

From: "Mason Rathe" <mason@liveoakvp.com>
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Austin Weekly Deal Highlights

By Mason Rathe



Well my goodness, a ton of news this week, where to begin. Well of course, let's start with **DISCO** pulling in a massive financing round as they have become the player to know in legal tech. Next, big congrats to the team at **Eventador** on their acquisition by **Cloudera**. I was personally very involved with this team, and couldn't be happier for them. Keeping it going, **OJO** with another acquisition and absolutely taking over in the real estate game. And folks, this was just news within the **LiveOak** portfolio...big shoutout to the home team!

And plenty more high profile activity elsewhere in Austin. **E2open** is Austin's latest company to announce a public debut, and in vogue fashion through a SPAC, in what are becoming a very popular way to bypass the traditional IPO process. Check out all the news below, don't be that guy who doesn't stay informed, and don't be that person who doesn't vote! If you are in the Austin area, [here](#) is a handy map showing vote wait times.

Austin Financing Activity

- [DISCO](#), an AI legal technology platform providing e-discovery solutions, [raised](#) a \$60M round led by **Georgian Partners**, with participation from **LiveOak Venture Partners**, **Bessemer Venture Partners**, **The Stephens Group** and **Breyer Capital**. To date, DISCO has raised approximately \$190M.
- [Yotta Energy](#), a modular solar energy storage solution, raised [\\$6.3M](#) from undisclosed investors.
- [QbDVision](#), a risk management platform for pharmaceutical design and development, [raised](#) \$2.1M from undisclosed investors. To date, the company has raised just under \$6M from investors including **ATX Venture Partners**.

Austin M&A Activity

- [E2open](#), a supply chain platform, reached a [definitive agreement](#) to acquire **CC Neuberger Principal** through a reverse merger, resulting in the combined entity trading on the New

York Stock Exchange under the ticker symbol ETWO. The deal values the software company at \$2.6B. The company is also in talks to receive \$520M via a PIPE.

- [Eventador](#), a data streaming company, was [acquired](#) by [Cloudera](#) (NYS: CLDR), an enterprise data cloud solution, to accelerate stream processing in public & hybrid clouds, for an undisclosed sum. Eventador was the first investment (and first exit) out of **LiveOak Venture Partners** second fund.
- [OJO Labs](#), the developer of an AI-fueled experience for the real estate industry, [acquired](#) [Digs](#), a Chicago-based personal finance platform focused on real estate. The terms of the deal were not disclosed. To date, OJO Labs has raised approx. \$138.5M from investors including **LiveOak Venture Partners, Wafra, Breyer Capital, Royal Bank of Canada, and Northwestern Mutual Future Ventures.**
- [Cosential](#), a construction and engineering relationship management platform, entered into a definitive agreement to be acquired by [Unanet Technologies](#), via its financial sponsor **JMI Equity**, through an LBO.
- [FileTrail](#), an Austin-based governance solutions company, [announced](#) that it acquired the [OmniRIM Physical Records Management](#) unit from **Access**, adding a records management software suite to its offerings.
- **UserTesting**, backed by Openview Venture Partners and Greenspring Associates, acquired the technology assets of [usabiliTEST](#), an Austin-based provider of information architecture testing solutions. Financial terms weren't disclosed.

Other Regional/Relevant Deal Activity

- [Check out](#) what is happening in Houston through this virtual tour, highlighting the incredible transformation and investments shaping the nation's fourth largest city.
- [Kiromic](#), a Houston-based target discovery and gene-editing company, [raised](#) \$15M in its IPO.
- **JLL Partners** acquired Richardson-based [MedeAnalytics](#), a cloud-based enterprise analytics solutions provider for health systems and health plans. Financial terms weren't disclosed. The company was last acquired by **Thoma Bravo** in 2015 for an undisclosed sum.
- Fort Worth-based [Linear Labs](#), a maker of energy efficient electric motors and generators, [raised](#) \$6M in funding. Investors included **Champion Hill, Lowercarbon Capital, Kindred Ventures, Gen Fukunaga, Duke Angel Network, Spike Ventures, and Moving Capital.**
- Laredo-based freight shipping software company, [Fr8Hub](#), [reached an agreement](#) to be acquired by **Hudson Capital Inc.**
- Carrollton-based [CheckpointID](#), an identity verification software specializing in the multi-family housing industry, was [acquired](#) by [MRI Software](#), a real estate software company, via its financial sponsors **TA Associates Management, Harvest Partners** and **GI Partners.**
- **SoftBank Group** [spent](#) \$215M for a 10% stake in Norwegian game-based learning platform company, [Kahoot](#), which has its US headquarters in Austin.
- Austin-based PE firm **Strattam Capital** has [backed](#) Denver-based **NETSTOCK**, a provider of inventory planning and optimization software for small- and mid-sized enterprises.
- [Clovis Point Capital](#), a Houston-based growth equity firm, [announced](#) the completion of a significant growth investment in [NinjaCat, Inc.](#), the all-in-one platform for marketing teams to store, report, monitor and analyze data at scale.

Austin News

- 4 Austin entrepreneurs [earned](#) a spot on Forbes' list of wealthiest self-made women, consisting of tech entrepreneur **Thai Lee**, CEO of SHI International; **Whitney Wolfe Herd**, founder, and CEO of social media company Bumble; **Lisa Su**, CEO of semiconductor company AMD; and jewelry magnate **Kendra Scott**
- Austin-based **Vista Equity Partners'** Founder and CEO **Robert Smith** [admitted to tax fraud](#), costing him \$140M, and also roiling Vista, with some insiders and limited partners feeling they were misled (or left in the dark) about the extent of Smith's legal troubles. **Brian Sheth**, Vista's co-founder and president, is likely to be leaving Vista, per Axios.
- [Q3 2020 PitchBook-NVCA Venture Monitor](#). Across the country, most VCs have adapted to new, remote ways of doing business, and capital invested continued at a strong pace in the third quarter. The \$37.8B invested in Q3 was relatively on par with Q3 2019, thanks largely to late-stage investments. Deal volume also held steady, with 2,990 completed deals.
- Congrats to **Quake Capital Partners**, who has a local office in Austin. They ranked Top 5 in the country for micro venture firms investing in minority founded companies.
- On Thursday, [check out HXTV's VC Ask Me Anything](#) Virtual Event featuring your truly
- Houston software executive [charged](#) in the largest-ever criminal tax case involving an individual in the U.S. **Robert Brockman**, CEO of automotive software firm **Reynolds & Reynolds**, has been charged with hiding around \$2 billion in income, largely in the form of gains made through Austin-based **Vista Equity Partners**.
- Residents from California [top the new arrivals](#) in the Austin area.
- An updated list of Austin businesses that have [shut down](#) due to the pandemic.
- Travis County election officials [estimate](#) the 2020 Presidential Election will likely see record-breaking voter turnout. Early voting ends October 30.
- Texas [unemployment rate rose](#) to 8.3% in September from 6.8% in August.
- Texas COVID-19 [cases and hospitalizations increase](#) after September's plateau.

Thank you!

Mason Rathe

[@mason_rathe](#)

Additional research and newsletter support provided by Dipesh Mehta

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Think you might be a fit for LiveOak, if I missed a deal, or have feedback, you can reach me at mason@liveoakvp.com

If your company is recruiting for a senior level position, happy to include a shout-out.

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