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Austin Weekly Deal Highlights

by Mason Rathe

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As it turns out, not even a global apocalypse can slow down real estate platform **OJO Labs**, [striking big](#) with their \$62.5M announcement this week! Along with the funding news, OJO announced the acquisition of **Movoto**, a residential real estate search site, allowing the combined entity to leap to scale. You know what, with news that big, I'll go ahead and dedicate this whole first paragraph to them (and not just because we've been investors in them since 2016 ☐).

Carrying on, mixed bag of news this week. Sad to see our friends at **Scalefactor** announce they're shutting down after raising over \$100M, and **GoDaddy** closed their Austin offices - laying off 331 local employees. On the brighter side, **BigCommerce** looks like they are prepping for an IPO this year at a \$1B valuation, and founder **Tyler Hanney** is [back](#) at leading activewear brand **Outdoor Voices** after a structural overhaul.

Austin Financing Activity

- **OJO Labs**, an AI assistant for the real estate industry, [raised](#) \$62.5 million. **Wafra** led, and was joined by **Breyer Capital**, **LiveOak Venture Partners**, **Royal Bank of Canada**, and **Northwestern Mutual Future Ventures**. To date, OJO Labs has raised \$138.5M.
- **Outdoor Voices**, an activewear brand, [raised](#) a new round of funding from **NaHCO3**, the investment management platform of fashion and retail entrepreneur **Ashley Merrill**. In conjunction with this equity investment, Merrill, has joined Outdoor Voices' Board of Directors as Chairwoman. Financial terms of the private investment were not disclosed. The company previously raised approx. \$97M according to Pitchbook. Mickey Drexler, who joined the company as chairman of the board and investor in 2018, is leaving the company and so is the interim CEO Cliff Moskowitz. Founder **Tyler Hanney** is officially returning to her company as an active board member. She stepped away from the company earlier this year.
- **Restore Hyper Wellness + Cryotherapy**, a company offering cryotherapy, IV drips, infrared saunas and other health amenities, [raised](#) an \$8M round led by Atlanta-based **Level 5 Capital Partners**. The startup plans to increase from 50 to 100 locations by the end of the year. It had previously raised a \$1M seed round.
- **RoverPass**, an online campground and RV park reservation management system, closed its latest round of funding at \$2 million in equity funding.
- **Bra-Ket Science**, a research firm in Austin, [reported](#) raising \$1.8M in equity funding out of the \$3.1M offering.
- **Hoss**, an API manager, has [raised](#) \$1.6M shortly after completing Y combinator. Investors include **Y Combinator**, **Funders Club**, **Soma Capital**, **Liquid 2 Ventures**, **Abstraction Capital**, **Lombard Street Ventures**, **Shipyards Capital**, **VentureSouq**, and angel investors.
- **Afia Foods**, an Austin-based maker of frozen Mediterranean food, has reported raising \$1M in funding from **Unorthodox Ventures**. The company participated in **Chobani's** accelerator program back in 2019.

Austin M&A Activity

- **Nestlé Health Science**, a subsidiary of Nestlé (SWX: NESN), has agreed to [acquire](#) a majority stake in **Vital Proteins**, the Austin-based leading collagen brand and a lifestyle and wellness platform offering supplements, beverages, and food products. Vital Proteins is a portfolio company of Austin-based **CAVU Venture Partners**.

- [Mitrtech](#), a leading provider of legal and compliance software, today [announced](#) its acquisition of **CMPG**, an enterprise compliance software. Since 2016, Mitrtech has also acquired **ClusterSeven, ThinkSmart, and Hitec Laboratories**.

Austin People

- **Joshua Dziabiak**, a co-founder of [The Zebra](#), an insurance quote company, is stepping down from his roles as COO and CMO. However, he will still be on the company's board.
- [Yonomi](#), a platform designed to connect all of your home devices, [announced](#) the appointment of **Sumati Sharan Stewart** as the company's SVP of Sales and Marketing. She was previously head of business development at **Amazon** for the Alexa team.
- [Canva](#) announced former **WP Engine** VP of Global Sales **John Eitel** is leading the Austin-based sales team as Canva's VP of sales. The Australian-based design platform, valued at \$6B, recently announced their US expansion and Austin office.

Other Regional Activity

- [Varsity Brands](#), a Dallas-based sports retailer backed by **Bain Capital**, raised \$185 million from new and existing investors.
- Frisco-based adaptive learning and training software startup **Trivie** [closed](#) a \$5M Series A funding round led by Houston's **Cottonwood Venture Partners**. Launched in 2011, the round brings Trivie's total funding to \$11.6M, according to Crunchbase.
- [SecurityGate.io](#), a software-as-a-service cybersecurity startup based in Houston, has closed its series A fundraising round. Houston Ventures led the capital raise. The amount raised has not been disclosed.
- [Work Shield](#), a Dallas-based developer of workplace harassment and discrimination solution, raised \$4.11M of venture funding in a deal led by **Hoak & Company**.
- [Quidnet Energy](#), a Houston-based company storing water beneath the ground under pressure, raised \$10 million in Series B funding. Investors include **Breakthrough Energy Ventures, Evok Innovations, Trafigura, and The Jeremy and Hannelore Grantham Environmental Trust**.
- [JOI Rides](#), a Plano-based developer of an online ride sharing platform intended to provide peer to peer ride sharing, raised [\\$400,000](#) of angel funding from undisclosed investors.

Austin News

- [ScaleFactor](#), a provider of accounting and finance software with automated bookkeeping, has announced that it will be [shutting down](#) on August 28th. Half of the 100 employee team was laid off immediately, with the rest going in waves until there are roughly 10 who will close things down. COVID 19 caused the company to lose half of its sales and customers. It raised \$100 million in 12 months from investors including **Bessemer Venture Partners, Coatue Management, Canaan Partners, Broadhaven Ventures, Citi Ventures, Next Coast Ventures, Flyover Capital and Firebrand Ventures**.
- [BigCommerce Inc.](#), which designs and develops software to make online storefronts, is [planning](#) a U.S. initial public offering this year. Is working with [Morgan Stanley](#) on the deal. This would value the company at roughly \$1B.
- [GoDaddy Closes Austin Offices](#) and Lays Off 331 Local Employees
- **Tesla** Officials [Provide More Details](#) on \$1 Billion Cybertruck Plant Proposed for Austin Area. Tesla is seeking a 20-year tax abatement on the project.
- [Canva](#), an online design company headquartered in Australia, has [raised](#) \$60 million at a \$6 billion valuation, almost double what it was worth when it last raised capital in October. With this new funding round the company is also planning on creating its first office in the US in Austin, TX.
- [Code2College](#) is [raising \\$1.5M](#) to help Black and Hispanic women in STEM careers
- [Vilua Inc.](#), an artificial intelligence company that helps people live healthier lives, has [moved](#) its headquarters to Austin. The German company is doing this after acquiring **Divvy Engagement Solutions Inc.**
- **Dell** is [reportedly exploring a sale](#) of its 81% stake in the cloud software giant VMware, worth some \$50 billion. The PC maker could use the money to pay down \$48 billion in debt, money it raised to complete a mega-merger with tech giant EMC in 2016. Investors [drove Dell shares up 21%](#) in extended trading on the news.
- Austin-based **Babson Diagnostics** [announced](#) its COVID-19 antibody test receives emergency authorization
- Will an under-fire **Joe Rogan** move his [\\$100 million podcast to Austin?](#) Rogan, who recently landed a deal with Spotify reportedly worth \$100 million, began talking about a move to Texas in May as California continued its coronavirus-related shutdowns.

Thank you!

Mason Rathe

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Additional research and newsletter support provided by [Thad Hutcheson](#)



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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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