

a16z (Andreessen Horowitz) — how they work with crypto / web3

Below is a focused, educational summary of Andreessen Horowitz's crypto arm (commonly called **a16z crypto**): what it is, how it invests and supports projects, the kinds of opportunities it targets, some notable programs and criticisms, and why it matters to the broader crypto ecosystem.

1) Quick overview

a16z crypto is the sector-focused arm of the venture firm Andreessen Horowitz (a16z) dedicated to investments, research, and support for crypto, blockchain, and web3 projects. Since launching in 2018, the group has raised multiple funds and describes its mission as backing “bold entrepreneurs building the

next internet.”

2) Origins, leadership, and scale

- a16z (Andreessen Horowitz) is a well-known Silicon Valley VC founded by Marc Andreessen and Ben Horowitz. In 2018 the firm announced a dedicated crypto fund (a16z crypto) to invest in

protocols and companies across the crypto stack.

- The crypto arm is led publicly by partners such as **Chris Dixon** (Founder & Managing Partner of a16z crypto) and operates with investment, research, business-ops, policy, and developer-relations teams to provide both capital and active operational support.
- a16z and a16z crypto have

raised multiple large funds
(the firm has disclosed
billions across various
funds and the crypto unit
reports multi-billion
fundraising across its
funds), reflecting
substantial capital to
deploy across crypto
startups and tokens.

3) Investment thesis & focus areas

a16z crypto's thesis can be

summarized as: crypto is the foundation for a new, composable internet (web3) and offers new architectural primitives for value, identity, coordination, and infrastructure. Practically, they invest across layers and sectors including:

- **Base-layer & scaling infrastructure** (layer-1 blockchains, rollups, consensus and zk tooling).

- **DeFi infrastructure and applications** (liquidity, lending, protocols).
- **Tokenized services** (stablecoins, payments rails, token economics).
- **Developer tooling & middleware** (wallets, SDKs, oracles, node infrastructure).
- **Consumer and enterprise apps** (NFT platforms, game

economies, data
marketplaces).

- **Intersections with other tech** (notably crypto × AI, where a16z has articulated visions of decentralizing AI infrastructure).

They back both **protocols** (open, tokenized networks) and **company-led businesses** that build on top of those protocols. They also invest in token allocations and venture equity depending on the

opportunity.

4) How they operate beyond writing checks

a16z is notable for a “platform” approach: they offer portfolio companies legal, recruiting, marketing, developer relations, regulatory/policy help, and extensive content/research support. For crypto this

includes:

- **Research & content** — in-house reports and tools such as the *State of Crypto* series and an interactive State of Crypto dashboard that aggregates industry metrics and analysis. These are used to inform founders, LPs, and the ecosystem.
- **Accelerator / bootcamp programs** — a16z runs

crypto startup programs (e.g., CSX — Crypto Startup Accelerator) that combine funding, mentorship, and operational help in a YC-style bootcamp format. These programs signal continued hands-on support despite cyclicity in crypto markets.

- **Policy & legal engagement** — the firm maintains teams to help portfolio companies navigate regulatory

questions and to engage with policymakers (crypto regulation and policy are repeatedly highlighted as a core area of activity across the industry).

5) Notable portfolio and deal activity

a16z/a16z crypto have invested across many high-profile projects (examples include major layer-1s, infrastructure projects, DeFi

protocols, and apps). They publish public investment lists and portfolio pages, and the firm frequently participates in token sales, venture rounds, and secondary market activity for tokens and equities. Their deal activity has remained large and visible across cycles.

(For current, itemized holdings and the latest deals, see a16z's published portfolio pages and the firm's State of

Crypto updates. Those pages are updated frequently and provide the clearest snapshot of active investments.)

6) Research, narrative-setting, and ecosystem influence

a16z crypto invests heavily in publishing research (protocol economics, cryptography, token design), producing influential reports and

storytelling that shape industry narratives (for example, reports on institutional adoption, stablecoins, and crypto×AI). These materials serve three roles: scouting opportunities, educating LPs and founders, and shaping public debate.

7) Criticisms and risks

A balanced view must include recurring criticisms and risks

often raised about a16z and large crypto VCs:

- **Concentration of influence**
 - large funds can shape protocol governance and markets, raising concerns about centralization of economic power in “decentralized” systems.
- **Conflict of interest** — dual roles (holding tokens, equity, advising projects) can create perceived

conflicts when firms influence standards, integrations, or launches.

- **Market timing & cycles** — venture capital is long horizon; some portfolio positions are exposed to token price volatility and regulatory shifts.

These critiques are common for any dominant investor in a nascent industry; a16z has responded by publishing research, engaging with

regulators, and publicizing its thesis — but scrutiny continues. (For reporting on programs and coverage of their accelerator and fundraising, see journalistic coverage referenced below.)

8) Why a16z crypto matters

- **Capital & scale:** A16z brings large, patient capital

to crypto and web3 projects, enabling ambitious infrastructure bets (layer-1, zk, infra).

- **Operational muscle:** Their support org helps startups scale (legal, recruiting, developer advocacy), which matters in a complex regulatory/tech landscape.
- **Narrative and research:** Their reports and public thought leadership help set

industry narratives (e.g., on institutional adoption, stablecoins, and crypto×AI), which influences capital flows and developer attention.

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