



It's been one heck of a summer for startup funding. [Last quarter's return to previous high-water marks](#) for both deal and dollar volume suggested a foray into new record territory. And that's where the world's global venture capital market finds itself at the moment.

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In this report from [Crunchbase News](#), we assess the condition of the global venture capital ecosystem supported by data and projections from Crunchbase. We divide our analysis of the market into two parts: money in and money out. In the **Money In** section, we cover reported and projected data measuring how – and how much – the global venture capital ecosystem invested in Q3 2017. In this section, we'll see how this quarter stacks up against the previous quarter and the same time period last year.

In the **Money Out** section, we'll review statistics on known venture-backed acquisitions and other noteworthy liquidity events, including a look at the market for technology IPOs.

At the top of each section, we provide bullish and bearish findings in bullet-point form. Let's get into it!

Money In

- **Bullish Key Finding.** According to Crunchbase’s projections, both deal and dollar volume are at record highs since the Dot-Com bubble. Q3 2017 surpasses previous highs reached in Q1 2016, a quarter that was followed by a number of sequential down quarters.
- **Bearish Key Finding.** Despite significant growth in nearly all metrics connected to early and late-stage growth, the market for seed and angel deals may be showing signs of stagnation. Projected dollar volumes and reported mean and median deal sizes have remained flat since Q2.

An Overview of The Venture Capital Landscape



Q3 2017 is the fourth consecutive quarter of growth in both deal and dollar volume for venture capital investment around the world. At this point, it’s safe to say that global venture capital has achieved escape velocity from the 2016 slump.

Many of the sources of uncertainty from 2016 have been resolved. Last year, global financial markets were in turmoil due to fears of Chinese stagnation and the Euro crisis. Now, public stock market indices – especially those tracking technology companies – are at or near all-time highs. Additionally, measures of [US](#), [European](#), [Chinese](#), and [Brazilian](#) stock market volatility were below their two- and five-year averages for the duration of Q3 2017.

2016 was rife with political uncertainty as populist movements emerged in the US, UK, and elsewhere. But now a Trump presidency in the US and UK’s planned “Brexit” are simply facts global financial markets must contend with, even as both countries – once-stable stalwarts of the global economic and geopolitical order – emerge as a source of uncertainty and risk on economic, trade, and other key regulatory policies.

The relatively calm global economy has given investors on the deeper end of the risk pool – venture investors chief among them – the opportunity to keep “up and

to the right.” In doing so, at least according to Crunchbase’s projections, VC has entered waters untraveled since the 1990s.

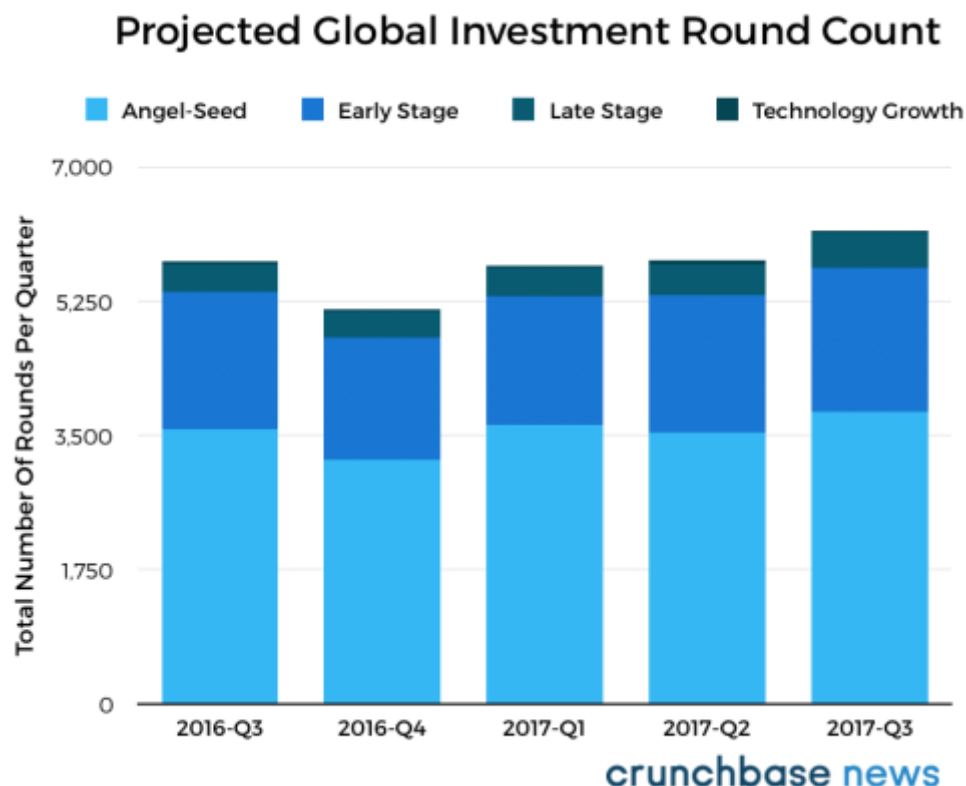
Global Funding Activity: A View From Cruising Altitude

To paint a picture of the state of the global venture capital market, we’re going to examine both the quantity and size of venture capital deals. In this section, we’re keeping the scope of our analysis fairly abstract. Consider this an executive summary of what’s to come when we dig deeper into the funding statistics on a stage-by-stage basis.

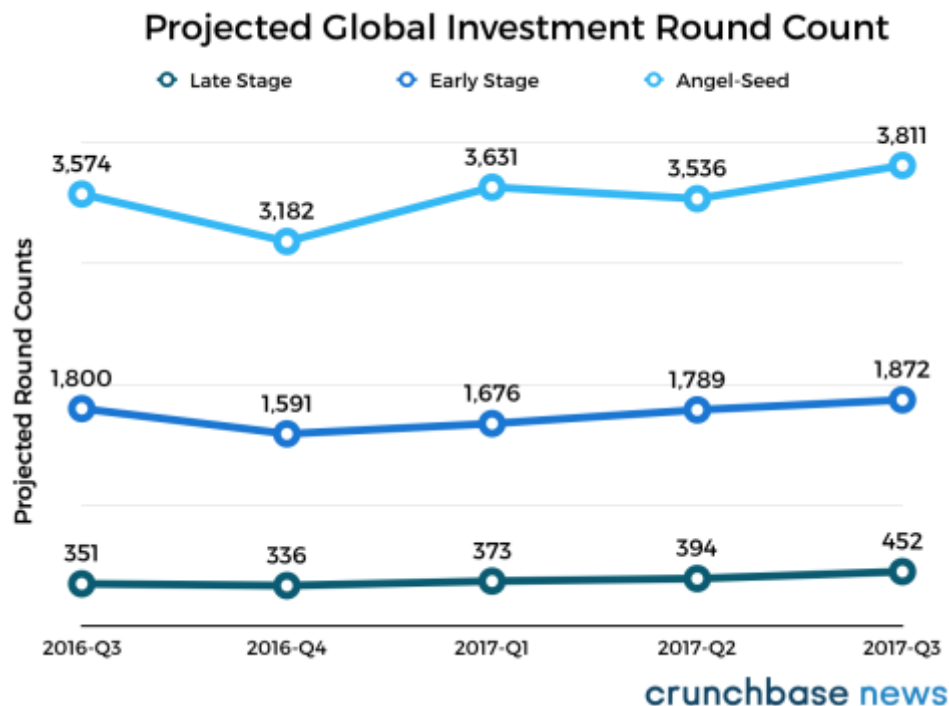
Pace Of Dealmaking

In isolation, the number of deals struck in a particular quarter doesn’t tell us much. However, by looking at this quarter in relation to the previous four, we’re able to assess trends in the overall appetite for venture capital deal-making around the world.

Below, you’ll find a chart displaying the count of venture capital rounds between Q3 2016 and the end of Q3 2017. (For more information on Crunchbase’s projections and methodology, see the end of this report.)



And here is the same data, this time with individual data points rendered on a line chart.



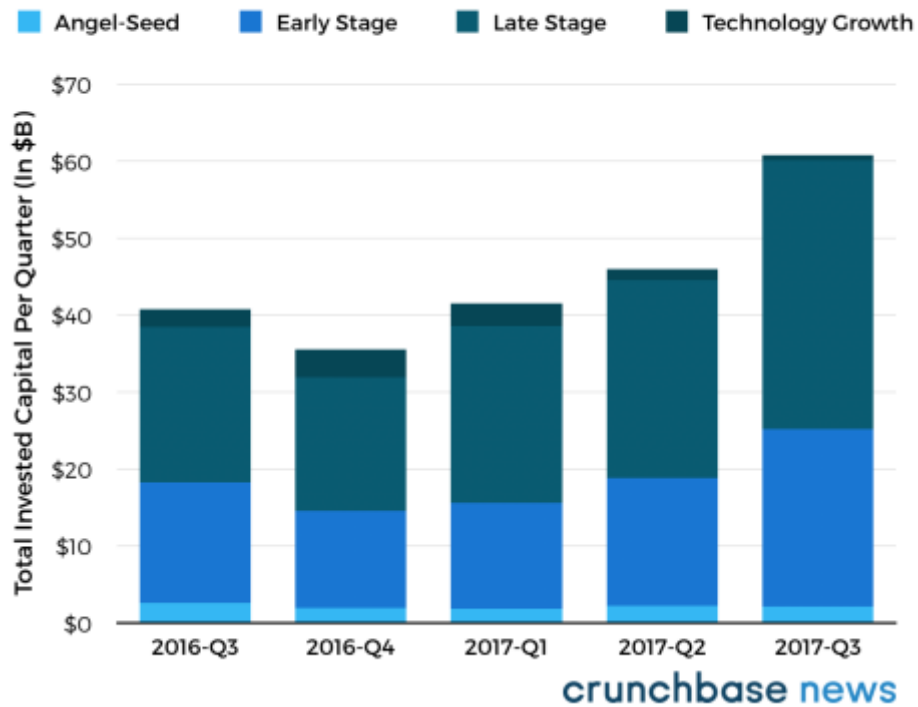
Overall, Crunchbase projects the total number of venture funding rounds grew by 7.8 percent from the second quarter of 2017. This increase in total round count was primarily driven by a growing number of seed and early-stage rounds. As mentioned earlier, the continued growth in round counts marks the fourth straight quarter of deal volume growth. But, more significantly, the 6,146 projected rounds from the third quarter mark a local maximum in the pace of venture capital deal-making around the world since 2000.

On a year-over-year basis, the number of funding rounds at all stages grew by a projected 8.4 percent from Q3 2016's levels of deal-making activity. Most of this increase can be attributed to consistent, incremental growth in both seed and early-stage deals.

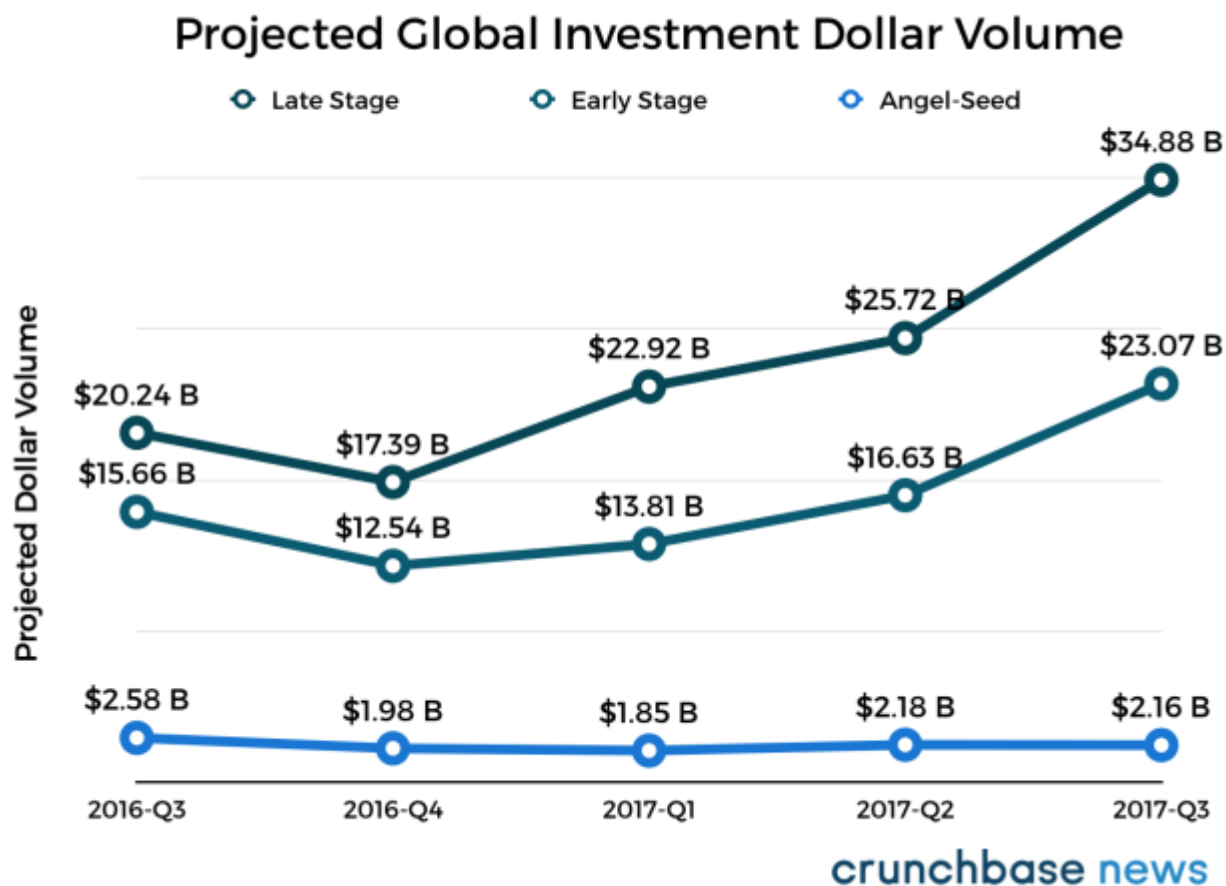
Projected VC Dollar Volume

If the projected number of deals has approached record highs was merely noteworthy, the total dollar volume of those venture capital deals is downright remarkable. Crunchbase's projections indicate that Q3 2017 was a high point for VC dollar volume since the 1990s tech bubble, with the biggest gains coming from early and late-stage venture capital deals.

Projected Global Investment Dollar Volume



And, just like before, we've laid out the dollar volume data on a line chart.



Quarter-over-quarter, total dollar volume grew by 31.5 percent, the largest quarterly percentage gain in the six quarters since Q1 2016. With approximately \$14.4 billion more invested in this quarter relative to last, Q3 2017 now holds the distinction of having the largest total dollar volume jump since Crunchbase began projecting this type of data. In this case, the growth in late-stage dollar volume was the primary influence on the rise of global VC dollar volume.

Compared to the same time last year, total VC dollar volume grew by roughly 50 percent in Q3 2017. The projected \$60.17 billion invested in Q3 2017 is 71.3 percent larger than the dollar volume totals for Q4 2016 – a local minimum in venture funding – and 21.5 percent larger than the previous post-Dot Com high of \$49.53 billion in the second quarter of 2016.

Most Active Lead Investors

Now that we have a decent understanding of the contours of Q3's venture market, let's see who are its most active players overall. Here, we analyzed data for just under 3,500 venture capital deals struck around the world in the third quarter of 2017 in order to identify the investors which led the most rounds. The data we analyzed was extracted from Crunchbase, which typically distinguishes

lead investors from those just participating in a given round. In this dataset, we were able to identify 1,554 investors who led rounds out of 2,191 unique investors in the pool.

In the chart below, you can find a rank-ordered list of the most active lead investors, globally, for all venture round types in Q3 2017. Note that this ranking is based on reported data currently in Crunchbase, so these rankings and numbers may shift as additional deal data from Q3 comes in.



In general, we're seeing more investors lead more deals, especially at the top of the ranks. For example, last quarter we reported that [New Enterprise Associates](#) led just nine rounds, despite tying for fourth place with [General Catalyst](#) in the rankings. This quarter, NEA led a whopping fifteen rounds according to current Crunchbase data. This tendency to lead more rounds is also evident in [Sequoia Capital](#), which at the time of writing our Q2 report had led fourteen rounds and ranked in second place at the time.

There are a few new additions to this list, including a couple of international investors. [Qiming Venture Partners](#) is an active Shanghai-based firm which, in Q3 2017, has led a number of large early-stage and late-stage rounds, including [a \\$52 million Series A round for JingChi](#) – a company developing autonomous vehicles for ride-sharing – that also saw participation from [Nvidia GPU Ventures](#) and [China Growth Capital](#). Qiming Venture Partners also led [ARMO BioSciences' \\$67 million Series C round](#) to fund the company's continued

development of cancer-fighting immunotherapy drugs. Drug-maker [Celgene](#), life sciences investor [OrbiMed](#), and more traditional VCs like [Kleiner Perkins](#), Sequoia Capital, and [GV](#) also participated in that round.

Turning to another firm on the list, [Creandum](#) is an early-stage venture capital firm based in Stockholm which invests throughout Europe. Some of the rounds it led in Q3 2017 include [a \\$10 million Series A round in Kahoot!](#), an educational gaming platform developer based in Oslo, and [a £6.1 million Series A deal with London-based Syft](#), a hiring platform for shift workers in the hospitality industry.

Although in a ranking like this there's always some flux from quarter to quarter, in general the list of top round-leading VCs is comprised of the firms we'd expect to see here. In other words: no major surprises.

Now that we've surveyed the funding landscape from "cruising altitude," it's time to get into the weeds by looking at global venture funding on a stage-by-stage basis.

Stage-By-Stage Analysis Of Q3 2017 VC Funding Trends

The following charts show the average and median size of reported venture deals at different stages of the funding cycle. They serve as helpful points of comparison when looking at rounds during this and future quarters.

Because there's no better place to start than at the beginning, we'll kick off the round-by-round analysis with seed and angel funding and move forward from there.

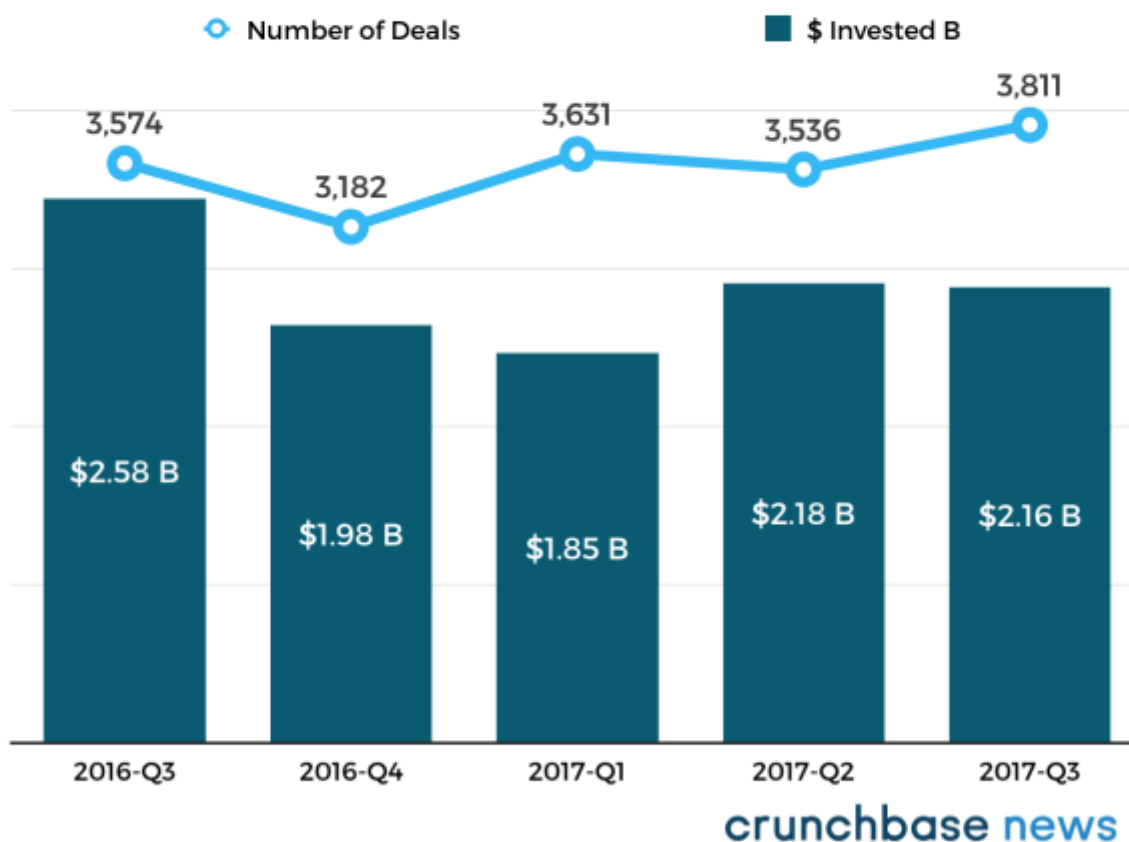
Angel And Seed-Stage Deals

Let's be clear: angel and seed-stage companies don't tend to raise a lot of money in these first rounds of outside financing. This holds for the asset class as a whole. Although seed and angel-stage rounds accounted for over 62 percent of the rounds from Q3 2017, they amounted to around 3.6 percent of the total dollar volume last quarter, according to Crunchbase's projections.

Below, you can find a chart displaying the deal and dollar volume for investment rounds involving these fledgling companies.

Global Seed & Angel Deal And Dollar Volume In Q3 2017

Based on Projections From Crunchbase

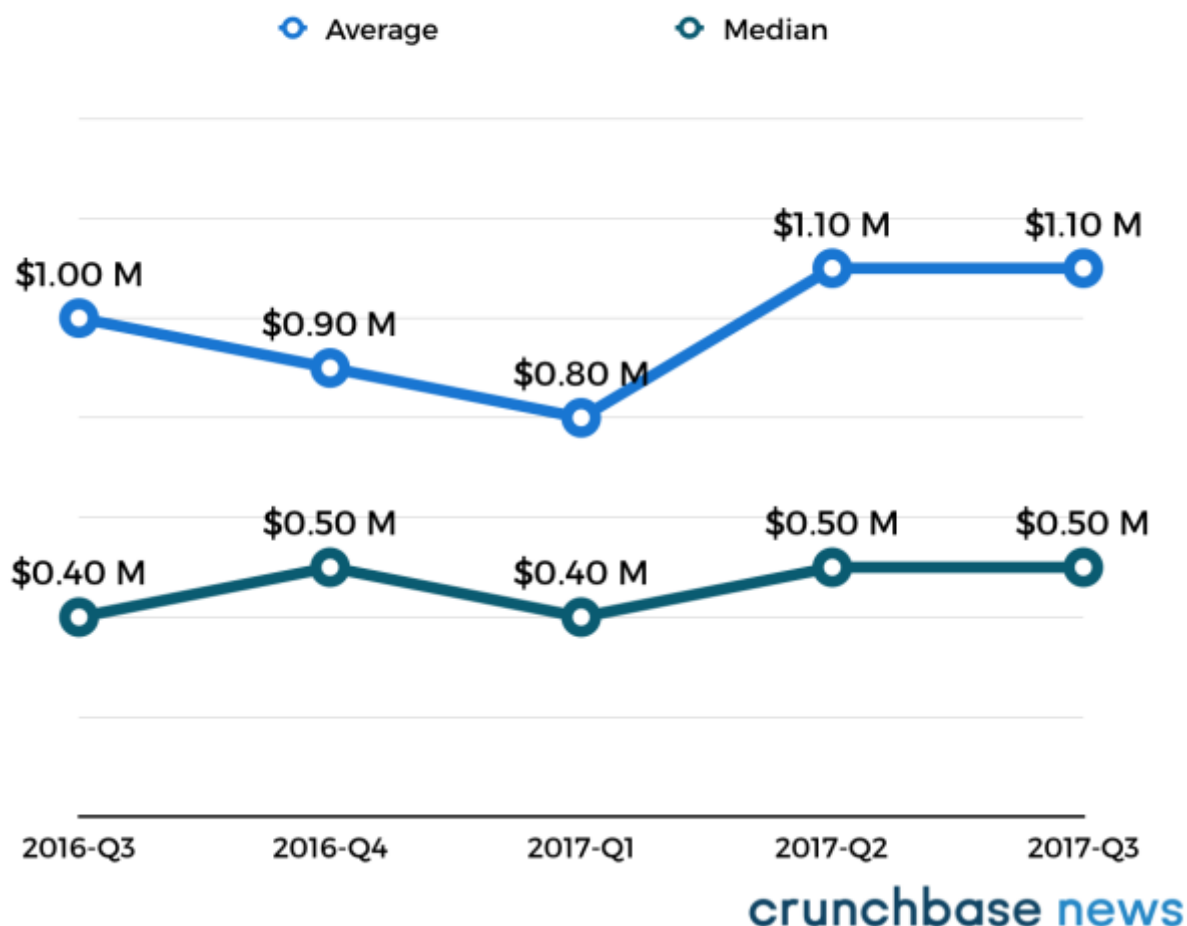


On a quarterly basis, deal volume is projected to be up but dollar volume was very slightly down. The number of deals grew by a 9.74 percent since last quarter, but dollar volume declined by roughly 0.3 percent. This means that there was one fewer seed or angel deal struck in Q3 than in Q2 2017, according to Crunchbase projections. Looking now at seed and angel deals on an annual basis, a similar pattern emerges, although with more striking changes. The number of seed and angel deals increased by 8.77 percent since the same time last year, but total dollar volume is markedly lower. Globally, seed and angel-stage companies raised \$380 million less in Q3 2017 than they did in Q3 2016, a decline of just over fifteen percent.

But capital and deal-flows are only part of the story. The chart below shows the growth (or lack thereof, as the case may be) in both average and median round sizes for seed and angel deals, based on known deals of this type in Crunchbase. It's important to note that the chart below – and, indeed, all of the following charts which display average and median round sizes – are based on “reported” or known data in Crunchbase for Q3. These are not based on

projected data, like charts displaying projected round counts and dollar volume. (For more about methodology, check out the note at the end of this report.)

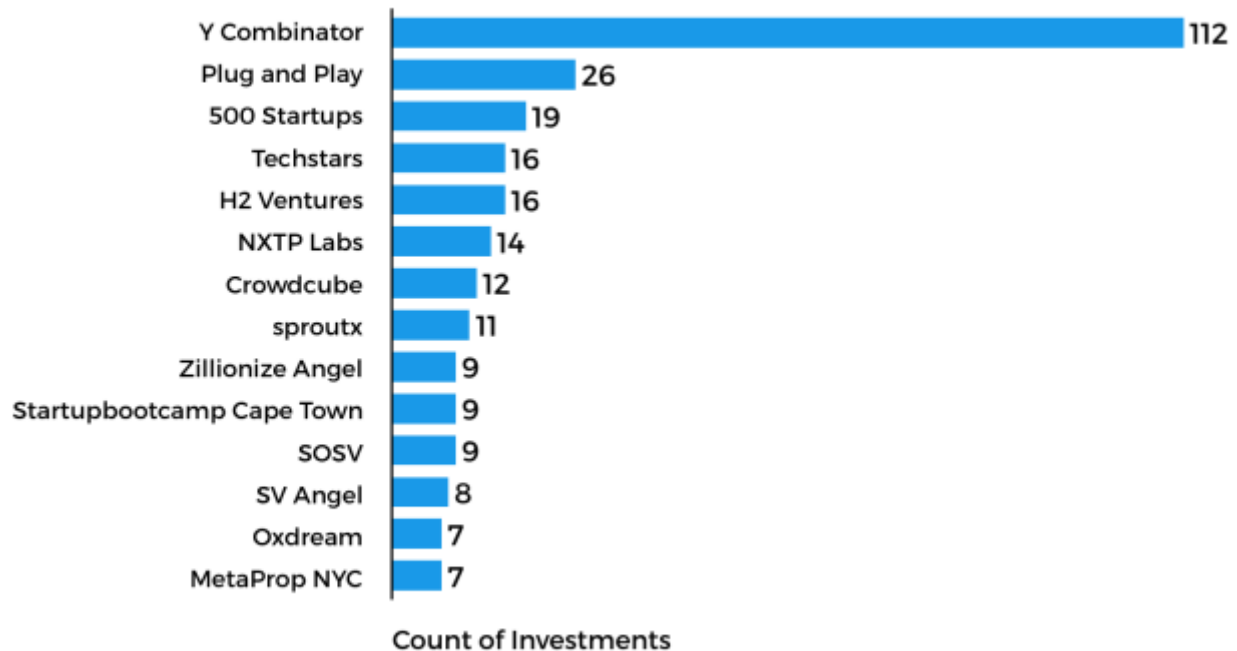
Global Angel & Seed Stage Round Size In Q3 2017



Last quarter, we [said that](#) “It’s clear that the size of seed and angel rounds is on the rise.” This quarter, yeah, not so much. Relative to last quarter, both average and median round sizes are flat. However, there’s been some growth relative to last year. The average round grew by ten percent and the median round grew by 25 percent. Taken together with dollar volume stabilization over time, it’s possible that the market for seed and angel deals is either about to enter, if it isn’t already in, a period of stagnation.

Let’s now take a look at the investors which have been most involved in the most seed and angel deals in Q3.

Active Global Seed Investors In Q3 2017



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As we've seen over the past several quarterly reports, accelerator programs rank at the top of the list of active seed-stage investors. These programs often operate on a seasonal schedule, with summer being a popular time. Last quarter, [Y Combinator](#) reportedly invested in at least 112 companies in its summer 2017 batch, and [500 Startups](#) invested in at least 19 companies this quarter.

(Crunchbase has compiled lists of participating companies for both [YC](#) and [500 Startups](#)' summer batches.) Again, like with the ranking of lead investors, please keep in mind that this and subsequent rankings of investors are likely to change as new data is added to Crunchbase over time.

Moving right along, the following table lists a number of notable seed and angel deals from around the world that closed in Q3.

Notable Global Seed & Angel Fundings In Q3 2017

Name	Location	Sector	Round Type	\$ Raised (M of USD)
MaaS Global	Helsinki, Finland	Transportation	Seed	\$16.70
Netwealth	London, UK	Financial Services	Angel	\$13.58
Ennovabio	Shanghai, China	Pharmaceuticals	Seed	\$10.00
Excision BioTherapeutics	Philadelphia, PA	Gene Editing	Seed	\$10.00
Coya	Berlin, Germany	Insurance	Seed	\$10.00
Fresno	Los Angeles, CA	Entertainment	Seed	\$8.00
Koia	Los Angeles, CA	Plant Proteins	Seed	\$7.50
Vemo Education	Oakton, VA	College Lending	Seed	\$7.40
Influans	Palo Alto, CA	Digital Marketing	Seed	\$7.16
Nanopore Technology	Sunnyvale, CA	Mobile Device R&D	Seed	\$7.00

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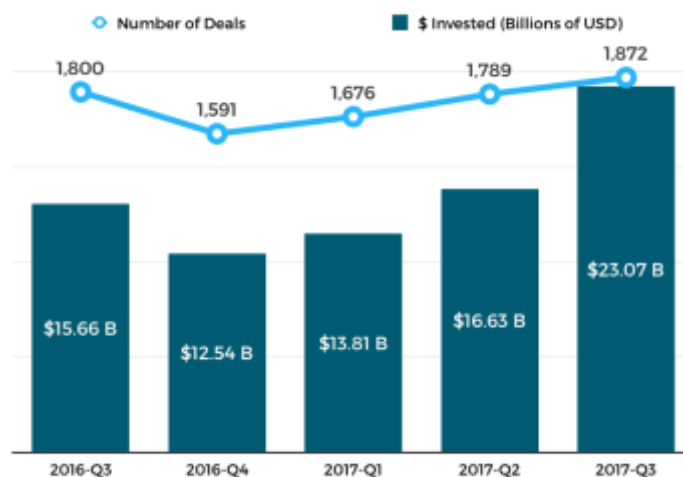
Early-Stage Deals

The early-stage projections are where things start to get more interesting. Comprised mostly of Series A and Series B deals, the dollar amounts are larger than seed and angel rounds and most of the investors are institutional players of some sort. Here, we'll get a better idea of the overall state of the global venture market because early-stage deals accounted for almost exactly thirty percent of deals and around 38.5 percent of the dollar volume in Q3 2017.

Below, you can find a chart showing projected deal and dollar volume for Q3 2017 and the four preceding quarters.

Global Early-Stage Deal And Dollar Volume In Q3 2017

Based on Projections From Crunchbase



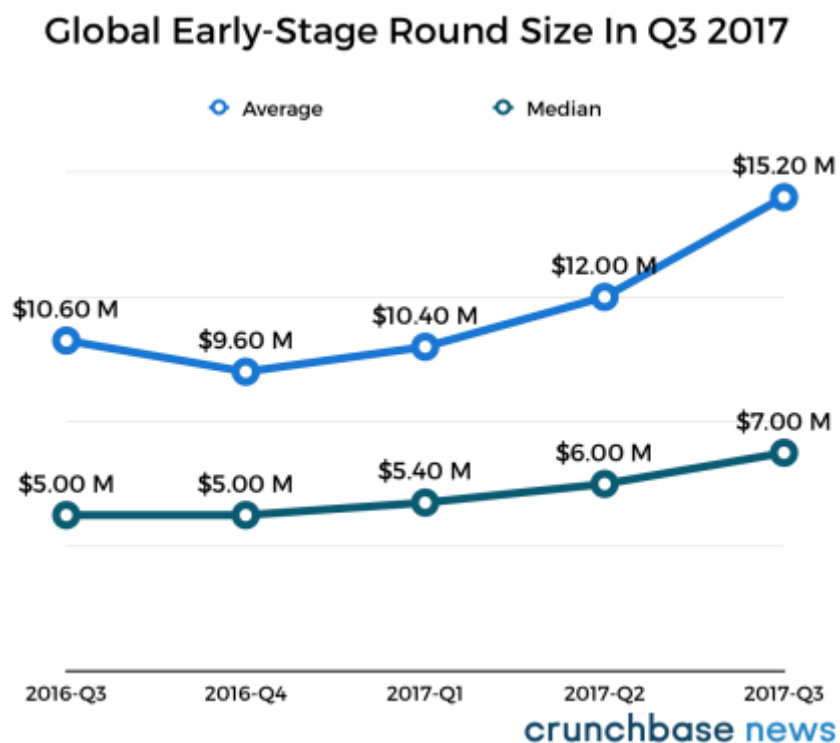
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Unlike seed and angel-stage investments, both deal and dollar volume grew significantly over the past quarter for early-stage companies. Crunchbase projects that there were 79 more early-stage deals in the third quarter compared to the second, corresponding to a roughly 4.5 percent increase.

But it's dollar volume that has really ballooned. With a projected \$6.37 billion in additional capital invested since last quarter, dollar volume is up close to 38 percent. On an annual basis, although the number of deals increased by a comparatively tepid 4.2 percent, total dollar volume grew by 49 percent in the intervening 12 months.

And, finally, it's worth noting that projected dollar volume for Q3 2017 is almost twice that of Q1 2016, which was the "bottom" of the VC market's dip from last year.

Let's now take a look at how round sizes have shifted over time.

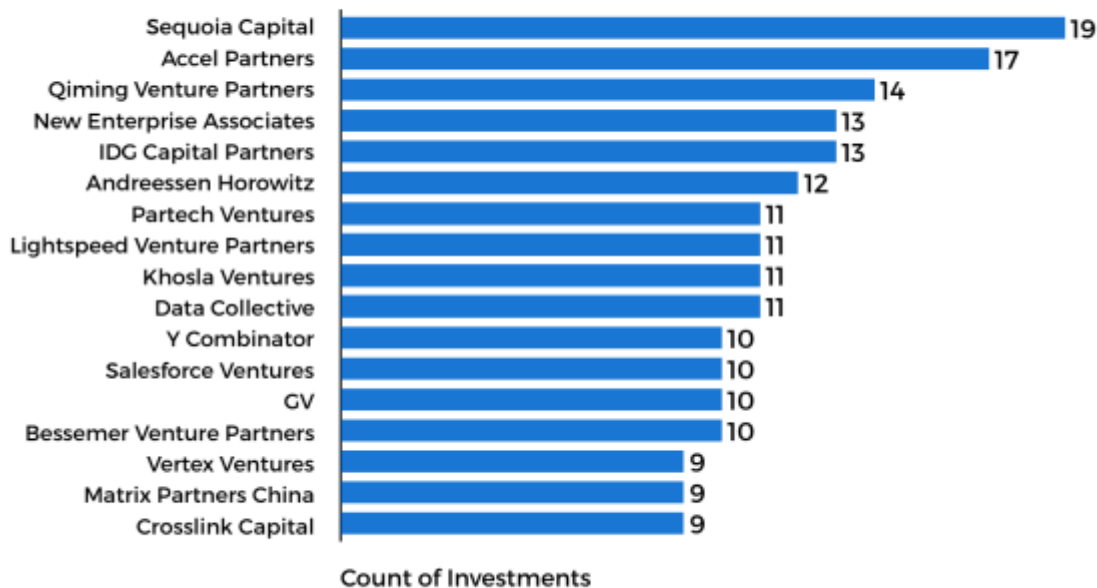


Both median and mean round sizes are up on a sequential basis, each growing by 26.7 percent and 16.7 percent, respectively. On a year-over-year basis, again both measures are up. Compared to last year, the average early-stage round is now \$4.6 million larger, corresponding to a year-over-year change of 43.4 percent. Median round sizes are also larger, this time by just \$2 million, but that works out to be roughly the same proportional change at 40 percent larger. Our suggestion from last quarter's report – that "by the end of this quarter, these

metrics will be back to where they were before the dip of late 2016” – was prescient because mean and median round sizes for early-stage deals are now at a local high according to Crunchbase’s data.

These metrics point to the sentiment of thousands of individual investors around the world, and some of them are more active than others. We’ve identified the most active early-stage investors in Q3 2017 and charted them below.

Active Global Early-Stage Investors In Q3 2017



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Here we see many of the usual suspects. This list is mostly comprised of well-capitalized and well-known firms. There are also some newcomers to the top ranks here, including [Data Collective](#), [Vertex Ventures](#), [Crosslink Capital](#), and [Matrix Partners’ Chinese fund](#).

And here are some of the early-stage deals that caught our eye from Q3.

Notable Global Early-Stage Fundings In Q3 2017

Name	Location	Sector	Round Type	\$ Raised (M of USD)
SenseTime	Hong Kong	Facial Recognition	Series B	\$410.00
Plenty Inc.	South San Francisco, CA	Agriculture	Series B	\$226.00
Nauto	Palo Alto, CA	Autonomous Vehicles	Series B	\$159.00
Haier	New Dehli, India	Smart Appliances	Series B	\$142.63
Hyperloop One	Los Angeles, CA	Transportation	Series B	\$85.00
Convoy	Seattle, WA	Logistics	Series B	\$62.00
Ellevest	New York City, NY	Impact Investing	Series A	\$34.60
Descartes Labs	Santa Fe, NM	Sattelite Imaging	Series B	\$30.00
Victor	London, UK	Private Jet Charter	Series B	\$20.00
Strikingly	Shanghai, China	Website Building	Series A	\$6.00

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Late-Stage Deals

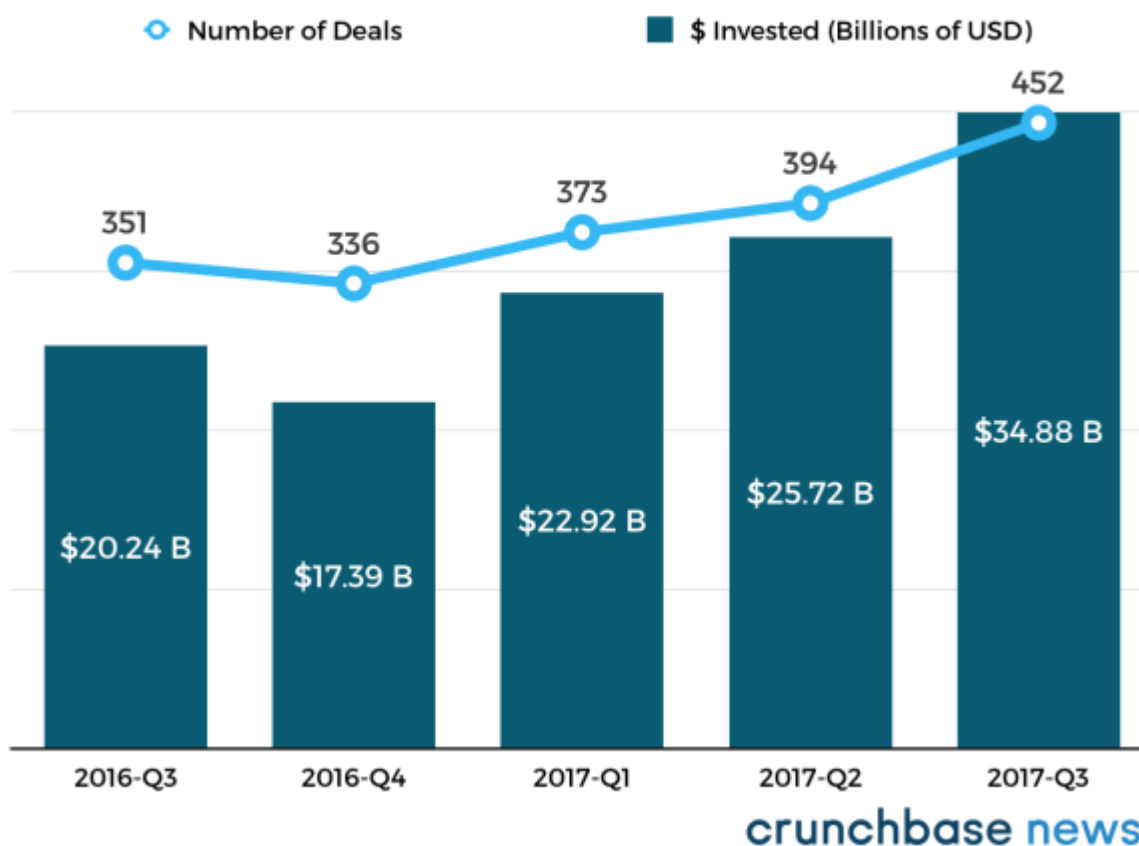
Much like early-stage deals, investment activity in late-stage rounds gives us a fairly good barometer of the venture capital market. Consisting mostly of Series C, Series D, and other rounds further down the alphabet, this stage represents a small but mighty portion of the market.

Although the projected 448 deals struck in Q3 account for around 7.3 percent of the total deal volume for Q3, they collectively represent an impressive 57 percent of the total dollar volume. As a percentage of total venture funding projected by Crunchbase, this is a local maximum for late-stage's proportional share of the total funding pie, and it points to the growing dominance of late-stage companies and investors in global funding ecosystem.

Below, you can find a chart displaying the projected deal and dollar volume for late-stage deals for Q3 and the prior year.

Global Late-Stage Deal And Dollar Volume In Q3 2017

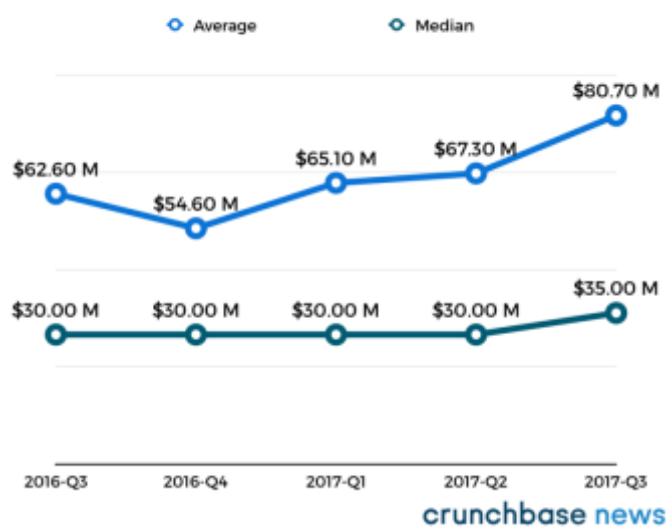
Based on Projections From Crunchbase



It's been a remarkable quarter, and year, for late-stage deal-making. According to Crunchbase projections, late-stage investors deployed over \$9 billion more in Q3, compared to the previous quarter, which corresponds to a 35 percent increase. Compared to last year, total capital inflows into late-stage deals grew by 73 percent. On the deal side, the numbers are more modest. Crunchbase projects that deal volume grew by a little over 14 percent since Q2 2017, and, on an annual basis, late-stage deal volume grew by about 29 percent.

Let's take a look at the averages.

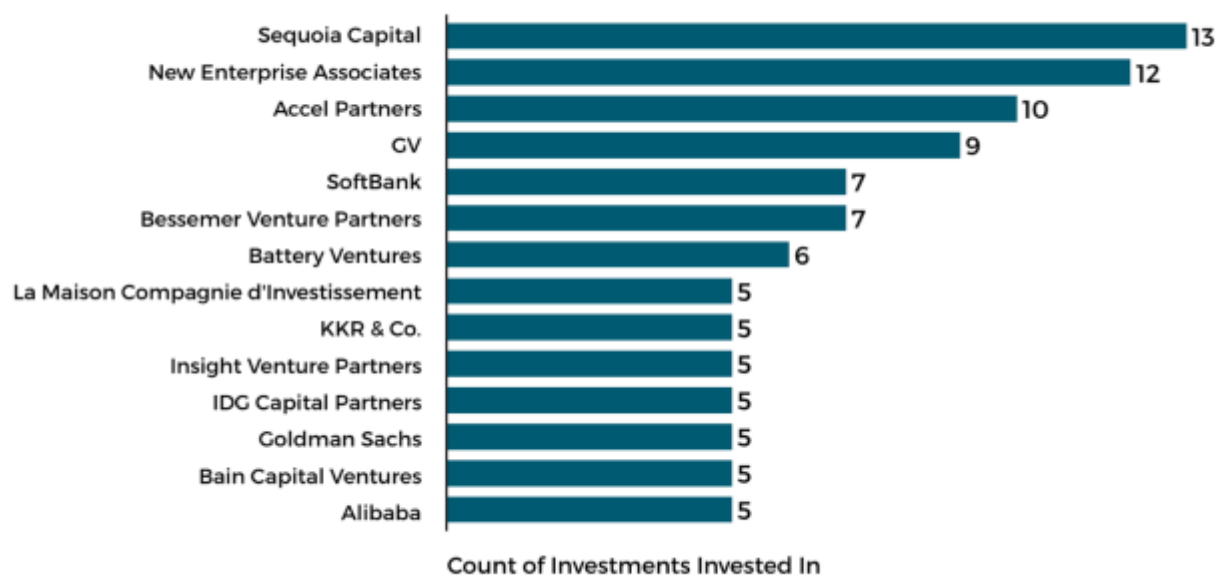
Global Late-Stage Round Size In Q3 2017



On a quarterly basis, average deal size grew by just under 20 percent from \$67.3 million to \$80.7 million, and median round size broke a year-long trend of flatlining to rise 16.7 percent to \$35 million. Annually, the growth in median round size would be the same (again, due to the flat line at \$30 million since Q3 2016) but the average late-stage round grew by \$18.1 million – over 35 percent – since the same time last year.

Let's take a look at the investors.

Active Global Late-Stage Investors In Q3 2017



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Running the risk of sounding like a broken record, this list includes many of “the usual suspects.” There are some big VC funds, a couple of private equity firms that dabble in late-stage VC, a big ol’ investment bank ([Goldman Sachs](#)), and a few corporate venture capital firms.

But this quarter, all eyes have been on [SoftBank](#), the titanic Japanese mobile phone carrier and holding company for a veritable cornucopia of other businesses, the latest being a \$100 billion pool of money SoftBank’s CEO has dubbed “The Vision Fund.” In August, *Crunchbase News* wrote about this giant pool of money and concluded that [the Vision Fund is in a league all its own](#).

To say that SoftBank has “dominated” late-stage financing in Q3 is an understatement. The company has made over a dozen deals this quarter (including a number of PE rounds that didn’t get counted as “late stage”), and with only a few exceptions, those deals were nine figures or larger. Here are a few highlights:

- SoftBank was the sole investor in [a \\$4.4 billion private equity deal with WeWork](#) in August, and also invested [\\$500 million in WeWork China](#). Previously in 2017, SoftBank has invested \$2 billion into WeWork in [a separate PE deal](#) and bought a further [\\$1 billion of WeWork stock in a secondary transaction](#).
- In the ride-sharing and automotive space alone, [SoftBank and Didi Chuxing co-led Grab’s \\$2 billion Series G](#) round, and [SoftBank and Greylock Partners co-led autonomous vehicles startup Nauto’s \\$159 million Series B](#) round (which we highlighted in the early-stage section). This leaves out [the still-pending deal](#) SoftBank is leading with [Didi Chuxing](#), [Dragoneer Investment Group](#) and [General Atlantic](#) to invest up to \$10 billion in Uber.
- SoftBank was the sole investor in [a \\$1.5 billion PE deal with Flipkart](#) and was the sole buyer of about [\\$1 billion in Flipkart stock in a secondary market deal](#), both announced in August.
- SoftBank led [Slack’s \\$250 million Series G](#) round.
- SoftBank led [a \\$1 billion PE deal in Fanatics](#) with participation from none other than the National Football League and Major League Baseball.

That’s just Q3 2017, and that’s not all of the deals either. The [full list of known investments by SoftBank](#) really is something to behold. With a plan to invest its \$100 billion over the next five years, SoftBank has the potential to profoundly alter the late-stage investing landscape for the next half-decade.

And here are some of the late-stage rounds that got our attention this quarter, at least two of which were led by SoftBank.

Notable Global Late-Stage Fundings In Q3 2017

Name	Location	Sector	Round Type	\$ Raised (M of USD)
Grab	Singapore	Ride Sharing	Series C	\$2,000.00
Tokopedia	Jakarta, Indonesia	Marketplace Platform	Series F	\$1,100.00
WeWork	New York City, NY	Co-working	Series G	\$760.00
ofo	Beijing, China	Bike Sharing	Series E	\$700.00
Deliveroo	London, UK	Food Delivery	Series F	\$385.00
Gogoro	San Francisco, CA	Electric Scooters	Series C	\$300.00
Yiguo.com	Shanghai, China	Grocery Delivery	Series D	\$300.00
Auris Surgical Robotics	San Carlos, CA	Surgical Robots	Series D	\$280.21
BigBasket	Bangalore, India	Online Grocery	Series E	\$280.00
Slack	San Francisco, CA	Workplace Collaboration	Series G	\$250.00

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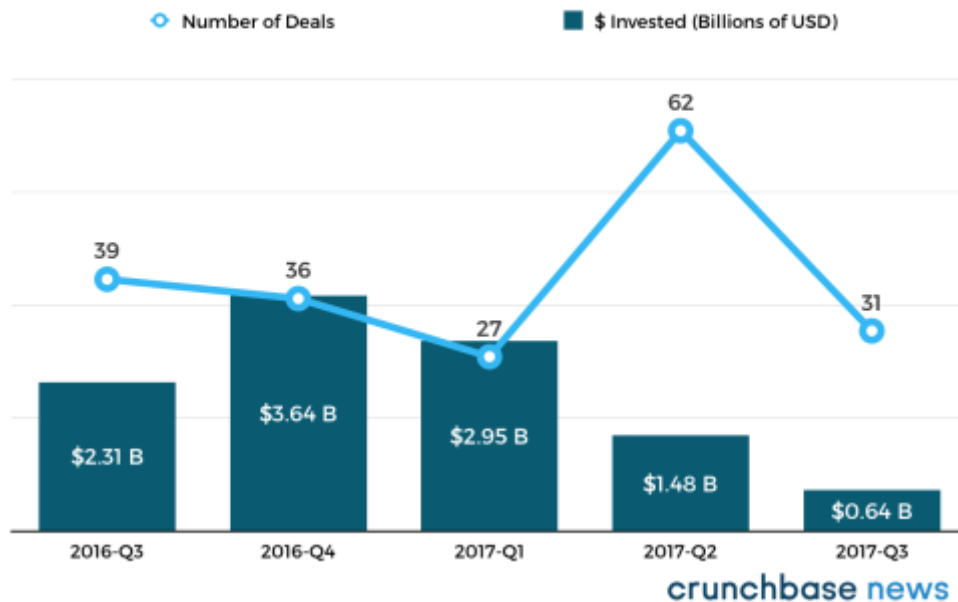
Finally, The Vision Fund has broken the mold in more ways than one. It rendered one of Crunchbase's stage categorizations rather useless.

Readers of the 2016 Annual report, or the Quarterly reports from Q1 and Q2 will remember the "Technology Growth" category, which ordinarily captures "private equity investments with participation from venture investors." Well, SoftBank is technically a venture investor (because it's labeled as a "corporate venture capital" firm in Crunchbase's investing data) *and* it has invested in a number of private equity deals. But not all of those have been captured in the Technology Growth numbers for either this Global report or the subsequent US report because SoftBank is often the sole investor in these rounds, a leader rather than a mere participant.

For the record, this is what Crunchbase's projections indicated what deal and dollar volume for Q3 would be.

Global Technology Growth Deal And Dollar Volume In Q3 2017

Based on Projections From Crunchbase



Considering that SoftBank led several PE rounds that are integer multiples of the \$640 million grand total of projected Technology Growth funding, we're thinking it's time we take that metric out to pasture.

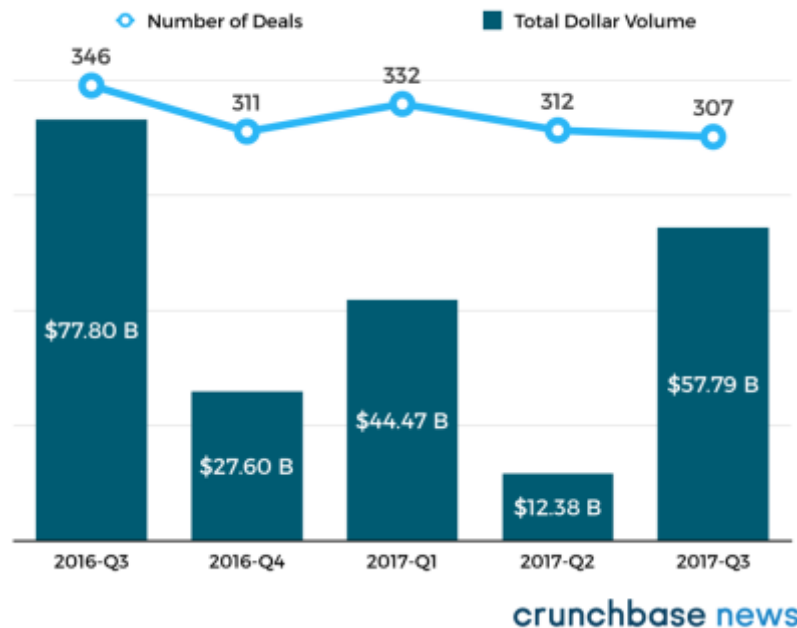
Money Out

- **Bullish Key Finding.** Venture-backed M&A dollar volume is up significantly from Q2 despite a slow and steady decline in the number of venture-backed M&A deals. This suggests there may be other liquidity and investment opportunities for companies which raised from VCs.
- **Bearish Key Finding.** There is some consolidation in increasingly competitive industries, and in markets where business models and product-market fit were difficult to find.

Venture-Backed Acquisitions

In the world of VC and other private market equity finance, there are plenty of ways to *invest* money in exchange for an equity stake in a venture; however, there's a comparatively small set of ways for getting that money out. One of the primary ways – if not *the* primary way – this occurs is through acquisitions. Below, you'll find a chart plotting data for venture-backed acquisitions in Crunchbase.

Global Acquisitions of Venture-Backed Companies



Don't let this chart fool you: Q3 2017 was by no means a bad quarter for venture-backed exits. It's just that, at least as far as dollar volume is concerned, the middle of 2016 was exceptionally good. This being said, there are some trends in the market worth pointing out.

Dollar volume may not be the all-important indicator of M&A market health, even if it is the most eye-catching figure most of the time. The size of individual deals has a lot of variance, and that variance is reflected as "noise" or "jumpiness" in the bar chart above. Since the last quarter, there's been a roughly 367 percent increase in dollar volume for known venture-backed startup M&A; however, compared to Q3 last year, total dollar volume is 25.7 percent lower.

The more important number is the volume of deals, which has been on a slow and steady downtrend since 2016. Since the last quarter, the number of venture-backed exits has declined by a modest 1.6 percent, but since last year venture-backed M&A deal volume has declined by over 25 percent.

A decline in M&A activity isn't necessarily a bad thing. After all, there are plenty of good reasons for venture-backed startups to not sell. If companies are able to raise growth capital from an increasingly robust late-stage funding market and market opportunities continue to present themselves, pulling the ripcord and selling becomes less appealing. And that may be the dynamic at play here. Despite this, a decline in exit opportunities is still something for founders and investors alike to be mindful of.

Of course, there were many, many M&A deals in Q3, both for companies that previously received venture funding and those which have not. Here are some of the deals from last quarter that got our attention.

Notable Global Acquisitions In Q3 2017

Acquired	Location	Sector	Price (\$M USD)	Acquirer
Toshiba Memory Corporation	Tokyo, Japan	Flash Storage	\$17,700	Bain Capital
Kite Pharma	Los Angeles, CA	CAR-T Therapeutics	\$11,900	Gilead Sciences
HTC Pixel Phone Division	Taiwan	Mobile Devices	\$1,100	Google
Gigya	Mountain View, CA	Identity Management	\$350	SAP
Springpath	Sunnyvale, CA	Compute Virtualization	\$320	Cisco
Yelp Eat24	San Francisco, CA	Food Delivery	\$288	GrubHub
Foodfly	Seoul, South Korea	Food Delivery	Undisclosed	Delivery Hero
KIT.AI	Seattle, WA	Natural Language Processing	Undisclosed	Baidu
Tegile	Newark, CA	Flash Storage	Undisclosed	Western Digital
TaskRabbit	San Francisco, CA	On-Demand Services	Undisclosed	IKEA

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Let's start by saying that we didn't pick these deals because they were the biggest. We selected them because they are indicative of a few broad trends in the tech ecosystem.

On the more high-tech end of the market, two deals point to broader issues in the flash storage market. The still-pending deal led by Bain Capital to [acquire Toshiba Memory Corporation for around \\$17.7 billion](#) and [Tegile's sale to Western Digital for an undisclosed amount](#) are a reflection of a trend toward consolidation in the flash storage industry as demand soars amid constrained supply and shrinking margins. (As an aside, the rising price of flash storage is in part [responsible](#) for the new, [higher price points for the latest iPhone models](#), which *Crunchbase News* covered.)

In medicine, [Gilead Science's pending acquisition of Kite Pharma for \\$11.9 billion](#) is just the latest indicator that the market for gene-based cancer therapies – especially those tied to CAR-T cell treatments – is continuing to heat up, [despite high costs and uncertainty](#), as *Crunchbase News* covered.

And finally, if there's one market that's been hyped to no end, it's been artificial intelligence. And with the ascendance of 'chatbots' and conversational user experience design, companies have invested a good deal of money in the space. In 2015, [Facebook acquired Wit.ai](#), and in September 2016, [Google acquired Api.ai](#), both for undisclosed amounts. As far as acquisitions of tools for building conversational user interfaces, 2017 has its own small but growing cohort.

Among their ranks is Seattle-based [KIT.T.AI, which was acquired by Baidu](#) in the opening days of Q3, and Chicagoland-based [Motion AI was acquired by HubSpot](#) in late September.

Additionally, there's been more consolidation in the gig economy. We've highlighted two mergers in the grocery and restaurant delivery market above. And in the on-demand services industry, the latest manifestation of this consolidation trend is [IKEA's buyout of TaskRabbit](#), one of the original "push a button to make something happen" service providers.

Initial Public Offerings

In Q3 2017, the global IPO market maintained the forward momentum established in Q2 as companies from North America, Europe, Asia and elsewhere took their shares to public markets.

Below, you can find a table with some of the notable IPOs from last quarter.

Notable Global IPOs In Q3 2017

Name	Location	Sector	Money Raised In IPO (M)
Social Capital Hedosophia Holding	Palo Alto, CA	Financial Services	\$600.00
Best Inc	Hangzhou, China	Supply Chain	\$450.00
Despegar.com	Buenos Aires, Argentina	Travel	\$332.00
Roku	Los Gatos, CA	Television	\$219.00
Redfin	Seattle, WA	Real Estate	\$138.00
QUIZ	Glasgow, UK	Fashion	\$134.40
Clementia Pharmaceuticals	Montreal, QC	Biopharmaceuticals	\$120.00
Rovio	Espoo, Finland	Mobile Games	\$36.00
Scout Security	Chicago, IL	Alarms	\$3.80

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In Q4, we can look forward to the public debut of MongoDB, which has raised \$303.4 million in venture capital from the likes of [Union Square Ventures](#), [Flybridge Capital Partners](#), Sequoia Capital, [In-Q-Tel](#), and [Intel Capital](#). Surely, there are other major tech companies looking to go public, but which companies are in Q4's IPO pipeline is still somewhat uncertain.

Conclusion

With billions more dollars flowing into the market for shares in startups of all stripes and stages, venture investors around the world currently enjoy a robust

bull market, particularly at the later-stage end of the spectrum. Public markets in the US and elsewhere are either at or near all-time highs, a number of successful public debuts brought a once-stalled tech IPO pipeline back from the brink, and new approaches to funding startups flout the stereotype that [summer is the slow time of year](#) for the financial sector.

This being said, what goes up will eventually come down. Investors would do well to keep in mind the mythical story of [Icarus](#), the would-be escapee from the island of Crete. In Greek myth, Icarus's father, Daedalus, a master craftsman, made for his son a pair of wings comprised of feathers and wax. Cautioned not to fly too low, nor too high, Icarus ignored his father's warnings in an act of now archetypal hubris. We know how the story ends, because he's the one who flew too close to the sun.

If the global venture capital market continues on its upward trend, so does the risk of meltdowns.

Methodology

The data contained in this report comes directly from Crunchbase, and in two varieties: projected data and reported data.

Crunchbase uses projections for global and U.S. trend analysis. Projections are based on historical patterns in late reporting, which are most pronounced at the earliest stages of venture activity. Using projected data helps prevent undercounting or reporting skewed trends that only correct over time. All projected values are noted accordingly.

Certain metrics, like mean and median reported round sizes, were generated using only reported data. Unlike with projected data, Crunchbase calculates these kinds of metrics based only on the data it currently has. Just like with projected data, reported data will be properly indicated.

Please note that all funding values are given in U.S. dollars unless otherwise noted. Crunchbase converts foreign currencies to US dollars at the prevailing spot rate from the date funding rounds, acquisitions, IPOs, and other financial events as reported. Even if those events were added to Crunchbase long after the event was announced, foreign currency transactions are converted at the prevailing spot price at the time of the transaction.

Glossary of Funding Terms

- Seed/angel include financings that are classified as a seed or angel, including accelerator fundings and equity crowdfunding below \$5 million.

- Early-stage venture include financings that are classified as a Series A or B, venture rounds without a designated series that are below \$15M, and equity crowdfunding above \$5 million.
- Late-stage venture include financings that are classified as a Series C+ and venture rounds greater than \$15M.
- Technology Growth include private equity investments with participation from venture investors.