OpenAI is now valued at $157 billion

OpenAI, the company behind ChatGPT, has now raised $6.6 billion in a new funding round that values the company at $157 billion, nearly doubling its previous valuation of $86 billion, according to a report from The Wall Street Journal.

The funding round comes with strings attached: Investors have the right to withdraw their money if OpenAI does not complete its planned conversion from a nonprofit (with a for-profit division) to a fully for-profit company.

Venture capital firm Thrive Capital led the funding round with a $1.25 billion investment. Microsoft, a longtime backer of OpenAI to the tune of $13 billion, contributed just under $1 billion to the latest round. New investors joined the round, including SoftBank with a $500 million investment and Nvidia with $100 million.

The United Arab Emirates-based company MGX also invested in OpenAI during this funding round. MGX has been busy in AI recently, joining an AI infrastructure partnership last month led by Microsoft.

Notably, Apple was in talks to invest but ultimately did not participate. WSJ reports that the minimum investment required to review OpenAI’s financial documents was $250 million. In June, OpenAI hired its first chief financial officer, Sarah Friar, who played an important role in organizing this funding round, according to the WSJ.

https://arstechnica.com/ai/2024/10/openai-is-now-valued-at-157-billion/