

VENTURE CAPITAL REVIEW

# United States Venture Capital Review First Nine Months 2023

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# United States Venture Capital

First Nine Months 2023 | United States Venture Capital Review

## United States Venture Capital Deals Intelligence

### UNITED VENTURE CAPITAL DEALS TOTAL US\$81.6 BILLION

United States venture capital activity totaled US\$81.6 billion invested across 5,955 rounds during the first nine months of 2023. Deal volumes were flat this year, as compared to the same period last year, but represented a 42% decrease in deal values. Indeed, first nine months dollar volumes from January to September this year were the lowest since 2018, when only US\$69.4 was deployed into US-based companies.

### TOP TEN COMPLETED ROUNDS BRING IN US\$12.3 BILLION

The top ten deals completed during the first three quarters of 2023 saw deal values totaling US\$12.3 billion. The top round 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 first nine months were recycling companies Redwood Materials, and Hybar, which closed rounds of US\$1.0 billion and US\$700 million respectively.

### INFORMATION TECHNOLOGY INVESTMENT DOWN 46% FROM 2022

The information technology sector led all other sectors by value with US\$51.4 billion invested in 4,385 transactions during the first nine months of 2023, a decrease of 46% in dollars compared to the same period last year. Companies within the medical and health sector constituted the second largest share of venture investments, totaling US\$18.2 billion in 721 deals, a decrease of 27% in dollar volumes compared to the same period last year.

### UNITED STATES VENTURE CAPITAL FUNDRAISING DOWN 61%

A total of 515 United States venture funds recorded closes during the first nine months of 2023, raising a combined US\$51.8 billion in commitments. This represented a marked 61% decline from the US\$131.4 billion raised in the same period last year. The number of funds recording a close was also down by 43%.

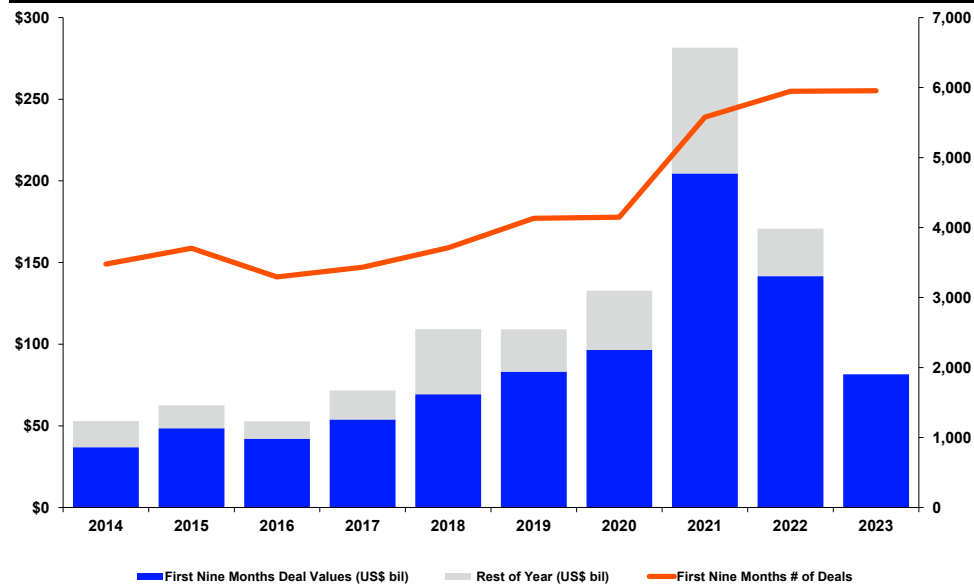
From January to September, eight funds recorded closings of US\$1 billion or greater. These were led by Wellington Hadley Harbor Partners IV with US\$2.8 billion, Technology Crossover Ventures XII with \$1.4 billion, and Lux Ventures VII at \$1.1 billion.

### US VENTURE CAPITAL-BACKED EXITS DECLINE 62%

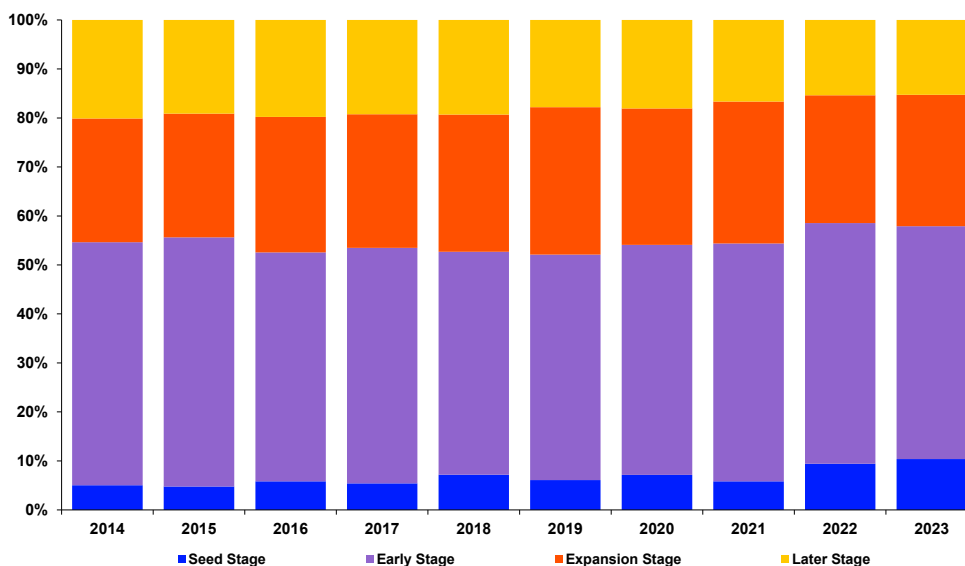
United States venture backed exits totaled US\$39.2 billion from 278 transactions during the first three quarters, a 62% decrease by exit value and a 19% decrease by number of transactions compared to the same period last year.

The top announced exit remained Pfizer's US\$42.1 billion announcement to acquire cancer therapeutics company Seagen. Placing second was cybersecurity company Splunk, which announced will be acquired by Cisco for US\$30.0 billion. In third place was data analytics company New Relic, announcing its acquisition by Francisco Partners and TPG for US\$6.1 billion.

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



## Venture Capital Deal Volumes by Transaction Type



# Investments

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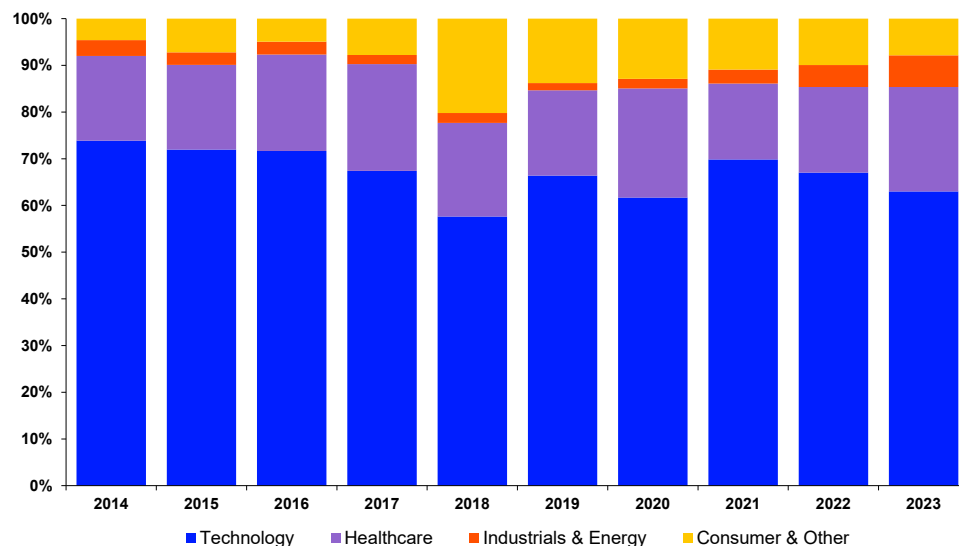
## Top U.S. Venture Capital Deals by Deal Value

Company Name	Inv. Date	Deal Value (US\$ mil)	Sector	Location
Stripe Inc	03/15/23	\$6,500.0	Payment Processing	California
Inflection AI Inc	06/29/23	\$1,300.0	Artificial Intelligence	California
Redwood Materials Inc	08/29/23	\$1,000.0	Recycling Solutions	Nevada
Hybar LLC	02/08/23	\$700.0	Recycling Solutions	Arkansas
Rippling People Center Inc	03/17/23	\$500.0	Employment Services	California
SB Technology Inc	02/14/23	\$500.0	Artificial Intelligence	California
Databricks Inc	09/14/23	\$500.0	Data Engineering	California
Ascend Elements Inc	06/09/23	\$460.0	Batteries	Massachusetts
Anthropic PBC	05/23/23	\$450.0	Artificial Intelligence	California
ElevateBio LLC	05/24/23	\$401.0	Biotechnology	Massachusetts
Monogram Health Inc	09/01/23	\$375.0	Healthcare	Tennessee
Packetfab Inc	04/17/23	\$373.0	Data Engineering	California

## Top Venture Capital Deals by U.S. Firms Investing Abroad

Company Name	Inv. Date	Deal Value (US\$ mil)	Sector	Location
H2 Green Steel AB	09/07/23	\$1,604.8	Manufacturing	Sweden
Xiamen Hithium Energy Storage Technology Co Ltd	07/05/23	\$621.0	Batteries	China
Micro Connect Investments Ltd	08/02/23	\$458.0	Financial Services	Hong Kong
Wiz Inc	02/27/23	\$300.0	Cloud Security	Israel
ITM Isotope Technologies Munich SE	06/05/23	\$273.2	Biotechnology	Germany
Cohere Inc	06/08/23	\$270.4	Natural Language Processing	Canada
Engineer ai Ltd	05/23/23	\$250.0	Artificial Intelligence	United Kingdom
eToro Group Ltd	03/21/23	\$250.0	Financial Services	Israel
Cato Networks Ltd	09/19/23	\$238.0	Network Security	Israel
1komma5 GmbH	06/23/23	\$235.6	Solar Energy	Germany
Enpal BV	01/09/23	\$230.7	Solar Energy	Germany
Apollo Therapeutics Ltd	09/06/23	\$226.5	Healthcare	United Kingdom

## Investments by Sector, Deal Value (US \$bil)



## Venture Capital Investments by State

State	01/01/2023 - 09/30/2023		01/01/2022 - 09/30/2022		YoY % Chg. (\$)	YoY % Chg. (#)
	Value (\$ mil)	# of Deals	Value (\$ mil)	# of Deals		
California	\$37,899	2,052	\$66,585	2,270	-43%	-10%
Massachusetts	\$9,534	336	\$13,308	401	-28%	-16%
New York	\$9,058	905	\$18,328	893	-51%	1%
Texas	\$3,627	290	\$6,087	289	-40%	0%
Washington	\$2,157	184	\$4,573	178	-53%	3%
Colorado	\$1,939	146	\$2,829	155	-31%	-6%
Nevada	\$1,394	29	\$486	24	187%	21%
Florida	\$1,308	219	\$3,230	186	-60%	18%
Illinois	\$1,294	140	\$4,461	145	-71%	-3%
Virginia	\$1,109	114	\$1,271	91	-13%	25%
Maryland	\$957	79	\$804	54	19%	46%
North Carolina	\$932	106	\$1,643	96	-43%	10%
Georgia	\$890	87	\$1,218	93	-27%	-6%
Pennsylvania	\$831	143	\$1,913	121	-57%	18%
Arkansas	\$768	10	\$148	8	420%	25%
Tennessee	\$768	35	\$503	35	53%	0%
Utah	\$737	53	\$1,373	70	-46%	-24%
New Jersey	\$687	64	\$1,301	58	-47%	10%
Michigan	\$610	72	\$1,962	56	-69%	29%
Delaware	\$597	199	\$755	119	-21%	67%
Missouri	\$556	32	\$223	30	149%	7%
D. of Columbia	\$520	58	\$908	47	-43%	23%
Minnesota	\$520	55	\$689	41	-24%	34%
Ohio	\$480	77	\$1,445	70	-67%	10%
Arizona	\$298	50	\$585	43	-49%	16%

# Investments

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## Top VC Investors in All United States Companies

Firm Name	Rank	# of Deals	Estimated Investment (US \$ mil)
Y Combinator Management LLC	1	303	\$247
Techstars Central LLC	2	159	\$25
AH Capital Management LLC	3	100	\$1,409
Sequoia Capital Operations LLC	4	68	\$837
Launch Angels Management Co LLC	5	68	\$178
Gaingels Management LLC	6	64	\$69
SOSV Investments LLC	7	48	\$28
FJ Labs Inc	8	47	\$67
General Catalyst Group Management LLC	9	44	\$883
Lightspeed Management Co LLC	10	44	\$263
Khosla Ventures LLC	11	42	\$198
Forum Ventures	12	37	\$11
Google Ventures	13	35	\$421
Unpopular Ventures LLC	14	34	\$2

## Top VC Investors in New York Companies

Firm Name	Rank	# of Deals	Estimated Investment (US \$ mil)
Y Combinator Management LLC	1	48	\$29
Techstars Central LLC	2	26	\$4
FJ Labs Inc	3	18	\$36
Gaingels Management LLC	4	17	\$16
AH Capital Management LLC	5	16	\$55
Launch Angels Management Co LLC	6	14	\$11
Entrepreneurs Roundtable Accelerator	7	14	\$5
General Catalyst Group Management LLC	8	11	\$83
New York Ventures	9	10	\$8
Forum Ventures	10	10	\$2
Box Group LLC	11	9	\$28
Sequoia Capital Operations LLC	12	8	\$35
Deer Management Co LLC	13	8	\$29
AlleyCorp Advisers LLC	14	8	\$17

## Top Investors in United States Information Technology Companies

Firm Name	Rank	# of Deals	Estimated Investment (US\$ mil)
Y Combinator Management LLC	1	283	\$229
Techstars Central LLC	2	138	\$23
AH Capital Management LLC	3	84	\$1,308
Sequoia Capital Operations LLC	4	58	\$797
Launch Angels Management Co LLC	5	50	\$138
Gaingels Management LLC	6	50	\$49
FJ Labs Inc	7	42	\$54
Lightspeed Management Co LLC	8	38	\$202
General Catalyst Group Management LLC	9	37	\$817
Forum Ventures	10	35	\$10
500 Startups Management Co LLC	11	33	\$13
Unpopular Ventures LLC	12	31	\$2
Soma Capital Management LLC	13	27	\$58
New Enterprise Associates Inc	14	26	\$124

## Top VC Investors in California Companies

Firm Name	Rank	# of Deals	Estimated Investment (US \$ mil)
Y Combinator Management LLC	1	201	\$187
AH Capital Management LLC	2	61	\$1,227
Sequoia Capital Operations LLC	3	44	\$756
Techstars Central LLC	4	31	\$5
Launch Angels Management Co LLC	5	29	\$55
Lightspeed Management Co LLC	6	27	\$174
General Catalyst Group Management LLC	7	25	\$739
Khosla Ventures LLC	8	25	\$109
Gaingels Management LLC	9	25	\$22
Unpopular Ventures LLC	10	21	\$1
Google Ventures	11	20	\$209
New Enterprise Associates Inc	12	19	\$88
Menlo Venture Corp	13	18	\$148
Eight Partners VC LLC	14	17	\$140

## Top VC Investors in Massachusetts Companies

Firm Name	Rank	# of Deals	Estimated Investment (US\$ mil)
Arch Venture Partners LLC	1	14	\$220
RA Capital Management LP	2	10	\$155
Alexandria Venture Investments LLC	3	9	\$89
Google Ventures	4	8	\$132
Flagship Ventures	5	7	\$343
Invus Group LLC	6	7	\$95
F-Prime Inc	7	7	\$88
Y Combinator Management LLC	8	7	\$5
Launch Angels Management Co LLC	9	6	\$81
Casdin Capital LLC	10	6	\$69
North Star Venture Management 2000 LLC	11	6	\$53
Techstars Central LLC	12	6	\$2
Mass General Brigham Ventures	13	5	\$38
Exeter Venture Management Co LLC	14	5	\$8

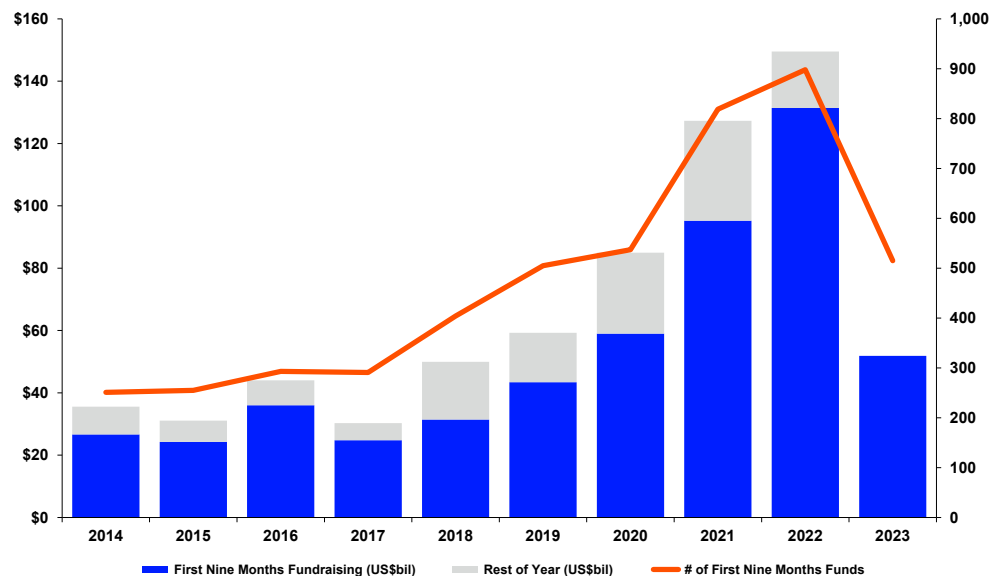
## Top Investors in United States Life Sciences Companies

Firm Name	Rank	# of Deals	Estimated Investment (US\$ mil)
RA Capital Management LP	1	22	\$265
Arch Venture Partners LLC	2	21	\$291
Alexandria Venture Investments LLC	3	19	\$175
SOSV Investments LLC	4	19	\$4
Google Ventures	5	14	\$230
Catalio Capital Management LP	6	13	\$105
F-Prime Inc	7	12	\$134
Orbimed Advisors LLC	8	11	\$147
Johnson & Johnson Innovation-JJDC Inc	9	11	\$96
Invus Group LLC	10	10	\$135
Deerfield Management Co L.P	11	10	\$112
Casdin Capital LLC	12	10	\$99
North Star Venture Management 2000 LLC	13	10	\$96
Launch Angels Management Co LLC	14	10	\$23

# Fundraising

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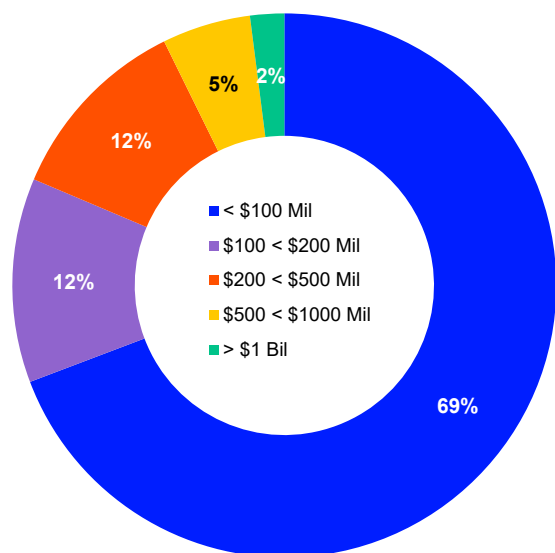
## U.S. Venture Capital Fundraising Activity



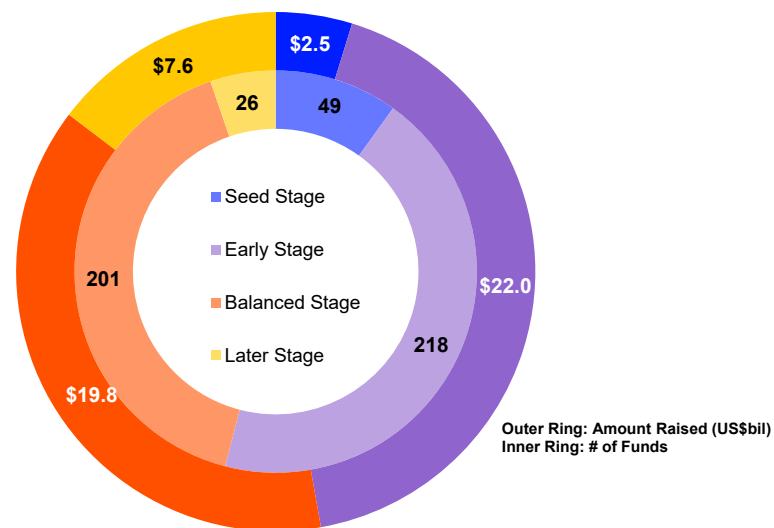
## Top Venture Capital Funds Raised

Fund Name	Latest Closing Date	Amount Raised (US\$ mil)	Total Fund Size (US\$ mil)	Fund Stage
Wellington Hadley Harbor Partners IV, L.P.	6/20/23	\$2,800.0	\$2,800.0	Later Stage
TCV XII, L.P.	6/12/23	\$1,402.1	\$1,402.1	Later Stage
Lux Ventures VIII	4/14/23	\$1,141.7	\$1,141.7	Balanced Stage
Tomorrow Fund I	6/12/23	\$1,040.0	\$1,040.0	Balanced Stage
Greycroft Partners VII, L.P.	4/27/23	\$1,000.0	\$1,000.0	Early Stage
Galvanize Innovation & Expansion Fund I, LP	9/14/23	\$1,000.0	\$1,000.0	Balanced Stage
Greycroft Growth IV, L.P.	4/27/23	\$1,000.0	\$1,000.0	Later Stage
RTP IV	6/28/23	\$1,000.0	\$1,000.0	Early Stage
GLP Capital Partners V LP	9/6/23	\$930.3	\$930.3	Balanced Stage
8VC Fund V LP	3/1/23	\$880.0	\$880.0	Early Stage
Canaan XIII L.P.	4/6/23	\$850.0	\$850.0	Early Stage
Felicitas Ventures IX, L.P.	3/2/23	\$825.0	\$825.0	Balanced Stage
Ribbit Capital X L.P.	8/3/23	\$798.8	\$798.8	Early Stage

## Venture Capital Fundraising, Fund Size Composition



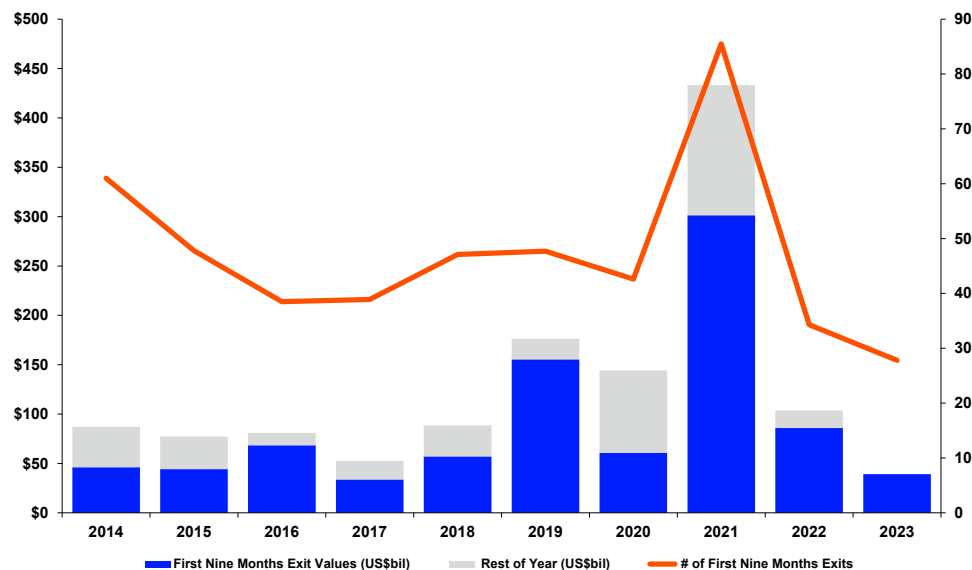
## Venture Capital Fundraising, by Investment Stage (US\$ bil)



# Exits

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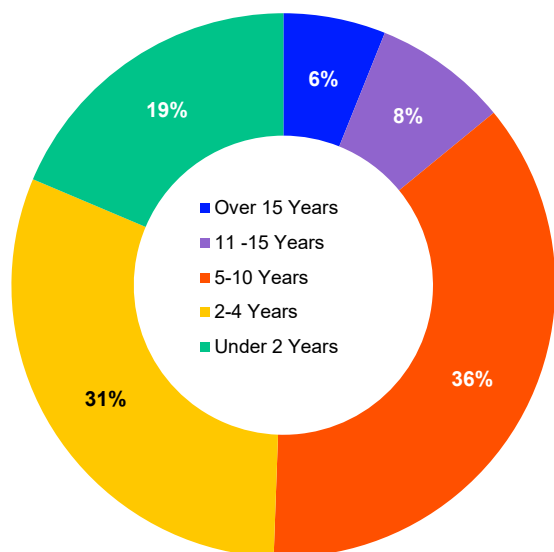
## Completed U.S. Venture Capital Exit Activity



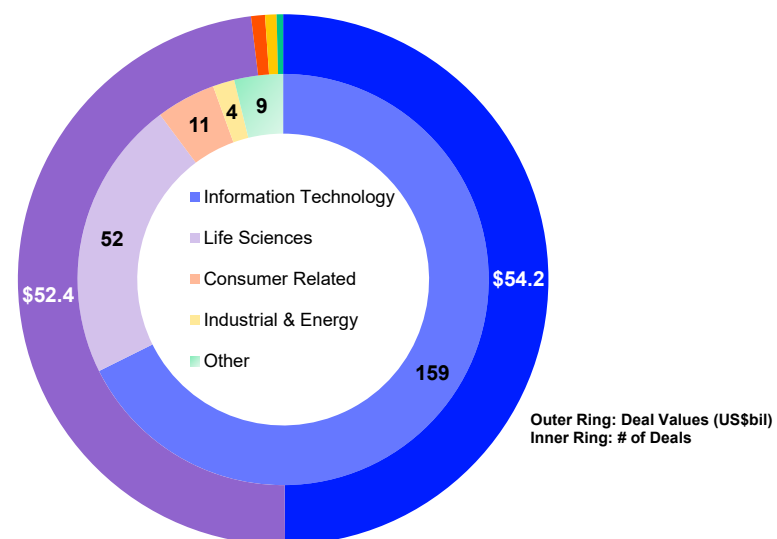
## Top Announced U.S. Venture Capital-Backed Exits

Company Name	Ann. Date	Deal Value (US\$mil)	Sector	Exit Type
Seagen Inc	03/13/23	\$42,101.7	Cancer Therapeutics	Merger
Splunk Inc	09/21/23	\$29,563.5	Cybersecurity	Merger
New Relic Inc	07/31/23	\$6,116.9	Data Analytics	Secondary Sales
Scopely Inc	04/05/23	\$4,900.0	Mobile Gaming	Merger
Apptio Inc	06/26/23	\$4,600.0	Business Management	Merger
Imperva Inc	07/25/23	\$3,600.0	Cybersecurity	Merger
Versanis Bio Inc	07/14/23	\$1,925.0	Pharmaceuticals	Merger
CTI BioPharma Corp	05/10/23	\$1,392.4	Cancer Therapeutics	Merger
Mosaic ML Inc	06/26/23	\$1,300.0	Artificial Intelligence	Merger
Kerecis	07/07/23	\$1,300.0	Biotechnology	Merger
Roadzen Inc	02/13/23	\$965.0	Financial Services	RTO
Casetext Inc	06/26/23	\$650.0	Research Services	Merger
NEXTracker Inc	01/13/23	\$638.4	Solar Energy	IPO

## Number of Years from Investment to Exit



## Exits by Sector



# United States Venture Capital Criteria

First Nine Months 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 Refinitiv for this statistical report were drawn from a variety of sources including Refinitiv 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 Refinitiv 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, October 30th, 2023. 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 first nine months 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. Refinitiv 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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