

The 30 early-stage startups most likely to become tech's next unicorns, according to a proprietary AI model known as 'Moneyball for VC'

Even though venture capitalists invest in tech, they have traditionally chosen early-stage investments in a decidedly low-tech manner, based largely on gut feelings, founder background and personal relationships.

TRAC, a San Francisco-based early stage venture firm co-founded by Fred Campbell, Joseph Aaron, Scott Pyne, Steve Marek and Dick Fredericks in 2020, wants to change that.

The firm developed a propriety model that uses AI to predict which early-stage startups are most likely to become unicorns, which are companies valued at more than a billion dollars. TRAC agreed to reveal 30 of the startups its model identified exclusively with Insider, and also pull back the curtain on its methodology.

"This is the first time we have shared the 'family jewels' or our secret sauce," said Aaron, who at age 74 jokes he is the oldest person ever to start a venture fund.

A few things are surprising about TRAC's model, which is based on over 30 sources of both public and private data and Aaron calls "Moneyball for venture capital."

For one thing, the firm says it is much more effective to focus on which startups are not likely to succeed versus picking the winners.

"Our algorithms are not really selecting needles from a haystack, as much as removing all the hay," Aaron explained. "Our AI eliminates about 99% of all early-stage companies from consideration, because our data predicts these companies have a higher probability of failure."

Another surprising thing about TRAC's model is it does not value founders as predictive. Instead, it finds the 255,559 investors in its database much more useful for determining a startup's success, especially a tiny number of just about 300 top angel investors and firms it calls "SuperForecasters."

"These extraordinary investors make a profit on two-thirds of their positions and one in five of their investments returns over 10X," Aaron explained.

Aaron declined to share the names of these SuperForecasters, with the exception of Sam Altman, the OpenAI co-founder and CEO. Aaron did share the characteristics most of the SuperForecaster angels share:

- They are in their mid-40s
- They were either math, computer science or engineering majors
- They probably didn't go to business school. MBAs make up less than 20% of the SuperForecasters
- Almost two-thirds have started a technology company
- Almost half have started two technology companies
- The average SuperForecaster has 9.58 years' operating experience at a startup.

Less than 2% of all startups attract a SuperForecaster so that eliminates over 98% of all startups from TRAC's formula.

TRAC says its formula identifies about 150 companies in a normal year though this year its only came up with less than half that, partly because there are fewer deals happening.

"If we could, we would invest in every company our AI scores above our investment threshold," Aaron said. (Of the companies below, TRAC is an investor in Albedo, Doppler, Golden, Rain, Superplastic, and Zendar.)

But TRAC only has limited funds and more critically, it has to battle with other VCs to get on cap tables, which Aaron points out is the most challenging part of being a venture investor.

"The companies we approach are hot and they don't need our money," Aaron said. "A portfolio company told us for his last

raise, he had 274 requests from investors to meet. Believe me, that is a monumental hurdle for getting a seat on their cap table.”

Only four of future unicorns TRAC identified include at least one female on the founding team (Playbook, Rain, Xata, and Kalshi). As low as that is, it is actually a significantly higher proportion than the average of just 1.9% VC dollars that went to all female founding teams last year.

“The reason why TRAC is 4X more likely to invest in women-led startups than most VCs, is because a substantially higher percentage of Angel SuperForecasters’ capital is invested into women led startups than is typical of VCs,” said Campbell, who said he hopes and expects more female-led companies on next year’s list.

And how accurate is TRAC’s formula? Like early stage investing as a whole, it takes a long time to know who is truly good at their job because venture investing is typically judged after a decade or more.

The firm says the companies it identifies have a one in five probability of becoming a unicorn and it has been especially good at eliminating false positives, an investment that goes bust.

“Most early-stage companies fail within 18 months of raising a round,” Aaron said. “Similar vintage early-stage VCs would have had upwards of 20% of their portfolio be false positive within the first few years. TRAC has made 53 Deal #1 investments, and none have lost money. That is the only stat we have with bragging rights.”

Here are the 30 companies TRAC’s model identified as being the next unicorns, in alphabetical order, all with a valuation of less than \$250 million.

Albedo

What it does: Develops low-flying satellites to capture aerial-quality imagery from space.

When it was founded: 2019

Last post-money valuation: \$128 million

Total raised: \$60 million

CEO: Topher Haddad

Founders: Topher Haddad, Winston Tri, AyJay Lasater, and Bill Greer

Major investors: Shield Capital, Commodity Capital and Breakthrough Energy Ventures

AssemblyAI

What it does: Helps organizations build AI-applications with ease by creating superhuman AI systems that are made available through a developer platform.

When it was founded: 2017

Last post-money valuation: \$185 million, according to

Pitchbook

Total raised: \$64 million, according to Pitchbook

Founder and CEO: Dylan Fox

Select investors: Insight Partners, Accel, Y Combinator, and TechNexus Venture Collaborative

Ashby

What it does: Helps companies achieve their growth targets by enabling teams of all sizes to run a fast and efficient hiring process. Customers include Opendoor, Figma, Notion, Deel and Modern Treasury.

When it was founded: 2018

Last post-money valuation: \$170 million, according to Pitchbook (2022)

Total raised: \$36 million, according to Pitchbook

CEO: Abhik Pramanik

Founders: Benjamin Encz and Abhik Pramanik

Select investors: F-Prime Capital, Base Case Capital, SemperVirens Venture Capital, Gaingels, Reform Ventures, Millennium Capital, Quint Capital, People Tech Partners, Elad Gil, Lachy Groom, and Cristina Cordova

Censys

What it does: A web-based search platform for assessing cyber attacks for internet connected devices.

When it was founded: 2017

Last post-money valuation: \$155 million, according to Pitchbook (2022)

Total raised: \$55 million, according to Pitchbook

CEO: Brad Brooks

Founder: Zakir Durumeric

Select investors: GV, Intel Capital, Decibel Partners, Greylock Partners, and Blu Stone Management.

ChartHop

What it does: A unified platform for data and operations that also enables executive alignment and facilitates employee connection and engagement across companies.

When it was founded: 2018

Last post-money valuation: \$260 million, according to Pitchbook (2023)

Total raised: \$74 million, according to Pitchbook

Founder and CEO: Ian White

Select investors: Andreessen Horowitz, Cowboy Ventures, SemperVirens and Elad Gil.

CommandBar

What it does: An AI-powered user assistance platform that lets product, engineering, and design teams drive engagement and retention by embedding experiences in-product that guide users to success.

When it was founded: 2020

Last post-money valuation: \$123 million, according to Pitchbook (2022)

Total raised: \$23 million, according to the company

CEO: James Evans

Founders: James Evans, Richard Freling, and Vinay Ayyala

Select investors: Thrive Capital and Insight Partners

Courier

What it does: Enables users to design notifications once and deliver them to any channel—push notifications, direct messages, SMS, and email.

When it was founded: 2019

Last post-money valuation: \$145 million, according to Pitchbook (2022)

Total raised: \$57 million, according to Pitchbook

Founder and CEO: Troy Goode

Select investors: GV, Slack Fund, Twilio Ventures, Matrix Partners, Bessemer Venture Partners, and Y Combinator

Curebase

What it does: Provides decentralized clinical research software solutions and services to patients and medical providers.

When it was founded: 2017

Last post-money valuation: \$220 million, according to Pitchbook (2022)

Total raised: \$59 million, according to Pitchbook

Founder and CEO: Tom Lemberg

Select investors: Industry Ventures, Phoenix Investment Club, Gilead Sciences, Gaingels, Mount Pleasant Ventures, Breyer Capital, 10X Capital, Future Planet Capital, Xfund, Bold Capital Partners, GGV Capital, Acrew Capital, World Innovation Lab, StartX, and Positive Sum.

DataGrail

What it does: A privacy control center for modern brands.

When it was founded: 2018

Last post-money valuation: \$205 million, according to the company

Total raised: \$84 million, according to the company

CEO: Daniel Barber

Founders: Daniel Barber, Ignacio Zendejas

Select investors: Third Point Ventures, American Express Ventures, Decent Capital, HubSpot, Gunderson Dettmer, Okta Ventures, DocuSign Ventures, Thomson Reuters Ventures, Sixty Degree Capital, Basis Set Ventures, Browder Capital, Operator Collective, Felicis Ventures, Next47, and Cloud Apps Capital Partners.

Doppler

What it does: Provides a simple way to sync, manage, orchestrate, and rotate secrets across any environment.

When it was founded: 2018

Last post-money valuation: \$170 million, according to the company

Total raised: \$29 million, according to Pitchbook

CEO: Brian Vallelunga

Founders: Thomas Piccirello and Brian Vallelunga

Select investors: CRV, GV, Sequoia Capital, Y Combinator, Thomas Dohmke (GitHub), Greg Brockman (OpenAI), Guillermo Rauch (Vercel), Frederic Kerrest (Okta), Christina Cacioppo

(Vanta), and Olivier Pomel (Datadog)

EigenLayer

What it does: Developer of a protocol built on Ethereum that introduces restaking, a new primitive in cryptoeconomic security.

When it was founded: 2021

Last post-money valuation: \$262 million, according to Pitchbook (2022)

Total raised: \$71 million, according to Pitchbook

Founder and CEO: Sreeram Kannan

Select investors: Blockchain Capital, Polychain Capital, Ethereum Ventures, Coinbase Ventures, Electric Capital, Khalili Brothers, Figment Capital, Ambush Capital, Hack VC, Polygon Ventures, and Hash3.

Facilio

What it does: Harnesses AI to centrally consolidate existing building systems and automation data across portfolio, onto the cloud.

When it was founded: 2017

Last post-money valuation: \$171 million, according to Pitchbook (2022)

Total raised: \$45 million, according to Pitchbook

CEO: Prabhu Ramachandran

Founders: Prabhu Ramachandran, Yogendrababu Venkatapathy, Krishnamoorthi Rangasamy, and Rajavel Subramanian

Select investors: Dragoneer Investment Group, Accel, Tiger Global Management and Brookfield Growth.

Forma

What it does: Creates customizable, inclusive and global benefits programs for employees.

When it was founded: 2017

Last post-money valuation: \$195 million, according to Pitchbook (2021)

Total raised: \$57 million, according to Pitchbook

Founder and CEO: Jason Fan

Select investors: Ribbit Capital, Stripe, Emergence Capital Partners, Upside Partnership, Designer Fund, and AngelPad

Golden

What it does: On a mission to map human knowledge, Golden uses sophisticated natural language processing techniques to extract canonical information from a wide range of public and private sources

When it was founded: 2017

Last post-money valuation: \$160 million, according to Pitchbook (2022)

Total raised: \$59 million, according to Pitchbook

Founder and CEO: Jude Gomila

Select investors: Andreessen Horowitz, Liquid 2 Ventures, GigaFund, Founders Fund, SV Angel, Joe Montana, Aston Motes, Christina Brodbeck, Lee Linden, Immad Akhund, Josh Buckley, Howie Liu, James Smith, James Tamplin, Jack Smith, Mike Einziger, Sumon Sadhu, Paul McKellar, Trip Adler, Ola Okelola, Matt Humphrey, Cyan Banister, and Marc Andreessen.

Harvey AI

What it does: An AI tool that uses legal-specific data, including case law and reference materials, to create a virtual assistant for lawyers.

When it was founded: 2022

Last post-money valuation: \$150 million, three sources told Insider (2023)

Total raised: \$26 million, according to Pitchbook

CEO: Gabriel Pereyra

Founders: Gabriel Pereyra and Winston Weinberg

Select investors: Sequoia Capital, OpenAI Startup Fund, Conviction Investment Partners, SV Angel, Sarah Guo and Elad Gil.

Hebbia

What it does: A LLM (Large Language Models) native productivity tool, Hebbia is a copilot for document workflows. Users can leverage Hebbia to extract answers, compare, and structure any unstructured files.

When it was founded: 2020

Last post-money valuation: \$136 million, according to Pitchbook (2022)

Total raised: \$30 million

Founder and CEO: George Sivulka

Select investors: Index Ventures, Peter Thiel, Naval Ravikant, Jerry Yang, Ram Shriram, Kevin Hartz, and Marty Chavez.

Inscribe

What it does: Helps banks, lenders, and enterprise companies identify trustworthy and creditworthy customers in seconds with the power of AI.

When it was founded: 2017

Last post-money valuation: \$115 million, according to the company (2023)

Total raised: \$38 million

CEO: Ronan Burke

Founders: Conor and Ronan Burke

Select investors: Threshold Ventures, Y Combinator, Crosslink Capital, Uncork Capital, and Foundry Group.

Kalshi

What it does: A federally regulated financial exchange that allows investors to trade directly on the anticipated outcome of future events.

When it was founded: 2018

Last post-money valuation: \$120 million, according to Pitchbook (2021)

Total raised: \$36 million

CEO: Tarek Mansour

Founders: Tarek Mansour and Luana Lopes Lara

Select investors: Sequoia Capital, Neo, VentureSouq, LYVC, Mantis VC, Human Capital, Y Combinator, Justin Mateen, Charles Schwab, Henry Kravis, and SV Angel.

Netomi

What it does: Enables conversational AI solutions so clients can resolve 80% of routine customer service inquiries, decrease

resolution time, increase customer satisfaction and support quality to reduce costs.

When it was founded: 2015

Last post-money valuation: \$210 million, according to Pitchbook (2021)

Total raised: \$58 million

Founder and CEO: Puneet Mehta

Select investors: WndrCo, Fin Capital, Bare Ventures and Eldridge.

Obie

What it does: An insurance technology solution designed for real estate investor to get quotes in under five minutes.

When it was founded: 2017

Last post-money valuation: \$155 million, according to the company (2023)

Total raised: \$39 million

CEO: Ryan Letzeiser

Founders: Ryan Letzeiser and Aaron Letzeiser

Select investors: Battery Ventures, MetaProp NYC, Thomvest Ventures, Brick & Mortar Ventures, DivcoWest, Y Combinator and FundersClub.

Playbook

What it does: Creates an organized home base for all creative work to make it easy to share and collaborate on visual projects.

When it was founded: 2019

Last post-money valuation: \$90 million, according to Pitchbook (2022)

Total raised: \$22 million

CEO: Jessica Ko

Founders: Jessica Ko and Alex Zirbel

Select investors: Bain Capital Ventures, Founders Fund, Maple VC, Abstract Ventures, Blank Slate Ventures, Elad Gil, Hyphen Capital, Blank Ventures, Caffeinated Capital

Rain

What it does: A voluntary financial wellness benefit for employees.

When it was founded: 2019

Last post-money valuation: \$250 million, according to Pitchbook (2023)

Total raised: \$129 million

CEO: Alexander Bradford

Founders: Alex Bradford and Jennifer Terrell

Select investors: QED Investors, Invus Opportunities, Ensemble VC, Tribe Capital, Patamar Capital, Dreamers VC, Realm Capital Ventures, and WndrCo.

Reggora

What it does: Appraisal management software for mortgage lenders and residential appraisers.

When it was founded: 2016

Last post-money valuation: \$160 million, according to Pitchbook (2020)

Total raised: \$46 million

CEO: Brian Zitin

Founders: Brian Zitin, William Denslow

Select investors: Spark Capital, Boston Seed Capital, 1984 Ventures, Shine Capital, Tupancy Capital, Gutbrain Ventures, and GreenPoint Partners.

Roboflow

What it does: Empowers developers to easily build their own computer vision applications.

When it was founded: 2020

Last post-money valuation: \$155 million, according to Pitchbook (2021)

Total raised: \$22 million

CEO: Joseph Nelson

Founders: Joseph Nelson and Brad Dwyer

Select investors: Craft Ventures, Quiet Capital, A* Capital, Earl Grey Capital, Max Altman, Sam Altman, DJ Patil, Realist Ventures, Mike Maples, Harry Hurst, Joe Morrissey, Cassidy Williams, Greg Brockman and Jack Altman.

Superplastic

What it does: A global entertainment brand that creates and manages a roster of world-famous synthetic celebrities and influencers.

When it was founded: 2020

Last post-money valuation: \$168 million, according to Pitchbook (2022)

Total raised: \$28 million

Founder and CEO: Paul Budnitz

Select investors: Amazon Alexa Fund, GV, Kakao Entertainment, XRM Media, Animoca Brands, Kering, Sony Music Entertainment, Weichert Capital, Galaxy Digital Holdings, Nomu Ventures, Scribble Ventures, Day One Ventures, Craft Ventures, Realm Capital Ventures, Kearny Jackson, and Betaworks Ventures.

Strangeworks

What it does: A collaboration of hardware, software, education and service providers, working to develop and test quantum and future computing technologies.

When it was founded: 2017

Last post-money valuation: \$124 million, according to Pitchbook (2023)

Total raised: \$28 million

CEO: William Hurley

Founders: William Hurley, David Cardona and Justin Youens

Select investors: Hitachi Ventures, RTX Ventures, Lightspeed Venture Partners, Raytheon Technologies, GreatPoint Ventures, Ecliptic Capital, and Ultratech Capital Partners

WorkRamp

What it does: Training software that helps customer facing teams onboard, train, and certify their employees.

When it was founded: 2015

Last post-money valuation: \$210 million, according to Pitchbook (2022)

Total raised: \$67 million

CEO: Theodore Blosser

Founders: Theodore Blosser, Arshdeep Mand, and Percia Safar

Select investors: Slack Fund, Salesforce Ventures, Susa Ventures, PeopleTech Partners, GTMFund, DNA Capital, UpHonest Capital, Hat-trick capital, and OMERS Ventures.

Xata

What it does: A serverless data platform to match users' development workflow.

When it was founded: 2020

Last post-money valuation: \$175 million, according to Pitchbook (2022)

Total raised: \$35 million

Founder and CEO: Monica Sarbu

Select investors: Index Ventures, Redpoint Ventures, Operator Collective, XFactor Ventures, Firstminute Capital, Andreas Klinger, SV Angel, Shay Banon, Neha Narkhede, Guillermo Rauch, Stephanie Schatz Friedman, Elad Gil, Christian Bach, Liu Jiang, Mathias Biilmann, Charlie Songhurst, Keenan Rice and Uri Boness.

Zendar

What it does: Develops high-definition radar for autonomous vehicles.

When it was founded: 2020

Last post-money valuation: \$59 million, according to Pitchbook (2022)

Total raised: \$22 million, according to Pitchbook

CEO: Vinayak Nagpal

Founders: Vinayak Nagpal and Jimmy Wang

Select investors: Hyundai Mobis, Alumni Ventures Group, Third Round Analytics Capital and Mandra Capital

Zerion

What it does: Creates blockchain-based products to provide a secure space to track and manage of cryptocurrency.

When it was founded: 2016

Last post-money valuation: \$142 million, according to Pitchbook (2022)

Total raised: \$22 million, according to Pitchbook

CEO: Evgeny Yurtaev

Founders: Vadim Koleoshkin, Alexey Bashlykov, Evgeny Yurtaev

Select investors: Wintermute Ventures, Coinbase Ventures, Alchemy Ventures, Placeholder Capital, Mosaic Ventures, Polymorphic Capital, Yunt Capital, Press Start Capital, Signum Capital, Anton Bukov, Grégoire Le Jeune, Sergej Kunz and Orest Gavryliak.