

Fireblocks raises \$550M amid surging crypto infrastructure funding

Article

The news: The US-based crypto as a service platform **Fireblocks** raised \$550 million in a Series E funding round, quadrupling its valuation to \$8 billion from six months ago.

The latest round, co-led by hedge fund D1 Capital Partners and Spark Capital, brings Fireblocks' total raised since its 2018 founding to over \$1 billion.

More on this:

- Fireblocks offers the infrastructure for financial institutions (FIs) and fintechs to launch crypto services, including custody, trading, and issuance of digital assets and stablecoins.
- Last year, Fireblocks grew exponentially, doubling the assets on its platform to \$2 trillion. It claims to have grown its revenue sixfold, to between \$50 million and \$100 million, though it hasn't given specific figures.
- Clients boosting its revenues include **Bank of New York Mellon**, **Revolut**, **BlockFi**, and **eToro**.
- It also benefited from **diversifying** its offering to include digital asset solutions beyond financial services—like helping ecommerce websites create NFTs on the back of their merchandise, **per** TechCrunch.

What this means:

- Other crypto infrastructure firms also recently saw major funding rounds this week, including **Blockdaemon**, which raised \$207 million, and UK-based **BCB**, which raised \$60 million. Investors are likely to continue pumping billions of dollars into crypto custodians and the broader blockchain industry.
- These raises highlight soaring blockchain funding and FIs' surging interest in giving clients exposure to cryptos. In recent years, large incumbent **banks including Morgan Stanley, JP Morgan, and Goldman Sachs** have all invested significantly in crypto custody. Fireblocks cited a **report** by Gartner showing 20% of major organizations will use digital currencies by 2024, suggesting the **adoption of cryptos will accelerate**.
- Many **fintechs** are adding crypto as a service products to capitalize on growing demand, increasing competition in the space and likely leading to the blockchain landscape maturing.
- Recent **buyouts** of competitors—including **PayPal** buying **Curv** in March and **Coinbase** snapping up Israel-based **Unbound Security** in November—may mean opportunities arise for a big-money takeover of Fireblocks as payments giants look to grow their crypto custody infrastructure.