

*The
Big Book
Of
Venture Capital*

Q1 EDITION
April 2025

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Other important considerations:

- A conscious effort has been made to source meaningful data from broadest possible sources, though a universal coverage is impossible.
- Data in the VC industry is always lagged.
- Readers should carefully analyse all data and graphs since these are from 3rd party providers. These data and graphs can vary significantly w.r.t their definitions (e.g. Pre-seed can have different definitions for providers), data scope (e.g. Tech M&A numbers from data providers has different values), geographical context, or timeline (e.g. not all graphs represent same timelines).
- Most images/graphs are linked to source articles which readers are strongly encouraged to go read.
- The goal of this deck is to focus on the strategic aspects of venture capital relevant to founders, GPs, and LPs (i.e., valuations, market dynamics, fundraising, portfolio construction, performance, etc.). This alone was a gigantic task. Hence, individual investment areas (ClimateTech, DeepTech, SaaS, HealthTech, etc.) and their dynamics are not covered or covered partially (e.g. AI and SaaS).

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Author's Note

SECTION 1



Ouch..what just happened!

Let's be real—venture and private markets don't exactly move at lightning speed. I know, I know... try telling that to the chronically online crowd worshipping at the altar of daily headlines and LinkedIn hot takes. "So much is happening every day!" they say. Well—*not really*. Most of what's circulating is tactical — advice on fundraising, banter, memes, congratulatory messages, maybe domain specific pieces, debates over topics like TAM, multiples for valuations, etc.

That's the thing about venture—strategic shifts rarely happen overnight. The noise might be constant, but the signal takes time. The trend I unpacked in my recent Crunchbase guest post, 'The Great Venture Talent Flux,' is a prime example.

It's been quietly building over the past two years and is only now emerging in full force. What looks sudden to the headline-chasers is, in reality, a slow-moving but powerful undercurrent reshaping the industry.

So, when I sat down to write this note, I asked myself: what's the one thing I truly wished had changed in Q1 2025 from a strategic asset class perspective? The answer slapped me in the face faster than a canceled/postponed IPO—*Exits*. Everything else? Honestly, it's already in motion. Slowly, yes. But steadily. Fundraising is showing signs of life in the U.S. and Europe. Asia? Not quite there yet. AI fundraising is still the champion, like it was in 2024. Valuations still moved up across stages in Q1. Round sizes are

growing across stages with Seed ballooning. And sure, everyone loves dunking on established managers hogging the LP capital pie, but guess what? That trend won't flip in a quarter. Still waiting on that plot twist.

And that brings us to exits—the one thing still stuck.

After slogging through 2023 and 2024, Exits have become the make-or-break moment for the entire ecosystem—our collective Achilles' heel. Read in-depth coverage in 2024 Annual Edition of The Big Book of VC.

Quietly, much of the industry was pinning its hopes on the U.S. elections to bring some clarity in 2024. And at first, there was a glimmer of optimism, a sense that momentum was finally building. But spoiler alert: the plot thickened. Instead of stability, we got something of a rollercoaster these past couple of months. One minute we're toasting massive Wiz acquisition; next, Klarna hits pause on IPO plans right after hyping them up in Q1. Blink, and the narrative flips.

Now, I'm not here to wade into the debate over tariffs or the broader implications for capital markets economics—that's a conversation for another room. My focus is on the tangible impact on venture. For deeper takes on the tariff angle, I'll gladly defer to sources like PitchBook ([link](#))—solid work there—or the flurry of reports from investment banks and consultancies. Everyone's

got something to say on that front right now. But here's what I *am* saying: *Exits* were eagerly anticipated, yet those hopes were quickly tempered. Now, everyone's trying to reassess what's really going on.

So where does that leave us? Uncertainty in the capital markets has become the new normal—at least for the next months. Markets are nervous, jittery, and far from ready to make bold moves. Some are predicting increased capital flow into seed-stage deals, which tend to be more insulated from public market volatility—potentially leading to more competition and inflated valuations at that stage. Others are urging portfolio companies to brace for another cold VC winter year. And some believe exits may not meaningfully return until early 2026.

Still, I'm "positively hopeful"—about what 2025 might hold, especially on the M&A front and for the broader venture ecosystem—"with an undertone of caution." Let's be real: it won't be a joyride. Buckle up. It will be a bumpy road on the venture output side—but maybe, just maybe, that's precisely why this is the year for investors to make their mark on the investment side.

Anyway, here's a look at what played out in Q1 2025—blended with some 2024 year-end data, because, as you know, venture data always comes in with a lag.

Startup Fundraising

Global Momentum Rebounds: Startup fundraising is rebounding, with 2024 showing a 7% uptick over 2023. That momentum accelerated in Q1 2025: CB Insights reported global funding surpassing \$120 billion, largely boosted by OpenAI's massive equity raise. Crunchbase confirms the trend—Q1 2025 funding rose 17% quarter-over-quarter and 54% year-over-year. **U.S. vs. Europe & Asia:** The U.S. continued to dominate in Q1 2025, raising 6.3x more capital than Europe and 8.6x more than Asia. However, in deal count, the lead was narrower—1.6x over Europe and 1.4x over Asia. **Late-Stage Surge in the U.S.:** Late- and growth-stage U.S. funding jumped 43% in Q1 2025, hitting a year-high. North America raised nearly 11x more than Asia, where funding hit a new low. Europe's late-stage activity remained mostly flat.

Deals Down Across the Board: Despite capital growth, deal counts have declined steadily since peaking in Q1 2022. **Seed-to-Series A Bottleneck:** Startups from the 2021–2022 cohorts are advancing more slowly than earlier years—only 36% (2021) and 20% (2022) have reached Series A, versus 51–61% for prior cohorts. **Seed Round Polarization:** Seed funding is skewing larger: since 2022, rounds over \$5M have grown their share of capital, while sub-\$1M rounds—over 40% of deals—account for under 10% of funds raised. In 2024, these small rounds dropped to 60% of their 2021 levels. Meanwhile, \$10M+ rounds surpassed 2021 in both deal count (1.4x) and funding (1.3x).

AI Drives Record Investment: AI startups defied market trends with explosive growth. In Q1 2025, AI/ML deals made up 71% of U.S. VC deal value and 33% in number of deals. Europe trailed at 28% for both metrics. The U.S. alone accounts for 58% of all global AI VC funding, according to Pitchbook. Dealroom data shows U.S. AI startups raised \$80.8B—42% of global VC—followed by Europe (25%) and China (\$7.6B). Global AI venture funding topped \$100B for the first time.

AI Mega-Rounds Dominate: Mega-deals (\$100M+) drove 69% of AI funding in 2024. Thirteen firms secured \$1B+ rounds, mainly for foundational models and infra. OpenAI, xAI, and Anthropic led the charge.

India vs. China: India's startup ecosystem began recovering in 2024 with an 8% funding increase, while China's fell 43% year-over-year. Deal activity declined modestly in India but sharply in China. Foreign investor participation in Chinese VC has also dropped to its lowest in a decade, despite a small 2024 rebound. Meanwhile, India's deal count now stands at 32% of China's total—a 10-year high.

Venture Deal Dynamics

Since 2023, a defining trend in venture markets has been the steady rise in median deal sizes across the U.S. and Europe—a pattern that continues into 2025. This shift reflects a more selective VC environment, where investors are concentrating larger sums into fewer deals as overall deal numbers continue to decline. Rising valuations underscore this trend, reinforcing the emphasis on quality over quantity. Interestingly, Pre-Seed is only stage where

median deal sizes remain closely aligned between the U.S. and Europe. At all other stages—Seed, Early, and Late—the valuation and deal size gap between the two regions has widened considerably. Globally, early-stage deal sizes have surged to record highs. However, mid- and late-stage rounds have yet to return to the lofty levels seen during the 2021 funding boom.

Mega-Rounds and the AI Surge: Mega-rounds—deals of \$100 million or more—have made a strong comeback. Deal volume spiked in Q4 2024 and remained elevated in Q1 2025, matching frenzied activity last observed in early 2022. Much of this resurgence is being driven by AI, with early-stage AI startups leading charge. In Q1 2025 alone, a record eight early-stage AI companies each raised \$100+million rounds—highlighting sector's continued gravitational pull for capital. Fundraising also became concentrated as top 20 VC deals alone accounted for 31% of all funding in 2024.

Reset in Market Expectations: Despite these headline-grabbing deals, the market is still experiencing a valuation reset. Down and flat rounds reached their highest share of U.S. venture activity in over a decade. In Q1 2025, down rounds accounted for 14.7% of all deals—a sign of ongoing recalibration in startup pricing. Even high-profile names haven't been spared. Fintech giant Plaid, for example, saw its valuation slashed by 54% in its 2024 funding round, falling from a 2021 peak of \$13.4 billion.

These mixed signals reflect a bifurcated market: while top-tier startups continue to attract oversized rounds, others are navigating a much more challenging funding landscape.

Valuations, Performance, and Unicorn Trends

Upward momentum in startup valuations that began in 2024 has carried into the first quarter of 2025. Valuations are rising across all stages in the U.S. and Europe, but a significant gap between the two regions remains—U.S. startups continue to command markedly higher valuations in almost all stages.

U.S. and AI Lead the Unicorn Charge: The U.S., bolstered by a thriving AI sector, emerged in 2024 as the world's primary engine for unicorn creation. AI alone accounted for a substantial portion of new billion-dollar startups, cementing its position as the hottest space for venture investment.

A key trend to notice: Unicorns are forming faster than ever. Nearly 50% of companies reaching the \$1 billion mark in 2024 did so within five years of founding, underscoring a shift toward accelerated growth and scaling of AI startups. This marks a sharp rebound from the slowdown seen in 2022 and 2023, particularly at the early stage.

Another 2024 performance trend: Startups that went public in 2024 had a mixed-year performance (end-of-year) on the markets. Of the unicorns that IPOed in 2024, half posted gains while the others ended 2024 in the red. Yet, the upside from the winners outweighed the declines, pointing to selective but potent investor appetite for high-quality tech offerings.

Overall, unicorns continued to gain in aggregate valuations. By the end of 2024, the combined post-money valuation of unicorns reached record highs in both the U.S. and Europe.

Startup Exits: A Mixed Recovery Across Markets

U.S. Leads Global Exit Activity: Venture capital exit values held steady in 2024, with the U.S. strengthening its lead and increasing its share of global exits. Exit values rose 36% in the U.S. and 44% in Europe, though Europe saw a 7% dip in deal count. As Q1 2025 kicked off, the U.S. already reached 35% of its 2024 exit total, while Europe lagged at just 20%, reflecting continued momentum in U.S. markets.

Europe's Unicorns: Signs of Life Amid Heavy Losses: Europe's unicorn exit market began to recover in 2024, with four IPOs or acquisitions—an improvement over 2023's exit landscape, which was dominated by bankruptcies and valuation collapses. Still, just €2.1 billion was recovered from €11.1 billion in peak valuations, highlighting severe value erosion. Companies like Gett and Northvolt underscore the ongoing reset, with up to €100 billion in paper value still at risk.

Global M&A: VC and CVC Deals Drive Growth: Global M&A rose 15% in 2024, but VC and CVC-led activity outperformed with a 30% increase in deal value and a 9% rise in numbers—indicating renewed appetite for strategic acquisitions.

Mega-Deals Make a Comeback: Q1 2025 tied historical highs with 11 startup acquisitions over \$1 billion, matching records from Q1 2000 and Q4 2020. What stands out is the valuation scale—deals like Alphabet's \$32 billion acquisition of Wiz signal a return of high-value transactions.

Public Company M&A: A Tentative Rebound: After a decade-low in 2023, acquisitions by the top 25 public tech firms ticked up slightly in 2024,

though still subdued. Big Tech remains cautious—only 12 deals came from the top 10 firms, down from 55 in 2015. Instead, VC-backed companies have become more active buyers. Salesforce led notable deals, while Alphabet's acquisition of Wiz in early 2025 hints at renewed energy in the space.

Tech Sector Strategic M&A Slumps: Strategic M&A in the tech sector dropped to \$287 billion in 2024—around 40% below the 2015–2022 average—marking the sharpest decline among all sectors.

IPO Pipeline Expands: The number and combined valuation of U.S. VC-backed companies meeting IPO benchmarks reached their highest point since 2018, but public debuts remain muted. Median EV/EBITDA multiples for VC-backed IPOs plunged from 46x in 2023 to 16x in 2024. The share of IPOs with positive EBITDA fell to a 10-year low, showing a shift in the financial profiles of companies going public. Today's IPO-ready startups are typically large-scale, generating \$500M+ in annual revenue, growing 20%+ annually, and nearing or achieving profitability.

IPO Jitters Persist: CoreWeave's 2024 IPO was turbulent, with sharp price swings following a \$1.5B raise in a scaled-down offering. Meanwhile, Klarna and StubHub have paused their IPO plans, reflecting broader market caution as firms reconsider timing amid ongoing volatility.

Venture Capital Fundraising Trends

In the first quarter of 2025, U.S. venture capital fundraising surged ahead of Europe, raising nearly four times as much. This comes on the heels of a challenging 2024 for both regions, which marked a second consecutive year

of declining fund counts raising capital. A key pressure point: limited partners (LPs) are grappling with a record “dry powder.” As of mid-2024, \$677 billion sat undeployed, with over half—53%—locked in vintages aged 3 to 5 years. This is the highest level since the global financial crisis and underscores a disconnect between capital raised during the hyperactive 2021–2022 cycle and today's slower deployment environment. According to a new Venture Capital Journal survey, LP appetite is weakened at the Seed stage, pointing to a cautious stance.

Key highlights from 2024 – **Mega Funds Rebound:** After falling to 32% of total VC fundraising in 2023, mega funds (those with \$1 billion or more) roared back in 2024, capturing 46% of all capital raised. **Regional Contrasts:** While Europe's total fundraising held steady year-over-year, the U.S. saw a 19% decline in capital raised in 2024. The number of new funds took an even sharper hit—dropping 45% in the U.S. and 26% in Europe. Yet, the U.S. still led by a wide margin, raising 3.2 times more than Europe in 2024. **Established Firms Stay on Top:** Experienced fund managers dominated the landscape, accounting for nearly 70% of all VC capital raised in 2024. This continues a longer-term trend, up from 45% back in 2017.

Corporate Venture Capital (CVC) Stays Active: Despite total deal counts falling to their lowest point since 2019, CVCs remained aggressive, participating with over \$107 billion worth of equity deals. AI was a key driver, with the share of CVC-backed AI deals growing from 23% in 2021 to nearly 32% in 2024.

Startup Talent Trends: A Changing Tide

In 2024, over 95K employees at U.S.-based tech companies faced layoffs (much lower than 191K from 2023), a stark reminder that the broader tech industry remains in flux. Also, in the startup-specific ecosystem (based on Carta data), layoffs and voluntary exits have dropped more than 30% year-over-year, signaling a move towards stabilization. Still, these numbers remain higher than in the more bullish days of 2021.

Founders are holding off on making key early hires — whether it's the first, second, or third full-time team member. Why? Part of it may be the AI effect, where founders experiment with leaner teams powered by automation. Another factor is the rise of fractional talent, allowing startups to stay agile without committing to permanent roles too early. In short, startup talent dynamics are evolving. There's less churn than last year, but uncertainty — and a new approach to building teams — still defines the landscape.

Venture Talent Flux:

The industry is amid a profound talent shake-up triggered by the downturn of 2023–24 — a breaking point that hit valuations, deal flow, and careers alike. Frustration, misalignment, and burnout set the stage. Driven by an entrepreneurial mindset, many VCs viewed this phase as the perfect moment to strike out. Whether prompted by the slowdown in deal flow, a pivot of their parent firms toward asset management business model, limited personal

growth, internal frictions, or more profound identity shifts within firms, the motivations—though varied—point to a broader transformation in the industry. The surge of AI has only amplified this momentum, accelerating bold moves toward launching new firms, rejoining other VC firms, transitioning into operational roles, or stepping away from VC entirely. Some firms cut staff, while others quietly recalibrated.

While 2024 didn't bring a full recovery, one shift was unmistakable: talent was on the move. This moment is especially pivotal for junior and mid-level talent. The opportunity grows with partner transitions, opening new lanes, and hiring slowly returning. Career shifts rarely happen on a whim. They brew over time, then break open under pressure or peak optimism. 2023–24 was pressure. 2025 is potential. Nine months are left in the year — enough time to realign, reconnect, and take bold steps. Whether you leap now or lay groundwork for later, the signal is clear: transformation is underway. Venture talent is moving!



Rohit Yadav

Author - The Big Book of VC

Thanks

Thanks to TheOnePoint Podcast Guests



Dan Gray

Head of Insights — Equidam
Podcast: Decoding Startup Valuations



Lawrence Lundy-Bryan

Partner, Research — Lunar Ventures
Author: State of the Future
Podcast: VC Research Demystified



Matt Curtolo

Investor, Consultant, and LP
Podcast: Emerging VC Manager
Fundraising Environment



Oliver Kahl

Principal - MIG Capital



Parithi Govindaraju

Founder & Director —
Okulo Aerospace
Podcast: ClimateTech Founder Journey



Ramakrishna Nanjundiah

CEO & Founder — Phantasma Labs



Roxane Sanguinetti

Founding Partner — Alma Angels



Sagar Chandna

Sr. Partner and CTO — RunwayFBU



Santosh Rao

Partner & Head of Research — MVP
Podcast: Decoding Venture Capital
Research



Trine Young

Founder & CEO —
Rodinia Generation
Podcast: ClimateTech Founder Journey



Agata Leliwa Nowicka

Founder — Female Foundry
Podcast: Success Story of Female
Foundry Initiative



Albane Dersy

Co-founder & COO — inbolt
Podcast: Robotics Startups on the Rise



Clare Zhang

Investor — Playfair Capital
Podcast: 'Female Founders Office
Hours' Initiative

Success Story of Female Foundry Initiative with Agata Nowicka ([Link](#))

Agata Nowicka, an investor, exited founder of two tech businesses, and the founder of Female Foundry, joined the podcast to discuss her journey and the startup ecosystem. Female Foundry, now a 7,000-strong network, emerged from her realization that few European VCs had entrepreneurial experience—only 7% compared to 45% in the U.S. Seeing the lack of support for female founders, she began discussions on Clubhouse, which quickly grew, leading to Female Foundry's formal establishment.

Agata discussed the journey of building Female Foundry. She remains optimistic about diversity being essential for innovation and growth, not just a “nice-to-have.” **Currently, Agata focuses on strategic initiatives, including her AI incubator launched in partnership with Google Cloud to support founders using AI to transform industries.** Her goal is not just advocating diversity but ensuring top entrepreneurs get growth opportunities. She also aims to reconnect European founders with U.S. ecosystem for funding and growth.

Agata noted that female founders often struggle with confidence, storytelling, and pitching to investors. She emphasized understanding venture capital, focusing on key value points, and being strategic in networking. **Rather than joining numerous communities, she advised prioritizing quality over quantity.** Agata highlighted that the U.S. has a more agile private sector, while Europe relies on institutional capital, making fundraising harder for

new fund managers. **She hopes all VC funds will integrate diversity rather than relying on tactical-initiatives.**

Agata noted that it is much easier today to build a business now with low-code tools and remote work, but predicting the future is harder. She advised founders to stay focused, be resilient, and leverage tools to build impactful businesses.

“Female Foundry is really a reflection of my experiences as a founder and investor...”

When I moved to the venture capital side, I assumed every investor had some sort of founding experience—obviously, I was wrong...

The first call with an investor isn't about going through your deck—it's about demonstrating the potential of your business, building a relationship and not raising red flags.



Agata Leliwa Nowicka

Founder
Female Foundry

”

Robotics Startups on the Rise with Albane Dersy from inbolt ([Link](#))

In this episode of *The One Point Podcast*, Albane Dersy, co-founder of inbolt, discusses robotics, startups, and deep-tech challenges. inbolt specializes in 3D vision and AI software, enabling industrial robots to adapt in real time. Unlike traditional robotics, which requires costly production line changes, inbolt's technology allows robots to adjust dynamically, making automation more accessible and efficient.

Albane explains inbolt's move to the U.S., driven by customer demand. She highlights how the U.S. is quicker to adopt automation, making it ideal for expansion. She also discusses how AI advancements have improved robot perception and control, driving adoption in both manufacturing and service robotics. AI-driven vision systems are increasing automation flexibility and addressing labor shortages.

Investment in robotics has surged. Albane notes that while warehouse automation once led funding, humanoid robots are now in focus for both industrial and service applications. She attributes this to investors recognizing robotics' potential and becoming more open to risk. Albane shares inbolt's fundraising journey, including a \$15 million Series A round. **She emphasizes proving real customer adoption rather than just showcasing technology. Her advice to founders is to prioritize customer validation, as investors prefer startups with demonstrated market traction.** She also recounts inbolt's pivot from a worker-assistive tool to robotic automation based on customer needs.

Discussing fundraising challenges, Albane stresses refining pitches based on investor feedback and demonstrating scalability in enterprise accounts. She highlights the importance of persistence and leveraging warm introductions to secure funding. While grants in Europe help deep-tech startups, she believes in maintaining a balanced approach to market-driven growth.

Albane advises founders to stay customer-focused. She highlights the value of incubators, networking, and startup competitions for visibility and validation. **She also recommends *Fanatical Prospecting* by Jeb Blount, a book that has influenced her sales strategy and mindset.** Her journey with inbolt is an inspiring example of adaptability, persistence, and a customer-centric approach in building a successful robotics company.

“ *Robotics is not just hardware anymore — it's software and technology...*

We started straight out of university... and realized the real problem wasn't where we thought it was...

The more time you spend with a customer, the more you understand their needs and can categorize use cases.



Albane Dersy
Co-founder & COO
inbolt

”

Discussing 'Female Founders Office Hours' Initiative with Clare Zhang from Playfair Capital ([Link](#))

Clare, an investor at [Playfair Capital](#), discussed the Female Founder Office Hours initiative, launched in 2019 to help female entrepreneurs access funding and networks. Playfair leveraged its investor connections to host office hours instead of creating a fund or accelerator, maximizing industry participation and impact.

The latest edition saw strong participation with 310 founders, 210 investors, and over 1,200 meetings in three hours. Nearly 600 applied, but only those fitting the investment thesis were accepted. Clare highlighted the program's growth as a sign of rising support for female founders and investor engagement. The core of the initiative is about fostering relationships between female founders and investors, enabling them to gain valuable mentorship, refine their pitches, and, in some cases, secure funding.

While the initiative is not exclusively for those currently raising funds, it provides an opportunity for all founders to better understand investor expectations and improve their fundraising strategies. Each founder is guaranteed at least four meetings with investors. Additionally, investors often refer founders to others within their networks, expanding the opportunities available. Clare noted ongoing challenges, particularly investor commitment and last-minute cancellations. To address this, Playfair enforces stricter policies, requiring rescheduled meetings and offering affected founders an alternative with Playfair investors.

Beyond fundraising, Clare noted challenges for diverse founders, including misalignment with investor interests and limited insider knowledge. Initiatives like Women Who Build help by educating future founders. She highlighted that women-led teams achieve three times higher exit valuations, reinforcing the value of programs like Female Founder Office Hours.

“

It is logistically difficult... we don't have an operations team. It's just the investment team who works on this...

We think it's even more valuable that these founders can just directly ask investors questions... it's very not transparent in our industry.

”



[Clare Zhang](#)

Investor
Playfair Capital

Decoding Startup Valuations with Dan Gray from Equidam ([Link](#))

Dan Gray, Head of Insights at [Equidam](#), shared his expertise on startup valuations, introducing Equidam as a platform that enhances transparency and fairness in funding through standardized methodologies. He explained that valuations combine qualitative and quantitative factors, with early-stage startups focusing on team strength and market potential, while later-stage valuations depend on financial performance and exit prospects.

He noted issues in common valuation methods, as investors often overuse revenue multiples, especially at early stages. Equidam instead applies various methods including Scorecard, Checklist, the venture capital method, and discounted cash flow models to more effectively triangulate on a valuation. A key takeaway was the contrast in valuation perspectives between European and U.S. founders. Dan noted that European founders are more conservative in financial projections, leading to lower valuations, while U.S. founders are more optimistic. This extends to investors, with U.S. multi-stage funds offering higher valuations to secure stakes in promising startups.

Dan discussed the challenges of valuation negotiations. Founders must justify their expectations, especially when investors push for lower valuations. He advised understanding industry benchmarks, dilution implications, and engaging multiple investors for a fair outcome. Discussion covered secondary markets, where investors pay premiums for stakes in top-tier startups like OpenAI, SpaceX. Dan noted such deals attract attention but often result in inflated valuations disconnected from fundamentals.

Dan emphasized understanding the differences between valuation, pricing, and investor incentives. Equidam offers a structured valuation approach, but founders must also engage with the market and seek investor feedback. The discussion ended with a book recommendation—*Paper Belt on Fire* by Michael Gibson, showcasing 1517 Fund's unique early-stage investment strategy. This discussion provided valuable insights into evolving landscape of startup valuations, equipping founders and investors with the knowledge to navigate the complex world of venture capital effectively.

“*The more mature a company gets, the more the strength of the team is translated into financial performance...*

Pre-seed valuations are significantly and surprisingly correlated with optimism...

Good investors will be receptive to transparency. They care about the long-term of the company and the founders...

Being a successful founder is about being an exception—you have to embrace that..



Dan Gray
Head of Insights
Equidam

”

Venture Capital Research Demystified with Lawrence Lundy-Bryan from Lunar Ventures ([Link](#))

Lawrence Lundy-Bryan discussed his unconventional path into venture capital, driven by his passion for technology and interdisciplinary research. Starting as a market researcher in telecommunications, he expanded into emerging technologies, identifying trends like NLP, IoT, 3D printing, and Bitcoin. His cross-disciplinary expertise led him to collaborate with Intel Labs on Bitcoin mining strategies, eventually drawing him into crypto and venture capital.

At Lunar Ventures, a €50 million deep-tech fund, Lawrence highlighted research's key role in identifying emerging technologies. Unlike later-stage investors, Lunar focuses on pre-seed innovations like AI accelerators and quantum computing. **He stressed the need for direct engagement with scientists, secondary research, and spotting trends before they reach the market.** Lawrence highlighted Lunar Ventures' deep technical expertise, enabling meaningful engagement with founders of specialized technologies. This sets them apart from generalist funds that lack technical depth. While many claim to invest in deep tech, few have the patience and risk tolerance for long development timelines.

Lawrence distinguished between "data" and "research" in venture capital. While many use AI for public data, true research requires proprietary insights from direct conversations and technical analysis. He stressed that a prepared mind is key to evaluating startups and understanding emerging markets. **Lawrence noted AI's role in due diligence but stressed the importance of human judgment and proprietary data.** While AI

structures information, it can't conduct interviews or challenge real-world assumptions. **Lawrence advised aspiring VC researchers to stay curious, resilient, and unafraid to ask "stupid" questions. He encouraged them to publish online, explore interdisciplinary learning, and embrace discomfort in new fields.** He highlighted innovations like nuclear fusion and brain-computer interfaces, predicting their impact in two decades. He stressed that advances in fusion could reshape global economies and geopolitics. **Lawrence emphasized research as a long-term effort that builds knowledge and strengthens a fund's ability to invest in cutting-edge technology.**

“*If there's a company that's registered or even in stealth, every fund should have access to that. So how can you differentiate if that's a commodity?*

Research is about de-risking some of the claims of the startup from a technical and market perspective...

Cultivate a lack of embarrassment... and write on the internet about stuff you care about.



Lawrence Lundy-Bryan

Partner, Research

Lunar Ventures

Author: [State of the Future](#)

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Emerging VC Manager Fundraising Environment with Matt Curtolo ([Link](#))

In this episode, I speak with Matt Curtolo, an experienced LP and allocator. Matt shares insights from his private markets career, having worked with institutions like MetLife and fintech startup Allocate, and now in his own advisory practice, where he advises GPs on firm building, fund and LP management and all things strategic.

He explains how venture capital has evolved over two decades, with "emerging managers" gaining prominence in the mid-2000s as VC firms spun out of existing brands to form new funds. The definition has evolved, but emerging managers typically run funds under \$150 million with a track record of less than 7-8 years, focusing on pre-seed and seed-stage investments due to lower capital demands. Fundraising has become tougher for emerging managers. In 2024, only 77 funds closed, one of the worst years recorded. **Matt attributes this to LPs' high level of activity in 2019-2021, which limited new investments in recent vintages. Prolonged timeline to exit has caused liquidity issues, while macro uncertainty makes LPs cautious.**

A key challenge is LPs favoring established firms. In 2023, nearly 50% of venture funding went to just nine large firms like Andreessen Horowitz and General Catalyst, concentrating capital among well-known players. For emerging managers, Matt emphasizes the need for a strong, compelling story. **Fund managers must clarify why they are launching a fund and ensure a solid "GP thesis fit"—being the right person with the right**

strategy at the right time. Targeting the right LPs, storytelling, and more nuanced things like offering co-investments or incentives are key to fundraising. Institutions often start with a "no" mindset and need strong justification to make a new commitment. **Smaller funds (<\$50 million) face more hurdles, while those slightly larger (\$50-100 million) may attract more LP interest.**

Despite fundraising challenges, Matt sees growing LP optimism. Some sidelined investors are re-engaging, unwilling to miss venture cycles. He predicts LP dollars will flow to small specialized funds or large platforms, leaving mid-sized firms struggling. Matt advises emerging managers to refine their edge, target the right LPs, and remain patient.

“Emerging manager can mean a lot of different things to a lot of different people....”

You don't have to be different, necessarily — you just have to be better...

GP thesis fit — being the right person doing the right thing at the right time.... ”



Matt Curtolo

Investor, Consultant, and LP

Robotics Startups on the Rise with Oliver Kahl from MIG Capital

In this episode, Oliver Kahl from MIG Capital shares expert insights into the robotics sector, especially in manufacturing and industrial contexts. As a physicist turned venture capitalist, Oliver discusses MIG's focus on deep tech, including semiconductors, industrial tech, space, and life sciences. The team's multidisciplinary expertise allows them to deeply evaluate complex startups without depending on external advisors.

Oliver emphasizes widespread impact of robotics, referencing investments in companies like BioNTech—where robotics support lab and production workflows—and industrial startups such as inbolt and Talpa Solutions. **He explains that robotics became a hot topic for investors with the rise of collaborative robots (cobots).** Their appeal lies not in human-robot collaboration but in the simplified deployment, which drastically reduces integration complexity and cost. **He notes that industrial robot deployments have grown from 150K units in 2015 to over 400K today.** This growth is driven by labor shortages, efficiency, and advancements in AI. AI is enabling smarter, more adaptable robots, like inbolt's system, which recognizes parts in real time and adjusts robotic movements accordingly—removing need for complex positioning equipment.

Oliver highlights two booming sectors: intralogistics—driven by e-commerce—and industrial automation. In e-commerce, demand for faster, cheaper fulfillment solutions is spurring innovation in mobile robots and tools that assist human workers. In industrial settings, AI is helping robots perform

previously complex tasks, bringing automation closer to human-like flexibility. While humanoid robots are gaining attention, Oliver is skeptical about short-term viability, citing technical challenges in power efficiency and coordination. **Instead, he sees near-potential in cobots, thanks to improved sensors and AI that allow for safer, efficient human-robot interactions.**

On fundraising, Oliver stresses scalability and exit potential as key early-stage considerations. As talks progress, strength and adaptability of the founding team become critical. **He advises founders—especially from academia—not to overwhelm investors with technical detail in pitch decks.** Instead, they should focus on clearly articulating the value proposition and business model. Overall, Oliver paints a realistic picture of the robotics landscape, emphasizing the importance of strategic focus, team strength, and the growing role of AI in driving the next wave of industrial automation.

“*DeepTech early-stage funding in Europe has developed well, but the real issue is at the Series B and beyond stages... Public funding programs like EIC and EIB help, but they often require private counterparts, which are hard to find in DeepTech.*”



Oliver Kahl
Principal
MIG Capital

ClimateTech Founder Journey in India with Parithi Govindaraju from Okulo Aerospace ([Link](#))

Dr. Parithi Govindaraju, CEO of Okulo Aerospace, shared insights on his climate tech journey and fundraising. Okulo's mission is to develop long-endurance aerial platforms for enterprise and defense monitoring. Their drones, capable of flying up to eight hours, outperform existing solutions and are valuable for monitoring in remote regions like Arctic and Antarctic.

Parithi outlined Okulo's vision to revolutionize aerial data collection, enabling better decision-making for climate change and other applications. Okulo targets climate-focused industries while expanding into oil spill detection, defense surveillance, and solar park monitoring. Initially focused on India, it plans to enter the Middle East before North America. **Parithi highlighted India's climate tech growth, driven by climate vulnerability and policy support. However, late-stage funding remains a challenge despite rising venture capital interest.**

A key focus was Okulo's fundraising journey. Parithi initially assumed a great idea would attract investors but soon realized deep tech requires tangible progress. Okulo secured \$160,000 in government grants to develop a prototype, attracting venture capital. By May 2023, it raised \$1 million in pre-seed funding from investors like Ideaspring Capital and Java Capital.

Parithi highlighted funding challenges, including investor hesitance due to long deep-tech development cycles. He stressed aligning with the right investors and the rigorous fundraising process, often requiring 30-40

meetings. Okulo's pitch deck saw nearly 100 revisions based on feedback. Beyond fundraising, he emphasized resilience, hiring for cultural fit over talent, and strong financial governance, as investors closely assess financial management.

Parithi credited his support system for helping him navigate the emotional challenges of startup life. He also introduced the "adjacent possible" concept—how small advances lead to major breakthroughs. His journey highlights the resilience, strategy, and adaptability needed to build a deep-tech climate startup in India's evolving market.

“Every meeting is a step towards possibly convincing the investor. You just need one ‘yes’ to start with...”

In early stages, prioritize fit over talent. Character and shared values matter more than pure skills...

The concept of the 'adjacent possible' — you only unlock bigger innovation by taking small steps first...



Parithi Govindaraju
Founder and Director
Okulo Aerospace

”

AI in IndustrialTech Startups with Ramakrishna Nanjundaiah from Phantasma Labs

In this episode of TheOnePoint podcast, Ramakrishna (Rama) Nanjundaiah, founder and CEO of Phantasma Labs, shares his journey as a technical founder building an AI-driven industrial startup. Phantasma Labs, based in Berlin, helps factories improve efficiency through simulation-based AI models, allowing them to skip long data collection phases and achieve ROI within six months—regardless of their digital maturity.

Rama's vision stems from his upbringing in Bangalore and academic training at TU Munich and the Leibniz Supercomputing Center. **His goal is to bring advanced technologies to traditional industries, which have historically lacked access to such innovations.** He sees now as the ideal time to close this gap. Discussing the European industrial tech landscape, Rama identifies four major trends: better resource utilization, labor shortages, increased market volatility due to geopolitical shifts, and the need for improved forecasting. Despite rising interest, he notes that adoption of AI and robotics remains low—only about 10% of factories are truly ready—mainly due to infrastructure and technical limitations, especially among German SMEs.

Beyond his own work, Rama points to GenTech AI (automating manufacturing from CAD design) and Agentic AI (autonomous factory agents making real-time decisions) as key future trends. While interest is high, true implementation remains a challenge. On fundraising, Rama shares the hurdles of building credibility as an immigrant founder without existing networks. Phantasma Labs raised a mid-seven-figure amount from global

investors, with a key turning point being a six-figure contract with Audi. Programs like Entrepreneur First and corporate accelerators were crucial in gaining traction. Early rejections were often due to product immaturity, founder inexperience, or misalignment with investor theses.

Rama emphasizes treating fundraising as a long-term relationship, not just a transaction. Regular investor updates and mentorship—particularly in sales—were critical. He also reflects on the pros and cons of government grants, highlighting their value but also their delays.

Personally, Rama speaks to the emotional highs and lows of startup life, stressing the importance of meditation, founder peer support, and coaching. He leaves the audience with two insights: the Japanese concept of “Danshari” (letting go of one unneeded thing daily) and the observer effect from quantum physics—highlighting how awareness can drive meaningful change.

“*Fundraising was by far one of the hardest things I’ve ever done in the company-building process... You need a champion—someone who truly believes in your solution and has a hair-on-fire problem to solve.*”



Ramakrishna Nanjundaiah

CEO & Founder
Phantasma Labs

Discussing Alma Angels Initiative with Roxane Sanguinetti

In the podcast, Roxane Sanguinetti, founding partner of Alma Angels, shared ambitious goal is to generate \$1 trillion in women-led wealth by 2050. Alma Angels, launched in 2019, has grown from a small meetup to Europe's largest gender-diverse investment community. Roxane highlighted how early wealth creation stems from equity ownership—either as founders or investors—and underscored the persistent funding gap, despite women-led startups often delivering higher ROI than male-led ones.

Unlike traditional syndicates, Alma Angels operates with a decentralized model where any member can refer deals, and all have access to evaluate and invest. This openness has empowered a diverse community of over 550 trained angels—70% women and 40% people of color—across six international chapters. To date, they've backed over 200 women-led ventures and 10 women-led funds, with 68 deals completed last year alone. Roxane shared stories like that of Rupa Popat, who began investing through Alma and later launched her own \$20 million fund, Araya Ventures.

Roxane emphasized that more diverse investors are key to enabling more diverse founders. With 90% of VC decision-makers being white men, she stressed that shared identity—be it gender, ethnicity, or background—can lead to better understanding and support of founder visions. **Alma's focus is on capital deployment, education, and support.** They now run programs training corporate professionals to become angel investors, aiming to get

them to deploy capital within three months of joining. Challenges remain w.r.t some founders misunderstanding Alma's model expecting centralized syndication, and some angels need further education on startup investing. Yet, the community's strength and values help bridge these gaps. **Roxane also highlighted her involvement in the UK's "Invest in Women Task Force," which has secured £255 million and is building tools to help wealth managers guide clients into venture investing responsibly.**

Looking ahead, Alma Angels aims to build a global platform of 10,000 angels investing in 1,000 companies annually. They plan to launch co-investment funds to match community investments and scale their impact further. Roxane closed by underscoring that empowering women-led ventures isn't just good ethics—it's smart economics. If women scaled at the same rate as men, the UK economy could grow by £250 billion, making their \$1 trillion global goal both bold and realistic.

“The investment from Alma may not always be the largest ticket, but it's often the most value-add for founders... We want to raise a suite of funds to co-invest with our community and supercharge what they're doing.”



Roxane Sanguinetti

Founding Partner
Alma Angels

IndustrialTech Startups on the Rise with Sagar Chandna from RunwayFBU

In this podcast episode, Sagar Chandna, Senior Partner and CTO at RunwayFBU, shares valuable perspectives on the industrial and manufacturing tech space from a venture capital lens. RunwayFBU, a €30 million early-stage fund based in Norway, backs founders with deep industry experience who are building transformative solutions in industrial sectors. Their investments span Europe and include startups like WSense (underwater wireless networks), OTee.io (virtual PLCs), and Sonair (3D ultrasound sensors).

Sagar's journey into VC began after over a decade in tech and commercial leadership at Opera Software, in Norway and India. At Katapult, he mentored over 120 startups, which solidified his passion for working across multiple companies. This passion let him to RunwayFBU, where he was drawn to the untapped potential in industrial tech—an area he sees as being where consumer tech was a decade ago.

He discussed the evolution of Europe's industrial tech scene, driven by trends like workforce digitization, sustainability, and the need for localized supply chains. **Despite macroeconomic challenges, Sagar sees this as a prime moment for innovation and adoption. Corporates are now actively seeking startup solutions, reflecting a broader cultural shift toward digital transformation within industries.** Sagar noted that although capital is tighter, there's increasing interest in industrial tech. Technologies like AI have made startups leaner and more efficient, helping mitigate some traditional execution risks. He emphasized that foundational tech like IoT and

connectivity is key, with automation offering massive disruption potential.

On fundraising, Sagar explained why industrial tech is often harder to back—it's seen as capital-intensive and slower to scale. **He advised founders to seek aligned investors and pitch their company, not just their product.** Using Phantasma Labs as an example, he illustrated how early traction through simulations and POCs can de-risk a startup for VCs.

Sagar wrapped up by offering practical tips: know your investor audience, focus on relationship-building, and share consistent updates to create excitement and FOMO. **He encouraged those within traditional industries to consider founding startups, stressing that industrial tech is ripe for disruption**—and specialized funds like RunwayFBU are ready to support them.

“Consumer tech is on top of the S-curve, but industrial tech is still at the bottom—an ocean of opportunity waiting to be tapped... Now with major industrials all having Chief Innovation or Digitalization Officers, there's active pull from industries looking for solutions.”



Sagar Chandna
Sr. Partner and CTO
RunwayFBU

Decoding Venture Capital Research with Santosh Rao from Manhattan Venture Partners ([Link](#))

Santosh Rao, a financial expert with over 25 years of experience, shared insights on the evolving role of research in venture capital and financial markets, highlighting its growing importance in investment decision-making. Santosh traced his career from the late 1990s when public market research relied on privileged information. Analysts had direct access to executives, giving major firms an edge. As regulations tightened, research became more analytical, shifting from a revenue driver in investment banking to an independent function, requiring unique insights over data aggregation.

Seeing public market research become commoditized, Santosh moved to private markets in 2010 as the sector boomed. He explained that private market research is more thematic, focusing on long-term value and emerging technologies. His firm, Manhattan Venture Partners, helped institutionalize research in private markets, covering major pre-IPO companies and providing clarity to investors previously reliant on informal networks.

Santosh highlighted research's key role at Manhattan Venture Partners. His team tracks market trends and emerging technologies, sharing insights with investors. **He emphasized research as more than data gathering—it's about connecting dots, forming investment theses, and communicating effectively to support decisions.** He highlighted the growing role of secondary markets in venture capital as an alternative exit amid uncertain IPOs. Institutionals increasingly rely on research to assess private companies,

using insights to navigate opaque markets and make informed decisions.

Santosh emphasized conviction in investment decisions, advising research professionals to read widely, think independently, and communicate effectively. He noted that research goes beyond analysis to marketing ideas and defending theses confidently. He observed, "Secondaries are the new IPOs," as they become key exit paths amid slowing IPOs. This shift underscores the growing importance of research in venture capital and private markets.

“*In the private markets, there is no perfect... it's your research that will decide what's right and what's wrong...*

Research is not just about information gathering — it's about connecting dots, presenting a thesis, and communicating effectively.

The private market is all about themes — AI, EVs, energy grids — you need to dig deep and understand where the future is headed...



Santosh Rao

Partner, Head of Research
Manhattan Venture Partners

”

ClimateTech Founder Journey with Trine Young from Rodinia Generation ([Link](#))

Trine Young, founder of [Rodinia Generation](#), shared her journey and insights into ClimateTech ecosystem, emphasizing challenges and opportunities in fundraising, innovation, and scaling a hardware-driven business.

Trine founded Rodinia out of frustration with the inefficiencies in fashion supply chains, where over 60% of clothing is produced far from consumers, leading to massive waste—45 billion garments go unsold annually. Her solution, a compact, automated apparel manufacturing system, decentralizes production, cuts waste, and lowers carbon emissions. Global network of these systems could save 42 billion liters of water and 1 million tons of CO2 per year while remaining profitable.

Trine noted climate tech's shift from niche to mainstream as investors now see its value. Despite growth, fundraising remains challenging due to political uncertainties like nations withdrawing from climate agreements. However, she hopes setbacks will spark increased investment and innovation.

Trine met over 100 investors, likening the process to "speed dating," where quick yet meaningful connections matter. Many hesitated due to Rodinia's mix of software and hardware, capex concerns, or pre-revenue status, while some showed bias, suggesting she find a male co-founder. To counter skepticism, she advised founders to present solid financial models, seek experts for asset/business validation, and conduct due diligence on investors by speaking with their portfolio companies.

Trine noted that while Europe offers strong grant programs, bureaucracy slows progress. She praised France's plan to tax ultra-cheap imports to curb unsustainable models. She advocates for more government-backed venture funds, debt facilities, and streamlined support for capital-intensive climate tech startups.

Trine finds motivation in *The Daily Stoic* and turns setbacks into fuel for perseverance. She values a strong advisory network for both support and critique and attends industry events strategically with clear goals. She shared a *One Piece* quote: "If you find yourself on a path that feels easy, it's probably because you're on the wrong path," reflecting the challenges and rewards of entrepreneurship.

“Build it and they will come – if no one built the sewing machine, it wouldn't have existed..”

What I know I'm not strong in myself, I will collect that talent somewhere else..

If you find yourself on a path that feels easy, it's probably because you're on the wrong path...



Trine Young
Founder & CEO
Rodinia Generation

”

Past Ecosystem Reports

SECTION 3

Report - The Big Book of Venture Capital - 2024 Annual Edition

Released in December 2024, the report's ([Link](#)) goal was to highlight the key venture and startup ecosystem updates that happened in 2024.

As the year-end draws closer, it's time to reflect, rethink, and plan for 2025. What better way than a strategic overview of our dynamic landscape to help you connect the dots?

The Past, the Present, and the Future

💡 What's inside?

This isn't just a recap—it's thoughtful analysis, insightful trends, and intriguing predictions for our dynamic VC world. Here's what makes this edition a must-read:

- **101 venture trends revealed.** Not just the "top 10," but a structured, multi-layered deep dive into the insights you NEED to see.
- **Predictions so that you understand the trends shaping 2025** and explore select impactful shifts with clear rationales behind them.
- **275+ charts offering the most detailed and nuanced view of the VC world** globally, not just from the U.S. but also from Europe and Asia.
- Data from top sources including Crunchbase, PitchBook, Carta, Dealroom, and more—plus expert thoughts/opinions to layer in human perspective.



Report - The Big Book of Venture Capital - Q3 2024

Released in October 2024, the report ([Link](#)) aimed to highlight the key venture and startup ecosystem updates that happened in Q3 '24.

“The Good, The Bad, and Everything In-Between”

With 2024 nearing its close—and factoring in the holiday lull—the Q3 data analysis reveals no radical shifts. Most trends from earlier in the year persist, featuring a mix of positives, negatives, and nuances.

THE GOOD: U.S. and European exit volumes are recovering, poised to surpass 2023 levels. Median discounts in secondaries are shrinking, showing steady improvement.

THE BAD: Global startup funding experienced its first dip this year, with most regions seeing declines. Europe’s VC capital is increasingly concentrated among experienced investors, as fund counts have halved.

EVERYTHING IN-BETWEEN: Fundraising: AI captures one-third of VC dollars, and Silicon Valley leads U.S. AI funding. Deal sizes are growing in the U.S. and Europe, though investor activity continues to decline. LPs: Global VC fundraising is keeping pace with last year, but dry powder is largely unused.

Looking Ahead: No major shifts are expected in 2024. The industry looks to the U.S. Presidential Election to alleviate market anxiety and is optimistic about a rebound in 2025.



Report - The Big Book of Venture Capital - Q2 2024

Released in July 2024, the report ([Link](#)) aimed to highlight the key venture and startup ecosystem updates that happened in Q2 '24.

In the Q1 '24 report, I mentioned the venture sector being 'in the woods,' though we could see the sunlight. A quarter down the line, it feels like it will take us some time to bounce back fully. Stuck in this situation, we can either be optimists or not! Key strategic headlines are below.

-  Fundraising has grown for two consecutive quarters.
-  Valuations and deal size are up for most stages in the U.S. and Europe. However, the number of deals happening is down.
-  AI investments continue to rise.
-  Secondaries are booming. Quarter of startups trade at a premium. New secondary VC funds are coming up to capture this opportunity.
-  Corporations worldwide are increasing their involvement in the startup space. Many are also setting up CVCs to invest in hot areas like AI.
-  Global exit data isn't inspiring, and exit volume will likely fall short of '23 numbers. Global M&A is picking up but has yet to influence Tech M&A fully.
-  VC fundraising is still strained and lopsided. Emerging managers consistently raise less than half of the total U.S. VC funds. Established managers dominate.



Report - The Big Book of Venture Capital - Q1 2024

Released in April 2024, the report ([Link](#)) aimed to highlight the key venture and startup ecosystem updates that happened in Q1 '24. Short snapshot of what's inside the report in below:

Overall, the startup and venture industry is definitely in a state of evolution and undergoing a business cycle reset. The setting in Q1 2024 is the 'same old 2023' but with a hint of improvement. We are not yet out of the woods, but we can see the sunlight.

 Valuation trends in 2024 gives hope for recovery. Q1 data showed a rebound in valuations.

 Uptick in the global startup investments. Overall, VCs anticipate increased investment in 2024.

 VC fundraising is still strained.

 Q1 remained slow w.r.t exits, but there is much to hope for in 2024.

 Family offices are increasing investments in alternative assets, potentially strengthening the VC asset class in the long term.

 Venture asset class performance remains an issue w.r.t DPLs. VC cash flows are negative due to higher fund contributions than distributions.



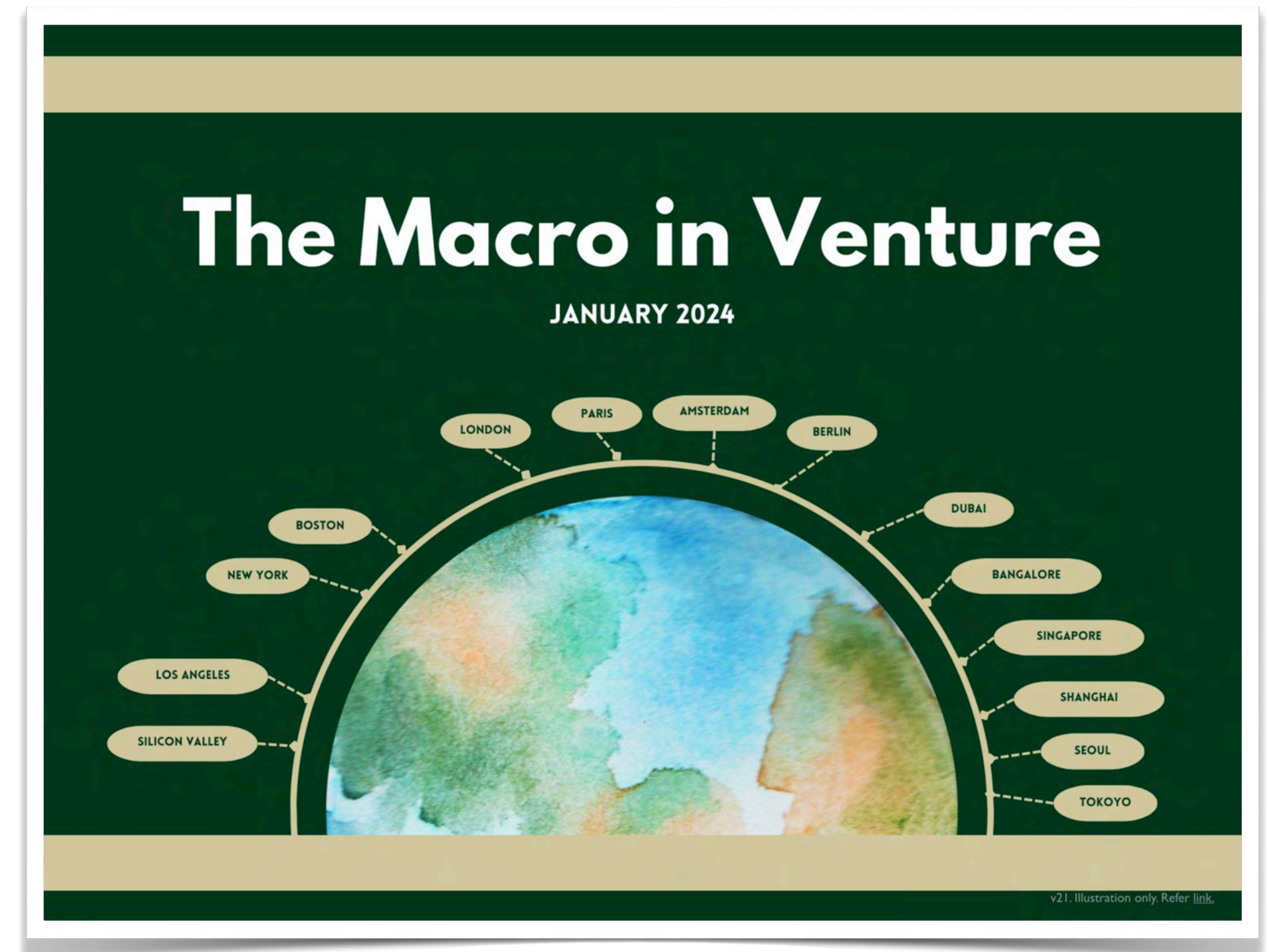
Report - The Macro in Venture

Released in January 2024, the report ([Link](#)) aimed to understand how the macro factors (geopolitics, elections, inflation, rates, consumption, and more) impact our startup and venture capital ecosystem, directly or obliquely. We often say that venture is a decade+ game, though we forget that short-term trends compound into long-term outcomes.

Key idea captured in the report was that of short term 'RRR' (Roll, Recession, and Rebound) scenarios.

Main topics covered in the report were -

- 🔄 Venture capital is a circular flow business.
- 🔑 Inflation remains a key short-term variable, and 'Roll' is the anticipated short-term scenario
- ➡️ Venture inflows - bump, but not a roadblock!
- 🏢 Venture business - suffering, but striving for an upgrade!
- 🔄 Venture outflows - down, but not disappeared!
- !?! Enough short-term macro risks to keep us on our toes in 2024



Report - The Big Book of Venture Capital - 2023

Released in December 2023, this 200+ page deck ([Link](#)) was a treasure trove of vital venture and startup insights into the entire year. It had something for everyone in the ecosystem, and the hope was that it helped to connect the dots and foster a better understanding of 2023.

Key idea captured in the report was that of an 'LLL' environment of 2023.

A snippet from the report.

A decade down the line, there will be founders and investors who will boost their credibility of having lived through 2023. It's THAT significant!

This year can be summarised in three words - Low, Limited, Lopsided ('LLL' environment)

- **Low:** Valuations of startups in most stages went through their lowest levels.
- **Limited:** Capital availability and deployment became limited to only the best opportunities.
- **Lopsided:** The power remained in the investor's corner in 2023. It was lopsided towards the capital providers.

This LLL environment, in the end, is likely to benefit the larger ecosystem. The argument lies in the theory of 'booms and busts.' Without going into the nuances, the ecosystem needed a reset, and 2023 provided just that. Moving into 2024, I'm sure we have adapted to the realities and will scale up energetically in a newer set of circumstances.



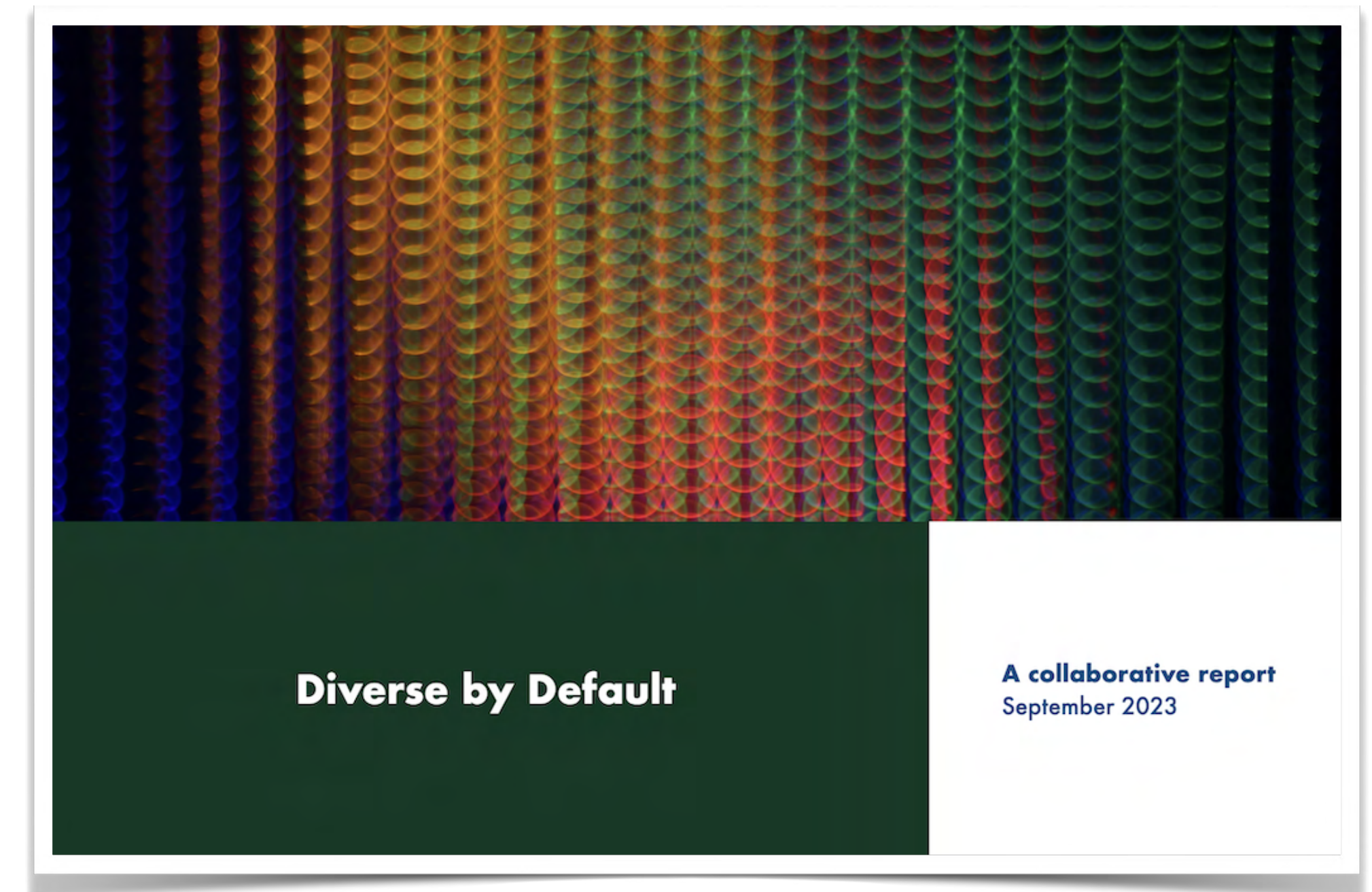
Report - Diverse by Default

Released in September 2023, this collaborative deck ([Link](#)) was dedicated to the startup and the venture capital ecosystem, giving tangible methods and frameworks for making diversity a default.

Key idea captured in report was that of 3 approaches mentioned below.

1. **For all ecosystem players** - follow an Awareness Action (AA) approach to kindle tough yet constructive conversations.
2. **For founders** - follow a Build Basics (BB) approach to strengthen your startup outcomes.
3. **For investors** - follow a Cautious Care (CC) approach to establish diversity-enabled pathways.

We know the 'What' of diversity issue. We understand the 'Why' of the diversity problem. So, the goal of the report was to present an all-encompassing view of forward-looking solutions with a pragmatic approach connected to reality.



SECTION 4

Startup Fundraising

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Fundraising Nuggets | 1



Nikunj Kothari

@nikunj

It's been fun helping founders with their fundraise over the last few weeks..

However, the common problem I continue to see in most of them (esp first time founders) is storytelling.

There's a lot of literature on this already and I wrote a longer post a few weeks ago that I'll link in the next thread — but here's a few salient points on this that have been resonating:

- > you have ~7 mins to capture the room or lose it.
- > keep slides and you talking to m 20mins max. ideally 15.



Harry Stebbings

@HarryStebbing

All of these companies got turned down by 50+ European VCs:

- UiPath (\$8.2BN)
- Wolt (\$8.1BN)
- Bolt (\$8BN)
- Glovo (\$2BN)
- Flo (\$2BN)

The VC company analysis framework is so broken.

Founders, it is a numbers game. Head down and keep going.

NEWS

Startup Advice Has A 'Lowest Common Denominator' Problem

Crunchbase article from Dan Gray dated January 29, 2025

NEWS

VC explains the biggest mistake that keeps founders from raising a big round

Sifted article from Julie Bort dated March 10, 2025

Fundraising Nuggets | 2



Matan Hazanov • 2nd
Managing Partner @ Enigma Ventures
[View my blog](#)
2w • Edited •

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The hard truth about startup fundraising that no one wants to talk about:

Most founders will spend 9+ months fundraising without any success.

My team and I will review up to 3,000 startups annually and only make 4 investments.

We say "no" to most startups because they aren't building a "VC scalable" business.



Victor Bornstein, PhD • 2nd
CEO & Co-founder of Justpoint
[Visit my website](#)
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Which intros will most likely get an investor to fund you? Analyzing our latest \$95M raise, turns out intros from fellow founders converted 5X higher than those from our current VCs! I analyzed our latest round, and here's what I discovered:

📌 Founder intros > VCs: 5X more likely to commit to investing compared to intros from existing investors (23% vs. 4%). This is your actionable insight: **lean on your founder friends**. Now, it's important to highlight these were friends, not just founders who I met a couple of times.

📌 Cold inbound work: Cold emails from partners at VC firms remarkably converted 40% of the time. Earning these inbounds takes years of work, but they're incredibly efficient and rarely waste your time.

📌 Investors who missed out: Investors who previously passed but showed their interest through actions (got into the data room in the last round, potential hire introductions, etc) converted even higher at 50%. The key takeaway? Don't automatically discount those who've previously said "no." Their initial hesitation might turn into confidence later.



Matt Wilson • 1st
Founder & Managing Director @ allied.vc | Entrepreneur turned investor
1w •

...

Hitting walls while fundraising for your startup? This story from 'The Upstarts' may help:

In June 2010, Naval was testing a new email network of angel investors called AngelList.

At the time, Travis Kalanick was an advisor to Uber and offered to help test it out.

On June 17, an email was sent to 165 AngelList investors, pitching Uber and asking if the recipients would like an intro.

150 investors didn't respond, and 1 investor unsubscribed from the list.



Lane Litz • Following
Founder & Managing Partner at Founder VC
2w •

...

Fundraising as a first-time founder feels like bumbling around in the dark—no map, no guide, just endless invisible electric fences. Most founders are industry experts, not fundraising experts—but VCs expect you to speak their language from day one. The only way to learn? Trial, error, and wasted months figuring out what actually works.

Most first meeting fundraising passes aren't because your startup isn't good enough. It's because VCs pattern match, and your intro failed to match the pattern.

Vcs have a mental checklist when deciding whether to take a meeting. They're filtering for:

- Is the market big enough? (88% of VCs rank this as a top factor)
- Is this the right team? (92% say team is the most critical element)
- Are there early proof points? (traction, revenue, or product adoption)

If your intro doesn't hit these points fast, not only are you ignored- you are immediately labeled as "unsophisticated".

Click image for source post.

Fundraising Nuggets | 3



Jan Claudio Muñoz • Following
Early Stage Venture Capital
6d • 🌐

In every 3rd or 4th pitch I'm seeing, German/European pre-seed founders start namedropping US VCs they are talking to and who are "very interested".

I'm not sure, founders are doing themselves a favour with that:



Yotam Rosenbaum • 2nd
YC Founder, Mentor, Investor
4d • 🌐

[+ Follow](#) ...

Fundraising is like dating—confidence attracts, desperation repels.

The less you seem to need an investor, the more interested they become. But the moment they sense desperation, they pull away.

It's a strange dynamic—but a very real one that can significantly impact your raise.

Many founders assume investors have the upper hand. After all, they control the checkbook. But the reality is, fundraising is a two-way street. Investors need great founders just as much as founders need capital.

Once you internalize that, you can approach fundraising from a position of strength. Instead of letting investors dictate the narrative, you set the tone.

This isn't about arrogance or playing hard to get. It's about clarity—knowing your process, your timeline, and communicating that with confidence.



Lane Litz • Following
Founder & Managing Partner at Founder VC
1mo • 🌐

VCs and Founders Urgently Need a Translator

I have never wasted more time than I did as a founder trying to crack the code on how to position my startup for venture capital. And now, as a VC, I'm drowning in words, searching for the few details that actually matter.

The disconnect between founders and investors isn't just frustrating—it's a structural inefficiency that wastes time, capital, and opportunity.

(IMO- This disconnect is the key driver of bias in venture capital.)



David T. Sanchez • 1st
VC Advisor & Liaison at IEEGL
4w • 🌐

[#funding](#) | What do VCs look for in each stage? (Backed by research):

👉 Seed Stage: Building the Foundation (Kanayo et al., 2023; Dat, 2021; Bernstein et al., 2017)

- One or more founders with unique insights into the market: founder-market fit.
- A clear problem to solve with sufficient market potential.
- A unique product differentiation that is not yet served.

Fundraising Nuggets | 4



NEWS

Why only raising from Tier 1 VCs isn't always a good strategy

Sifted article from Anne Sraders dated January 10, 2025

NEWS

Why VCs ghost founders, or reject deals and never speak to the founder again

*TechCrunch article
from Mary Ann Azevedo dated March 6, 2025*

Nuggets | Deal Dynamics



Sandeep Patil • Following
Partner, Head of Asia at QED Investors
4w • Edited •

Correction not Crisis: Embracing the strategic value of Downrounds 📊

In today's volatile market, many founders view down rounds as failures — but what if they're actually opportunities for transformation?

The 2021-22 funding environment created artificially inflated valuations across the startup ecosystem. What we're seeing now isn't widespread failure but a necessary recalibration.

💡 Why down rounds can be a catalyst for growth:

- + They eliminate pressure to make risky decisions just to justify inflated valuations
- + They attract higher-quality investors bringing disciplined, long-term perspectives
- + They force operational excellence, prioritizing efficiency and core business strengths
- They enable honest reassessment of your business fundamentals



Hayden Smith • 1st
Private & Venture Debt Advisory | Series A & B Equity | Supporting Tech ...
9h • Edited •

💰 Money Moves Monday: The Real Cost of Dilution 📊

Founders, let's talk about something that hits your wallet: dilution.

Quick scenario:

Your company is valued at £100m pre-money

You need £25m to hit your next milestones / achieve business plan

Option A: £25m equity round

Option B: £15m equity + £10m venture debt

Let's break down the maths:



Dan Gray • 1st
Head of Insights at Equidam, the Startup Valuation platform | Crunchbas...
2d • Edited •

The 4 year vesting standard for founders is a product of the 1980s and 90s.

The Tax Reform Act of 1986 mandated a 5-7 year maximum (depending on implementation) on vesting schedules for employer contributions to qualified retirement plans, not for equity stock compensation generally — although it did influence how that was approached

Then, in the 90s and early 2000s, the median time to IPO fell to around 4-5 years. Startups, looking to offer competitive terms that aligned with the speed of exits, settled on 4 year vesting schedules. This became entrenched through that dotcom wave, and has been the standard since.

It's not clear what a normal exit timeline looks like today, given the low-interest-rate silliness and subsequent market freeze — but the median time to a liquidity event (M&A / IPO) was 8.2 years in 2017.



Francesco Perticarari • 1st
Deeptech SoloVC, Europe pre-seed/seed | Building Europe's leading Dee...
8h • Edited •

The Italian gvt fund is investing DIRECT into startups... I.e. taking 15% of a startup cap table to give them 200k 🤖

This is seriously screwed up.

Also I keep seeing Italian startups jumping from 1 accelerator to the next, without ever raising a serious VC round from international players.

All funded by the Italian government FoF...

It doesn't end there! The Italian government is leading rounds too!

Which in practice means those startups will NEVER raise a serious follow on round on an intentional scale.

Private investors know better.

Nuggets for Founders



Science|Business
 16,748 followers
 1mo • 🌐

The EIC Board is urging applicants to be cautious when working with consultants, highlighting “increasingly aggressive” sales tactics and misleading claims that they can provide an inside track to EIC funding.

With 66% of EIC Accelerator winners using external consultants—some paying success fees of up to 12% or even sharing equity—the review warns against those demanding co-ownership of intellectual property or claiming insider influence. Instead, applicants are advised to first seek free guidance from national contact points and other official support channels.

As competition for Horizon Europe funding intensifies, ensuring transparency and informed decision-making will be key for innovators navigating the process.



Robert Kaminski • 2nd
 Co-Founder @ Fletch | Positioning & Messaging for B2B St...
 2mo • 🌐

Your first market doesn't need to be huge.

It needs to be winnable.

Instead of going after a big market from day 1 to maximize revenue...

...founders should target a small market with the intent of dominating it — using that domination as momentum that carries into adjacent markets.

NEWS

Is your pitch deck good enough to raise?

Sifted article from Adam Shuaib dated January 6, 2025



Hayden Smith • 1st
 Private & Venture Debt Advisory | Series A & B Equity | Supporting Tech ...
 1mo • 🌐

Money Moves Monday: Why Smart Start-ups Add Debt to Their Equity Rounds

The secret weapon in today's funding landscape? Strategic debt alongside equity.

Here's what I'm seeing from the front lines 🗣️:

Companies supplementing their equity rounds with 25-50% debt are extending runway by up to 12 months - without additional dilution!

Founders using debt strategically are avoiding emergency bridge rounds (and their painful terms)

Debt being seen as insurance for missed milestones, market shifts, or to add more fuel to the fire 🔥

Real talk: 8 out of 10 start-ups miss their post-funding projections. Debt gives you breathing room when (not if) that happens.

One of the most overlooked benefits? When you DO hit your targets, that debt becomes "cheaper" capital for accelerating growth.

Nuggets for Investors



Jake Chapman • Following
Managing Director @ Marquee Ventures | Defense Investments
1w • 🌐

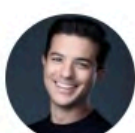
Slow is smooth, and smooth is fast.

I was at an event recently where a founder told me he was raising a quick round over just a couple of weeks to match a TACFI. He asked if we could move at that pace. I explained that if he wanted to work with us, we'd likely be a better fit for his next round—because for someone we're just meeting, our diligence is thorough and, quite frankly, slow. He was surprised and thanked me for the honesty.

A VC friend next to us mentioned that they move quickly, so she and the founder went off to discuss his TACFI, leaving me in the hallway with my lukewarm coffee ☹️.

I used to know the stats by heart (maybe from Pitchbook? [Keegan Kylstra](#)) but VC firms used to take, on average, 90 days from first meeting, before making an investment commitment. That shrank to something less than 30 days in 2021. Not sure where it is today.

30 days or less seems insane to me. VC <-> Founder relationships (7-10 years from investment to exit) outlast the average American marriage (~8 years). Like marriages these relationships often exist in the context of great stress, and are hard to end. Going into them with eyes wide open is critical.



Joseph Alalou • 2nd
General Partner at Daring Ventures | Ex-Lazard IB | Columbia Alum
[Book an appointment](#)
2w • 🌐

Most VCs are just copying each other—and it's killing real innovation.

Here's how 95% of the venture capital ecosystem works:

- 1 A big-name, old-guard firm makes an investment, often because the founder fits a pattern: Stanford, ex-FAANG, the "right" category (this year, AI).
- 2 Smaller firms pile in—not because they've built real conviction, but because the lead investor is prestigious. If Sequoia is in, it must be good, right?
- 3 The deal gets marked up artificially, driven by nothing but momentum. By the next round, it's just a valuation race (making it 10X harder for founders to meet the next benchmark).
- 4 Eventually, the hype fades—companies inevitably raise down rounds and the portfolio hemorrhages value. But hey, everyone got their management fees.

This is how VC chases its own tail instead of the ball. Instead of backing true innovation, it recycles the same ideas, founders, and playbooks. It's risk aversion masquerading as vision.

The best investments don't come from following the herd. They come from backing the companies no one else understands yet. That's where we play.



Kyle Harrison ✓
[@kwharrison13](#)



This is an \$8B company that started as "software for garage door repair people."

TAM is almost always a terrible reason to pass.

ServiceTitan Inc

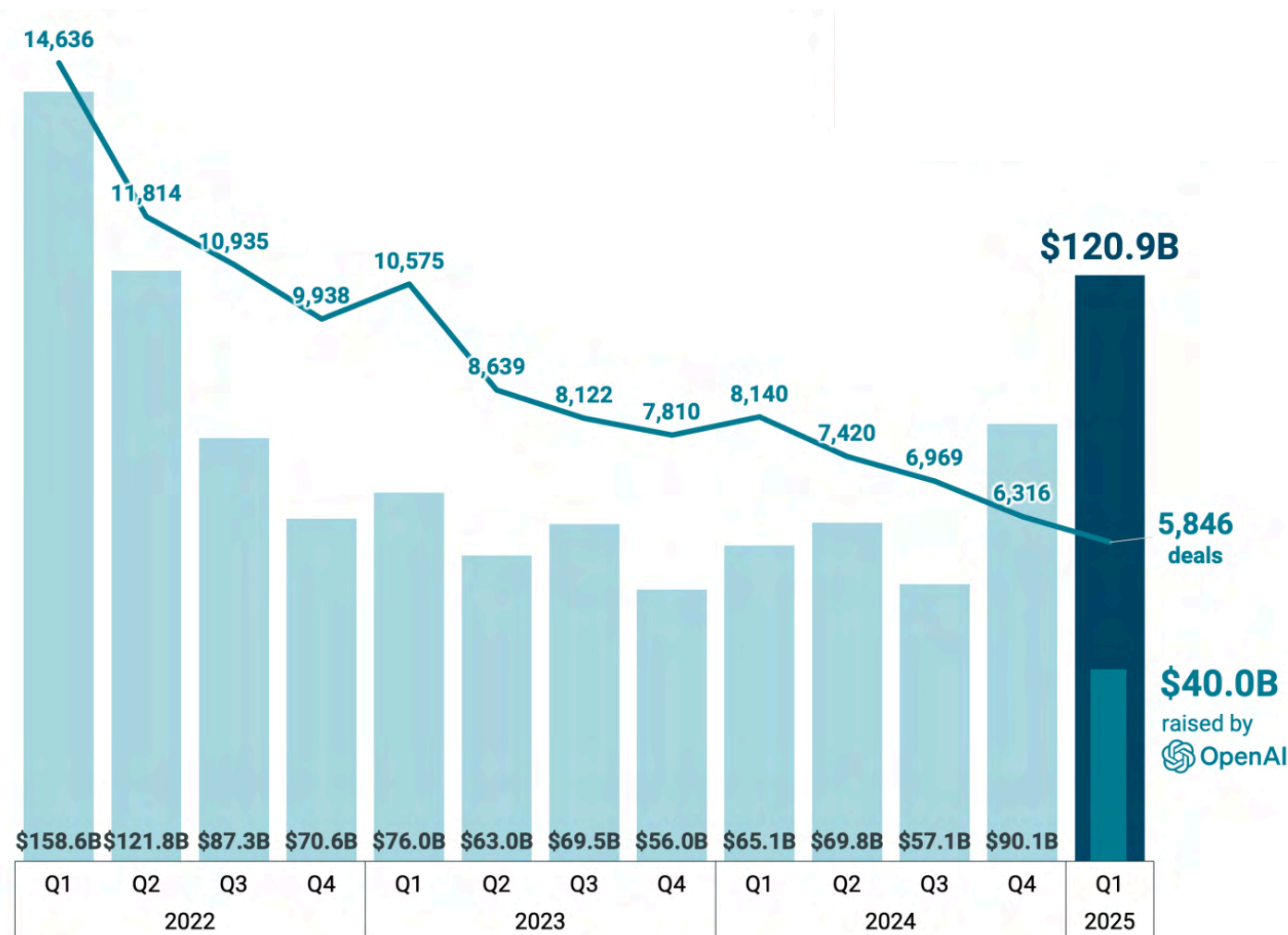
NASDAQ: TTAN



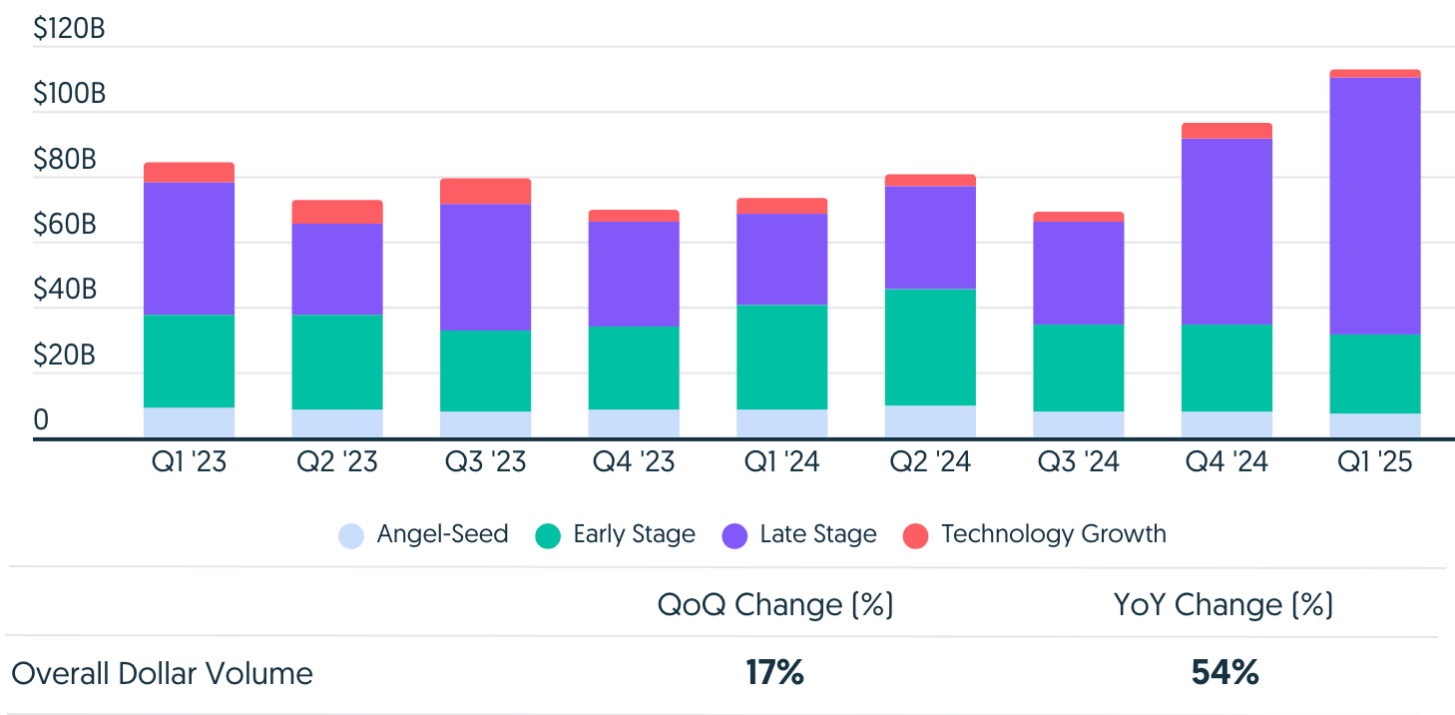
Global Startup Fundraising

The outlook is improving—2024 recorded a modest 7% uptick in startup fundraising compared to 2023, according to PitchBook. Momentum accelerated in Q1 2025, with CB Insights reporting global startup funding surpassing \$120 billion, driven largely by OpenAI’s massive equity raise. Crunchbase data also shows continued upward movement for the second straight quarter in Q1 2025, with fundraising rising 17% quarter-over-quarter and a striking 54% year-over-year.

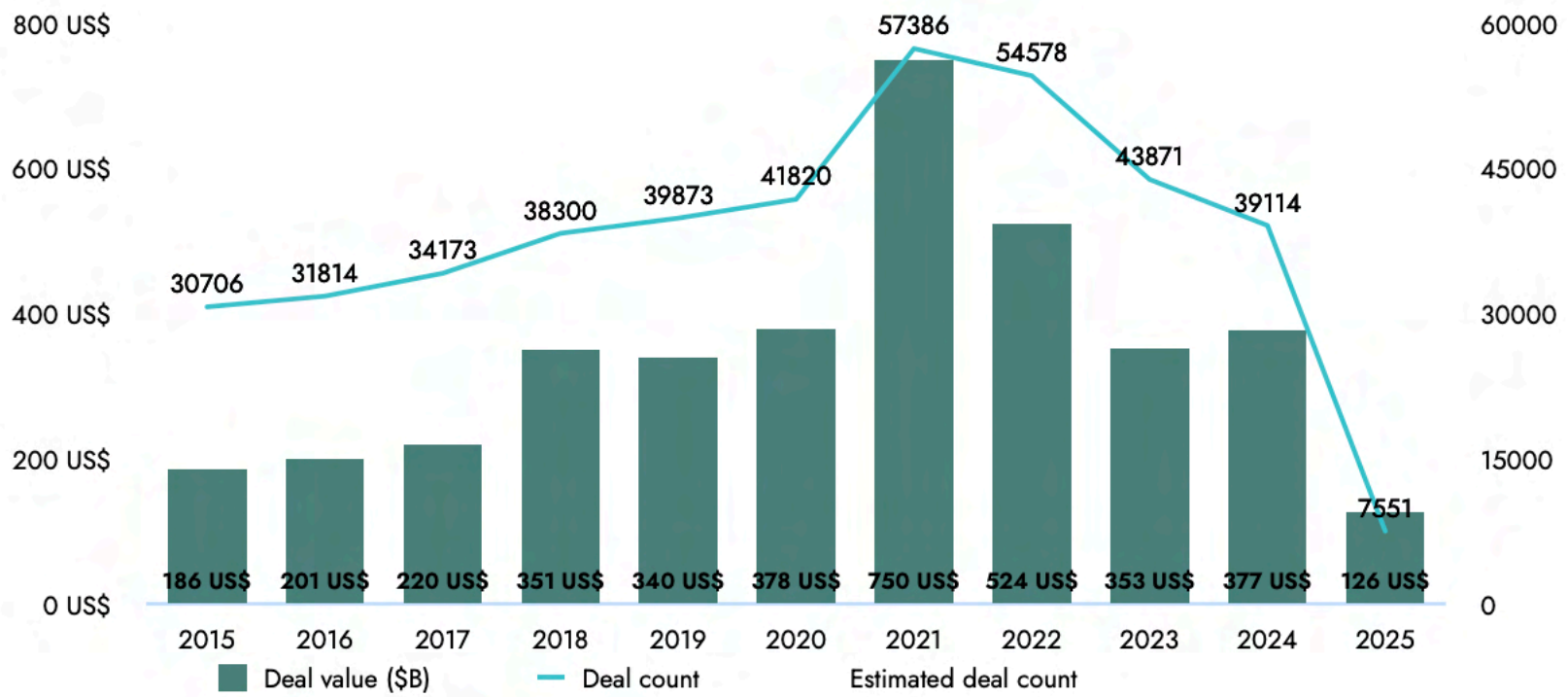
Global fundraising and deal counts
(CB Insights Data)



Global Venture Dollar Volume Through Q1 2025
(Crunchbase Data)



Global VC deal activity
(PitchBook Data)



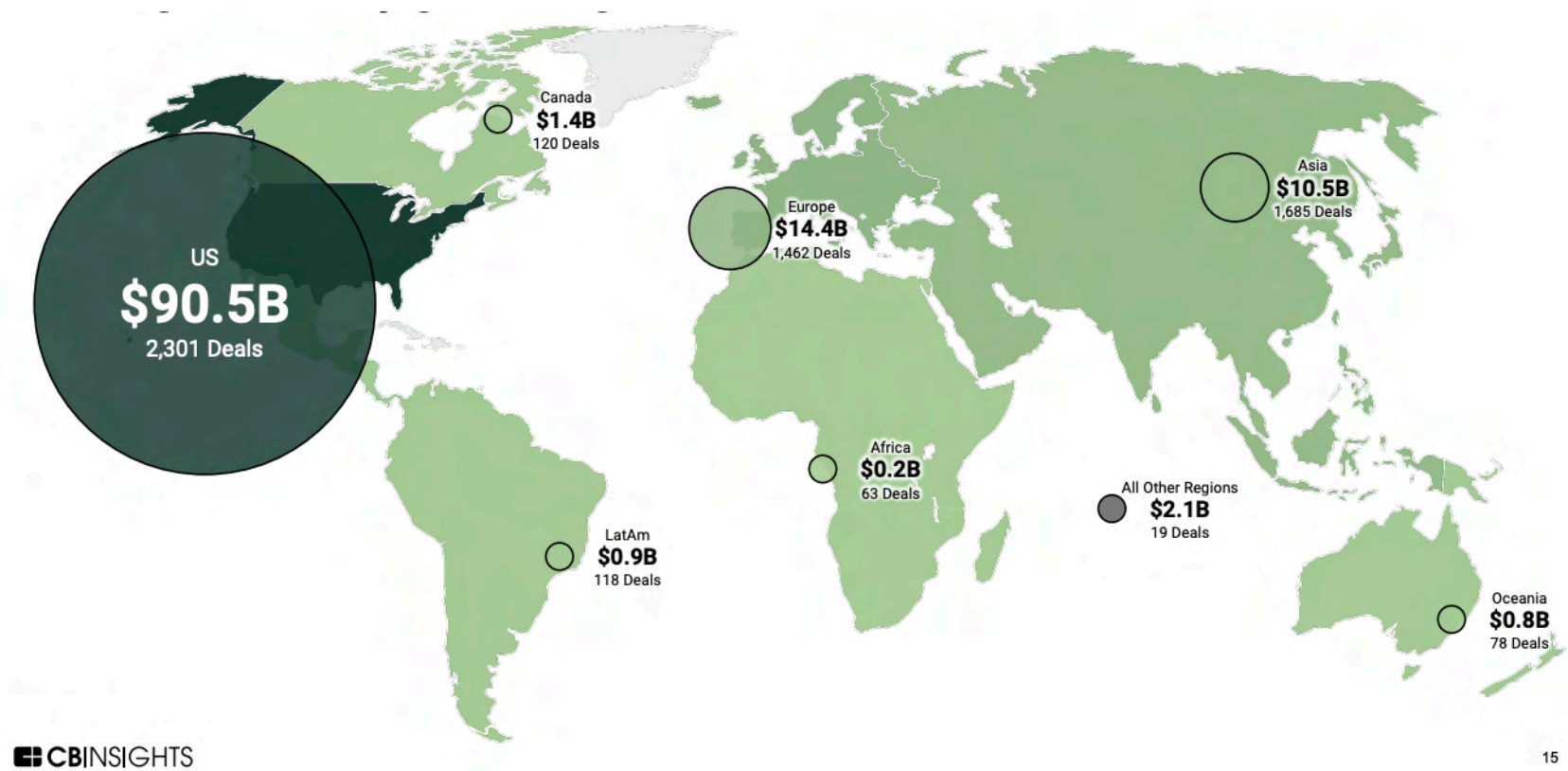
Geographic focus of all charts = Global. 1st chart from CB Insights, 2nd from Crunchbase, and 3rd based on PitchBook data.



Global Startup Fundraising (Regional view) | 1

In Q1 2025 (according to CB Insights data), the U.S. remained a dominant force in startup fundraising, raising 6.3 times more capital than Europe and 8.6 times more than Asia. However, when it comes to deal count, the gap narrows, with the U.S. recording 1.6 times more deals than Europe and 1.4 times more than Asia.

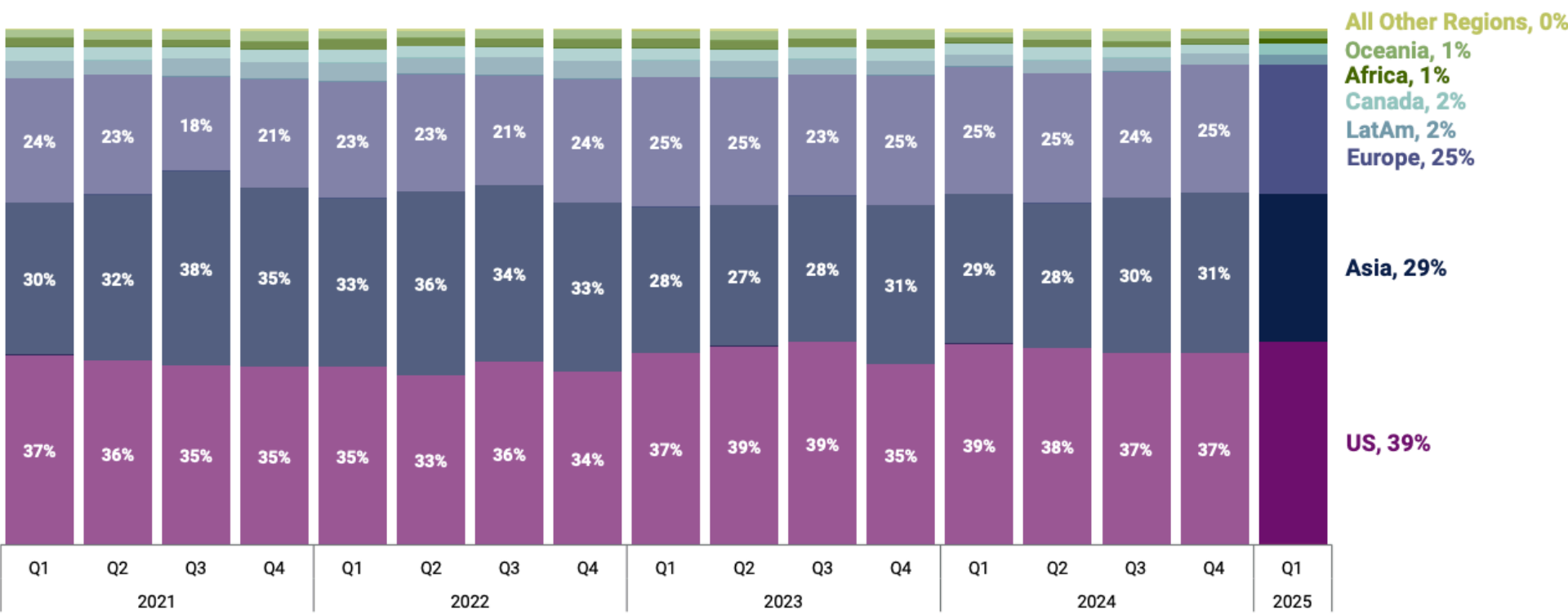
Funding & deals by global region in Q1'25



Top 10 global countries by VC investment in 2024

Country		VC Investment (2024)	Change vs. 2023
	USA	\$190.2B	30%
	China	\$38.5B	-28%
	UK	\$16.2B	-11%
	India	\$13.5B	17%
	Germany	\$8.2B	3%
	France	\$7.8B	-14%
	Canada	\$7.5B	24%
	Japan	\$3.7B	-6%
	South Korea	\$3.6B	-58%
	Netherlands	\$3.4B	43%

Percent of quarterly deals by global region

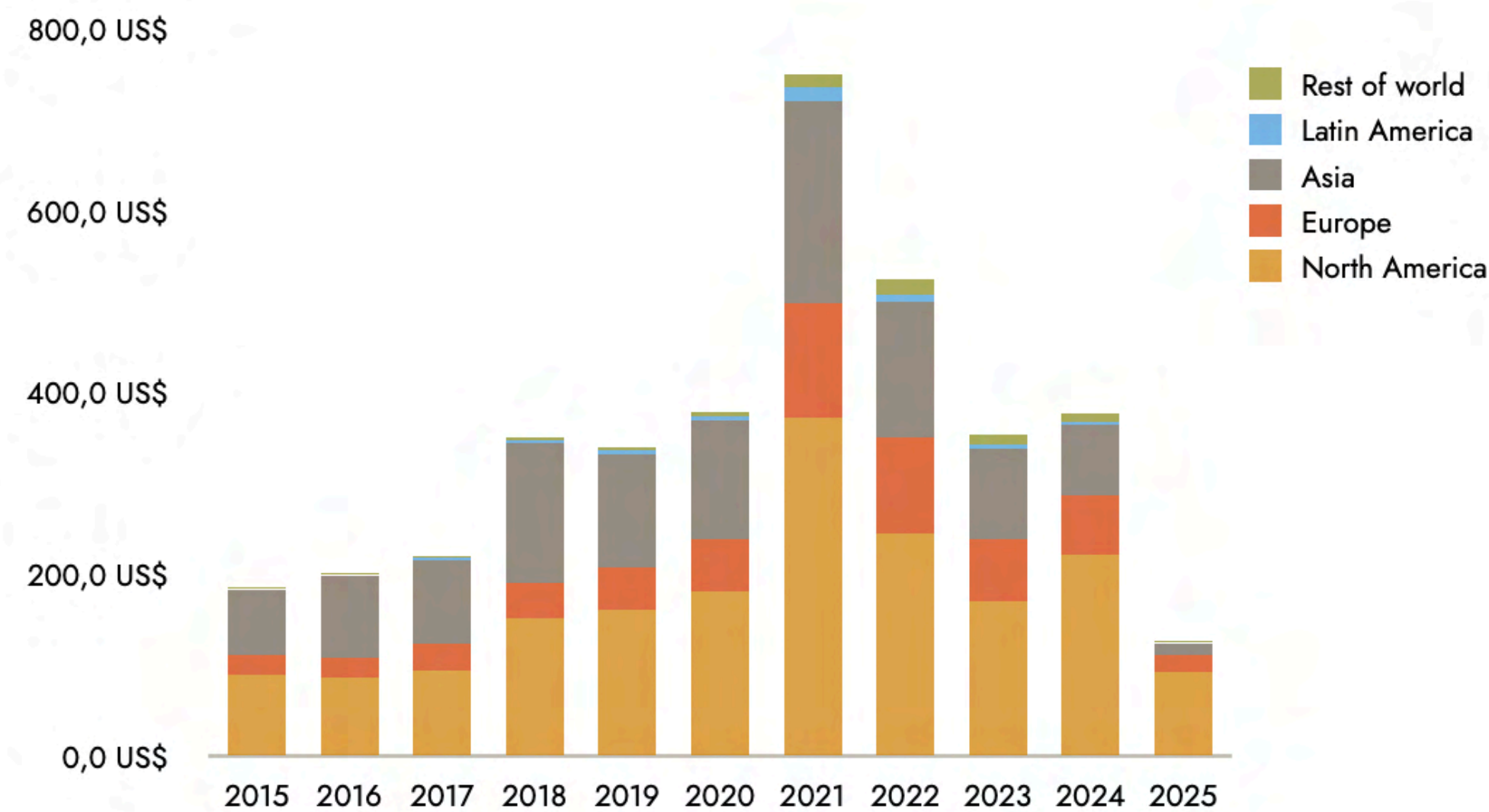


Geographic focus of both chart = Global. Both charts from CB Insights report.

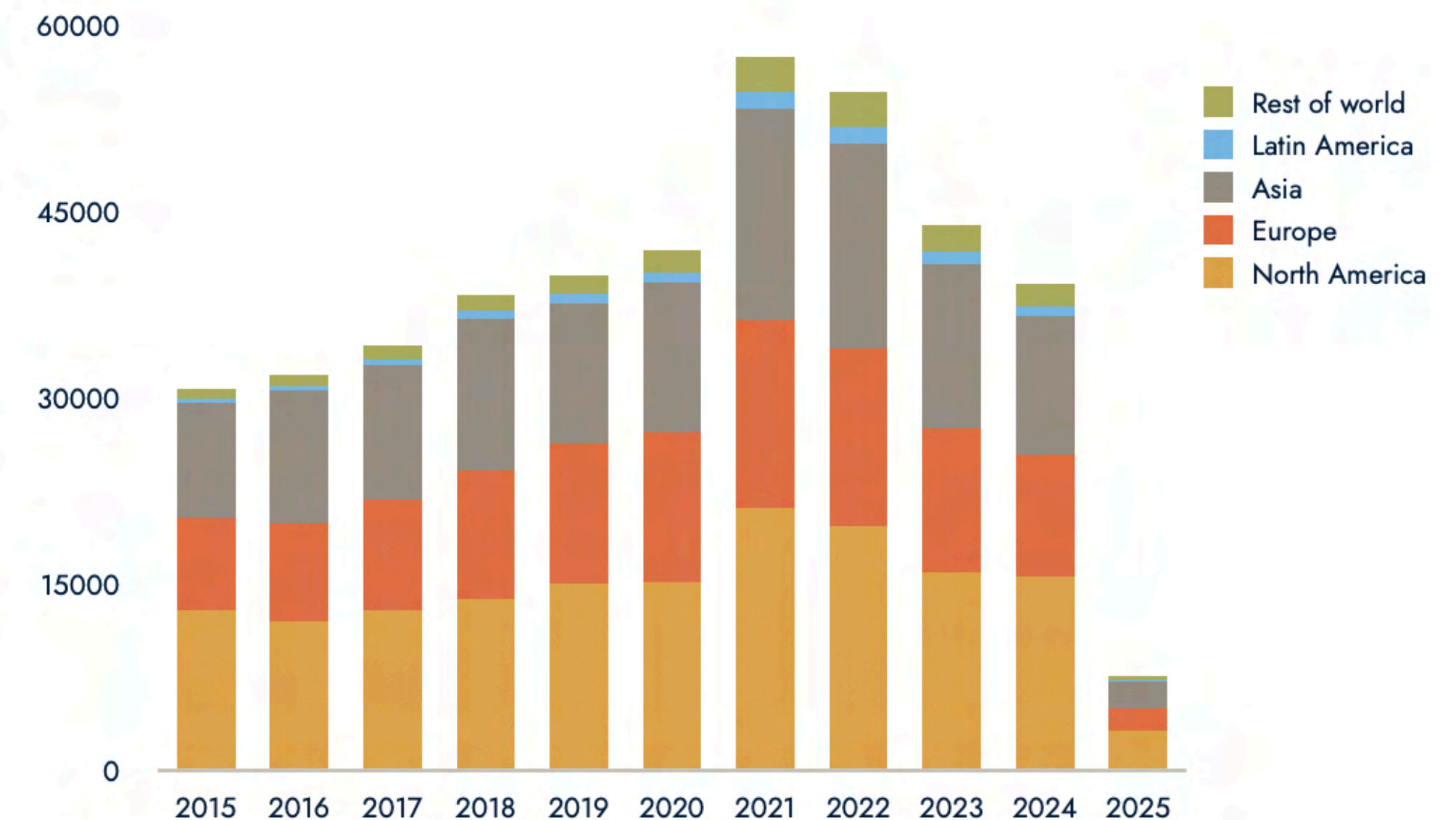
Global Startup Fundraising (Regional view) | 2

The standout trend: While U.S. deal count in 2024 held steady compared to 2023, deal value saw a notable rise—indicating larger rounds and increased capital concentration.

Global VC deal value (\$B) by region



Global VC deal count by region

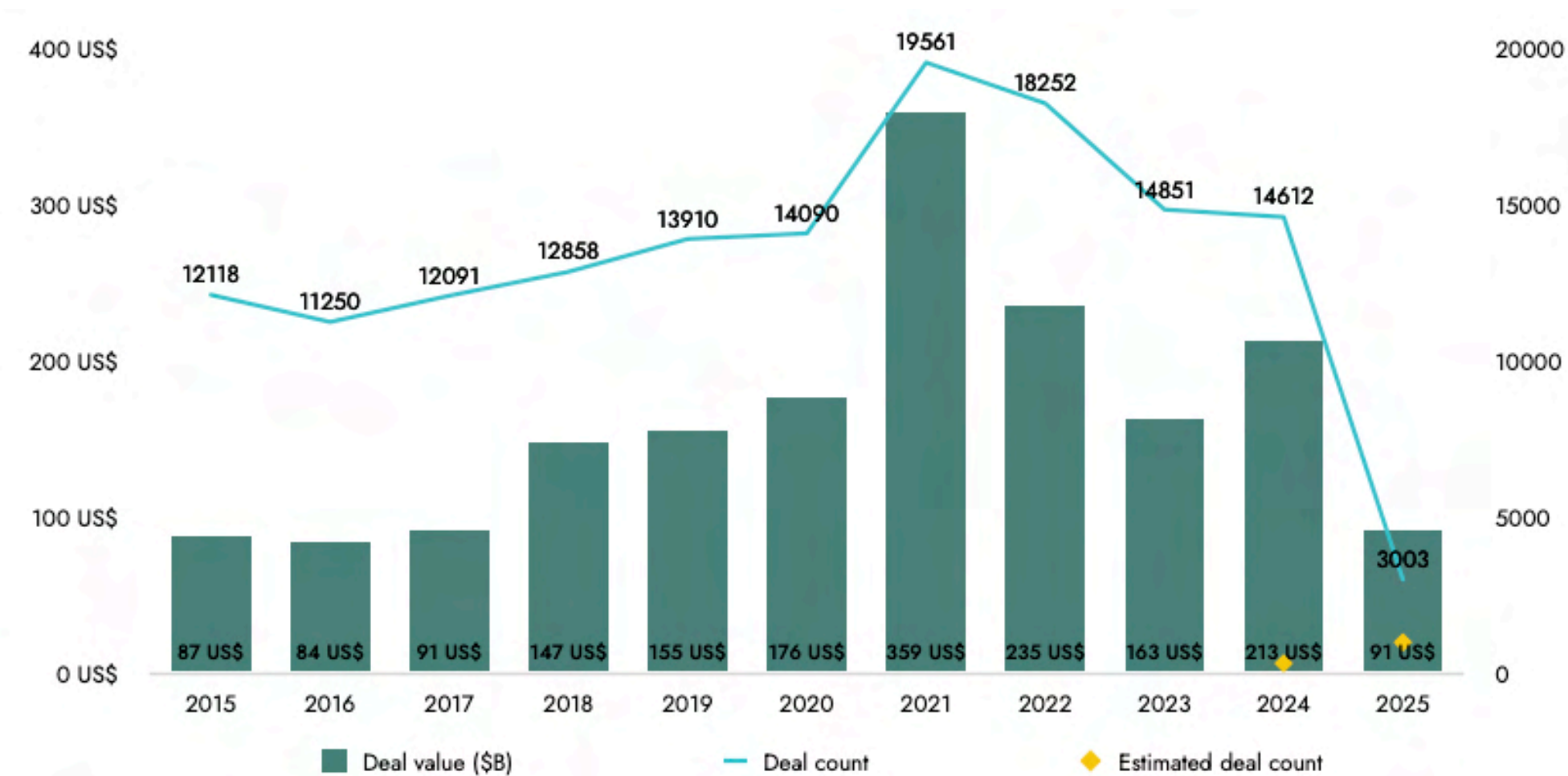




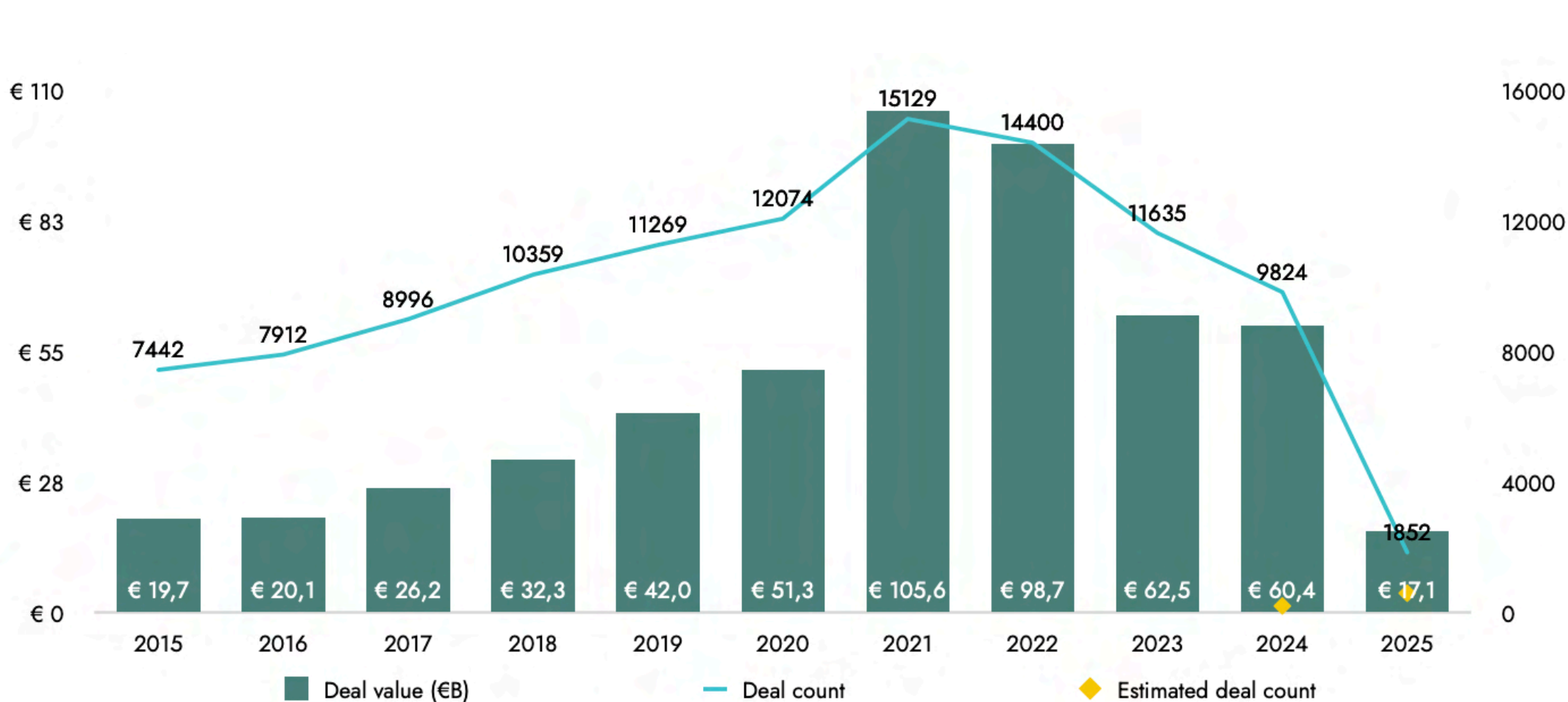
Startup Fundraising | U.S. vs Europe

In 2024, startup fundraising in the U.S. rose by 30%, while Europe saw a slight dip of 3%. The U.S. continues to lead the global fundraising landscape, raising 3.3 times more capital than Europe over the year—and an even more pronounced 4.8 times more in Q1 2025 alone.

US VC deal activity



Europe VC deal activity



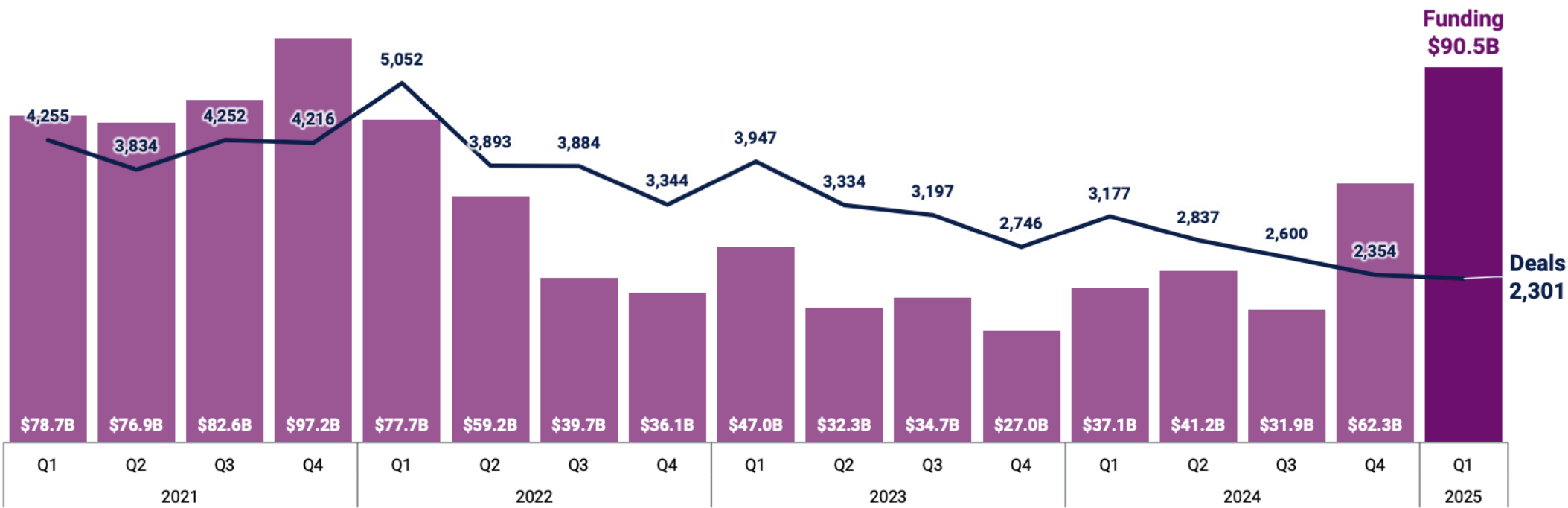
Data of both charts from PitchBook



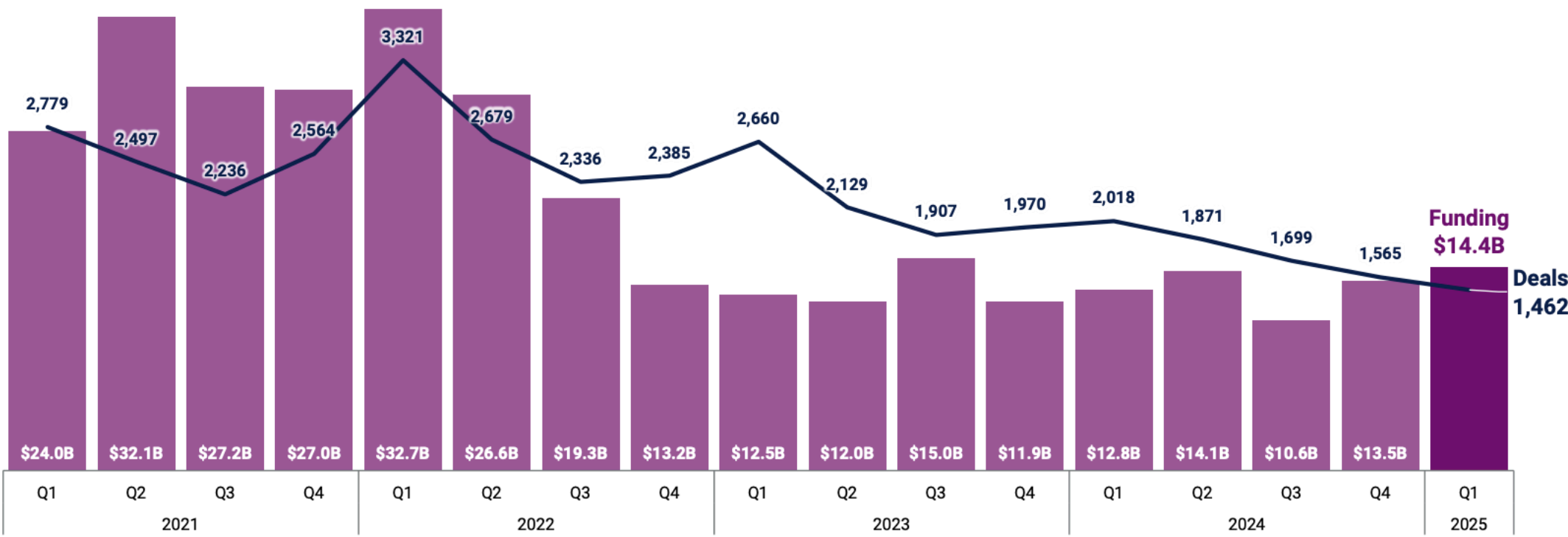
Startup Fundraising – Quarterly Data from Different Geographies | 1

Fundraising values in both the U.S. and Europe showed quarter-over-quarter improvement, signaling a gradual recovery. In contrast, Asia has yet to see a similar rebound. Across all regions, however, deal counts have continued to decline steadily since their peak in Q1 2022.

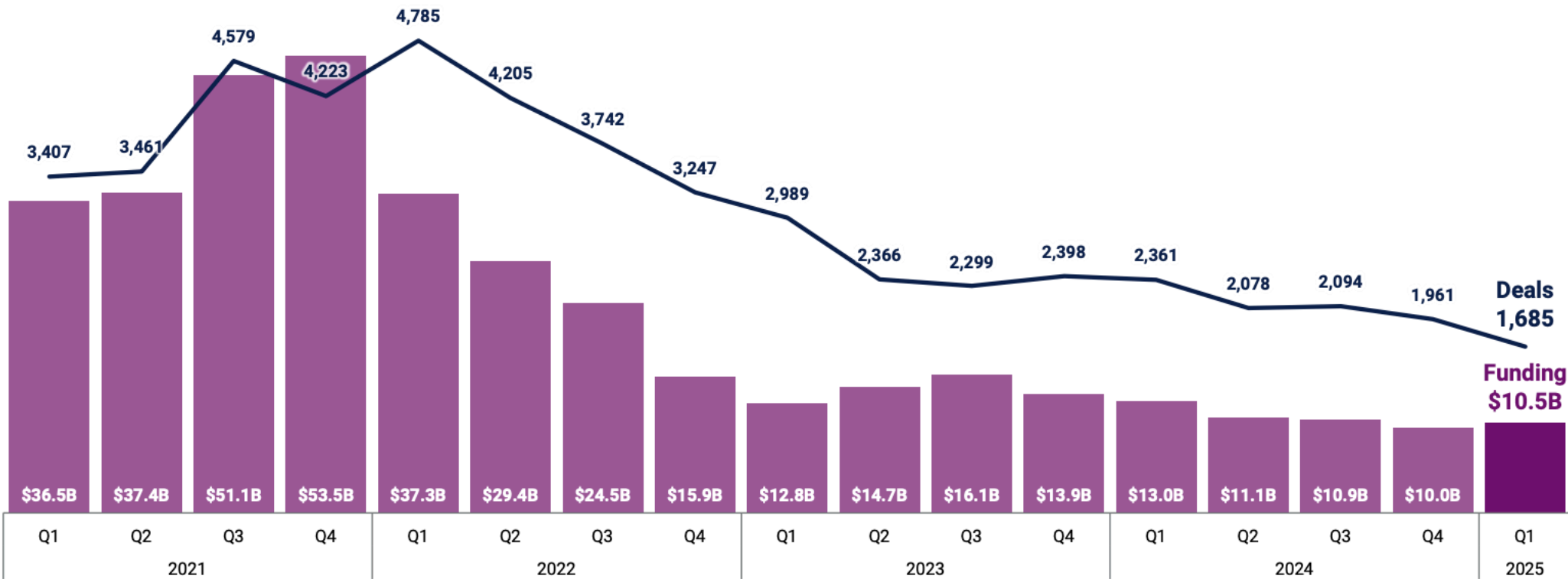
U.S. Venture Quarterly funding & deals



Europe Venture Quarterly funding & deals



Asia Venture Quarterly funding & deals



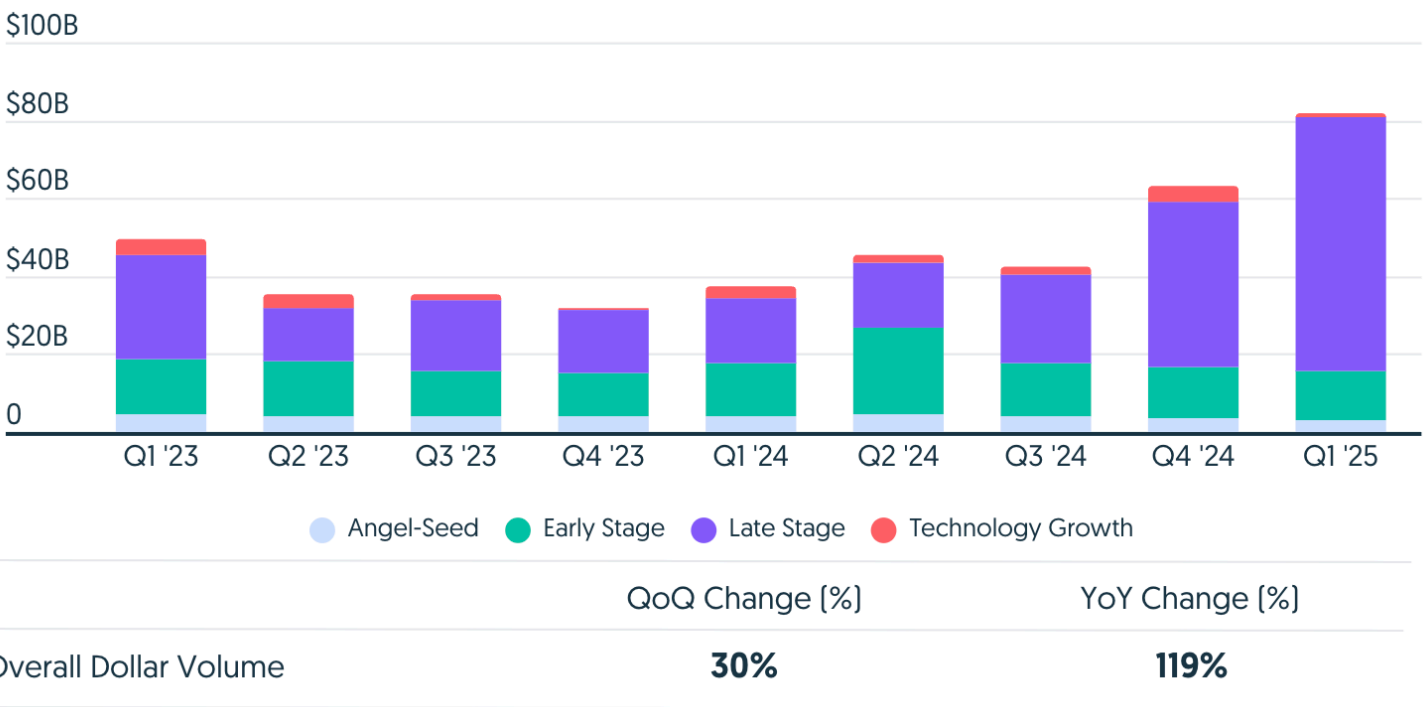
All charts from CB Insights. Click for source post.



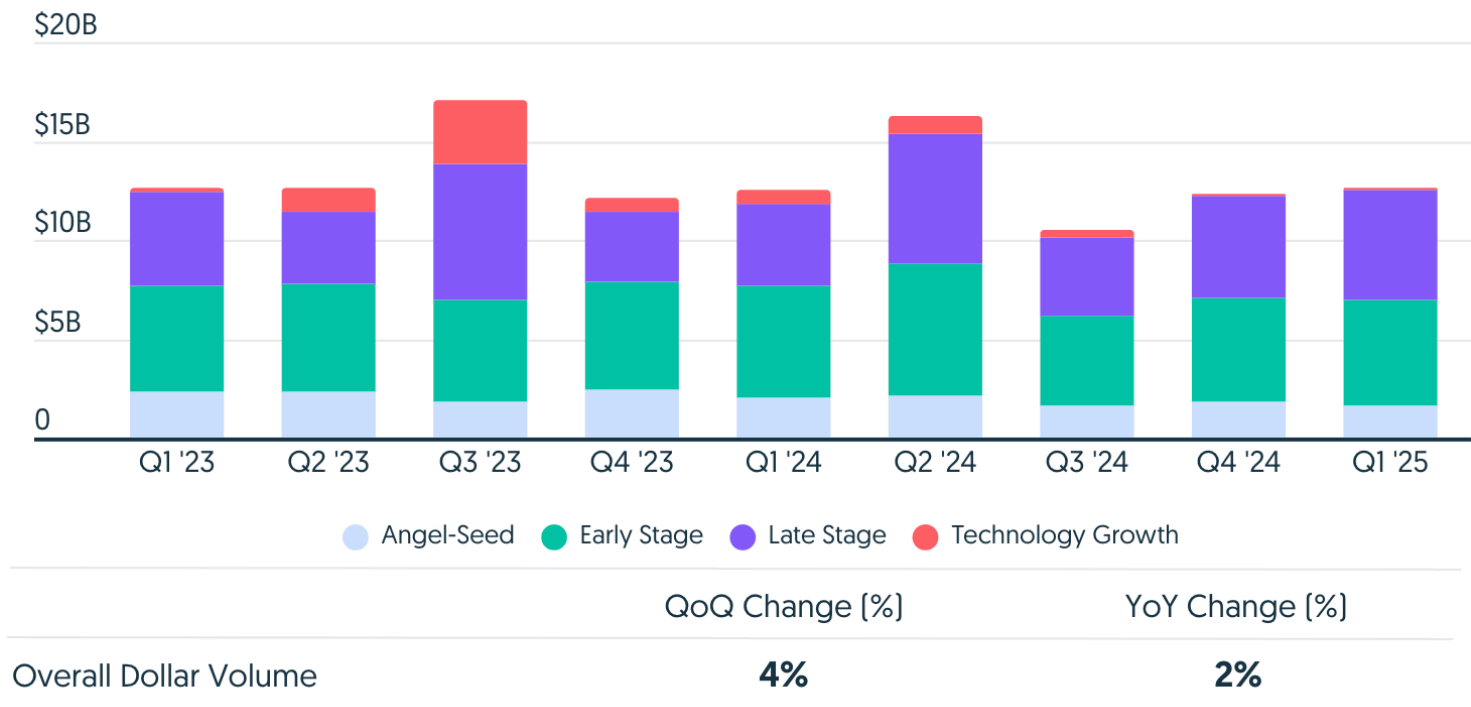
Startup Fundraising – Quarterly Data from Different Geographies | 2

North America continues to lead the global startup fundraising landscape, topping both in total capital raised and growth momentum. Signs of recovery are already visible, with 2023 marking the likely low point. Late-stage deals are playing a key role in driving the rebound for U.S. startups. Meanwhile, Europe and Asia have yet to experience a significant turnaround. Asia, in particular, stands out with its weakest quarter since 2014—recording just \$13 billion in VC-backed funding.

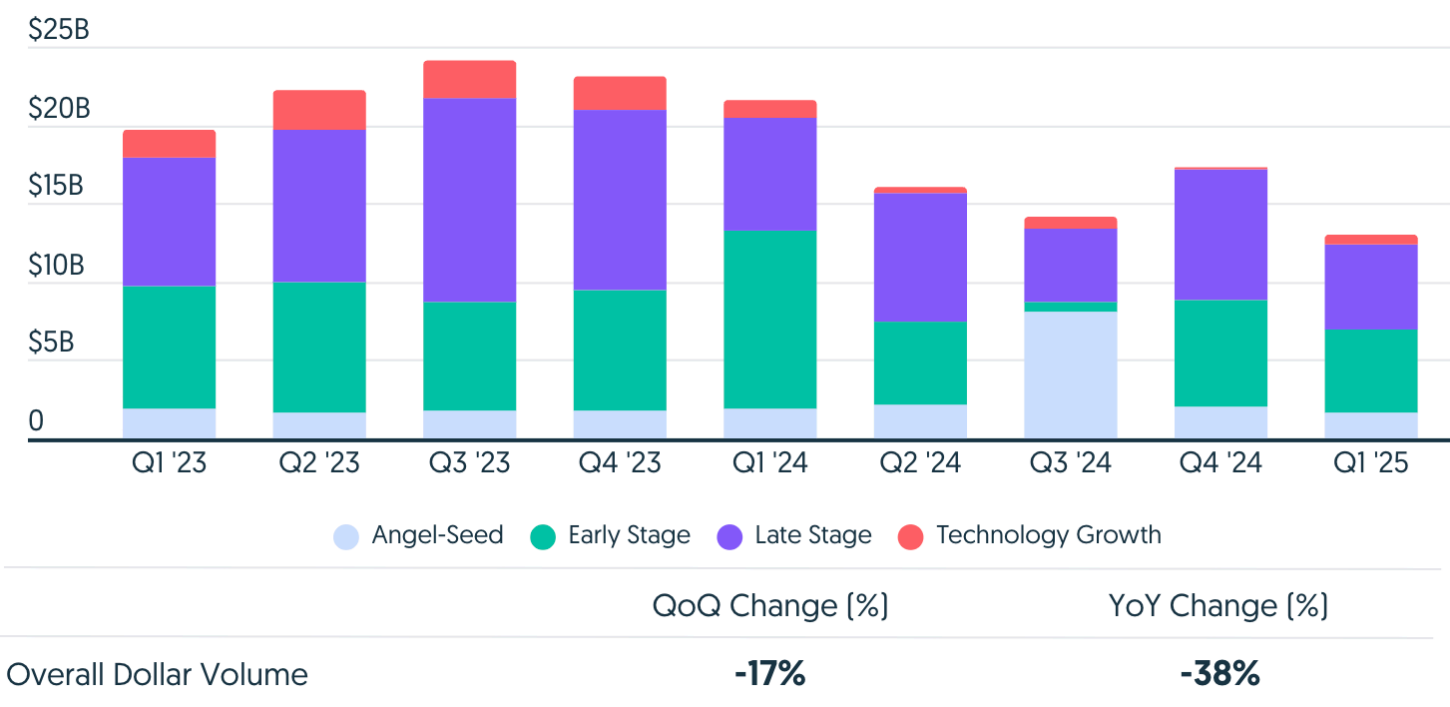
North America Venture Dollar Volume



Europe Venture Dollar Volume



Asia Venture Dollar Volume



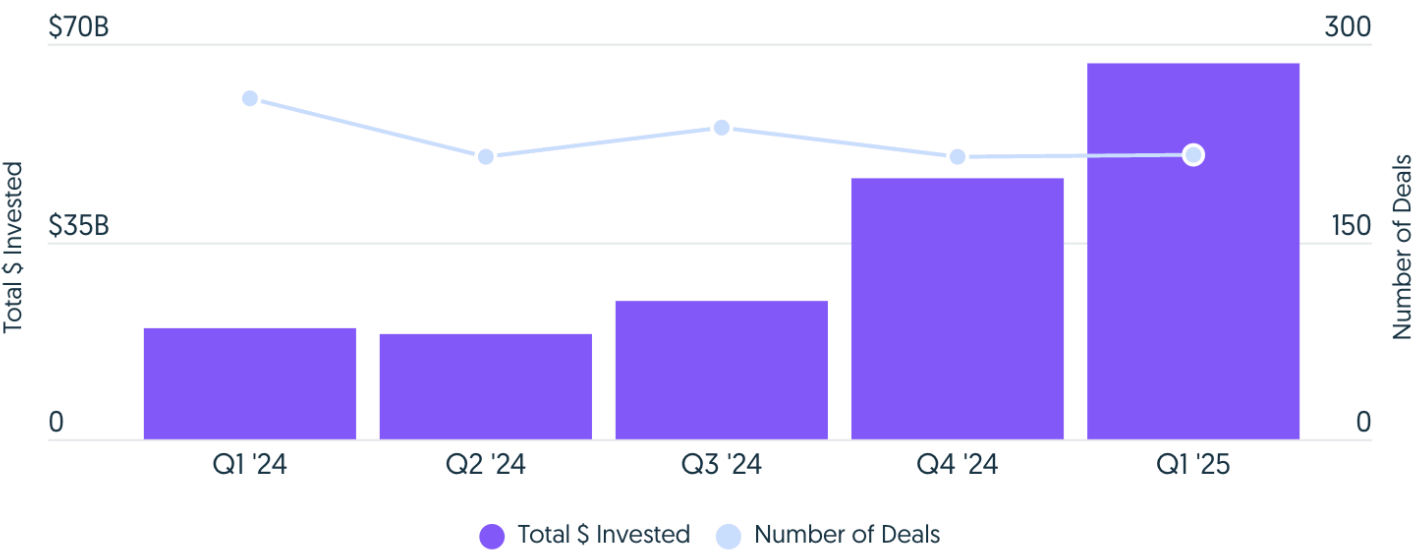


Late Stage Fundraising Boom in the U.S.

Late- and growth-stage funding in the U.S. surged in Q1 2025, reaching its highest level in over a year with a 43% increase from the previous quarter. In stark contrast, Asia hit a new low, with North America raising nearly 11 times more than Asia in this category. Europe, meanwhile, saw little change, with late- and growth-stage investment levels remaining largely flat.

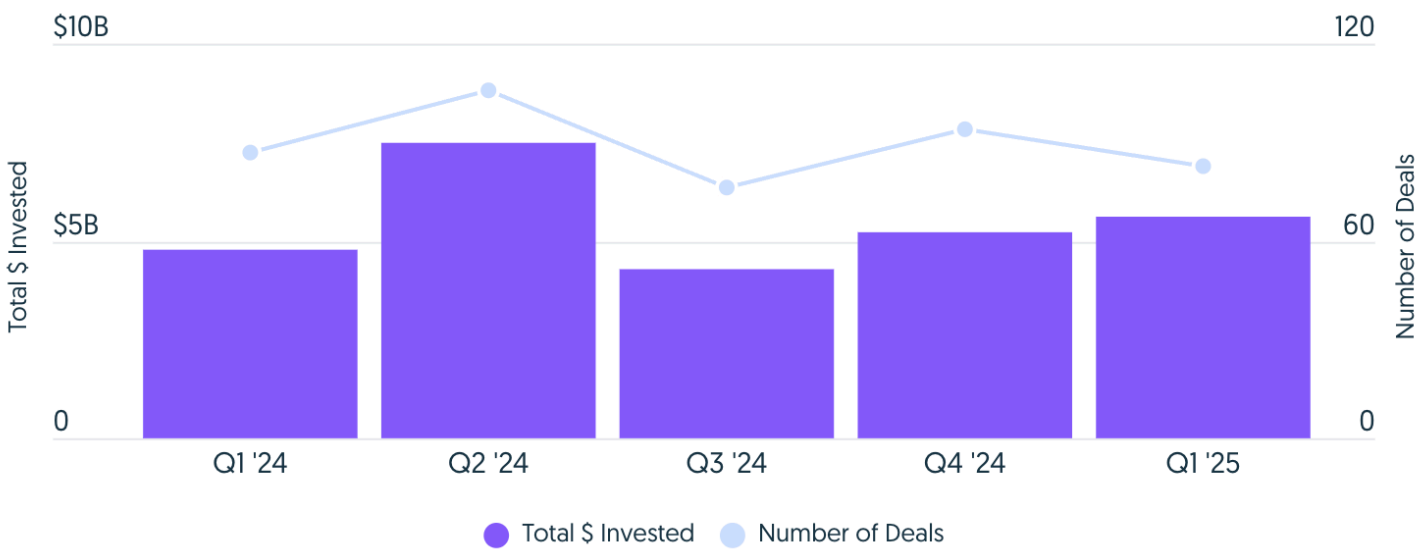
North America

Late-Stage & Technology Growth Investment



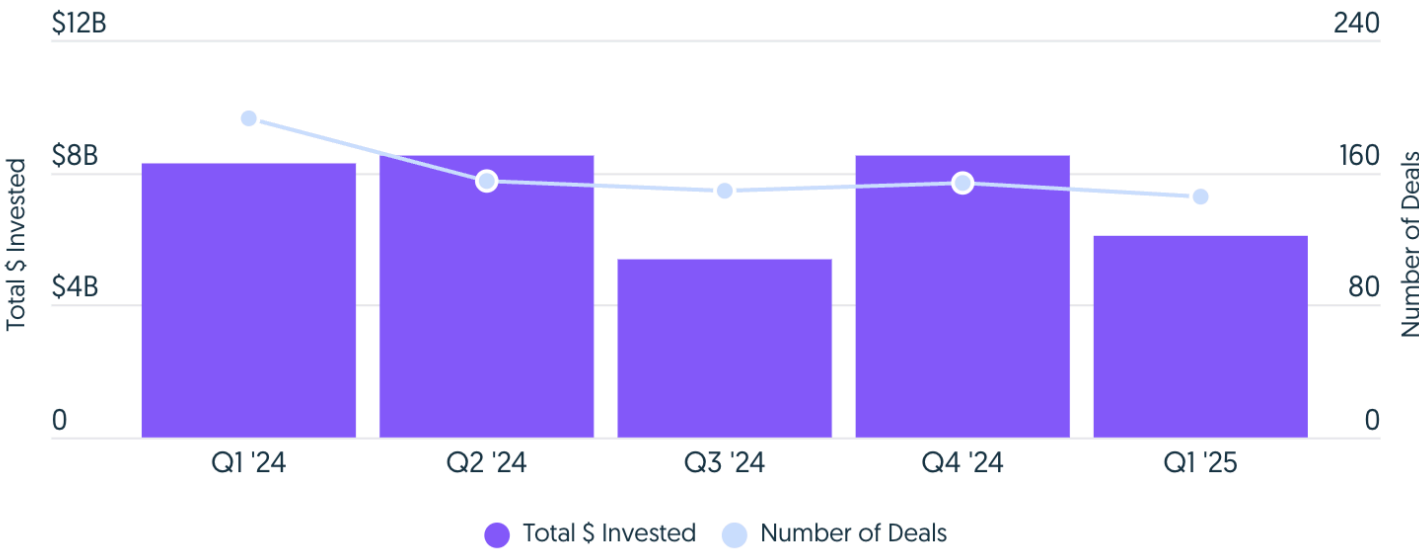
Europe

Late-Stage & Technology Growth Investment



Asia

Late-Stage And Technology Growth Investment

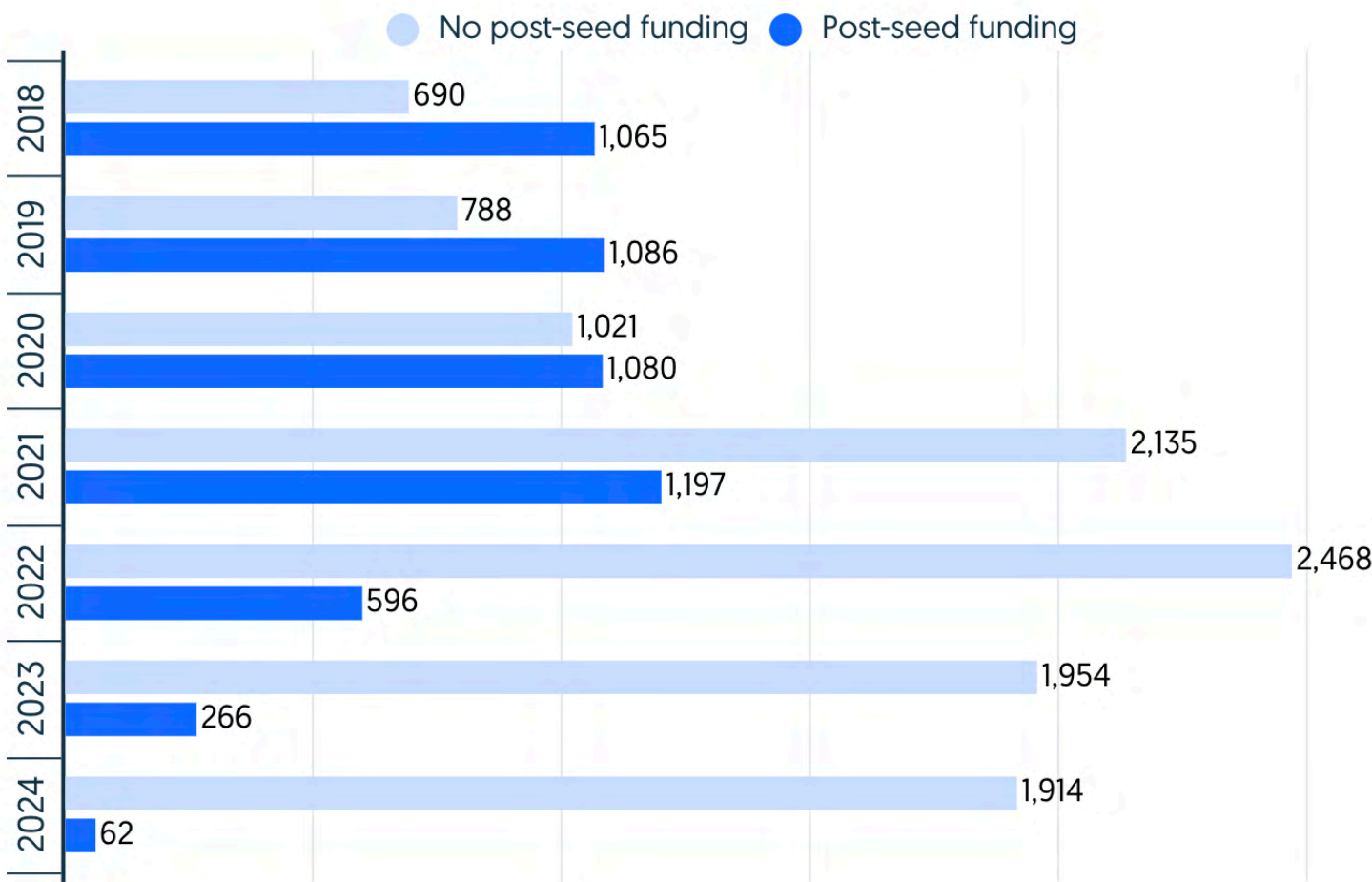


All charts from Crunchbase. Click for source post.

Chasm Beyond Seed Fundraising Continues

Startups founded in 2021 and 2022 are advancing more slowly than those from earlier years. Just 36% of the 2021 cohort and only 20% of the 2022 group have reached Series A or beyond, compared to 51% to 61% for prior cohorts at the same stage in their lifecycle. It’s still too early to evaluate progress for the 2023 and 2024 cohorts. Based on Carta data, just around 17% of companies that raised a seed round in 2022 have gone on to raise a Series A within two years.

US Companies,
Grouped By Year Of Initial Seed >=\$1M,
That Raised Post-Seed Funding

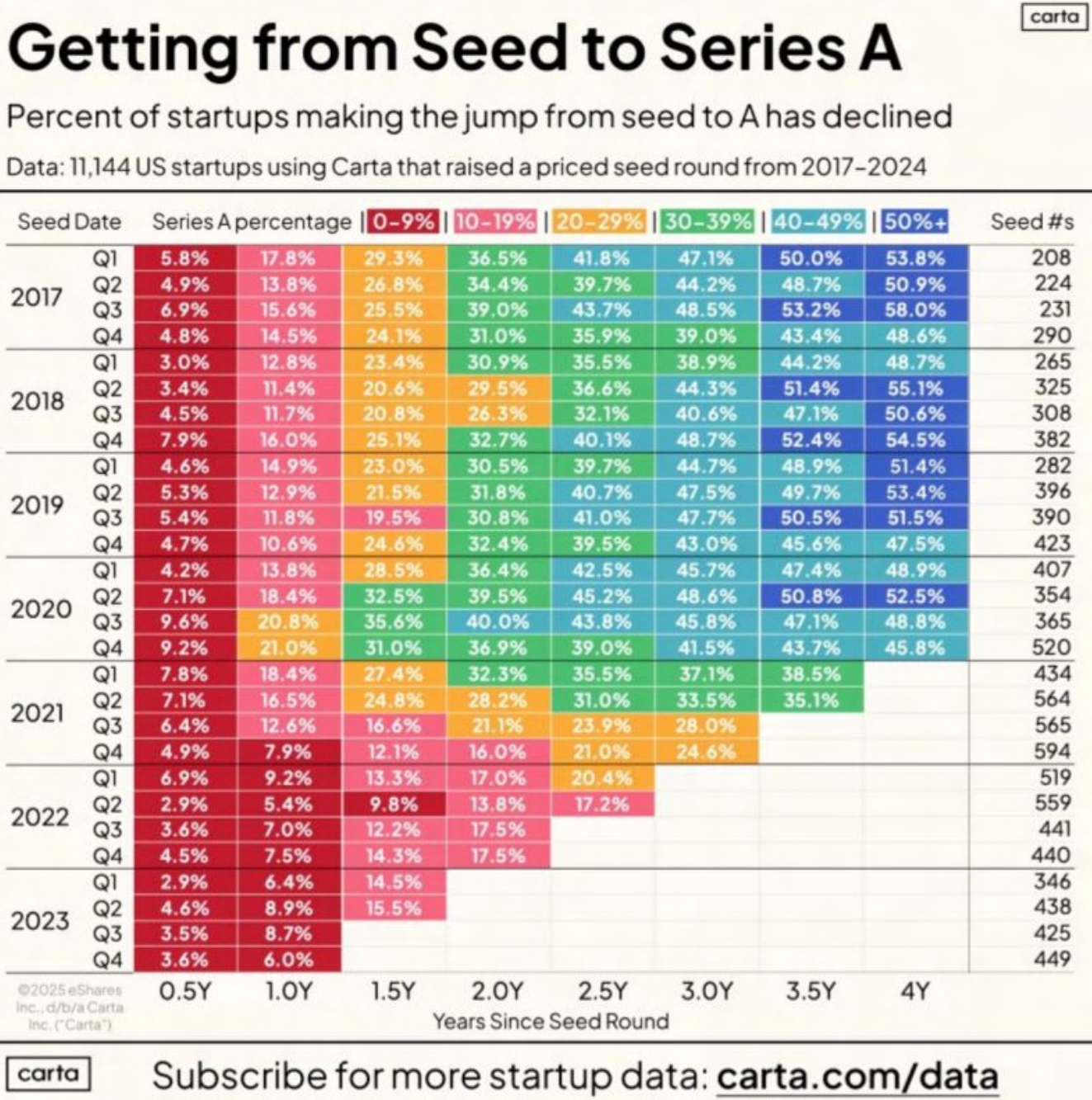


**Jeff Morris Jr.** ✓
@jmmj

Series A crunch right now for talented teams even when they reach \$1m-\$3m ARR.

“Revenue velocity” & “revenue per employee” are the metrics that matter most right now in early stages. Not ARR.

Important to know before starting a fundraising process.

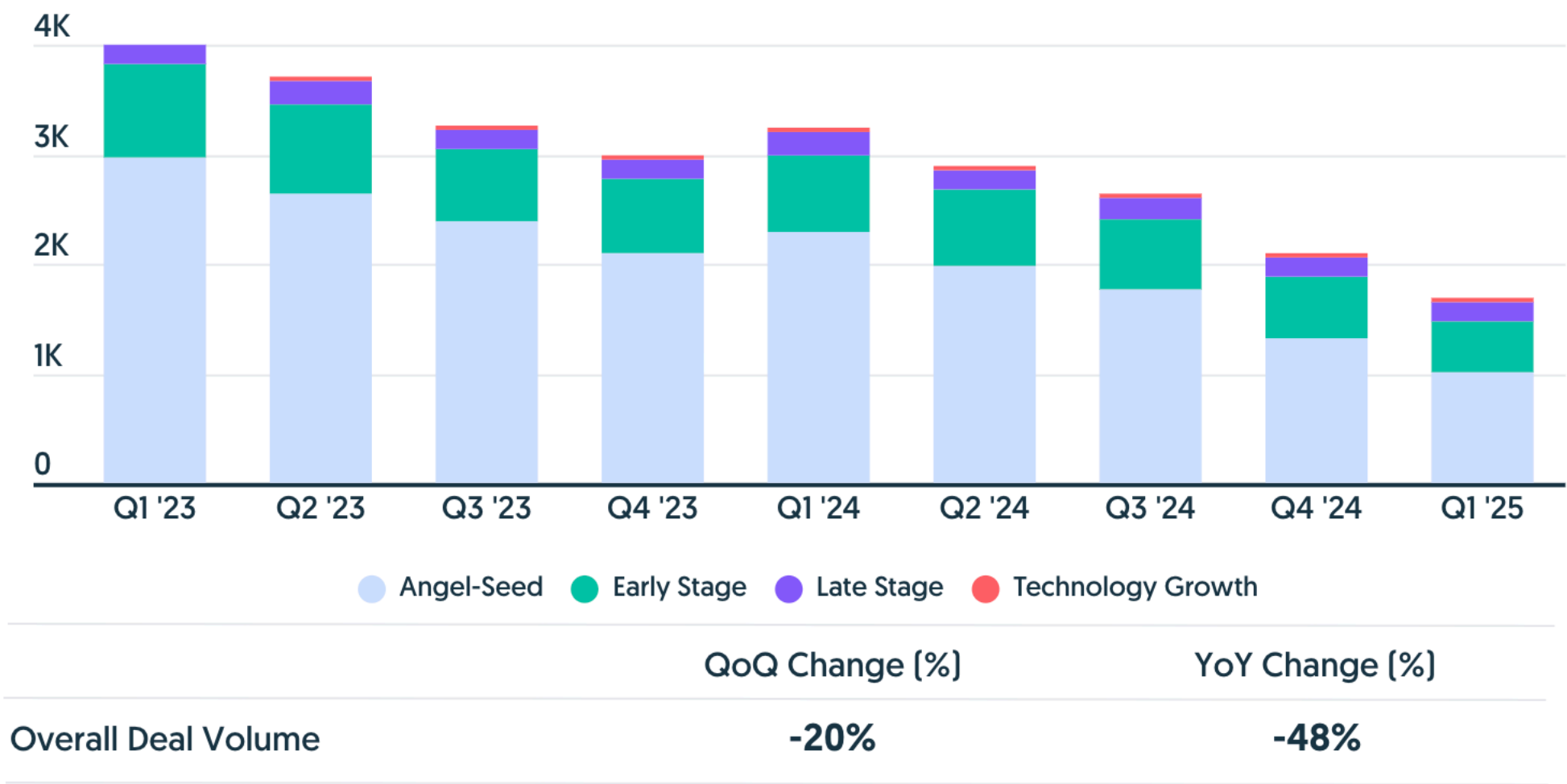


Geographic focus of both charts = U.S. 1st chart from Crunchbase and 2nd from Carta. Click for source post.

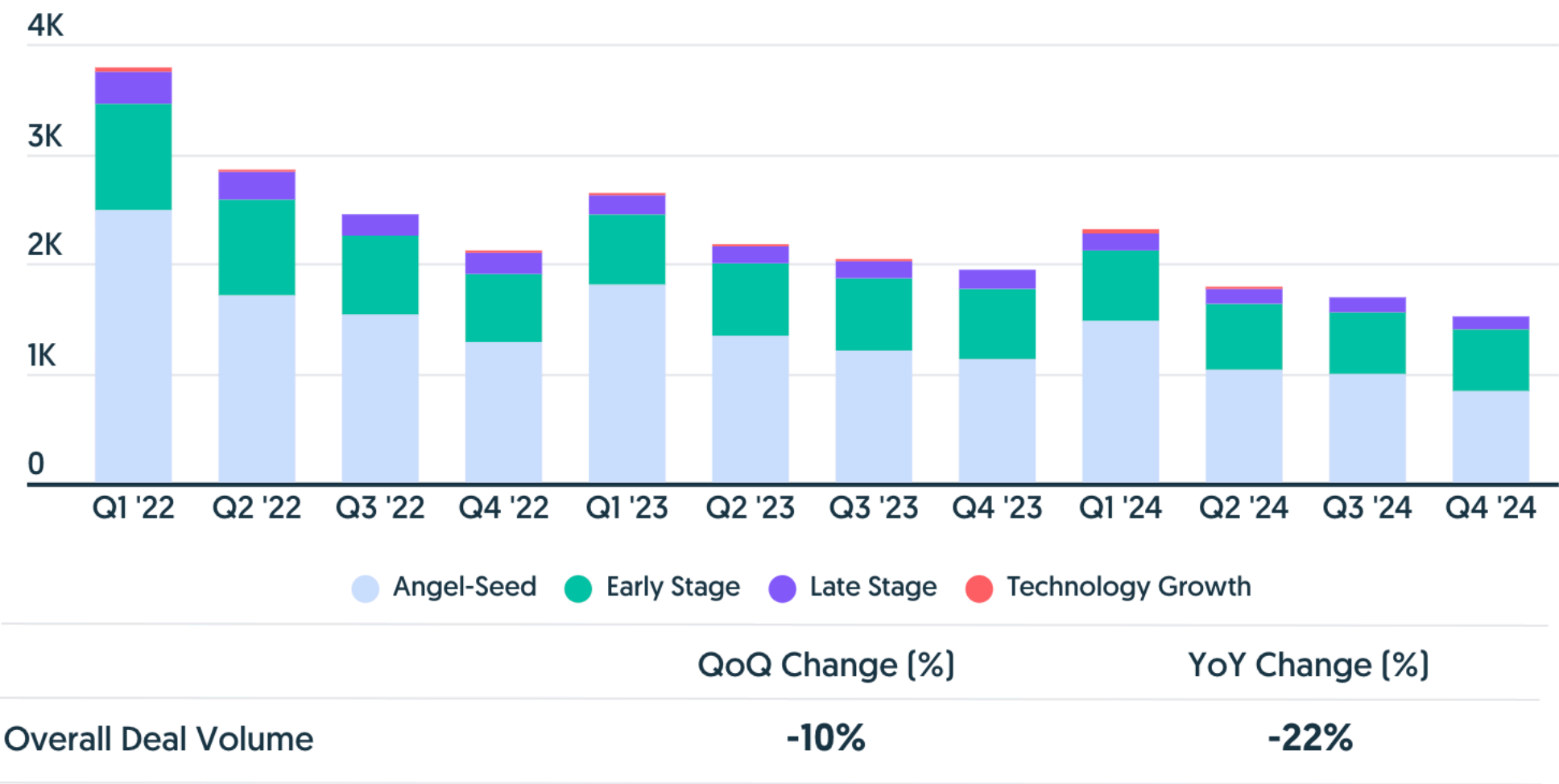
Decreasing Deal Count Trend Continues

Both Asia and North America have seen a steady decline in number of completed deals—a trend that has persisted for several quarters. Investors remain highly selective, focusing primarily on top-tier opportunities, as the venture landscape continues to operate in a risk-off environment.

North America Venture Deal Volume Through Q1 2025



Asia Venture Deal Volume Through Q4 2024



Disclaimer: Data only until Q4 2024



Deal Counts Distribution (Based on Stage)

In Q1 2025, early-stage deals accounted for just 63% of global deal count—down from the typical annual range of 69% to 73% seen in previous years.

Global view - Annual percent of deals by deal stage

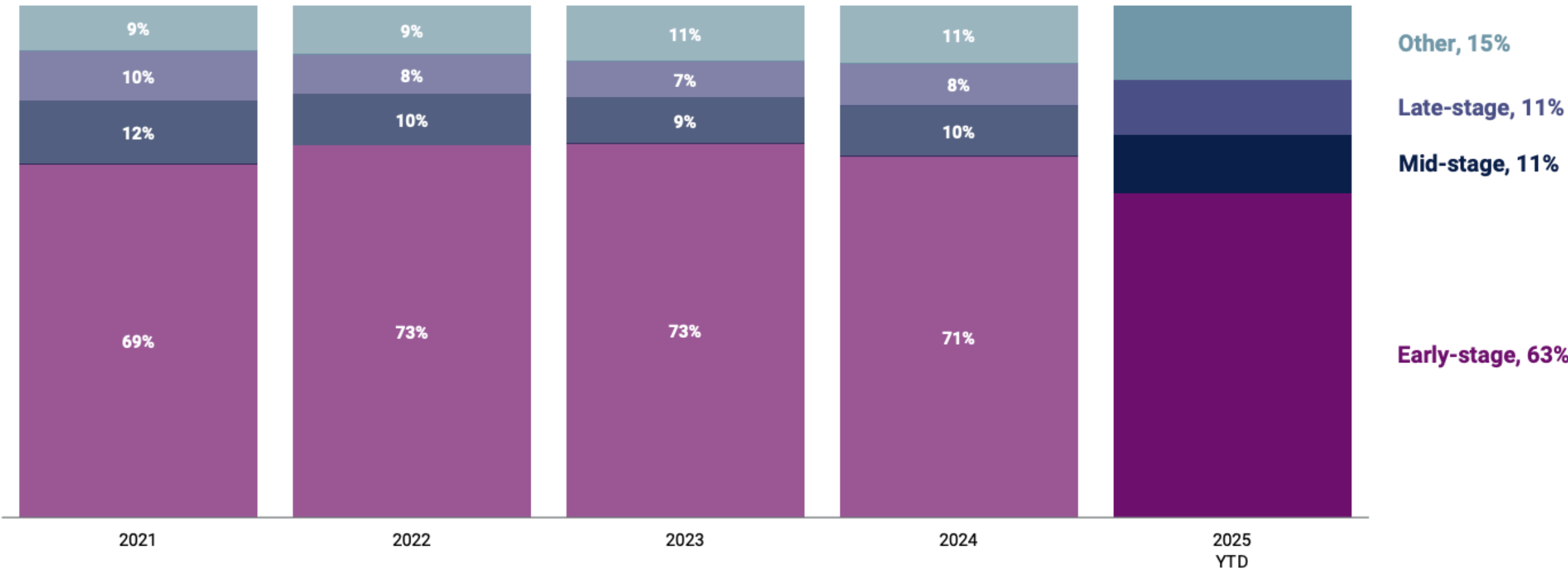


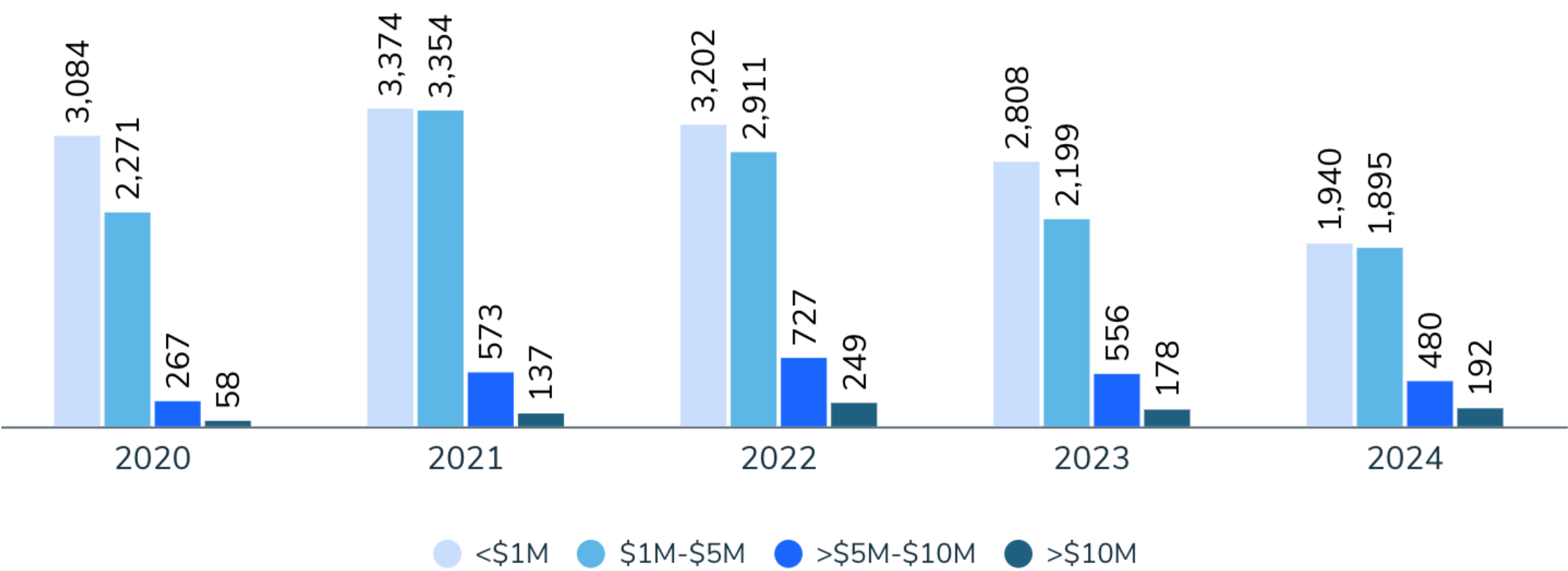
Chart from CB Insights. Click for source post.



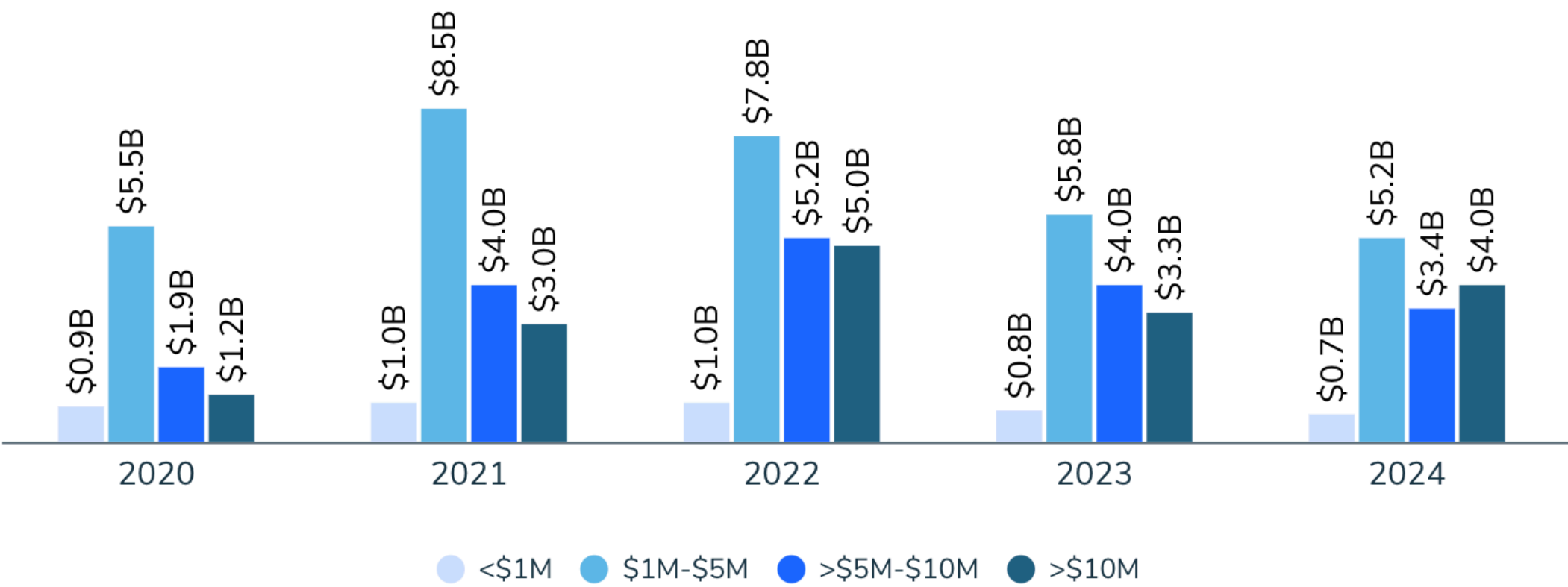
U.S. Seed Nuances

Since 2022, larger seed rounds—those over \$5 million—have claimed a growing share of total seed funding. In contrast, rounds under \$1 million, while making up over 40% of all seed deals from 2020 to 2024, accounted for less than 10% of total capital raised. This highlights a growing imbalance between deal volume and capital allocation at the early stage. Notably, sub-\$1 million seed rounds in 2024 dropped to just 60% of their 2021 levels in both deal count and value, while rounds over \$10 million surged, reaching 1.4x the deal count and 1.3x the funding volume of 2021.

US Seed Funding Counts By Range



US Seed Funding Amounts By Range



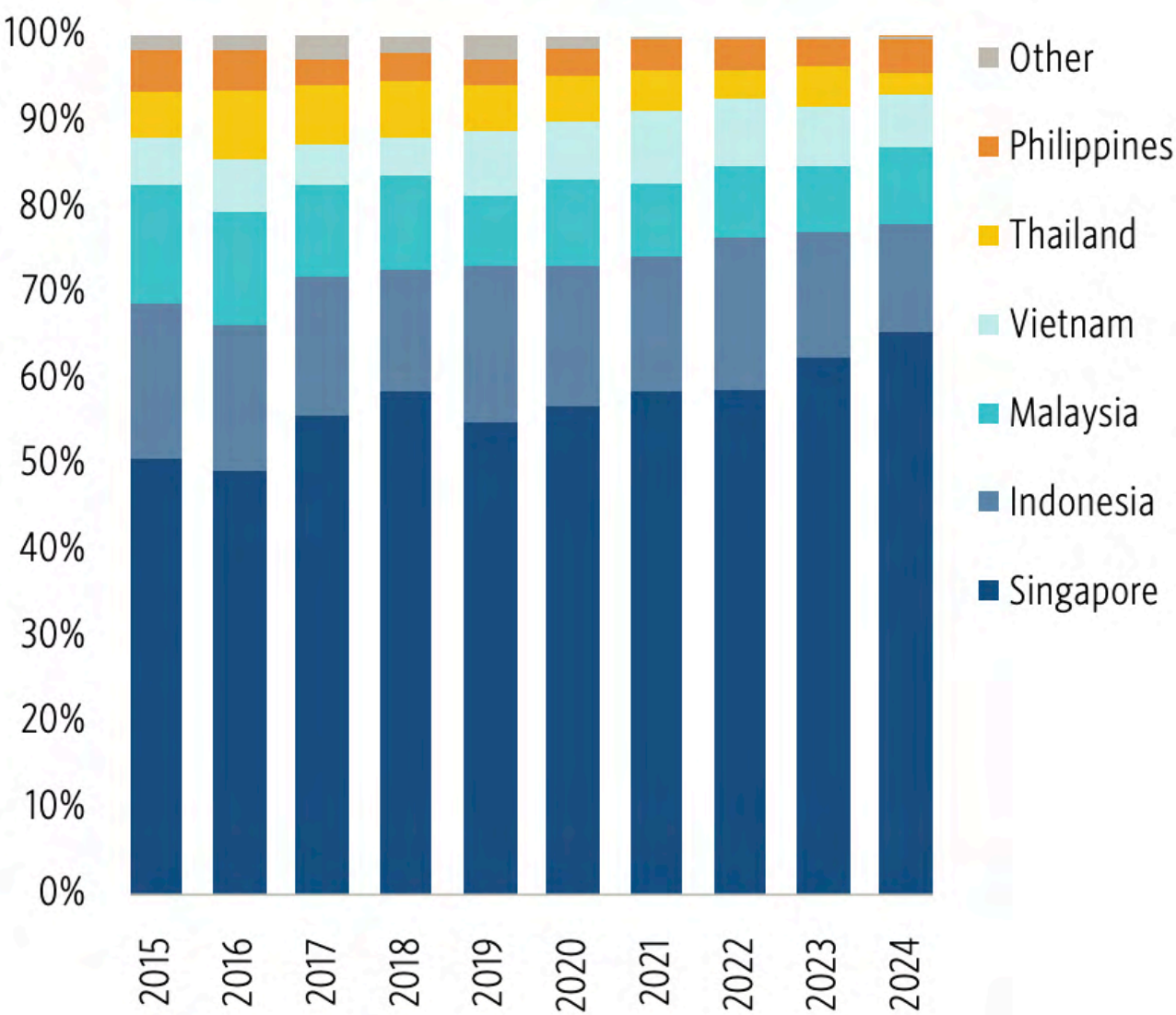
All charts from Crunchbase. Click for source post.



SEA Region Fundraising

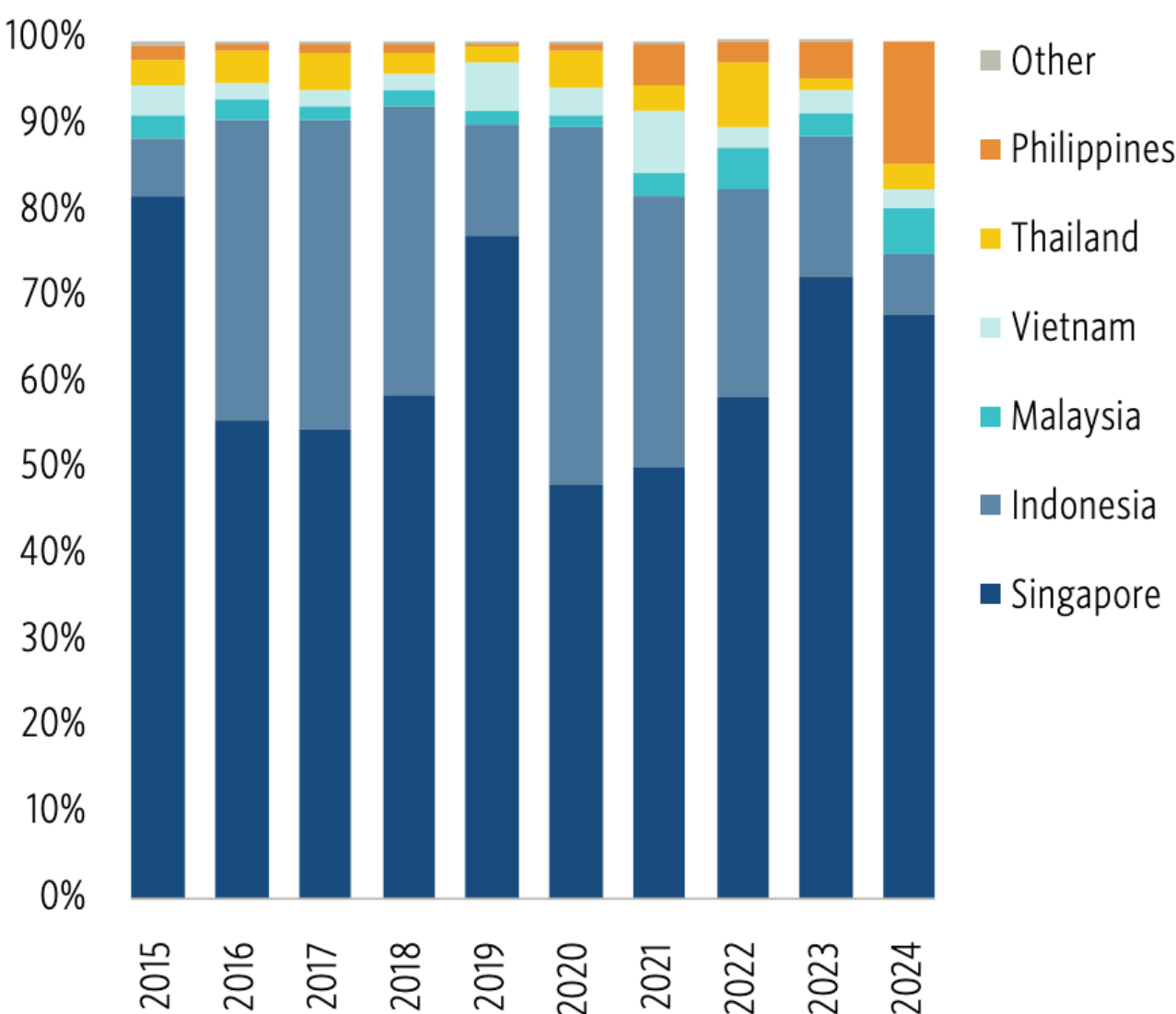
In 2024, every region navigated its own mix of gains and setbacks—and Southeast Asia was no exception. Singapore continued to lead the region’s startup scene, capturing 66% of all deals, its highest share since 2015. However, its share of total deal value dipped slightly to 68%, a 4% drop from the previous year.

Share of VC deal count by country



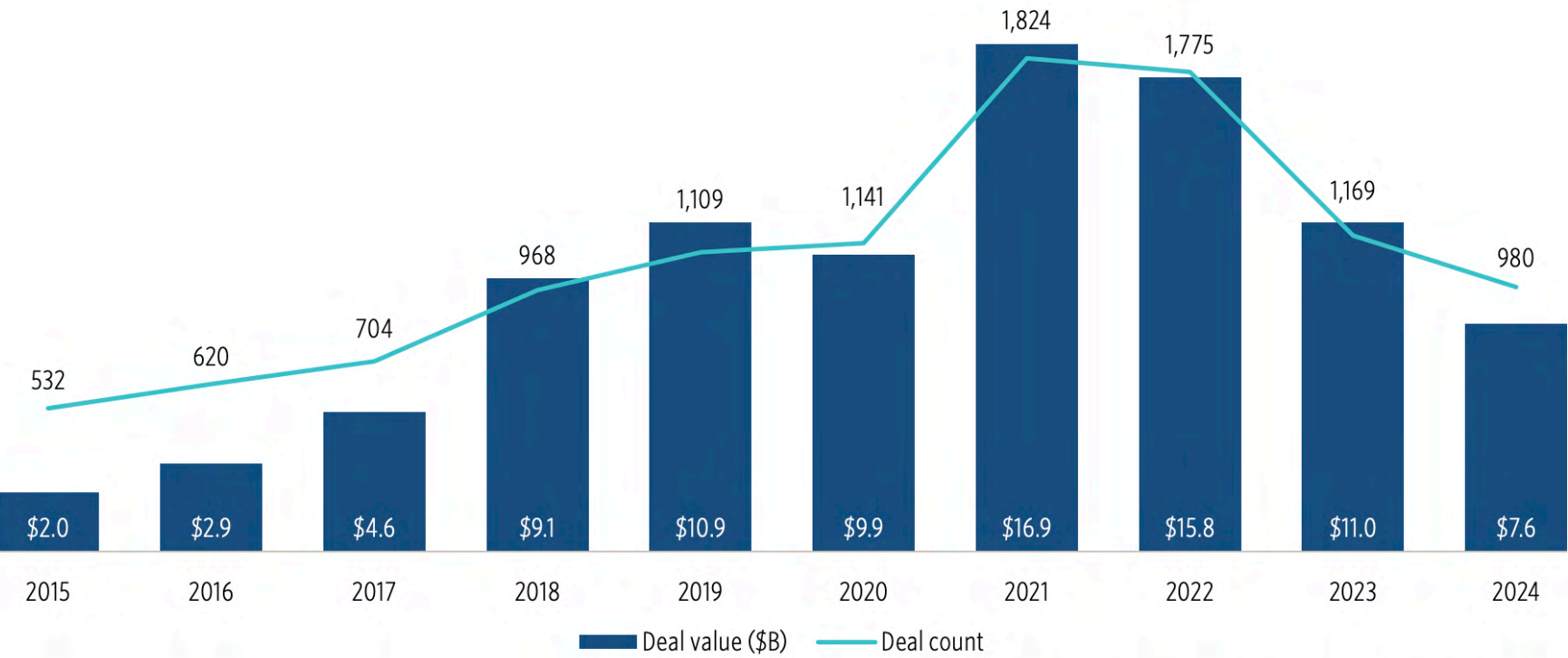
Source: PitchBook • Geography: Southeast Asia • As of December 31, 2024

Share of VC deal value by country



Source: PitchBook • Geography: Southeast Asia • As of December 31, 2024

VC deal activity

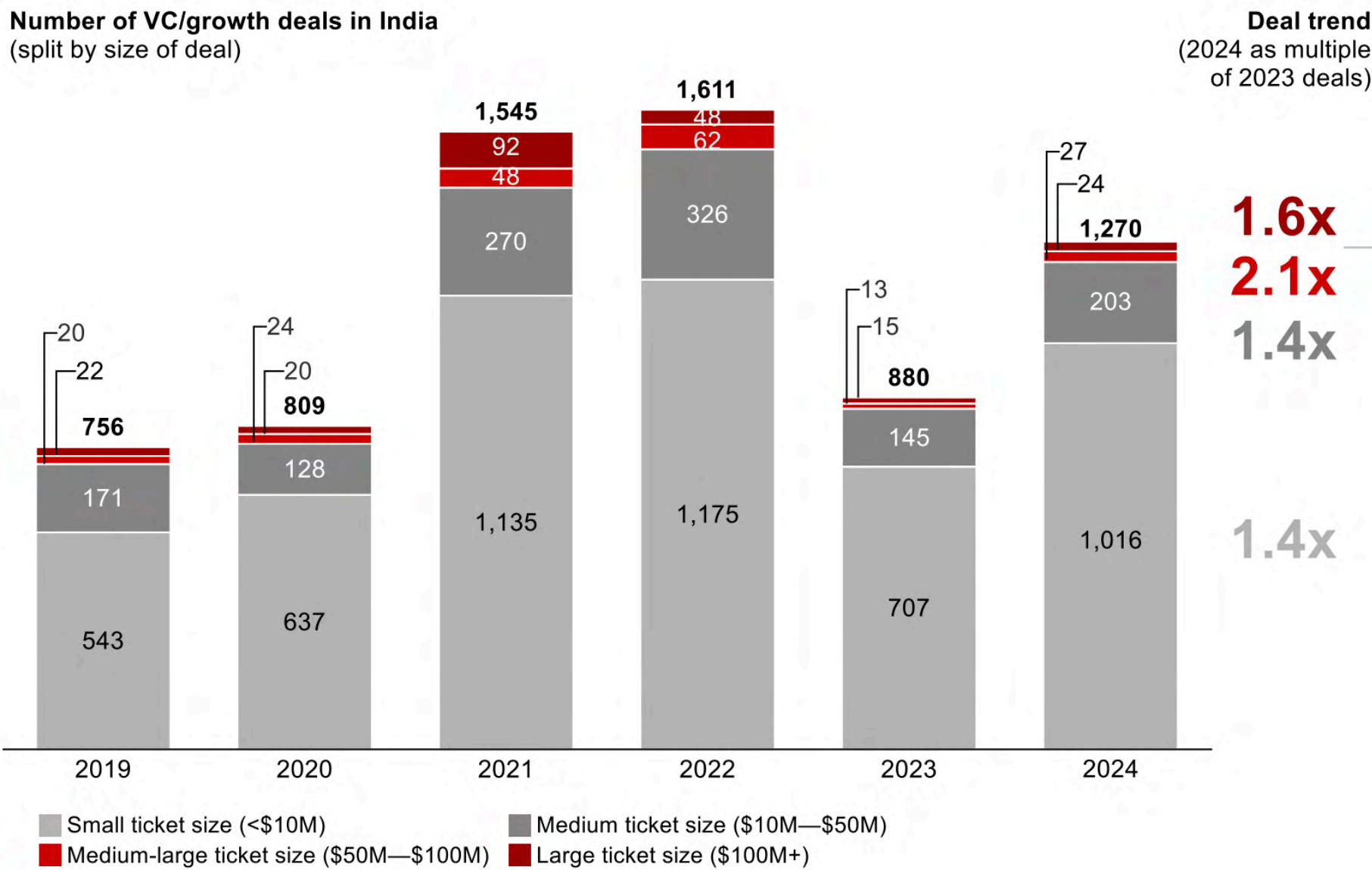
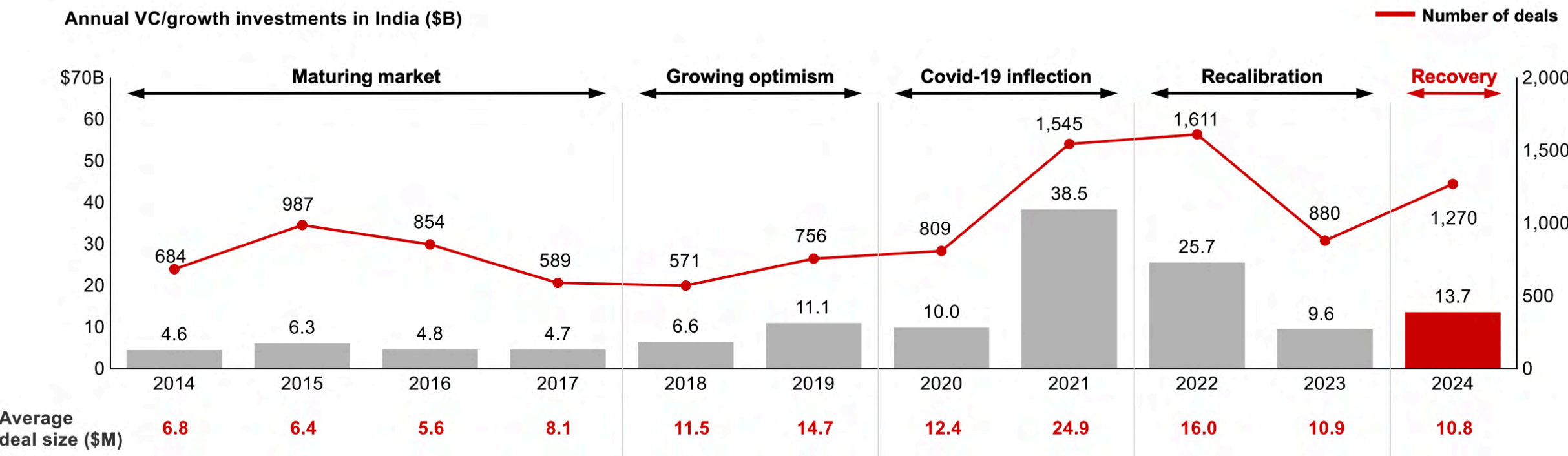
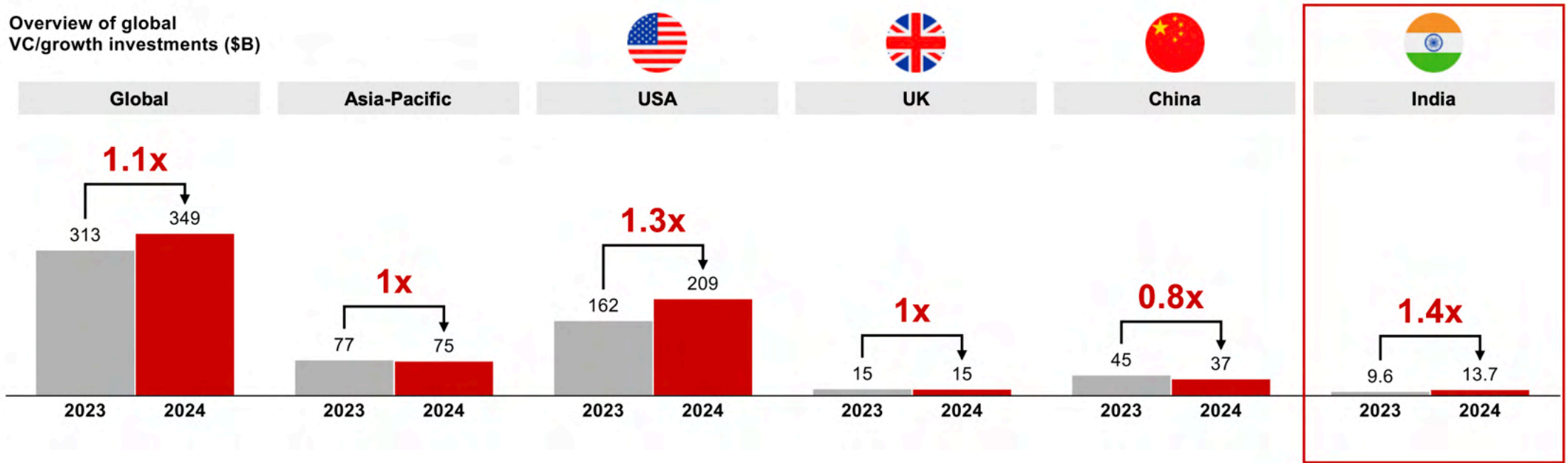


Source: PitchBook • Geography: Southeast Asia • As of December 31, 2024



India - Startup Fundraising

Large-scale funding made a strong comeback in 2024 in India, with both mega-rounds (\$100M+) and mid-large-sized deals (\$50M–\$100M) rebounding to pre-2021 levels. Consumer tech led the charge, with \$100M+ rounds jumping from just 4 in 2023 to 16 in 2024. Mid-sized rounds also surged, seeing 3x to 4x growth across sectors like software, SaaS, and BFSI.



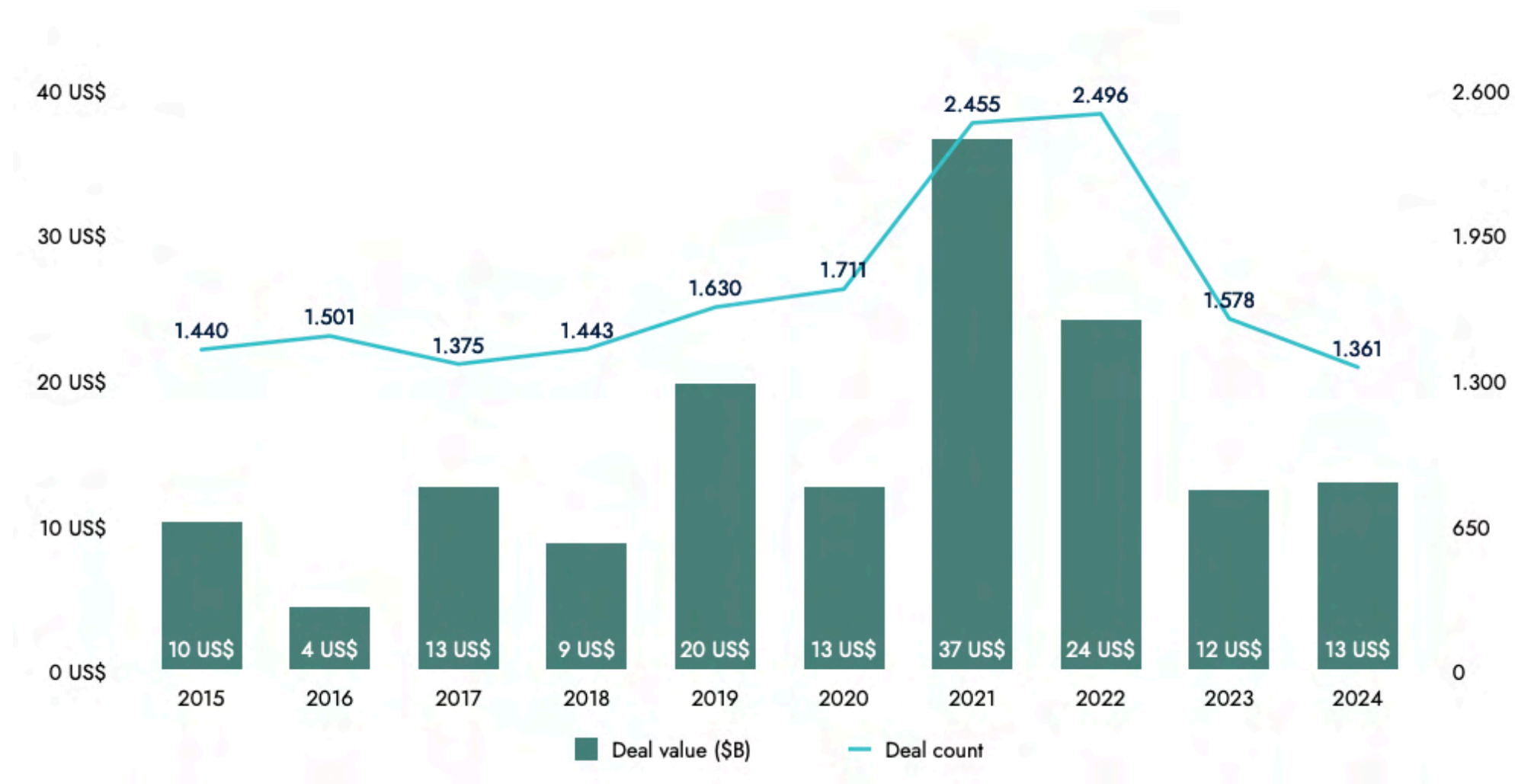
All charts from Bain. Click for source post.



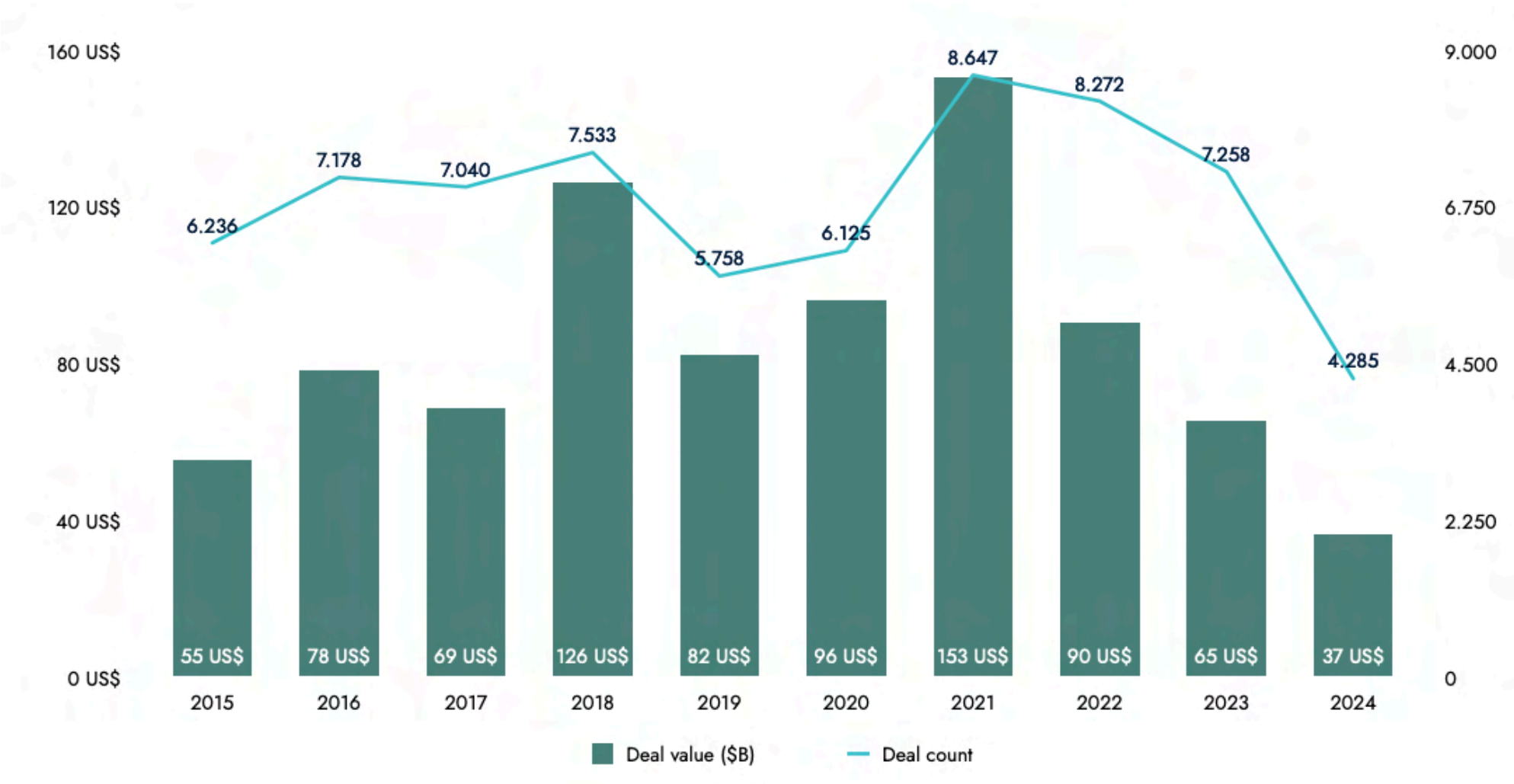
India-China Fundraising

India’s startup fundraising appears to start it’s recovery in 2024, showing early signs of rebound with an 8% increase in 2024. In contrast, China saw a sharp downturn, with startup funding plummeting by 43% year-over-year. Deal activity showed only a modest decrease in 2024 in India, with China experiencing a much steeper decline in deal count compared to India.

India VC deal activity



China VC deal activity



Data of both charts from PitchBook - 2025 APAC Private Capital Outlook

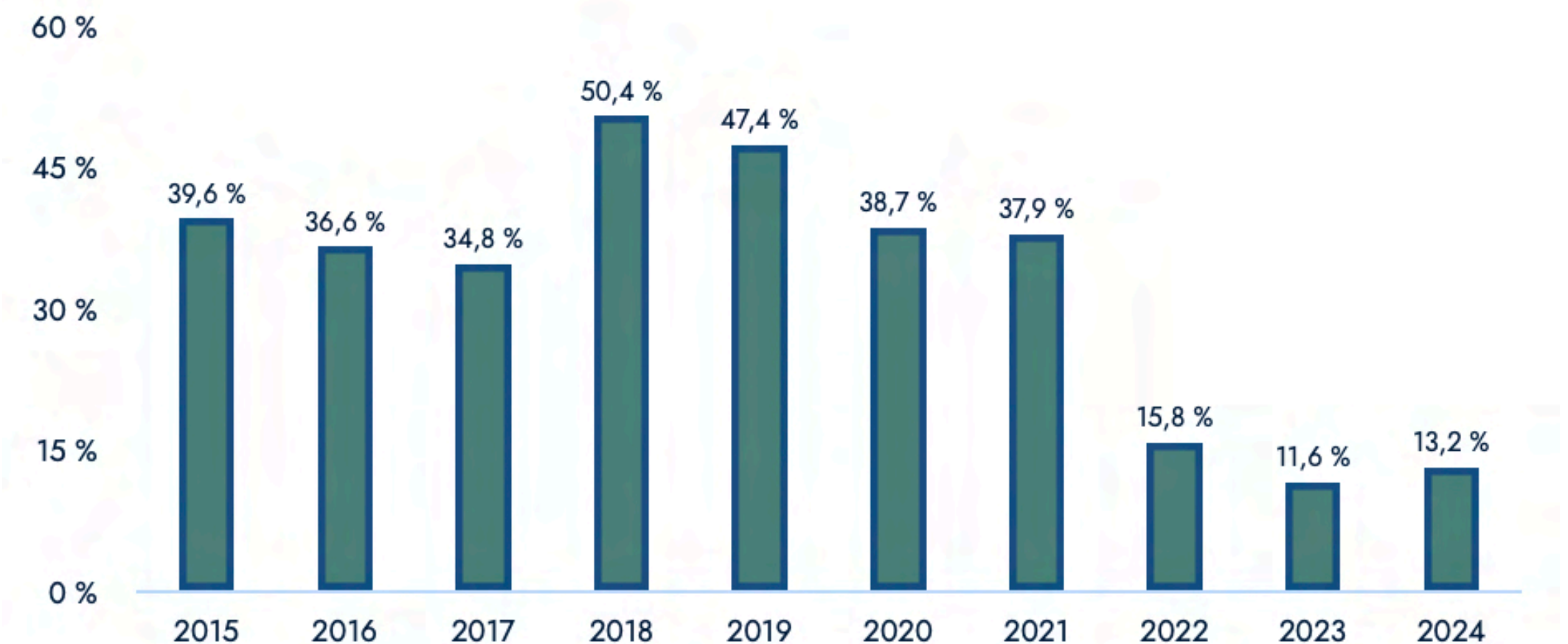
Fundraising Nuances | Asia

Since 2018, the share of China's VC deal value involving international investors has been on a steady decline. While 2024 saw a slight uptick, it still remains at its lowest point in a decade—highlighting waning global investor interest in Chinese startups. In contrast, India is gaining momentum, with its deal count now reaching 32% of China's total—a decade-high share, signaling a growing shift in regional investor focus.

India VC deal count as a share of China VC deal count



Share of China VC deal value with non-domestic investor participation

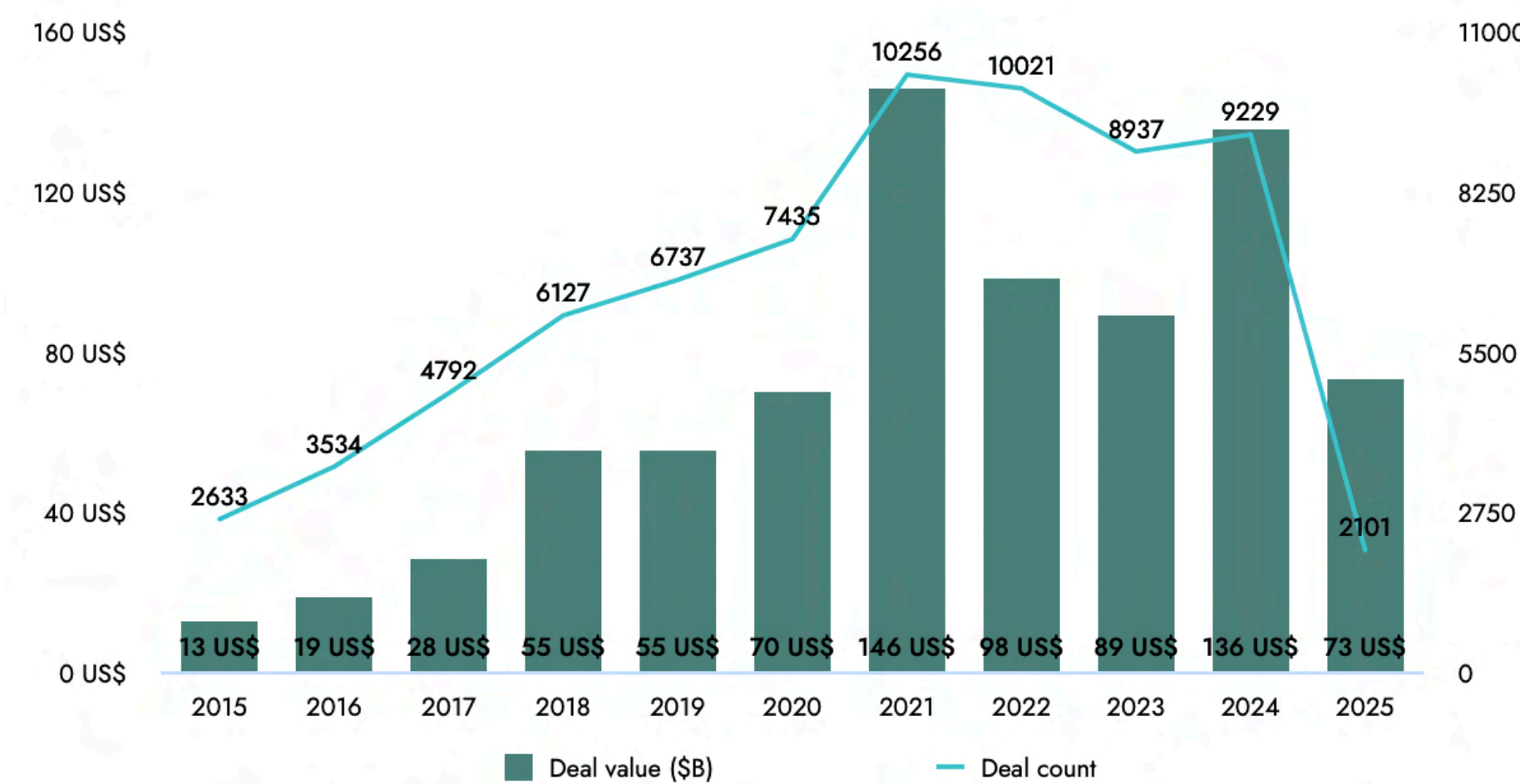




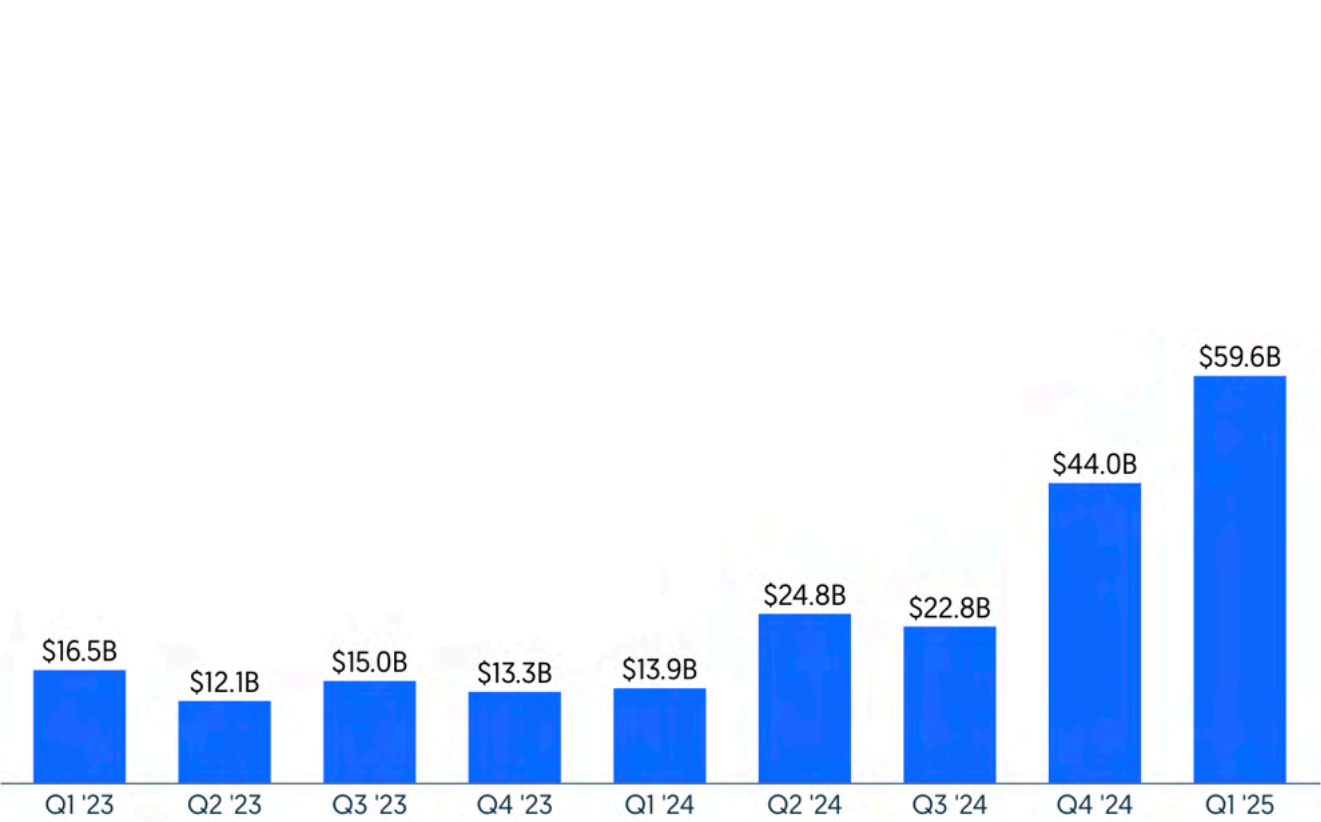
Global AI Investments

AI startups defied broader market trends in 2024, experiencing explosive fundraising growth. While figures vary across sources, all agree on a major surge in AI funding during Q4 2024 and continuing into Q1 2025.

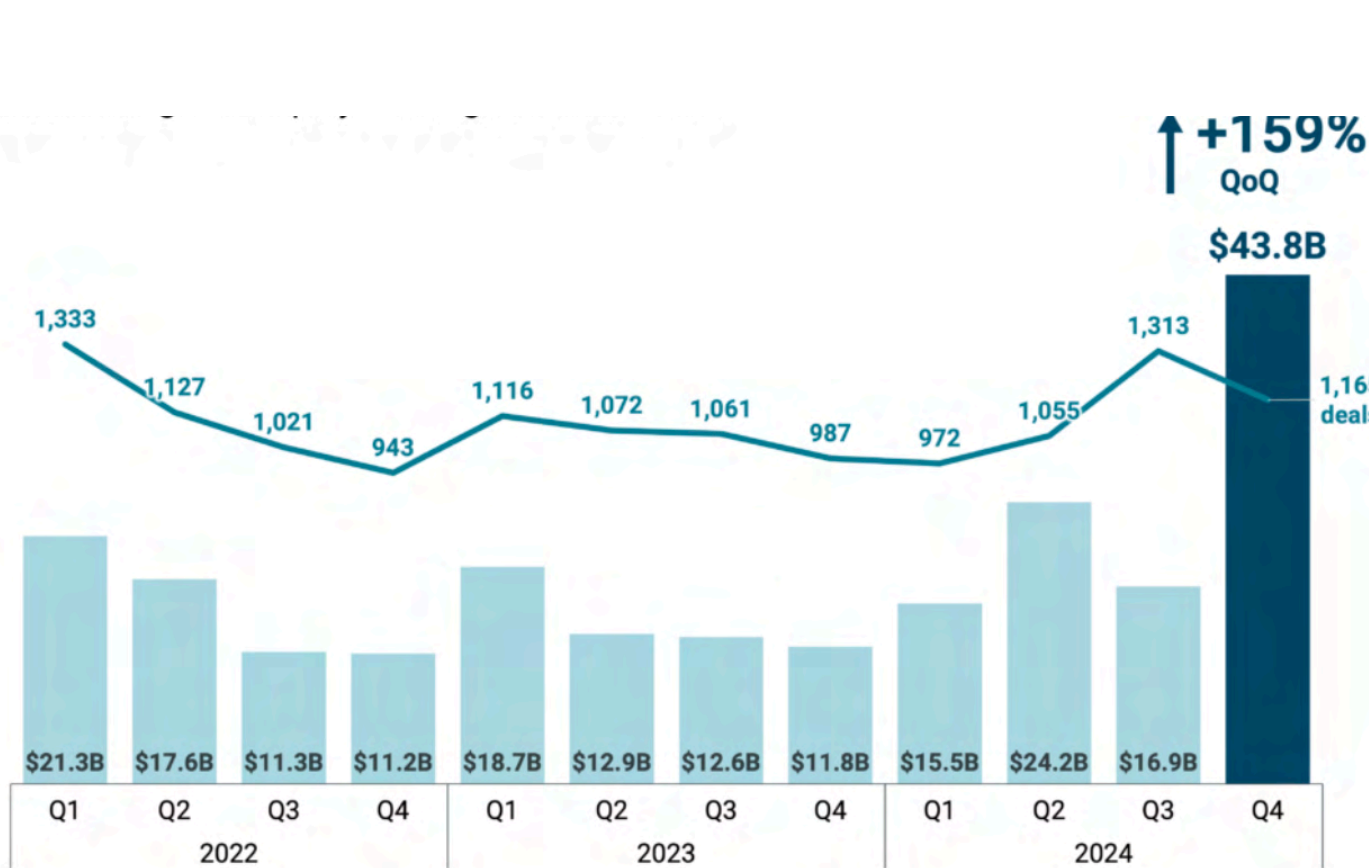
Global AI & ML VC deal activity



Global AI VC investment



Disclosed global equity funding and deal count

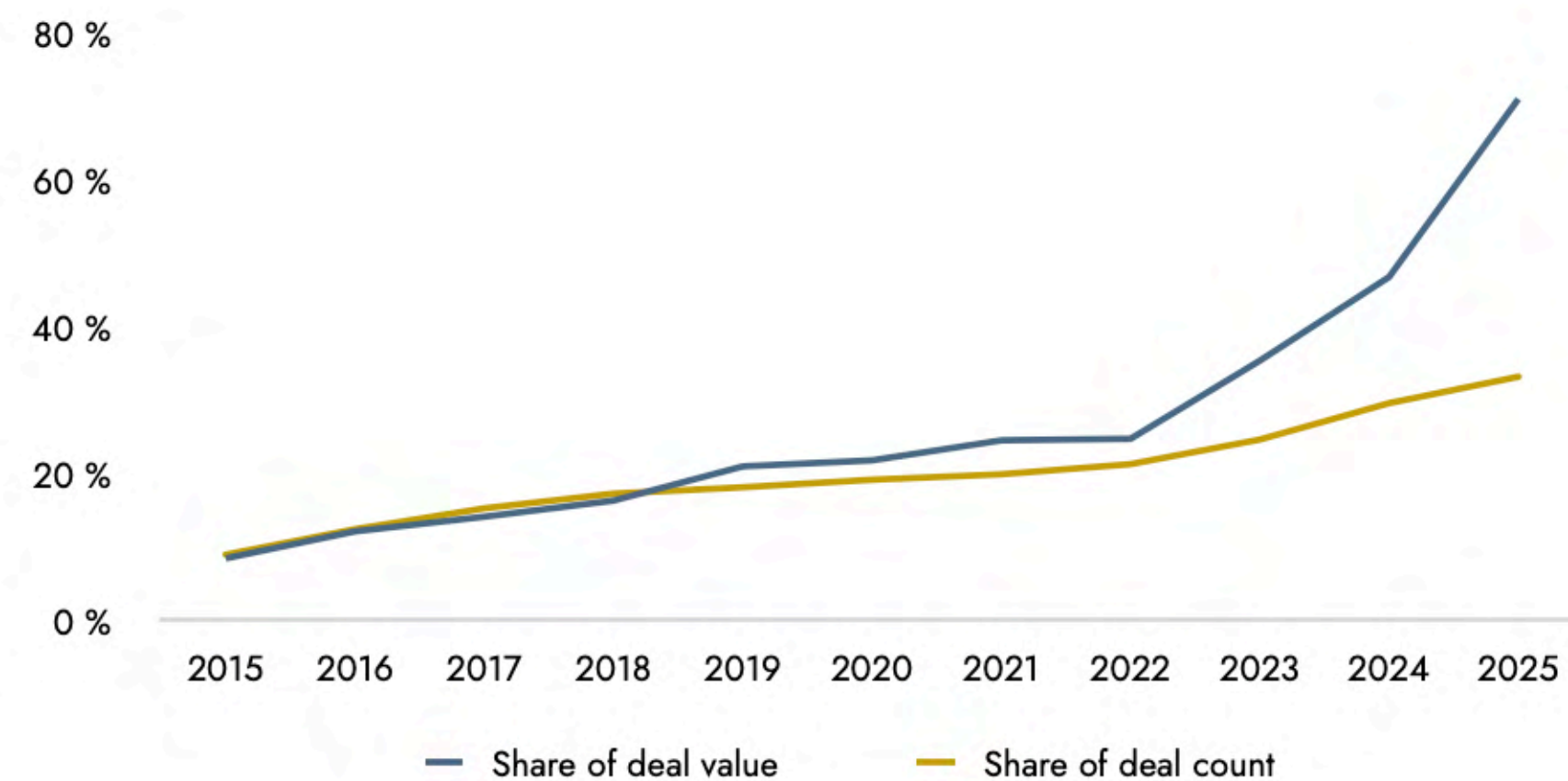


Data of 1st chart from Pitchbook. 2nd chart from Crunchbase and 3rd from CB Insights. Click for source post.

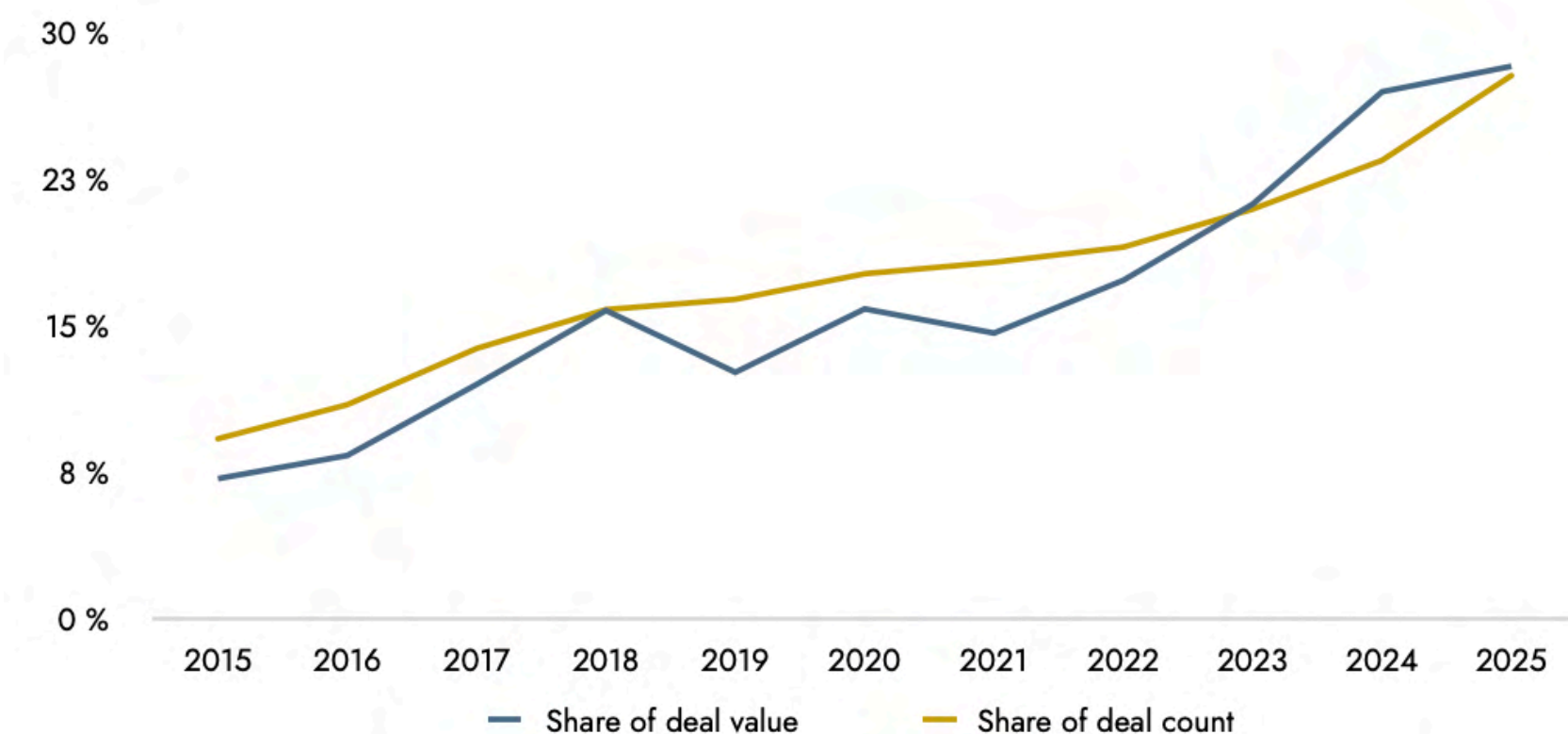
AI Deal Activity in Full Force

In the U.S., AI and ML startups have taken center stage, accounting for a staggering 71% of total VC deal value and 33% of deal count. In contrast, Europe's AI activity represents around 28% of both deal value and volume. With the U.S. dominating global fundraising overall, its AI focus is driving up global AI investment as well—now making up 58% of total global VC funding.

AI & ML VC deal activity as a share of all US VC deal activity



AI & ML VC deal activity as a share of all Europe VC deal activity

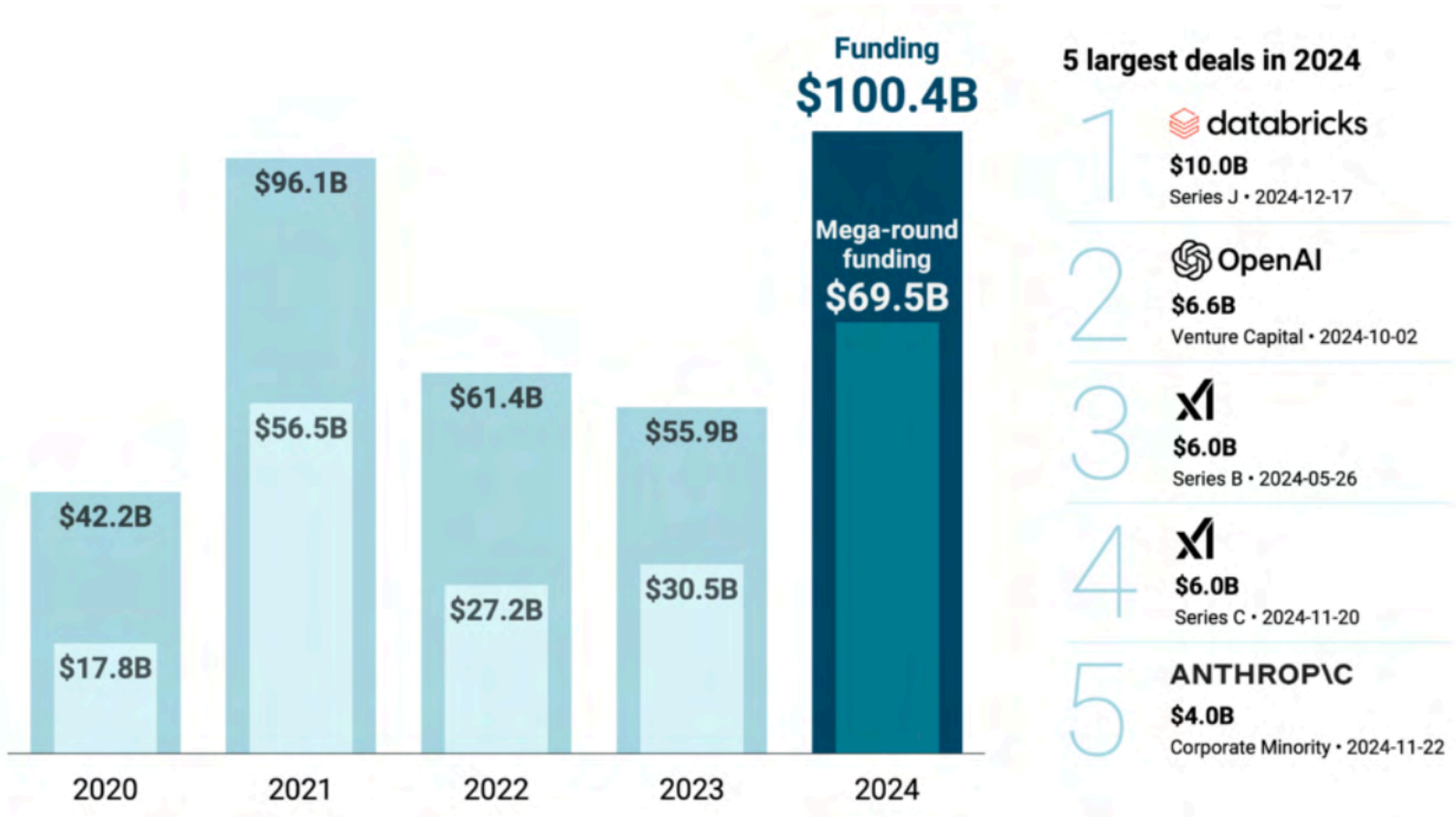




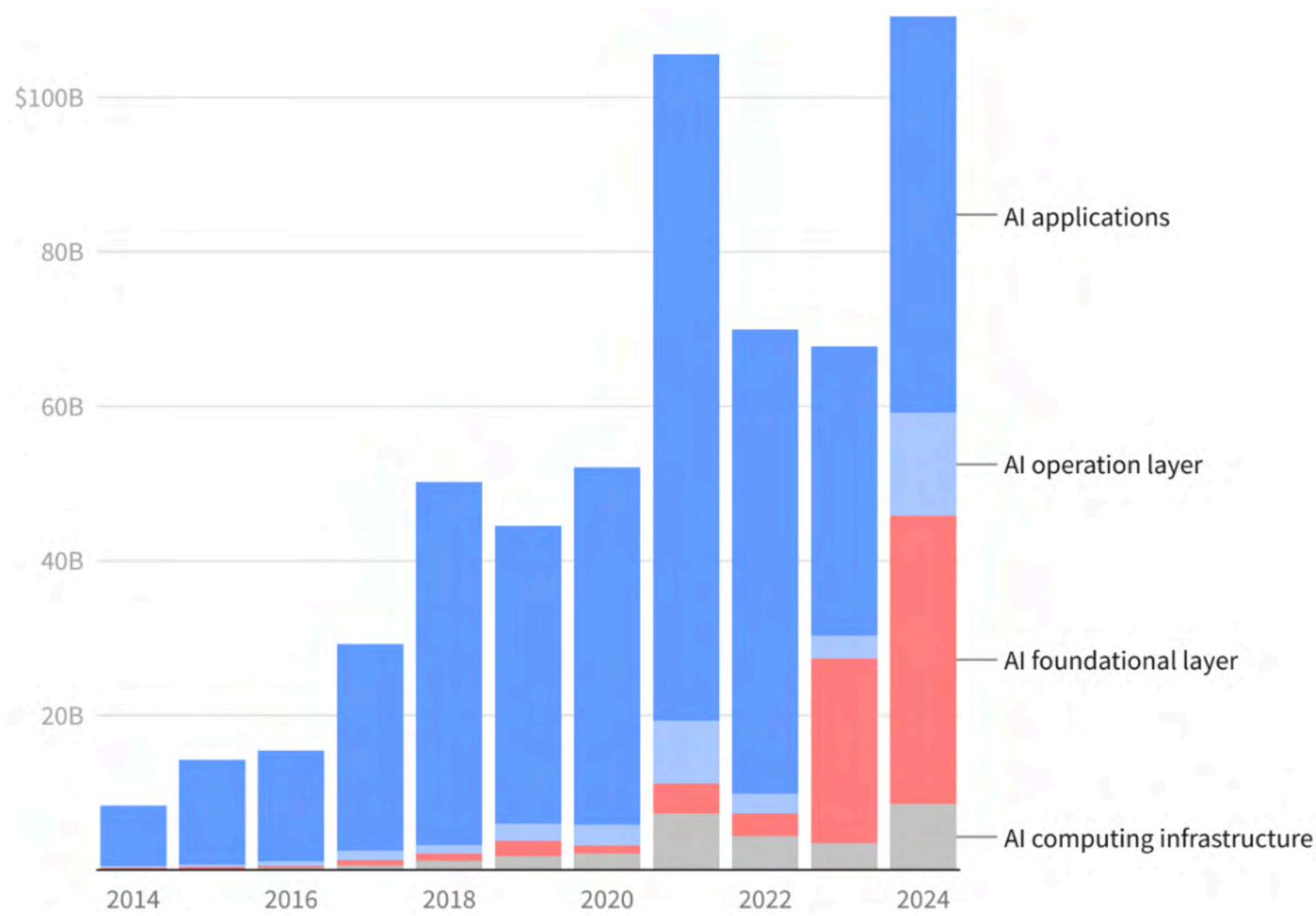
AI Investments Data and Nuances

Mega-rounds of \$100 million or more fueled the AI funding boom in 2024, accounting for a record-breaking 69% of total AI capital raised. Thirteen companies secured deals over \$1 billion, with most of the capital flowing into AI model and infrastructure development. Major players like OpenAI, xAI, and Anthropic featured prominently among the top rounds, highlighting the intense race to build next-generation AI systems. According to Dealroom, the U.S. led global AI funding with \$80.8 billion—representing 42% of all VC investment—followed by Europe at 25% and other regions at 18%. China also stood out with \$7.6 billion in AI funding. For the first time ever, global AI venture investment crossed the \$100 billion mark, driven by massive bets on foundational and infrastructure-focused startups.

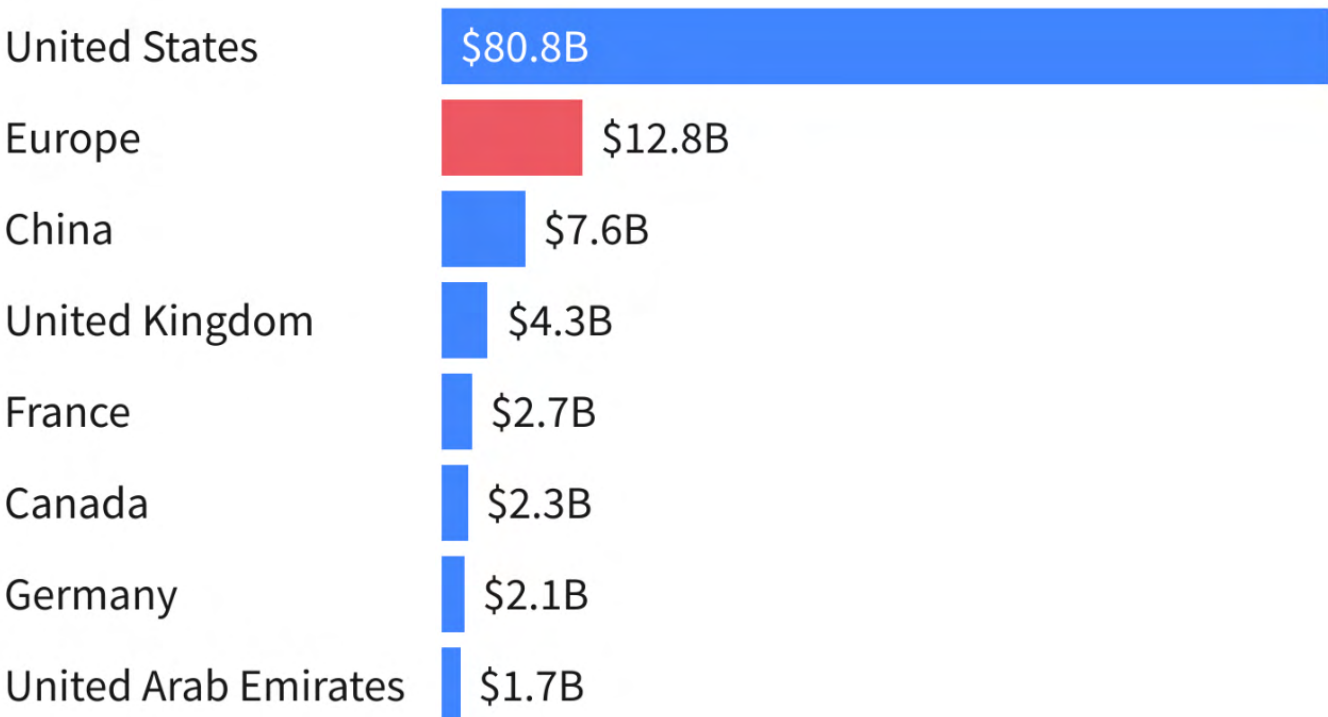
Mega rounds (deals worth \$100M+) to AI Infrastructure players drive funding boom



Global AI VC investment by layer



Global AI VC investment by country

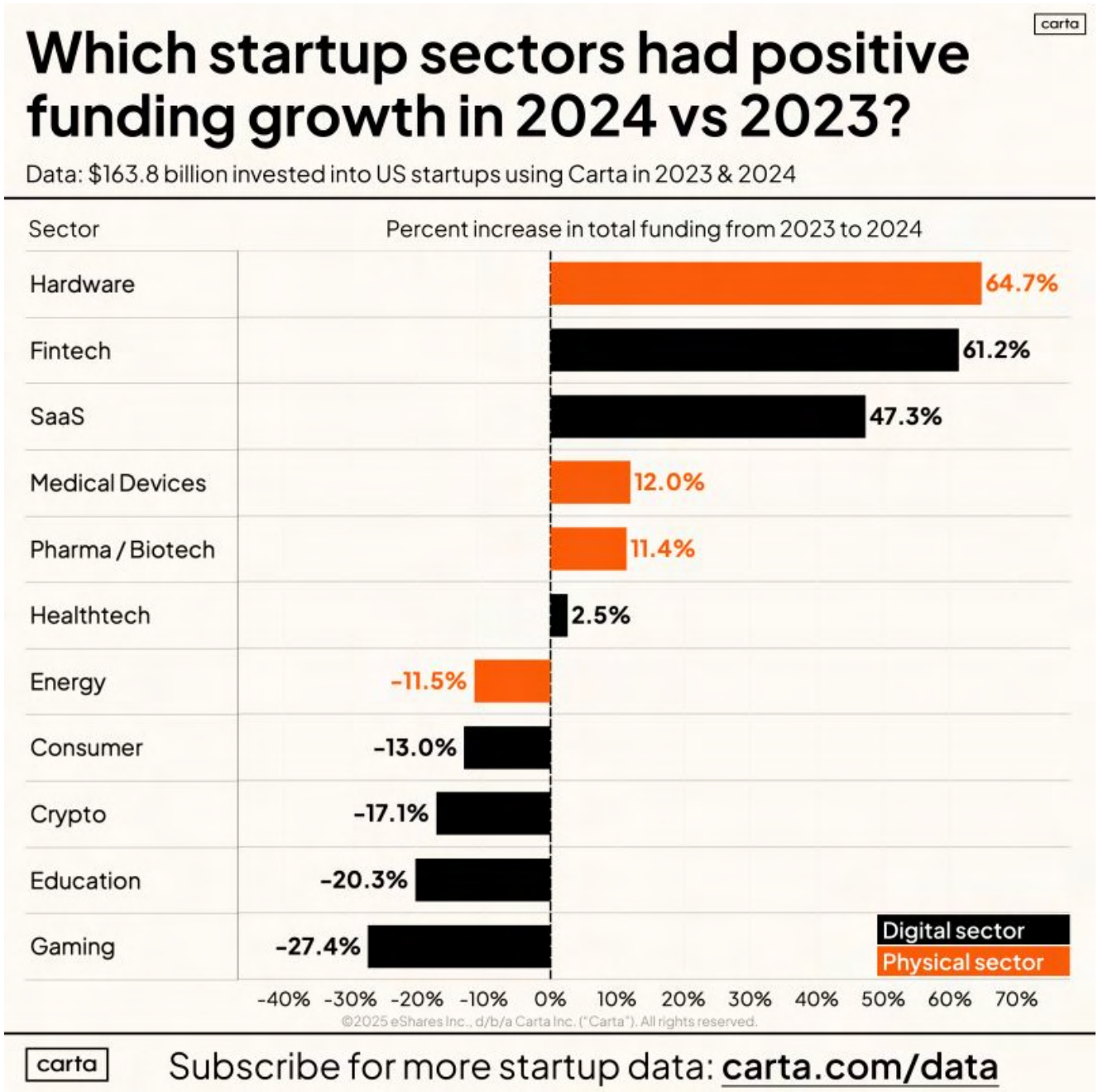


1st chart from CB Insights, 2nd and 3rd from Dealroom. Click for source post.

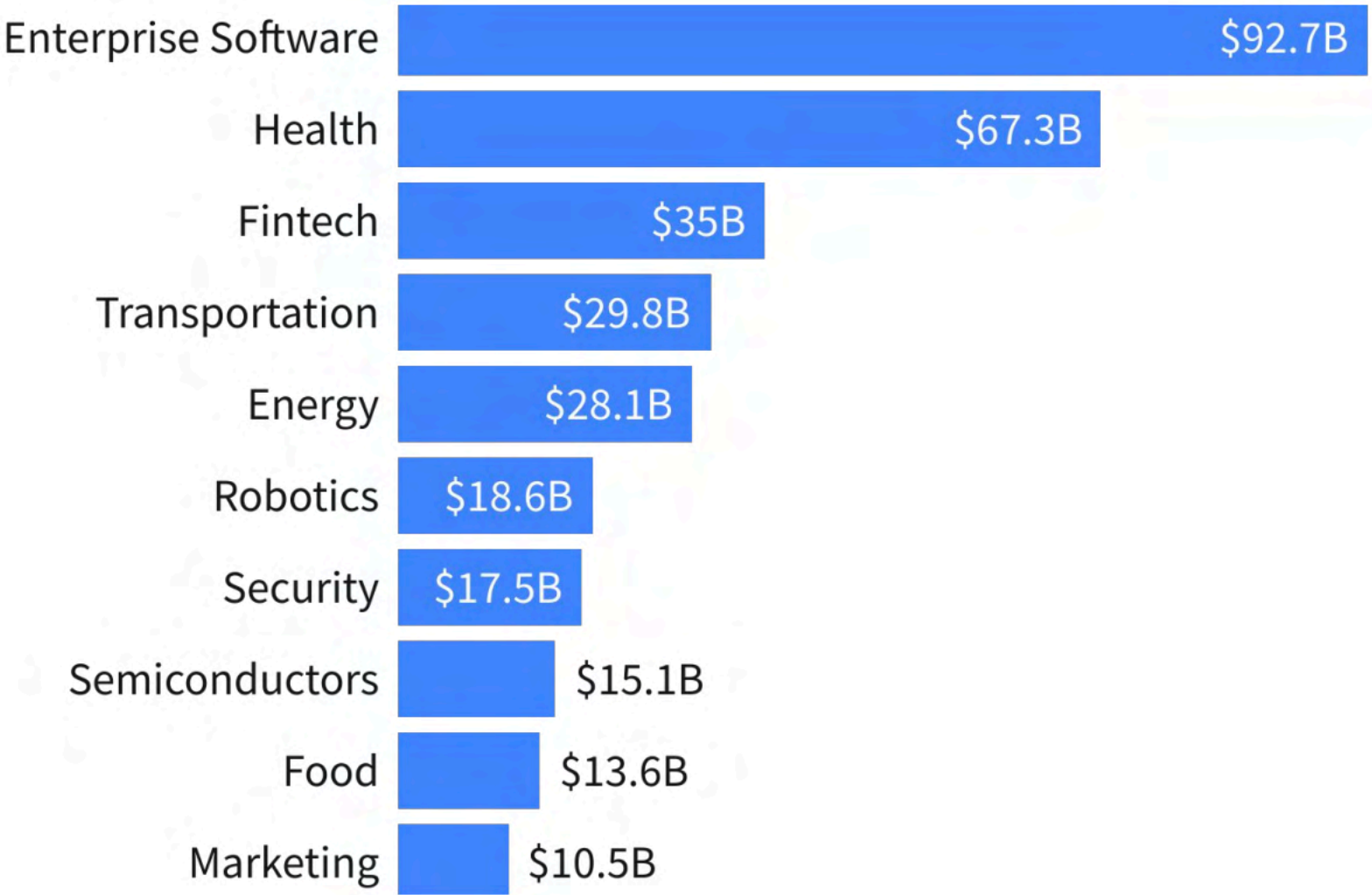


Fundraising Based on Sector

Clearly, in the U.S., the trend is shifting toward physical sector-focused startups with biggest fundraising growth in 2024 in Hardware based startups.



Global leading industries by VC investment, 2024

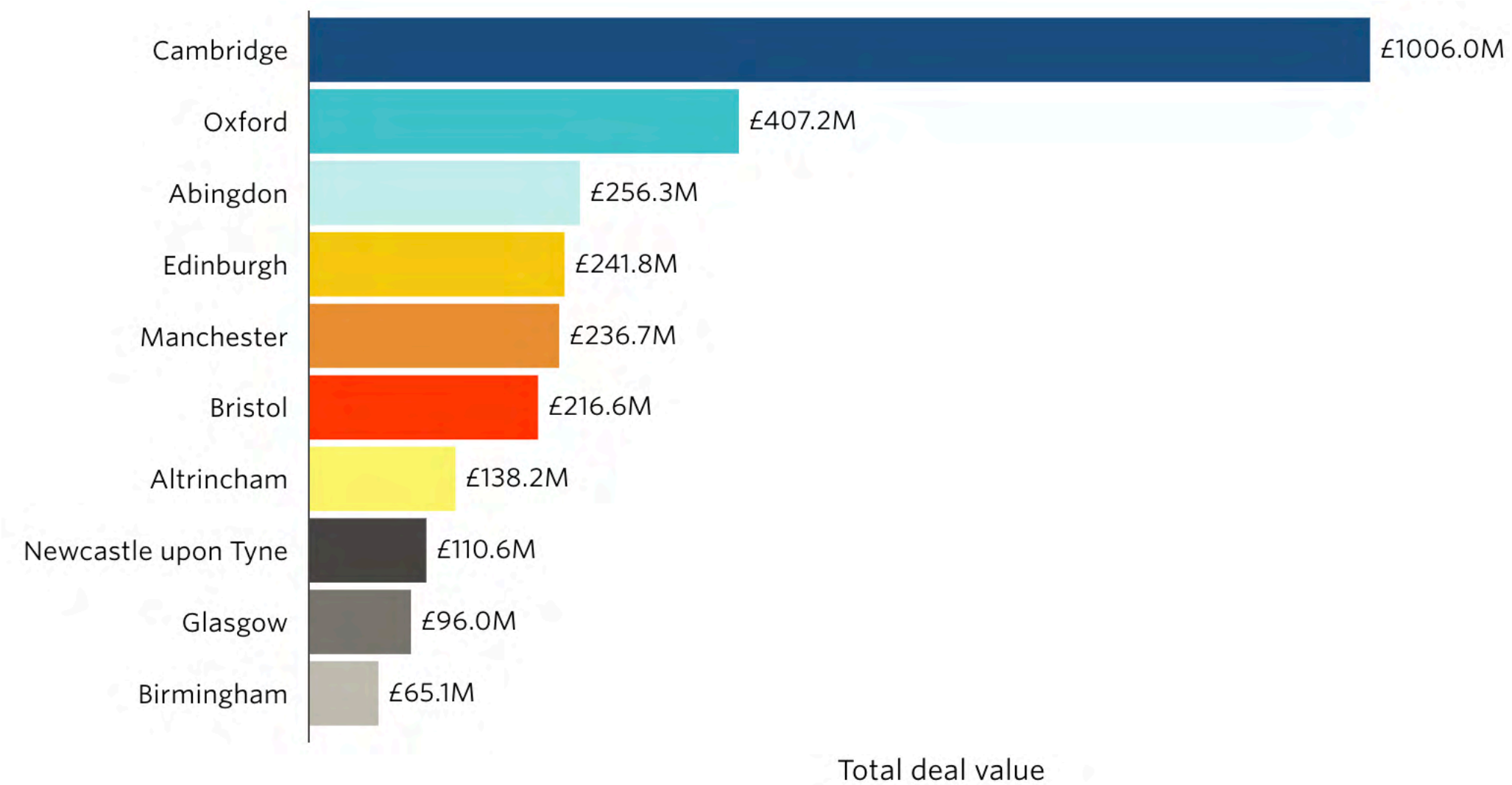


1st chart from Carta and 2nd from Dealroom. Click for source post.

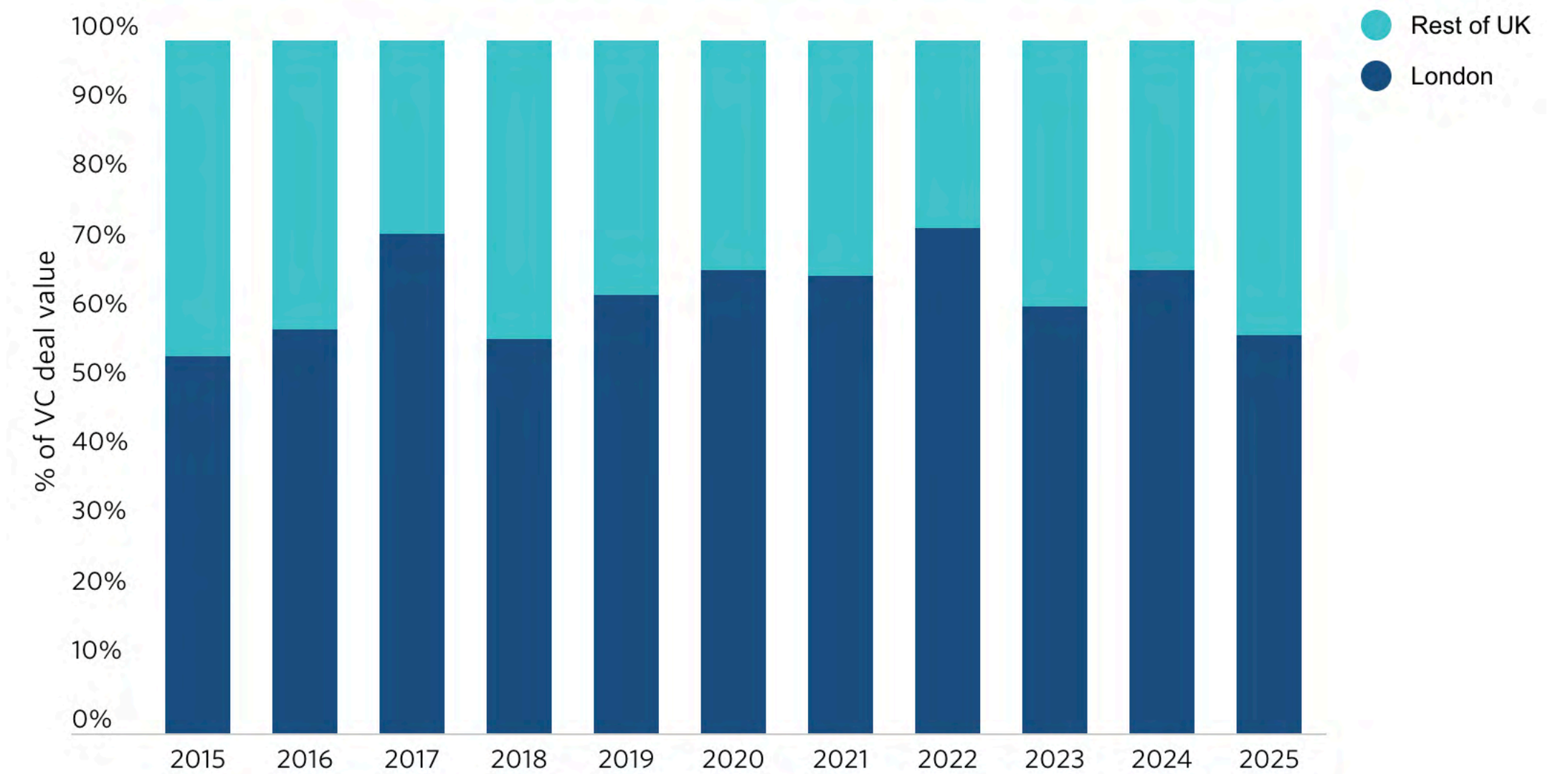
Capital Expanding Beyond Core Hubs

In Q1, UK startups raised around \$5.1 billion in venture funding, with over 40% going to companies outside of London. Regional tech hubs are on the rise, with cities like Cambridge and Bristol gaining prominence—especially in sectors like AI, life sciences, and clean tech—attracting increased attention from both founders and investors.

Top 10 UK cities for VC investment outside of London in 2024



London typically accounts for the bulk of UK VC investment



Fundraising Vibes Shift



Rohit Mittal

 @rohitdotmittal

The best path to founder wealth nobody talks about (based on what I've seen).

The startup world pushes "unicorn or bust" narrative, but I've been watching a different playbook create more \$10M-aires:

- Build companies with <\$5M raised (max \$10M raised)
- Reach \$5M+ in ARR
- Achieve breakeven operations
- Exit for 3x-10x ARR (\$10M-\$50M)
- Walk away with \$10M-\$25M personally
- Pay ZERO federal taxes (thanks to QSBS)

I've seen several deals like this close in just the last few months, all with founders who built for 5 years or less.



Preston

 @prestonattebery

Raising money is a debt on your future.

Sometimes that debt pays off, other times it kills the creativity required to pay off that debt



Eric Bahn

 @ericbahn

VC Word of the Year: SEEDSTRAP

Founders raise a little at the beginning the get started, and then 'bootstrap' the rest of the way to big results!



Terrence Rohan

 @tmrohan

The founder of a top YC company in the current batch on Venture Capital:

"People used to climb Everest and they needed oxygen. Today, people climb it without oxygen. I want to summit Everest and use as little oxygen (VC) as possible."

Vibe shift.



Eric Stromberg

 @ericstromberg

Bootscaling and the Reckoning for Seed VC

Bootscaling and the Reckoning for Seed VC

ERIC STROMBERG
SCREENSHOTESAYS.COM

Traditionally, startups raise millions of dollars to start and hundreds to scale. Today, AI is giving everyone an army of agents to design, engineer, and build on their behalf. Perhaps AI will deliver so much leverage that founders will raise only one round and be done. Profits will fund from there.

This is a comforting idea for Seed VCs, but not right. If you can reach \$1M of ARR in 90 days from an apartment, why raise Seed money? Instead, I expect a different strategy to grow: **bootscaling**.



Gokul Rajaram

 @gokulr

COMPOUND OR DIE

Five years ago, doing a compound startup was the domain of repeat entrepreneurs who could raise tons of capital, and was otherwise discouraged by investors and advisors.

Today, with plummeting software development costs and a 10x increase in competition, every AI startup needs to become a compound startup, and fast. Building an interlocking (compound!) system of AI agents that work together to strengthen each other and offer multiple related value propositions, is one of the few remaining ways to build a moat.

Founders: while it's critical to build a focused first product that solves a very specific problem for your customer, it's just as important to rapidly expand to address adjacent needs, almost as soon as you have PMF with your first product. Achieving the elusive but critical balance between focus and expansion will determine if your startup wins its space or ultimately becomes an also-ran.



James Murphy

 Managing Partner at Forum Ventures

"This is the last capital we will raise"

I keep hearing this from many of our fastest growing portfolio companies. AI has birthed a new species of startup - lean, efficient, and scaling without the capital addiction of past cycles. Growth is getting cheaper, and founders aren't desperate for mega-rounds anymore.

Meanwhile, multi-stage VCs have been stockpiling billions. But here's the kicker - many founders won't need them.

European Initiatives: Project Europe

Project Europe just made its debut with a splash—founders from all corners of the ecosystem shared it far and wide, stirring up a lot of excitement. Many are now wondering how they can get involved. At the same time, some have raised concerns, reflecting the diverse voices that make up Europe’s innovation landscape. And that’s the beauty of it: not every initiative will resonate with everyone—and that’s fine. My view? Let’s keep moving forward. Let’s keep building.



Harry Stebbings  • Following

Founder @ 20VC
1mo • 

I started 20VC as an 18 year old from a bedroom in London.

It is time to change the narrative that Europe cannot build massive companies.

Europe can and will build the most defining companies of our time.

Enter [Project Europe](#).

125 of the best European founders coming together to find, fund and mentor the next generation of unwaveringly ambitious founders.

In 10 years time, there will be several 10,000 person companies that stem from Project Europe.

This is our time. LFG!



Frederik Hagenauer • 2nd

Partner at Speedinvest - SaaS & Infra
1mo • 

3 quick thoughts on Project Europe because hey your timeline is full of it anyway:

- 1) Incredible vibe-shift, absolutely love having more initiatives to back founders - doesn't have to be for everyone but more is more is more
- 2) The buzz kills complaining about terms should have tried to raise a seed round in Germany as 21 year old even 12 years ago (I did) and oh boy we have come a long way on what terms we consider "bad"
- 3) With all due respect but maybe we could have found more than **5 out of literally 150 women** (??). There's an incredible number of crazy strong female founders & VCs in Europe by now - seems like a squandered opportunity to make this project truly great



Sara Rywe • Following

Partner at byFounders | Kauffman fellow
1mo • 

I love the [Project Europe](#)  initiative (thanks [Harry Stebbings/20VC](#), [Adjacent](#), and [Point Nine](#) ). But it really saddens me not to see a single woman on the backer list from the New Nordics.

I know it's reflecting the reality. But damn, I hate it.



Lars Ettrup • 2nd

Building the next big thing...
1mo • Edited • 

Project Europe is great, but let’s not act like innovation has an age limit.

I launched my current tech company at 42. Project Europe only funds founders under 25.

Tech isn't just for the young. Europe thrives when we back talent, not birth years.

Innovation doesn't expire, and opportunity shouldn't be confined to a window.

"Old man," signing off.



Alistair M. • 2nd

Advisor
1w • 

Just heard about Project Europe, (link in notes) where 120+ ELITE European founders pooled their resources to fight the US brain drain with... wait for it... €10 million!

That's right, the combined might of Europe's tech titans - the leaders behind Shopify, Klarna, and more - have rallied to save our continent's innovation future with... *checks notes*... €83k each.

For context, this "game-changing" fund will write €200k checks and take a humble 6.66% stake from ambitious 18-25 year olds. Meanwhile, Peter Thiel gives \$100k to young entrepreneurs for ZERO equity.

But who needs ownership when you can have "mentorship" from 120 busy founders who definitely have time to personally guide you between their board meetings?

'Project Europe' has VCs talking. Not everyone's optimistic

The 100+ founder-led fund has drawn criticism in startup and VC circles

Anne Sraders • 3 min read

Click image for source post.

Bad VC behaviour



Roy E. Bahat • Following
Head of Bloomberg Beta
45m • 🌐

More stories about VC bad behavior every day. Will share as I get permission to share.



Hadley ✓
@Hadley

I've noticed a real uptick in predatory behavior among VCs lately. Feels like a gold rush mentality—when people think they could be retired in 10 years, long-term reputation matters a lot less.



Danielle Strachman ❤️ 🐕 🎸 🍷 🍕 🐶 ✓
@DStrachman

Super disturbing to watch a lower tier VC try to upend one of their best founders who is *headlining their site* to put another board member in the CEO spot and threaten to sue the founder personally for not meeting the metrics they projected in their Series A deck and gaslighting them into submission.

NEWS

Toxic Investors: How To Spot Them And Why Startups Should Steer Clear

Crunchbase article dated January 27, 2025

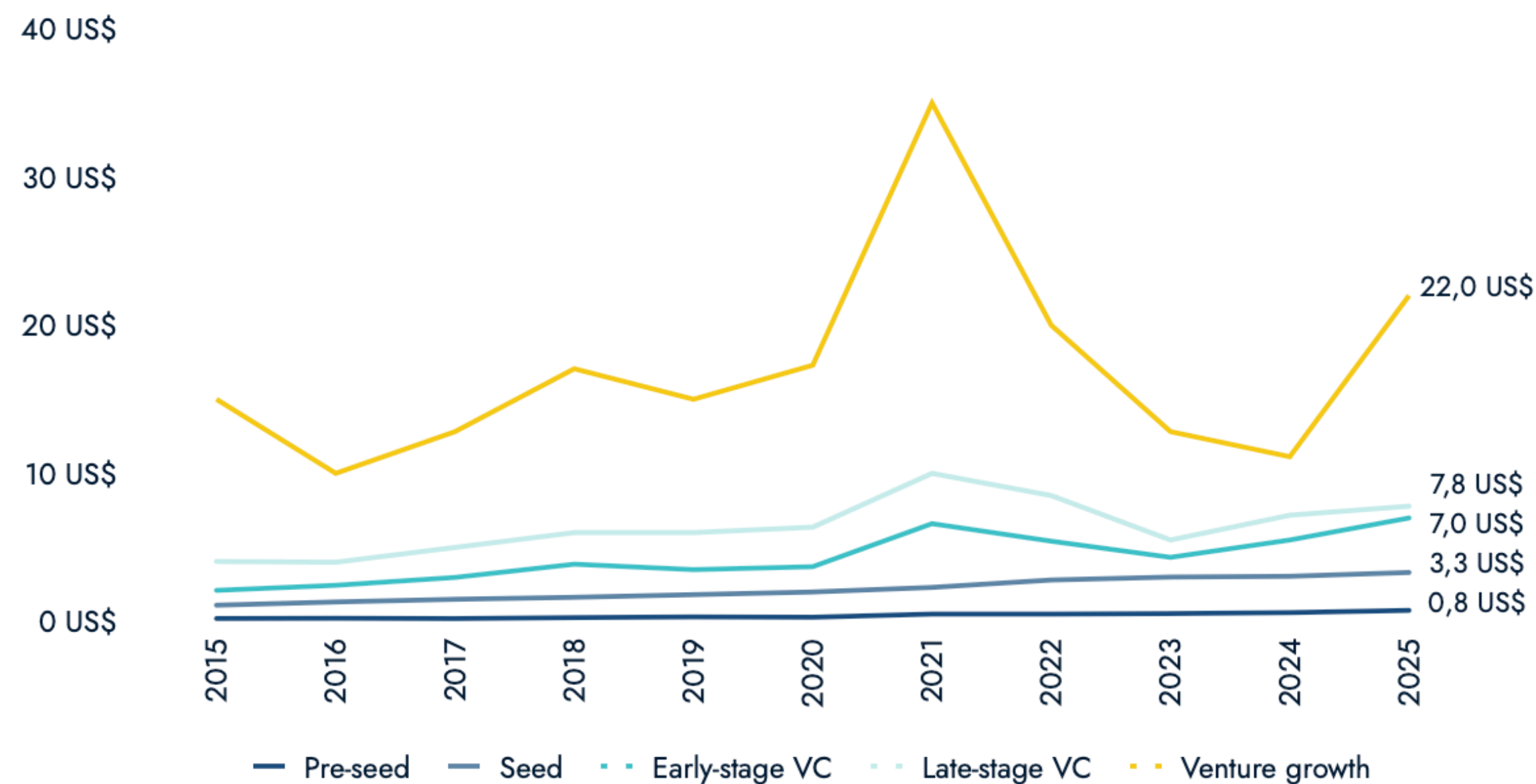
Here are some common demands that signal a toxic investor:

- Buying 35%-40% of a startup at an early stage.
- Requiring a refund if the startup fails.
- Buying additional equity at a fixed price after a certain period.
- Seeking too much control.

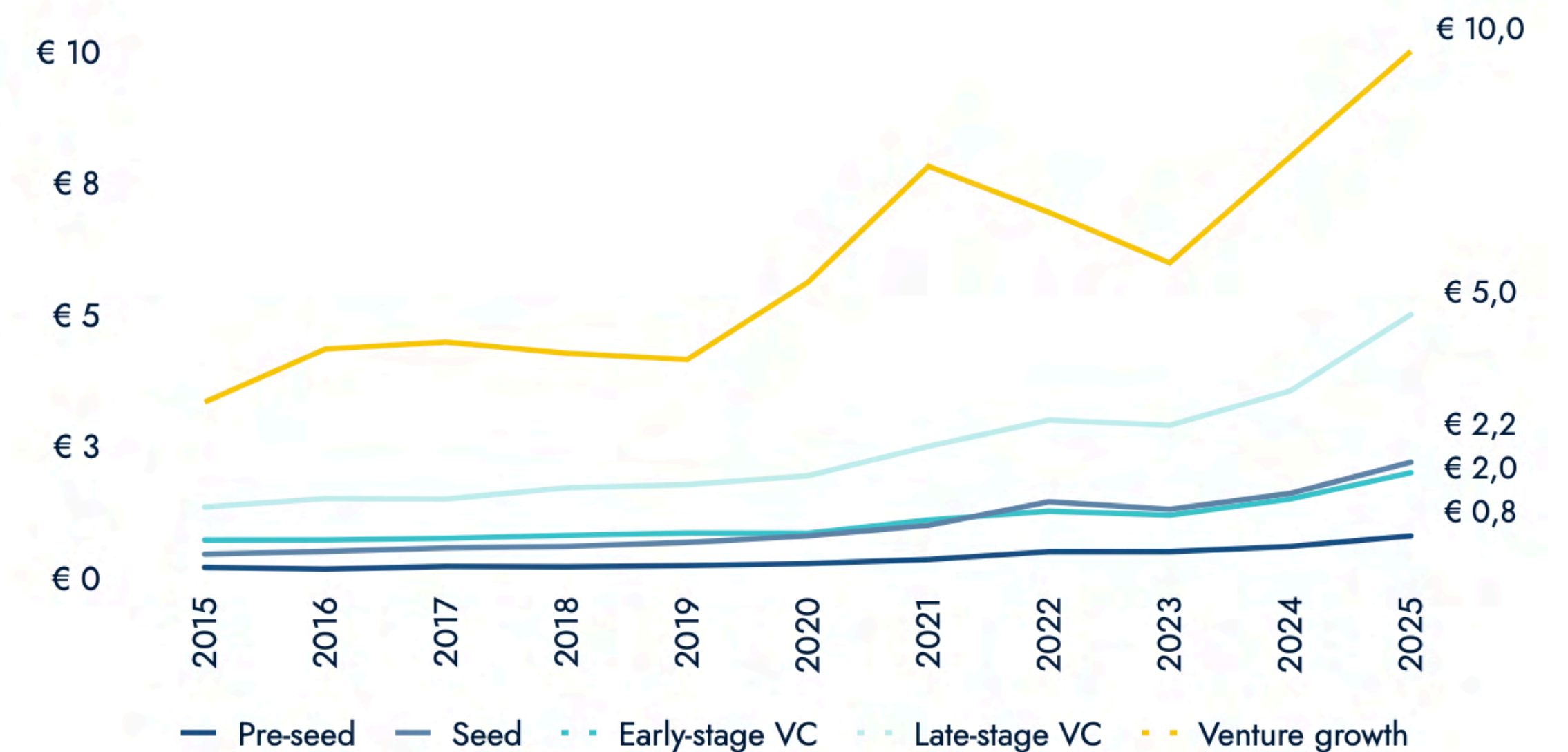
Deal Size Dynamics

On key trend since 2023 has been a rise in median deal sizes across both the U.S. and Europe—a pattern that has carried into 2025. This reflects a clear shift toward VCs concentrating more capital into fewer deals, as deal volume continues to decline. It also aligns with the broader narrative of rising valuations in 2025. Notably, Pre-Seed is the only stage where median deal values in the U.S. and Europe remain closely aligned; at all other stages, the gap between regions widens significantly.

Median US VC deal value (\$M) by stage



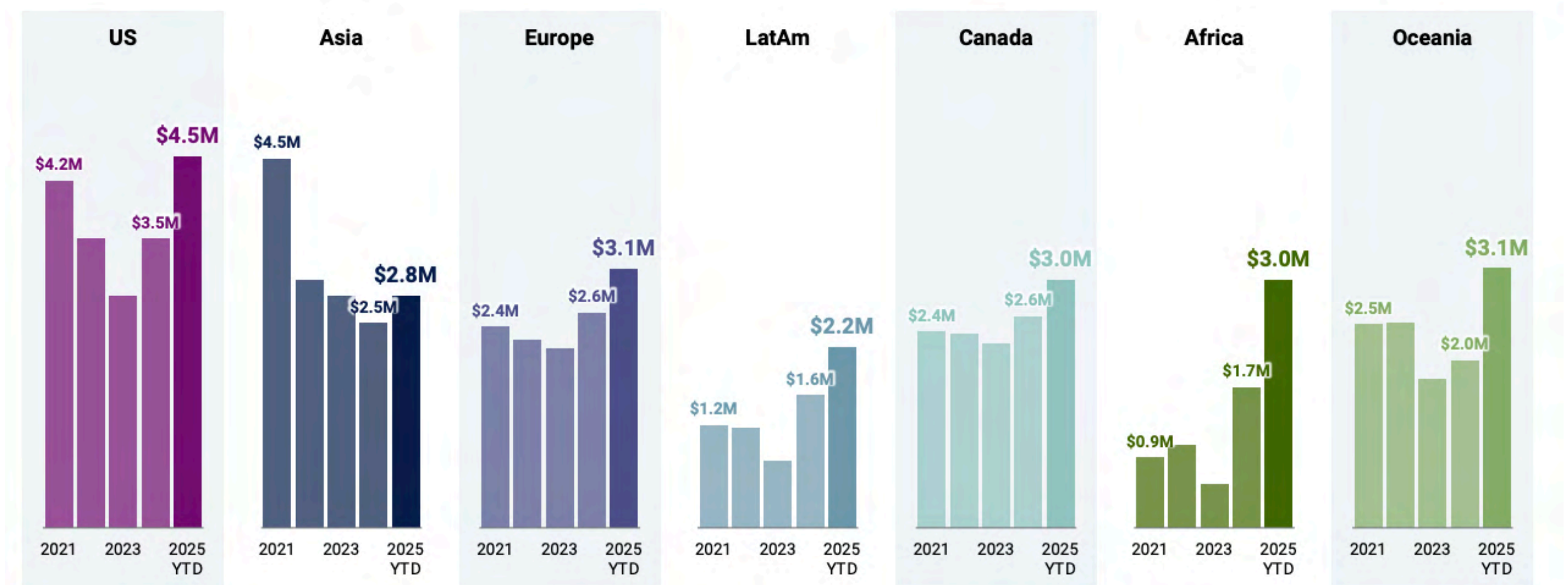
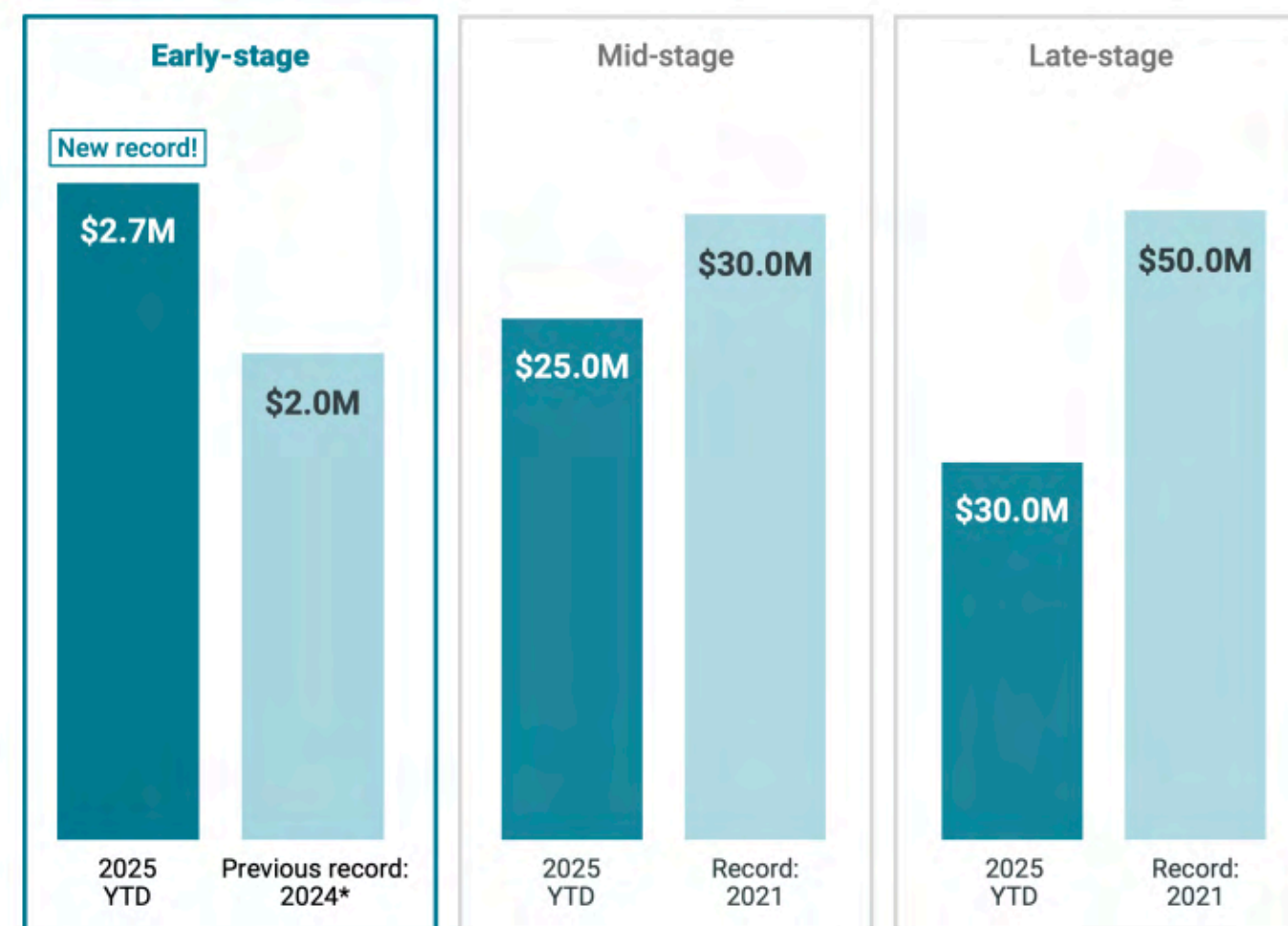
Median Europe VC deal value (€M) by stage



Median Deal Size (CB Insights Data)

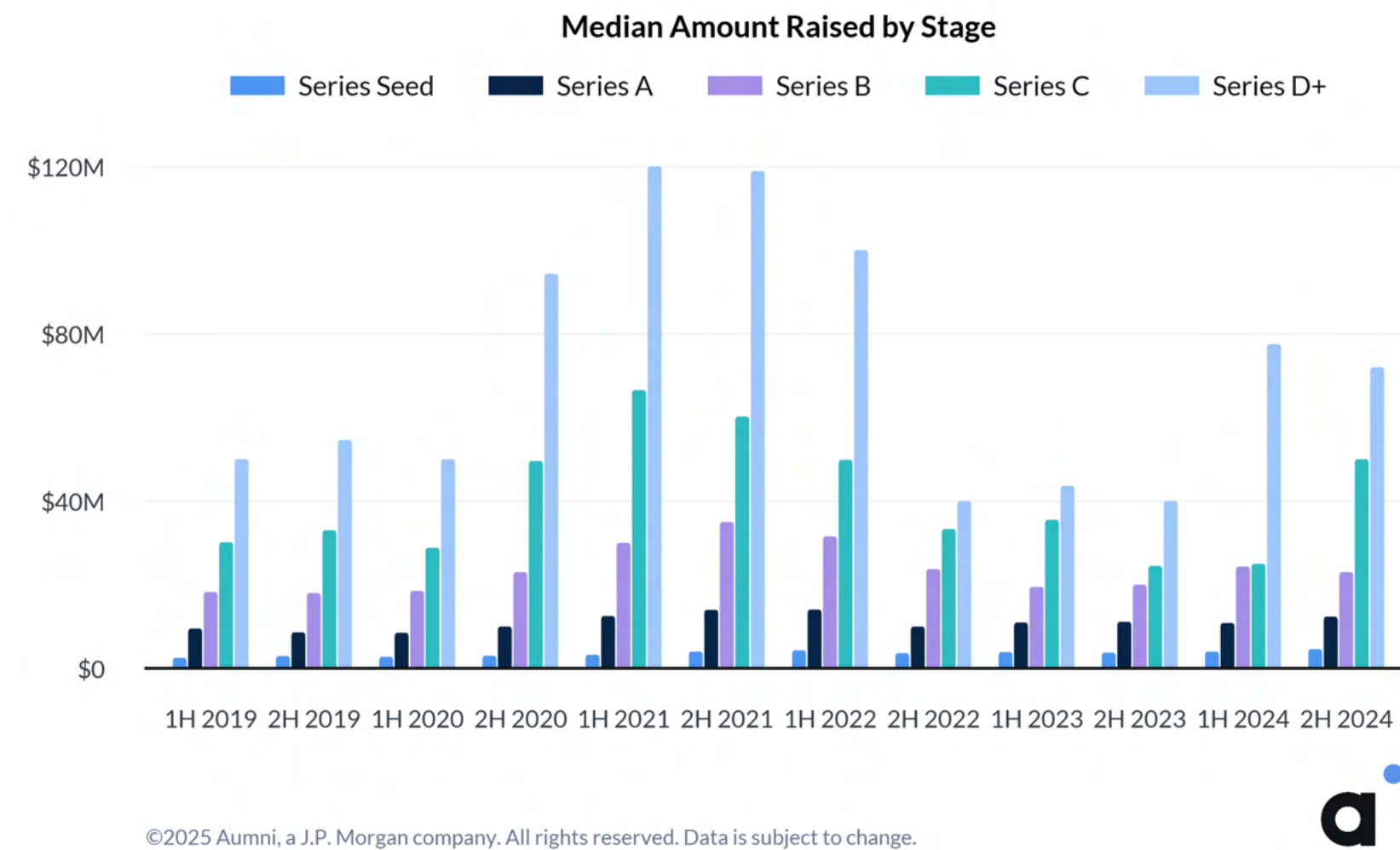
Median early-stage deal sizes globally are tracking at record highs, while mid- and late-stage rounds have yet to rebound to their 2021 peaks.

Annual median deal size by global region



Deal Size Dynamics

According to Carta data (3rd chart below), while round sizes have grown across most stages since 2023, Seed rounds sizes in 2024 have seen massive growth.



Startup Fundraising Cheatsheet

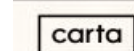
25th / 50th / 75th percentile benchmarks for key metrics in Q1 2025

Data: 730 priced US venture rounds raised by startups on Carta in Q1 2025

Venture Round	Percentile	Post-Money Val	Cash Raised	Dilution*
Priced Seed	25th Pct	\$12.0M	\$1.7M	10.5%
	50th Pct	\$20.0M	\$3.5M	20.0%
	75th Pct	\$27.0M	\$5.5M	24.0%
Series A	25th Pct	\$39.0M	\$5.6M	12.0%
	50th Pct	\$59.7M	\$10.5M	17.0%
	75th Pct	\$100.0M	\$19.0M	22.0%
Series B	25th Pct	\$93.1M	\$14.7M	10.1%
	50th Pct	\$146.1M	\$24.5M	17.0%
	75th Pct	\$248.8M	\$41.0M	22.8%
Series C	25th Pct	\$135.0M	\$9.7M	4.9%
	50th Pct	\$305.0M	\$27.5M	9.5%
	75th Pct	\$827.4M	\$79.2M	15.0%
Series D	25th Pct	\$238.1M	\$25.0M	5.0%
	50th Pct	\$644.0M	\$69.0M	8.4%
	75th Pct	\$1,387.9M	\$101.5M	13.5%

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* Dilution calculated independently for each round. Can't simply read across the rows

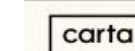
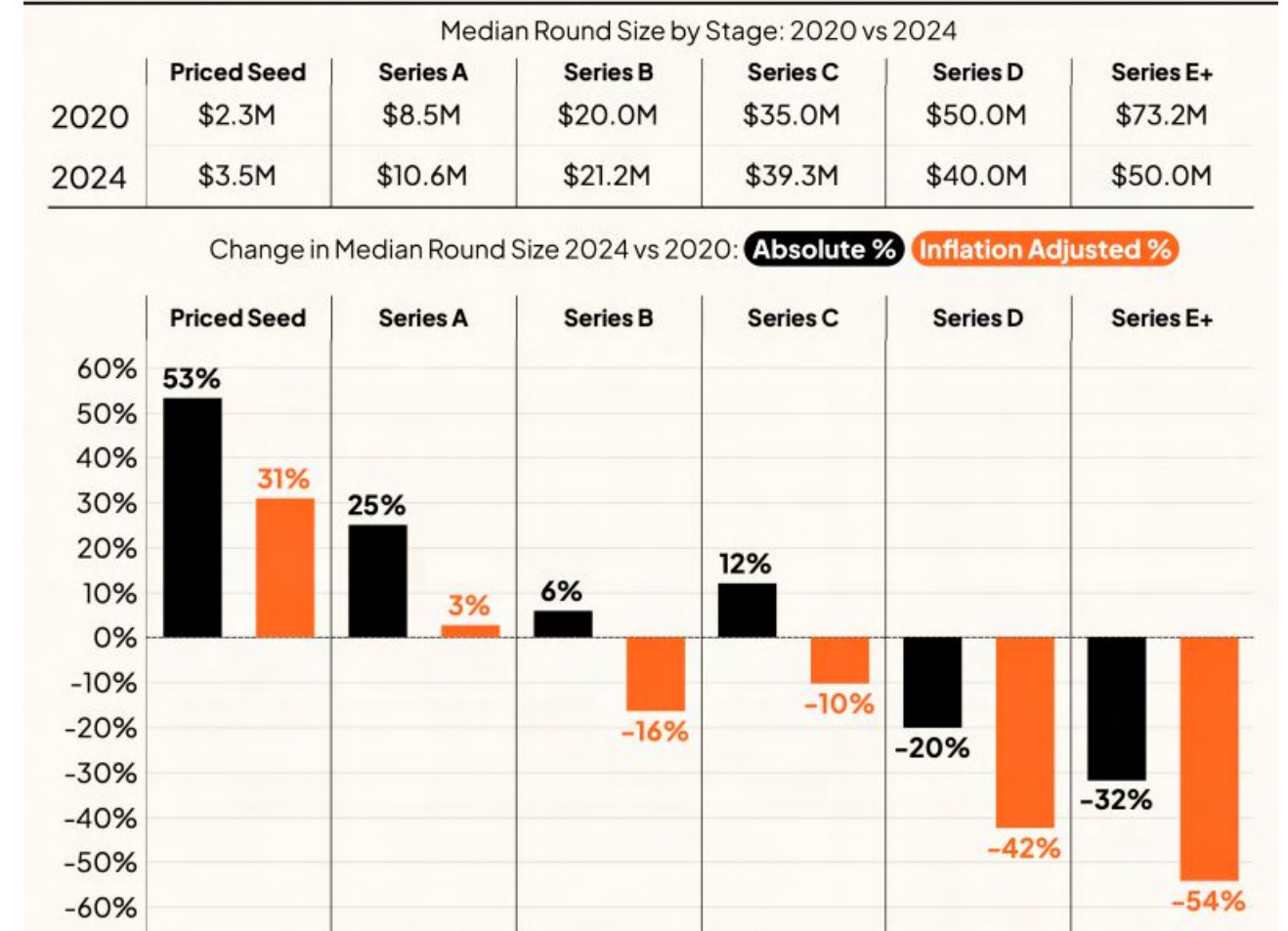


Subscribe for more startup data: carta.com/data

How much cash do startups need?

Round sizes today are smaller than they were in 2020 – except for Seed

Data: 3,452 primary rounds raised by US startups in 2024

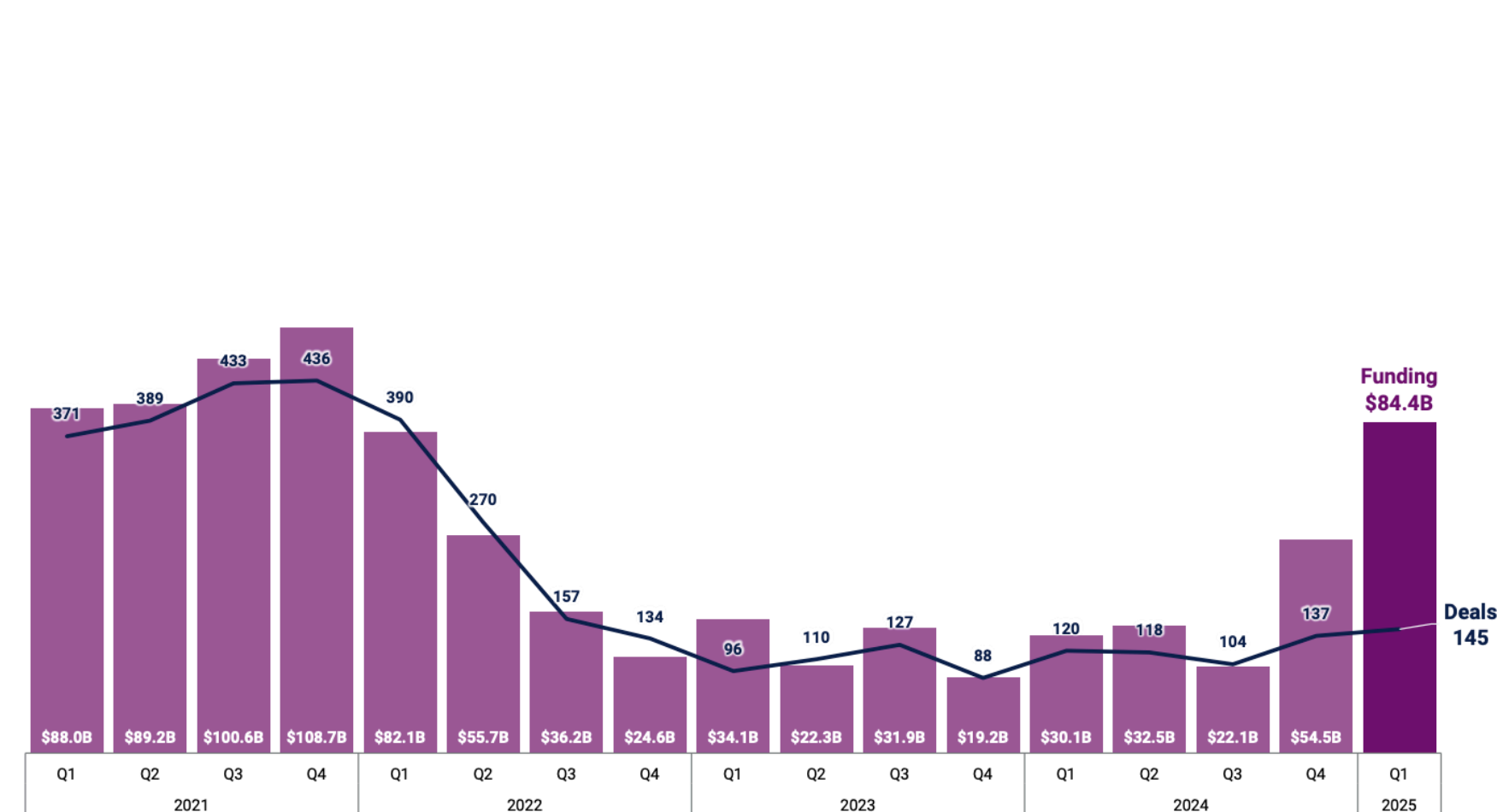


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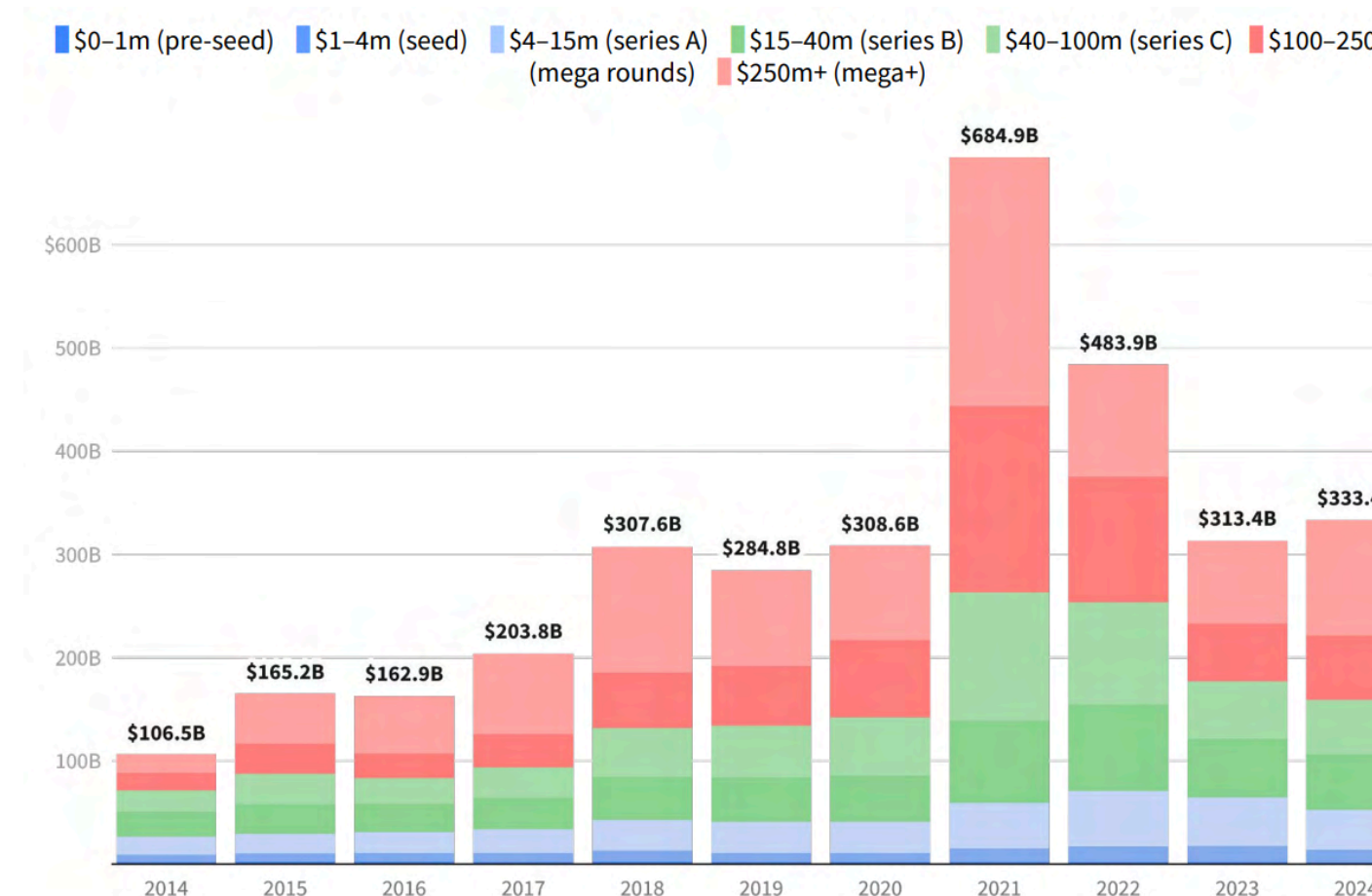
Mega Rounds

Global mega-rounds of \$100 million and above have staged a strong comeback over the last two quarters, with deal volume surging massively in both Q4 2024 and Q1 2025. Q1 activity even matched the peak levels last seen in early 2022. The \$500 million-plus category also regained momentum, especially in the U.S., where several major deals closed in Q4.

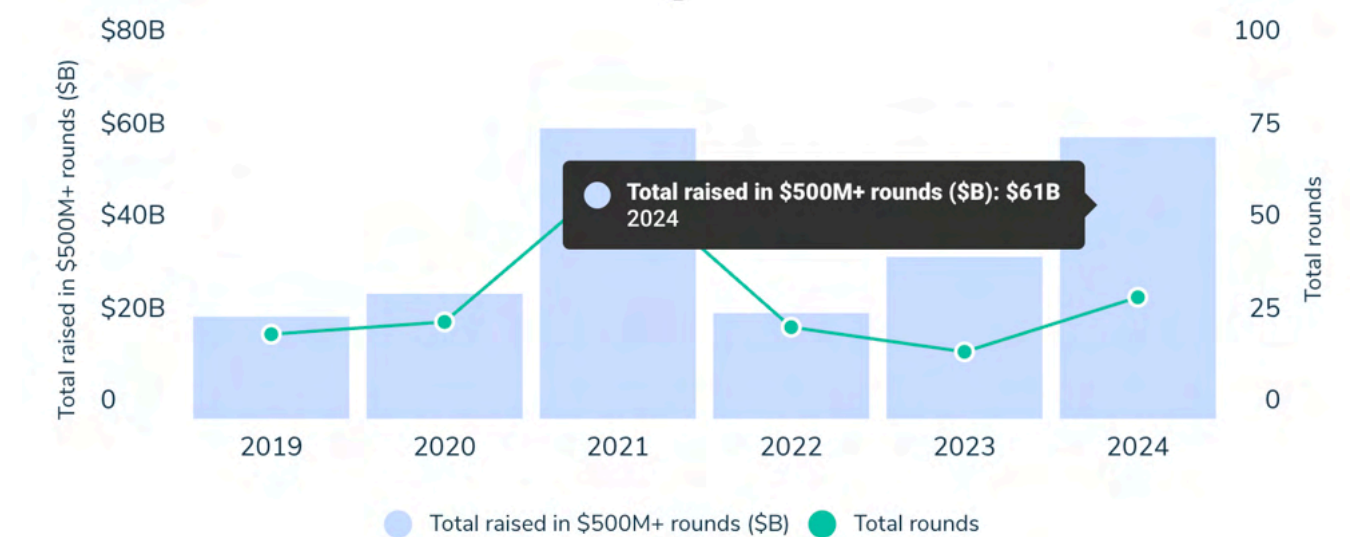
Global - Quarterly funding & deals from mega-rounds (deals worth \$100m+)



Global venture capital by stage



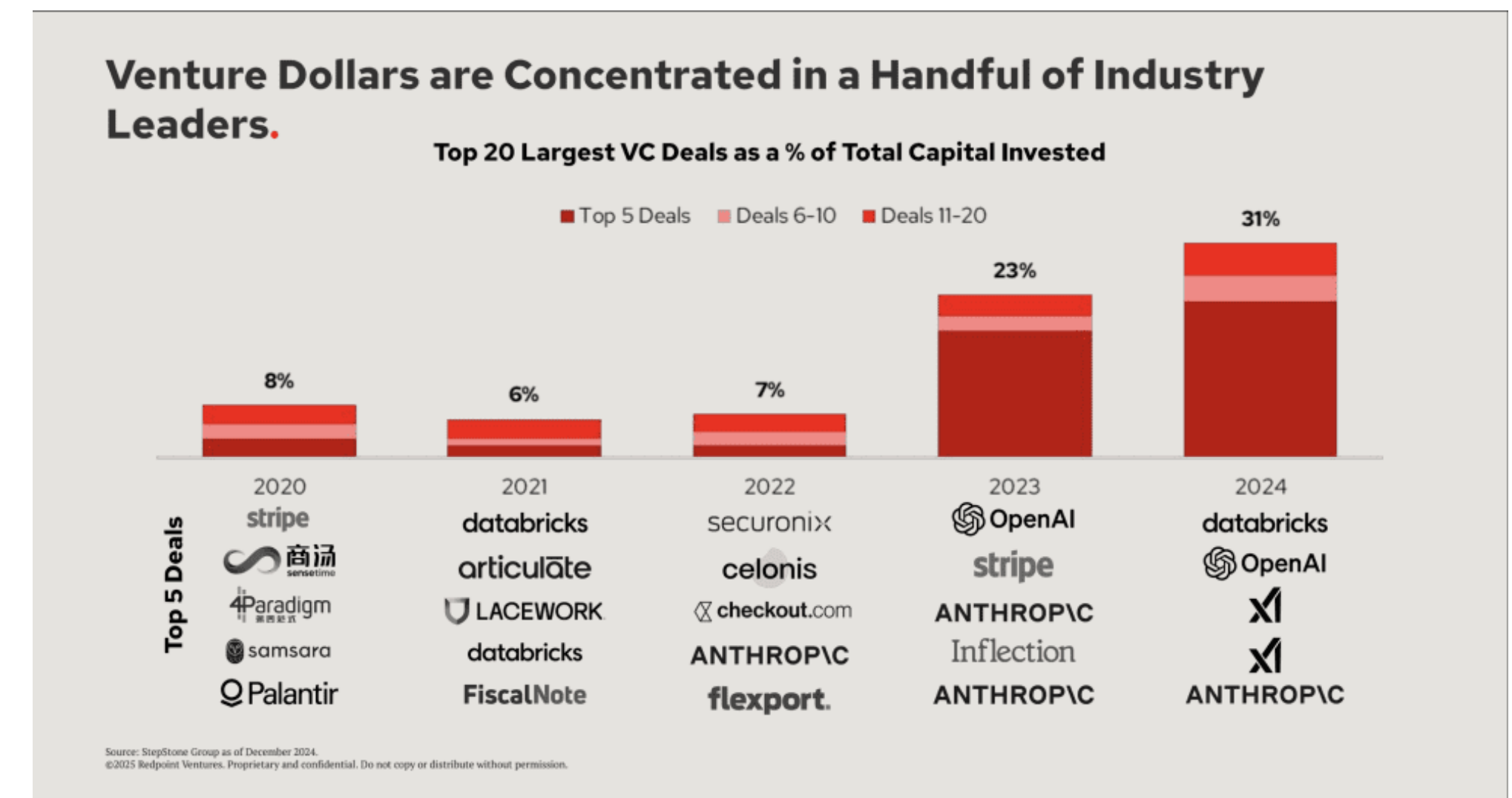
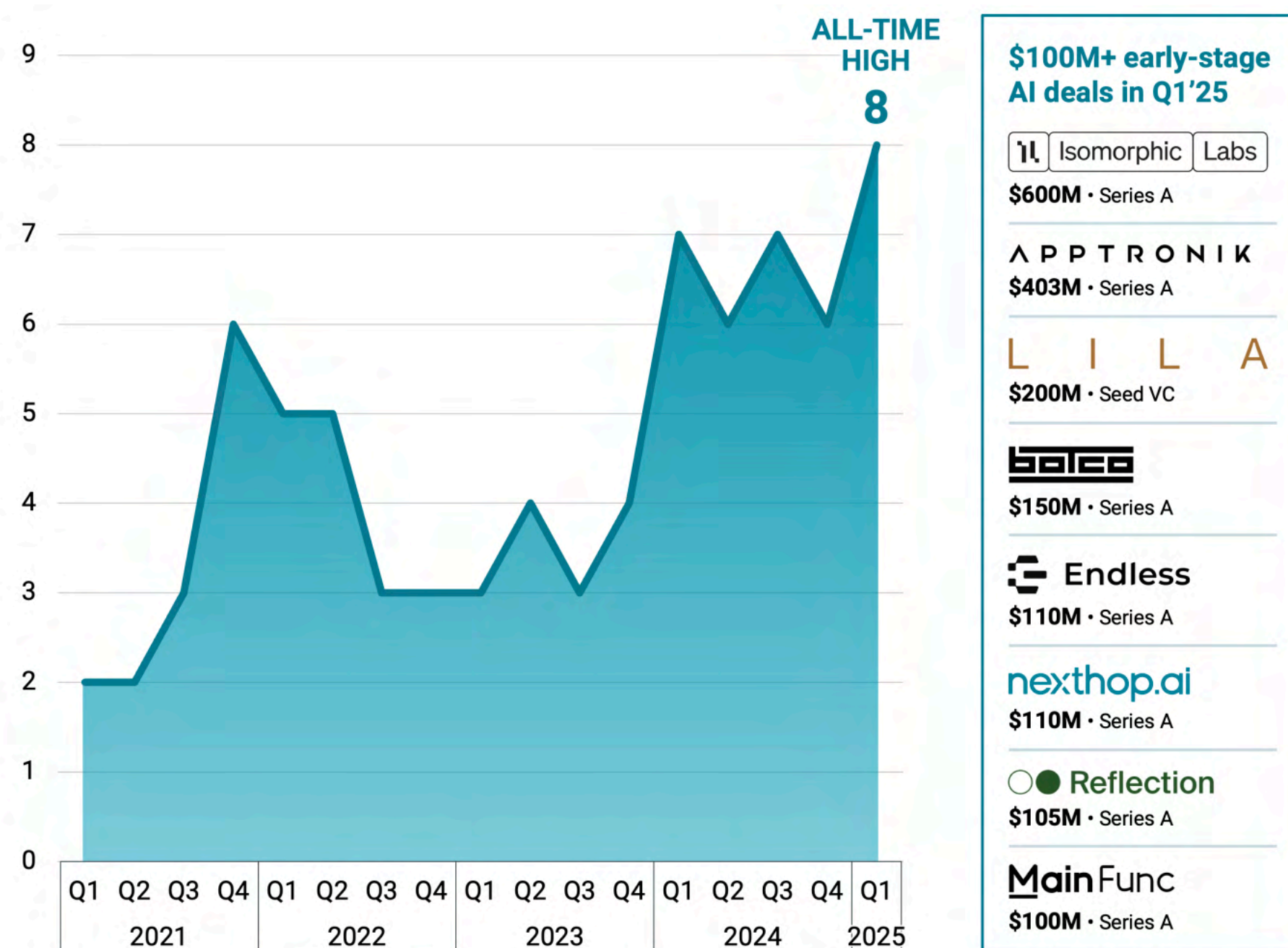
US Financings Of \$500M+ For Venture-Backed Private Companies



Mega AI Rounds & Concentrated Rounds

Q1 2025 set a new record for the number of early-stage AI deals surpassing \$100 million in a single quarter according to CB Insights data. In 2024, it wasn't just a record number of rounds — the capital was heavily concentrated too. The top 20 VC deals alone accounted for 31% of all venture funding that year.

Count of early stage rounds worth \$100 million

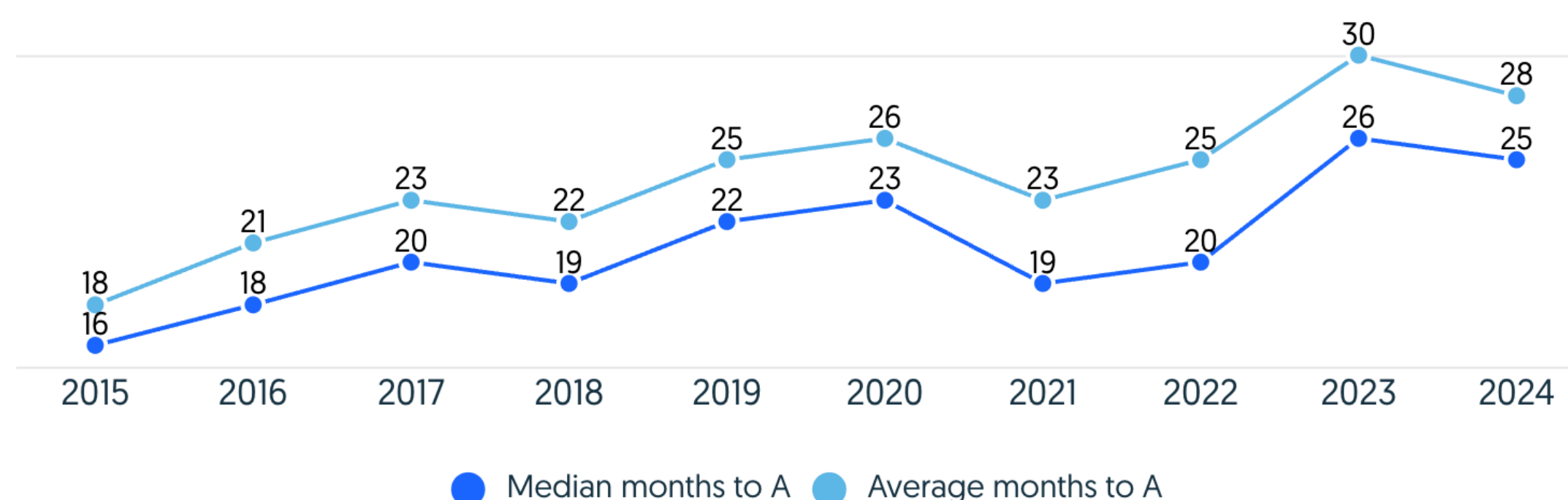


Time between Fundraise

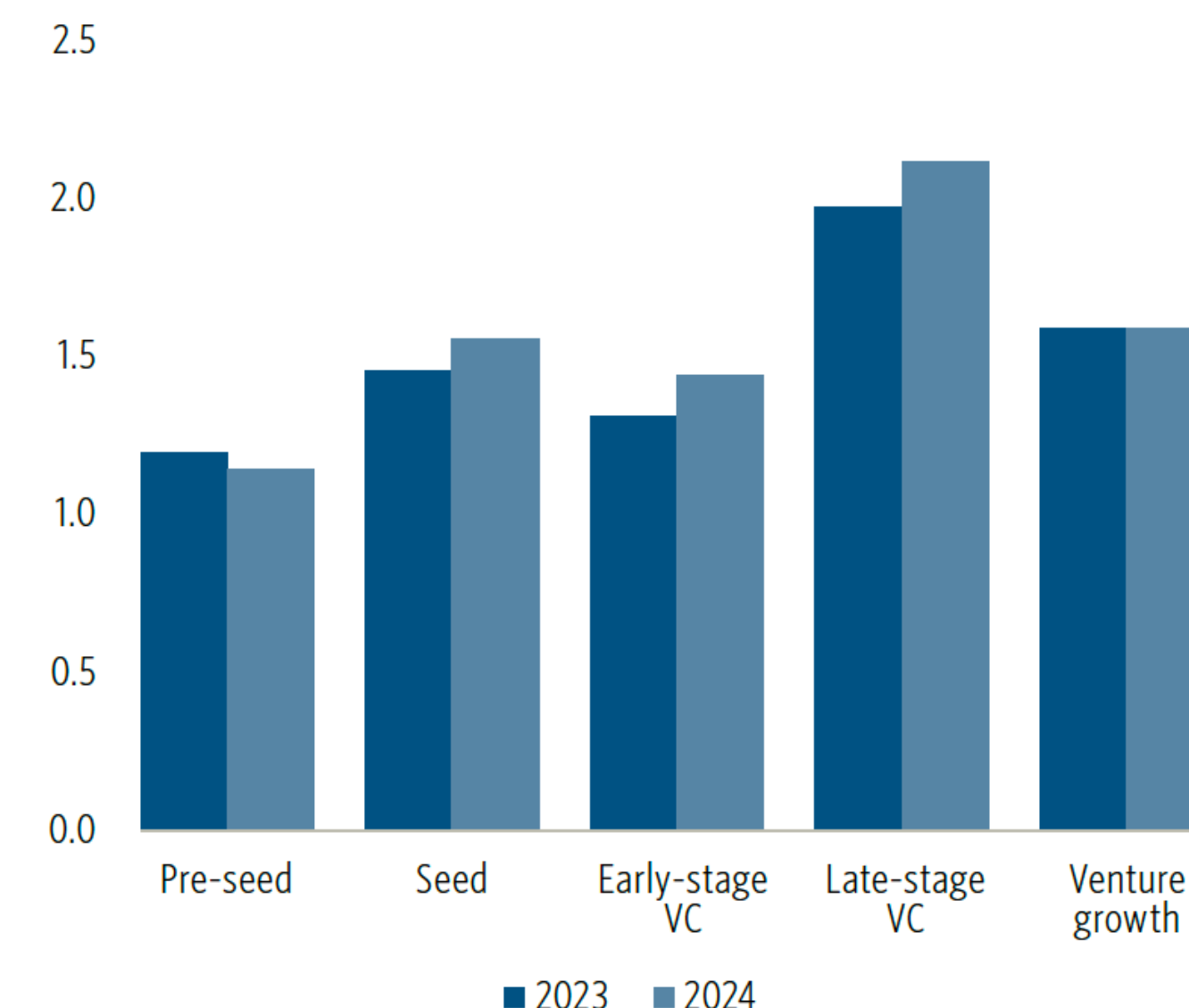
Startups raising \$1M+ Seed rounds are progressing to Series A slightly more quickly if we look at 2024 data, with the median timeline shortening from 26 to 25 months—a modest but positive sign. However, PitchBook data shows the opposite trend at later stages, where the time between rounds grew for both early and late-stage startups in 2024 compared to 2023. While the signals are mixed, the broader outlook suggests that a full recovery is still a few quarters away.

**Count Of Months For A US Startup To Raise Series A,
From First Seed \$1M Or Above**

Calculated from the year the Series A was raised.



Median time (years) between rounds by stage



Source: PitchBook • Geography: Europe • As of 31 December 2024

Up and Down rounds

Down and flat rounds accounted for their highest share of U.S. VC deals in the past decade, with down rounds making up 14.7% of total activity. Even high-profile companies weren't immune—Plaid, for example, saw its valuation drop by 54% from its 2021 peak of \$13.4 billion in its 2024 funding round.

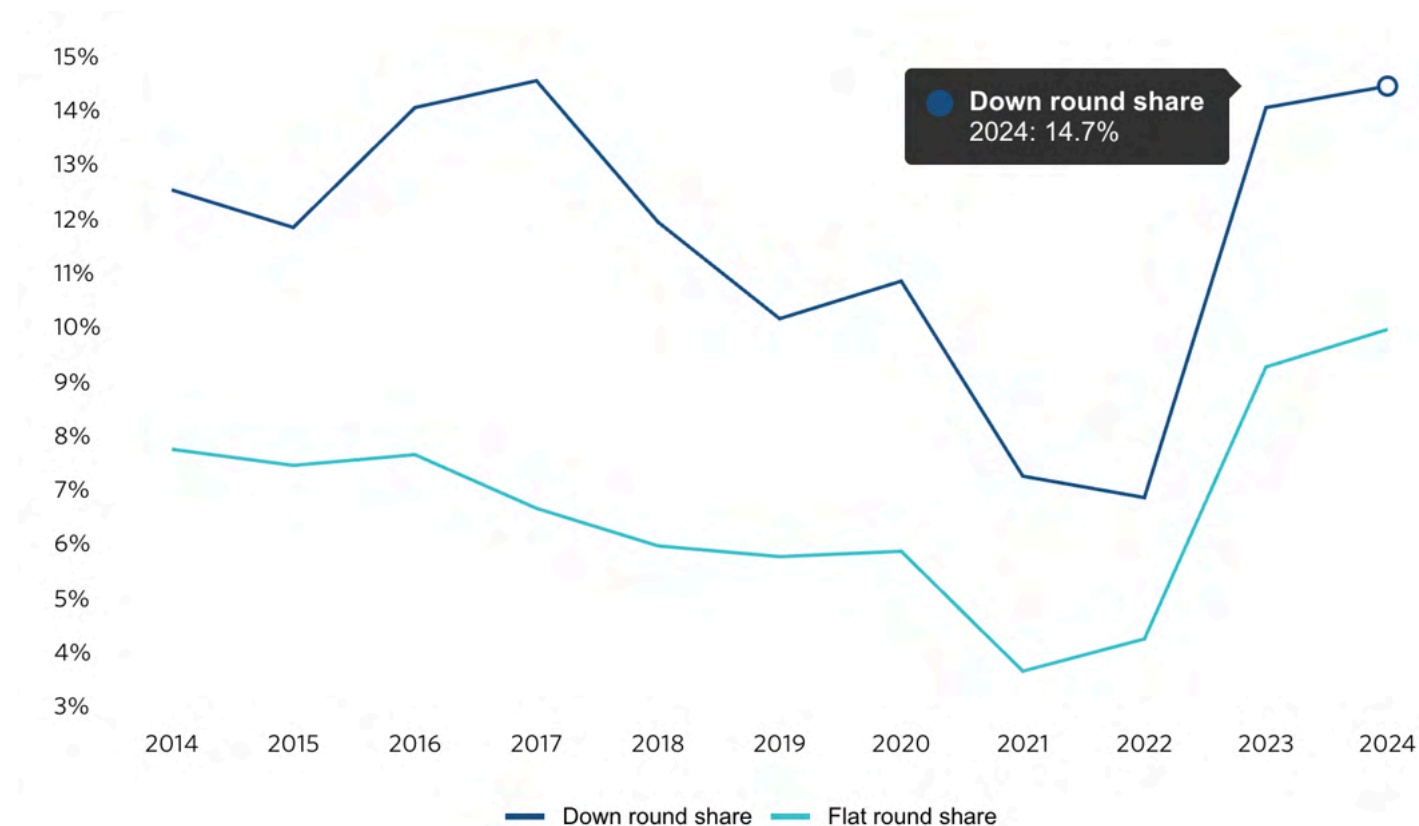
NEWS

Plaid valuation slashed 54% with \$575M down round

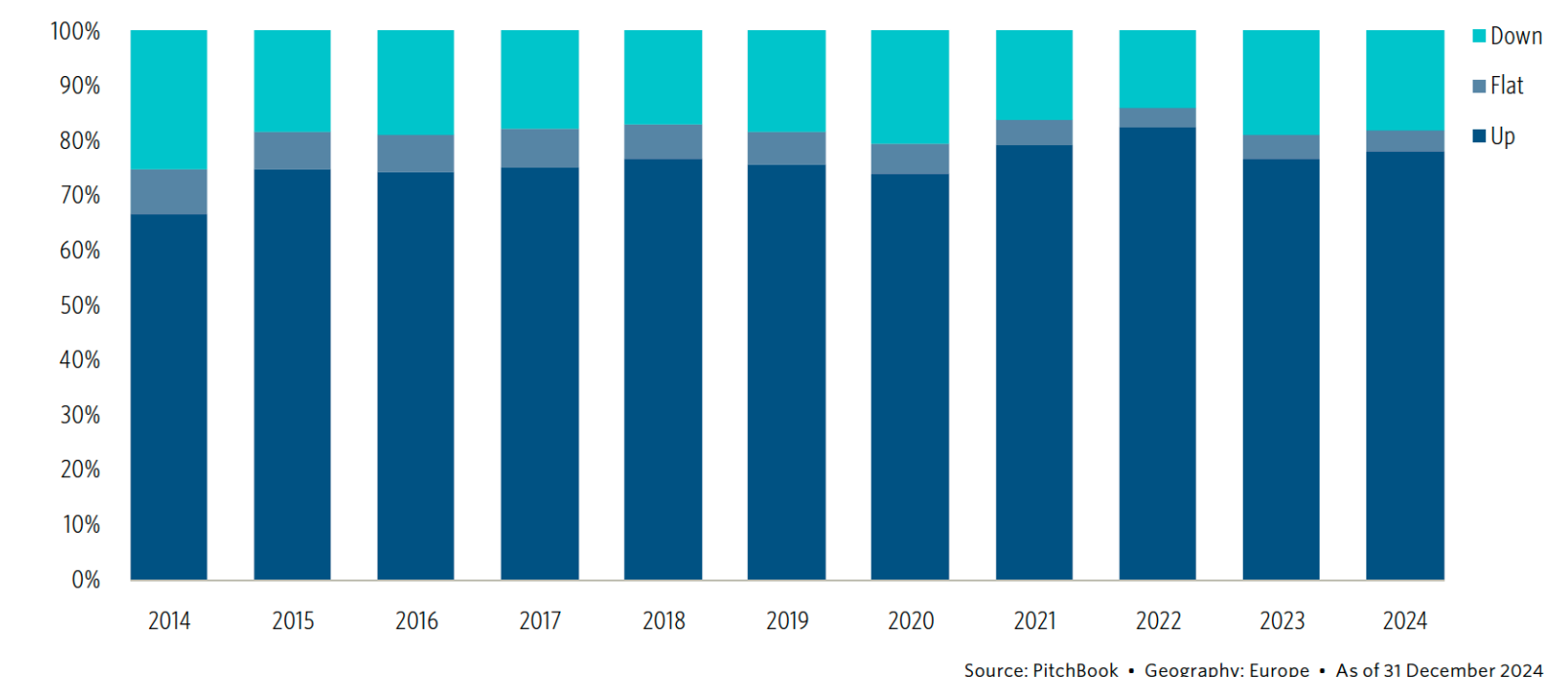
*PitchBook article
from Jacob Robbins dated April 3, 2025*

Plaid's new valuation of \$6.1 billion is a 54% cut from the \$13.4 billion valuation from April 2021, when it raised a \$425 million Series D—but still higher than the \$5.3 billion Visa was going to pay for the company in January 2021. The acquisition fell apart due to regulatory concerns.

Percentage of flat & down rounds for US VC deals reach a 10-year high



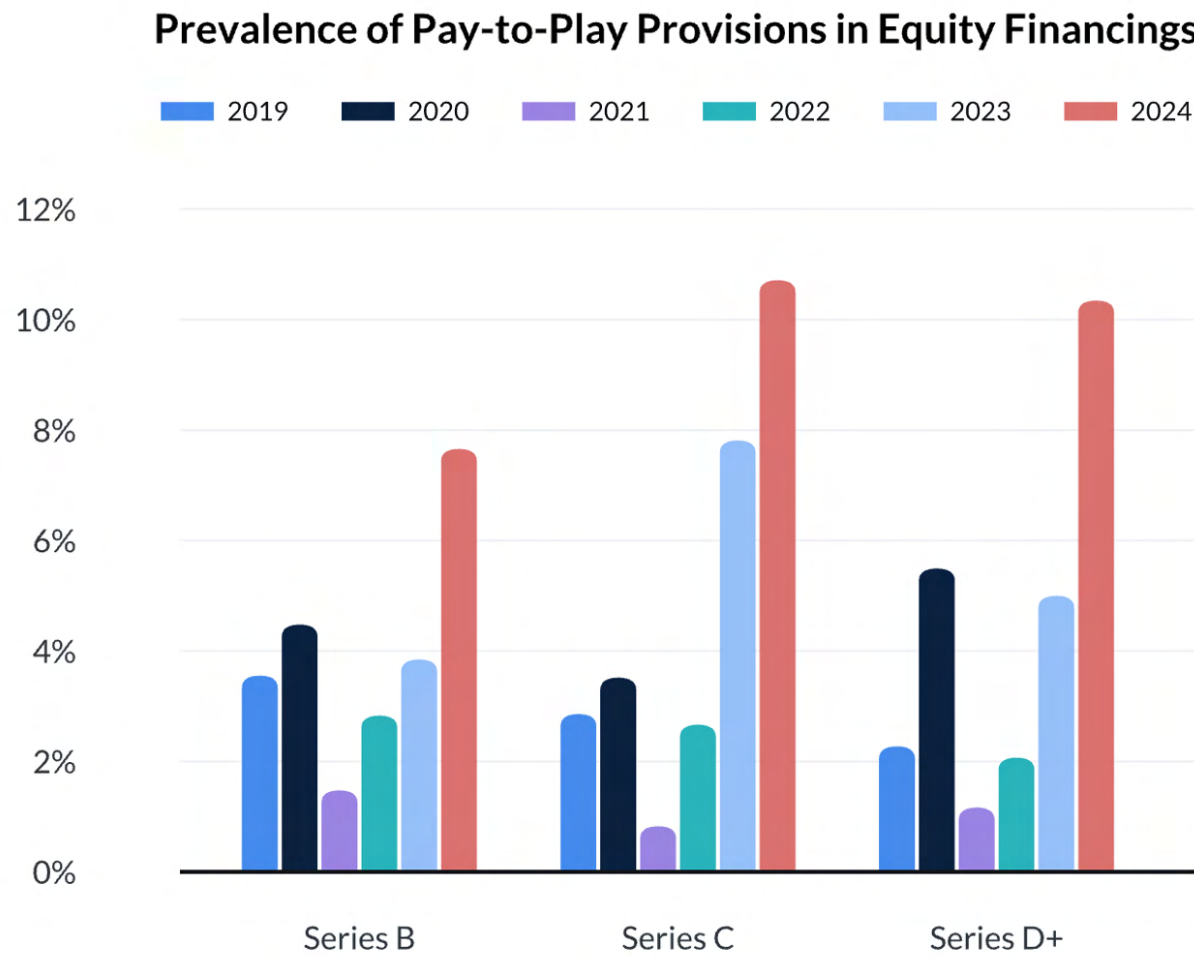
Share of VC deal count by up, down, and flat rounds



Source: PitchBook • Geography: Europe • As of 31 December 2024

Other Deal Terms

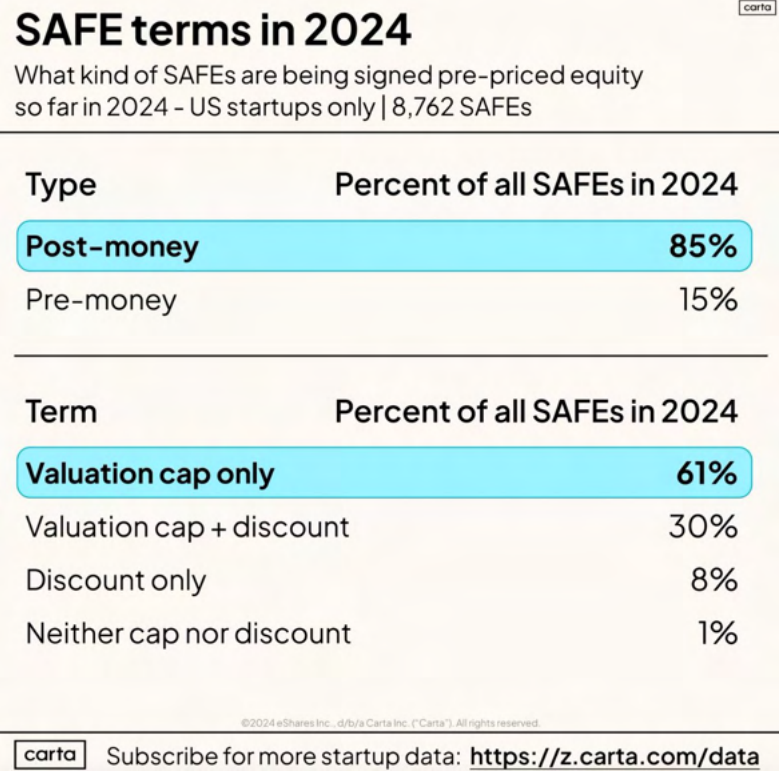
Play to Play by Series - Aumni Data



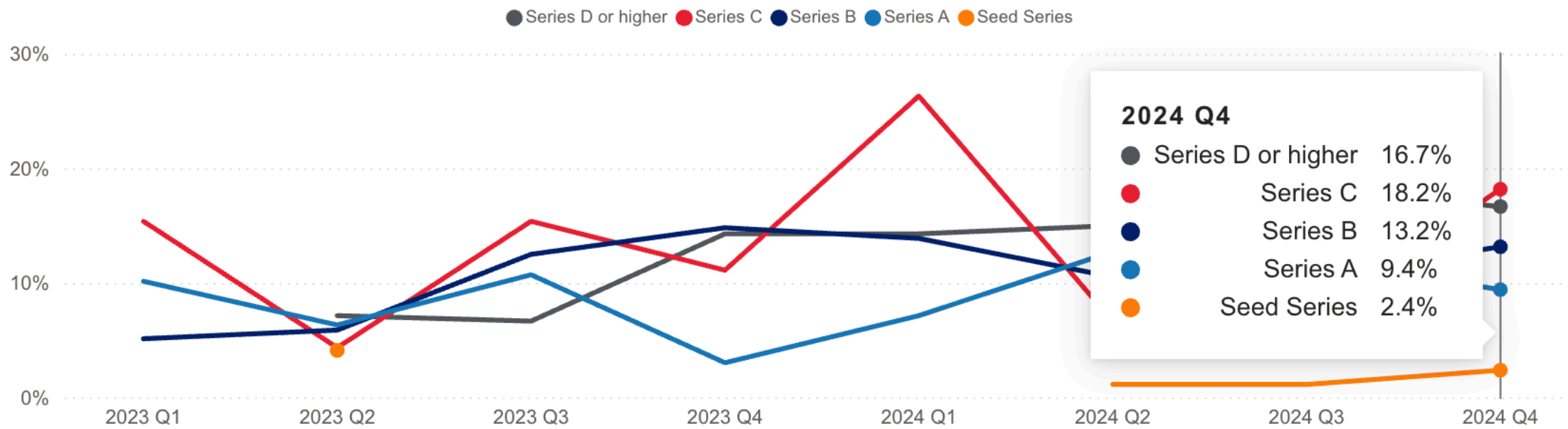
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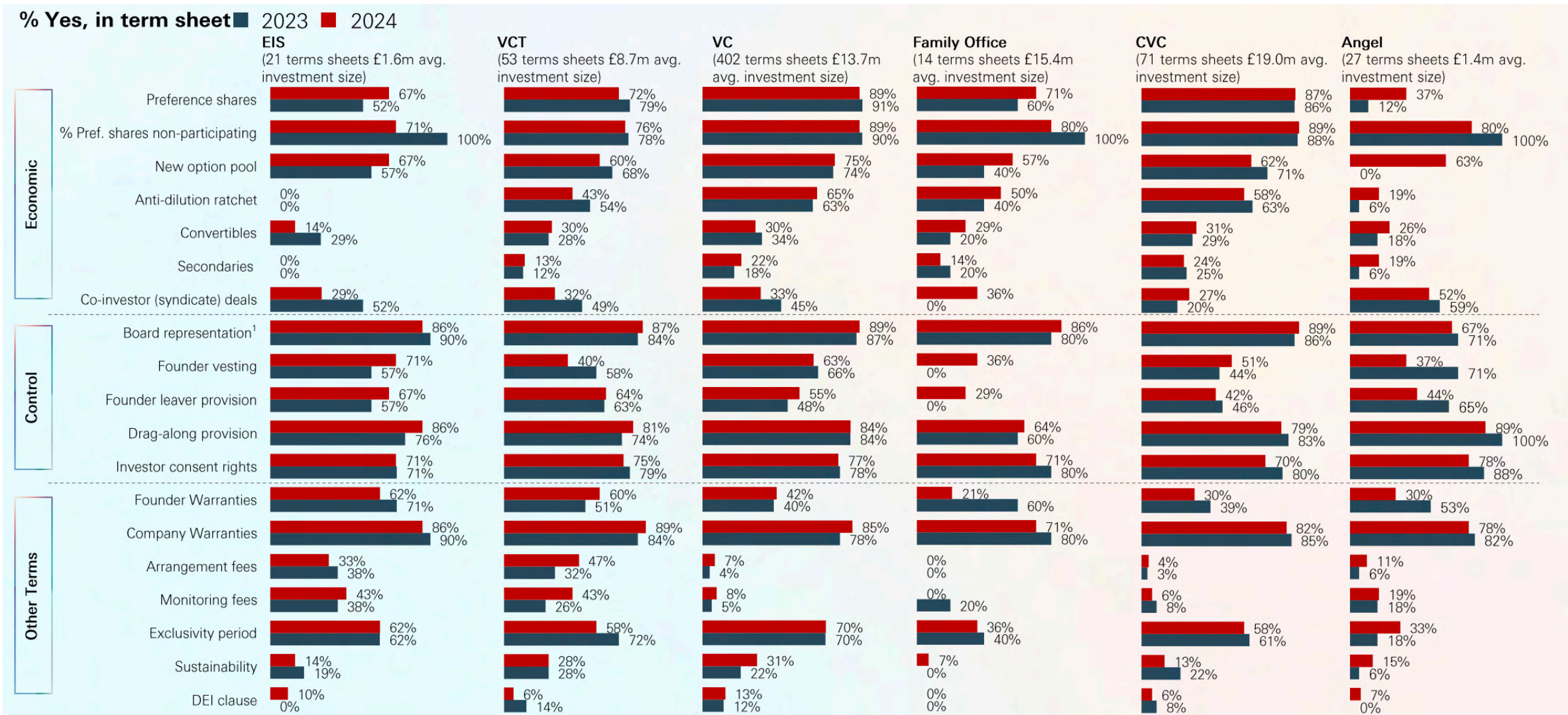
SAFE Data - Carta



Play to Play by Series - CooleyGo



Term Sheet Data - HSBC



Click image for source post.

SECTION 5

Valuations Performance and Unicorns

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Unicorn and Valuation Nuggets

NEWS

Hundreds Of Unicorns Haven't Raised New Funding Since 2021

*Crunchbase article
from Joanna Glasner dated February 13, 2025*



Alex Oppenheimer • Following
Verissimo Ventures - Pre-seed and Seed VC
5d •

This concept of "the best deals" at seed is a logical fallacy.

What is viewed as a "great deal" early almost always means that it has some signals that cause it to be priced up... a lot.

Given this is a multiples business, a high denominator means that it is already playing handicapped for the rest of its lifetime.

NEWS

AI agents could be the next tech hype bubble to burst, say VCs: 'It's Web3 and Metaverse mania again'

*Sifted article
from Kai Nicol-Schwarz dated February 12, 2025*



J.P. Bowgen • 2nd
Principal at Camber Creek | Venture Capital
2h •

A few years back, we saw a flood of startups name-dropping NEOM as a major contract in their pipeline. But in venture, you learn quickly: until the cash is in the bank, it doesn't count. Now, with projections that NEOM could take 55 years to complete and cost a staggering \$8.8 trillion (or 25x Saudi Arabia's annual budget), it's a textbook case of why we don't underwrite against hype.

NEWS

Like Bananas, Most Unicorn Startups Peak When Underripe

*Crunchbase article
from Joanna Glasner dated February 13, 2025*



Alex Oppenheimer • Following
Verissimo Ventures - Pre-seed and Seed VC
2w •

In a business where all that matters is wins (big wins), how much time (if any) should we spend studying and learning from our mistakes?

50% is a magic number: when less than 50% succeed, then trying to learn from the majority failures becomes futile.

Startup Performance Nuggets



Navin Chaddha • Following
Inception & Early-Stage Investor, Entrepreneur and Company Builder
[View my newsletter](#)

5d • 🌐

The startup landscape has fundamentally changed, but the principles of company building haven't. After three decades in startups and VC, I've watched the pendulum swing from boom to bust and back. Today, we're sitting on \$307.8B in uninvested capital—more than 4x what was available in 2014—with AI capturing an unprecedented 46.4% of all VC investments just two years after ChatGPT's launch.

We're 3 years into a market cycle that mirrors the post-2008 recovery—the exact period that gave birth to Uber, Square, and Stripe. With early-stage funding up 2.6x since 2014 and late-stage funding up 3x, capital is abundantly available across all stages for the right companies.



Jack Arenas • Following
Principal at Founder Collective
13h • Edited • 🌐

The Hidden Costs of Exuberance

Venture capital has bounced back from 2021, but the competition to get into the hottest companies has continued to drive valuations to extreme heights. It's still routine to see seed rounds at \$50M+ post-money (sometimes much higher)—often for companies with no product in market and no real traction.

For truly breakout companies, this strategy can be a feature, not a bug. It helps founders minimize dilution and ensures large funds maintain meaningful ownership in the winners. But here's the issue: not every company has a straight shot to \$50M+ in revenue—and when that becomes clear, an overfunded cap table can turn what could have been a solid business into a dead end.



Roelof Botha ✓
@roelofbotha

🔗 ...

We remain destined to repeat the mistakes of the past! SPVs are making a come-back, where the lead investor speaks for less than 10% of the capital, yet eagerly lines up the latest set of tourist chumps who think the story will end differently this time. It's only been 3 years 🤖

NEWS

You can't put a price on greatness

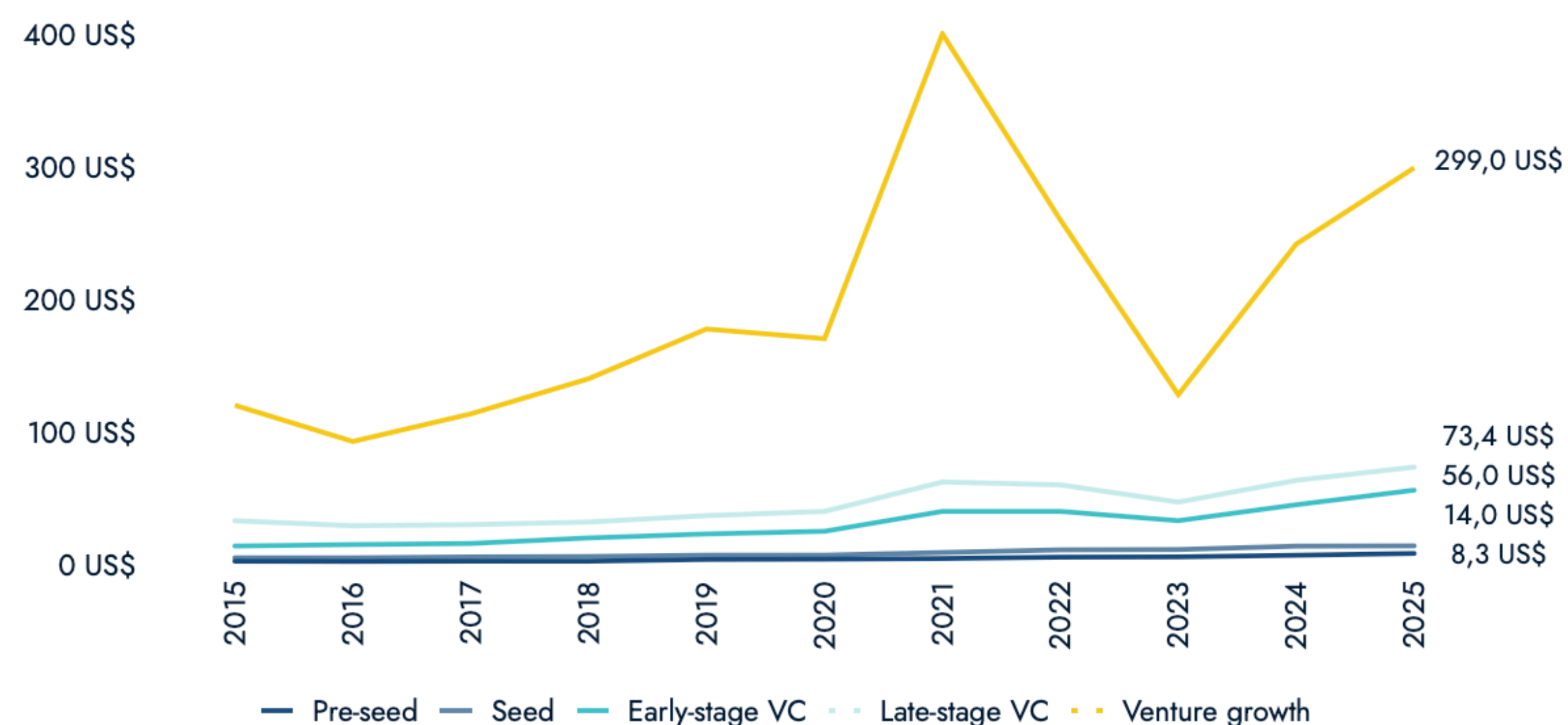
*Crunchbase article
from Dan Gray dated March 11, 2025*

Founders are sucked into cherry-picking market data to justify the terms they want to get, while investors manipulate comparables to suit the price they want to pay. It's not a meaningful negotiation, and founders usually end up losing out.

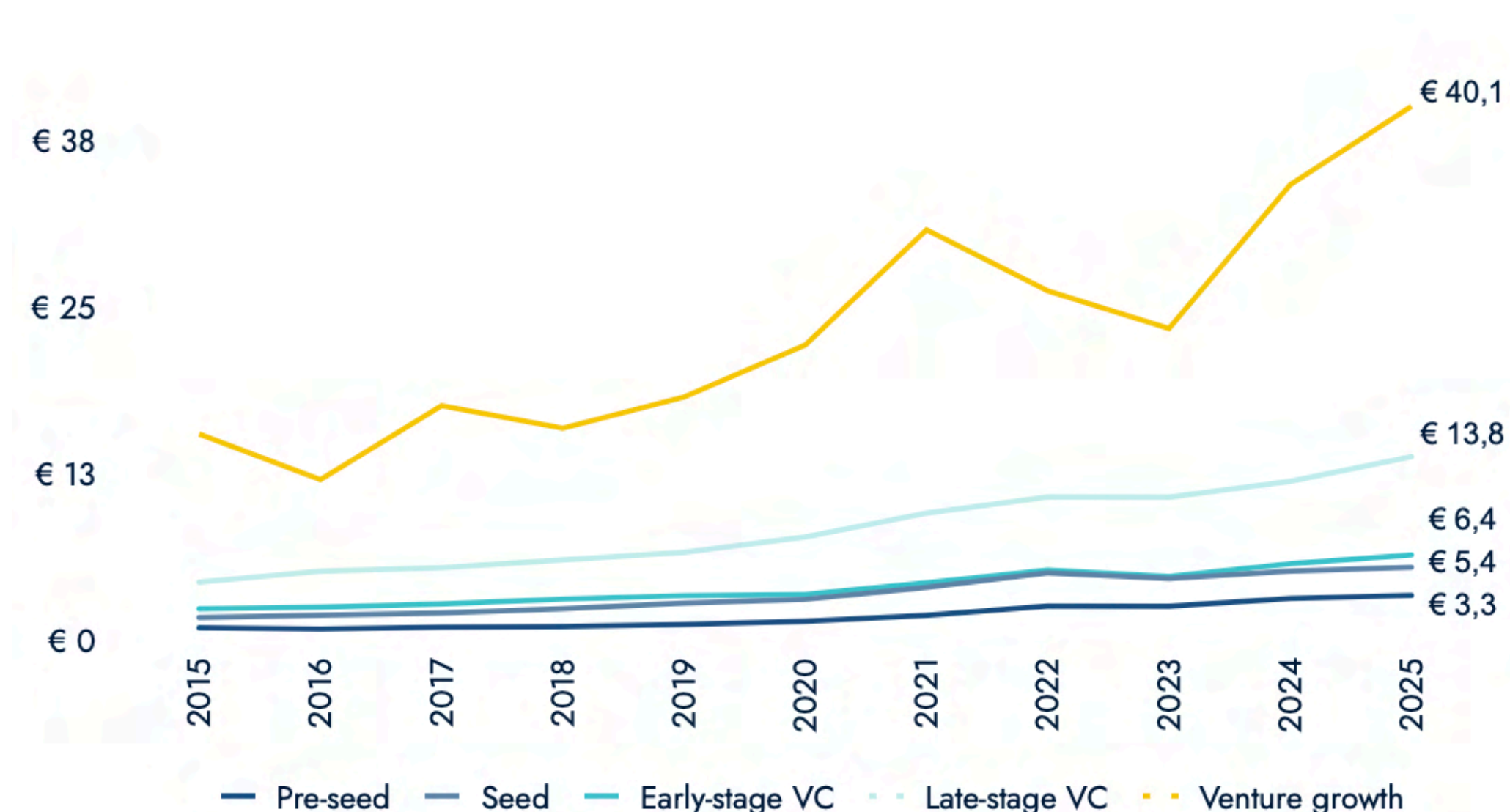
Valuation Dynamics

The positive trend continues in Q1 2025, with valuations rising across all stages in both the U.S. and Europe. However, the gap between the two regions remains striking, with significant differences in valuation levels by stage.

Median US VC pre-money valuation (\$M) by stage



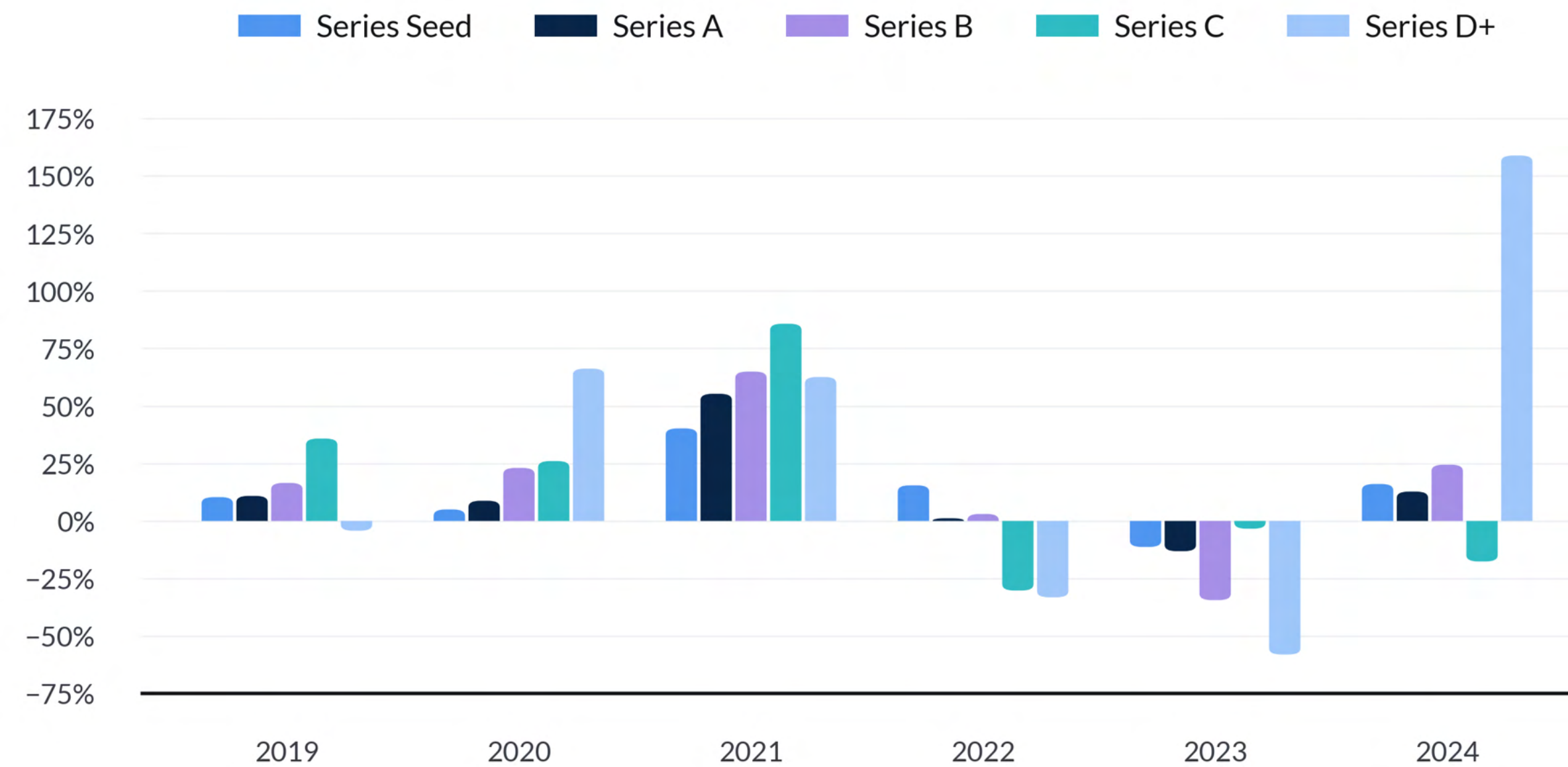
Median Europe VC pre-money valuation (\$M) by stage



Valuations Change

After two years of declining valuations, the U.S. venture market bounced back in 2024, with most funding stages seeing a positive shift.

YoY percent change in median pre-money valuation by stage



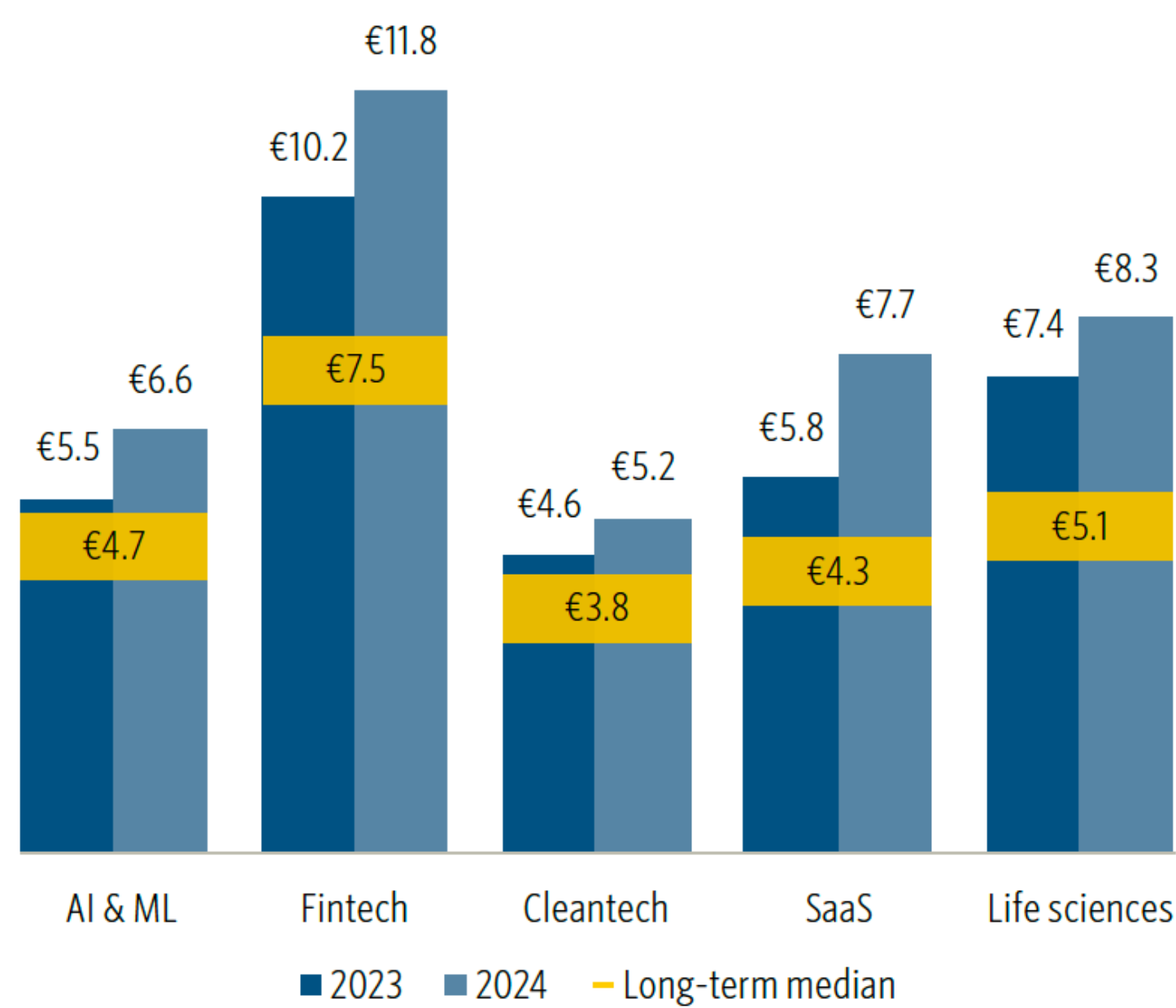
Geographic focus of chart = U.S. Graph from Aumni. [Click for source post.](#)

Europe: Valuations Differ by Verticals

While AI continues to dominate the spotlight in the U.S., Europe's valuation trends paint a more complex picture. In 2024, AI startups frequently featured among the top early-stage deals, yet their median valuations trailed behind sectors like fintech. At the late stage, AI even saw a dip in median values despite a few headline-grabbing rounds.

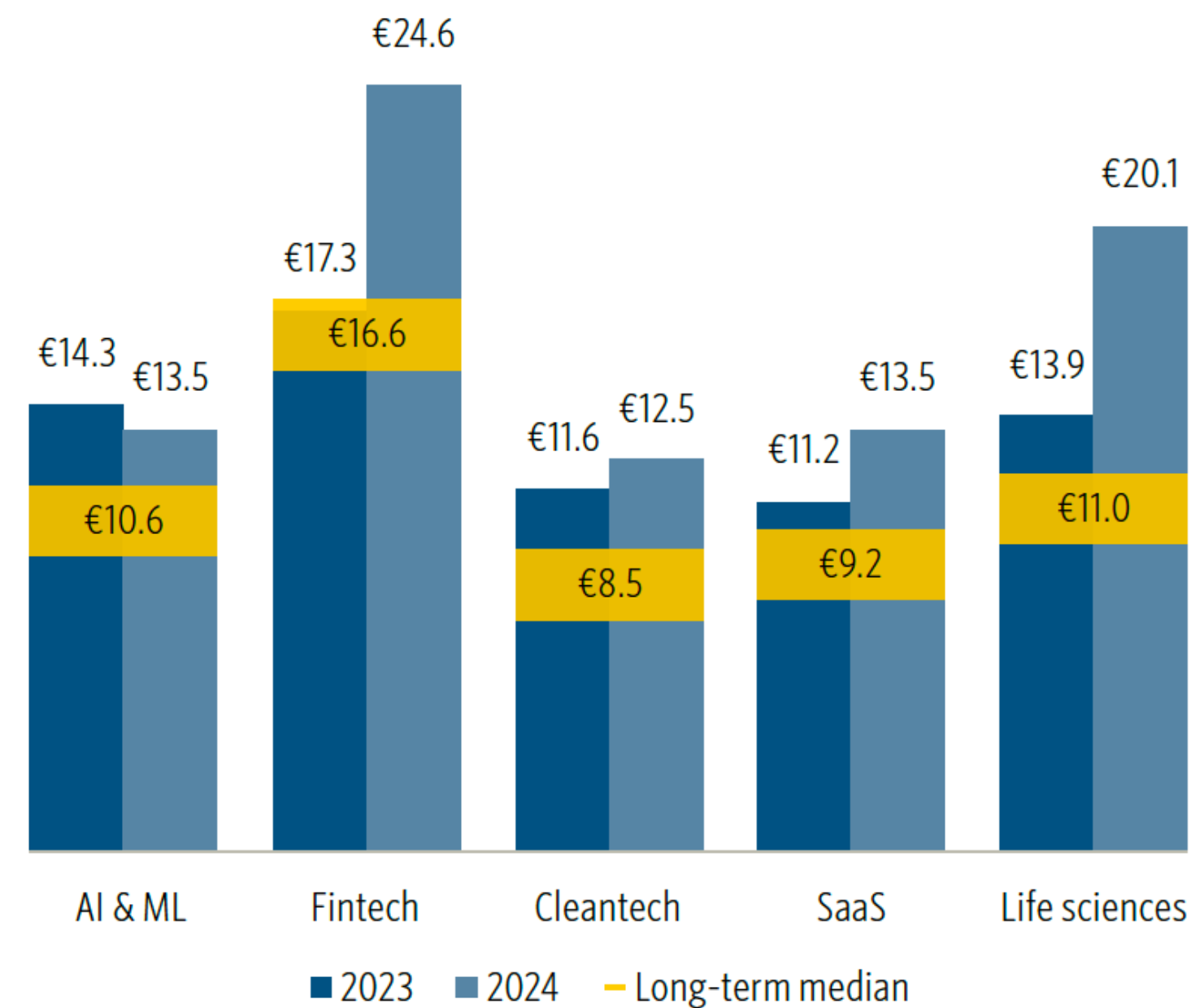
At early-stage, SaaS startups led the way with a 33% year-over-year increase, reaching around €8 million—signaling renewed investor interest in software. Meanwhile at late-stage, life sciences stood out, posting a strong 45% rise in median valuations, outperforming all other sectors.

**Median early-stage VC pre-money valuation
(€M) by vertical in 2023 versus 2024**



Source: PitchBook • Geography: Europe • As of 31 December 2024

**Median late-stage VC pre-money valuation
(€M) by vertical in 2023 versus 2024**

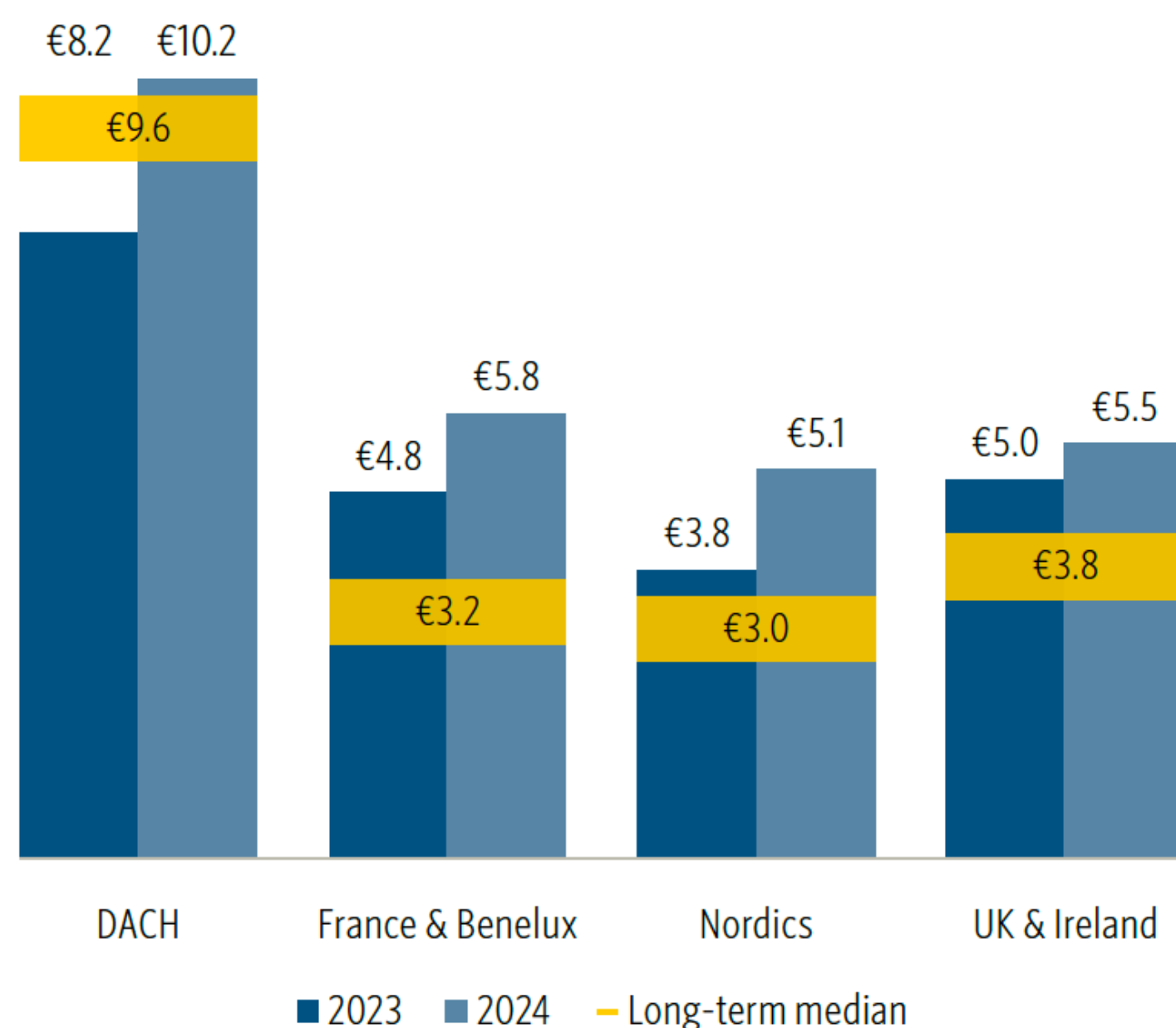


Source: PitchBook • Geography: Europe • As of 31 December 2024

Europe: Valuations Differs by Countries

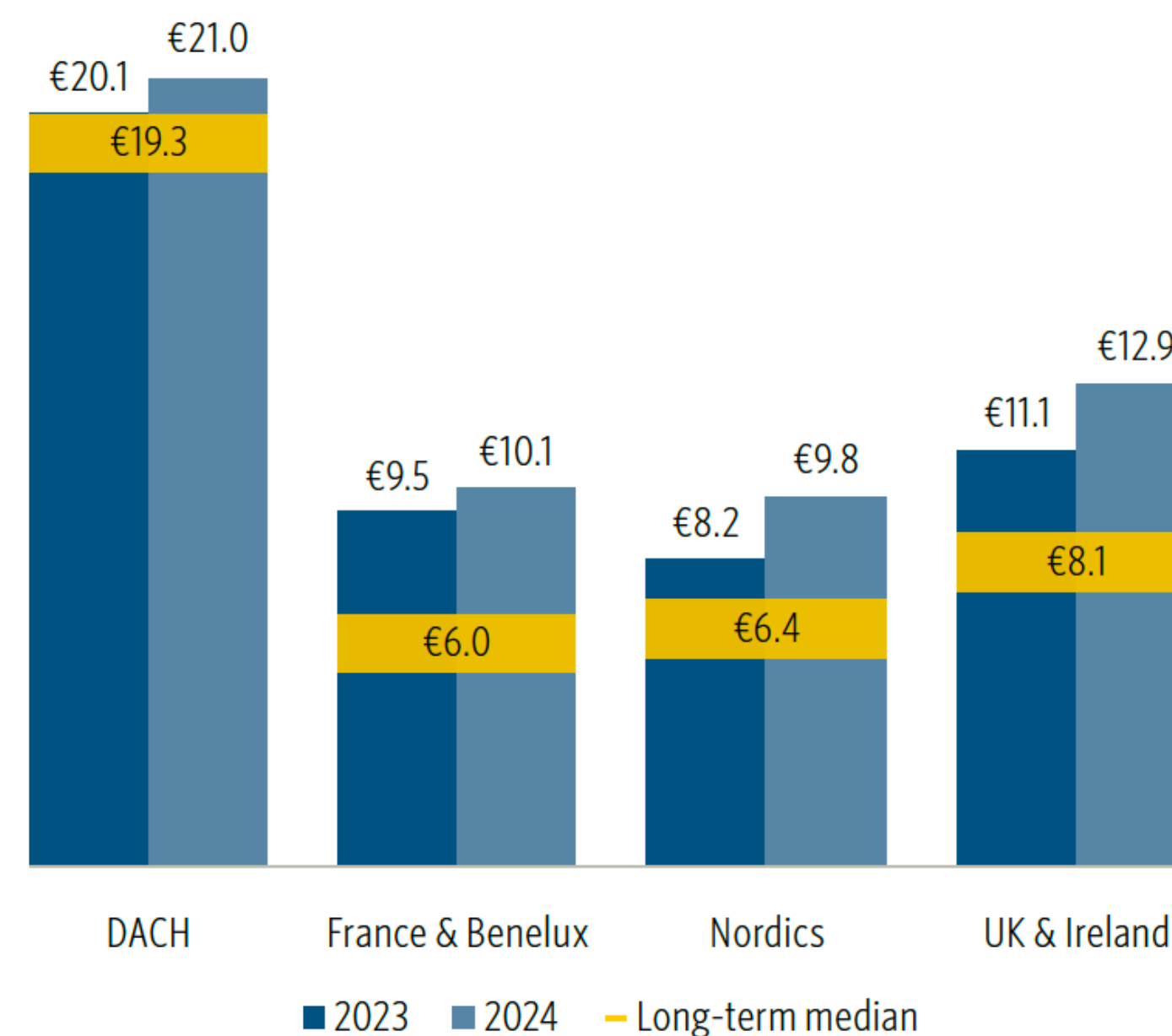
In 2024, early-stage startups in the Nordics led Europe in valuation growth, with median figures rising 36% year-over-year to €5.1 million. This upward momentum extended to late-stage companies, where valuations increased by 19% to €9.8 million. In contrast, the DACH region's valuation trends appear to be diverging from the broader European market, following a more distinct and isolated path.

**Median early-stage VC pre-money valuation
(€M) by region in 2023 versus 2024**



Source: PitchBook • Geography: Europe • As of 31 December 2024

**Median late-stage VC pre-money valuation
(€M) by region in 2023 versus 2024**

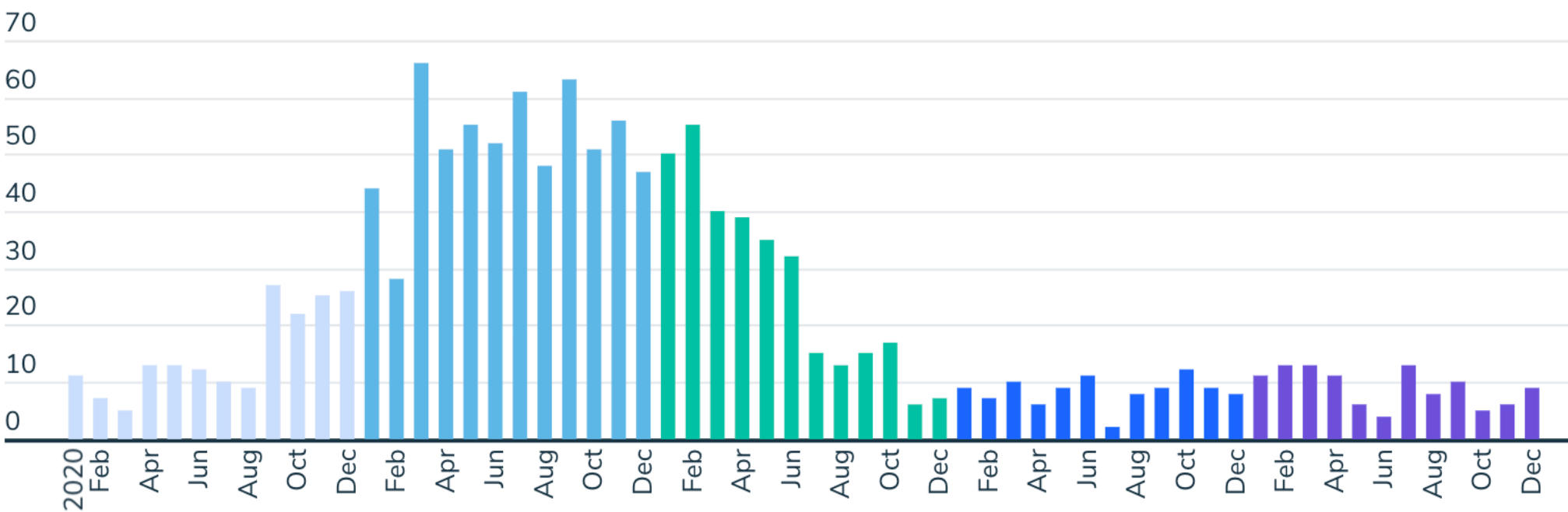


Source: PitchBook • Geography: Europe • As of 31 December 2024

Unicorns Formation

The number of newly minted unicorns saw a slight uptick in 2024. While the count of unicorn fundraising rounds held steady compared to 2023, total fundraising volume surged in Q4 2024—more than doubling from the previous quarter.

Global New Unicorn Count By Month

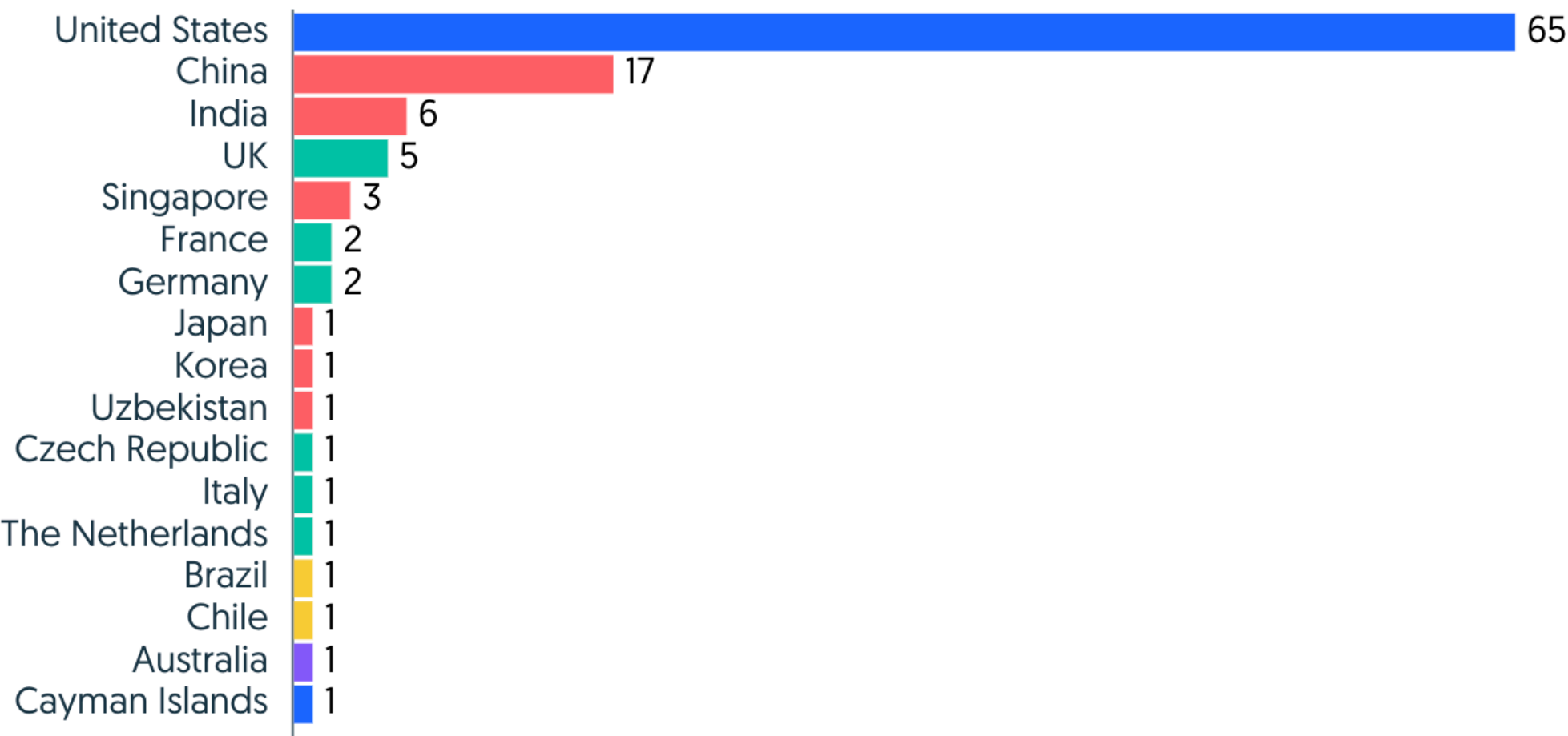


Geographic focus of chart = Global. Graph from Crunchbase. Click for source post.

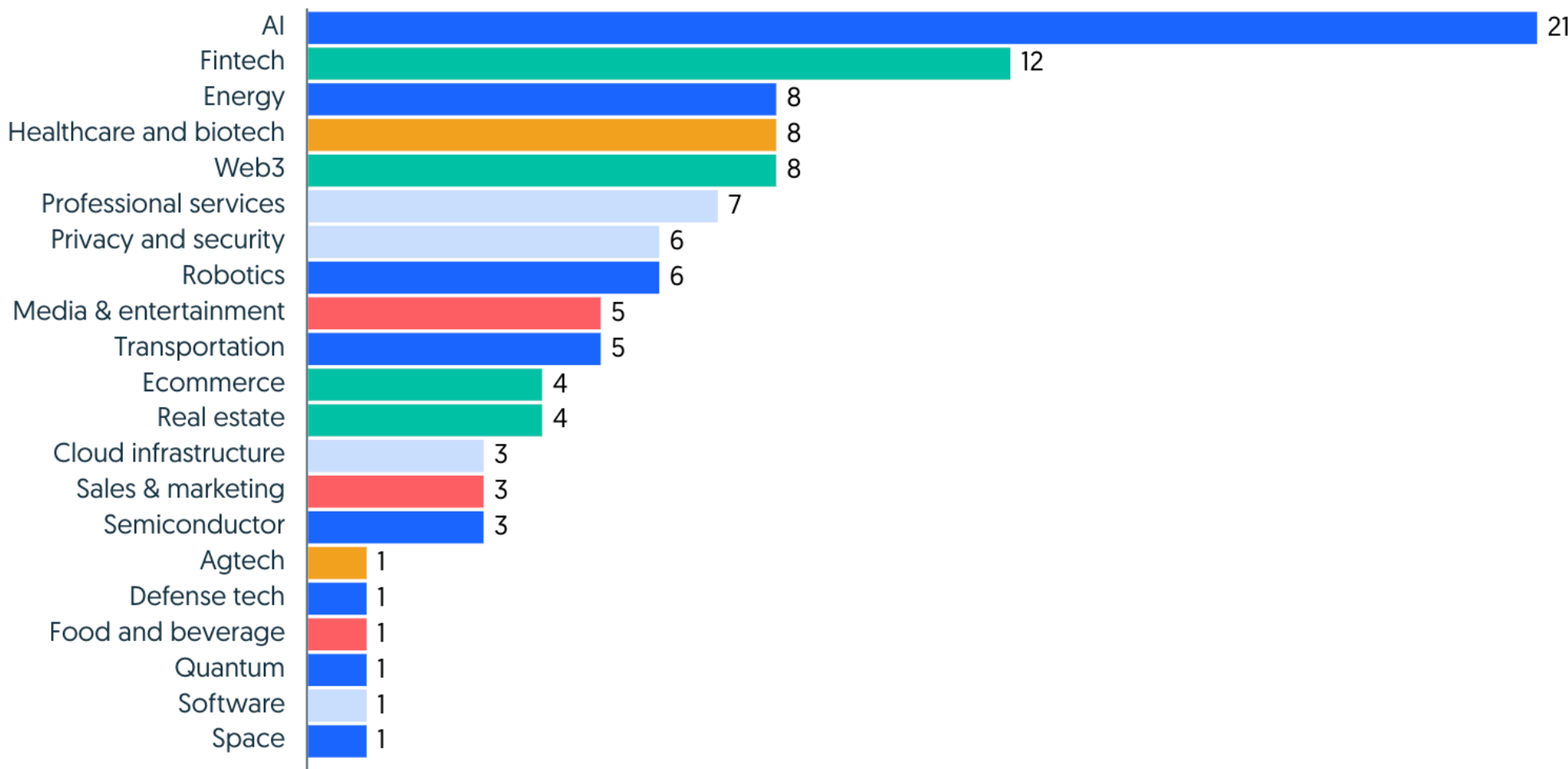
Unicorns Data (by Country and Sector)

In 2024, the U.S. and the AI sector stand out as the leading engines for unicorn creation globally.

2024 New Unicorn Counts, By Country



2024 New Unicorn Counts, By Sector



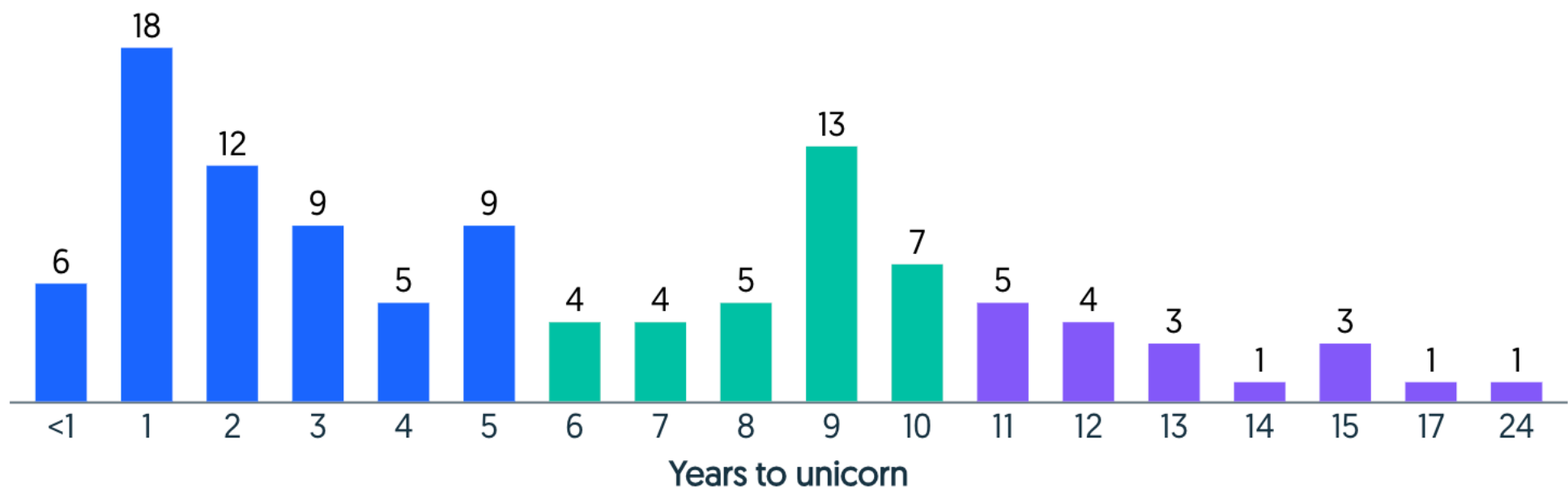
Geographic focus of both charts = Global. Both graphs from Crunchbase. Click for source post.



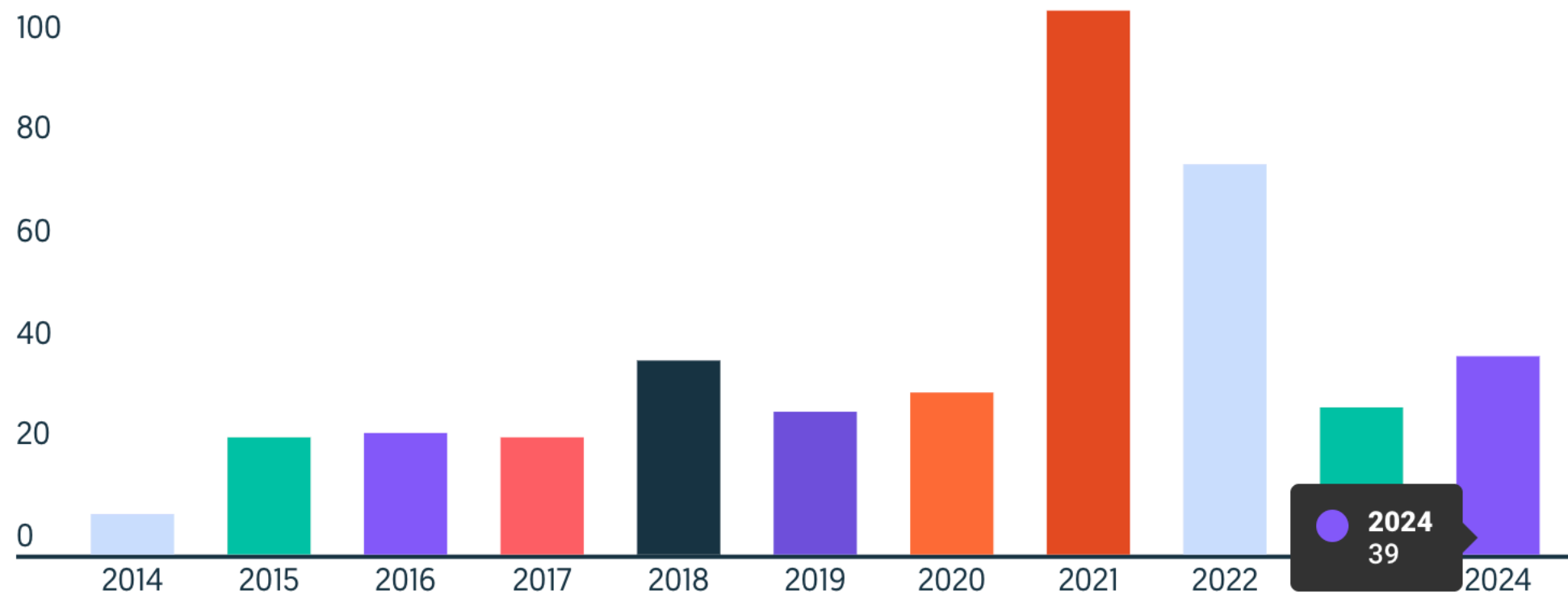
Unicorns are Forming Earlier

Unicorns are reaching the \$1 billion milestone faster than ever, with nearly half hitting that valuation within five years of founding—highlighting accelerated growth paths. After two years of decline post-2021, the number of early-stage startups achieving unicorn status rebounded in 2024.

New Unicorn Counts In 2024:
Number Of Years It Took To Be Valued At \$1B



Early-Stage Minted Unicorns By Year
Unicorns minted after an early-stage
— seed, Series A or Series B — funding round.



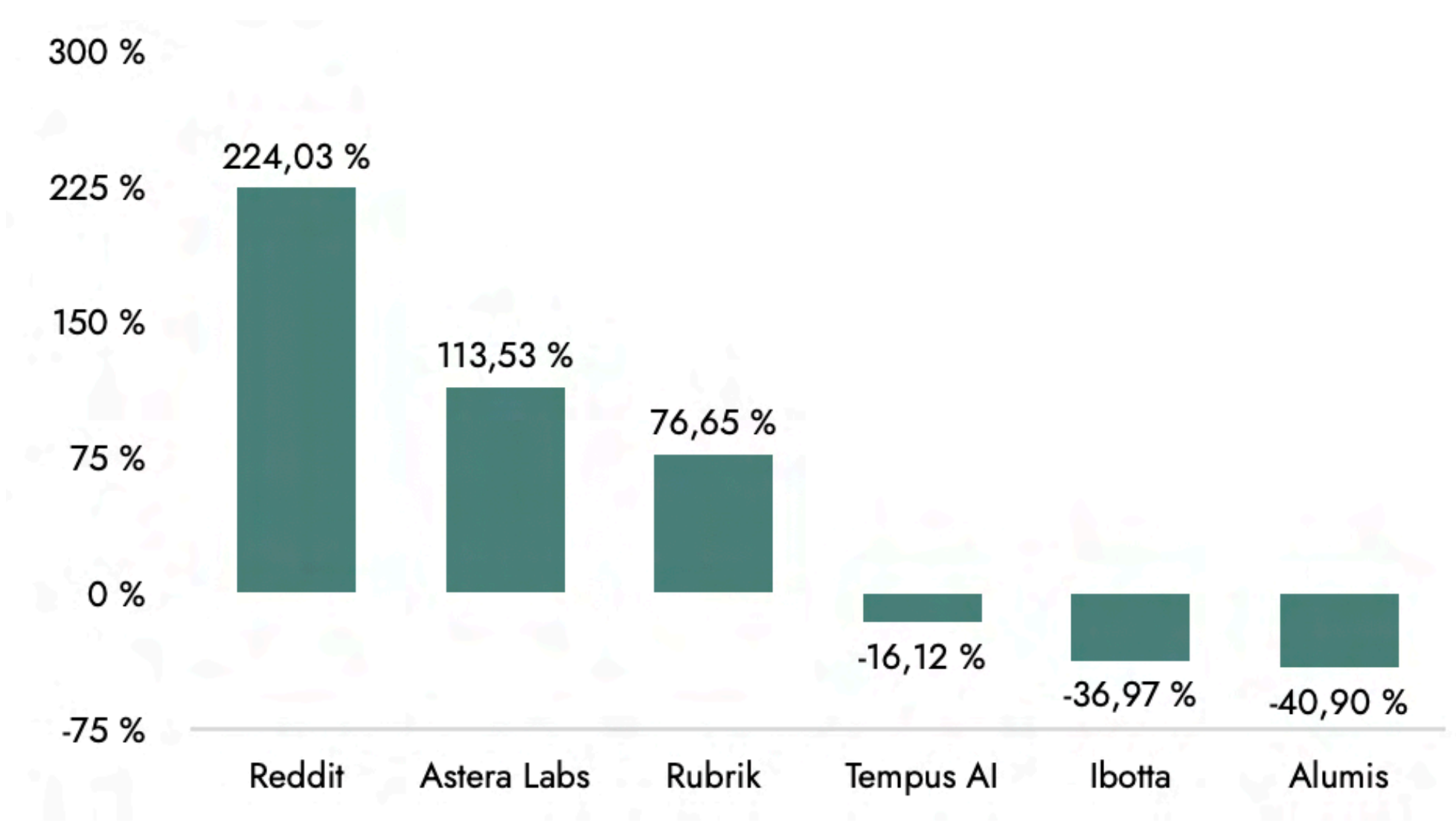
Both graphs from Crunchbase. Click for source post.



Unicorn IPO Performance

The post-IPO performance of startups that went public in 2024 was mixed—three ended the year with gains, while the other three saw declines. However, the positive performers significantly outpaced the losses of the underperformers. That said, stock prices remain highly volatile, and much has shifted since the end of 2024.

2024 Unicorn IPO returns from the close of the first day of trading

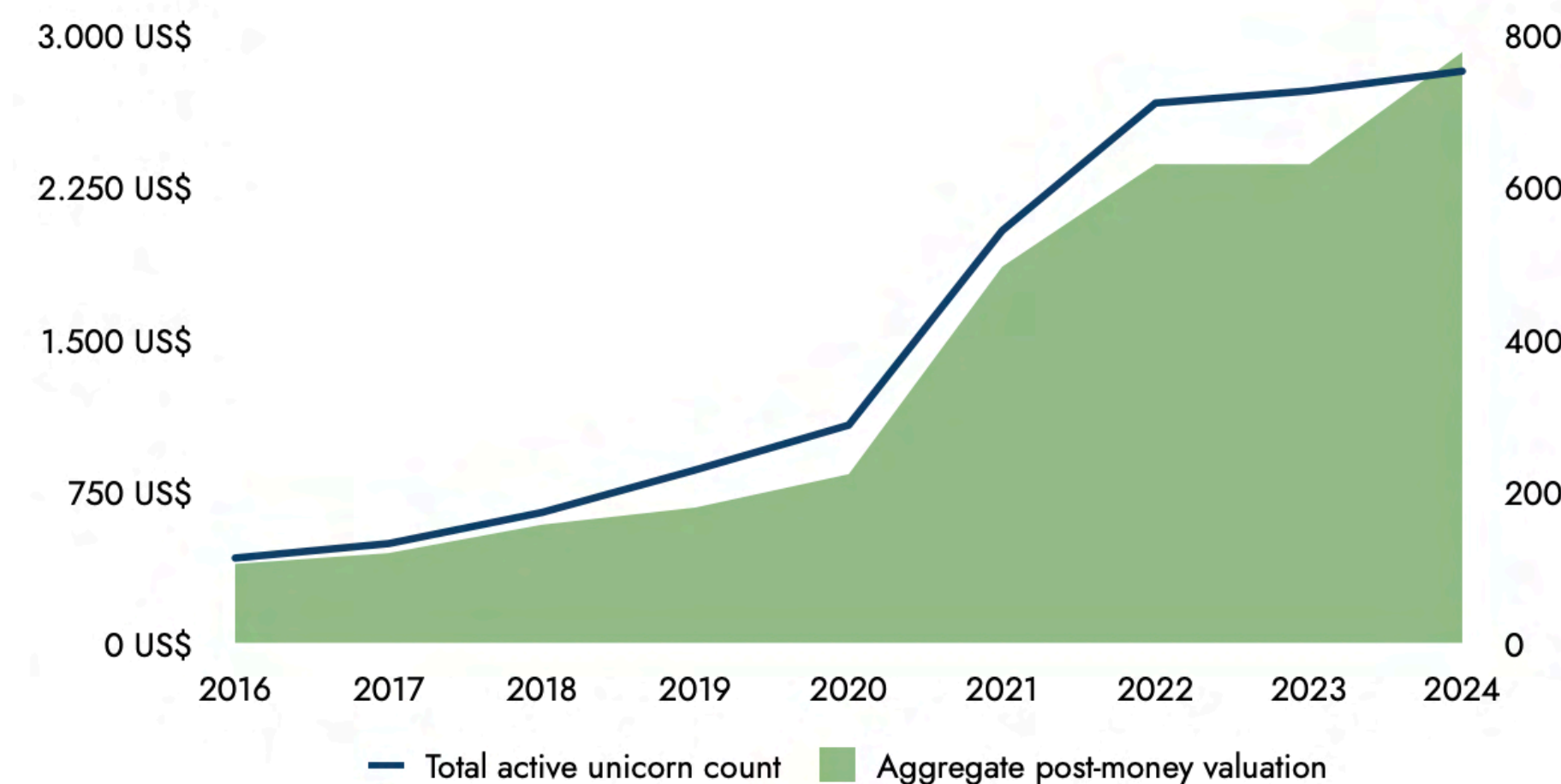


As of 12/31/2024
*Returns are relative to closing price on the first day of trading

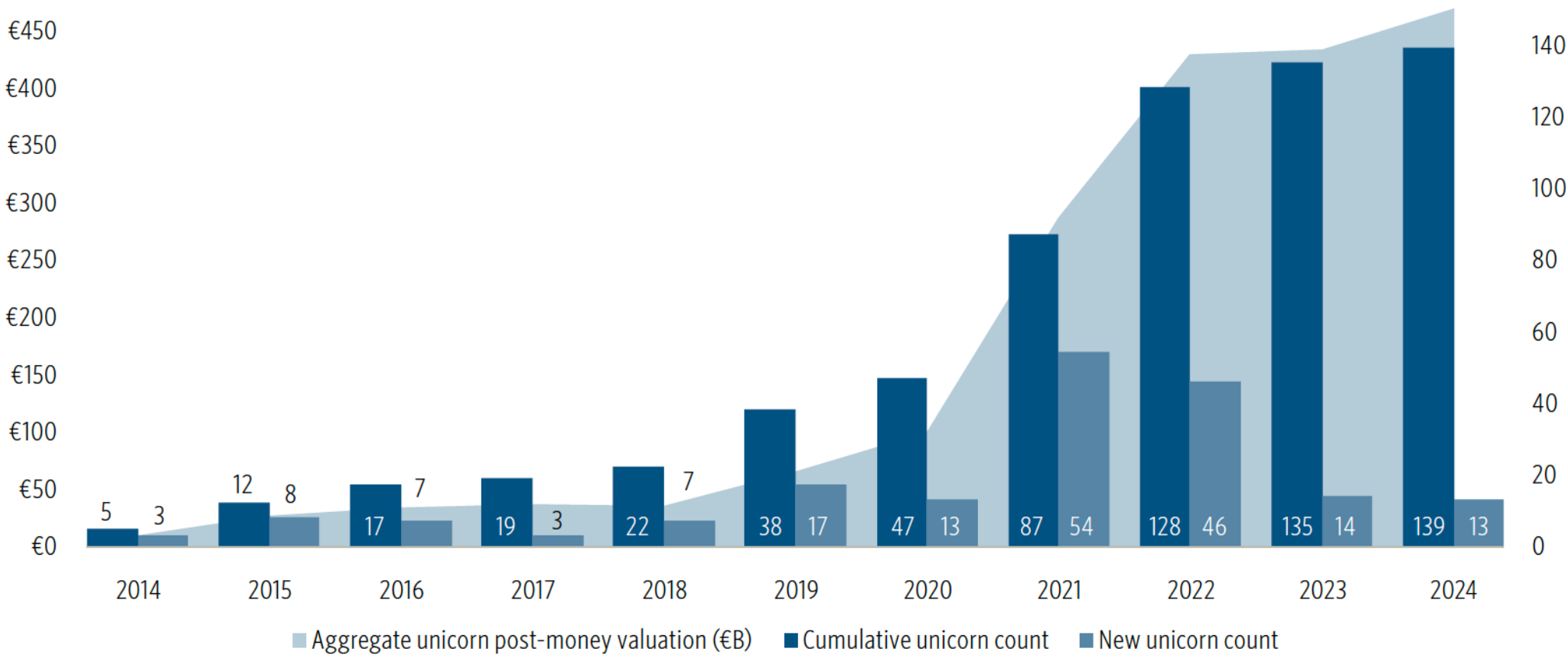
Unicorn Valuation Dynamics

In both the U.S. and Europe, the aggregate post-money valuation of unicorns climbed in 2024, reaching record highs.

US aggregate unicorn post-money valuation (\$B) and active unicorn count



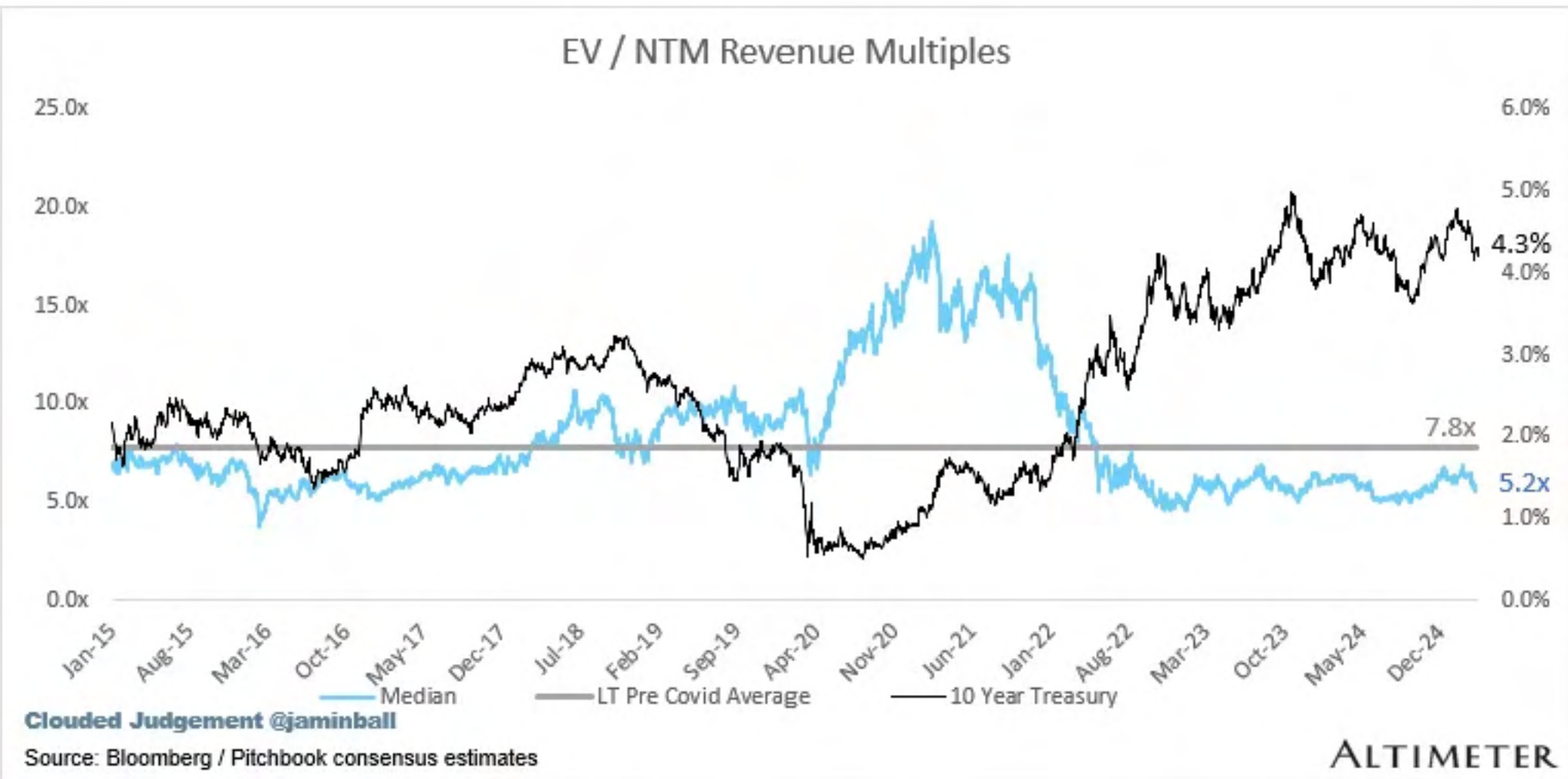
Unicorn count and aggregate post-money valuation (€B)



Source: PitchBook • Geography: Europe • As of 31 December 2024

SaaS Performance

Subdued revenue growth is reflected in subdued multiples.



Tomasz Tunguz ✓

@ttunguz

Public SaaS companies' growth rates have halved since 2023, as David Spitz pointed, from 36% to 17%.

Why? There are few, fast growing, younger SaaS companies to sustain the growth rates.

The top quartile companies are growing at slower rates today than the bottom quartile companies in 2016. The median has never been lower in the last ten years.

It's not to say software spending is slowing (it's not), or that there aren't fast-growing businesses (they thrive in the private markets).

1st chart from Meritech and 2nd from Altimeter.

Startup Shutdowns

NEWS

Venture debt lenders will play a big role in fire sales and startup shutdown this year, experts say

TechCrunch article from Marina Temkin dated February 1, 2025

- When accounting startup Bench abruptly failed last month, the shutdown was forced when the company's lenders called in the startup's loan.
- Concerned about the future of their investments, lenders are increasingly pushing startups to sell themselves to minimize potential losses
- In situations where lenders are forcing an acquisition, equity investors are generally not getting much of the money being paid, and often not even making their money

NEWS

Chinese VCs are hounding failed founders to claw back their investments

TechCrunch article from Charles Rollet dated January 7, 2025

- As China's economy stalls, the country's VCs are enforcing redemption clauses written into funding terms that were previously rarely enforced, according to the FT.
- This is resulting in some Chinese founders owing millions of dollars to their investors and ending up on debtor blacklists, blocking them from booking hotels, taking planes, or leaving China.



Ashish Kumar Bahuguna • Following
Corporate Finance, Fundraising & M&A @Alehar (Global Investment Ban...
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\$150M DOWN THE DRAIN: The Brutal Reality of Startup Shutdowns in 2024

Startups backed by Tiger Global, Lightspeed, and Peak XV didn't just slow down—they shut down for good.

From Koo (\$50M) to Bluelearn (\$3.95M), 12 startups across fintech, AI, edtech, and healthtech called it quits.

And the reasons? Surprisingly predictable.

- >> Lack of Product-Market Fit – Customers just didn't care.
- >> Funding Drought – 47% YoY funding slowdown hit hard.
- >> Cash Flow Nightmares – 225,000 users, but only INR 1.5 lakh in revenue.
- >> Regulatory Hurdles – One policy change, and the business was over.
- >> Scalability Woes – Growth does not equal monetization.

Even \$50M in funding couldn't save Koo. That says a lot.

Startup

Exits

SECTION 6



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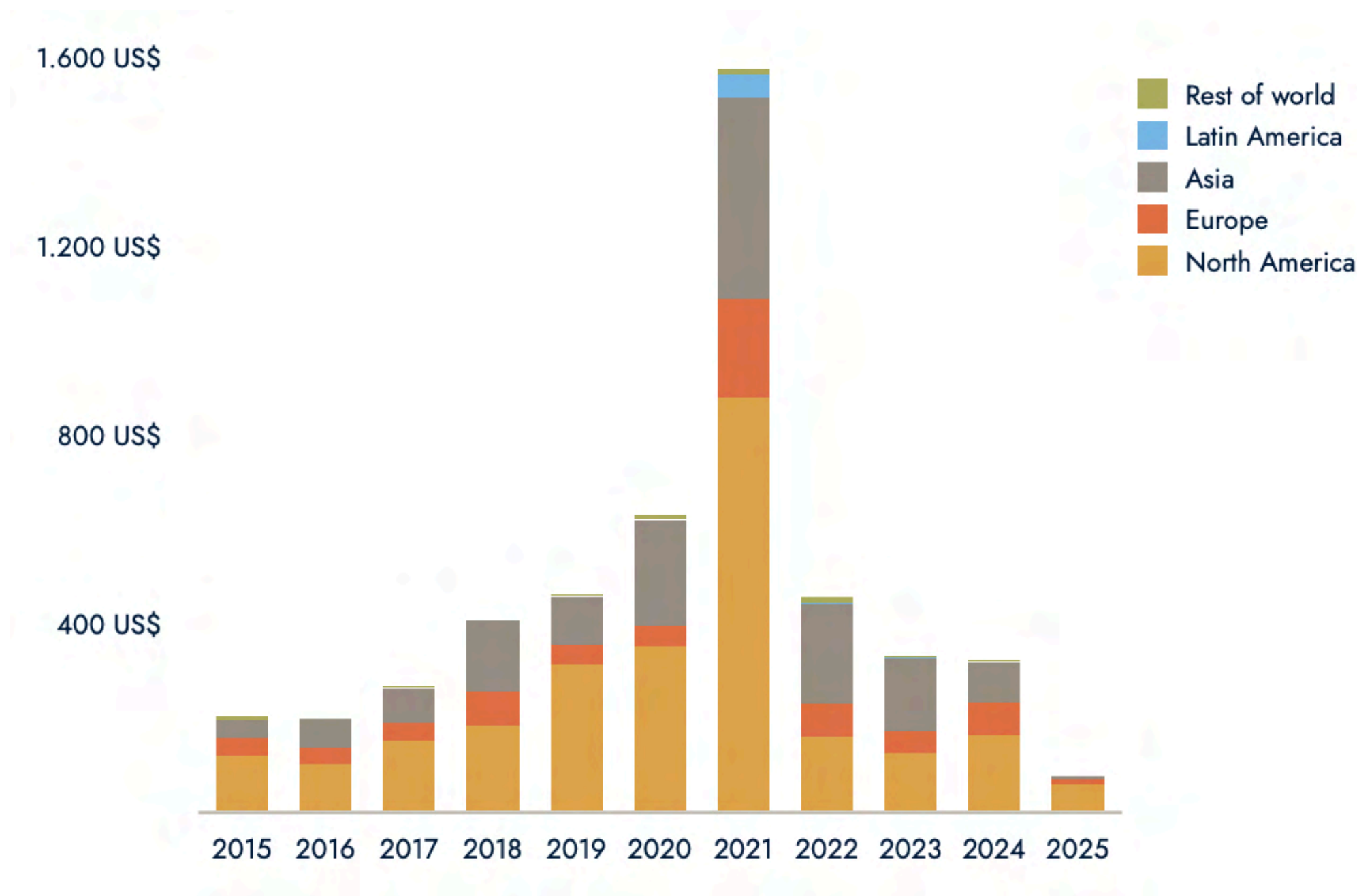
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- [M&A Nuggets](#)



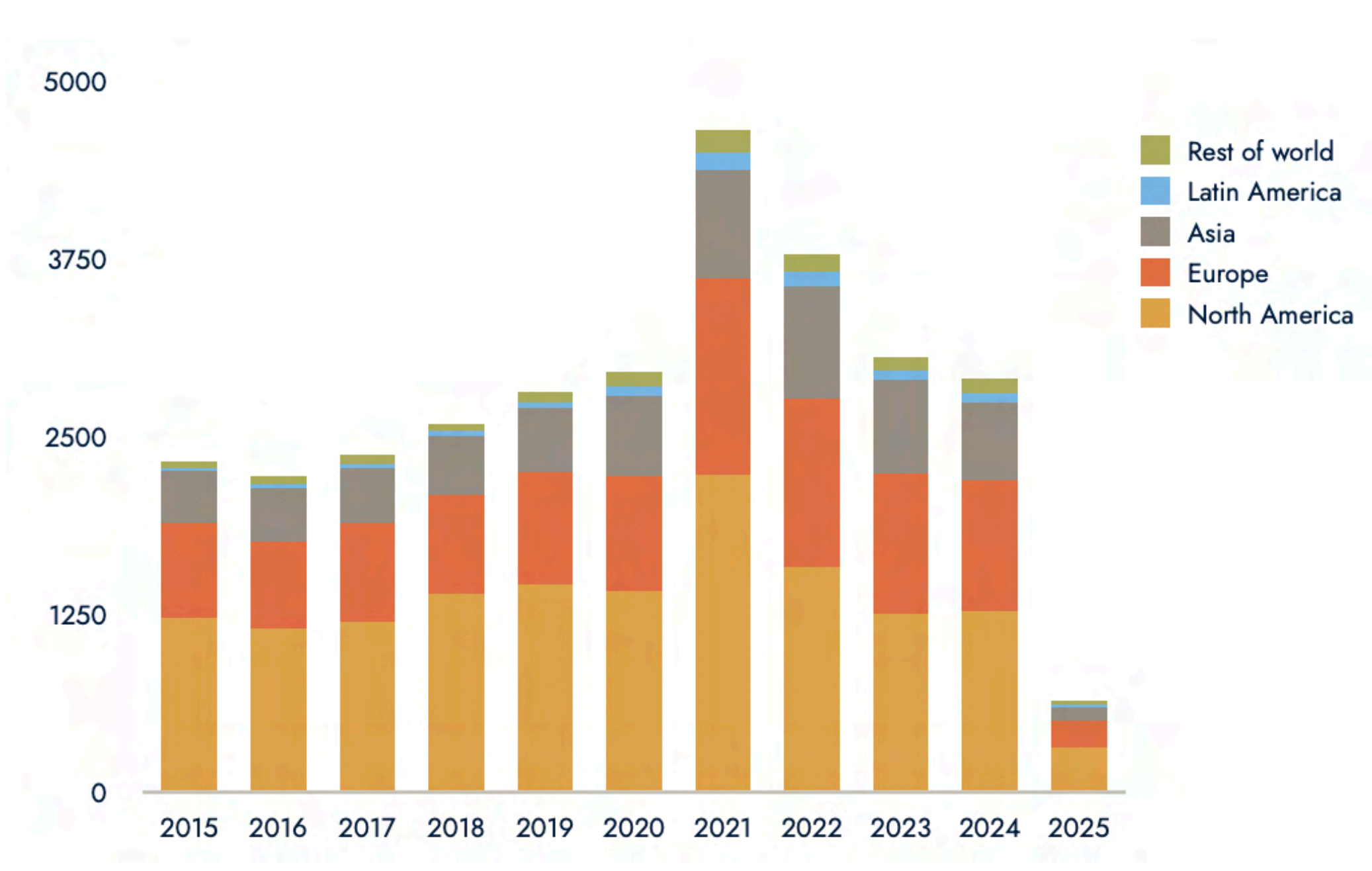
VC Exit Dynamics | Regional View | 1

Global venture capital exit values held steady in 2024, with the U.S. not only preserving its lead but slightly increasing its share from the previous year. Europe also expanded its footprint, primarily at the expense of Asia. The overall number of exits showed a slight decrease from the 2023 levels, though Asia saw a modest dip in deal activity. Moving into Q1 2025, the U.S. continued to dominate exit dollar volumes.

Global VC exit value (\$B) by region



Global VC exit count by region



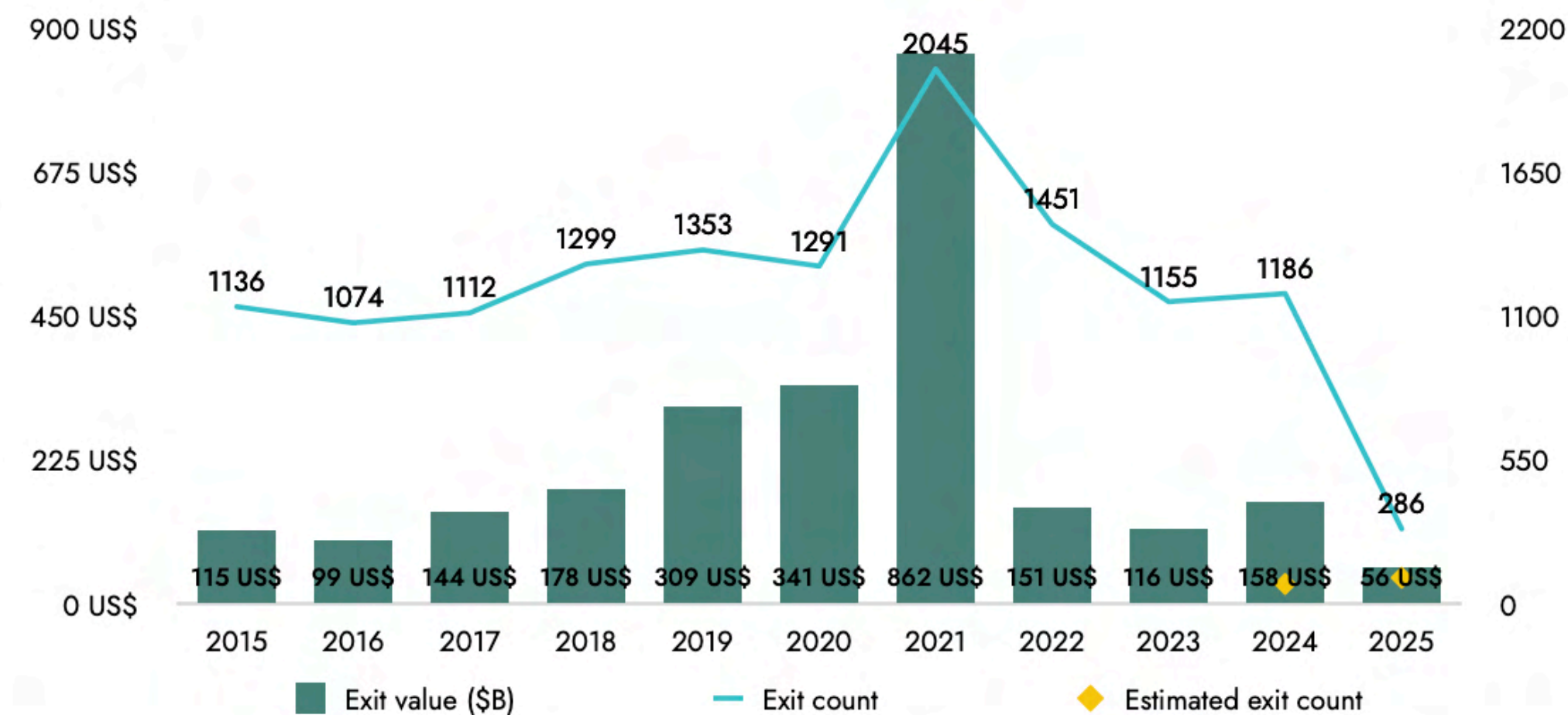
Data of both charts from PitchBook



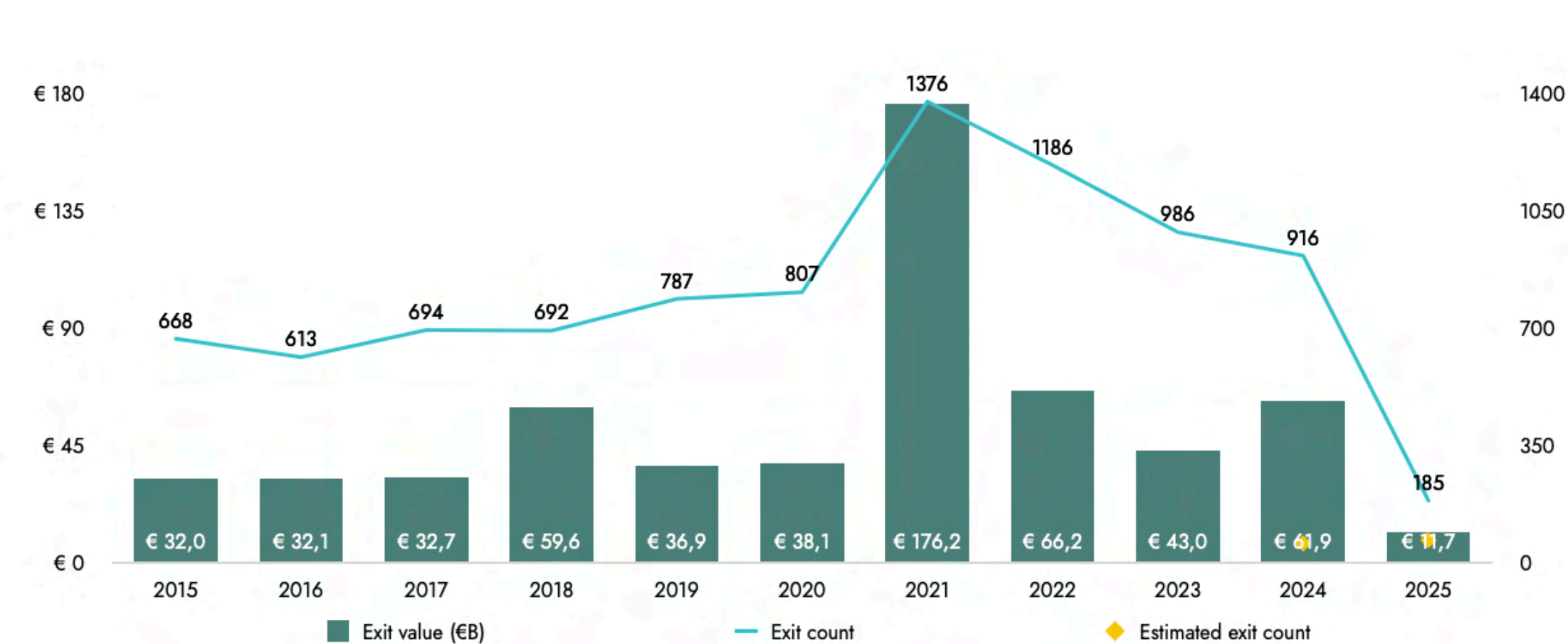
VC Exit Dynamics | Regional View | 2

Exit activity rebounded in 2024 for both the U.S. and Europe, with the U.S. posting a 36% rise in exit value and Europe seeing an even sharper 44% jump. However, while the U.S. maintained a steady number of exits, Europe experienced a slight 7% decline in deal count. As 2025 began, the U.S. showed early momentum—reaching 35% of its 2024 exit value in Q1 alone—whereas Europe lagged, achieving just 20% of last year’s total during the same timeframe.

U.S. VC exit activity



Europe VC exit activity

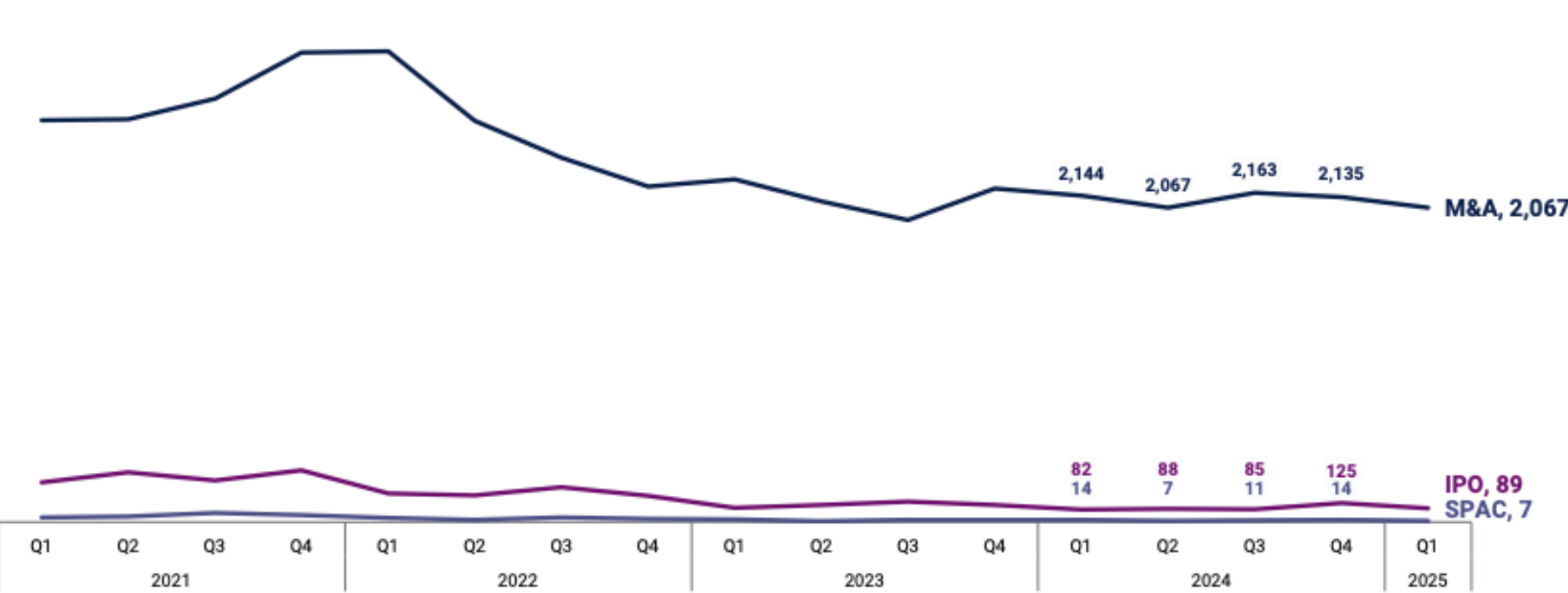


Data of both charts from PitchBook

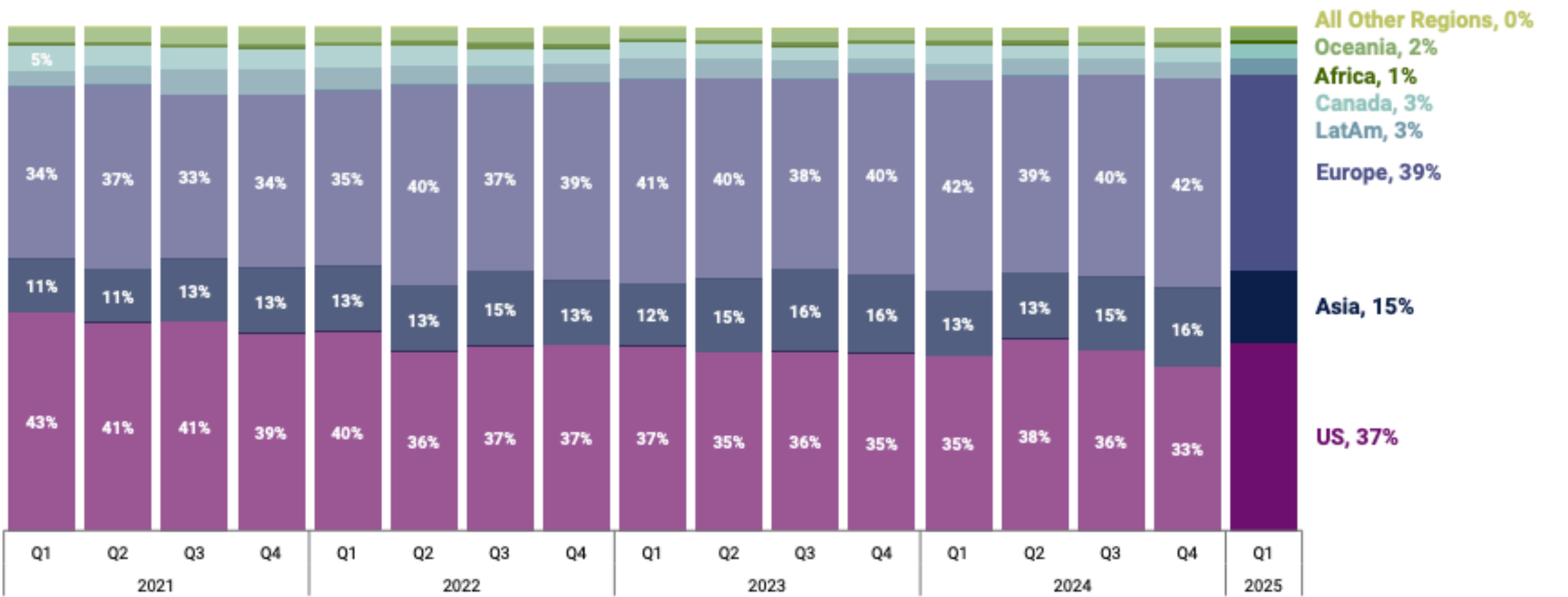
Exit Numbers

According to CB Insights data, global exit numbers saw a slight dip in Q1 2025 compared to Q4 2024. The U.S. increased its share of quarterly exits by region, while Europe's share declined. Asia held steady with no significant change from the previous quarter.

Quarterly exits



Percent of quarterly exits by global region

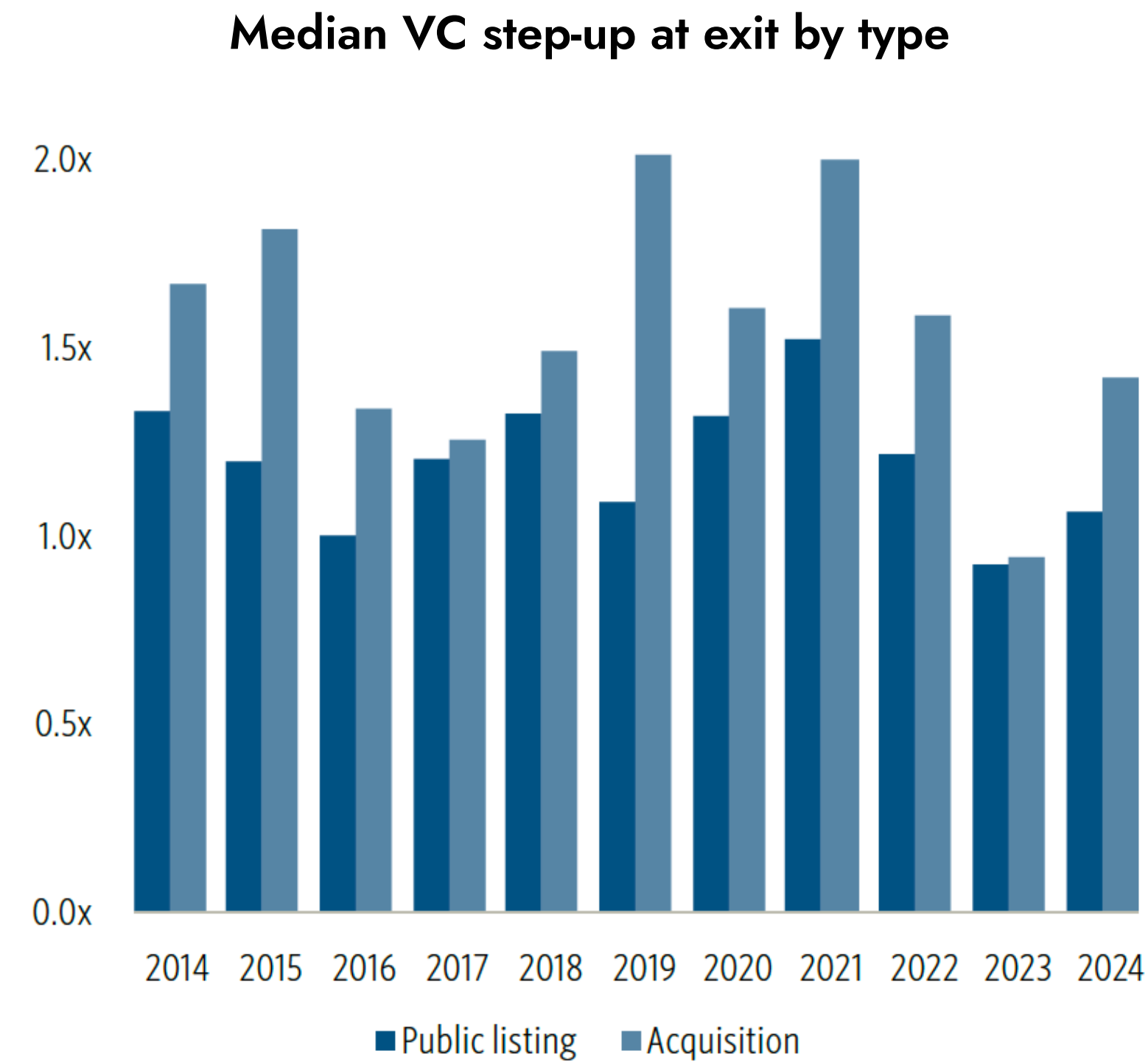


Geographic focus of both charts = Global. Graphs from CB Insights. Click for source post.



Step-ups Remain Low

Public listing step-up multiples have remained soft, with medians hovering around 1x—indicating most IPOs are happening at valuations similar to their final private rounds. In contrast, acquisition exit multiples saw improvement in 2024, climbing to a healthier 1.4x.



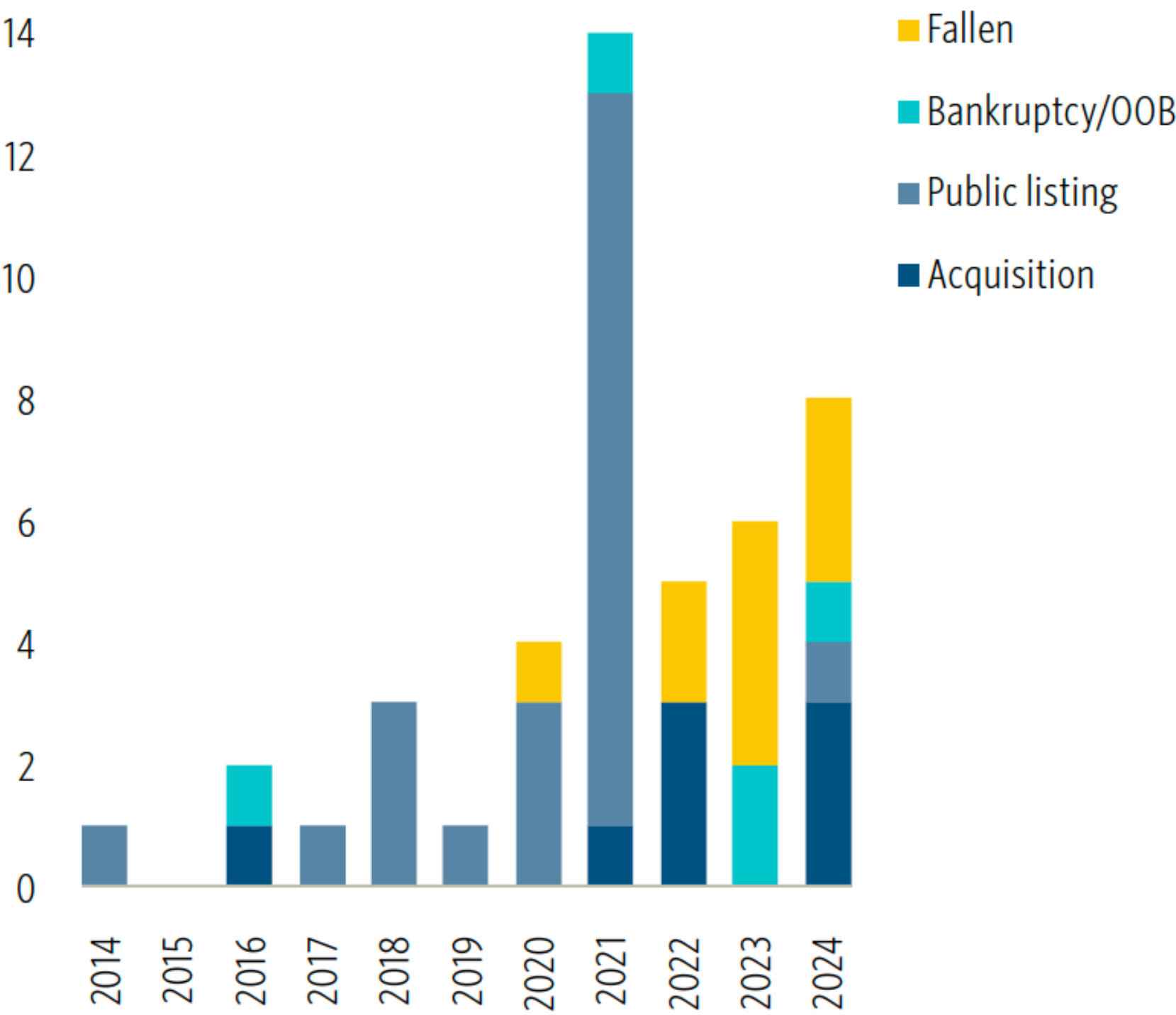
Source: PitchBook • Geography: US • As of December 31, 2024

Geographic focus of chart = U.S. Chart from PitchBook. Click for source post.



European Unicorn Exits

Europe’s unicorn exit landscape began to show signs of revival in 2024, with four companies going public or being acquired—an improvement from 2023, when all six unicorn exits were tied to bankruptcies or valuations falling below €1 billion. However, the value loss remains significant: only €2.1 billion was recovered from companies once valued at €11.1 billion, erasing over €9 billion in equity. Deep markdowns persist, illustrated by Gett’s sale for just €162 million—far below its peak valuation. Many unicorns from the 2021–2022 surge are undergoing harsh valuation resets, with as much as €100 billion in paper value potentially at risk. Northvolt’s 85% drop prior to bankruptcy underscores the scale of this market correction.



Source: PitchBook • Geography: Europe • As of 31 December 2024

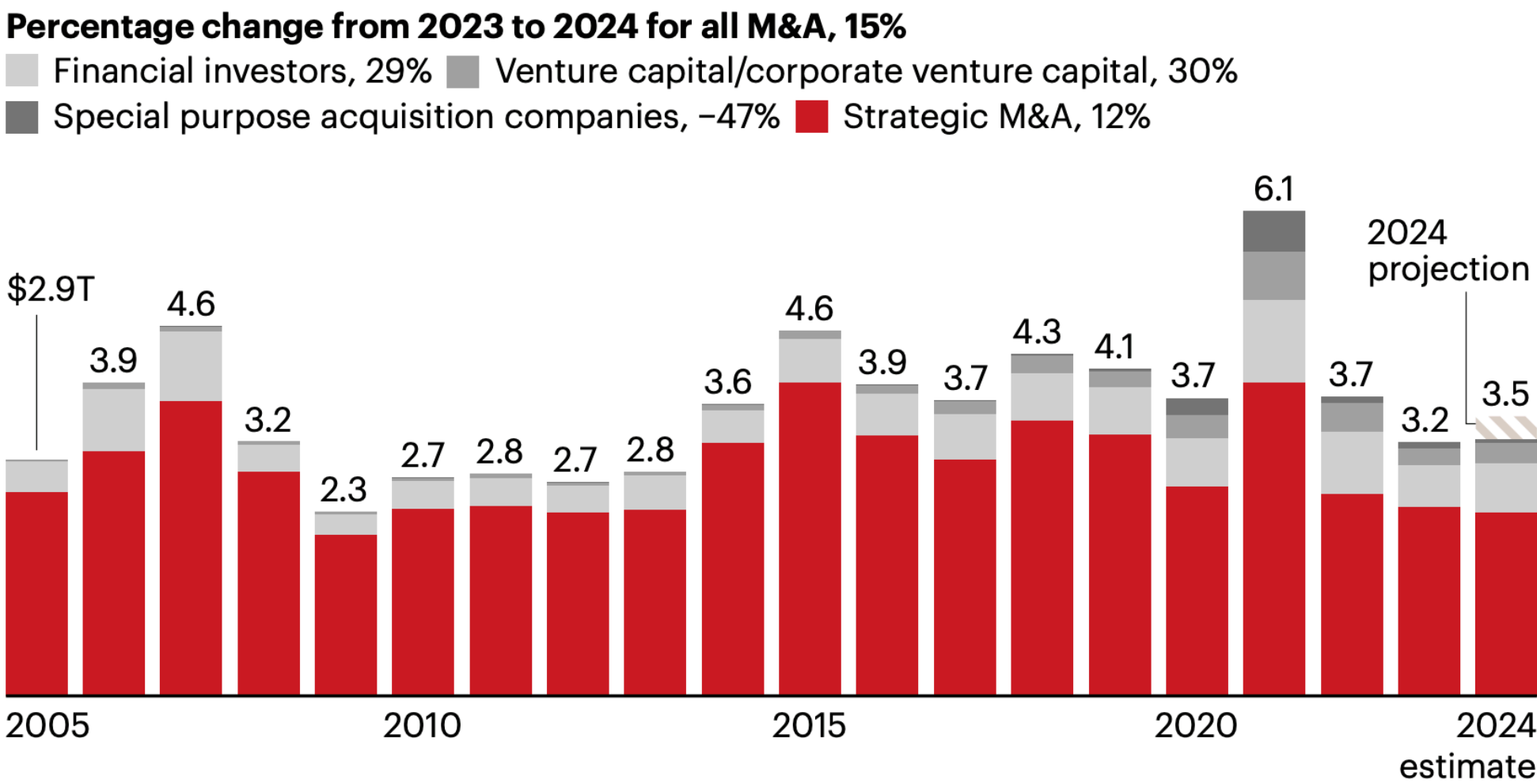
Geographic focus of chart = Europe. Chart from PitchBook. Click for source post.



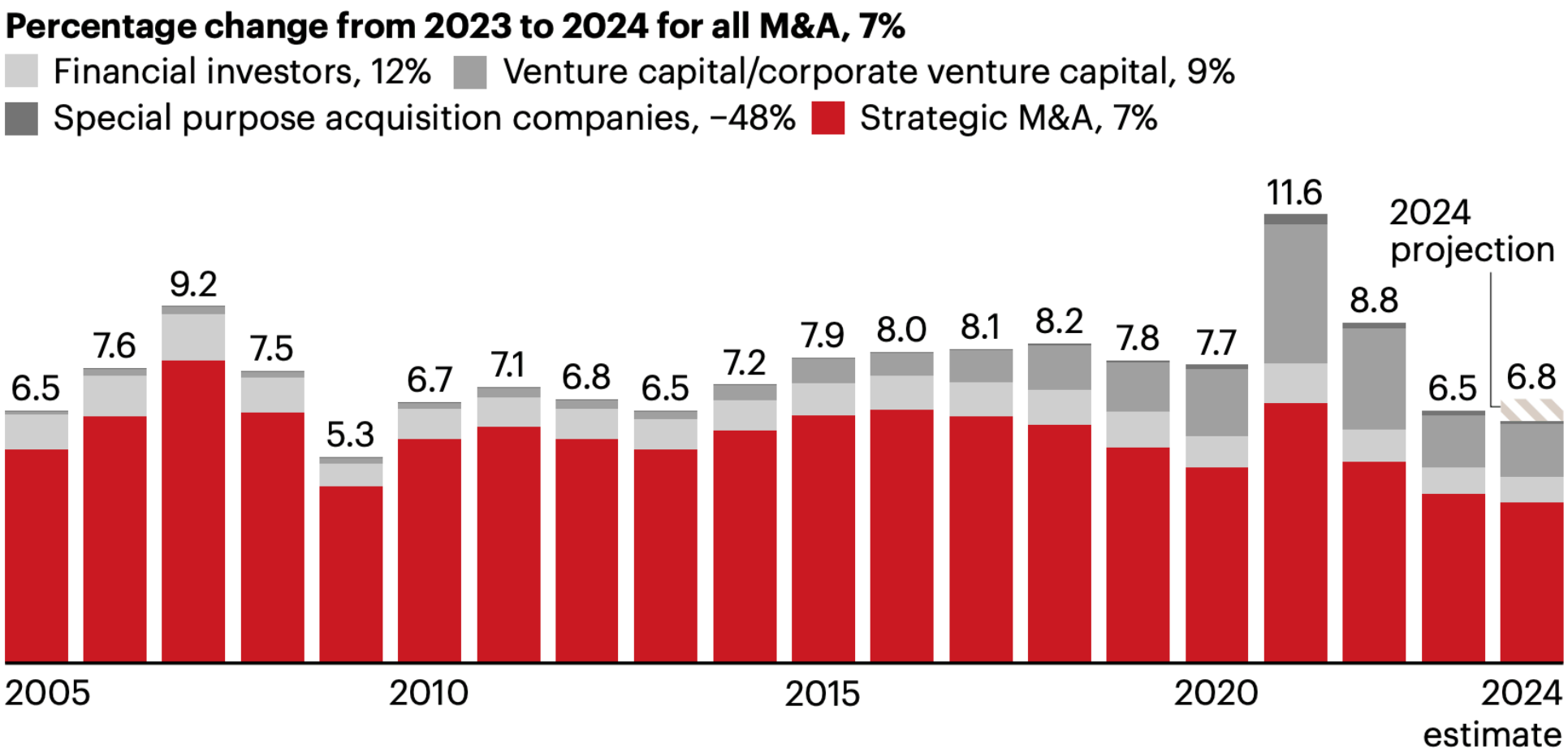
Global M&A Data

Global M&A activity grew by 15% in 2024 over the previous year, but transactions led by VC and CVC investors saw even stronger momentum, with deal value jumping 30%. The VC/CVC segment also recorded a 9% rise in deal volume, signaling renewed confidence in strategic acquisitions.

M&A deal market value, in trillions of US dollars



M&A deal market volume for deals greater than \$30 million, in thousands



Geographic focus of both charts = Global. Both charts from Bain. Click for source post.



Acquisitions by Public Companies

After a low in 2023, VC-backed acquisitions by the 25 most valuable public tech companies rebounded slightly in 2024, though activity remains near decade lows. Regulatory pressures have kept many large players cautious, while VC-backed firms themselves are stepping up as buyers, now accounting for a record share of deal counts. Big Tech’s pullback has been stark—only 12 acquisitions were made by the top 10 U.S. tech firms in 2024, down from 55 in 2015. Focus has shifted toward AI and strategic partnerships, leaving traditional M&A quieter. Salesforce led the few notable deals, acquiring Own Company for \$1.9 billion and Spiff for \$419 million. In total, the top 25 firms completed just 17 VC-backed startup acquisitions, spending \$3.3 billion—the second-lowest in a decade. Yet 2025 is off to a strong start, with Alphabet’s \$32 billion acquisition of Wiz—following a rejected \$23 billion offer in 2024—hinting at renewed momentum in the M&A space.

VC-backed acquisition activity by the 25 highest-valued public companies



Graph's data from PitchBook.

NEWS

Google Agrees to Buy Cloud Security Firm Wiz for \$32 Billion

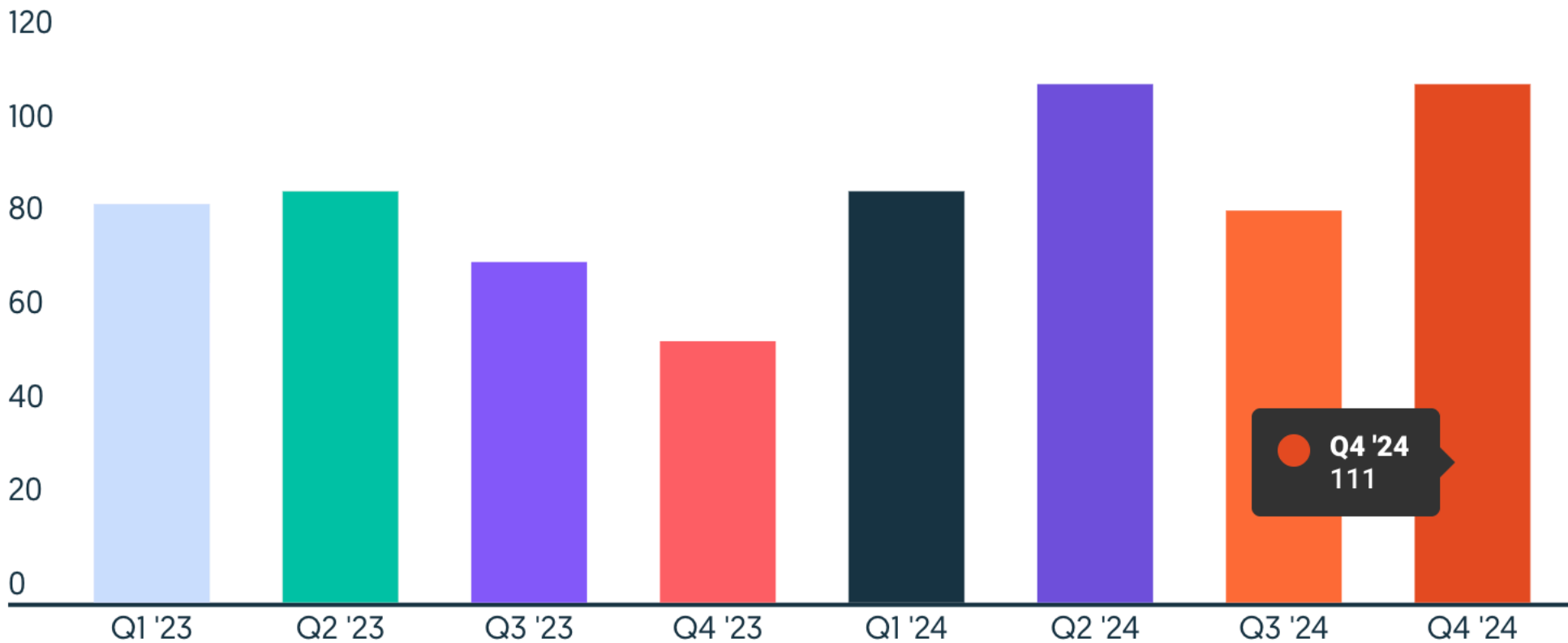
*Bloomberg article
from Andrew Martin dated March 18, 2025*



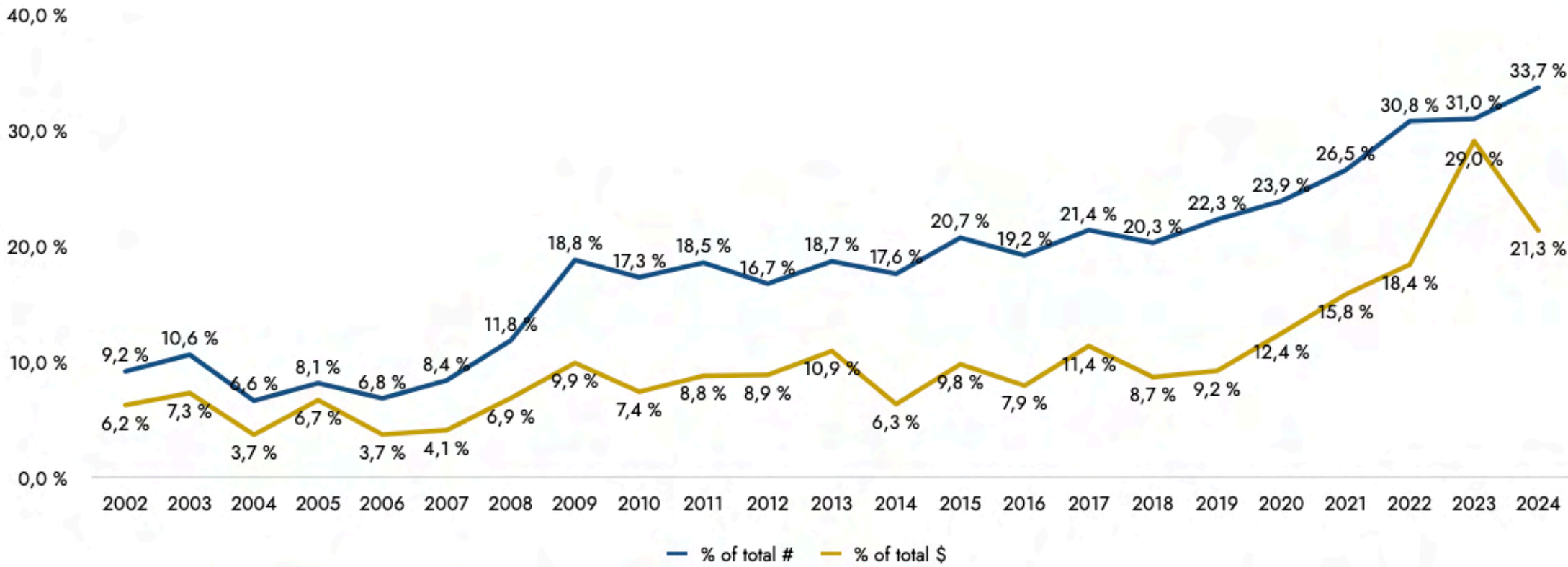
Startups Buying Other Startups

Venture-backed startups are increasingly acquiring one another, fueling consolidation as valuations remain compressed. In 2024, 33.7% of U.S. M&A deals featured VC-backed firms on both the buyer and seller sides. This type of exit has steadily grown over the past decade, rising by 10 percentage points since 2018.

Global Data - Number of deals per quarter involving VC-backed startups buying other VC-backed startups



U.S. Data - VC-backed acquisition activity with VC-backed company buyers as a share of all VC-backed acquisitions



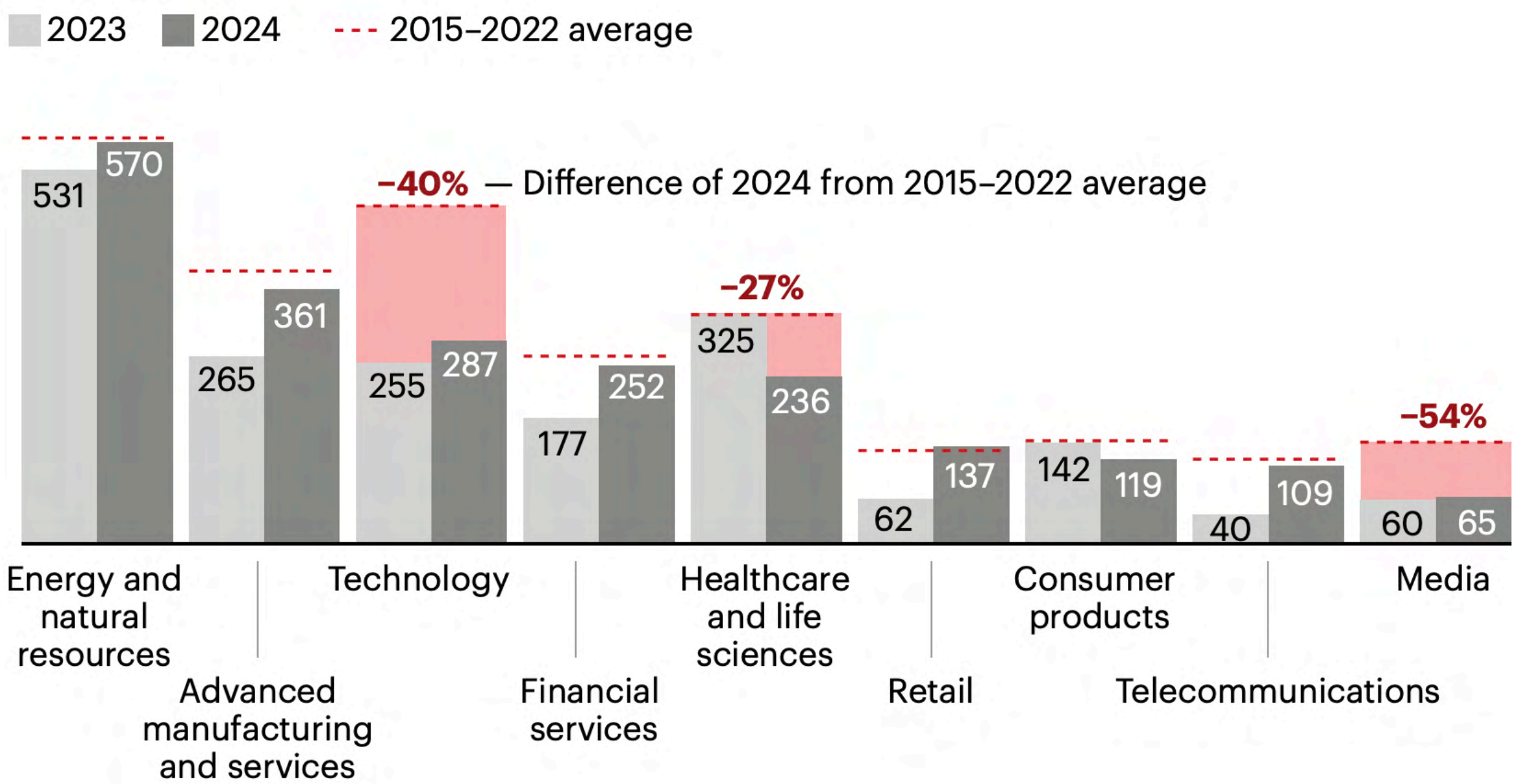
1st graph from Crunchbase and data of 2nd chart from PitchBook.



Tech Strategic M&A

The technology sector saw the steepest decline in strategic M&A value between 2023 and 2024, with total deal volume falling to \$287 billion in 2024—roughly 40% below the average recorded from 2015 to 2022.

Annual M&A strategic deal value by industry, in billions of US dollars



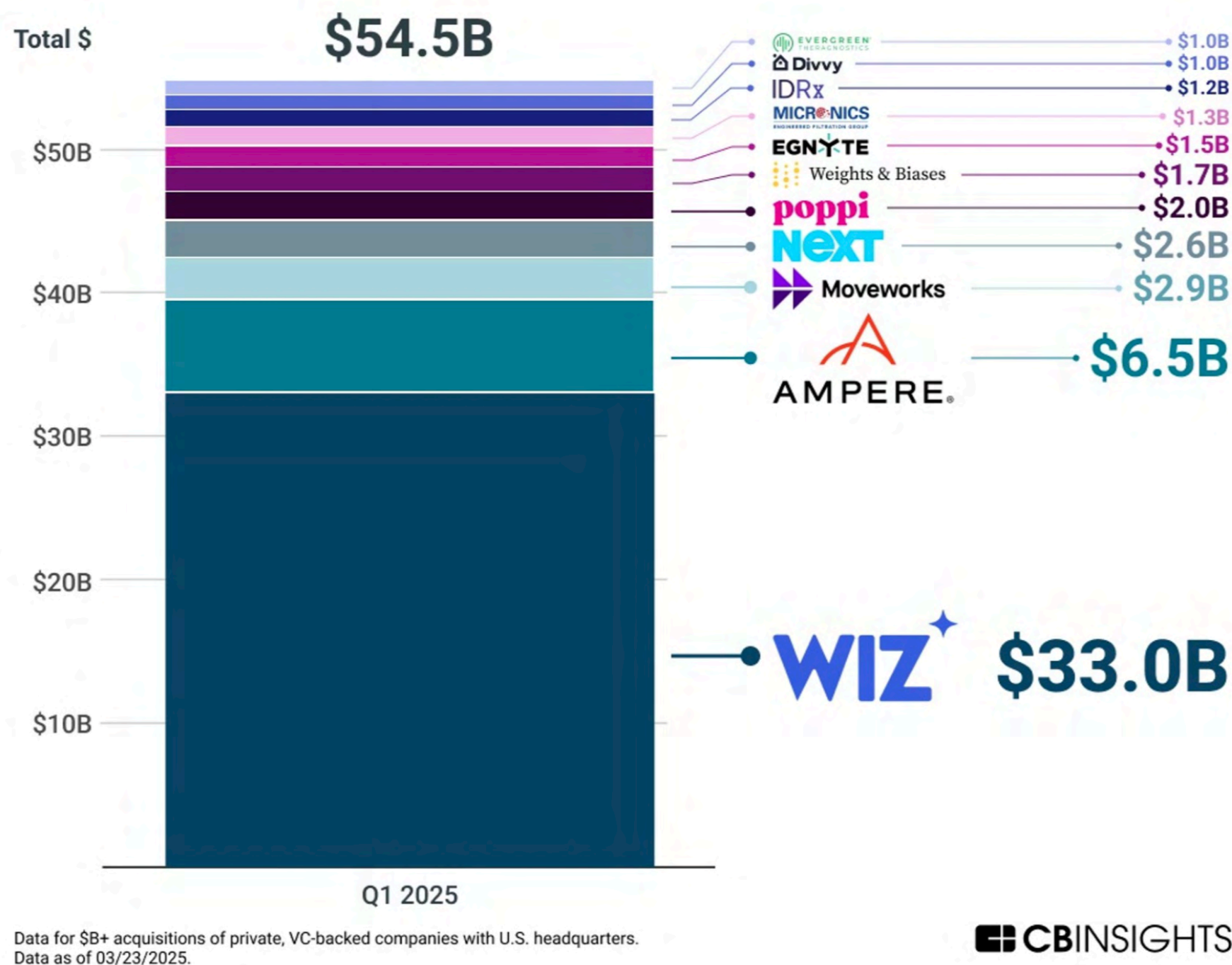
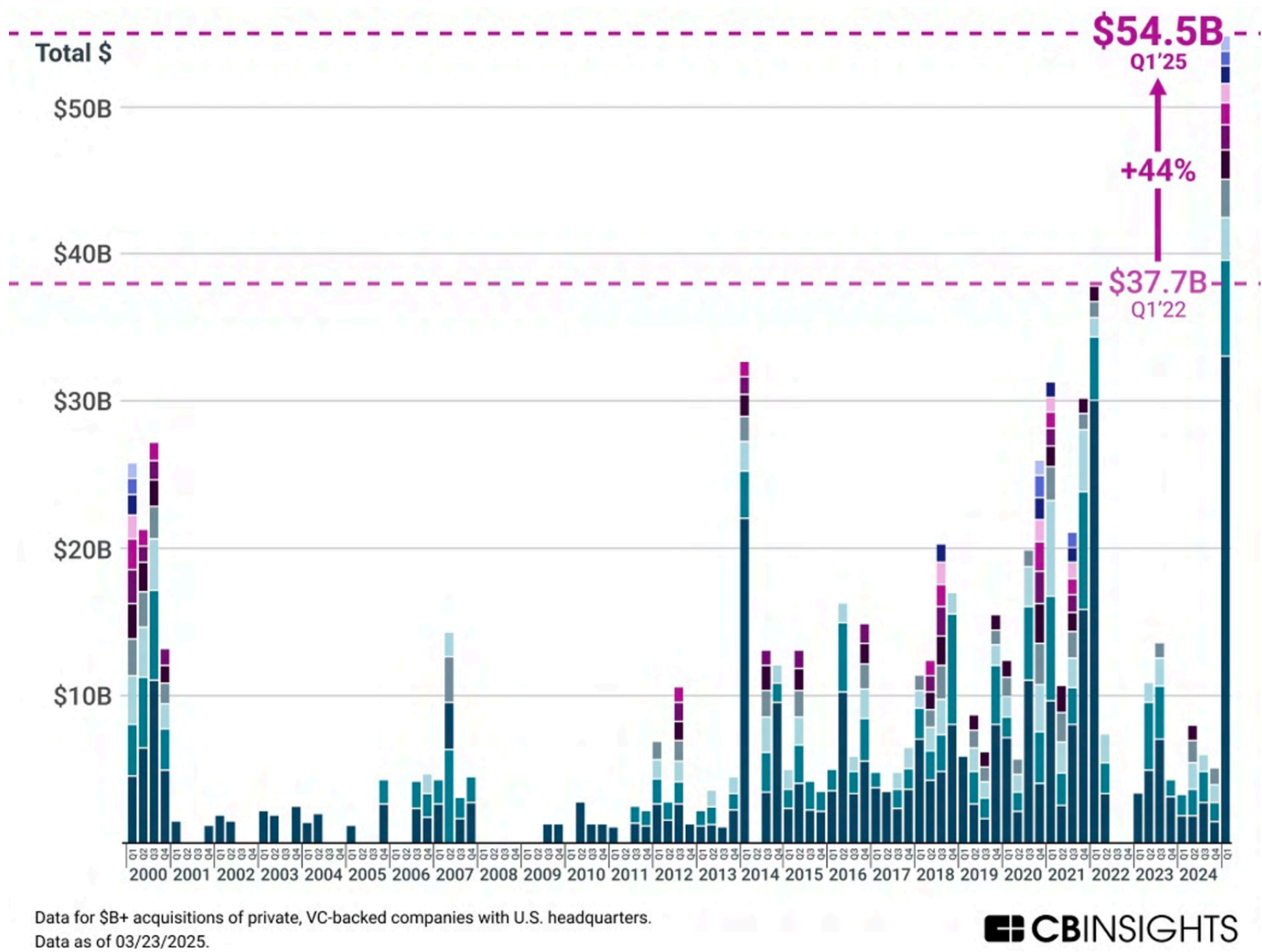
Graph from Bain. Click for source post.



Is Mega M&A Dealmaking Back?

Q1 2025 is setting a new benchmark for billion-dollar startup acquisitions, driven by standout deals like Alphabet’s purchase of Wiz. With 11 \$1B+ transactions, the quarter ties historic highs seen in Q1 2000 and Q4 2020. What truly distinguishes this period, however, is the unprecedented size of the valuations, surpassing those of any previous peak.

\$B+ acquisitions of private, VC backed companies with U.S. headquarters



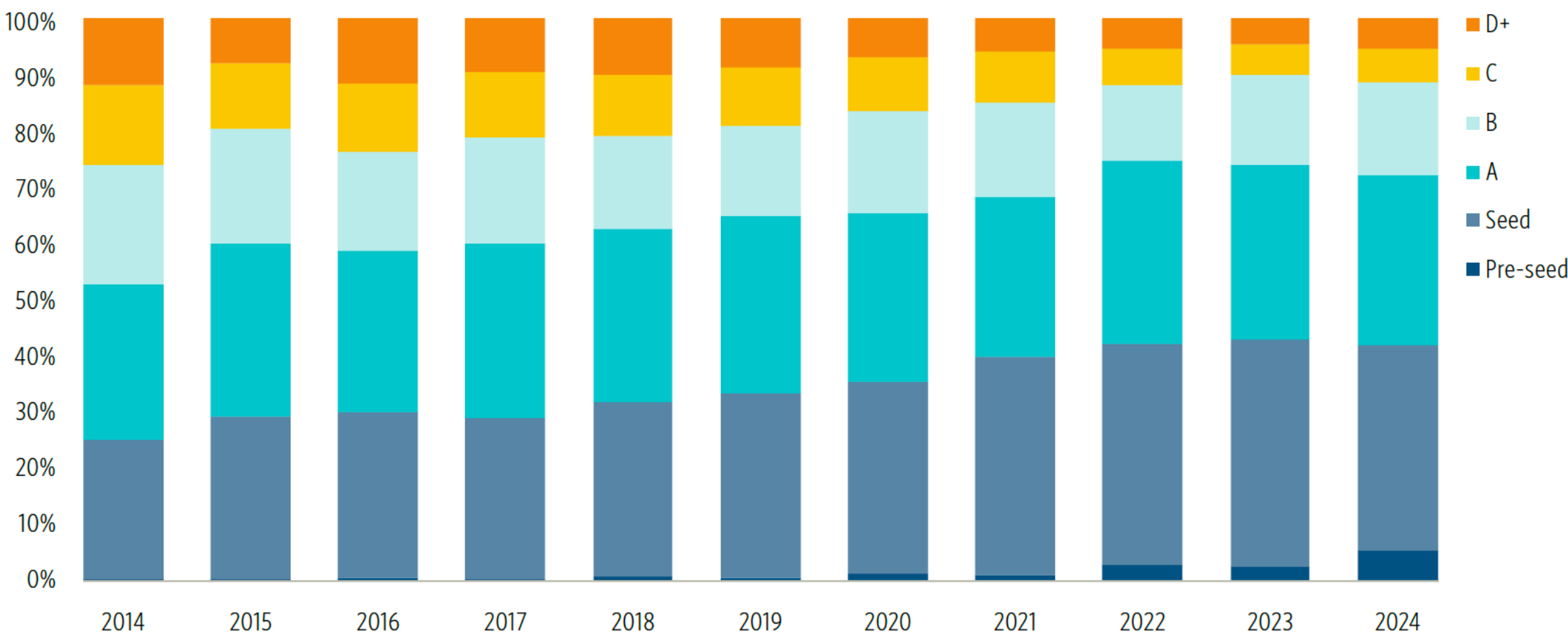
Geographic focus of the chart = Global. Graph from CB Insights. Click for source post.



Acquisitions Occurring Early

The early stages of the startup lifecycle—Pre-Seed, Seed, and Series A—are becoming the most common points after which acquisitions occur. While the overall share of such exits remained largely unchanged from 2023, there’s been a noticeable uptick at the Pre-Seed stage, indicating that more startups are being acquired soon after their Pre-Seed rounds.

Share of VC round count by series where next round is an exit via acquisition

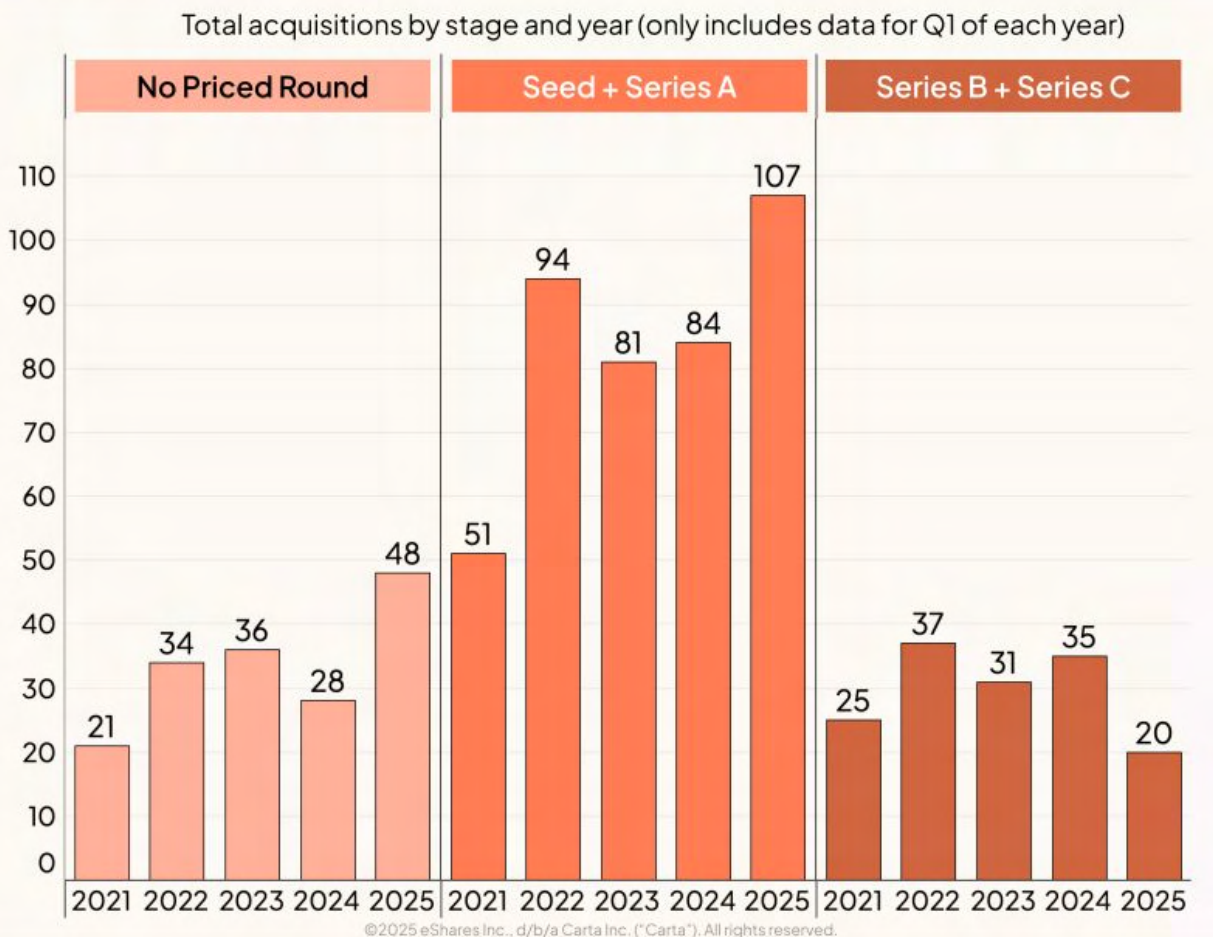


Source: PitchBook • Geography: US • As of December 31, 2024

Q1 saw lots of early startup M&A

Most Carta companies acquired in any quarter ever for pre-Series B

Data: 878 Carta companies acquired in the first quarter of each year | US only



Subscribe for more startup data: carta.com/data

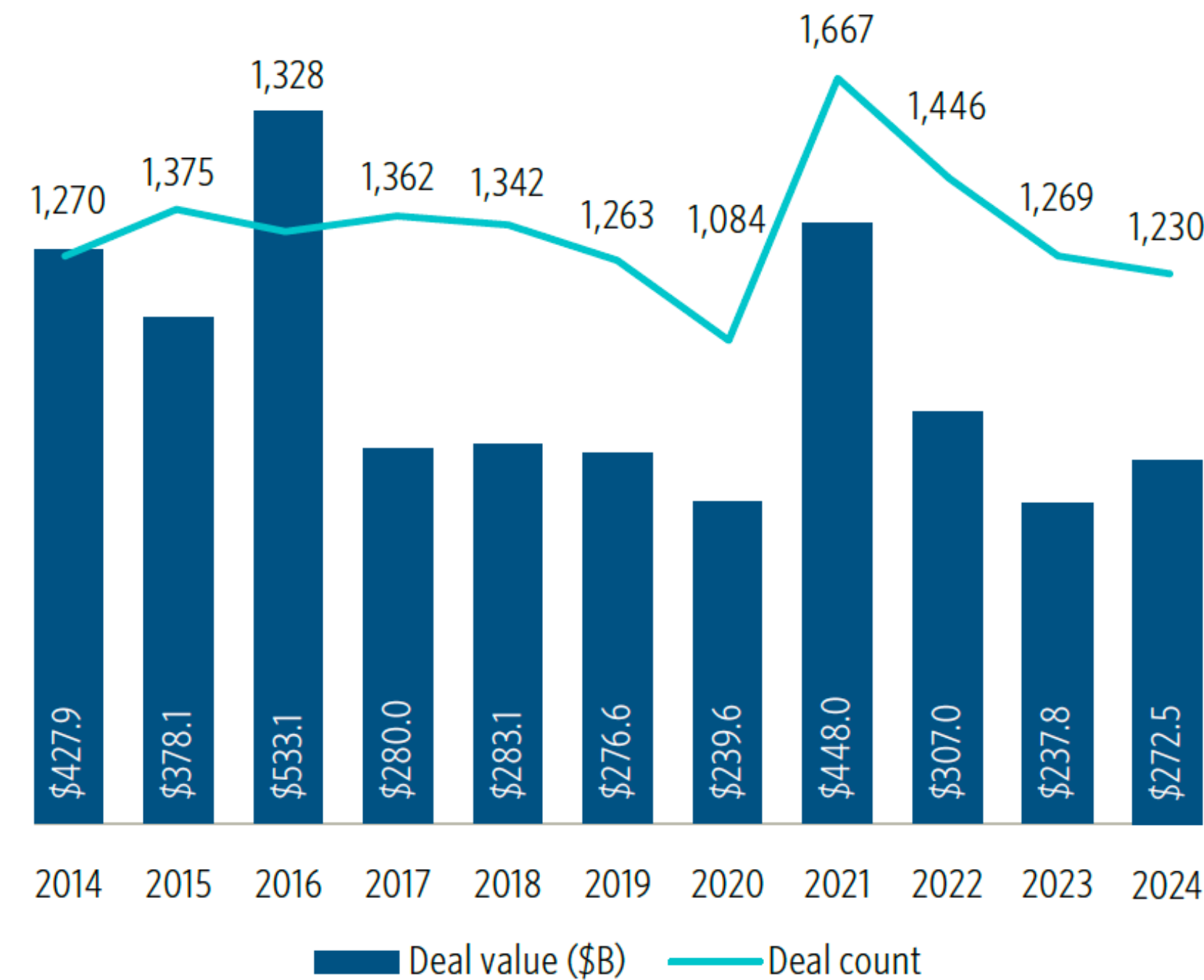
Geographic focus of both charts = U.S. 1st graph from PitchBook and 2nd from Carta. Click for source post.



M&A - International Buyers

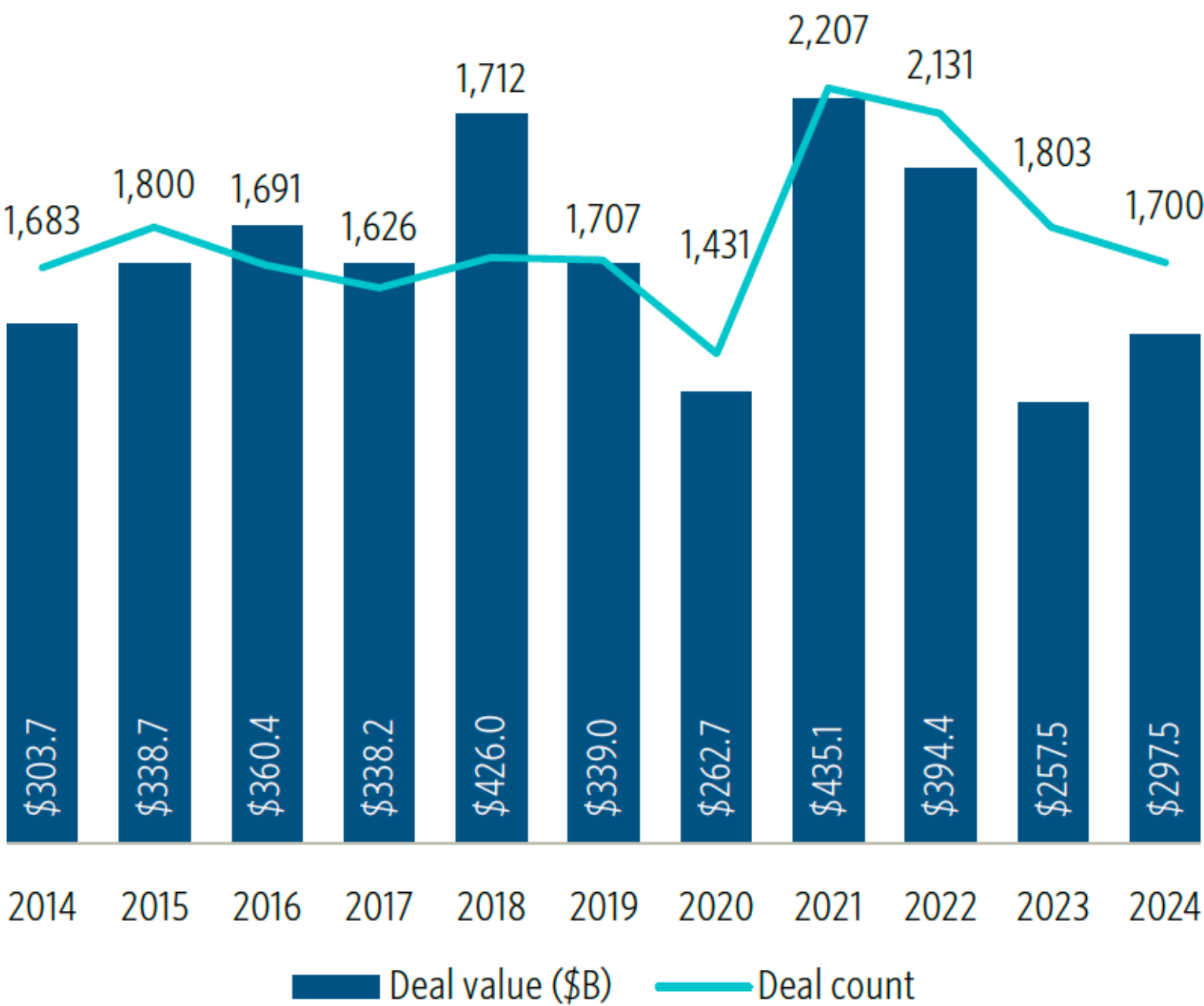
In 2024, Europe edged ahead in cross-border M&A, with deals involving non-European buyers totaling \$298 billion—slightly surpassing North America’s \$273 billion in transactions led by non-North American acquirers. This marks the eighth consecutive year where capital has flowed more strongly from North America into Europe than in the opposite direction.

North American M&A activity with non-North American acquirer



Source: PitchBook • Geography: North America • As of December 31, 2024

European M&A activity with non-European acquirer

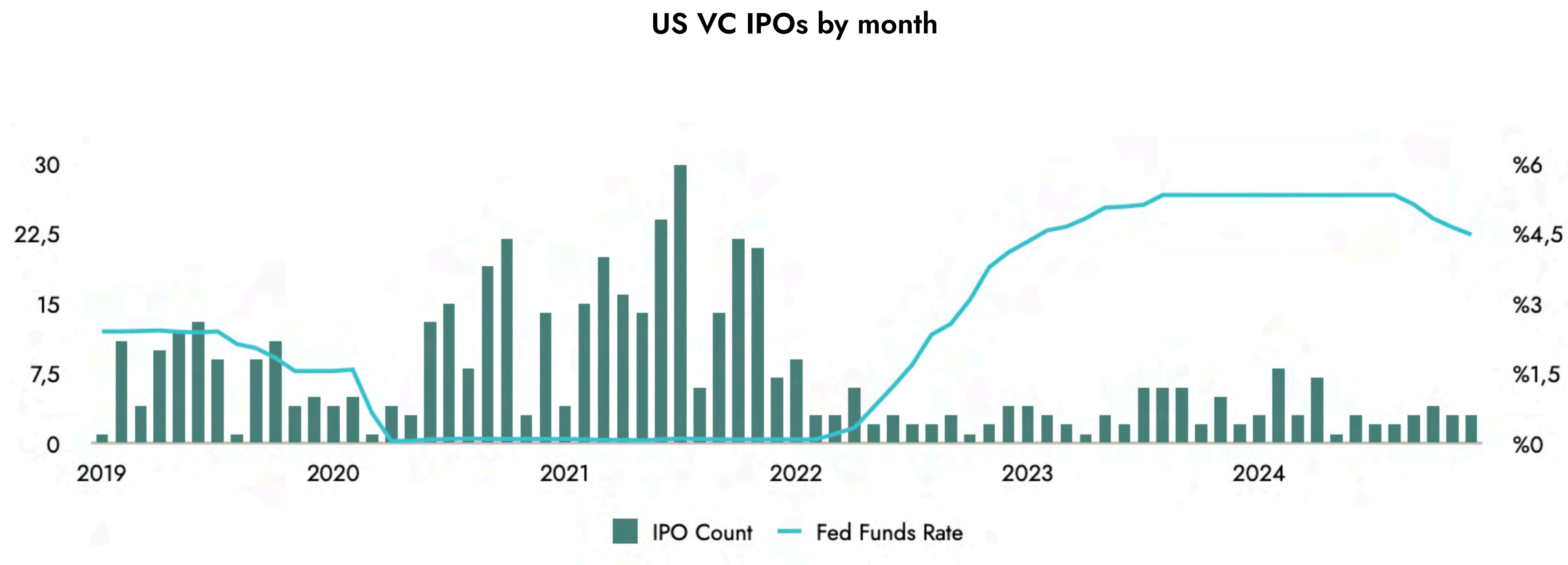


Source: PitchBook • Geography: Europe • As of December 31, 2024



U.S. VC backed IPO: Numbers

The tech and VC-backed IPO market continues to lag behind its pre-2022 highs, with the downturn increasingly reflected in declining DPI figures and overall fund performance. The chart makes it clear: IPO activity closely mirrors broader capital market conditions, with a strong link between decreasing IPO numbers and increasing movements in the Fed Funds rate.



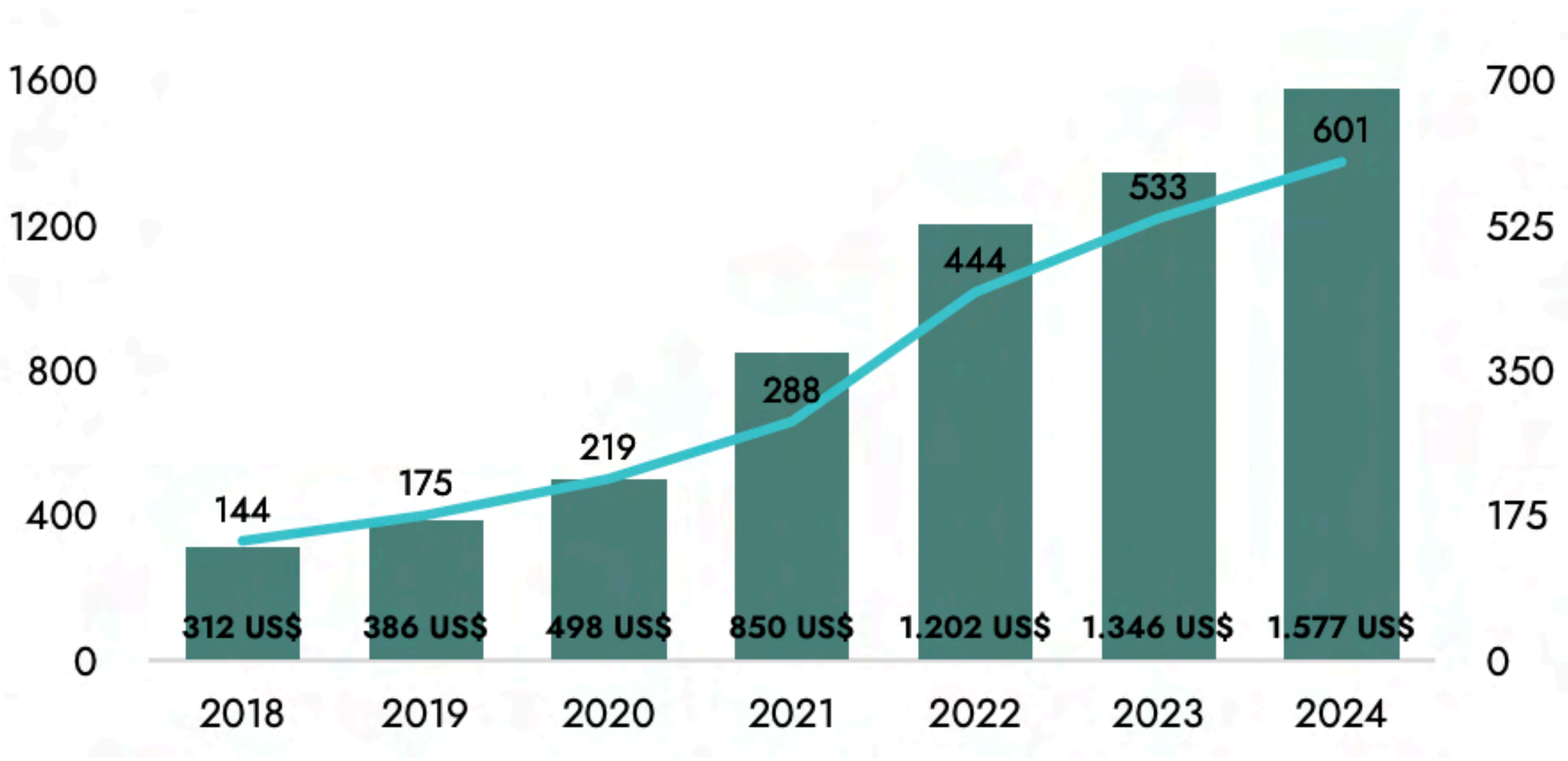
Geographic focus of the chart = U.S. Data from PitchBook.



IPO-Ready Pipeline Keeps on Increasing

The total number and combined valuation of U.S. VC-backed companies meeting median IPO benchmarks have been steadily rising, reaching their highest levels since 2018.

Aggregate company count and value of US VC-backed companies with median IPO metrics



**Only shows companies with known valuations*
***Companies that are at least 6.8 years old, have a valuation of at least \$539m, and have raised at least \$156m in VC capital*

Geographic focus of the chart = U.S. Data from PitchBook.



VC backed IPO: Performance Metrics | 1

In 2023, VC-backed tech IPOs debuted with a lofty median EV/EBITDA multiple of 46x, but by 2024, that figure had plunged to 16x. While the sharp drop is notable, limited IPO activity in both years—at decade-low levels—makes it difficult to draw definitive conclusions from the data alone. The more significant trend is the sustained slowdown in venture-backed listings. Equally striking is the decline in profitable IPOs. The share of U.S. VC tech companies going public with positive EBITDA has fallen to its lowest point in ten years, reflecting a shift in the profile of IPO candidates—many of which now go public with very different financial fundamentals and growth models than those of a decade ago.

Median EV/revenue multiples at exit for US VC tech IPOs



Only 10 counts in 2024, so the figure is debatable

Share of US VC tech IPOs with positive EBITDA by year

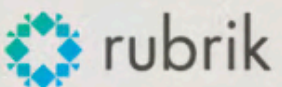


Geographic focus of the charts = U.S. Data from PitchBook.



VC backed IPO: Performance Metrics | 2

As I’ve noted before, the bar for going public has fundamentally shifted. Today’s IPOs (refer to the ones below from 2024) are largely led by highly scaled companies—most generating over \$500 million in annual revenue, growing at 20% or more, and showing profitability or at least operating close to breakeven.

	 Founding: 2012 Venture Raised: \$2.7B IPO Date: 9/19/2023 Return Since: 14%	 Founding: 2012 Venture Raised: \$455M IPO Date: 9/20/2023 Return Since: (6%)	 Founding: 2010 Venture Raised: \$200M+ IPO Date: 4/25/2024 Return Since: 40%	 Founding: 2007 Venture Raised: \$1.4B IPO Date: 7/24/2024 Return Since: (17%)	 Founding: 2005 Venture Raised: \$26M+ IPO Date: 12/12/2024 Return Since: (16%)	 Founding: 2005 Venture Raised: \$26M+ IPO Date: 2/13/2025 Return Since: (10%)
Market Cap at IPO	\$9.9B	\$9.2B	\$5.6B	\$4.6B	\$6.3B	\$12.8B
Revenue	\$3.0B	\$698M	\$807M	\$478M	\$755M	\$823M
Revenue Growth	19%	48%	29%	27%	23%	32%
FCF Margin	15%	16%	(5%)	8%	0%	8%

Source: Goldman Sachs Research, Company filings, Pitchbook, and publicly available news reporting on financial data.
Note: Stats shown are calendar year of IPO. Estimates are as of 1 month after IPO. Sailpoint estimates per Pitchbook as of March 10, 2025. Return since IPO based on closing price on first day of trading.
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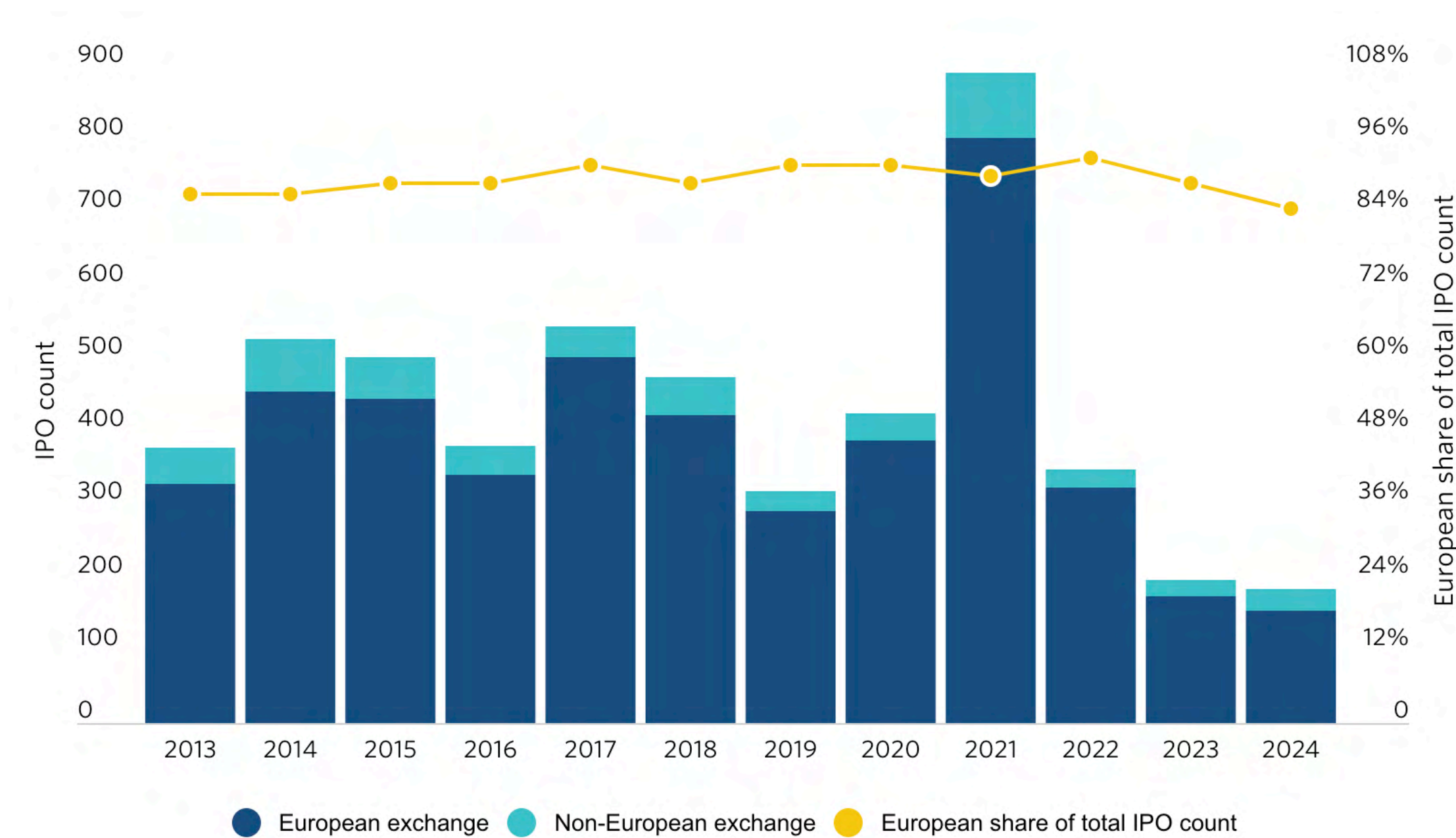
Graph from Redpoint. Click for source post.



Europe Missing Out On Local IPOs

While more European companies are gearing up for IPOs in 2024, a growing number are choosing to list abroad. London, for example, missed out on Arm’s \$55 billion IPO in 2023, and Klarna is expected to debut on Nasdaq following its confidential filing in November 2024. This shift highlights a broader slowdown in Europe’s public markets, where trading activity continues to decline. According to Market Structure Partners, Euronext’s traded share value fell 17% between 2020 and 2023, while Deutsche Börse saw a 29% drop from 2021 to 2023. By the end of 2024, only 85% of European companies listed locally—a decade-low, underscoring fading confidence in domestic exchanges.

The proportion of European companies listing on domestic exchanges has fallen in recent years.



Geographic focus of the chart = Europe. Graph from PitchBook. Click for source post.

Next IPO Candidates

NEWS

European fintech’s next IPO candidates

Sifted article
from Tom Matsuda dated January 7, 2025

NEWS

‘It’s dumb to IPO this year’: Databricks CEO explains why he’s waiting to go public

TechCrunch article
from Maxwell Zeff dated December 17, 2024

NEWS

Will Europe see any tech IPOs in 2025?
Here are the next candidates

Sifted article
from Miriam Partington dated January 21, 2025

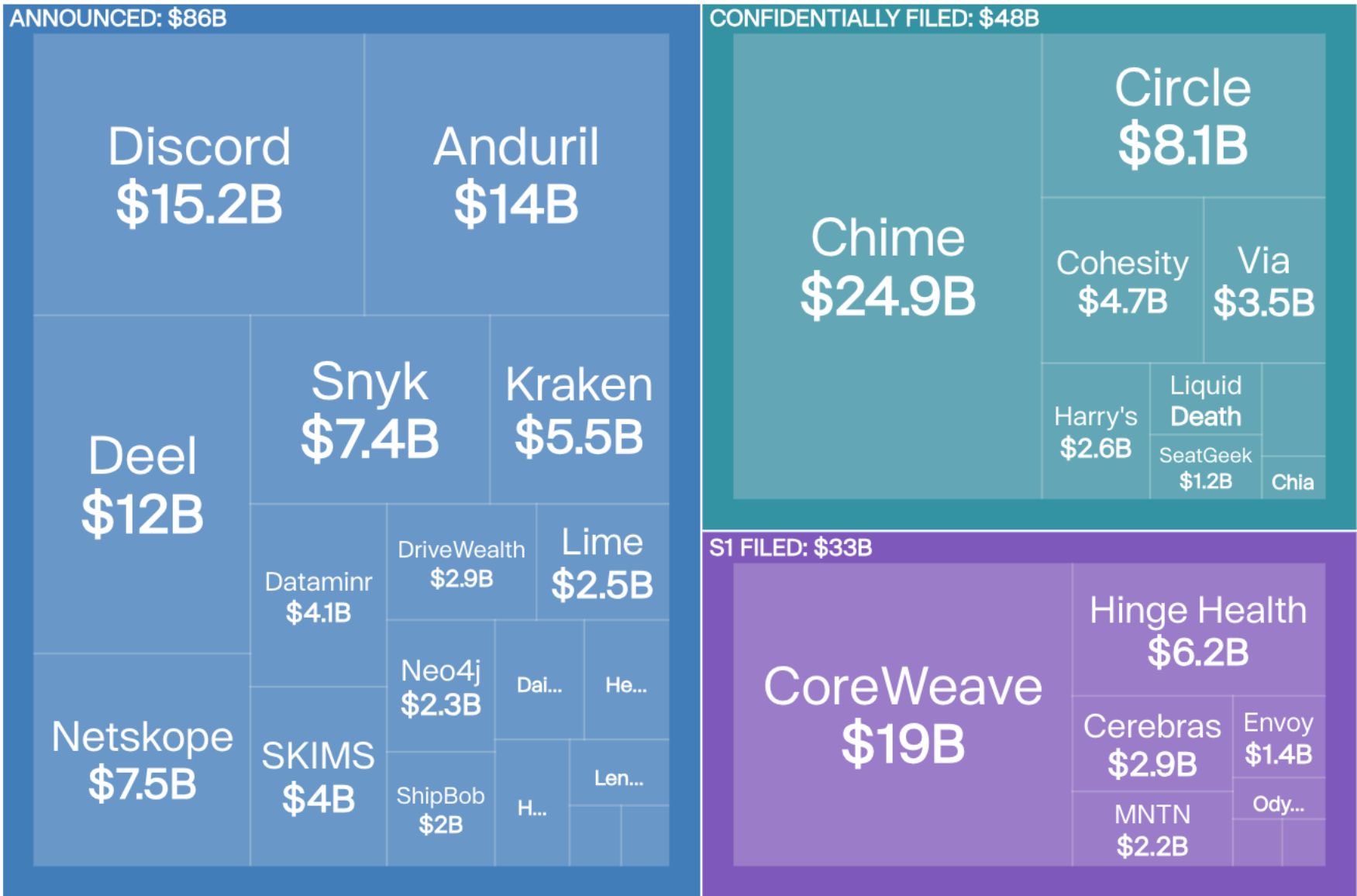
NEWS

Forecast: 13 Companies That Could Go Public In 2025 If The IPO Market Gains Steam

Crunchbase article dated January 6, 2025

2025 IPO Calendar
Total IPO Pipeline Value: \$167B

All Announced Confidentially Filed S1 Filed



Source: [Data: Forge Tech IPO Calendar](#) • Data as of 2/28/25



IPO Jitters 2025

CoreWeave experienced a tumultuous public debut, with its share price fluctuating after raising \$1.5 billion in a downsized IPO. Sources close to the transaction revealed that half of the offering went to the top three investors, and 90% of the shares were secured by the 15 largest buyers. Meanwhile, Klarna, which confidentially filed for an IPO in November 2024 with plans to raise at least \$1 billion and target a valuation north of \$15 billion, is now hitting pause. According to Bloomberg, both Klarna and ticketing platform StubHub have postponed their IPO plans. While discussions are ongoing, both firms are expected to reassess their public listing timelines in the future.

NEWS

**CoreWeave Whipsaws After Heavily
Downsized \$1.5 Billion IPO**

*Bloomberg article
from Bailey Lipschultz and Ryan Gould
dated March 28, 2025*

NEWS

**Klarna, StubHub Pause IPO Plans After
Trump Tariffs Roil Markets**

*Bloomberg article
from Dinesh Nair and Ryan Gould dated April 4, 2025*

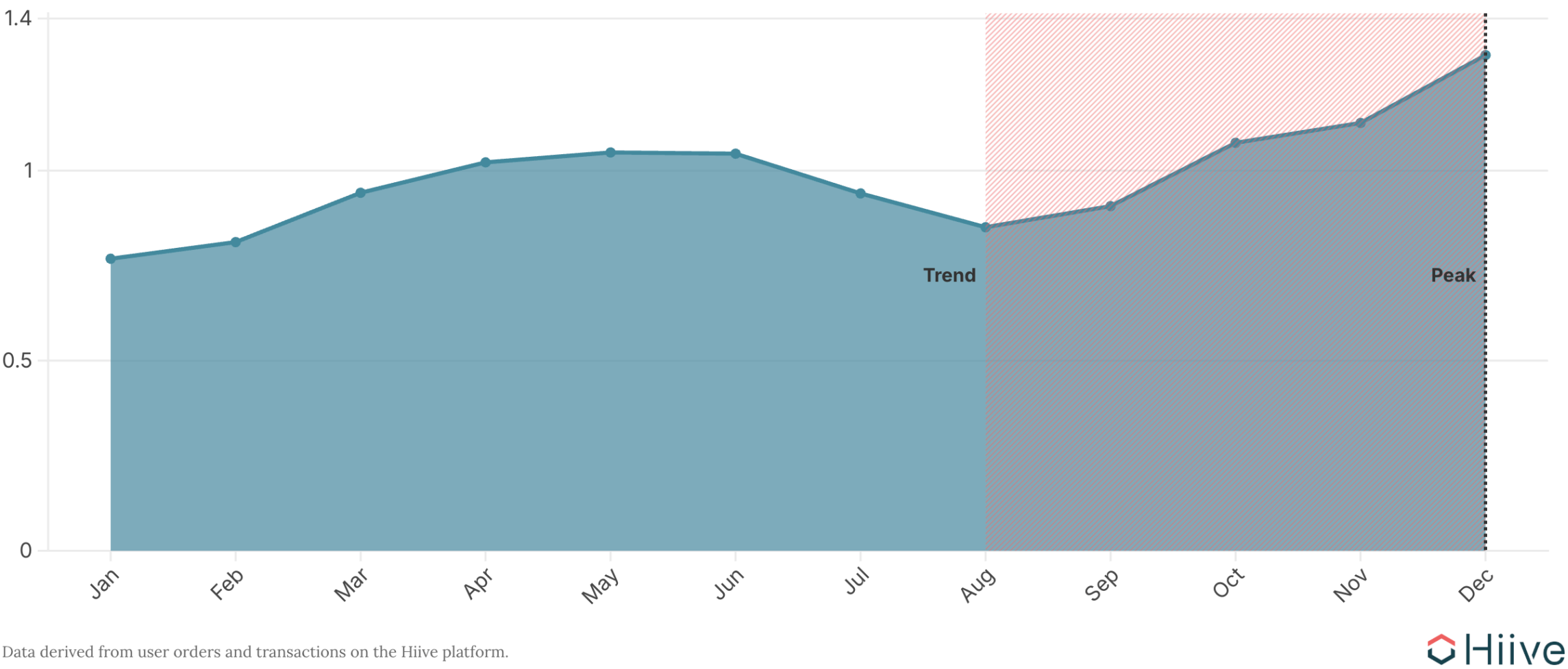


Secondaries: Sellers are Dominant and are Increasing

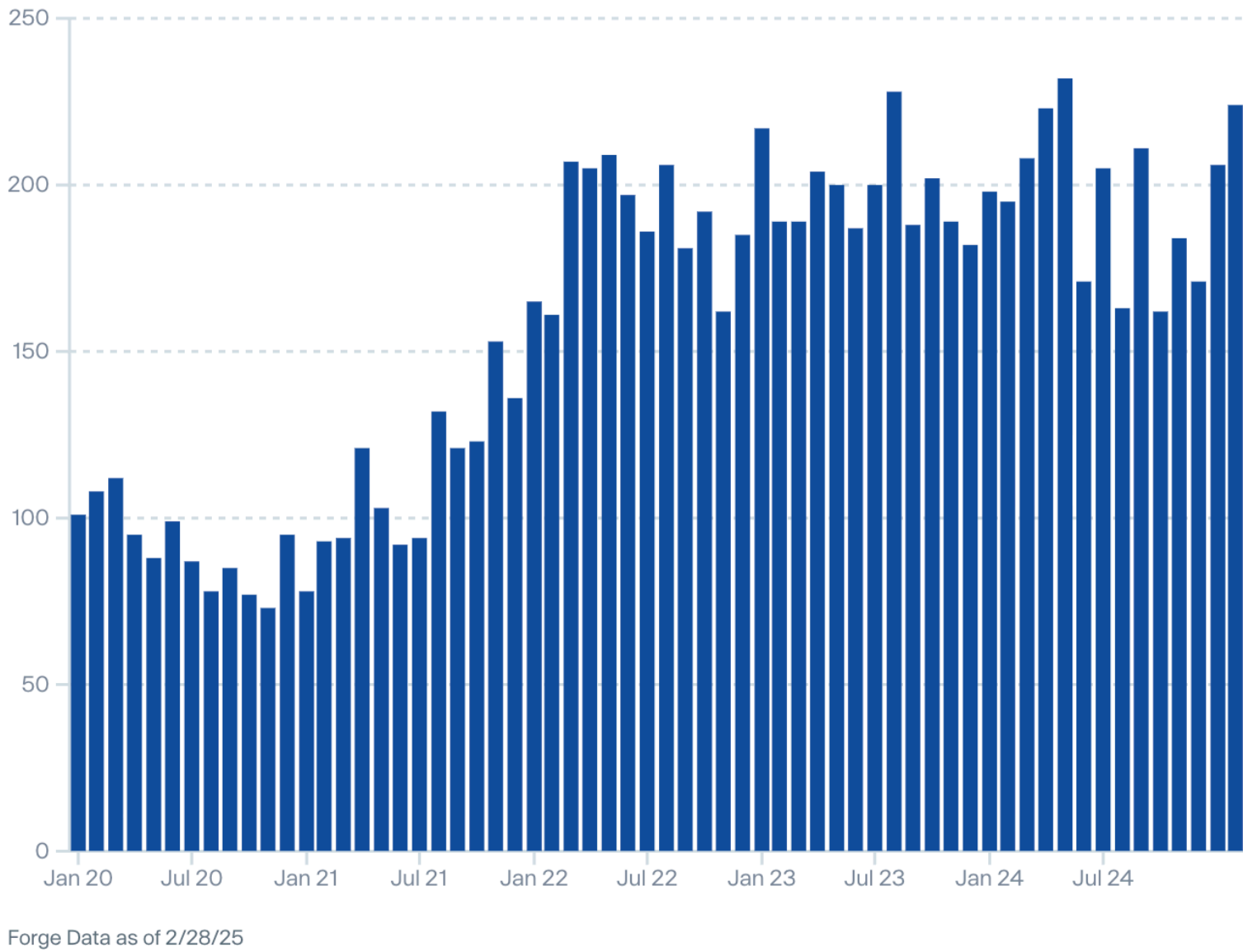
Hiive data points to a clear shift in private market dynamics, with conditions increasingly tilting in favor of sellers. In December 2024, the average number of bids per listing rose 73% year-over-year, hitting a record high of 1.3. Though the impact varies across listings, the heightened buyer interest is narrowing bid-ask spreads and increasing deal closures.

At the same time, Forge reported a rise in sell-side indications of interest (IOIs), accompanied by robust buy-side demand. This trend indicates that sellers are taking advantage of strong market conditions—not exiting out of distress, but capitalizing on renewed investor appetite.

Ratio of Bids to Listings, 2024



Unique Issuers with Sell IOIs on Forge Markets



1st graph from Hiive and 2nd from Forge. Click for source post.



Secondaries Expansion

In 2024, private companies showed a greater openness to secondary stock sales, with the approval rate on Hiive rising from 67% in 2023 to 72%. This shift reflects a growing recognition of the importance of liquidity for shareholders and employees, especially amid a quiet IPO market. Since sellers typically submit deals they expect to pass, and withdrawn transactions are excluded, the increase signals a more flexible stance overall. This trend isn't unexpected. Hiive research shows that employees are more satisfied when they have opportunities to sell equity, while companies that limit liquidity often see weaker performance on key employer branding metrics.

NEWS

Nearly 80% of tech companies are considering a secondary share sale in the next year

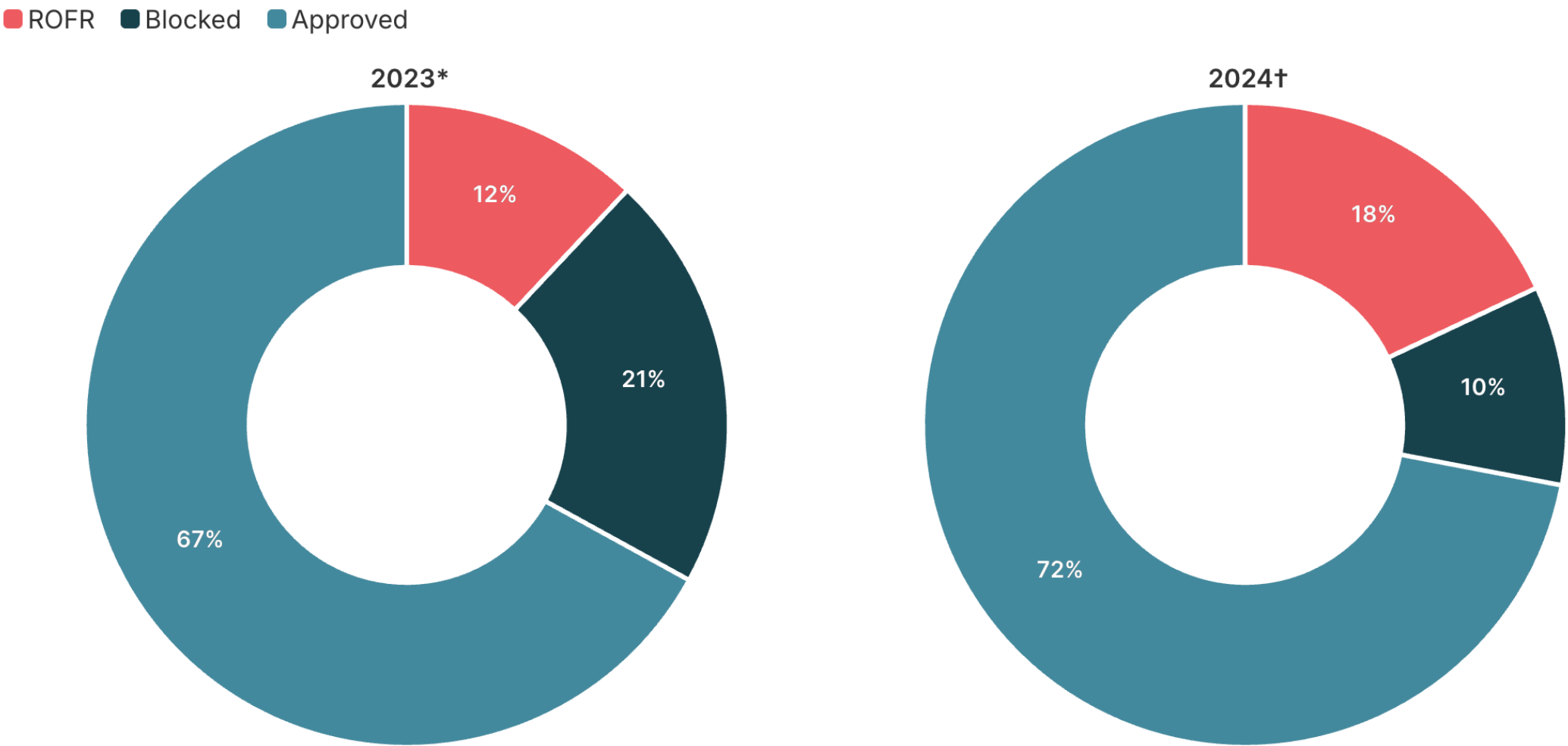
*Sifted article
from [Anne Sraders](#) dated January 28, 2025*

NEWS

Revolut investors 'push for secondary share sale at \$60bn valuation'

*Sifted article
from [Martin Coulter](#) dated February 27, 2025*

Issuer Permissiveness, YoY



*Includes May-December. †Excludes pending transactions.
All data derived from user orders and transactions on the Hiive platform.

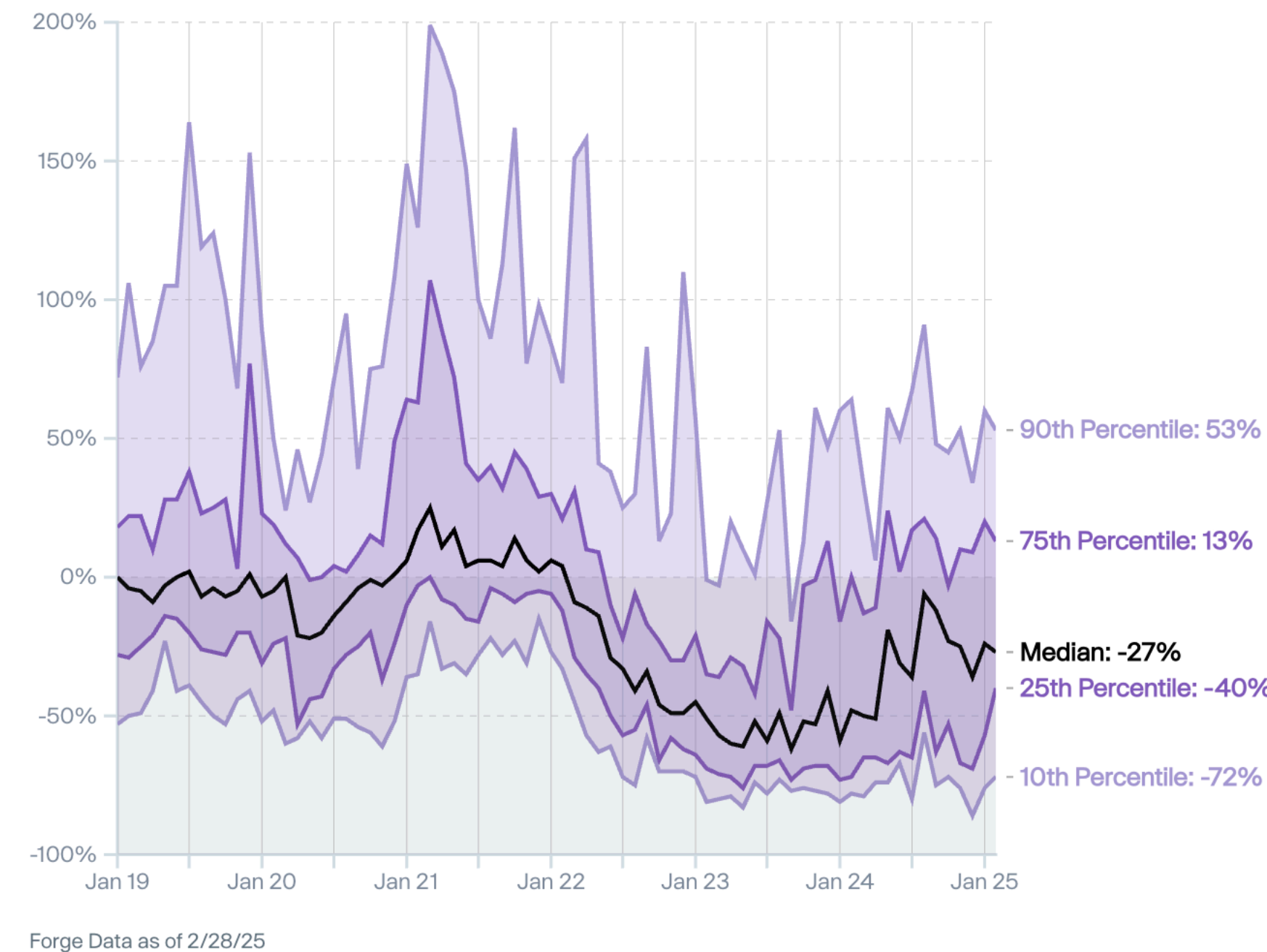




Secondaries Spreads

Trade premium data shows a divided market. The median fell to -27%, reflecting a dip among top-tier companies—though many still traded above their last private valuations. On the brighter side, the bottom quartile began to rebound, despite continuing to trade at a significant -40% discount.

Distribution of Trade Premiums/Discounts to Last Primary Funding Round



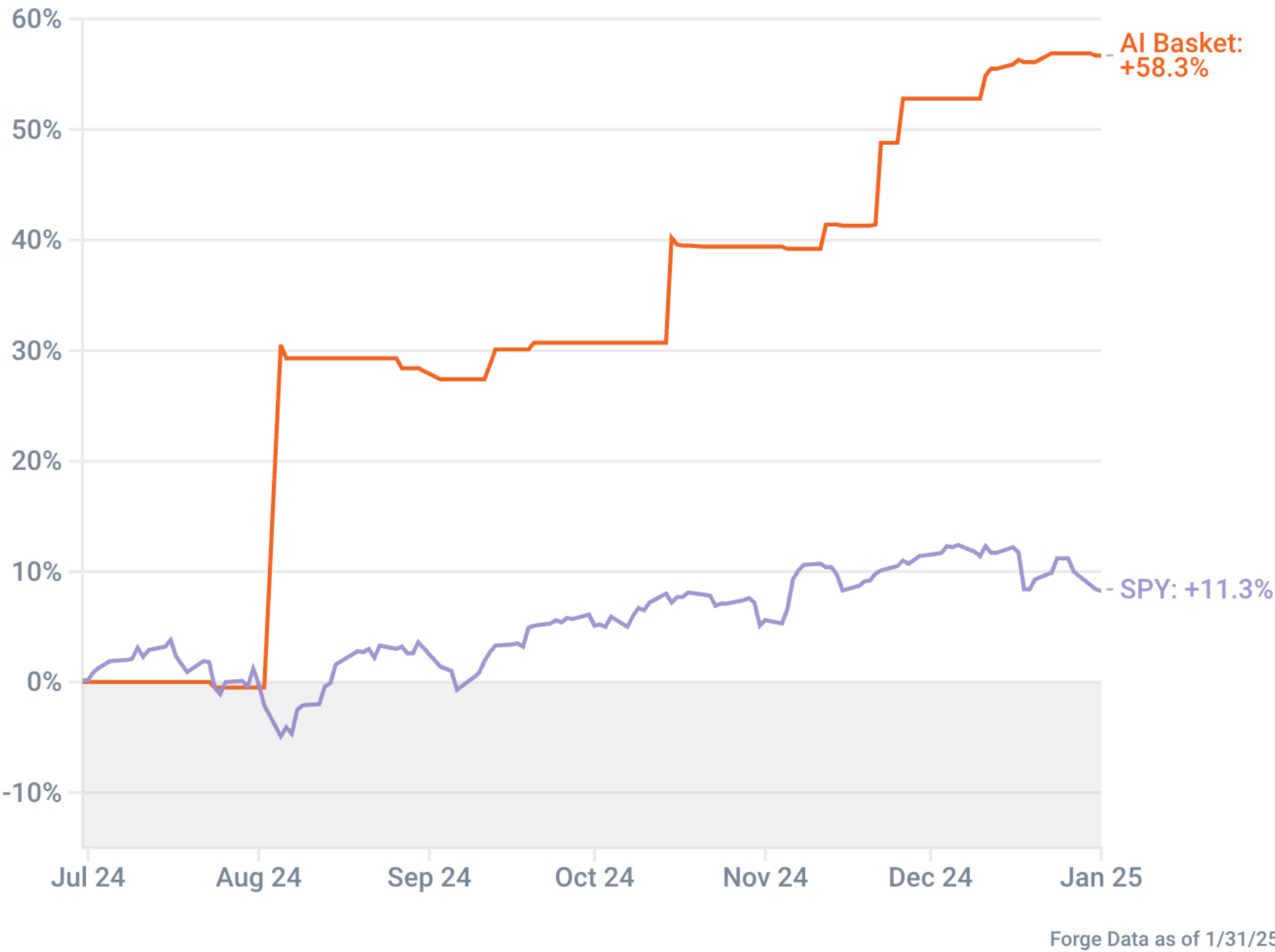
Graph from Forge. Click for source post.



Secondaries Demand and AI Performance

Surging demand for private AI company shares is fueling momentum in the secondaries market. Forge data shows a basket of seven AI startups saw their valuations climb 58% between mid-2024 and early 2025—far outpacing the S&P 500’s 12% gain during the same timeframe.

Performance of Private AI Basket vs SPY



Graph from Forge. Click for source post.

Nuggets: Secondaries Funds



Vishnu Amble • Following

Private Markets Investor Passionate about Next Generation Fund Manag...

2w •

An interesting analysis from [PitchBook](#) on distributions in private market secondaries funds as the market has grown tremendously over the past decade as private capital sophistication and value creation tools continue to develop and heightening LP interest in the asset class with the assumption there would be higher distribution velocity and shorter duration of time to 1x capital return for an attractive IRR play / J-Curve mitigation. However, apparently not quite the case.

NEWS

Secondaries funds aren't returning as they should

*PitchBook article
from [Jessica Hamlin](#) dated February 18, 2025*

The analysis also found that funds with 2020 vintages have, on average, generated only a 0.2x DPI. At the five-year point in a secondary fund's life, GPs should be able to return at least half of the initial capital committed to LPs.

Without quick exits and substantial distributions, secondaries funds lose their luster. The most compelling element of a secondaries fund for LPs is what fund managers call J-curve mitigation.

If secondary vehicles lose their ability to return capital to their investors in this shorter timeframe, they will lose a significant portion of their competitive edge over traditional buyouts.



M&A Nuggets

NEWS

How to prepare for an M&A bolt-on

Sifted article
from Sarah Drumm dated January 6, 2025

Bolt-on acquisitions can expand a company’s customer base, help it reach entirely new geographies or boost revenues by adding a new product or tech capabilities.

Ultimately, any successful acquisition is determined by how well it aligns with the startup’s goals

From overpaying to culture clashes, M&A isn’t risk free.

NEWS

Google’s \$32 billion Wiz deal may signal a turning point for slow IPO, M&A markets

Sifted article
from Samantha Subin dated March 24, 2025

Talent

SECTION 7



Index

Startup Talent

- [Layoff Tracker](#)
- [All Between - Hiring, Leaving, and Staying Put](#)
- [Is AI Just a Smoke Screen](#)
- [Unicorn Founders: Education](#)
- [Startup Talent Nuggets / 1](#)
- [Startup Talent Nuggets / 2](#)
- [Startup Talent Nuggets / 3](#)
- [The 'Deel' Case](#)

Venture Talent

- [VC Talent Flux | 1](#)
- [VC Talent Flux | 2](#)
- [VC Talent Nuggets](#)

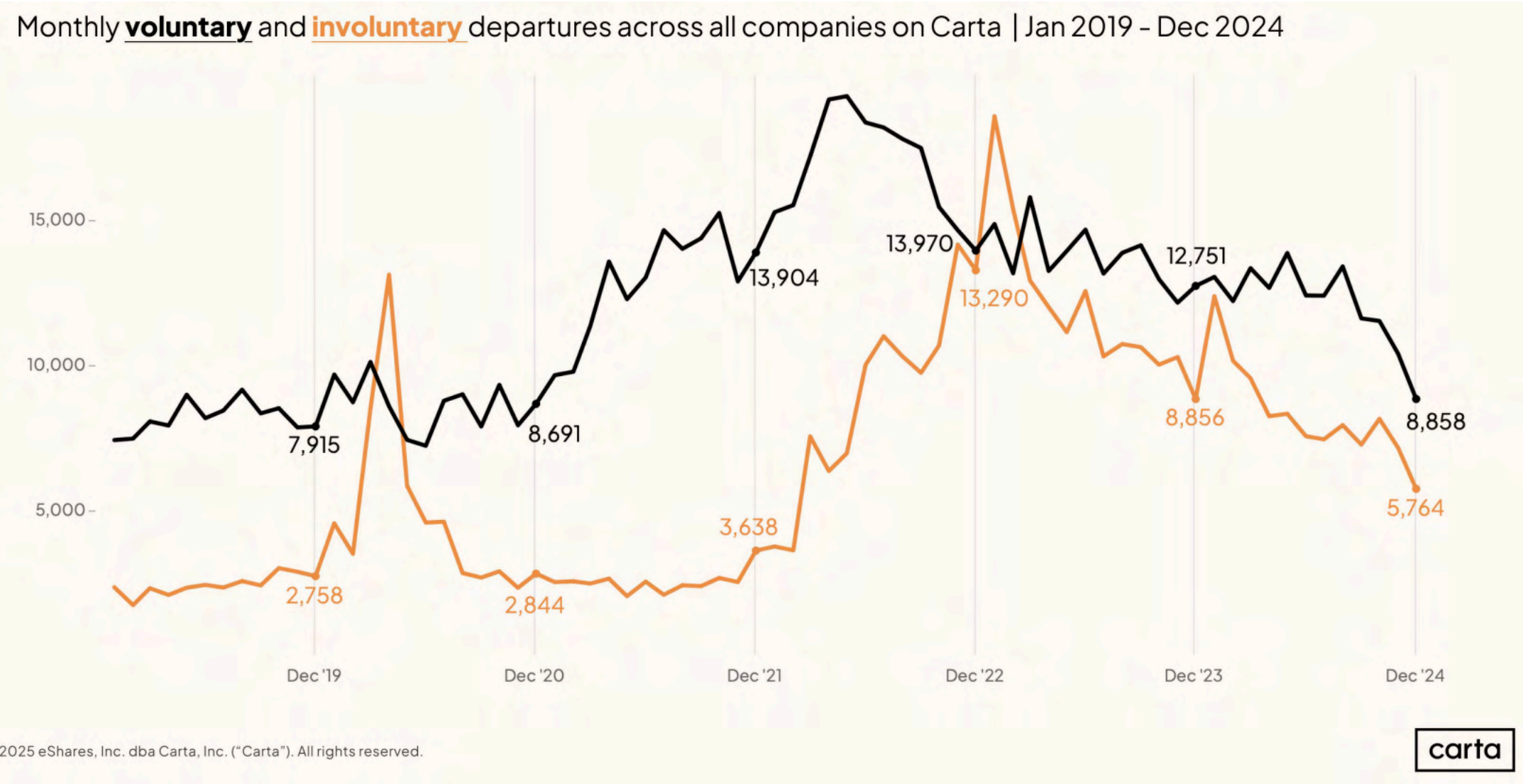


Layoff Tracker

In 2024, more than 95,000 employees at U.S. tech companies were impacted by mass layoffs. According to Carta data, the layoffs and voluntary departures are both down more than 30% YoY.

- February 2025: 16,084 employees laid off — [see all February 2025 Tech Layoffs](#)
- January 2025: 6,003 employees laid off — [see all January 2025 Tech Layoffs](#)

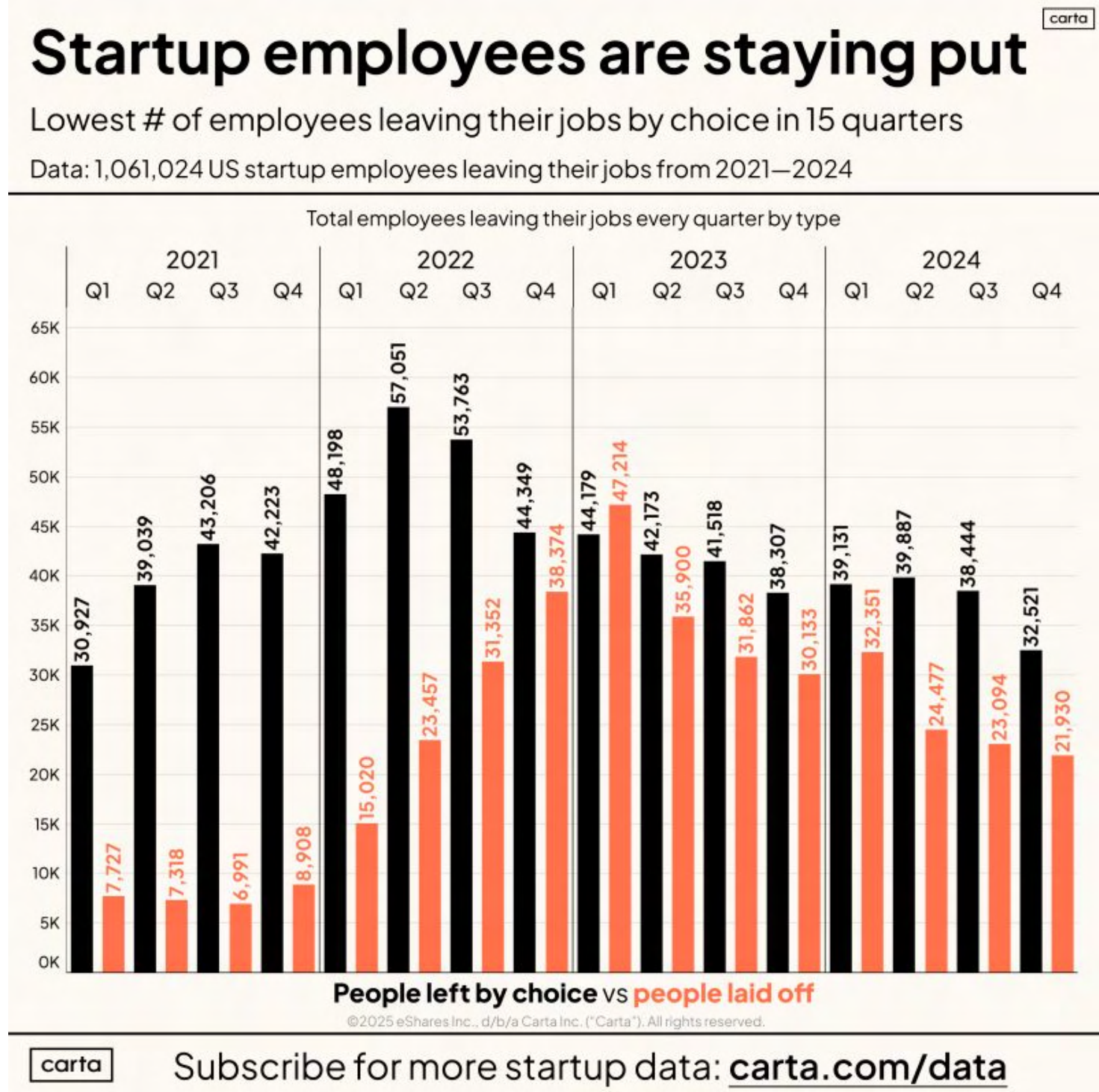
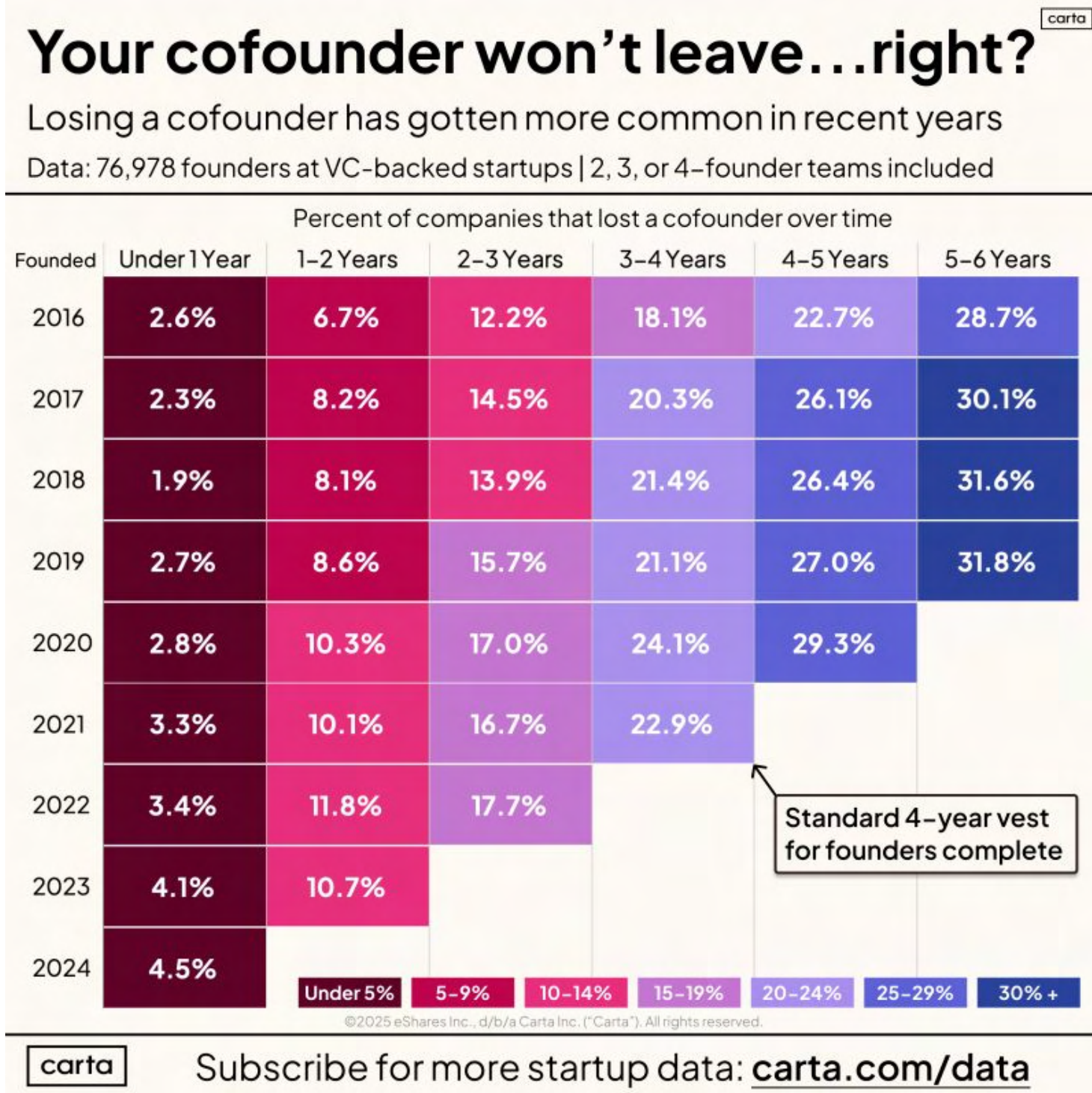
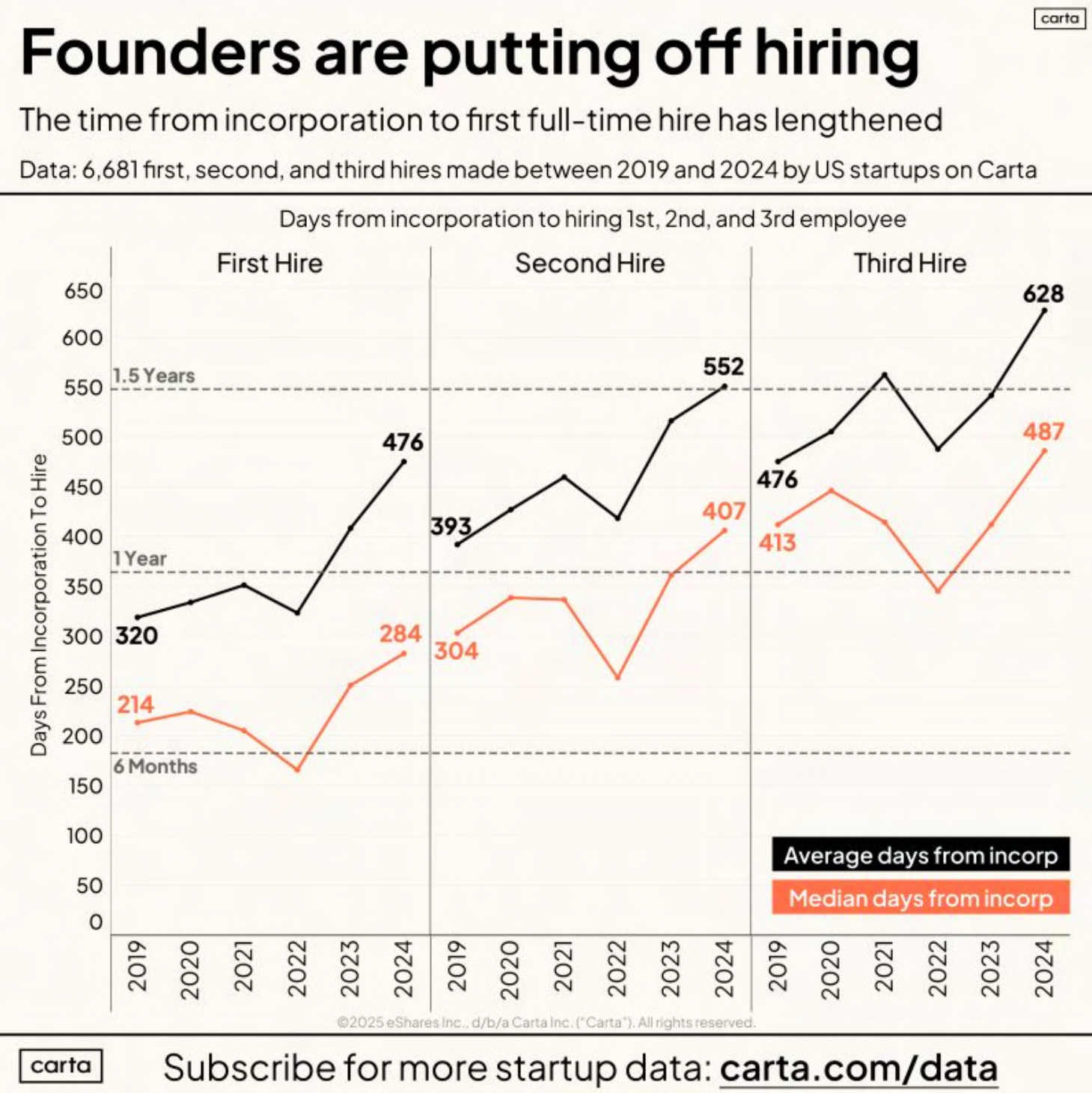
The Crunchbase Tech Layoffs Tracker



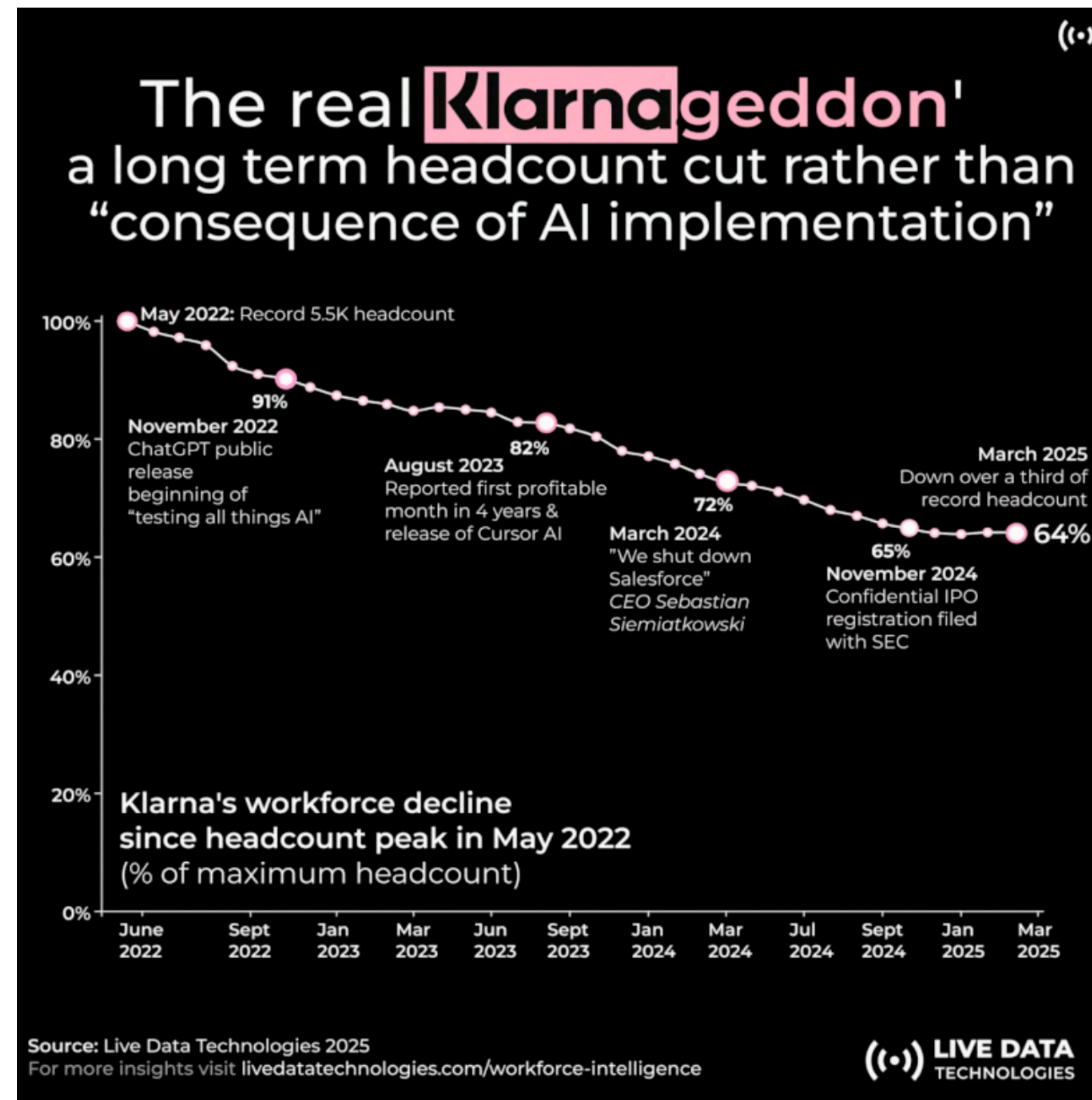


All Between - Hiring, Leaving, and Staying Put

Carta charts are well done, so I don't need to add special commentary for the ones below ;)



Is AI Just a Smoke Screen?

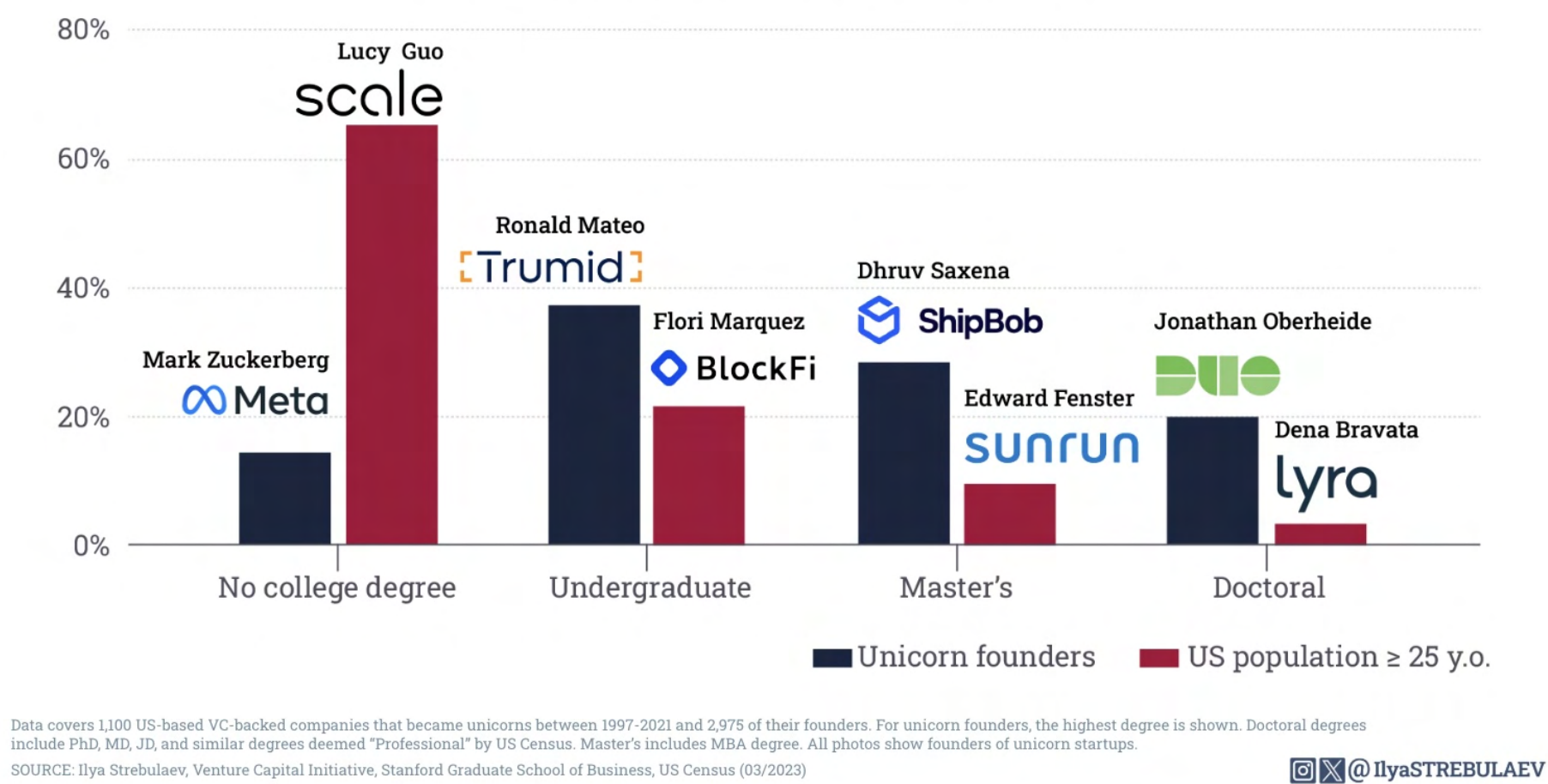




Unicorn Founders: Education

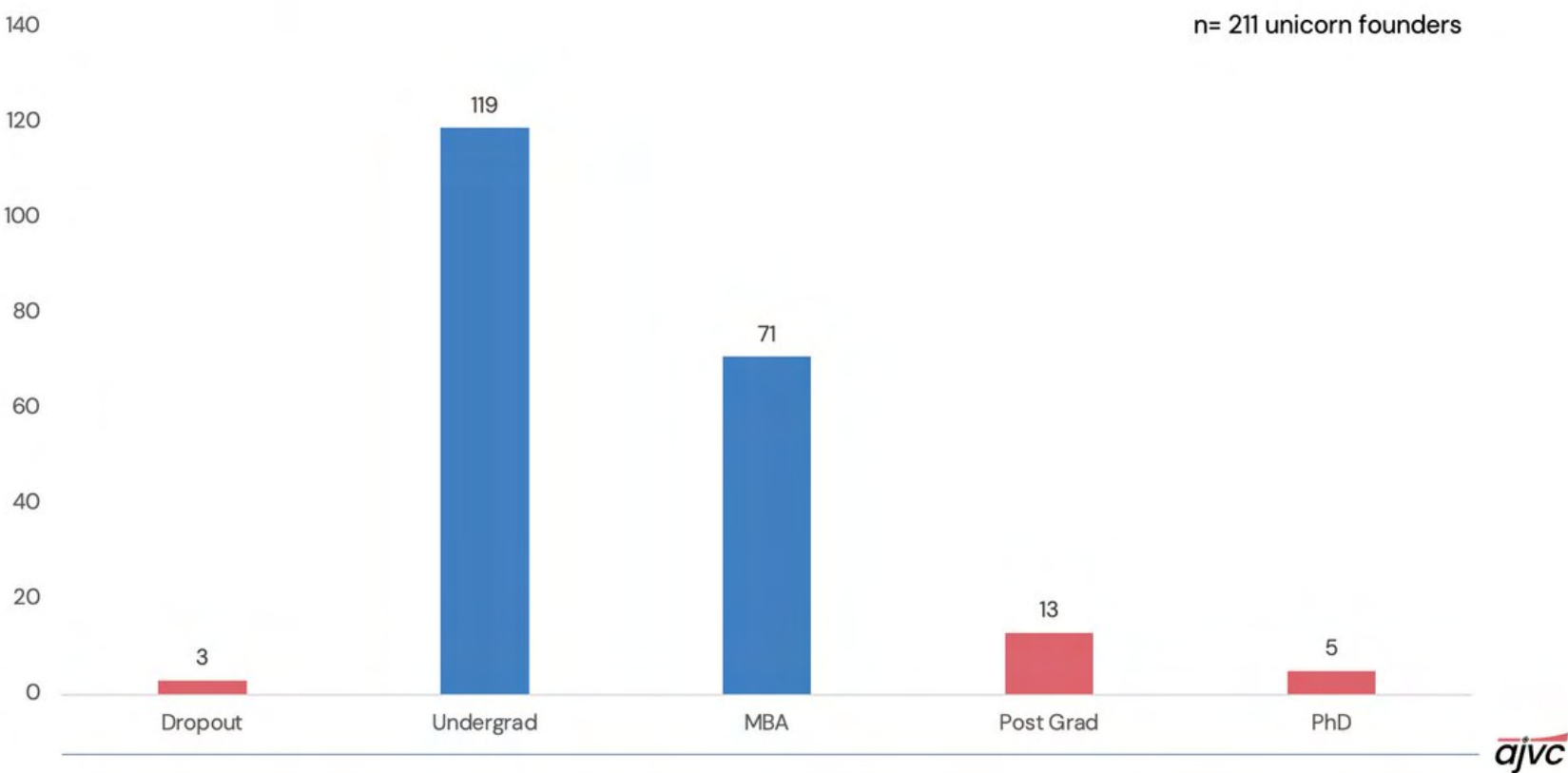
Contrary to the popular narrative of college dropouts becoming billionaires, data reveals that unicorn founders are significantly more educated than the average American. They’re six times more likely to have a doctorate, three times more likely to hold a master’s degree, and twice as likely to possess a bachelor’s degree. Even seeing the Indian data, we see similar trends.

Highest Level of Education



India focused data

Undergrad/MBA are most common qualification, PhDs outnumber dropouts



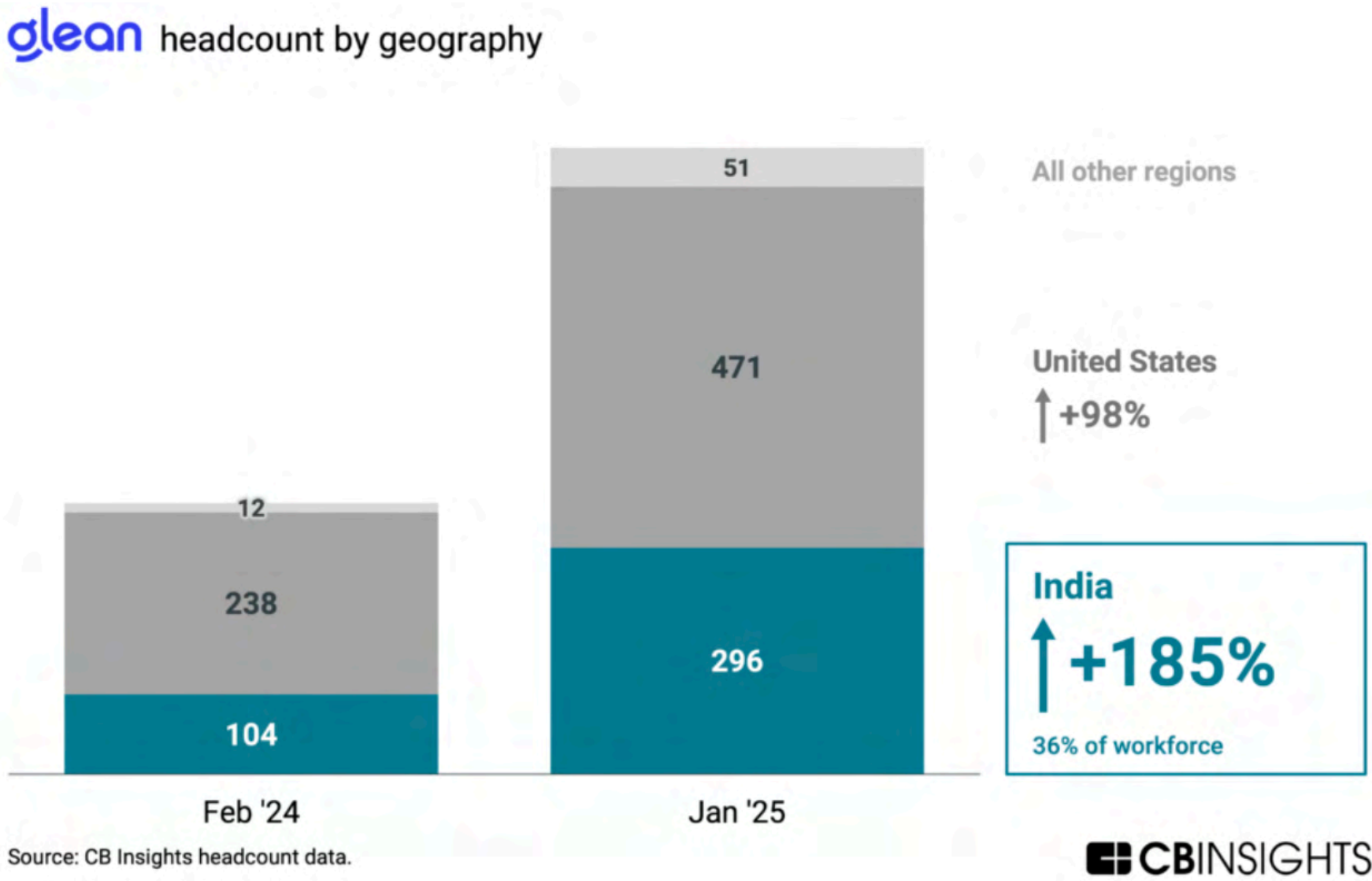
AI Leaders are Growing Their Indian Presence

NEWS

Global AI race heats up in India with unprecedented hiring spree

CB Insights article dated March 21, 2025

- India recently became OpenAI’s second-largest market by number of users.
- OpenAI has responded by boosting its headcount in India by 67% in the last 6 months (nearly 2x the growth rate of its US presence)
- Enterprise AI platform Glean established a Bengaluru office in July 2024 to tap into the talent pool in India and expand its R&D operations. India now makes up 36% of Glean’s global headcount.



NEWS

Founder salaries: Where do founders earn the most?

*Sifted article
from Amy Lewin dated January 13, 2025*

NEWS

'Trapped and unpaid': Ex-employees accuse Raydiant of dodging labour laws in Europe

*tech.eu article
from Cate Lawrence dated March 24, 2025*

NEWS

German startups say 'soul-crushing' immigration system is driving talent away: 'People lose patience'

*Sifted article
from Miriam Partington dated February 21, 2025*

NEWS

Is any founder truly happy with their exit?

*Sifted article
from James Routledge dated January 22, 2025*

Startup Talent Nuggets | 2



Shrishti Sahu

Investor at SSV Family Office | Building The India Opportunity Show ...

5d •

Following

...

The rarest founders operate at the event horizon of existence – where time, purpose, and identity collapse into singularity.

They don't build companies. They architect temporary vessels for humanity's unmet tensions, treating their startup as a philosophical experiment wrapped in spreadsheets. The best ones grasp that scale isn't about growth, but consent: how many human imaginations will voluntarily align with their rewritten rulebook of reality?

What unsettles me still is that the ones who succeed long-term are neither optimists nor pessimists. They're alchemists of paradox, metabolizing failure into a darker, richer fuel. They see their irrelevance as inevitable—and thus, paradoxically, stay relevant.

A founder once confessed during a midnight pivot: 'I'm not chasing a unicorn. I'm negotiating with time to let me finish the sentence I started.'

The rest of us are just taking notes.



Sahil Lavingia

@shl

Verified

...

I think software engineering jobs will shrink by 67% and salaries will get cut by 33% in the next 3 years.

For example, a team of 36 making \$300k/yr on average will be outshipped by a team of 12 making \$200k/yr on average.

This has happened before—in finance, journalism, and media.

Ultimately, the only way to earn an outsized living in these industries is to take risks and start your own thing.



Avichal - Electric Capital

@avichal

Verified

...

1/ The 2nd San Francisco gold rush has finally come to an end.

Gone is era of walking into a \$200K job at 22 and saving a million by 30.

For decades, a 70th percentile engineer was guaranteed multiple offers as soon as they interviewed in SF.

That era is over.

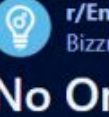
Opinion

January 9, 2025

The reality of joining a startup as a founder... four years 'late'

There's no playbook for stepping into a cofounder role at a startup you didn't build

Gabrielle Sergent and Augustin Celier 8 min read



r/Entrepreneur

BizznectApp

5 days ago

...

No One Warns You About This Part of Entrepreneurship

Everyone talks about the risk. The sleepless nights. The grind.

But no one talks about:

The awkward feeling of telling friends & family about your business and seeing zero excitement on their faces.

The guilt of watching employees/freelancers rely on your business to pay their bills—when you're barely paying your own.

The anxiety of seeing someone else launch your exact idea—but with a bigger budget and better connections.

The way your confidence gets ripped apart when a random stranger calls your product "meh."

The identity crisis when you realize your whole personality has become "work."

Entrepreneurship isn't just about building a business. It's about surviving the mental game.

Because the truth is: Most people don't quit because they failed. They quit because they can't handle feeling uncertain every single day.

If you're in the middle of that storm—keep going. The best entrepreneurs aren't the smartest or the most funded. They're just the ones who don't stop.

1.9K

169

2

Share

NEWS**Founders: be more selfish**

*Sifted article
from [James Routledge](#) dated February 3, 2025*

NEWS**Founders can't stop cheating on their partners with their companies**

Sifted article dated March 5, 2025

NEWS**'Hustle dies at 6pm': do French founders work hard enough?**

*Sifted article
from [Éanna Kelly](#) dated February 4, 2025*

NEWS**How to support middle managers**

*Sifted article
from [Miriam Partington](#) dated January 27, 2025*

The ‘Deel’ Case



Mamoon Hamid



@mamoonha

Eye popping confession by the Deel spy. Haven’t seen anything like it in my career.



Parker Conrad


@parkerconrad · Apr 2

Deel CEO and company founder @Bouazizalex personally orchestrated his company’s alleged spy scheme, the spy said in a full confession

Alex allegedly recruited the spy, received the stolen info, and arranged payment via a person known only by their pseudonym: “The Watchman”

03-21-2025 | TECH

What the Rippling vs. Deel lawsuit reveals about corporate espionage in tech

A new lawsuit details a monthslong infiltration, secret Slack searches, and an alleged mole caught hiding in a bathroom.

Deel CEO not served in Rippling lawsuit as whistleblower placed under 24/7 guard

Bailiffs fail to reach Alex Bouaziz in Paris, while HR tech feud escalates into transnational legal battle.

CTech 10:08, 14.04.25



VC Talent Flux | 1

The movement of talent in the venture world shows no signs of slowing—check out my guest post on Crunchbase for a deeper dive. ([Link](#))

LAYOFFS • STARTUPS • VENTURE • WORKPLACE

The Great Venture Talent Flux

Guest Author April 4, 2025

NEWS

Microsoft’s head of venture has resigned

*TechCrunch article
from Julie Bort dated January 22, 2025*

NEWS

Felix Capital’s Julien Codorniou to join 20VC as general partner

*TechCrunch article
from Romain Dillet dated December 18, 2024*

NEWS

General Catalyst loses three top investors as the firm expands beyond venture, contemplates IPO

*TechCrunch article
from Marina Temkin dated March 3, 2025*

VC Talent Flux | 2

NEWS

Felix Capital’s Julien Codorniou to join 20VC as general partner

*TechCrunch article
from Romain Dillet dated December 18, 2024*

NEWS

Two senior partners are leaving Peak XV amid strategy shift

*TechCrunch article
from Manish Singh dated February 10, 2025*



Judith Dada • Following
General Partner @Visionaries Club
3w •

Here’s to turning the page and writing a new chapter: The future we want isn’t given—it is built in great company. [Robert Lacher](#) and I spent years building towards something truly meaningful in VC—first together, then apart. Now, it’s time to become one team again. Because there are moments in life when you compete. And then there are moments when you join forces to build something greater than yourself. This is one of those moments.

I am goosebump-level thrilled to team up with [Visionaries Club](#).



David Thévenon • 2nd
-
1mo • Edited •

After five rewarding years at Balderton, I’m embarking on a new chapter. It’s been a privilege to build and execute our growth strategy, from raising \$1.4B across our first and second Growth funds, building a stellar team and leading investments like [Graphcore](#), [Brigad](#), [Defined.ai](#), [Cognism](#) and [The Exploration Company](#).

VC Talent Nuggets



Rick Zullo

@Rick_Zullo

The 7s of being a Venture Capitalist

SOURCE - do you have visibility of the best deals for your strategy?

SELECTION - do you pick the right companies?

SECURE - can you win those deals and get the necessary ownership?

SUPPORT - can you help improve the outcome for the companies you invest in?

SIGNAL - do downstream investors and competition see you as a leading indicator for the market?

SELL - do you know when/how to sell to deliver profitable outcomes on companies

STRATEGY - have you constructed your fund size and scope to be just as good of a product for LPs as it is for founders?

You need to do the first 4 exceptionally well to earn the 5th, but even firms that excel at each of the first 5 can ultimately falter if they aren't diligent on the 6th and 7th



delian

@zebulgar

Doing VC full-time is a bad setup for seed investing

If you have a company you're working on, any time you spend on VC, you're trading against your life's work

So you spend time only w/ the 4-6 companies a year that truly matter

If full-time... wtf do you fill your day with...

LLPs and Venture Fundraising

SECTION 8



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- [VC Fundraising](#)
- [VC Megafund Fundraising](#)
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- [Venture Performance Data | 2](#)
- [Experienced VC Managers Won the Fundraising Game in 2024](#)
- [Global VC Dry Powder](#)
- [LPs' Appetite for VC](#)
- [U.S. CVC](#)
- [Europe CVC](#)
- [CVC Nuggets](#)
- [Picking Winners in Venture](#)

Venture Nuggets



David Clark · Following
CIO at VenCap International plc
1mo · 🌐

Just published our latest white paper on the return of the power law in VC.
Several key points:

- 2024 saw a flight to quality with capital concentrated in a handful of companies and VC managers
- Exit market remained challenging with a rise in GP-led secondaries and continuation vehicles
- We expect 2025 to remain challenging for the VC industry generally as many companies finally run out of capital
- It's not all bad news, however. The very best companies are growing quickly and able to raise new capital at increased valuations.
- The VCs that are able to access the very best companies will generate strong performance. Those that don't will struggle.



Jeff Morris Jr. ✓
@jmmj

Why Being a Great Junior VC Is Harder Than Ever

The job of junior VC's has gotten much harder this year. Tools like Deep Research can now produce the equivalent of a high-quality deal memo in minutes — meaning the traditional “analyst” or “associate” research role is becoming less relevant.

When I think about what still sets people apart, two things come to mind:



samir kaji ✓
@Samirkaji

The challenge in venture isn't about larger fund sizes - it's about managers who scaled prematurely beyond their competitive advantages. Too many firms raised funds that forced them to adopt business models and competitive landscapes they had no edge in. LPs contributed to this dynamic as much as anyone.



Basile Agay · 2nd
Co-founder @Teampact.ventures | Forbes 30 under 30 Eur...
1w · 🌐

Which climate VCs will still exist in 2026? The brutal shakeout has already begun.

The 2021-2022 climate gold rush created a funding landscape on easy mode. Now? We're in the Climate VC Hunger Games. May the odds of Fund II be ever in your favor. 🐺

Hard truths from the trenches:

- ➡ Family offices that threw cash at anything "climate" are now ghost
- ➡ The "green premium" that gave climate funds a free pass on rigorous diligence? GONE.
- ➡ Carbon market exposure is suddenly toxic
- ➡ European funds surviving on EIF life support - creating zombie VCs



Meghan Reynolds ✓
@MeghanKReynolds

Heard from VC LPs this week:

The 2 most dreaded words for fundraising in private markets came back into convos:

DENOMINATOR EFFECT

Lack of exits + public mkt selloff = many LP were already overallocated to PE/VC & now they are REALLY overallocated. Plan accordingly.

Btw, this doesn't mean LPs will stop investing, but it will impact commitment sizes and limit new relationships (which were already limited)



Ed Stubbings · Following
Building next generation alternatives firms | GP seeding | GP sta...
21h · 🌐

👉 The many types of "GP stake" - GPs and LPs should be clear on what cut they're ordering

There is significant LP interest in GP staking at the moment - one survey suggested that over half of LPs have previously or intend to invest.

What's interesting though is the variation in the strategy:

- 1 The co-owner: Investment focused primarily on permanent management company investment
- 2 The structured (equity) co-pilot: Often non-permanent investment at the ManCo level, sometimes return capped or time limited
- 3 The fund-plus investor: Investment primarily in a fund, but with ManCo alignment to supersize returns
- 4 The economic participant: Multi-vehicle or firm-level carry participation. "Renting" exposure to the ManCo
- 5 The fund anchor: Discounts to management fee and/or carry related to the economics of a fund commitment



Dave Sachse ✓
@DSox

Venture capital is very intimidating and opaque by design.

Once you discover that most VC managers have low EQ and don't have a fiduciary mindset, it hits different.

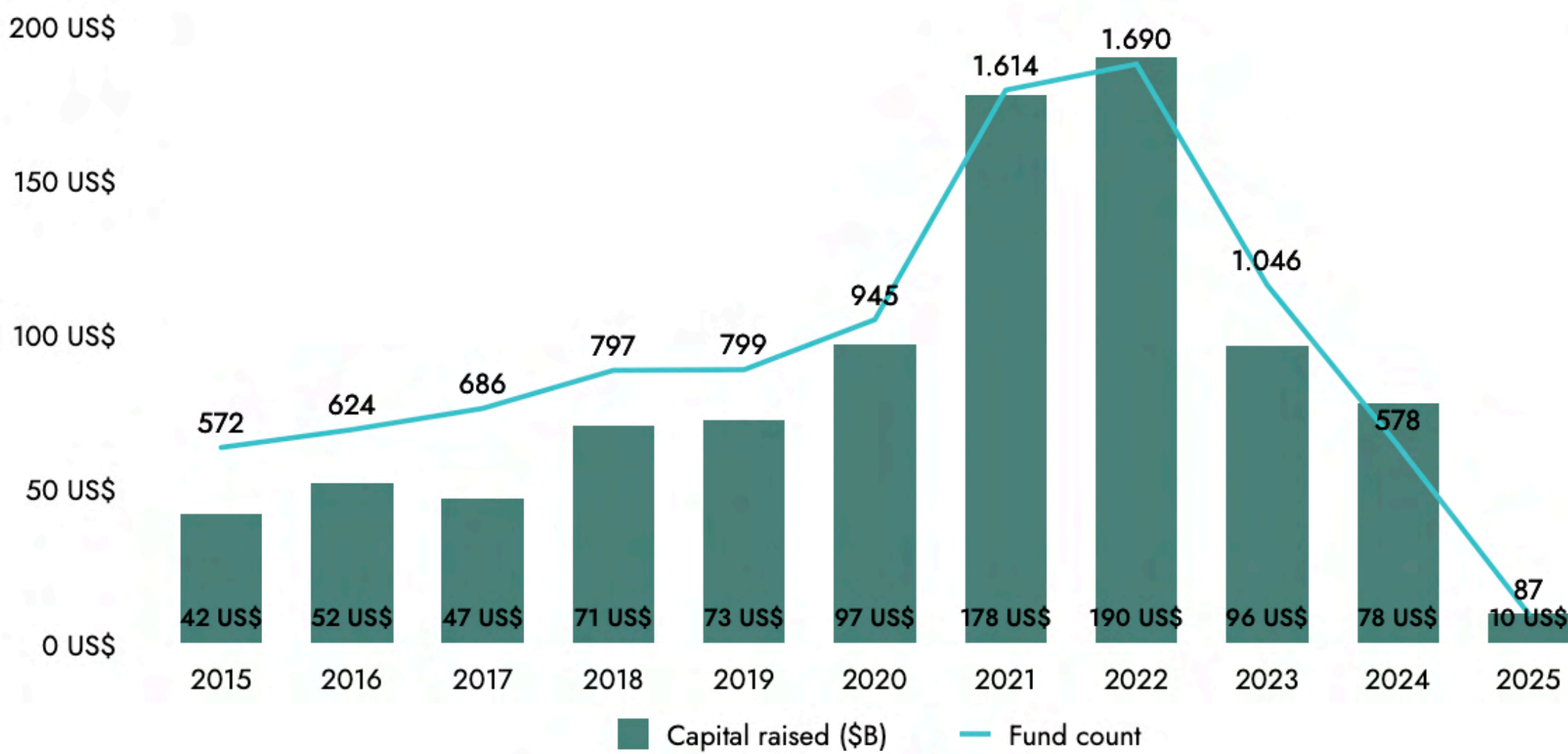
IMO family offices will be much more active and sophisticated investment partners in the next decade in VC. 100



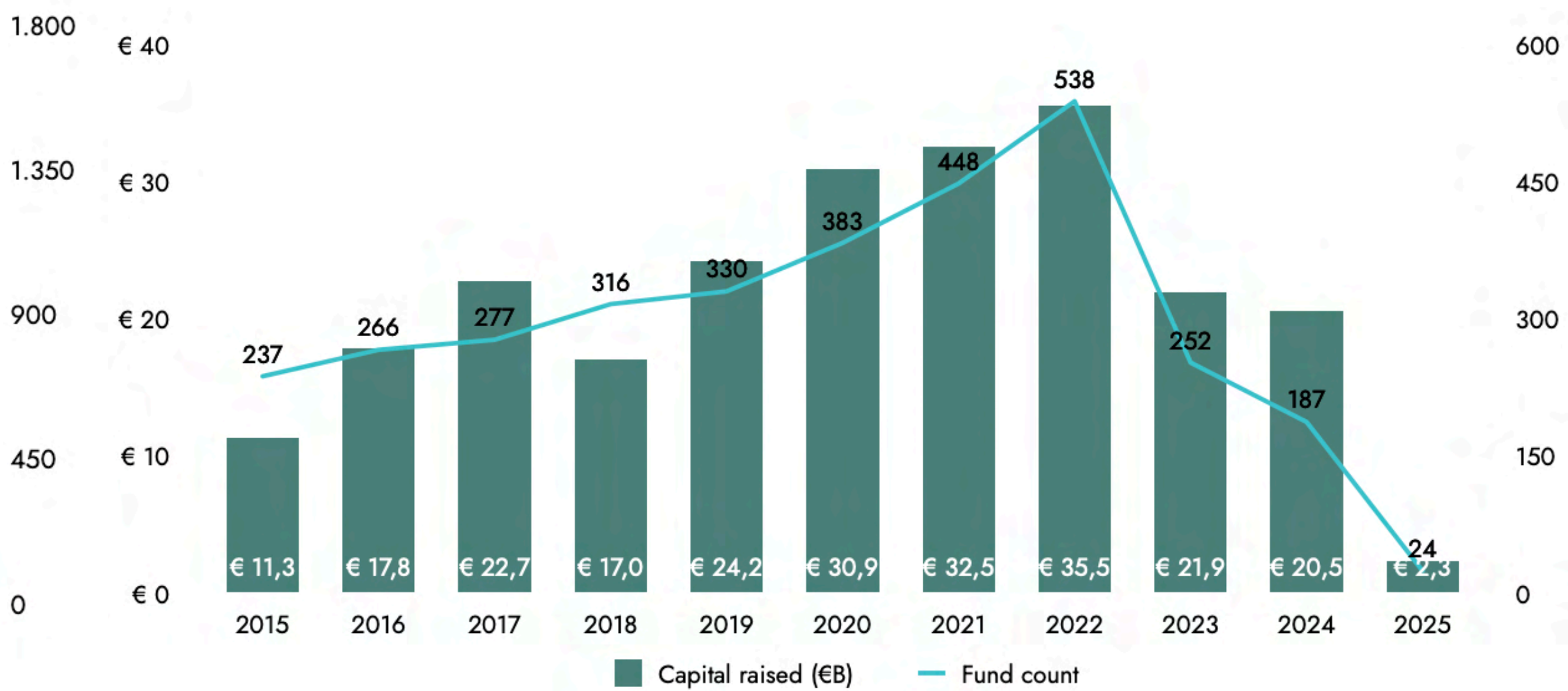
VC Fundraising

In the first quarter of 2025, venture capital fundraising in the U.S. outpaced Europe by nearly fourfold. Looking back at 2024, both regions marked a second straight year of declining fund counts. While Europe’s total capital raised held steady with 2023 levels, the U.S. experienced a 19% dip in fundraising. The drop in the number of new funds was even more pronounced—falling 45% in the U.S. versus a 26% decrease in Europe. Still, the U.S. maintained a commanding lead in overall capital raised, securing nearly 3.2 times more than Europe during the year.

US VC fundraising activity



Europe VC fundraising activity

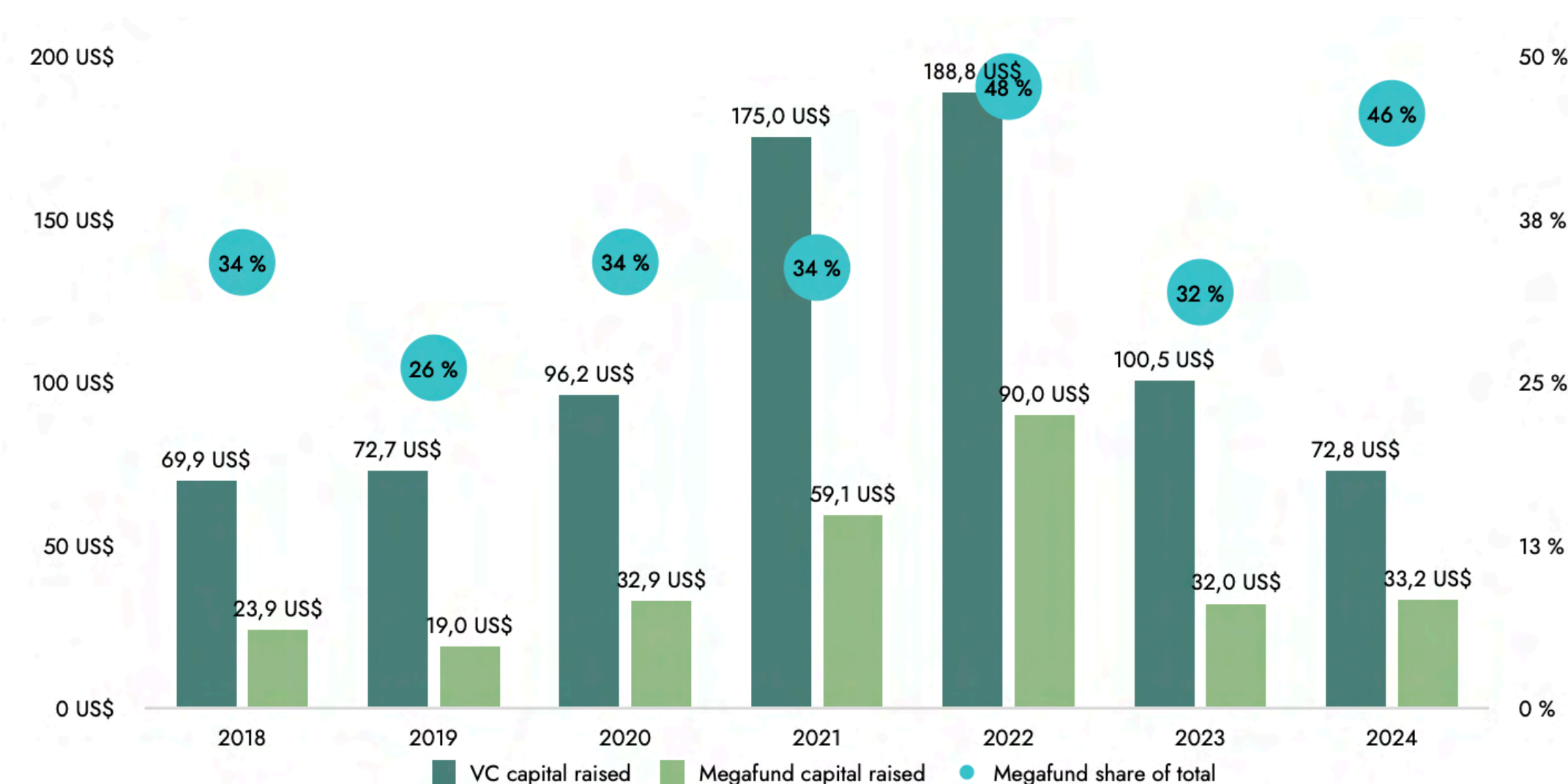


Data of both charts from PitchBook

VC Megafund Fundraising

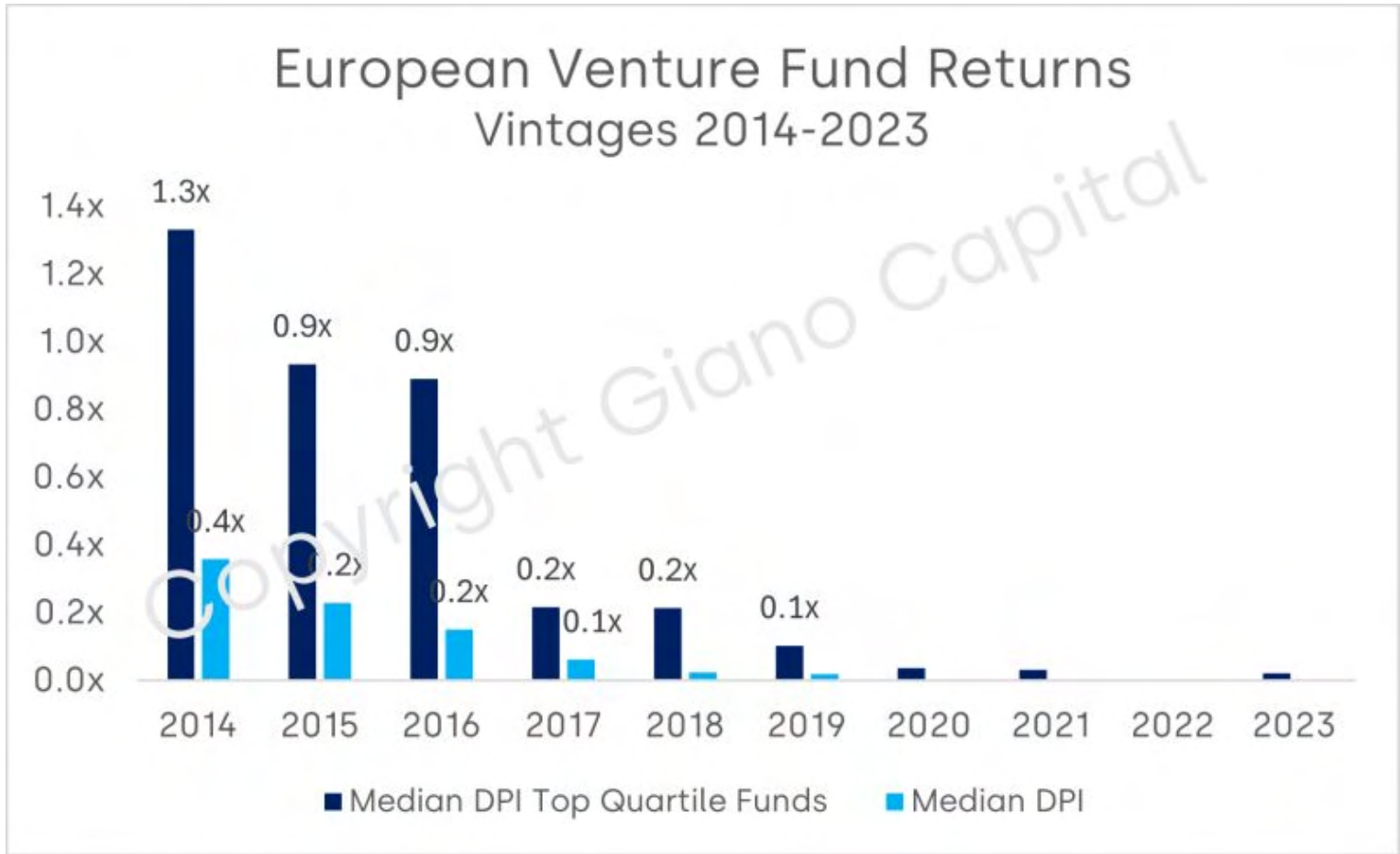
One standout trend in the VC landscape is the resurgence of mega funds—those sized at \$1 billion or more. After their share of total funding dipped to 32% in 2023, they made a strong comeback in 2024, capturing a commanding 46% of all VC capital raised.

US megafunds (\$1B+) as a share of total VC capital raised (\$B)



Venture Performance Data | 1

Occasionally, we get rare glimpses into venture fund performance—both at the asset class level and within individual funds—when firms choose to share their data. These insights are valuable, as they help shed light on performance metrics that are often obscured by the opaque nature of private market reporting.



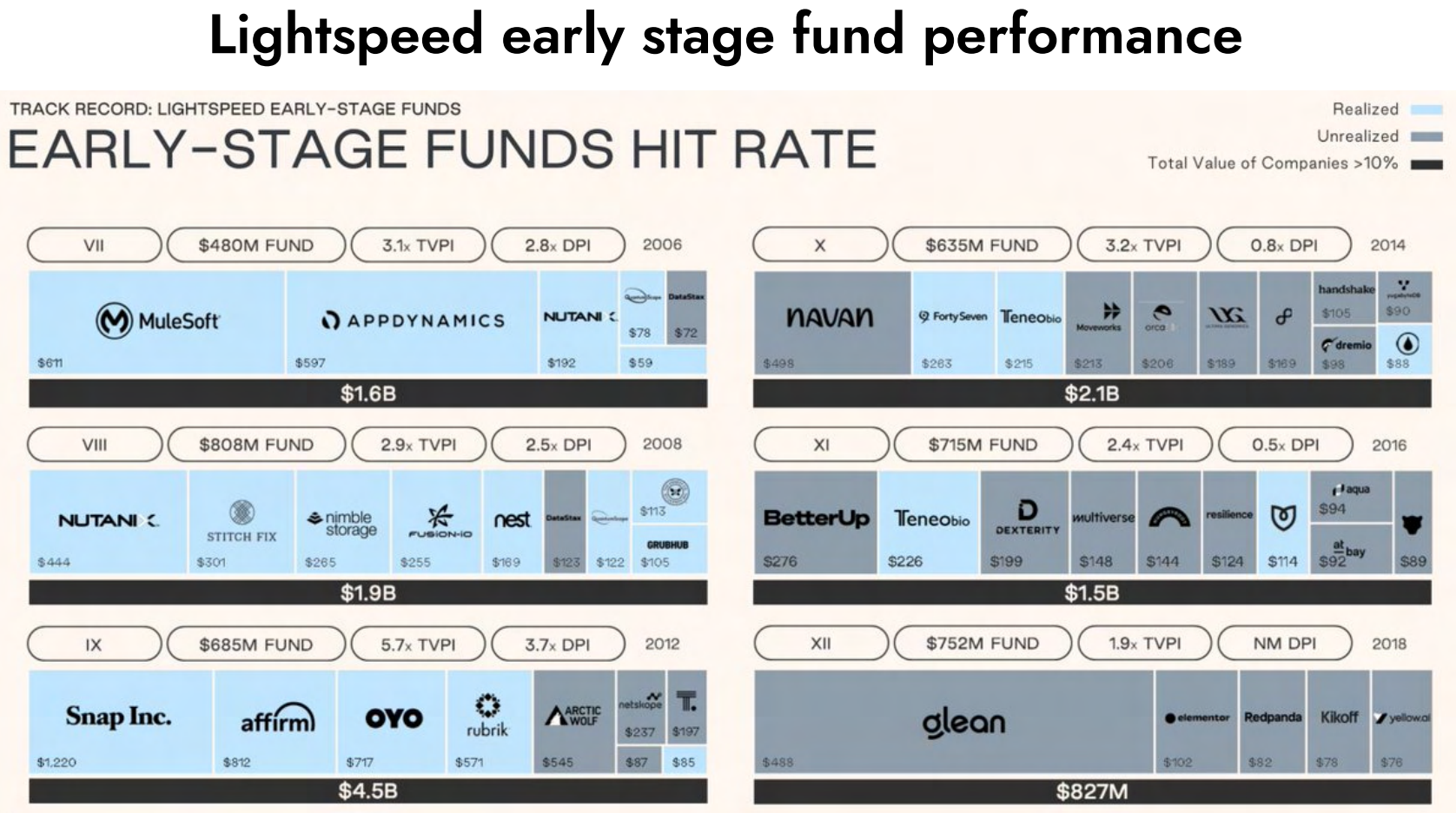
USV Performance Overview - Net to LPs -					
	Commitments	Total Value *	DPI	TV/PI	IRR
USV 2004 **	\$ 112 M	\$ 1,537 M	13.8x	13.8x	67.5%
USV 2008	\$ 151 M	\$ 683 M	4.1x	4.5x	21.2%
Opportunity Fund	\$ 121 M	\$ 436 M	3.5x	3.6x	58.2%
USV 2012	\$ 187 M	\$ 4,514 M	23.1x	24.2x	53.6%
USV 2014 Boost VC 2013	\$ 163 M \$6.6m	\$ 847 M	2.1x 2.04x	5.2x 5.05x	28.7% 18.08%
USV 2014 Oppty	\$ 128 M	\$ 827 M	5.2x	6.5x	40.6%
USV 2016 Boost VC 2016	\$ 167 M \$38m	\$ 805 M	2.9x 3.93x	5.7x 7.01x	49.4% 47.06%
USV 2019 Boost VC 2019	\$ 200 M \$40m	\$ 466 M	0.6x 0x	3.2x 2.35x	49.8% 20.27%
USV 2019 Oppty	\$ 250 M	\$ 183 M	0.1x	1.0x	1.3%

* Total Value = LP Capital (Unrealized) + LP Distributions
DPI = Distributions / Paid in Capital TV/PI = Total Value / Paid in Capital

Data as of Q4 2023
** Data as of fund liquidation, Q4 2022

USV | 2024 FUND 23

Track Record Altimeter				
Fund	Commit	Total Value	Net IRR	Net TVPI
VC 1 (2013)	\$70M	\$4.2B	77%	45.0x
VC 2 (2015)	\$90M	\$1.5B	66%	12.4x
VC 3 (2017)	\$209M	\$1.3B	46%	4.8x
VC 4 (2019)	\$302M	\$580M	11%	1.5x
VC 5 (2020)	\$507M	\$762M	12%	1.4x
VC 6 (2021)	\$1.6B	\$1,272M	-4%	0.9x



Founder's Fund Performance as of 2024

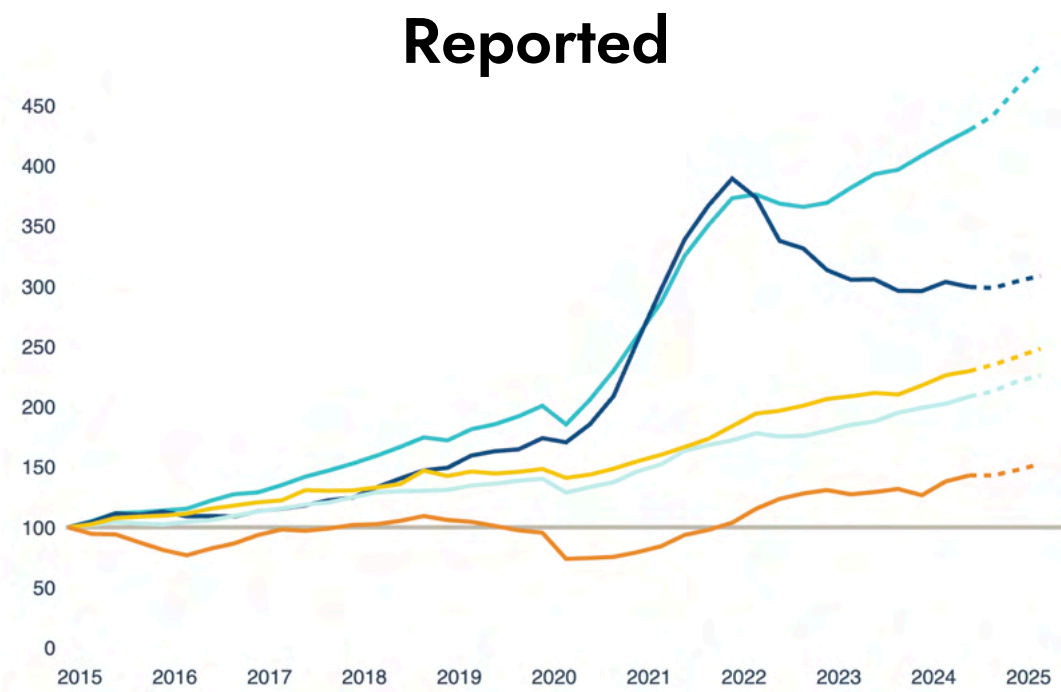
FUND	YEAR	SIZE	IRR TO LP	NET MULTIPLE	DPI
FFI	2005	\$50M	36%	7.8x	7.7x
FFII	2007	\$227M	31%	18.7x	18.6x
FFIII	2010	\$250M	25%	9.9x	6.0x
FFIV	2011	\$625M	33%	10.2x	6.2x
FFV	2014	\$1.1B	27%	4.0x	2.9x
FFVI	2017	\$1.4B	24%	3.1x	0.03x
FFVII	2020	\$1.5B	13%	1.5x	-
FFVIII	2023	\$979M	47%	1.3x	-
FF Growth I	2020	\$1.7B	7%	1.2x	-
FF Growth II	2023	\$3.4B	7%	1.0x	-

Click for source post.



Venture Performance Data | 2

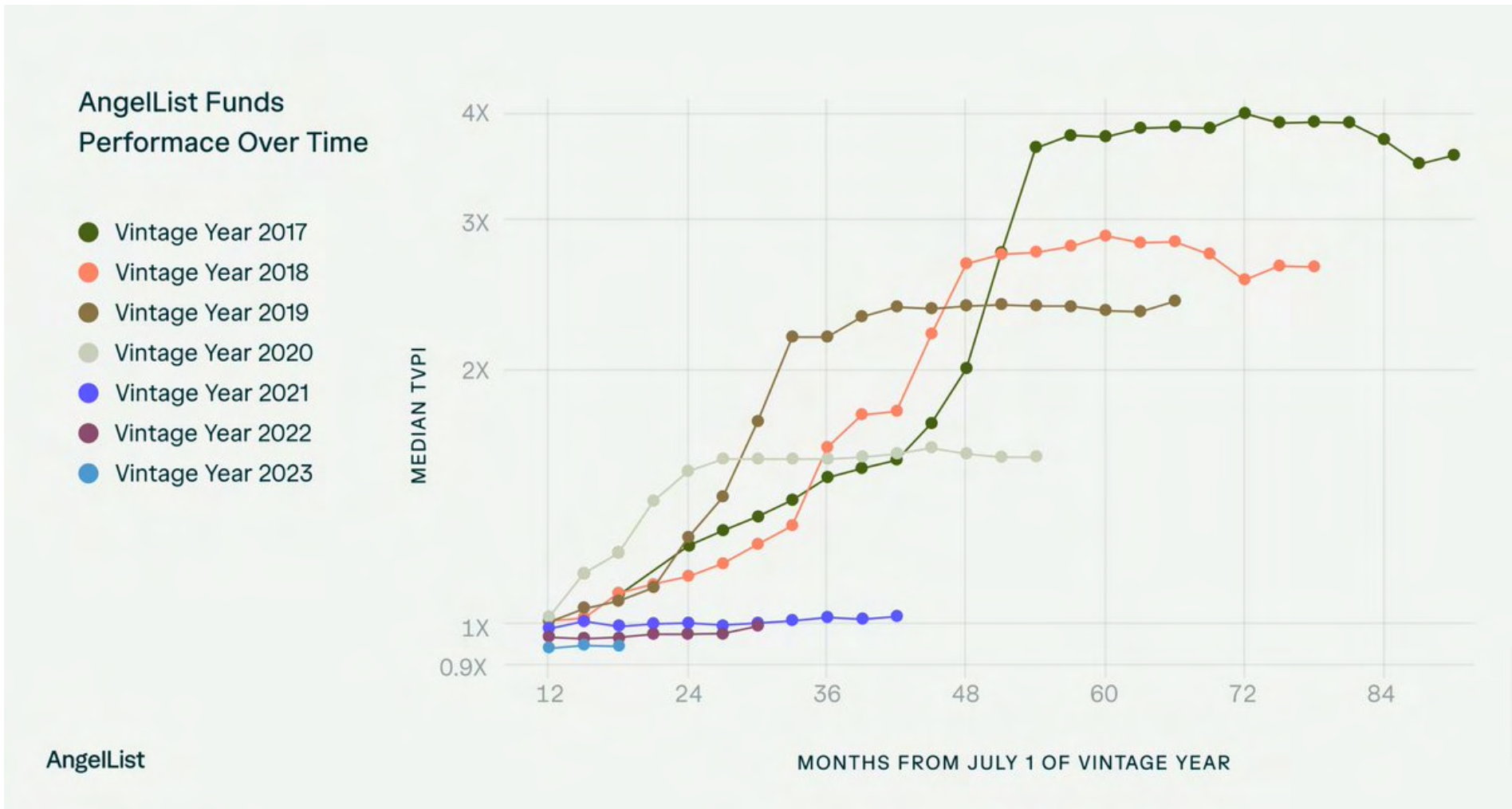
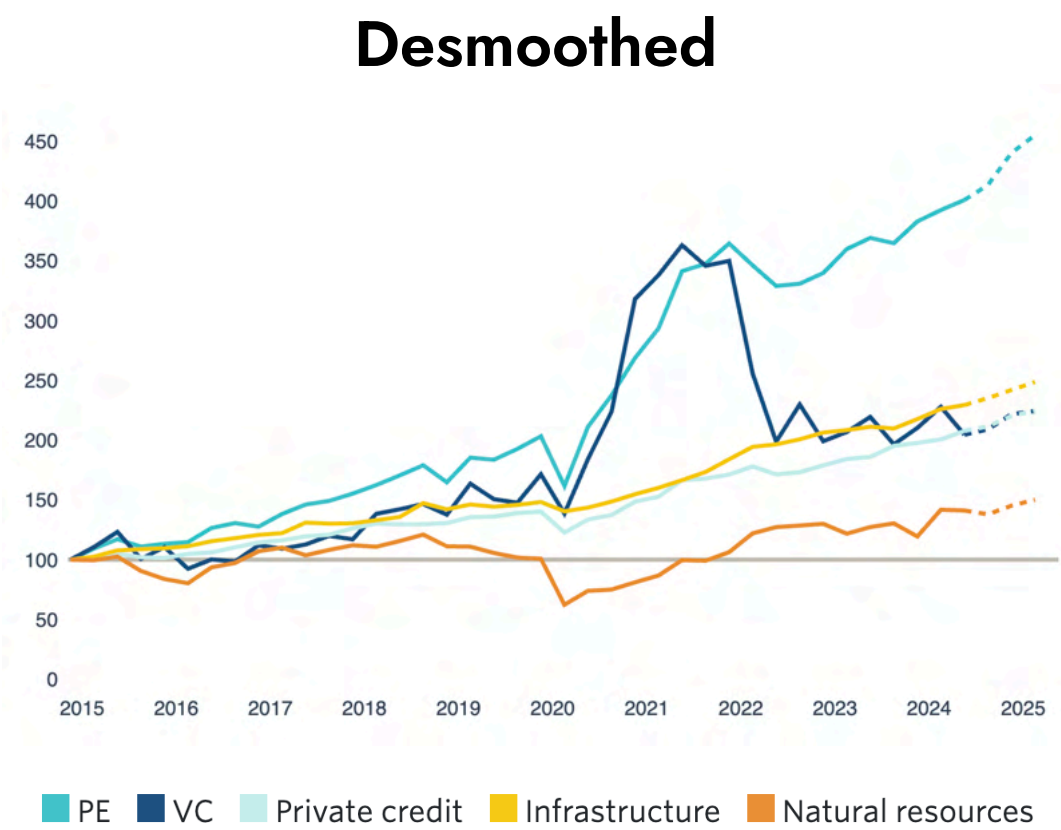
Venture capital returns have seen the sharpest decline among private capital asset classes, both in reported figures and after desmoothing, according to PitchBook's indexes. AngelList data reveals that funds from the 2021–2023 vintages are underperforming compared to the historical median TVPI of earlier funds. It's not exactly a surprise, but it's helpful to see the numbers laid out.



More Venture Returns Revealed: BlueYard Capital, True Ventures, Upfront Ventures, Foundry & TCV

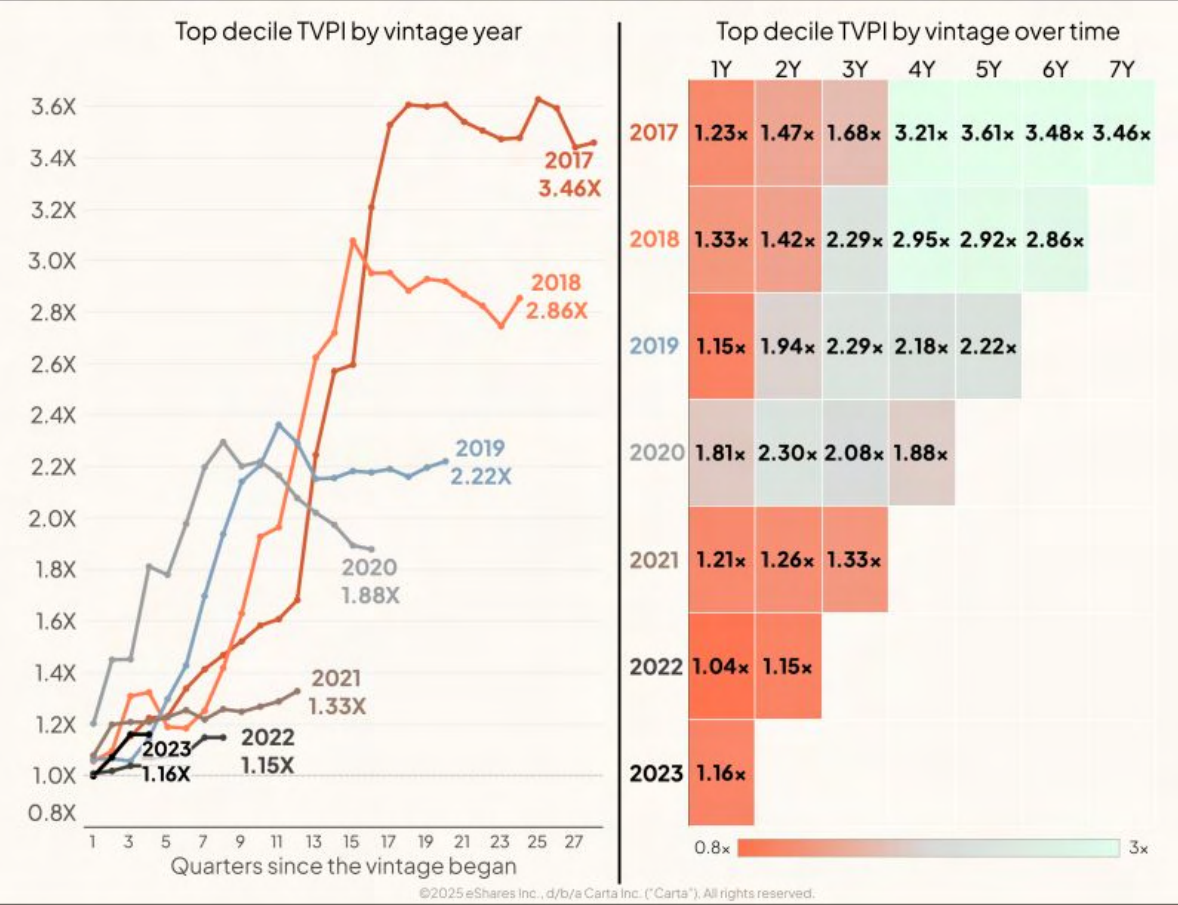
BlueYard stands out in our latest look at UTIMCO data on VC performance

 **MADELINE RENBARGER**
JAN 29, 2025 • PAID



How are the best VC funds doing?

Data: Top decile TVPI for 2,079 US venture funds net of fees and carry
Fund sizes range from \$1M-\$1B but most are under \$100M AUM



Full report: carta.com/data/vc-fund-performance-q4-2024/

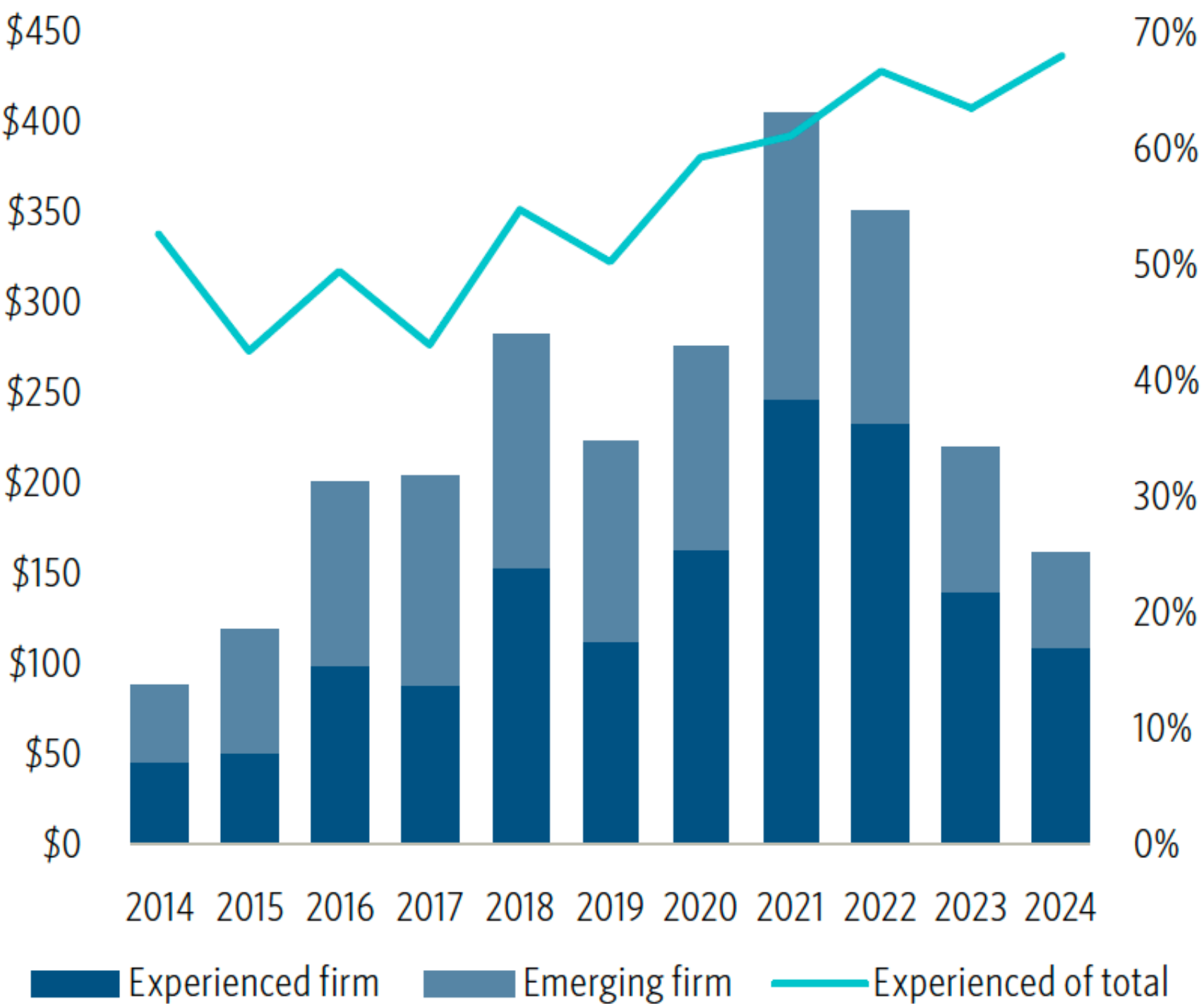
Click for source post.



Experienced VC Managers Won the Fundraising Game in 2024

Established firms maintained their dominance in 2024, securing nearly 70% of all VC fundraising for the year. However, this reflects a broader decade-long trend, with experienced managers already accounting for around 45% of fundraising back in 2017.

VC fundraising by Fund Manager Experience



Source: PitchBook • Geography: Global • As of December 31, 2024

Geographic focus of chart = Global. Graph from PitchBook. Click for source post.



Global VC Dry Powder

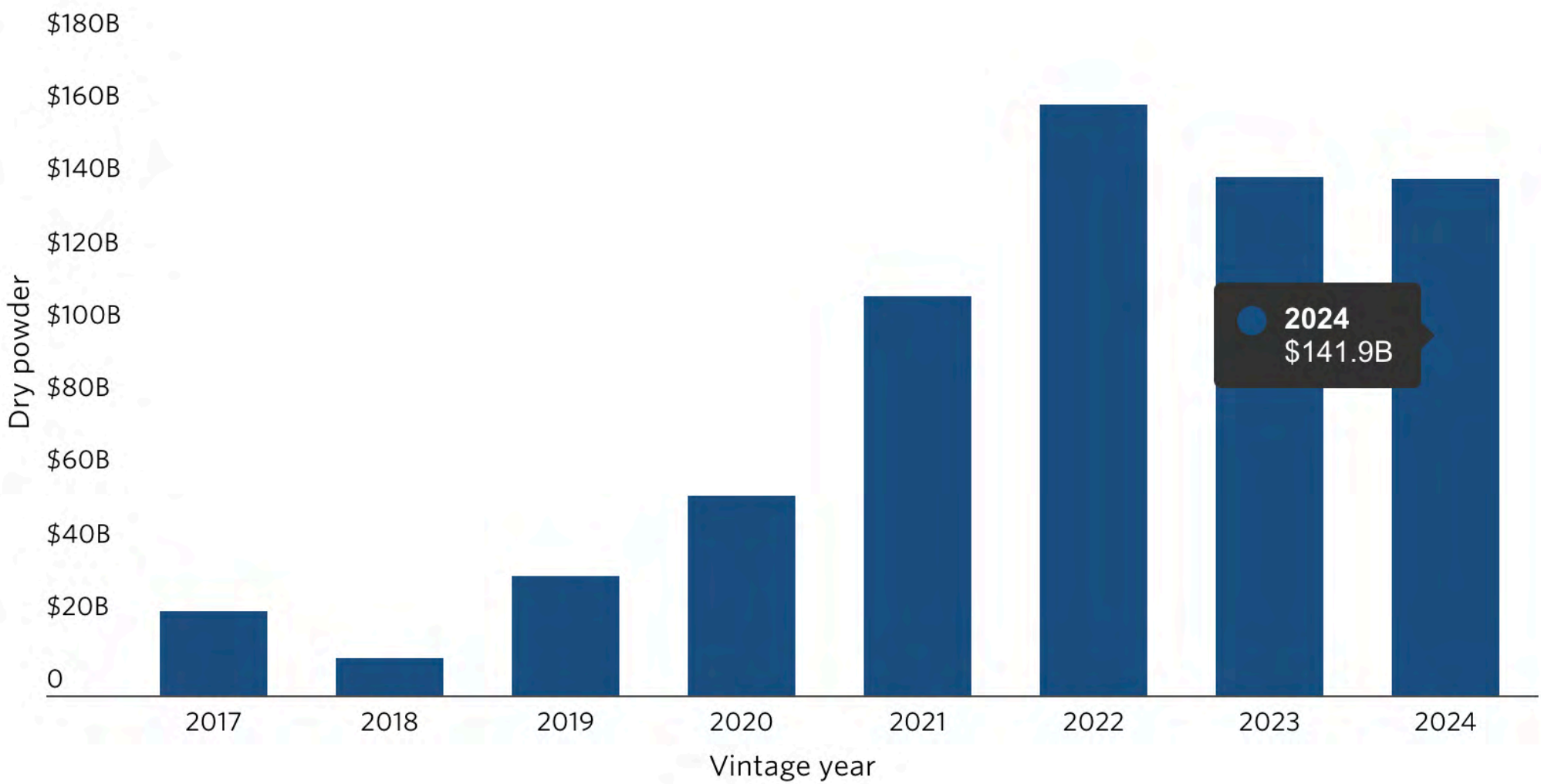
Dry powder is putting pressure on LP allocations. A whopping 53% of the \$677 billion in dry powder is tied up in vintages that are 3 to 5 years old—the highest proportion seen since the global financial crisis. This capital was raised with the assumption of swift deployment (think 2021-22 timeline), a scenario that now appears increasingly unrealistic.

VC dry powder (\$B) by age bucket (years)



Source: PitchBook • Geography: Global • As of June 30, 2024

Global VC dry powder by vintage



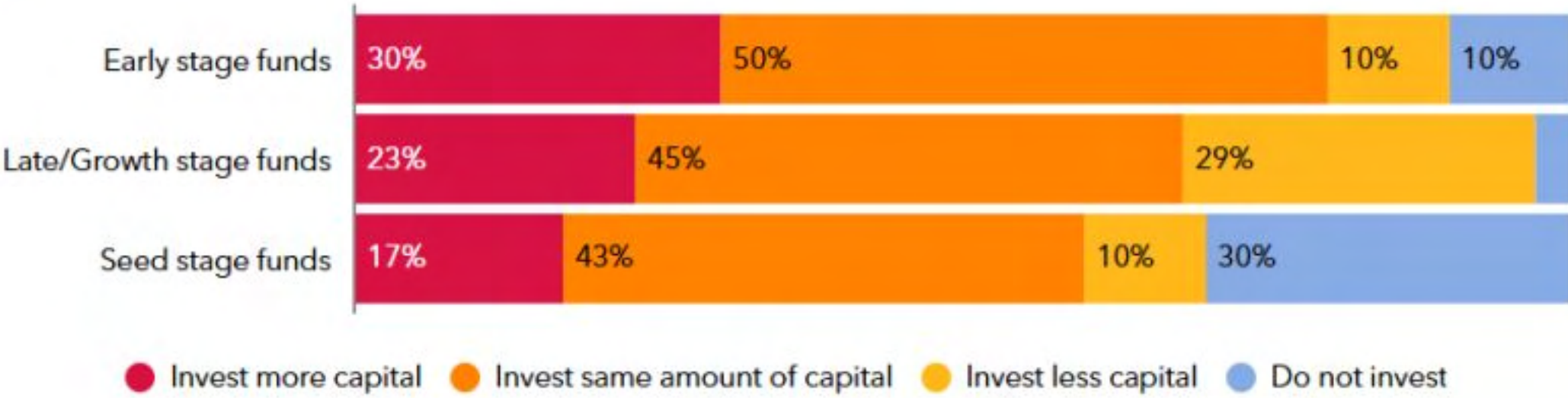
Geographic focus of both charts = Global. Graphs from PitchBook. Click for source post.



LPs' Appetite for VC

LP interest in venture funds appears to be weakest at the Seed stage.

LPs' venture capital strategic appetite for 2025 (%)



Source: Venture Capital Journal

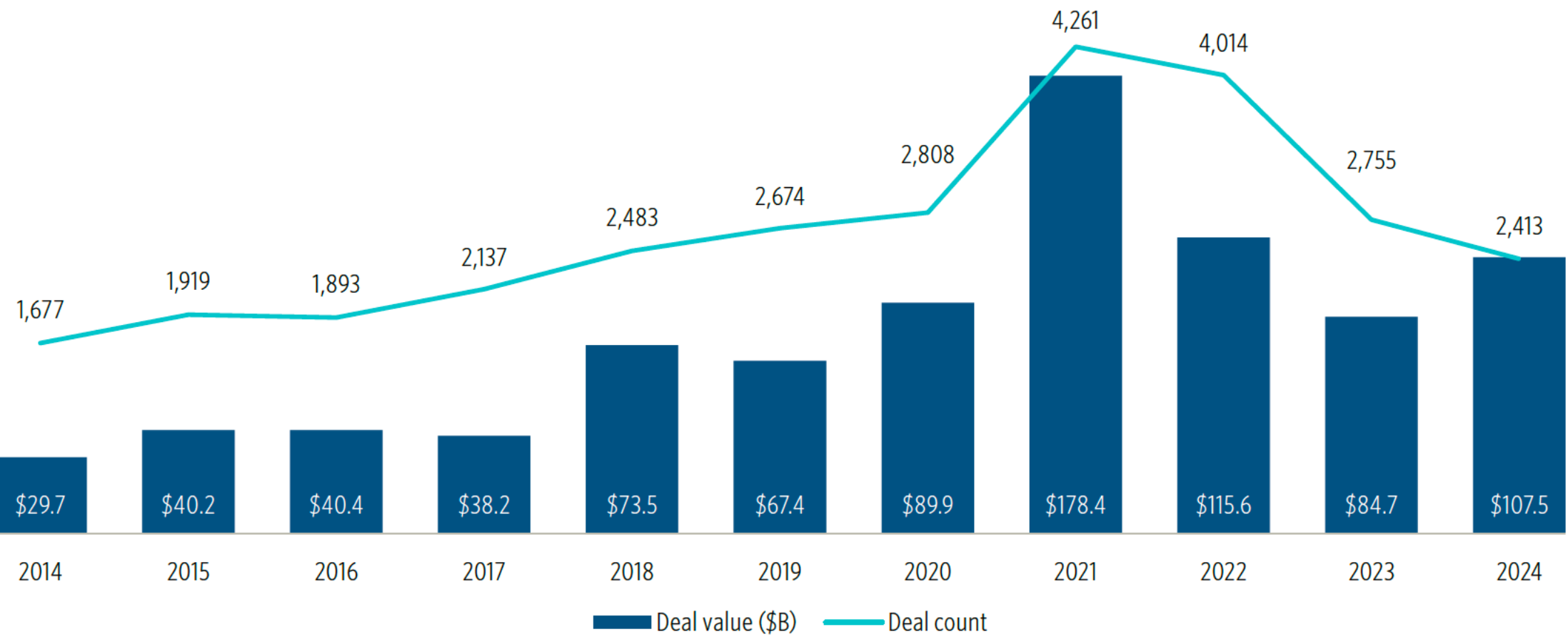
Click image for source post.



U.S. CVC

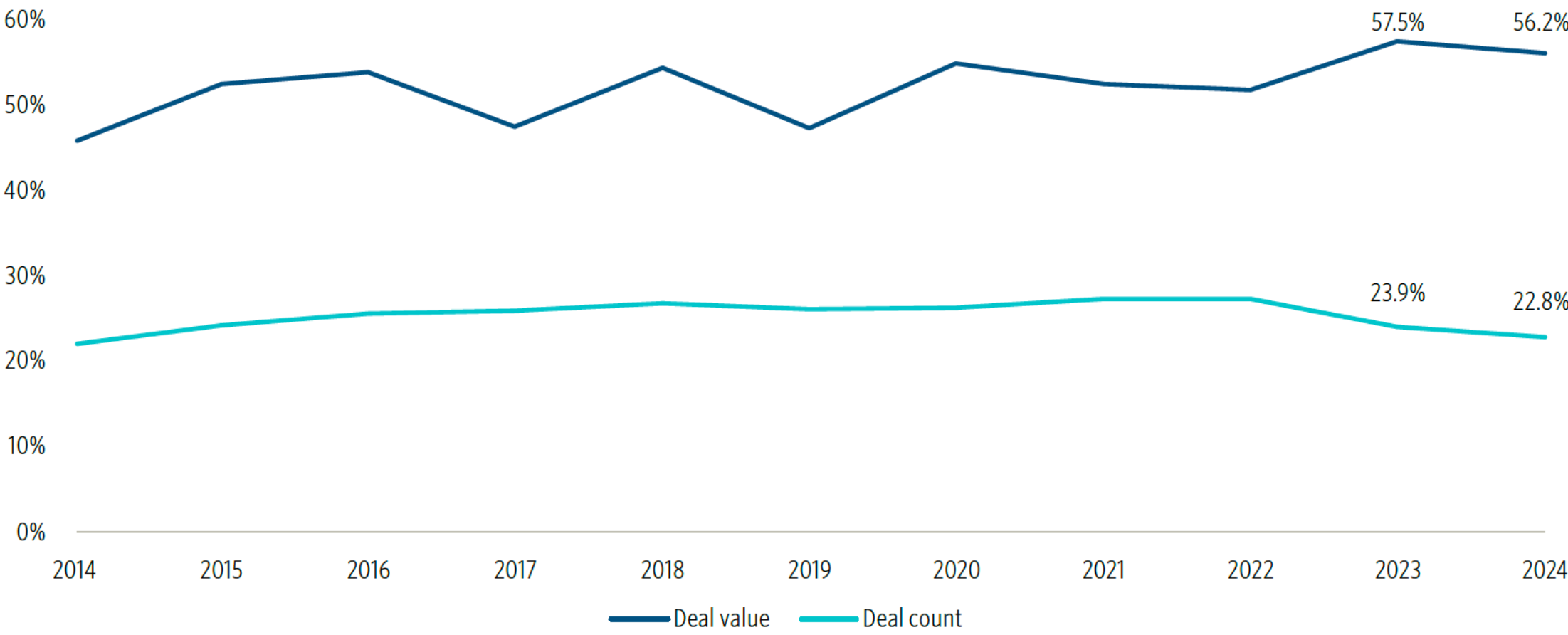
Despite overall deal count hitting its lowest level since 2019, corporates (CVCs) participated in over \$107 billion worth of equity deals in 2024. This momentum reflects a growing focus on AI, with the share of CVC deals targeting AI companies rising from 23% in 2021 to nearly 32% in 2024.

VC deal activity with CVC participation



Source: PitchBook • Geography: US • As of December 31, 2024

VC deal activity with CVC participation as a share of all VC deal activity



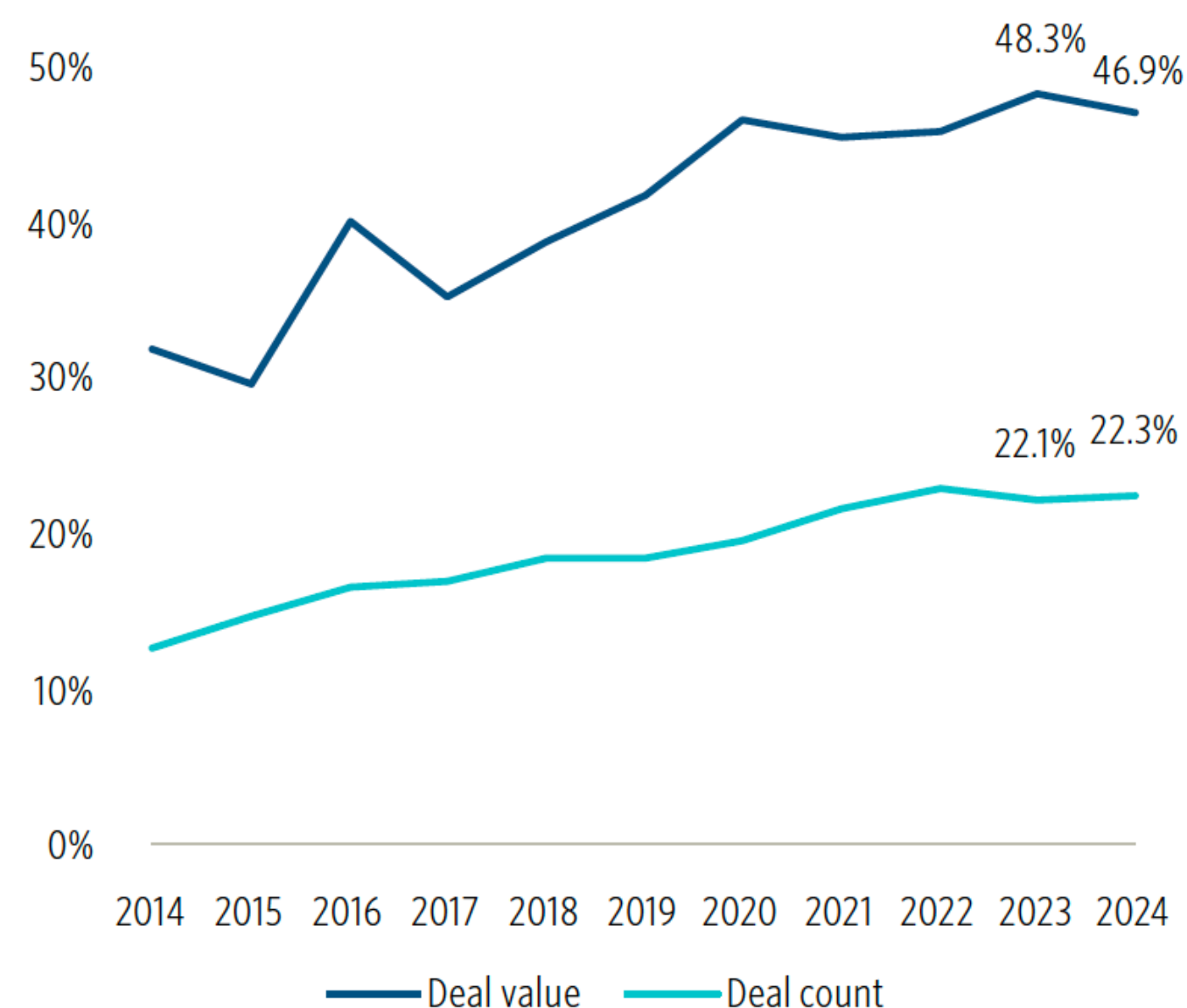
Source: PitchBook • Geography: US • As of December 31, 2024

Geographic focus of both charts = U.S. Graphs from PitchBook. Click for source post.

Europe CVC

In Europe, corporate venture capitalists (CVCs) have long been the most active nontraditional investors, and that pattern held steady in 2024, with CVCs accounting for 47% of total VC deal value. Asset managers (another category of non-traditional investors) also stepped up their presence, participating in several high-profile rounds, including those of Monzo, Poolside, and Mistral AI.

VC deal activity with CVC participation as a share of all VC deal activity



Source: PitchBook • Geography: Europe • As of 31 December 2024

NEWS

Hitachi Expands Corporate Venture Capital With Fourth Fund, Reaching \$1 Billion AUM

*Forbes article
from Josipa Majic Predin dated Feb 06, 2025*

Hitachi Ventures (HV) was established in June 2019 and has since managed three CVC funds, supporting 38 startups. Among these, several have achieved unicorn status.

The firm's investment portfolio spans a range of industries, from environmental technology and circularity to AI, industrial automation, mobility, and life sciences.

NEWS

Intel spins off its corporate venture arm, Intel Capital, into a standalone fund

*TechCrunch article
from Josipa Kyle Wiggers dated January 14, 2025*

The existing Intel Capital team will move to the new fund, and business operations will continue as normal throughout the transition, Intel said.

The separation of Intel Capital is a win-win scenario as it provides the fund with access to new sources of capital to expand its franchise while allowing both companies to continue benefiting from a productive long-term strategic partnership

Why Edward Jones launched its new venture arm, Edward Jones Ventures

BY **ALLIE GARFINKLE**
March 6, 2025 at 1:12 PM GMT+1



Picking Winners in Venture



Jay Rongjie Wang • Following
 Asset Allocator | Tech investor | Venture Builder
 19h • Edited •

Thought of the day for LPs:

When it comes to emerging VCs, picking top decile funds is very much about picking top decile people (in terms of competitiveness within a specific scope that drives venture success -- including execution velocity, communication, honesty, raw intelligence, commercial acumen, etc etc-- beyond which we're all created equal from a higher dimension of course).

A winning VC could be thesis driven or network driven, could be a generalist or a specialist, could be solo or non-solo -- but above everything else -- does this GP rank top 10% among all the GPs you meet in terms of personal quality? Do you respect them as the go-to source of wisdom for what they do?



Alon Zieve • Following
 CEO & Co-founder @ Aption
 2w •

Does picking winners really matter in VC?

Last week, [Alex Oppenheimer](#) shared a post on venture returns, and one line stuck with me:

👉 "In a business where all that matters is wins (big wins)."

That's what we've always been conditioned to believe. But is it actually true?

PitchBook data on VC fund performance over the last 25 years paints a different picture:

📊 The industry average IRR is 10.9%—solid, but with a massive 17% standard deviation.

📊 Over 85% of funds underperform the industry average.

So yes, big wins drive returns. But fund managers are really bad at picking them. If you could simply index the industry—buying everything available—you'd likely return 10.9%, which is 2.3% higher than the industry median.

Maybe venture isn't about picking winners after all. Maybe it's about diversification and portfolio construction.

What do you think? Would an "index VC strategy" outperform most active managers?

Venture Business

SECTION 9



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- [European Initiatives](#)
- [European Nuggets](#)
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- [AI in VC](#)
- [Legal Topics in Venture](#)
- [University Startups & Funds](#)

European Initiatives

Europe and the UK are actively bolstering their startup ecosystems through a range of newly launched plans and initiatives. While these efforts mark a strong start, the true measure of success will depend on their execution and the tangible impact they have on the broader ecosystem.

NEWS

UK announces plans to create ‘Europe’s Silicon Valley’ in Oxford and Cambridge

*Sifted article
from Kai Nicol-Schwarz dated January 29, 2025*

NEWS

EU promises to boost innovation and simplify rules with new startup strategy

*Sifted article
from Martin Coulter dated January 29, 2025*

NEWS

EU launches €200bn initiative to back AI and gigafactories

*Sifted article
from Anne Sraders dated February 11, 2025*

NEWS

‘This must be a wake-up call for Europe’: Tech leaders urge EU to match Trump’s \$500bn AI investment plan

Sifted article from Miriam Partington and Martin Coulter dated January 22, 2025

NEWS

Plans for €150bn ‘EU AI champions’ strategy unveiled at Paris AI summit

*Sifted article
from Martin Coulter dated February 10, 2025*

News March 11, 2025

EU unveils fresh draft of AI Act rules: ‘There are still significant concerns’

Experts from industry and academia have been wrangling over the GPAI code of practice

Martin Coulter 3 min read

European Nuggets



Johann Nordhus Westarp • 2nd
Entrepreneur & Investor at Lucid
1mo • 🌐

Y Combinator is terrible for Europe and creates orphaned companies.

1. I see a huge talent drain of great people moving to SF (they actually get pushed by YC) in the illusion that its all easier to find customers and build great products.
2. Even if they want to return to Europe, its a different ball game to build in Europe vs the US. Customers are different, talent is different. I observed many companies struggling to sell outside the "tech bubble" in SF or Europe. While it might work in the US, 99% of the market in Europe is SME, Mittelstand and traditional Enterprise.
3. The demo day rounds usually happen on 20m+ SAFEs. Oftentimes the 1-3m rounds are heavily fragmented through angels, YC index funds and smaller investors. Its great if everything goes up and to the right but in my experience those investors dont care about you if things go sideways.

In my view, **Y Combinator** is a liability to European founders.



Robert Falck • 2nd
CEO, Inventor & founder Einride
3d • 🌐

Europe Needs to Stop Calling It 'Risk Capital'—It's Venture.

Europe has always been a place of groundbreaking ideas. From the printing press to the World Wide Web, we have shaped the world through innovation. Today, we are home to some of the brightest minds in AI, biotech, deep tech, and green energy.

Yet, we still hold ourselves back.

No matter which language you speak, we call it "risk capital."

Capital-*risque* (French)

Risikokapital (German)

Capital de riesgo (Spanish)

Risk. A word that implies hesitation, caution—fear of what could go wrong.

But in the U.S., they call it venture capital—a word that embodies ambition, exploration, and the willingness to build the future.

This isn't just a linguistic quirk—it's a mindset problem.

Europe Doesn't Lack Ideas—It Lacks Scale

VC Firm Movements

NEWS

Andreessen Horowitz closes UK office, pivots back to US crypto market

*Sifted article
from Tom Matsuda dated January 24, 2025*



Chris Neumann • Following
Building a startup is hard. I'm here to help.
2w • 🌐

Ecosystem leaders around the world love to blame big, bad American **#VCs** for making their **#startups** move to the U.S. That's not what's happening...



American VCs Aren't the Reason Your Startups are Leaving — Chris Neumann
chrisneumann.com

NEWS

**Can AI Predict the Next Big IPO?
Crunchbase Thinks So.**

*WSJ article
from Belle Lin dated Feb 19, 2025*

- Each startup has thousands of potential signals like those pointing to whether they might be about to fundraise, be acquired or make a play for an initial public offering
- "If you deal with historical facts, once the AI absorbs it, it doesn't need you anymore," McConnell said. "Historical data companies are already dead."
- What's much harder to predict is when startups shut down, McConnell said. The company's accuracy rate for startups that fold is below 50%, he said, because companies can survive for a long time, even with slowed growth.
- Based on Crunchbase's own testing, its fundraising predictions are up to 95% accurate.



Matt Turck • Following
Managing Director at FirstMark
[Visit my website](#)
3d • 🌐

As a VC, I don't think any product has become part of my daily workflow faster than Deep Research - meeting prep, memo drafts, podcast research, industry analysis. What that means for the future of venture capital is anyone's guess lol

Legal Topics in Venture

Chris Harvey
@ChrisHarveyEsq
Mar 16

SEC Simplifies Accredited Investor Verification for Rule 506(c)—Key Takeaways:

1

What happened?

- This past week, the SEC issued a no-action letter providing bright-line guidance on how funds can satisfy "reasonable steps to verify" accredited investors under Rule 506(c).

Rule 506(c)

SEC No-Action Letter (3/12/2025)
"Reasonable Steps to Verify"

Minimum Investment Thresholds

\$200K+ Individuals

\$1M+ Entities*

Representations*

☒ Investor is an Accredited Investor
 ☒ Not Financed by a Third Party
 ☒ No Knowledge of Untrue Reps from Investor

Chris Harvey
@ChrisHarveyEsq
Mar 8

The Path Forward

One potential positive regulatory shift: NVCA's DEAL Act could gain traction under a new administration.

By classifying VC FoFs/2nd investments as "qualifying investments," federal law would ease restrictions around NQI allocations.

NEWS

Carried interest repeal could stifle investments in startups, NVCA says

TechCrunch article from Marina Temkin dated February 6, 2025

The tax break allows private equity and venture fund managers to treat their earnings from investments at a lower capital gains rate, rather than as ordinary income.

The removal of the tax break would be a big hit to the VC industry.



Nicholas Bird, CPA, CIA · 1st
Founder @ Stealth AI Startup | CPA, CIA
4d ·

"It's not about how hard you hit. It's about how hard you can get hit and keep moving forward."
— Rocky Balboa

Interest rates are hitting hard right now, with the new stabilized rate at >5%. How do you adapt to this new reality if you're a founder?

Be smart.

"I used to think cash management was something I'd professionalize when we hit \$10M ARR. Now it's a core function from day one."

This founder sums up the new reality for startups in 2025's high-interest environment.



Michael Bjorn Huseby · Following
Investment Funds + Securities Attorney | Venture Capital, Real Estate, Pri...
[Visit my website](#)
2d ·

⚠️ Perennial warning for *Venture Capital* managers:

Under current law, VC funds must have at least 80% of their assets as primary investments in operating companies. Secondaries and fund-of-funds investments do *not* count. 🚫

If you manage entities that don't meet this 80% threshold, you may have blown your VC exemption under the Investment Advisers Act (and applicable state law).

This applies to SPVs too! VC managers should form secondaries SPVs with caution.

Your VC exemption is precious. Don't blow it. 💣

NEWS

Munich's top business programme CDTM has a new venture fund — backed by alumni at startups like Tier and Personio

*Sifted article
from [Miriam Partington](#) dated February 12, 2025*

The fund is backed by 316 CDTM alumni — a mixture of unicorn founders, researchers from Big Tech and academia and executives from various corporates — who've pooled together €8.2m to invest in 60 fledgling startups over the next four years.

That might seem small, but investors behind the CDTM Venture Fund say successful founders and operators investing back into the ecosystem is key to the success of European tech.

NEWS

Why university spinouts are a big opportunity for institutional investors

*UK Tech News article
from [Chris Hopkins](#) dated February 27, 2025*

The UK has built up significant expertise at creating university spinouts, having established multiple investment platforms over the last 20 years that prompted the growth of key university hubs. Early pioneers of the investment model were platforms tied to universities in Oxford, Cambridge, and London.

Thanks



Rohit Yadav

Author - The Big Book of VC