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PERSPECTIVES by Steve Payne

14 Crypto Private Financings Raised: $100M
Rolling 3-Month Average: $400M
Rolling 52-Week Average: $347M
Deals $50M and over: 1

The largest and only notable deal in last week's holiday-shortened list was Venice.ai's $65M Series A, led by Dragonfly, at a $1B post-money valuation.

Venice started two years ago to solve the privacy issue with AI, and boasts 3.5M registered users and a $70M annualized run rate. The press release for the financing states the problem:

"More of how people reason, create, and decide now runs through AI. That makes the AI layer the most sensitive surface in a person's digital life, and most providers treat it as data to keep. Major AI providers store user data permanently. Every prompt is logged, analyzed, and tied to the user's identity. That record can be sold, hacked, subpoenaed, or handed to a government.
As AI becomes the primary gateway to the digital world, that is not a footnote on privacy. It is surveillance aimed at the most personal thing a person has: their thoughts. "Intelligence, the lifeblood of civilizational advancement, is becoming a collaboration between man and machine," said Erik Voorhees, founder and CEO of Venice. "Venice's mission is to protect it from mass surveillance and censorship."

Venice's solution is architectural rather than policy-based: it markets itself as an "AI safety company," framing surveillance of users' data - rather than the content of their prompts - as the greater danger. Conversations are stored on the user's own device rather than Venice's servers, and Venice says it does not log prompts. For queries routed to third-party models like OpenAI, Anthropic, xAI, and Google, a proxy obscures the user's IP address, account, and session data. Users stake Venice's VVV tokens to earn perpetual daily compute rights (measured in credits called DIEM).

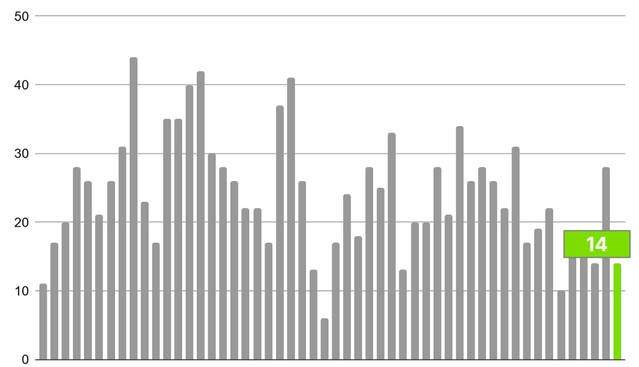
Venice's approach is not without detractors (security experts, for one), or competitors. There are three main approaches to the privacy problem:

1. Encrypted/zero-knowledge cloud AI - closest to Venice's model. Includes Proto's Lumo, Maple AI and Kaga.
2. Pure on-device/local inference (architecturally stronger privacy, since data never leaves the device). Includes PocketLLM, Private LLM, LLM Farm, MLC Chat, Ollama, LM Studio, Jan, GPT4All, Atomic Chat, Open WebUI, InnerZero, etc.
3. Enterprise-grade private deployment - e.g., Claude Enterprise and similar offerings, which compete on contractual/policy-based privacy (no training on inputs, data retention controls, large context windows) rather than architecture.

PAST WEEK NOTABLE TRANSACTIONS

Company	Size ($M)	Date	Post-Money Valuation ($M)	Stage	Lead Investors	Subsector
Venice AI	$65.0	7/1	$1,000.0	Series A	Dragonfly Ventures	DApp: Consumer
Extended	12.5	7/2	Undisclosed	Early Stage VC	eToro Group	Brokers & Exchanges
Thea	8.0	7/2	Undisclosed	Early Stage VC	Maven 11, Spartan Group	Investing & Trading Infrastructure
Alsa	6.5	7/3	Undisclosed	Seed	Alibaba, Tribe Capital	Payments Infrastructure
Squid	2.3	7/3	Undisclosed	Token	Public Sale	Blockchains & Protocols
EchoYield	2.2	7/1	Undisclosed	Series A	Undisclosed	Mining & Staking
Tokenized Green	1.3	7/3	Undisclosed	Early Stage VC	Wolver Ventures	Investing & Trading Infrastructure
Januar	1.2	6/29	Undisclosed	Later Stage VC	Borderless Capital	Payments Infrastructure
Ellipal	1.0	7/1	Undisclosed	Later Stage VC	Undisclosed	Investing & Trading Infrastructure
DigiMaaya	0.5	7/1	Undisclosed	Later Stage VC	Chainfir Capital	Brokers & Exchanges

LAST 52 WEEKS DEAL COUNT



LAST 52 WEEKS CRYPTO FINANCING BY CAPITAL INVESTED ($ in M)