

# A look into the 38 US Diverse Unicorns

## 2023 Diverse Unicorn Report

January 2024

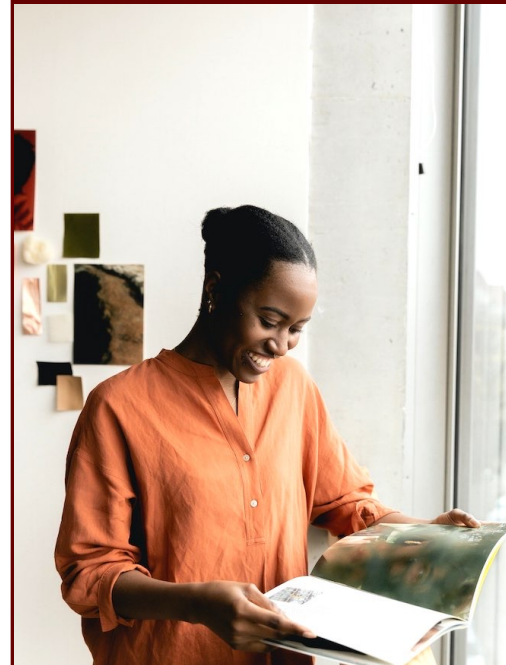


# Introduction

This is our 2023 Diverse Unicorn Report, which tracks the 38 US based Black and Latino founded Unicorn startups.

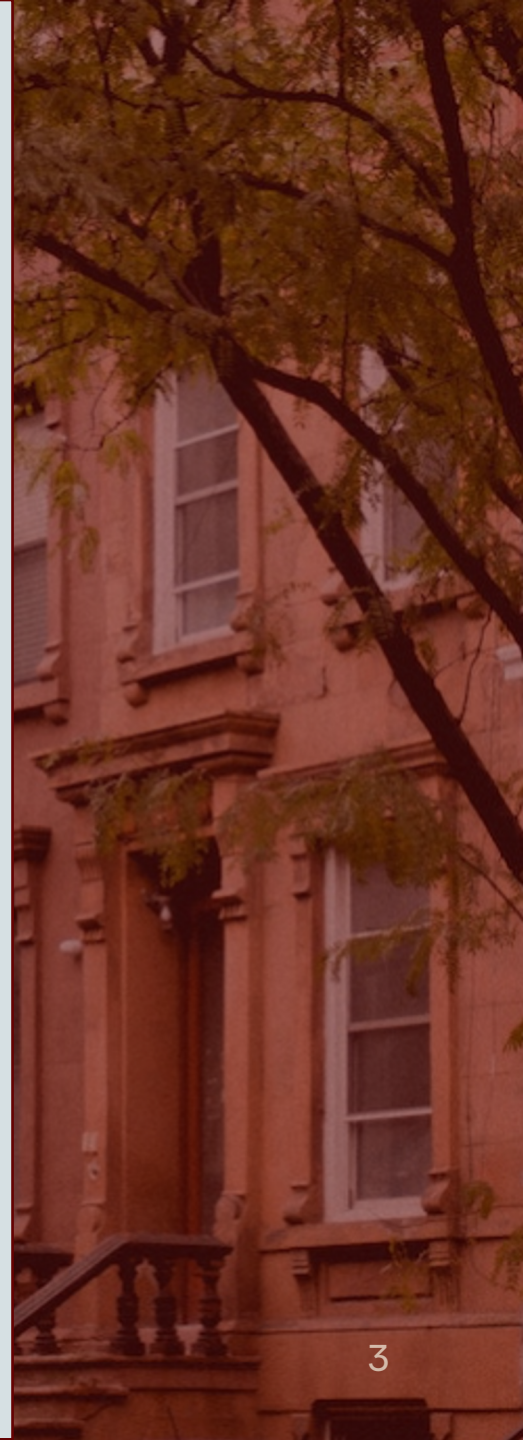
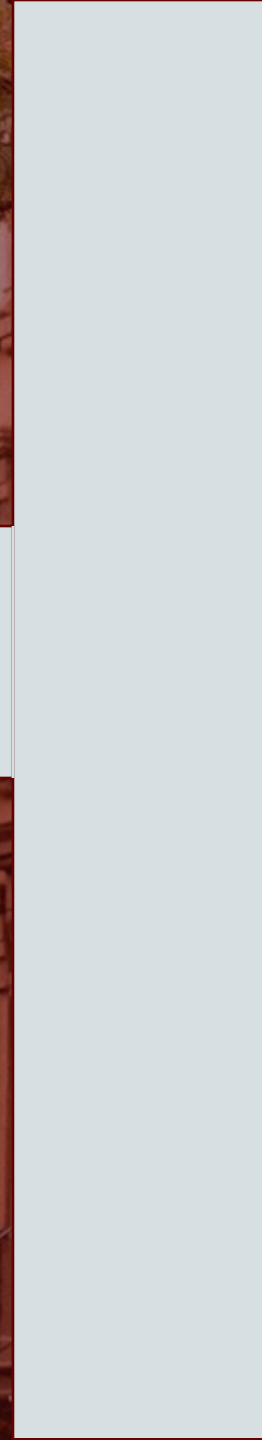
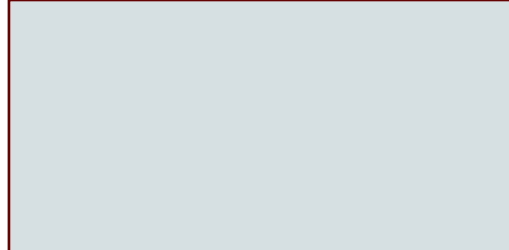
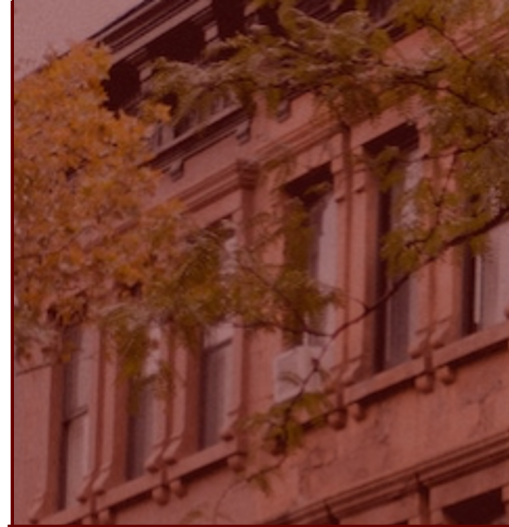
All companies on the list reached at least a \$1B valuation at the time they were deemed Unicorn.

The analysis was conducted utilizing Pitchbook & Crunchbase deal history data



# Key Findings

- 1) The 38 companies raised \$20.1B of capital with a median raise of \$343.1M
- 2) Median years from Seed to Unicorn for the 38 companies is 4.2 years
- 3) Software, Healthcare, Fintech, E-commerce represent 61% of companies and 60% of raised capital
- 4) California and New York represent 58% of companies and 63% of capital raised
- 5) Massachusetts outperforms California and New York on a median basis of capital raised by 54% and 25%, respectively
- 6) 25% of capital was raised at Series D, and 32% of companies reached Unicorn at Series D
- 7) 58% of Black and Latino founders were born outside of the US



# 38 Black and Latino Founded Unicorns in the US

There have been ~1,000 Unicorns in the US since 2013

~3.8%

of US Unicorns are Black and Latino founded

~3.0%

of VC funded companies are Black and Latino founded Unicorns

Company	Valuation (\$mm)	Total VC Money Raised (\$mm)	Latest Round	Industry	State	Founding Year	Race
1 Faire	\$12,590	\$1,508	Series G	E-commerce	CA	2017	Latino
2 Brex	\$12,300	\$1,357	Series D	FinTech	CA	2017	Latino
3 Auth0	\$6,500	\$333	Series F	Software	WA	2013	Latino
4 Cityblock Health	\$6,300	\$867	Series D	Healthcare	NY	2017	Black
5 Hinge Health	\$6,200	\$1,027	Series E	Healthcare	CA	2015	Latino
6 BlockFi	\$4,750	\$956	Series E	FinTech	NJ	2017	Latino
7 BetterUp	\$4,700	\$632	Series E	EdTech	CA	2013	Latino
8 Outreach	\$4,400	\$487	Series G	Software	WA	2014	Latino
9 Indigo	\$3,950	\$1,702	Series H	AgTech	MA	2014	Latino
10 DuoLingo	\$3,210	\$183	IPO	FinTech	PA	2011	Latino
11 Flutterwave	\$3,050	\$479	Series D	FinTech	CA	2016	Black
12 Calendly	\$3,000	\$351	Series B	Software	GA	2013	Black
13 Somatus	\$2,560	\$414	Series E	Healthcare	VA	2016	Black
14 Flywire	\$2,290	\$317	Series F	FinTech	MA	2011	Latino
15 Zume	\$2,250	\$444	Unknown	FoodTech	CA	2015	Black
16 Chipper Cash	\$2,220	\$300	Private Equity	FinTech	CA	2018	Black
17 Gympass	\$2,200	\$706	Series E	Health & Wellness	NY	2012	Latino
18 Compass	\$2,070	\$1,683	Series G	Real Estate	NY	2012	Black
19 Letgo	\$2,000	\$975	Series E	E-commerce	NY	2015	Latino
20 MURAL	\$2,000	\$148	Series C	HR	CA	2011	Latino
21 Devo	\$2,000	\$477	Series F	Big Data	MA	2011	Latino
22 Form Energy	\$1,950	\$816	Series E	CleanTech	MA	2017	Latino
23 Incredible Health	\$1,650	\$97	Series B	Healthcare	CA	2017	Black
24 Andela	\$1,500	\$381	Series E	HR	NY	2014	Black
25 Papa	\$1,400	\$231	Series D	Other	FL	2017	Latino
26 Carbon Health	\$1,400	\$927	Series D	Healthcare	CA	2015	Latino
27 Loadsmart	\$1,300	\$336	Series D	Logistics	IL	2014	Black/Latino
28 Copado	\$1,200	\$270	Series C	Software	IL	2013	Latino
29 Chief	\$1,100	\$140	Series B	Other	NY	2019	Latino
30 Esusu Financial	\$1,000	\$147	Series B	FinTech	NY	2016	Black
31 InvestCloud	\$1,000	\$133	Private Equity	Software	CA	2010	Latino
32 Savage x Fenty	\$1,000	\$310	Series C	E-commerce	CA	2017	Black
33 SmartAsset	\$1,000	\$158	Series D	FinTech	NY	2012	Black
34 Twitch	\$1,000	\$42	Series C	Social Media	CA	2007	Black
35 Pat McGrath Labs	\$1,000	\$82	Private Equity	Fashion	NY	2015	Black
36 Arcus Biosciences	\$541	\$227	Post-IPO Equity	BioTech	CA	2015	Latino
37 The Honest Company	\$277	\$303	Private Equity	E-commerce	CA	2011	Latino
38 Stoke Therapeutics	\$113	\$130	Post-IPO Equity	Healthcare	MA	2014	Latino





# Overview Of 38 Unicorns Studied

**\$109B**

Total Valuation

**4.2 Years**

Median Seed to Unicorn

**\$20.1B**

Total Raised

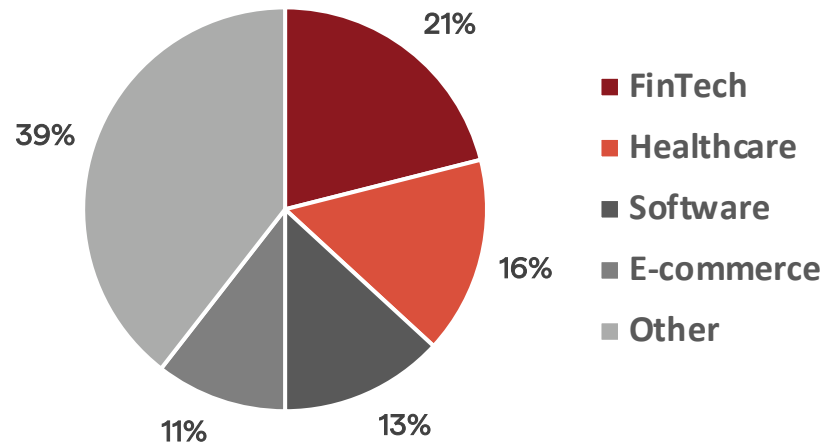
**\$343.1M**

Median Raised

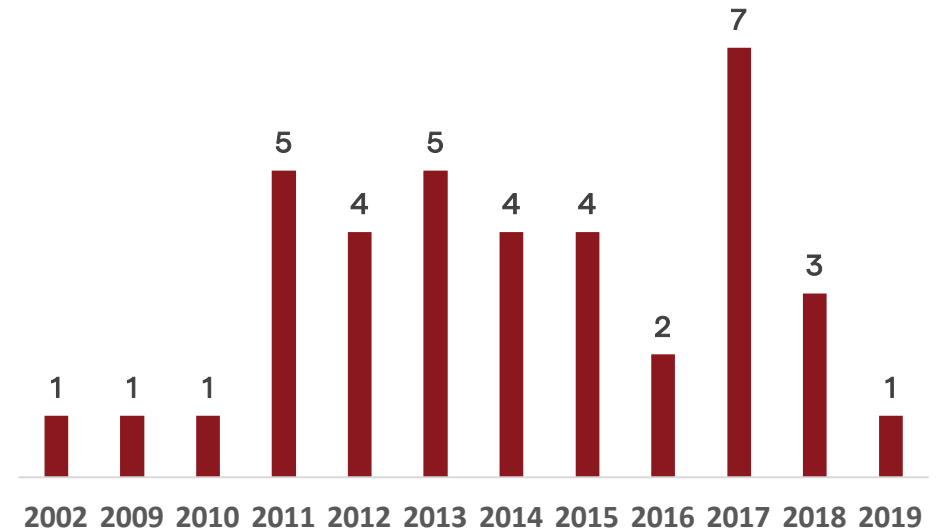
**9**

Exits

## Companies By Industry



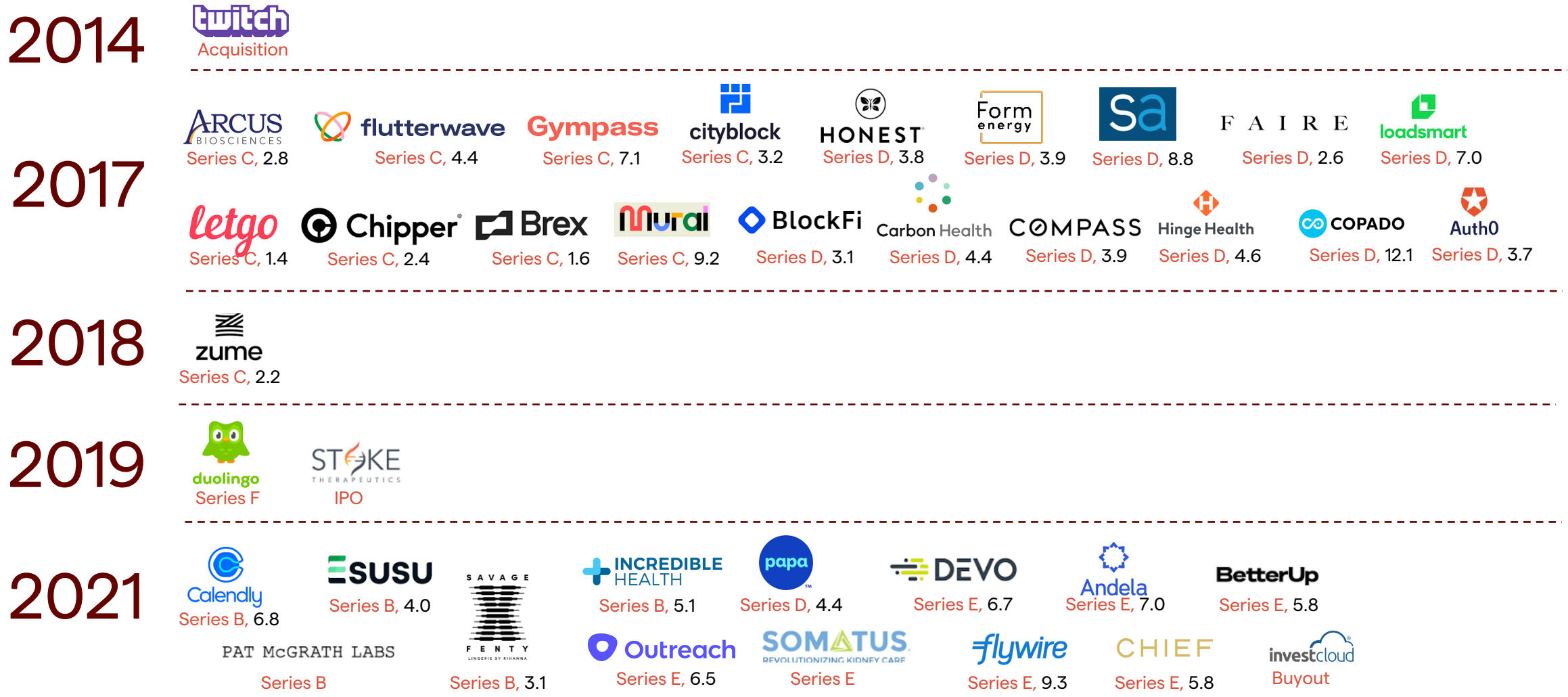
## Founding Years



Other is defined as HR, Agtech, Big Data, BioTech, CleanTech, EdTech, Fashion, FoodTech, Health & Wellness, Logistics, Real Estate, Social Media, and Other

# 32% of Companies Reached Unicorn Valuation at Series D

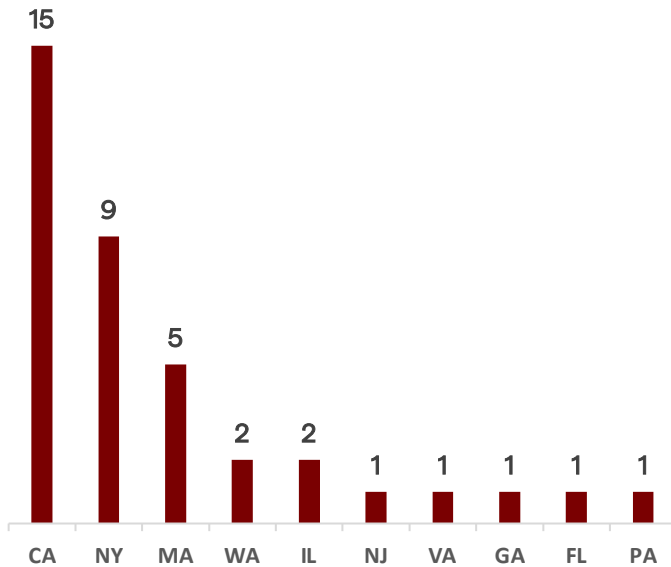
Initial Unicorn Year | Deal Round at Initial Unicorn Valuation | Years From Seed to Unicorn



# 10 Headquarter States Represented

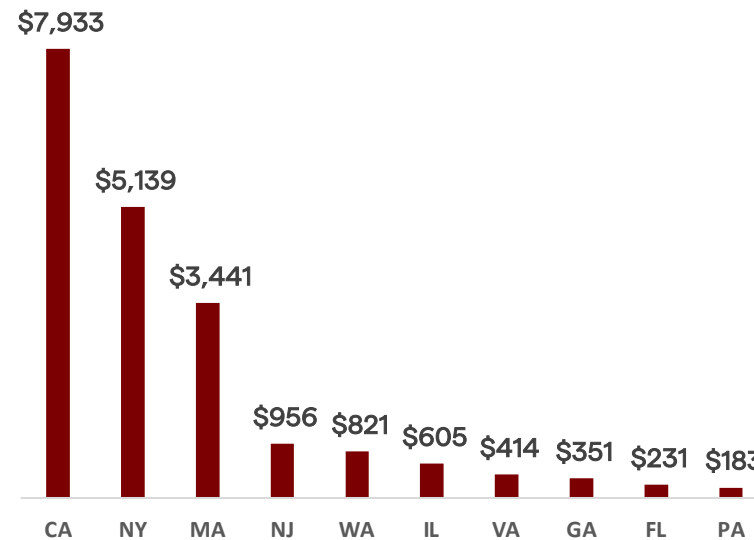
## Count by State

California and New York represent 39% and 24% of diverse Unicorn headquarters, respectively



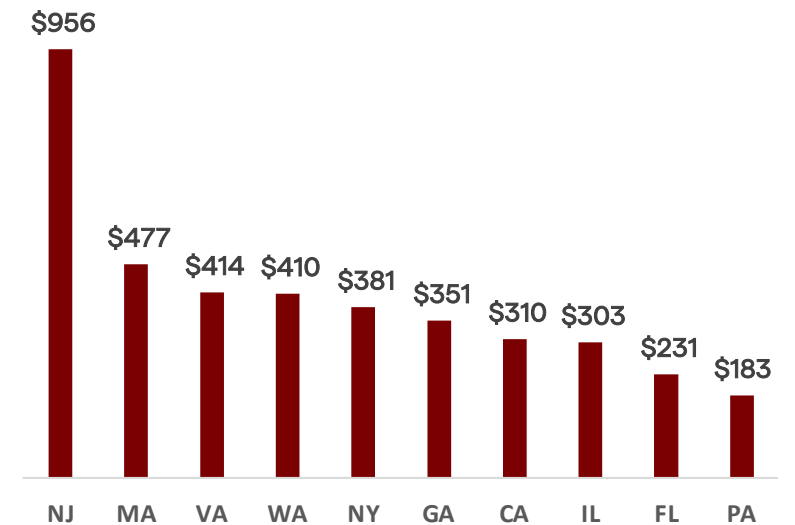
## Total Raised by State

Amounts raised are in line with number of companies per state



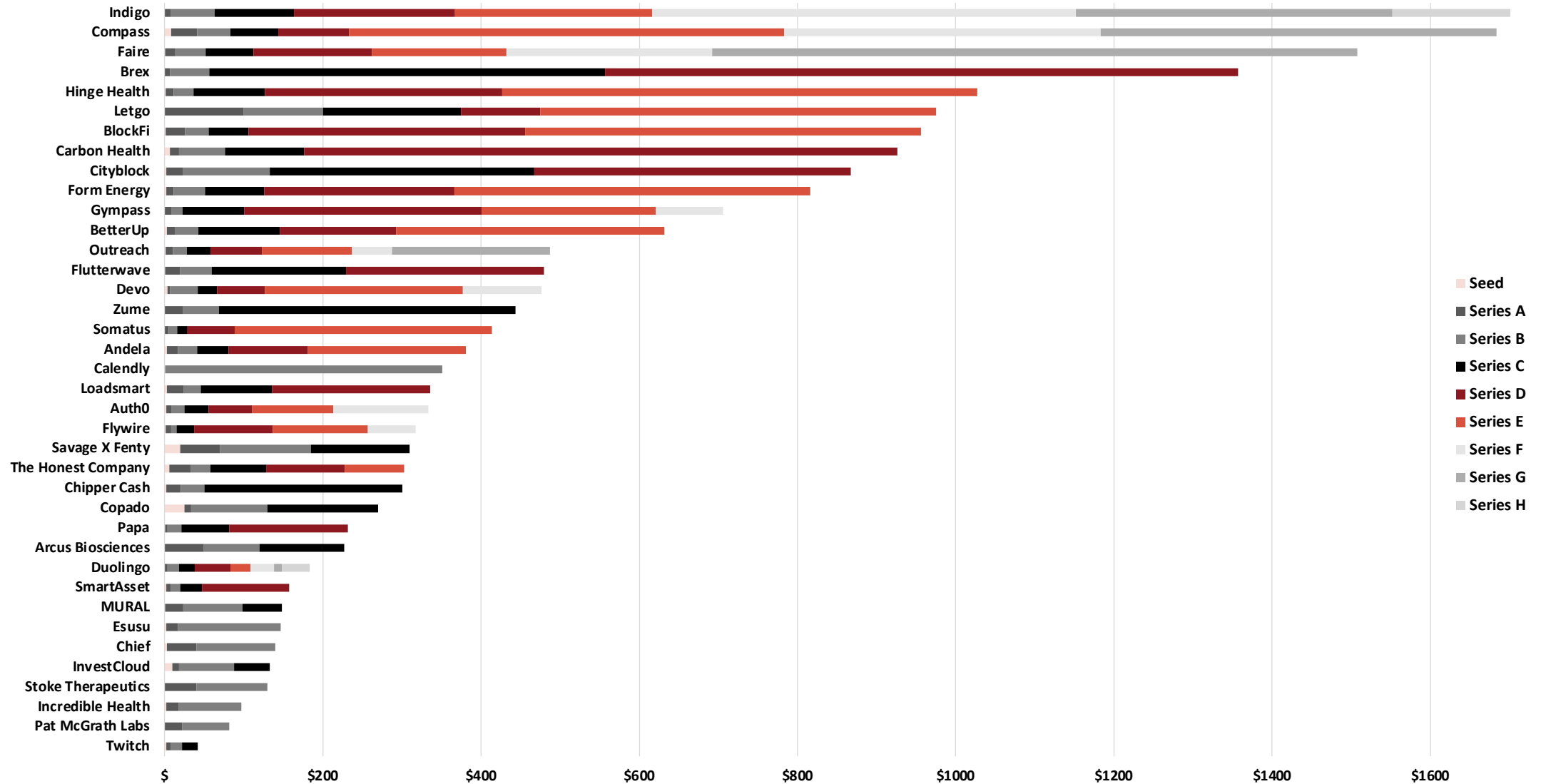
## Median Raised by State

BlockFi, HQ'd in NJ, is the only company outside of the states of NY and CA to raise nearly \$1B  
MA raised 25% and 54% more than NY and CA, respectively



Note: Dollars in millions.

# Total Raised Per Company By Round



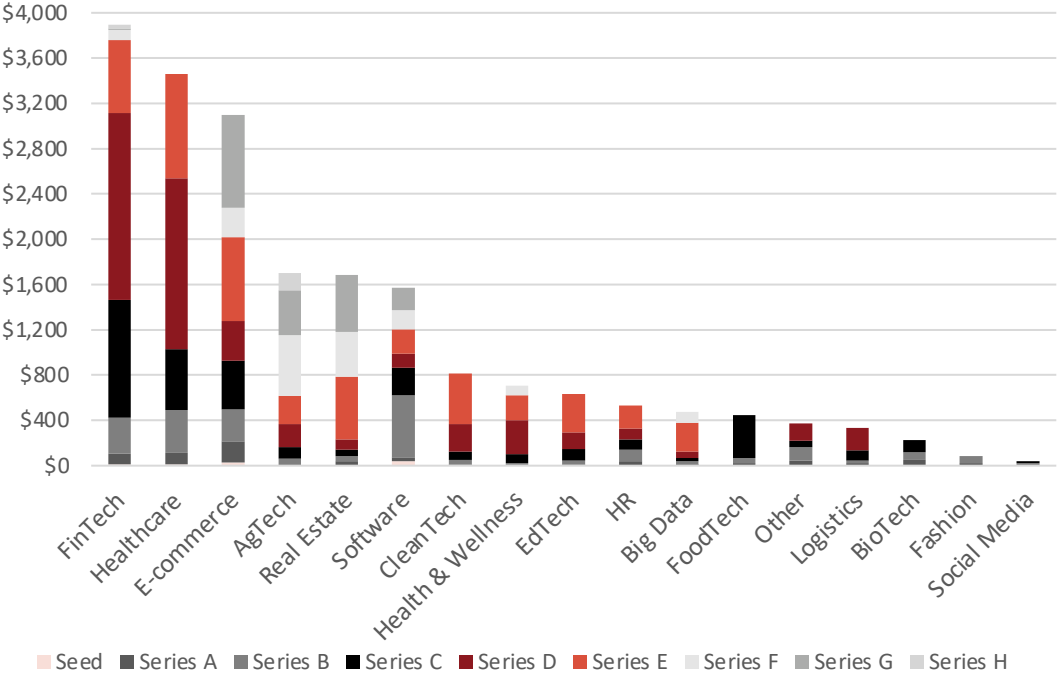
Note: Dollars in millions.



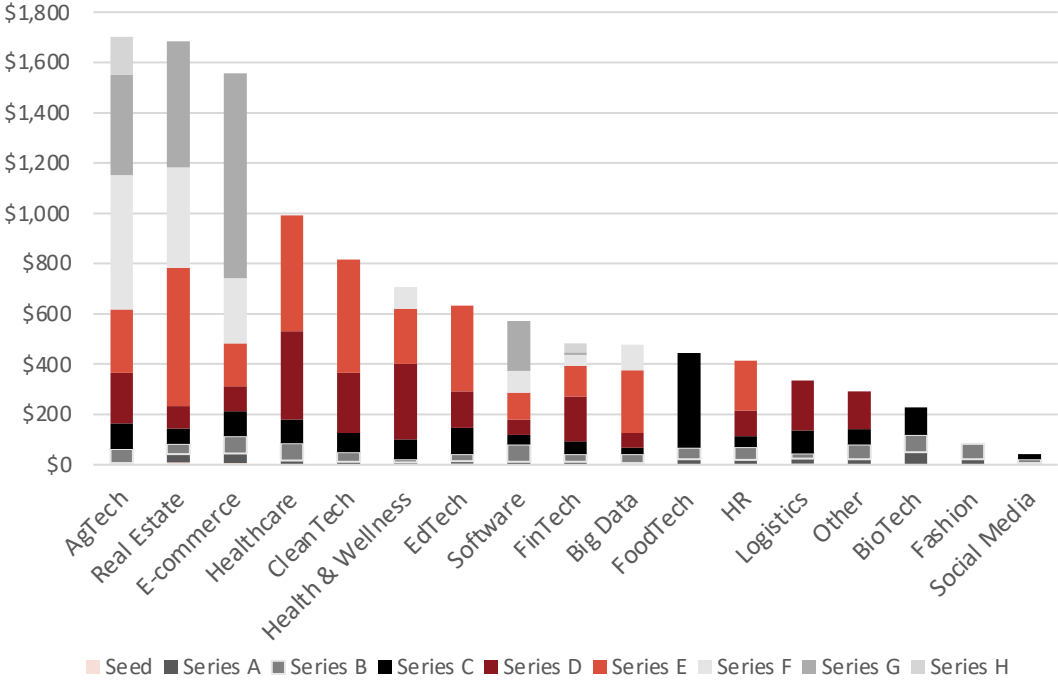


# Capital Raised By Industry

## Total Raised By Deal Round

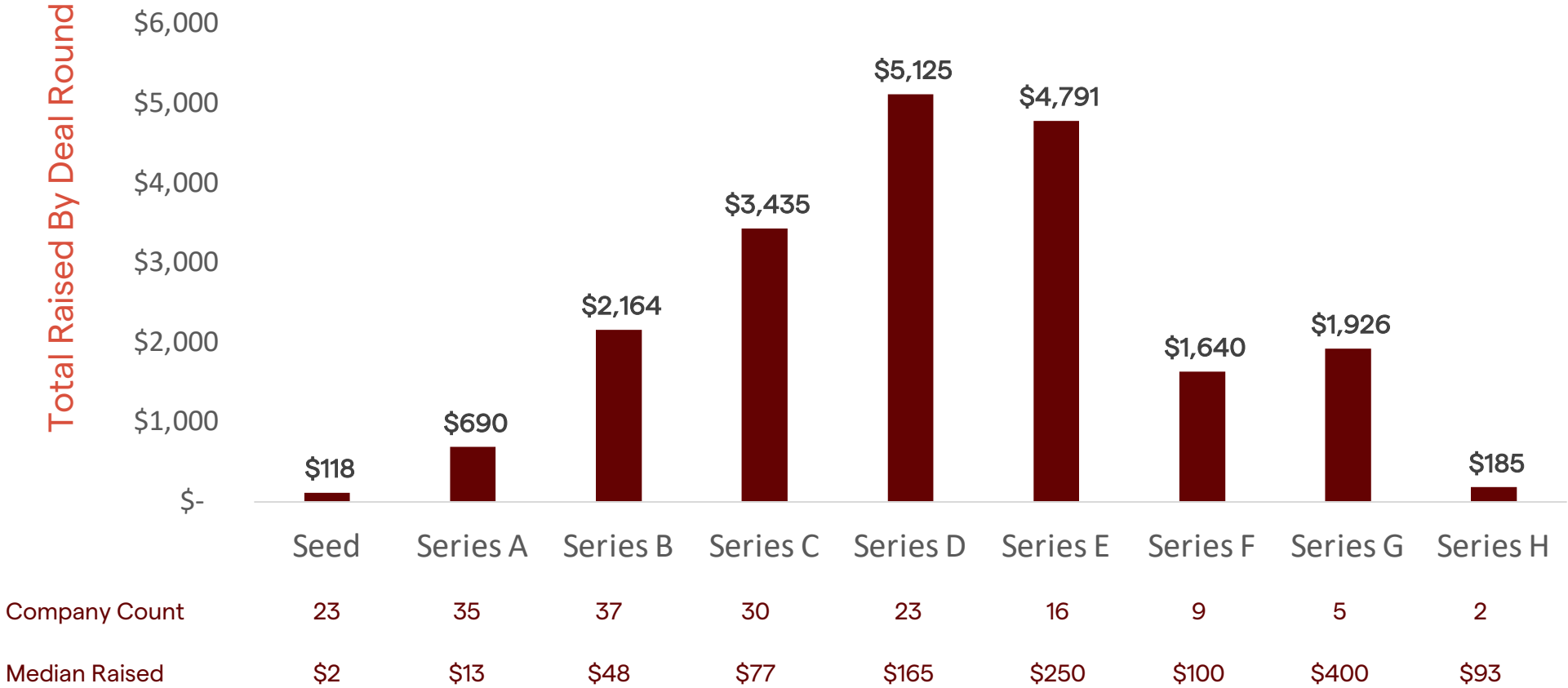


## Median Raised By Deal Round



Note: Dollars in millions.

# Series B+ Represents 95%+ of Total Capital Raised



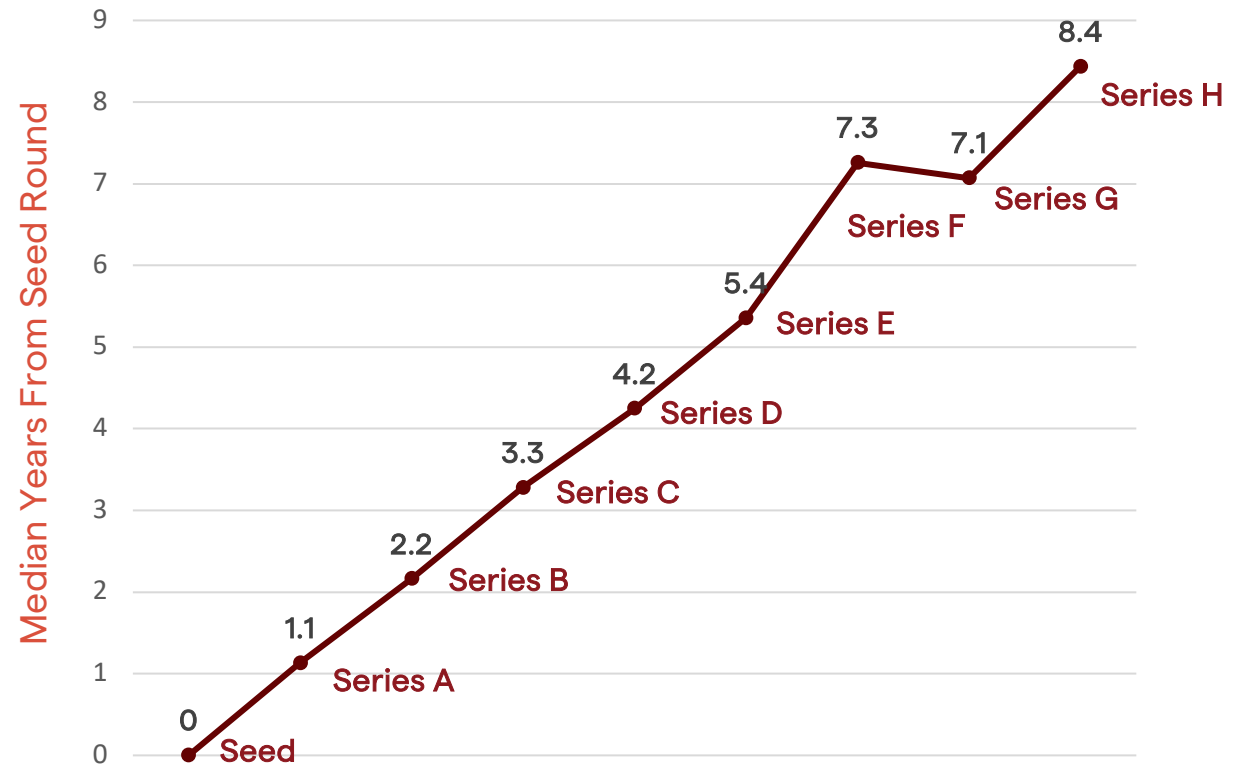
Note: Dollars in millions. Detailed Raise by Deal Round in Appendix

# Median Years From Seed to Subsequent Deal Rounds

Series G shows a dip in median years from Seed round. Flywire and Gympass are two of the four Unicorns that raised a Series F but did not go on to raise a Series G. Their median years from Seed round were outliers for Series F, which drove up the median years. Excluding these two companies, median years for Series F would be 6.2 years

Number of Unicorns Included Per Round

Series A	35
Series B	37
Series C	30
Series D	23
Series E	16
Series F	9
Series G	5
Series H	2



# Median Years Between Deal Rounds By Industry

E-commerce has the lowest median years between rounds and Social Media the highest






Industry	Unicorn Count	Median Years Between Deal Rounds
AgTech	1	1.29
Big Data	1	0.97
BioTech	1	1.08
CleanTech	1	1.29
E-commerce	4	0.75
EdTech	1	1.76
Fashion	1	0.91
FinTech	8	0.91
FoodTech	1	1.60
Health & Wellness	1	1.07
Healthcare	6	1.2
HR	2	1.1
Logistics	1	0.97
Other	2	0.96
Real Estate	1	1.46
Social Media	1	2.12
Software	5	1.21






# Exited Companies

24%

of Black and Latino Unicorns have exited either through IPO or M&A transactions

IPO	Date
	3/15/18
	6/19/19
COMPASS	4/1/21
	5/5/21
	5/26/21
	7/28/21

M&A	Date	Acquirer	Amount
	9/25/14	Amazon	\$970
	3/25/20	OfferUp	N/A
	5/3/21	Okta	\$6,500



Note: Dollars in millions.

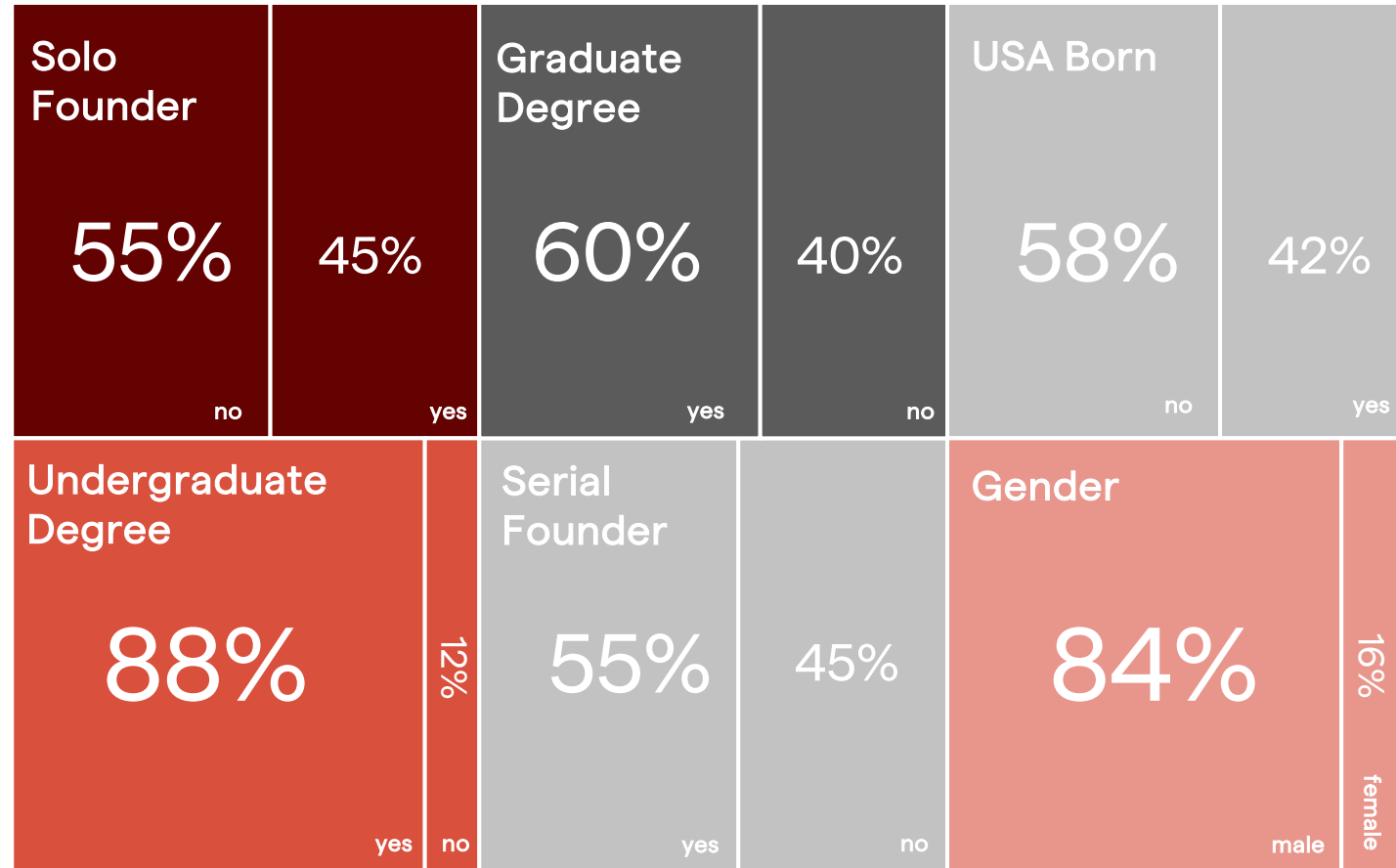
# Top Investors

These 12 investors have invested in at least 3 Unicorns. Tiger leads the pack with 8 investments





# 60 Black and Latino Unicorn Founders Profiled



# 88% of Founders Completed Their Undergraduate Education

## 38%

Founders attended a US News ranked Top 50 Global University

## 60%

Founders hold graduate degrees

## 9.5 Years

Median years of work experience prior to founding unicorn

### Undergraduate Majors

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Engineering	21%
Computer Science	15%
Business	13%
Economics	13%
Other	38%

### Graduate Degrees

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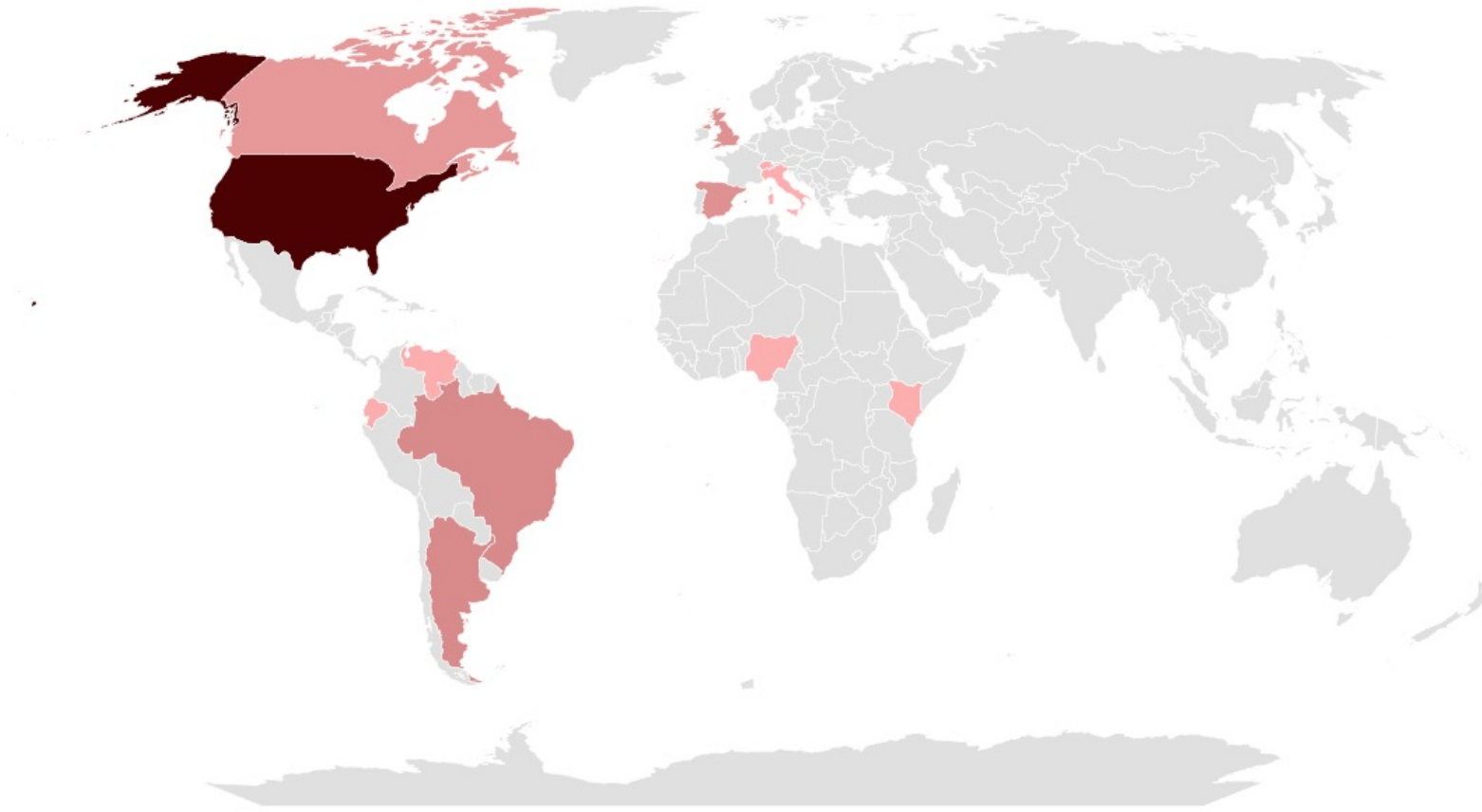
MBA	31%
PhD (Com Sci., Eng., Chem.)	23%
Other	46%

### Median Years of Work Experience By Undergraduate Majors

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Engineering	11.09
Computer Science	9.01
Business	4.84
Economics	13.76

# 58% of Unicorn Founders Were Born Outside of the US



## Founder Birthplace

USA	42%
Argentina	10%
Brazil	10%
Spain	8%
United Kingdom	8%
Canada	7%
Ecuador	2%
Italy	2%
Kenya	2%
Middle East	2%
Nigeria	2%
Switzerland	2%
Venezuela	2%
Barbados	2%
Other	2%



# Appendix: Raises By Rounds



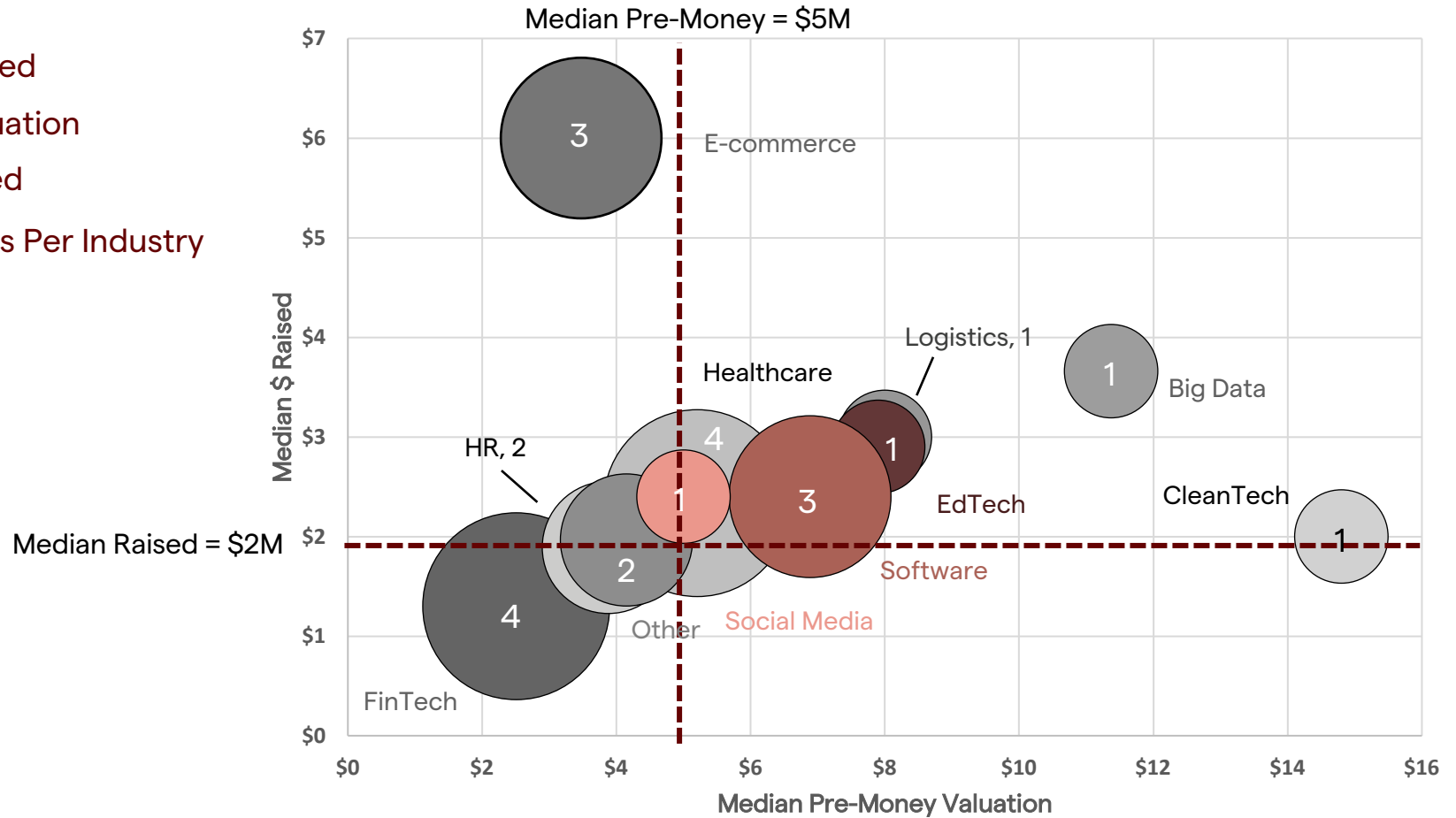
# Seed Round By Industry

23/38 Unicorn's Represented

X = Median Pre-Money Valuation

Y = Median \$ Amount Raised

Bubble Size = # of Unicorn's Per Industry



Note: Dollars in millions.

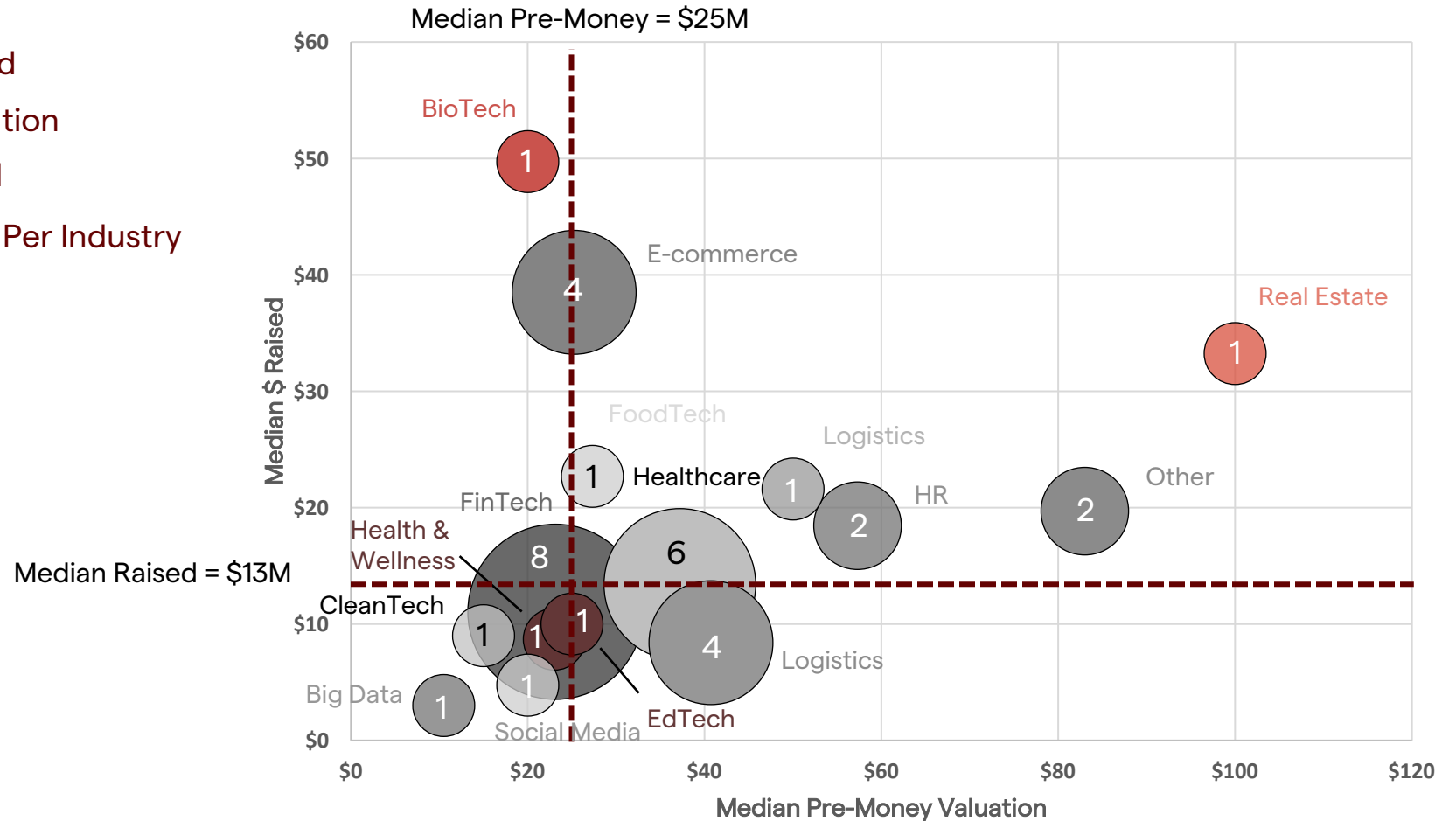
# Series A Round By Industry

35/38 Unicorn's Represented

X = Median Pre-Money Valuation

Y = Median \$ Amount Raised

Bubble Size = # of Unicorn's Per Industry



Note: Dollars in millions.



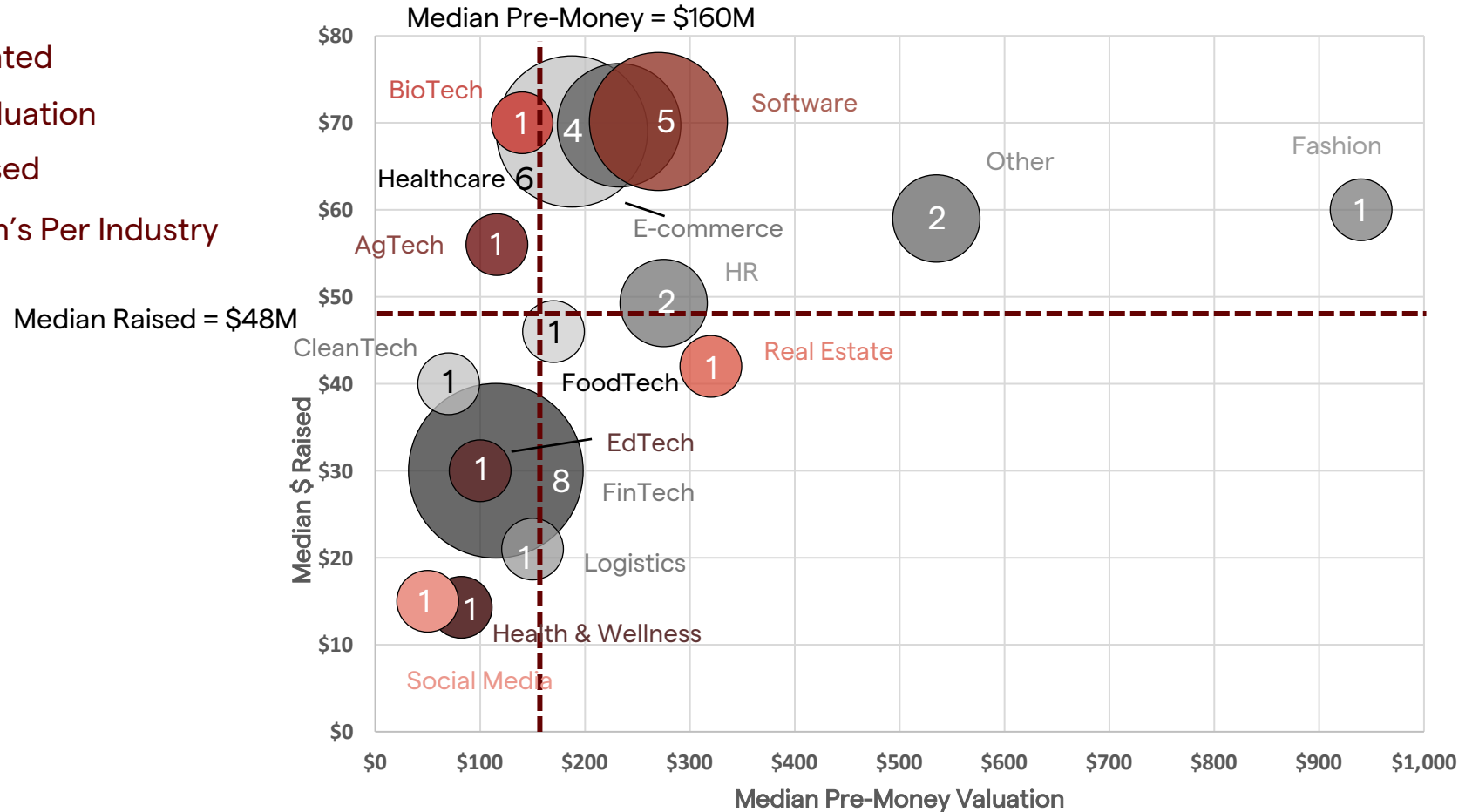
# Series B Round By Industry

37/38 Unicorn's Represented

X = Median Pre-Money Valuation

Y = Median \$ Amount Raised

Bubble Size = # of Unicorn's Per Industry



Note: Dollars in millions.

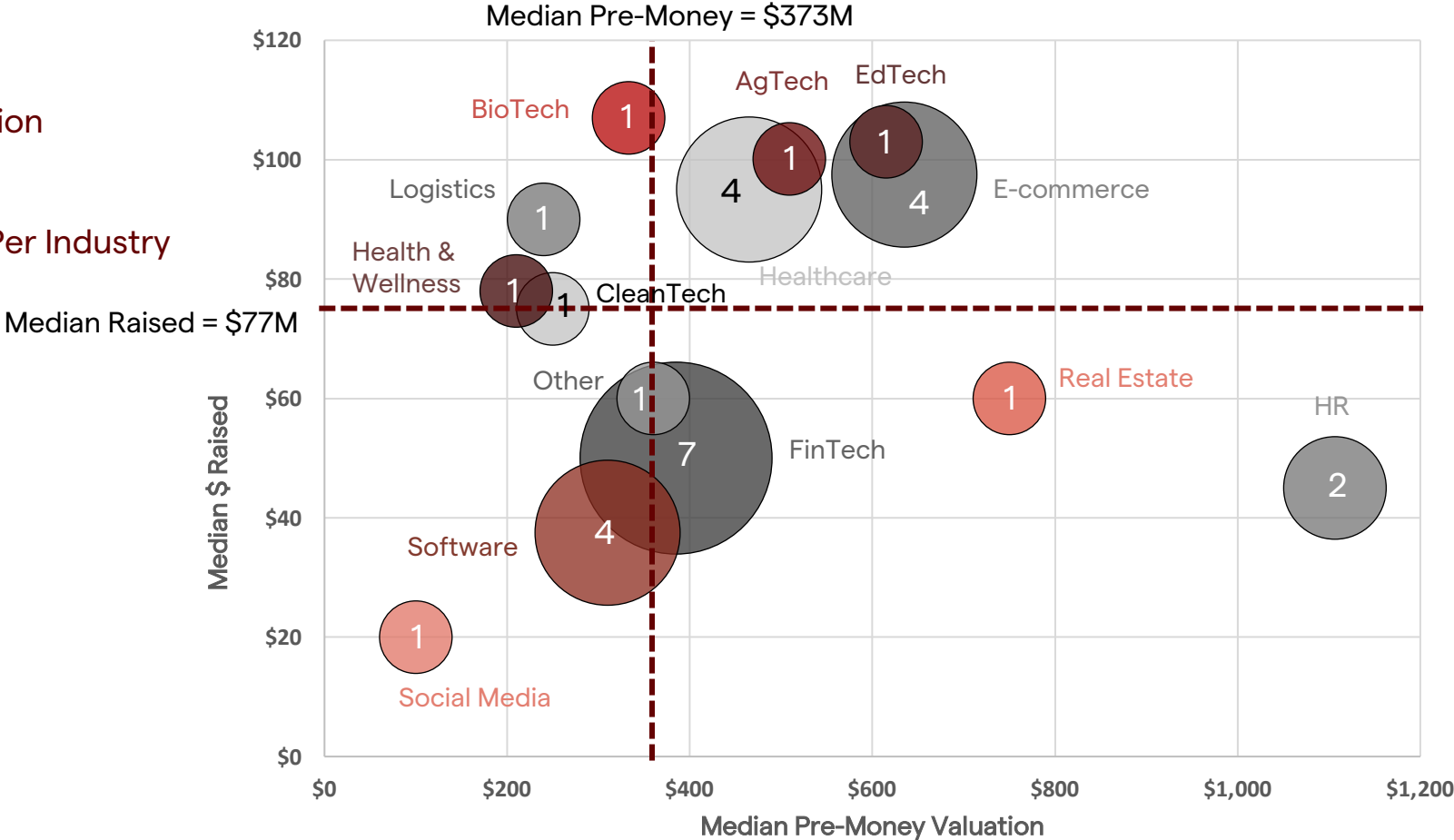
# Series C Round By Industry

30/38 Unicorn's Represented

X = Median Pre-Money Valuation

Y = Median \$ Amount Raised

Bubble Size = # of Unicorn's Per Industry



Note: Dollars in millions.

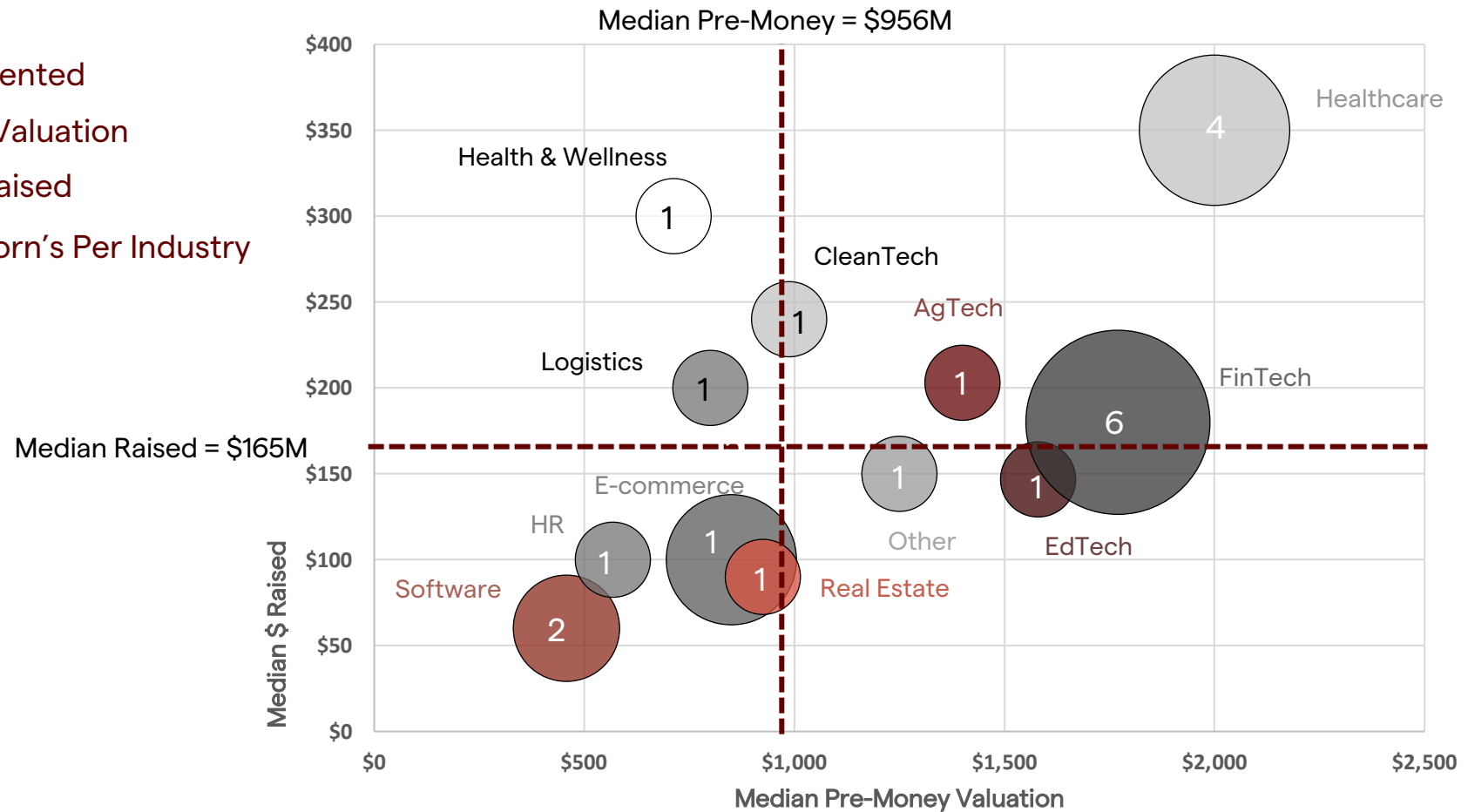
# Series D Round By Industry

23/38 Unicorn's Represented

X = Median Pre-Money Valuation

Y = Median \$ Amount Raised

Bubble Size = # of Unicorn's Per Industry



Note: Dollars in millions.

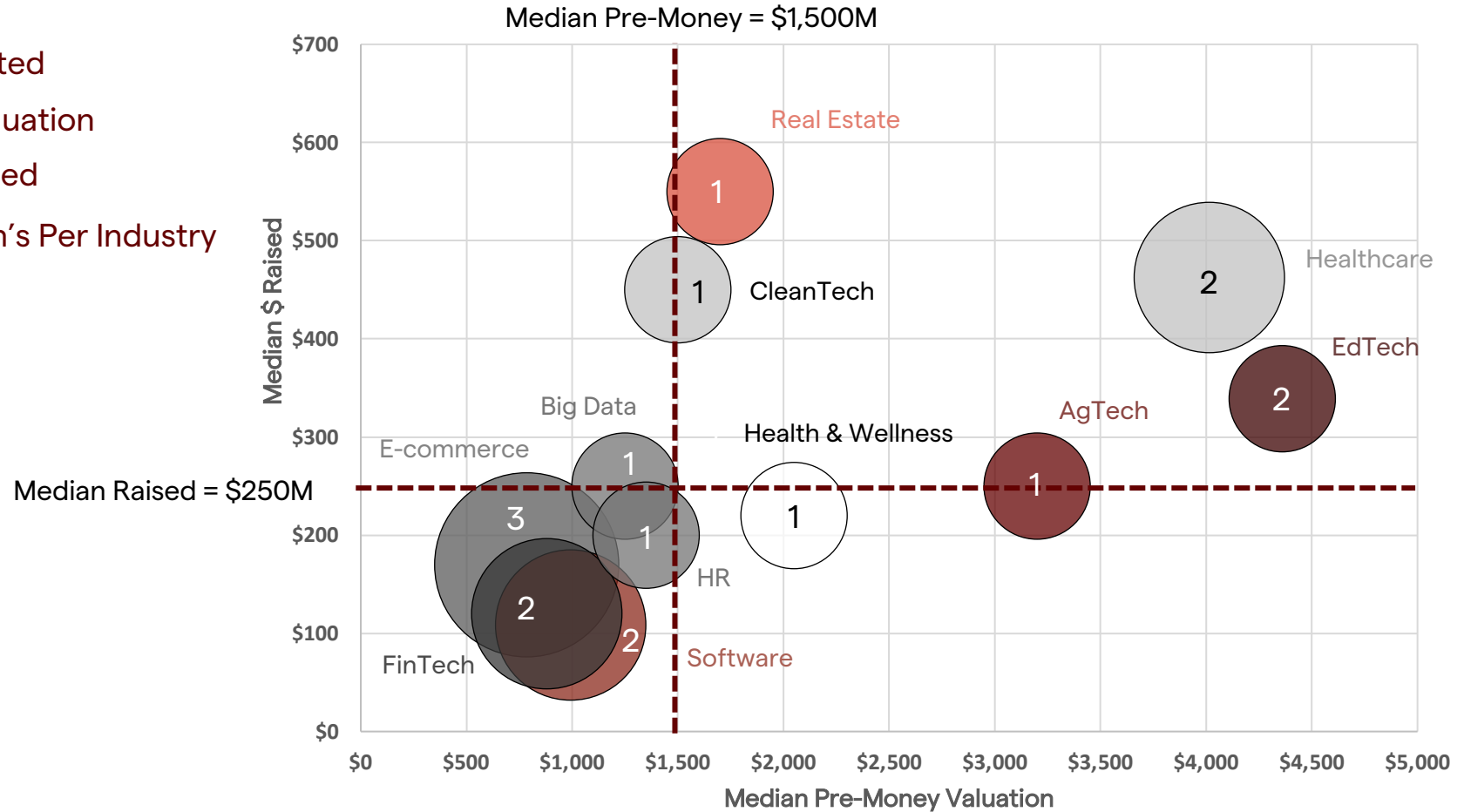
# Series E Round By Industry

16/38 Unicorn's Represented

X = Median Pre-Money Valuation

Y = Median \$ Amount Raised

Bubble Size = # of Unicorn's Per Industry



Note: Dollars in millions.

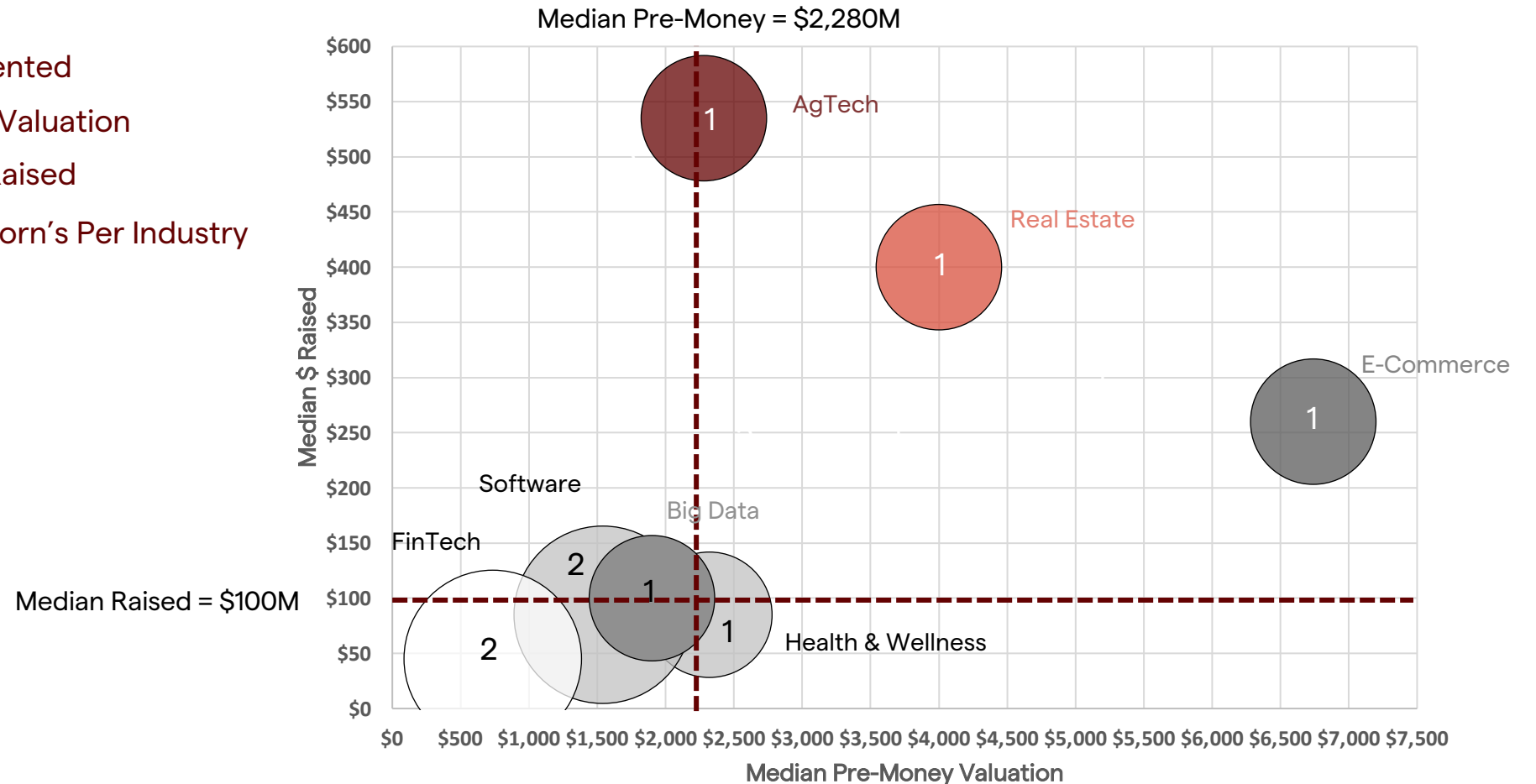
# Series F Round By Industry

9/38 Unicorn's Represented

X = Median Pre-Money Valuation

Y = Median \$ Amount Raised

Bubble Size = # of Unicorn's Per Industry



Note: Dollars in millions.

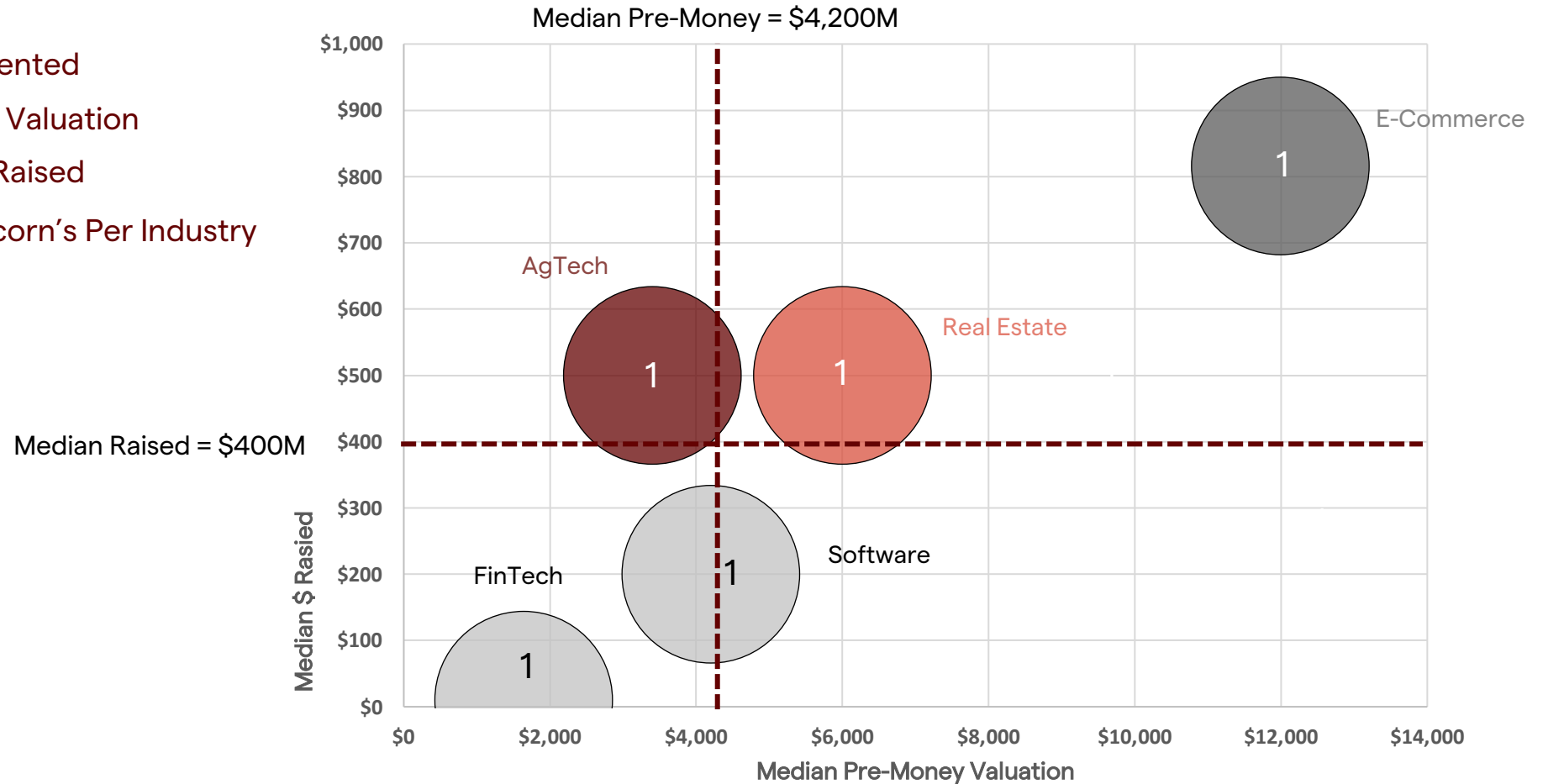
# Series G Round By Industry

5/38 Unicorn's Represented

X = Median Pre-Money Valuation

Y = Median \$ Amount Raised

Bubble Size = # of Unicorn's Per Industry

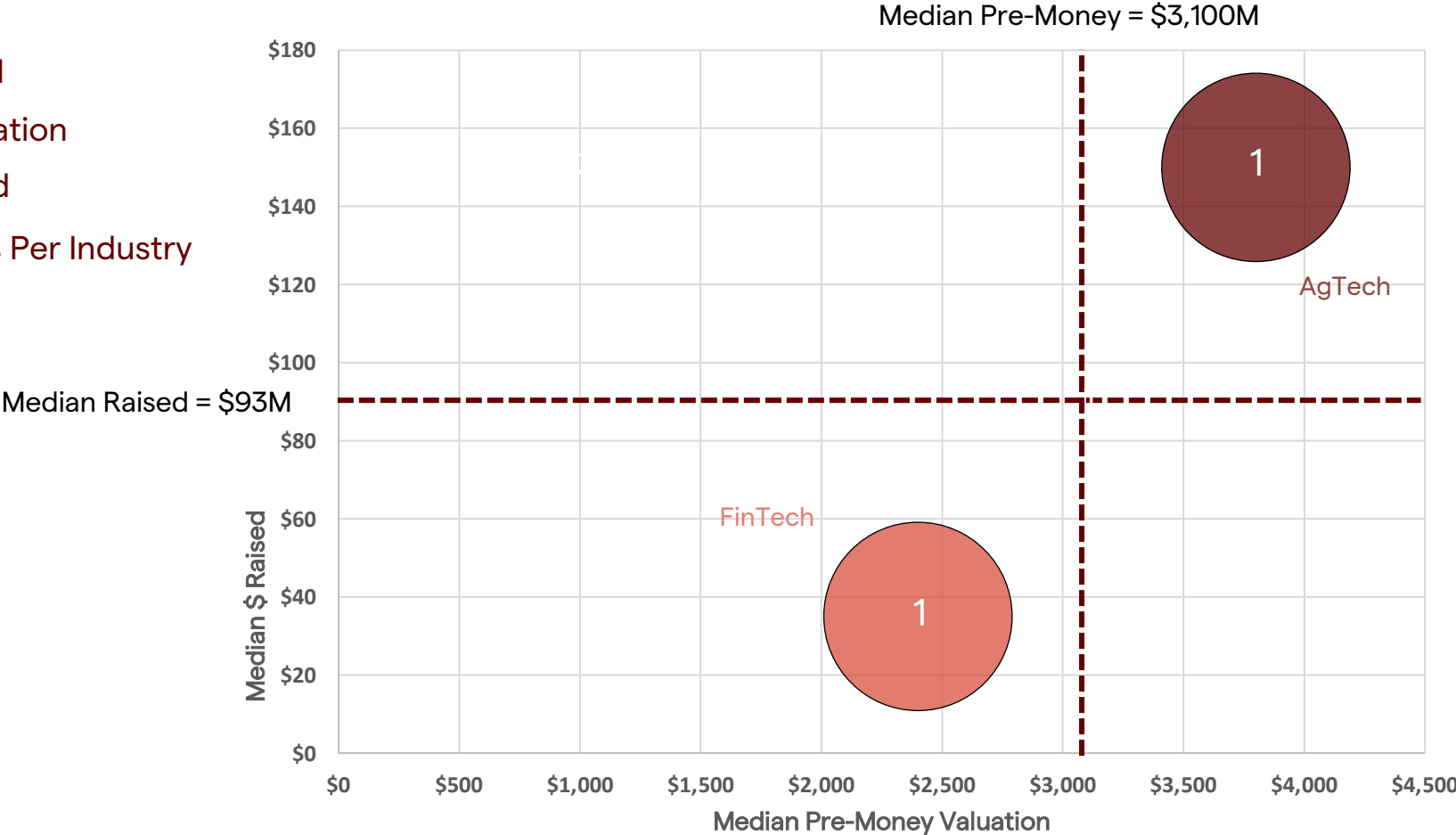


Note: Dollars in millions.



# Series H Round By Industry

2/38 Unicorn's Represented  
X = Median Pre-Money Valuation  
Y = Median \$ Amount Raised  
Bubble Size = # of Unicorn's Per Industry



Note: Dollars in millions.

Let's change the face  
of entrepreneurship, together.