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The US VC IPO Backlog Is a Myth

Rethinking expectations of pent-up IPO supply

Key takeaways

- This research leverages PitchBook's VC Time to Exit Predictor, an extension of our VC Exit Predictor that estimates when individual VC-backed companies are likely to exit, whether through an IPO or an acquisition.

- In the last several years, VC-backed IPOs have fallen short of historical norms. Companies scored at the start of 2023 were expected to produce 592 public listings by the end of 2025, based on how long similar companies have historically taken to go public, but only 139 happened. This shortfall is often described as a backlog of companies waiting on the sidelines, which will clear once the window reopens.

- A closer look at the group of backlogged companies suggests the expectation that a buildup of IPO supply will result in a deluge of public listings is largely a myth. Of the 254 companies our model gave better-than-even odds of going public by the end of 2025, only 53 did, and just 58 still look likely to list in the next three years. They make up fewer than one-third of the companies now closest to an IPO.

- Much of the backlog is not stuck so much as staying private. Since 2023, nearly 75% of the companies in the backlog have raised new venture funding from institutional investors, mostly at higher valuations. For companies like Databricks and Scale AI, those deals have also given employees and early investors a way to access liquidity without an IPO, and with most recent VC-backed IPOs lagging growth stocks after their debuts, many would rather wait.

Introduction

The IPO window shut as rates rose through 2022, and remains mostly closed. From 2023 through 2025, US VC-backed companies averaged about 75 public listings per year, down from 98 per year from 2012 through 2019. Most of those that did list could not hold their private marks. Of the 17 unicorns that went public in 2025, 14 did so at lower valuations, and many continued to trade lower after listing. Yet the companies that looked ready to go public before market conditions deteriorated did not disappear. With private market investors still willing to fund them, they were not forced to list under poor conditions, and many piled up into a backlog. That raises the question of how many companies would have been listed by now had the IPO market behaved as it has historically, and which ones.

To answer these questions, we use the VC Time to Exit Predictor, an extension of PitchBook's VC Exit Predictor that estimates when a company is likely to exit. Because the model is trained on data spanning multiple market cycles, it has learned how long companies with a given profile and market conditions have typically taken to reach public markets. At the start of 2023, 254 companies had a better-than-even chance of listing by the end of 2025, but only 53 did. The rest are still private, and many are said to be waiting in line, ready to list once the window reopens.

But the market they were waiting for has disappeared. The biggest change since 2023 has been the acceleration of AI since the initial release of ChatGPT in late 2022. Pure-play software companies have been under pressure to adapt quickly and prove their value, as public investors sold off software companies earlier this year, fearing that AI would erode their business models. At the same time, a new generation of AI companies, led by Anthropic, have scaled into some of the most valuable private companies in the US within a few years of founding, and several now sit at the front of the line at the IPO window. The IPO backlog, as most people picture it, is a myth. More than half of the companies that looked ready in 2023 have since listed or faded as IPO candidates. Only about half are expected to go public within three years, and they make up less than one-third of today's VC-backed IPO pipeline.

Sizing the US IPO backlog

There are more than 64,000 startups in the US VC-backed inventory, including 1,007 unicorns with a combined post-money valuation of $6 trillion as of September 30, 2026. Most, if not all, of these companies set out with the goal of building a business that one day is worthy of going public. However, that goal is difficult to achieve. IPOs over the last decade accounted for only 7.8% of successful exits, including M&A and public listings, but 43.3% of exit value. That share shrinks further once companies that never exit are accounted for. Just 3.6% of companies with a known outcome in the data used to train the VC Exit Predictor went public.

Applied to today's inventory of roughly 64,000 active companies, that rate implies about 2,300 eventual listings. Unicorn counts are another common proxy for the nearer-term IPO supply, as the largest companies are the most likely to turn to

Methodology

Each January 1, we add up every eligible company's chance of going public within three years. That total is the number of IPOs the model expected from that year's group. Individual company predictions are calibrated via a top-down model so that their sum equals the expected aggregate exit rate given the prevailing market conditions. The three-year windows overlap, so read each year on its own. The latest complete window, for companies scored in 2023, closed at the end of 2025.

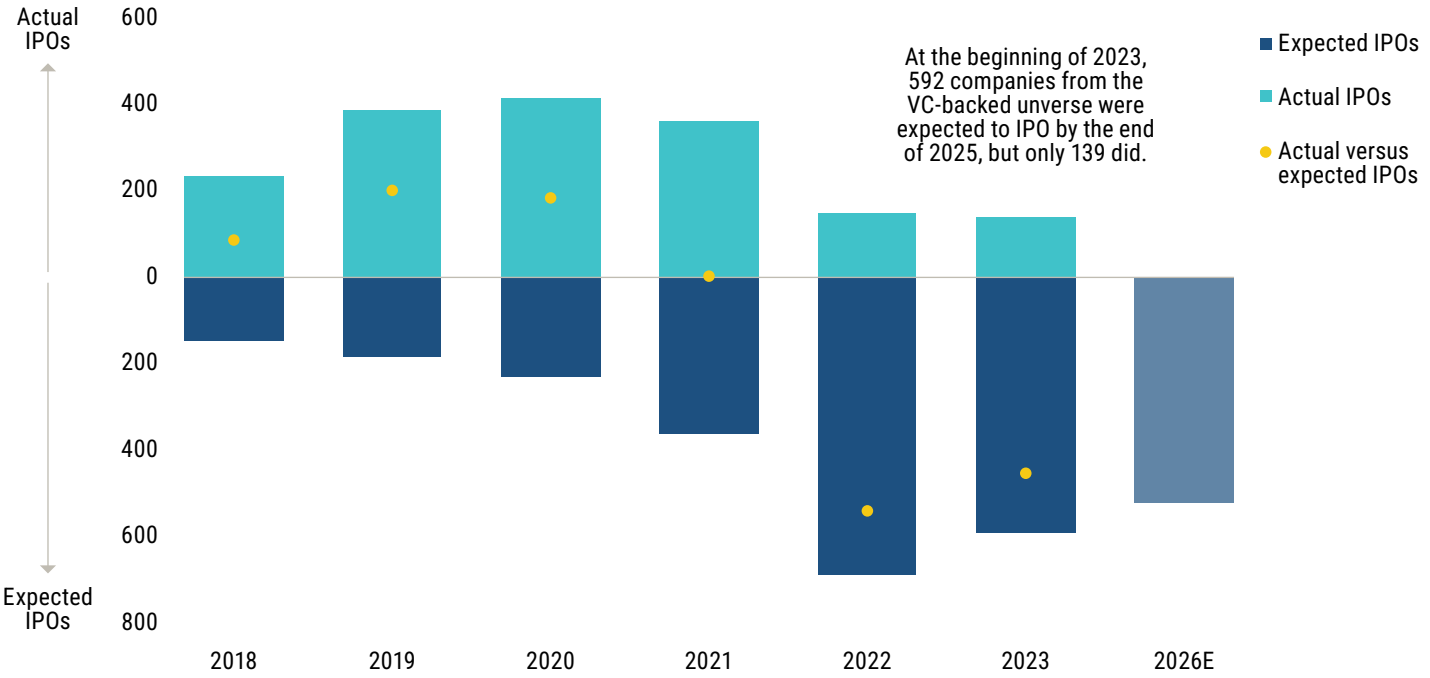
public markets to meet their capital needs. But both approaches share a blind spot: They estimate how many companies might list, not when. The timing component matters more in the current environment as companies stay private longer and IPOs are demoted rather than abandoned. When a listing arrives is now as important as whether it does, particularly for investors who bought stakes at high private valuations and for those who cannot find enough liquidity in the secondary market to return capital to LPs.

The VC Exit Predictor tool's timing component answers the question of when. If a company were to go public, it estimates how likely that is to happen within a given window. Multiplying the probability that a company ever goes public by the probability that the company goes public within that window gives the probability that the company will list within that window.

$$P\left(S_{IPO} = 1 \cap T \leq t\right) = P\left(S_{IPO}\right) \times F_{IPO(t)}$$

Throughout this note, we call the first term, $P\left(S_{IPO}\right)$, the overall IPO probability and its product with the conditional three-year cumulative exit probability as the three-year IPO probability. Overall exit predictions and exit timing predictions are updated daily on the PitchBook Platform for eligible companies.

Expected versus actual IPO count over three-year forward periods



Source: PitchBook • Geography: US • As of September 30, 2026

Under favorable conditions, the model's expectations were met and then some. The 2018-2020 cohorts had three-year windows that ran straight into the zero-interest-rate-policy (ZIRP)-era boom, and actual listings exceeded expectations in each by about 202 and 183 for the 2019 and 2020 cohorts, respectively. The 2021 cohort, whose window spanned both the 2021 peak and the two years of collapse that followed, roughly broke even.

Then the window shut. Nearly 700 companies that scored at the start of 2022 looked ready on paper, as VC-backed IPO activity had just hit its highest level since 2004 relative to its trailing three-year average. Only 149 IPOs happened. The 2023 cohort was the same, with 139 listings against the 592 expected. Hundreds of listings that history said should have happened simply did not.

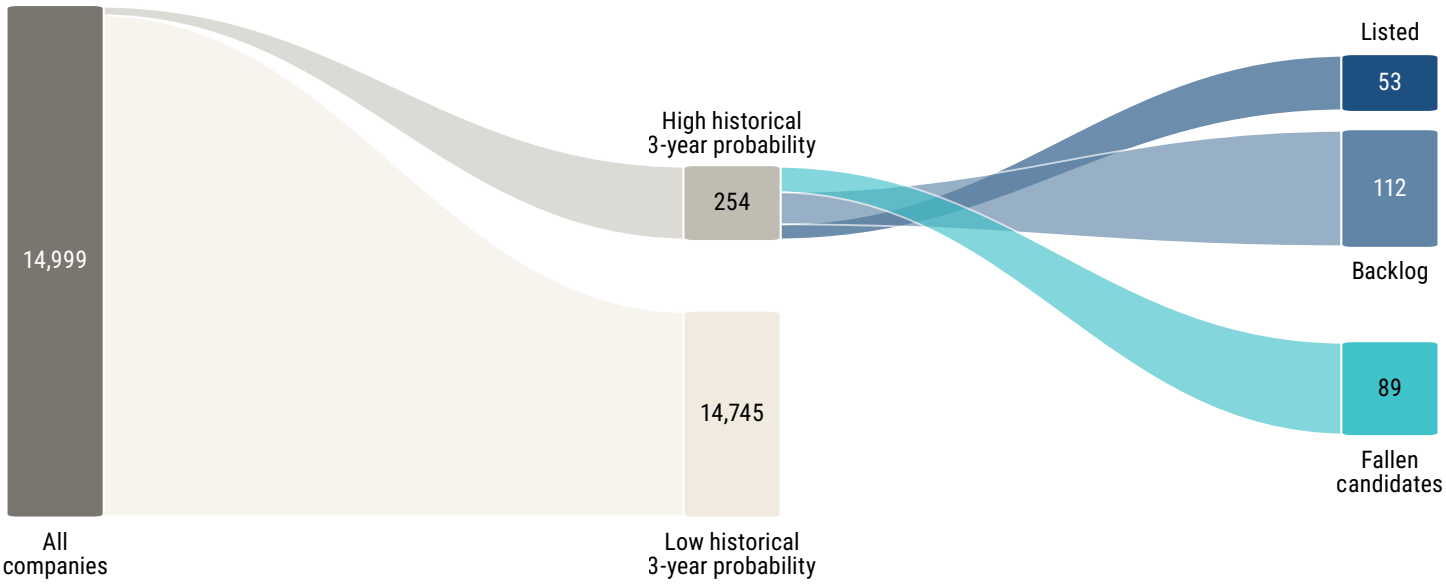
Defining the backlog

In 2023, a company needed a three-year IPO probability above 50%, meaning the model expected it to go public by the end of 2025. Today, it must still be private with an overall IPO probability above 50%, meaning the model still expects it to list eventually. We do not reapply the three-year test today, because that would screen out companies for the very delay this analysis aims to measure.

Most of the shortfall relative to expectations for these cohorts has come after the one-year prediction window. Companies are still exiting within one year at about the same pace as before the pandemic—the 2020-2021 surge was an exception. Companies that did not exit within a year have been less likely to do so within three years than they were historically (see Appendix). Because the model's estimates beyond the first year rely on those historical rates, its three-year cumulative expectations come in too high when poor market conditions persist longer than normal.

Hundreds of missing listings sound like hundreds of companies stuck in line. They are not. Much of the gap was spread across thousands of companies, each with only a small chance of being listed. If there is a line, it consists of companies with a better-than-even chance of going public within three years. To find them, we turn to the most recent cohort with a complete three-year window, the cohort scored at the start of 2023, whose window closed at the end of 2025.

IPO backlog based on the 2023 36-month IPO probability cohort



Source: PitchBook • Geography: US • As of September 30, 2026

Of the 254 companies that cleared the bar in 2023, 53 went public. Of the 201 still private, 112 are still expected to list eventually and make up our IPO backlog. The other 89, whose odds of eventual IPO have slipped to 50% or below, we call fallen candidates.

Holding out, not locked out

In 2023, the three groups looked almost identical. The companies that went on to list, the backlog, and the fallen candidates all had average overall IPO probabilities between 87% and 92%. But they have since split apart. Today, the backlog's overall IPO probability has slipped to 78.5%, and its three-year IPO probability has fallen from 64.5% to 53.2%. The model still expects these companies to go public, just with less certainty. The fallen candidates fell much further, to 27.2%, and the model sees most of them as more likely to be acquired.

Average IPO probabilities (2023 versus today)

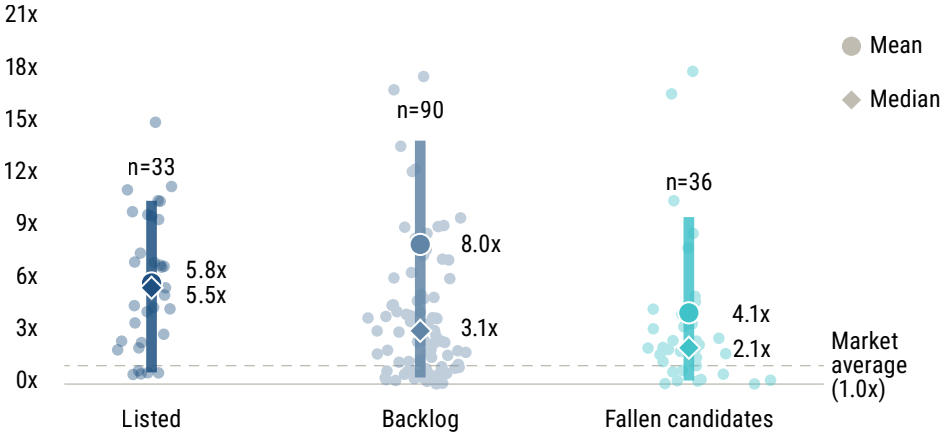
	Overall IPO probability		Three-year IPO probability	
	2023	Today	2023	Today
Full 2023 cohort	11.1%	12.6%	3.9%	6.0%
2023 buckets				
Listed	91.6%	N/A	68.7%	N/A
Backlog	91.5%	78.5%	64.5%	53.2%
Fallen candidates	86.7%	27.2%	60.6%	19.5%

Source: PitchBook • Geography: US • As of September 30, 2026

The backlogged companies look less like a group shut out of the IPO window than one that has raised enough to hold out. Since 2023, 73% have raised a VC round, compared with about half of the fallen candidates. With few paths to the public markets, the backlog has kept raising capital privately. They have also raised more recently. The median backlog company last raised two years ago, compared with 3.5 years for the median fallen candidate. For context, the companies that listed did so a median of 11 months after their last VC round. Strong candidates find it easier to raise, but the model also rewards recent capital raising, as a company that raised one year ago has historically been more likely to exit than one that has not raised in four years. A more recent round can directly lift a company's predictions.

Those rounds were also large and mostly priced up. This is noteworthy because deal size, which the model uses as a proxy for valuation,[1] was the primary driver of the shift in predictions for the fallen candidates (see Appendix). Because round sizes have climbed at nearly every stage except seed, we compared each round with the average for its year, industry, and stage in the "Dispersion by backlog status post-2023 deals" chart.

VC deal size since 2023 as a multiple of comparable deals by backlog buckets



Source: PitchBook • Geography: US • As of September 30, 2026

Note: Each point is a VC round with a disclosed deal size, raised since the beginning of 2023. Rounds are shown as multiples of the average US deal for the same year, industry, and stage. The dashed line at 1.0x marks that average. The bar spans the 10th to 90th percentiles, and the circle marker represents each group's average and the diamond its median. Eight rounds above 20x are excluded from the visual.

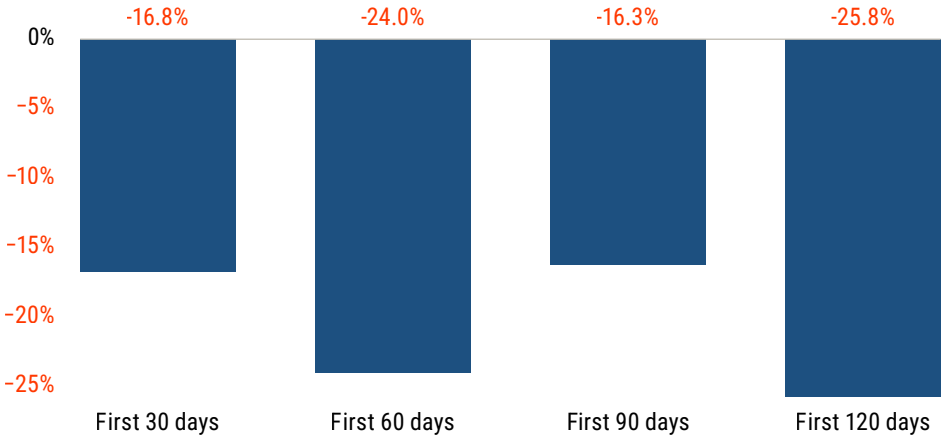
The backlog has not been starved of capital. Since 2023, backlog companies have raised rounds averaging 8x the size of comparable rounds across the market, compared with 5.8x for companies that went public and 4.1x for fallen candidates. However, a handful of outsized deals pulled the backlog's figure up. Most of those rounds were also priced up. Of the backlog's post-2023 rounds with a disclosed valuation change, 61% of those were up rounds, while nearly three in four of the fallen candidates were flat or down rounds. See the Appendix for more details.

Seven of the eight rounds exceeding 20x the benchmark went to companies in the backlog, including Databricks, Waymo, Scale AI, and Stripe. Waymo's was backed by its parent, Alphabet. Several of the others doubled as liquidity events. Stripe's 2023 round and part of Databricks' 2024 round paid out current and former employees, and Meta's purchase of a 49% stake in Scale AI funded a payout to existing shareholders and vested employees. Rounds like these deliver the liquidity that once required an IPO, making it easier for the largest companies to delay an IPO.

Not every company in the backlog has waited by choice. Some of them have tested the market and pulled back. Discord was said to be in talks with bankers about an IPO in early 2025 before delaying it, and then submitted a confidential filing in January 2026, with a debut reportedly targeted for March. More than nine months on, it has still not publicly filed its S-1. The secondary market valued it at around $8.5 billion in July, down from $15 billion at its 2021 round. SambaNova held acquisition talks with Intel at about $1.6 billion including debt, well below its $5 billion valuation in 2021. When those talks stalled, it raised new venture funding instead. Both had access to enough private capital to keep waiting.

Recent listings justify waiting. Since 2023, the median VC-backed IPO has trailed the Morningstar US Growth Index by 16.8% in its first 30 days of trading and by 25.8% over its first 120 days. For a company holding a high private mark, listing in that market risks a public repricing.

Median constituent performance relative to Morningstar growth index



Source: PitchBook • Geography: US • As of October 15, 2026

Note: Performance is measured from each company's closing price on its first day of trading and the as-of date. It includes constituents of the PitchBook VC-backed IPO Index that listed since beginning of 2023, excluding biotech & pharma.

That risk is greater for software, a sector already under pressure from AI and the backlog's largest group. By contrast, biotech & pharma companies led the other two groups, making up the largest share of listings and more than half of fallen candidates (see Appendix).[2]

Taken together, the companies in the backlog have clearly been waiting. It is less clear whether they are next in line. More than half of the companies that looked ready in 2023 have either listed or faded since then, and the majority of the backlog has continued to rise privately rather than go public. If they were sitting on the sideline waiting for the window to reopen again, they would be a more prominent component of today's pipeline.

Forward pipeline

The backlog makes up less than one-third of today's IPO pipeline. The current pipeline captures the companies the model expects to list soon, with an overall IPO probability above 50% and a better-than-even chance of listing within three years. Of the 188 companies that meet that test today, 58 came from the backlog. Several of the backlog's best-funded names, including Databricks, Waymo, and Scale AI, are no longer expected to exit within three years. In other words, the backlog is a myth. Most of the companies now closest to an IPO were never a part of the backlog.

Select VC-backed companies in IPO pipeline by valuation estimate

Company	Overall IPO probability	1-year IPO probability	3-year IPO probability	City	Industry code	Valuation estimate ($B)	Backlog
Anthropic	94%	86%	89%	San Francisco	Business/productivity software	$1,191.4	
Stripe	97%	58%	94%	South San Francisco	Other financial services	$180.2	Backlog
Ripple	97%	32%	67%	San Francisco	Other financial services	$51.6	
Ramp	97%	17%	52%	New York	Financial software	$50.2	
Crusoe	97%	88%	95%	Denver	Systems & information management	$32.1	
Rippling	97%	31%	72%	San Francisco	Business/productivity software	$22.7	Backlog
Kraken	97%	95%	97%	Cheyenne	Other financial services	$21.4	
Polymarket	88%	43%	55%	New York	Other financial services	$19.9	
Oura	96%	44%	74%	San Francisco	Therapeutic devices	$14.5	
SambaNova Systems	97%	38%	65%	San Jose	Application specific semiconductors	$12.0	Backlog
Whoop	97%	21%	70%	Boston	Monitoring equipment	$11.8	Backlog
GoBrands	97%	25%	57%	Philadelphia	Internet retail	$10.0	
Institutional Capital Network	97%	19%	70%	New York	Other capital markets/ institutions	$9.5	Backlog
Zipline	97%	11%	66%	South San Francisco	Logistics	$9.0	Backlog
AlphaSense	88%	36%	68%	New York	Media & information services (B2B)	$8.1	
Harness	96%	35%	79%	San Francisco	Business/productivity software	$6.5	Backlog
Socure	95%	32%	68%	Incline Village	Financial software	$5.6	Backlog
Motional	71%	39%	63%	Boston	Road	$5.5	
Cohesity	94%	47%	75%	Santa Clara	Network management software	$5.4	Backlog
GrubMarket	93%	82%	91%	San Francisco	Business/productivity software	$5.3	

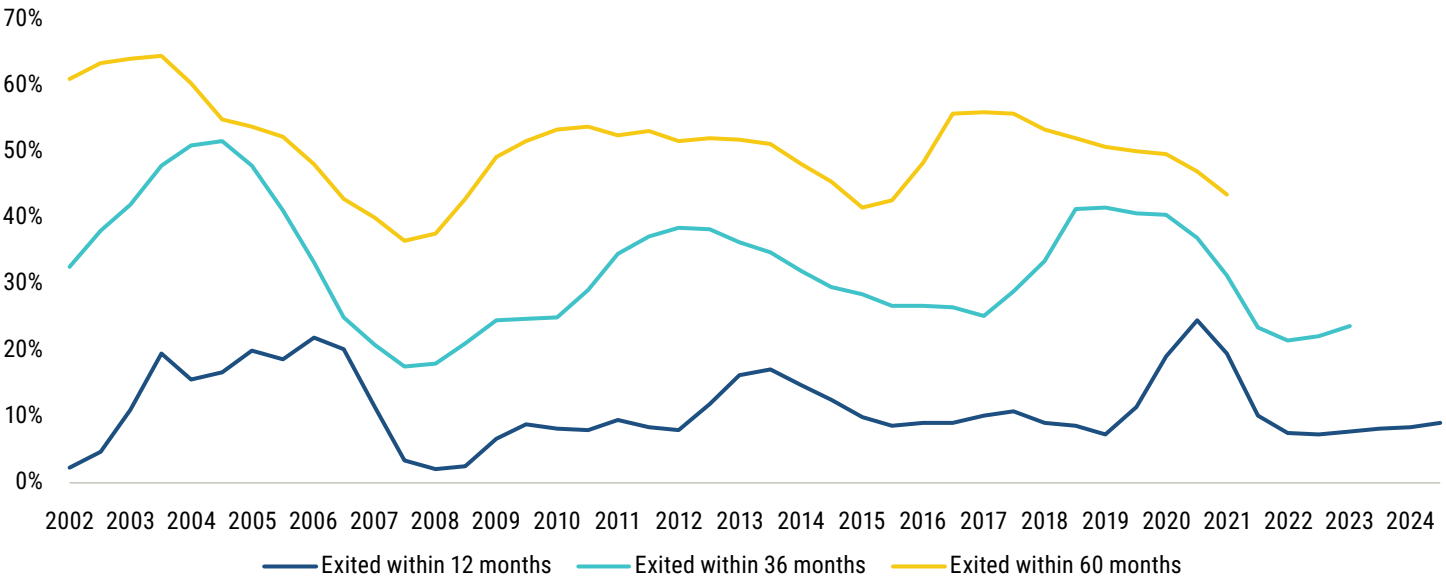
Source: PitchBook • Geography: US • As of September 30, 2026

All eyes are on Anthropic and OpenAI. Both confidentially submitted draft S-1s in June. In September, Anthropic CEO Dario Amodei called on frontier AI labs to deliberately slow the pace of capability improvements. OpenAI CEO Sam Altman backed the call and ruled out a 2026 IPO, calling this an ill-advised moment to go public given safety concerns.[3] Anthropic's plans have so far held. It publicly filed its S-1 on October 26, with a listing reported for as soon as November. Policy is shifting too, with a voluntary federal security review for advanced AI models introduced in August.

A possible disruptor is the market itself. Sentiment toward AI was shaken in October as the cost of financing AI infrastructure climbs. In mid-October, the Nasdaq fell about 4.5% in one week as rising yields and mounting AI debt weighed on tech stocks, with debt-heavy providers such as CoreWeave at the center.[4, 5] Crusoe, the model's most confident near-term candidate among the largest companies, operates in that same segment. The IPO window reopens only if public markets support venture's valuations, and the upcoming tech IPO story largely rests on how these two listings are received. A strong reception could reopen a path to liquidity for the backlog behind them.

Appendix

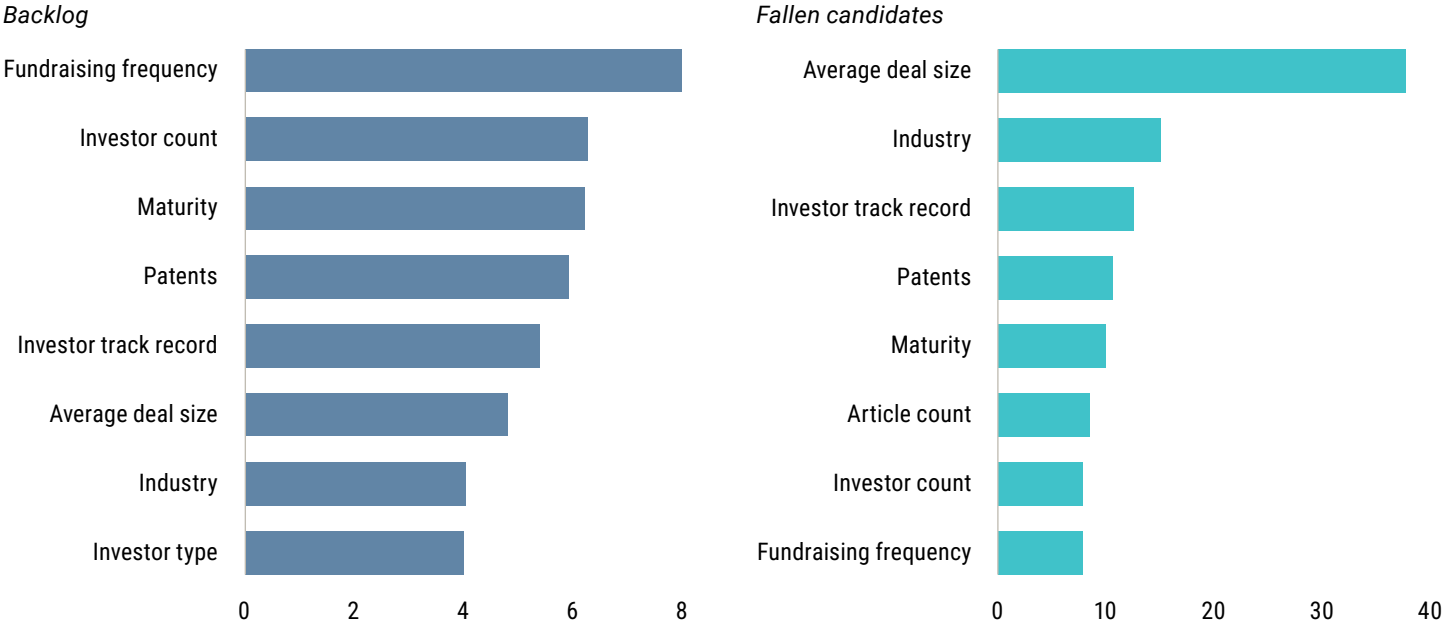
Share of VC-backed IPOs completed by semiannual cohort



Source: PitchBook • Geography: Global • As of September 30, 2026

Note: Recent years include companies that are still private, counted according to how likely they are to eventually list. Those figures may change depending on whether these companies go public.

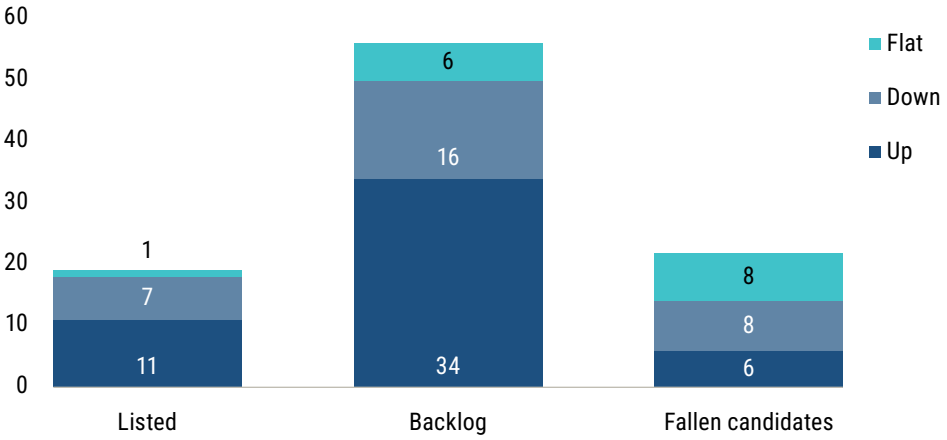
Mean absolute change by feature, backlog versus fallen candidates



Source: PitchBook • Geography: US • As of September 30, 2026

Note: Prediction Drivers explain the overall IPO probability, not timing. Bars show how much each input's contribution changed between 2023 and today, not the direction of the change.

Down round count by backlog buckets



Source: PitchBook • Geography: US • As of September 30, 2026

2023 IPO buckets by sector

	Listed	Backlog	Fallen candidates
Biotech & pharma	23	32	47
Software	8	43	21
All other	22	37	21

Source: PitchBook • Geography: US • As of September 30, 2026

References

1: Due to better data coverage, the VC Exit Predictor uses deal size as a proxy for valuation.

2: Biotech & pharma companies often go public before generating revenue, using the IPO to fund clinical development. Their listings tend to hinge on trial results more than on the broader IPO window.

3: "Anthropic Boss Dario Amodei Calls for AI Slowdown, Altman and Musk Agree," ABC News, AFP/Reuters, September 12, 2026.

4: "Nasdaq Sinks More Than 2% as Investors Raise Questions About AI Debt," CNN, John Towfighi, October 16, 2026.

5: "CoreWeave Shares Tumble as Bond Yields Near 15% on Concern About AI Borrowing Binge," CNBC, Michelle Fox, October 14, 2026.

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