



Fundraising

Anysphere, a GitHub Copilot rival, has raised \$60M Series A at \$400M valuation from a16z, Thrive, sources say

Marina Temkin

4:20 PM PDT • August 9, 2024

Comment

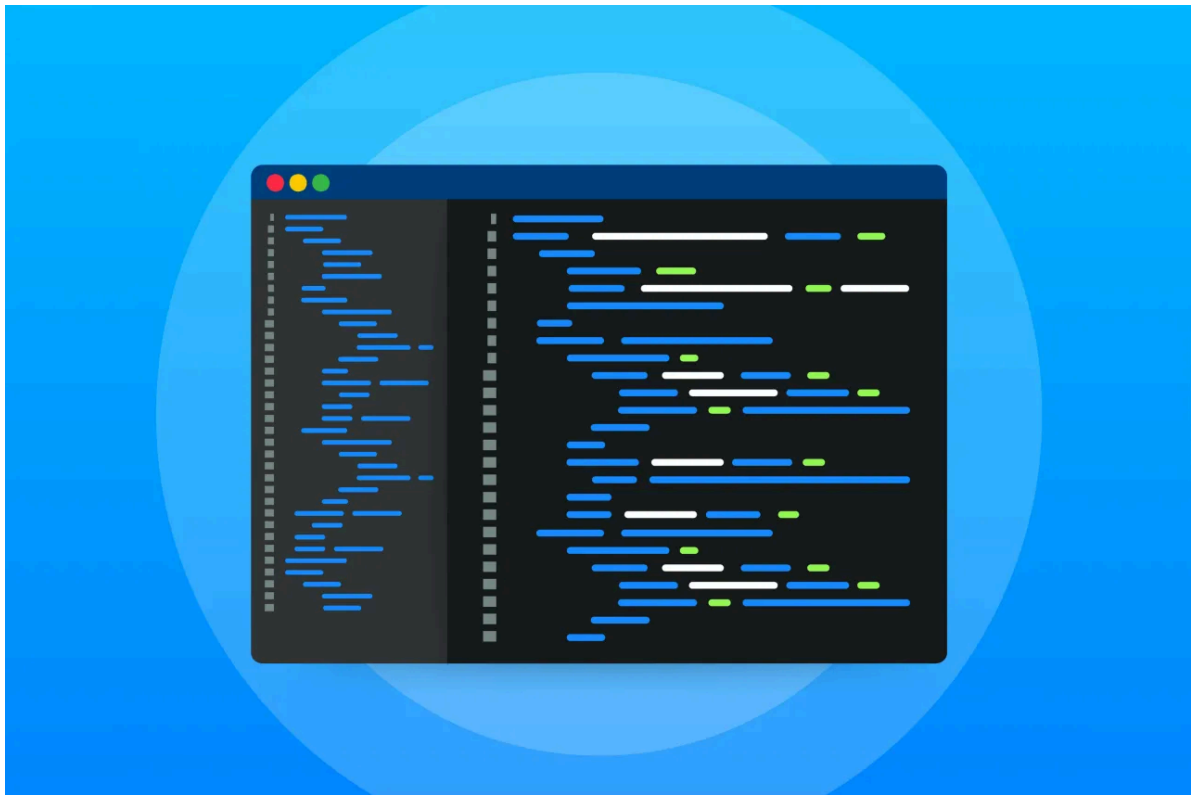


Image Credits: Oleksandr Hruts / Getty Images

Anysphere, a two-year-old startup that’s developed an AI-powered coding assistant called Cursor, has raised over \$60 million in a Series A financing at a \$400 million post-money valuation, two sources familiar with the deal told TechCrunch.

The round was co-led by Andreessen Horowitz and Thrive Capital. Patrick Collison, co-founder and CEO of Stripe, also participated in the round.

DISRUPT



Save up to \$600 on tickets before the countdown to Disrupt 2024 kicks off. Ends September 27.

SAVE NOW



founder Arash Ferdowsi and other angel investors.

Anysphere is part of an increasingly crowded field of AI coding copilot startups. Other startups that aim to make software writing more efficient include Cognition, [Poolside](#), [Magic and Augment](#), among others.

Investors' interest in this area is not a surprise. During its earnings call last month, Microsoft CEO Satya Nadella said that GitHub Copilot, an AI-powered tool that helps developers write code faster and more efficiently, "is [already larger](#) than all of GitHub was when it was acquired," referring to its revenue. Reports estimate that GitHub's revenue was as [high as \\$300 million](#) when the tech giant agreed to buy the software development platform for [\\$7.5 billion](#) in 2018.

That means about 3 million developers worldwide are paying Microsoft \$100 a year (the annual cost of GitHub's [individual subscription](#)) to be more productive coders, estimated a VC with an investment stake in one of the coding startups. "If you have that mountain of demand, you get a pretty competitive landscape," he said.

TC

FREE WEBINAR

Learn how to optimize generative AI deployment from AWS & NVIDIA.

Online | October 9 | 10 AM PT / 1 PM ET

REGISTER NOW

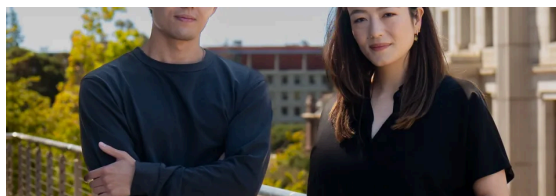
Anysphere's revenue and usage has also been growing fast, one person said.

In July, Business Insider [reported](#) that Anysphere was in the process of raising a new round and aiming for a \$400 million valuation.

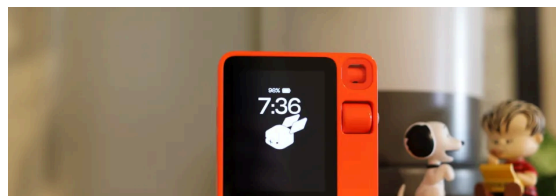
Want to reach out with a tip? Email me at marina.temkin@techcrunch.com or send me a message on Signal at 347.683.3909. You can also send a note to the whole TechCrunch crew at tips@techcrunch.com. For more secure communications, [click here to contact us](#), which includes SecureDrop ([instructions here](#)) and links to encrypted messaging apps.



More TechCrunch



[Letta, one of UC Berkeley's most anticipated AI startups](#)



[Rabbit's web-based 'large action model' agent arrives on](#)



Save up to \$600 on tickets before the countdown to Disrupt 2024 kicks off. Ends September 27.

