Standard Metrics

STANDARD METRICS PRIVATE MARKET REPORT

The AI vs SaaS growth race

What ~10,000 private companies reveal about who's winning the AI growth race

Published Oct 2026 N ~ 10,000 companies 2023–2026 Q3 dataset

Founder background data enrichment by Harmonic

EXECUTIVE SUMMARY

AI natives are pulling away from AI-enabled SaaS. Their founders increasingly come from big tech, elite schools and past startups. That background helps them get funded, but it doesn't give them an edge in growing the company.

- **The gap is widening.** Top-quartile AI natives with $1–20M in annualized revenue grew 275% year over year in Q3 2026*, vs 102% for AI-enabled SaaS: a gap of 173 percentage points, up from 41 in Q1 2023.
- **It holds in every sector.** The gap is widest in healthcare (265 points) and narrowest in energy, climate and agriculture (12 points), where AI-enabled SaaS nearly keeps pace (120% vs 132%).
- **Age sets the odds.** 39% of AI-enabled SaaS companies founded in 2020 to 2022 are top growers, vs 3% of those founded before 2017.
- **The founder base is changing.** Half of companies founded since 2023 have a founder who already built a VC-backed company, up from 28% before 2017. But no founder background clearly gives an edge in growth.
- **Growth, hiring and raising go together.** Top growers are 30–40% more likely to be hiring 20%+ or to have raised in the last year than similar companies. We can't tell which comes first: growth attracts capital and hiring, and capital funds both.
- **Coming next: it's not just outliers.** The median AI native at $1–20M grows 80% a year, vs 30% for AI-enabled SaaS. In our next report, we'll dig into the questions this raises: Does AI-native growth slow down as companies scale past $5M? Are the youngest AI natives growing faster at every size? And does the lead hold beyond the top quartile?

HOW TO READ THIS REPORT

Three groups: AI natives, where AI is the product (38% of companies); AI-enabled SaaS, software that added AI to an existing product (36%); and non-AI (26%), shown for reference. **Top quartile**: the fastest-growing 25% of companies by YoY revenue growth, within each revenue segment ($1–20M and $20M+ in annualized revenue). **Top-quartile growth** for a group (for example, AI natives) is the growth rate at that group's 75th percentile. **Similar companies**: companies of the same AI group, revenue size and founding period; page 11 explains how we compare, with the full method in the appendix. **Top grower**: a company in the top quartile in at least two of the last four quarters.

RUN THIS ON YOUR DEAL PIPELINE

If you're interested in running this analysis on your own deal pipeline, to understand the strengths and weaknesses of a company you're diligencing, reach out to **benchmarking@standardmetrics.io**.

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DISCLOSURES

- **Data:** anonymized, aggregated financials from 9,693 companies reporting on Standard Metrics, filtered to companies with $1M+ in annualized revenue. Company details are enriched with Parallel and Harmonic.
- **The three groups:** AI natives, where AI is the product (applications, infrastructure and AI native services, across every sector); AI-enabled SaaS, software that added AI to an existing product, also across every sector; and non-AI, which is only about 9% software, so it appears as a reference rather than a like-for-like comparison. In Q3 2026*, AI natives are 38% of companies, AI-enabled SaaS 36% and non-AI 26%; AI natives make up 59% of the top quartile.
- **Sector** comes through Parallel's enrichment. "Software" is industry-agnostic software; a healthcare AI company sits in healthcare.
- **Every score** rests on at least 30 companies. Q3 2026 is preliminary and marked with an asterisk (*). Full methodology on page 15; the score method is in the appendix.

01

The gap is widening

Top-quartile AI natives have outgrown AI-enabled SaaS on YoY revenue growth in every quarter since Q1 2023, for both smaller companies ($1–20M in annualized revenue) and larger ones ($20M+). In Q3 2026, AI natives grew 173 percentage points faster at $1–20M and 144 points faster at $20M+, up from 41 and 13 points in Q1 2023.

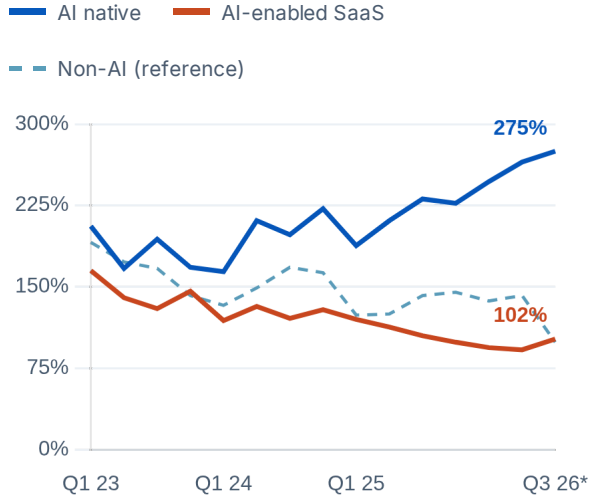
$1–20M annualized revenue · Q3 2026*

275%	102%
AI native	AI-enabled SaaS

$20M+ annualized revenue · Q3 2026*

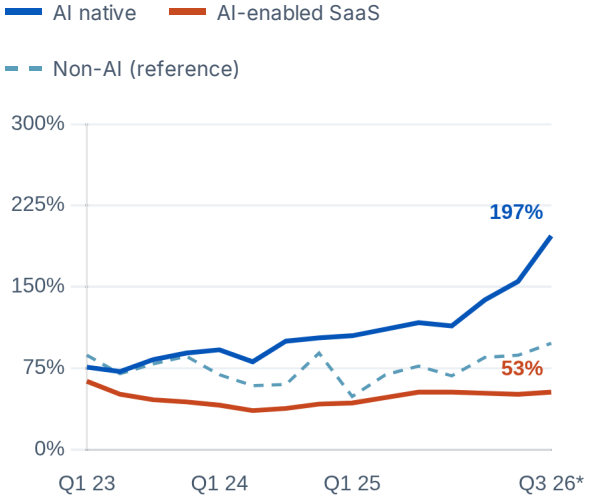
197%	53%
AI native	AI-enabled SaaS

Top-quartile YoY revenue growth



N in Q3 2026*: 511 AI native, 342 AI-enabled SaaS companies

Top-quartile YoY revenue growth



N in Q3 2026*: 251 AI native, 369 AI-enabled SaaS companies

WHAT'S DRIVING THE GAP

$1–20M: both sides are moving. AI-enabled SaaS growth slid from 165% in Q1 2023 to 92% in Q2 2026, ticking up to 102% in Q3 2026*, while AI natives accelerated to 275%.

$20M+: AI-enabled SaaS has found a floor. Its growth bottomed out in 2024 and has edged back up to 53%. The gap still widened, because AI natives accelerated to 197%.

AI-enabled SaaS also trails non-AI companies, in every quarter since Q1 2023 at $20M+, and in all but two at $1–20M (Q4 2023 and Q3 2026*).

COMING NEXT: BEYOND THE TOP QUARTILE

It's not just outliers. At $1–20M, the median AI native grows 80% a year, vs 30% for AI-enabled SaaS. Part of that is a smaller base (a median of $4.9M in annualized revenue, vs $6.6M), but the lead holds within narrower size bands too. We'll dig into the full distribution in a follow-up.

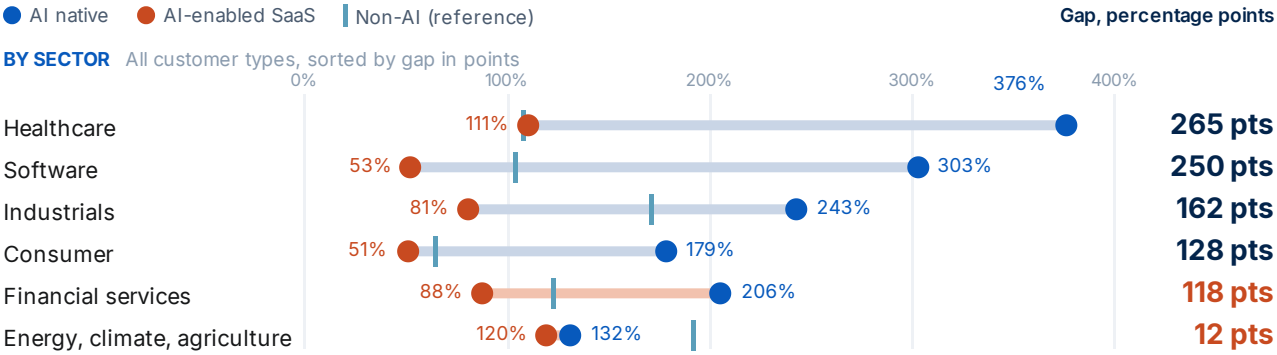
Non-AI is shown for reference; only about 9% are software businesses, so AI-enabled SaaS remains the like-for-like comparison.

02

AI natives lead in every sector; AI-enabled SaaS holds up best in energy and regulated industries

> Nearly half of AI natives are in software and IT infrastructure (46%), yet they grow fastest in healthcare (376% vs 303% at the top quartile), where only 14% of them operate. AI-enabled SaaS tells a different story: in every sector except healthcare, it grows more slowly than even non-AI companies, most of all in software (53% vs 104%) and industrials (81% vs 172%).

Top-quartile YoY revenue growth, using each company's latest quarter between Q4 2025 and Q3 2026*



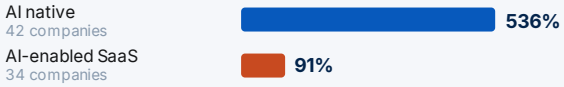
Gap = AI native minus AI-enabled SaaS, in percentage points.

Holding age constant, the gap widens: among companies founded since 2020, AI natives lead by 666 points in healthcare, 471 in software and 330 in financial services.

HEALTHCARE · WIDEST GAP (265 PTS)

AI native growth is driven by admin and revenue workflows: billing, coding, claims, prior authorization and documentation.

Admin and revenue workflows, top-quartile YoY



Our hypothesis: AI natives win in administrative work, away from the most regulated clinical activity.

SOFTWARE · 250 PTS

AI natives grow 303%, AI-enabled SaaS 53%.

Our hypothesis: AI replaces existing tools most directly here, especially sales, marketing and content tools.

INDUSTRIALS · 162 PTS

AI-enabled SaaS grows 81%, less than half the pace of non-AI companies (172%).

Our hypothesis: operations-heavy workflows are slower to hand over to AI, which favors established vendors.

FINANCIAL SERVICES · 118 PTS

AI-enabled SaaS grows fast (88%), while AI natives grow 206%.

Our hypothesis: in regulated industries, trust and existing relationships favor established vendors.

CONSUMER · 128 PTS

AI-enabled SaaS grows as slowly as in software (51%).

Our hypothesis: commerce, marketing and content software for consumer brands faces the same AI substitution as software.

ENERGY, CLIMATE, AGRICULTURE · NARROWEST (12 PTS)

The narrowest gap: AI-enabled SaaS nearly keeps pace (120% vs 132%).

Our hypothesis: software here is tied to physical assets and operations, where established vendors' domain data matters more.

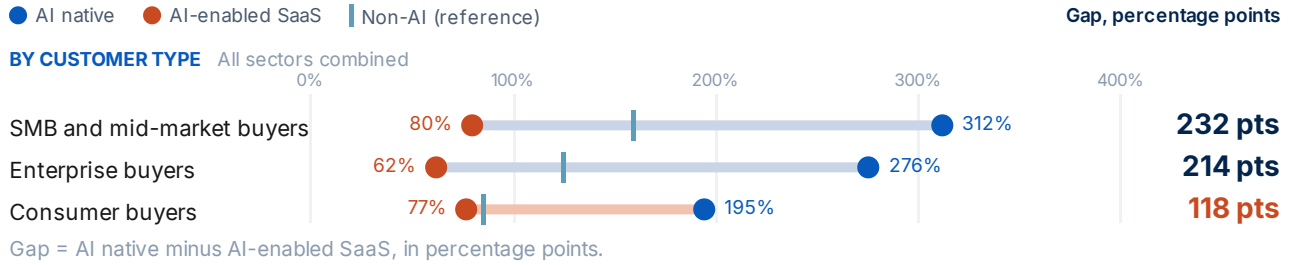
Each company counts once, at its latest YoY growth in the window. Healthcare admin workflows identified by keyword. Half of AI natives were founded before 2020, including earlier machine-learning companies and companies that pivoted to become AI natives.

03

The gap by customer type: AI natives lead with every type of customer, particularly with SMB and mid-market buyers

Three in four AI natives sell mainly to enterprises (76%), yet they grow fastest with SMB and mid-market buyers (312% vs 276% at the top quartile), where only 16% of them sell. The difference opens up with scale: above $20M, AI natives selling to smaller buyers grow 334%, about twice the 170% of those selling to enterprises. AI-enabled SaaS, by contrast, grows at about the same pace whatever its buyer (62–80% at the top quartile), while AI natives range from 195% to 312%: who you sell to matters a lot for AI natives, and hardly at all for AI-enabled SaaS.

Top-quartile YoY revenue growth, using each company's latest quarter between Q4 2025 and Q3 2026*



Gap = AI native minus AI-enabled SaaS, in percentage points.

Holding age constant, the gap widens. Among companies founded since 2020, AI natives lead by 553 points with SMB and mid-market buyers and 525 with enterprise buyers; there are too few young companies selling to consumers to compare.

ENTERPRISE BUYERS · 214 PTS

AI-enabled SaaS grows slowest with enterprise buyers (62%), while AI natives grow 276%.

Our hypothesis: new AI budgets go to AI natives, both to buy AI applications and to build on AI infrastructure, while existing software contracts renew at modest growth.

SMB AND MID-MARKET BUYERS · WIDEST (232 PTS)

AI natives grow fastest with smaller buyers (312%), but AI-enabled SaaS also does better here (80%).

Our hypothesis: short sales cycles and self-serve buying favor fast-moving AI natives.

CONSUMER BUYERS · NARROWEST (118 PTS)

AI natives grow slowest with consumer buyers (195%).

Our hypothesis: there's a limit to how much consumers will pay for efficiency in their personal lives, and that limit is much higher at work.

> *We have reached the full saturation of capability that is needed in most of my personal life... By definition, most AI progress is going to now amortize into enterprise use cases.*
>
> **Aaron Levie**, co-founder and CEO of Box
> The a16z Show, October 2026

Customer type is defined by the company's primary customer, i.e. who pays. It's different from the consumer sector on page 5, which covers industries such as retail and media; many companies there sell to retailers and brands, not to individual people. Each company counts once, at its latest YoY growth in the window. AI natives by primary customer: 764 enterprise, 160 SMB and mid-market, 85 consumer; $20M+ SMB and mid-market: 42 companies.

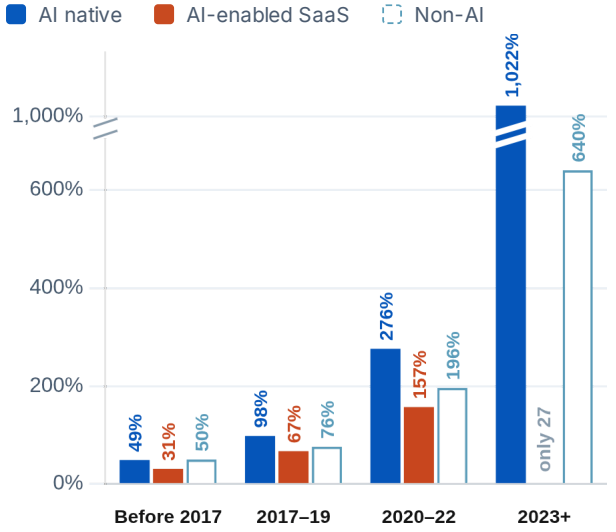
04

Age sets the odds

> Younger companies grow faster and are far more likely to be top growers (companies in the top quartile of YoY growth in at least two of the last four quarters), in every group. Most AI-enabled SaaS top growers were founded in 2020 to 2022. The newest AI natives, founded in 2023 or later, grow fastest of all, while AI-enabled SaaS founded that recently barely exist at scale.

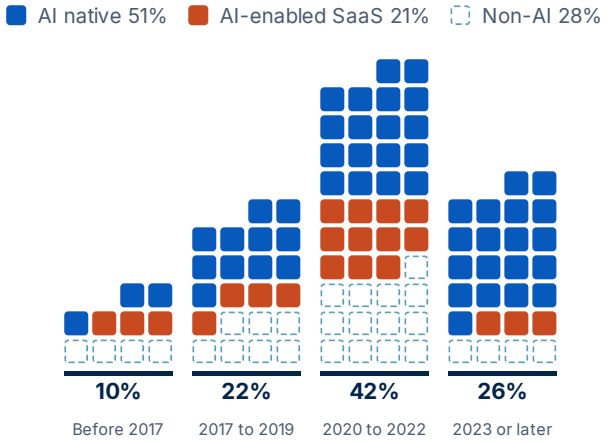
Top-quartile YoY revenue growth

Each company's latest quarter, Q4 2025 to Q3 2026*



Who the top growers are

All 470 top growers with a known founding year, by group and founding period; each square = 1% of all top growers



Share of each founding period that are top growers

Each square = 10% of companies founded in that period

	AI native	AI-enabled SaaS	Non-AI (reference)
Before 2017	12%	3%	12%
2017 to 2019	27%	13%	22%
2020 to 2022	49%	39%	48%
2023 or later	81%	*only 18 companies*	70%

WHAT STANDS OUT

The 2020 to 2022 window. Companies founded then make up 42% of all top growers, and most AI-enabled SaaS top growers come from this period. 39% of AI-enabled SaaS founded then are top growers, vs 3% of those founded before 2017.

AI natives: the youngest are the fastest. AI natives founded in 2023 or later grew 1,022% at the top quartile, and 81% are top growers, partly because a company that reached $1M+ within a few years has scaled from almost nothing. By contrast, barely any AI-enabled SaaS companies were born after the AI wave took off: only 27 founded in 2023 or later have reached $1M+ in annualized revenue on Standard Metrics.

Our hypothesis: new software companies are now being founded as AI natives.

Founding years use high-confidence enrichment only; both revenue segments are combined. This page splits 2020 or later into two periods; elsewhere the report uses three. In the composition box, the 13% for AI-enabled SaaS founded 2023 or later is those 13 companies out of 97 AI-enabled SaaS top growers. The growth chart's axis is broken between 700% and 1,000%. A handful of the AI-enabled SaaS top growers founded in 2020 to 2022 are services businesses rather than software; counting only clear software companies, the rate is also 39%.

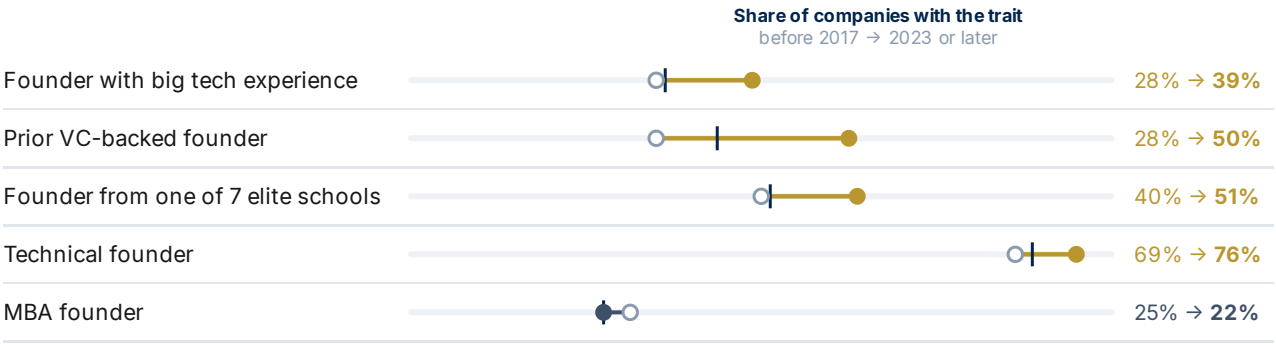
05

The founders: a more pedigreed founder base

> The founder base is shifting toward repeat founders, elite schools and big tech. And background shapes what gets built: **technical and big tech founders are the most likely to build AI native companies.**

Founder traits: how common they are

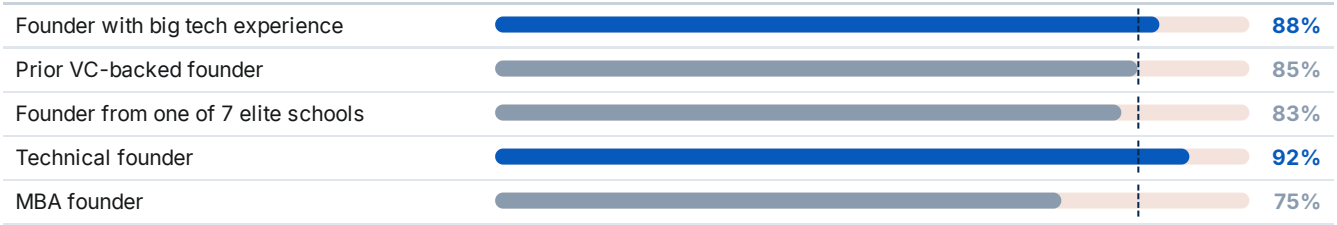
○ founded before 2017 → ● founded 2023 or later, | all companies · gold = rose 3+ points, slate = fell



About 7 out of 10 venture-backed companies have a technical founder, no surprises there. We're seeing deeper concentration in a few other areas: companies founded since 2023 are more likely than those founded before 2017 to have a founder who already built a venture-backed company (50% vs 28%), went to one of seven elite schools (51% vs 40%), or worked at big tech (39% vs 28%). MBAs were never common, and slipped even further, from 25% to 22%.

What are the founders building?

Share building AI native companies
Founded 2023+, AI native vs AI-enabled SaaS only; dashed line = all founders, 85%



Among AI companies founded since 2023, 86% are AI native rather than AI-enabled SaaS, across all founder types (non-AI companies aren't included). Technical founders lead (92%), followed by founders with big tech experience (88%). MBA founders are less common (22% of companies founded since 2023), and when they build with AI, 75% choose AI native, the lowest of any trait.

FOR FOUNDERS: WHAT A FUNDED FOUNDING TEAM LOOKS LIKE NOW · founded before 2017 → 2023 or later

36% → 55%
have at least two of: a technical founder, a repeat VC-backed founder, big tech experience

21% → 10%
have none of the three: no technical founder, no repeat VC-backed founder and no big tech experience

55% → 48%
have three or more founders

12% → 16%
are led by a solo founder

Big tech = FAANG and other large tech, a year or more. Prior VC-backed = previously founded a venture-backed company. 7 elite schools = Stanford, Harvard, MIT, Columbia, UC Berkeley, NYU and Princeton, the schools on the next page.

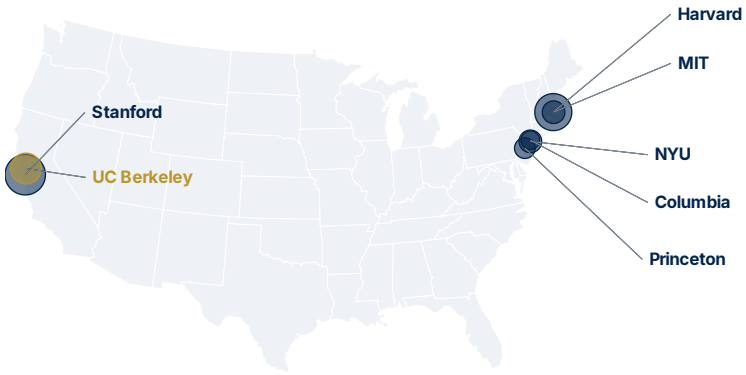
05 · CONTINUED

The founders: where they studied

> Harvard and Stanford founders are becoming more common among the newest companies, and UC Berkeley is emerging. Together, the seven schools on this map account for half of founders at companies founded since 2023 (51%, up from 40% before 2017).

Where the founders of the newest companies studied

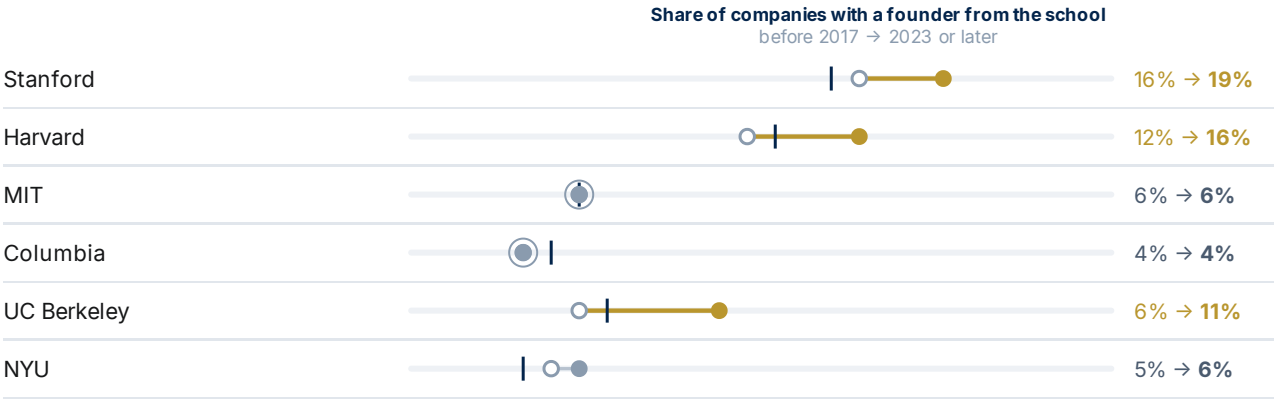
Bubble size = share of companies founded in 2023 or later (133 with a listed school) with a founder from each school



Harvard and Stanford founders are more common among companies founded since 2023 (16% and 19%), with UC Berkeley emerging (11%).

Founder schools: how common they are

○ founded before 2017 → ● founded 2023 or later, | all companies · gold = rose 3+ points, slate = fell



Schools from founder education, matched by school name. Outside the US, 11 UK and European elite schools combined (Oxford, Cambridge, Imperial, LSE, UCL, ETH Zurich, EPFL, TU Munich, HEC Paris, INSEAD and École Polytechnique) account for 13% of companies founded since 2023, up from 10% before 2017. IIT accounts for 7%, slightly more than MIT or NYU (6% each).

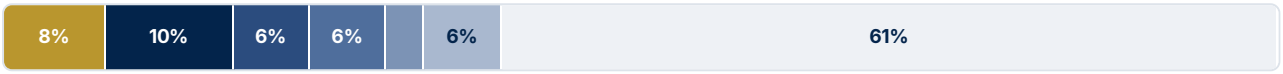
05 · CONTINUED

The founders: where they worked

> Big tech experience is becoming more common on founding teams, from 28% of companies founded before 2017 to 39% of those founded since 2023. **Apple is the emerging employer. Google remains the most common.** AI lab alumni barely register yet.

Where the founders of the newest companies worked

Companies founded in 2023 or later (147 with work history on record). Each company counted once, in the order shown, so shares can differ by a point from the chart below.



Apple **8%** · Google **10%** · Microsoft **6%** · Meta **6%** · Amazon **3%** · Other big tech or AI lab **6%**

No big tech: founders from 280+ other employers **61%**

2% → 8%

Apple alumni on founding teams, before 2017 vs since 2023: the biggest rise of any employer

IBM, Salesforce, Intel

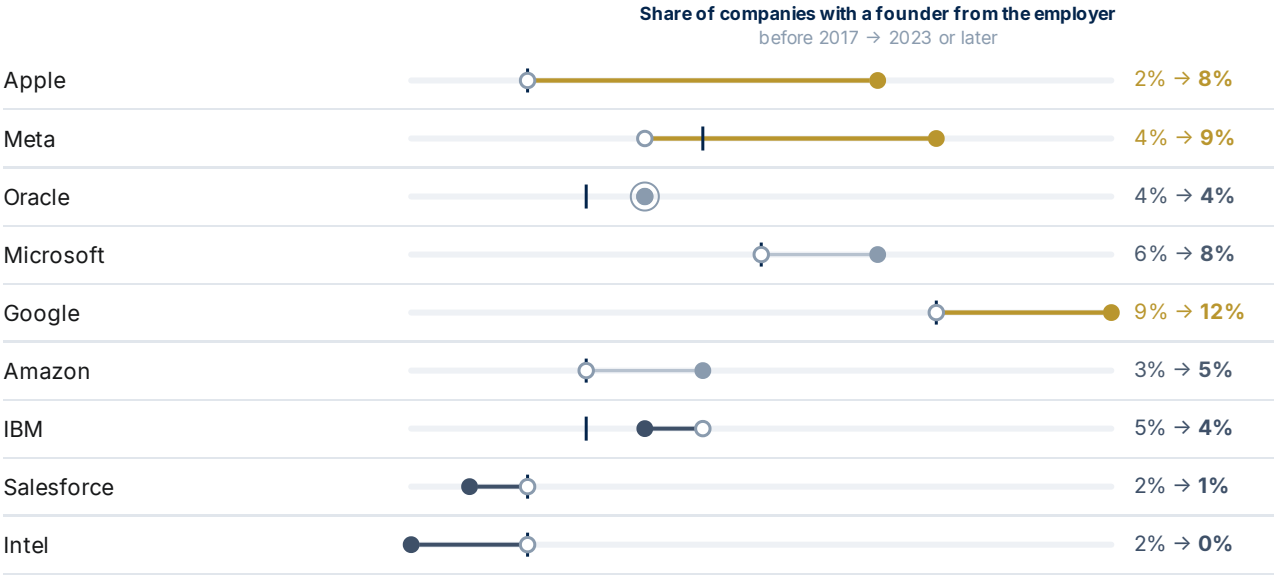
the enterprise-era employers whose alumni are fading: each down to 4% or less of the newest companies

3% → 11%

product alumni: the fastest-rising big tech founders, ahead of engineers (14% → 24%); go-to-market alumni are flat (5% → 4%)

Founder employers: rising and fading

○ founded before 2017 → ● founded 2023 or later, | all companies · gold = rose 3+ points, slate = fell



Employers from the list of big tech and AI lab roles of a year or more; the full work history is truncated for most founders, so other employers can't be tallied. A company counts for each employer any founder worked at.

Does any of this set top growers apart?

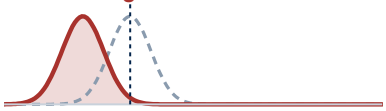
Part I showed that a company's AI type, revenue size and age set most of its odds of becoming a top grower. Section A showed who's building. Section B asks whether any of it, such as who founded a company or whether it's hiring and raising, sets top growers apart on top of that. To answer it, we built an index: we group companies that share a trait, like a portfolio built only from founders who went to an elite school or worked at big tech, and compare how many became top growers with how many we would **expect** based on our full dataset, given each company's AI type, revenue size and age.

Every result is a score with a likely range: a bell curve showing the range of expected outcomes, so we can tell **whether a signal is likely real or possibly just a lucky coin toss.**

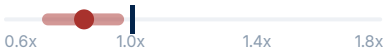
1.0x would mean a group has exactly as many top growers as we expected. If we expect 20 top growers and 20 are, the score is 1.0x; 1.40x means 40% more.

Every result covers at least **30 companies**, and the score always describes a group, never one company.

▼ Clear drag



0.85x



likely range 0.72–0.98

The curve has shifted left: the whole range sits below 1.0x. 15% fewer top growers than similar companies, too big to be luck.

● No clear difference



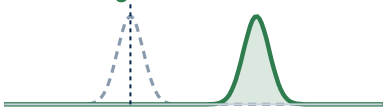
1.03x



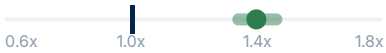
likely range 0.94–1.13

The curves overlap: the range includes 1.0x. It could be an average group with a lucky draw or a small real shift; we can't tell with confidence.

▲ Clear edge



1.40x



likely range 1.32–1.48

The curve has shifted right: the whole range sits above 1.0x. 40% more top growers than similar companies, too big to be luck.

Dashed curve: an average group. Solid curve: the group with the trait. Each bar shows the same range, on the scale used for every score in this report.

HOW TO READ THE REST OF THIS REPORT

If you'd like to dig into our approach, the full method is in Appendix A and B, and Appendix C shows why the same score isn't always equally clear. For the rest of the report, two questions matter:

1. **Is the score above or below 1.0x?** That's the direction: an edge or a drag.
2. **Does the likely range include 1.0x?** If not, the curve has shifted and the signal is clear. If it does, it could just be a lucky coin toss.

06

Growth, hiring and raising go together

> **What we asked.** Do companies that are hiring or raising produce more top growers than similar companies? **What we found.** Yes, clearly: companies that grew their team 20% or more in a year, or raised in the last 12 months, are 30–40% more likely to be top growers than similar companies. But growth attracts capital and drives hiring, and new capital funds both, so we can't tell which comes first.

1.40x ▲ Clear edge

0.6x 1.0x 1.4x 1.8x

likely range 1.32–1.48

Headcount up 20%+ in a year · 35% of companies: 40% more top growers than similar companies

1.31x ▲ Clear edge

0.6x 1.0x 1.4x 1.8x

likely range 1.22–1.40

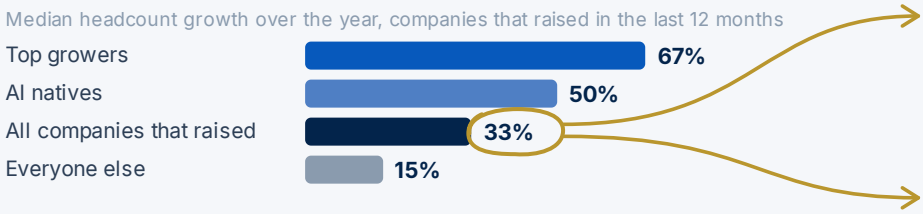
Raised in the last 12 months · 31% of companies: 31% more top growers than similar companies

Score vs similar companies, by group	AI native	AI-enabled SaaS	Non-AI (reference)
Headcount up 20%+ in a year	**1.34x** ▲	**1.56x** ▲	**1.44x** ▲
Raised in the last 12 months	**1.27x** ▲	**1.55x** ▲	**1.21x** ▲
Above-median funding per employee	1.09x ●	1.06x ●	1.16x ●

The edge is strongest for AI-enabled SaaS. Among companies that added AI to an existing product, those that are hiring or raising are about 55% more likely to be top growers.

Both measures also run through mid to late 2026, overlapping the growth they're compared with, **so this describes what top growers look like rather than predicting them.** Funding per employee shows a small clear edge overall (1.10x), but no clear difference within any group.

FOR FOUNDERS: A HIRING BENCHMARK AFTER A RAISE



76%

1 in 4 companies that raised grew their team by 76% or more

13%

of companies that raised shrank their team

Headcount from Harmonic; the year includes months before the raise.

Headcount growth from October 2025 to October 2026 (Harmonic). Last round as of September 2026. Funding per employee = total funding ÷ current headcount, compared with the median for the same group and revenue segment.

07

Who stays on top

> Last year's top AI natives fall out of the top quartile more often than similar companies. AI-enabled SaaS breakouts hold on better than expected: fewer stay on top (28% vs 37%), but more than the 21% we'd predict.

We took the companies in the top quartile in Q3 2025 and checked how many were still there in Q3 2026*.

0.85x ● No clear difference

0.6x 1.0x 1.4x 1.8x

likely range 0.70–1.01

AI natives · 174 companies, 37% stayed on top

1.37x ▲ Clear edge

0.6x 1.0x 1.4x 1.8x

likely range 1.02–1.72

AI-enabled SaaS · 110 companies, 28% stayed on top

1.08x ● No clear difference

0.6x 1.0x 1.4x 1.8x

likely range 0.79–1.38

Non-AI (reference) · 98 companies, 31% stayed on top

AI natives: harder to stay on top

- **The bar rose:** making the top quartile at $1–20M took 168% growth, up from 158% a year earlier.
- **Newcomers kept arriving:** 59% of this year's top AI natives are new to the top quartile.
- **Leaders slowed sharply:** those that dropped out went from 262% to 42% median growth, and even those that stayed on top slowed, from 362% to 235%.
- **Result:** 37% stayed on top, against about 44% expected.

AI-enabled SaaS: better than expected

- **Same bar,** but the few that break out sustain their growth: those that stayed barely slowed, from 220% to 212%.
- **Fewer rivals:** only 36% of this year's top AI-enabled SaaS are newcomers, since few new AI-enabled SaaS companies are founded.
- **A low bar to beat:** AI-enabled SaaS rarely reaches the top quartile, so we'd expect only about 21% to stay.
- **Result:** 28% stayed on top, more than expected.

Score vs similar companies	Q1 2025 → Q1 2026	Q2 2025 → Q2 2026	Q3 2025 → Q3 2026*
	score, marker and likely range		
AI native	1.02x ● 0.87–1.17	0.85x ▼ 0.72–0.98	0.85x ● 0.70–1.01
AI-enabled SaaS	1.40x ▲ 1.14–1.67	1.58x ▲ 1.29–1.88	1.37x ▲ 1.02–1.72

The AI-native drag was clear in the Q2 comparison and has eased in the latest quarter. AI-enabled SaaS has beaten its expected rate in all three.

Top quartile set within each revenue segment. ▲ clear edge, ● no clear difference, ▼ clear drag. Expected rates come from similar companies (same AI group, revenue segment and founding period). Revenue persistence is a proxy for durability, not churn or retention.

08

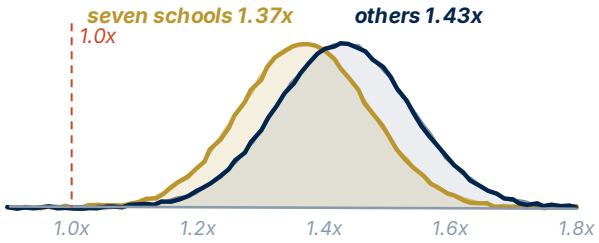
Pedigree: common among top growers, but not what sets them apart

> **What we asked.** Do founders with an elite pedigree produce more top growers than similar companies? **What we found.** Not in a way we can see. Top growers are somewhat more likely to have pedigreed founders, but so is everyone else founded in the same years.

50%

of top growers founded since 2023 have a founder from just seven schools; the other half come from about 190 different schools.

But founders from elsewhere are just as likely to build a top grower



Of 20 founder traits, schools and employers, only one clearly sets top growers apart

35% vs 30%

Big tech experience: top growers vs everyone else (founded 2020+); score 1.03x, no clear difference

46% vs 42%

7 elite schools: top growers vs everyone else; score 1.06x, no clear difference

7% vs 2%

NYU: the one clear edge (1.33x, range 1.04–1.63), only just, on 64 companies

Top growers do have pedigreed founders a little more often: 35% have big tech experience vs 30% of everyone else founded since 2020, and 46% went to one of the seven elite schools vs 42%. But once AI type, revenue size and age are accounted for, every founder trait and employer shows no clear difference, and so does every school except NYU, a clear edge only just. With about 20 traits compared, one could look strong by chance. Every score and its likely range is in Appendix C.

Our hypothesis: investors use these traits as filters, early founder signals, which is why they show up so heavily among funded companies. Once a company is funded, the pedigree doesn't change how fast it grows.

Share comparisons use companies founded in 2020 or later, since about 80% of companies founded since 2023 are top growers. Scores use all companies and account for AI type, revenue size and founding period.

RUN THIS ON YOUR DEAL PIPELINE

If you're interested in running this analysis on your own deal pipeline, to understand the strengths and weaknesses of a company you're diligencing, reach out to **benchmarking@standardmetrics.io**.

Methodology

- **Data:** anonymized, aggregated financials from 9,693 companies reporting on Standard Metrics, filtered to companies with $1M+ annualized revenue, Q1 2023 to Q3 2026.
- **Growth:** YoY revenue growth. Top quartile = 75th percentile within each revenue segment ($1–20M, $20M+) and quarter, across all companies.
- **AI groups:** AI native = AI is the product: AI native applications, services and infrastructure. AI-enabled SaaS = software that added AI to an existing product. AI native services = companies that deliver a service with AI as the product. Non-AI = neither. AI-enabled robotics excluded.
- **Top grower:** top quartile in at least two of the last four quarters (Q4 2025 to Q3 2026).
- **Score vs similar companies:** actual top growers ÷ expected, where each company's expected chance is the share of top growers among companies of the same AI group, revenue segment and founding period (before 2017, 2017 to 2019, 2020 or later, or unknown). Likely ranges are 95% intervals: the actual count ± 1.96 × the square root of the sum of p × (1 − p) across companies, divided by the expected count, where p is each company's expected chance. This assumes each company's outcome is independent. A score is a **clear edge** or **clear drag** when its whole likely range sits above or below 1.0x; otherwise it shows **no clear difference**. We scored about 20 founder traits, schools and employers, so one or two could land outside 1.0x by luck.
- **Enrichment:** AI type, sector, founding year and customer type from Parallel (high confidence only, except customer type: high and medium). Founder background, team, headcount and funding from Harmonic, matched by website. Healthcare workflow and software-vs-services checks use keyword rules on company descriptions.
- **Exclusions:** duplicate records of the same company (154 IDs, merged into the primary record); companies that exited, were acquired or went out of business; ambiguous matches. **Unknowns:** blank fields are excluded, never counted as "no."
- **Thresholds:** every score is based on at least 30 companies; composition shares may cover smaller groups.
- **Preliminary data:** Q3 2026 figures are preliminary; about two-thirds of companies had reported when this report was prepared. As companies close their books, more will report and some will restate earlier numbers, so these figures will shift when we rerun the analysis next quarter. As with every edition, Q3 becomes final in the next report. Preliminary figures are marked with an asterisk (*).
- **Revenue base:** within $1–20M, AI natives skew smaller (50% under $5M vs 39% of AI-enabled SaaS), but the gap holds in both halves: 261 points at $1–5M and 114 points at $5–20M. The $20M+ figures rest on 251 AI natives.

APPENDIX A

How we compare fairly

Why we do this. A young AI native has a far better chance of growing fast than an older SaaS company. So before we can ask whether something matters (do founders from top schools produce more top growers?), we need to know how many top growers we would expect from that group anyway, given the kinds of companies in it. The expected result is the index we measure against.

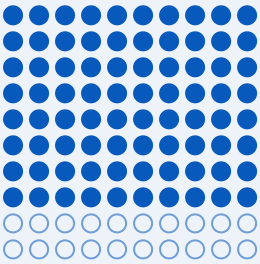
How the index is built

1 We sort every company in our data into a type by **its AI group, its size and its age**. For each type, we count the share that are top growers. That share is the type's odds.

2 We take a sub-group we want to test, such as founders from top schools, and calculate the odds of its companies. That is the number of top growers we would **expect**. Then we count how many **actually** are. Actual ÷ expected is the score: **1.0x means exactly as expected**.

01 Step 1: each type has its own odds

Each dot is one company of that type. Filled = top grower.

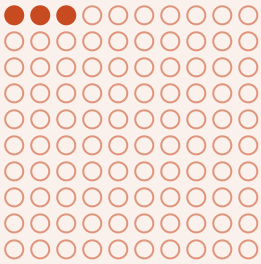


TYPE A

Young AI native, $20M+ 2020 or later

80%

are top growers



TYPE B

Older AI-enabled SaaS, $1–20M Before 2017

3%

are top growers

02 Step 2a: calculate what's expected

$$\text{Score} = \frac{\text{Actual top growers}}{\text{Expected top growers}}$$

Expected = add up each company's odds.

A 0.80 + A 0.80 = **1.60** expected for two Type A companies

B 0.03 + B 0.03 = **0.06** expected for two Type B companies

03 Step 2b: find the actual, to calculate the score

■ top grower ☐ not a top grower

HIGH ODDS · 2 TYPE A COMPANIES

Back the expected winners, and they deliver

A A 2 of 2 are top growers

Actual 2
Expected 0.80 + 0.80 = 1.60

2 ÷ 1.60 = **1.25x**



Little room above 1.0x. This is the best this portfolio can score.

Back the expected winners, one misses

A A 1 of 2 is a top grower

Actual 1
Expected 0.79 + 0.79 = 1.58

1 ÷ 1.60 = **0.63x**



A lot of room below 1.0x. One miss drops it to 0.63x.

LOW ODDS · 2 TYPE B COMPANIES

Find a gem in an overlooked category

B B 1 of 2 is a top grower

Actual 1
Expected 0.03 + 0.03 = 0.06

1 ÷ 0.06 = **16.7x**



16.7x is far off the scale ▶

One surprise moves the score a lot, far off the scale.

Odds are real; the three small groups are illustrative. **Young** = founded 2020 or later; **older** = founded before 2017.

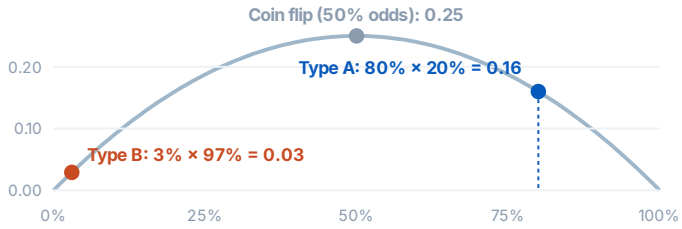
APPENDIX B

How sure we are: the likely range

Why we do this. In Appendix A, a type's odds tell us what to expect: 80% odds means that out of every 100 companies like this, about 80 become top growers. But a real group of 100 won't land on exactly 80. It might be 76 or 84, the same way flipping a coin 100 times rarely gives exactly 50 heads. So when a group scores, say, 1.05x, is it an average group with a lucky draw, or has its whole curve shifted? The likely range answers that. A score is a **clear edge** or **clear drag** only when its whole likely range sits above or below 1.0x.

01 Step 1: each company's variance (its share of luck)

A company's share of luck, its variance, is its odds × (1 − odds), using its type's odds from Appendix A. Very high or very low odds leave little room for surprises; a coin flip (50% odds) leaves the most. For a Type A company: **0.80 × 0.20 = 0.16**.



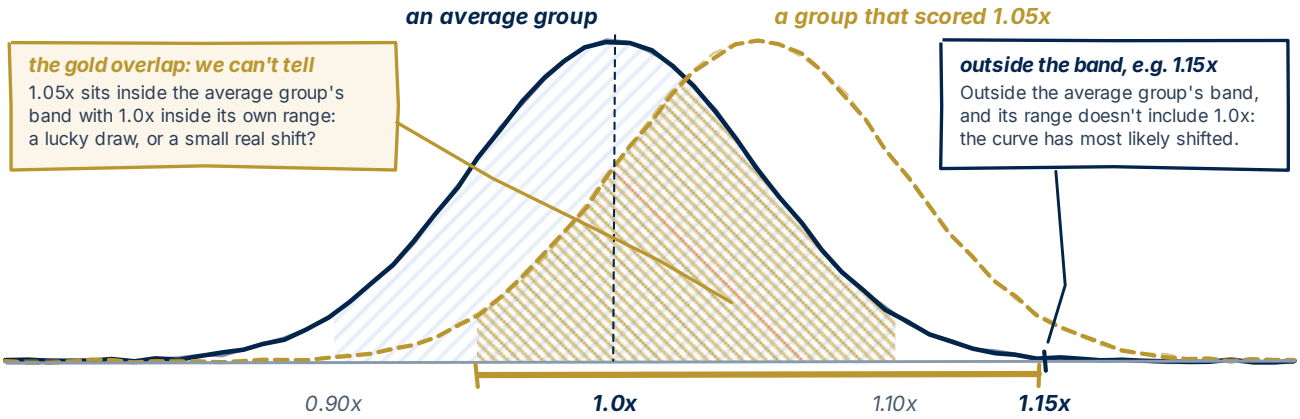
02 Step 2: for 100 Type A companies with 80 expected top growers, see how far luck goes

2a Calculate the variance
Step 1 gave each Type A company a luck amount of 0.16. With 100 companies, 100 × 0.16 = **16**. That's the total uncertainty in the group.

2b Find the standard deviation
The square root of 16 is **4**. This turns the total into top growers: a group like this usually lands within about 4 companies of 80.

2c Cover 95% of outcomes
In a bell curve, 95% of outcomes fall within 1.96 standard deviations of the middle. 1.96 × 4 = **7.8**, so 95% of the time this group lands between 72 and 88.

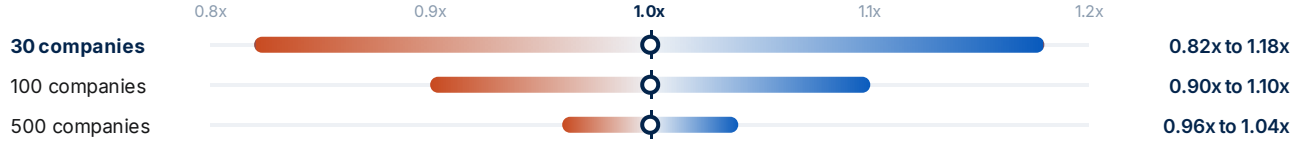
2d Turn it into a score
Divide by the 80 expected: 7.8 ÷ 80 = **0.10**. So the likely range is the score **± 0.10x**.



The blue curve shows what luck alone does to an average group of 100 Type A companies: 95% of the time it scores between 0.90x and 1.10x. The gold curve is a group that scored 1.05x. On the next pages we draw the range around each score instead. It's the same test: if 1.0x falls inside a score's range, that score sits inside an average group's band.

03 Step 3: bigger groups, tighter ranges

Likely range at Type A odds; every result covers 30+ companies



Ranges are 95% intervals from a normal approximation, which works for groups of 30 or more. A score inside the band could still reflect a small real difference that this many companies can't confirm, so we describe it as a direction.

APPENDIX C

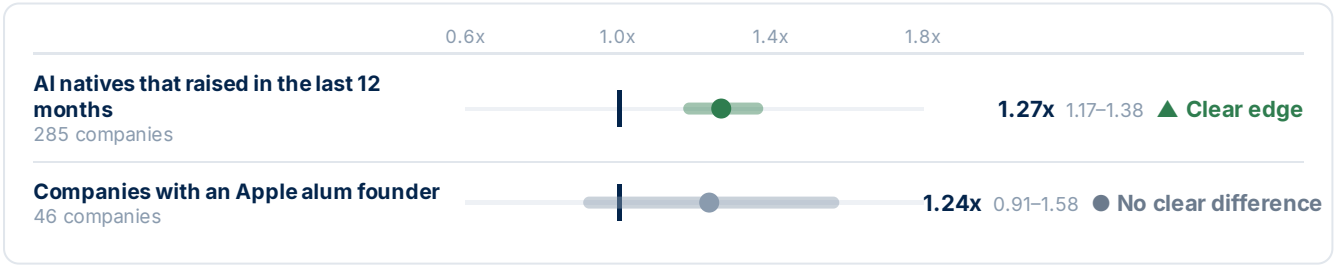
Founder, school and employer scores

The full table behind page 14: each trait's share among top growers and everyone else (founded 2020+), and its score vs similar companies with the likely range. NYU is the only clear edge.

	Top growers	Everyone else	Score vs similar companies
	Share with the trait (founded 2020+)		0.6x 1.0x 1.4x 1.8x score (likely range)
FOUNDERS			
Big tech experience	35%	30%	1.03x 0.92–1.14
Prior VC-backed founder	43%	40%	1.03x 0.94–1.13
One of 7 elite schools	46%	42%	1.06x 0.96–1.16
Technical founder	73%	68%	1.03x 0.96–1.10
MBA	19%	25%	0.93x 0.79–1.08
SCHOOLS			
Stanford	13%	17%	0.98x 0.82–1.14
Harvard	15%	14%	1.04x 0.87–1.21
MIT	7%	7%	1.09x 0.84–1.34
Columbia	7%	3%	1.16x 0.90–1.42
UC Berkeley	10%	9%	0.91x 0.69–1.13
NYU	7%	2%	1.33x 1.04–1.63 ▲ Clear edge
EMPLOYERS			
Apple	5%	3%	1.24x 0.91–1.58
Meta	7%	7%	1.14x 0.90–1.39
Oracle	5%	2%	1.17x 0.83–1.52
Microsoft	8%	5%	1.03x 0.79–1.26
Google	11%	9%	1.09x 0.90–1.29
Amazon	4%	4%	1.03x 0.70–1.36

Why the same score isn't always equally clear

Smaller groups have wider ranges, because a few companies more or less move the score a lot:



The two scores are almost the same, but the second rests on only 46 companies, so its range still includes 1.0x.

Share columns compare top growers with everyone else founded in 2020 or later. Scores use all companies and account for AI type, revenue size and founding period. With about 20 traits compared, one or two could look strong by chance.