

Hard Tech is Back

First of all, congrats to Kyle, Dan, and the rest of the Cruise team. You all have made amazing progress and we look forward to seeing more in the future.

A popular criticism of Silicon Valley, usually levied by people not building anything at all themselves, is that no one is working on or funding “hard technology”. While we disagree with this premise—many of the most important companies start out looking trivial—we want to be clear that we’re actively looking to fund more hard tech companies, and would love to see more get started.

At YC, we started funding these sorts of companies in earnest in 2014, to widespread commentary that this was a silly waste of time. Cruise, which we funded that winter, is [getting acquired by GM](#). From the Summer 2014 batch, 3 of the 4 companies who have raised the most money since graduating YC are “hard tech” companies.

We expect many more big wins. The YC model works much better for these sorts of companies than most people, including ourselves, thought.

So, if you’re thinking about starting one, we’d like to talk. And we think we can help. (You’ll probably find a lot of other people willing to help too, although unfortunately you’ll still face major fundraising challenges. But in many ways, it’s easier to start a hard company than an easy company—more people want to join the mission.)

Leave the Medium thought pieces about when the stock market is going to crash and the effect it’s going to have on the fundraising environment to other people—it’s boring, and history will forget those people anyway. There

has never been a better time to take a long-term view and use technology to solve major problems, and we've never needed the solutions more than we do right now.

Different YC partners have different interests, but I'm particularly excited about AI (both general AI and narrow AI applied to specific industries, which seems like the most obvious win in all of startups right now), biotech, and energy.

We hope to hear from you.