Applied AI Startup Moats

Preliminary view, Nov 2026. Subject to change.

Moat	Description	Examples (latest valuation, raise or ARR, date)	Considerations
Tier A compounds			
A1 Domain / process know-how	How work really gets done in one field (edge cases, review steps, tests), learned across many deployments and built into the product.	**Harvey** $15.5B, Sep 2026 · AI assistant for law firms **Legora** $8.8B, Oct 2026 · AI legal workspace built inside law firms **EliseAI** $4B, Sep 2026 · AI leasing agents for property managers	• Starts manual and bespoke per customer. • If raw models learn to do the work end to end, this shrinks.
A2 Exclusive data that grows with scale	Data only you have, growing with every customer. At its best a data flywheel: the work shows which outputs were accepted, paid or won, and the product improves.	**EvenUp** $2B+, Oct 2025 · learns from what past injury claims settled for **Decagon** $4.5B, Jan 2026 · learns from which support chats got resolved **OpenEvidence** $15B, Sep 2026 · licensed journals plus doctors' questions	• Partner data (journals, hospital records) is a head start: owners rarely keep it exclusive. • If synthetic data gets good enough, real data matters less.
Tier B holds once earned			
B3 Owned distribution	Customers come to you directly and use you every day, so you don't depend on anyone else's channel.	**OpenEvidence** $15B, Sep 2026 · AI search doctors open daily **Lovable** $13.3B, Aug 2026 · app builder that people come to directly **Replit** $9B, Mar 2026 · app-building and hosting platform people use directly	• Cursor had this and lost share within a year. • If ChatGPT or Claude becomes the front door, the audience follows.
B4 Trust to act on the customer's behalf	The customer lets the product act unchecked: a company's agents in production, or a person's logins and payments. A replacement must be re-tested.	**Sierra** $15.8B, May 2026 · AI customer-service agents for enterprises **Instinct** $10B, Sep 2026 · personal agent that books, buys and calls for you **Cognition** $26B, May 2026 · AI software engineer working in company code	• Slow to earn; one public failure resets it. • If big platforms offer the same delegation, the lead narrows.
Tier C buys time			
C5 Borrowed distribution	Sold inside an incumbent's product or marketplace. Fast reach, but the host controls access and can replace you.	**Abridge** $5.3B, Jun 2025 · AI visit notes, sold inside Epic **Ambience** $1.25B, Jul 2025 · AI visit notes for health systems	• Microsoft and Epic won 68% of new AI note-taking spend in 2026.
C6 Licensed, liable party	The company holds the professional licence and carries the liability, so it can sell finished work. Model labs avoid this role.	**Crosby** $400M, Mar 2026 · law firm that uses AI to review contracts **Harper** raised $47M, Feb 2026 · AI-run licensed insurance brokerage	• Not scarce: a funded rival gets a licence in 6 to 24 months. • Regulators can change the rules, in either direction.
C7 Counter-positioning to incumbents	A pricing or business model incumbents can't copy without cutting their own revenue.	**Decagon** $4.5B, Jan 2026 vs Zendesk · per resolution, not per seat **WithCoverage** raised $42M, Jan 2026 vs brokers · flat fee, not commission	• Buys time: Zendesk and Salesforce now also charge per resolution.
Emerging unproven			
E1 Network effects	Each new participant makes the product more valuable to the others, as in a marketplace.	**Harvey** $15.5B, Sep 2026 · law firms and clients in shared workspaces **Tennr** $605M, Jun 2025 · links referring doctors with receiving providers	• Promising; the evidence so far is company-reported.
E2 Multi-product platform	Covers more of a customer's work on one shared layer that learns how they operate. Each added product is easier to sell, harder to remove.	**Glean** $7.2B, Jun 2025 · AI search and agents across a company's apps **Ramp** $60B, Oct 2026 · most customers use 2+ of its finance products **Bunkerhill Health** raised $55M, Jul 2026 · 1 to 20+ agents at one hospital	• Unproven: no AI startup publishes retention or attach rates. • Only context found nowhere else counts; models pick up most of the rest in days.
E3 Owned hardware	A device the company controls sits where the data is created.	**Plaud** $100M+ ARR, 2026 · AI voice recorder **Heidi Health** $900M, Sep 2026 · AI scribe with its own microphone	• Phone and glasses makers can absorb the device.

Fading

Thin wrappers and UX
Labs ship the same features quickly.

A smarter custom model
The next general model catches up.

Lock-in from stored records alone
Agents now do the migration.

Static or plain usage data
Can be bought, generated or bypassed.

Developer and consumer brand
Cursor lost share to Claude Code within a year.