongoing COVID-19 crisis, we are saying goodbye to about 30% of our team.

In business, I feel like every challenge is surmountable with the right team. And I believe Bird has been building the right team these past few years. Until today, there wasn’t a problem we couldn’t solve together. That’s what makes this such a painful situation. To say goodbye to some of the most incredible, intelligent, scrappy, funny, loving, dedicated members of our Bird Family for reasons totally outside our control, hurts deeply.

I recognize and sympathize that this situation adds to an already difficult time. As you know, we strive to be community-focused at Bird—we always try to care deeply about the people we serve. The impacted individuals are an important part of this community and I hope that our commitment to caring and supporting them during this transition by providing severance pay, extended health insurance, and an extended window to exercise options makes a positive impact during this crisis.

We looked at many different options and scenarios and took as many preventive measures as possible to reduce the impact of the virus. Given the unknown timeline and current economic situation, we were forced to cut back in this way to elongate the trajectory of Bird and our mission. As you know, we just raised hundreds of millions from investors, but given all the uncertainty, we needed to ensure a cash runway to last through the end of 2021.

Moving forward, together

As we all know: yes, the world has changed and continues to change. This will be a difficult season, but we continue to work around the clock to move us forward as a team. As mentioned last week, we're aggressively shoring up resources and protecting our existing assets. We've curbed all spending company-wide that is not directly related to helping us weather this storm together. We appreciate all your help identifying unnecessary spend during this down time.

History also tells us something important: micromobility, especially scooters, will very likely have an important role to play as communities begin to get moving again in the wake of the COVID-19 pandemic.

This is not the first time that a public health crisis has had a direct impact on the micromobility industry. When the SARS outbreak was sweeping through China, e-bike sales surged as riders looked for more personalized alternatives to public transit.

History suggests that people will demand a large scale mobility option that still allows for personal distancing. And Bird will be there, working hand in hand with cities to help communities heal, and help riders regain mobility, in the wake of the most serious global pandemic in recent memory.

I just want to give a heartfelt thank you to everyone who has rallied to keep up with such a rapidly changing situation. We'll try to keep everyone informed as it relates to changing priorities and business impact. We've had successes that allow businesses to persevere in times of uncertainty and, with your trust, patience and determination, we will overcome the challenges we face today as well.

Lean on each other. Over communicate. Support each other. Reach out to your teammates and managers to understand what you can do to keep us moving forward.

**An earlier version of this story said three weeks of health insurance instead of three months. We apologize for the error.*