Viberesearch

Y Combinator in 2025–2026

Eight batches, 4,720 companies and the requests for 2027

Michael Kokin · YC directory data as of 23 November 2026

4,720	21	8	11
YC companies counted	batches, 2019–2026	batches in 2025–2026	YC requests for winter 2027

The short version

Y Combinator's directory lists 855 companies for 2026. That's 38% more than the year before and more than any year since 2019. I recounted 4,720 companies from YC's 21 batches between 2019 and 2026, including 619 from 2025 and 855 from 2026, and lined them up against the accelerator's requests for 2027. In that list, called Requests for Startups, YC describes the ideas it would like to fund. The sample shows which businesses get YC's backing. It's too early to say which of the 2026 companies will make it. Below, I go through all eight batches of those two years, how business models shifted and what I expect next.

- **The model makers are now competitors.** OpenAI, Anthropic and Google ship assistants for lawyers, finance teams and other professionals. For a startup, the company that supplies its model can turn into a rival while still controlling access to that model. The share of the "Other AI apps" category, which covers assistants and agents, fell from 61% in 2024 to 48% in 2026, even though the number of such companies grew from 360 to 410. A product whose value comes down to an interface on top of someone else's model is especially exposed when the model's maker ships similar features. The word "copilot" (an assistant that makes suggestions to a person) appeared in 3.3% of company descriptions in early 2023 and had nearly vanished by 2026. "SaaS" (software-as-a-service, sold by subscription) showed up in 4.9% of descriptions in 2022 and in about 1% since 2024. Those shifts tell you how companies present themselves. On their own, they don't prove anyone gave up on subscriptions or assistants. AI or agents come up in 83% of 2026 company descriptions, versus 81% a year earlier.

- **Industrial startups, services for agents and services delivered with AI.** The share of industrial startups nearly doubled in a year. YC files robots, energy, defense, space and manufacturing under Industrials. They make up 19.5% of 2026 companies versus 10.2% the year before, or 167 companies versus 63; in the summer and fall batches the share hit 24%. One in seven 2026 companies (14%) builds products for agents: computers, email, phone numbers, wallets or liability insurance. The Winter 2026 batch stands out for companies that deliver services themselves with AI: legal, accounting, brokerage. The model is called Service-as-Software. Over the year, the number of these service providers at YC went from 17 to 36; I count software sold for specific job roles separately.
- **What YC wants next year.** YC's winter 2027 list has no standalone request for an "agent for industry X." Instead it calls for companies working on space, American-made robots, data center supply chains and companies' own models. For three of the 11 requests I found no match in the fall batch: the "$15-an-hour expert" (someone without a degree who does a specialist's job with AI's help), a language model that writes well and a single way to verify data for government benefits. One sample can't tell you whether anyone else in the market is working on them.
- **My forecasts.** At the end of 2025, I expected agents to do the work, talk to each other, manage other agents and pay them with almost no human involved. So far, fewer than 1% of YC's 2026 companies build products for that kind of trade. I expect 15–20% of YC companies to build products for agents in 2027, with industrial startups holding at about a quarter. I check my past forecasts and lay out my expectations for 2027 in the last part.
- **Team size.** The median team in the newest batches stayed at two to three people. The share of one-person companies rose from 2.9% to 7.4%. My December 2025 forecast of a "$100 billion company with ten people" didn't come true.

How YC works, how I counted and which mistakes from the first version I fixed are all in the appendix.

Part I. How YC itself changed: four batches a year and a new kind of founder

1.1. Four batches a year to keep up with AI

Startups go through Y Combinator in groups called batches. In 2025, YC switched from two batches a year, winter and summer, to four.

The first fall batch actually ran in 2024 (F24, 94 companies). In January 2025, YC managing director Dalton Caldwell announced the first spring batch. YC said the new schedule reflects how much faster AI makes development and how many more startups want into the program. Founders are less likely to have to sit out a season before they can apply.

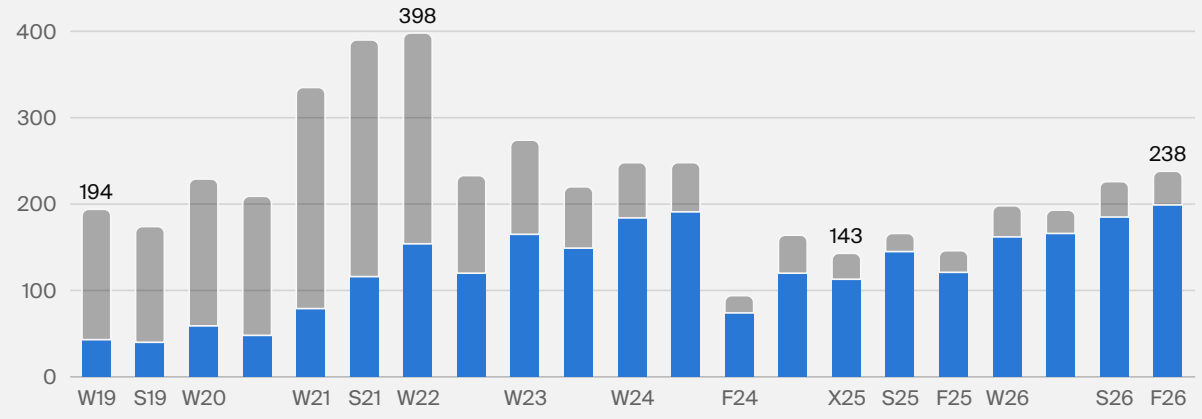
A batch code is a season letter plus the last two digits of the year: W for winter, S for summer, F for fall. Spring gets X (X25, X26), because S was already taken. A year ago I wrongly called the spring batch an experimental program.

In 2026, the second year on the new schedule, the batches grew again:

	Winter	Spring	Summer	Fall
2025	164	143	166	146
2026	198	193	226	238

Number of companies in the YC directory as of November 23, 2026. On November 23, 2025, the 2025 batches listed 635 companies; today it's 619. The directory changes over time.

YC batch size and AI share, W19 → F26



Bar height is the number of companies in the batch; the blue part is those that mention AI or agents, the grey part the rest. YC directory as of 23 Nov 2026; F26 is still in progress.

The 2025 batches had 143 to 166 companies each, and the record Winter 2022 batch (W22, 398 companies) was 2.4 to 2.8 times as large. But there are now four batches a year instead of two. Today's directory lists 619 companies for 2025: more than for 2023 (494) and 2024 (590), fewer than for 2021 (725). In 2026, both the individual batches (193–238 companies) and the annual total grew. The total is 855, the highest in my 2019–2026 data.

1.2. Founders got younger, and more companies start with one person

I loosely call the Garry Tan era at YC the Lightcone years, after the podcast hosted by YC's partners. By "high-agency" I mean a founder's ability to act on their own: build a product and change it when the first idea doesn't work. A sharp change of product is called a pivot.

Rebel Fund, a venture fund, keeps an outside database of YC startups and founders. In November 2025, its founder Jared Heyman described how the founder pool has changed:

- **Age.** By his data, the average founder age hovered around 29 from 2015 on, then dropped to about 26. For the first time in a decade, founders under 25 outnumbered older ones.
- **Age and outcomes.** Rebel Fund's model links the best odds of success, meaning a valuation of $60 million or more, to founders aged 26 to 30. Younger founders' companies shut down more often. Founders over 30 more often end up with companies that stay alive without growing fast, which Heyman calls "zombie companies." The gap in success odds is small: about 21% for 26-to-30-year-olds and 19–20% for everyone else. In the model, the odds of shutting down fall from 31% for founders aged 17 to 21 to 17% after 30, while the odds of becoming a "zombie" rise from 51% to 64%. These estimates describe patterns in the fund's data. They don't tell you the right age to start a company.
- **Education and past jobs.** Almost half of founders have worked at one of the fund's top-20 employers, double the share a decade earlier. More than half graduated from a top-20 university, which first happened in 2024.
- **San Francisco.** The share of YC startups based in the Bay Area is approaching 85%. Heyman links this to Tan's push to bring founders to the city. By the fund's data, local startups reach high valuations more often, but they also shut down more often.
- **Personality.** Rebel Fund's model rates new founders as less dominant and more conscientious than founders from the Web3 crypto boom. Heyman describes them as reserved engineers who sweat the details and stay focused on the product. That's the fund's reading, based on its personality model.

In YC's Fall 2025 Requests for Startups, partner Aaron Epstein wrote that small teams, solo founders included, can build multibillion-dollar companies. In the Summer 2026 batch (S26), by Heyman's count, 19% of companies have a single founder, versus a five-year average of 8.1%.

That's a five-year high and the third straight batch with an elevated share. Heyman ties the rise to AI coding tools, including Claude Code and Codex. By his count, almost 60% of S26 founders are under 25; in the Spring 2026 batch (X26) it was 38%.

I compared team sizes separately. The YC directory shows how many people work at a company today, so 2019 companies that have since grown can't be compared with new ones. I used November 2025 and November 2026 data to compare batches at the same age.

The median team stayed at two to three people, and two thirds of companies have three people or fewer. The share of one-person companies rose in all four batches: 2.9% in the 2025 batches, 7.4% in the 2026 ones. That's 18 and 60 companies. The shares are of companies that list a team size: 617 of 635 and 807 of 855. One employee in the directory and one founder are different things.

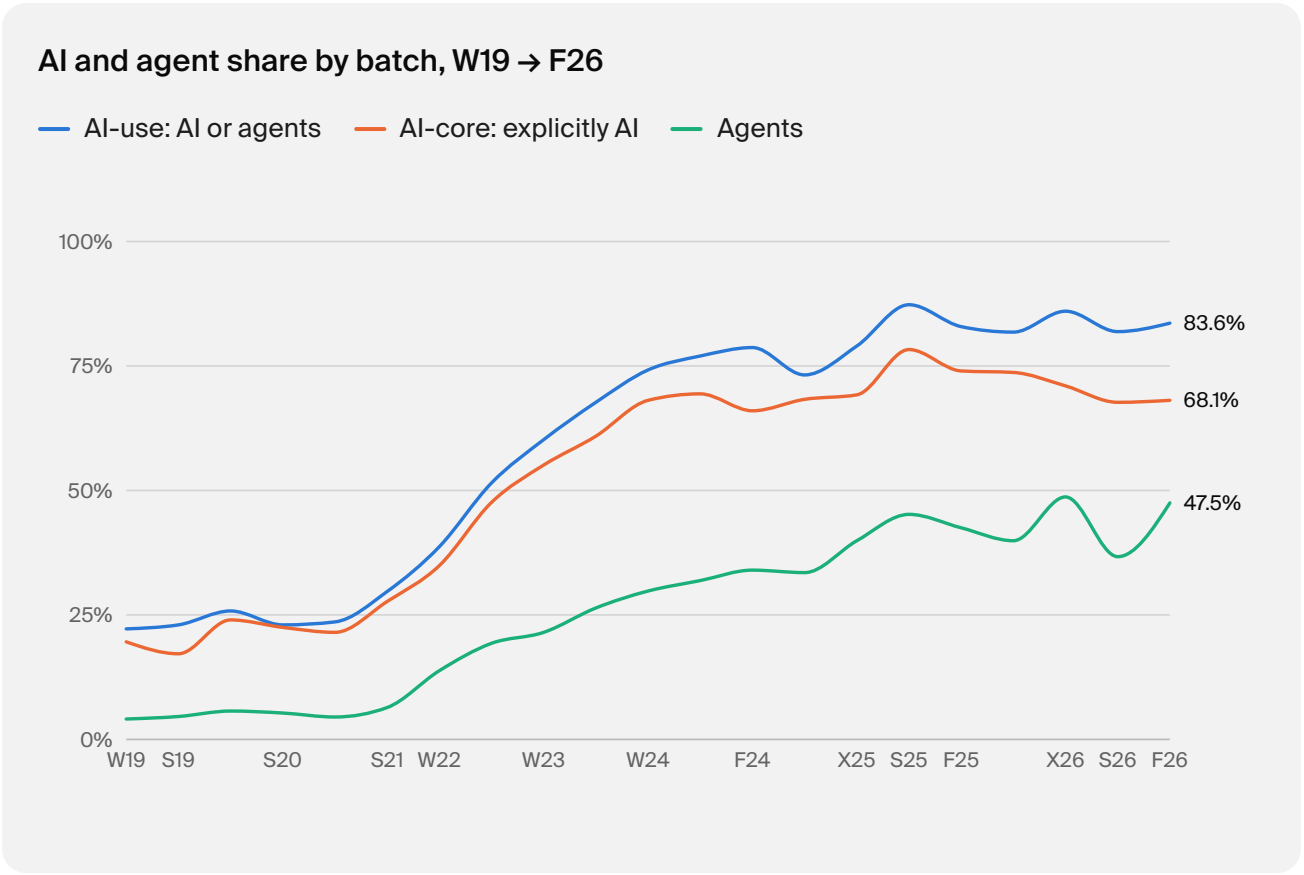
1.3. Where the numbers come from and how to read them

Unless I say otherwise, I calculated the percentages from YC's public directory as of November 23, 2026, using data from the yc-oss project. To label AI products I searched company descriptions for keywords; for industrials I used YC's own industry classification:

- **AI-core** — explicit mentions of AI: AI, LLM (large language models), machine learning, computer vision and similar terms;
- **AI-use** — AI-core signals or the words agent, copilot, assistant, autonomous;
- **agents** — the product is described as an agent or an "AI employee," meaning software for a specific job role;
- **products for agents** — tools that agents use: sandboxes to run code, wallets, email, connections over MCP (Model Context Protocol) and quality tests, or evals;
- **industrials** — the Industrials sector in the YC directory: robots, energy, defense, space and manufacturing.

Keyword labeling is approximate. I checked it against all 198 companies in the Winter 2026 batch, reviewing products for agents, service providers and software for job roles separately. In the table below, categories can overlap. The details of that check, the method's limits and comparisons with other counts are in the appendix.

Year	Companies	AI-core	AI-use	Agents	Products for agents	Industrials
2019	368	18.5%	22.6%	4.3%	1.4%	7.3%
2023	494	57.7%	63.6%	23.7%	4.3%	2.4%
2024	590	68.3%	76.1%	31.4%	5.9%	6.9%
2025	619	72.5%	80.6%	40.2%	9.2%	10.2%
2026	855	69.9%	83.3%	43.2%	14.2%	19.5%



My numbers don't back up the line that "6% of startups were AI in 2019 and 80% in 2025": it mixes different ways of counting.

Counted the same way, the share grew 3.6 to 4.5 times between 2019 and 2025. Explicit AI mentions (AI-core) rose from 18.5% to 72.5%, mentions of AI or agents (AI-use) from 22.6% to 80.6%, and YC's official AI tags from 18.2% to 82.0% among companies that have tags.

In 2026 the AI-core share dipped slightly (72.5% → 69.9%). Part of the reason is the batch mix: the share of industrial companies nearly doubled (10.2% → 19.5%), and they mention AI less often. Leave industrials out and the AI-core share barely moved (75.7% → 74.7%); within industrials it grew (44% → 50%).

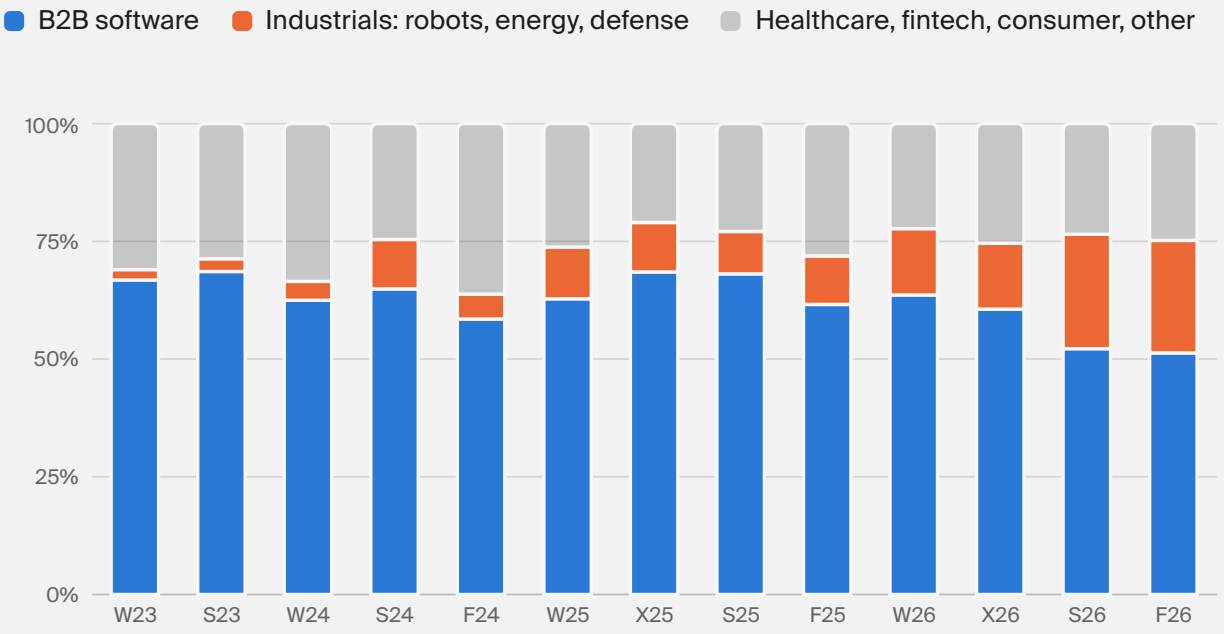
Part II. Eight batches of 2025–2026: from code to hardware

I picked out the themes that stood out most in each batch. They help trace two years of change, even though the companies in any batch work on all sorts of things.

- **Winter 2025 (W25)** — vibe coding: AI writes code from a description of the task, and a prototype comes together in days.
- **Spring 2025 (X25)** — autonomous agents that get handed whole tasks.
- **Summer 2025 (S25)** — testing and monitoring agents, or Agent Ops.
- **Fall 2025 (F25)** — robots, defense and a high share of companies that deliver services with AI or sell software for specific jobs.
- **Winter 2026 (W26)** — legal, accounting and brokerage services delivered with AI.
- **Spring 2026 (X26)** — phone numbers, sandboxes and insurance for agents.
- **Summer 2026 (S26)** — factories, humanoids, defense and data centers.
- **Fall 2026 (F26)** — computers and electricity for agents.

Batch	Period	Main trend	What it means for the market	Agents	Industrials
W25	Jan–Mar 2025	Vibe coding	Small teams build products faster with AI	33.5%	11.0%
X25	Apr–Jun 2025	Autonomous agents	Software takes on more tasks by itself	39.9%	10.5%
S25	Jun–Sep 2025	Agent Ops	Demand grows for quality checks and agent oversight	45.2%	9.0%
F25	Oct–Dec 2025	Physical AI	Startups put AI to work on construction sites, in factories and in autonomous machines	42.5%	10.3%
W26	Jan–Mar 2026	Service-as-Software	The startup delivers a service itself, a legal one for example, with AI	39.9%	14.1%
X26	Apr–Jun 2026	Services for agents	Products show up that are built for software to use	48.7%	14.0%
S26	Jun–Sep 2026	Industrials	One company in four works on robots, defense, data centers or other hardware	36.7%	24.3%
F26	Oct–Dec 2026	Computers for agents	Startups build cloud and energy infrastructure	47.5%	23.9%

From software to the real economy: industries by batch



Industry share within each batch, YC's own classification.

Across the sample, digital and physical infrastructure for AI is taking a bigger share. Over the same stretch, the Engineering, Product and Design subindustry, which covers tools for engineering, product management and design, fell from 15% of 2025 companies to 8% of 2026 ones.

2.1. Winter 2025 (W25): vibe coding and AI for specific industries

W25	164 companies	73.2% mention AI or agents	33.5% mention agents	6.7% products for agents	11% industrials

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Plenty of winter companies built their product around AI. Blog posts about the batch talked about "92% AI companies," and a year ago I repeated that number. By my count, AI or agents come up in the descriptions of 73% of the batch's 164 companies.

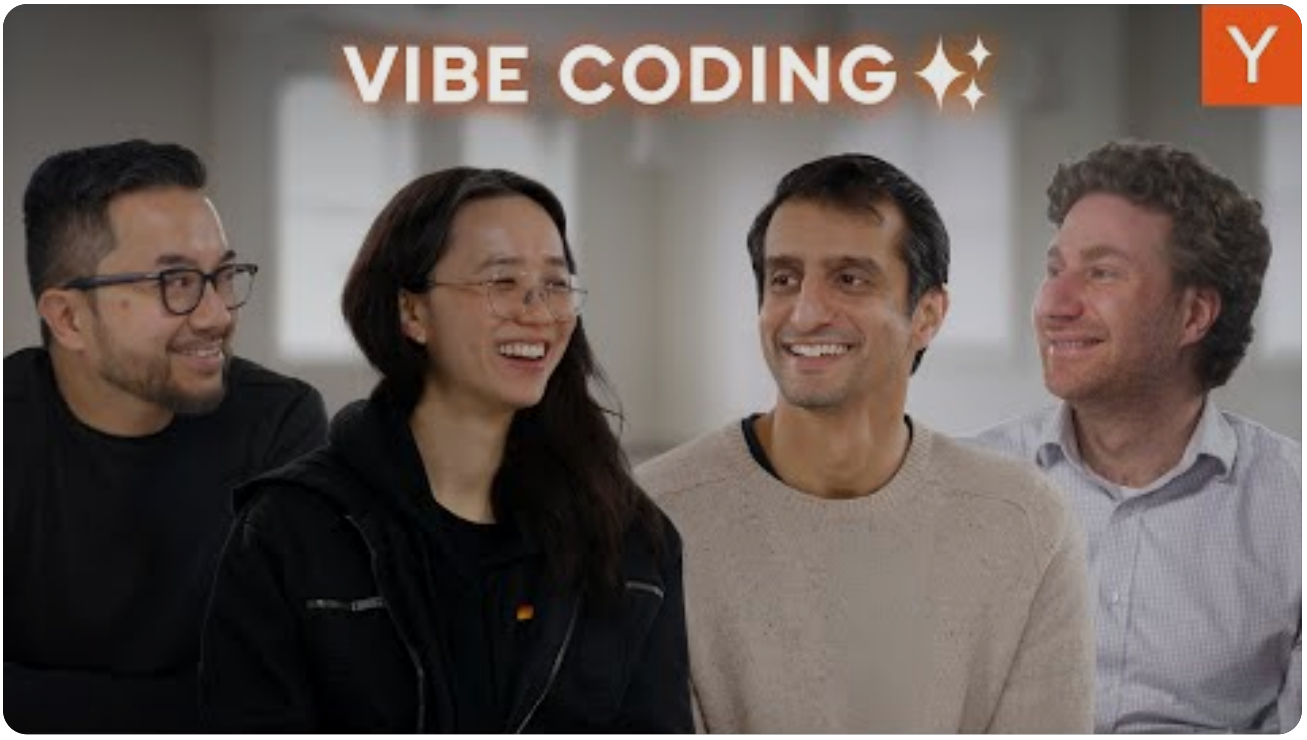
Vibe coding. That's the name AI researcher Andrej Karpathy, one of OpenAI's founders, gave in February 2025 to a way of building software where a person describes the task in plain words, the model writes the code and the person barely looks at it. According to YC partner Jared Friedman, as quoted by TechCrunch, a quarter of the batch's founders said AI wrote more than

95% of their code. Friedman added that "every one of these people is highly technical": a year earlier they would have built the product from scratch themselves.

Garry Tan said the winter batch's companies grew 10% a week in aggregate, without saying by which measure. Some hit $10 million in revenue with teams of fewer than ten people. "You don't need a team of 50 or 100 engineers," he told CNBC in March 2025. In September 2025, a post on the LessWrong forum went through the valuations of YC companies. Its author found no evidence that post-ChatGPT batches grow faster than earlier ones. That compares valuations; it doesn't check every revenue claim Tan made.

YC partner Diana Hu warns that without engineering training it's hard to judge the quality of generated code. Garry Tan asks whether a product with 95% AI-written code can hold up under a hundred million users. In his view, early reasoning models were bad at debugging, so founders still need to understand how their product actually works.

YC's partners talk through what vibe coding can do, and how much engineering skill it still takes, in an episode of Lightcone.



Lightcone: “Vibe Coding Is The Future,” Y Combinator, March 2025

W25 trends

- **Agents for complex tasks.** Startups build software that runs a sequence of steps and works with outside systems.
- **Fast prototypes.** AI lets some teams cut prototype development from months to days. Some companies show up to Demo Day, their pitch to investors, already making money.
- **Industry knowledge and sales.** When code gets easier to write, I'd look harder at data access, a grasp of the customer's problem and the ability to sell.

- **Revenue per employee.** This metric shows what a small team can pull off. The median W25 team, as of the data snapshot, is four people.
- **Betting on one industry.** Startups look for an edge in work that depends on special data and processes. Legal services (LegalTech) need court databases, medical ones (MedTech) need scans and patient records, construction needs project documents. Access to that data can help compete with general-purpose products from OpenAI, the maker of ChatGPT.

W25 companies

- Red Barn Robotics — maker of the Field Hand weeding robot, a "Roomba for weeds." It sells weeding to farmers as a service, from planning the work to keeping fields clean all season. The company says Field Hand is 15 times faster than a person and four times cheaper. By Demo Day it had signed letters of intent worth $5 million, TechCrunch reported. Letters of intent aren't revenue yet. Farms are short of workers: Red Barn itself says one in five US farm jobs goes unfilled each year. Its business model resembles Service-as-Software: the customer pays for a job done, in this case weeding by robots.
- Mastra — an open-source TypeScript toolkit for building agents, from the team behind Gatsby. People call it "Rails for agents": it comes with workflows, search over your own documents (RAG) and quality tests (evals). The team grew to 30 people in a year, and in April 2026 the company raised $22 million in a Series A, the round that usually follows the seed.
- Browser Use — an open-source project that gives agents "hands" in an ordinary browser. That lets an agent work with a website that has no API, the interface other programs use to plug in. In March 2025 it emerged that the Chinese agent Manus runs on Browser Use. Within a week, daily downloads jumped from about 5,000 to 28,000, TechCrunch reported. Two weeks later the company raised a $17 million seed round led by Felicis. As of November 23, 2026, the project has 121 thousand stars on GitHub, the marks users leave on code that catches their interest.
- Harper — a commercial insurance brokerage that automates its work with AI and sells clients the brokerage service. The team is 25 people.
- Sennu AI — by its own description, it "turns traditional companies into AI companies."
- Permitify — an AI assistant that checks construction plans against building codes. Its customer is the city department that issues building permits. The company says a reviewer works ten times faster with Permitify. Two people.
- Orchids — "an AI full-stack engineer" that builds an app's interface and back end. Within a year it renamed itself Bud ("an agent with a computer") and got acquired. Other product changes are covered in section 2.9.

This set of business-facing (B2B) companies mixes developer tools, software for professionals and companies that deliver a service with AI.

The winter batch (W25) shows what kind of product a team of two or three can handle. Companies like these were one reason for my forecast of a "ten-person company worth $100 billion."

2.2. Spring 2025 (X25): agents for professional work

X25	143 companies	79% mention AI or agents	39.9% mention agents	8.4% products for agents	10.5% industrials
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The first spring batch (143 companies) stands out for agents built for specific industries. If the winter batch (W25) was about writing code, spring (X25) was about professional work that has to follow rules and run inside the client's own software.

AI or agents come up in 79% of the batch's company descriptions. According to PitchBook, 67 of the 144 companies then listed in the batch (46%) were building AI agents. My stricter keyword list gives 40%. Software sold as an "AI employee" for a specific job comes from 7% of the batch, up from 4% in winter.

X25 trends

- **"Cursor for X."** Startups take the approach of the Cursor code editor into professional tools for other industries. The "AI agent for X" formula echoes the "Uber for X" craze of ten years ago. **Raycaster**, from the Fall 2024 batch, calls itself "Cursor for regulatory documents" in the life sciences. It helps prepare filings for the FDA and follows how drugs actually get developed. Work like this means meeting documentation requirements and checking the result.
- **Working by the rules.** Agents for finance, pharma, construction and inspections take on specific jobs, like compliance checks or paperwork.
- **Security.** 5.6% of the batch works on it, 2.6 times the average share for 2024–2025.
- **First sales.** Eloquent AI says it reached $500 thousand in annual recurring revenue (ARR) in four weeks. ARR projects recurring payments over a year; it doesn't mean the company earned that much in four weeks. The company says its product plugs in without an API or engineers.

X25 companies

- **Sim** (Sim Studio in the batch) — autonomous agents for enterprise systems, 10 people.
- **Eloquent AI** — an AI operator for financial companies. Its makers say it learns by watching employees and carries out operations in the browser and desktop apps while following regulators' requirements.
- **Opusense** — AI for field inspection reports at construction sites and factories.
- **Godela** — an AI physics engine meant to speed up simulations and cut down on prototyping.

- **Lumari** — digital workers for procurement and supply chains. At Demo Day in spring 2025 the company was showing a no-code builder for internal apps; it changed products before the year was out.
- **Alkali** — by its own description, "the smarter way to estimate steel": cost estimates for steel structures.
- **Jeevy Fabrication** — a contractor for complex welded structures. It picks a shop from its network and handles quality control. The company says the service costs less than typical outsourcing, and its software cuts partner shops' quoting and scheduling time by more than 80%. The customer gets a finished structure.
- **Cactus** — an "AI growth partner" for small businesses run by plumbers, electricians and other tradespeople.
- **Cascade Space** — a commercial alternative to the deep space communications network.
- **cubic** — AI code review; **Better Auth** — an authentication framework for TypeScript.

In the spring batch (X25), startups look for an edge in industry-specific work and in building AI into the software people already use. Sizing up a product like that, I'd look at customer requirements, data access and how well it fits into the customer's daily work.

2.3. Summer 2025 (S25): agent reliability (Agent Ops) and a shrinking share of fintech

S25	166 companies	87.3% mention AI or agents	45.2% mention agents	11.4% products for agents	9% industrials

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The summer batch stands out for tools that test and monitor agents. AI mistakes, made-up answers included, make it hard to hand AI any work that involves money or data. Startups offer ways to catch those mistakes before they hurt a customer.

The summer batch (S25) was the biggest of 2025 (166 companies). AI or agents come up in 87% of the batch's company descriptions, and 45% talk about agents directly. Extruct AI's analysts got a similar 88%, though they counted companies built around AI ("AI-native") by their own method. By YC's classification, two thirds of the companies (68%) sell to businesses (B2B), and 7% are consumer companies.

S25 trends

- **Agent Ops ("picks and shovels for the gold rush").** That's what people call tools for those who build and run agents. One company in nine (11%) makes products for quality evaluation, debugging, monitoring and security. Their job is to help customers keep AI's work under control.
- **Fintech with agents.** Fintech makes up 5% of the batch, versus 12% in the Winter 2023 batch. The financial products include agents that manage money, taxes and audits (autonomous finance).
- **Automating a whole task.** Some products suggest a person's next step; others carry out a whole sequence of actions. Who checks the result and answers for mistakes depends on the terms of the service. An autonomous agent doesn't carry that responsibility on its own.
- **The cost of compute.** Some companies work on making models run faster and cheaper.
- **Voice AI.** YC put it on its Summer 2025 request list. YC partner Gustaf Alströmer wrote that a customer's phone call to a business has barely changed in a hundred years, even though there are more than a trillion such calls a year. He compared talking to the new voice bots with a first ride in a self-driving car: "it just works." The batch has voice products for lending, debt collection and city services, where industry rules apply. The word "voice" shows up in 9% of the winter (W25) and summer (S25) batches, and in 3–5% of the 2026 batches.
- **Agents inside industry-specific products.** Legal, HR and marketing startups describe their products as agents.

S25 companies

- **AgentMail** — email inboxes for AI agents. In March 2026 the company raised a $6 million seed round.
- **Nox Metals** — an automated metals service center. It buys stock from mills, cuts it to order and ships it to manufacturers, promising better prices and faster turnaround. The company grew to 64 people in a year, and its founder later wrote a YC request about metal mills (section 7.3).
- **Halluminate** — data and training environments that teach agents knowledge work by trial and error, known as reinforcement learning (RL). In October 2026 the company raised a $30 million Series A; the team is nine people.
- **Voice AI in regulated industries: Altur** works on debt collection. **Veritus** works with consumer lending and, by its own description, combines voice AI with "deep regulatory compliance." **EffiGov**'s agents answer residents' calls to government offices.
- **Reliability and security: Fulcrum** makes a debugger for AI systems, **GhostEye** runs simulated attacks on a client's systems to find weak spots, and **Alter** manages agents' privileged access.
- **Efficiency: Stellon Labs** builds compact on-device models. **Wafer** (Herdora in the batch) calls itself "AI that makes AI fast"; 21 people.
- **KERNEL** — open-source infrastructure that agents use to work on the web.

- **Small teams** — one to eight people. **Omnara** offers an open-source alternative to Claude Managed Agents: one API to deploy, run and manage agents. **Epicenter** calls its product "ChatGPT's memory in an open, portable format." Its apps keep notes, transcripts and AI chats in a folder on the user's machine. **Interfere** helps engineering, product and design teams find problems in their product. Rid and stagewise, which I wrote about a year ago, have changed products; more in section 2.9.

In the summer batch (S25) I see interest in the everyday work of running AI in business (B2B): quality checks, security and the cost of compute.

2.4. Fall 2025 (F25): AI moves into the physical world (Physical AI)

F25	146 companies	82.9% mention AI or agents	42.5% mention agents	10.3% products for agents	10.3% industrials

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The fall batch draws attention for robotics and the data used to train robots. Yet by YC's classification, industrial startups make up 10.3% of it, about the same as in earlier batches. I treat physical AI as a theme because of the standout companies; the shift in the numbers, to one startup in four, came only in summer 2026.

F25 trends

- **Tools for robot makers.** Beyond all-in-one robots, teams build modular platforms, control software and datasets for other manufacturers.
- **Defense tech.** The batch includes projects for simulating and developing autonomous systems.
- **Learning from human motion.** Robots need examples of manual work, and companies call collecting that data one of the industry's bottlenecks. Darwin Robotics trains robots from human demonstrations. Cortex AI records work at real job sites and sells the data to labs. Piggy Robotics promises humanoids at the price of an iPhone, betting it will eventually collect recordings from a big network of robots.
- **Services and software for specific jobs.** They account for 12% of the fall batch (F25), the highest share of the year. The group combines AI service providers working on the Service-as-Software model and makers of software for job roles, the so-called "AI employees."

F25 companies

- **Multifactor** raised a $15 million seed round. Its platform lets agents get into accounts and email without anyone handing over passwords.

- **Null Labs** — simulation for autonomous defense systems. The company wants part of the testing done in a digital environment to cut the cost and risk of field tests.
- **Forge Robotics** — a robot control system for metalworking.
- **Cortex AI** — data on human and robot motion for training the AI that controls robots (embodied AI).
- **Brickwise** — an AI property manager for landlords and agencies. It takes tenants' calls and messages, dispatches contractors and handles requests. The company says it has more than ten customers, including in San Francisco and Dubai, and a contract with a large client worth more than $1 million a year. The team is 12 people.
- **Hyperspell** — a "company brain," as its makers call long-term memory for agents.
- **Digipals** — a consumer product. In December 2025 the company was building an "anti-social network": users' agents arranged meetups based on calendars, location and group chats. Now Digipals describes itself as "AI to amplify human creativity." More on product changes in section 2.9.
- **Sylvian** — a year ago the company was building data for agents. In February 2026 its site offered "specialized agents," and as of the data snapshot the YC directory lists it as inactive.

Among the fall batch's (F25) themes, I'd single out the link between AI and physical labor. YC's request about training workers belongs here too.

In the Fall 2025 list of requests, YC partner Harj Taggar proposed "a new kind of vocational school for the AI economy." Data centers and chip fabs need electricians, HVAC technicians and welders. In Taggar's pitch, AI builds a personalized curriculum and helps people learn a trade in months instead of years. Training could happen with a voice tutor or in augmented and virtual reality (AR/VR), where the model watches the student and corrects them. The intended customers are the employers who hire the graduates.

2.5. Winter 2026 (W26): startups become law firms and accounting firms

W26	198 companies	81.8% mention AI or agents	39.9% mention agents	12.1% products for agents	14.1% industrials
3 median team today					

The Winter 2026 batch had 198 companies. Demo Day, where startups pitch investors, was on March 24.

The batch includes law firms, accounting firms and brokers that deliver their services with AI. The client hands them the work; the company organizes how it gets done and answers for the result. People may review individual steps or handle a whole case.

I checked this labeling by hand for all 198 companies in the batch. Nine turned out to be service providers, and another 14 sell an "AI employee" for a specific job. Together that's 23 companies, or 12% of the batch, and the group spans different business models. Analysts at Extruct AI use a broader category: they put 28% of the batch under "AI-native services."

Winter 2026 (W26) trends

- **Services delivered with AI.** The batch has four law firms, a med-legal firm, an accounting firm, an insurance broker, a commercial real estate broker and a medical billing service. A med-legal firm prepares medical documentation for court cases and insurance disputes.
- **"AI employees."** Other companies sell software for a specific job role, like an operations engineer, an analyst or a coordinator. Organizing the work can stay with the client.
- **Services built on OpenClaw.** In winter 2026, the open-source personal AI agent OpenClaw took off. The batch included services that run it for you in one click.
- **Agent payments.** Startups build financial infrastructure that lets software receive and spend money.
- **Energy and space.** Companies work on solar panels for space, data centers that don't depend on the main power grid and AI-driven ways to find uranium.

Winter 2026 (W26) companies

- **General Legal** — a law firm for fast-growing companies that uses AI. The YC directory lists 40 people. The batch has three more AI law firms: **Moritz** promises same-day results, **LegalOS** focuses on immigration law, and **Vector Legal** rounds out the group.
- **Balance** offers full-service accounting with AI, **Panta** commercial insurance brokerage, **Overdrive Health** medical billing. **Travo** does commercial real estate brokerage, **Docura Health** med-legal work.
- **Sponge** — financial infrastructure for agents. It lets them make payments and lets businesses take payment for their products.
- **Klaus AI** — a cloud service for running OpenClaw, built for speed and security.
- **Human Archive** — infrastructure for training, testing and running the AI that controls robots and other machines. The YC directory lists 100 people, more than any other company in the eight batches over those two years.
- **Hlabs** — robot parts made in the US. Founder Paul Hetherington came back to YC after six years running Mystic (W21). In December 2025, Hlabs called itself "developer-friendly robotics"; by February 2026 it was building a supply chain to assemble robots in the US. That was more than eight months before "Robots Made in America" showed up in YC's Requests for Startups, the list of ideas it asks founders to pursue (more in section 7.3). In the December version of this research, I wrongly placed the company in the Fall 2025 batch (F25).
- **Salus** checks an agent's actions before they run. **Sentrial** calls itself "Datadog for agent reliability," comparing its product to the well-known service that monitors servers and apps.

Under Service-as-Software, the company answers to the client for delivering the service. General Legal, with its 40 employees, combines AI with the work of people.

2.6. Spring 2026 (X26): the agent becomes the customer

X26	193 companies	86% mention AI or agents	48.7% mention agents	16.6% products for agents	14% industrials

3
median team today

The Spring 2026 batch had 193 companies, and Demo Day was on June 16. By my count, 49% of the companies talk about agents, more than in any other batch I counted. AI or agents come up in 86% of the descriptions.

One company in six in this batch (17%) makes products that agents use. An agent can pick and connect a service, while the person or organization that gave it the task pays for it.

In February 2026, two months before the batch started, YC partners joked on the Lightcone podcast about changing the accelerator's motto, "Make something people want," to "Make something agents want." They also asked whether anyone had built phone numbers for agents yet. In the spring batch (X26), a company did.

Spring 2026 (X26) trends

- **Services for agents.** Phone numbers, cloud computers, sandboxes with databases, spending controls and liability insurance. A sandbox walls off an agent's work from other systems and helps lower the risk to data. Services are often connected through an API, a programming interface.
- **Marketing to agents.** Startups help get services picked by coding agents. The agent reads the documentation and decides which tool fits the task.
- **Hiring people through an agent.** Marketplaces have appeared where an agent can find a person for work the software can't handle.
- **Matching YC's requests.** The batch has themes from the January 2026 list: an AI hedge fund, an AI agency and products for government.
- **Defense.** Counter-drone systems, underwater drones and computing systems for defense contractors that are cut off from outside networks.

Spring 2026 (X26) companies

- **AgentPhone** — phone numbers for AI agents.
- **InstaBox** — cloud computers for agents; **Ardent** — sandboxes with databases.

- **Allowance** controls agents' spending; **Klaimee** offers liability insurance for what they do.
- **Armature** helps get products picked by coding agents. **Manicule** calls itself "DevRel for agents," taking the playbook for courting developers who use a product and pointing it at agents.
- **RentAHuman** — a marketplace where agents hire people. **Humwork** gives agents access to human experts through an API; a year ago the team was called Qualify.bot and built voice AI.
- **Standard Signal** — a hedge fund that, by its own description, uses AI at every stage of a trade, from research to execution.
- **9 Mothers** — counter-drone systems. The company cites $1.6 million in sales and deliveries to the US military in its description. The team is 35 people.
- **Hub Labs** — infrastructure and data for embodied AI, meaning AI that controls a robot or another physical machine. The team is 50 people.

In spring 2026, agents became a more visible group of users for online services. What they pick depends on how easily software can make sense of the documentation, connect and get the job done.

2.7. Summer 2026 (S26): one company in four is industrial

S26	226 companies	81.9% mention AI or agents	36.7% mention agents	13.3% products for agents	24.3% industrials

2
median team today

The Summer 2026 batch had 226 companies, and Demo Day was on September 10. By YC's classification, one company in four (24%) is industrial. The group covers robots, energy, defense, space and manufacturing. In the Summer 2025 batch (S25), the share was 9%.

Jared Heyman of Rebel Fund saw a similar shift. By his classification, industrial companies made up 23% of the summer batch (S26) versus a five-year average of 6.6%. He titled his analysis "return of the atoms," tech shorthand for a renewed interest in the physical world.

By YC's classification, the share of B2B, products for businesses, dropped to 52%, the lowest since 2022. Agents come up in 37% of company descriptions, lower than in most batches since early 2025.

Similar themes had shown up in YC's requests. In its Spring 2026 list, the accelerator invited founders building modern metal mills and AI guidance for physical work. In the April list, it highlighted defense against drone swarms, hardware supply chains, chips and manufacturing in space.

Summer 2026 (S26) trends

- **Robots for manufacturing.** Startups offer systems for specific factory operations and promise to cut the time it takes to roll them out.
- **Defense.** YC puts nine companies in the batch under its Defense subindustry. They build strike systems, defense against drone swarms, exoskeletons and radars.
- **Manufacturing data centers.** The projects include floating data centers, mass-produced data centers and robots that assemble them. Next to them are firms that do the design work.
- **Chips and materials.** Startups work on AI chips, diamond-based semiconductors and making magnets in the US.
- **Automated services.** The batch has an accounting firm, an insurance company and a freight broker that use AI to do the work for the client.
- **Data for robots.** OS3 says its model was trained on 150 thousand hours of real-world video covering more than 2,000 tasks. Shiraz AI says it can teach a robot a new task from a single demonstration. Praxis Robotics gets ordinary businesses to help collect data. Nori offers a robot for $1,688, partly betting on collecting data about how it works at customers' sites.

Summer 2026 (S26) companies

- **Tensr** builds robotic factories that assemble robots. **Nori** describes its project as "the most capable American-made humanoid, for $1,688." **Manifold** and **Dawn Industries** offer production robots that, they say, can go to work on day one.
- **Isengard Industries** is developing AI strike systems and counter-drone defenses for mass production; the team is 30 people. **Edgerun** works on military exoskeletons, **Mass Magnetics** on making magnets in the US for robots and the defense industry.
- **Atomarine** is designing floating data centers meant to run on nuclear power. **Pacific** is developing robotic factories for mass-producing data centers. **Marengo** is an engineering firm that designs data centers with AI.
- **Ethos Space Resources** plans to make silicon on the Moon for space-based energy. The project fits YC's April request about manufacturing off Earth.
- **Rational** describes itself as "the first zero-human accounting firm." **Florin** automates insurance services with AI. **Locke** calls itself the first company to handle clients' dealings with government agencies using AI.
- **Molagri** develops pesticides that, it says, pests don't become resistant to. **Meteoric** makes drones that clear clouds over solar power plants.

Investor Marc Andreessen summed up the spread of software as "software is eating the world." For many companies in the summer batch (S26), building the software is tied up with manufacturing, power and installing hardware.

2.8. Fall 2026 (F26): computers and electricity for agents

F26	238 companies	83.6% mention AI or agents	47.5% mention agents	14.7% products for agents	23.9% industrials
2 median team today					

The Fall 2026 batch (F26) is the biggest in two years, with 238 companies. Demo Day is set for December 2. As of the data snapshot the program is still running, and the lineup may change.

By my count, 48% of the companies talk about agents, and 35 of 238 build products for agents to use. Industrials, by YC's classification, make up about a quarter of the batch (24%). In the Fall 2025 batch (F25), 10% of companies built products for agents, and industrials were also 10%.

Fall 2026 (F26) trends

- **Computers for agents.** At least seven companies build clouds, virtual machines and sandboxes. A virtual machine is a separate computer simulated inside a physical server.
- **Energy.** Twelve companies out of 238 work on it. In the 2024–2025 batches there was about one per batch. They work on offshore data centers, gas turbines, grid connections and microgrids that can run apart from the main power system.
- **Building data centers.** Robots that assemble and maintain the facilities, and software for getting building permits.
- **Gadgets with an agent.** Phones, wristbands and glasses that people control through an AI agent.
- **Training models.** Startups sell data and environments for reinforcement learning (RL), where a model learns from its own actions. Perit.AI offers first-person video of real work. Outworld Labs builds simulations for training and testing robots without physical hardware.

Fall 2026 (F26) companies

- **Orgo** — "computers for agents." **Boat** offers cloud virtual machines "for billions of agents." **Maritime** sets up and runs a cloud environment for agents on the client's behalf.
- **Jinko** — travel search and booking for agents. **Versine** — a retail bank built first and foremost to work with agents.
- **Aikido Technologies** is developing wind-powered offshore data centers. **Liquid Energy** makes self-contained solar modules for running trained models, **Viraj Aero** gas turbines for data centers and aviation.
- **Nines** and **Shepherd Robotics** build robots that service data centers. **Contour** helps get building permits for them.

- **Keres** develops reusable unmanned interceptors, **Polemos Industries** AI-guided missiles built for mass production.
- **Raven** and **Cyclon** are designing phones that you use through an agent.
- **ClaimKit** delivers tax services with AI, **Wingman Law** legal services in personal injury cases, and **TrueMile** automates freight.
- **Adalat AI** — an AI operating system for courts; the team is 80 people. The company says it can speed up how cases get handled.

2.9. A year later: what happened to notable 2025 companies

I checked about fifty notable 2025 companies against the YC directory and archived copies of their pages. Within a year, twenty of them changed their name or product, and one more is listed as inactive.

Two more companies from my December list, Hlabs and Tensr, turned out to be from other batches, not 2025. That's my mistake; I go through it and the other corrections in appendix D.

December 2025	November 2026
Orchids (W25), "AI full-stack engineer"	Bud, "an agent with a computer"; the company was acquired
Sennu AI (W25), sales agents for IT consulting; by December 2025, automated Salesforce testing	"Turning traditional companies into AI companies"
NextByte (W25), an AI recruiter that finds top vibe coders, programmers who work with AI	Tweeks.io, "Lovable for Chrome extensions"; Lovable builds apps from a plain-language description
Klavis AI (X25), connecting agents to services over the MCP protocol	Reinforcement learning (RL) environments and training data for model makers
Jazzberry (X25), a testing agent	Cartpole, RL environments
Sim Studio (X25), a visual builder for chaining agents	Sim, autonomous agents for enterprise systems
Alkali (X25), an AI assistant for designing chemical plants	"The smarter way to estimate steel": cost estimates for steel structures
Cleon (X25), agents for rolling out enterprise software	Anana, software for hotel sales teams
Den (X25), an agent for corporate knowledge	"Make real life a video game"
Pharmie AI (S25), an agent for pharma companies	Playgent, sandboxes, isolated environments for AI agents
Meteor (S25), an AI browser	Meteor Labs, data for hedge funds on data center supply chains
Herdora (S25), faster model inference	Wafer, "AI that makes AI fast"
Qualify.bot (S25), voice AI	Humwork (listed in X26), experts that agents call through an API
DeepAware AI (S25), making AI data centers more efficient	Robots, parts and RL environments delivered in 48 hours
Mohi (S25), tracking AI errors	TwentyTwo, AI infrastructure for biosecurity
AgentHub (S25), an environment to simulate and evaluate AI agents before launch	Panoptive, agents and simulation environments for clinical trials
Rid (S25), "sell an item with one text": the agent studies the item, lists it on marketplaces and haggles with buyers	Preseen, AI forecasts of major world events; the company has had five previous names
stagewise (S25), an agent that writes a site's interface code right in the browser	Klex Bots, "a team of digital coworkers"
Iris (F25), calendar and email with an AI assistant	Minro, predicting user churn

December 2025	November 2026
Digipals (F25), an "anti-social network": AI agents coordinate with friends' agents and get people to meet in person	"AI to amplify human creativity"
Sylvian (F25), data for agents	Listed as inactive in the directory

I see three patterns in these changes.

Companies change products or names a lot. A sharp change of product or market is called a pivot. The YC directory lists a previous name for 39% of companies from the 2025 batches and for almost half of those from the 2023–2024 batches. A rename doesn't always mean a new product, so that share can't be used to count pivots. The table above shows how much a company's description can change after Demo Day.

One in four of the companies that changed moved to tools for AI. People often call these "picks and shovels," after the gold rush. Five companies out of twenty now focus on products for model makers, such as OpenAI and Anthropic, the companies behind ChatGPT and Claude, and for those building agents. That means RL environments and training data (Klavis AI, Cartpole, DeepAware), sandboxes (Playgent) and "humans as an API" (Humwork). Similar products show up in the 2026 batches too.

Five more picked specific industries. Anana works with hotels, Alkali with steel structures, TwentyTwo with biosecurity, Meteor Labs with data on data centers for hedge funds. The fifth, AgentHub, used to build an environment for testing AI agents before launch; now it's called Panoptive and builds agents for clinical trials. The other ten either just changed their name or moved to agents for businesses, forecasting or consumer apps.

Model makers are looking for new sources of data, partly because the supply of publicly available text is limited. OpenAI cofounder Ilya Sutskever said in December 2024 that "peak data" had passed. The research group Epoch AI estimates that this stock of text could be used up for training sometime between 2026 and 2032.

The phrase "synthetic data" doesn't appear once in YC company descriptions for 2025–2026. That's an observation about the vocabulary of descriptions: it doesn't show whether companies use data generated by models. Startups offer RL environments, where a model learns from its own actions, and data collected by people. By my count, 4.6% of companies in the Fall 2026 batch (F26) talk about RL, more than in any earlier batch.

It's too early to judge young companies by their status. In the YC directory, about 2% of 2025 companies are inactive, and about as many have been acquired. In the 2019–2020 batches, one company in four is inactive. I've been watching the older batches for longer, so you can't compare those shares directly as a measure of success.

Part III. How business models changed

YC's eight batches show which products founders pick and how their business models shift. Where a share of companies comes without a source link, I counted it myself from the YC directory.

One of the most argued-over kinds of product in 2023–2024 was the wrapper (AI wrapper): a product that comes down to an interface for someone else's model. People also slap the label on standalone products that have their own data, workflows and tools, where someone else's model handles only part of the work.

Companies are building systems of AI agents, software you can hand a whole task to, and hooking them up to customers' data and services.

3.1. What happened to wrappers around someone else's models

A typical 2023–2024 wrapper put a nice interface on top of the API from OpenAI or Anthropic, the companies behind ChatGPT and Claude. An API is the programming interface another program uses to talk to the model.

By the end of 2025, the conversation had settled on a split between "thin" and "thick" wrappers. A thin wrapper's value was the interface. A thick one was woven deep into customers' work, so it's more accurate to call it a standalone product built on someone else's models.

Four weak spots of simple wrappers

- **Sherlocking.** A big platform can build a small startup's feature into its own product. Chatting with your documents, known as "chat with your PDF," meeting summaries and marketing copy all showed up in ChatGPT, Gemini and Microsoft Copilot. Once a feature lives inside a service people already use, it's harder for a startup to convince them to pay for a separate product.
- **Easy to copy.** Investors call an advantage that's hard for a rival to replicate a moat. A product that rests on its interface alone, with no data or technology of its own, is easier to copy. A change in the model's API or pricing can also hit that kind of business hard.
- **The empty prompt box.** Many wrappers left it to the user to come up with a prompt, the request to the model. For a specific job, a ready-made workflow that walks the person through the steps is often more useful.
- **Shaky economics.** If users can walk away easily, a customer may never pay back the cost of ads, support and API calls. A big audience on its own doesn't show how much a company makes per customer.

A founder should have an answer ready for why a customer would stay if OpenAI ships a similar feature. The answer might be proprietary data, hardware, regulatory compliance or simply how well the product solves the customer's problem.

Jasper, Cal AI and Cursor. Jasper is a company from YC's Winter 2018 batch (W18), where its founders were working on a different product, Proof. Jasper sold marketing copy written by GPT-

3. In October 2022 it raised $125 million at a $1.5 billion valuation, and six weeks later ChatGPT came out. In summer 2023 the company laid off staff and pivoted to big customers, and its internal valuation was cut by 20%, according to The Information.

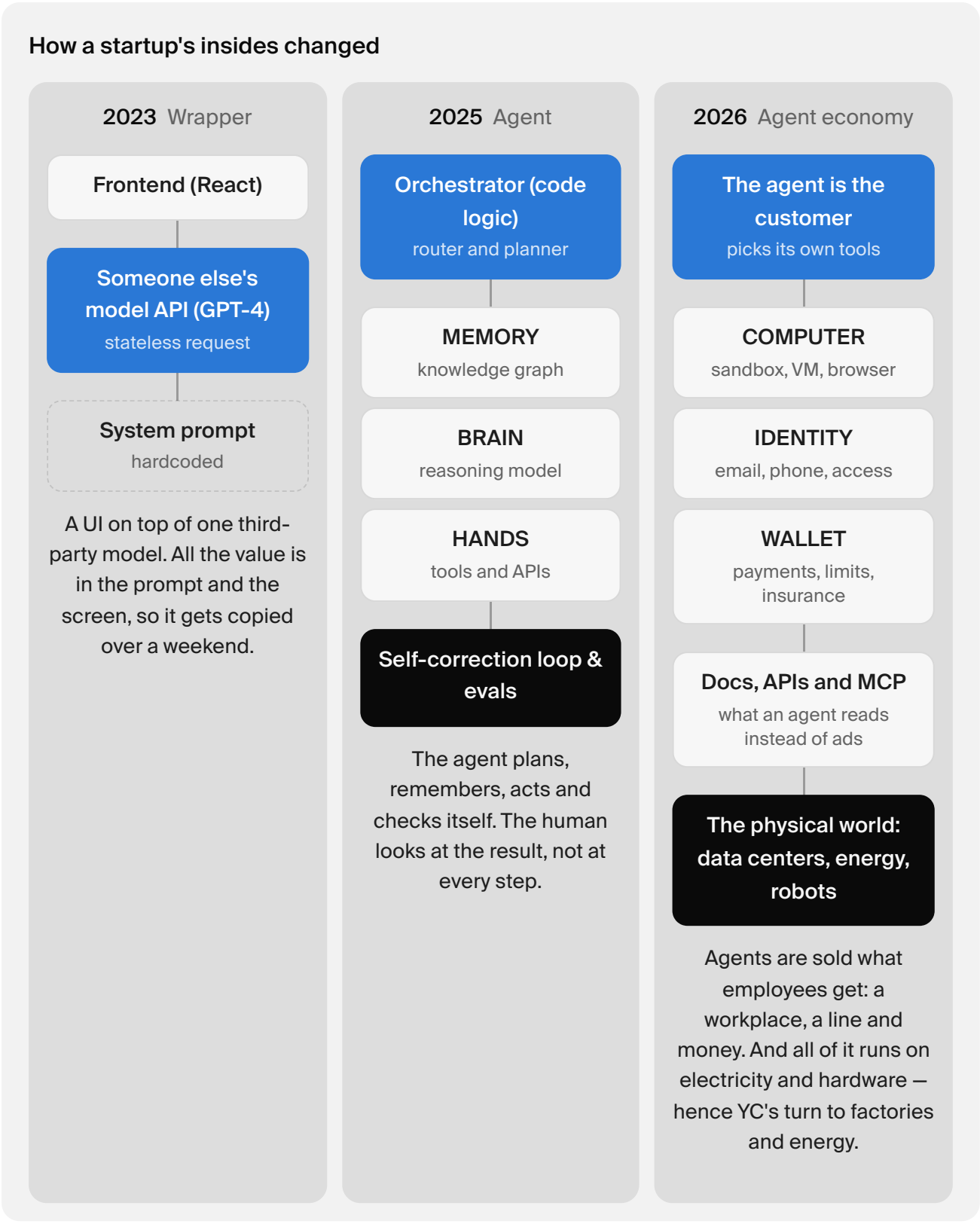
Cal AI grew up outside YC. The app counts calories from a photo of your food using models from Anthropic and OpenAI. High schoolers Zach Yadegari and Henry Langmack launched it in May 2024 with Blake Anderson and Jake Castillo. According to MyFitnessPal figures cited by TechCrunch, the app passed 15 million downloads and more than $30 million a year in revenue. In March 2026, MyFitnessPal bought Cal AI.

The Cursor code editor also grew up outside YC. It started on OpenAI and Anthropic models, and in October 2025 it released its own model, Composer. In February 2026 its annualized revenue, monthly revenue times twelve, passed $2 billion. In June, SpaceX agreed to buy Cursor for $60 billion in stock, and the deal closed on August 14. At the end of August, OpenAI announced that because of the deal it intended to cut off Cursor's access to its models on November 12; on that date, it temporarily extended access.

In 2023, the next version of ChatGPT could replicate a startup's core feature. In 2026, the model makers also compete through industry-specific products of their own, and the terms of access to their models remain an extra risk.

Some companies moved to enterprise customers: copywriting tools became marketing platforms, and simple chatbots became API gateways that connect to different models.

The diagram below is my own generalization, with no counts behind it. It compares a simple wrapper, which passes a request on to someone else's model, with an agent that has memory, tools and a way to check its mistakes.



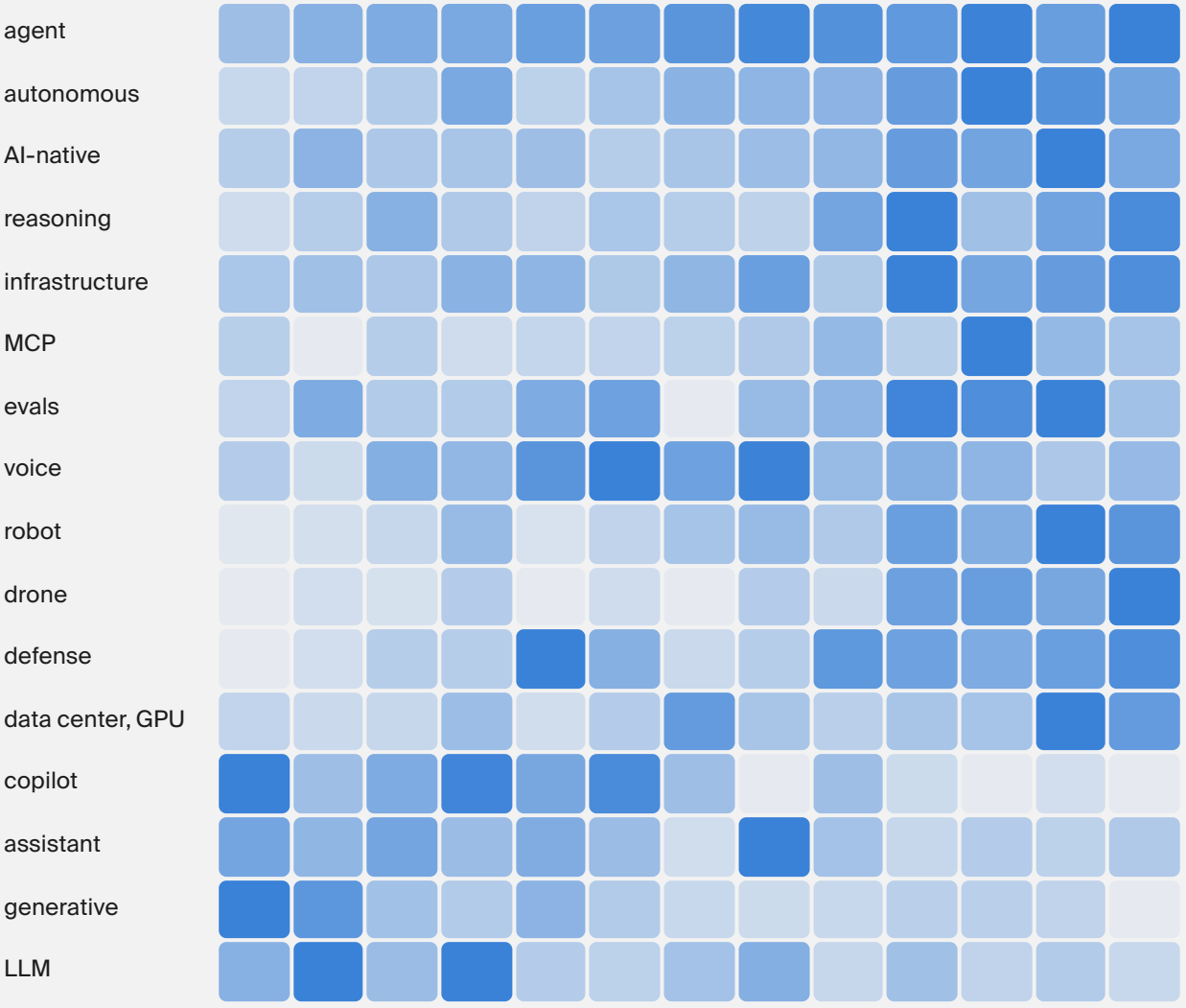
Products built into the customer's work. Using someone else's models is perfectly compatible with a sophisticated product that solves a specific professional problem.

- **Raycaster** (F24) builds that kind of product on a large language model (LLM). Its CEO, Levi Lian, summed up his approach to AI for a single industry this way: "workflows first, evaluators second, chat 'anything' last" (Sacra interview, October 2025). Chatting with agents, he said, turned out to be "helpful, but brittle." Raycaster offers ready-made modules for preparing pharma companies' regulatory filings. It works with dozens of public companies in the life sciences, energy, and oil and gas. In a separate line of business, it works with model makers to train and test models on industry tasks.
- Legora (W24) calls itself an agentic operating system for legal work. It uses other companies' models and counts on deep integration into law firms' work and on client trust. According to the company's YC directory listing, it has more than 2,100 customers in 80-plus countries, among them Linklaters, White & Case and Barclays. By the same data, Legora's annual revenue is over $200 million, and its team is 900 people.

The language of directory descriptions is changing too. "Generative" and "GenAI" showed up in 4% of descriptions in the Winter 2023 batch (W23) and in none in the Fall 2026 batch (F26). "Copilot," the word for an AI assistant inside a program, appeared in 3.3% of W23 companies and in under 1% in every 2026 batch.

Words about doing things are more common. The share of descriptions with "agent" rose from 20% in W23 to 47.5% in F26; "autonomous," from 2% to 13% in the Spring 2026 batch (X26); "robot," from 0.4% to 13% in that year's summer batch (S26). "GPT" shows up in fewer than 1% of 2026 companies.

The words startups use about themselves



Share of a batch's companies whose description contains the word. Colour is relative to that word's own peak: darkest cell = peak. Hover over or tap a cell for the percentage.

3.2. The categories I wrote off: what changed in a year

In December 2025 I wrote off three kinds of startups: pure SaaS, subscription software that only digitizes a process; social networks "for everyone"; and Web3 for its own sake, where the blockchain is the whole value for the user. Over the year, YC invited founders into two of those three, so I revisited my calls. I also checked what happened to classic fintech, education startups (EdTech) and healthcare.

Pure SaaS. In April 2026, YC invited founders to take on existing software. In the Requests for Startups list, YC partner Jared Friedman published a request called "SaaS Challengers." He proposes rebuilding products like chip design systems and ERP, the software companies use for accounting and management, with AI.

In that year's fall batch (F26), **Organizely** and **Sintropix** are building ERPs where AI does much of the work. For products like these, it's not just user engagement that matters but whether

assigned tasks get done (completion). By the count of Rebel Fund founder Jared Heyman, SaaS companies make up 12% of the Summer 2026 batch (S26), versus a five-year average of 28%.

When you sell software to small businesses for $20 a month, it's especially important to weigh the cost of acquiring a customer against what that customer brings in over their lifetime. A turnkey service can bring in more revenue, but it also costs more to deliver, check and support.

Social networks "for everyone" and consumer products. A year ago I wrote off yet another social network "for everyone" in which AI changes nothing. A new product has a hard time competing with TikTok and Instagram because of the network effect: that's where users find their friends, their creators and their audience. There are only a handful of such startups in the 2025–2026 batches. Digipals, where AI agents arranged meetups between users, now calls itself a creative studio.

Interest in consumer products picked up in the latest batch, but the annual share of consumer companies fell from 6.6% in 2025 to 5.0% in 2026. In July 2026, YC published a request for consumer AI products "for a billion people." It argued that models had become good enough and that running them was about to get cheaper. Consumer companies make up 7.6% of that year's fall batch (F26), including makers of phones, wristbands and glasses with agents built in.

Web3 for its own sake. There are only a handful of crypto products in the 2026 batches. The same July list has a request called "The Best Time to Build in Crypto." It covers stablecoins, cryptocurrencies pegged to ordinary money; tokenized stocks, shares represented on a blockchain; and payments between agents.

Classic fintech. The share of financial startups fell from 12% in early 2023 to 5–6% in 2025, then rose to 8% in 2026. The new products include AI hedge funds, trading tools and banks for agents. Familiar banking apps are being joined by agents that get handed money tasks. Financial services for agents themselves come from **Sponge** (W26), **Allowance** (X26) and **Versine** (F26).

EdTech. YC's education category has one company out of 855 for 2026, versus 11 out of 619 a year earlier. At the end of 2025 I expected an "EdTech 2.0" boom for the trades; so far the sample doesn't bear that out. Still, YC asks for education products regularly. Its May 2025 list had two such requests: Harj Taggar proposed a personal AI tutor that explains topics with animation, 3D models and voice, and Tom Blomfield wrote about the future of education.

In fall 2025, YC asked for products to retrain workers; in the July 2026 list, for an AI tutor for kids. Blomfield also named the economic problem: more than a billion people are in school, but education budgets are tight and procurement is "painfully slow."

Healthcare. This one I never wrote off. Medical companies made up 13–16% of batches in 2019–2021, 7.1% in 2025 and 8.1% in 2026. In 2025, industrials (robots, energy, defense, space and manufacturing, by YC's classification) overtook healthcare for the first time in my count and became the second-largest sector after B2B, products for businesses. YC's requests include automating medical administration; more in section 4.3.

Part IV. Service-as-Software: startups sell the work itself

Over these two years, the sample gained more companies that take on the client's work themselves. Under Software-as-a-Service (SaaS), the client gets access to a program. Under Service-as-Software, the client orders a service, and the company uses AI to deliver it. That changes who does the work and who's responsible for it; how the client pays depends on the service itself.

4.1. How it differs from subscription software

Classic SaaS, widespread from 2010 to 2023, sold customers access to tools like Salesforce and QuickBooks. Often the customer paid per user, per "seat." Under Service-as-Software, the company organizes getting the task done with AI. The price can cover the agents' work, review by specialists and customer service.

What it looks like. Harper (W25) works as an insurance broker, **Brickwise** (F25) manages rentals, **General Legal** (W26) provides legal services, and **ClaimKit** (F26) handles taxes. Customers come to them for a policy, rent collection, a contract or a tax filing. In this research I count these service providers separately from companies that sell software as an "AI employee" for a specific job. How much of the work AI does, and where specialists step in, depends on the service.

A similar model applies to hardware. **Red Barn Robotics** (W25) sells farmers weeding; **Jeevy Fabrication** (X25) sells a finished welded structure. The customer orders the work.

In 2026, **Eden Robotics** (X26) rents out robots, billed by usage time. **Manifold** (S26) charges per warehouse operation with no upfront investment from the customer. **Hub Labs** (X26) installs machines at companies' sites and sells the work they do.

In cases like these, the customer can skip a big equipment purchase and pay for usage or individual operations. Capital expenses turn into ongoing spending on a service.

How startups for lawyers changed. In 2023, **Solve Intelligence** (S23) offered lawyers a tool for drafting patent applications. In 2024, **Parley** (S24) helped immigration lawyers prepare O-1A visa petitions and kept "the lawyer in the loop": the specialist had the final say. Now Parley calls itself "a legal agent that delivers finished work."

In 2025 came **Blueshoe** (X25), a legal services company that uses AI to serve consumers and plaintiffs. The Winter 2026 batch (W26) includes four companies using this model; the largest, General Legal, has 40 people.

In 2023, plenty of chatbots helped with advice or a draft. Agents get handed actions in the browser, through an API or by email, and are expected to report back on the finished work.

Table 3. SaaS and Service-as-Software

Feature	SaaS: access to a program	Service-as-Software: delivering a service
What's sold	A tool for doing the work	Doing the work
What the customer pays for	Often per user per month; other plans are possible	A service, a result or an operation; terms depend on the contract
Customer's budget	Software spending: about $1.25 trillion a year worldwide, per Gartner's forecast for 2025	Part of spending on salaries and contractors: about $4.6 trillion of potential market, by Foundation Capital's estimate
What gets measured	How useful the program is and how much it's used	How much work gets done, and how well
Who's responsible for the result	The customer organizes the work in the program	The vendor is responsible for delivering the service under the contract
How revenue grows	Through users, plans and usage	Through the volume of service; costs of compute, review and support grow too
The human's role	Works in the program	Checks the result, handles exceptions and deals with the customer
Example	A customer relationship management system (CRM)	A service that uses agents to find customers and manage the relationship

4.2. What it does to the economics

Under this model, price can be tied to the amount of work done: a percentage of payments collected, say, or a flat fee per task. A hypothetical fee might be 5% of rent collected, or $50 for each customer an agent signs. The customer compares the offer with the cost of an employee or contractor doing the same work.

A hypothetical: a service that handles part of a junior lawyer's or analyst's work for $50 thousand a year. To size up the offer, the customer has to factor in the quality of the work, their own time spent on oversight and the cost of the alternatives. The vendor's margin, or profit as a share of revenue, depends on what it spends on models, review, corrections and support.

The venture fund Foundation Capital laid out Service-as-Software as applied to AI in detail in spring 2024. It put the potential market at $4.6 trillion, counting part of what companies spend on salaries and contractors. In the fund's math, $2.3 trillion goes to salaries in sales and marketing, engineering, security and HR, and another $2.3 trillion to IT and business process outsourcing.

For comparison, the fund points to Salesforce's $35 billion in annual revenue and the $1.1 trillion that companies worldwide spend on sales and marketing salaries. The research firm HFS Research described the model in fall 2024 under the name Services-as-Software and, by its own method, sized its market at $1.5 trillion by 2035.

The customer expects the vendor to do the assigned work to the required standard. In finance that includes regulatory compliance; in law, review of documents by specialists. A narrow specialization helps build that kind of process, and new services can be added once it runs smoothly.

4.3. How YC arrived at the idea and what the batches show

The YC requests I went through never use the term Service-as-Software. But three partners described the model in three requests.

1. **Summer 2025: full-stack AI companies** (Jared Friedman). Full-stack here means the company takes on delivering the whole service. Friedman suggests founders start their own law firm and use AI to run it. In his view, that's how you compete in industries full of slow incumbents: "Instead of selling to the dinosaurs, make them extinct."
2. **Spring 2026: agencies where AI does the work** (Aaron Epstein). Epstein argues that agencies' growth is limited by the need to hire people as new work comes in. He suggests using AI for production and selling clients the finished work.
3. **Summer 2026: service companies where AI does the work** (Gustaf Alströmer). Alströmer traces the move from SaaS to AI assistants and then to companies that deliver services. His examples include insurance brokerage, accounting, tax and audit, compliance, and medical administration.

Back in May 2025, Alströmer wrote a request about AI for healthcare. By the estimate he cited, US healthcare costs more than $4 trillion a year, and about a third of that goes to administration. Among the reasons, he points to systems that don't talk to each other and the lack of APIs, programming interfaces, for sharing data: information has to be moved by hand.

I find these companies with a keyword list built from their directory descriptions. The group "Services and software for specific jobs" includes companies that deliver services with AI and makers of software sold as "AI employees." By the keyword list, this group made up less than 1% of companies in 2019, 9.0% in 2025 and 9.4% in 2026. The highest share was in the Winter 2026 batch (W26): 13% by the keyword list and 12% after the manual review. In the fall batch (F26), the share was 7%.

Inside the group, things moved in different directions. Companies that deliver services went from 17 to 36, or from 2.7% to 4.2% of all companies. Two 2026 companies and one 2025 company belong to both groups, so the two shares add up to slightly more than the combined figure. The share of "AI employee" makers fell to 5.4% from 6.5%, and it's 3% in the fall batch. Agents in general are mentioned in 43% of 2026 company descriptions.

Accounting shows the difference well. In 2025, YC took startups that built tools for accounting firms: **Cifrato** (W25), "an AI accountant for accounting firms"; **Combinely** (X25), "an AI coworker for accountants"; and **Magnetic** (S25), AI for tax return prep at CPA firms, the US firms of certified public accountants. In fall 2025 came **Alder** and **Zalos**, software for finance departments sold as "AI employees," and **Denki**, an audit firm that uses AI.

In 2026, accounting services come from Balance (W26), Rational and **Bear** (S26), and the fall batch (F26) brought the tax firm ClaimKit.

In December 2025, I expected "fully autonomous companies" to show up in accounting, design and other fields. The Summer 2026 batch (S26) brought projects with that ambition: Rational, which calls itself "the first zero-human accounting firm," and Marengo, which wants to automate data center design.

Part V. Moats: how a startup defends itself and what it risks

Competitors can build products on the same models. Among the companies I looked at, I picked out several ways to make a product harder to copy. Investors call advantages like these moats.

5.1. Five ways to defend a startup

- **Deep integration.** The product works with the customer's legacy systems: ERP, banking gateways, government registries. To replace it, a competitor would have to rebuild those connections and account for how the customer actually works.
- **Memory and context. Hyperspell** (F25) plugs into a company's work tools and builds a knowledge base, the company's "brain," for agents. To switch products, the customer would have to move or rebuild that context. In April 2026, YC turned the idea into a separate request, "Company Brain."
- **Licenses and regulation.** Legal, brokerage or audit services require the right specialists and compliance with industry rules. The company answers to the customer and the regulator for the service even when it uses agents. Raycaster focused on drafts and preparing filings; the official record of the documents lives in the Veeva and IQVIA systems. Its product rests on industry workflows and review by experts.
- **Physical infrastructure and data.** Sensor readings, simulation results and motion recordings are hard to reproduce without access to the hardware and environment where they were collected. **Null Labs**, **Cortex AI** and **Hemlock** use data like this.
- **A product that agents pick.** In 2026, I count this as an advantage too. Clear documentation, an API and an MCP server help an agent find a tool, figure it out and connect it. MCP is an open standard for connecting AI agents to outside services and data. More in section 6.3.

5.2. Technical agency: the founder runs the engineering

YC president Garry Tan and the accelerator's partners have talked a lot about high-agency founders: people who take on hard problems and see them through. In AI-assisted development, that means being able to frame a task, organize the work and judge the result.

A founder needs to understand how the system is built and what the product has to do. Knowing Python or React helps, but it's no substitute for that. When AI writes the code, the engineer picks the architecture and checks what came out. In February 2026, Tan said on Lightcone, the YC partners' podcast, that he hadn't written code in ten years and now works late into the night with several coding agents running in parallel.

5.3. What an AI startup risks in 2026

In 2023, the next version of a model could replicate a startup's core feature. By the end of 2026, other risks had come into view, from access to models to the cost of compute and infrastructure.

- **Model makers move into finished products.** On January 30, 2026, Anthropic released plugins for its Cowork agent. In those same weeks, the slide in software stocks got nicknamed the SaaSpocalypse. By February 4, according to CNBC, Figma was down 40% for the year, HubSpot 39% and Atlassian 35%.

  In May, Anthropic released finance agents and a toolkit for lawyers. In August, Google introduced Gemini Enterprise for Legal; in September came ChatGPT for Financial Services. OpenAI's DevDay on September 29 brought more than twenty major announcements, and on November 23 Anthropic released Claude Ship for code review. Anthropic and OpenAI also announced companies to help businesses adopt AI: Anthropic's has $1.5 billion in capital, and up to $10 billion is planned for OpenAI's.

- **Access to the model can be cut off.** In 2025, Anthropic limited the Windsurf code editor's access to Claude. In January 2026, it started blocking requests from the open-source coding agent OpenCode when they came through a Claude Code subscription. In August 2026, OpenAI announced that after SpaceX bought Cursor, it intended to cut off Cursor's access to its models on November 12; on that date, access was temporarily extended. In May 2026, Sam Altman offered every startup in YC's spring batch $2 million worth of OpenAI model usage in exchange for an uncapped SAFE. A SAFE is an agreement for a future stake in the company; here, the size of that stake will be set by the valuation in the next round. YC partner Jared Friedman described the terms.

- **The cost of compute is changing product economics.** IGV, an exchange-traded fund of software stocks, had its worst quarter since 2008, losing 24% in the first quarter of 2026. Gartner analysts estimate that up to $234 billion of application software spending could be at risk by 2030. Meanwhile, renting an H100 GPU on a one-year contract went up from $1.70 to $2.35 an hour. GitHub moved its Copilot coding assistant to billing by tokens, the units of data a model processes. Garry Tan spends $100,000 to $200,000 a year on running models.

- **Power and construction can't keep up with the plans.** At the capacity auction of PJM, the largest US grid operator, in July 2026, the price hit the cap, and the auction still came up 6.8 GW short of the reserve needed for 2028–2029. At an auction like this, power plant capacity is bought in advance for a future period. GE Vernova gas turbines are being sold for delivery in 2030. And on November 3, 2026, voters in at least 38 places across the US approved bans or restrictions on data centers in local ballot measures.

- **Security failures hit models and everything around them.** During an internal test, OpenAI's models broke into the infrastructure of Hugging Face, the platform where models get published. Anthropic reviewed three incidents in which its models got onto the internet through access opened by mistake, and it paused those tests. According to IBM, an AI model or AI app was affected at about 20% of the 602 organizations that suffered a data breach. Insurers have started excluding damage from generative AI from general liability policies. They've filed more than 4,000 such exclusions with regulators in 49 states and the District of Columbia; by August 2026, 2,369 of them were in force.

- **Venture money is piling into the biggest companies.** OpenAI and Anthropic took 43% of the $510 billion in venture funding in the first half of 2026. The number of deals in North America fell to its lowest since 2023. The IMF warns about the risks of circular financing, where companies invest in each other and then get the money back as orders. On November 5, the Nasdaq 100 fell 6.4% in a day, its worst day since 2020.

In its winter 2027 list of requests (section 7.2), YC invites founders to work on companies' own models, AI for closed networks, data center supply chains and financing for physical infrastructure.

Part VI. Small teams, hardware and products for agents

6.1. A 10-person company and revenue per employee

A "unicorn" is a startup valued at $1 billion or more. In fall 2025, YC set a more ambitious target: "the first 10-person, $100B company." In its request for the fall batch, it told founders to watch revenue per employee.

- **What YC is counting on.** Aaron Epstein writes that small teams, even solo founders, can build companies with multibillion-dollar potential starting from YC's standard $500 thousand. A similar shift happened 15 years ago, when the cloud let startups do without their own servers. If agents handle part of the engineering, sales, testing and day-to-day operations, a team can serve more customers without growing headcount at the same rate.
- **What it does to fundraising.** If a company needs less money for hiring, it can raise a smaller round and give investors a smaller stake. At the same time, a small team can do work that used to take a big staff. A team of three, for example, can go for a Series A, the first big round after the seed, if it has enough revenue and proven demand.

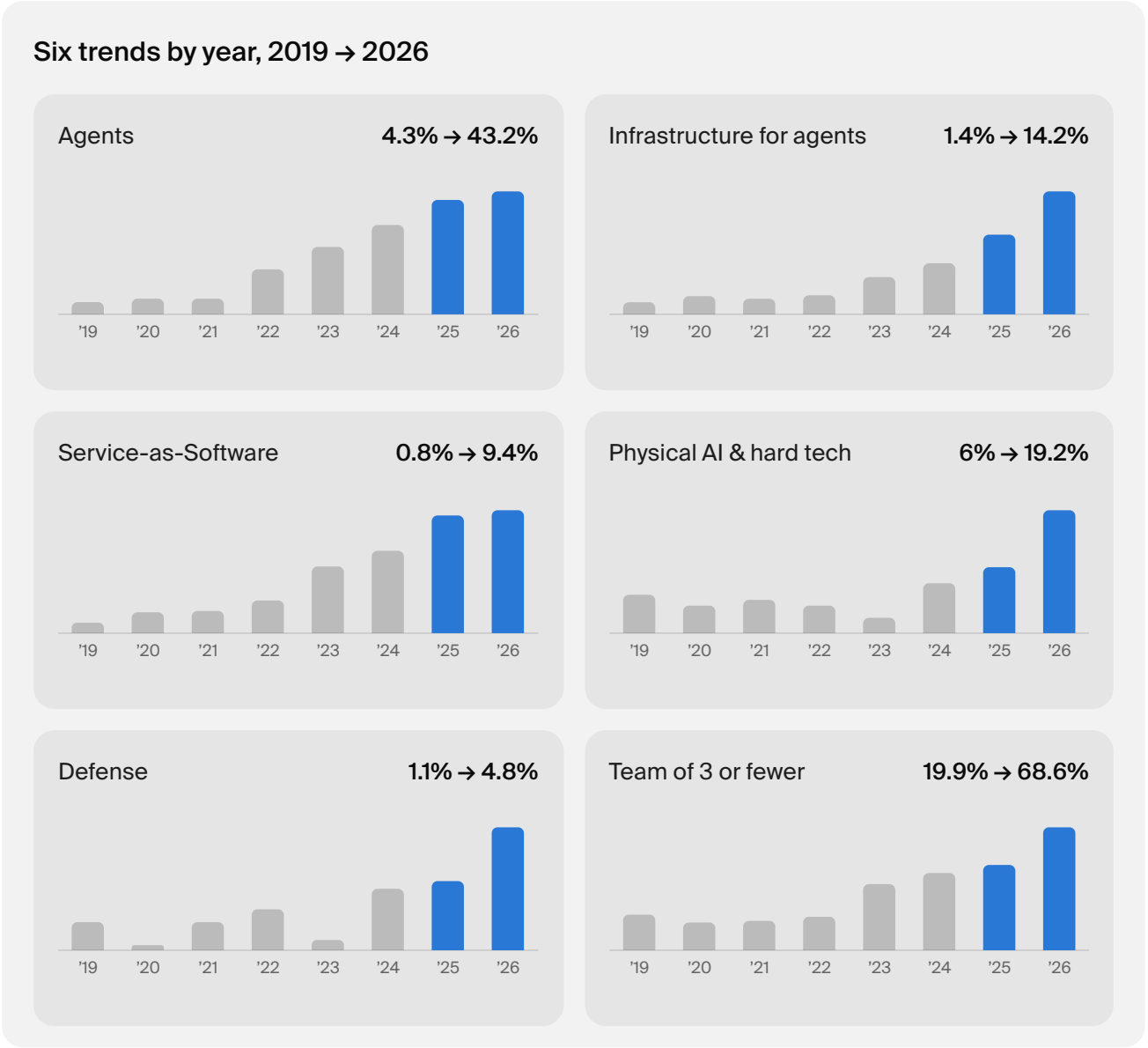
A small team still has to handle hard engineering, sales and customer service. And its expenses now include sizable bills for cloud and for using models through APIs.

Examples known by the end of 2026: in February, Lovable had $400 million in annualized revenue with 146 employees, or $2.77 million per person by TechCrunch's count; Anthropic, by Epoch AI's estimate, has about $9 million per employee. At YC, Halluminate raised a $30 million Series A with a team of nine. The $100 billion, ten-person company is still just a target for YC.

6.2. Vertical integration 2.0: startups go back to hardware

AI is being applied in manufacturing, energy, transportation and defense. Among the new industrial startups are companies that build the hardware and the AI that runs it together from day one. The idea extends the vertical integration familiar from the 2010s wave: a company handles several stages of production itself.

In 2025 I singled out **Nox Metals** (S25) in metals supply, **Red Barn Robotics** (W25) in agriculture and **Cascade Space** (X25) in space communications. In 2026, 24% of companies in the summer and fall batches are industrial, versus 10% in the same batches of 2025. The fall batch alone has twelve energy companies.



There are a few possible reasons. In 2021–2023, projects with big upfront costs had a harder time competing for money with software startups. The AI boom creates new problems for these companies to solve. Training models takes data centers and electricity; working in the physical world takes sensors and robots.

AI is also used to develop the hardware itself, in simulation, design and checking structures.

Robots are learning from examples of tasks being done, which cuts down on the need to program every motion. Training vision-language-action (VLA) models takes, among other things, recordings of people working. That data has become a product of its own.

Cortex AI (F25) sells first-person video of real work to the companies that train models, and in 2026 **Praxis Robotics** (S26) and **Perit.AI** (F26) do the same. By the estimate of Ali Ansari, head of Micro1, robotics companies spend more than $100 million a year on this kind of data (MIT Technology Review, April 2026).

Another theme is bringing manufacturing back to the US. Hlabs (robot parts), Nori (a humanoid robot, by the company's description) and Mass Magnetics (magnets) all play up where their

hardware is made. YC's interest shows in the makeup of its batches: in 2025, industrials overtook healthcare for the first time and moved into second place behind B2B.

In the May 2025 list, YC partner Diana Hu asked for software for building robots. She argued that robotics was approaching its "ChatGPT moment" and tied it to progress in foundation models. In her view, they let robots perceive the world and make decisions at a human level. A year later, in the Summer 2026 batch (S26), the word "robot" shows up in 13% of company descriptions, versus 6% in the Summer 2025 batch (S25).

Hardware takes up more and more room in YC's requests. In the Summer 2026 list, YC asked for hardware supply chains, chips for agent workloads and manufacturing in space. In the fall list, defense (one request was written, for the first time, by a sitting US Secretary of the Army) and data centers at sea. In the winter 2027 list, it asks for robots and components made in the US, the entire data center supply chain and financial companies that will lend for robots and GPUs and lease them out.

For a company that develops hardware and runs production, part of its edge comes from supply chains, devices and operating experience. Copying the software isn't enough to replicate that kind of business.

6.3. Where the agent works: from the AI browser to products for agents

A year ago, I expected a "battle for the agent OS," an operating system for agents, and a new winning browser. So far, the competition is playing out in several places at once.

What happened to AI browsers. In July 2026, OpenAI announced it was shutting down Atlas, less than a year after launch. Other ways for agents to work are growing inside familiar environments: Chrome with its agent mode, the Claude extension for Chrome and the desktop. Among personal agents, the open-source OpenClaw stands out. **Browser Use** (W25) let agents act in an ordinary browser from the start.

Why agents need their own interface. Graphical interfaces are built around human attention and human input. An agent can often do the job faster through an API, the service's programming interface. Clicking buttons still makes sense where there's no such access.

"Nouns" and "verbs." In February 2025, in the YC Design Review episode "AI Interfaces Of The Future," YC partner Aaron Epstein and Notion Calendar creator Raphael Schaad went through AI interfaces. Schaad put the shift like this: software has been made of "nouns" (fields, dropdowns, buttons), while AI design is built on "verbs" (workflows, autocomplete, "go gather this information for me"). A little over a year later, in April 2026, Epstein built on the idea in the "Software for Agents" request: he predicts the next trillion internet users will be agents. For them, he suggests building APIs, MCP connections, command-line tools and detailed documentation.



YC Design Review: “AI Interfaces Of The Future,” February 2025

"Make something agents want." YC's motto is "Make something people want." In February 2026, on the Lightcone episode "The AI Agent Economy Is Here", Garry Tan, Harj Taggar, Diana Hu and Jared Friedman joked that people building developer tools should swap "people" for "agents" in that motto. Two months later, the idea made it into an official request. When a developer asks an agent to build a product, the agent may pick the tools for it, too.

- **Supabase** (S20). Apps get built by vibe coding: a person describes the task in plain words, and AI writes the code. When software gets built this way, it's an agent that reads the service's documentation. In June 2026, the company said more than 60% of new databases on its platform are launched by AI tools, and it raised $500 million at a $10.5 billion valuation.
- **Resend** (W23). The company reworked the docs for its email-sending service for agents. They include questions phrased the way people ask them, structured answers, code samples, an llms.txt file describing the service for models and its own MCP server.
- **Mintlify** (W22). By Mintlify's own data, agent requests made up 66% of the measured web traffic to documentation sites on its platform in July 2026, up to the date of publication.
- **AgentMail** (S25). AgentMail gives agents email addresses and the programmatic access that regular email services restrict. After OpenClaw took off, AgentMail's user count grew three- to fourfold.

What grew in the batches. The first direction is products that AI agents use, with the agents' owners paying for the infrastructure. The Spring 2026 batch (X26) brought startups that give agents cloud computers and phone numbers, and in the fall batch (F26) plenty of companies build clouds and virtual machines for them. The second is devices where the agent itself is the interface for the person: phones from **Raven** and **Cyclon**, the **Vexo** wristband. The third is

software that users reshape for themselves with their own coding agent; YC wrote a request about it called "Dynamic Software Interfaces."

6.4. Skilled workers: where new ways to train them are needed

Data center construction is short on both electricity and people. In the list of requests for the Fall 2025 batch, YC partner Harj Taggar asked for "a new kind of vocational school for the AI economy" (the Retraining Workers for the AI Economy request): building data centers and chip fabs takes electricians, HVAC technicians and welders, and there already aren't enough of them. Taggar suggested training them with an AI tutor, voice guidance, and augmented and virtual reality. In the 2027 list, YC partner Jared Friedman again names the shortage of qualified electricians as one of the biggest, right alongside the shortage of GPUs and electricity.

At the end of 2025, I expected platforms that use AI to teach trades in months instead of years. My sample doesn't bear that out: YC's 855 startups of 2026 include one education company, down from 11 a year earlier. I didn't find a company that teaches trades. Among the startups I picked out, there are assistants that guide a person while they work.

In the requests for the Spring 2026 batch, YC partner David Lieb asked for AI Guidance for Physical Work: a camera sees what the worker sees, and AI guides them as they go, say, an HVAC technician or a nurse. Lieb wants to give workers the same kind of "superpowers" Claude Code gives programmers. **Pairio** (X26) helps factory technicians fix machines, and **Kebra** (S26) builds AI for skilled workers. Outside YC, the startup NavigateAI raised a $25 million seed round in May 2026 for an AI assistant for construction and other skilled trades that also runs on Meta's smart glasses. Elad Gil led the round, with Khosla Ventures and the homebuilder Lennar participating.

YC sets a similar challenge for office work. The 2027 list has a request called "The $15-an-Hour Expert": companies hire capable people without degrees, give them AI and assign them work that used to require a specialist, like processing benefits, doing taxes and handling insurance claims, medical bills and immigration paperwork. The request's author, YC partner Brad Flora, writes that the last industrial revolution built a middle class out of factory workers, and this one could build one out of experts like these. I haven't found companies answering this request in the fall batch yet.

What interests me here is the scale of retraining. Gartner projects that by 2030, 435.5 million people will have to work in new ways, just over 20% of the world's employees. That means changes in tasks, ways of working and responsibilities. By the same estimate, 0.4% to 1.8% will lose their jobs to AI. To me, change on this scale creates demand for training people can do alongside their jobs. A five-year program for learning tools that keep changing won't always fit.

Part VII. YC's requests: what the accelerator is asking for in future batches

Before every batch, YC publishes Requests for Startups, a list of themes its partners want founders for. It shows what the accelerator cares about for the next six months or so, but it doesn't cover everything YC is willing to fund.

I rebuilt every list from 2025 and 2026 from archived copies of ycombinator.com/rfs and checked them against the companies YC actually took.

7.1. How the requests changed over two years

I split the themes into two groups. The first covers agents that do tasks and companies that deliver services with AI. The second covers hardware and work in the physical world. The split helps track how the requests shifted; some themes belong to both.

Batch	Published	Agents and services delivered with AI	The physical world
Spring 2025	Jan 30, 2025	B2A (business-to-agent): software for agents; tools for AI agents; AI agents for specific industries	Data centers
Summer 2025	May 2025	Full-stack AI companies that deliver the service to the client; an internal agent builder; voice AI; AI for healthcare, science and personal finance; an AI tutor for everyone (14 requests in all)	Software for building robots
Fall 2025	July 2025	Infrastructure for multi-agent systems; the first 10-person, $100 billion company	Retraining workers for the AI economy
Spring 2026	January 2026	AI agencies; AI hedge funds; Cursor for product managers (Cursor is an AI code editor)	Modern metal mills; AI guidance for physical work
Summer 2026	April 2026	Software for Agents; services delivered with AI; Company Brain, a shared memory for a company's agents; SaaS Challengers, rivals to old subscription software	Defense against drone swarms; hardware supply chains; manufacturing in space
Fall 2026	July 2026	Multiplayer AI, AI for teamwork; a cloud platform for small apps; compliance infrastructure, meaning tools for following financial rules	Defense (a request from the US Secretary of the Army); data centers at sea; operating systems for the physical world
Winter 2027	Oct 27, 2026	Companies' own models; AI for industries that can't use the cloud; large language models (LLMs) that write well	Robots made in the US; the data center supply chain; space

The introductions to the lists show how YC's thinking moved. In the intro to the Summer 2025 list, YC wrote that this looked like "the year of AI agents." In late July 2025, in the intro to the fall list, it asked for the first time for ideas that treat AI "not as a feature, but as the foundation."

In the Summer 2026 list, published in April, YC repeated the point in the past tense, "AI has stopped being a feature and started being the foundation," and added that new startups are pushing AI into the physical world. The July fall list opens with "AI is moving into the physical world," and the October winter list says the main bottlenecks now lie beyond the models.

In January 2025, the idea that "the agent is the customer" took up one line in the list. By April 2026 it had become the line "Make something agents want."

The share of products built for agents to use kept growing in the batches. I counted it from the YC directory: 5.9% of 2024 companies built them, 9.2% of 2025 companies and 14.2% of 2026 companies.

Some requests echo the partners' own experience. YC uses an internal agent builder much like the one it asked for in its Summer 2025 list: according to YC partner Pete Koomen, it's used to process term sheets, the preliminary terms of investment deals, and routine bookkeeping. **Gumloop**, from the Winter 2024 batch (W24), now calls itself an internal agent builder too: any employee can put an agent together, while IT controls access and spending.

7.2. Winter 2027: 11 requests for the next batch

The list for the Winter 2027 batch came out on October 27, 2026. It has no standalone request to "build an agent for industry X." The themes are about specific problems, hardware and models.

Four requests deal with AI's physical infrastructure: space, robots, data centers and the money to build them. Four more are about models for specific industries, companies' own models, working without the cloud and the quality of writing. Two are about government, and one is about work.

The last column of the table lists companies from the Fall 2026 batch (F26) that already do something similar.

Request	Author	What they're asking for	Already in F26
Startups in a World of Abundant Space Access	Ankit Gupta	Companies that can make money once getting to orbit gets 100 times cheaper	Central Blue, Inflection Space Systems, RATLOG, Orca Aerospace
The $15-an-Hour Expert	Brad Flora	AI helps an employee do a specialist's work: benefits, taxes, insurance claims, medical bills	No clear match
Robots Made in America	Diana Hu	Robots and their components made in the US: magnets, motors, gearboxes, sensors, batteries	Open Actuation, Silica
LLMs That Write Well	Jared Friedman	A model with a lively writing style; in the author's view, the big model makers put code and agents ahead of style	None found
Plaid for Government Benefits	Gustaf Alströmer	A single service that verifies income and documents for every benefits program	None found
Wall Street for the Physical Buildout	Brad Flora	Lenders, leasing, securitization (issuing securities backed by future payments) and hedging (insurance against price swings) for robots, GPUs and data centers	Avout, Risklytics
Vertical Foundation Models	Diana Hu	Industry-specific foundation models for manufacturing, energy and biology	Kailash Labs, Lyon, Metalcraft
AI for City Hall	Gustaf Alströmer	AI for city governments: building permits, resident requests, licenses, inspections	Reconero, Particularity
Data Center Supply Chain	Jared Friedman	Everything data center construction is short on: transformers, switchgear, cooling, steel	Nines, Shepherd Robotics, Libra Robotics, Applied Kinetics, Viraj Aero, Contour, Liquid Energy, Aikido Technologies, Invertix
AI for the Air-Gapped Economy	Brad Flora	Cutting-edge AI for closed networks with no internet connection: defense contractors, banks, hospitals, nuclear plants	0.security, Munito AI
Own Your Intelligence	Jon Xu	Companies own their models instead of renting someone else's	Latent, OpenLake Technologies

7.3. Does YC admit the companies it asks for?

I matched all 238 companies in the Fall 2026 batch against the last three lists by hand. I only counted clear matches based on the one-line descriptions. The labeling is subjective: a short description may not capture everything a company does.

Fall list → fall batch. For 11 of the 13 requests in the July list, I found at least one matching company in the fall batch (F26). The most companies work on consumer AI products (12),

defense (8) and AI for teamwork, the subject of the Multiplayer AI request (5).

That's 40 of the 238 companies matching the list, about one in six. For the other five-sixths I found no clear match. You can't tell from the descriptions whether a request influenced an application. YC says it funds far more themes than it lists in its requests.

Summer list → fall batch. Among matches with the previous, summer list, the fall batch (F26) has the most products for agents (35 companies). Next come companies that deliver services with AI (14), hardware supply chains (6) and rivals to old subscription software (5).

Winter list → already in the fall batch. For 8 of the 11 winter requests, matching companies showed up before the request itself: 26 companies in the fall batch (F26) already do what YC asked for at the end of October. The biggest group, nine companies, works on the data center supply chain.

If you're planning to apply to YC, three takeaways follow from this.

1. **A request may describe changes that have already started.** For several themes, matching companies arrived at YC before the request. They're worth studying as potential competitors.

   Metal is the clearest case. Nox Metals, from the Summer 2025 batch (S25), is an automated metals service center: it buys stock from mills, cuts it to order and ships it to manufacturers. The Modern Metal Mills request in the Spring 2026 list was written by Nox Metals founder Zane Hengsperger. He asks for the next link in the same chain, modern American rolling mills, because aluminum sheet and steel pipe currently take 8 to 30 weeks to arrive.

   Companies for city governments also showed up before the "AI for City Hall" request. Almost two years earlier, YC took Permitify from the Winter 2025 batch (W25), which checks building plans for city departments. Then came EffiGov from the Summer 2025 batch (S25) and **Verdant** from the Summer 2026 batch (S26). Verdant starts with permits and reports four paying customers in four states.

   Same with robots: Hlabs, from the Winter 2026 batch (W26), was building a supply chain to assemble robots in the US more than eight months before the "Robots Made in America" request.
2. **Some requests have no clear match in the batch I checked yet.** I didn't find an AI tutor for kids (The Primer), APIs that update clients' code on their own (Self-Maintaining APIs), a language model with a lively writing style, a single data check for government benefits or the "$15-an-hour expert" there. From the spring list, "Cursor for product managers" still has no match.
3. **It can take almost two years from a request to a noticeable group of companies.** The request for "software where every customer is an agent" appeared in January 2025. By fall 2026, products for agents had become one of the big groups matching YC's requests.

7.4. What's next: the 2027 batches

Applications for the Winter 2027 batch were due November 2, 2026. YC still takes them after that date but no longer promises when it will respond. Those who applied on time will hear back by

December 11, and the batch runs from January to March in San Francisco.

You can keep applying further out. Through Early Decision, YC already takes applications in advance for the spring, summer and fall 2027 batches. The YC directory now lists the first 19 companies of the Winter 2027 batch and one from the summer. Among them:

- **HIRO Industries** is building an American robotics platform;
- **Rook Space** makes laser communications for satellites;
- **Xulux** gets developer tools ready to work with agents;
- **LinkLane** is an AI freight broker;
- **Rote** is an AI insurance department for auto repair shops.

These examples show the three directions of this research: industrials, products for agents, and services and software for specific jobs. By industrials I mean the Industrials sector in the YC directory: robots, energy, defense, space and manufacturing.

Part VIII. Forecasts: what came true and what to expect

8.1. What I expected of 2026 and what happened

At the end of 2025, I wrote down eight forecasts for 2026. They were based on how YC's batches and requests were changing. I published one more forecast only on the research landing page. Below is my scorecard as of November 2026.

The table uses YC's batch codes: W, X, S and F stand for winter, spring, summer and fall, and the digits are the year. X26, for example, is the Spring 2026 batch.

Forecast	Verdict	What happened
Hard Hat Era: AI moves into "dirty" work, like manufacturing, logistics and construction	✅ Came true	I took the name from the research firm Forrester: in its October 8, 2025, forecast, the "hard hat" stands for the everyday work of making AI pay off. Manufacturing, logistics and construction were my addition. This direction did become more visible in the YC sample: the share of industrial startups at YC grew from 10% in 2025 to 24% in the summer and fall 2026 batches. The second half of the forecast, a wave of startups helping corporations deploy and monitor agents, played out differently: 14% of companies build products for agents, up from 9%, but the growth came mostly from companies offering computers, sandboxes, email and payments for agents to use
An agent security crisis and an Agent Security boom: once an agent can act, moving money or deleting files, it becomes vulnerable to attacks through malicious prompts hidden in documents and emails	🟡 Partly	All three kinds of company I named showed up at YC: identity and access management for agents (Alter, Multifactor), checking an agent's actions before they run (Salus) and real-time protection against prompt injection, meaning malicious requests slipped to an agent (Armorer Labs, F26). Beyond the forecast came liability insurance for agents' actions (Klaimee). Companies like these are also getting bought: Cyera bought Oasis Security for about $1 billion, Palo Alto Networks bought Koi, and OpenAI announced it was buying Promptfoo. Still, the share of such companies in YC batches didn't grow: 1.5–2% a year
Agents hire agents and pay them (M2M, Agent2Agent): "your marketing AI will hire an AI designer and pay it on its own"	🟡 Partly	Protocols for agents to talk and pay each other got industry backing: A2A (more than 150 organizations), Google's AP2 and UCP, and the x402 Foundation at the Linux Foundation. But in March 2026 OpenAI scaled back shopping directly in chat, and fewer than 1% of YC companies mention trade between agents in their descriptions. On the other hand, 14% of companies build products for agents, and there's even a marketplace where agents hire people
The battle for the agent OS	🟡 Partly	I don't see a single winner among agent environments yet. In July 2026, OpenAI announced it was shutting down Atlas. Agents are growing in Chrome and on the desktop, and YC now has "computers for agents"
Skilled workers and EdTech 2.0	🟡 Partly	YC keeps coming back to this: in May 2025 it wrote about an AI tutor and the future of education, in July 2025 about retraining workers, in July 2026 about an AI tutor for kids. But the 2026 batches have one education company out of 855, down from 11 a year earlier. In the batches I checked, assistants that help on the job are more visible: Pairio (X26) helps technicians fix machines, Kebra (S26) builds AI for skilled workers
A 10-person, $100 billion company	❌ Didn't happen	Among the notable public revenue-per-employee figures are Anthropic (about $9 million) and Lovable ($2.77 million). At YC I singled out Halluminate, where a small team raised serious money: a $30 million Series A with a team of nine
Local small language models (SLMs) become the enterprise standard	⏳ Too early	With the data I collected, I can't confirm mass adoption. YC's winter list still has requests for AI that works without the cloud and for companies' own models
Revenue per employee becomes the key metric	🟡 Partly	The metric gets a lot of attention, but public data is scarce. At YC, the share of one-person companies grew to 7.4% from 2.9% a year earlier, comparing batches at the same age

Forecast	Verdict	What happened
VLA robotics: robots trained on video will take on complex warehouse tasks (forecast from the landing page)	🟡 Partly	Teaching robots from human demonstrations has become a category of its own: OS3 (S26) trained a model on 150 thousand hours of real-world video, and Shiraz AI (S26) teaches a robot a new task from a single demonstration, where a person only has to do it once. There are warehouse robots in the batches too: Servo7 (W26) unloads containers, and InLoop Robotics (X26) picks orders and learns from its mistakes. I didn't find a warehouse robot trained on internet video in the YC directory

What I got right in the first draft. In my very first draft of this research, dated December 9, 2025, I made five bets on 2026. Two of them came true.

The first bet was on services delivered with AI in law, accounting and insurance. I picked such companies out in the Winter 2026 batch (W26): the manual review found nine service providers and another 14 companies selling software for specific job roles. Over the year, service providers at YC went from 17 to 36. I took that bet from YC's Summer 2025 request about full-stack AI companies. The second was infrastructure for agents. That includes secure access to services, like Multifactor's. The share of the whole products-for-agents category grew to 14% in the 2026 batches.

I count the bet on AI for science and robots as partly confirmed. Industrial companies, robotics included, made up a quarter of the summer and fall 2026 batches (S26 and F26), while about 1% of companies work on drug discovery. The other two bets didn't find the support I expected in the sample. Only a handful of companies build personal AI financial advisers. And voice AI comes up less often in descriptions: by my count, the word "voice" appeared in 9% of descriptions in the winter and summer 2025 batches (W25 and S25) and in 3–5% in 2026.

8.2. What I expect of 2027

These are my hypotheses. I'll check the ones about batch composition in a year, against a fresh snapshot of the YC directory.

1. **15–20% of YC companies will build products for AI agents.** By my count, the share of products for agents grew like this: 5.9% of companies in 2024, 9.2% in 2025, 14.2% in 2026. Within the 2026 batches it bounced between 12% and 17% and didn't grow from batch to batch. If the yearly growth continues, I expect about 20% in 2027; if it slows, about 15%.
2. **More and more documentation will be adapted for agents.** According to the Mintlify platform, agent requests made up 66% of the measured web traffic to documentation sites it hosts in July 2026, up to the date of publication.

3. **There will be more startups for government, and services delivered with AI will grow in finance.** YC's winter list has two government themes: AI for city halls and a single data check for government benefits. Two companies in the fall batch, Reconero and Particularity, already work on the first. YC says it has funded several startups that sell AI to government, and some of them are growing faster than almost any of its other companies. In finance, the model is already there: the hedge fund Standard Signal (X26), the insurer Florin (S26) and the private credit broker Forward (F26).
4. **Industrial startups will make up a quarter of each batch.** Data center supply chains, money to build them and robots made in the US are all on YC's winter list, and the Fall 2026 batch (F26) alone has twelve energy companies. This forecast assumes data center construction keeps up its current pace. A correction in AI asset prices, which the IMF warns about, could cut investment in construction and demand for equipment and electricity.
5. **The share of "AI" in descriptions will depend on the share of hardware.** In 2026, the share of companies that mention AI directly went down: by my count, 72.5% in 2025 and 69.9% in 2026. The batch mix affects this number. The share of industrial companies nearly doubled, and they mention AI less often.

   Leave industrials out and the share barely moved (75.7% → 74.7%). Count companies that only talk about agents too, and you get 87.5% of non-industrial companies in 2026. Simply having AI says less and less about a product, the way having a website did in the 2000s. I'll be watching what work a product does and who uses it.
6. **Some teams will pivot to tools for building AI.** People call these "picks and shovels," after the gold rush. Five of the twenty 2025 teams that changed their product or name went for products for model makers and agent builders. These include training environments where models learn by trial and error (RL), training data, sandboxes, isolated computers for agents to work in, and access to experts.

8.3. Where I see opportunities and what's worth checking

My takeaways for anyone building a company or choosing a startup to invest in. The section links point to the examples and data behind them.

Where I see opportunities	What's worth checking
Services delivered with AI and industry-specific products with proprietary data. In law, tax, compliance and construction, the edge can come from knowing the processes, having access to the data and being licensed to provide the service (section 4.1)	**How much you depend on someone else's model.** If your product's value comes down to summarizing documents or generating text, a similar feature from the model maker will make competition tougher. Check the terms of access and the reasons customers pick your product (section 3.1)
Products for agents: computers, email, payments and documentation. By my count, 1.4% of YC companies built them in 2019 and 14% in 2026 (section 6.3)	**The economics of a cheap subscription.** With per-user pricing, a $20 subscription may not cover the cost of acquiring and serving a customer. Compare the costs and profit per customer of selling a service versus selling access to software (section 3.2)
Small teams. Two thirds of new companies have three people or fewer. The share of one-person companies grew 2.5 times in a year, and in the Summer 2026 batch (S26) the share of companies with a single founder is twice the average (section 1.2)	**Demand outside the usual categories.** Among the 855 companies of 2026, only one is in education. A new education product needs its own proof of demand, and a social network needs a reason for people to leave TikTok or Instagram, where their circles already are (section 3.2)
Industrials: a quarter of the summer and fall 2026 batches. In the physical world, AI runs robots and machines, and they need hardware, power and skilled people (section 6.2)	**Savings beyond the demo.** Going by the examples from the Summer 2025 batch, I'd check how much time and money a product saves once you account for rollout and oversight (section 2.3)

Conclusion

Y Combinator now runs four batches a year. Comparing eight batches over two years shows how the problems founders take on are changing.

In 2025, agents that get handed whole tasks took up a big part of the batches. Products built on someone else's models went different ways: some turned out to be exposed to new platform features, others found buyers and built businesses of their own.

Startup descriptions show interest in AI that does the whole job. The word "copilot," with its image of an assistant, shows up in fewer than 1% of 2026 company descriptions, by my count.

Two changes in 2026 surprised me. Agents became users of services in their own right: computers, email, phones and wallets. Companies insure the risks of their work and adapt documentation for them. At the same time, interest grew in hardware, energy and the people who build that infrastructure. One company in four in the summer and fall batches is industrial.

YC's standard check is still $500 thousand. In 2026, one company in five is industrial, and one in seven builds products for agents. The share of one-person companies grew 2.5 times in a year.

A year ago, it seemed to me that cheap intelligence would remove most of the constraints on a new business. Now I look harder at the cost of getting the work done, access to models, hardware and the people the result depends on.

In 2027, I'll be watching three things. First, infrastructure for agents at work, from payments to security and insurance. Second, companies that deliver services with AI. Third, solutions for manufacturing, energy and training skilled workers. In each case, what interests me is what work a customer is willing to hand a company, and what it costs to get it done.

Appendix. How Y Combinator works, how I counted and what I corrected

Y Combinator is a Silicon Valley accelerator whose alumni include Airbnb, Stripe and Dropbox. It was founded in 2005. By YC's estimate, its alumni companies are worth $1.3 trillion combined; in December 2025, the same page on its site said $800 billion.

YC counts OpenAI, the maker of ChatGPT, among its alumni. OpenAI CEO Sam Altman was in YC's very first batch, and in YC's telling, OpenAI started in 2015 as YC Research.

A. How much money YC gives and on what terms

YC's main instrument is its standard deal: $500 thousand for every startup it accepts. The terms haven't changed since January 2022, so 2026 is the fifth year the deal has stayed the same. Over that time, YC went to four batches a year, and the batches themselves grew and changed makeup.

Part 1: buying a stake, $125 thousand. For this money YC gets a fixed 7% of the company on a post-money SAFE. A SAFE is an agreement where the investor pays now and gets equity later, in a priced round, when new investors buy shares at a set price. Post-money means the company's valuation includes the money invested. The ratio of the amount to the stake works out to about $1.79 million.

Founders may see their valuation rise by Demo Day, when the batch's companies pitch investors. That jump is called the "YC premium." It affects how attractive the deal turns out to be, given the founders' shrinking stake.

Part 2: an MFN SAFE, $375 thousand. YC puts this money in through an uncapped SAFE with a most-favored-nation (MFN) clause. A valuation cap is the highest valuation at which the investment converts into equity. The MFN clause lets YC get better terms from a later SAFE, such as a lower cap, if the company issues one between the start of the batch and a priced round.

The stake for that $375 thousand depends on the conversion terms. If the applicable valuation is $10 million, the money converts at a $10 million valuation; if it's $50 million, at $50 million. YC's own example: if the company's next SAFE has a $15 million post-money cap, the $375 thousand converts into 2.5% of the company.

Pro rata rights. On top of the initial $500 thousand, YC gets the right to buy more of the company in later rounds to keep its stake from shrinking. YC says it has often invested millions of dollars in its companies in later rounds. It doesn't charge founders any fees.

The economics of the check. Thanks to automation, a software or agent developer can do more with $500 thousand than in 2021. One possible scenario for a team of two or three founders: work for a year and a half to two years and get ready for a Series A, the first big round after the seed. The timeline depends on salaries, compute and burn rate.

For makers of complex hardware and robots, the check may go to a prototype and the first pilots. Production after that will need separate financing.

B. Batch calendar

	Winter	Spring	Summer	Fall
Program period	January–March	April–June	June–September	October–December
Application deadline, 2025 batches	November 12, 2024	February 11	May 13	August 4
Demo Day 2025	March 12	June 11	September 9	December 3
Application deadline, 2026 batches	November 10, 2025	February 9	May 4	July 27
Demo Day 2026	March 24	June 16	September 10	December 2

Winter 2027 batch: applications were due November 2, 2026, decisions arrive by December 11, and the program runs from January to March.

C. How I counted

Data. I used YC's public Startup Directory in machine-readable form from the open yc-oss/api project. The snapshot is from November 23, 2026, data version commit e06fbbc. It covers batches from Winter 2019 (W19) to Fall 2026 (F26), 4,720 companies in all.

Metrics. For my own categories, I look for marker words in company descriptions. AI-core counts explicit mentions of AI technologies. The broader AI-use also includes descriptions that only talk about agents, copilots or assistants. YC's official tags and industries are counted separately.

Metric	What it includes
AI-core	Explicit mentions of AI: AI, LLM, machine learning, computer vision, foundation model and similar
AI-use	AI-core or agent language: agent, copilot, assistant, autonomous
AI-tag	An official YC tag from the AI group; only among companies that have tags
Agents	The product is described as an agent or an "AI employee." Real estate agents and other people don't count
Products for agents	The product is built for agents to use: sandboxes and computers, wallets, email, MCP servers for connecting to services, evals (tests for agents), memory
Industrials	The Industrials sector by YC's classification
Services and software for specific jobs	A combined metric for AI-enabled service providers and software for specific job roles; labeled Service-as-Software in the source data
Previous name	The directory lists a name that differs from the current one

By year | By batch

Year	Companies	AI or agents	Explicitly AI	Agents	Sell to agents	Services and software for specifi
2019	368	22.6%	18.5%	4.3%	1.4%	
2020	438	24.4%	23.3%	5.5%	2.1%	
2021	725	26.9%	24.8%	5.5%	1.8%	
2022	631	43.4%	39.6%	15.8%	2.2%	
2023	494	63.6%	57.7%	23.7%	4.3%	
2024	590	76.1%	68.3%	31.4%	5.9%	
2025	619	80.6%	72.5%	40.2%	9.2%	
2026	855	83.3%	69.9%	43.2%	14.2%	

All shares are of the companies in a year or batch. “AI or agents”: the description mentions AI, agents, copilots or assistants; “Explicitly AI”: only those that name AI itself. “Agents”: the product is described as an agent. “Sell to agents”: the product's buyer or user is itself an AI agent. “Services and software for specific jobs”: the company delivers a service to the client with AI or sells software for a specific role. Industrials follow YC's own classification; “B2B software” is the B2B industry in its directory. Median team is as of November 2026: half the companies have a smaller team, half a larger one. Older batches are higher because their companies have had time to grow. The fall 2026 batch is still in the program: Demo Day is on 2 December, and the list may change slightly.

Limitations.

- My categories are an indirect estimate based on words in descriptions; YC doesn't label companies this way. I checked all 198 companies in the Winter 2026 batch (W26) by hand. Among companies automatically flagged as products for agents, 92% of the hits held up; among services and software for specific jobs, 88%. I tuned the keyword list on this same batch, so the check isn't independent.
- The directory shows the companies YC lists today, so older batches may have fewer companies than they really did.
- Team size in the directory is as of today. The Fall 2026 batch (F26) is still in the program.
- I labeled the 2025 companies by their November 2026 descriptions, and descriptions change over a year. For a historical comparison, I recounted the 2025 batches using their descriptions as of November 23, 2025, when they held 635 companies. A year ago, industrial companies made up 8.7% of the 2025 batches; today they're 19.5% of the 2026 batches. Products for agents went from 7.2% of companies to 14.0%, and other AI apps from 61.6% to 48.0% (each company counted once here). The combined group of service providers and software for specific jobs comes to 11.2% on the archived descriptions versus 9.4% today. In both cases, a company counts if it has either of the two flags, without being assigned to a single group as in the chart. This is a combined figure; the service providers inside the group can move differently.
- I matched the requests against the batch by hand, using the companies' one-line descriptions.

Comparison with other counts. Other analysts use different methods and samples. Here's how their estimates compare with mine.

- Extruct AI counted 88% "AI-native" companies, its term for companies built around AI, in the Summer 2025 batch (S25); I get 87%.
- Jared Heyman of Rebel Fund found 23% industrial companies in the Summer 2026 batch (S26); I get 24%.
- By Presenc AI's count, based on descriptions, 84% of companies in the Fall 2026 batch (F26) are AI companies; I also get 84%.
- According to PitchBook, 46% of companies in the Spring 2025 batch (X25) described their product as an AI agent; I get 40%, because my keyword list is stricter.
- After the Winter 2025 Demo Day, CNBC wrote that about 80% of companies were AI companies. I get 79.4% by YC's official tags and 73% by descriptions. There was no jump compared with earlier batches, though: the Winter 2024 batch (W24) was at 79.8% by tags.

Why the numbers differ from the first version. In December 2025, using the directory snapshot of the time, I got 16.9% AI-core in the Winter 2019 batch and 78.5% for all of 2025. The current count gives 19.6% and 72.5%. In between, company descriptions changed and so did my keyword list: I dropped ambiguous markers and published the list in full for the first time.

D. What I corrected after the first version

- "6% → 80% AI startups" and "92% AI companies in W25" don't hold up. My count, including agents: 22.6% (2019) → 80.6% (2025) → 83.3% (2026).
- The figure "85% of W26 startups build agents for agents" has no original source. It came from a news digest I put together with the help of Google's Gemini on January 14, 2026, when the batch had just started. I couldn't find the newsletter the digest cited. The manual review showed something else: 23 companies out of 198, or 12%, build products for agents (the manual review put the same number of different companies into services and software for specific jobs), and AI or agents come up in 81.8% of the batch's descriptions.
- The videos "The Truth About AI Wrappers" and "What Comes Next In AI and Agents," which my February revision relied on, weren't made by YC: the first came from the HatchWorks AI podcast, the second from The AI Daily Brief.
- "700+ startups" for 2025 is wrong: the directory listed 635 as of November 23, 2025, and 619 today.
- The first version called the Spring 2025 batch (X25) an experimental program. It's a regular batch.
- Cursor, Harvey, Guru and Monica never went through YC.
- The first version described Cascade Space as chipmaking equipment, but the company is building an alternative to the deep space communications network. Brickwise was described as bricklaying robots; it's actually an AI property manager. Meteor and DeepAware AI from the Summer 2025 batch (S25), on the other hand, I described correctly: in December 2025, according to archived copies of their YC pages, they were building an AI browser and making data centers more efficient. They changed products later; more in section 2.9.
- The first version listed the wrong batch for some companies. Hlabs is in the Winter 2026 batch (W26), Tensr in Summer 2026 (S26), Eloquent AI in Spring 2025 (X25), Raycaster in Fall 2024 (F24) and Gumloop in Winter 2024 (W24).
- I removed placeholder and made-up names: NovaCarbon, Browser Tech, OpsAI, Red Team Ops, ContractZero, BuildOS, CodeFixer, DevAgent Pro, SynthGenData, NanoArmsRobo, WarehouseMindOps.
- The line "Service-as-Software is YC's spring 2026 doctrine, authored by Gustaf Alströmer" is inaccurate. The model was described by the venture fund Foundation Capital, and YC's requests cover it in three separate texts by three partners.
- "Garry Tan called agent security the defining challenge of the decade": I couldn't find these words from YC's president in the original, only in retellings.
- I removed claims with no source: "a team of 2 engineers = a department of 20," "×10," "demand for juniors has dropped to zero," Meteor's valuation "according to rumors," and "term frequency in pitch decks." The text now uses team sizes and words from company descriptions instead.

- I dropped the comparison "median team of 12 people in 2019 and 3 in 2026" from version 4: the directory shows the team as of today, and older companies have had time to grow. Comparing batches at the same age, using the November 2025 and November 2026 directory snapshots, the median didn't change. What grew was the share of one-person companies: from 2.9% to 7.4%.
- The YC Continuity fund has closed, so I removed the mention.

E. Data and sources

- Dataset and script: github.com/MichaelKokin/yc-agentic-economy: the raw files, a table with every company and the reason for every flag, the manual review of the Winter 2026 batch (W26) and the matching of YC's requests to Fall 2026 companies.
- The tables behind the count can be downloaded: every company with the reason for every flag, figures by batch, the manual review of the Winter 2026 batch (W26) and the “YC request → Fall 2026 companies” labeling. The source data is the open yc-oss/api project.
- YC's requests: ycombinator.com/rfs and archived copies of the page for 2025–2026.
- Y Combinator: Announcing the YC Spring 2025 batch, 2026 Demo Day Dates, The YC Deal, Apply.
- Rebel Fund, Jared Heyman: On the 'new' Y Combinator, On the YC S26 batch: return of the atoms.
- TechCrunch: A quarter of startups in YC's current cohort...; PitchBook: YC is going all-in on AI agents; Extruct AI: YC S25 Batch Analysis.
- Lightcone, the YC partners' podcast: The AI Agent Economy Is Here, February 21, 2026.
- Foundation Capital: AI leads a service as software paradigm shift; HFS Research: Services-as-Software.
- New sources in this version: CNBC on W25 (March 15, 2025); Lightcone, "Vibe Coding Is The Future" (March 2025); YC Design Review, "AI Interfaces Of The Future" (February 27, 2025); Sacra, interview with Raycaster's CEO (October 2, 2025); MIT Technology Review, on data for humanoids (April 1, 2026); Forrester, Predictions 2026: AI Moves From Hype To Hard Hat Work (October 8, 2025).
- The full list of the first version's sources (37 items) and the fact-check tables are kept in the project's working files.
- My channel: t.me/aigencyworks.