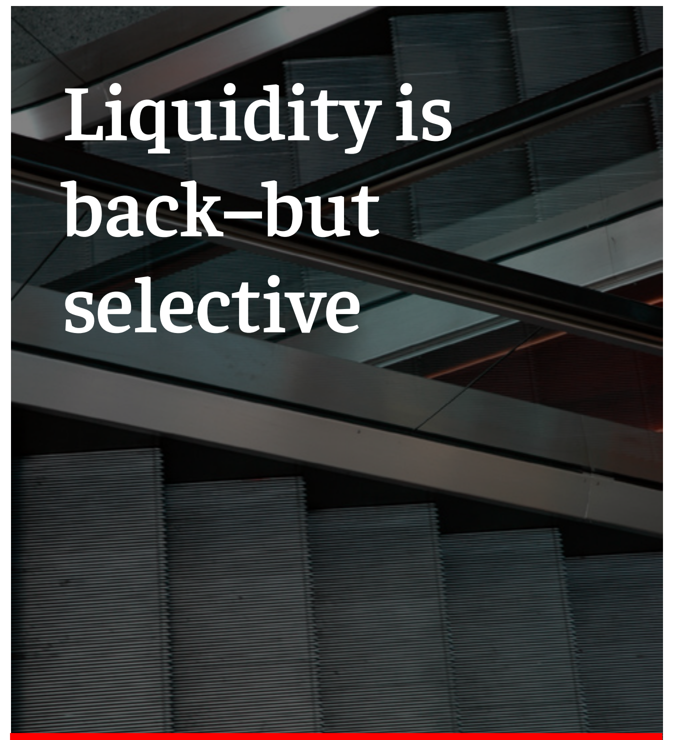
ReedSmith

Emerging Companies and Venture Capital (ECVC) Mid-Year Review

Market reality check: What it means for you

At the start of 2026, the prevailing narrative was that software was dead, AI would cannibalize the startup ecosystem, and venture was in retreat. Six months in, here's what we are seeing – and what it means for the rest of the year.

Trends in practice



Learn more

Our expanded platform

Our recent transactions demonstrate that cross-border venture activity between the U.S. and Europe continues to accelerate, with U.S. funds increasingly deploying in European markets and European founders raising from U.S. investors or expanding stateside. To meet this demand, Reed Smith added partners Thomas Strassner and Christopher Mayston, along with counsel Michael Rebholz and two associates, in Munich, bringing deep transactional experience across M&A, private equity, venture capital, and cross-border transactions, with particular strength in tech and life sciences. Additionally, we have added Mohammed Alammar in Riyadh, who brings ECVC experience to our growing presence in the region. For founders and investors operating across the Atlantic, this means additional on-the-ground counsel in Europe and the Middle East integrated into Reed Smith's global ECVC platform, providing seamless execution from formation and early-stage financing through cross-border growth rounds and exits.

"The European venture ecosystem has matured significantly, and Germany is producing standout companies in areas like enterprise AI, climate tech, deep tech, health care, and life sciences. We are also seeing more cross-border activity, with U.S. and international investors looking to Europe and European companies increasingly raising capital or expanding abroad. What is exciting about joining Reed Smith is the ability to connect those founders and investors to a global platform that understands both sides of the market."

Thomas Strassner
Partner
Munich

ReedSmith

Impact and recognition

100+ financings annually

300+ company-side clients added in the past year

4x increase in client engagements YoY

Newly ranked in *Chambers*, 2026 – Startups and Emerging Companies

Also ranked in PitchBook League Tables – US Regions, 2026

#9 Most Active in the South

#13 Most Active in the Southeast

***Chambers USA*, 2026** – Venture Capital, California

***The Legal 500 EMEA*, 2026** – Private Equity: Venture/Growth Capital, France

What our clients are saying

"A very good team that is always responsive and able to adapt to our time and budget constraints. The team has a wide variety of profiles, allowing them to meet the diverse needs inherent to our business."

Select deals–H1 2026

Company-side deals

Saleo in its sale to Consensus.

Article 41, Inc. in connection with WPP's strategic minority investment in the company.

Hopscotch Health Holdings, LLC in its $45 million Series D financing.

LiQure, Inc. in a series seed financing from MBI.VC.

Instanda in its $20 million venture funding round to accelerate global expansion.

Confidential

A prominent venture-backed UK-based adtech company in connection with its ongoing exit process targeting trade and private equity buyers.

Confidential

A company focused on the acquisition of independent and alternative music catalogues in its growth financing round.

TitanX in its $27 million Series A financing round led by Updata Partners.

Investor-side deals

Blackstone in its Series C financing round of Nomos AI.

Ally Bridge Group and **OrbiMed Advisors** in a $50 million Series B preferred stock financing round for BioBeat Technologies Ltd., an Israeli company that developed the first FDA-cleared 24-hour ambulatory blood pressure monitoring system – a patch-worn, cuff-less solution for the diagnosis and treatment of hypertension.

Straylight Capital in its acquisition of Patron Points.

Fulcrum Equity Partners in its role as lead investor in Worth AI's $30 million Series A funding round.

Hiro Capital I LLP in the launch of Hiro Capital III SCSp.

Alpha Intelligence Capital in the €28 million Series A financing of Waiv, a Paris-based AI company.

The Venture Collective in its participation in the Series B Preferred Stock financing of Unnatural Products.

Confidential

Various investors in the €75 million venture funding round of Animaj, a Paris-based media production company focused on children's animated content.

Nick Foreste
Partner
Atlanta

Teresa M. L. Tate
Partner
San Francisco

Stephen Mooney
Partner
London

Michael Young
Partner
London

Planning your next transaction?

We're advising founders and investors on financings, exits, and governance resets in a tighter market. Contact us to discuss timing, structuring, and risk.