

## **DRONEDEK – The Next Generation Smart Mailbox, Consolidating All Delivery to One Secure Point**



**Dan O'Toole**  
Founder and CEO

### **DRONEDEK**

**Interview conducted by:**  
**Lynn Fosse, Senior Editor**  
**CEOCFO Magazine**

**CEOCFO: *Mr. O'Toole, what is Dronedek?***

**Mr. O'Toole:** Dronedek is the next generation smart mailbox, consolidating all delivery to one secure point to include autonomous, unmanned, driverless vehicle delivery, robotic delivery, aerial drone delivery, as well as conventional and U.S. Postal delivery.

**CEOCFO: *Why are you confident people need and want all of these services?***

**Mr. O'Toole:** People want things better, faster, cheaper and fresher, and the only way you can do that is through autonomous delivery. When you add the element of autonomous delivery, the notion of dropping things on the ground is

a non-starter. Back in 1858, they were dropping parcels and letters on the ground, and those items were run over with horses and buggies, and damaged by the weather, animals and theft.

Today, you've got high-value items, food, beverages, pharmaceutical products, cannabis – all of those things. Just as items from the 1800s shouldn't have just been left on the ground, you really shouldn't do that today. Dronedek conveniently closes the loop on those deliveries in a secure way. We are completing the last inch of the last mile.

**CEOCFO: *What are you able to do today?***

**Mr. O'Toole:** Right now, we are piloting Dronedek units in the field on specific use cases. That includes the U.S. Postal Service, medical and pharmaceutical delivery, as well as food delivery. We are learning from each of those cases and putting what we learn into our engineering.

**CEOCFO: *What have you learned as you are working in different arenas. What has changed since you have been testing, or as you continue to do testing?***

**Mr. O'Toole:** We are always raising the bar. One example of that is the aesthetics of a Dronedek unit. We have refined it, making it smaller, more modern and sleek. We have changed the door operation from a sliding top door to a pop-up door, like a Jack-in-the-box. We are looking at ergonomics, engineering development, longevity, maintenance issues, and aesthetics. We are addressing all of those things with every use case. We are adding what we learned to make our next units better. We have new, gen 3 units in production right now and expect to take delivery of them at the beginning of the year. We are excited to see how they perform in the field.

**CEOCFO: *Would something like food delivery be near the front door of the hoU.S.e? Would it be at the street level? It is nice to have someone ring your bell and they are outside your door, but that may not be the best way. What have you tried?***

**Mr. O'Toole:** The cool thing about Dronedek is that we have very robust and comprehensive intellectual property. That means Dronedek can adapt to multiple situations. For instance, it could be installed on a balcony on a high-rise building, 24 floors up, so you can get pizza delivery from your balcony. It could be installed on a tank in the middle of a war. It could be on a camper or boat, or a commercial vehicle. It could be in a roof hatch on a building, a commercial building or residence. It could be in your back yard, in could be in a vault in the ground that raises and lowers. Those are all configurations that are protected with the Dronedek intellectual property. Having said that, the greatest utility that you will get right now, with a Dronedek, is street-side.



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We have trademarked the phrase, "We are kicking the mailbox to the curb." If you put your Dronedek street-side, you get the advantage of a conventional delivery. Amazon, the postal service, any of those guys are able to access it, any kind of delivery guys, robotic delivery, unmanned driverless vehicle delivery, as well as aerial drone. If you just want to capture the aerial drone part, you can put that anywhere and a drone can come in your backyard, up on the rooftop, or a balcony or whatever. However, if you are consolidating all of those delivery modes to one place, then obviously, street-side is where you are going to get the most benefit.

**"We know that we have to be platform agnostic, which means welcoming to all shippers and deliverers, to deliver great value to the user, whether it is a commercial business or a residential home. Therefore, it is important that we really bring everyone on. We have no competition." Dan O'Toole**

**CEOCFO: *How does a delivery person get into the mailbox? How is it protected?***

**Mr. O'Toole:** We have several ways to protect the mailbox. It could be biometrics. It could be a keypad, it could be a one-time code that is sent to you on your cell phone, it could be a barcode. We have several different redundant ways to get into your Dronedek that allow, not only access by you, the subscriber, but say your neighbor's Dronedek was over-filled or out-of-service. We have a reciprocal program. Your neighbor could have his items deposited into your Dronedek, and then he could retrieve them with a one-time code. We want to make it really accessible. DoorDash, Uber Eats, or any of these guys, would access the mailbox via app. When they pull up, they would just show their phone to the Dronedek, and it would allow access if the subscriber has placed an order.

**CEOCFO: *Who would install the Dronedek, or is that something that would come later on, when you are finished with doing all of your pilots? What is the plan?***

**Mr. O'Toole:** We will be doing that in the future, but we are envisioning saturated settings. Therefore, we would roll out in ZIP codes, much like a cable or a satellite kind of installation, where you target neighborhoods or municipalities or ZIP codes. Our team could set up every house in the neighborhood.

**CEO CFO: A Grand masterplan!**

**Mr. O'Toole:** Yes. That is how you get the economy of scale. Dronedek, or any kind of autonomous delivery, frankly, relies on saturation. You lose efficiency if you are delivering to locations 30 or 50 miles apart. You are not getting the economy of scale that you really need to make deliveries a viable endeavor. Therefore, we want to saturate areas, and then we want to pull all of the shippers and deliverers onto our platform, because everyone in that area will be saying, "This is how we want this delivered." There is nothing more compelling to a retailer than customers who tell the retailer how they want something to be done.



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**CEO CFO: Your recent press release is about adding a ninth organization to your network. Would you tell U.S. about the network, who you are partnering with, and how it works?**

**Mr. O'Toole:** The press release you saw today was about A2Z Drone Delivery. They are actually a drone company. We know that we have to be platform agnostic, which means welcoming to all shippers and deliverers, to deliver great value to the user, whether it is a commercial business or a residential home. Therefore, it is important that we really bring everyone on. We have no competition, just users.

We want everyone on the Dronedek platform. We give our API to anyone who wants to be on it. That lets the user have the benefit of being able to access delivery of food, beverage, services, Amazon products or what have you, through their app to their Dronedek. In a perfect world, and hopefully, in the not-too-distant future, you are going to see more and more drone delivery. Robotic deliveries are already happening. Drone deliveries are happening on the piloted programs throughout the country right now, and throughout the world.

We are looking to work with the biggest companies in the world, Amazon, UPS, FedEx, CVS, the pizza deliverers, Walmart, everybody. That is where we see this going. We look at ourselves as the gateway to every home and business in the world. We see that little piece of real estate a Dronedek sits on as where every delivery will either start or end.

**CEO CFO: What about your 911 emergency alert system? Would you tell U.S. about that?**

**Mr. O'Toole:** Absolutely! If you are at a location where your Dronedek is, and you have an emergency, you hit the 911 icon on your app, and it says "Police, Fire, Ambulance." You select the service you need. Say you need an ambulance. You press the ambulance icon, and it sends an automated dispatch, telling the ambulance provider where you are located. At that same moment, the Dronedek in front of the building or house will start strobing red and white lights.

First responders are moving out immediately, and when they get into your area they can readily identify where you are, come in, and hopefully save you. We also have police and fire. If you have a police action you need help with, the lights would be red and blue.

There's good reason for the distinction. Let's say you have neighbors who see you are in distress because your Dronedek is flashing. They may burst into your home to help you, thinking you're having a medical emergency. But what if you are experiencing a home invasion? You don't want to put your neighbors – or anyone – in jeopardy. So we make the distinction with the light colors, and we'll make each meaning clear to subscribers.

**CEO CFO: *What about the physical security of the Dronedek in today's world, where people grab other people's packages?***

**Mr. O'Toole:** It is a totally secure unit. It is hard wired, electrically. It is mounted to concrete and the unit itself is pretty heavy. It's really hard to steal. If someone succeeds at that, each unit will have an embedded GPS chip in it, so we can track them. To your point about theft and things like that, there are about 1.7 million packages stolen annually, just here in the U.S. We can secure those packages after they are delivered, keep them safe and notify you when they arrive. That's how you disrupt the fact that 1.7 million packages are stolen every year. That is a huge cost that everyone bears every single day.

When you add in the mis-shipped items, the loss is nearly as significant as stolen packages. Collectively, through theft and mis-shipped items, you are talking literally billions of dollars that are costing the shipping economy every day. It's so common that people generally take it for granted. "Oh, I got something lost, I will just call Amazon to replace it." I can tell you that there is a line item on the budget that is built into everything that every one of us buys every day, to pay for those things. That is one of the big disruptive savings that Dronedek is going to be able to deliver to the shipping economy. We are going to be able to safeguard things from being stolen, and we will be able to stop packages from being delivered to the wrong addresses.

**CEO CFO: *Are you surprised at how far Dronedek has come thus far? What are you seeing from your expectations and from outside events, of course, that have really affected development?***

**Mr. O'Toole:** That is a good question. Sometimes I pinch myself, because it is an idea that I had back in 2014, and everybody thought I was crazy. I came up with the phrase, "If you have an early idea and people do not think you are crazy, you are too late," so I have kind of reconciled and dealt with that. But my belief – that no wholesale autonomous delivery will happen without a Dronedek in the ecosystem – is validated every day. I think the notion of dropping prescription drugs, cannabis, food, beverage, pharmaceuticals – things that we lose the chain of custody of when they are left on the ground – is a nonstarter. We shouldn't have to hope our packages aren't tampered with, or that they aren't stolen or damaged between the time they were delivered and the time when we can pick them up. We are a very spoiled consumer. We expect things better, faster, cheaper, fresher: But we want to know that they are safe as well. Dronedek checks all of those boxes.

Since 2014, I believed that a Dronedek is a necessary part of the delivery ecosystem, but I can tell you, the market did not believe it. They pushed back quite a bit. It takes a lot of work and engineering to create a secure mailbox vs. just dropping a package on the ground. Initially, nobody really wanted to deal with the cost of a secure mailbox. But now, the market is now saying, "Hey, you are going to have to deal with it." I know that Amazon recently completed a 3<sup>rd</sup> party study in the market, and the market told them, on no uncertain terms, that there would be no wholesale autonomous delivery without a Dronedek-type unit in the ecosystem. To hear them say that was quite validating to me. It was probably one of the biggest "pinch me" moments that I have ever had.

When the market starts turning to the position you have always had, it adds a lot of value and validity to what you have been doing. It tells everyone on the Dronedek team that we are definitely on the right path. As far as being where we are, I think we are right where we want to be with that great product innovation happening. The market is not happening around us, yet we are right in line with it. I think when the industry greenlights this concept, Dronedek will be ready to roll out in a significant way, and really deliver on the promise of what is the biggest market opportunity in the world today.

**CEO CFO: *With so many possibilities, how do you decide where to focus?***

**Mr. O'Toole:** No matter what you do as an entrepreneur, you are going to be pulled in 20 or more directions because even if you drop a few, others will come up. So, you are always going to be juggling. However, I would say that having a world class team around you to execute every single day, is really the difference and the game changer. Back when I first started, I was a one-man shop, and I was the energy behind everything. If I was not in a meeting, that meeting was not happening. Today, I can tell you, I have a world class team. They are involved in every aspect of operations, whether it is product development, piloting, technical, social, PR, whatever it is. Meetings are happening every day, with or without me.

It is gratifying to see the organization that we have built, and the like-minded enthusiasm that is inherent in everybody who works here at Dronedek, and how we have been able to attract this kind of talent. People who have been with some of the biggest companies in the world – UPS, FedEx, the postal service – see what we are doing here and want to be a part of it. That is a pretty cool feeling!

**CEOCFO: *Was it hard to give up control of everything?***

**Mr. O'Toole:** No. I always say that if you think you know everything, that is when you know you really do not know anything. If your inherent default position is that there are lots of other smart people in the world, then it is easy to give up control. You cannot be an egomaniac. You cannot be the smartest guy in the room every time. You have got to realize your own shortcomings and hire people who complement your strengths and cover your weaknesses. Then, you have to let them take the lead in their areas of strength, so the team has the greatest possible level of expertise across all areas.

**CEOCFO: *According to your site, "Investing in Dronedek now open at Start Engine." What is the plan?***

**Mr. O'Toole:** We have raised around 8 million dollars since 2014. It takes money to run a world class business and to do all of the product development, engineering, and everything we are doing every single day. That doesn't happen for free, so it is important to keep a financial runway in front of you, so you're not out there iterating with one hand tied behind your back. We have money in the bank, but we are always looking ahead. It is important, right now, that we raise capital to keep working to deliver on the promise of Dronedek.

We plan to raise 5 million dollars on the Start Engine crowdfunding campaign platform. It is a crowdfunding campaign. Last year we raised about \$3.5 million on WeFunder, which is a similar platform. We have nearly 5,000 investors to date. We want to take momentum from the last raise, propel it onto this one and deliver more runway for the company, so we won't have to be worried about capital and financing and things like that. We want to have our financing in a good place, where we are delivering on the budget needs of the company.

**CEOCFO: *What, if anything, might a potential customer, partner, or investor, miss or misunderstand about Dronedek, that should be recognized?***

**Mr. O'Toole:** One thing I always say is that we are not the drone, we are the Dronedek, so we are platform agnostic. We welcome all shippers and deliverers. The modes of delivery, whether it is a robot, an unmanned driverless vehicle, an aerial drone or a conventional UPS or mail person, those are the commodity aspects of the last mile delivery. The monopoly part is that one little piece of real estate, where every delivery will start or end, and that is Dronedek.

We control that gateway through our intellectual property. We have 111 patent claims that we have either been awarded or filed for here in the U.S. We just designated the extension of our U.S. patents to 24 of the most industrialized counties in the world through our PCT filings, which is for Paris Compact Treaty, which is how you extend your patents to the world. We are really excited about the opportunity extend our patents. The fact that the opportunity was there for us was amazing, and it just strengthens what we have going here.

Altogether, we have a great foundation with our intellectual property that we are executing with our world class team every day, and I think that Dronedek is that one company that, if you are looking for the best investment available, it is right in front of your face right now. Do not go down the roadway, or say, "I should have done it, or "I did not think about it," or "It did not hit me," or whatever. This is one of those ones where if you do not act on it, it will come back and bite you, and you will regret it later.