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## Austin Weekly Deal Highlights

by Mason Rathe

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Guess who! In case you've slipped into a mild delirium and forgotten what day it is, this will obviously clarify things because here are your Austin Weekly Deal Highlights, every Sunday (or at least when I think it is...) Here's some positive news for all you epidemiologists out there as Austin continues to chug along, and congrats to our portfolio company and team at **NarrativeDx**, who was acquired by **Press Ganey**!

### Austin Financing Activity

- [RigUp](#), an on-demand staffing platform for the oil and gas industry, [reported](#) that it had raised \$29M of a planned \$79M Series D extension funding. The company last raised \$300M in its initial Series D funding led by Andreessen Horowitz with participation from Founders Fund, Bedrock Capital, Quantum Energy Partners, and others. The company was valued at \$1.9B in October.
- [Slingshot Aerospace](#), an artificial intelligence software developer for processing satellite, aerial, and drone imagery, was [awarded](#) a \$1.5M contract with the **U.S. Air Force**. This amount was matched in new venture funding from **ATX Venture Partners** and **Revolution's Rise of the Rest Seed Fund**. The company has raised \$11.4M to date.
- [Tribe Gaming](#), a mobile-company focused e-sports and gaming entertainment, [raised](#) more than \$1M Seed Funding from investors including **Boston Celtics Forward Gordon Hayward**, **WWE Wrestler Cesaro**, and mobile gaming veteran **Kristian Segerstrale**.
- [Worksmith](#), a facilities and experience management platform provider that helps brands adapt to retail channels, [raised](#) \$3.8M in new equity funding. **Worksmith** previously operated as **Cardinal Street and H-Bloom**.

### Austin M&A Activity

- [NarrativeDx](#), a provider of artificial intelligence solutions to drive health care performance improvement, was [acquired](#) by Press Ganey. The company has raised approx. \$10M to date from investors including **LiveOak Venture Partners**.
- **Serent Capital**, an Austin and San Francisco-based PE firm, [announced](#) that one of its portfolio companies, **Pondera Solutions**, was acquired by **Thomson Reuters**. Financial details were undisclosed. Serent Capital invested in Pondera Solutions in 2017, and the company is a California-based cloud-computing solution that combats fraud, waste, and abuse in government programs, and

### Other Relevant/Regional Deal Activity

- [ReCode Therapeutics](#), a Dallas and Menlo Park-based biopharmaceutical company focused on precision medicines for pulmonary diseases, [raised](#) \$80M Series A co-led by **OrbiMed Advisors** and **Colt Ventures** with participation from **MPM Capital**, **Vida Partners**, **Hunt Technology Ventures**, and **Osage University Partners**. The company previously raised a \$2M seed round in February 2019.
- Dallas-based PE firm **Tailwater Capital** [closed](#) its Tailwater Energy Fund IV with \$1.1B in capital commitments. The firm will focus its investments in midstream infrastructure.

### Austin News

- The country has seen a spike in unemployment claims, and unfortunately, Austin has felt the impacts. This week, The Guild [reported](#) that it had laid off 38 employees, Outbound

Engine [reported](#) laying off 52 employees as a direct result of COVID-19, and Restaurant365 [reported](#) layoffs. Capital Factory placed 33 full-time employees and 9 part-time employees on [furlough](#) for an indefinite period. [Click here](#) for guidance on how to apply for unemployment benefits.

- Key Points of the recently approved \$2T Stimulus package - CARES Act
  - One-time direct payments of up to \$1,200 for individuals and \$2,400 for couples, with \$500 added for every child, based on 2019 tax returns. For individuals, this will phase out from \$75K -- \$99K. For people who filed jointly, it phases out from \$150K to \$198K.
  - \$350B allocated for the Small Business Administration to provide loans of up to \$10MM per business. Relaxed SBA rules (no personal guaranty or collateral requirements)
    - Can borrow up to 250% of monthly payroll
    - Loans will be made by community banks and federally guaranteed
    - Any portion of that loan used to maintain payroll, keep workers on the books to pay for rent, mortgage and existing debt could be forgiven
  - Temporary student loan relief – all loan/interest payments deferred through Sep. 30
- Austin will [offer loans](#) of up to \$35,000 to businesses impacted by coronavirus
- The Food and Drug Administration recently updated regulations so that at-home testing kits are not authorized where samples are self-collected by patients. Wheel and imaware [partnered](#) together to provide at-home testing kits that will be administered by trained clinicians. Everlywell was set to provide 30,000 at-home testing kit to consumers this past Monday, but recent regulatory changes have forced the company to [re-distribute](#) its testing kits to facilities to test medical professionals. These changes [impacted](#) a variety of [startups](#) that were working to create testing kits to meet increasing demand in the midst of nationwide testing shortages.
- Austin companies are stepping up to meet the demands generated from COVID-19 by manufacturing new products. **Tito's Handmade Vodka**, **Still Austin Whiskey Co.** and **Desert Door Distillery** are now [producing](#) batches of hand sanitizer. **Astrotech Corp** (NASDAQ: ASTC), a local innovative science and technology development and commercialization company, is [developing](#) a new detection product, called **BreathTest-1000**, that would be able to test if a person is infected with COVID-19 or pneumonia. The company has primarily been focused on mass-spectrometry technology prior to the pandemic.
- [Shipt](#), a same-day delivery company owned by Target, is [hiring](#) an additional 1K shoppers in Austin to meet delivery demand. Meanwhile, the company is expected to hire an additional 3K shoppers across Houston, San Antonio, and Dallas.
- Given the spike in internet usage as employees work from home, Austin [experienced](#) a 44% reduction in web data flow according to a new report by BroadbandNow. The report states that 88 of the largest 200 U.S. cities are experiencing slower download speed.
- **Remedy**, an Austin-based telemedicine startup, [launched](#) a drive-through COVID-19 testing facility located in South Austin, near Sunset Valley. Planned daily hours are 8AM-8PM.

Thank you!

Mason Rathe

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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.

LiveOak Venture Partners is an early stage venture capital firm investing in Texas-based companies. Think your company might be a fit, shoot me an email at [mason@liveoakvp.com](mailto:mason@liveoakvp.com)

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