Neo's $100M Seed Highlights the Race for Agent Control and AI Infrastructure

VC Tech Radar

2026-07-21

Neo's $100M Seed Highlights the Race for Agent Control and AI Infrastructure

By VC Tech Radar • July 21, 2026

An investor brief on Neo's large seed round, early AI software teams with initial traction, and the infrastructure, open-weight, and capital-allocation forces shaping the AI market.

Funding & Deals

Neo — $100M seed for endpoint-native agent control

Neo announced a **$100 million seed round led by a16z**. The company's thesis is that AI agents now operate on endpoints with user-level privileges, undermining controls designed to distinguish a human user from automated actions; Neo is positioning "agentic software control" as the replacement layer. Its founding team brings SentinelOne operating and threat-research experience, plus prior engineering leadership at EasySend. [1, 2]

Emerging Teams

Zolly.dev — early organic adoption for a no-code agent builder

Zolly.dev is raising roughly **$29,000 for 15% equity** to accelerate product development, AI capabilities, and customer acquisition. The founder reports approximately **$290 MRR**, more than **1,000 organically acquired users** in five months, and about **$1,280 in total revenue**, with no paid marketing. [3]

TaskBounty — lead-data generation as an agentic workflow

TaskBounty uses AI coding agents to complete software work in an isolated sandbox and return reviewable pull requests. Its founder has also built an internal lead-discovery system that crawls for newly active companies, connects them to websites, scores traction evidence, enriches contacts, and moves leads into outreach; the internal version reportedly contains hundreds of companies. The proposed SaaS would let customers describe a target database in natural language and generate the underlying crawler, enrichment, and scored output table. [4]

Cited — visibility analytics for AI-mediated B2B discovery

After 10 years in B2B SaaS marketing and testing the problem across more than 15 software businesses, Cited's founder is building a tool to track where brands appear or are absent in ChatGPT and Claude answers. The product is designed to identify missing evidence—such as use cases, third-party trust signals, and documentation—and draft editable content fixes. Its core premise is a new "AI shortlist" stage before the conventional B2B funnel. [5]

AI & Tech Breakthroughs

Fireworks AI — specialized intelligence and geographically distributed RL

Fireworks AI argues that proprietary enterprise data—not represented in broadly trained general models—will drive specialized, private intelligence. Its approach centers on open models that companies can control and tune for distinct workloads. The company says it has designed a distributed reinforcement-learning system that separates training from rollout, operates across five or six global data-center regions using scattered GPUs, and works with Cursor on model training. [6]

DiffusionGemma and StarChild 1 — new model approaches to generation

Google DeepMind announced **DiffusionGemma**, a 26B text-diffusion model described as correcting wrong answers during generation; it had reportedly shipped less than 48 hours before the on-stage announcement. Separately, Odyssey introduced **StarChild 1**, described as the first multimodal world model to generate pixels and audio simultaneously. [7, 8]

Market Signals

Compute access is becoming an early-stage competitive input

YC and Together AI are bringing a dedicated YC GPU cluster online, explicitly targeting easier compute access for YC startups. Together AI says it supports more than 8,000 customers—including Cursor, Cognition, and ElevenLabs—for model training, fine-tuning, and serving; the accompanying discussion frames compute as a major bottleneck and flexible GPU access as a potential advantage for AI-native founders. [9]

Open weights and inference economics are moving toward ownership and routing

Fireworks contends that enterprises need control over open-weight models to make AI economics workable at scale, while also observing a preference for multi-vendor strategies. Its CEO expects a 10x reduction in token costs over three years to drive 100x usage, and argues that companies will increasingly own specialized intelligence rather than rely solely on general-purpose models. [6]

A related market view frames "open" software as a low-cost-producer strategy: rapid, record valuations should attract competing offerings rather than preserve high margins. [10]

Capital remains highly concentrated even as application-layer investors look elsewhere

A reported **65% of the $300 billion** invested in venture capital during Q1 2026 went to Anthropic, OpenAI, xAI, and Waymo. Against that backdrop, Sarah Guo's Conviction is explicitly pursuing application-layer opportunities on the premise that frontier labs cannot build every downstream product; the firm cites early investments in Baseten, Harvey, Sierra, Cognition, and Mistral. [11]

Consumer AI monetization is still early

One cited estimate puts paid AI subscriptions at **2.2% of U.S. households**. Amjad Masad notes the structural constraint for consumer subscriptions: consumers typically allocate spending to essential categories and entertainment, while software purchasing is more commonly enterprise-led. [12, 13]

Worth Your Time

- **20VC's conversation with Fireworks AI founder Lin Qiao** — a useful discussion of enterprise-owned intelligence, open-model tuning, distributed RL, and the tension between velocity and margin optimization in

a hypergrowth phase. [6]
The Open-Source AI Reality | How Token Costs Will Fall 10X & Usage Will Explode 100X | Lin Qiao (4:12)

- **YC and Together AI on the dedicated GPU cluster** — relevant for founders assessing compute planning, research-company formation, and the point at which infrastructure costs threaten startup cash balances. [9]
- **Cited's founder post on the AI shortlist** — a concise operator perspective on how AI recommendations can determine vendor consideration before a buyer reaches a company website. [5]

Sources

1. X post by @a16z
2. X post by @neo_ai_security
3. r/SaaS post by u/CheesecakeGlobal1284
4. r/SaaS post by u/elidanipipe
5. r/SaaS post by u/Annual_Ad_6799
6. The Open-Source AI Reality | How Token Costs Will Fall 10X & Usage Will Explode 100X | Lin Qiao
7. X post by @nathanbenaich
8. X post by @nathanbenaich
9. X post by @ycombinator
10. X post by @bgurley
11. X post by @colossusmag

12. X post by @omooretweets
13. X post by @amasad