
Re: WSJ Pro VC Newsletter? MinIO Raises \$102M Funding Round at \$1B Valuation

1 message

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To: Kelly Hall <khall@offleashpr.com>

Fri, Jan 28, 2022 at 3:09 PM

VENTURE CAPITAL



What's Next for Gaming Investments After Microsoft's Activision Deal?

By Marc Vartabedian, WSJ Pro

Good day. Last week, we asked if investors are changing the way they conduct due diligence amid dealmaking's frenetic pace.

- **Greg Greifeld**, managing director and head of credit at **Runway Growth Capital**, a venture debt provider, said firms must quickly identify the necessary data points about a business. “The increased pace in deal flow means due diligence needs to become more streamlined, without cutting corners. Firms must be able to leverage research and institutional knowledge across multiple simultaneous transactions.”
- **Oliver Libby**, co-founder and managing partner at **H/L Ventures**, said: “Due diligence has traditionally been a one-way street of information and questions, but now, during the diligence process, it is important to be clear about investors’ value add to founders and companies. We believe this directly affects the quality and quantity of the deal flow.”
- **Guru Chahal**, a partner at **Lightspeed Venture Partners**, said the actual due diligence hasn’t changed. “Things that have changed—no more weekly decision cycles, no more preconceived notions of certain round sizes by letter designation, more reliance on data science to identify signal over noise.”

This week’s question: What does Microsoft Corp.’s plan to purchase Activision Blizzard Inc. signal to venture investors about investing in the gaming sector?

Please email responses to marc.vartabedian@wsj.com.

And now on to the news ...

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Top News

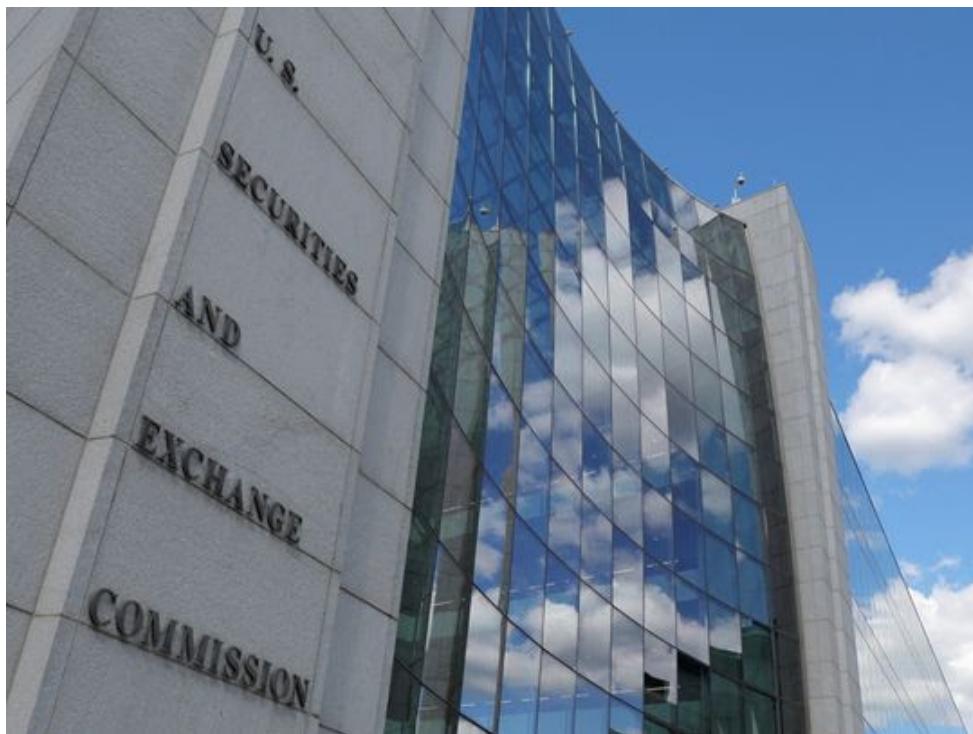


PHOTO: ANDREW KELLY/REUTERS

SEC risk alert. Private-fund managers sometimes give investors misleading information about fees and performance, said the Securities and Exchange Commission, which highlighted several types of violations found by examiners as the regulator considers stronger rules for private-equity and hedge-fund managers, [WSJ Pro's Chris Cumming reports](#).

- By giving misleading and inaccurate information to investors, private-fund managers may have been able to charge unfairly high fees, the regulator said on Thursday in a public letter, called a risk alert. The letter described more than a dozen types of problems it uncovered in its examinations of private-fund advisers, without naming the firms involved.
- Firms' failures to adhere to their policies about fund fees "resulted in investors paying more in management fees than they were required to pay," the agency wrote.

6.9%

The U.S. economy grew rapidly in the fourth quarter of last year, advancing to a 6.9% annual rate, capping the strongest year of growth in nearly four decades. ([WSJ](#))

Glossier CEO Says Beauty Startup Got 'Distracted' and Must Cut Jobs

Glossier Inc., the online beauty startup that sought to upend the cosmetics counter, is scaling back its tech ambitions, [The Wall Street Journal reports](#). The New York-based company is laying off more than a third of its corporate workforce, including technology personnel, according to an email to staff Wednesday. The company, valued at more than \$1 billion by its venture backers, said it would shift its focus to its core makeup and skin-care business. "Over the past two years, we prioritized certain strategic projects that distracted us

from the laser-focus we needed to have on our core business: scaling our beauty brand," Emily Weiss, founder and chief executive, wrote in the email. "We also got ahead of ourselves on hiring. These missteps are on me."

Facebook's Cryptocurrency Venture to Wind Down, Sell Assets

Facebook's ambitious effort to bring cryptocurrency to the masses has failed. The Diem Association, the consortium Facebook founded in 2019 to build a futuristic payments network, is winding down and selling its technology for about \$200 million to a small California bank that serves bitcoin and blockchain companies, a person familiar with the matter said, [the Journal reports](#). The bank, **Silvergate Capital Corp.**, had earlier reached a deal with Diem to issue some of the stablecoins—which are backed by hard dollars and designed to be less volatile than bitcoin and other digital currencies—that were at the heart of the effort.

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Industry News

Funds

Chimera Capital, a fund manager and subsidiary of Abu Dhabi-based Chimera Investment, closed its second venture capital fund at \$10 billion. Co-managed by Alpha Wave Global, Alpha Wave Ventures II will focus on the fintech, artificial intelligence, life sciences, consumer internet and business-to-business sectors.

Unovis Asset Management closed its second alternative protein-focused fund with €146 million (about \$163 million), far exceeding its original target of €75 million. Unovis NCAP Fund II CV's limited partners include Invest-NL, Unigestion, Credit Suisse, Fuji Oil and Griffith Foods.

MaRS Investment Accelerator Fund and the Canadian province of Ontario have teamed up to launch a \$100 million venture capital fund to make early-stage investments in Ontario tech startups. The fund, Graphite IAF IV, has raised \$77 million to date.

People

Bookkeeping services and tax advisory platform **Bench** named **Jean-Philippe Durrios** as president and chief financial officer. He was previously CFO and chief operating officer at Disqo. Bench has raised over \$100 million in funding from investors such as Bain Capital, iNovia Capital, Altos Ventures and Contour Ventures.

Automated compliance technology platform **Azimuth GRC** said **Ned Carroll** joined the company as chief technology officer. He was most recently chief data officer at TIAA. Jacksonville, Fla.-based Azimuth GRC has raised funding from Truist Ventures, Detroit Venture Partners and Mosaik Partners.

Data-protection provider **Virtru** appointed **Matt Howard** as chief marketing officer. He was previously senior vice president and CMO at Sonatype. Last week, Washington, D.C.-based Virtru said it raised a \$60 million growth round from investors including Ioniq Growth, Foundry Capital, Bessemer Venture Partners and New Enterprise Associates.

Exits

Kubernetes platform **Weaveworks** acquired cloud native security provider **Magalix Corp.** for an undisclosed amount. Weaveworks is backed by investors including Accel, GV, Redline Capital Management and Orange Ventures. Magalix is listed in the portfolios of Trend Forward Capital, Endure Capital and Egypt Ventures.

Enterprise application software company **SAP SE** agreed to acquire a majority stake of **Taulia**, a provider of working capital management services, for an undisclosed sum. San Francisco-based Taulia is backed by investors including Trinity Ventures, Matrix Partners and Zouk Capital.

Citizen, an app that alerts users to fires, missing children or crimes in progress, agreed to purchase disaster-preparedness technology company **harbor**. Terms weren't disclosed. Citizen is backed by Sequoia Capital, 8VC, Founders Fund, Goodwater Capital and Greycroft. Venture studio 25Madison incubated harbor.

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New Money

Fireblocks, a New York-based startup that secures digital assets in transit, scored \$550 million in Series E funding, bringing the company's valuation to over \$8 billion. Co-led by **D1 Capital Partners** and **Spark Capital**, the round included participation from **General Atlantic**, **Index Ventures**, **Mammoth**, **CapitalG**, **Altimeter Capital Management**, **Ioniq Capital**, **Canapi Ventures** and **ParaFi Capital**.

FTX US, a Chicago-based cryptocurrency exchange, closed a \$400 million Series A round, valuing the company at \$8 billion. Investors included **Paradigm**, **Temasek Holdings**, **New Enterprise Associates**, **Multicoin Capital**, **Tribe Capital**, **Ontario Teachers' Pension Plan Board**, **SoftBank Vision Fund 2**, **Greonoaks Capital**, **Steadview Capital** and **Lightspeed Venture Partners**.

Fever, a live-entertainment discovery platform, picked up a \$227 million investment, valuing the company at more than \$1 billion. The Growth Equity business within **Goldman Sachs Asset Management** led the funding, which included additional support from **Goodwater Capital**, **Smash Capital** and others. In addition to the \$227 million, **Eurazeo** and **Vitruvian Partners** provided a secondary investment of an undisclosed amount.

Paack, a Barcelona-based e-commerce delivery platform, raised €200 million (about \$225 million) in Series D funding led by **SoftBank Vision Fund 2**. New investors **Infravia Capital Partners**, **First Bridge Ventures** and **Endeavor Catalyst** also participated in the round, along with existing backers including **Unbound**, **Kibo Ventures**, **Big Sur Ventures**, **RPS Ventures**, **Fuse Partners**, **Rider Global** and **Castel Capital**.

Blockdaemon, a Los Angeles- and Ireland-based blockchain infrastructure platform, closed a \$207 million Series C round at a post-money valuation of \$3.25 billion. **Sapphire Ventures** and **Tiger Global Management** co-led the investment, which included contributions from **SoftBank Vision Fund 2**, **Boldstart Ventures**, **StepStone Group**, **Matrix Capital Management** and **Lerer Hippeau**.

Esusu, a startup that reports rent payments to the three major U.S. credit bureaus, allowing tenants who pay on time to establish credit histories and boost their scores, landed \$130 million in new funding. The Series B round was led by **SoftBank Vision Fund 2**, and gave the company a \$1 billion valuation. New investors including **SoftBank Opportunity Fund** and **Wilshire Lane Capital** also participated in the round, alongside previous backers **Concrete Rose Capital**, **Equity Alliance**, **Impact America Fund**, **Motley Fool Ventures**, **Next Play Ventures**, **Serena Ventures**, **Sinai Ventures** and **TypeOne Ventures**.

MinIO Inc., a Palo Alto, Calif.-based multi-cloud object storage provider, nabbed \$103 million in Series B funding at a \$1 billion valuation. **Intel Capital** led the round, which saw participation from **SoftBank Vision Fund 2**, **Dell Technologies Capital**, **General Catalyst** and **Nexus Venture Partners**.

CaptivateIQ, a San Francisco-based sales commission software developer, scored \$100 million in Series C financing at a post-money valuation of \$1.25 billion. Led by **Ioniq Growth**, **Accel** and **Sequoia Capital**, the round included support from **Sapphire Ventures**.

CoinTracker, a San Francisco-based cryptocurrency tax and portfolio tracking platform, closed a \$100 million Series A round, bringing the company's valuation to \$1.3 billion. **Accel** led the investment, and was joined by **General Catalyst**, **Initialized Capital**, **Y Combinator Continuity**, **776 Ventures**, **Coinbase Ventures**, **Intuit Ventures**, **Kraken Ventures** and others.

Firebolt, a cloud data warehouse startup with offices in San Francisco, Munich and Tel Aviv, secured \$100 million in Series C financing, bringing the company's valuation up to \$1.4 billion. Lead investor **Alkeon Capital** was joined by **Sozo Ventures**, **Glynn Capital**, **Zeev Ventures**, **Angular Ventures**, **Dawn Capital**, **Bessemer Venture Partners**, **K5 Global** and **TLV Partners** in the round.

Septerna Inc., a South San Francisco, Calif.-based drug discovery startup, launched with \$100 million in Series A funding. **Third Rock Ventures** led the investment, with additional contributions coming from **Samsara BioCapital**, **BVF Partners**, **Invus Financial Advisors**, **Catalio Capital Management**, **Casdin Capital** and **Logos Capital**.

Veriff, an Estonia-based identity verification provider, snagged \$100 million in Series C funding, giving the company a \$1.5 billion valuation. **Tiger Global Management** and **Alkeon Capital** co-led the investment, which included support from **IVP** and **Accel**.

Tech News



Robinhood's logo at a Wall Street event after the company's IPO last year. PHOTO: ANDREW KELLY/REUTERS

- **Robinhood** meme-stock negligence [suit is rejected](#) by judge
- **UBS** buys **Wealthfront** for \$1.4 billion to [reach rich young Americans](#)
- **Walmart**-backed fintech startup is [acquiring two firms](#) and a new name
- **Tesla** supplier **LG Energy** hits \$99 billion [valuation](#) on trading debut
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The WSJ Pro VC Team

This newsletter was compiled by Matthew Strozier and Zachary Cole.

WSJ Pro Venture Capital is a premium service of The Wall Street Journal. We cover venture capital and the global startup ecosystem.

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On Wed, Jan 26, 2022 at 9:23 AM Kelly Hall <khall@offleashpr.com> wrote:

You're awesome. Thanks so much!

On Wed, Jan 26, 2022 at 6:22 AM Cole, Zachary <zachary.cole@wsj.com> wrote:

Sure thing!

On Wed, Jan 26, 2022 at 9:07 AM Kelly Hall <khall@offleashpr.com> wrote:

Thank you! If you do run with it, would you mind sharing a PDF of the newsletter so I can share it w/ MinIO? Thanks again. I appreciate it!!

On Wed, Jan 26, 2022 at 6:04 AM Cole, Zachary <zachary.cole@wsj.com> wrote:

Thanks!

On Tue, Jan 25, 2022 at 9:06 PM Kelly Hall <khall@offleashpr.com> wrote:

Hi Zach,

At 9:00am EST tomorrow, Jan. 26, [MinIO](#) will announce it **has raised a \$100 Million Series B round**, led by Intel Capital, **at a valuation of \$1 Billion**.

I've included an embargoed copy of the press release a day early as I'd love for you to include this news in tomorrow's WSJ Pro VC Newsletter, if you believe it's a fit.

Let me know if you have any questions and thanks in advance for your consideration.

Kelly

MinIO Closes \$103 Million Series B Round at \$1 Billion Valuation to Accelerate Multi-Cloud Storage

PALO ALTO, California - January 26, 2022 - [MinIO Inc.](#), creators of the MinIO multi-cloud object storage suite, announced today that it has raised \$103 million in Series B funding at a \$1 billion valuation. The investment was led by Intel Capital with participation from new investor SoftBank Vision Fund 2, and existing investors Dell Technologies Capital, General Catalyst and Nexus Venture Partners. Today's financing brings MinIO's total funding raised to \$126 million.

"MinIO's ability to solve the multi-cloud storage challenges faced by developers is impressive and we are delighted to continue supporting their mission through investment from Intel Capital," said Greg Lavender, Chief Technology Officer; Senior Vice President, General Manager, Software and Advanced Technology Group for Intel Corporation. "Developers represent the engine of value creation in the enterprise and MinIO's object storage suite is uniquely suited for their evolving requirements. MinIO's power, simplicity and capacity to run anywhere — from the edge to the cloud — make it one of the most compelling companies in the storage space."

MinIO has established itself as the leader in AWS S3 compatible, multi-cloud object storage. Available on every cloud, MinIO has more than 1.2M active deployments on the public cloud, private cloud and edge. This includes public cloud deployments on Google Kubernetes Engine, Amazon's Elastic Kubernetes Service, Azure Kubernetes Service, private cloud deployments on Red Hat OpenShift, VMware Tanzu, HPE Ezmeral, SUSE Rancher as well as millions of colocation and edge deployments.

MinIO continues to extend its feature leadership with the addition of click to deploy capabilities on AWS, Google Cloud and Microsoft Azure. This complements MinIO's market-leading capabilities in information lifecycle management, ransomware protection and active-active, strictly consistent multi-site replication.

"High performance, multi-cloud object storage represents a foundational component in the modern software stack," said Vikas Parekh, Managing Partner at SoftBank Investment Advisers. "We believe that MinIO has established itself as the leader for a diverse set of workloads from AI/ML, advanced analytics, databases and modern applications. We are delighted to partner with Anand Babu Periasamy, Garima Kapoor and the team as they ramp up commercialization of the technology."

MinIO has seen massive adoption from organizations around the globe. Growth metrics include:

- In the last year, ARR grew by over 201%
- MinIO's customer count grew by over 208% in 2021 alone
- Total number of Docker pulls of 762,000,000, now averaging over 1,000,000 per day
- More than 31,000 GitHub stars and 16,000+ MinIO Slack community members

Open source under GNU AGPL v3, MinIO has received more than 9,000 pull requests from 855 contributors since 2015.

MinIO is an increasingly key component of its customer's software stack as reflected in these quotes:

"MinIO is a foundational component of our Epiphany Data Foundation™ and Panoptic™ Compliance Audit Platform that provides the data ingestion, auditing and machine learning capabilities at PRGX," said Amir Karuppaiah, CTO of PRGX USA Inc. "Together, we are on the journey of cloud-native solutions with data lakes and advanced, throughput-oriented machine learning approaches that deliver secure, accurate insights to our customers".

"Rakuten Symphony was created with a vision that modern telco infrastructure should be cloud-native, open and interoperable, giving mobile network operators the ability to build, deploy and scale at speeds and low costs never before seen," commented Tareq Amin, CEO at Rakuten Symphony. "To achieve this we need like-minded partners like MinIO to enable operational efficiencies from the edge to the cloud."

MinIO is a high performance, Kubernetes-native, S3 compatible object store for a broad range of data storage use cases. Its performance dramatically exceeds comparable object stores, delivering tens of gigabytes of data per node in throughput. The performance characteristics have made MinIO the object store of choice for leading machine learning frameworks, analytics applications, databases, web applications and other performance-oriented workloads. MinIO's architecture is renowned for its simplicity and scales from TBs to EBs easily.

MinIO CEO and Co-founder AB Perisamy said, "MinIO is fueled by developers. They drive our growth and enhance our product. This funding round will accelerate our efforts to deliver the world's best multi-cloud data storage software and provide us with the resources to build a modern, developer-centric go-to-market machine."

Read AB's [blog post](#) to learn more about the latest funding round and how it will support MinIO's vision for an object storage centric world.

About MinIO

MinIO is pioneering high performance, Kubernetes-native object storage for the multi-cloud. The software-defined, Amazon S3-compatible object storage system is used by more than half of the Fortune 500. With 760M+ Docker pulls, MinIO is the fastest-growing cloud object storage company and is consistently ranked by industry analysts as a leader in object storage. Founded in 2014, the company is backed by Intel Capital, Softbank Vision Fund 2, Dell Technologies Capital, Nexus Venture Partners, General Catalyst and key angel investors.

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