

AI, RESTACKED

How the **frontier-model** race is
rewiring the **software landscape**.



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“The frontier labs, AI-native vendors, and the incumbents are now fighting for the same UI, workflow, and pricing logic.”

“The point isn't that AI eats software. **AI expands software.**”

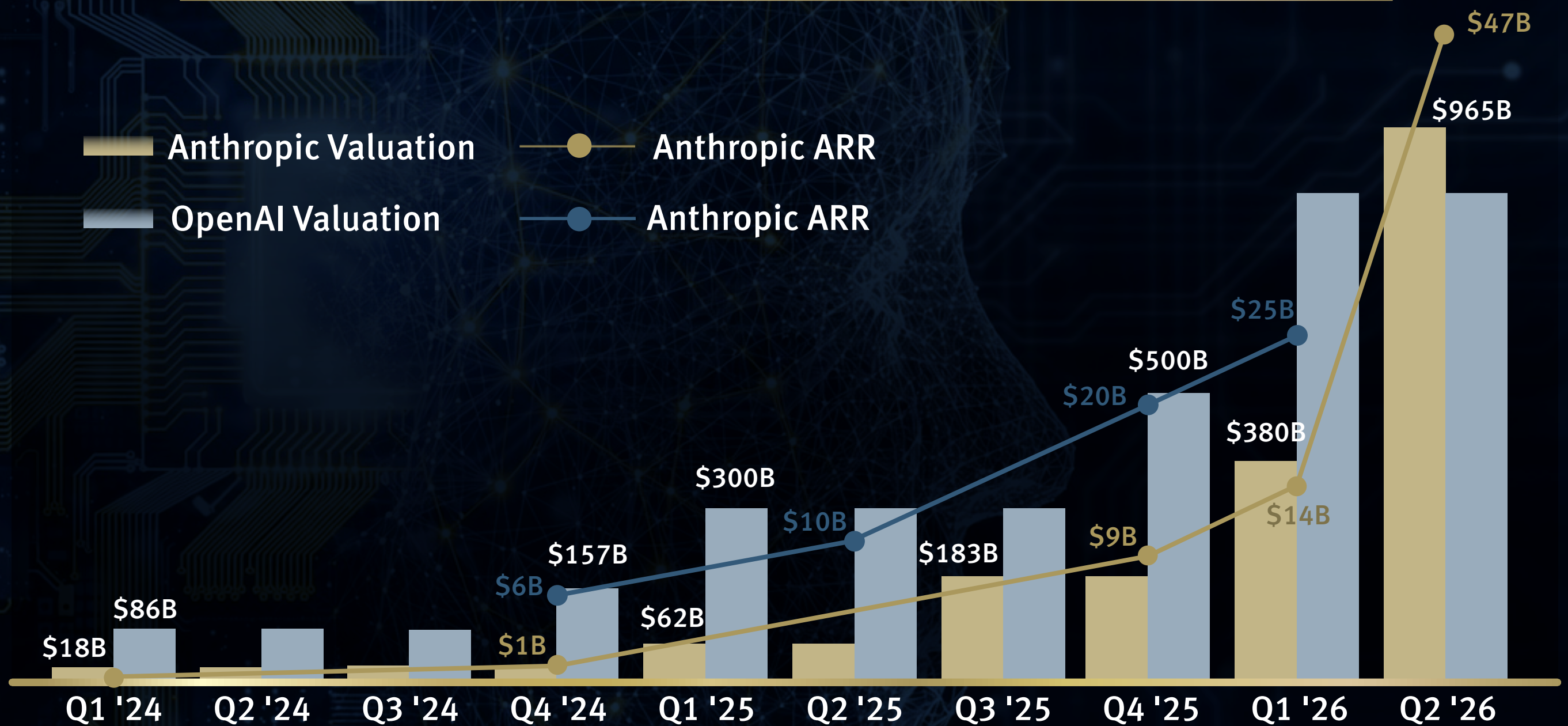


Parker Lane

Software Applications Analyst

The Multi-Trillion Dollar Race for the Frontier Model

Anthropic vs OpenAI



Sources: Company announcements, NYT; Reuters, Bloomberg, Forbes, Stifel Research

Why AI-native private software is the next coverage frontier

DEMAND IS COMPOUNDING

900M+

ChatGPT weekly users

STACK IS BEING RE-ARCHITECTED

Model-first

Moving towards a headless world

INCUMBENTS ARE AT RISK

30x + AI-native EV/Sales

Versus incumbents in LSD, down 30-50% YTD

COVERAGE WHITESPACE IS WIDE

IPO-scale

Private vendors reaching scale now

The next decade of software compounders will be born in the next 24 months

- AI-native software is a structural re-platforming, not a feature wave, as workflows previously handled by humans are being passed off to agents.
- It is too early to call winners outside a handful of leaders, but not too early to build the framework that identifies them.
- Public-market multiples have already priced for AI-native disruption.
- Competitive landscape is broadening and quickly evolving, putting most, if not all, incumbents in the crosshairs.



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