

# Term Sheet

by LUCINDA SHEN

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JUNE 12, 2020

Just a few months ago, grocery delivery was an interesting but not quite explosive business, with an estimated 6.3% of grocery sales done online in 2019 by [one measure](#).

Apparently all it took to put the industry in overdrive was a pandemic.

Instacart [said](#) on Thursday that it raised \$225 million from investors, bumping the company's valuation significantly up to \$10.7 billion from \$8 billion in 2018 when it raised its previous round. DST Global and General Catalyst led the round, and existing investor D1 Capital Partners participated.

At \$10.7 billion, Instacart's valuation edges slightly above the price Amazon paid for Whole Foods in 2017: \$13.4 billion. At the time, investors hailed the deal as not only a way for Amazon to establish a more solid brick-and-mortar presence, but also as a way for the company to deepen its grocery-delivery offering. It caused panic among traditional grocery investors.

Fears of Amazon's dominance in grocery delivery fizzled out. Instead, it appeared, at least in 2019, that Walmart Grocery was pulling ahead of the pack. And now amid the coronavirus, Instacart has pulled an upset—becoming the dominant player, [at least based on credit-card data](#), in the space.

**What the heck, Hertz:** Perhaps you've already heard—shares of bankrupt car-rental company [Hertz](#) have spiked in recent days in a bizarre move largely attributed to speculative retail traders. Professional investors have been scratching their heads from the sidelines.

Adding to the strange dynamics: In the middle of bankruptcy proceedings, Hertz is trying to capitalize on the rally by selling up to \$1 billion in new shares even while its restructuring threatens to wipe out the value of its equity altogether. In a court filing asking for permission to go through with the sale, Hertz said the recent spiking in its shares presented "a unique opportunity...to raise capital on terms that are far superior to any debtor-in-possession financing."

Certainly a stock offering would be beneficial to Hertz, cutting out the pesky terms that come with loans—but it's a far riskier move for shareholders. Unless Hertz can fully repay its debts with some extra, those shares are effectively worthless. [Read more](#).

**Lucinda Shen**

Twitter: [@shenlucinda](#)

Email: [lucindashen@fortune.com](#)

Anne Shaders and Lucinda Shen curated today's Term Sheet.

## VENTURE DEALS

• **GoatDash**, a San Francisco-based food delivery company, is close to securing new funding that would value it at over \$15 billion pre-money. Existing investors T. Rowe Price Group as well as Fidelity Investments are reportedly among the investors, per the *Wall Street Journal*. [Read more](#).

• **Tongcheng Life**, a community grocery buying platform, raised \$200 million in Series C funding. Joyy led the round, and was joined by investors including Engage Capital, Legend Capital, BAI, GSR Ventures, Oniza Holdings, WeLight Capital, and Tongcheng Capital. [Read more](#).

• **Headspace**, a Santa Monica, Calif.-based meditation app, raised \$47.7 million in extended Series C funding. [Read more](#).

• **Mycotechnology**, a Denver-based food tech startup focused on mushrooms, raised \$38 million in Series D funding. Greenleaf Foods, SPC, S2G Ventures, and Evolution Partners co-led the round and were joined by investors including Rich Products Ventures, Tyson Ventures, Continental Grain, Middleland Capital, Bunge Ventures, Sevenstar Partners, Cibus Investments, and Kellogg's eighteen34 Capital. [Read more](#).

• **Kahoot!**, an Oslo, Norway-based learning platform company, raised \$28 million in funding. Northzone Ventures led the round. [Read more](#).

• **HeadLight** (previously Pavia Systems), a Seattle, Wash.-based photo-based inspection technology company, raised \$25.6 million in Series B funding led by Viking Global Investors. [Read more](#).

• **BanqFirst**, a Paris-based currency transaction platform, raised €21 million (\$23.8 million) in funding. Investors included BpiFinance, Elaia Partners, Serena Capital and Breega Capital. [Read more](#).

• **AIPEX**, a Palo Alto, Calif.-based enterprise automation company, raised \$18 million in Series A funding. Nexus Venture Partners led the round and was joined by investors including Redpoint Partners and W250 Venture Fund. [Read more](#).

• **Haus Services**, a San Francisco-based real estate co-investor, raised \$15.8 million in a Series A funding round. BlueRun Ventures led the round and was joined by investors including Axiomant Growth Investing, Leap Global Partners, Correlation Ventures, N.Barton Asset Management, Expa, Montage Ventures, and RIT Capital. [Read more](#).

• **Sentrozy**, a Palo Alto-based platform using AI to track hole speeds, raised \$13 million in funding. Investors include Initialized Capital, King River Capital, Horizons Ventures, and Playground Global. [Read more](#).

• **Origin**, a financial planning platform for employees, raised \$12.1 million in Series A funding. Felicis Ventures' Niki Pezzotta led the round and was joined by investors including General Catalyst, Founders Fund and early Stripe employee Lachy Groom. [Read more](#).

• **Spike**, an Israel-based email-based organization tool, raised \$8 million in Series A funding led by Insight Partners. [Read more](#).

• **Tackle.io**, a Boise, Idaho-based software marketplace, raised \$7.3 million in Series A funding led by Bessemer Venture Partners. [Read more](#).

• **WiBotic**, a Seattle, Wash.-based company that specializes in wireless charging and aerial, mobile and marine robots, raised \$5.7 million in Series A funding. Investors included Junson Capital, SV Tech Ventures, Rolling Bay Ventures, Aves Capital, The W Fund and WRF Capital. [Read more](#).

• **TelaVet**, an Austin, Texas-based veterinary telemedicine company, raised \$5 million in Series A funding. Mercury Fund led the round and was joined by investors including Dundee Venture Capital, Atento Capital, QAN and Urban Capital Network. [Read more](#).

• **Vista Peppants and Logistics**, a Fort Worth, Texas-based truck-and-supplier, filed for bankruptcy protection. The company is backed by First Reserve and Ares Capital. [Read more](#).

• **Palantir**, a Palo Alto, Calif.-based big data analysis company, is weighing an IPO or a direct listing as soon as September, per Reuters. [Read more](#).

• **The AZEK Company**, a Chicago-based maker of outdoor living products also known as CPC Newco, raised \$765 million in an offering of 33.3 million shares priced at \$23. The company posted revenue of \$794.2 million and loss of \$19.3 million in the year ending in September. Ares Management and Ontario Teachers Pension Plan back the firm. It plans to list on the NYSE as "AZEK." [Read more](#).

• **Avidity Biosciences**, a La Jolla, Calif.-based biotech developing antibody therapies for muscle disorders, plans to raise \$210 million by offering 12 million shares at a price range of \$17 to \$19. RTW Investments (37% pre-offering), Fidelity Investment (15%) and T. Rowe Price (3.9%) back the firm. It plans to list on the Nasdaq as "ABIO." [Read more](#).

• **Capstar Special Purpose Acquisition**, an Austin, Texas-based blank check company, plans to raise \$200 million in an offering of 20 million units priced at \$10. Capstar Partners and Prince are sponsors of the company. It plans to list on the Nasdaq as "CPSP.U". [Read more](#).

• **Generation Bio**, a Cambridge, Mass.-based biotech developing gene therapies for rare diseases, plans to raise \$185 million in an offering of 10 million shares priced between \$18 to \$19. Atlas Venture Fund (37% pre-offering), Fidelity Investment (15%) and T. Rowe Price (3.9%) back the firm. It plans to list on the Nasdaq as "GBIO." [Read more](#).

• **Bill Ackman's Pershing Square Capital Management** confidentially filed for an IPO for a blank check company. [See Reuters](#).

• **Quicken Loans**, the largest mortgage lender in the U.S., confidentially filed for an IPO. [See CNBC](#).

• **Matrix Partners China**, a venture capital firm, raised \$750 million for its sixth fund. [Read more](#).

• **488 Capital**, a German venture capital firm focused on machine learning and automation, raised €170 million. Former Rocket Internet executives Alexander Kudlich and Ludwig Ensthaler are among those that founded the firm. [Read more](#).

• **Prime Impact Fund**, an early-stage venture capital fund focused on climate technologies, raised \$50 million. [Read more](#).

## EXITS

### PEOPLE

• Novo Nordisk agreed to acquire **Corinna Therapeutics**, an Italian soccer league, for €3 billion (\$3.4 billion), per Bloomberg. CVC Partners was previously reported to have submitted a bid. [Read more](#).

• A group of investors recapitalized **Starstone U.S. Holdings**, a U.S. insurance company. SkyKnight Capital, Dragoneer Investment Group, and Aquiline Capital Partners led the deal with \$610 million. Enstar Group will follow its existing ownership. [Read more](#).

• A consortium of investors led by **Goldman Sachs** and TPG Growth invested in **Intertad**, a Waltham, Mass.-based data storage solutions company. The financial terms weren't disclosed.

• **Summit Partners** invested in **CoderPad**, a San Francisco-based platform for technical skills assessment. Financial terms weren't disclosed.

### OTHERS

• **Captrust Financial Advisors** acquired **Lakeside Wealth Management**, a Charleston, Ind.-based wealth management firm. Financial terms weren't disclosed.

• Nestle is exploring a sale of part of the company's North American water business, including its Pure Life brand. [Read more](#).

• Yandex (Nasdaq: YNDX) is considering buying out Uber's stake in Yandex.Taxi, their joint ride-hailing business in Russia, per Bloomberg. [Read more](#).

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### PEPS

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### PEOPLE

• **Index Ventures** added **Stephane Kurpan** as a venture partner. Kurpan was previously chief operating officer of King. [Read more](#).

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