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The logo for WSJ PRO, with "WSJ" in white and "PRO" in white on a gold background, all on a dark blue square.

## VENTURE CAPITAL



### Question of the Week: Do Logistics Startups Need Corporate Backing?

*By Marc Vartabedian, WSJ Pro*

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**Good day.** Last week, we asked if a prerequisite for investing in videogame startups was that platforms needed to show they could transcend gaming and tap a larger total addressable market.

Two investors wrote in responses that interactive online games and creating broader networks will go hand in hand in the future.

- Investors and users are both looking for networks that create shared experiences and in turn facilitate more connections, said **Lux Capital** partner Shahin Farshchi, who said his response included input from Seth Gerson, chief executive of **Survios**, a Lux portfolio company focused on virtual reality. “Early-stage investors seek experiences around which communities form and then expand as others are drawn to share the experience of peers,” Mr. Farshchi said. “Later-stage investors look at these games as social networks that can leverage network effects to tap a larger [total addressable market].”
- **Shasta Ventures** Managing Director Jacob Mullins said that online networks that facilitate active social connection and interactivity across different demographics and interest groups is what they are looking for. “With Gen Z, an entirely digital native generation, growing into their pocketbooks, we’re bound to see some incredible social network game platforms built over the next decade.”

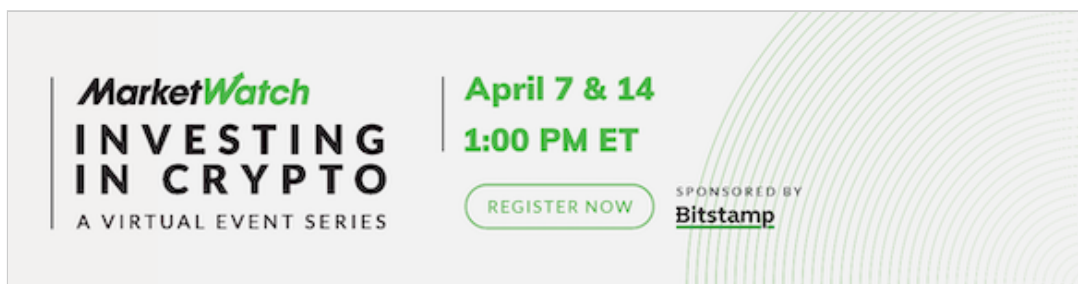
**This week's question:** Will corporate backing be what helps some supply-chain startups succeed over others? Investors have piled in bets just as recent events demonstrate urgent need for new technology. But in an industry that has long been controlled by legacy giants, how important is corporate backing?

**Please email** responses to [marc.vartabedian@wsj.com](mailto:marc.vartabedian@wsj.com).

**And now on to the news...**

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## Top News



Coinbase executives including CEO Brian Armstrong held a three-day information session on the message board Reddit. PHOTO: DAVID PAUL MORRIS/BLOOMBERG NEWS

**Direct listing. Coinbase Global Inc.** plans to go public in a highly anticipated direct listing on April 14, the largest U.S. cryptocurrency exchange said Thursday, [The Wall Street Journal reports](#). The company, founded in 2012, provides services for institutional and retail clients in the crypto markets. It has grown to about 1,200 employees and 43 million customers in more than 100 countries. In 2020, it brought in \$1.3 billion in revenue and turned a profit of \$322 million.

- In a direct listing, companies save the money they would pay to investment banks in a traditional initial public offering, but they don't raise any money in the process.
- In private markets, Coinbase shares had recently changed hands at a price that would give the company a valuation of \$67.6 billion, it disclosed in a regulatory filing. With \$1 billion in cash on hand, the company has a big war chest to ride bitcoin's notorious ups and downs.

# \$100 Billion

The amount Taiwan Semiconductor Manufacturing Co., a major chip supplier to Apple Inc., said it would invest over the next three years to increase production capacity as chip demand surges. ([WSJ](#))

### Family Offices Turn to Private-Equity Firms for Talent

Family office investors in recent years have poured more money directly into private companies in the quest for higher returns and greater control over their investment portfolios. Now, more of these private-investment firms are luring away private-equity talent, offering them a chance to manage their expanding portfolios and promising an improved work-life balance, [WSJ Pro's Preeti Singh reports](#).

### Testing Musk's Starlink: Is It Really a Rural Internet Game Changer?



**Video:** SpaceX's new Starlink satellite internet service is being touted as a rural internet game changer. [WSJ spent time](#) with a few beta testers in a remote area of Washington state to see if it's truly the solution to the global broadband gap.

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## Industry News

### Funds

**Harlem Capital** closed its second fund at \$134 million, which is considerably above its \$100 million target and initial cap of \$125 million. The new fund is more than triple the amount the firm raised for its inaugural fund in 2019, and will continue to make initial investments of \$750,000 to \$1.5 million in U.S.-based seed rounds for a 10%+ ownership. Harlem Capital Partners Venture Fund II LP seeks to invest in 45 companies, focusing on startups with minority and women founders. Last week, the New York-based firm promoted Brandon Bryant to partner, and Gabby Cazeau and Kelly Goldstein to principal.

### People

European investor **Balderton Capital** named Shikha Ahluwalia as an associate to its investment team covering Germany, Austria and Switzerland. She previously co-founded SBL and worked in JP Morgan's investment banking division.

**SeventySix Capital**, which invests in sports tech, esports and sports betting companies, said Tim Cabral joined the firm as a venture partner and strategic advisor. He was previously chief financial officer of Veeva Systems.

Cyber and deep tech investor **Paladin Capital Group** appointed Ed Albrigo as chief operating officer. Mr. Albrigo joins the firm from the Center for Innovative Technology, where he was chief executive.

### Exits

Website-building platform **Squarespace** acquired **Tock**, an online reservation system for the hospitality industry, for more than \$400 million in cash and stock. Last month, Squarespace raised \$300 million in funding valuing the New York-based company at \$10 billion. Investors in the round included Accel, General Atlantic, Dragoneer Investment Group, Tiger Global Management and D1 Capital Partners. Tock secured a \$10 million investment in May 2020 from Valor Siren Ventures and Origin Ventures.

**Triumph Bancorp Inc.**'s TriumphPay unit agreed to buy **HubTran Inc.**, a cloud-based provider of automation software for the transportation industry's back-office, for \$97 million in cash. Chicago-based HubTran is backed by Jump Capital.

Business data analytics company **ThoughtSpot** agreed to acquire **SeekWell** for an undisclosed sum. ThoughtSpot raised an undisclosed amount of funding from Snowflake Ventures last month. A \$248 million round in 2019 from investors including Lightspeed Venture Partners and Sapphire Ventures valued the company at nearly \$2 billion.

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## New Money

**Glovo**, a Barcelona-based food delivery startup, snagged €450 million (\$527.9 million) in its latest funding round, [according to Dow Jones Newswires](#). **Lugard Road Capital** and **Luxor Capital Group** led the investment, which gave the company a valuation of around €2 billion. Previous backers **Delivery Hero SE**, **Drake Enterprises** and **GP Bullhound** also contributed to the round.

**Next Insurance**, a Palo Alto, Calif.-based small business insurance provider, picked up a \$250 million investment, bringing the company's valuation up to \$4 billion. **FinTLV Ventures** and **Battery Ventures** led

the round, which included additional support from **CapitalG, Group 11, Zeev Ventures, Founders Circle** and **G Squared**.

**Plus**, a provider of self-driving truck technology, added \$220 million in new funding. **FountainVest Partners** and **ClearVue Partners** co-lead the investment, which included participation from **Quanta Computer Inc., Phi Zoyi Capital, Millennium Technology Value Partners, Sequoia Capital China, SAIC Capital** and **Full Truck Alliance**. The new round comes less than two months after the company raised \$200 million from **Guotai Junan International, CPE, Wanxiang International Investment** and Full Truck Alliance.

**Fetch Rewards**, a Madison, Wis.-based consumer-loyalty and retail-rewards app, secured more than \$210 million in Series D funding. Lead investor **SoftBank Vision Fund 2** was joined by **Iconiq Capital, DST, Greycroft** and **e.ventures** in the round.

**Harry's Inc.**, a New York-based maker of shaving products, deodorant and shampoo, landed \$155 million in Series E funding led by **Bain Capital** and **Macquarie Capital**, valuing the company at \$1.7 billion.

**Uniphore**, a Palo Alto, Calif.- and India-based provider of conversational AI technology for customer service, secured \$140 million in Series D funding led by **Sorenson Capital Partners**. Additional new investors **Serena Capital, Sanabil Investments** and **Cisco Investments** also participated in the round, along with existing backers **March Capital Partners, National Grid Partners, Chiratae Ventures, Iron Pillar Fund** and **Sistema Capital**. Rob Rueckert, managing partner at Sorenson Capital, will join the company's board.

**Hotmart**, an Amsterdam-based provider of digital business tools, raised \$130 million in Series C funding. **TCV** led the round, which included participation from **Alkeon Capital**.

**Otrium BV**, an Amsterdam-based online fashion marketplace that sells end-of-season collections that would otherwise go unsold, scored \$120 million in Series C funding. **BOND** and **Index Ventures** co-lead the round, which included participation from **Eight Roads Ventures**. Juliet de Baubigny, a general partner at BOND, will join the company's board.

**Thrasio**, a Walpole, Mass.-based startup that acquires Amazon FBA brands, landed a \$100 million Series C3 investment following a \$500

million debt round in January and a \$750 million equity financing in February. Investors in the latest round included **Advent International**, **Upper90**, **Peak6** and **OakTree Capital**. Thrasio also named Bill Wafford as chief financial officer. He was previously CFO at JCPenney.

**Striim Inc.**, a Palo Alto, Calif.-based real-time cloud data integration platform, nabbed \$50 million in Series C financing. **Goldman Sachs Growth Equity** led the investment, with participation from **Summit Partners**, **Atlantic Bridge Ventures**, **Dell Ventures** and **Bosch Ventures**. Bob Kelly, operating partner for Goldman Sachs, will join the board.

**UnitedMasters**, an artist-services company that helps musicians distribute and market their music while allowing them to keep their copyrights, raised \$50 million in funding, valuing the company at \$350 million, [according to the Wall Street Journal](#). **Apple Inc.** led the round, which included participation from **Alphabet Inc.** and **Andreessen Horowitz**.

**Holler Technologies Inc.**, a New York-based digital messaging and conversational media product startup, fetched a \$36 million Series B round. **CityRock Venture Partners** and **New General Market Partners** co-led the investment, which included support from **Gaingels**, **Interplay Ventures**, **Relevance Ventures**, **Towerview Ventures** and **WorldQuant Ventures**.

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## Tech News





People waited for their train on a subway platform at New York's Grand Central Terminal last September. PHOTO: MICHAEL NAGLE/BLOOMBERG NEWS

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- **Micron, Western Digital** [looking at possible deals](#) for chip maker **Kioxia**
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## The WSJ Pro VC Team

This newsletter was compiled by Matthew Strozier and Zachary Cole.

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**The Team:** [Matthew Strozier](#), [Yuliya Chernova](#), [Brian Gormley](#) and [Marc Vartabedian](#).

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