

# ZeroEntropy's GBrain Win, Agent Guardrails, and an AI GTM Compensation Bubble

VC Tech Radar

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*By VC Tech Radar • May 24, 2026*

Commercial validation led this cycle, with ZeroEntropy, SPRYT, and Avarieux surfacing as the clearest near-term deal signals. The deeper themes were agent control infrastructure, privacy-first/on-device AI, and a 20VC discussion that framed AI sales hiring and pricing as a growing market distortion.

### Funding & Deals

- **ZeroEntropy:** GBrain now ships ZeroEntropy as its recommended default embedding and re-ranking option over OpenAI and Voyage AI. That commercial placement is paired with Garry Tan's public endorsement of the company as a six-person team building task-specific AI models described as 4-8x faster than offerings from OpenAI or Anthropic, with 500K Hugging Face downloads. [1, 2, 3]
- **SPRYT:** The UK company says its Asa patient-engagement agent is backed by the NVIDIA Inception programme and partnered with Optum and NHS trusts. The reported pilot results are better than traditional reminder baselines, particularly for patient cohorts that are historically harder to reach. [4]
- **Avarieux:** The company came out of stealth this week and opened a waitlist around a finance-research product that verifies numeric AI claims against public sources before delivery. The product is explicitly framed to operate as a publisher rather than an adviser. [5]

### Emerging Teams

- **ZeroEntropy:** The signal is compact but notable: six people, 500K Hugging Face downloads, and third-party distribution through GBrain's de-

fault embedding/reranking slot. [3, 1, 2]

- **Avarieux:** The founder is a recent MS Data Science graduate who built several public MCP servers and has two pull requests under review in Anthropic's official `modelcontextprotocol/servers` repo. The product adds a real-time verifier between model and user, and every analysis becomes a timestamped, citable URL. [5]
- **Cirano:** The product runs 100% on-device on iOS with no cloud and uses chat history for what the company calls Personal Digital Intelligence. After 14 months of development and a late pivot from cloud to on-device architecture, the four-person team across Minnesota, Uzbekistan, and Vietnam reported its first four paying subscribers and \$52 MRR. [6]
- **MCP policy SaaS:** A solo founder is building cloud-managed allow/deny/audit policies across roughly 3,800 MCP servers and can push signed policy bundles to enrolled machines in under 60 seconds. A local Claude Code plugin enforces those policies, keeps a SHA-256 chained audit log, and blocks prompt injection attempts before Claude sees the call. [7]

## AI & Tech Breakthroughs

- **Arc Sentry:** The product detects multi-turn jailbreaks by monitoring internal model state instead of prompt text. On a USENIX Security 2025 example, the score moved from 0.031 at Turn 2 to 0.232 at Turn 3; the post says LLM Guard scored 0/8 because it evaluates prompts independently, while Arc Sentry blocked before any model response was generated. [8]
- **Thinking Machines:** The company says it is building AI for real-time, human-like collaboration and shared its approach and early results. Garry Tan separately argued that fast, usable multimodal systems could enable personal AI after quickly fine-tuning his own Qwen3.5-397B model. [9, 10]
- **Runtime control for agents:** The MCP policy product above enforces tool policies locally on the developer machine and keeps data local, while Arc Gate uses the same geometric monitoring layer as a hosted runtime governance proxy for agents using APIs. [7, 8]
- **DeepSeek Flash:** Bindu Reddy highlighted the model as almost 100x cheaper, effective for small tasks, and well-suited to operating on large amounts of data or records. [11]

## Market Signals

- **20VC participants described an AI sales compensation bubble.** In the episode, operators said Anthropic and OpenAI are offering \$10M-\$30M+ packages for top sales talent, and one speaker said Anthropic is inflating a bubble the rest of the market is trying to keep up with. [12]  
"It's a bubble... Anthropic is inflating that bubble." [12]
- **API-first AI selling is getting more technical.** The xAI example in

the same discussion emphasizes technically astute reps who can run their own demos. [12]

- **International expansion is moving earlier.** The same operators said companies are opening EMEA and APAC in parallel instead of waiting to fully mature North America, increasing the premium on leaders with global experience. [12]
- **Consumption pricing is spreading as per-seat SaaS comes under pressure.** The 20VC discussion argues that vendors are being forced to add consumption components and tie some sales compensation to actual usage after the initial booking event. [12]

### Worth Your Time

- **20VC episode:** Why Anthropic Are Causing a Comp Crisis & Why You'd Never Hire From Salesforce or ServiceNow is the best single source here on comp inflation, technical API selling, international expansion pressure, and the move toward consumption pricing. [12]



*Why Anthropic Are Causing a Comp Crisis & Why You'd Never Hire From Salesforce or ServiceNow (24:54)*

- **Arc Sentry / Arc Gate repos:** arc-sentry, arc-gate, and bendexgeometry.com are the most concrete materials in this set on state-based jailbreak detection and runtime governance. [8]
- **MCP policy demo:** <https://www.youtube.com/watch?v=V25yxqlAoY0> is a useful quick look at a local-first control layer for AI agents. [7]

- **Thinking Machines post:** <https://x.com/thinkymachines/status/2053938892152435174> is a compact primary-source read on the real-time multimodal collaboration thesis. [9]
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## Sources

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3. X post by @garrytan
4. r/Futurology post by u/Narrow-Psychology808
5. r/SideProject post by u/Beyond79
6. r/startups post by u/One\_Affect\_1343
7. r/SaaS post by u/Efficient-Simple480
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9. X post by @thinkymachines
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12. Why Anthropic Are Causing a Comp Crisis & Why You'd Never Hire From Salesforce or ServiceNow