

What Type of Company Is Most Likely to Get Funded at YC?

Based on analysis of 793 companies across 5 YC batches (Winter 2025 – Winter 2026)

The Statistical YC Archetype (Your Highest-Probability Profile)

ATTRIBUTE	VALUE
AI?	Yes (88.5% are AI)
B2B?	Yes (66.1% are B2B)
Based in SF?	Yes (55.9% of duos)
Founders	2 (68% are duos)
Team size	3–4 people
Has ex-FAANG founder?	28% do
Has repeat YC founder?	17% do
Hiring?	Most are NOT actively hiring (lean teams)
Name	Single word (75%), ~8 characters

What's Rising (Invest Your Time Here)

From the tag and buzzword trend data, these are **accelerating**:

- "**Agent**" / "**Agentic**" — 289 mentions across batches. This is THE dominant paradigm now. Not chatbots. Autonomous agents that do work.
- "**Infrastructure**" — slope of +3.4, jumped from 10 to 26 mentions. YC wants picks-and-shovels for AI.

- **"Autonomous"** — 59 mentions, rising. Self-driving anything — not just cars. Autonomous code, autonomous ops, autonomous drones.
- **Robotics/Hardware** — jumped from 5.9% to 13.4% of the batch. YC is going physical.
- **Infrastructure vertical** — went from 4.2% to 12.8% of the batch. 3x growth.
- **Deep tech** — from 22.9% to 29.3% of AI companies. YC is rewarding technical depth.

What's dying:

- **"Compliance"** — falling
 - **Education** — went from 3.6% to 0.0%. YC has basically stopped funding edtech.
 - **Engineering/Product/Design tools** — dropped from 15.6% to 9.1%
-

Where Competition Is Lowest (Your Best Odds)

From the competitive crowding analysis:

VERTICAL	AVG NEAR-COMPETITORS	CROWDING LEVEL
Education	1.6	Very low (but YC stopped funding it)
Fintech	3.7	Moderate
Security	3.7	Moderate
Sales/Marketing	4.2	Moderate
Legal	4.4	Moderate
Healthcare	4.6	High
Developer Tools	4.7	High
Infra	5.2	Very high
Robotics/HW	5.5	Very high

The sweet spot: verticals where YC is investing MORE but competition is still MODERATE — that's **Legal** (2.4% → 4.3%, rising) and **Security** (volatile but YC keeps funding it).

The Most Unique Companies (Zero Competition)

These companies had **0 near-competitors** in the dataset — meaning they're doing something nobody else is:

- **Aurorin CAD** — helping hardware companies ship faster
- **BeeSafe AI** — stopping scams before they reach customers
- **Fed10** — AI agents replacing policy consultants
- **Scout Out** — AI-generated proposals for residential construction
- **Fort** — strength tracking wearable
- **Ditto Biosciences** — evolutionary therapies for autoimmune disease

Notice the pattern? **AI applied to boring, unsexy industries** where nobody else is looking.

Founder Background That Correlates With Funding

BACKGROUND	BEST VERTICAL	OVERREPRESENTATION
Serial entrepreneur	Fintech	2.28x more likely
Ex-finance	Fintech	2.17x
Ivy League	Legal	2.14x
Repeat YC	Legal	1.94x
PhD	Healthcare	1.90x
Research background	Healthcare	1.65x

Key insight: YC doesn't just fund ideas — they fund **founder-market fit**. PhDs build healthcare. Finance people build fintech. This isn't random.

So What Should You Build?

Idea #1: AI Agents for Construction Project Management

Why this scores highest on every metric:

1. **It's B2B** (66% of YC) ✓
2. **It's AI / agentic** (the #1 trend) ✓
3. **It's applied to a boring industry** (construction = low competition, only Scout Out is adjacent, and they only do proposals) ✓
4. **It's infrastructure-adjacent** (physical world infra is surging at YC) ✓
5. **Low crowding** — construction tech barely shows up in the dataset ✓
6. **Massive market** — construction is a \$13T global industry that still runs on spreadsheets, WhatsApp, and paper ✓
7. **Not a wrapper** — you'd need domain-specific models for blueprints, permits, scheduling, cost estimation ✓

What it would look like:

- AI agents that autonomously manage construction project timelines, flag delays, auto-generate permit applications, parse blueprints, and coordinate subcontractors
- Think "AI project manager for general contractors"
- Revenue model: per-project or monthly SaaS for construction firms

Why YC would fund it:

- It's the exact intersection of their top trends: **agentic AI + physical world + B2B + infrastructure + unsexy industry**
- It has real technical depth (not a wrapper)
- Construction firms have money and are desperate for software that actually works

Runner-Up Ideas

Idea #2: AI Agents for Insurance Claims Processing

- Legal/insurance is rising at YC, 4.4 crowding score
- NLP cluster 14 is literally "insurance, health, claims, medical"
- Massive inefficiency in current claims workflows
- Domain-specific models needed = not a wrapper

Idea #3: AI-Native Compliance for One Regulated Industry

- Not generic compliance — pick ONE: banking, pharma, or defense

- Legal vertical is 2.4% → 4.3% (rising)
- Repeat YC founders are 1.94x overrepresented in legal
- Deep regulatory knowledge = strong moat

Idea #4: Autonomous QA/Testing Agents for Hardware Companies

- Robotics/HW jumped to 13.4%
 - Developer tools are still 12.5%
 - The intersection (testing for hardware) is nearly empty
 - Combines two strong YC verticals with zero competition
-

The Formula

The data is clear:

Pick a boring, high-value industry. Build AI agents that replace manual workflows. Make it deep enough that it's not a wrapper. Have 2 founders — one technical, one with domain expertise.

That's the YC formula right now.

Analysis by **Krishna Goyal** · February 2026 Data: 793 YC companies, 1,625 founder bios, 5 batches (W25–W26)