Our favorite startups from YC's Summer 2023 Demo Day, Day 2

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Combinator's Summer 2023 cohort wrapped up its parade of pitches to investors and media alike on Thursday. If you missed our look at startups from the first day's presentations, head here.

While the well-known accelerator has trimmed its batch size in recent years, it's still working with a few hundreds companies at a time, so the pitches came fast and furious throughout the morning and afternoon.

Team TechCrunch+ once again hunkered down with a livestream, notes docs and lots of coffee. What follows are our stand-out picks from the second day. As always, the list is in no particular order, and we are hardly trying to say that other companies

that pitched are not worth your checking out. The best part of a demo day is that all teams get the same allotted time, so each has the same shot at making a splash.

Our favorite startups from YC's Summer 2023 Demo Day, Day 1

What follows are our favorites from the first day's pitches, listed in no particular order.

So who did stand out from the group? Alex liked Envelope, along with a few other companies, as he can never make up his mind. Christine thought that Flint was more than neat, while Anna picked Silimate, a startup that a few of us thought was very interesting.

As with day one, the second tranche of startups today from YC did feature lots of AI. But other sectors of focus stood out. For example, the number of startups trying to make trucking, and the larger logistics world, work better and faster. Anyone who can recall that supply-chain mess of the early pandemic days can't help but like that.

Now, to the list! Enjoy:

Envelope

Details: Neobank with a focus on budgeting

Why it's a fave: If you are not familiar, the "envelope method" is a form of budgeting, making it a pretty slick name for this upstart neobank. During its pitch, Envelope used Mint as a comparison point, which I quite liked. Mint's software gives users a way to collect information from their various financial accounts in one location. The idea is that you can do more, if you know more. Envelope seems to have that in mind with features like flexible budgeting to help users stay on track. Frankly, any tool that helps consumers manage their finances better, is fine by me.

Who picked it: Alex Wilhelm

Elsewhere in fintech-land: [Cascading AI](#) *told investors Thursday that it is building AI for banking. This, frankly, makes a lot of sense if the company can get through the thorny privacy issues we presume are at play.*

Flint

Details: ChatGPT for schools

Why it's a fave: Children using ChatGPT is something that gives this parent of two high schoolers heart palpitations. However, as Flint says on its website, "ChatGPT has changed education, and there's no going back." So this is me embracing it.

Flint seems to have found its initial sweet spot with private schools and said it was able to close deals quickly so far, racking up $103,000 in annual recurring revenue in just one month. Another bonus: The company is protecting student data, which it points out is different from ChatGPT. It also gives teachers an outlet to create personalized assignments.

Who picked it: Christine Hall

Dili

Details: What if we had AI do our due diligence?

Why it's a fave: In the investing world, you can call due diligence *due dilly*, which is a good way in my view to look silly while trying to look cool. Regardless, Dili wants to use AI to help financial analysts and folks in similar roles do more, more quickly. Given that my friends in investment banking have described to me their simply insane work schedules filled with endless busywork, I can only imagine how much TAM that Dili is going after. And it is likely selling to firms with lots of money, so it may be able to charge a tasty amount for its product.

The only real quibble I have here is that if Dili does a good job automating low-level banking and investment work, how will those junior staffers be hazed with insane workloads if computers are doing all the work?

Who picked it: Alex Wilhelm

Silimate

Details: Automates chip design workflows

Why it's a fave: With billions invested in semiconductor manufacturing, it is not hard to imagine how a company making the chip design process more efficient could make quite a bit of money. Team-problem fit also seems strong, with both co-founders having experience with chip design — and all the manual tasks that could be streamlined.

Who picked it: Anna Heim

Parea AI

Details: Debugging and monitoring LLM application development

Why it's a fave: Parea AI describes itself as "DataDog for LLM applications"; that sounds a lot like batchmate Langfuse, one of Alex's faves from Wednesday, which focuses on observability and analytics for LLM apps. But considering the rise of LLMs, there should be space for a lot more than one category winner. In the words of Parea AI's CEO, Joel Alexander: "Monitoring LLM applications is a brand-new engineering challenge that many teams will face in the coming years."

Who picked it: Anna Heim

Magic Loops

Details: Programming without needing to code

Why it's a fave: That the world is short a few software developers is not news. Given the importance of software in modern life and business, there's nearly infinite work out there for folks who can sling code. But what if regulars could also bend digital computing tools to their whims and will, without having to fire up an IDE? Well, Magic Loops wants to provide just that. Claiming on its site that its goal is to "give everyone the superpower of programming, without having to learn how to code," you might wonder how the Loops team is doing anything new, given that we already live in a world where there are low- and no-code solutions on the market.

As far as I can tell in some quick and limited testing, instead of a drag-and-drop interface, Loops offers more-standard prompts (menus, pasted values for APIs, etc.)

to create a recipe of sorts that is, in effect, an app. It's more flexible than what no-code tools offer today, at least in our experience.

What Loops has in the market is cool, yes, but its vision is what really made me look twice. Please, give me the power to build more of the tools I need so that I do not have to wait for someone else to build them for me!

Who picked it: Alex Wilhelm

Flex

Details: Stripe for HSA/FSA payments

Why it's a fave: Flex is going after the $450 billion consumer health and wellness industry. It's also the second company I've seen this month trying to turn health and flexible savings accounts into something more useful for people who have them, so it's probably time to pay attention.

In Flex's case, it is working with merchants to add HSA and FSA payment options directly into their checkout experience, according to co-founder and CEO Sam O'Keefe. The company launched four weeks ago and has already signed six customers. Flex has developers in mind, providing either a pre-built, hosted checkout page, or user interface building blocks to integrate the payments directly into an existing payments flow.

Who picked it: Christine Hall

Pure

Details: A marketplace for rare coins and precious metals

Why it's a fave: Alternative assets are a growing category, and a marketplace that makes it easier to buy and sell valuables that many of us own fits into this trend. It also has a larger TAM than companies that have raised a lot of funding, despite focusing on smaller niches. After all, it is a lot more common to collect coins or buy gold than, say, sneakers. And while there are brick-and-mortar alternatives, I can see the power of data to give better pricing estimates.

Who picked it: Anna Heim