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Yanne Capital White Paper: The 14-Week Growth-Round Equity Process Map

Why the Growth-Stage Equity Cycle Doubled, and How Founders Should Plan for It in H2 2026

Yanne Capital Research

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Executive Summary

The median US growth-stage equity round closed in 14 weeks in H1 2025, against an 8-week median in 2023 (Cooley GO Quarterly Venture Financing Reports). The cycle has effectively doubled in three years, and founders launching a a growth round in H2 2026 should plan for the 14-week timeline as the base case, not the exception. Funded runway needs to account for the longer timeline plus a buffer for confirmatory diligence and legal close.

Three forces stretched the cycle. First, term-sheet structure has hardened across the market. Carta's H2 2025 State of Private Markets data shows participating preferences in roughly 38 percent of growth-stage rounds in H1 2025, against approximately 22 percent in 2022. The structural diligence on each term sheet has expanded as a result, and founders cannot evaluate offers as quickly as they could three years ago. Second, the syndicate is larger and more diverse. Bloomberg's H1 2026 ECM data shows median growth-equity syndicate size at 5.2 named co-investors per round, with cross-border deals running 9 or more. Coordinating multiple investors across regions extends the process inherently. Third, investor diligence has deepened in scope. NVCA Yearbook 2025 data shows growth-stage diligence cycles now routinely include three-stage IC review, customer-concentration analysis at 24-month cohorts, and structuring conversations that begin before the term sheet rather than after.

This paper unpacks the 14-week cycle into its phases, identifies what founders should be doing each week, and provides the framework Yanne Capital uses to advise growth-stage CEOs on raise readiness. Yanne Capital is an independent boutique investment bank advising growth-stage companies on equity, debt, and M&A transactions across 26 sectors, with 240+ closed deals and relationships with 3,500+ institutional investors globally. We are your trusted filter between noise and signal.

1. Why the growth-stage cycle stretched

Cooley GO's Q4 2025 Venture Financing Report places the median time-to-close for US growth-stage equity rounds at 14 weeks in H1 2025, against an 8-week median in 2023 and a 7-week median in 2021. The cycle nearly doubled across three years, and the data is consistent across both the upper and lower quartile of deal sizes.

Across our advisory work in 2025 and 2026, we observe that the cycle has stretched for three structural reasons, not because investor interest has weakened. Investors are running deeper diligence, are coordinating larger syndicates, and are negotiating more complex term-sheet structure than they were three years ago. Each of these adds weeks to the process. None of them reverses if market sentiment improves; they are operational changes in how growth-stage capital deploys, not cyclical responses to risk.

The implication for founders launching a a growth round in H2 2026 is operational, not strategic. The capital is available. The structural readiness work that determines whether a round closes in 14 weeks at fair terms or stretches to 22 weeks at compromised terms is largely complete before the founder takes the first investor call. Founders who plan for the cycle as it actually runs in 2026 sign into rounds with structural leverage. Founders who plan for the 8-week sprint of 2023 absorb the compression at the back half of the process, when their cash position weakens and their negotiating leverage with it.

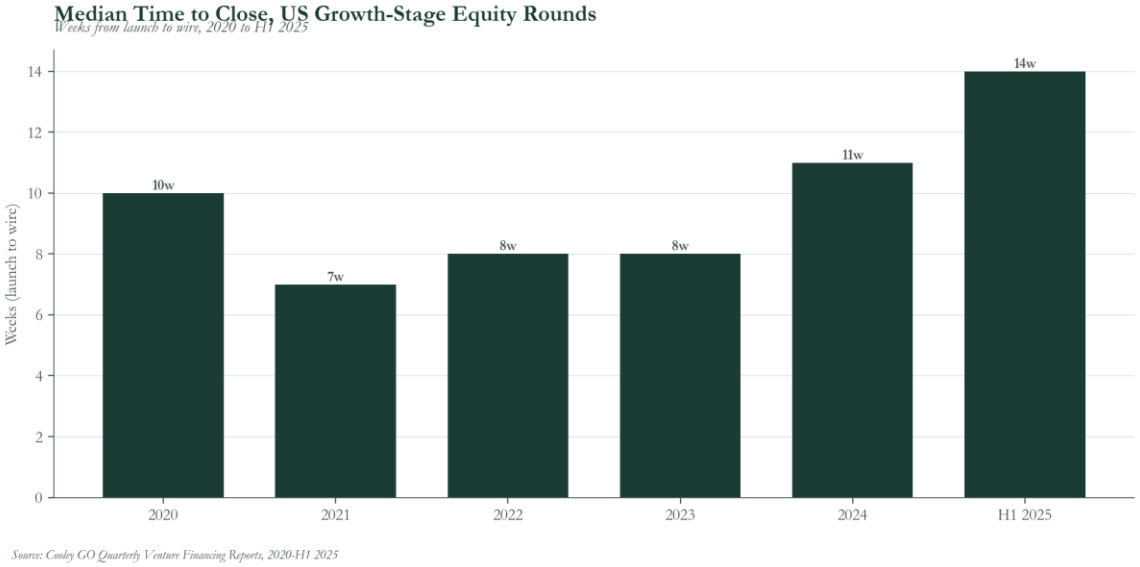

Figure 1. The growth-stage cycle has stretched by approximately 75 percent since 2023.

2. Phase 1: Pre-launch (weeks minus eight through minus four)

The four weeks before the first investor meeting are the highest-leverage period in the entire cycle. Decisions made before launch determine whether the process compounds the founder's leverage or works against it. Three workstreams run in parallel.

First, the data room is built to the structure investors actually read, not the structure founders are used to assembling for board reviews. Investors at the growth-stage level want, in priority order: a 24-month customer cohort table, a clean monthly P&L reconciled against the board-approved budget with variance explained line by line, the customer concentration analysis with renewal histories on the top five accounts, the cap table with preference math run under three exit scenarios (2x, 4x, 8x), and the comp set the company plans to anchor its valuation on. Each of these documents needs to be on file before the first investor call, not promised for delivery later. The companies that close two diligence cycles faster than the median have these documents ready at launch.

Second, the investor universe is mapped at the firm and partner level. Per Bloomberg H1 2026 ECM data, the median growth-stage syndicate now runs 5.2 named co-investors per round; founders should map 25 to 40 firm-level prospects before the first conversation, with named partners at each. The

mapping should include the partner's tenure at the firm, sector concentration in the partner's deployed capital, recent down-quarter behavior across the partner's portfolio, and the firm's typical co-investor footprint. NVCA Yearbook 2025 follow-on rates show the range across leads from 38 percent (bottom quartile) to 74 percent (top quartile); a founder should know which quartile each prospect sits in before the first meeting.

Third, the narrative is calibrated. Founders launching growth rounds in H1 2025 most commonly miss the structural-readiness narrative; their first-call deck leads with growth metrics rather than with the cohort analysis, customer concentration, and capital plan that anchor a 14-week diligence process. Across the term sheets our deal team has evaluated in 2025 and 2026, the founders who set the structural conversation in the first meeting (not the term-sheet stage) close two to four weeks faster than the founders who lead with growth narrative alone.

3. Phase 2: Active outreach (weeks one through four)

The first four active weeks of the process compress the investor universe from the 25 to 40 mapped prospects down to the four to six firms running formal diligence. The compression should be deliberate, not the result of attrition.

Week one is intro calls with the partners on the mapped list. The right cadence is six to ten intro calls in week one, three to five in week two as the calibration tightens, and zero to two in week three as the focus shifts to active diligence. Founders who run twenty intro calls per week through weeks one and two dilute the founder bandwidth that the active diligence phase will require.

Week two and three are first-tier deep dives with the firms that progressed past the intro. These calls cover the cohort analysis, the customer concentration, the unit economics, and the capital plan in detail. The investor deliberately runs the same diligence questions across multiple founders in parallel; the founder's job is to deliver the answers consistently and to surface the data ready to verify rather than promising follow-up.

Week four is the calibration to four to six firms running formal IC review. Beyond six, the founder bandwidth fragments; under four, the negotiating leverage weakens. The four-to-six band is the operational sweet spot across the term sheets we have evaluated. If the founder is at three by week four, the process needs to widen back out (often through a strategic introduction from an existing investor); if the founder is at eight, the founder should narrow on the basis of partner fit, not on the basis of valuation indication.

4. Phase 3: Term sheets and lead selection (weeks five through eight)

The four weeks of term-sheet negotiation are where the structural levers hardened across the market matter most. Carta's H2 2025 State of Private Markets data shows participating preferences in roughly 38 percent of growth-stage rounds in H1 2025, against approximately 22 percent in 2022. NVCA Yearbook 2025 data shows pro-rata-in-perpetuity provisions in roughly 32 percent of growth rounds in 2024-2025, against an estimated 18 percent in 2021. Anti-dilution protection at weighted-average has remained the default, but full-ratchet provisions have re-emerged in approximately 7 percent of late growth-stage rounds in 2025.

The implication for founders evaluating term sheets in H2 2026 is mechanical. The headline valuation has compressed in importance relative to the structural terms attached to it. A 4 percent headline premium on a term sheet now typically corresponds to 5 to 7 percentage points of additional founder dilution in a 4x exit scenario, when participation rights, pro-rata in perpetuity, and anti-dilution structure are modeled. Founders who anchor on the headline number and accept the structure systematically give back economic ownership at exit. Founders who run the cap-table model under three exit scenarios identify the trade-off and select the lead with the right balance.

Lead selection in the 2026 environment is therefore a structural diligence exercise, not a valuation negotiation. The founder asks four questions of each term sheet: under three exit scenarios what is my effective post-exit equity, what is the lead's syndicate footprint and does it align with my 36-month strategic geography, what is the lead partner's tenure and follow-on rate, and how does the right lead compress my operational bandwidth in the first 12 months post-close. Founders who can answer those four questions on one page sign into rounds with structural advantages that compound across the next two financings.

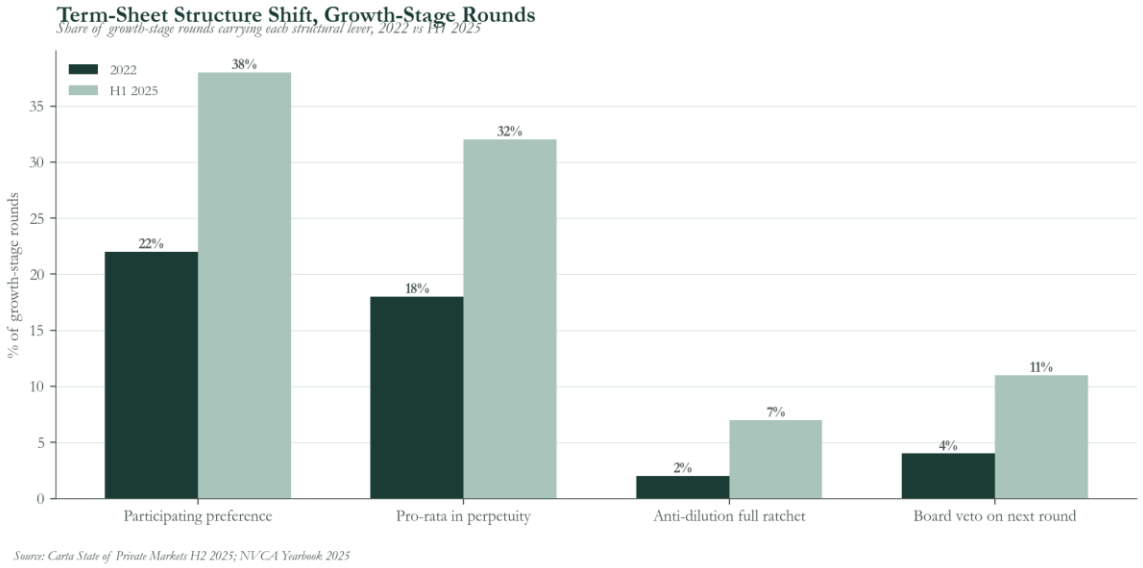

Figure 2. Structural defaults hardened across every category between 2022 and H1 2025.

5. Phase 4: Confirmatory diligence (weeks nine through twelve)

After the term sheet is signed, the four weeks of confirmatory diligence are deceptively risky. Founders treat this phase as a formality and lose the bandwidth they need for the legal and structural negotiation that runs in parallel. Investors use this phase to verify the structural-readiness work and to surface any inconsistencies between the data-room presentation and the underlying record.

Three workstreams run simultaneously. Counsel runs the legal documentation in parallel with the investor's counsel; this should be on a defined drafting schedule rather than reactive to the investor's pace. The investor's confirmatory diligence team will run customer-reference calls, financial-systems checks, and (for sector-relevant companies) technical or regulatory diligence with third-party specialists; the founder's job is to facilitate access on a defined window rather than scheduling reactively. The structural-condition negotiation continues even after the term sheet; carve-outs, indemnities, and post-close transition arrangements all get hardened during this phase, and founders who treat the term sheet as the closing point of negotiation lose ground here.

Across the confirmatory diligence cycles we have observed in 2025 and 2026, the founders who maintain bandwidth allocation explicitly for the documentation phase close at the original terms more frequently than the founders who treat the term sheet as final. The difference shows up not in the headline economics (those are locked) but in the structural conditions and post-close terms that compound over the next two rounds.

6. Phase 5: Close (weeks thirteen and fourteen)

The final two weeks are the legal close and the wire. The work in these weeks is largely procedural at this point, but the timing is sensitive: any slippage of more than five to seven business days on signature triggers internal rate-of-return implications for the lead and can re-open structural conversations the founder thought were closed.

The operational discipline at the close is straightforward but routinely missed: the founder maintains a single point of contact with the lead's counsel, the founder's CFO and counsel run the closing condition checklist with a single owner per item, and the wire is requested on a defined day with banking confirmation 24 hours in advance. Founders who add stakeholders or change banking arrangements during the close phase introduce friction that benefits no one.

The wire crosses, the round is closed, and the post-close work begins. The post-close discipline is its own subject (board cadence, reporting standards, milestones to the next round), and is covered in a companion Yanne Capital paper.

7. The bridge funding question

Founders launching a a growth round in H2 2026 face a recurring tactical question: bridge to extend runway through the 14-week cycle, or commit to the longer timeline at lower cash burn. The answer depends on the structural readiness work completed before launch.

If the structural readiness work is complete (data room ready, investor universe mapped, narrative calibrated, board approval for the launch in hand), the 14-week cycle is operationally manageable on existing runway. Founders in this position should not take a bridge; bridges add complexity to the cap table and signal something to incoming investors that founders should not have to explain. If the structural readiness work is incomplete, a bridge may be necessary, but the bridge should be sized to complete the readiness work plus the cycle plus a 30 percent buffer, not sized as a growth-round pre-empt.

Across the bridge structures our deal team has advised on in 2025 and into 2026, the founders who size the bridge to the work it is funding (readiness preparation, not pre-emption of the growth round) close on better growth-stage terms than the founders who treat the bridge as a partial growth round. The bridge buys time and structural readiness, not a higher growth-round valuation.

8. The framework: three questions before launching a 2026 growth round

Before launching a growth-round process in H2 2026, founders should answer three questions in writing.

Question one: is the structural readiness work complete? The data room organized to investor priority order, the customer cohort analysis at 24 months ready, the preference math run under three exit scenarios, and the investor universe mapped at the partner level. If the answer is not yes across all four, the launch should wait two to four weeks to complete the work; the launch-readiness gap is recovered tenfold in the active phase.

Question two: does the runway support a 14-week cycle plus 30 percent buffer? The 14-week median is the base case, not the optimistic case. Funded runway should support the cycle plus the confirmatory diligence stretch (some processes run to 18 weeks; the buffer absorbs the slippage). If runway does not support the 14-week-plus-buffer scenario, the founder is launching from weakness and the leverage transfers to the lead during weeks 9 through 14.

Question three: what is the lead-selection framework, and is it written down before the term sheets arrive? Founders who decide their selection criteria after term sheets arrive consistently optimize for the headline number; founders who write the criteria before are able to evaluate term sheets against an external standard rather than against each other. The four questions in section four of this paper are the framework Yanne Capital uses to advise growth-stage CEOs; founders should adapt it to their specific strategic geography.

Founders who can answer those three questions before launching sign into rounds with operational and structural leverage. Founders who cannot are accepting the structural compression as a default. The cycle has changed; the playbook should change with it.

Case Studies

Publicly-reported reference: Anthropic Series G, 2026

Anthropic's Series G round in 2026 closed at 30 billion dollars on a post-money valuation reported at 380 billion (WSJ, March 2026), co-led by GIC and Coatue. The round closed on a publicly-reported cycle that ran approximately 16 weeks from launch to wire, with multi-region syndicate coordination across Singapore, the Gulf, and US crossover capital. The transaction is consistent with the cycle expansion the paper documents: at scale, the cycle stretches further than the median, and structural coordination across regions compounds the timeline.

Publicly-reported reference: OpenAI 2026 financing

OpenAI's 2026 financing reported a 110 billion dollar round size on a 730 billion pre-money valuation (Bloomberg, January 2026), with MGX participating alongside US growth equity and existing strategic investors. The financing cycle was publicly reported as extending across multiple months due to the syndicate scale and structural complexity. The transaction illustrates the syndicate-coordination time tax in mega-rounds; founders running standard growth-stage raises see the same dynamic at smaller scale.

Publicly-reported reference: Carta H2 2025 State of Private Markets

Carta's H2 2025 State of Private Markets report aggregated data across thousands of cap tables and provides the structural-terms baseline cited throughout this paper. The dataset shows the consistent shift from non-participating to participating preferences and the broadening of pro-rata-in-perpetuity provisions across growth-stage rounds. Founders launching growth-round processes in 2026 should anchor their term-sheet expectations on the Carta baseline rather than on the 2021-2022 reference set.

Forward Look: 12-Month Outlook

Three predictions hold with high conviction for the next 12 months. First, the 14-week median will harden into a 14-to-18-week standard. The cycle will not snap back to the 8-week median of 2023 because the structural drivers (deeper diligence, larger syndicates, harder term-sheet structure) are not cyclical. Founders launching growth rounds in H1 2027 should plan for the 14-to-18-week range as the operational base case. Second, the structural-terms hardening will continue. Carta and Cooley GO trend data through H2 2025 indicate participating preferences and pro-rata in perpetuity will be normalized into Tier-2 sheets by year-end 2026, narrowing the structural delta between hot leads and right leads. Founders who anchor on structural diligence rather than headline differentiation will continue to outperform. Third, the bridge market will expand. As the cycle stretches and structural

readiness becomes more demanding, founders who launch underprepared will increasingly need bridge capital to complete the readiness work and survive the longer process. The bridge market will grow as a result, and the bridge sizing discipline will matter more.

Conclusion

If you are a growth-stage CEO 6 to 12 months from launching a growth-round process, Yanne Capital's deal team will run a no-cost 60-minute readiness review against the 14-week framework in this paper. We will tell you which workstreams are ready, which need attention, and what your operational runway needs to be at launch. Reach out at contact@yannecapital.com.

Frequently Asked Questions

How long does a growth-round take in 2026?

Cooley GO's Q4 2025 Venture Financing Report places the median time-to-close for US growth-stage equity rounds at 14 weeks in H1 2025, against an 8-week median in 2023. Yanne Capital expects the 14-to-18-week range to harden into the operational base case through 2026 and 2027, because the structural drivers (deeper investor diligence, larger syndicates, harder term-sheet structure) are not cyclical reversals but operational shifts in how growth-stage capital deploys.

What should a founder be doing in the weeks before launching a growth-round process?

The four weeks before the first investor meeting are the highest-leverage period in the entire cycle. Three workstreams run in parallel: building the data room to investor-priority order (24-month customer cohort, monthly P&L reconciled to budget, customer concentration, preference math under three exit scenarios), mapping the investor universe at the partner level (25 to 40 named prospects with tenure, sector concentration, follow-on rate, and co-investor footprint per partner), and calibrating the narrative around structural readiness rather than growth metrics alone.

How have growth-stage term sheets changed between 2022 and 2025?

Carta's H2 2025 State of Private Markets data shows participating preferences in roughly 38 percent of growth-stage rounds in H1 2025, against approximately 22 percent in 2022. NVCA Yearbook 2025 data shows pro-rata-in-perpetuity provisions in roughly 32 percent of growth rounds in 2024-2025, against an estimated 18 percent in 2021. Anti-dilution full-ratchet provisions have re-emerged in approximately 7 percent of late growth-stage rounds in 2025. The structural defaults have hardened across every category.

Should a founder take a bridge round before launching a growth round?

Yanne Capital advises founders to size the bridge to the work it is funding (structural readiness preparation, not pre-emption of the growth round). If the structural readiness work is complete at launch (data room ready, investor universe mapped, narrative calibrated), the 14-week cycle is operationally manageable on existing runway and a bridge adds complexity to the cap table without clear benefit. If the readiness work is incomplete, a bridge may be necessary, sized to complete the work plus the cycle plus a 30 percent buffer.

Where can a founder reach Yanne Capital?

contact@yannecapital.com. The firm inbox routes to the closer best fit for the mandate. Yanne Capital is an independent boutique investment bank advising growth-stage companies on equity, debt, and M&A transactions across 26 sectors, with 240+ closed deals and relationships with 3,500+ institutional investors globally. We are your trusted filter between noise and signal.

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