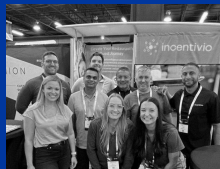


ardent.

Potomac Tech Wire – AI



March '25

CONFIDENTIAL & TRADE SECRET



Ardent Venture Partners

Ardent is an early stage, thesis-driven fund that invests in AI-native companies.

Our strategy is simple: we invest in companies a click ahead of big, multi-stage funds that are led by world-class founders and we roll our sleeves up and get to work.

Our portfolio has been growing at over 100% each year for the last several years placing us in the top 5% of VC funds by Cambridge benchmarks.

Over the last 2.5 years, we have built a strong point of view of where the future of software is headed.



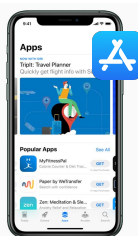
Now is the time great companies are built

iPhone launch



June 2007

App Store launch



July 2008

Uber founded



May 2009

Beta launch of Uber



May 2010

Nov 2022



Chat GPT launch

Nov 2023

GPT Store

GPT Store announced

2024



2025





tobi lutke   @tobi

Better as X article:



tobi lutke   (

 Article

Reflexive AI usage at Shopify

Context: This is a Shop
was in the process of
Team,
We are entering a time

 35

 134

What This Means

1. **Using AI effectively is now a fundamental expectation of everyone at Shopify.** It's a tool of all trades today, and will only grow in importance. Frankly, I don't think it's feasible to opt out of learning the skill of applying AI in your craft; you are welcome to try, but I want to be honest I cannot see this working out today, and definitely not tomorrow. Stagnation is almost certain, and stagnation is slow-motion failure. If you're not climbing, you're sliding.
2. **AI must be part of your GSD Prototype phase.** The prototype phase of any GSD project should be dominated by AI exploration. Prototypes are meant for learning and creating information. AI dramatically accelerates this process. You can learn to produce something that other team mates can look at, use, and reason about in a fraction of the time it used to take.
3. **We will add AI usage questions to our performance and peer review questionnaire.** Learning to use AI well is an unobvious skill. My sense is that a lot of people give up after writing a prompt and not getting the ideal thing back immediately. Learning to prompt and load context is important, and getting peers to provide feedback on how this is going will be valuable.
4. **Learning is self directed, but share what you learned.** You have access to as much of the cutting edge AI tools as possible. There is chat.shopify.io, which we had for years now. Developers have [proxy](https://proxy.com), Copilot, Cursor, Claude code, all pre-tooled and ready to go. We'll learn and adapt together as a team. We'll be sharing Ws (and Ls!) with each other as we experiment with new AI capabilities, and we'll dedicate time to AI integration in our monthly business reviews and product development cycles. Slack and Vault have lots of places where people share prompts that they developed, like [#revenue-ai-use-cases](#) and [#ai-centaurs](#).
5. **Before asking for more Headcount and resources,** teams must demonstrate why they cannot get what they want done using AI. What would this area look like if autonomous AI agents were already part of the team? This question can lead to really fun discussions and projects.



stagnation at

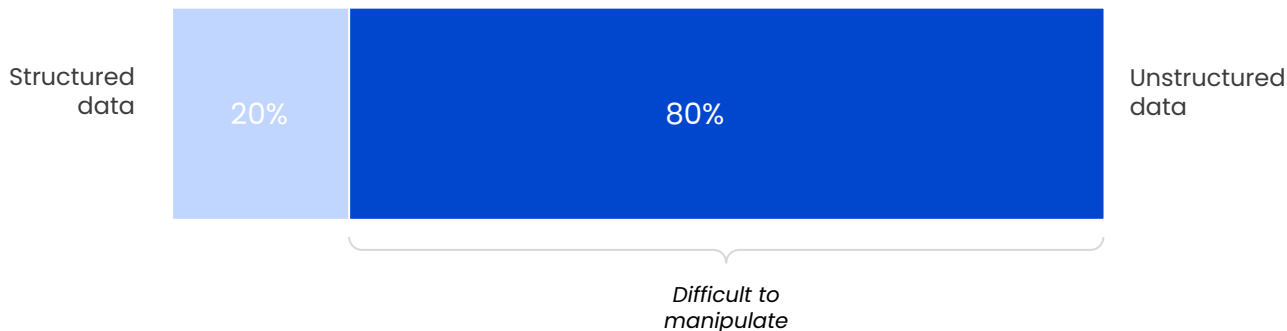
ed here because it
y) shown in bad faith

..

290K



2 years ago the headline was that the opportunity in leveraging unstructured data will be massive (and it is)



However, we didn't fully appreciate the medium and the level of innovation that would shortly follow...

Agentic technology could be the *single largest change* in the software model, even bigger than the cloud.

Operator

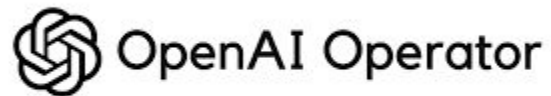
Find me a family friendly campsite |



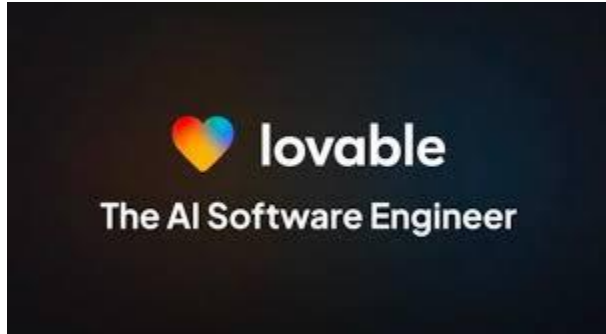
Why this will be disruptive:

- ✓ Automating work that humans would normally complete
- ✓ Cost to build software has fallen
- ✓ AI becomes first point of contact with customers

Automating work done by Humans



Cost of building software is going DOWN



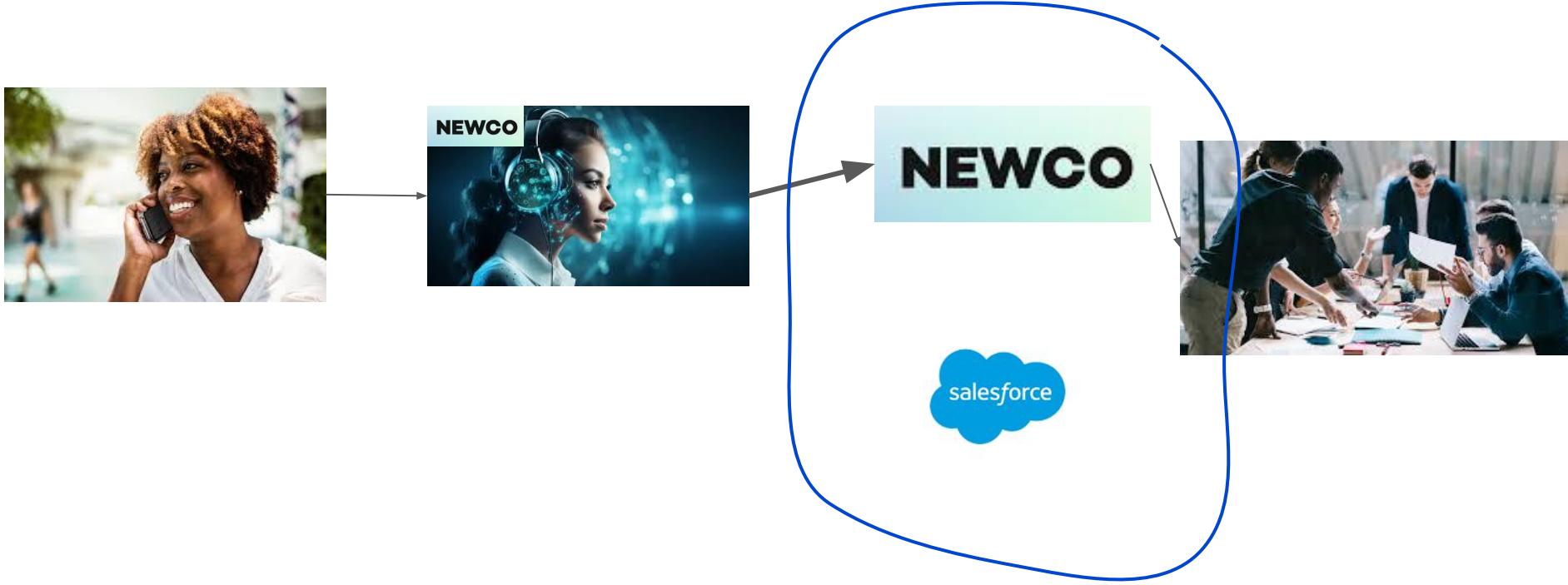
AI becomes the first touch to a customer



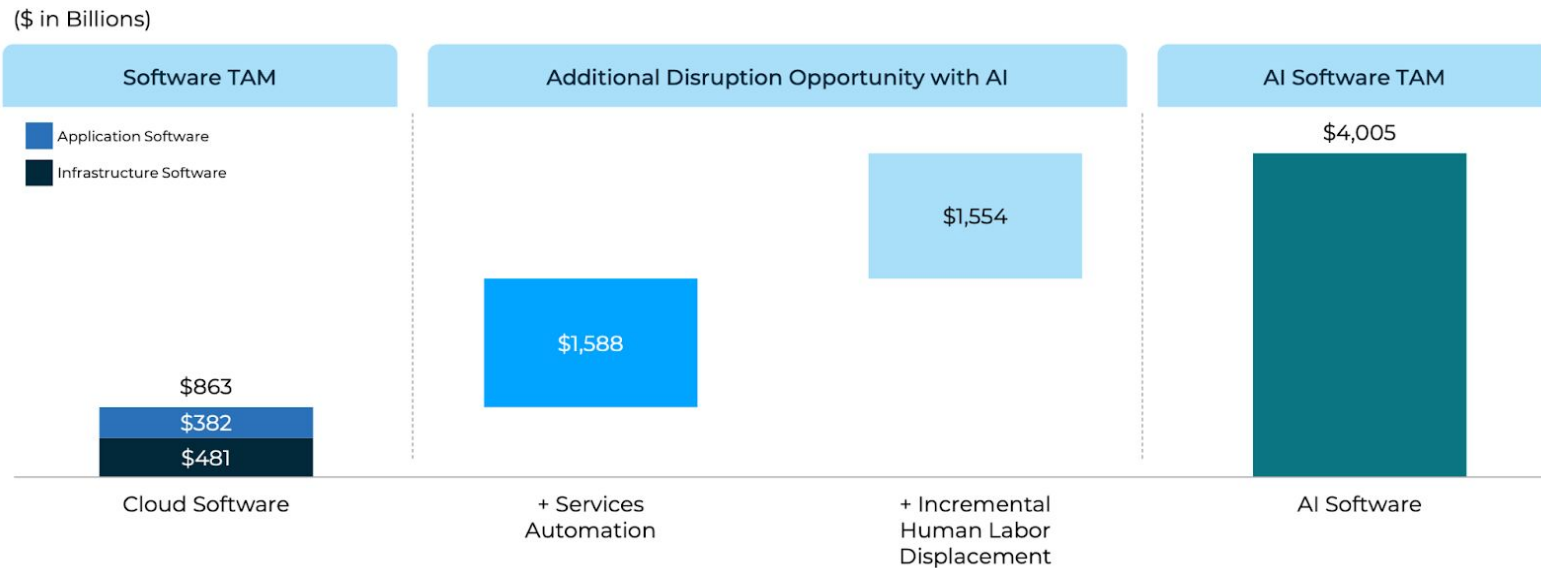
AI becomes the first touch to a customer



AI becomes the first touch to a customer



The Generative AI application layer presents a multi-decade \$3-4 trillion market opportunity .



Source: Gartner, AlphaTarget

LeanAILeaderboard.com - Top Lean AI Native Companies Leaderboard : Official

Company	Description	Location	Annual Revenue	# of Employee	Revenue/Employ	Profitable ?	Total Funding	Valuation	Valuation/Employee	Founded	Launched
Telegram	Messaging	Dubai	\$1,000,000,000	30	\$33,333,333	Yes	\$3,200,000,000	\$30,000,000,000	\$1,000,000,000	2013	
Midjourney	Image Generation	San Francisco	\$500,000,000	40	\$12,500,000	Yes	\$0	\$10,000,000,000	\$250,000,000	2022	
Anysphere (Cursor)	AI Code Editor	San Francisco	\$100,000,000	20	\$5,000,000		\$173,400,000	\$2,600,000,000	\$130,000,000	2022	
Cal AI	AI Calorie Tracker	New York	\$12,000,000	4	\$3,000,000	Yes	\$0			2024	
Mercor	Talent Marketplace + Data	San Francisco	\$75,000,000	30	\$2,500,000		\$135,600,000	\$2,000,000,000	\$66,666,667	2023	
Chai Research	Social AI Platform	Palo Alto	\$30,000,000	12	\$2,500,000	Yes	\$10,000,000	\$450,000,000	\$37,500,000	2021	
Eleven Labs	AI Voice, Text-to-Speech	New York	\$100,000,000	50	\$2,000,000		\$208,000,000	\$3,300,000,000	\$66,000,000	2022	
Stackblitz (Bolt.new)	AI Code Editor	San Francisco	\$40,000,000	20	\$2,000,000		\$87,900,000	\$700,000,000	\$35,000,000	2017	
Fal.ai	Generative media platform	San Francisco	\$40,000,000	22	\$1,818,182	Yes	\$72,000,000			2021	
Lovable	AI Code Editor	Stockholm	\$30,000,000	18	\$1,666,667		\$22,500,000			2023	
Markable AI	AI Creator Marketing	Seattle	\$40,000,000	25	\$1,600,000	Yes	\$17,000,000			2023	
OpenArt	AI for Image and Video	San Francisco	\$12,000,000	8	\$1,500,000		\$5,000,000			2022	
Aragon AI	AI Avatar Generation	San Francisco	\$12,000,000	8	\$1,500,000	Yes	\$900,000	\$10,000,000	\$1,250,000	2022	
Solve.ly.ai	AI for Homework	San Francisco	\$6,000,000	4	\$1,500,000					2023	
Oleve	AI Consumer Portfolio	New York	\$6,000,000	4	\$1,500,000	Yes	\$600,000	\$10,000,000	\$2,500,000	2024	
Develop Health	AI for Prescribers	San Francisco	\$6,000,000	5	\$1,200,000	Yes	\$3,200,000			2022	
BoldVoice	AI Communication Feedback	New York	\$8,500,000	8	\$1,062,500	Yes	\$5,000,000			2021	
Retell AI	AI Voice	San Francisco	\$7,200,000	7	\$1,028,571	Yes	\$4,725,000			2023	
Photoroom	Image Editing	Paris	\$50,000,000	50	\$1,000,000	Yes	\$62,000,000	\$500,000,000	\$10,000,000	2019	
Arcads	AI Video Ads Generator	Paris	\$5,000,000	5	\$1,000,000	Yes	\$0		\$0	2024	
AKOOL	AI Video Generation	Santa Clara	\$40,000,000	50	\$800,000	Yes				2022	
Gamma	AI for Presentations	San Francisco	\$20,000,000	28	\$714,286	Yes	\$19,000,000			2020	

Company	Description	Location	Annual Revenue	# of Employees	Revenue/Emp	Profitable ?	Total Funding	Valuation	Valuation/EmpLOYEE	Founded	Lean AI
Telegram	Messaging	Dubai	\$1,000,000,000	50	\$33,333,333	Yes	\$3,200,000,000	\$30,000,000,000	\$1,000,000,000	2013	Yes
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Anysphere (Cursor)	AI Code Editor	San Francisco	\$400,000,000	20	\$5,000,000		\$173,400,000	\$2,600,000,000	\$130,000,000	2022	Yes
Cal AI	AI Calorie Tracker	New York	\$12,000,000	4	\$3,000,000	Yes	\$0			2024	Yes
Mercor	Talent Marketplace + Data Science	San Francisco	\$750,000,000	30	\$2,500,000		\$135,600,000	\$2,000,000,000	\$66,666,667	2020	Yes
Chai Research	Social AI Platform	Palo Alto	\$200,000,000	12	\$2,500,000	Yes	\$10,000,000	\$450,000,000	\$37,500,000	2021	Yes
Eleven Labs	AI Voice, Text-to-Speech	New York	\$100,000,000	50	\$2,000,000		\$208,000,000	\$3,300,000,000	\$66,000,000	2022	Yes
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Lovable	AI Code Editor	Stockholm	\$30,000,000	10	\$1,666,667		\$22,500,000			2023	Yes
Markable AI	AI Content Marketing	Seattle	\$40,000,000	20	\$1,000,000	Yes	\$17,000,000			2023	Yes
OpenArt	AI Image Generation	San Francisco	\$12,000,000	8	\$1,500,000		\$5,000,000			2022	Yes
Aragon AI	AI Avatar Generation	San Francisco	\$12,000,000	8	\$1,500,000	Yes	\$900,000	\$10,000,000	\$1,250,000	2022	Yes
SolveMy.ai	AI for Homework	San Francisco	\$6,000,000	4	\$1,500,000					2023	Yes
Olive	AI Consumer Portfolio	New York	\$6,000,000	4	\$1,500,000	Yes	\$600,000	\$10,000,000	\$2,500,000	2024	Yes
Develop Health	AI for Prescriptions	San Francisco	\$5,000,000	5	\$1,000,000	Yes	\$200,000			2022	Yes
BoldVoice	AI Communication Feedback	New York	\$5,500,000	8	\$687,500	Yes	\$1,000,000			2021	Yes
Retell AI	AI Voice Cloning	San Francisco	\$2,200,000	7	\$314,286	Yes	\$1,000,000			2023	Yes
Photogram	Image Editing	Paris	\$50,000,000	50	\$1,000,000	Yes	\$62,000,000	\$500,000,000	\$10,000,000	2019	Yes
Arcads	AI Video Ads Generator	Paris	\$5,000,000	5	\$1,000,000	Yes	\$0		\$0	2024	Yes
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Each of our opportunity areas represent significant shifts in the transformation of work.

Areas of Interest



Vertical AI



**Tech-enabled
service providers**



**Traditional
software
categories**



Virtual Workers

Applications

Enablers



AI Agents




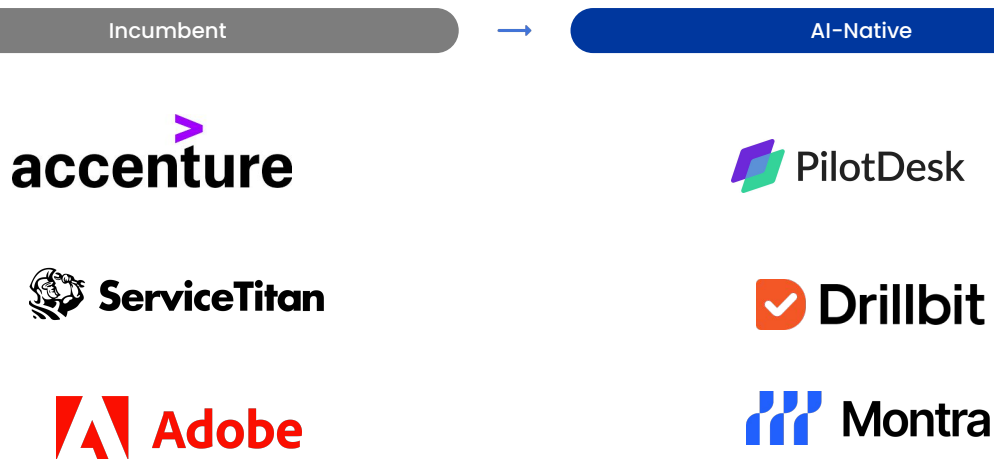
Low Cost Models



No Code

Vertical AI

 *LLMs create a new opportunity to offer application software to industries heavily reliant on unstructured data.*



Tech-Enabled Service Providers



Companies that blend AI automation with human expertise to create scalable, high-margin service as software businesses poised to disrupt traditional service providers

Incumbent



- Capital intensive
- Difficult to scale without increasing headcount
- Profit margin profile not attractive to VC investors
- Billable hourly model



AI-Native



- Generative AI used to automate the repetitive, decision-based tasks
- Higher profit margins
- Scalability without headcount growth
- Subscription based pricing model

Disruption of Traditional Software Categories



Enterprises will increasingly prioritize custom solutions for niche use cases, reallocating budgets toward AI-driven tools that better address specific business challenges.



Unstructured data utilization

Falling cost to code

No-code platforms, co-pilots, and code completion

Natural language inputs and outputs

Text, voice, video

AI Agents create new distribution channels

e:cue

Rise of the Virtual Workers



Digital AI workers, such as those provided by companies will see significant growth, outpacing other generative AI applications.



Department	Role
Sales	SDR
	GTM Data Science — e:cue
	Inside Sales Rep
Marketing	SEO Specialist
	Growth Marketer
Customer Experience	Support Representative
	Customer Success Manager
HR	Sourcing
	Recruiter / Interviewer
Product & Eng.	Software Engineering
	Designer
	Product Manager

Trends we're following: Pre Seed



Early-stage startups will have opportunities to innovate at the infrastructure layer of AI development, focusing on reasoning and inference improvements over sheer data volume.

Next-gen McKinsey

Tooling for Product
Managers

Browser and
Computer
Automation

Trends we're following: University Research

Low cost Models tuned
for specific agent use
cases

Reinforcement
Learning
to improve agentic
behavior

AI as co-worker

AGI

