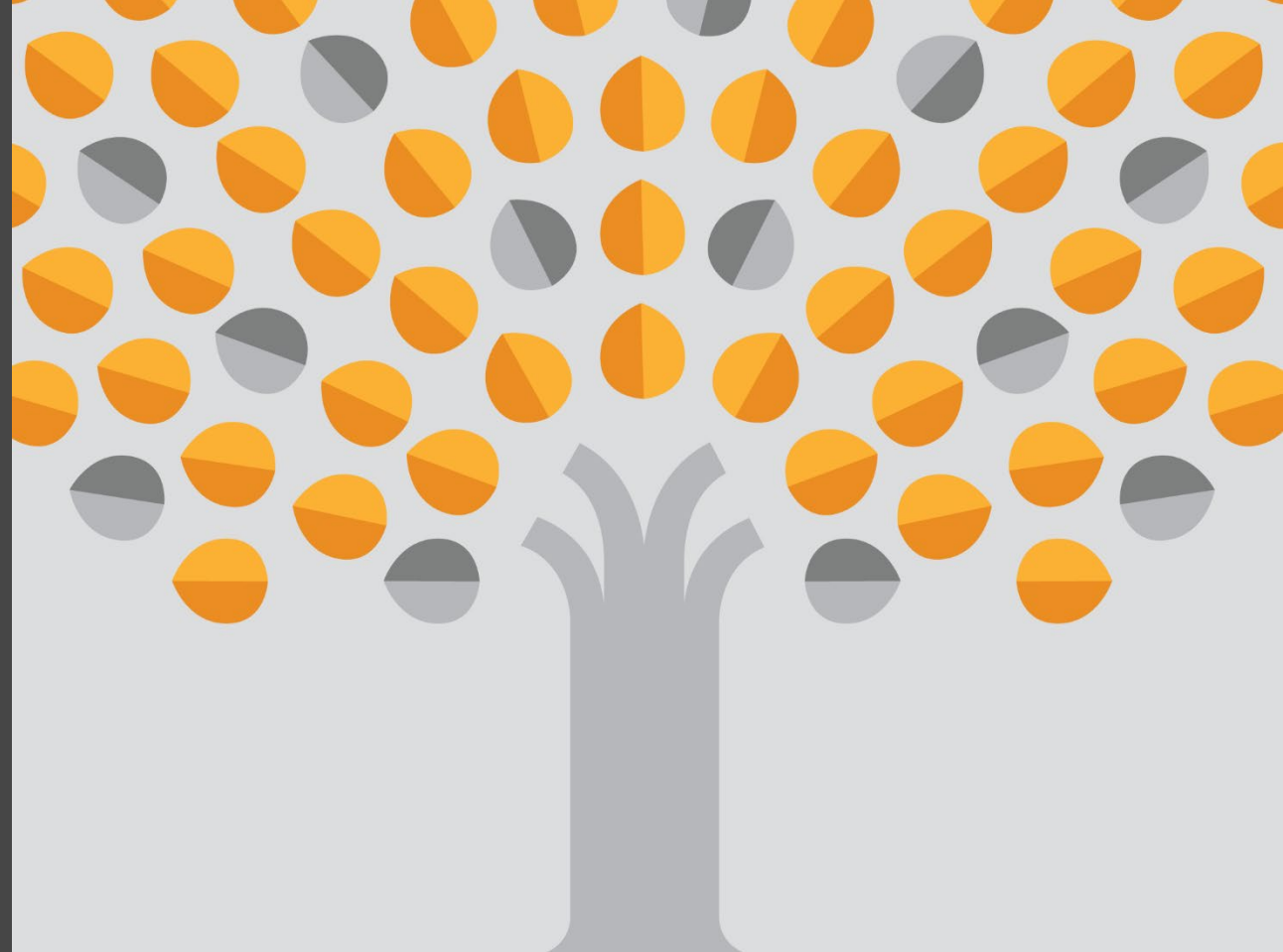


# MoneyTree™ Report Q3 2020



# Executive summary

Q3 2020

## US insights

### **Q3'20 funding to US-based, VC-backed companies is the second strongest quarter ever**

Investments reach \$36.5B in Q3'20, the second highest quarter ever: VC investments to US-based companies hit a 7-quarter high in Q3'20 at \$36.5B, up 22% year-over-year (YoY) and 30% from Q2'20. The quarterly increase in deal activity is more modest: 1,461 VC deals take place in Q3'20, a 1% increase from 1,440 deals in Q2'20. While deal activity has shown small increases each quarter so far this year, Q3'20 deals are still down 11% YoY amid the pandemic.

### **Number of quarterly mega-rounds climbs to a new record:**

Mega-rounds drive funding gains as 88 US-based companies raise rounds worth \$100M or more in Q3'20, surpassing the record set in Q2'20. As a result, mega-round deal share rises to 54% of total funding.

**Seed deals rise for the second consecutive quarter:** Seed deals continue their recovery after a sharp drop-off in Q4'19. Later-stage deal size is still high: Series D median deal size rises to \$50M vs. \$32M in Q2'20.

## Geographic insights

### **Global deal activity and funding see quarterly rises**

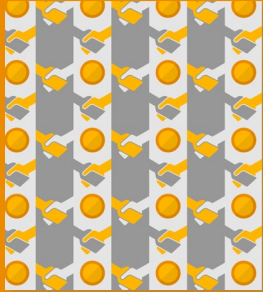
North America, Asia, and Europe see combined funding of \$71.9B in Q3'20, a historical record: Global VC funding rises over 40% in Q3'20 compared to Q2'20.

**Asia sees the largest jump in funding and deals, deal activity surpasses North America:** Asia deal activity rises over 14% in Q3'20, compared to a 1% rise in North America and a flat quarter in Europe. Funding to startups in Asia increases 74%, while jumping 29% in both Europe and North America in Q3'20 vs. Q2'20.

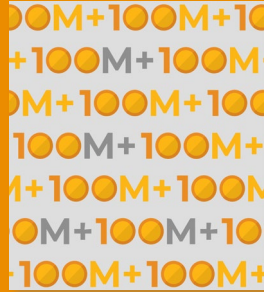
**Los Angeles and Seattle Metros see significant upticks in deal activity:** Los Angeles deal activity increases to 115 in Q3'20, up from 86 in Q2'20. Seattle deal activity jumps 33% in Q3'20 compared to Q2'20.

**Most of the top metros see an increase in investments:** While quarterly deal activity declines in six of the top ten metros, only two see a decline in investments in Q3'20, as mega-rounds drive funding gains across major metros.

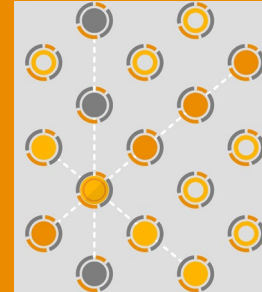
# Contents



Deals and Dollars



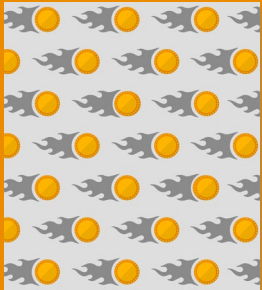
Mega-rounds



Sectors



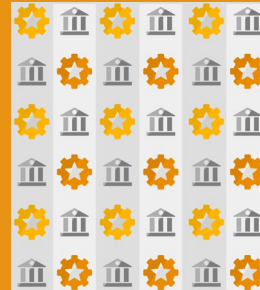
Unicorns



Exits



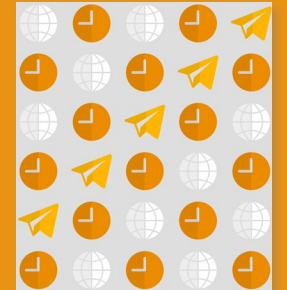
Metros



States



Emerging areas

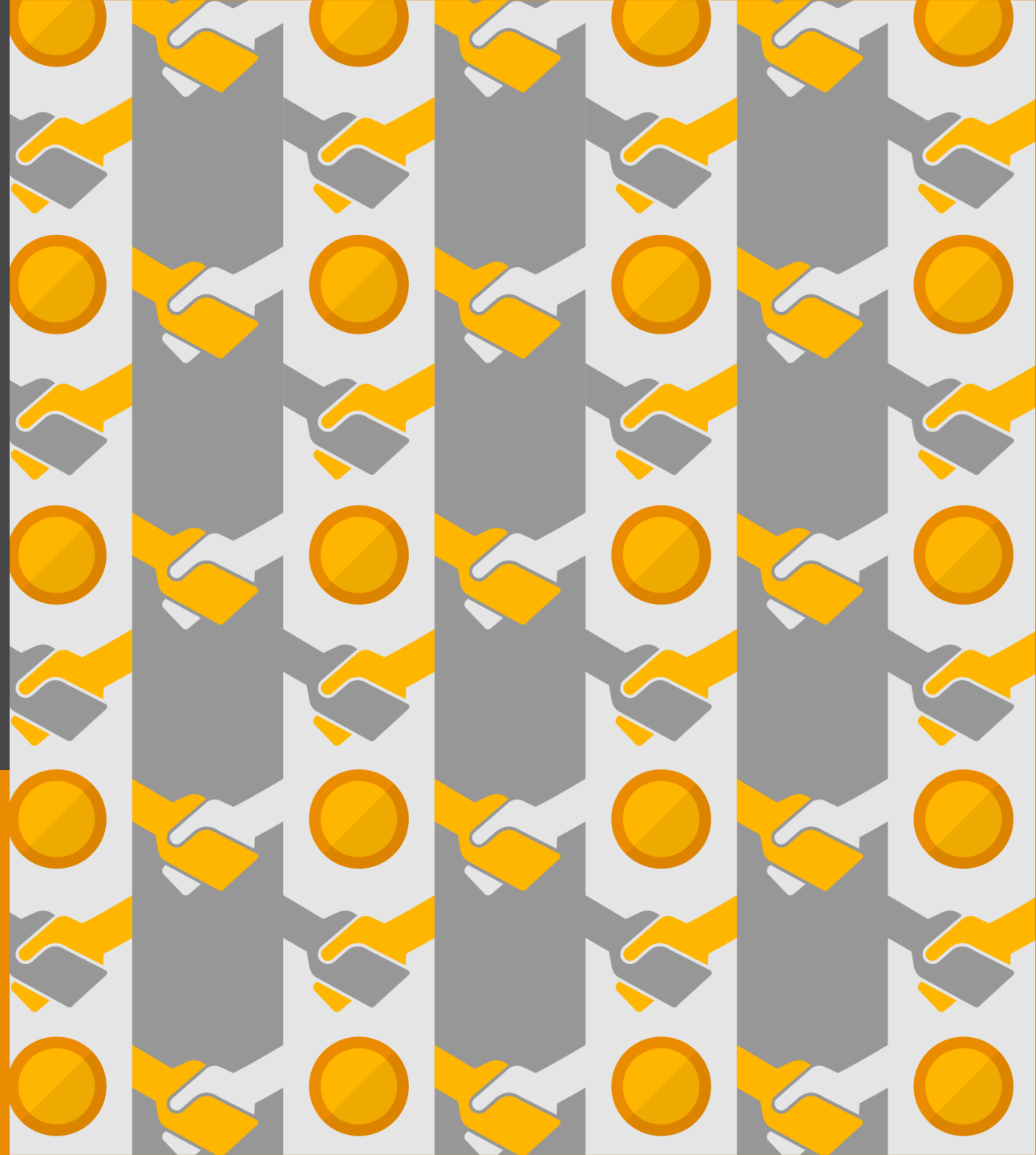


Global

# Deals and Dollars

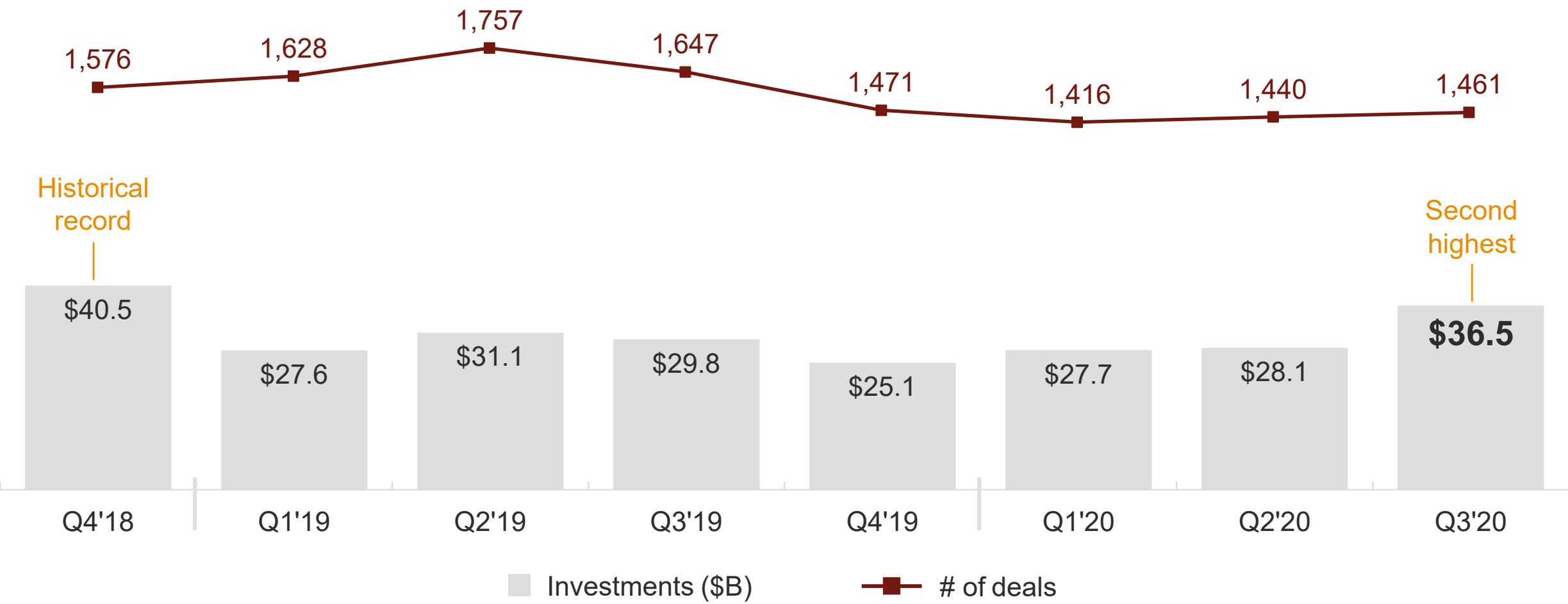


Source: PwC/CB Insights MoneyTree™ Report Q3 2020



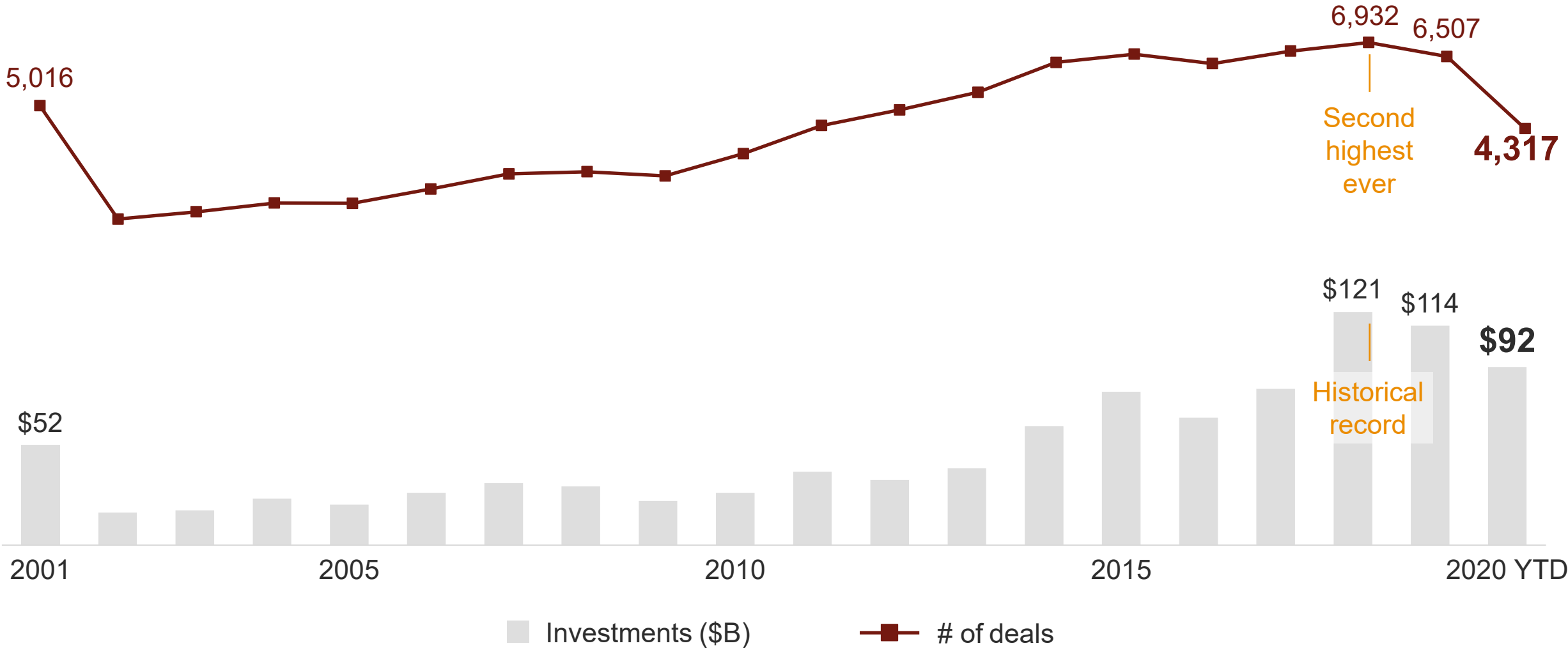
# US VC funding in Q3'20 is second highest ever

## US deals and dollars – Quarterly



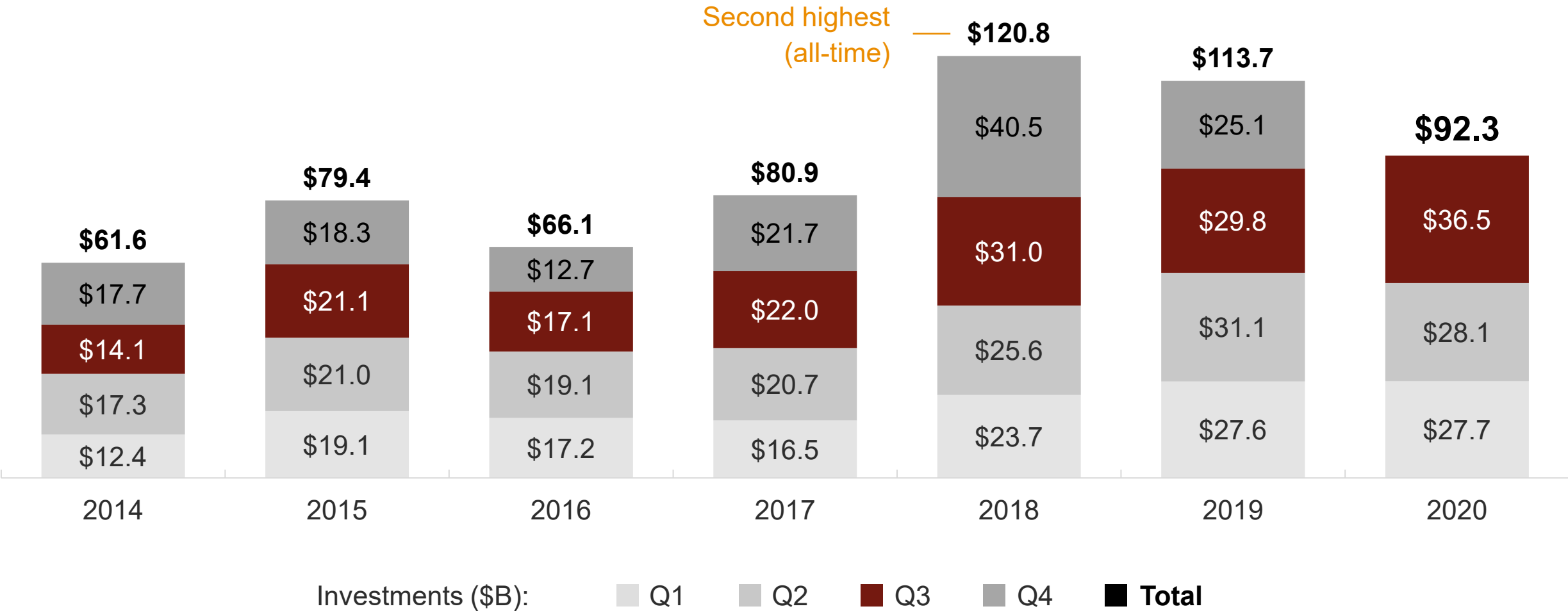
# 2020 funding pace is near record levels while deals fall short

## US deals and dollars – Annual



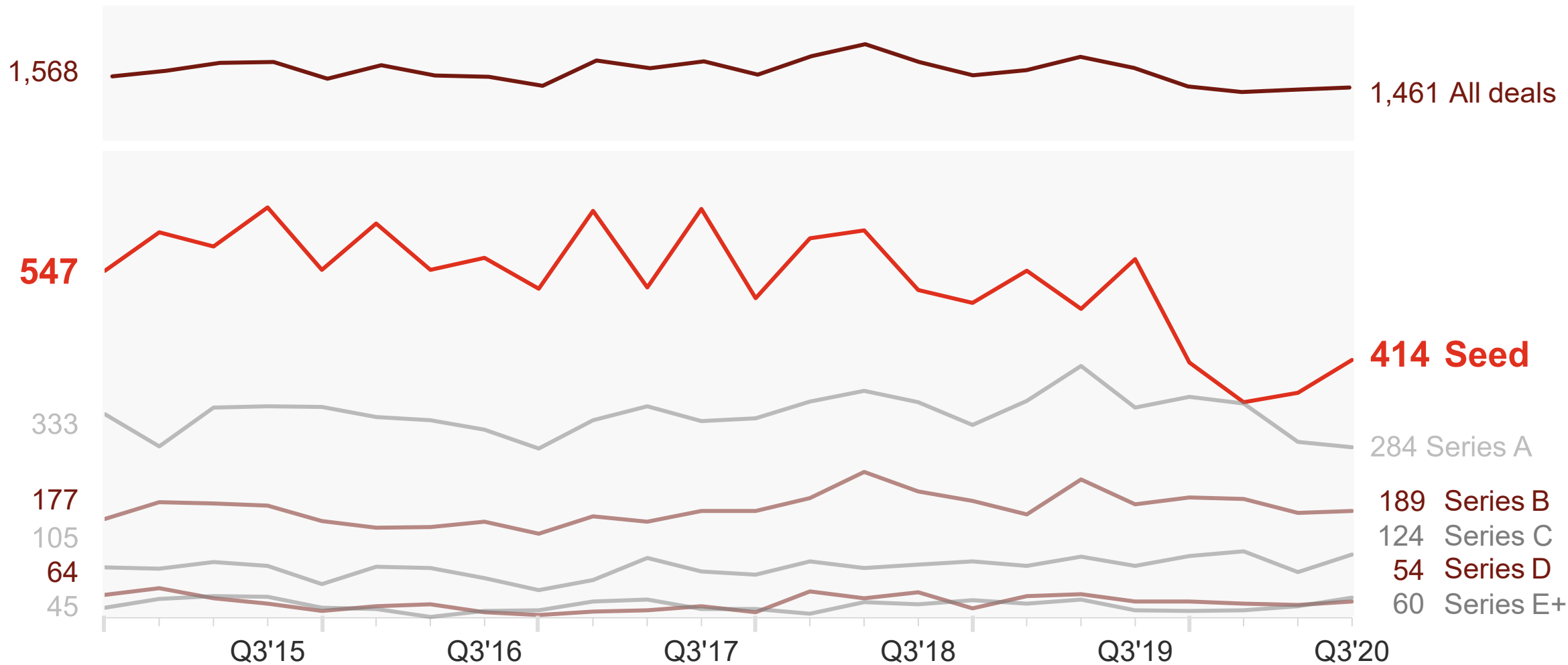
# Q3'20 is the strongest third quarter in over six years

## US funding – Quarterly seasonality



# Seed deal activity rises for second consecutive quarter

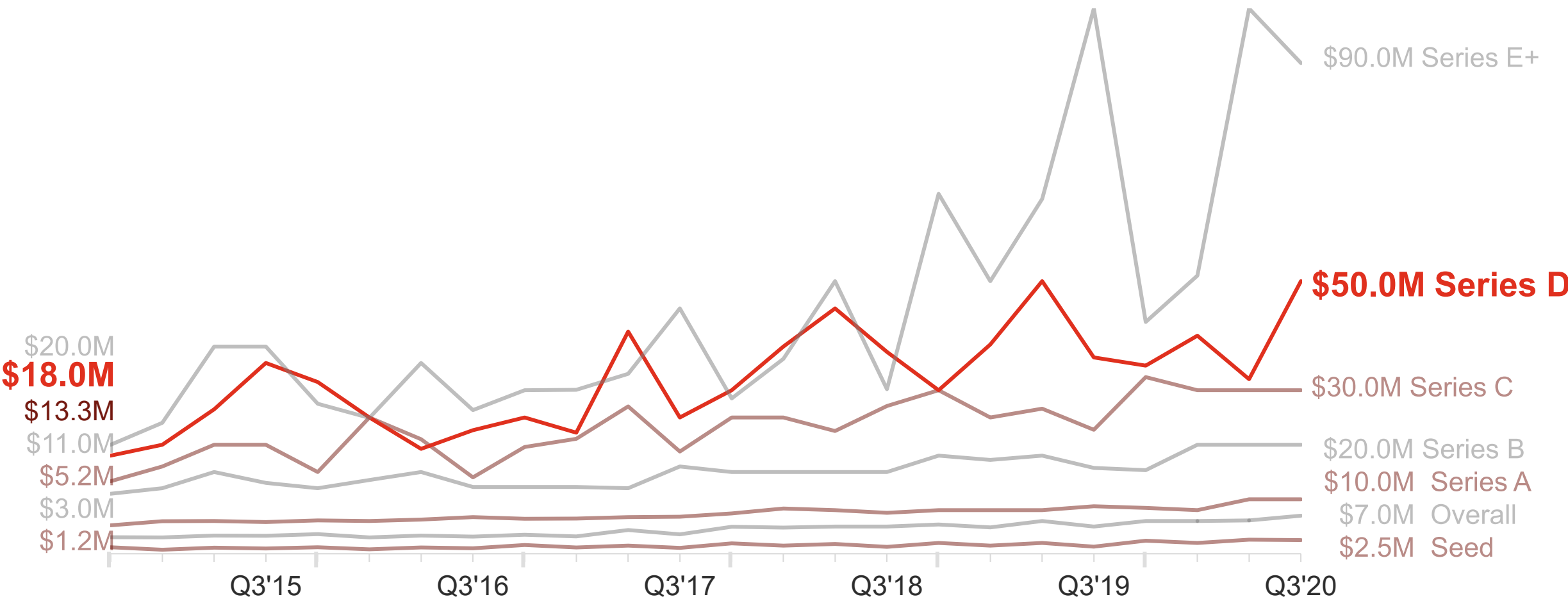
## US deal activity by round





# Series D median deal size jumps in Q3'20

US median deal size by round





Emerging Company Solutions

# Turn vision into reality.

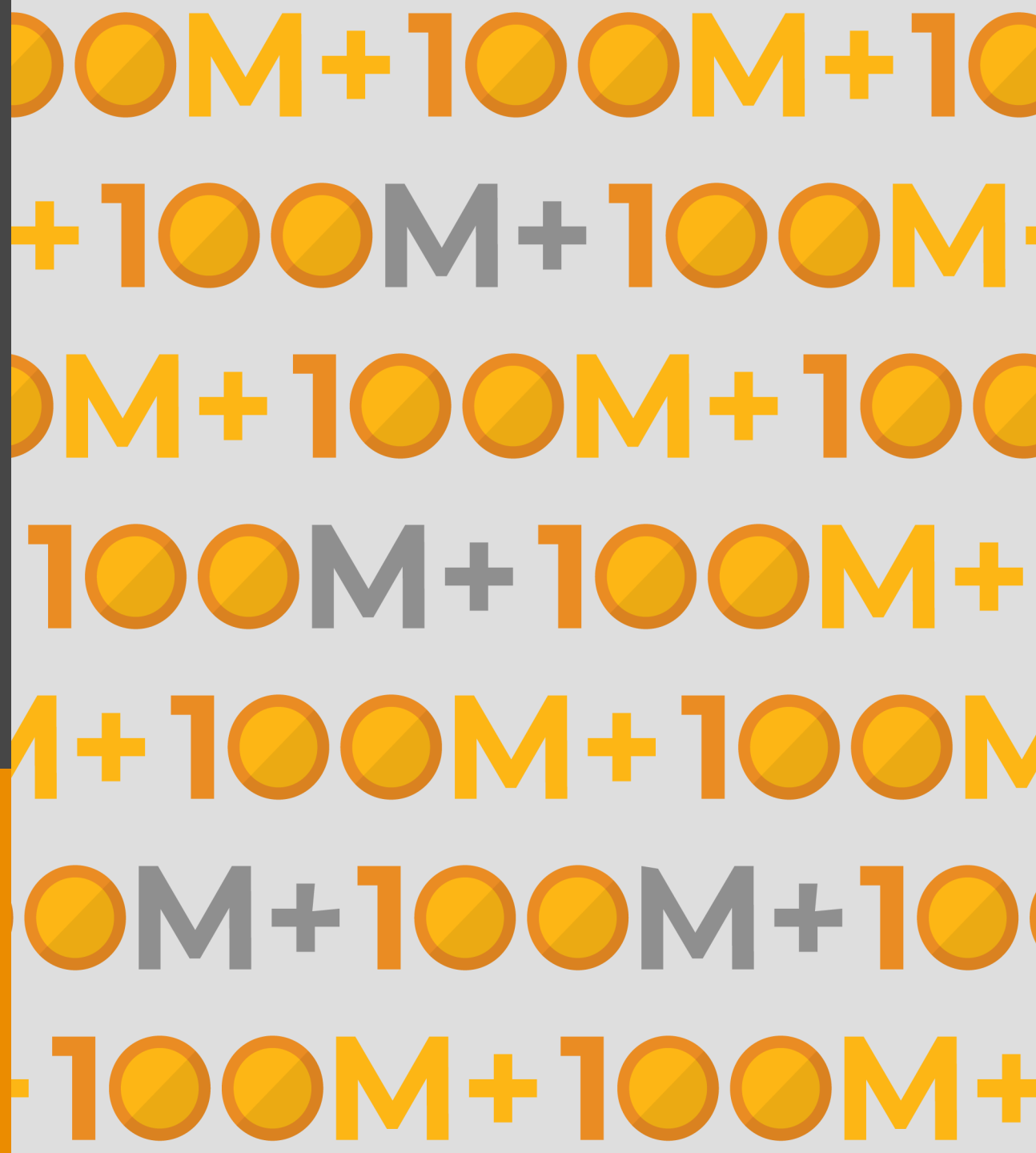
We're focused on helping you clear the path for your next move, so you can act fast and grow.

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# Mega-rounds

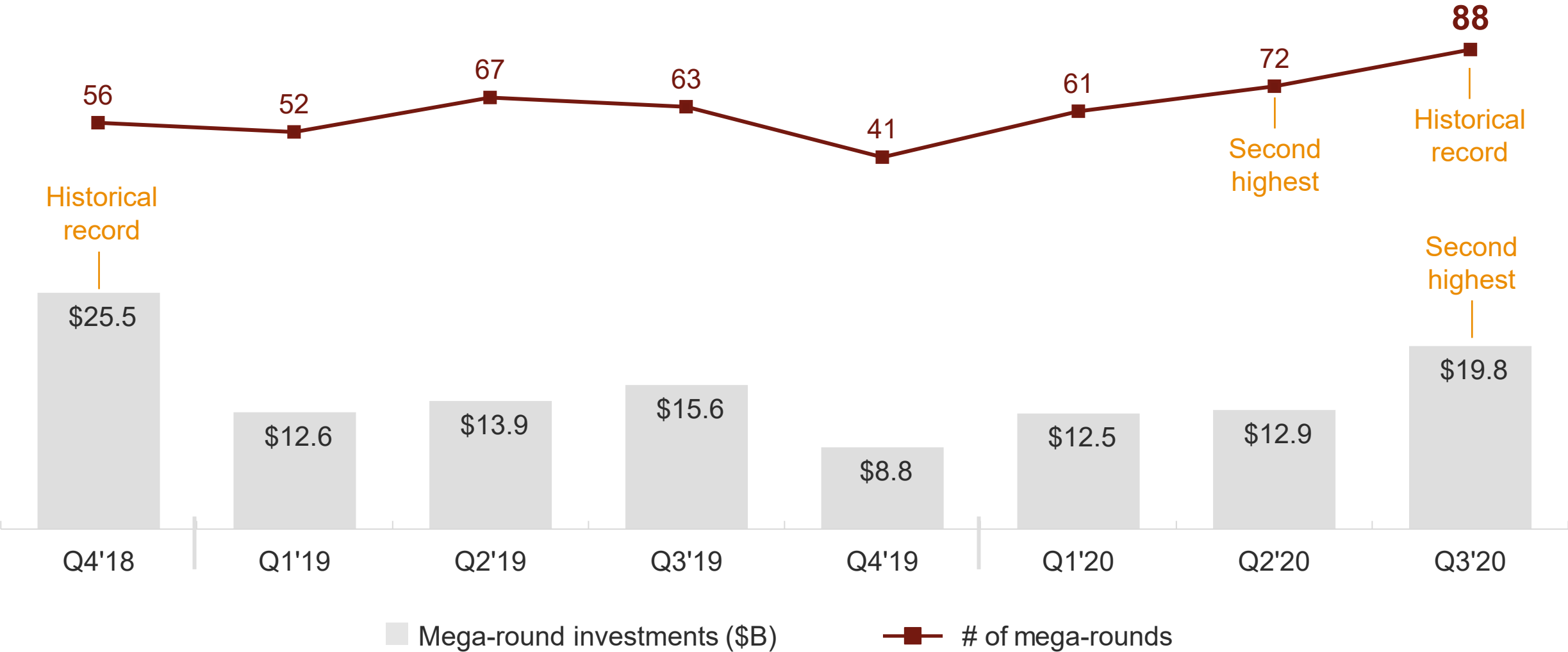


Source: PwC/CB Insights MoneyTree™ Report Q3 2020



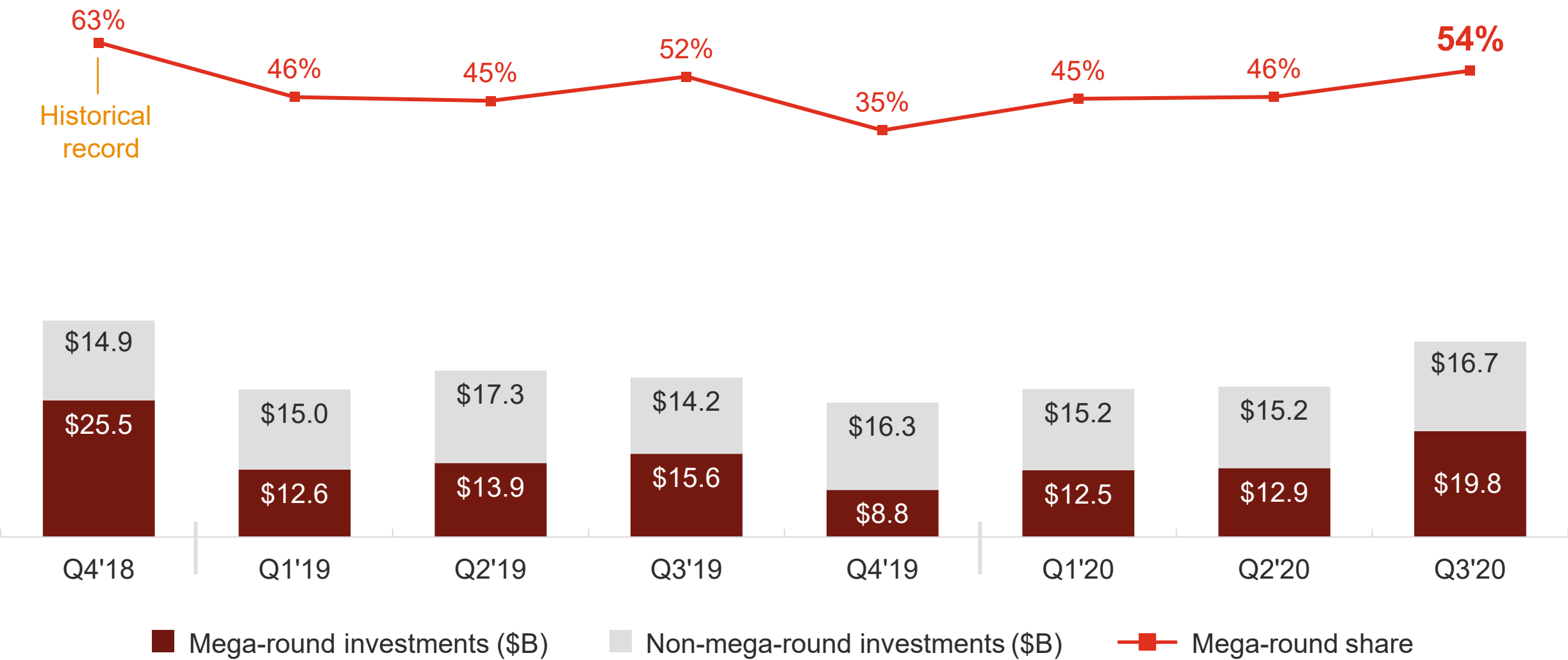
# Number of quarterly mega-rounds climbs to a new high

## US mega-rounds – Investments and deal count



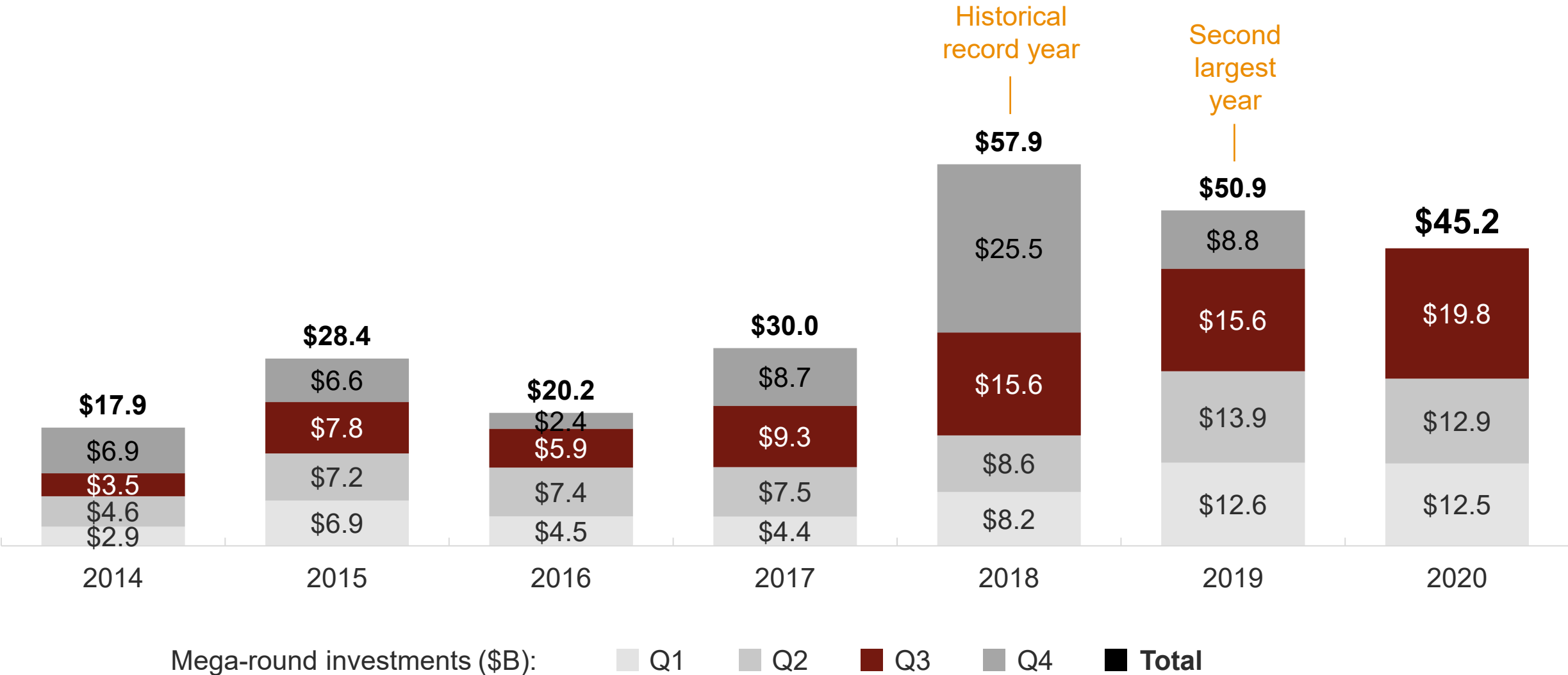
# More than half of Q3'20 funding comes from mega-rounds

## US mega-rounds – Funding and share of total funding



# 2020 mega-round investments are growing at record pace

## US mega-rounds – Quarterly seasonality

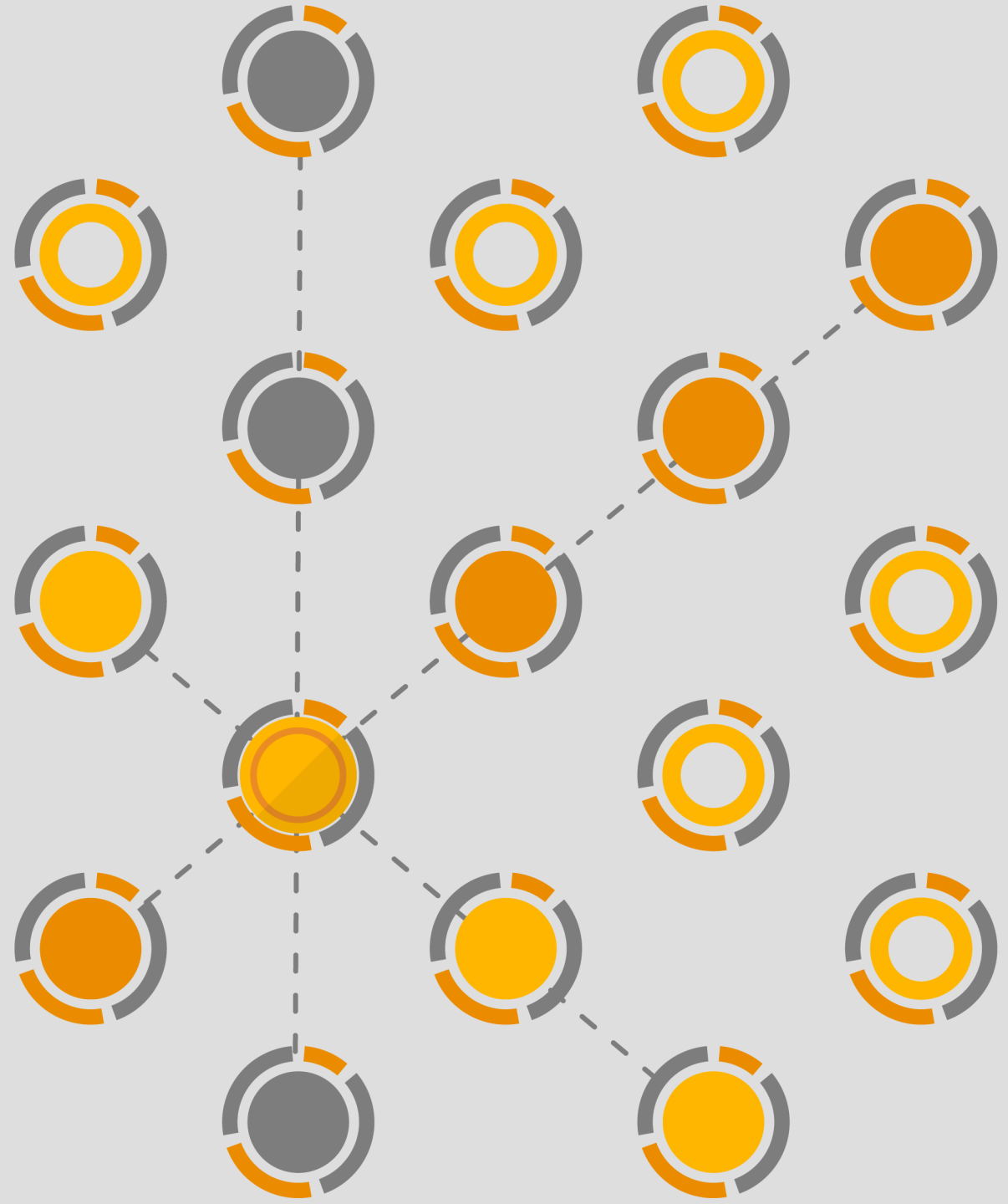


# Top 2 funding rounds in the US raise over \$1B each

## Largest US deals of Q3'20

Company	Investment Round	Select investors	Vertical
<b>1 SpaceX</b> Hawthorne, CA	<b>\$1.9B</b> Series E+	Fidelity Investments, Legendary Ventures	Industrial Aerospace & Defense
<b>2 Epic Games</b> Cary, NC	<b>\$1.5B</b> Private Equity	Lightspeed Venture Partners, Fidelity Investments, KKR	Software (non-internet/mobile) Gaming
<b>3 Affirm</b> San Francisco, CA	<b>\$500M</b> Series E+	Lightspeed Venture Partners, Spark Capital, Founders Fund	Mobile & Telecommunications Mobile Software & Services Payments
<b>3 Bright Health</b> Minneapolis, MN	<b>\$500M</b> Series E+	New Enterprise Associates, Bessemer Venture Partners, Greenspring Associates	Healthcare Health Plans
<b>3 Diligent</b> New York, NY	<b>\$500M</b> Private Equity	Insight Partners, Blackstone, Clearlake Capital Group	Internet Internet Software & Services Collaboration & Project Management

# Sectors





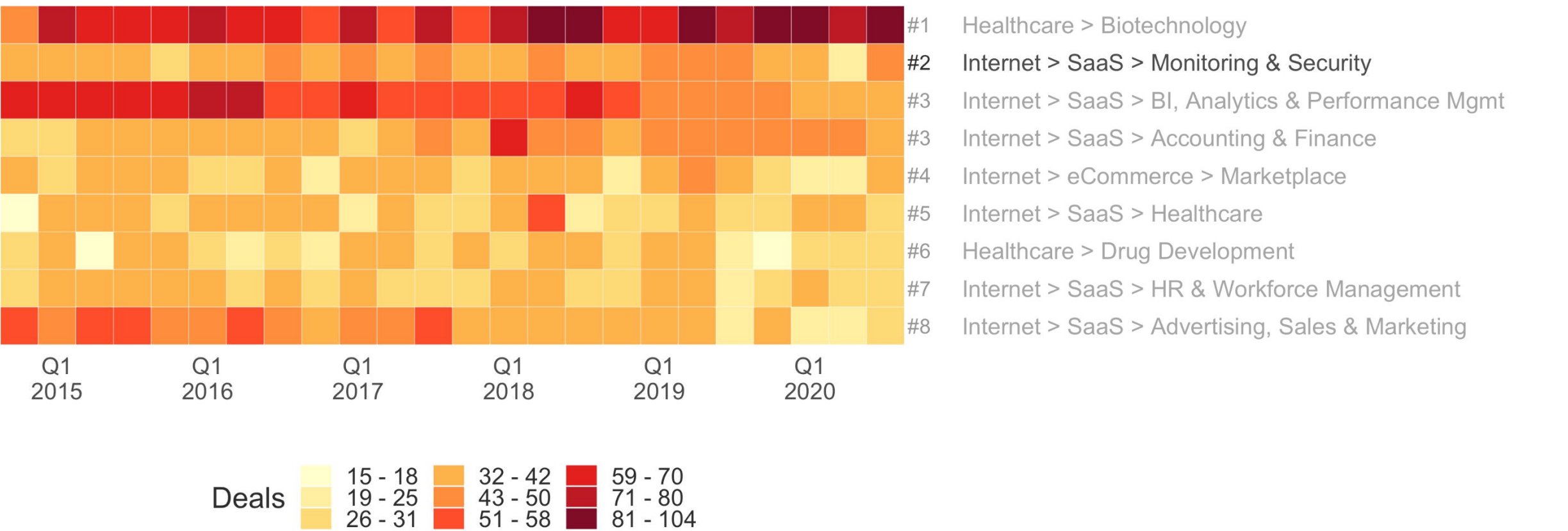
# Internet startups continue to receive outsized financing

## Deals and dollars – US sectors

Sector	# of Deals	Funding
1 Internet	578	\$12.7B
2 Healthcare	271	\$8.0B
3 Mobile & Telecommunications	166	\$4.3B
4 Software (non-internet/mobile)	127	\$3.8B
5 Consumer Products & Services	61	\$0.5B

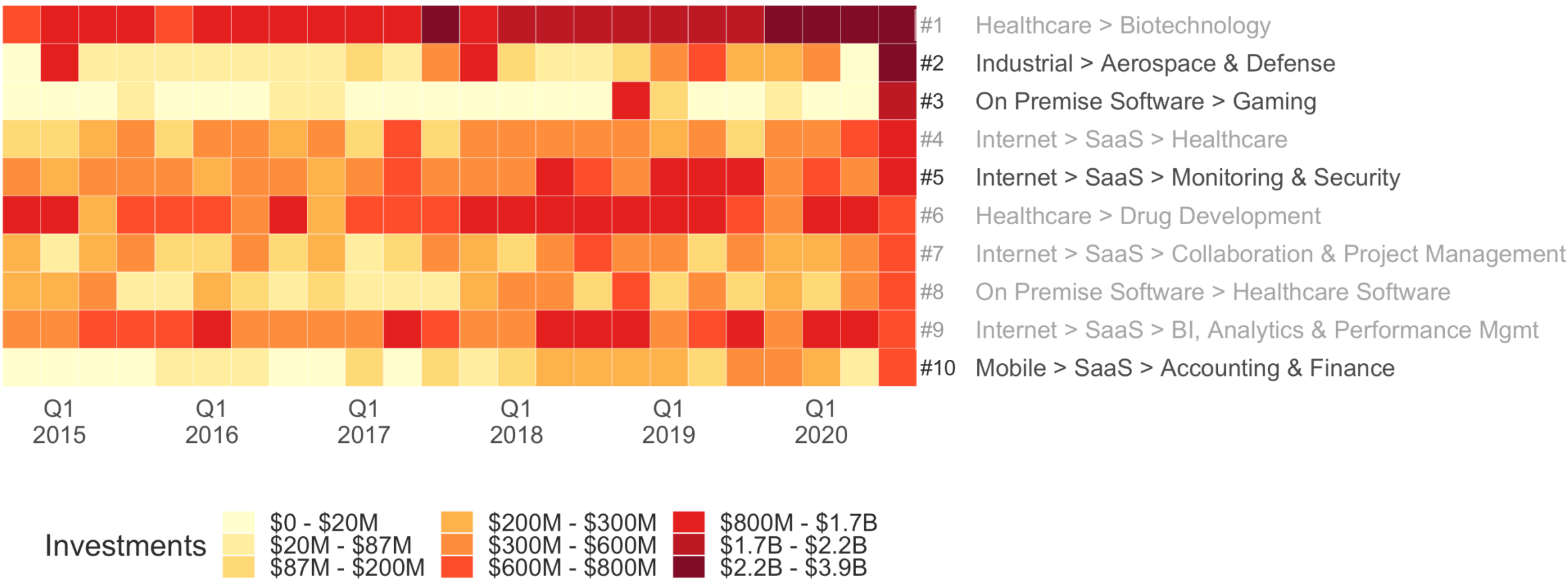
# Monitoring and security deals grow more than double in Q3'20

## Top 10 US verticals by deal activity



# Investments in four verticals more than doubled this quarter

## Top 10 US verticals by investments



# Unicorns

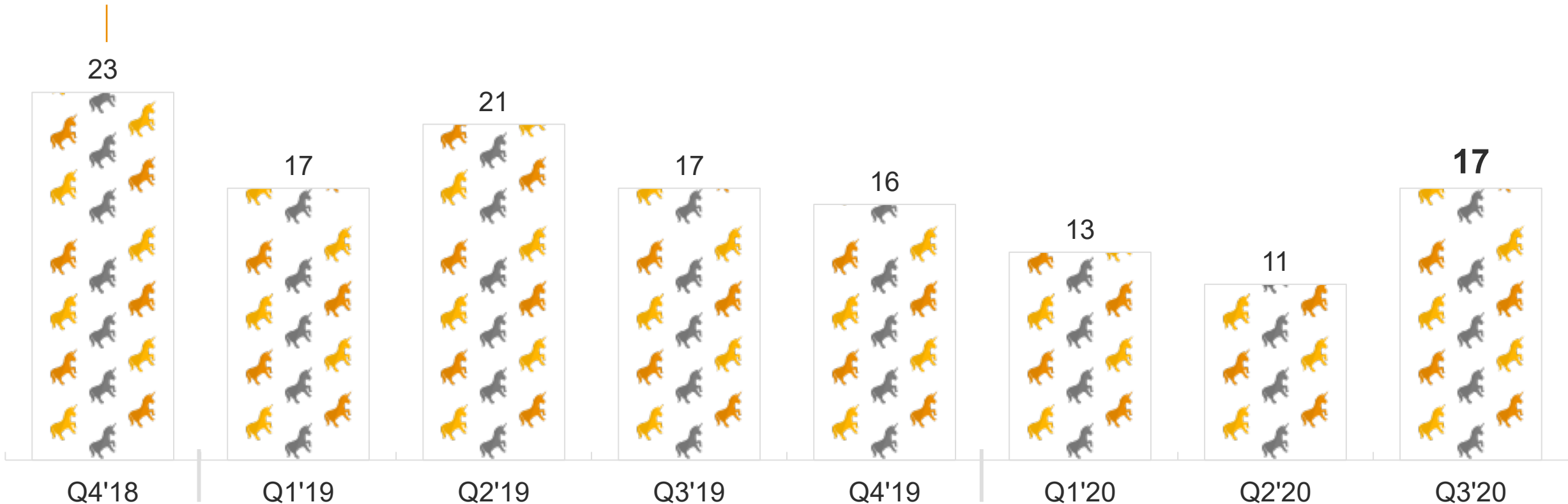


Source: PwC/CB Insights MoneyTree™ Report Q3 2020

# US unicorn births rebound in Q3'20

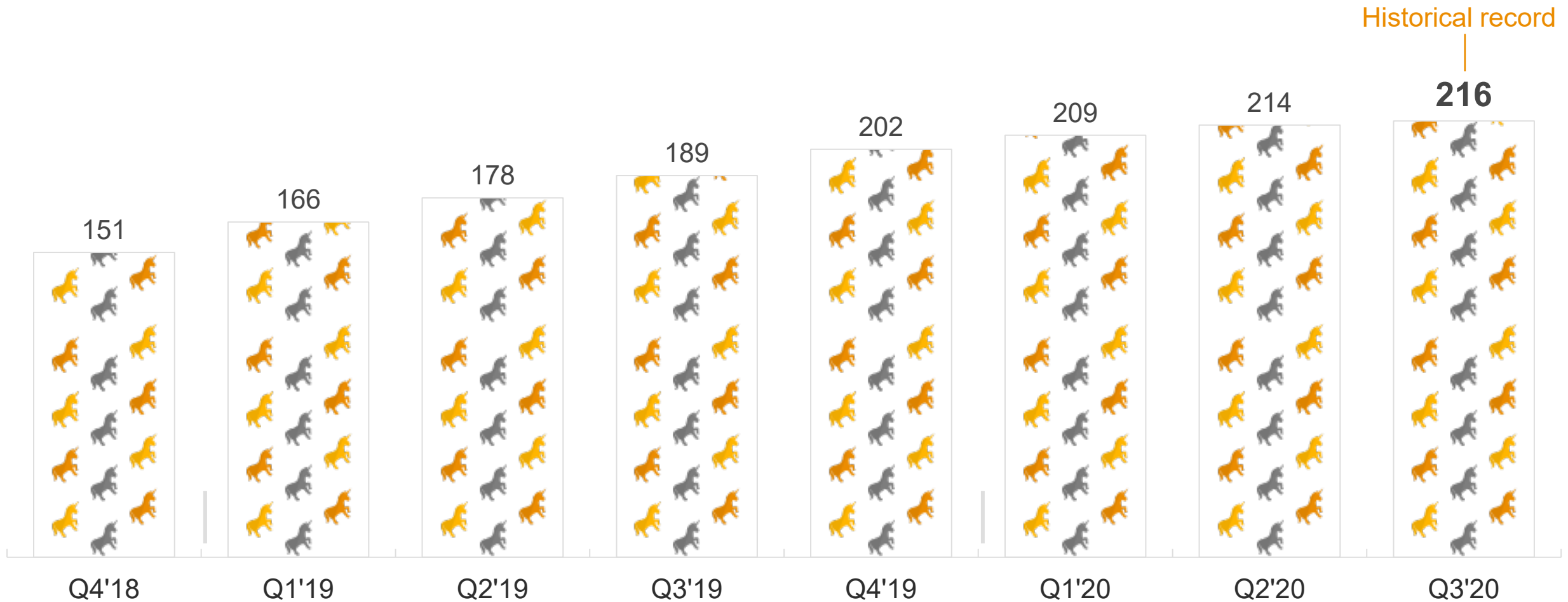
Unicorns – New US VC-backed unicorns by quarter

Historical record



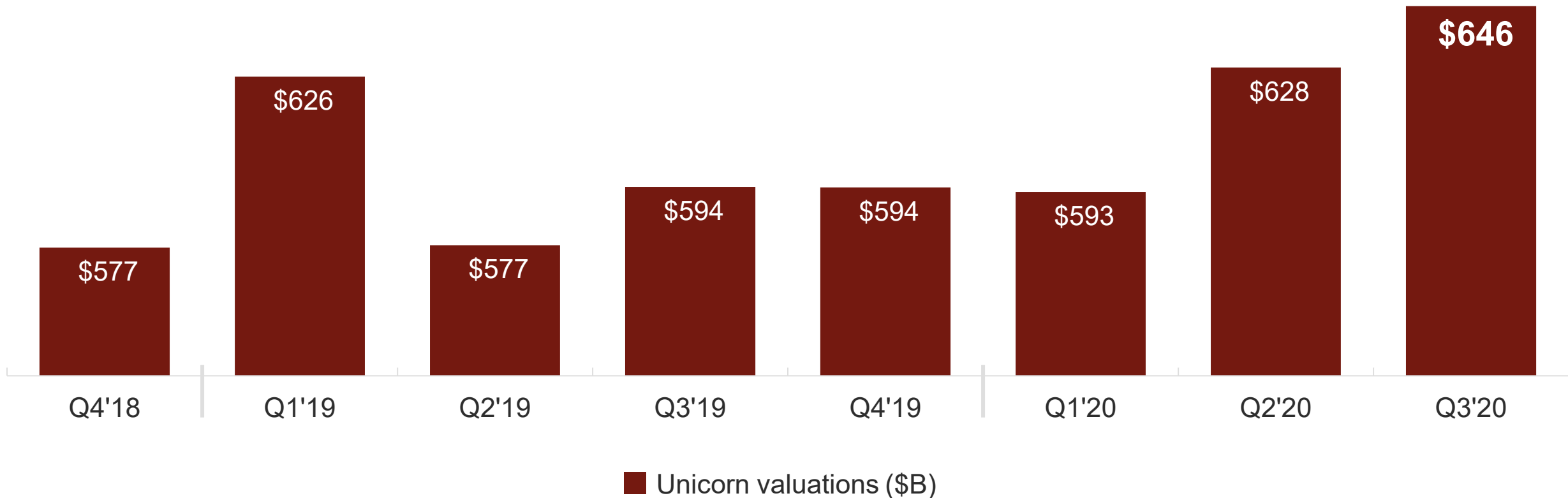
# The total US unicorn population continues to climb

## Unicorns – Total unicorn population



# Aggregate valuation rises for the second consecutive quarter

## Unicorns – US aggregate unicorn valuation



# SpaceX rises to highest-valued unicorn after \$1.9B funding round

## Top 5 highest-valued US unicorns – Q3'20

Company	Valuation	Vertical	Emerging areas	Select investors
<b>1</b> <b>SpaceX</b> Hawthorne, CA	<b>\$46.0B</b>	Industrial Aerospace & Defense	Space Tech	Fidelity Investments, Google
<b>2</b> <b>Stripe</b> San Francisco, CA	<b>\$36.0B</b>	Internet Internet Software & Services Payments	FinTech	Tiger Global Management
<b>3</b> <b>Airbnb</b> San Francisco, CA	<b>\$18.0B</b>	Internet E-Commerce Travel	On-Demand	Sequoia Capital, Andreessen Horowitz, Greylock Partners, General Catalyst
<b>4</b> <b>Epic Games</b> Cary, NC	<b>\$17.0B</b>	Software (non-internet/mobile) Gaming	Gaming	Lightspeed Venture Partners, KKR, Smash Ventures, Tencent Holdings
<b>5</b> <b>DoorDash</b> San Francisco, CA	<b>\$16.0B</b>	Internet E-Commerce Food & Grocery	On-Demand	Sequoia Capital, DST Global, Khosla Ventures



# Epic Games joins top 5 funded US startups after Palantir IPO

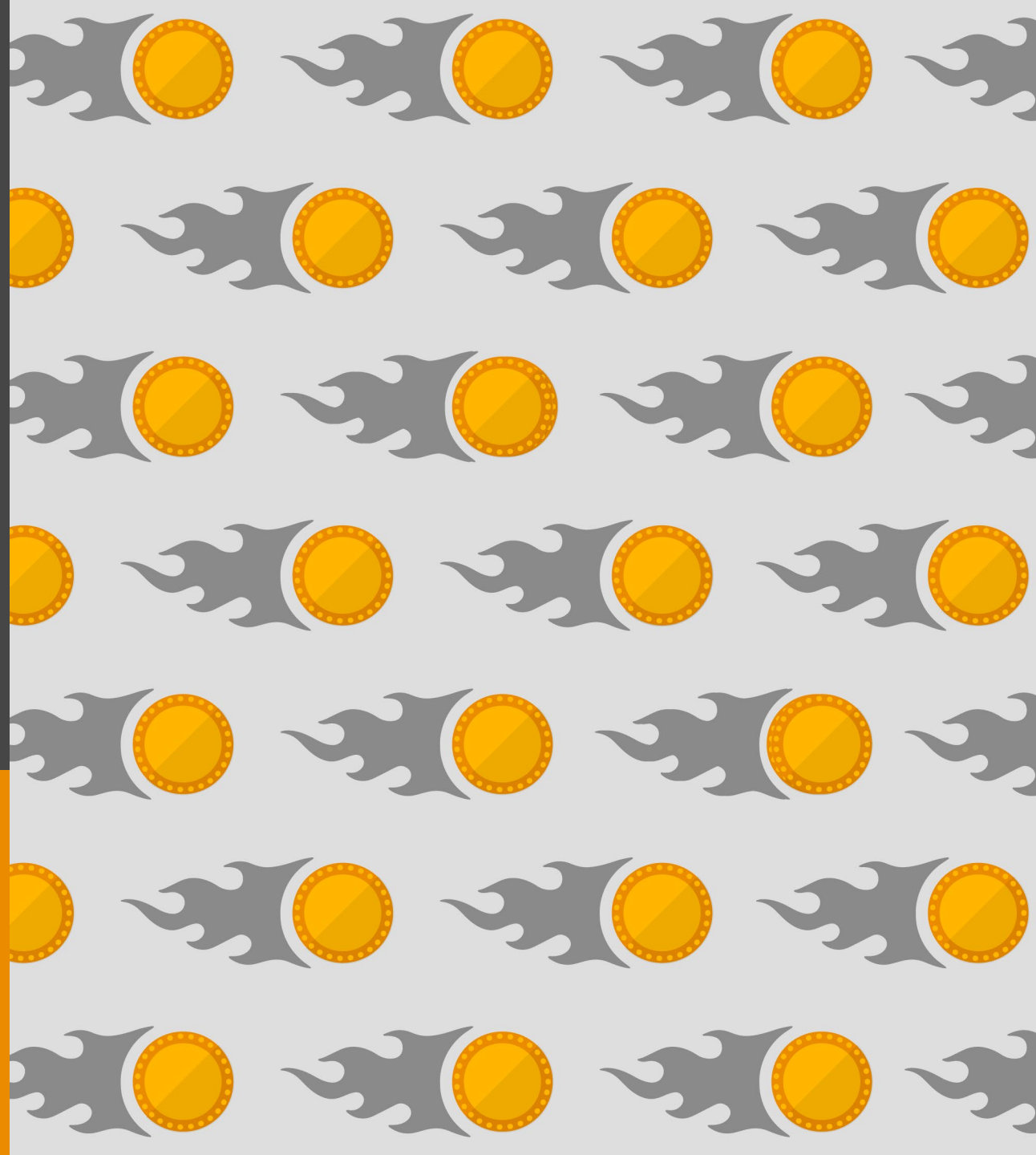
## Top 5 most-funded US-based companies – Q3'20

Company	Funding	Vertical	Emerging areas	Select investors
<b>1 Juul Labs</b> San Francisco, CA	<b>\$15.0B</b>	Consumer Products & Services Consumer Electronics	Consumer Hardware	Coatue Management, D1 Capital Partners, Tiger Global Management
<b>2 SpaceX</b> Hawthorne, CA	<b>\$5.1B</b>	Industrial Aerospace & Defense	Space Tech	Founders Fund, Threshold Ventures, Fidelity Investments, Google
<b>3 Airbnb</b> San Francisco, CA	<b>\$3.6B</b>	Internet E-Commerce Travel	On-Demand	Sequoia Capital, Andreessen Horowitz, Greylock Partners, General Catalyst
<b>4 Epic Games</b> Cary, NC	<b>\$3.4B</b>	Software (non-internet/mobile) Gaming	Gaming	Lightspeed Venture Partners, KKR, Smash Ventures, Tencent Holdings
<b>5 Magic Leap</b> Plantation, FL	<b>\$3.0B</b>	Software (non-internet/mobile) Scientific, Engineering Software	AR/VR	Alibaba Group, Fidelity Investments, Google

# Exits

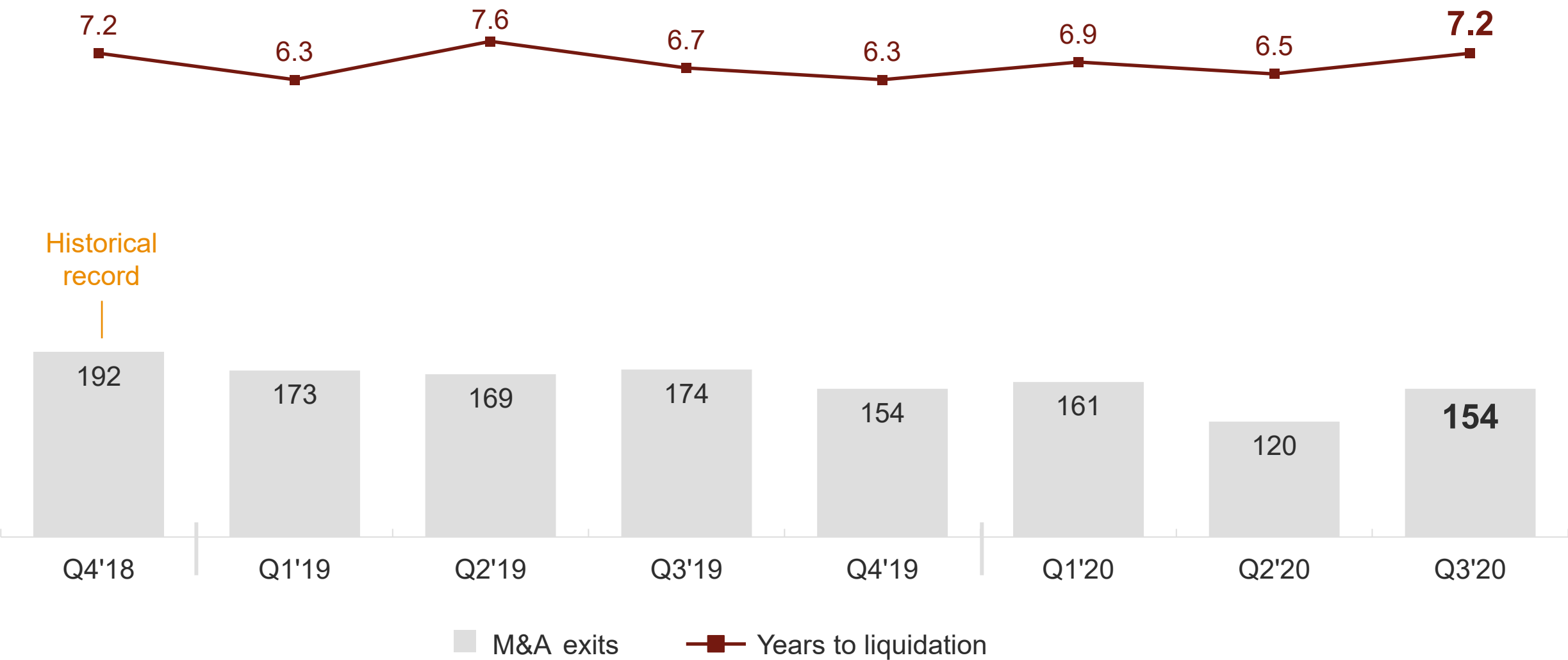


Source: PwC/CB Insights MoneyTree™ Report Q3 2020



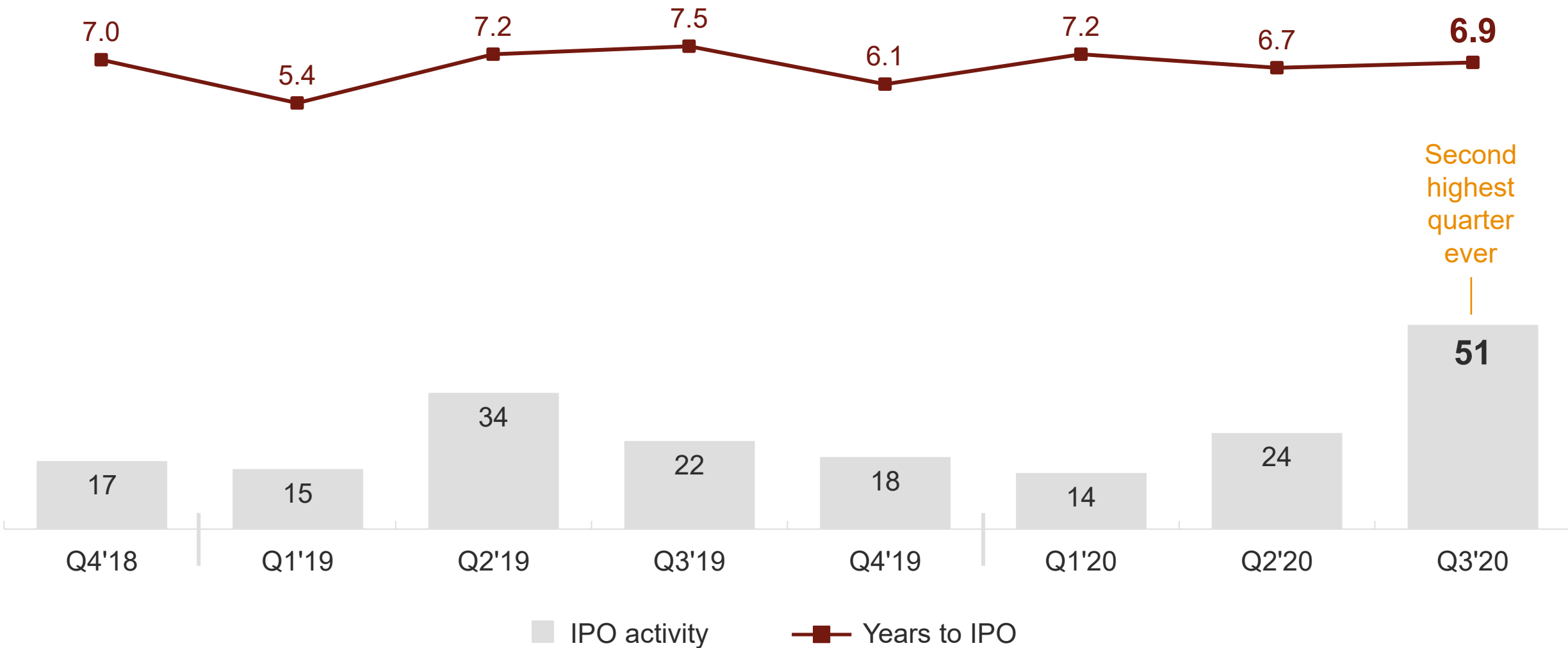
# Q3'20 M&A exits rebound after a fall in activity in Q2'20

## US M&A exits – Quarterly



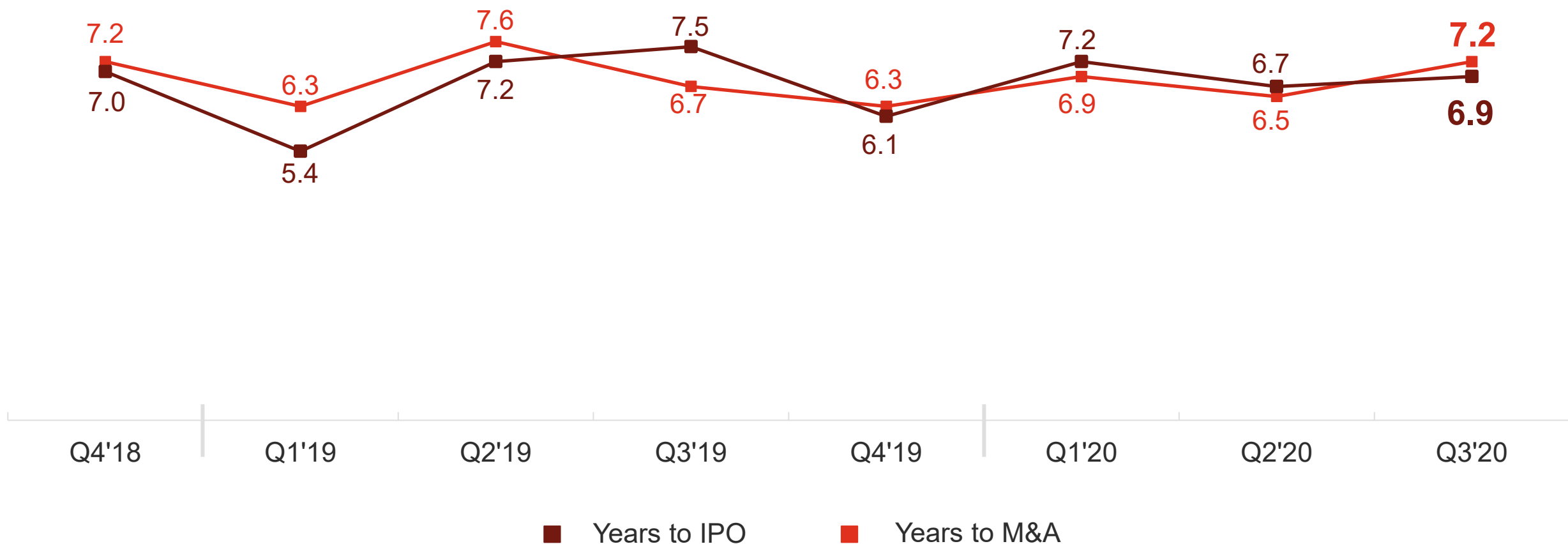
# US IPO exits more than double in Q3'20 to reach new high

## US IPOs – Quarterly



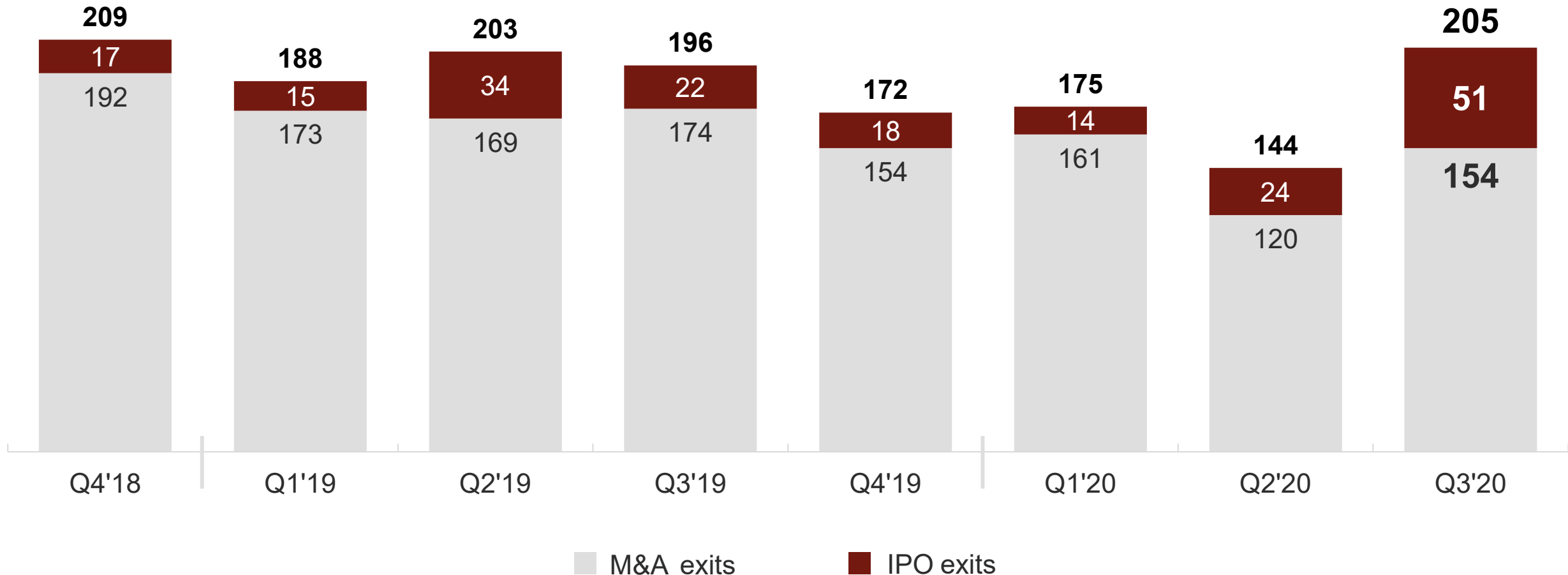
# IPO and M&A time-to-exit tick upward in Q3'20

## US M&A exits and IPOs – Time-to-exit



# Both M&A and IPO exits see significant quarterly rise in Q3'20

## US M&A exits and IPOs – Number of exits



# Healthcare startup GRAIL is the top M&A exit of Q3'20

## Top 5 US M&A exits of Q3'20

	Company	Valuation	Last round	Vertical	Select prior investors	Buyer
1	<b>GRAIL</b> Menlo Park, CA	<b>\$8.0B</b>	Series D	<b>Healthcare</b> Disease Diagnosis	ARCH Venture Partners, Kleiner Perkins Caufield & Byers	Illumina
2	<b>OSIsoft</b> San Leandro, CA	<b>\$5.0B</b>	Secondary Market	Internet Internet & Software Services Business Intelligence, Analytics & Performance Mgmt	Kleiner Perkins Caufield & Byers, Technology Crossover Ventures	AVEVA
3	<b>Postmates</b> San Francisco, CA	<b>\$2.7B</b>	Series H	Mobile & Telecommunications Mobile Software & Services Supply Chain & Logistics	AngelPad, Founders Fund, Tiger Global Management	Uber
4	<b>CradlePoint</b> Boise, ID	<b>\$1.1B</b>	Series C	Internet Internet Software & Services Networking & Connectivity	OVP Venture Partners, Highway 12 Ventures	Ericsson
5	<b>Silver Peak Systems</b> Santa Clara, CA	<b>\$0.9B</b>	Growth Equity	Mobile & Telecommunications Telecom Services Wireless	Greylock Partners, DAG Ventures	Hewlett Packard Enterprise

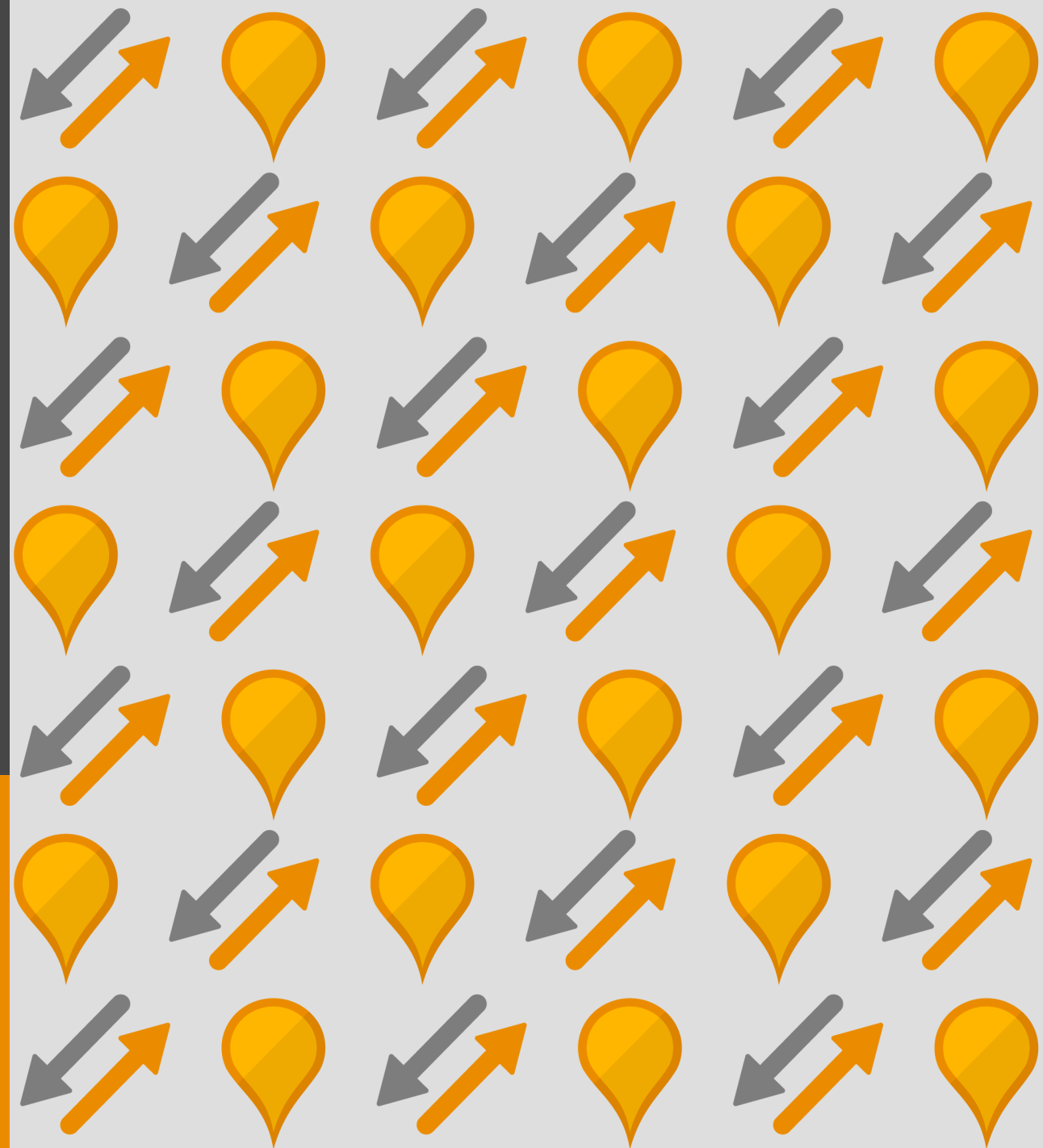
# Snowflake Computing's IPO is the largest exit in Q3'20

## Top 5 US IPOs of Q3'20

Company	Valuation	Last round	Vertical	Select prior investors
<b>1 Snowflake Computing</b> San Mateo, CA	<b>\$33B</b>	Secondary Market	Internet Internet & Software Services Database Management	Sutter Hill Ventures, Altimeter Capital, Redpoint Ventures, Sequoia Capital
<b>2 Palantir Technologies</b> Denver, CO	<b>\$22B</b>	Corporate Minority	Software (non-internet/mobile) Business Intelligence, Analytics & Performance Mgmt Software	Founders Fund, Tiger Global Management
<b>3 Unity</b> San Francisco, CA	<b>\$14B</b>	Series E+	Software (non-internet/mobile) Multimedia & Graphics	Sequoia Capital, Silver Lake
<b>4 GoodRx</b> Santa Monica, CA	<b>\$13B</b>	Option/Warrant	Internet Internet & Software Services Information Providers & Portals	Founders Fund, Highland Capital Partners, Upfront Ventures
<b>5 Oak Street Health</b> Chicago, IL	<b>\$5B</b>	Unattributed VC	Healthcare Medical Facilities & Services Long-term Care	General Atlantic, Aberdare Ventures



# Metros



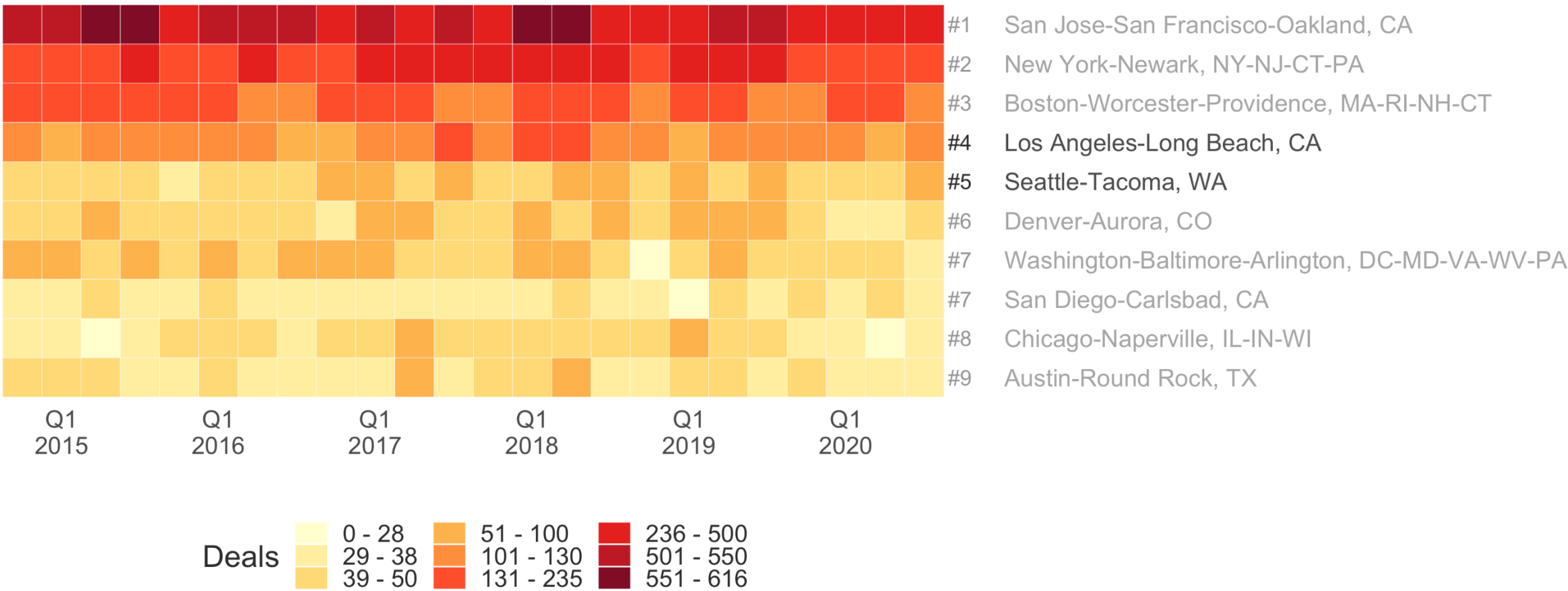
Source: PwC/CB Insights MoneyTree™ Report Q3 2020

Majority of the top metros grow investments despite declines in deal activity in several areas

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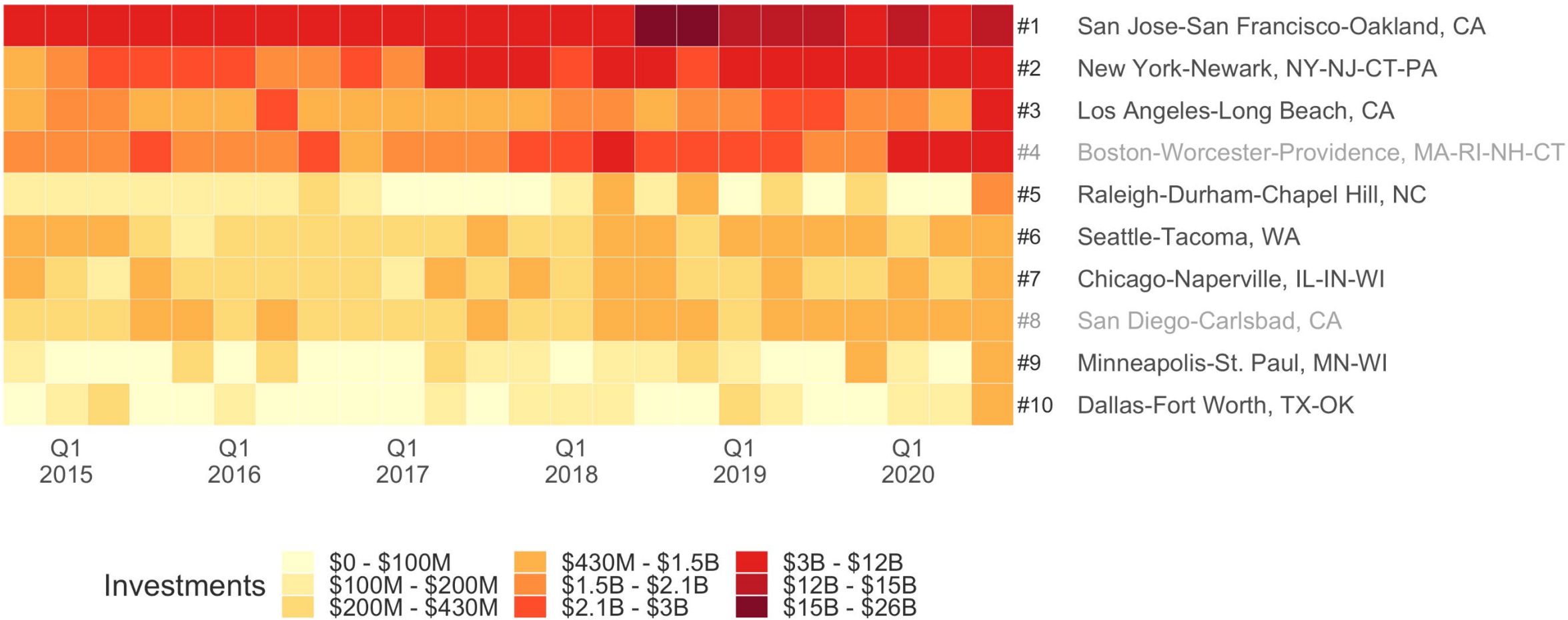
# LA and Seattle deals grow by over 30% QoQ

## Top 10 Metros by deal activity



# Majority of the top metros grow investments in Q3'20

## Top 10 Metros by investments





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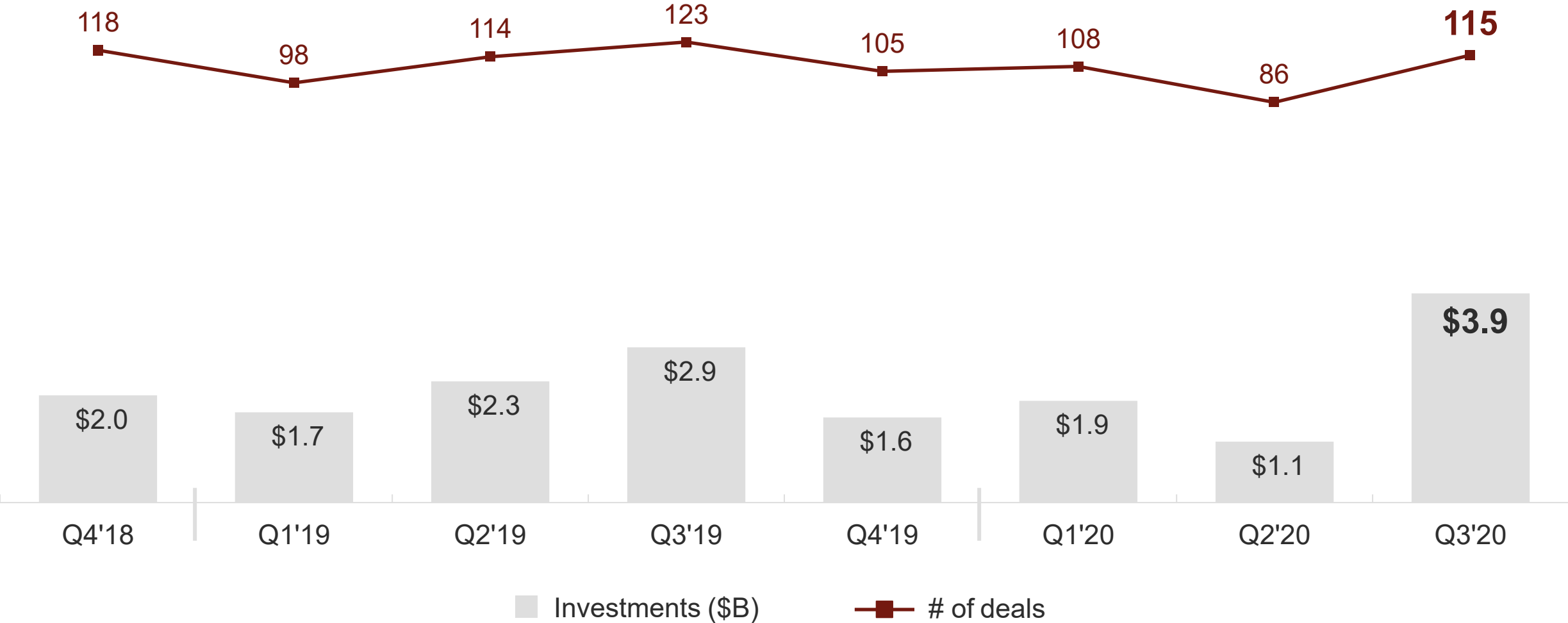
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# LA Metro

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# Los Angeles Metro financing rebounds in Q3'20

LA Metro deals and dollars – Quarterly



# Aerospace & Defense startups see major funding in Q3'20

## Top LA Metro deals – Q3'20

Company	Investment	Round	Select investors	Vertical
<b>1 SpaceX</b> Hawthorne, CA	<b>\$1.9B</b>	Series E+	Fidelity Investments, Legendary Ventures	<b>Industrial Aerospace &amp; Defense</b>
<b>2 Zwift</b> Long Beach, CA	<b>\$450M</b>	Series C	KKR, Amazon Alexa Fund, Zone 5 Ventures	Internet Internet Software & Services Sports
<b>3 Anduril</b> Irvine, CA	<b>\$200M</b>	Series C	Founders Fund, General Catalyst, Andreessen Horowitz	<b>Industrial Aerospace &amp; Defense</b>
<b>3 Surf Air</b> Santa Monica, CA	<b>\$200M</b>	Private Equity	Global Emerging Markets	Automotive & Transportation Air
<b>5 Beyond Limits</b> Glendale, CA	<b>\$113M</b>	Series C	BP Ventures, G42	Software (non-internet/mobile) Scientific, Engineering Software

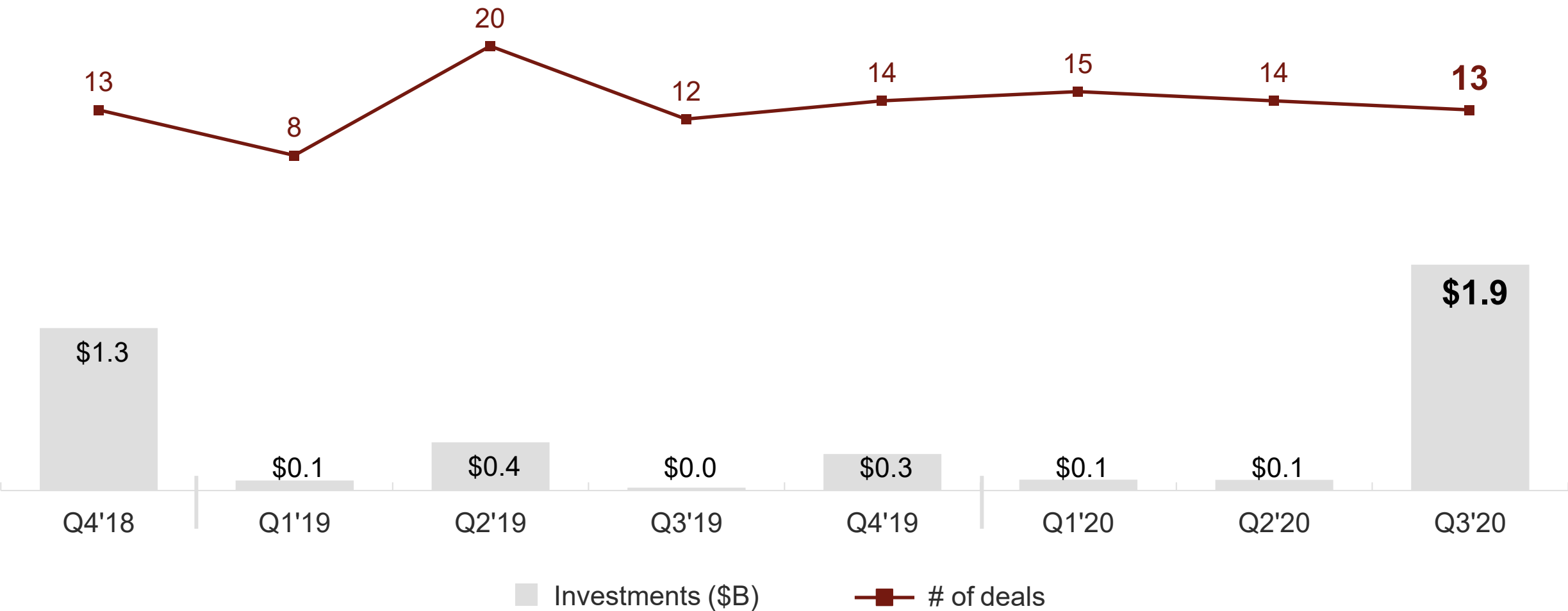


# Raleigh Metro

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# Epic Games' \$1.5B mega-round lifts funding in Raleigh Metro

## Raleigh Metro deals and dollars – Quarterly



# Epic's billion-dollar raise surpasses their Q4'18 \$1.25B raise

## Top 5 Raleigh Metro deals – Q3'20

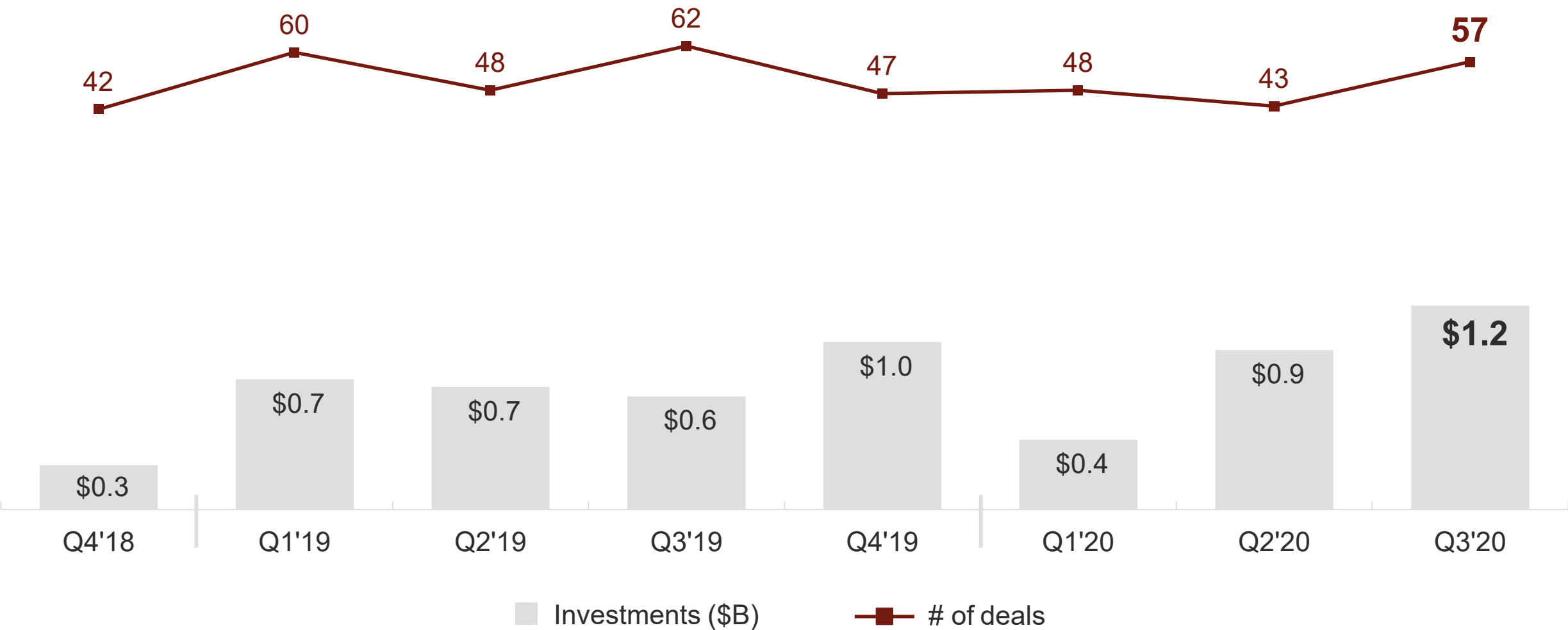
Company	Investment Round	Select investors	Vertical
<b>1 Epic Games</b> Cary, NC	<b>\$1.5B</b> Private Equity	Lightspeed Venture Partners, Fidelity Investments, KKR	Software (non-internet/mobile) Gaming
<b>2 ServiceTrade</b> Durham, NC	<b>\$49M</b> Growth Equity	Frontier Growth, Bull City Venture Partners	Mobile & Telecommunications Mobile Software & Services Business Intelligence, Analytics & Performance Mgmt
<b>3 Metabolon</b> Morrisville, NC	<b>\$22M</b> Series E+	Sevin Rosen Funds, EW Healthcare Partners	Healthcare Biotechnology
<b>4 Levitate</b> Raleigh, NC	<b>\$6M</b> Seed / Angel	Bull City Venture Partners, Tippet Venture Partners	Internet Internet Software & Services Advertising, Sales & Marketing
<b>5 BioAesthetics</b> Durham, NC	<b>\$5M</b> Series A	Hemi Ventures	Healthcare Medical Devices & Equipment Surgical Devices

# Seattle Metro

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# Q3'20 financing rises in Seattle

## Seattle Metro deals and dollars – Quarterly



# Seattle Metro top deals go to later-stage startups in Q3'20

## Top 5 Seattle Metro deals – Q3'20

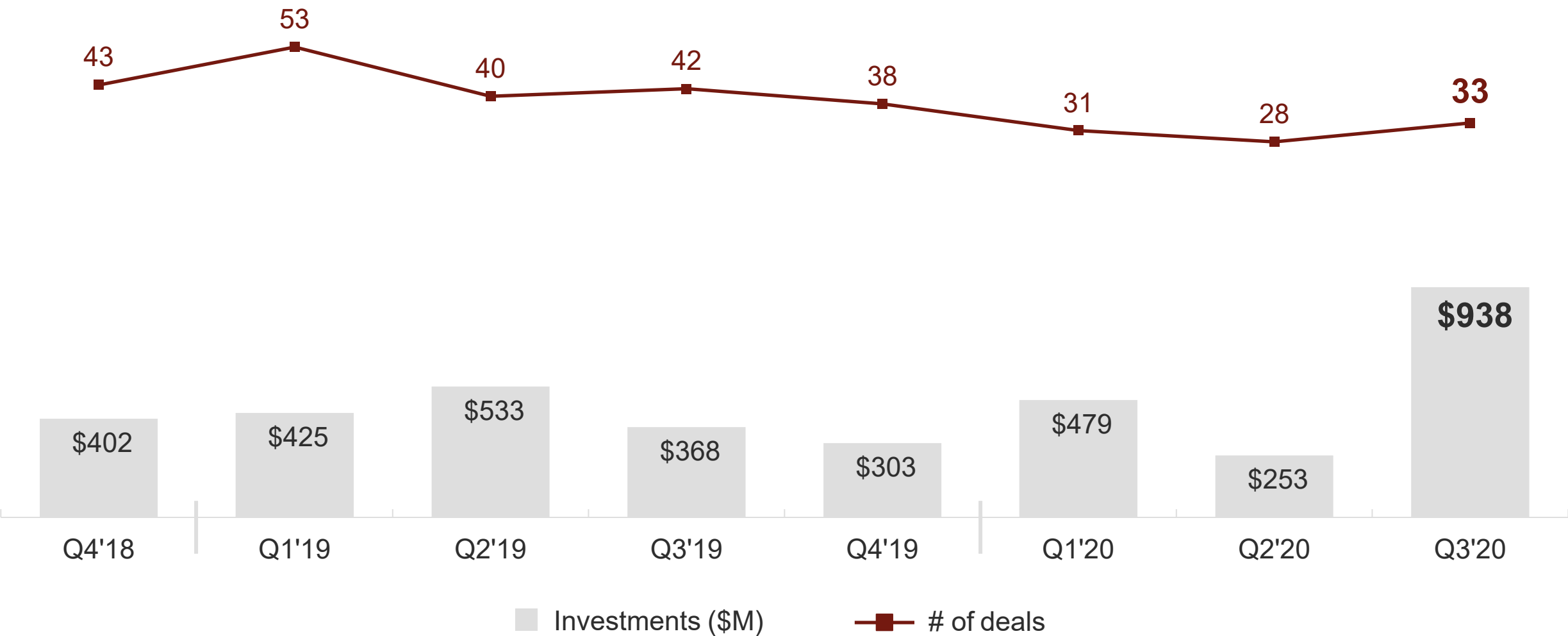
Company	Investment Round	Select investors	Vertical
<b>1 OfferUp</b> Bellevue, WA	<b>\$294M Series D</b>	Andreessen Horowitz	Mobile & Telecommunications Mobile Commerce Auction & Classifieds
<b>2 Qumulo</b> Seattle, WA	<b>\$125M Series E+</b>	Kleiner Perkins Caufield & Byers, Highland Capital Partners, Amity Ventures	Computer Hardware & Services IT Services Data Storage & Security
<b>3 Auth0</b> Bellevue, WA	<b>\$120M Series E+</b>	Bessemer Venture Partners, Sapphire Ventures, Salesforce Ventures	Internet Internet Software & Services Monitoring & Security
<b>4 Kymeta</b> Redmond, WA	<b>\$85.2M Series E+</b>	Bill Gates	Mobile & Telecommunications Telecom Devices & Equipment Satellite & Broadcast Network Equipment
<b>5 Remitly</b> Seattle, WA	<b>\$85M Series E+</b>	Threshold Ventures, Owl Rock Capital Partners	Mobile & Telecommunications Mobile Software & Services Payments
<b>5 Silverback Therapeutics</b> Seattle, WA	<b>\$85M Series C</b>	U.S. Venture Partners, Hunt Technology Ventures	Healthcare Biotechnology

# Chicago Metro

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# Chicago Metro funding sees an 8-quarter high

## Chicago Metro deals and dollars – Quarterly





# Top 2 deals make up 63% of Chicago Metro's funding in Q3'20

## Top 5 Chicago Metro deals – Q3'20

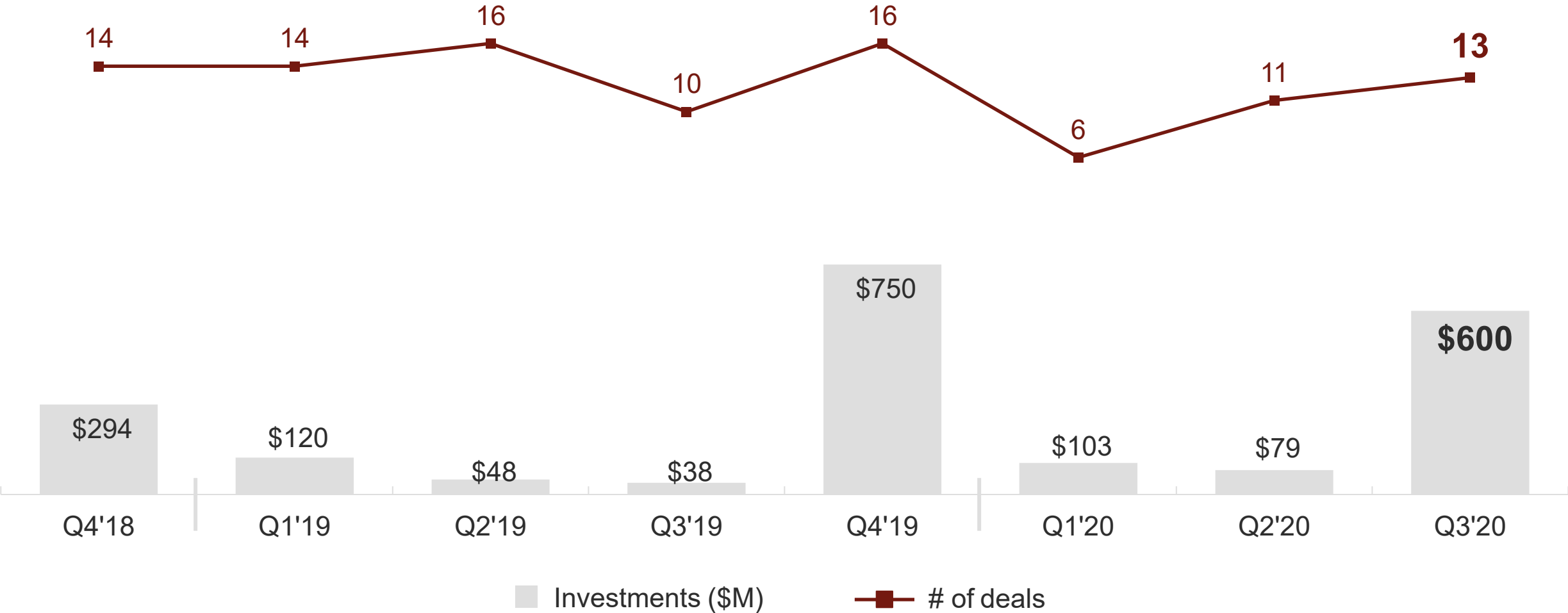
Company	Investment	Round	Select investors	Vertical
<b>1 Ryan Specialty Group</b> Chicago, IL	<b>\$317M</b>	<b>Private Equity</b>	Onex Corporation	Financial Insurance Insurance Broker
<b>2 VillageMD</b> Chicago, IL	<b>\$275M</b>	<b>Series C</b>	Kinnevik, Walgreens Boots Alliance	Healthcare Medical Facilities & Services Medical Practice Management & Services
<b>3 ShipBob</b> Chicago, IL	<b>\$68M</b>	Series D	SoftBank Group	Internet Internet Software & Services Supply Chain & Logistics
<b>4 Keeper Security</b> Chicago, IL	<b>\$60M</b>	Growth Equity	Insight Partners	Internet Internet Software & Services Monitoring & Security
<b>5 Kin Insurance</b> Chicago, IL	<b>\$35M</b>	Series B	QED Investors, Commerce Ventures, Alpha Edison, University of Chicago	Mobile & Telecommunications Mobile Commerce Comparison Shopping

# Minneapolis Metro

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# Minneapolis Metro total funding saw a significant increase

Minneapolis Metro deals and dollars – Quarterly



# Healthcare startups are 4 of the 5 top deals in Minneapolis Metro

## Top 5 Minneapolis Metro deals – Q3'20

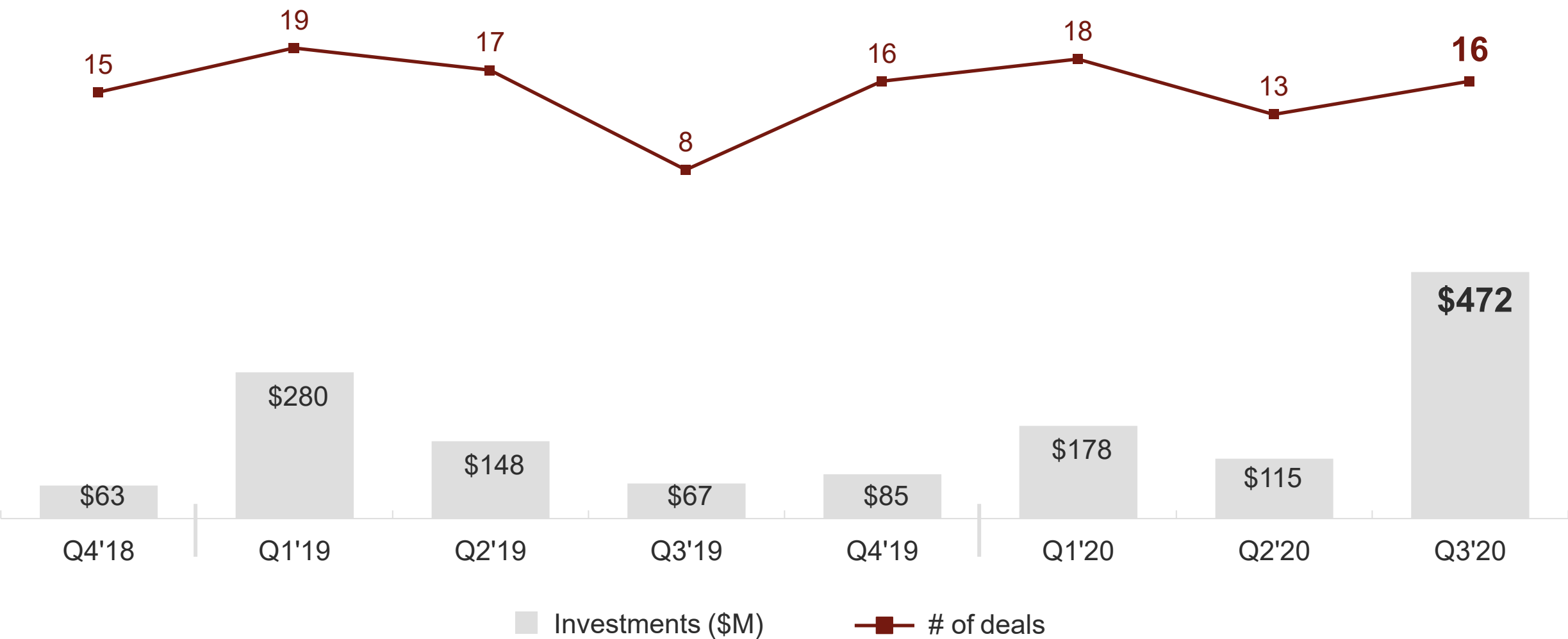
	Company	Investment	Round	Select investors	Vertical
1	<b>Bright Health</b> Minneapolis, MN	<b>\$500M</b>	Series E+	New Enterprise Associates, Bessemer Venture Partners, Tiger Global Management	<b>Healthcare</b> Healthcare Plans
2	<b>CVRx</b> Minneapolis, MN	<b>\$50M</b>	Series E+	New Enterprise Associates, Gilde Healthcare Partners, Johnson & Johnson Innovation	<b>Healthcare</b> Medical Devices & Equipment Surgical Devices
3	<b>Nuvaira</b> Minneapolis, MN	<b>\$17M</b>	Series E+	U.S. Venture Partners, Endeavour Vision, Lightstone Ventures	<b>Healthcare</b> Medical Devices & Equipment Therapeutic Devices
4	<b>Dispatch</b> Bloomington, MN	<b>\$11M</b>	Series B	Trinity Private Equity Group, Labora Group, Great North Labs	Internet eCommerce Travel (internet)
5	<b>Monteris Medical</b> Minneapolis, MN	<b>\$9M</b>	Series D	The Vertical Group, 3x5 Partners, Vensana Capital	<b>Healthcare</b> Medical Devices & Equipment Surgical Devices

# Dallas Metro

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# Dallas Metro funding rises to 8-quarter high

Dallas Metro deals and dollars – Quarterly



# Two mega-rounds boost funding in Dallas Metro

## Top Dallas Metro deals – Q3'20

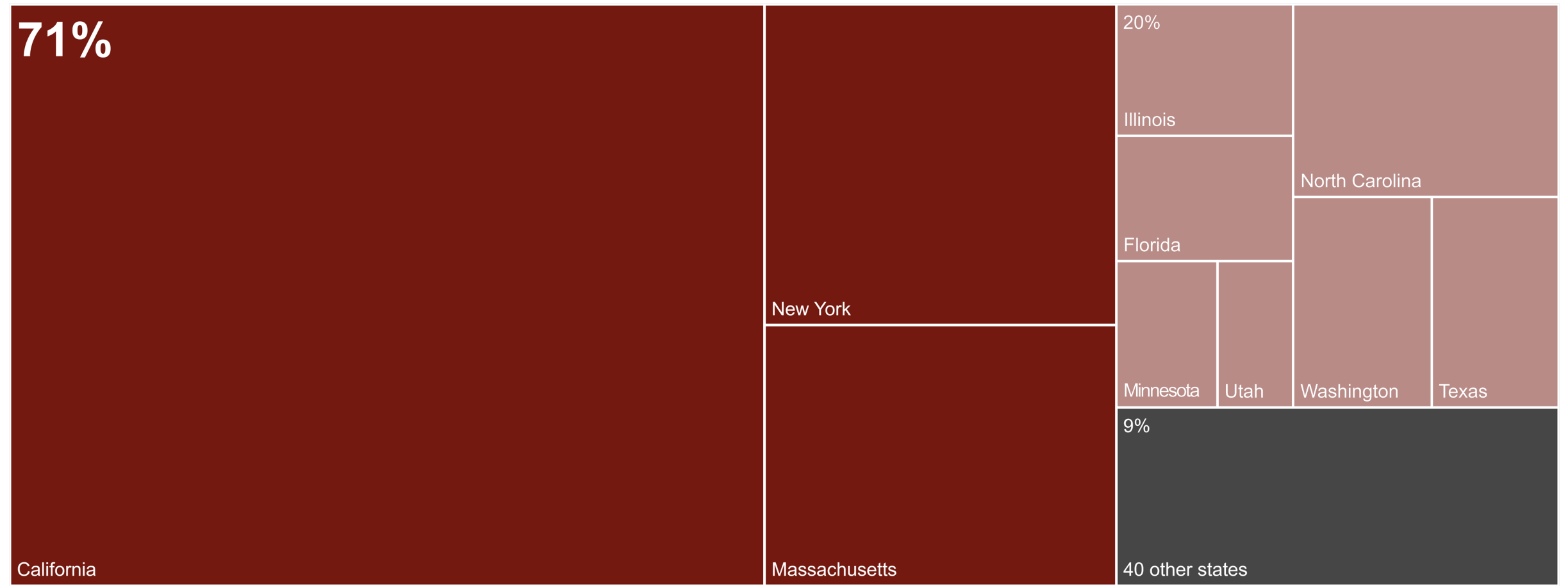
Company		Investment	Round	Select investors	Vertical
1	<b>Instil Bio</b> Dallas, TX	<b>\$170M</b>	Series B	Venrock, Vivo Capital	Healthcare Biotechnology
2	<b>Alkami Technology</b> Plano, TX	<b>\$140M</b>	Series E+	S3 Ventures, Fidelity Investments, D1 Capital Partners	Internet Internet & Software Services Accounting & Finance
3	<b>Taysha Gene Therapies</b> Dallas, TX	<b>\$95M</b>	Series B	Google Ventures, Venrock, BlackRock	Healthcare Biotechnology
4	<b>K2View</b> Dallas, TX	<b>\$28M</b>	Series A	Genesis Partners, Forestay Capital	Computer Hardware & Services IT Services IT Solutions & Software Development
5	<b>Goodman Solutions</b> Frisco, TX	<b>\$16M</b>	Other	Undisclosed Investor(s)	Mobile & Telecommunications Telecom Services Wireless

# States





# Together, startups in the top 3 states raised 71% of US funding

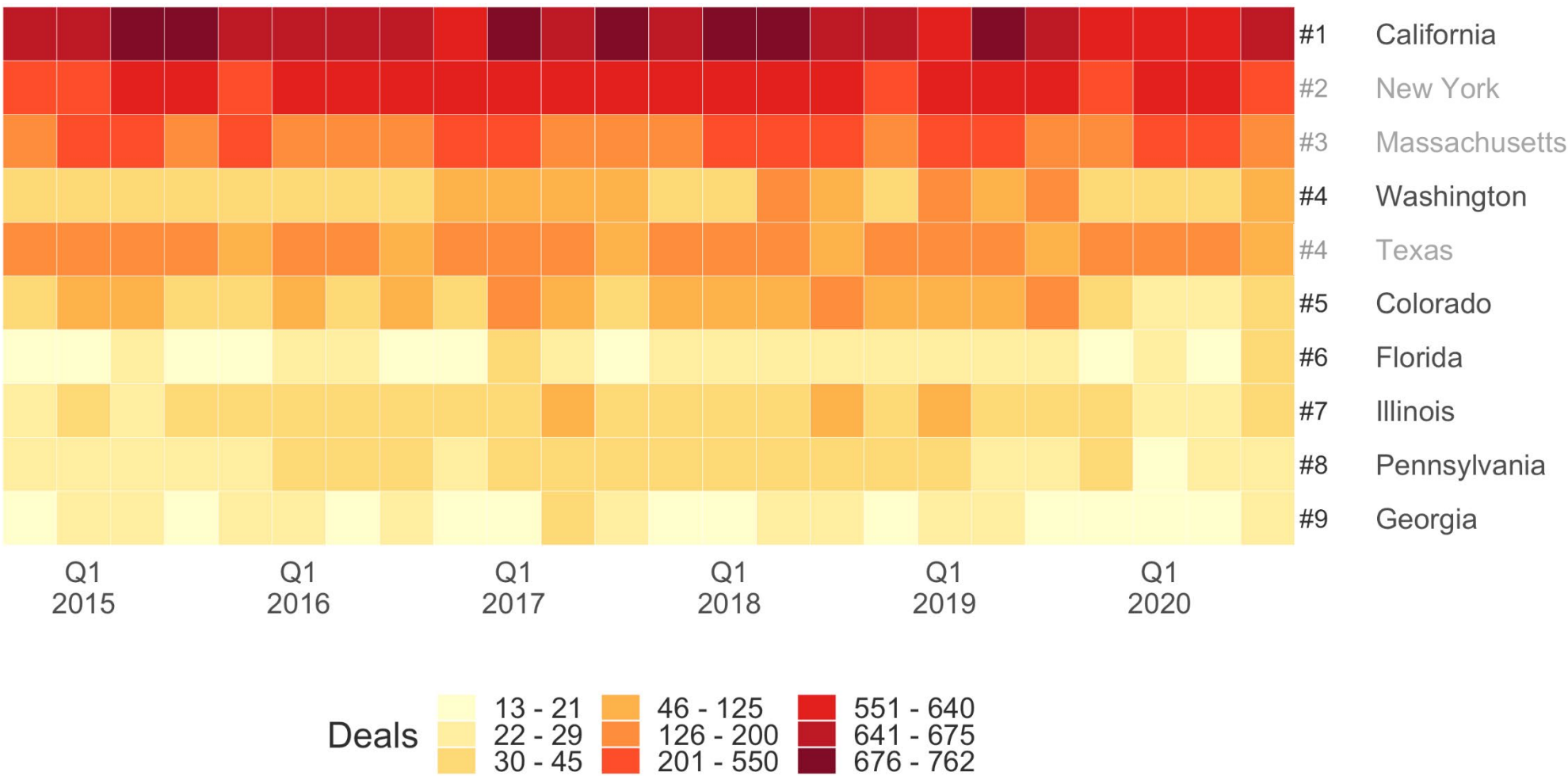


# Seven states see substantial investment growth amid heightened deal activity

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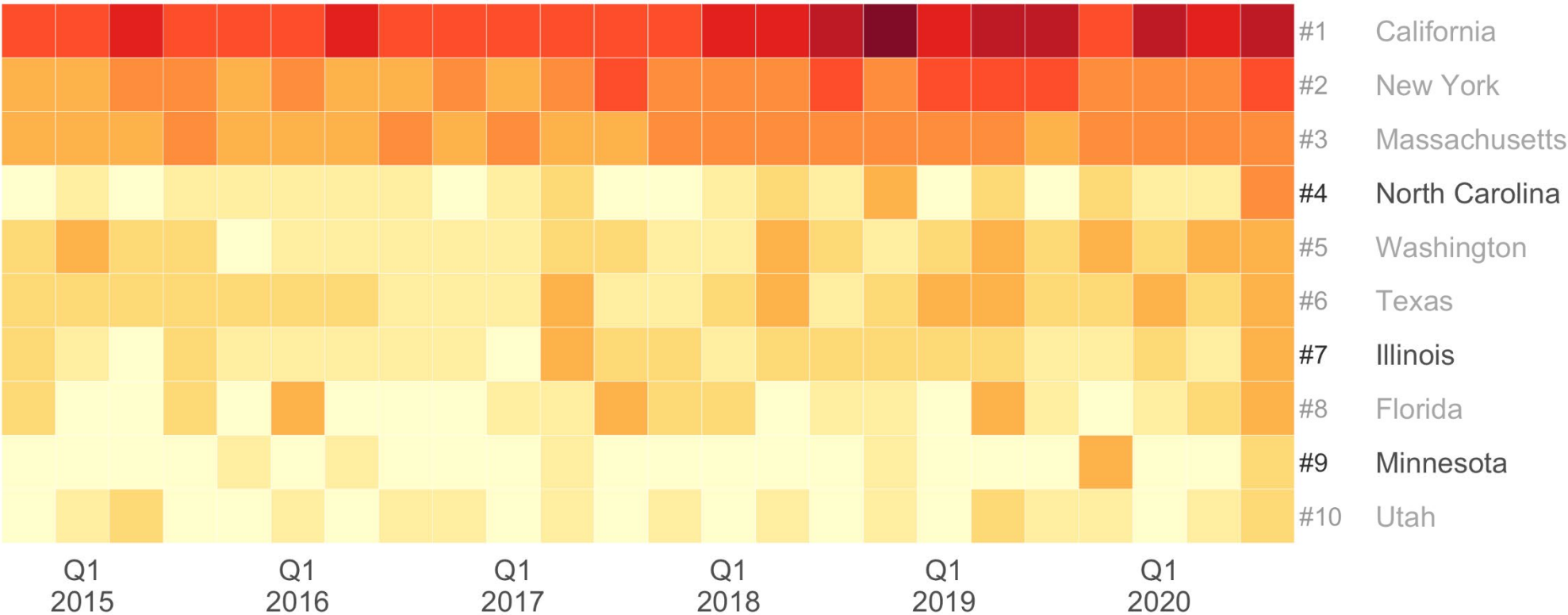
# Seven top states see increase in deal activity

## Top 10 states by deal activity



# North Carolina, Illinois, and Minnesota see big investment gains

## Top 10 states by investments



Investments

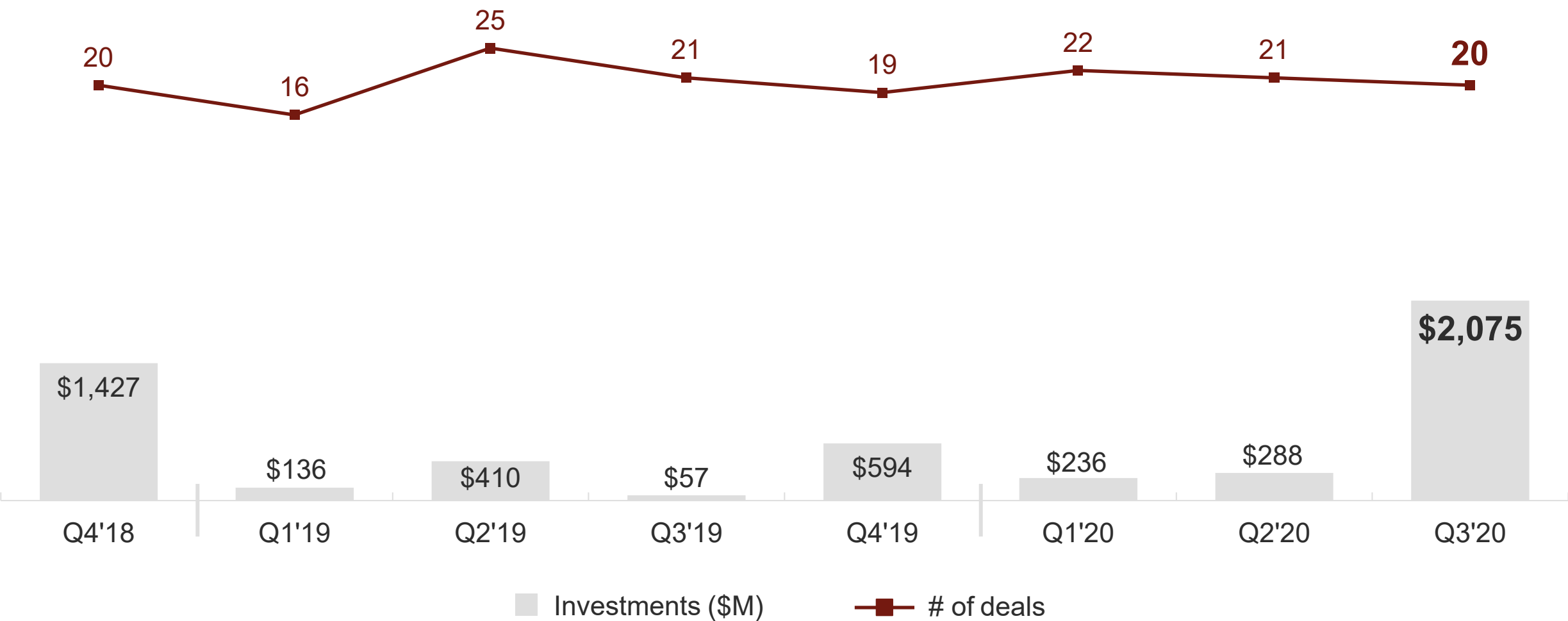
\$42M - \$200M	\$760M - \$2B	\$12.4B - \$14.9B
\$200M - \$390M	\$2B - \$4.2B	\$14.9B - \$17.8B
\$390M - \$760M	\$4.2B - \$12.4B	\$17.8B - \$29B

# North Carolina State

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# North Carolina investments jump 620% from Q2'20

North Carolina deals and dollars – Quarterly



# Epic Games mega-round leads North Carolina funding in Q3'20

## Top 5 North Carolina deals – Q3'20

Company		Investment	Round	Select investors	Vertical
1	<b>Epic Games</b> Cary, NC	<b>\$1,530M</b>	Private Equity	Lightspeed Venture Partners, T. Rowe Price, BlackRock	Software (Non-Internet/Mobile) Gaming
2	<b>AvidXchange</b> Charlotte, NC	<b>\$119M</b>	Series E+	Foundry Group, Bain Capital Ventures, QED Investors	Consumer Products & Services Consumer Electronics
3	<b>ServiceTrade</b> Durham, NC	<b>\$49M</b>	Growth Equity	Frontier Growth, Bull City Venture Partners	Mobile & Telecommunications Mobile Software & Services Business Intelligence, Analytics & Performance Mgmt
4	<b>Metabolon</b> Morrisville, NC	<b>\$22M</b>	Series E+	Sevin Rosen Funds, Fletcher Spaght Ventures	Healthcare Biotechnology
5	<b>Fluree</b> Winston-Salem, NC	<b>\$7M</b>	Seed / Angel	Ray Rothrock, 4490 Ventures, Engage Venture	Internet Internet & Software Services Database Management

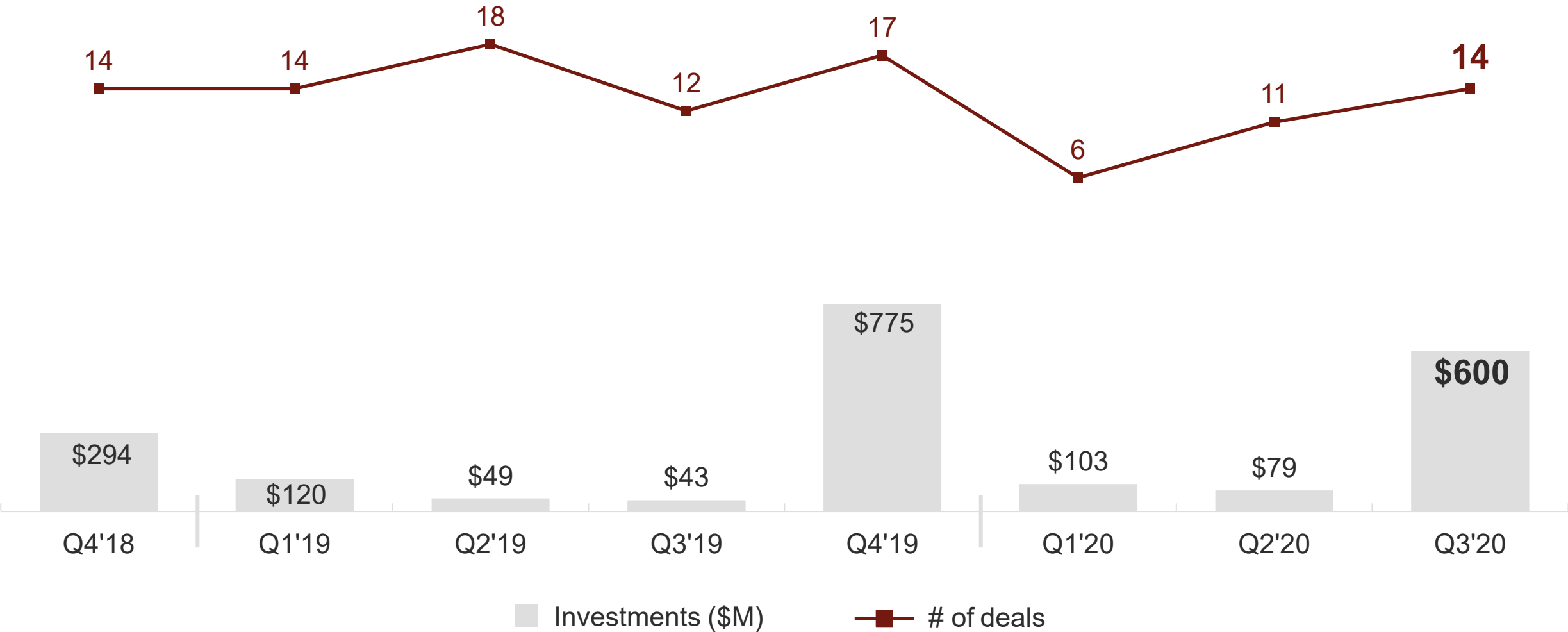
# Minnesota State

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# Financing activity increases in Minnesota in Q3'20

Minnesota deals and dollars – Quarterly



# Bright Health mega-round leads top Minnesota funding in Q3'20

## Top 5 Minnesota deals – Q3'20

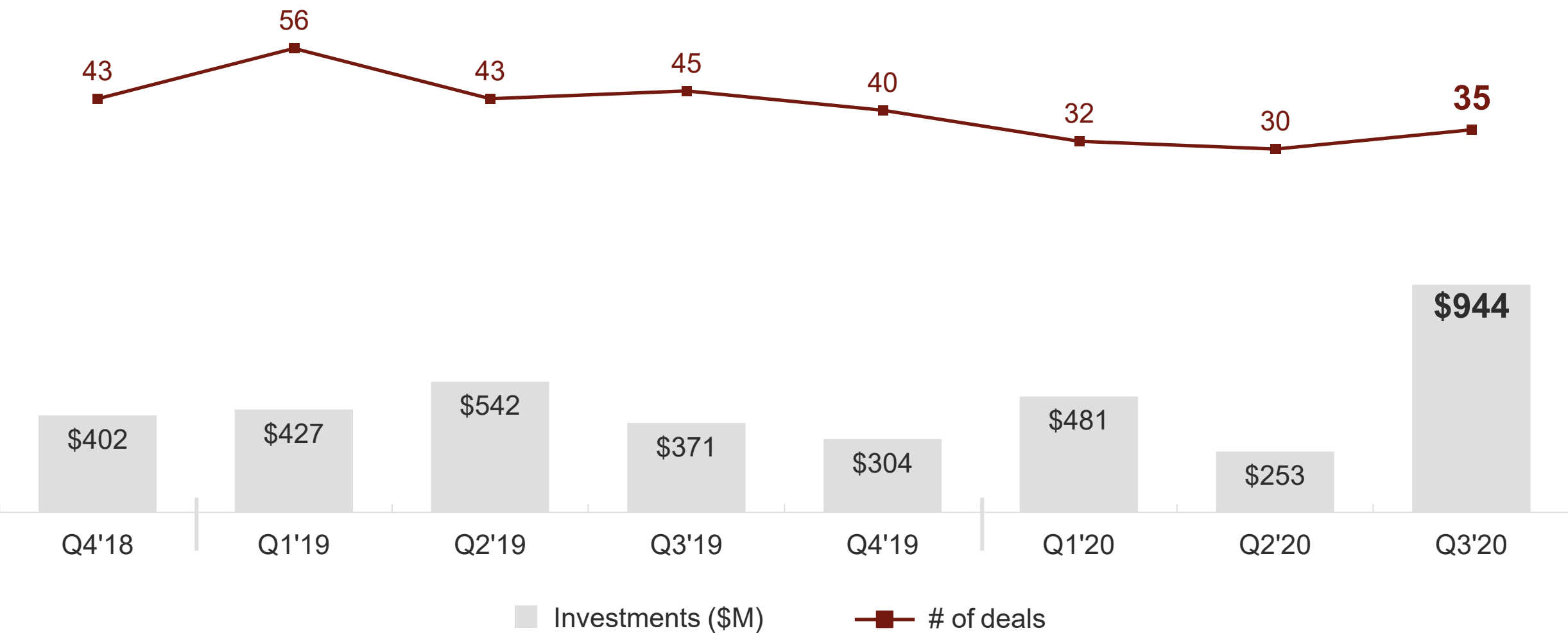
Company	Investment	Round	Select investors	Vertical
<b>1</b> <b>Bright Health</b> Minneapolis, MN	<b>\$500M</b>	Series E+	New Enterprise Associates, Bessemer Venture Partners, Tiger Global Management	Healthcare Healthcare Plans
<b>2</b> <b>CVRx</b> Minneapolis, MN	<b>\$50M</b>	Series E+	New Enterprise Associates, Venrock, Hatteras Venture Partners	Healthcare Medical Devices & Equipment Surgical Devices
<b>3</b> <b>Nuvaira</b> Minneapolis, MN	<b>\$17M</b>	Series E+	U.S. Venture Partners, Endeavour Vision, Lightstone Ventures, Vertex Ventures HC	Healthcare Medical Devices & Equipment Therapeutic Devices
<b>4</b> <b>Dispatch</b> Bloomington, MN	<b>\$11M</b>	Series B	Trinity Private Equity Group, Revolution Rise Of The Rest Seed Fund	Internet eCommerce Travel (Internet)
<b>5</b> <b>Monteris Medical</b> Minneapolis, MN	<b>\$9M</b>	Series D	The Vertical Group, 3x5 Partners, Vensana Capital	Healthcare Medical Devices & Equipment Surgical Devices

# Illinois State

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# Illinois funding activity reaches an 8-quarter high

Illinois deals and dollars – Quarterly



# Late-stage startups gain traction in Illinois

## Top 5 Illinois deals – Q3'20

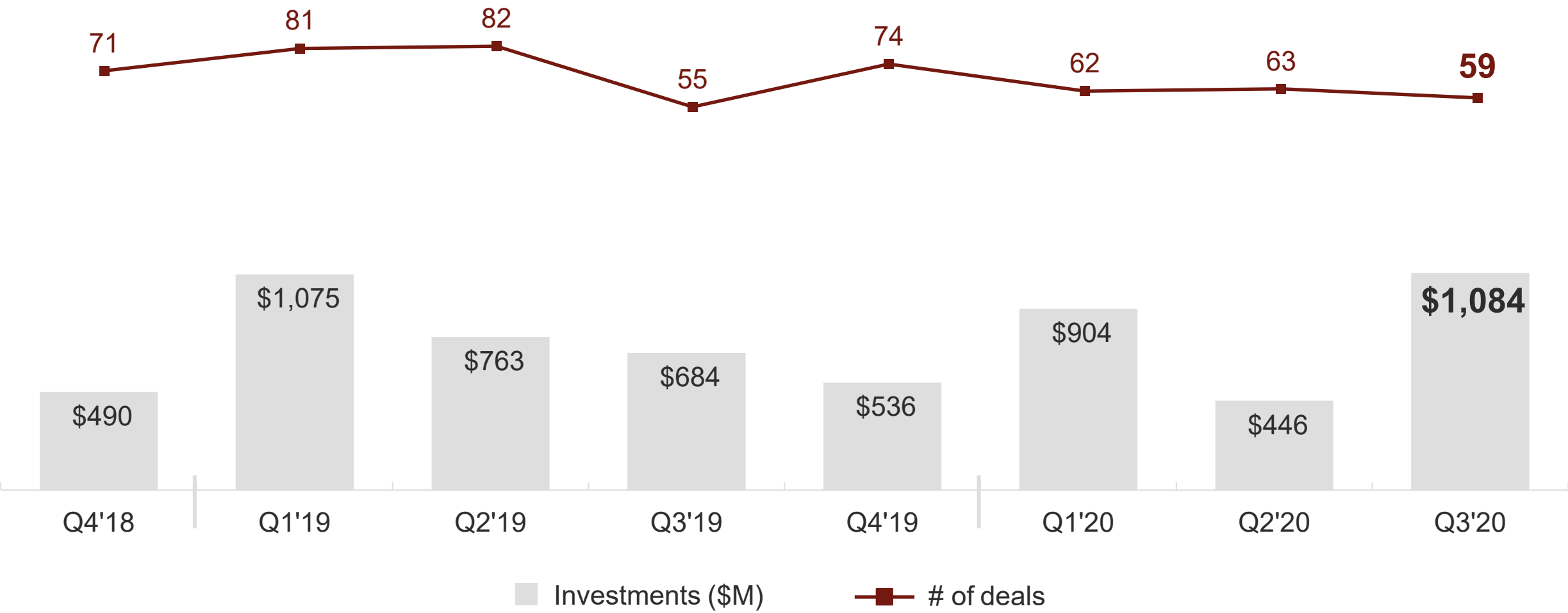
Company		Investment	Round	Select investors	Vertical
1	<b>Ryan Specialty Group</b> Chicago, IL	<b>\$317M</b>	<b>Private Equity</b>	Onex Corporation	Financial Insurance Insurance Broker
2	<b>VillageMD</b> Chicago, IL	<b>\$275M</b>	Series C	Kinnevik, Walgreens Boots Alliance	Healthcare Medical Facilities & Services Medical Practice Mgmt & Services
3	<b>ShipBob</b> Chicago, IL	<b>\$68M</b>	<b>Series D</b>	SoftBank Group	Internet Internet & Software Services Supply Chain & Logistics
4	<b>Keeper Security</b> Chicago, IL	<b>\$60M</b>	<b>Growth Equity</b>	Insight Partners	Internet Internet & Software Services Monitoring & Security
5	<b>Kin Insurance</b> Chicago, IL	<b>\$35M</b>	Series B	August Capital, QED Investors, Commerce Ventures, Alpha Edison	Mobile & Telecommunications Mobile Commerce Comparison Shopping

# Texas State

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# Texas funding rises over 140% in Q3'20

Texas deals and dollars – Quarterly



# Mega-rounds push Texas funding to 8-quarter high

## Top 5 Texas deals – Q3'20

Company	Investment	Round	Select investors	Vertical
<b>1</b> <b>Instil Bio</b> Dallas, TX	<b>\$170M</b>	Series B	Venrock, Vivo Capital	Healthcare Biotechnology
<b>2</b> <b>Alkami Technology</b> Plano, TX	<b>\$140M</b>	Series E+	S3 Ventures, Franklin Templeton, Fidelity Investments, MissionOG	Internet Internet Software & Services Accounting & Finance
<b>3</b> <b>Preventice Solutions</b> Houston, TX	<b>\$137M</b>	Series B	Novo Holdings, Vivo Capital, Boston Scientific	Mobile & Telecommunications Mobile Software & Services Healthcare
<b>4</b> <b>Taysha Gene Therapies</b> Dallas, TX	<b>\$95M</b>	Series B	Google Ventures, Venrock, Invus Group	Healthcare Biotechnology
<b>5</b> <b>Triumvira Immunologics</b> Austin, TX	<b>\$55M</b>	Series A	Bloom Burton & Co., Oceanpine Capital	Healthcare Biotechnology

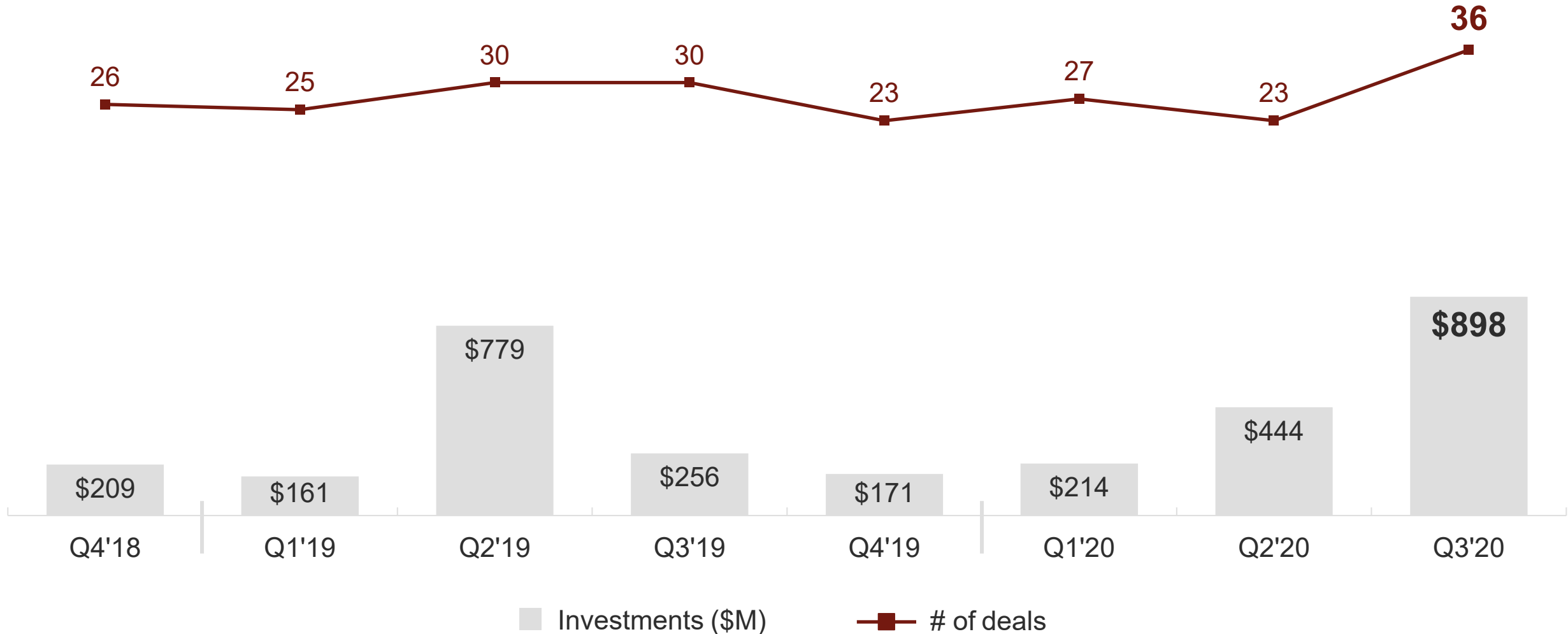


# Florida State

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# Two \$300M+ mega-rounds boost funding along with more deals

## Florida deals and dollars – Quarterly



# Late-stage startups win funding in Florida

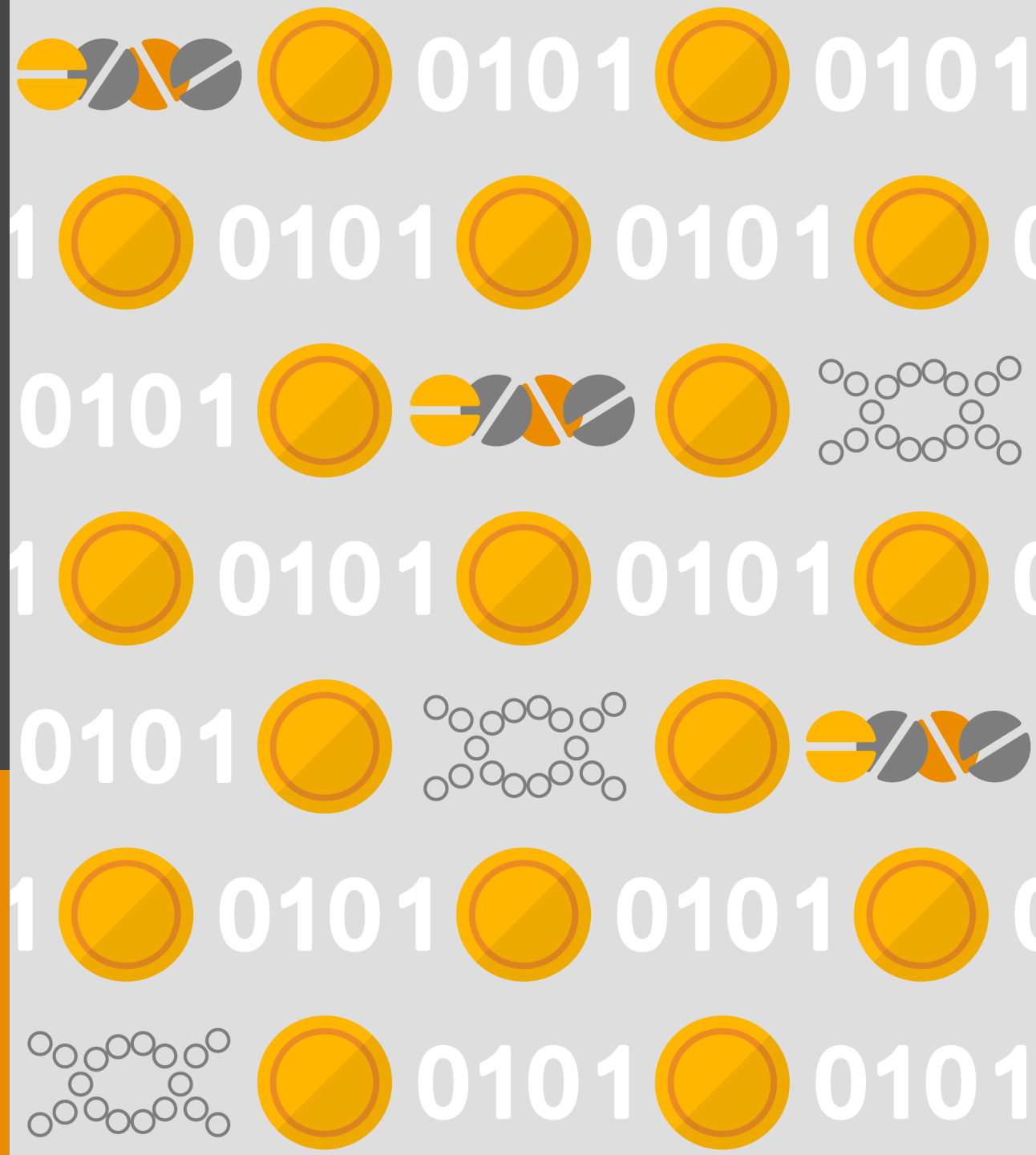
## Top 5 Florida deals – Q3'20

Company		Investment	Round	Select investors	Vertical
1	<b>Fanatics</b> Jacksonville, FL	<b>\$350M</b>	<b>Series E+</b>	CMT Digital, Goldfinch Partners, Pantera Capital	Internet eCommerce Apparel & Accessories
2	<b>ReliaQuest</b> Tampa, FL	<b>\$300M</b>	<b>Private Equity</b>	Coatue Management, Insight Partners	Computer Hardware & Services IT Services Data Storage & Security
3	<b>MDLIVE</b> Miramar, FL	<b>\$50M</b>	<b>Growth Equity</b>	N/A	Internet Internet & Software Services Healthcare
4	<b>PayCargo</b> Miami, FL	<b>\$35M</b>	<b>Series A</b>	Base10 Partners, Companyon, Hyde Park Venture Partners	Internet Internet & Software Services Payments
5	<b>Ubicquia</b> Melbourne, FL	<b>\$30M</b>	<b>Series C</b>	Mesh Ventures, VentureSouth	Software (non-internet/mobile) Networking & Connectivity Software

# Emerging areas



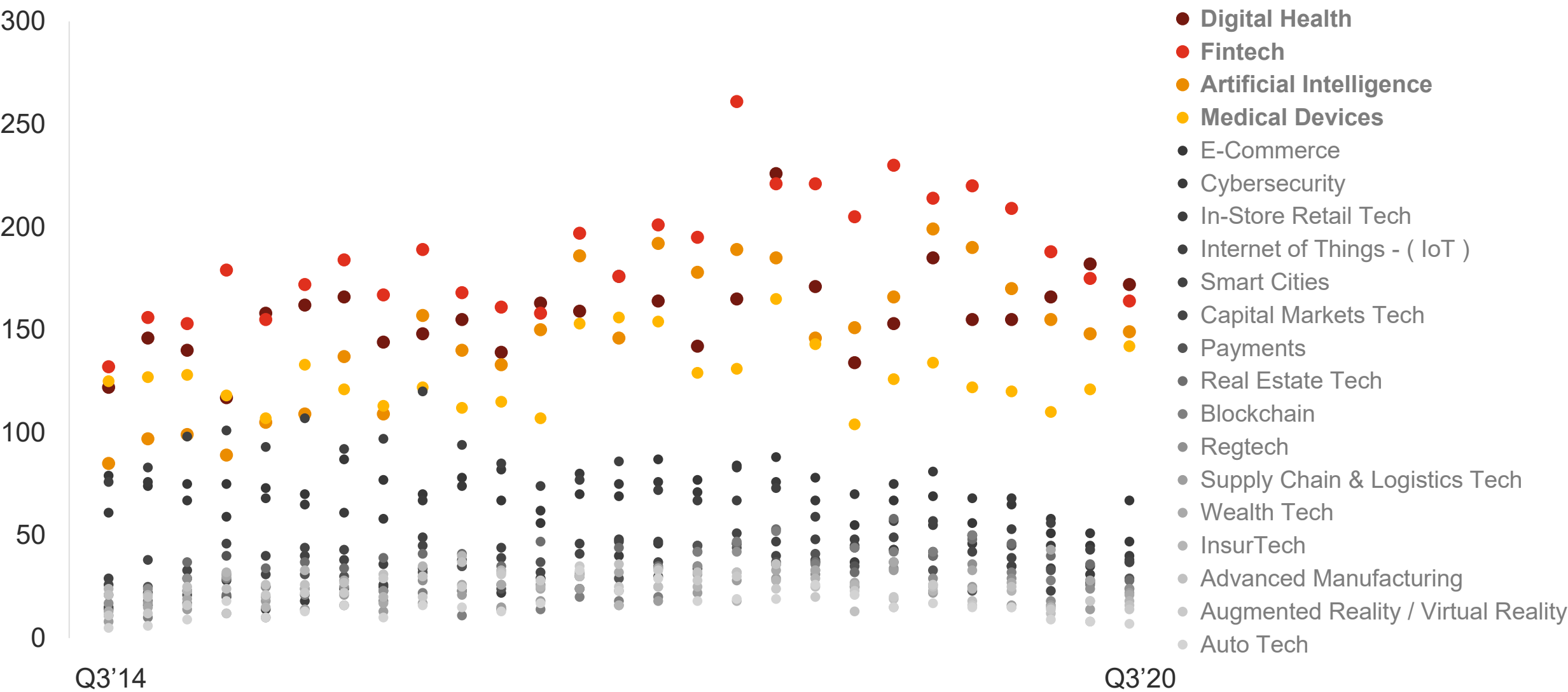
Source: PwC/CB Insights MoneyTree™ Report Q3 2020



# Four emerging areas show promising signs

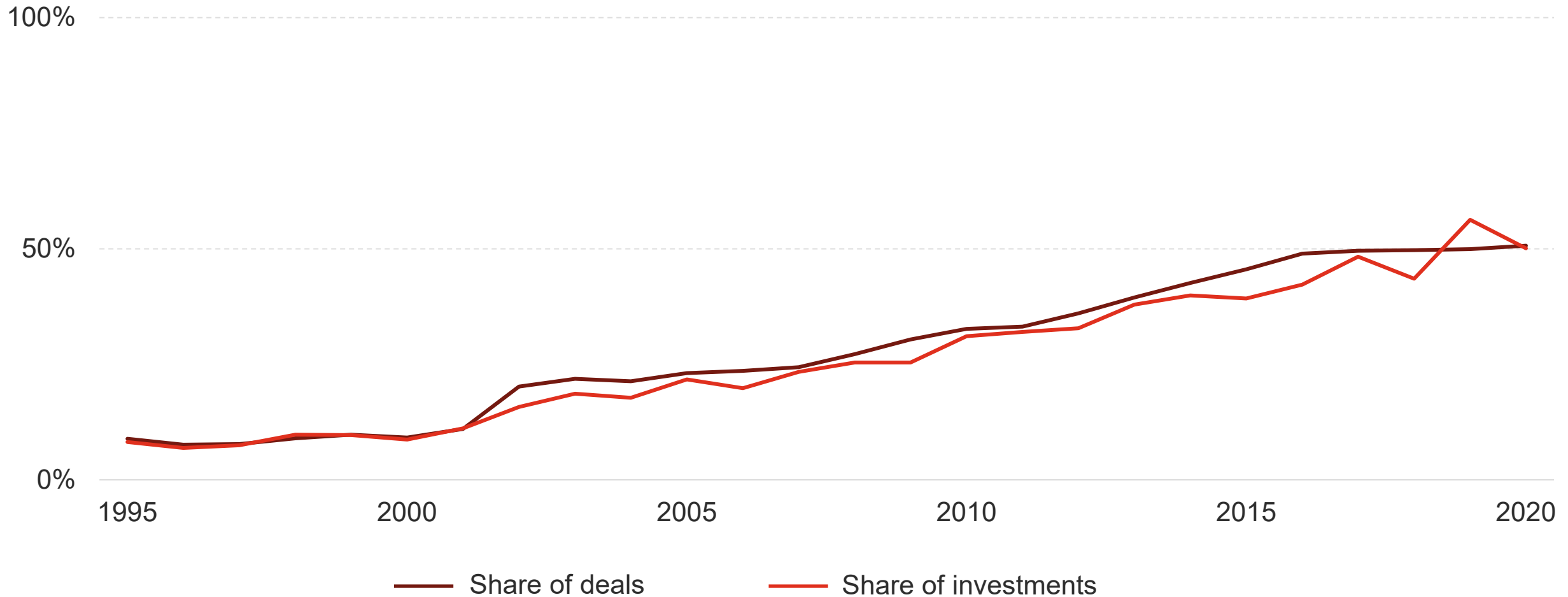
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# Four emerging areas get majority of deal activity among Top 20



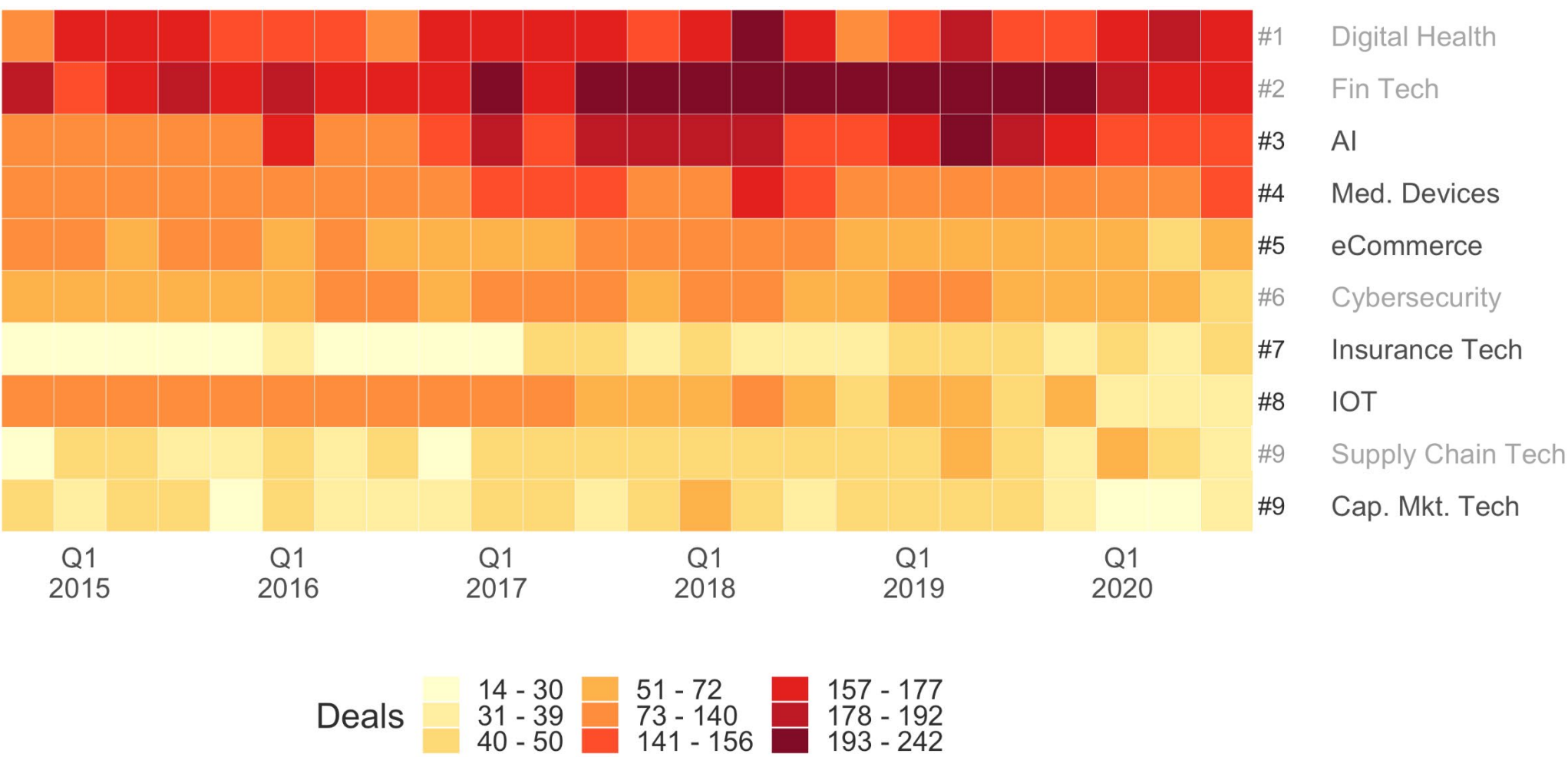
# Overall emerging areas account for half of venture financing

## Top 20 emerging areas – Financing share



# Six emerging areas see increased deals in Q3'20

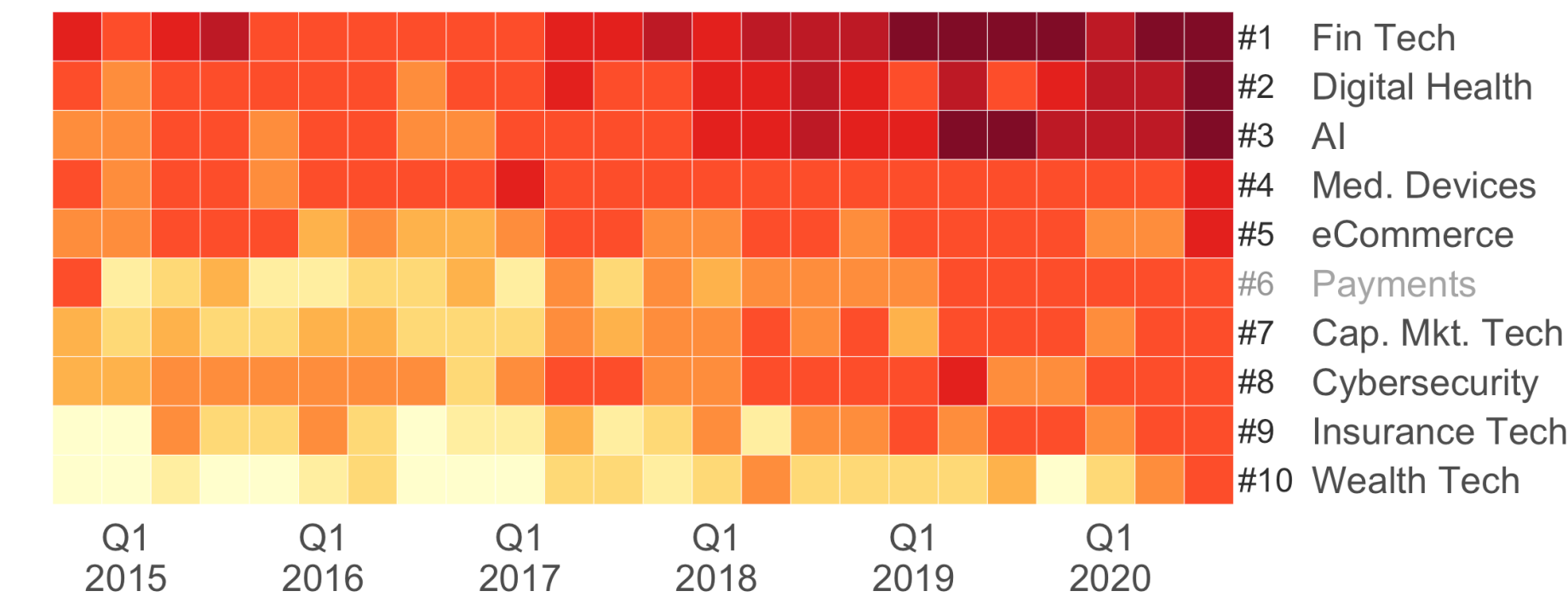
## Top 10 emerging areas by deal activity





# Most emerging areas grow investments in Q3'20

## Top 10 emerging areas by investments



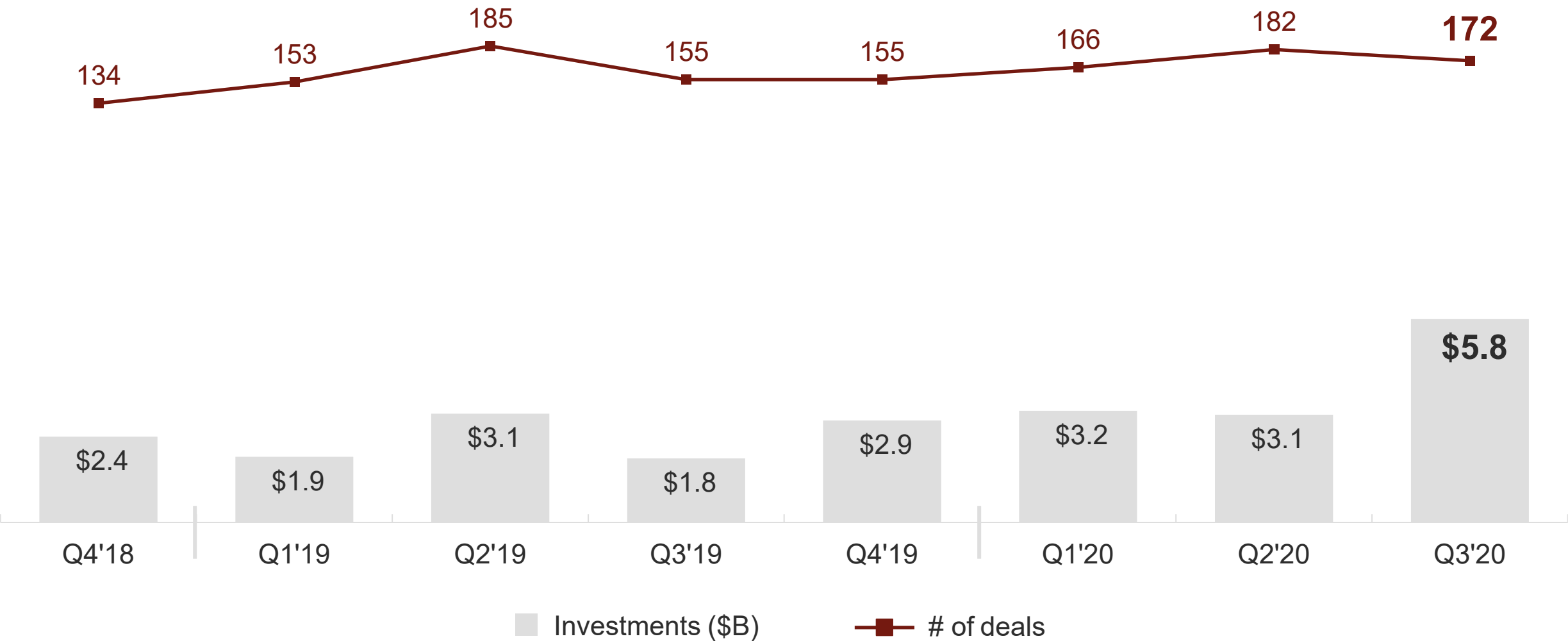
# Digital Health emerging area

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# Digital Health funding rises significantly in Q3'20

Digital Health deals and dollars – Quarterly



# Top 3 Digital Health deals raise over \$300M each in Q3'20

## Top Digital Health deals – Q3'20

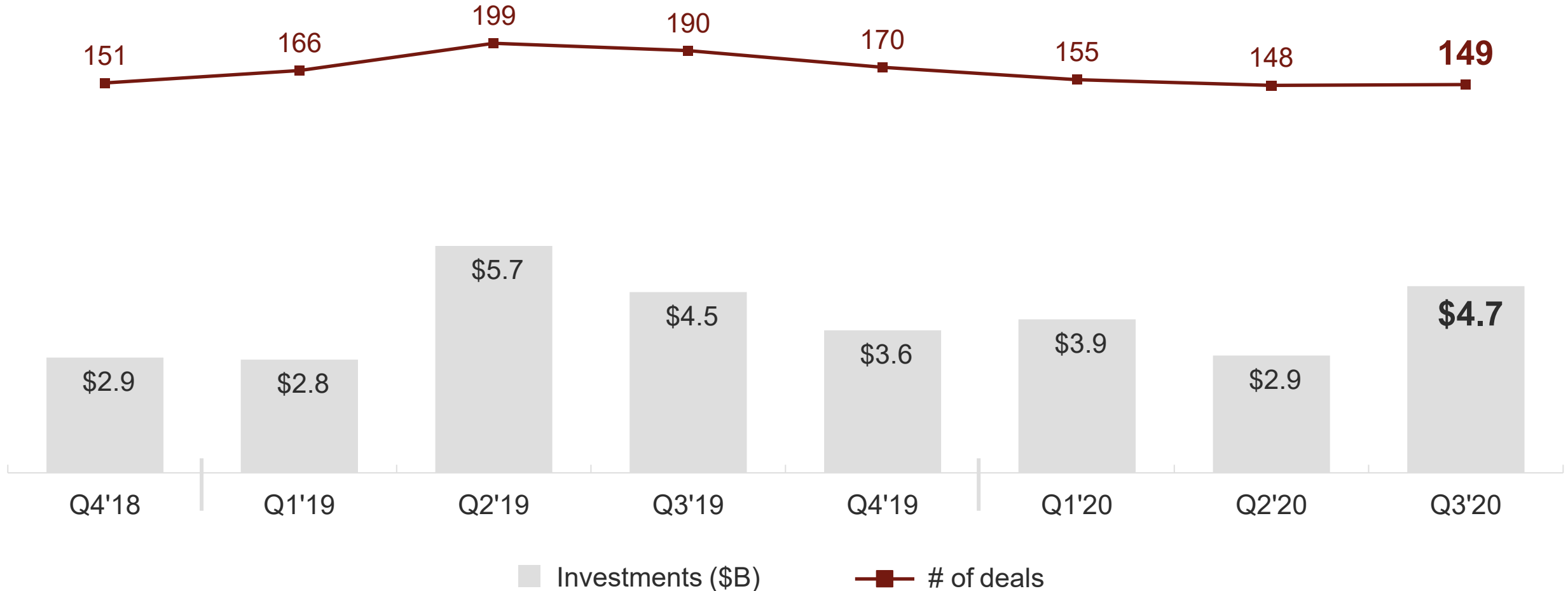
Company	Investment Round	Select investors	Vertical
<b>1 Bright Health</b> Minneapolis, MN	<b>\$500M</b> Series E+	New Enterprise Associates, Bessemer Venture Partners, Tiger Global Management	Healthcare Healthcare Plans
<b>2 XtalPi</b> Cambridge, MA	<b>\$319M</b> Series C	Sequoia Capital China, Tencent Holdings	Internet Internet Software & Services Healthcare
<b>3 Zymergen</b> Emeryville, CA	<b>\$300M</b> Series D	True Ventures, SoftBank Group, Baron Capital Management, Data Collective	Software (non-internet/mobile) Healthcare Software
<b>4 VillageMD</b> Chicago, IL	<b>\$275M</b> Series C	Kinnevik, Walgreens Boots Alliance	Healthcare Medical Facilities & Services Medical Practice Mgmt & Services
<b>5 Freenome</b> South San Francisco, CA	<b>\$270M</b> Series C	Google Ventures, Kaiser Permanente Ventures, T. Rowe Price, Andreessen Horowitz	Healthcare Disease Diagnosis

# Artificial Intelligence emerging area

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# AI funding jumps while deal activity holds steady in Q3'20

Artificial Intelligence deals and dollars – Quarterly



# Healthcare companies account for four of the largest AI deals

## Top Artificial Intelligence deals – Q3'20

Company	Investment Round	Select investors	Vertical
<b>1</b> <b>Affirm</b> San Francisco, CA	<b>\$500M</b> Series B	Toyota, Morningside Venture Capital	Mobile & Telecommunications Mobile Software & Services Payments
<b>2</b> <b>XtalPi</b> Cambridge, MA	<b>\$319M</b> Series C	Sequoia Capital China, Tencent Holdings	Internet Internet Software & Services <b>Healthcare</b>
<b>3</b> <b>Zymergen</b> Emeryville, CA	<b>\$300M</b> Series D	True Ventures, SoftBank Group, Baron Capital Management, Data Collective	Software (non-internet/mobile) <b>Healthcare Software</b>
<b>4</b> <b>Freenome</b> South San Francisco, CA	<b>\$270M</b> Series C	Google Ventures, Kaiser Permanente Ventures, T. Rowe Price, Andreessen Horowitz	<b>Healthcare</b> Disease Diagnosis
<b>5</b> <b>Recursion Pharmaceuticals</b> Salt Lake City, UK	<b>\$239M</b> Series E+	Insight Partners, Accel, Tiger Global Management, Redpoint Ventures	<b>Healthcare</b> Biotechnology

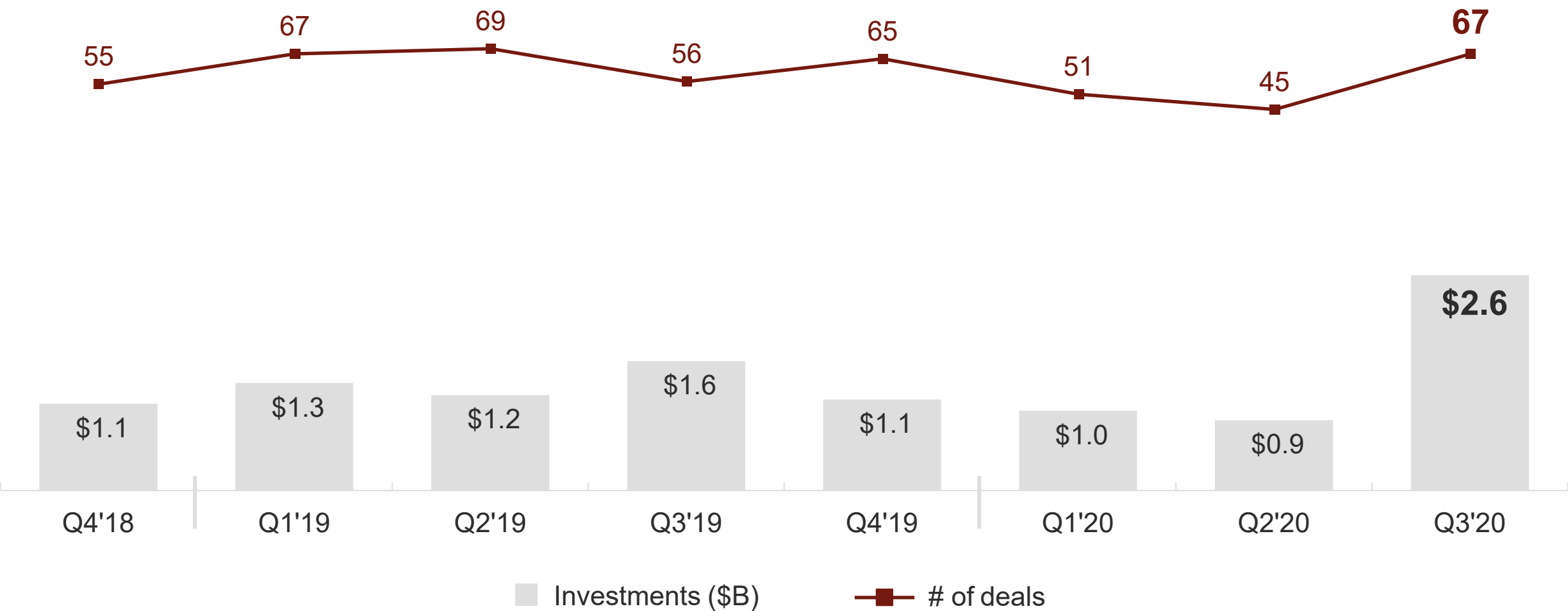
# eCommerce emerging area

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# eCommerce financing rises considerably in Q3'20

eCommerce deals and dollars – Quarterly



# eCommerce sees four \$200M+ mega-rounds in Q3'20

## Top eCommerce deals – Q3'20

Company	Investment Round	Select investors	Vertical
<b>1</b> <b>Fanatics</b> Jacksonville, FL	<b>\$350M</b> Series E+	CMT Digital, Goldfinch Partners, Pantera Capital	Internet eCommerce Apparel & Accessories
<b>2</b> <b>OfferUp</b> Bellevue, WA	<b>\$294M</b> Series D	Andreessen Horowitz	Mobile & Telecommunications Mobile Commerce Auctions & Classifieds
<b>3</b> <b>Thrasio</b> Walpole, MA	<b>\$260M</b> Series C	Advent International	Business Products & Services Consulting & Outsourcing Mgmt & Strategy Consulting
<b>4</b> <b>Ro</b> New York, NY	<b>\$200M</b> Series C	FirstMark Capital, General Catalyst	Internet eCommerce Pharmacies
<b>5</b> <b>AppDirect</b> San Francisco, CA	<b>\$185M</b> Series E+	Caisse de depot et placement du Quebec	Internet eCommerce eCommerce Enablement

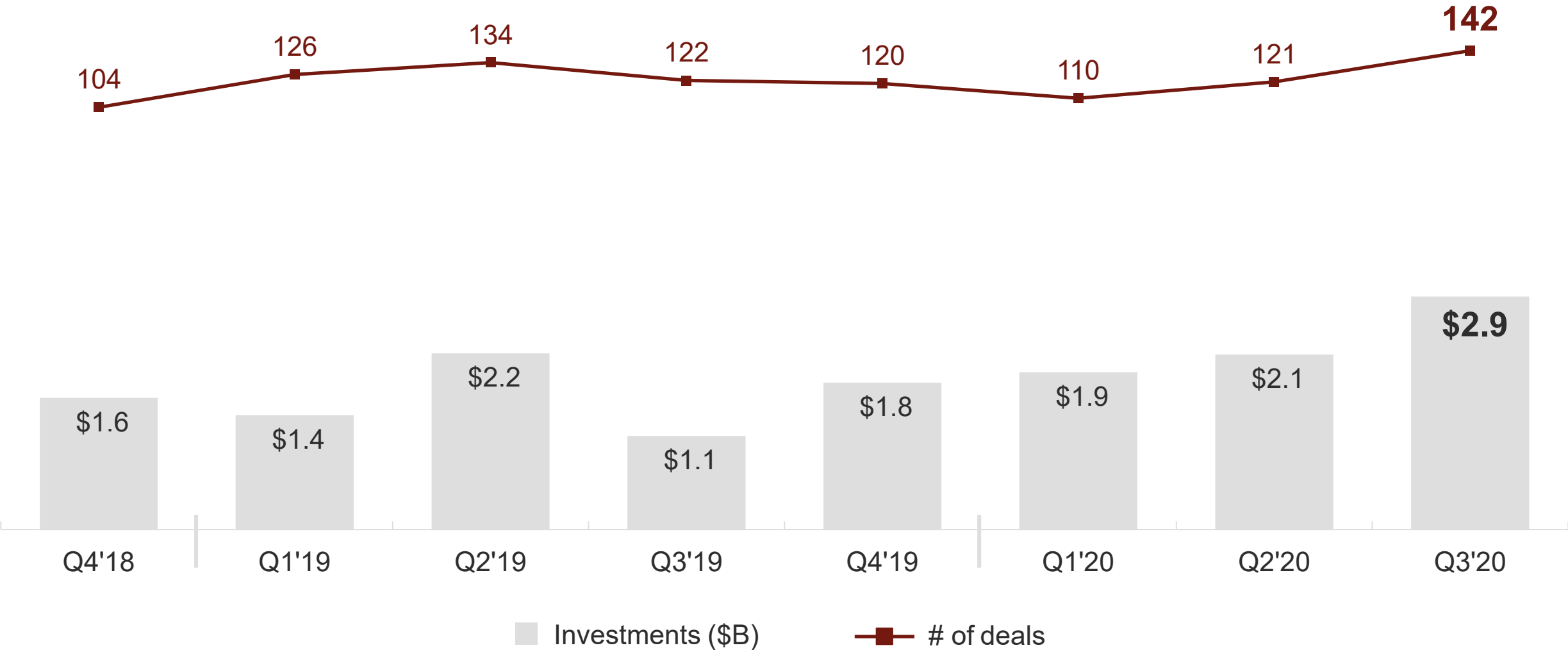
# Medical Devices emerging area

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# Medical Devices financing increases materially in Q3'20

Medical Devices deals and dollars – Quarterly



# Disease diagnosis startups lead Medical Devices deals in Q3'20

## Top Medical Devices deals – Q3'20

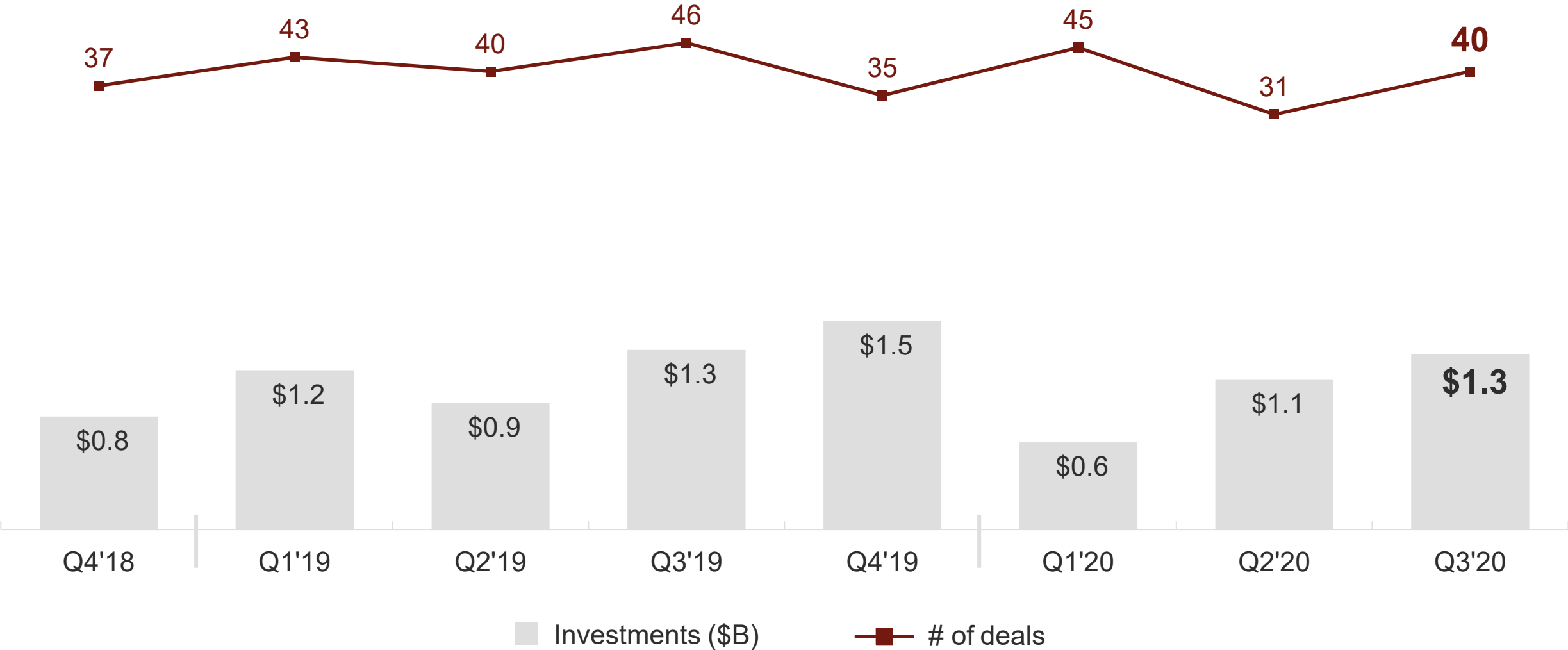
Company	Investment	Round	Select investors	Vertical
<b>1 Freenome</b> South San Francisco, CA	<b>\$270M</b>	Series C	Google Ventures, Kaiser Permanente Ventures, T. Rowe Price, Andreessen Horowitz	Healthcare <b>Disease Diagnosis</b>
<b>2 Thrive Earlier Detection</b> Cambridge, MA	<b>\$257M</b>	Series B	Lux Capital, T. Rowe Price, The Blue Venture Fund	Healthcare <b>Disease Diagnosis</b>
<b>3 Preventice Solutions</b> Houston, TX	<b>\$137M</b>	Series B	Novo Holdings, Vivo Capital, Boston Scientific	Mobile & Telecommunications Mobile Software & Services Healthcare
<b>4 Sema4</b> Stamford, CT	<b>\$121M</b>	Series C	Connecticut Innovations, Deerfield Management, Blackstone	Healthcare <b>Disease Diagnosis</b>
<b>5 Warby Parker</b> New York, NY	<b>\$120M</b>	Series E+	T. Rowe Price, Baillie Gifford & Co., D1 Capital Partners, Durable Capital Partners	Internet eCommerce Apparel & Accessories

# InsurTech emerging area

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# Q3'20 InsurTech financing ticks up amid rise in deal activity

InsurTech deals and dollars – Quarterly



# Late-stage startups lead top InsurTech deals in Q3'20

## Top InsurTech deals – Q3'20

Company	Investment Round	Select investors	Vertical
<b>1</b> <b>Bright Health</b> Minneapolis, MN	<b>\$500M Series E+</b>	New Enterprise Associates, Bessemer Venture Partners, Tiger Global Management	Healthcare Healthcare Plans
<b>2</b> <b>Next Insurance</b> Palo Alto, CA	<b>\$250M Series D</b>	capitalG, Munich Re Ventures, FinTLV	Financial Insurance
<b>3</b> <b>Hippo</b> Palo Alto, CA	<b>\$150M Series E+</b>	Horizons Ventures, Felicis Ventures, RPM Ventures	Internet Internet & Software Services Accounting & Finance
<b>4</b> <b>Extend</b> San Francisco, CA	<b>\$40M Series B</b>	Meritech Capital Partners, GreatPoint Ventures	Software (non-internet/mobile) Legal Software
<b>4</b> <b>Growers Edge Financial</b> Johnston, IA	<b>\$40M Series B</b>	Finistere Ventures, Cox Enterprises, Skyline Global Partners	Internet Internet & Software Services Accounting & Finance



# Are VCs keeping busy?

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# Three of the top 5 VCs raised over \$1B each in Q3'20

## Top VCs by amount raised in Q3'20

Investor		Funds raised (Q3 2020)	Year founded	Select investments	Location
1	Valor Equity Partners	\$3.0B	1995	Sonder, MODE Analytics	Chicago, IL
2	Sequoia Capital	\$1.4B	2000	Unacademy, Groww, smallcase	Menlo Park, CA
3	SVB Capital	\$1.0B	2000	Olive, Roofstock, BlueVine	Menlo Park, CA
4	Silversmith Capital Partners	\$0.8B	2015	Appfire, Absorb Software	Boston, MA
4	DCM Ventures	\$0.8B	1996	VIPTthink, Ujet	Menlo Park, CA

# Sequoia Capital leads VCs in total fundraising since Q4'15

## Top VCs by amount raised in last five years

Investor	Funds raised (last five years)	Year founded	Select investments	Location
<b>1 Sequoia Capital</b>	<b>\$19.7B</b>	1972	Robinhood, Rappi, UiPath	Menlo Park, CA
<b>2 General Atlantic</b>	<b>\$17.7B</b>	1980	Reliance Retail, Neon, Blend	New York, NY
<b>3 Insight Partners</b>	<b>\$17.3B</b>	1995	Checkout.com, Duck Creek Technologies	New York, NY
<b>4 Summit Partners</b>	<b>\$12.1B</b>	1984	Brooklinen, NinjaRMM, Podium	Boston, MA
<b>5 Andreessen Horowitz</b>	<b>\$11.5B</b>	2009	Dialpad, Tanium, Robinhood	Menlo Park, CA

# SOSV takes the lead as most active VC in Q3'20

## Most active VCs in Q3'20

### Investor

- 1 SOSV**
- 2** Lightspeed Venture Partners
- 2** Andreessen Horowitz
- 2** Google Ventures
- 5** Khosla Ventures
- 5** General Catalyst

### Deals Select investments

- 20 FoodMarble, optimize.health, Finless Foods**
- 17** Seismic, ShareChat, Outschool, Affirm
- 17** Tanium, Robinhood, Deel, Silo
- 17** Veem, Lambda School, Science 37
- 16** Kernel, Oscar Health, True Link Financial
- 16** Cazoo, Olive, Melio

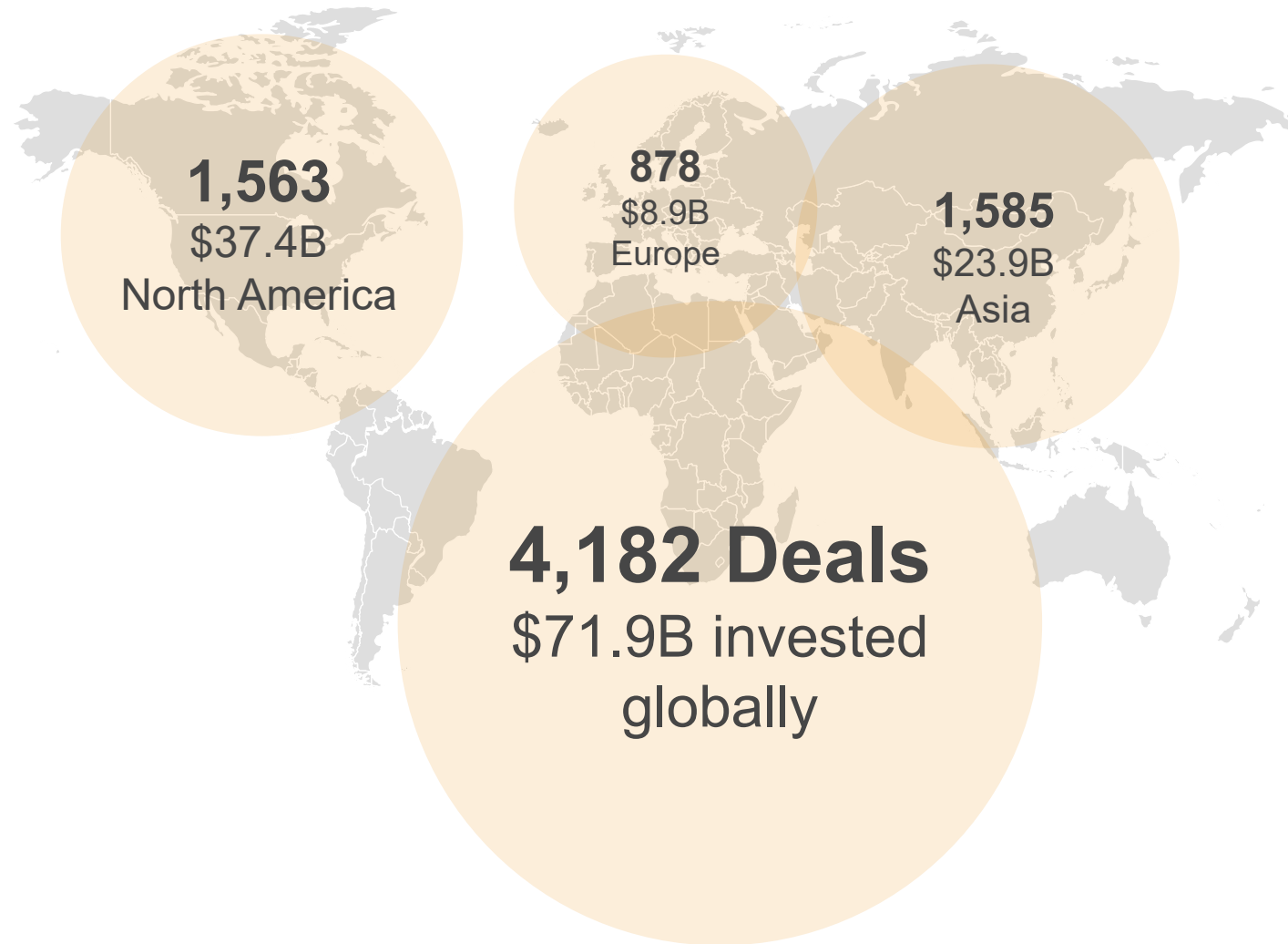
### Location

- Princeton, NJ**
- Menlo Park, CA
- Menlo Park, CA
- Mountain View, CA
- San Francisco, CA
- Palo Alto, CA

Global

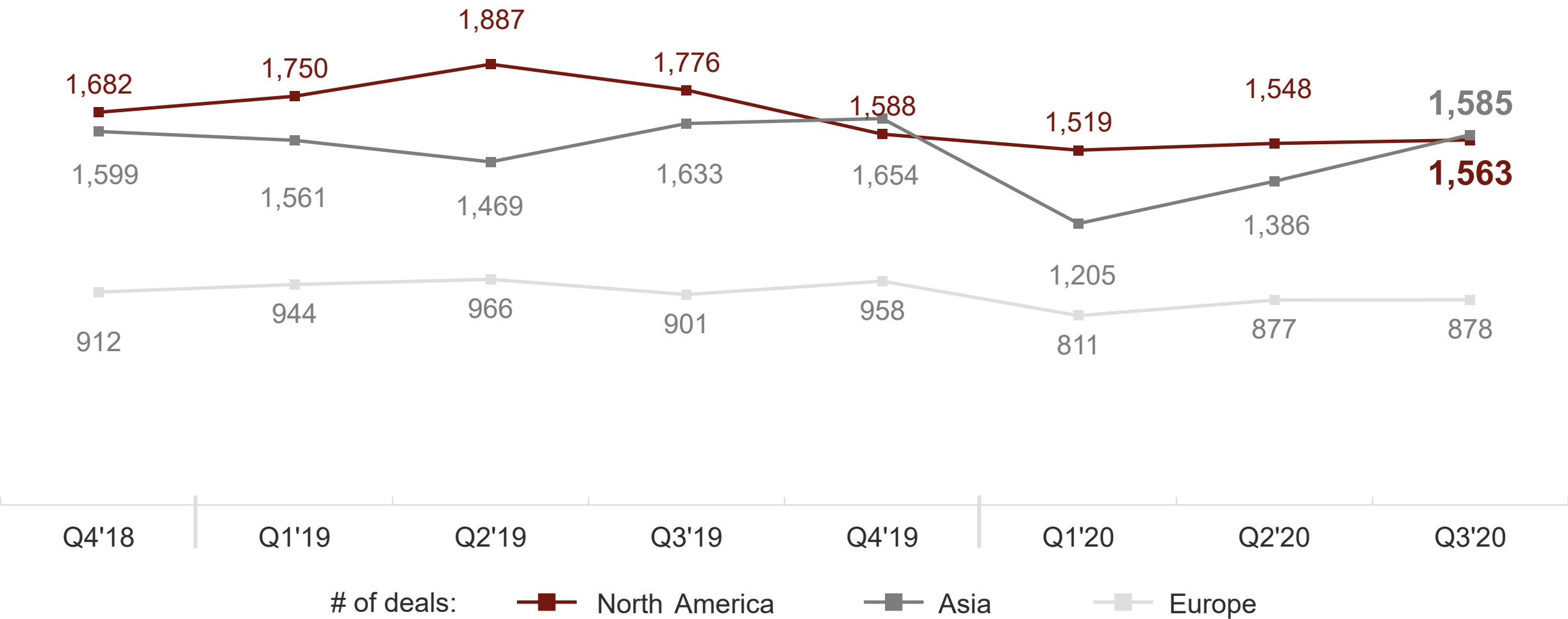


# Regional comparison – Q3'20



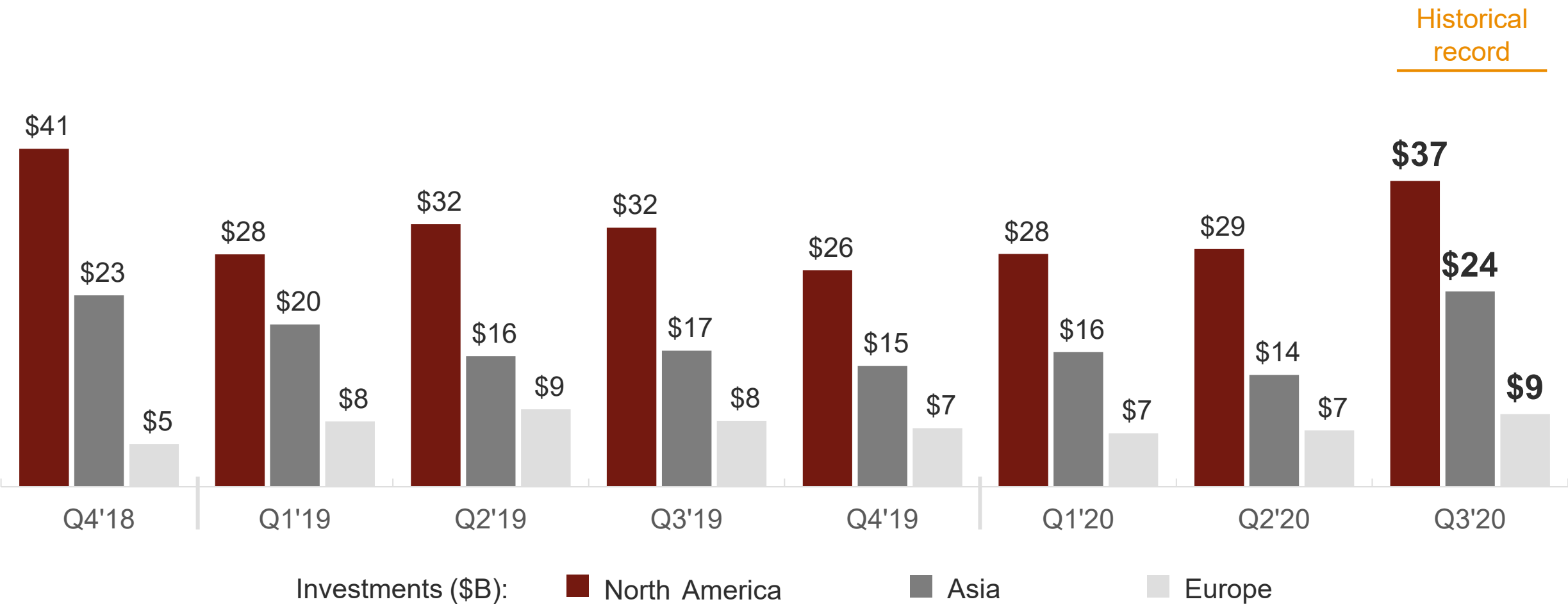
# Deal activity in Asia surpasses North America again

Global deal activity: North America, Asia and Europe



# Total global funding hits new record in Q3'20

## Global dollar funding: North America, Asia, and Europe





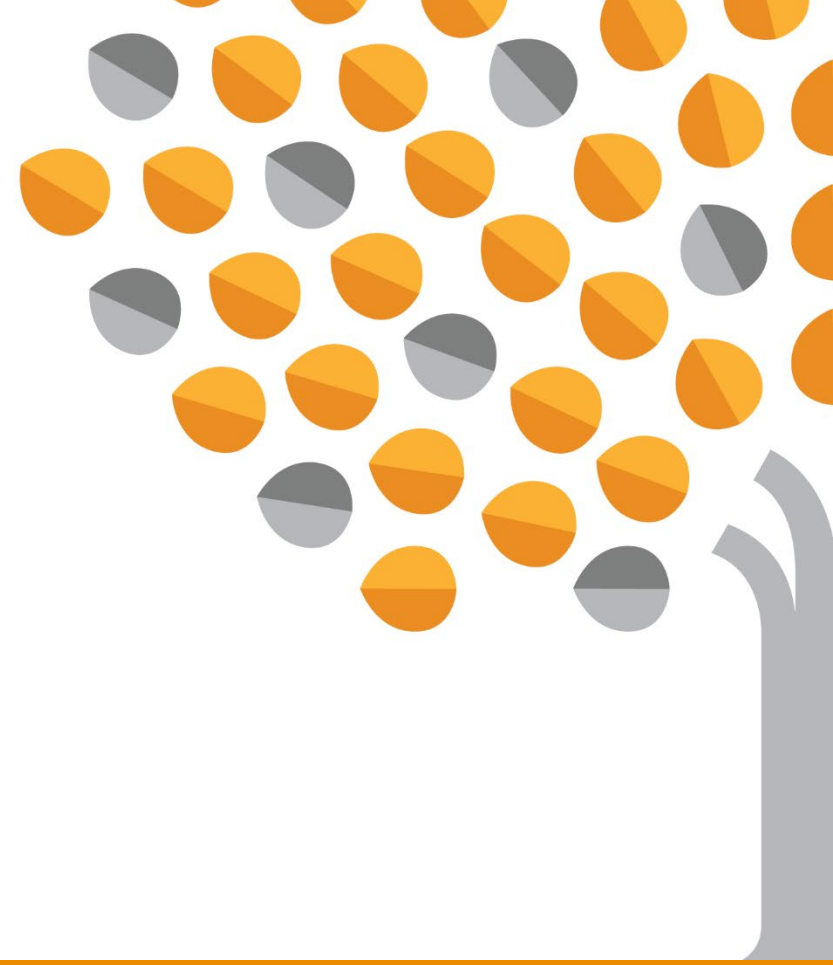
# US-based companies are the top 2 largest deals in Q3'20

## Largest global deals of Q3'20

Company	Investment Round	Select investors	Vertical
1 <b>SpaceX</b> Hawthorne, CA	<b>\$1.9B</b> Series E+	Legendary Ventures, Fidelity Investments	Industrial Aerospace & Defense
2 <b>Epic Games</b> Cary, NC	<b>\$1.5B</b> Private Equity	Lightspeed Venture Partners, T. Rowe Price, BlackRock	Software (non-internet/mobile) Gaming
3 <b>WM Motor</b> Shanghai, China	<b>\$1.5B</b> Series D	Baidu, SIG Asia Investments, SAIC Capital, Agile	Automotive & Transportation Automobile Manufacturing
4 <b>Reliance Retail</b> Mumbai, India	<b>\$1.0B</b> Private Equity	GIC, TPG Capital	Retail (non-internet/mobile)
5 <b>Klarna</b> Stockholm, Sweden	<b>\$0.7B</b> Private Equity	Northzone Ventures, Technology Crossover Ventures	Internet eCommerce eCommerce Enablement

# Appendix

PwC/CB Insights  
MoneyTree™ Report  
Q3 2020



# US states: Full listing of Q3'20 deals and investments

State	\$M	Deals	State	\$M	Deals	State	\$M	Deals	State	\$M	Deals
Alabama	8	3	Indiana	93	13	Nevada	8	5	Rhode Island	4	1
Arizona	163	7	Iowa	54	5	New Hampshire	105	3	South Carolina	32	3
Arkansas	-	-	Kansas	-	-	New Jersey	392	12	Tennessee	56	4
California	17,786	615	Kentucky	28	1	New Mexico	3	1	Texas	1,083	59
Colorado	250	41	Maine	0.3	2	New York	4,578	208	Utah	450	22
Connecticut	168	10	Maryland	256	17	North Carolina	2,075	20	Vermont	11	1
DC	65	8	Massachusetts	3,717	116	North Dakota	-	-	Virginia	83	15
Delaware	105	4	Michigan	66	10	Ohio	306	13	Washington	1,183	59
Florida	898	36	Minnesota	600	14	Oklahoma	-	-	West Virginia	-	1
Georgia	366	25	Missouri	7	5	Oregon	69	14	Wisconsin	87	8
Idaho	12	1	Montana	22	1	Pennsylvania	297	33	Wyoming	-	1
Illinois	944	35	Nebraska	23	6	Puerto Rico	-	-			

PwC ([pwc.com/moneytree](http://pwc.com/moneytree)) and CB Insights ([cbinsights.com](http://cbinsights.com)) encourage you to review the methodology and definitions employed to better understand the numbers presented in this report. If you have any questions about the definitions or methodological principles used, we encourage you to reach out to CB Insights directly. Additionally, if you feel your firm has been underrepresented, please send an email to [info@cbinsights.com](mailto:info@cbinsights.com) and we can work together to ensure your firm's investment data is up-to-date.

Rankings, e.g. top states and top sectors, are done by quarterly deal activity (that is, deal count for the given quarter).

## What is included:

- Equity financings into private companies. Fundings must be to VC-backed companies, which are defined as companies that have received funding at any point from: venture capital firms, corporate venture arms, or super angel investors.
- Fundings of private companies only. Funding rounds raised by public companies of any kind on any exchange (including Pink Sheets) are excluded from our numbers, even if they received investment from a venture firm.
- Only includes the investment made in the quarter for tranching investments. If a company does a second closing of its Series B round for \$5M and previously had closed \$2M in a prior quarter, only the \$5M is reflected in our results.
- Round numbers reflect what has closed, not what is intended. If a company indicates the closing of \$5M out of a desired raise of \$15M, our numbers reflect only the amount which has closed.
- Only verifiable fundings are included. Fundings are verified via (1) various federal and state regulatory filings; (2) direct confirmation with firm or investor; (3) press release; or (4) credible media sources.
- Equity fundings to joint ventures and spinoffs/spinouts are included, given that they meet the VC-backed criteria.
- Geography note: Israel funding figures are classified in Asia.

## What is excluded:

- No contingent funding. If a company receives a commitment for \$20M subject to hitting certain milestones but first gets \$8M, only the \$8M is included in our data.
- No business development/R&D arrangements, whether transferable into equity now, later, or never. If a company signs a \$300M R&D partnership with a larger corporation, this is not equity financing nor is it from venture capital firms. As a result, it is not included.
- No buyouts, consolidations, or recapitalizations. All three of these transaction types are commonly employed by private equity firms and are tracked by CB Insights. However, they are excluded for the purposes of this report.
- No private placements. These investments, also known as PIPEs (Private Investment in Public Equities), are not included even if made by a venture capital firm.
- No debt/loans of any kind (except convertible notes). Venture debt or any kind of debt/loan issued to emerging, startup companies, even if included as an additional part of an equity financing, is not included. If a company receives \$3M with \$2M from venture investors and \$1M in debt, only the \$2M is included in these statistics.
- No non-equity government funding. Grants or loans by the federal government, state agencies, or public-private partnerships to emerging, startup companies are not included.
- No fundings to subsidiaries of a larger parent corporation.

# Disclaimer

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