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Austin Weekly Deal Highlights

By Mason Rathe - July 14, 2019



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As if one weekly email from me wasn't enough, I will be launching newsletters in [Houston](#) and [Dallas](#), so stay tuned for even more tech and startup coverage on the [number one](#) state to start a business. On that note, if you know of any motivated individuals (preferably a student) seeking exposure to the Texas VC and startup scene, I could use some weekly intern support on the fastest growing newsletter in the world (possibly, but don't fact check that).

And back to the news! This week in Austin we saw PE Firm **Vista Equity Partners** close their 2nd Endeavor fund, **Hot Schedules** get picked up by **Marlin Equity Partners**, and not necessarily tech related, but huge nonetheless, **UT Austin** announce free tuition for low income students.

[Austin Financing Activity](#)

- [Vista Equity Partners](#), a private equity firm based in Austin that invests in technology companies, [closed](#) its \$850M Endeavor Fund II. Unlike with its much larger flagship funds, Vista Equity uses its Endeavor funds to invest in smaller tech companies with high-growth potential — generally those making \$10M to \$30M in annual recurring revenue.
- [Next Ventures](#), founded by cyclist **Lance Armstrong**, has [raised](#) \$24.5M of a planned \$75M fund. The funds will be used to fuel Series A and Series B investments in companies within the sports, fitness, wellness and nutrition markets.
- [Vyopta](#), which makes a video conference system dashboard for businesses, [raised](#) \$7.5M in a Series B funding round led by **Elsewhere Partners**. The company has raised approx. \$14M to date. As part of the deal, former Spredfast CEO **Rod Favaron** is joining Vyopta's board of directors as chairman.
- [Key](#), a travel management platform offering on-demand personal assistants for travelers, raised a [\\$7M](#) Series B from **ATX Venture Partners** and **Wildcat Venture Partners**. The company has raised approx. \$15M to date.

[Austin M&A Activity](#)

- Austin-based [Hot Schedules](#) is being [acquired](#) by **Marlin Equity Partners** and merged with **Fourth**. The two are leading providers of workforce, inventory and operations management solutions to the global restaurant and hospitality industry. HotSchedules last raised a \$20M debt facility in 2015 from **Bridge Capital**.
- [Proximity Learning](#), who provides virtual teachers to schools via web conferencing, was [acquired](#) by **Education Services Solutions** for an undisclosed amount. The company had previously raised a couple angel rounds of undisclosed sizes.

[Other Relevant Deal Activity](#)

- [Procyron](#), a Houston-based med device company developing a circulatory support pump, [raised](#) a \$30M Series D round led by new investor **Bluebird Ventures**. Returning investors included **Fannin Partners**, **Scientific Health Development**, and the **State of Texas**. The company has raised more than \$59M in total.
- [OncoNano Medicine](#), a Forth Worth-based company developing an imaging agent to help surgeons better remove tumors, raised \$23.7M in a second tranche of Series A, for a total size of the round of \$35.4M, led by **Salem Partners**. The company previously raised \$11.7M last year and received \$6M in grant funding from the **Cancer Prevention and Research Institute of Texas**.
- Allen-based **WatchGuard**, a developer of in-car police dash cameras and body cameras, has been [acquired](#) by **Motorola Solutions**, for an undisclosed amount.
- [PCS Software](#), a Houston area transportation management software solution for the inland trucking industry, was [acquired](#) by **The CapStreet Group** for an undisclosed sum.

[Austin People](#)

- **Digital Pharmacist**, a SaaS platform to connect independent pharmacies with their patients, [announced](#) former CVS exec **Dustin Humphreys** as the new president. **Chris Loughlin** remains CEO. The company announced their \$125M acquisition by **K1 Investment Management** in March, and previously raised approx. \$14M from investors including **LiveOak Venture Partners**.

- On-demand delivery company, **Favor**, [announced](#) the expansion of its leadership team with two executive hires: **Steve Romney** as vice president of engineering and **Lindsey Ducroz** as vice president of people operations. Prior to Favor, Romney was the co-founder and CTO of on-demand delivery startup Shutl. Ducroz most recently led HR for the US region of global design firm, frog. Favor was acquired by **HEB** last year.

[Austin News](#)

- **UT Austin** to give [free tuition](#) to low-income Texas students. Undergraduates from Texas who come from families making up to \$65,000 will have their tuition and fees covered for all four years. Texas students whose families make up to \$125,000 will get partial assistance. In-state tuition is about \$10,000 a year.
- **Austin** startup [funding slowed in q2, but big deals abound](#). In the second quarter, Austin area startups secured \$325M in funding across 54 deals
- **Texas** [declared the No. 1 state](#) to start a business by new study. The factors included business environment, access to resources, and business costs.
- Austin-area office rents [hit record highs](#) as strong job growth continues
- **Techstars Impact** [announces](#) 2019 Class
- **Austin** [flourishes](#) as a fastest-growing hub for freelancers in the U.S. Also, the community of skilled freelance workers in **Dallas-Fort Worth** ranks as the biggest in Texas and one of the biggest in the United States.
- **Austin's** [Best CFOs](#) for 2019
- **Dell** [makes gains](#) as global PC shipments rise
- New York-based digital marketing company **Signpost** [is hiring](#) in Austin after raising \$52M. The company already has 45 employees here.
- **HEB** [will test](#) self driving delivery cars in San Antonio later this year
- **Firefly** [nabs new lander craft](#) through a deal with **Israel Aerospace Industries** for potential moon visit
- **Freedom Solar**, a solar panel installer, [moves into new HQ](#) as revenue surges past \$26M

Thank you!

Mason Rathe

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[LiveOak Venture Partners](#)

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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