Agent-Native Procurement

From "ticket routing" to autonomous spend execution inside enterprise controls

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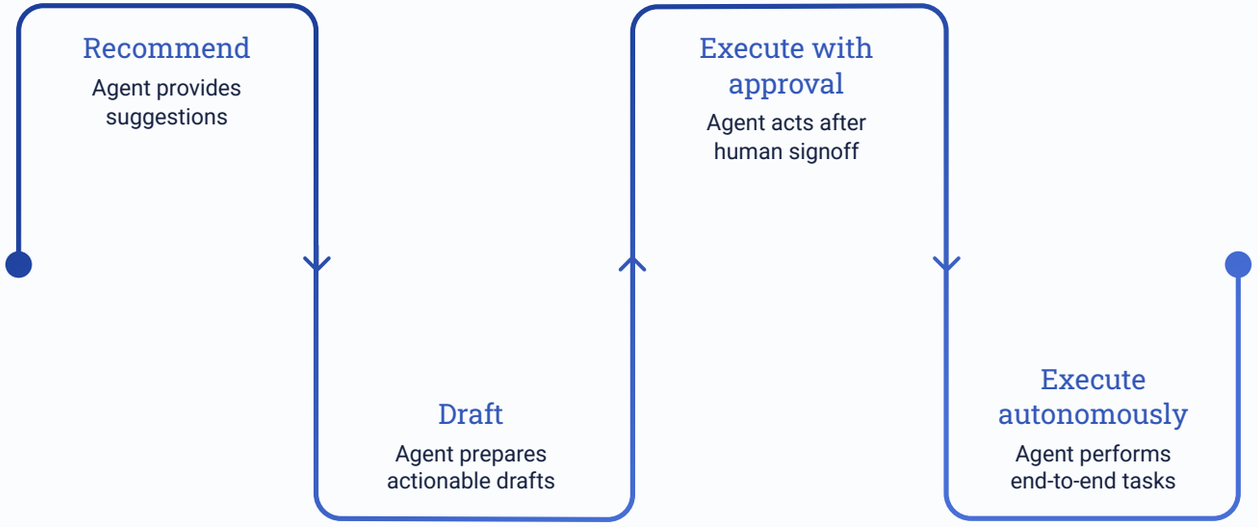
Thesis overview

Because AI agents are shifting from advisory tools to delegated economic actors, we believe procurement will evolve into an agent-executed workflow layer (intake → policy → sourcing → approvals → PO/contract → invoice match), creating an opportunity to invest in agent-native procurement and spend execution infrastructure that enables autonomous purchasing within enterprise controls.

What we mean

- Not copilots drafting—agents executing procurement workflows end-to-end (RFQ→award, onboarding, PO→invoice match)
- The wedge is policy + approvals + auditability + integrations (ERP/S2P/AP), with payments as the last mile
- Start where value is measurable: tail spend, intake-to-PO, invoice exceptions, supplier onboarding
- We invest at Seed/Series A, before workflow embedding makes these companies impossible to displace and before incumbents can acquire their way to the same position.



Why now

1

Cross-tool operation

Agents can operate across tools (email, portals, PDFs, ERPs). Enterprise AI adoption has moved from pilots to production budgets

2

Cost and compliance pressures

Procurement teams face simultaneous cost reduction mandates and rising compliance obligations, causing headaches for CFOs

3

Security primitives

Identity and access control infra now mature enough for delegated agents

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~80%

Tail Spend Volume

Roughly 80% of a company's total transaction volume but only about 20% of its total spend, representing high-volume, low-value, and unmanaged purchases

$9.2B

Market Size

$36.9T of B2B transactions already occur digitally ~$9.2B spent on procurement software today — expected to double by 2033

200+

Enterprise Apps

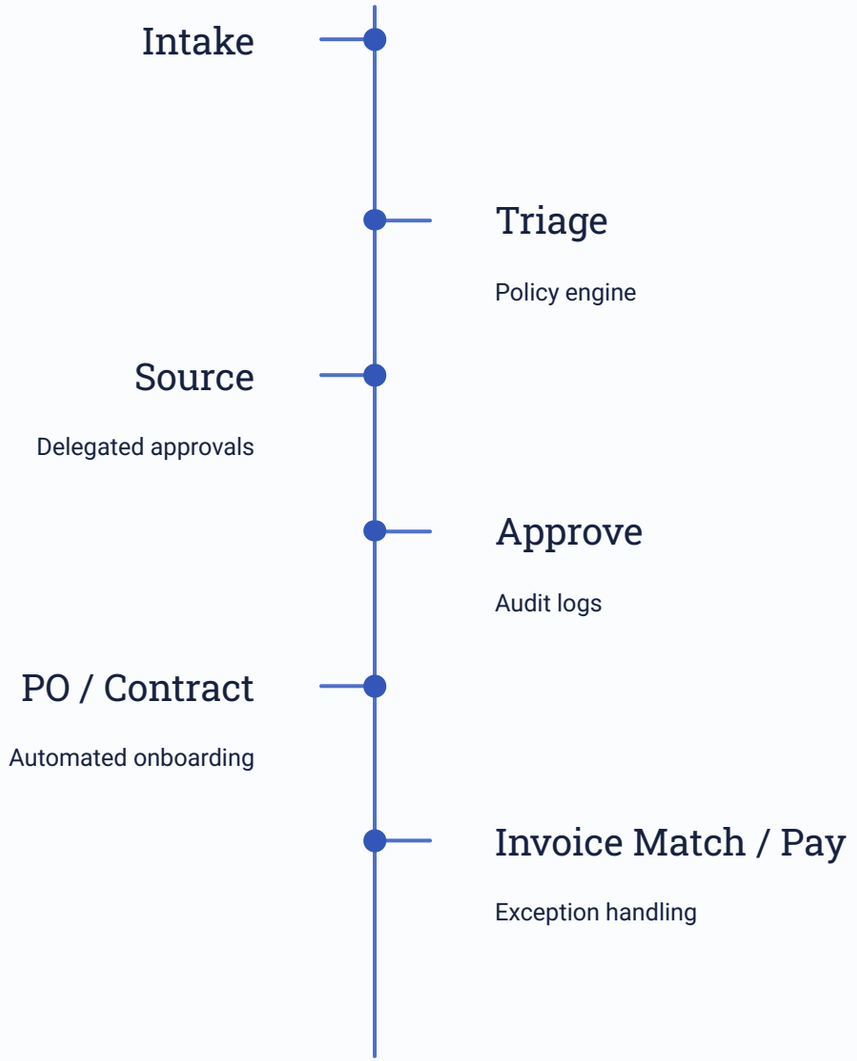
Large enterprises now use 200+ applications on average, highlighting the cross-system coordination problem and reinforcing why orchestration matters

94% of procurement executives now use generative AI at least once a week, yet only 36% of procurement organizations have meaningful implementations **A**— that gap between adoption intent and production deployment is exactly the wedge.

Procurement is a multi-system workflow held together by humans

Today (manual glue)

Agent-native target state



Market Map


Niche Solutions: Indirects
Lojistic
navan
cloudeagle
lightyear
PartSpace
nextSource
consource
FRATCH
sourceit
vendr
OLIVE
eqip
NatQuest
LicenceOne
OUTERSCORE
Productiv
SaaSrooms
ZYLO
SPAREPARTS NOW
Sastrify
Spendflo
SPENDHOUND
vertice
VARISOURCE
SHIPSTA
TIMEFLOW
Freightender
worktrips
worksuite
Sourcing
7o1
wantex
apadua
archlet
ASKFOX
arkestro
BestAuction
buyhive
deployed
HIRE GROUND
matchory
soource
find my factory
OnSource
pf PROCUREFORCE
Nvelop
Veridion
mysupply
PROCUREKEY
responsive
alpas
Sourcing Acumen
ProTendering
ESG
shipzero
carbmee
COZERO
CircularTree
axiom
responsibly
gryn
TILKAL
planA
Source-to-Pay
AERCHAIN
corcentric
coupa
e-Procure
ESKER
Fullstep
ebidtopay
EffiGO
zapro
kissflow
DIG
Expenzing
ISPnext
esm
onventis
weproc
penny
prokuria
proactis
Procurement express.com
medius
raindrop
PRM
eLcom
TEAM PROCURE
TRADOGRAM
unimarket
ezAtlas
Contract Management
birdseye
COBBLESTONE
ContractSafe
convergepoint
PREDACTICA
Trakti
MALBEK
Dealsign
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tomorro
FLIPTHROUGH
Gatekeeper
Bonterms
LEGARTIS
Docfield
ready contracts
Dobs.AI
juro
trueLEDGER
digital-mirror.ai
trackado
concord
SimpliContract
vallor
S2C (Source-to-Contract)
cimple
curtisfitch
Scanmarket
marketdojo
OneMarket
krinati
COTISS
EUNA
oboloo
BUYING STATION
DeepStream
MERLIN
felix
Promena
Procol
SAFAL
ProcurePort
ensolva
MERCANIS
SourceMagnet
Invoicing & Payments
emburse
CANDEX
SoftCo
tipalti approve
CoreIntegrator
BLP Digital
Snowfox
NETFIRA
avidxchange
BlueBean
perk+
OpusCapita
enable SOFTWARE
STAMPLI
previse
yooz
OpenEnvoy
Tradeshift
Risk & Compliance
aprovall
MINESPIDER
contingent
prewave
PULSE
AuditComply
certa
esgrid
PayShepherd
INTEGRITY NEXT
RISK LEDGER
Supply Wisdom
ProcessBolt
Trust Your Supplier
trustrace
Security Scorecard
Collaboration Tools
atamis
Axya
IDAS
Intelligent supplier management
SourceDay
Provalido
InTension
SPOT BUY CENTER
tacto
valuedesk
LHOTSE
ProcurementFlow
TradeCentric
Supplier Relationship Mgmt (SRM)
LUPR
SUPPLIOS
PaymentWorks
SUPPLHI
graphite
CANOPY
LeanLinking
QC SOLVER
procurence meercat
Supplier Base
KODIAK HUB
prospeum
CURRENT SCM
TextMine
SUSTAINMENT
relatico.
suppeco
SourceDogg
SUPPLYHIVE
vendorvue
Procure-to-Pay
airbase
fraxion
Documation
Claritum
COMPLEAT
Flowie
Order
ProcureDesk
Hivebuy
NOMIA
itbid
PLANERGY
ramp
procurify
Payhawk
VROOZI
SPENDESK
response
Data Analytics
spend insights
Anvil Analytical
CostBits
kiresult
ignite
Mithra
ivoflow
procurevue
ROBOBAI
scalue
simfoni
spendata
shouldcosting
SOFTCONCIS
SpendHQ
Thinking Machine
spendkey
Process Orchestration
Omnea
focal point
tonkean
tropic
opstream
Learning & Development
SKILL DYNAMICS
lavenirai
PROCLEUS
Negotiation Tools
DigiProc
RUBY
Nibble
Niche Solutions: Directs
KREATIZE
luminovo
FACTUREE
kemiex
makat.
jiga.
ZETWERK
PartAnalytics
Xometry
valdera
ZUMEN
GrowinCo.
Intelligence
Airflip
beroe
KLOOPIFY
Luminarity
True ValueHub
costdata
Ch AI
Partner Element
BUYNAMICS
trademo
SpendGuru
COVALYZE
COSTDRIVERS
B2B Marketplaces
amazon business
Droppe
partfox
MARKIT
MAISTRO
mercateo part of Unite
scientist.com
Intake-to-Pay
Convergentis
PayEm
Payflows
Zip
pivot
PRECORO
Sudozi
getpluto.com
Category Management
DiPriMa
CAPELLA
CIRTUO
akirolabs
AI Agents
askLio
capto
Evoliq
kavida.ai
nordoon
ZALION
rivio
pipefy
DIDERO
Mentum

Where value concentrates

Intake / UI

Orchestration

Execution Agents

Control Plane

identity/permissions, policy-as-code, audit logs

Integrations

ERP/S2P/AP + supplier portals

Settlement & Payment

Constraint layer

Who controls the layer today

- ERP + Source-to-Pay suites (systems of record)
- IT/Security (identity + permissions)
- Cross-system procurement execution + exception handling (authorizations, money movement + fraud/liability)

Where startups can win

- Cross-system execution + exception handling (real work)
- Control plane for agents (auditable, permissioned autonomy)
- Faster iteration than suites + better workflow embedding
- More events processed → better supplier data → better pricing → more trust → deeper integration → harder to rip out

Stakeholders & adoption dynamics

Stakeholder	Power	Wants	Fears	Adoption hook
CPO / Procurement	High	Savings, compliance, speed	Maverick spend, supplier risk	Savings + cycle-time
CFO / Finance	High	Budget control, ROI	Unclear payback	Quantified ROI + controls
IT / Security	Veto	Security, auditability	Agent risk, data leakage	RBAC, logs, SOC2
AP / Finance Ops	Med	Fewer exceptions	Broken match/payment errors	3-way match automation
Business requesters	Med (pull)	Faster purchasing	More steps / friction	"1-click compliant buy"
Suppliers	Med	Faster onboarding, faster pay	Unfair selection	Standardized onboarding

Our key investment criteria

Criteria	What good looks like	How we will assess
Autonomous end-to-end execution	≥1 workflow running in production with ≥70% steps touchless within 90 days; path to ≥80% in 12–18 months	Live demo; customer refs; telemetry on % touchless, override rate, exception rate
Enterprise deployability	RBAC/SSO, approval chains, audit logs, policy controls, human-in-loop safeguards; SOC2 plan underway	Security docs; screenshots; IT/procurement validation; compliance review
Fast, measurable ROI	Payback <6 months via savings + cycle-time reduction + headcount leverage	Before/after metrics; ROI model; pilot outcomes signed by buyer
Workflow depth	Owns a painful job end-to-end (not a copilot feature)	Workflow mapping; steps automated; replacement vs augmentation signals
High switching costs	Embedded into ERP/S2P/AP workflows; removal would disrupt ops	Integrations; volume processed; "can't turn it off" customer quotes

≥70% Touchless

Target threshold within 90 days of deployment

<6 Month Payback

Measurable ROI via savings + cycle-time + headcount

Initial bets: 3 startups we'd invest in

1

Gain

AI 'procurement employees' that autonomously run end-to-end procurement workflows

Stage: Seed

Successful characteristics: Deep workflow ownership, agent-first product design, targets high-stakes enterprise spend with clear ROI.

Early signals: $12M seed; pilot deployments across Retail, CPG, Energy & Chemicals; "AI employees" framing signals full autonomy, not augmentation; output-based pricing (charges per outcome, not per seat) — structural bet on execution replacing headcount.

2

Procure AI

AI-native procurement platform focused on automating sourcing, supplier discovery, and purchasing decisions for large organizations.

Stage: Seed

Successful characteristics: Strong vertical focus, tight integration into existing procurement systems, clear value on cost savings and speed.

Early signals: $13M seed; 4x revenue growth in 12 months; enterprise customers EnBW and Kärcher reporting 30% reduction in processing time and €2.35M annual savings.

3

Dexter

AI source-to-pay agents automating intake, sourcing, contracting, approvals, and reconciliation across fragmented enterprise tools.

Stage: Seed (YC)

Successful characteristics: Broad workflow ambition, designed for messy real-world environments, agent-based rather than rules-based automation.

Early signals: YC-backed; purpose-built for messy, fragmented enterprise tool stacks rather than greenfield deployments — broadest workflow ambition of the three, designed to win in the real-world complexity most competitors avoid.

Case study: Gain

Problem

Enterprise procurement teams are overwhelmed by high-frequency, low-strategic workflows (tail spend sourcing, vendor onboarding, RFQs, PO creation) that require cross-system coordination and policy enforcement but are still manually executed.

Product

Gain provides AI "procurement employees" that autonomously execute end-to-end sourcing and purchasing workflows within enterprise approval chains and policy controls.

Why it wins

- **Execution depth:** Positioned around full workflow ownership (e.g., RFQ → supplier comparison → approval → PO creation), not copilot overlays.
- **Enterprise controls built-in:** Integrates into approval hierarchies, policy engines, and audit logs to enable safe delegated purchasing authority.
- **System integrations + data compounding:** Embedded across ERP/S2P tools and supplier interactions, generating proprietary workflow + pricing data over time.
- **ROI:** Procurement automation broadly saves 5–15% on total procurement spend. Cisco cut procurement cycle times 40% post-automation, and IBM saved $100M annually. They proved the ROI is real, but their path required a global consulting engagement that only a handful of companies can replicate. Gain is productizing that outcome for the other 99% of enterprises who can't afford IBM Consulting. The proof of concept exists.
- **Natural acquirer pool:** strategic acquirers actively need AI execution assets: SAP/Ariba need to defend their suite, Coupa needs to add agentic capability, AP automation players (Tipalti, Billtrust) need the upstream workflow.

Early signals

- Raised a $12M Seed round
- Pilot deployments underway with global enterprise clients across Retail, CPG, Energy, and Chemicals.
- Messaging explicitly centered on "AI employees" (autonomy framing vs advisory framing) and measurable procurement ROI.

APPENDIX A1

Expanded Market Map: Where We Focus vs Where We Don't

Layered Procurement Stack

1. Intake / Request Capture
2. 🎯 **Process Orchestration**
3. 🎯 **Source-to-Pay**

   Execution layer only
4. 🎯 **Intake-to-Pay**
5. Risk & Compliance

   Enabling layer
6. Integrations (ERP/S2P/AP)
7. Settlement & Payment

Where we focus: The Agent-Native Execution Layer

Core Focus: Process Orchestration, Intake-to-Pay, Source-to-Pay

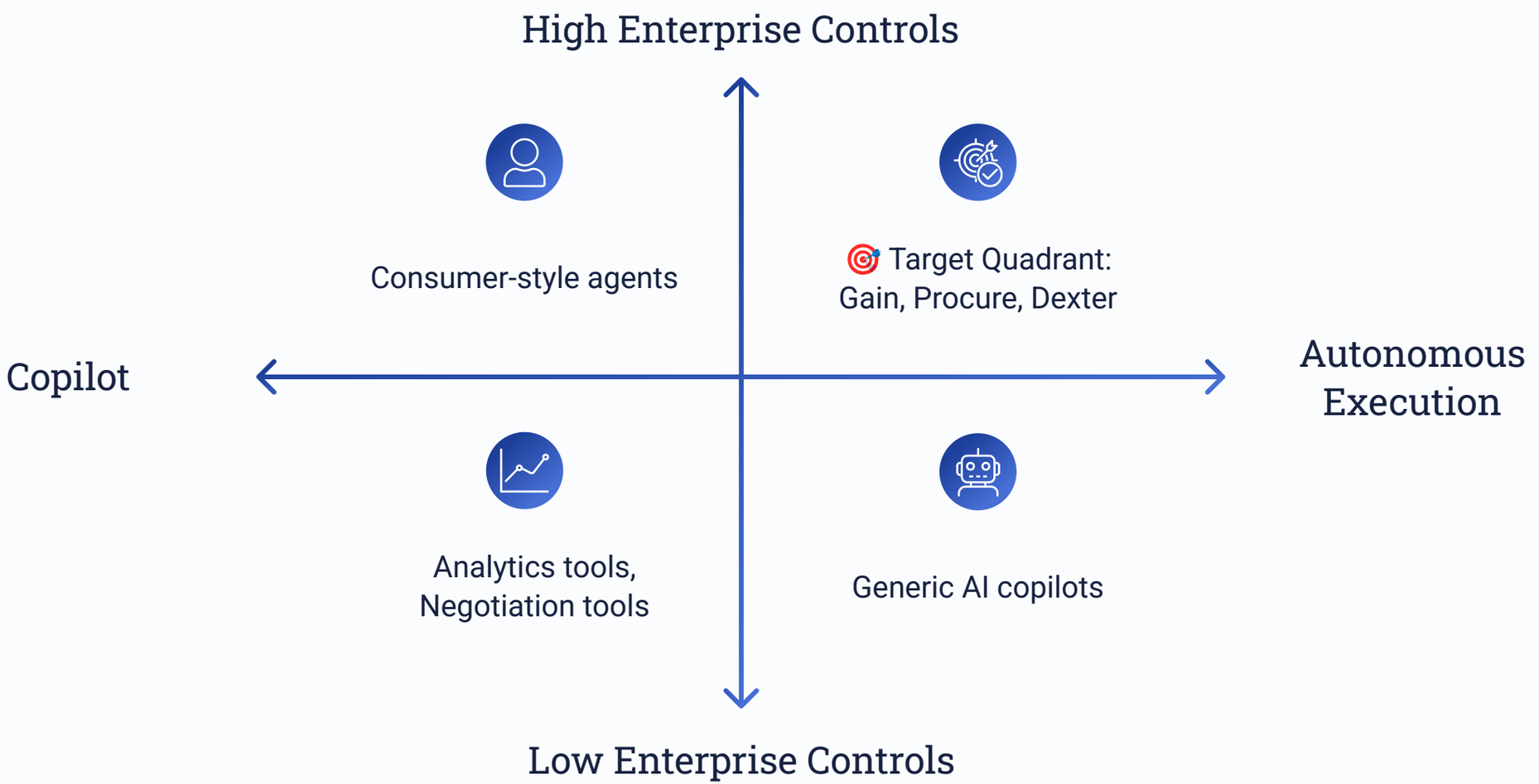
- Execution-heavy workflows with measurable ROI
- Policy + permissioned autonomy
- Cross-system coordination + exception handling

Where we don't focus

- Payments fintech
- Analytics-only tools
- Collaboration tools
- Full legacy suite replacement

APPENDIX A2

Competitive Landscape: Execution vs Enterprise Controls



Incumbents: ERP / Source-to-Pay suites = High controls, lower execution depth (today)

Our target: High execution + High enterprise control

APPENDIX A3

Stakeholder Incentives & Adoption Friction

Stakeholder	Economic Power	Budget Owner?	Incentive	Risk Concern	Adoption Trigger
CPO	High	Yes	Savings + compliance	Maverick spend	ROI proof
CFO	Very High	Yes	Cost control	Payback uncertainty	<6 month payback
IT/Security	Veto	No	Data security	Agent risk	RBAC + audit logs
AP / Finance Ops	Medium	No	Fewer exceptions	Reconciliation errors	3-way match automation
Business Units	Medium	No	Faster purchasing	Extra friction	Seamless UX
Suppliers	Medium	No	Faster onboarding	Biased selection	Transparent workflow

APPENDIX A4

Key Risks & Mitigations

Risk	Why It Matters	Mitigation
Incumbent bundling	ERP/S2P suites may add AI layers	Focus on execution depth + speed of iteration
Long enterprise sales cycles	Procurement is risk-averse	Start with tail spend wedge + pilot ROI
Agent liability / security	Delegated authority is sensitive	Built-in audit logs + approval controls
Integration complexity	ERP fragmentation	API-first design + limited initial ERP targets
False ROI claims	Savings hard to measure	Clear before/after metrics + signed ROI model

APPENDIX A5

Why Claude (or another big LLM) can't wipe this out

Delegated authority is governed, not intelligent

Even if models improve, enterprises are unlikely to grant autonomous spend rights without embedded controls (RBAC, audit logs, policy enforcement, liability layers). The bottleneck is governance architecture, not model capability.

Integration depth compounds faster than model capability

ERP, identity, supplier master data, and finance integrations are slow-moving, security-reviewed systems. Deep embedding creates switching costs that don’t vanish when models get smarter.

Execution infrastructure benefits from stronger models

If intelligence becomes abundant, the scarce layer becomes safe delegation and control. Better models increase the need for structured execution guardrails, and durable value shifts to integration depth, workflow embedding, and proprietary transaction data.

APPENDIX A6

Our Investment Committee Checklist

Execution

- % of workflow automated (target ≥70% touchless)
- Exception rate + manual override rate
- Time-to-deployment

Enterprise Controls

- RBAC + approval chains
- Audit logs + traceability
- SOC2 roadmap

ROI

- Payback <6 months
- Signed customer validation
- Quantified savings or cycle-time reduction

Adoption

- Identified budget owner
- Multi-stakeholder buy-in
- Integration proof

Kill Criteria — we pass if:

- No reimbursement/budget owner identified (CPO or CFO must be paying)
- <70% of workflow steps touchless within 90 days of deployment
- Built as a copilot overlay, not embedded into ERP/S2P approval chains
- ROI relies on engagement metrics rather than cycle time or spend savings
- No audit log / RBAC — IT veto is a dealbreaker

APPENDIX A7

Exit Pathways

Strategic Acquirers

- Source-to-Pay suites
- ERP providers
- AP automation players
- Procurement orchestration platforms

Financial Buyers

- Growth equity
- PE roll-ups in procurement tech

Standalone IPO

(Long-term scenario)

- If becomes control plane layer across enterprises

Coupa was acquired by Thoma Bravo for $8B in 2023 — validating that procurement control-layer software commands premium multiples. Strategic acquirers actively need AI execution assets: SAP/Ariba need to defend their suite, Coupa needs to add agentic capability, AP automation players (Tipalti, Billtrust) need the upstream workflow. Agent-native execution companies become must-have bolt-ons as incumbents face pressure to ship AI.

APPENDIX A8

Sources

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- https://www.prnewswire.com/il/news-releases/gain-debuts-first-ai-employees-for-end-to-end-procurement-announces-12m-seed-funding-302569315.html
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