PitchBook
a Morningstar company

Scan for more healthcare and life sciences research:
Questions? Contact Ben Zercher, Senior Analyst, Biotech
ben.zercher@pitchbook.com

Life Science Tools and Medtech VC Trends

Northern California is outpacing the US market in both life sciences tools and medtech

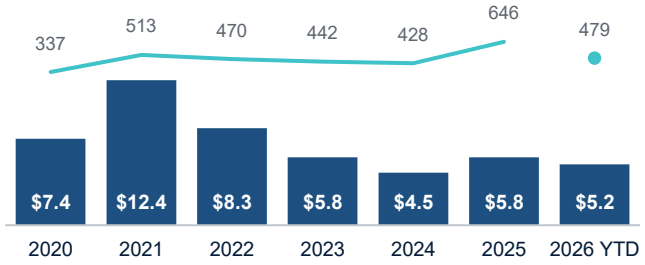
Methodology: PitchBook's Industry & Technology Research team tracks emerging sectors through analyst-curated verticals that group VC-backed companies by technology and business model. This analysis uses the Life Sciences Tools and Medtech verticals; Northern California covers the Bay Area and the Tri-Valley.

Life Sciences Tools

Medtech

Global trends

LST deal value ($B, bars) and deal count (line)



45% **In silico discovery**, a subsegment of companies using AI in drug discovery and development, took **45% of Life Sciences Tools deal value** in the trailing 12 months, up from 10% in 2021.

Medtech deal value ($B, bars) and deal count (line)

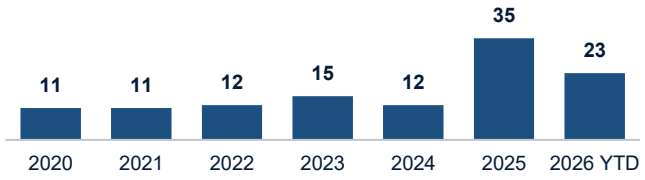


49% **Surgical devices and tools** took **49% of Medtech deal value** in the trailing 12 months, up from 31% in 2021, the largest shift of any Medtech segment.

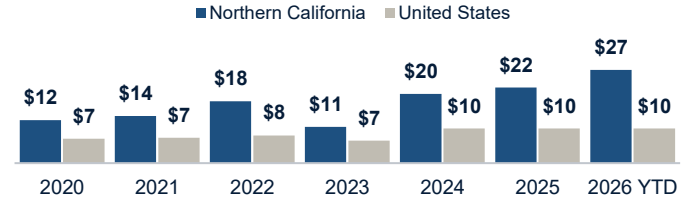
Northern California

AI is fueling new life sciences tools startups, while larger brain-computer interface rounds lift medtech

LST first VC rounds (new companies funded)



Medtech median deal size ($M), Northern California vs. US



LST deal value growth vs. US, TTM vs. prior TTM



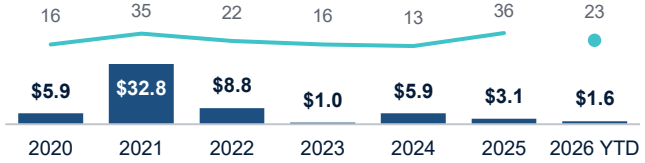
Medtech deal value growth vs. US, 2023 to 2025



Exits and scaling

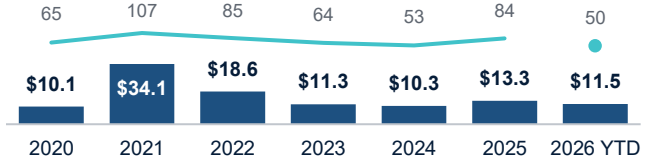
Exit counts recovered in 2025 in both sectors, but exit value remains well below the 2021 peak

LST exit value ($B, bars) and exit count (line)



Scaling metrics (global exits)	2021–23	2024–26 YTD
Median years, first VC to exit	5.9 yrs	5.4 yrs
Median disclosed exit size	$216M	$85M
Acquisition + buyout share of exits	62%	83%

Medtech exit value ($B, bars) and exit count (line)



Scaling metrics (global exits)	2021–23	2024–26 YTD
Median years, first VC to exit	7.2 yrs	8.4 yrs
Median disclosed exit size	$157M	$188M
Acquisition + buyout share of exits	69%	76%

Source: PitchBook Data, Inc. | Data as of September 30, 2026 | 'Exits and scaling' stats are global; YTD = year to date through September 30, 2026; TTM = trailing 12 months