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## Austin Weekly Deal Highlights

by Mason Rathe

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Don't look now but SXSW is right behind you.... Wow, that snuck up on us, only 11 days away! And would ya look at that, Austin [ranks #1](#) in the nation for jobs. I'm not sure we have any more room on the shelf for awards...you know I'm kidding, Austinites are very humble people. Lots happened this past week, check it out!

### Austin Financing Activity

- [Tecovas](#), the direct-to-consumer western brand known for its boots and accessories, [raised](#) \$15M in new equity funding. According to Pitchbook, the company has raised approx. \$45M from investors including **Elephant Venture Capital**.
- [BeatStars](#), a social music marketplace and distribution company, [reported](#) raising \$10M in new equity funding. Since its founding in 2008, the company has reportedly paid out more than \$50M to producers on its platform.
- [Olea Edge Analytics](#), a solutions provider that optimizes water metering, [raised](#) \$9M Series B led by **Renewal Funds** with participation from **Ananta Family Office** and **Mercury Fund**. As part of the deal, **Mike Cormack** of Renewal Funds and **Jaideep Khanna** of Ananta Family Office will join the board of directors.
- [Genprex](#) (NASDAQ: GNPX), a clinical-stage gene therapy company that focuses on fighting cancer, [raised](#) \$25.5M through two recent stock offerings. Last week, the company announced that it had closed the sale for 5M shares of its common stock to raise an additional \$17.5M. The company previously raised \$8M in January by issuing 7.62M shares of common stock.
- [Acadeum](#), an edtech company focused on helping colleges and universities share online classes, [raised](#) \$7M of seed funding led by **The Lumina Foundation** with participation from **Rethink Education**, **Learn Capital**, **Next Coast Ventures**, and **Socratic Ventures**.
- [Austin Eastcidars](#), a producer of canned alcoholic ciders, [raised](#) \$5.7M in new equity funding. According to Pitchbook, the company has raised approx. \$25M from investors including **CAVU Venture Partners** and **ATX Venture Partners**.
- [Austin Cocktails](#), a provider of crafted cocktails drinks created from natural ingredients, raised \$2.52 million of venture funding from undisclosed investors. The company has raised approx. \$9M to date from investors including **Constellation Brands** and **CTAN** according to Pitchbook.
- [Datum Tech](#), a building information modeling company that provides equipment, training, and tech support, [reported](#) raising \$950K in equity funding.

### Austin M&A Activity

- [W3ll People](#), a manufacturer and retailer of organic makeup and beauty products, was [acquired](#) by **E.L.F. Cosmetics** for \$27M. Previously, the company received an undisclosed amount of development capital from **Nextworld Evergreen** in March of 2018.
- **QuestionPro**, an Austin-based survey and market research company, [acquired](#) **Care Experience**, a Dallas-based customer experience platform focused on healthcare. Financial deal terms were not disclosed. **QuestionPro** recently relocated its HQ to Austin from the Bay Area.

### Other Relevant/Regional Deal Activity

- **Dell Technologies** led the \$60M Series C for the newly-minted unicorn **HeadSpin**, a Palo Alto-based mobile optimization platform. The company has raised \$117M and is currently valued at \$1.1B.
- **Ascentium Capital**, a Houston-based provider of equipment and technology financing services, reached a definitive agreement to be acquired by **Regions Financial (NYS: RF)** for an undisclosed amount. The company was previously acquired by **Warburg Pincus** in 2016.
- **EmpowerMX**, a Frisco-based developer of aircraft maintenance software, received \$3M of development capital from undisclosed investors. The company last raised \$5M of development capital from **The Argentum Group** in November, 2018.
- **Rosy Wellness**, a Dallas-based technology solution for women who suffer from low libido, raised \$1M of seed funding from **Social Starts**, **James Beshara** and **Laura Baldwin**.
- **Alliance Payroll Services**, a Houston-based provider of payroll and human capital management software, received an undisclosed amount of development capital from **Platform Partners**.
- **Kong Capital**, a new PE firm focused on investing in senior housing projects, aims to raise a \$200M fund. It has already received \$4M in seed money from real estate entrepreneurs and private equity and venture capital managers.

## Austin People

- **TalentGuard** named **Dana Dohse** as its VP of Marketing. Previously, Dohse was the director of Marketing at Austin-based **Bloomfire**. **LiveOak Venture Partners** led the company's \$4M Series B in July.
- **Austin Tech Alliance**, a nonprofit that promotes civic engagement in the local tech community, expanded its advisory board by welcoming the following members: **Eric Burget**, Director of External and Legislative Affairs at **AT&T**, **Liz Coufal**, Director of Business Development and Impact at **Valkyrie Intelligence**, **Matt Glazer**, co-founder of **Blue Sky Partners**, **Heather Lewis**, Client Success Leader at **DISCO**, **Tori Moreland**, founder of **Moreland Consulting**, and **Elisa Sepulveda**, Director of Strategy for **Alliance Abroad**.
- **ScaleFactor**, an enterprise financial tracking platform, has laid off dozens of people as it reorganizes. The company has raised \$103M to date.
- **Hypergiant Industries**, an AI solution provider, promoted **Will Griffin** to Chief Ethics Officer. Griffin was previously VP of Ethics and Diversity. In this role, he will be focused on analyzing the ethical development of AI products.
- **Cognite AS**, a Norway-based software provider for energy and manufacturing operations with a large presence in Austin, hired **John King** as VP and Head of North American Marketing, **Cara McCarty** as VP of HR, and **Michelle Holdford** as Head of Global PR. These executive are responsible for growing the startup's North American headquarters. King was previously VP of Marketing and Communications at **SparkCognition**. McCarty was previously with **Code Pilot**, and Holdford previously worked with **Weber Shandwick**.
- **CynergisTek**, a cybersecurity company, expanded its board of directors to now include **Dana Sellers**, former CEO of **Encore Health Resources**, **Michael Loria**, former VP of Corporate and Business Development for **IBM Security**, and **Robert McCashin**, former Chairman and CEO of **Indentix**. Current chairman, **J.D. Abouchar**, announced he will retire at the end of his term later this year.

## Austin News

- For the second year in a row, the WSJ ranked Austin as the top job market in the U.S. The ranking comes from The Wall Street Journal, which used data from Moody's Analytics to rank large metro areas across the nation. The rankings were based on unemployment rates, new jobs and wage growth, among other factors.
- The Case for Texas. The Texas economy is strong and growing – the second largest in the United States, tenth largest in the world, with people (and talent) flooding in. 51 Fortune 500 companies, \$170 billion in capital managed by university endowments, and a low cost of doing business (no taxes!)
- Austin ranked #3 in the **Milken Institute's** list of 2020 Best Performing Cities. The index is focused on job creation, wage growth, and innovation industry metrics.
- Check out the Austin tech startups that raised capital or were acquired in **February**
- **Expedia Group** to lay off thousands of employees, approx. 12% of its direct workforce. Expedia Group is the parent company for Austin-based HomeAway, which was recently rebranded as Vrbo. HomeAway was acquired for \$3.9B in 2015.
- **Tech Ranch**, one of Austin's first startup incubators, is launching its **Pioneer Program: US Market Entry**. This is a new program focused on helping founders in Mexico and Canada expand their tech businesses into Texas after the new USMCA trade agreement. This program is a collaboration between **Tech Ranch** and Austin-based **DITa**, **Juice Consulting**, and **SaveDay**.

Thank you!  
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Additional research and newsletter support provided by [Stephanie Abt](#)



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If I missed a deal, major announcement, etc., shoot me an email and happy to include in the next one.

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