

VENTURE CAPITAL REVIEW

# United States Venture Capital Review

First Quarter 2023

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# United States Venture Capital

First Quarter 2023 | United States Venture Capital Review

## United States Venture Capital Deals Intelligence

### UNITED VENTURE CAPITAL DEALS TOTAL US\$29.0 BILLION

United States venture capital activity totaled US\$29.0 billion invested across 1,580 rounds during the first quarter of 2023. This marked a 54% decrease in values and a 16% decrease in volumes compared to the first three months of 2022. Indeed, the first quarter of this year was the weakest Q1 in dollar terms since 2019, when US\$26.8 billion was invested in 1,292 transactions.

### TOP TEN COMPLETED ROUNDS BRING IN US\$9.6 BILLION

From January to March, the United States saw ten VC deals over \$200 million, totaling US\$9.6 billion combined. Payment processor Stripe saw the largest round of the quarter at US\$6.5 billion, from firms including Andreessen Horowitz, Baillie Gifford, Founders Fund, General Catalyst, MSD Partners, and Thrive Capital. Placing second were post-quantum cryptography company Sandbox, and human resources-focused Rippling, both raising US\$500 apiece.

### IT LEADS ALL SECTORS AT 35%, FOLLOWED BY INDUSTRIALS

While information technology continued to lead all sectors overall in dollar terms with US\$10.2 billion, industrials followed a close second at US\$9.2 billion. Life sciences followed in third place, at US\$6.2 billion.

With dollars invested down by more than half from the same period the year prior, most states saw marked declines as well. Exceptions included Colorado and Tennessee, both of which saw increasing deal values from Q1 2023 as compared to Q1 2022.

### UNITED STATES VENTURE CAPITAL FUNDRAISING COLLAPSES 75%

A total of 143 United States venture funds recorded closes during the first quarter of 2023, raising a combined US\$14.0 billion in commitments, a stunning decrease of 75% compared to Q1 2022, when US\$56.0 billion was raised. Indeed, January to March this year was the worst Q1 for fundraising in five years, since 2018, when US\$9.6 billion was raised in 123 funds.

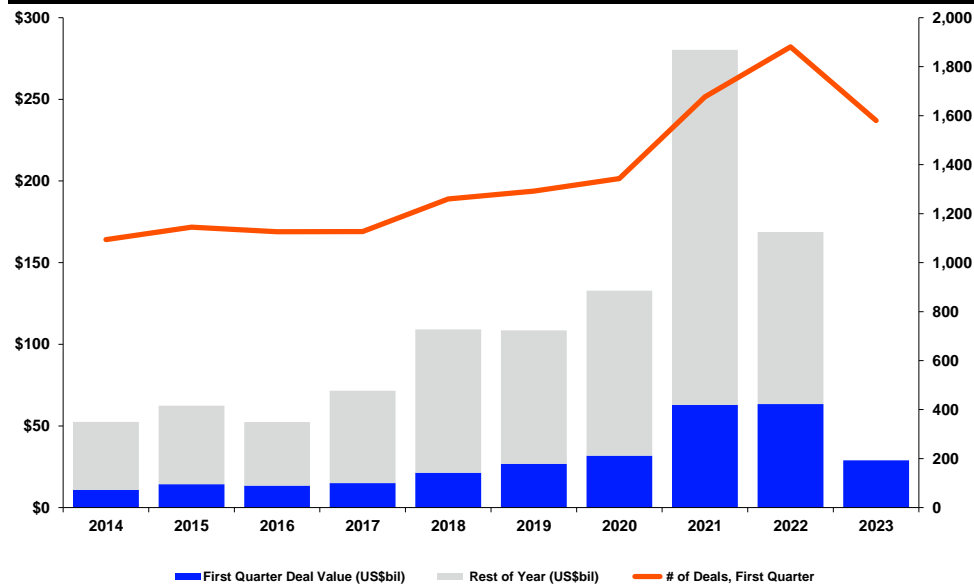
The three largest United States VC funds raised in Q1 were all over US\$800 million, and included Galvanize Innovation & Expansion Fund I, at US\$894 million; Eight Partners Fund V at US\$880 million, and Felicis Ventures IX at US\$825 million.

### US VENTURE CAPITAL-BACKED EXITS DECLINE 79%

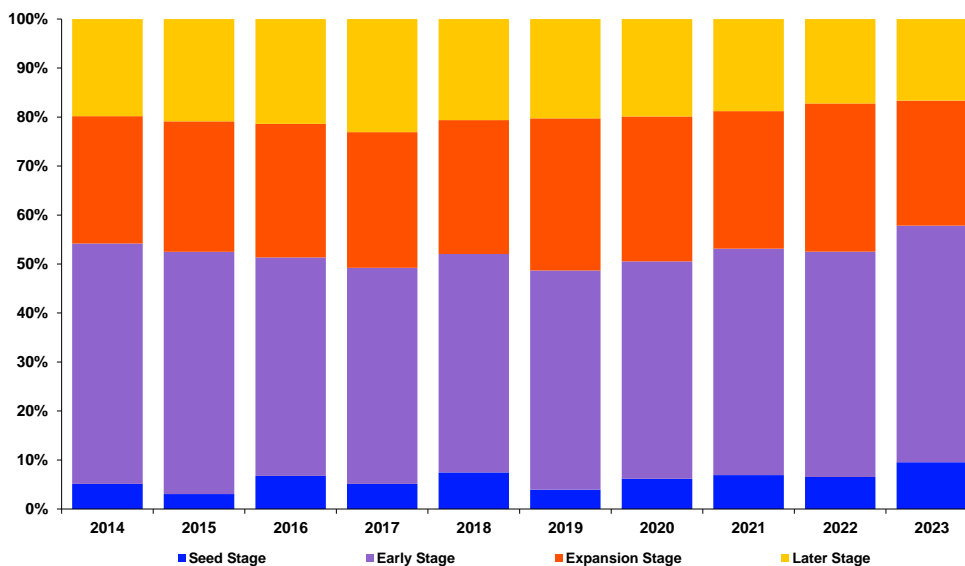
United States venture backed completed exits totaled US\$9.5 billion from 84 transactions the first quarter, a stunning 79% decrease by exit value and a 46% decrease by number of transactions compared to the same period last year. Total proceeds nearly matched the recent Q1 low of US\$9.7 billion set in 2015.

The top announced exit of the quarter was cancer treatment company Seagan, which will be acquired by Pfizer for approximately US\$43.0 billion. Other top exits announced in Q1 included renewable energy company NEXTracker for \$638.4 million, and Concert Pharmaceuticals for US\$567.6 million.

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



## Q1 Venture Capital Deal Volumes by Transaction Type



# Investments

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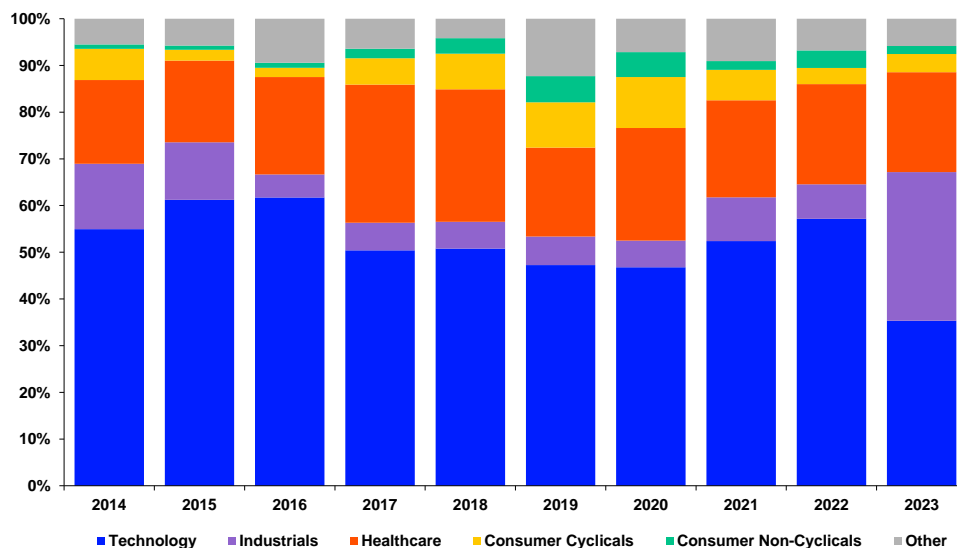
## Top U.S. Venture Capital Deals by Deal Value

Company Name	Inv. Date	Deal Value (US\$mil)	Sector	Location
Stripe Inc	03/15/23	\$6,500.0	Business Support Services	California
Rippling People Center Inc	03/17/23	\$500.0	Employment Services	California
SB Technology Inc	02/14/23	\$500.0	Software	California
Monogram Health Inc	01/09/23	\$375.0	Healthcare Facilities & Services	Tennessee
Persimmon AI Labs Inc	03/13/23	\$350.0	Artificial Intelligence	California
Shiftkey LLC	01/11/23	\$300.0	Software	Texas
Our Next Energy Inc	01/02/23	\$300.0	Energy Storage	Michigan
Anthropic PBC	03/09/23	\$300.0	Software	California
Skydio Inc	02/27/23	\$230.0	Aerospace & Defense	California
Paradigm Health	03/13/23	\$203.0	Healthcare	New York

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

Company Name	Inv. Date	Deal Value (US\$mil)	Sector	Location
Beijing Jingdong Industrial Products Trading Co Ltd	03/22/23	\$300.0	Software & IT Services	China
Wiz Inc	02/27/23	\$300.0	Software & IT Services	Israel
eToro Group Ltd	03/21/23	\$250.0	Banking & Investment Services	Israel
Enpal GmbH	01/09/23	\$230.7	Utilities	Germany
Kream Corp	03/23/23	\$168.0	Software & IT Services	South Korea
Zhejiang Sinopont Technology Co Ltd	01/02/23	\$145.0	Applied Resources	China
Merchant Money Ltd	02/14/23	\$140.0	Banking & Investment Services	United Kingdom
Oxbotica Ltd	01/11/23	\$139.6	Software & IT Services	United Kingdom
Amolyt Pharma SAS	01/06/23	\$138.4	Pharmaceuticals & Medical Research	France
Hemab ApS	02/21/23	\$135.0	Pharmaceuticals & Medical Research	Denmark
Matajer Central Co	02/07/23	\$133.3	Software & IT Services	Saudi Arabia
Blockstream Corporation	01/26/23	\$125.0	Financial Technology & Infrastructure	Canada

## Investments by Sector, Q1 Deal Values (US\$bil)



## Venture Capital Investments by State

State	01/01/2023 - 03/31/2023 Value (\$mil)	# of Deals	01/01/2022 - 03/31/2022 Value (\$mil)	# of Deals	YoY % Chg. (\$)	YoY % Chg. (#)
California	\$15,929.0	513	\$31,693.4	751	-50%	-32%
New York	\$2,839.7	233	\$7,711.2	281	-63%	-17%
Massachusetts	\$2,532.1	110	\$5,016.7	144	-50%	-24%
Texas	\$1,355.6	88	\$2,971.0	92	-54%	-4%
Colorado	\$781.2	48	\$761.9	44	3%	9%
Washington	\$648.5	43	\$1,401.0	60	-54%	-28%
Tennessee	\$500.1	8	\$111.9	11	347%	-27%
Michigan	\$482.6	13	\$1,594.3	11	-70%	18%
Virginia	\$477.5	36	\$662.7	25	-28%	44%
Georgia	\$413.1	30	\$632.3	32	-35%	-6%
Florida	\$359.3	58	\$1,652.3	58	-78%	0%
North Carolina	\$324.8	26	\$453.0	20	-28%	30%
Illinois	\$275.8	38	\$2,067.5	30	-87%	27%
Pennsylvania	\$273.8	28	\$641.2	28	-57%	0%
Ohio	\$210.1	23	\$800.2	22	-74%	5%
Delaware	\$139.6	46	\$288.1	32	-52%	44%
Arizona	\$130.1	14	\$194.4	11	-33%	27%
New Jersey	\$127.9	14	\$974.6	26	-87%	-46%
Utah	\$120.2	18	\$585.9	24	-79%	-25%
Kentucky	\$109.6	7	\$22.3	3	391%	133%
District of Columbia	\$106.3	23	\$339.7	16	-69%	44%
Maryland	\$96.7	21	\$139.1	14	-30%	50%
Connecticut	\$95.9	15	\$80.9	9	19%	67%
Oregon	\$83.2	10	\$151.5	13	-45%	-23%
Wisconsin	\$82.4	5	\$318.3	8	-74%	-38%

# Investments

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## Top Investors in U.S. Venture Capital Deals

Firm Name	Rank	# of Deals	Estimated Investment (US\$mil)
Techstars Central LLC	1	58	\$7.5
AH Capital Management LLC	2	38	\$875.4
Y Combinator Management LLC	3	36	\$42.7
Gaingels Management LLC	4	18	\$20.1
Google Ventures	5	16	\$129.5
Sequoia Capital Operations LLC	6	15	\$76.3
General Catalyst Partners LLC	7	14	\$777.0
Lightspeed Management Co LLC	8*	13	\$59.4
Launch Angels Management Co LLC	8*	13	\$20.5
F-Prime Inc	10*	10	\$82.5
New Enterprise Associates Inc	10*	10	\$63.3
FJ Labs Inc	10*	10	\$17.6
Connecticut Innovations Inc	10*	10	\$6.0
Goodwater Capital LLC	10*	10	\$3.7

## Top Investors in West Coast Venture Capital Deals

Firm Name	Rank	# of Deals	Estimated Investment (US\$mil)
Y Combinator Management LLC	1	21	\$29.0
AH Capital Management LLC	2	19	\$795.6
Techstars Central LLC	3	15	\$2.7
Sequoia Capital Operations LLC	4*	11	\$59.7
Lightspeed Management Co LLC	4*	11	\$53.2
General Catalyst Partners LLC	6*	8	\$712.4
Google Ventures	6*	8	\$77.1
Launch Angels Management Co LLC	6*	8	\$13.2
Goodwater Capital LLC	6*	8	\$3.7
Greylock Partners LLC	10*	7	\$67.1
Madrona Venture Group Inc	10*	7	\$56.7
Eight Partners VC LLC	10*	7	\$52.2
Gaingels Management LLC	10*	7	\$4.1

## Top Investors in Southwest Venture Capital Deals

Firm Name	Rank	# of Deals	Estimated Investment (US\$mil)
Techstars Central LLC	1	10	\$0.9
S3 Ventures LLC	2	4	\$42.7
Greatpoint Investment Management LLC	3*	3	\$12.0
Cottonwood Capital Partners LLC	3*	3	\$1.4
Finaventures LLC	5*	2	\$27.0
Edison Partners Management LLC	5*	2	\$13.9
Breyer Capital LLC	5*	2	\$13.7
Atx Venture Partners	5*	2	\$11.3
Capital Factory Properties LLC	5*	2	\$8.0
Gaingels Management LLC	5*	2	\$7.0
FJ Labs Inc	5*	2	\$5.8
Morrison Seger Venture Capital Partners	5*	2	\$4.3
Next Coast Ventures LLC	5*	2	\$2.9
Revolution LLC	5*	2	\$2.4

\*Indicates a Tie

## Top Investors in Northeast Venture Capital Deals

Firm Name	Rank	# of Deals	Estimated Investment (US\$mil)
Techstars Central LLC	1	18	\$2.0
AH Capital Management LLC	2	13	\$69.2
Y Combinator Management LLC	3	12	\$12.0
Connecticut Innovations Inc	4	9	\$5.8
Arch Venture Partners LLC	5*	8	\$90.8
Google Ventures	5*	8	\$52.3
Gaingels Management LLC	7*	7	\$8.6
Entrepreneurs Roundtable Accelerator	7*	7	\$1.7
General Catalyst Partners LLC	9*	6	\$64.5
F-Prime Inc	9*	6	\$59.6
Casdin Capital LLC	9*	6	\$54.2
Alexandria Venture Investments LLC	9*	6	\$51.7

## Top Investors in Mideast Venture Capital Deals

Firm Name	Rank	# of Deals	Estimated Investment (US\$mil)
Hyde Park Angels Inc	1*	4	\$8.0
Elevate Ventures Inc	1*	4	\$3.3
Techstars Central LLC	1*	4	\$0.9
Plymouth Growth	4*	3	\$33.9
M25 Group LLC	4*	3	\$3.6
Rev1 Ventures	6*	2	\$26.7
Material Impact Fund I LP	6*	2	\$20.9
Breakthrough Energy Ventures LLC	6*	2	\$10.1
Tamarind Hill	6*	2	\$7.5
High Alpha Co-Investment LLC	6*	2	\$3.4
H Venture Management LLC	6*	2	\$3.0
Jumpstart Inc	6*	2	\$1.3

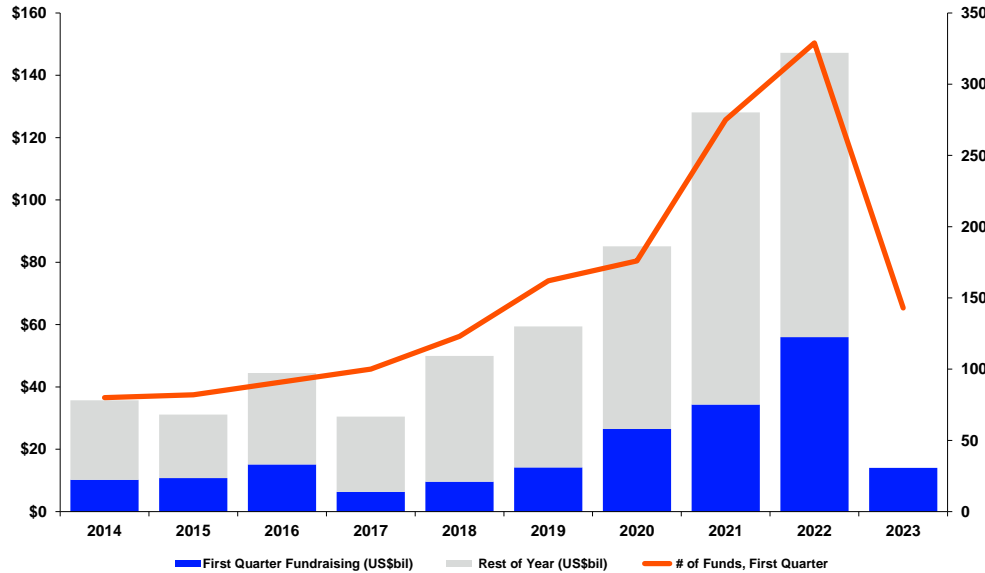
## Top Investors in Southeast Venture Capital Deals

Firm Name	Rank	# of Deals	Estimated Investment (US\$mil)
Techstars Central LLC	1	9	\$0.8
Virginia Venture Partners	2	6	\$0.5
AME Cloud Ventures LLC	3*	4	\$5.2
AH Capital Management LLC	3*	4	\$1.5
Grotech Ventures Ltd	5*	3	\$5.8
TTV Capital LLC	5*	3	\$5.2
Correlation Ventures LP	5*	3	\$3.9
Florida First Partners	5*	3	\$0.8
Pronghorn	5*	3	\$0.0
Blue Heron Capital LLC	10*	2	\$68.8
Heritage Group LLC	10*	2	\$65.5
Norwest Venture Partners	10*	2	\$43.0
Greycroft Partners LLC	10*	2	\$20.0
Glade Brook Capital LLC	10*	2	\$20.0

# Fundraising

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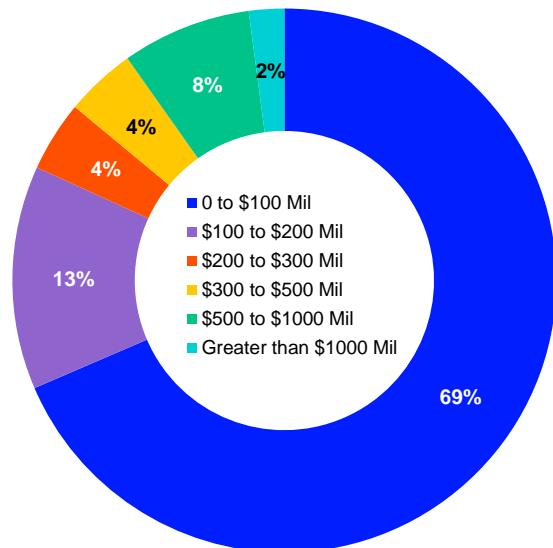
## U.S. Venture Capital Fundraising Activity



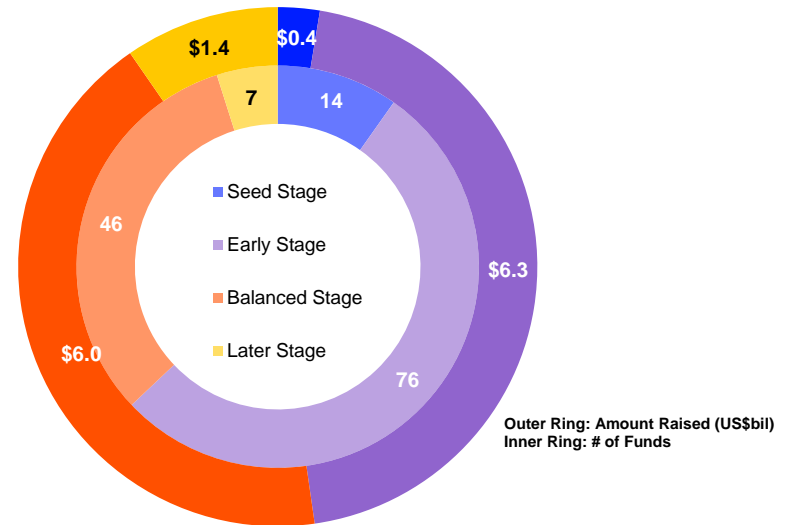
## Top Venture Capital Funds Raised

Fund Name	Latest Closing Date	Amount Raised (\$mil)	Total Fund Size(\$mil)	Fund Stage
Galvanize Innovation & Expansion Fund I, LP	02/07/23	\$894.0	\$894.0	Balanced Stage
8VC Fund V LP	03/01/23	\$880.0	\$880.0	Early Stage
Eight Partners VC LLC				
Felicitis Ventures IX, L.P.	03/02/23	\$825.0	\$825.0	Balanced Stage
Nexus Ventures VII LP	02/28/23	\$700.0	\$700.0	Early Stage
Volition Capital Fund V LP	01/26/23	\$675.0	\$675.0	Later Stage
B Capital Global Growth III LP	01/19/23	\$639.0	\$2,100.0	Balanced Stage
SR One Fund II	03/27/23	\$600.0	\$600.0	Early Stage
F-Prime Capital Partners Life Sciences Fund VIII LP	08/02/23	\$500.0	\$500.0	Balanced Stage
Canapi Ventures Fund II LP	02/06/23	\$477.4	\$477.4	Early Stage
Greycroft Partners VII, L.P.	01/27/23	\$450.8	\$450.8	Early Stage
Traverse Fund IV	02/08/23	\$400.0	\$400.0	Balanced Stage
Distributed Global Ventures III LP	03/03/23	\$396.1	\$396.1	Balanced Stage

## Venture Capital Fundraising, Fund Size Composition



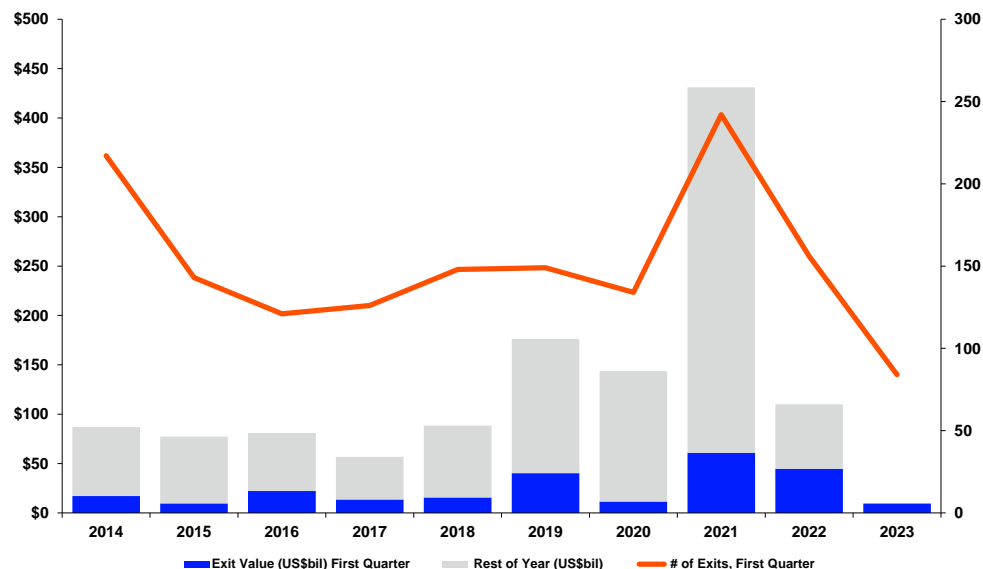
## Venture Capital Fundraising, by Investment Stage (US\$bil)



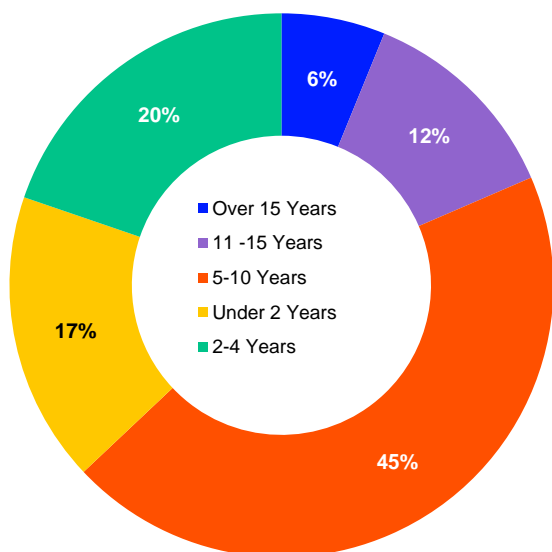
# Exits

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## Completed U.S. Venture Capital Exit Activity



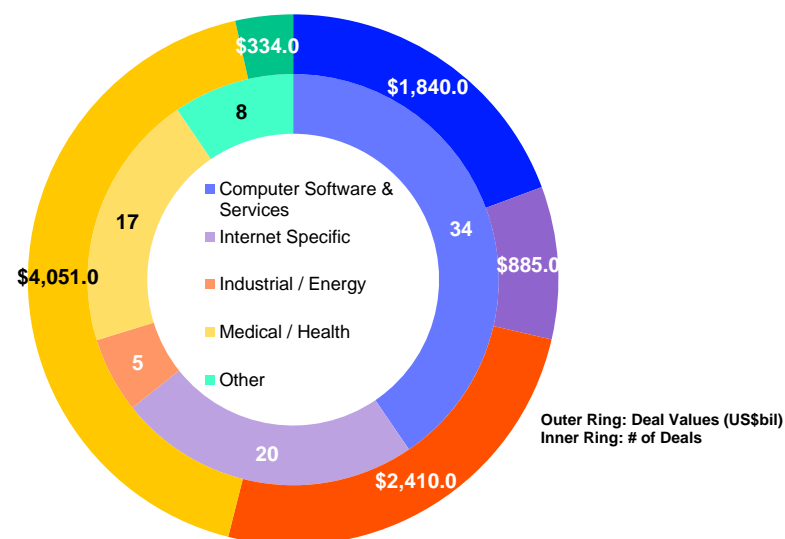
## Number of Years from Investment to Exit



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

Company Name	Ann. Date	Deal Value (US\$mil)	Sector	Exit Type
Seagen Inc	03/13/23	\$43,836.7	Biotechnology & Medical Research	Merger
NEXTracker Inc	01/13/23	\$638.4	Renewable Energy	IPO
Concert Pharmaceuticals Inc	01/19/23	\$567.6	Pharmaceuticals	Merger
Allurion Technologies Inc	02/09/23	\$481.0	Healthcare Services & Equipment	Reverse Takeover
Marklogic Corp	01/03/23	\$355.0	Software & IT Services	Merger
World View Enterprises Inc	01/13/23	\$350.0	Transportation	Reverse Takeover
RealWear Inc	02/06/23	\$323.0	Technology Equipment	Reverse Takeover
Embody LLC	01/05/23	\$275.0	Biotechnology & Medical Research	Merger
Power Finance Inc	01/30/23	\$275.0	Consumer Lending	Merger
Mineralys Therapeutics Inc	01/18/23	\$220.8	Biotechnology & Medical Research	IPO
Shanghai ShouTi Biotechnology Co Ltd	01/12/23	\$185.3	Biotechnology & Medical Research	IPO
GEO Semiconductor Inc	02/09/23	\$185.0	Technology Equipment	Merger

## Exits by Sector



# United States Venture Capital Criteria

First Quarter 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 Tuesday, May 2nd, 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 quarter 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.**

**Mideast:** (IL, IN, OH, WV, WI)

**Midwest:** (IA, KS, MN, MO, NE, ND, SD)

**Northeast:** (CT, DC, DE, ME, MD, MA, NH, NJ, NY, PA, RI, VT)

**Southeast:** (AL, AR, FL, GA, KY, MS, NC, SC, TN, VA)

**Southwest:** (AZ, LA, NM, OK, TX)

**West Coast:** (AK, CA, CO, HI, ID, MT, NV, OR, UT, WA, WY)

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Refinitiv has the leading proprietary and independent investment banking fee model and league tables in the market, relied upon by the financial press and deal makers around the world.

Contact us at **DealFees@refinitiv.com** to ensure your name is represented.

Rank	Company	Proceeds (USD m)	Proceeds %	Market Share %	Number of Issuances
1	JP Morgan	40,920.0	+6.1%	13.1	161
2	Morgan Stanley	29,805.5	+7.5%	9.5	76
3	BofA Securities Inc	24,279.1	+0.2%	7.8	118
4	Citi	15,922.5	+3.8%	5.1	61
5	Goldman Sachs & Co	12,740.8	+1.5%	4.1	78
6	Wells Fargo & Co	10,990.3	+8.2%	3.5	42
7	Barclays	9,911.5	+20.7%	2.9	36
8	Mizuho Financial Group	8,919.8	+11.9%	2.8	42
9	Deutsche Bank	8,165.4	+18.8%	2.4	21
10	Sumitomo Mitsui Fin Grp Inc	7,598.2	+5.1%	2.2	21
11	Mitobank UFJ Financial Group	6,957.9	+34.1%	2.2	21
12	Credit Suisse	6,702.5			
13	RBC Capital Markets				
14	BNP Paribas SA				
15	TD Securities Inc				