

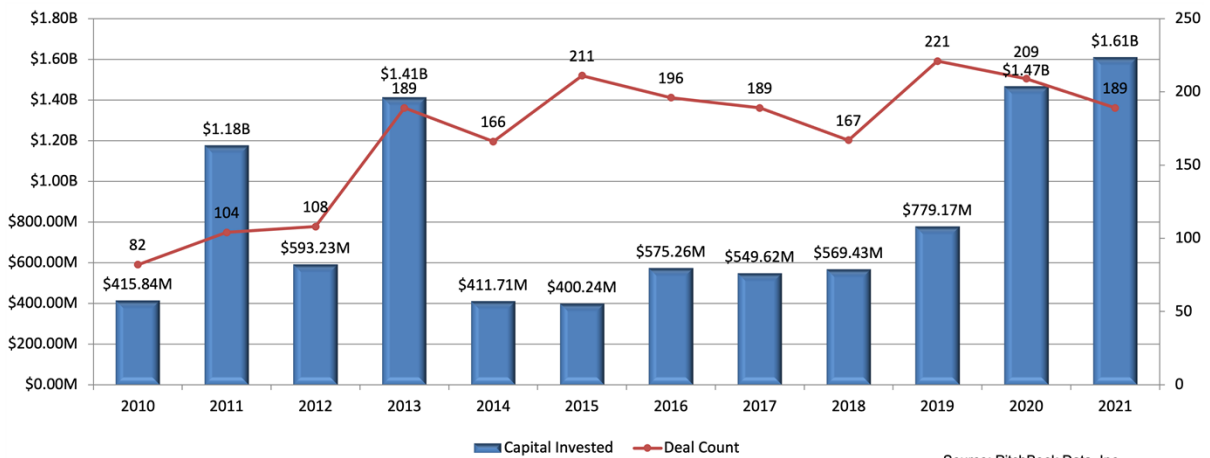
From: Mason
Sent: Thu, 27 Jan 2022 15:15:42 +0000
To: masonrathe@gmail.com
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Dallas-Fort Worth Deal Highlights

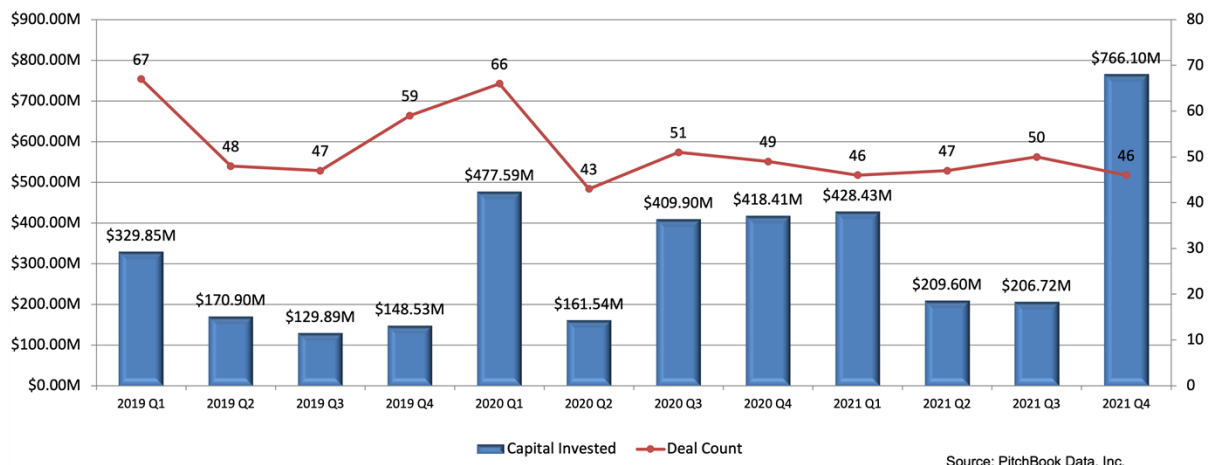
Q4 2021

Dallas, I love to see it. Venture funding surpassing a massive feat of \$1.6B in 2021. In recent years, Bay Area startups have accounted for a smaller percentage of US VC investment, and the Dallas-Fort Worth region is garnering more of those dollars, firmly planting itself as a top destination for venture funding. Additionally, early-stage deals accounted for 55% of deal share, the highest level in DFW history. This rise in business formation and early-stage funding is a great sign for the future economy of Dallas, as several of these will ultimately turn into major employers and economic drivers in the region.

Venture Funding in Dallas-Fort Worth



The major year was driven in part by a record Q4, totaling \$766M. A quarter where we saw 5 of our top 10 deals in the year, and amazing momentum to bring into 2022



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I'm to partner with a major driver for growth in DFW - [Venture Dallas](#).

Venture Dallas is a nonprofit, volunteer-led organization committed to supporting and advancing the innovation ecosystem in North Texas. 2022 marks the return of Venture Dallas's flagship conference, which will be held on Thursday, November 3rd. To find out more, visit [VentureDallas.org](#) and join the Venture Dallas mailing list for events and announcements.

10 Biggest Deals in 2021

- [LTK](#), a Dallas-based influencer marketing platform, [raised a \\$300M venture investment](#) from SoftBank Vision Fund 2 in November, at a valuation of \$2B. LTK, which formed as a merger of rewardStyle and [LIKEtoKNOW.it](#), previously raised \$15M in a Series A led by **Maverick Ventures**.
- [Shiftsmart](#), a Dallas-based labor-marketplace management platform [raised a](#)

[\\$95M Series B](#) round in December, led by **D1 Capital** and including **Mark Cuban Companies** and **Perot Jain**. Shiftsmart has now raised \$117.5M with other investors including **Spieker Partners**, **WeWork Creator Fund**, and **Imaginary Ventures**.

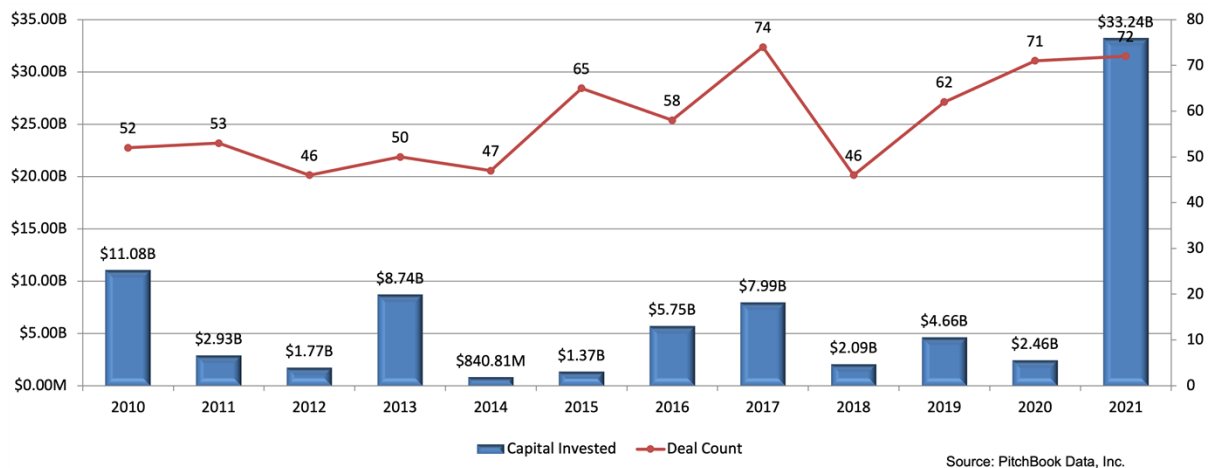
- [Tango Networks](#), a mobile communications enterprise platform, reported a \$62.9M investment in November via debt and equity led by angel investor **Mike Courtney**. Tango has raised \$116M to date with other investors including **TWJ Capital**, **Motorola Solutions Venture Capital**, and **Signature Capital**.
- [Slync](#), an intelligent logistics operating platform, [announced a \\$60M Series B](#) round in February at a \$180M pre-money valuation, led by **Goldman Sachs Growth Equity**. Slync has raised \$79.2M to date from investors including **SAP.iO**, **235 Capital Partners**, **Blumberg Capital**, and **Correlation Ventures**.
- [Alto](#), a ride-sharing platform, announced a [\\$45M Series B](#) round in June, led by **Tuesday Capital** and **Goff Capital Partners**. Alto has raised \$59.5M to date, with other investors including **Road Ventures**, **Alumni Ventures Group**, and **Hope Ventures Capital**.
- [Sana Benefits Inc.](#), a health insurance provider for small/medium businesses and individuals, raised \$44.6M through a combination of Series A venture funding in a deal led by GigaFund in October, putting the company's pre-money valuation at \$200M. **Ad Ventures**, **Trust Ventures**, **Mark VC**, **American Family Ventures**, **Breyer Capital** and **JAM Fund** also participated in the round.
- [Solutions By Text](#), a Dallas-based text messaging platform for consumer financial services institutions, raised \$35M of venture funding in November in a deal led by **Edison Partners**.
- [Envy Gaming](#), a Dallas esports and entertainment company, [landed](#) a \$40M round led by **Gray Television**. Envy Gaming has raised \$60M to date.
- [Santa](#), a next-generation personalized retail firm, announced a \$35M Series A round, with a pre-money valuation of \$65M, led by **iAngels**.
- [Veryable](#), a Dallas-based company which produces digital tools for the

manufacturing industry, raised a [\\$31.9M Series A](#) round led by Gigafund. This brings Veryable's total funding to about \$60M.

Exit Activity in 2021

You love to see record venture funding, early stage focus, and uptick in business formation, but another crucial factor to a successful economy is exit activity. This results in dollars and talent recycling back into the community, and contributing to the next wave of successful organizations. So while we are on the subject, the DFW region saw a whopping \$33.24B in disclosed tech M&A deal volume, including 5 deals over \$5B. As you can see below, this is a massive jump from any recent quarter. And these figures don't even include healthcare activity or IPO's - such as [Alkami](#), [Signify Health](#), [Instil Bio](#), and [Vaxxinity](#), which are such incredible achievements for those companies and the region as well.

Tech M&A Activity in DFW Region



Top 10 Tech M&A Deals in 2021

- [CyrusOne](#), a Dallas-based data center and IT services manager, has [announced a post-IPO equity deal](#) to be acquired by **KKR** for \$15B. This accounts for \$90.50/share as well as assumption of debt, in an all-cash

transaction. CyrusOne had previously raised \$1.8B in debt and post-IPO debt financing.

- [RealPage](#), a Richardson-based real estate software platform, was [acquired](#) by **Thoma Bravo** in a transaction valued at \$10.2B. RealPage will no longer be listed on the **Nasdaq** and will begin to operate as a privately held company as a result of the deal.
- [Transplace](#), a supply chain management platform, was [acquired](#) in November, by [Uber Freight](#), the logistics arm of ride-share app **Uber**, for \$2.25B in an all-cash deal. Transplace was acquired by TPG in 2017 for \$1B.
- [American First Finance](#), a consumer financial platform, was [acquired](#) by **First Cash Financial Services** (NAS: FCFS) for \$1.47B in December.
- [Gearbox Software](#), a game development studio, was acquired by Embracer Group for \$1.4B. Gearbox had previously raised \$2.7M in debt investment from Western Technology Investment.
- [First American Payment Systems](#), a payment processor servicer for merchants, was acquired by **Deluxe** (NYS: DLX) for \$956.7M. First American Payment Systems had raised \$29.2M to date, from investors including Corporate Capital Trust, JP Morgan, and Oxford Square Capital BDC.
- [Zix](#), a Dallas-based public SaaS email-encryption company, has completed its [acquisition by OpenText for \\$860M](#) in December. Zix has been a public company since its IPO in 1989.
- [Simpli.fi](#), a Fort Worth-based programmatic advertising solutions company, has received an investment from **Blackstone**. Although the specifics of the deal were not disclosed, the deal gave the company a nearly [\\$1.5B valuation](#). The investment allows Blackstone to join **GTCR** as majority shareholders of the company.
- [Resi](#), a Plano-based video broadcasting platform reached a definitive agreement [to be acquired](#) by **Pushpay Holdings** (ASX: PPH) for \$150M.
- [Electronic Transactions Consultants](#), a Richardson-based highway tolling

systems software, reached a definitive agreement [to be acquired](#) by **Quarterhill (TSE: QTRH)**, a subsidiary of **International Road**, for \$120M.

Thank you!

[Mason Rathe](#)

Additional research and newsletter support provided by [Nirjhar Mundkur](#)

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