

VENTURE CAPITAL REVIEW

# United States Venture Capital Review •

Full Year 2023



**LSEG** DATA & ANALYTICS

# United States Venture Capital

Full Year 2023 | United States Venture Capital Review

## United States Venture Capital Deals Intelligence

### UNITED STATES VENTURE CAPITAL DEALS TOTAL US\$106.3 BILLION

United States venture capital activity totaled US\$106.3 billion during full year 2023, a decrease of 38% compared to year-ago levels. The fourth quarter of 2023 totaled US\$23.5 billion, a decrease of 4% compared to the third quarter of 2023. By number of United States venture capital deals, 7,456 deals were completed during the full year 2023, a 9% decrease compared to full year 2022.

### TOP TEN LARGEST DEALS BRING IN US\$15.6 BILLION

The top ten deals during the year saw deal values totaling US\$15.6 billion. The top deal was the US\$6.5 billion investment into financial services company Stripe, followed by the US\$1.3 billion funding round into artificial intelligence company Inflection AI. Rounding out the top deals of the year were Commure, Juul Labs, and Metropolis Technologies, which closed rounds of US\$1.28 billion, US\$1.27 billion, and US\$1.05 billion respectively.

### TECHNOLOGY, HEALTHCARE, AND INDUSTRIALS LEAD SECTOR MIX

Companies within the Technology sector saw US\$47.9 billion of deal values across 4,194 transactions during full year 2023. Companies within the Healthcare and Industrial sectors saw deal values of US\$26.3 billion and US\$17.7 billion respectively.

### UNITED STATES VENTURE CAPITAL FUNDRAISING DOWN 57%

A total of 618 United States venture capital funds recorded closes for the full year 2023, raising a combined US\$64.2 billion in commitments. This represented a 57% decline from the US\$148 billion raised during full year 2022. The number of funds recording a close was also down by 41% compared to year-ago levels.

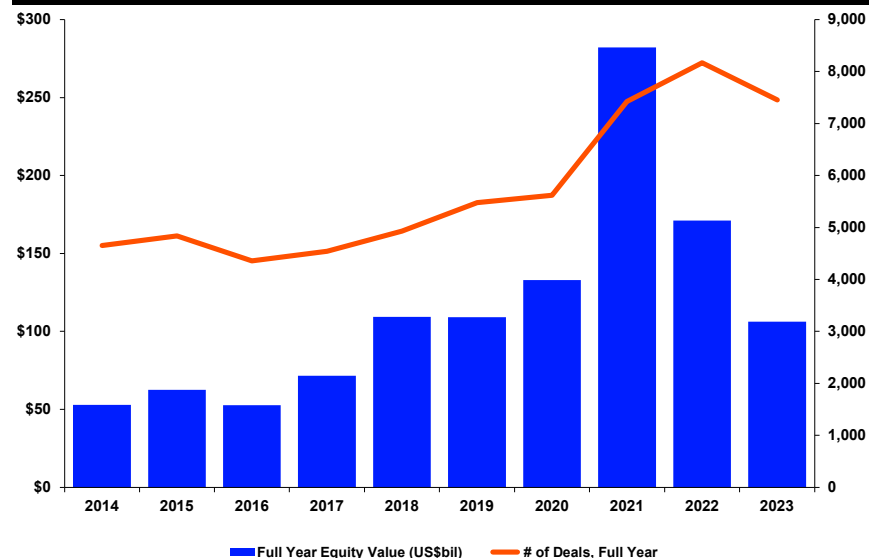
A total of ten funds recorded closings of US\$1 billion or greater during full year 2023. These were led by Wellington Hadley Harbor Partners IV with US\$2.8 billion, Technology Crossover Ventures XII with \$1.4 billion, and Khosla Ventures VIII at \$1.3 billion.

### UNITED STATES VENTURE CAPITAL-BACKED COMPANIES COMPLETE EXITS VALUED AT US\$168.3 BILLION

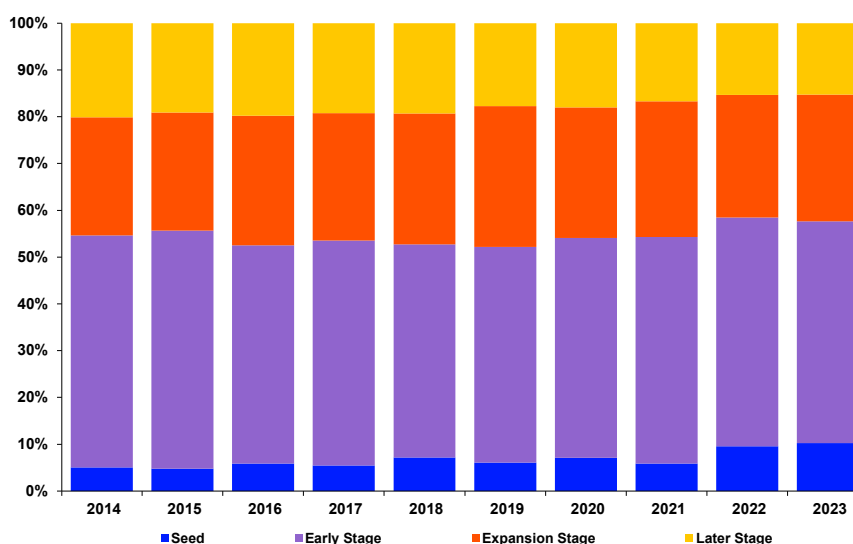
United States venture backed exits totaled US\$168.3 billion from 347 transactions during the year, a 62% increase by exit value but a 16% decrease by number of transactions compared to last year.

The top announced exit remained Pfizer's US\$42.1 billion announcement to acquire cancer therapeutics company Seagen. This was followed by data analytics company New Relic, announcing its acquisition by Francisco Partners and TPG for US\$6.1 billion. Rounding out the top exits was the acquisition of games publisher and developer Scopely by Savvy Games for US\$4.9 billion.

## Venture Capital Investment Activity in U.S. Companies



## Venture Capital Deal Volumes by Transaction Type



# Investments

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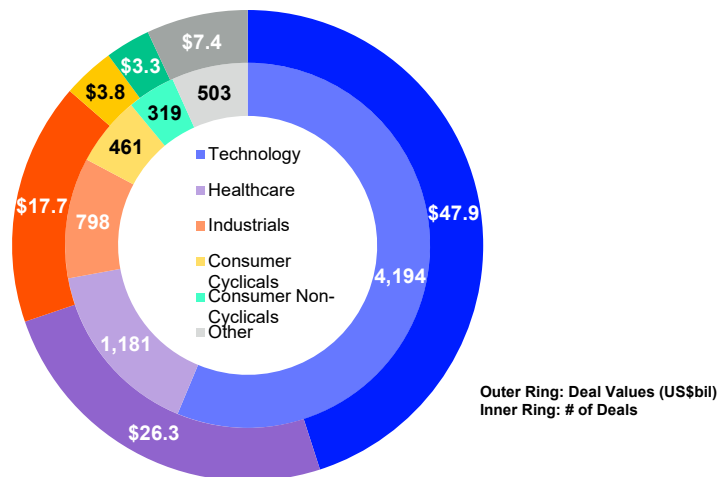
## Top U.S. Venture Capital Deals by Deal Value

| Company Name                | Inv. Date | Equity Value (US\$mil) | Sector                 | Company Location |
|-----------------------------|-----------|------------------------|------------------------|------------------|
| Stripe Inc                  | 03/15/23  | \$6,500.0              | Industrials            | California       |
| Inflection AI Inc           | 06/29/23  | \$1,300.0              | Technology             | California       |
| Commure Inc                 | 10/13/23  | \$1,284.4              | Technology             | California       |
| Juul Labs Inc               | 10/27/23  | \$1,270.0              | Consumer Non-Cyclicals | California       |
| Metropolis Technologies Inc | 10/05/23  | \$1,050.0              | Technology             | California       |
| Redwood Materials Inc       | 08/29/23  | \$1,000.0              | Industrials            | Nevada           |
| Hybar LLC                   | 08/02/23  | \$700.0                | Basic Materials        | Arkansas         |
| CoreWeave Inc               | 12/04/23  | \$642.0                | Technology             | New Jersey       |
| Rippling People Center Inc  | 03/17/23  | \$500.0                | Industrials            | California       |
| SB Technology Inc           | 02/14/23  | \$500.0                | Technology             | California       |
| Databricks Inc              | 09/14/23  | \$500.0                | Technology             | California       |
| Ascend Elements Inc         | 09/06/23  | \$460.1                | Industrials            | Massachusetts    |

## Top VC Deals by U.S. Firms Investing Abroad

| Company Name                                    | Inv. Date | Equity Value (US\$mil) | Sector          | Company Location     |
|-------------------------------------------------|-----------|------------------------|-----------------|----------------------|
| H2 Green Steel AB                               | 09/07/23  | \$1,604.8              | Basic Materials | Sweden               |
| Xiamen Hithium Energy Storage Technology Co Ltd | 07/05/23  | \$621.0                | Industrials     | China                |
| Micro Connect Investments Ltd                   | 08/02/23  | \$458.0                | Financials      | Hong Kong            |
| Axelia Solutions Pvt Ltd                        | 10/23/23  | \$421.3                | Technology      | India                |
| Mistral AI SAS                                  | 12/10/23  | \$414.3                | Technology      | France               |
| Aleph Alpha GmbH                                | 11/06/23  | \$392.2                | Technology      | Germany              |
| Nakhle Information Systems Technology Co        | 12/18/23  | \$340.0                | Technology      | Saudi Arabia         |
| SumUp Payments Ltd                              | 12/11/23  | \$306.7                | Technology      | United Kingdom       |
| Beijing Dark Side of The Moon Technology Co Ltd | 10/10/23  | \$274.2                | Technology      | China                |
| ITM Isotope Technologies Munich SE              | 06/05/23  | \$273.2                | Healthcare      | Germany              |
| Cohere Inc                                      | 06/08/23  | \$270.4                | Technology      | Canada               |
| Tabby FZ-LLC                                    | 11/01/23  | \$250.0                | Financials      | United Arab Emirates |

## Investments by Sector, Equity Values (US\$bil)



## PE Venture Capital Investments by State

| State          | 01/01/2023 - 12/31/2023<br>Value (\$mil) | # of Deals | 01/01/2022 - 12/31/2022<br>Value (\$mil) | # of Deals | YoY %<br>Chg. (\$) | YoY %<br>Chg. (#) |
|----------------|------------------------------------------|------------|------------------------------------------|------------|--------------------|-------------------|
| California     | \$49,872.9                               | 2,561      | \$78,478.8                               | 2,995      | -36%               | -14%              |
| Massachusetts  | \$12,155.6                               | 456        | \$16,953.3                               | 555        | -28%               | -18%              |
| New York       | \$11,767.4                               | 1,109      | \$21,946.2                               | 1,213      | -46%               | -9%               |
| Texas          | \$4,600.1                                | 371        | \$7,077.7                                | 391        | -35%               | -5%               |
| Washington     | \$2,850.0                                | 236        | \$5,559.4                                | 257        | -49%               | -8%               |
| Colorado       | \$2,531.0                                | 180        | \$3,982.0                                | 218        | -36%               | -17%              |
| Florida        | \$1,792.7                                | 260        | \$3,923.0                                | 272        | -54%               | -4%               |
| New Jersey     | \$1,630.7                                | 83         | \$1,471.6                                | 84         | 11%                | -1%               |
| Illinois       | \$1,556.7                                | 173        | \$5,503.8                                | 202        | -72%               | -14%              |
| Nevada         | \$1,418.6                                | 34         | \$521.6                                  | 33         | 172%               | 3%                |
| Virginia       | \$1,300.5                                | 136        | \$1,695.1                                | 136        | -23%               | 0%                |
| Pennsylvania   | \$1,274.5                                | 175        | \$2,299.3                                | 174        | -45%               | 1%                |
| North Carolina | \$1,205.1                                | 134        | \$1,921.9                                | 147        | -37%               | -9%               |
| Tennessee      | \$1,204.2                                | 48         | \$632.6                                  | 48         | 90%                | 0%                |
| Maryland       | \$1,149.1                                | 102        | \$1,004.1                                | 82         | 14%                | 24%               |
| Georgia        | \$1,137.4                                | 111        | \$1,520.6                                | 136        | -25%               | -18%              |
| Utah           | \$859.9                                  | 68         | \$1,604.0                                | 91         | -46%               | -25%              |
| Michigan       | \$796.0                                  | 91         | \$2,037.1                                | 73         | -61%               | 25%               |
| Arkansas       | \$768.4                                  | 11         | \$156.3                                  | 11         | 392%               | 0%                |
| Delaware       | \$765.9                                  | 249        | \$958.9                                  | 186        | -20%               | 34%               |
| Ohio           | \$739.6                                  | 97         | \$1,765.2                                | 100        | -58%               | -3%               |
| Minnesota      | \$653.1                                  | 67         | \$900.5                                  | 62         | -27%               | 8%                |

# Investments Rankings

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## Top VC Investors in All United States Companies

| Firm Name                             | Rank 2023 | # of Deals | Estimated Investment (US \$ mil) |
|---------------------------------------|-----------|------------|----------------------------------|
| Y Combinator Management LLC           | 1         | 344        | \$323.6                          |
| Techstars Central LLC                 | 2         | 209        | \$34.5                           |
| AH Capital Management LLC             | 3         | 130        | \$1,558.0                        |
| Sequoia Capital Operations LLC        | 4         | 91         | \$927.9                          |
| Gaingels Management LLC               | 5         | 85         | \$96.0                           |
| Launch Angels Management Co LLC       | 6         | 84         | \$194.0                          |
| General Catalyst Group Management LLC | 7         | 66         | \$953.7                          |
| Lightspeed Management Co LLC          | 8         | 64         | \$475.8                          |
| SOSV Investments LLC                  | 9         | 58         | \$35.9                           |
| Khosla Ventures LLC                   | 10*       | 56         | \$296.7                          |
| FJ Labs Inc                           | 10*       | 56         | \$71.6                           |
| Google Ventures                       | 12        | 49         | \$543.9                          |
| New Enterprise Associates Inc         | 13        | 45         | \$304.6                          |
| Invest Nebraska Corp                  | 14        | 42         | \$27.1                           |

## Top VC Investors in Massachusetts Companies

| Firm Name                              | Rank 2023 | # of Deals | Estimated Investment (US \$ mil) |
|----------------------------------------|-----------|------------|----------------------------------|
| Arch Venture Partners LLC              | 1         | 16         | \$242.6                          |
| Alexandria Venture Investments LLC     | 2         | 13         | \$126.9                          |
| RA Capital Management LP               | 3*        | 11         | \$156.7                          |
| Google Ventures                        | 3*        | 11         | \$144.4                          |
| North Star Venture Management 2000 LLC | 3*        | 11         | \$133.2                          |
| F-Prime Inc                            | 6         | 10         | \$152.4                          |
| Invus Group LLC                        | 7*        | 8          | \$108.3                          |
| AH Capital Management LLC              | 7*        | 8          | \$88.5                           |
| Y Combinator Management LLC            | 7*        | 8          | \$6.5                            |
| Flagship Ventures                      | 10*       | 7          | \$341.4                          |
| Launch Angels Management Co LLC        | 10*       | 7          | \$84.0                           |

## Top Investors in United States Technology Companies

| Firm Name                             | Rank 2023 | # of Deals | Estimated Investment (US \$ mil) |
|---------------------------------------|-----------|------------|----------------------------------|
| Y Combinator Management LLC           | 1         | 270        | \$251.2                          |
| Techstars Central LLC                 | 2         | 140        | \$21.9                           |
| AH Capital Management LLC             | 3         | 87         | \$708.8                          |
| Sequoia Capital Operations LLC        | 4         | 71         | \$332.8                          |
| Gaingels Management LLC               | 5         | 55         | \$63.4                           |
| Lightspeed Management Co LLC          | 6         | 54         | \$385.2                          |
| Launch Angels Management Co LLC       | 7         | 49         | \$72.1                           |
| General Catalyst Group Management LLC | 8         | 41         | \$255.1                          |
| FJ Labs Inc                           | 9         | 37         | \$45.1                           |
| Soma Capital Management LLC           | 10        | 35         | \$31.0                           |
| 500 Startups Management Co LLC        | 11        | 34         | \$10.5                           |
| New Enterprise Associates Inc         | 12*       | 32         | \$173.2                          |
| Forum Ventures                        | 12*       | 32         | \$9.4                            |
| Khosla Ventures LLC                   | 14        | 28         | \$146.3                          |

## Top VC Investors in California Companies

| Firm Name                             | Rank 2023 | # of Deals | Estimated Investment (US \$ mil) |
|---------------------------------------|-----------|------------|----------------------------------|
| Y Combinator Management LLC           | 1         | 223        | \$235.0                          |
| AH Capital Management LLC             | 2         | 74         | \$1,283.3                        |
| Sequoia Capital Operations LLC        | 3         | 60         | \$813.4                          |
| Techstars Central LLC                 | 4         | 42         | \$6.6                            |
| Gaingels Management LLC               | 5         | 37         | \$34.7                           |
| Lightspeed Management Co LLC          | 6         | 36         | \$264.2                          |
| General Catalyst Group Management LLC | 7         | 35         | \$774.2                          |
| Launch Angels Management Co LLC       | 8         | 34         | \$60.4                           |
| Khosla Ventures LLC                   | 9         | 32         | \$154.9                          |
| SOSV Investments LLC                  | 10        | 28         | \$28.0                           |
| Google Ventures                       | 11        | 26         | \$303.7                          |
| New Enterprise Associates Inc         | 12        | 25         | \$117.6                          |

## Top VC Investors in New York Companies

| Firm Name                             | Rank 2023 | # of Deals | Estimated Investment (US \$ mil) |
|---------------------------------------|-----------|------------|----------------------------------|
| Y Combinator Management LLC           | 1         | 57         | \$37.8                           |
| Techstars Central LLC                 | 2         | 36         | \$5.3                            |
| AH Capital Management LLC             | 3         | 24         | \$92.1                           |
| Gaingels Management LLC               | 4         | 22         | \$20.0                           |
| FJ Labs Inc                           | 5         | 21         | \$36.8                           |
| Launch Angels Management Co LLC       | 6         | 17         | \$14.3                           |
| Lightspeed Management Co LLC          | 7*        | 14         | \$113.9                          |
| General Catalyst Group Management LLC | 7*        | 14         | \$85.7                           |
| Entrepreneurs Roundtable Accelerator  | 7*        | 14         | \$4.5                            |
| Box Group LLC                         | 10        | 13         | \$35.9                           |
| Sequoia Capital Operations LLC        | 11*       | 11         | \$41.7                           |
| AlleyCorp Advisers LLC                | 11*       | 11         | \$30.0                           |
| Forum Ventures                        | 11*       | 11         | \$2.1                            |
| Gradient Ventures LLC                 | 14        | 10         | \$20.2                           |

## Top Investors in United States Healthcare Companies

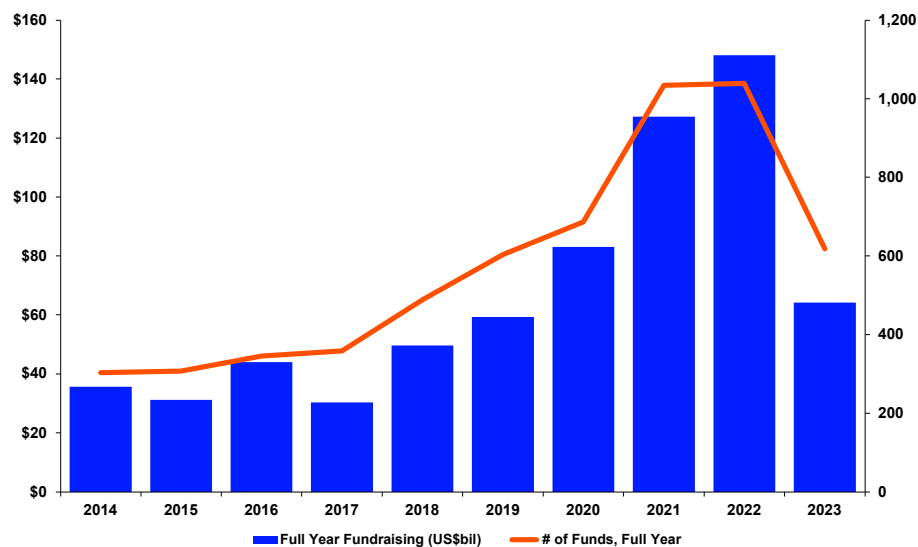
| Firm Name                              | Rank 2023 | # of Deals | Estimated Investment (US \$ mil) |
|----------------------------------------|-----------|------------|----------------------------------|
| RA Capital Management LP               | 1*        | 29         | \$377.5                          |
| Y Combinator Management LLC            | 1*        | 29         | \$25.3                           |
| Arch Venture Partners LLC              | 3         | 24         | \$337.7                          |
| Alexandria Venture Investments LLC     | 4         | 22         | \$209.7                          |
| Google Ventures                        | 5*        | 21         | \$276.9                          |
| AH Capital Management LLC              | 5*        | 21         | \$215.7                          |
| SOSV Investments LLC                   | 7         | 20         | \$4.1                            |
| Orbimed Advisors LLC                   | 8*        | 18         | \$278.5                          |
| F-Prime Inc                            | 8*        | 18         | \$226.7                          |
| Catalio Capital Management LP          | 10        | 16         | \$134.3                          |
| North Star Venture Management 2000 LLC | 11        | 15         | \$171.4                          |
| Johnson & Johnson Innovation-JJDC Inc  | 12        | 14         | \$117.9                          |
| Khosla Ventures LLC                    | 13*       | 13         | \$68.6                           |
| Gaingels Management LLC                | 13*       | 13         | \$19.5                           |

\*Indicates a Tie

# Fundraising

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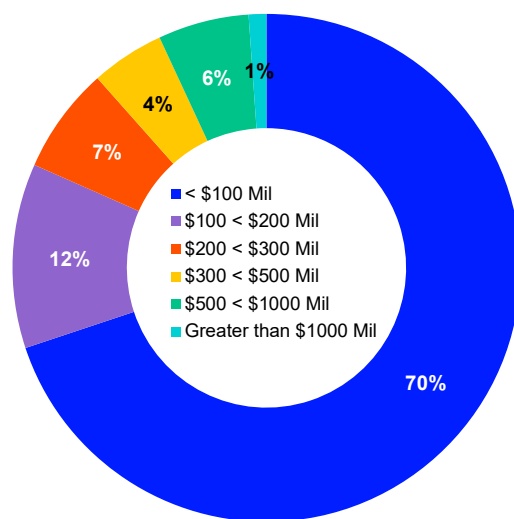
## U.S. Venture Capital Fundraising Activity



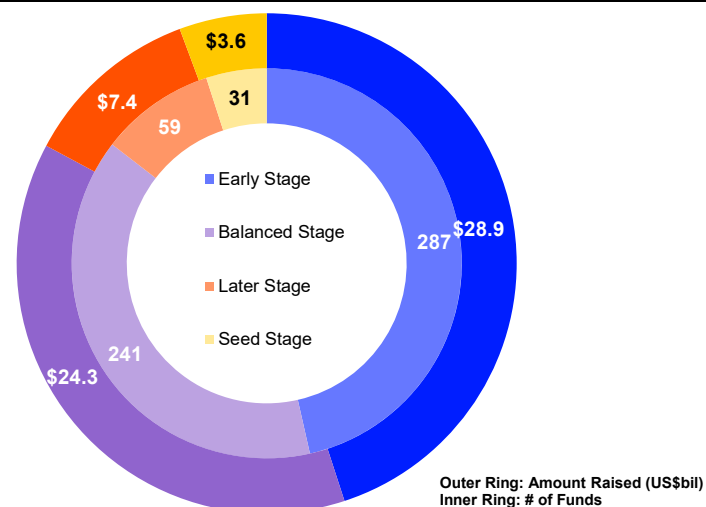
## Largest Venture Capital Funds Raised in the U.S.

| Fund Name                                   | Latest Closing Date | Amount Raised (\$mil) | Total Fund Size(\$mil) | Fund Stage     |
|---------------------------------------------|---------------------|-----------------------|------------------------|----------------|
| Wellington Hadley Harbor Partners IV, L.P.  | 06/20/23            | \$2,800.0             | \$2,800.0              | Later Stage    |
| TCV XII, L.P.                               | 06/12/23            | \$1,402.1             | \$1,402.1              | Later Stage    |
| Khosia Ventures VIII, L.P.                  | 12/21/23            | \$1,342.9             | \$1,342.9              | Early Stage    |
| Lux Ventures VIII                           | 04/14/23            | \$1,141.7             | \$1,141.7              | Balanced Stage |
| Tomorrow Fund I                             | 06/12/23            | \$1,040.0             | \$1,040.0              | Balanced Stage |
| Greycroft Partners VII, L.P.                | 04/27/23            | \$1,000.0             | \$1,000.0              | Early Stage    |
| Galvanize Innovation & Expansion Fund I, LP | 09/14/23            | \$1,000.0             | \$1,000.0              | Balanced Stage |
| Greycroft Growth IV, L.P.                   | 04/27/23            | \$1,000.0             | \$1,000.0              | Later Stage    |
| RTP IV                                      | 06/28/23            | \$1,000.0             | \$1,000.0              | Early Stage    |
| Greylock 17                                 | 10/03/23            | \$1,000.0             | \$1,000.0              | Balanced Stage |
| GLP Capital Partners V LP                   | 09/06/23            | \$930.3               | \$930.3                | Balanced Stage |
| 8VC Fund V LP                               | 03/01/23            | \$880.0               | \$880.0                | Early Stage    |

## Venture Capital Fundraising, 2023 Fund Size Composition



## Venture Capital Fundraising, by Investment Stage (US\$bil)

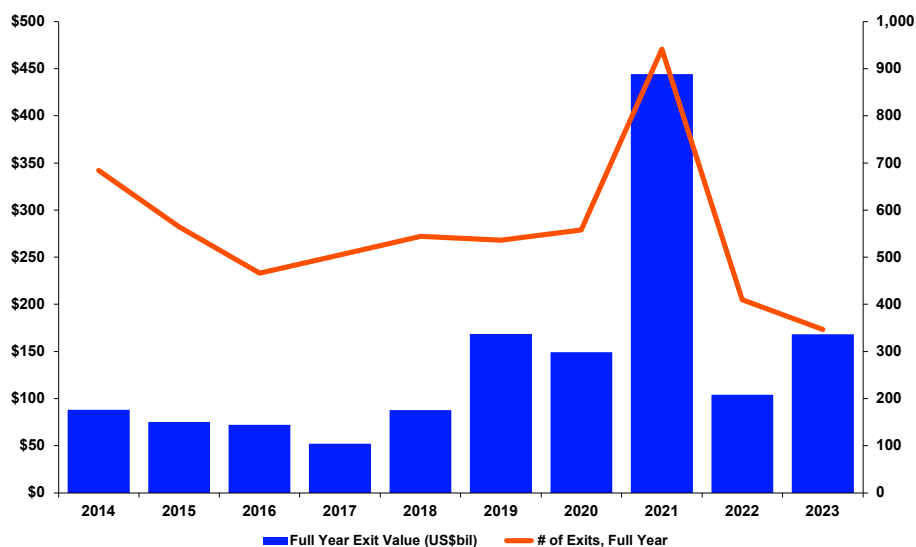


Outer Ring: Amount Raised (US\$bil)  
Inner Ring: # of Funds

# Exits

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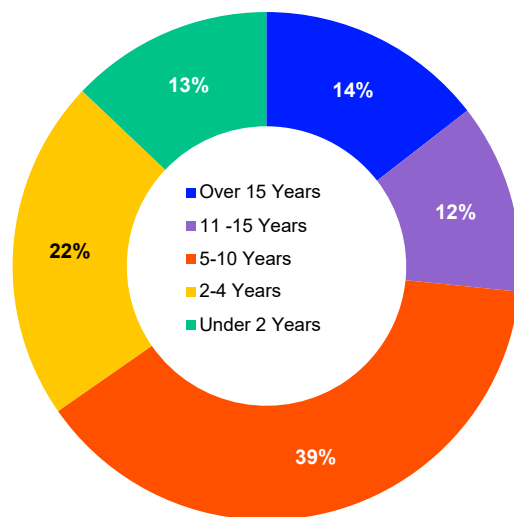
## U.S. Venture Capital Exit Activity



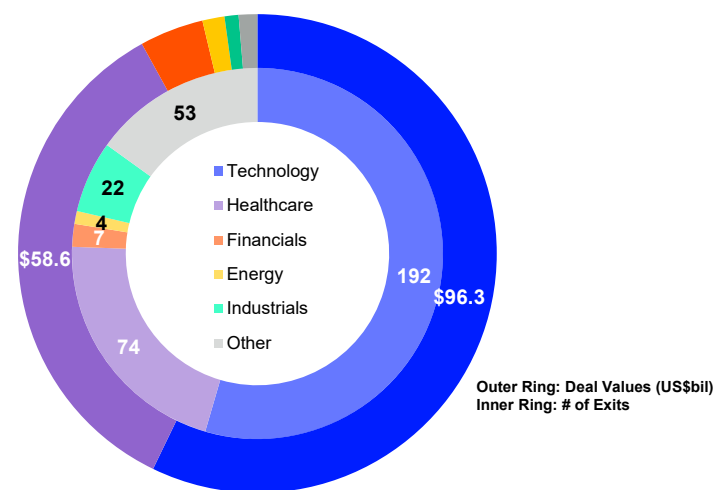
## Top Announced U.S. Venture Capital-Backed Exits

| Company Name       | Ann. Date | Deal Value (US\$mil) | Sector                             | Exit Type        |
|--------------------|-----------|----------------------|------------------------------------|------------------|
| Seagen Inc         | 03/13/23  | \$42,101.7           | Pharmaceuticals & Medical Research | Merger           |
| New Relic Inc      | 07/31/23  | \$6,116.9            | Software & IT Services             | Secondary Sales  |
| Scopely Inc        | 04/05/23  | \$4,900.0            | Software & IT Services             | Merger           |
| Apptio Inc         | 06/26/23  | \$4,600.0            | Software & IT Services             | Merger           |
| Imperva Inc        | 07/25/23  | \$3,600.0            | Software & IT Services             | Merger           |
| Versanis Bio Inc   | 07/14/23  | \$1,925.0            | Pharmaceuticals & Medical Research | Merger           |
| SP Plus Corp       | 10/05/23  | \$1,439.9            | Transportation                     | Merger           |
| CTI BioPharma Corp | 05/10/23  | \$1,392.4            | Pharmaceuticals & Medical Research | Merger           |
| Mosaic ML Inc      | 06/26/23  | \$1,300.0            | Software & IT Services             | Merger           |
| Kerecis            | 07/07/23  | \$1,300.0            | Pharmaceuticals & Medical Research | Merger           |
| Logik Systems Inc  | 08/29/23  | \$1,000.0            | Software & IT Services             | Merger           |
| Roadzen Inc        | 02/13/23  | \$965.0              | Software & IT Services             | Reverse Takeover |

## Number of Years from Investment to Exit



## Exits by Sector



# United States Venture Capital Criteria

Full Year 2023

If you would like to participate in the submission process, receive quarterly press releases, or have questions about our full league table criteria please contact:

## UNITED STATES

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Data collected and analyzed by LSEG Data & Analytics for this statistical report were drawn from a variety of sources including LSEG M&A databases, regulatory filings, press releases, and proprietary reports from U.S. and non-resident venture capital firms, private equity firms, law firms, and other service providers.

The LSEG Data & Analytics venture capital report measures cash for equity and quasi-equity investments by the professional venture capital community in emerging companies in the United States.

The report includes the investment activity of professional venture capital firms, whether U.S.-based or not, including private independent funds, venture arms of corporations, institutions, government funds, angel funds, and similar entities whose primary activity is financial investing. Where there are additional participants such as angels, corporations, governments, or company officers in a qualified and verified financing round, the entire amount of the round is Included.

The report excludes venture debt, buyouts, recapitalizations, secondary purchases, and other forms of private equity that do not involve cash such as services-in-kind. All current and previous years data is as of Monday, January 29th, 2024. Data is continuously updated and is therefore subject to change. All figures are in U.S. dollars.

League Table rankings of top VC investors include only publicly-disclosed investment activity made in United States portfolio companies. Estimated investment activity is based on the actual syndicate breakdown, where available, and is split equally among disclosed investors where actual breakdowns are not available. Rankings capture the full year of 2023. Deals are tracked by their completion date when known, and by their announcement date when their completion date is unknown.

League tables include eligible seed, early stage, later stage, and expansion stages of VC investment. LSEG Data & Analytics begins tracking rounds at the first investment from a venture capital firm and tracks all subsequent equity financing rounds. Angel, incubator and similar investments are considered pre-venture financing if the company has received no prior qualifying venture capital investment and are not included in the report. Deals with undisclosed dollar values are rank eligible but with no corresponding Estimated Investment or Deal value. Non-US dollar denominated transactions are converted to the US dollar equivalent at the time of announcement of terms. **Firms are ranked by number of deals first, and estimated equity invested second.**

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