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"Mason Rathe from Austin Weekly Deal Highlights" <austinhighlights@substack.com>
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Austin Weekly Deal Highlights

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August 8th, 2021



Mason Rathe

Aug 9   

I tried reasonably hard to come up with an intro that had anything to do with Covid, and how I should go to Goodwill and buy back all my pandemic slacks (sweatpants) I gave away last month, but alas, here we are in Stage 5, and this intro sentence just happened. So now that we have that out of the way, what else happened in Austin this week?? Austin's newest tech unicorn **Abrigo** landed a major investment, social service platform **Social Solutions** picked up by a new private equity behemoth, and is Austin getting an NFL team?? (probably not..)



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Austin Financing Activity

- Abrigo, an Austin-based financial technology company formerly known as “Banker’s Toolbox,” announced **The Carlyle Group** made a “strategic growth investment” of an undisclosed amount in the company. The

investment was large enough to give The Carlyle Group a co-majority status alongside **Accel-KKR**. This new investment increased the company's valuation above \$1B, elevating Abrigo to unicorn status.

- Rey, an Austin-based mental health software company, added \$10M to its Series A round, bringing the total of the round to \$26M. This round was led by **Optum Ventures** and **Oxford Sciences Innovation**.
- Boostlingo, an Austin and San Francisco-based language interpretation company, received a growth equity investment of an undisclosed amount from **Mainsail Partners**. The company previously raised a \$3.4M Series A round in 2018.
- ReUp, an Austin-based education company focused on helping students reach their graduation goals through partnerships with universities, has landed an undisclosed investment from Chicago-based **Avathon Capital**. ReUp has raised over \$14M to date.

Austin M&A Activity

- Social Solutions Global, outcome management software for caseworkers in non-profit and public sector organizations, entered into a definitive agreement to be acquired by **CyberGrants**, via its financial sponsor **Apax Partners**. The company was acquired by **Vista Equity Partners** in 2014, and in 2018, raised \$59M from the **Ballmer Group**.
- Factom Inc., an Austin-based blockchain company, has been purchased by **Inveniam Capital Partners Inc.**, a New York-based financial technology firm. Financial terms were not disclosed in the Aug. 2 announcement.
- LawnStarter, an Austin-based on-demand lawn service provider, acquired Lawn Love Inc., a San Diego-based company in the same space, for an undisclosed amount. LawnStarter has raised \$27M to date from backers including **Binary Capital**, **Lerer Hippeau**, **Edison Partners**, **Bull Creek Capital**, **Gary Vaynerchuk**, **Cotter Cunningham**, **Rony Kahan**, and **Varsha Rao**, while Lawn Love has raised \$6.7M.

Other Regional Deal Activity

- Applied Blockchain, a Dallas-based crypto mining firm, raised \$32.5M through a private stock sale led by Bitmain, a Beijing-based crypto mining hardware and solutions company.
- Improving, a Dallas-based digital service company, acquired Tahoe Partners, a Chicago-based professional services firm focused on cloud and Microsoft services. Although the terms of the deal were not disclosed, Improving expects the deal to result in a collective annualized revenue of more than \$185M.

- Zabo, a Dallas-based cryptocurrency API company, has been acquired by Coinbase (NASDAQ: COIN), one of the largest cryptocurrency exchanges which has a \$51B market capitalization, for an undisclosed amount. Zabo has raised \$3.5M to date from investors such as **Blockchain Ventures** and **Moonshots Capital**.
- Data Gumbo, a Houston-based interconnected industrial smart contract network secured and powered by blockchain, raised a \$7.7M Series B led by **Equinor Ventures**, with participation from Saudi Aramco Energy Ventures and L37.
- ReadiVet, a Dallas-based on-demand veterinary services company, raised a \$2.5M Series A round led by **Atlanta Seed Company** with participation from **Martin Ventures**, **Jemison Capital**, and others. This brings ReadiVet's total funding to \$4M.
- FunnelAI, a San Antonio-based real-time, purchase-ready customer acquisition platform, was acquired by SocialMiningAi for an undisclosed amount. The company last raised a \$2M seed round led by Active Capital on 2019.
- NanoSpectra, a Houston-based a medical device company pioneering a novel use of nanomedicine for selective thermal ablation, raised \$8.6M Series B led by **Sirtex Medical**
- Chemstations, a Houston-based chemical process simulation software provider, was acquired by Datacor for an undisclosed amount.
- CompleteCSM, a Dallas-based Customer Success Intelligence software company, closed its first round of funding of undisclosed amount led by Griswald Investments.

Austin People

- Vista Equity Partners, one of the country's premier technology private equity firms, announced the appointment of **David Breach**, who will retain his COO title, as president. He replaces **Brian Sheth**, who reportedly had a falling out with founder and CEO **Robert Smith** before departing last year.
- SparkCognition, an Austin-based AI-focused company, appointed **Stephen Gold** as CMO. He was previously a Group SMO at IBM Watson (NYSE: IBM). SparkCognition also promoted **Vijay Doradla** from Chief Business Officer to president and added COO to **Jeffrey Lass'** existing title of CFO. SparkCognition has raised nearly \$164M to date.
- The Zebra, an Austin-based insurance technology unicorn, announced it appointed **Mario Requesto Pantaleoni** to VP of research and **Marty Sansone** to VP of insurance. Pantaleoni is co-founder and CEO of nail polish startup 7TRUE, while Sansone was previously assistant VP of distribution and service at USAA. This move by The Zebra follows a \$150M funding round in

April that valued the company above \$1B.

- [Astrotech Corporation](#)(NASDAQ: ASTC) , an Austin-based technology commercialization company with a market cap of \$52.5M, added**Joe Levinthal** as chief science officer of its subsidiary business [AgLAB Inc.](#) Levinthal was previously a consultant to AgLAB, an Austin-based company which optimizes distillation of cannabis concentrates.
- The top Austin tech and startup executive hires and promotions ([July 2021](#))

Austin News

- Meet the 2021 [Central Texas winners](#) of **EY's Entrepreneur of the Year**. Huge shoutout to my friend **John Berkowitz**, CEO of **OJO Labs** and longtime Austin newsletter supporter
- [Firefly Aerospace](#), the Austin-based space engineering company, plans to send its [first rocket into orbit next month](#) in a test flight currently scheduled for September 2nd. It is worth noting that rocket launches are often delayed or rescheduled due to weather and other factors.
- [These 5 Austin Companies](#) Raised July's Largest Rounds, Totaling \$223M
- [GovOS Inc.](#), a subsidiary of Dallas-based [Kofile Technologies Inc.](#) which develops digital document management solutions for government agencies, has [selected Austin as its headquarters](#).
- [Dell Technologies](#) (NYSE: DELL), the Austin technology giant, has [postponed its initial plan to reopen its offices in September](#), according to an announcement by COO **Jeff Clarke** on Tuesday. Citing the recent surge of the COVID-19 Delta variant as Austin moves to [Stage 5 COVID measures](#), the company rolled back the June 30th announcement they made of a September 7th reopening.
- **HBO, Netflix** [lease space in Austin](#) ahead of Central Texas projects
- **Rivery**, a pioneering DataOps platform, announced the opening of its [new office in Austin](#). The company recently raised a \$16M Series A.
- **Forbes'** America's Richest Self-Made Women list [includes Austin faces](#), plus the woman behind SpaceX
- [Buzz builds](#) over **Elon Musk** tunnels in Austin
- **Cloudflare** [signs Austin's largest office lease](#) of pandemic

Thank you!

[Mason Rathe](#)

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