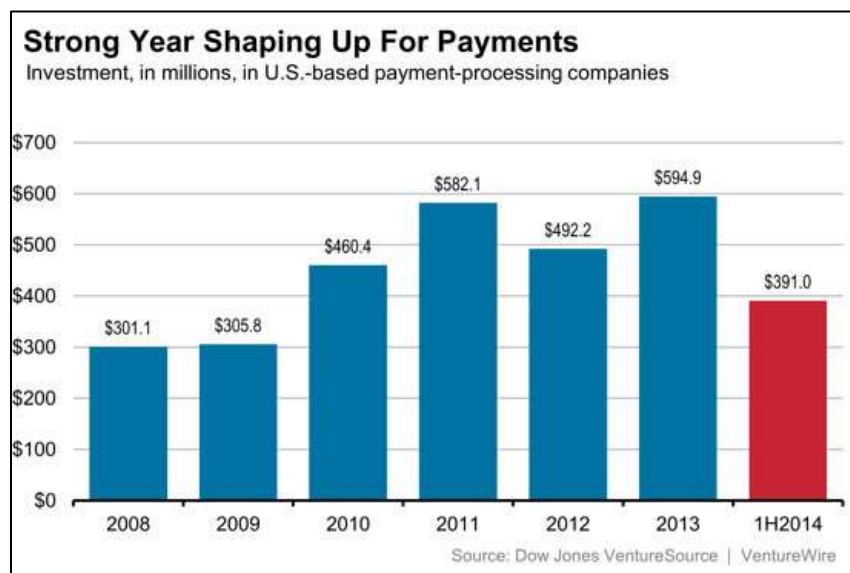


# The Daily Startup: Payment-Tech VC Surges, M&A Should Follow

By  
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Payment-processing tech is becoming a bigger deal for venture capitalists. News last week that **Twitter** would acquire payment infrastructure company came a few weeks after **Intuit** agreed to buy bill-payment service **Check** for \$360 million. **Rebecca Lynn**, general partner of **Canvas Venture Fund** and an investor in **Check**, expects more deals to come. “As new players including Twitter are entering the payment space, large companies will look to startups for innovation in order to stay competitive,” she said. Venture investors clearly are placing bets on the sector—payment-processing investment is on pace this year to be the highest since the \$1.09 billion invested in 2000:



It's worth noting that bitcoin-related startups are a big part of the payments investment surge. In second-quarter bitcoin deals, **Bitgo** raised \$12 million, **BitFury** raised \$20 million and **BitPay** raised \$30 million, and **Xapo** so far this year has raised \$40 million for its underground bitcoin vaults. It's likely a matter of time before we see the first major acquisition of a bitcoin startup.