

# Campfire's Series B, BioStack's Revenue Jump, and Verification as AI's Next Layer

VC Tech Radar

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## Campfire's Series B, BioStack's Revenue Jump, and Verification as AI's Next Layer

*By VC Tech Radar • May 26, 2026*

Campfire provides the clearest financing signal, while BioStack, Callab\_AI, and Mount show where early-stage AI companies are finding product wedges. Across the set, the stronger pattern is a move toward verifiable AI, local inference, and control layers around autonomous systems.

### Funding & Deals

- **Campfire** recently raised a **Series B led by Accel and Ribbit Capital**. The thesis is an **AI-native ERP** for high-growth tech companies that automates accounting, taxes, and investor reporting; YC also said Campfire has **more than doubled ARR each quarter since Q4 2024** and now has **100+ employees** after closing a **\$35 million Series A in June 2025 with 12 people** [1].
- **Conifer** says it has funding to build an **open-source local inference runtime for Apple Silicon**. The five-person Princeton team is building it in **Rust with handwritten kernels**, says it is **ahead of llama/mlx on small models**, and is using a **100-user free beta** to surface bugs and tool needs [2].

### Emerging Teams

- **BioStack** is the strongest early traction signal in the set. It builds **simulation environments where healthcare AI models practice on real clinical data**, converting messy records, lab tests, notes, and long-horizon outcomes into **data, evals, rewards, and benchmarks**; YC said revenue moved from **six figures to seven figures in just the**

last few weeks [3]. YC identified the founders as @sanatmishra7 and @patwa\_parth [3].

- **Callab\_AI** is attacking a large legacy-integration wedge. The company connects AI voice agents directly to **on-prem PBX systems** such as **Cisco UCM** and **Mitel**, avoiding migration in a market where **58% of the \$400B call center industry** still runs on-prem [4]. YC identified the founders as @haithemkchaou and @chehir\_dh [4].
- **Mount** is notable because it turns AI-agent risk into an insurable product. Its pitch is to **secure autonomous-agent workflows, measure residual risk, and transfer that risk through insurance built specifically for AI agents** so companies can use agents without carrying the full downside alone [5]. YC identified the founders as @johnbachm and @fabeamherd [5].

## AI & Tech Breakthroughs

- **Delta Attention Residuals** is the clearest research signal in this batch. Instead of routing over cumulative hidden states, it routes over deltas, which the authors say avoids routing collapse in deep layers and produces **1.8x sharper cross-layer routing** [6]. Reported results include **1.7-8.2% lower validation PPL from 220M to 7.6B, drop-in fine-tuning of pretrained models that beats baseline on 8 benchmarks, and 0.008% parameter overhead at 8B** [6].
- **Small local models are getting more practical.** Garry Tan said **Qwen2.5-7B Instruct** is at **GPT-3.5-turbo level** and argued that even if local models are not the default, **every device will need one** as a fallback when connectivity fails [7, 8]. Conifer is building toward that future with a runtime for **fully local agents** that can access files and apps under **OS kernel enforcement** [2].
- **AI-guided gene editing** remains a frontier category. Nathan Benaich highlighted **ProfluentBio's** work on designing **large gene insertions** and **fine-scale editing with AI** [9].

## Market Signals

- **Verification, governance, and risk transfer are emerging as a distinct AI layer.** Vinod Khosla called **autoformalization** the next critical frontier and said founders should work on areas where AI is weak [10, 11]. In the same direction, Orygent is building a governed enterprise work layer around **trust, approvals, audit trails, role-based authority, and verifiable AI**, while Mount focuses on **security plus insurance** for autonomous agents [12, 13, 5].
- **Local inference is shifting from niche feature to resilience layer.** Garry Tan said local models will not be the default, but every device will need one as an **emergency generator** when connectivity drops [8]. Conifer's funding and beta around Apple Silicon local inference is one

startup expression of that view [2].

- **The software labor debate is becoming more explicit.** Bindu Reddy argued that engineers are producing **10-100x more code**, that layoffs will continue at companies with large engineering teams, and that the current status quo is unsustainable because of resulting instability in large codebases and teams [14].

## Worth Your Time

- **Delta Attention Residuals:** paper and code. The work reports **1.7-8.2% lower validation PPL** from **220M to 7.6B** with **0.008% parameter overhead at 8B** [6].
- **World-model explainer:** drops.mts.now/world-model. It covers what world models are, how they work, and what **DreamZero** and **Agora-1** are building; Marc Andreessen amplified it on X [15, 16].
- **Campfire founder thread:** X post. YC says the discussion covers launching the first paying version as a **Google Sheet**, pulling customers off **NetSuite** with **four employees**, and founder-led sales through **Series A** [1].
- **BioStack launch page:** YC launch. BioStack says it turns messy clinical data into post-training loops for healthcare AI, and YC says revenue moved from **six figures to seven figures** in weeks [3].
- **Conifer beta and feedback:** site and waitlist. The team says it is building an **open-source Apple Silicon runtime** and is taking **100 users** into a free beta [2].

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## Sources

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