

# Setter

# The Setter 30

The Most Sought-After Venture Backed Companies in the Secondary Market

Q4 2022

First in the Secondary Market.

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# The Setter 30 (Q4'22)

We are pleased to share the Q4 2022 edition of The Setter 30 - our ranking of the most sought-after venture-backed companies in the global secondary market. These rankings were derived from a survey of over 500 leading investors in late-stage companies and the daily feedback we receive from the market's most active buyers.

While these companies are the most frequently targeted by investors, they may not be the most easily acquired. For instance, some companies have limited supply (e.g., Redwood Materials, OpenAI, and Hugging Face) or strict transfer restrictions (e.g., Anduril, Databricks, Plaid, GrubMarket, SpaceX, and Stripe), making secondary transactions more difficult.

SpaceX and Stripe were the two most sought-after companies in the secondary market for the eighth consecutive quarter. SpaceX wasn't the only SpaceTech company to garner buyer attention this quarter - Relativity Space placed for the first time, a likely result of their highly-anticipated launch.

Microsoft's proposed \$10 billion investment in OpenAI at a \$29 billion valuation increased demand for the Artificial Intelligence vertical, propelling the company into the Top 30 for the first time at #18, along with two other AI companies - Scale AI at #23 and Hugging Face at #25.

Declining demand for Blockchain & Crypto companies continued into Q4, with not a single company in the space making the list. This contrasts with Q1 of 2022 where five Blockchain & Crypto companies ranked in the Top 30.

Fintech demand also declined with Revolut (-9 spots Q/Q), Klarna (-6), Plaid (-3), and Gusto (-2) falling in the ranks, while Chainalysis, Ramp, and Pipe fell off entirely.

We welcome your thoughts on this edition of The Setter 30 and would be happy to answer any questions you might have!

P.S. We asked ChatGPT for its opinion on this quarter's Setter 30 - See page 4!

# The Setter 30 (Q4'22)

Rank	Issuer	Business Activity	Last Round EV* (\$bn)	Change in Rank Q/Q
1.	SpaceX	Aerospace Transport Systems	127.0	-
2.	Stripe	Payment Platform	95.0	-
3.	Epic Games	Game Development	31.5	+1
4.	Flexport	Freight Forwarding Platform	8.0	+1
5.	Anduril	Defense Technology	8.2	-2
6.	Databricks	Data Analytics Platform	38.0	0
7.	Discord	Online Gaming Chat	14.7	0
8.	Canva	Online Graphic Design Platform	40.0	+4
9.	Brex	Corporate Card and Expense Mgmt.	12.3	+7
10.	Deel	Online Payroll Platform	12.1	+17
11.	Airtable	Data Collaboration Platform	11.7	+2
12.	Arctic Wolf	Risk Management Cybersecurity Platform	4.3	+12
13.	Plaid	Financial Technology Data Verification	13.4	-3
14.	Klarna	E-commerce Financing	6.7	-6
15.	ByteDance	Mobile Creative Content Platform	360.0	0
16.	Notion	Business/Productivity Software	10.3	+7
17.	Attentive	Mobile Engagement Platform	6.97	NEW
18.	OpenAI	AI Research and Deployment Company	29	NEW
19.	Rippling	Human Resource Management Platform	11.3	-5
20.	Revolut	Digital Banking	33.0	-9
21.	Gusto	Cloud-Based Payroll Management	9.6	-2
22.	Relativity Space	Space Technology	4.2	NEW
23.	Scale AI	Data Annotation Platform	7.3	NEW
24.	Addepar	Wealth Management Platform	2.2	NEW
25.	Hugging Face	AI App Platform and Open-Source Library	2.0	NEW
26.	Faire	E-commerce Wholesale Marketplace	12.6	0
27.	GrubMarket	Foodtech eCommerce Platform	2.2	-5
28.	Upside Foods	Cultivated Meat Producer	1.3	NEW
29.	Netskope	Data Security Platform	7.5	NEW
30.	Redwood Materials	Sustainable Battery Recycling Technology	3.8	-2

\* Enterprise values are as reported by PitchBook™ and other sources and are not verified

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# The Setter 30 (according to ChatGPT)

The list of the 30 most sought-after VC-backed companies in the secondary market for Q4 2022, as published by Setter Capital, provides insight into the current state and trends of the secondary market. The companies on the list are primarily from technology-related industries, with a significant presence of companies in the software, internet, defense, and security sectors.

In terms of industry verticals, the list is heavily represented by companies in software development, e-commerce, and fintech. As a VC investor, these are sectors worth considering for investment opportunities as they are currently in high demand among secondary buyers. Notably, the list also showcases an increase in companies focused on defense and security, as seen by the presence of companies such as Anduril, Arctic Wolf and Redwood Materials.

On the other hand, the list is under-represented in certain industry verticals, notably the crypto and blockchain sectors, which have seen a decrease in interest among secondary buyers. Additionally, there is a lack of representation in sectors such as biotech and healthcare, which were present in previous lists. The absence of companies in these sectors may be indicative of a shift in market trends and as a VC investor, it's important to keep an eye on these fluctuations in demand.

When looking at the rankings, it's worth noting that SpaceX holds the top spot consistently in all three lists, Q4 2022, Q3 2022, and Q4 2021. This suggests that the company has maintained a strong position in the secondary market and is in high demand among secondary buyers. Other companies have also held consistent positions in the rankings such as Stripe, Databricks and Airtable. However, there are also notable changes in ranking for companies such as Anduril, which moved up from not being present in the Q3 2022 list, to the 8th spot in the Q4 2022 list and Discord which moved up from the 20th spot in Q4 2021 to the 6th spot in Q4 2022.

# About Setter

Established in 2006, Setter Capital is a leading independent advisory firm specializing in providing liquidity solutions for fund managers and institutional investors in the secondary market for alternative investments. We serve a diverse institutional client base including some of the world's largest pensions, endowments, investment consultants and fund managers. To date, Setter Capital has completed over 2000 transactions, representing more than \$40 billion in liquidity across venture capital, private equity, infrastructure, real estate, and real asset fund and direct investments.

Setter Capital's mission is to make the secondary market more transparent and efficient for all market participants.

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**Voted Best Secondaries Platform**  
Private Equity Wire Award 2021 and 2022

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