

NextStep Raises \$3.15 Million to Develop Accelerated Learning Technology Platform Linking Workers in Jobs Disrupted by AI With High Growth Careers in Healthcare

JAZZ Venture Partners, LearnStart, SpringRock Ventures Lead Funding for Pioneer Square Labs Spinout Company

SEATTLE, WA and BOZEMAN, MT, October 18, 2018 -- NextStep Interactive announced today it has raised a \$3.15 million round of seed financing to develop technology and accelerated learning solutions enabling workers whose jobs have been disrupted by AI and automation to develop high-growth careers in healthcare.

“We believe we are tackling the most important problem facing our country over the next dozen years,” said co-founder and CEO Chris Hedrick. “Tens of millions of workers will be displaced by automation, and we need inexpensive, effective online retraining solutions to place them into important new work. NextStep is squarely focused on an end-to-end technology solution to that problem.”

The oversubscribed round was led by JAZZ Venture Partners, with participation from Pioneer Square Labs, Learn Capital’s LearnStart fund, and Springrock Ventures. NextStep is the eighth publicly announced spinout of Seattle-based startup studio Pioneer Square Labs.

“Sourcing sufficient qualified candidates for entry-level positions has become a real pain point for healthcare providers, and will only get worse with aging demographics,” said John Harris, general partner at JAZZ Venture Partners. “NextStep is using cutting-edge technologies to source and retrain this workforce cost-effectively and at scale, realigning those being displaced by AI and automation with meaningful opportunities. Solving this problem at scale—that’s what got us excited about what Chris and his team are building.”

NextStep is led by co-founders Hedrick, former CEO of Intrepid Learning, a venture-backed learning technology and outsourcing company, and healthcare industry veteran Charissa Raynor, former Executive Director of The Benefits Group, where she led the development of the nation’s largest home care training initiative. Before founding NextStep, Hedrick, a Rhodes Scholar, served as CEO of Kepler, an innovative online/offline university program in Rwanda. He was also the first employee of the Gates Library Foundation, the precursor organization of the Bill and Melinda Gates Foundation.

“This is my second rodeo with Chris,” said Greg Gottesman, co-founder and Managing Director of Pioneer Square Labs and former board member of Intrepid, Hedrick’s learning technology company. “Chris has spent the last 30 years in education, training and technology, all leading up to this opportunity. Retraining and then redeploying millions of workers into better jobs is a Herculean task, and I cannot imagine anyone better to take it on than Chris.”

NextStep’s technology platform recruits, trains and places workers for high growth entry-level healthcare jobs, such as community health worker, home health aide and medical assistant.

“The numbers are daunting when you consider what automation means for so many workers,” said Raynor. “The good news is that the new jobs are there, specifically in health care. We have to make retraining accessible and affordable to transition these workers. If we execute well, NextStep can be an answer for a lot of people.”

Six out of 10 of the fastest growing jobs in the United States are in the healthcare industry, according to the Bureau of Labor Statistics. A recent McKinsey report stated that up to 30% of American workers will have their jobs disrupted over the next dozen years.

About NextStep Interactive

NextStep Interactive is creating next-generation technology and learning solutions to meet the needs of the healthcare industry. NextStep has operations in Seattle, WA and Bozeman, MT. For more information, visit www.nextstep.careers.

About JAZZ Venture Partners

JAZZ Venture Partners invests in companies that extend the boundaries of human performance — improving how we live, learn, work, play, and experience the world. JAZZ seeks breakthroughs at the intersection of cutting-edge neuroscience and digital technology that are increasingly influencing the human experience, such as augmented reality, immersive gaming, artificial intelligence, and closed-loop human-computer systems. JAZZ portfolio companies are unlocking human potential in broad markets, including health, mind-body wellness, accelerated learning, training, sports, entertainment, and the enterprise. For more information, visit www.jazzvp.com.

About Pioneer Square Labs

Pioneer Square Labs is a Seattle-based startup studio and venture firm that creates, launches, and finances technology startups. For more information, visit www.psl.com.

About LearnStart

LearnStart is the dedicated seed fund of LearnCapital, one of the world's largest venture capital firms concentrating exclusively on the global education technology sector. LearnStart is creating the largest, most detailed pipeline of global education technology startups. Based in Silicon Valley, Learn Capital and LearnStart invest in innovative learning content, platforms and services engaged in the global transformation of educational engagement, access and effectiveness in formalized schooling, corporate and consumer settings. For more information, visit www.learncapital.com.

About SpringRock Ventures

SpringRock Ventures focuses on investing in the next cycle of healthcare innovation. Based in Seattle, SpringRock funds entrepreneurial teams that are solving important problems in disruptive ways. For more information, visit www.springrockventures.com.