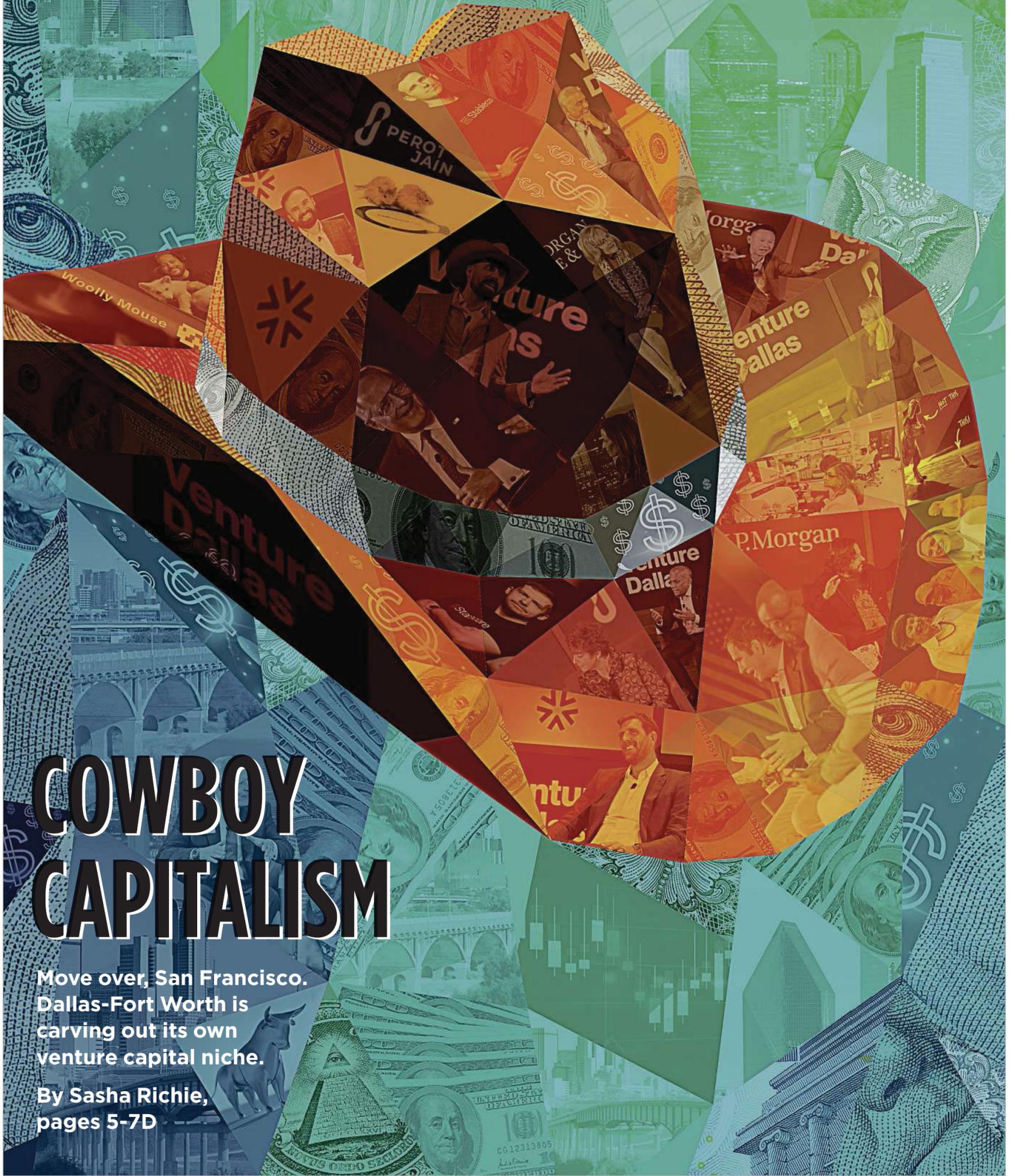


Business Sunday



COWBOY CAPITALISM

Move over, San Francisco. Dallas-Fort Worth is carving out its own venture capital niche.

By Sasha Richie, pages 5-7D

Michael Hogue/Staff Artist; Photos/DMN Staff, iStock

The Watchdog wants to thank the world's best tipsters

British singer Katie Melua wrote and sings a song that goes like this:
*Atop this free and savage sea
 I'd be nowhere without you
 I'd be nowhere.*
 I truly say (since I can't sing!) the same about my Watchdog readers who helped me with some important stories in 2025. They are my Watchdog tipsters. They pointed me in the direction, and I did the rest.
 So instead of singing, I tip my hat to them.



THE WATCHDOG

DAVE LIEBER
 davelieber@dallasnews.com

Atmos Energy

I tip my hat to Dan McVay of Plano, a retired energy worker who worked to learn all he could about his rising gas bills.

He wrote, "My gas bill has increased dramatically in the last four months. I have contacted Atmos several times. They sent a technician to look for leaks and found none." Dan couldn't get complete an-

swers, and neither could I. We concluded that Atmos on certain matters has a secretive corporate culture. That's not a good thing especially when a utility has a monopoly.

Solar scams

A hat tip to Ron Rocek who wanted to check the validity of a lawyer he'd heard about. In my investigation I learned that the lawyer, Neal Prevost of McKinney, is one of the most suc-

cessful solar panel litigators in the nation. Neal goes after companies that cheat homeowners. He has represented thousands of hurt families.

Neal told me, "Five years from now, there's going to be thousands of lawyers all over this. They're just slow to pick up on it."

Solar scam 2

I wasn't aware of the widespread
 See **SCAMMERS** Page 3D

REAL ESTATE

Google is spending nearly \$1B on a growing data center campus in southern D-FW.
 By Nick Wooten, 4D



RETAIL

Galleria Dallas' 100,000-square-foot Netflix House Dallas is ready for prime time.
 By Brian Womack, 12D



CORPORATE LAW

The art of the complicated deal? Texas attorneys are leveling up to keep pace.
 By Allen Pusey, IID

RETAIL

WHAT'S OLD IS WHAT'S NEW

Known for his avant-garde silhouettes and Space Age designs, Pierre Cardin was so far ahead of the curve that his work still looks futuristic in the 21st century. And when Dallas' Ken Weber (pictured below), the co-owner of the website Vintage Martini, had the opportunity to get his hands on Cardin's archive, he knew it was a once-in-a-lifetime fashion score.

After a 2021 Los Angeles showing of the House of Cardin documentary was canceled due to COVID, the company's licensing director, Matthew Gonder, reached out to Weber to help him set up a screening in Dallas. This led to an ongoing relationship with Gonder and the brand's president and artistic director, Rodrigo Basilicati-Cardin. Earlier this year, the duo invited Weber to fly out to Paris to dig into the designer's couture warehouse, a career-culminating moment for the retailer, who launched his vintage business alongside his partner, Greg Kelly, in 2007.

"I knew my time was limited, so I was speeding through the racks, pulling anything colorful, interesting, or obnoxious," Weber says. "It was a shop 'til you drop moment!"

Ultimately culling around 700 garments and accessories from the late 1960s through 2012, Weber debuted the Pierre Cardin Heritage Collection last month at his bou-



Danny Campbell

Just one of the futuristic silhouettes from the Pierre Cardin Heritage Collection available at Vintage Martini.



tique at 2909 N. Henderson Ave. called Martini Consignment.

"It's incredibly exciting, overwhelming and a complete honor," says Weber, who is set to return to Paris in January to pull another batch of forward-facing looks. "It's

easy to look at his pieces as art, not just a pretty dress. He really was a master at understanding how fabric can be manipulated to create form and shape and still be flattering on a woman's body."

Kendall Morgan

AI isn't the only thing in D-FW's startup scene



JAVIER E. DAVID

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Washing laundry isn't the sexiest of business models, but it does help us illustrate the unique nature of business-friendly Texas — and more specifically the growing number of startups making their mark in Dallas-Fort Worth.

Austin-based NoScrubs was practically made for lazy, over-worked people (nobody in particular) who hate doing housework. For a nominal fee, the startup's concierge model will pick-up and drop-off your unwashed clothes.

Entering the Dallas market has paid off big for NoScrubs, according to CEO Matt O'Connor, who first chatted with *The Dallas Morning News* over the summer. The startup recently expanded to Miami and Los Angeles ahead of an expected nationwide launch in 2026.

"Since the launch earlier this year, we've seen Dallas outpace both of our other Texas market launches — Houston and Austin — by 35%, reflecting the pent up demand for our services in the area," O'Connor told *The News* via email recently.

"Dallas customers continuously have larger orders and are ordering more frequently than our other TX markets, and because of the massive growth we're seeing," which O'Connor pegged at a staggering 708% year-over-year as of October.

NoScrubs is the perfect example of the "Cowboy Capitalism" Sasha Richie writes about in her outstanding deep-dive into the qualities of D-FW startup culture. While it's not Silicon Valley, North Texas' entrepreneurial ecosystem is distinctive in its own right — especially in an era where every company is becoming an artificial intelligence company.

That's not an exaggeration. Bain data shows that the generative AI boom has sparked a gold rush of venture capital funding into those startups: the first half of 2025 saw more AI fundraising than 2024 as a whole, even as overall venture funding tumbled by 17% year-over-year. Software and AI are absorbing nearly 45% of all venture capital investments.

The Matrix-like tendrils of AI are burrowing into businesses both large and small — and even a laundry washing service like NoScrubs — which uses AI to process its orders — isn't entirely immune.

However, the Dallas-Fort Worth venture scene is increasingly defined by a wide range of disruptors across industries — such as Colossal Biosciences, the de-extinction pioneer that's trying to bring back the woolly mammoth.

Texas "everything from the space industry to synthetic biology. I think that as the financial ecosystem and privatized capital — from venture funds, private equity funds or family offices — gets more day-to-day exposure in those types of deals," Colossal co-founder and CEO Ben Lamm tells Richie in an interview.

Lamm puts his finger on a very important point that we'll be exploring in these pages in the future. The rise of North Texas as a major financial center is creating lots of wealth that's being deployed across sectors, and the impact is just starting to be felt.

Stay tuned.

Javier E. David
Business Editor

BY THE NUMBERS

The amount (\$1 billion+) that each extreme weather event in Texas has cost the state. To date, there have been 70 such instances in the last 5 years, according to Travelers.

Javier E. David



Michael Hogue/Staff Artist

DATEBOOK | THIS WEEK

Today

More than 150 local vendors are lined up for the monthly **Bishop Bazaar** in Dallas' Bishop Arts District. Check out the live music, food, crafts and grab some gifts.

Wednesday

Can D-FW keep up the job momentum amid a softening economic picture? The Bureau of Labor Statistics' **metropolitan area employment** and unemployment report for November is released.

Cheerios maker **General Mills** is one of the earnings highlights of a light week on Wall Street as the company reports its fiscal second quarter of 2026 results. Micron Computing will give results, too.

Thursday

The Bureau of Labor Statistics **Consumer Price Index** for November is released as the economic turmoil surrounding tariffs and a teetering job market continues to give pause.

The busiest day of the week on the earnings calendar will feature key results from national companies such as **Nike** and **FedEx**, along with **Carnival Cruises** and **Darden Restaurants**, the parent company of Olive Garden.

Friday

Art on Main has an **Art After Dark Holiday Market** featuring pieces from local artists, a look at studios and maybe a chance to pick out some last-minute locally made gifts. The event is from 5:30 to 8:30 p.m.

Saturday

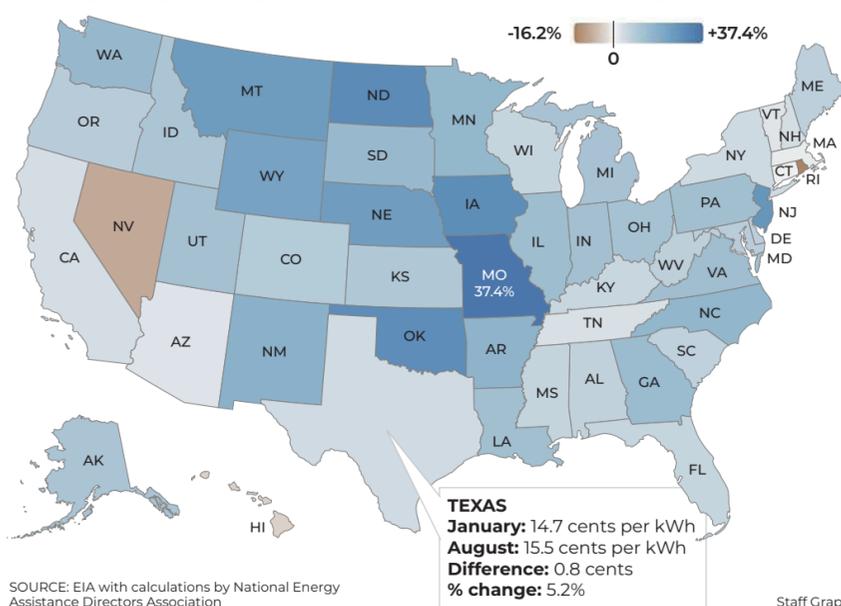
Galleria Dallas hosts a weekly showtime children's event at 11:30 a.m. if the kids are already a little stir crazy as schools check out for winter break. This week is **Sam the Magic Man**.
Kyle Arnold

FIGURE THIS

Electricity prices all charged up

Power up

Percentage change in average residential electric prices from January-August:



SOURCE: EIA with calculations by National Energy Assistance Directors Association

Staff Graphic

The average price of electricity is up 10.5% between the beginning of 2025 and August, according to the National Energy Assistance Directors Association. It goes along with a general uptick in prices for nearly everything, but energy is in higher demand as tech companies build electricity-hungry data centers to power generative artificial intelligence endeavors. And higher interest rates are making it more expensive to finance new power generation projects. Between 2021 and 2025, the average U.S. residential electric bill increased 28.8%. In Texas, the bills have gone up 33.8% since 2021.

Kyle Arnold

BUSINESS SUNDAY

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Tom Fox/Staff Photographer

For Stablecore co-founders Nick Elledge (left) and Alex Treece, it all started with a chat at a 2024 Dallas Mavericks game. Their company, which has seen explosive momentum over the past few months, is emblematic of the North Texas venture capital scene at large.

VENTURE CAPITAL

Watch out Bay Area, D-FW's 'Cowboy Capitalism' is here

A N. Texas approach to startups marries novelty, pragmatism

There was a 283-day period when it would have been impossible to have any productive ideas at a Dallas Mavericks game. How could one think over chants of “Fire Nico?”

Luckily for Alex Treece and Nick Elledge, two of the founders of Stablecore, they reconnected at the American Airlines Center in November 2024, one of the last times Luka Doncic played in a Mavericks jersey before being infamously traded to the Lakers.

A leading venture capitalist invited the pair to the game as part of a group outing with several of the city’s most promising entrepreneurs, and by early 2025, their fintech startup was born.

Like a true Dallas guy, Elledge highlighted the conspicuous presence of Doncic in Stablecore’s origin story in a joint interview with *The News*, but the tale is emblematic of something else big that is happening in North Texas: the glimmering of a venture capital boom.

Stablecore, which provides community and regional banks and credit unions with the tools to offer digital assets, announced a \$20 million fundraising round in September. In October, Stablecore was anointed Startup of the Year at the annual Venture Dallas conference, and Treece said in November they already have agreements with several banks and streams of revenue.

“These are the types of companies that are deciding to start their business here and not in the Bay Area,” said Aaron Pierce, partner at Perot — an investor in Stablecore — and

the organizer of Venture Dallas. “Because you can.”

According to Pierce, North Texas is on track for \$2.5 billion invested in early-stage companies in 2025. Last year, that number was \$1.4 billion. In 2019, \$500 million.

“Which felt like a big number at the time,” Pierce said.

The growth is due to the symbiotic ecosystem of startups and venture capital, as talent like Treece and Elledge deploy capital from firms like Perot

Jain. Each provides proof to prospective founders and investors that the whole startup thing is possible in North Texas.

Still, the region stands just on the precipice of a true venture capital explosion, and headwinds like concentration and limited exit opportunities may affect whether it actually takes the plunge.

Over the years

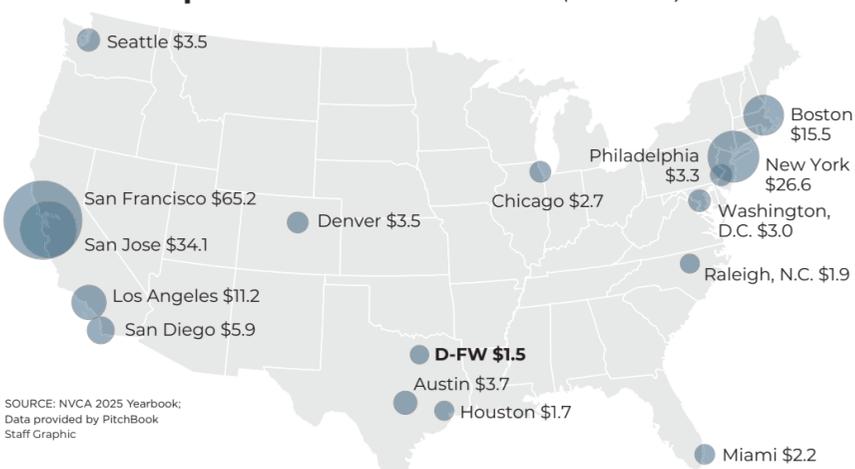
As hard as it may be to believe now, San Francisco was once a watering hole for the proudly penniless. The dispirited beatniks led the way for the free-spirited hippies, and in 1967 the Summer of Love poured out of a wellspring of counterculture.

Somewhere along the way to the present, the counterculture of the Bay Area stopped only writing novels and songs, and started building computers, then websites and apps.

But unlike their predecessors, these new predecives made a lot of money. And that money attracted other money to help everyone make... even more money.

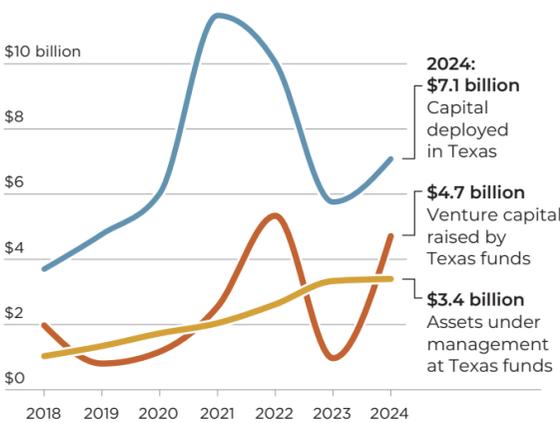
That’s venture capital.

Venture capital deal flows in 2024 (in billions)



SOURCE: NVCA 2025 Yearbook; Data provided by PitchBook Staff Graphic

Texas venture capital snapshot



SOURCE: NVCA 2025 Yearbook; Data provided by PitchBook Staff Graphic

Not to be confused with its cousins private equity and angel investing, venture capital is the practice of institutions, or funds, pooling money to invest in early-stage companies with high growth potential in exchange for partial equity. Now-worths, that can also come with founder mentorship and strategic and operational support.

And while the so-called “father of venture capital” Georges Doriot was a born Frenchman

and adopted Bostonian, the industry is inextricably tied to Silicon Valley. The singular tech hub bloomed in the mid-20th century as a confluence of, among other things, talent from Stanford and University of California Berkeley; California’s unique ban on noncompetes; and, if scholars like Theodore Roszak are to be believed, the liberation ethos inherited from the region’s deep counterculture history.

Venture capital firms like Sequoia Capital and Kleiner Perkins began popping up on Sand Hill Road to get in on the fun, and the burgeoning industry had its first big year in 1978, raising \$750 million. With successful investments in the likes of Apple and Atari under the funding model’s belt, venture capital firms proliferated throughout the ‘80s.

To this day, the Bay Area is the undisputed leader for venture capital, with a staggering \$100 billion — with a “B” — in deal flow in 2024, according to the National Venture Capital Association’s measure of the San Francisco and San Jose metros.

With that number in mind, North Texas’ \$2.5 billion may not feel like a boom, but The Bay had a 50-year head start.

If Silicon Valley’s startup ethos mirrors the area’s hippie roots — Steve Jobs took calligraphy classes and dabbled in Eastern mysticism for one semester before dropping out of Reed College — so, too, does

See **NAVIGATING** Page 6D

Navigating D-FW's venture capital scene

Continued from Page 5D

North Texas mirror its own cultural roots.

'Cowboy capitalism'

Pierce, who entered North Texas venture capital in 2017 when it was still a "desert," calls it "cowboy capitalism."

Where Bay Area investors and founders tend to take big swings on ideas that promise to change the world, he said, folks in Dallas-Fort Worth prefer pragmatism, more of a cattle capital drive.

"We come from an older industry. Many of our wealth creators built their company by building a profitable business over a long period of time," Pierce said. "Your highs may not be as high, but your lows also may not be as low, which I think can be a really healthy thing."

Stablecore, though still young, follows in this tradition. The company has strong ties with San Francisco's Coinbase, the largest cryptocurrency exchange in the country, which is both an investor and the former employer of CEO Treece and Stablecore's third co-founder and CTO, Eduardo Montemayor.

Coinbase's stock price tumbled over 30% between the first week of October and Dec. 1, thanks to a precipitous drop in crypto prices. Bitcoin, after running parallel to the S&P 500 all year, has decoupled from the stock market, and is now worth less than it was at the start of 2025. Other major tokens, not to mention memecoins, have fared the same.

Cryptocurrency is arguably an inherently volatile industry, owing to the decentralized, anonymized and unregulated nature of blockchain technology.

Stablecore, though, is carving out a corner of the industry that capitalizes on the technology, while maintaining separation from the boom-and-bust cycles affecting other players.

The startup's customers are some of the most regulated entities on planet Earth, and its bread and butter is stablecoins, which offer the speed and borderlessness of crypto, but value-pegged to stable assets, often the U.S. dollar. Around \$300 billion is already stashed in stablecoins, and Stablecore's bet — which has so far paid off — is that banks are clamoring to get a piece of that pie.

"Ultimately, these fintechs and crypto companies are competing for the same customers that banks have, and so ... [the banks] want to be able to participate in this space, stay competitive, serve their customers, and remain that primary financial account," Treece said. "We're providing the technology that enables them to do that."

In other words, it's infrastructure for a new age. Texas became the eighth-largest economy in the world by building infrastructure, be it power generation, AT&T's telephone lines or financial services labor.

Even Colossal Biosciences, Dallas' most ambitious startup, will proudly concede that its science fiction-y 'de-extinction' aims are built on mostly existing science, "simply" needing to be strung together into a coherent de-extinction infrastructure. Meanwhile, the company's habit of spinning off novel biotech com-

panies is already generating investor returns, regardless of whether the woolly mammoth walks the Earth once more.

This is not to say the cutting edge is unwelcome in D-FW's venture ecosystem, but just as its namesake plodded through the frontier on horseback, cowboy capitalism is about the marriage of the novel and the pragmatic.

'People all over America'

When quantifying a venture capital ecosystem, one can look at the expenditures of a region's investors or investments in the region's startups, and the two are not necessarily correlated.

In a digital world, geography only matters to an extent. Elledge recounted fundraising for an earlier Bay Area startup of his, DataFleets, during the pandemic and connecting with investors just down the road over Zoom. "Now they're all used to it," he said.

When the Stablecore group was looking for investors, location wasn't a major consideration, and its initial investor group included the Bay Area's Norwest, the Bank of Utah, Austin's Bankers Helping Bankers Fund and Iowa's Curql.

"You have people all over America who are looking for startups all over America. So it really comes down to, do we have great entrepreneurs here [in North Texas]?" Elledge said. "Are these entrepreneurs building things that are worth them paying the attention and capital?"

When it comes to startup sectors, according to Bobby Franklin, the president and CEO of the National Venture Capital Association, North Texas has a little bit of everything, and the region's big startup wins certainly corroborate his point.

Colossal is not just D-FW's, but Texas' largest homegrown startup, reaching a \$10 billion valuation (aka "decaicorn" status) in early 2025. Island, a Dallas-based cybersecure enterprise web browser, hit a nearly \$5 billion valuation after a \$250 million fundraising round in March.

Meanwhile, Bestow, an end-to-end platform for life insurers also based in Dallas, closed a \$120 million funding round in May, though it has so far declined to share its valuation.

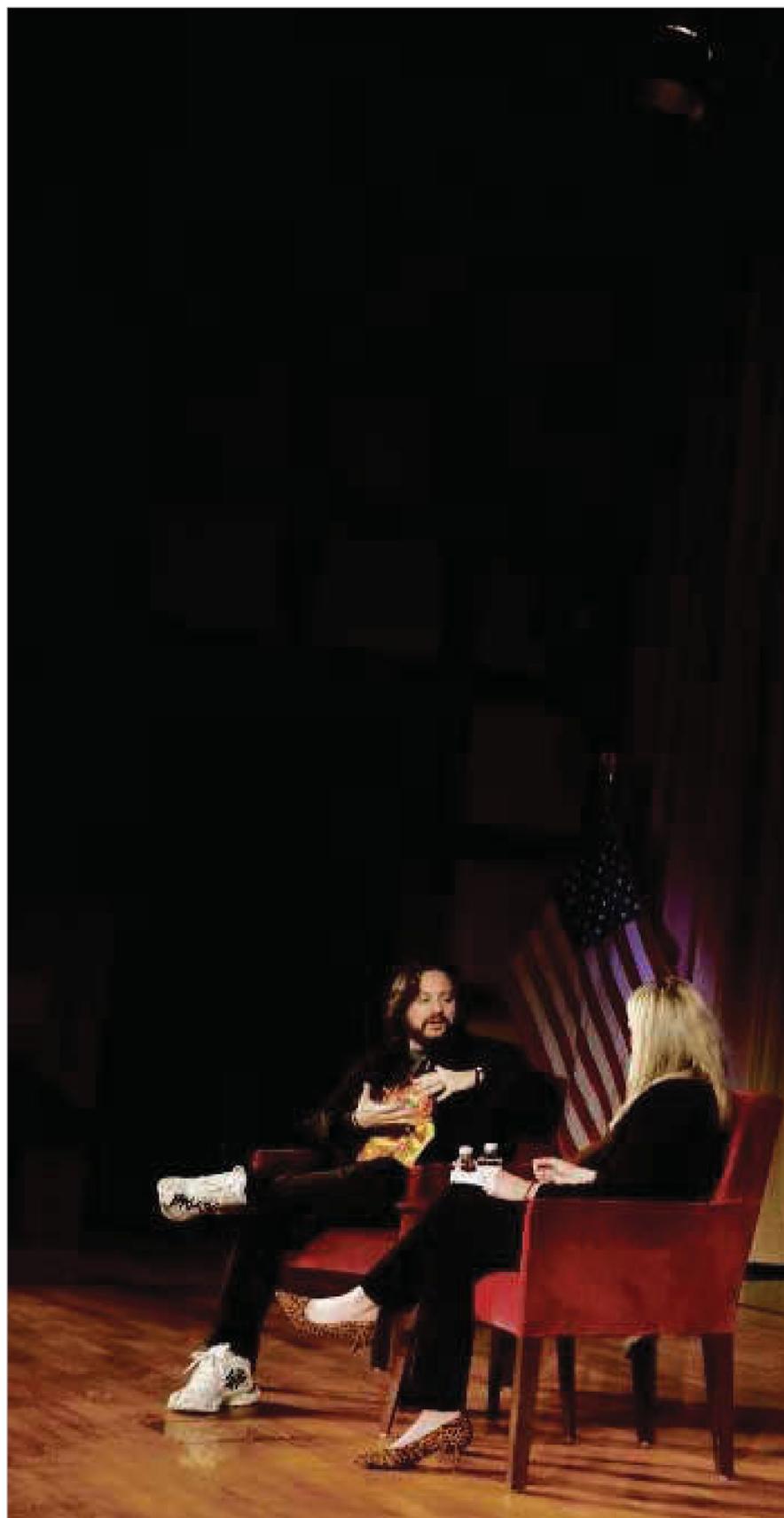
On the other side of the equation, D-FW's venture capital firms reveal a focus across industries. Perot Jain is a partnership between real estate developer Ross Perot Jr. and health care CEO Anurag Jain. RevTech Ventures focuses purely on early-stage retail technology, while Cypress Growth Capital has pioneered a royalties-based, not equity-based, funding model.

Other players in the space include LH Capital, the investment arm of Lyda Hill Philanthropies and brains behind Pegasus Park, which specializes in life sciences investing and female-founded and -led companies. And Dallas' extensive network of family offices, reaching critical mass at Old Parkland, is increasingly dabbling in venture investing.

"I think [D-FW's venture capital ecosystem] seems to be growing faster than a lot of places around the country," Franklin said, not-

"The uptick in Dallas is a lot higher than the uptick everywhere else."

Bobby Franklin, the president and CEO of the National Venture Capital Association



Colossal co-founder and CEO Ben Lamm (left) was interviewed by Bloomberg Texas bureau to raise enough capital to build the end-to-end system that we needed from day one," Lamm

ing that investment nationwide reached a peak in 2021 and has declined slightly since. "We're starting to see a little uptick in some of the data now, but the uptick in Dallas is a lot higher than the uptick everywhere else."

The diversity of D-FW's existing economy factors in here, as startups can connect with industry stalwarts who can become not only investors but also customers.

Despite extensive experience with Silicon Valley, Dallas resident Treece and SMU graduate Elledge decided they could start Stablecore in North Texas because it gave them proximity to a variety of banks — especially the regional and medium-sized banks Stablecore's products target.

According to Pierce, quality of life is also a boon for Dallas. The Bay Area is one of the

most expensive places to live on the planet, and founders who are putting every dollar toward getting their company off the ground often have to live in crowded conditions while paying high taxes.

In Texas, living is still relatively cheap, while also providing plenty of big-city amenities.

"When I talk to people and share with them the Texas way of living, people are floored that you can buy what you can with that amount of money," Pierce said. "And so people are choosing that. That's what they want for either them or their family or their company."

Taking the plunge

For as much as D-FW has seen venture cap-

Anurag Jain, chairman and CEO of Access Healthcare and co-founder of Perot Jain (right), spoke during the 2024 annual conference of Venture Dallas at George W. Bush Presidential Center on Oct. 30 in Dallas. Moderator Aaron Pierce, partner of Perot Jain and chairman and co-founder of Venture Dallas (left), and Elaine Agather, chairman of the Dallas Region for JPMorgan Chase & Co., joined Jain on the panel.





Tom Fox/Staff Photographer

Chief Julie Fine during a Venture Dallas session at the George W. Bush Presidential Center on Oct. 30 in University Park. “This would have taken 50 years if we didn’t have the ability to de-extinct,” she said.

ital growth, it still trails non-Bay Area locales like Boston, Denver, Seattle and Austin.

So why hasn’t North Texas taken the full plunge yet?

For one, the old-fashioned-ness that contributes to the region’s “cowboy capitalism” ethos can also mean that its rich people — many of whom came from the still-profitable industries of real estate, oil and gas — are more conservative with their money, Franklin observed.

“Those family offices got to be a family office because they knew real estate or oil and gas or something, and oftentimes it’s hard to get family offices to focus on investing in entrepreneurs in an area that they don’t know anything about,” Franklin said.

Franklin also sees another issue: concentration. Many Silicon Valley venture capitalists are former founders themselves, and spontaneous run-ins and collaboration, especially across sectors, are part of why that area has accelerated so quickly.

D-FW is spread out, Franklin said, and getting its “best and brightest” to intermingle is still a challenge, even as events like Venture Dallas or the meetup that brought Stablecore together grow in frequency.

“That’s some of the magic that happens in very robust entrepreneurial ecosystems,” he said. “And I think that’s something that North Texas should think about.”

Others say the problem isn’t on the side of capital, contending that money will flow to where it thinks it can multiply; North Texas just needs to do a better job of proving it can be the multiplier.

John Redgrave, who spoke at this year’s Venture Dallas event in October, moved from the Bay Area to Dallas to launch his venture capital fund DTX Ventures and has fallen in love with the city’s risk-takers. But still, his firm has invested primarily in companies outside Texas.

“Most of the companies we funded have been on the coasts. They want to come do business here. Now we have to figure out, how do we get them to start their companies here? That’s the important question,” he said during a panel.

Venture capitalists make their money by “exiting,” usually by selling their stake or when the company goes public. While North Texas is ripe with early-stage startups, lucrative exits



Tom Fox/Staff Photographer

are still rare.

Part of that is structural. Nationwide, IPOs have been mercurial over the past several years, and companies in general are staying private longer, which can create problems for investors who lose liquidity when their money is parked too long.

‘It will start compounding’

Entrepreneurs can be part of the solution there. Treece and Elledge credited their histories of successful exits — Elledge co-founded DataFleets and Treece founded the crypto startup Zabo, both of which were successfully acquired — as a reason they were able to get Stablecore funded and off the ground so quickly.

“[North Texas] is becoming a place where you can raise serious capital,” Treece said. “We’re still building the ecosystem, and what we really need is to have more founders and more exits, and more people in this space that have success. I think it will start compounding.”

ing.”

That’s already begun, and proponents of the venture capital model point out that the money funds the next generation of companies. That affects regular people, not just founders and investors, through job creation, tax revenue, 401k gains and more.

According to the National Venture Capital Association, employment at venture capital-backed companies grew 960% from 1990 to 2020, compared to 40% in the larger private sector. In Texas, venture capital-backed startups employed about 456,000 people in 2022, and institutions invested in venture include the Teacher Retirement System of Texas and UTIMCO, which supports the University of Texas and Texas A&M University systems.

Pierce pointed out that banks like Goldman Sachs and Scotiabank are moving and hiring people in the thousands in Dallas. If the region needs entrepreneurs, there will be a new, highly skilled, educated and ambitious pool to draw from.

And examples like Stablecore and Colossal

are paving the way for founders and investors alike to believe in the capabilities of North Texas.

“This would have taken 50 years if we didn’t have the ability to raise enough capital to build the end-to-end system that we needed from day one,” Colossal co-founder and CEO Ben Lamm said in an interview.

“If Colossal does two things, one, hopefully we’ve inspired kids to get more excited about science, ... and then two, I hope that it’s inspired entrepreneurs to do crazy, bigger, weirder things.”

“[Texas has] everything from the space industry to synthetic biology. I think that as the financial ecosystem and privatized capital — from venture funds, private equity funds or family offices — gets more day-to-day exposure in those type of deals — even if they’re late stage exposures — I think that they’ll get more and more comfortable with deeper levels of risk-taking around tech that’s not just a traditional real estate deal or traditional finance deal.”

Draper Associates partner

Andy Tang (left) was interviewed by NVCA president and CEO Bobby Franklin during a Venture Dallas session at the George W. Bush Presidential Center on Oct. 30 in University Park.