Defense Autonomy, World Models, and the New AI ROI Bar

VC Tech Radar

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The strongest signals in this batch are Josh Browder's pre-seed investing playbook, Yaroslav Azhnyuk's defense-autonomy stack, Odyssey's move from world models to shared simulations, and a wave of agent-native infrastructure startups. The market backdrop is clearer too: buyers want provable ROI, higher agent utilization, and tighter evidence that founders are authentic operators.

Funding & Deals

- **Joshua Browder is the clearest emerging-manager signal in this batch.** Harry Stebbings said Browder would be his pick for a sub-$50M emerging manager and said 12 founders rated him 9.2/10 on average [1]. Browder said his latest fund has made 33 investments at a $5M median entry valuation, with deals ranging from $1.5M to $21M, and that he is concentrating on "real" enterprise AI businesses rather than crypto or consumer hardware [2]. His stated allocation view is to deploy hard at pre-seed rather than save reserves for later rounds, and his operating thesis is that pre-seed companies usually fail by running out of money, hope, or team cohesion [1, 2].
- **Valar Atomics is a notable hard-tech financing signal.** The Information described the company as backed by Trump allies and Palantir-linked investors, with a deregulation tailwind in Washington, while pursuing a faster, "brute-force" path to bringing a reactor online [3]. Suhail said the company in question was @isaiah_p_taylor's, giving investors a likely founder reference point [4].

Emerging Teams

- **The Fourth Law / Odd Systems:** Yaroslav Azhnyuk, an applied-math-trained serial founder who previously built Petcube, said he moved from consumer IoT into defense tech after Russia's invasion [5]. He now runs The Fourth Law for on-drone autonomy alongside Odd Systems for thermal cameras, with the two companies moving toward a merge [5]. He said the group sells cameras and autonomy modules to 200+ Ukrainian drone manufacturers and sells drones directly to the Ukrainian armed forces [5].
- **Monrow:** Built after a retry bug projected about $6k/day in Claude spend across multiple app instances, Monrow says it catches runaway AI costs before the next call fires [6, 7]. The team says it launched publicly two days ago, reached 1k+ npm installs, keeps a fully local free tier, and prices Pro at $99 with cross-server detection, alerting, margin intelligence, and kill-switch controls [7, 6].
- **AgentMail:** The YCS25 startup is making email a native surface for agents. Its agent-first signup flow lets an agent arrive via curl, receive markdown instructions, provision a restricted inbox, and ask a human to complete OTP claim [8]. The founder said the product was modified for agents with single-column CLI formatting and shorter message IDs to reduce parsing issues and hallucinated completions [8].
- **YC launch watchlist:** Transload measures freight dimensions in motion using existing CCTV at logistics sites [9]. InsForge is positioning itself as backend infrastructure for coding agents, covering servers, databases, LLM gateways, and frontend deployment [10]. Prism calls itself an AI-native recruiting agency and says its people search scores 21+ points ahead of published competitors on the leading benchmark [11]. Deep Interactions says 95% of AI pilots fail because teams cannot build in sync, and is pitching a collaborative AI builder that ships products in an afternoon [12].
- **Devlens:** Founder-reported traction is still early but worth noting: 50+ waitlist signups in 60 days for the cloud version, despite a free open-source tool already existing [13]. The product uses AST parsing to build an exact map of a JavaScript/React/Next.js codebase, then layers a graph-aware AI chat on top so architectural questions stay grounded in the repo structure [13].

AI & Tech Breakthroughs

- **Odyssey pushed world models from passive video toward interactive simulation.** Starchild-1 is described as the first real-time multi-modal world model that can generate interactive simulations with audio [14]. Odyssey also introduced Agora-1, a multi-agent world model where multiple human or AI participants can interact inside the same simulated world in real time, with a playable research preview built around a multiplayer GoldenEye deathmatch [15].

- **The Fourth Law is building a full autonomy stack, not a single drone feature.** Azhnyuk described five autonomy levels ranging from terminal guidance to autonomous takeoff and landing [5]. He also said the company builds autonomy modules across day/night conditions, terrains, and platforms, plus its own simulation, training school, and planned semiconductor plants for thermal-camera sensors [5].
- **Self-optimizing inference stacks are starting to look viable at the edge.** One builder reported tracing every request, clustering similar calls with embeddings, and fine-tuning a 7B model on production traces, claiming 95% agreement with GPT-5.1 at 2% of the cost [16]. The same post said spend fell from $420/month to $73/month in three months, with additional reductions as bad outputs were recycled into negative training examples and good ones into positive data [16].
- **Cursor is still pushing model capability inside the product layer.** The company introduced Composer 2.5 as its "most powerful model yet," describing it as better at sustained work on long-running tasks and more reliable on complex instructions [17].

Market Signals

- **The buyer bar in B2B AI is now ROI plus utilization, not generic model access.** SaaStr said B2B + AI companies with provable ROI are growing 60%+ this year, while those without clear ROI are being churned out of budgets [18]. It also argued that hallucinations are no longer the frontier buyer conversation when grounding, tool use, and model choice are handled correctly; the harder problem is getting agents to do materially more work inside the customer workflow [18].

  > "It's not dead. It bifurcated. If you have AI ROI you can prove in a customer's QBR deck, you are growing 60%+ this year. If you don't, you're getting churned out of the budget cycle." [18]

- **Pre-seed diligence is getting more behavioral.** Browder says he looks first for founders with deep problem connection and first-customer credibility, citing Owner.com's origin in Adam Guild building for his mother's dog grooming business [2]. Stebbings highlighted filters such as late-night pitch meetings, rapid-fire questioning, and live verification of revenue claims [1]. Browder also warned about "fake founders" and AI-assisted narrative engineering, particularly around summer projects where commitment is hard to read [2].
- **Agents are becoming operational workers, which is creating a new infrastructure layer.** In this batch alone, startups were building

backend infrastructure for coding agents through InsForge [10], dedicated email inboxes for agents through AgentMail [8], telephony rails for any agent through Patter [19], and cost guardrails through Monrow [7].

- **Defense tech is being framed as software-defined systems plus manufacturing depth.** Azhnyuk said drones matter because software updates can change battlefield capability in a step change, and he tied the opportunity to a wider Western gap versus China in drone manufacturing and autonomy systems [5].
- **Model ownership is increasingly being treated as strategy, not research vanity.** Cursor introduced a new in-house model iteration, and Clement Delangue argued that serious AI companies will want to train their own models on open-source bases rather than outsource via APIs [17, 20].

Worth Your Time

- **20VC: The One Man Accelerator at The Four Seasons & Why VCs Can Be Sharks | Josh Browder** — the clearest source in this batch on pre-seed selection, founder-market fit, and why Browder thinks fake-founder behavior is rising [2].

The One Man Accelerator at The Four Seasons & Why VCs Can Be Sharks | Josh Browder (12:59)

- **Latent Space: The Next War Is Already Here. The West Isn't Ready.** — the best primary-source interview here on defense autonomy, Ukrainian operator feedback loops, and the China/West manufacturing gap [5].
- **Odyssey demos:** Starchild-1 and Agora-1 are the most concrete references in this batch for interactive, multimodal, and multi-agent world simulation [14, 15].
- **SaaStr on the new AI buyer bar** — useful if you want the cleanest articulation here of why provable ROI and agent utilization now matter more than generic AI positioning [18].

Sources

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18. Tired vs. Wired: $4 Trillion in IPOs Coming, $100B in M&A, Vibing Isn't Killing Salesforce After All, and Why the B2B Doomers Were Dead Wrong (Mostly)
19. r/SideProject post by u/Kindly-Duty272
20. X post by @ClementDelangue