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Subject: 💥2025 IPO Pipeline, Importance of Brand for GTM, Org Chart Benchmarks, Equity Distribution & More
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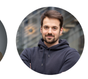
💥2025 IPO Pipeline, Importance of Brand for GTM, Org Chart Benchmarks, Equity Distribution & More

Digesting Insights From the Data

ANDRE RETTERATH AND JEROME JAGGI
APR 1



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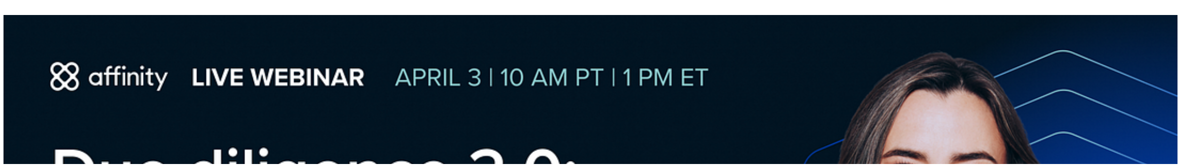
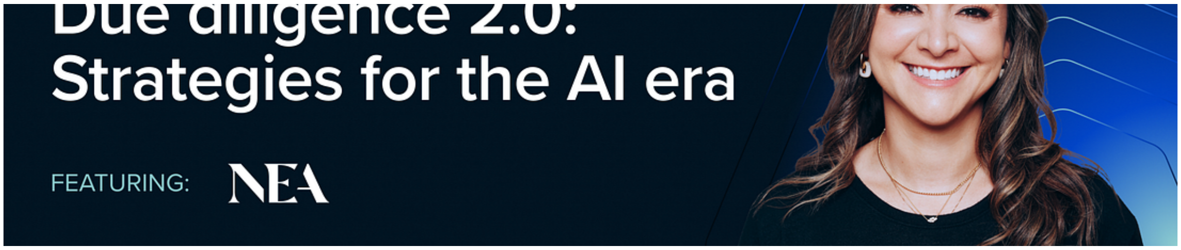
👋 *Hi, I'm Andre and welcome to my newsletter Data-Driven VC which is all about becoming a better investor with Data & AI. Join **32,880 thought leaders** from VCs like a16z, Accel, Index, Sequoia, and more to understand how startup investing becomes more data-driven, why it matters, and what it means for you.*

Brought to you by Affinity - Due Diligence 2.0: Strategies for the AI Era





When AI startups reach billion-dollar valuations in months and market conditions can shift overnight, traditional due diligence approaches are pushed to their limits. VCs are challenged to validate complex technologies, assess business model sustainability, and pick out the highest quality deals amid the hype.

Join this webinar to see how Vanessa Larco, former Partner at New Enterprise Associates has evolved her due diligence process and the investments she's considering to support the next generation of innovative companies.

Register here

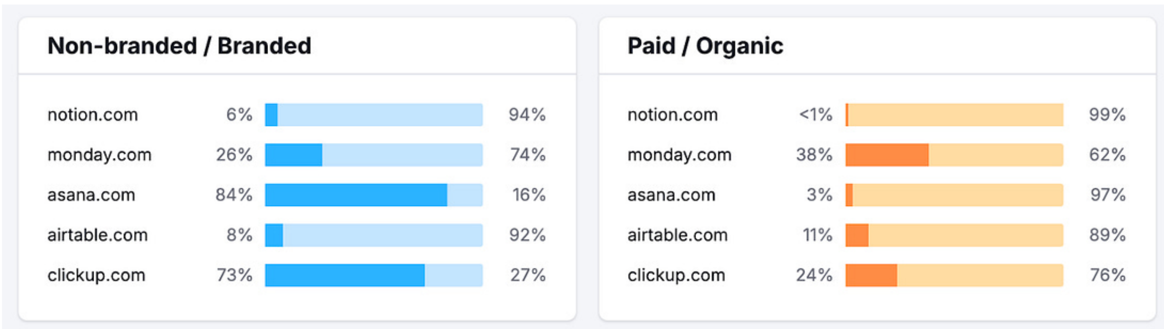
Importance of Brand for GTM

In this Growth Unhinged guest post, Kira Klaas breaks down how top companies like Notion, Figma, and Canva used brand as a force multiplier to scale their PLG motions. Klaas argues that the most successful startups don't silo brand and growth—they combine them from the start.

- **Organic = Brand Power:** Notion's high branded search and Figma's $12.5B valuation both trace back to organic momentum driven by strong brand identity, not just clever product features.
- **Tracking Brand Like a Pro:** Brand health can be measured through viral loops, branded search volume, and CAC by acquisition channel—Klaas recommends starting small with 2–4 brand metrics tied to growth

Klaas recommends starting small with 3–4 brand metrics tied to growth goals.

- **Invest Early, Scale Wisely:** Early-stage efforts should focus on touchpoint audits and storytelling; mature teams should allocate up to 35% of their marketing budget toward brand initiatives like UGC and ambassador programs.



Non-Branded vs Branded / Paid vs. Organic Traffic as per Klaas / SEMRush

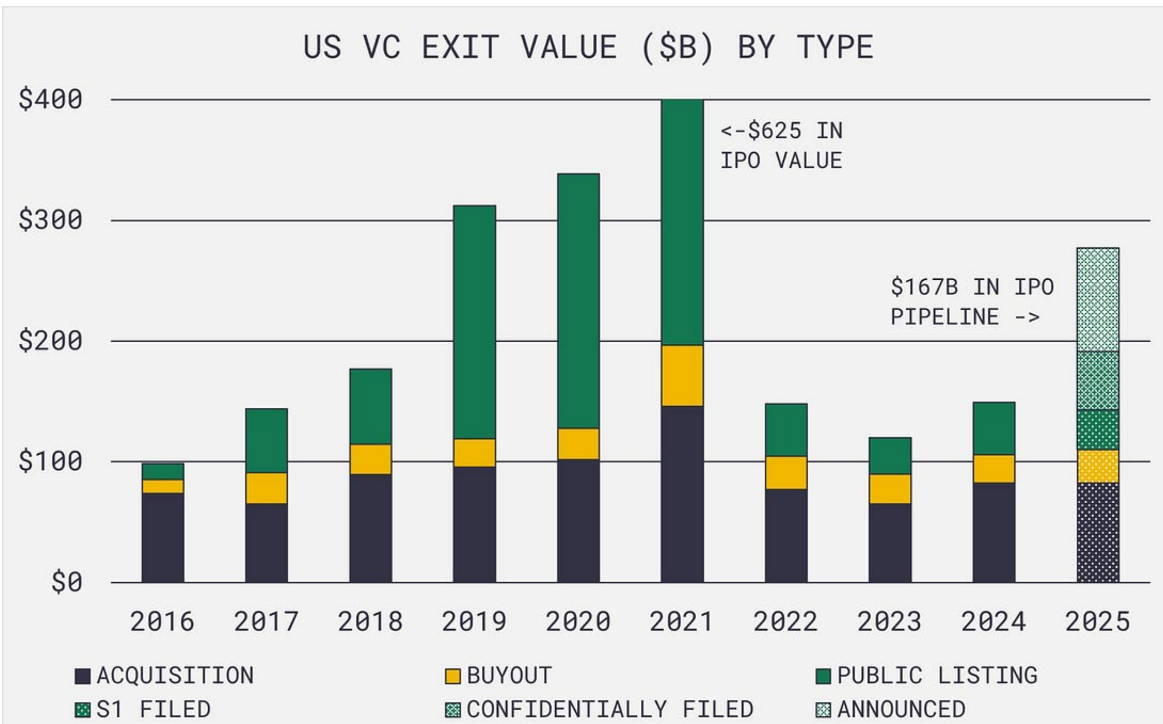
> ✈️ ***KEY TAKEAWAYS***
>
> *Brand isn't a soft add-on—it's a core growth engine. Tracking and investing in brand early on drives word-of-mouth, lowers CAC, and extends PLG performance beyond early traction.*

The 2025 Liquidity Puzzle

Jackie DiMonte's latest analysis dives into whether 2025 could finally spark a liquidity wave amid years of muted exit values and locked capital. The article lays out a compelling data breakdown to question if we're seeing the start of a sustained surge in liquidity or merely a small trickle.

- **Capital Lock-Up:** Three years of depressed exit values echo early 2010s levels, even though a surge of capital flowed during 2020–2022, resulting in over 800 unicorns still waiting for an exit.

- **IPO Activity Surge:** Data from the Forge Tech IPO Calendar shows over 30 companies have either filed or announced IPOs, representing up to $167B in last private market value, with S1 filings around $33B, confidential filings at $48B, and announced deals topping $86B.
- **Acquisitions & Exit Trends:** Notably, Google's recent $32B acquisition of Wiz underscores a broader trend where acquisitions are trending upward, making up 40% of last year's total and hinting at a potential rebound in overall exit value.



Exit values summed up, from the linked article.

> ✈️ ***KEY TAKEAWAYS***
>
> *The article suggests that despite years of tepid exit activity and significant capital still locked up, the surge in IPO filings and strategic acquisitions might signal the early stages of a liquidity wave, though the scale remains uncertain.*

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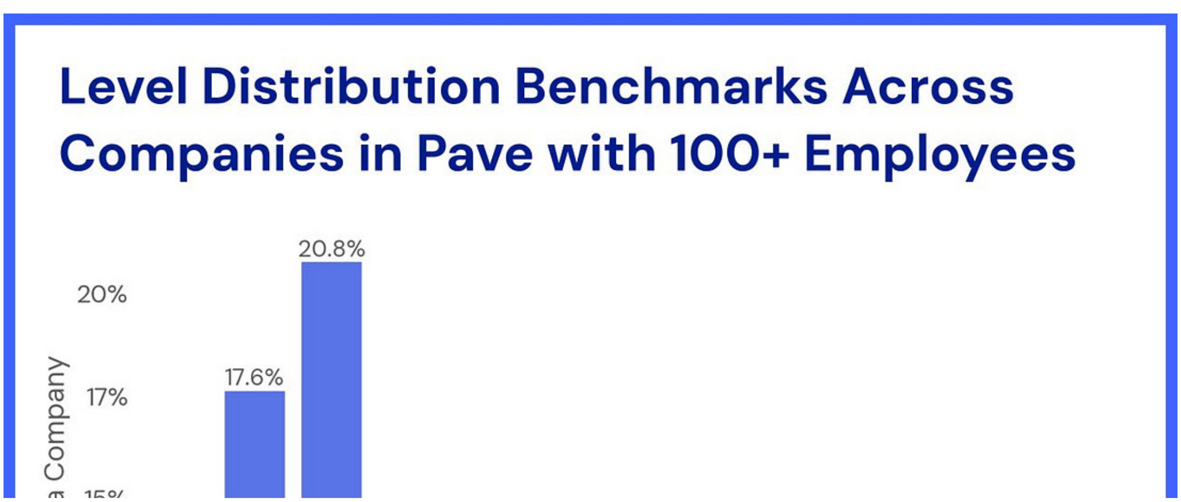
*Join **32,880 thought leaders** from VCs like a16z, Accel, Index, Sequoia, and more.*

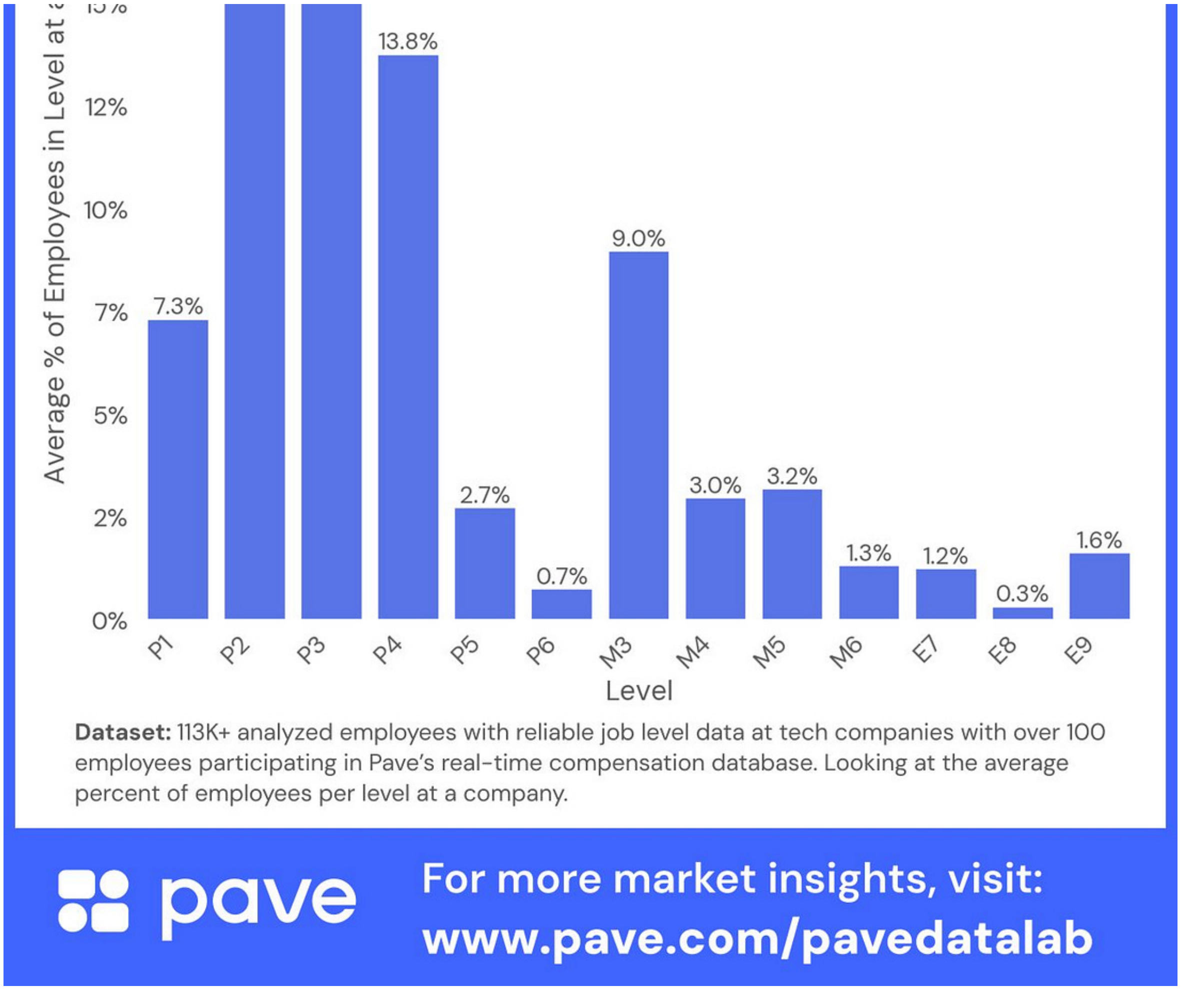
Upgrade to paid

Is Your Org Chart Too Top Heavy?

Matt Schulman released new benchmarks that help companies analyze whether their org charts are weighted toward leadership or individual contributors. Based on Pave's latest dataset, the report offers practical thresholds and questions to evaluate role distribution by company size.

- **Director Density:** If over 8% of your employees are director-level or higher, your org might be considered top-heavy—though early-stage companies often exceed this.
- **Manager Saturation:** Having more than 20% of your team in a management role (manager, director, or VP) could suggest a need to rebalance span of control or reduce layers.
- **Senior IC Creep:** When more than 27% of individual contributors are senior or above (P4+), it may indicate title inflation or a need to revisit leveling standards.





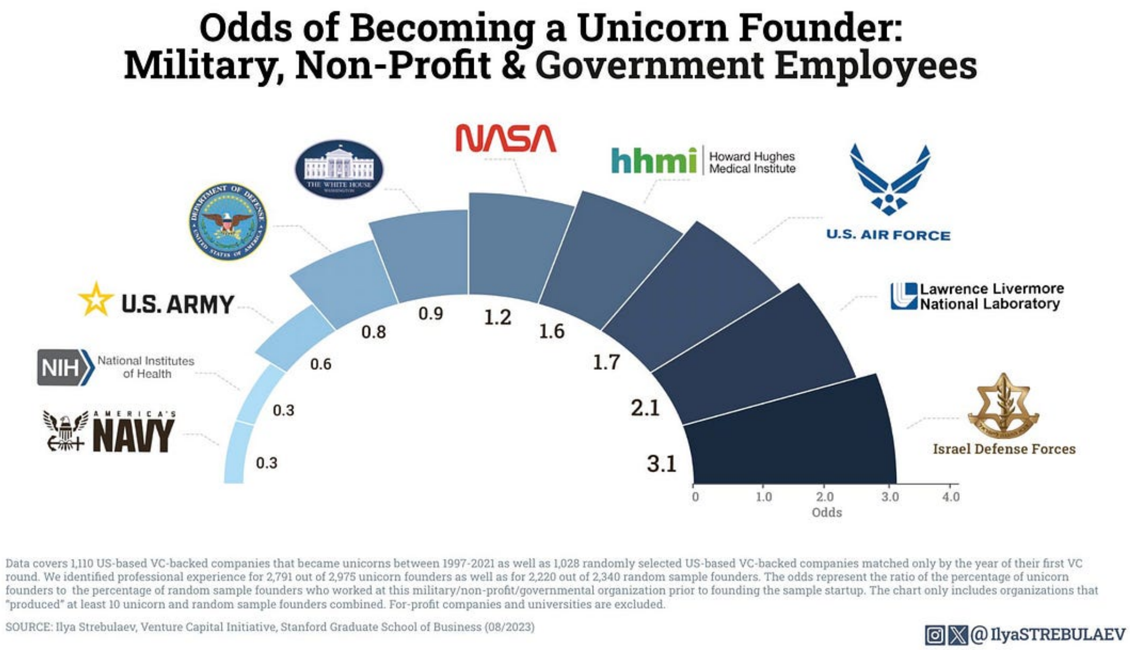
> ✈️ ***KEY TAKEAWAYS***
>
> *Understanding your level distribution benchmarks can reveal structural inefficiencies. Pave's dataset encourages companies to recalibrate if too much talent is clustered at the top, especially as they scale.*

Where Unicorn Founders Come From

Stanford GSB's Ilya Strebulaev analyzed 2,791 founders across 1,110 U.S.-based VC-backed unicorns to uncover the most common professional origins (and a few surprising ones) behind billion-dollar startups:

- **Academic & Military Hubs:** Stanford and MIT dominate the educational backgrounds, while alumni of Israel's IDF are 3x more likely to build unicorns than the average U.S. founder.

- **Prior Startup Experience:** 40% of unicorn founders had previously launched a startup, giving them a repeat-founder advantage in venture growth.
- **Research Labs:** 25% of unicorn founders came from scientific research or tech development roles, highlighting that deep R&D backgrounds can be just as valuable as startup hustle.



How military, non-profit, and governmental experience shapes the odds of becoming a unicorn founder (Strebulaev, 2025)

✈️ ***KEY TAKEAWAYS***

Elite schools and military service aren't the only pipelines to unicorn status—experience in research and tech development plays an underrated but significant role in startup success.

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Prime Time for SaaS Sales

Sofia Faustino analyzed billing data from 2,500 SaaS companies and found a clear seasonal trend: Q1 consistently outperforms the rest of the year in customer acquisition, regardless of ARR or billing model.

- **Best Quarter for Growth:** Q1 leads the pack for new customer acquisition thanks to renewed budgets and the pressure to spend expiring fiscal allocations.
- **Worst Time to Close Deals:** Q4 is the weakest for sales, as holiday slowdowns and year-end crunches cause decision-makers to hit pause on new purchases.
- **Consistent Across Models:** The seasonal pattern held true across all ARR levels and billing approaches, suggesting it's a universal SaaS phenomenon.

Q1 is the best moment to sell SaaS for both annual and monthly plans

ARR growth rates (quarter-over-quarter) for monthly and annual billing by ARR range

<$1M ARR	Annual	Monthly
Q1	10.7%	9.9%
Q2	9.5%	7.8%
Q3	8.5%	7.1%
Q4	8.3%	5.4%

$1M-10M ARR	Annual	Monthly
Q1	9.1%	7.9%
Q2	8.2%	6.6%
Q3	7.5%	5.9%
Q4	7.5%	4.5%

$10M-30M ARR	Annual	Monthly
Q1	7.2%	5.3%
Q2	6.2%	4.7%
Q3	6.0%	4.1%
Q4	6.2%	3.0%

ChartMogul

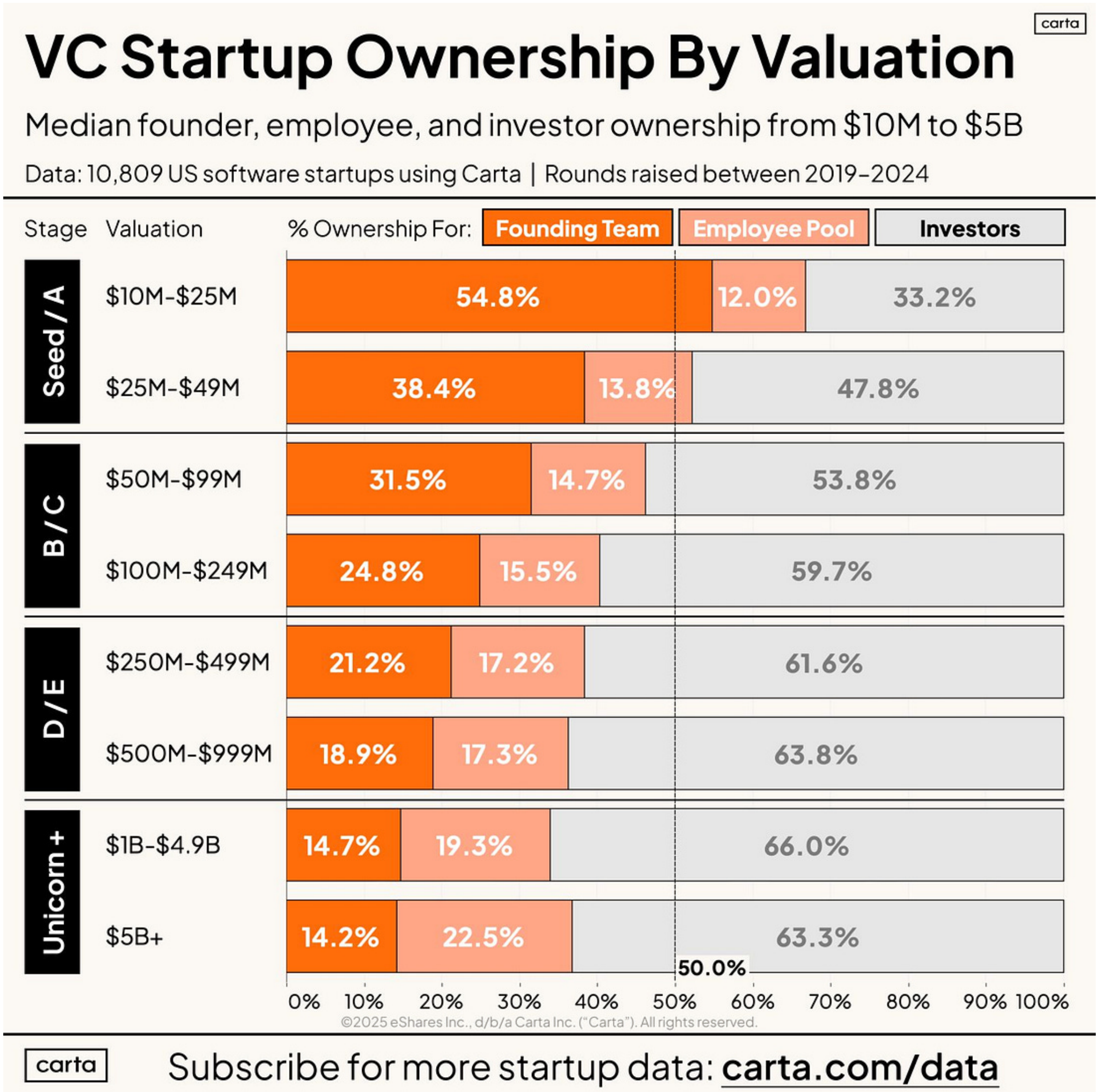
> ✈️ ***KEY TAKEAWAYS***
>
> *Timing matters in SaaS sales. Q1 offers the best shot at growth, while Q4 may require more conservative forecasting. Aligning GTM strategies with seasonal buyer behavior can give teams a decisive edge.*

Who Owns What in VC-Backed Startups

Peter Walker analyzed ownership trends across 10,809 VC-backed U.S. software startups using Carta data. The report maps how equity shifts from founders to employees and investors from early funding through IPO. Helpful for founders raising their next round or planning their ESOP pool.

- **Series A Milestone:** By Series A ($25M–$49M valuation), founders typically own less than 50% of their company, highlighting the fast pace of early dilution.
- **Employee Pool Grows:** The employee equity pool starts around 10% at pre-seed and expands to 20%+ by late-stage, often surpassing founder ownership around unicorn valuations.

- **Investor Control:** Investors as a group gain majority control around the $200M valuation mark (roughly Series B), driven by accumulated dilution across rounds.



> ✈️ ***KEY TAKEAWAYS***
>
> *Founder ownership can shrink rapidly with each round, especially if many are raised. Skipping stages or maintaining tight cap tables can preserve founder equity longer, but VC scaling always involves trade-offs.*

Thanks to Jérôme Jaggi for his help with this post.

Stay driven,
Andre

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