State of the Venture Capital Industry

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Executive Summary

As part of our annual analysis of key venture capital industry trends, this report examines the venture market as a whole, including fundraising, investments, valuations, and exits. In contrast to prior reports, this year we also consider net limited partner returns, which have improved significantly for recent vintage years. Our 2012 study of the state of the venture capital industry comes on the heels of the Kauffman Foundation's scathing venture capital piece, which assigns primary blame to limited partners for poor venture capital performance.[1] While it is true that many LPs have regrettably funded marginal managers, our belief is that while the early-2000s suffer from seemingly poor returns, history would show that these will improve over time as those vintages continue to mature. At the same time, the strong net performance of vintage years 2007 and onward is very notable given their youth.

In this piece, we demonstrate that US venture capital fundraising seems to have settled around $15-20 billion annually. Investment activity is picking up, but off a relatively low base, and we believe a sustainable amount of capital was invested in each of the past few years. In select categories, namely seed and late stage, as well as the mobile and social sectors, investment activity became a bit feverish. Nevertheless, despite much talk of an overheated venture capital environment, valuations at all stages remain well below those during the Internet bubble. Although higher prices are certainly being paid today than a few years ago, we still believe the pace of innovation, consumer adoption, and revenue growth among technology companies in many cases justifies higher valuations. Finally, life has begun to return to exit markets. As of Facebook's IPO on May 18, markets were on pace for 58 US-based venture-backed IPOs in 2012.[2] The event delivered monumental returns, but its clumsy execution has seemingly stalled subsequent venture-backed offerings, as there have been just three since.

We conclude with the belief that the venture capital industry continues to achieve a more sustainable capital base, as we have consistently discussed in the past, and that the "flight to quality" of capital in the industry will continue to characterize the venture market going forward. The reasonable funding levels for elite venture and growth managers, coupled with the concentration of premium deal flow to those managers, will generate the most attractive risk-adjusted returns.

Fundraising

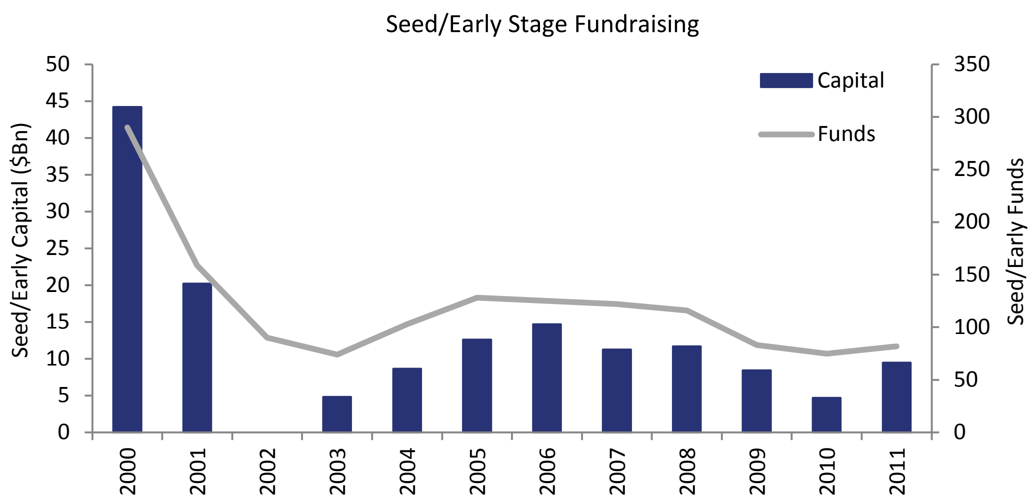
Seed and Early Stage Fund Size Growth

As shown in **Exhibit 1**, venture capital fundraising activity increased in 2011 relative to 2009 and 2010, but remains significantly below 1999 through 2001 levels, and also well below levels reached during the mid-2000s. According to Thomson One, 82 funds raised $9.5 billion of seed and early stage capital in the US in 2011, up from 75 funds that raised $4.7 billion in 2010. Seed and early stage capital raised rose 101% year-over-year, while the number of firms that raised capital increased just 9%. The average seed and early stage fund size therefore ballooned to $115 million, 84% greater than in 2010 and approximately 13% greater than in 2008 and 2009. The data depicts a continuation of the trend among limited partners ("LPs") to concentrate capital in the hands of a select group of venture capital firms ("VCs"). While seed and early stage fundraising increased significantly year-over-year, just 12% more capital was raised in 2011 versus 2009, and 19% less capital was raised in 2011 versus 2008. Highlighting how far the industry has come since 2000, the peak of the dotcom bubble, 79% less seed and early stage capital was raised in 2011 than in 2000, when $44.2 billion was raised. The amount of seed and early stage capital raised in 2011 is roughly 60% below the median of $23.0 billion raised from 1998 to 2001, and 19% below the median of $11.7 billion raised from 2004 to 2008. While the industry saw a substantial one-year increase in capital raised, as a broader trend, LPs are committing substantially less capital to venture capital today than most periods since 2000.

All Venture Capital Fundraising

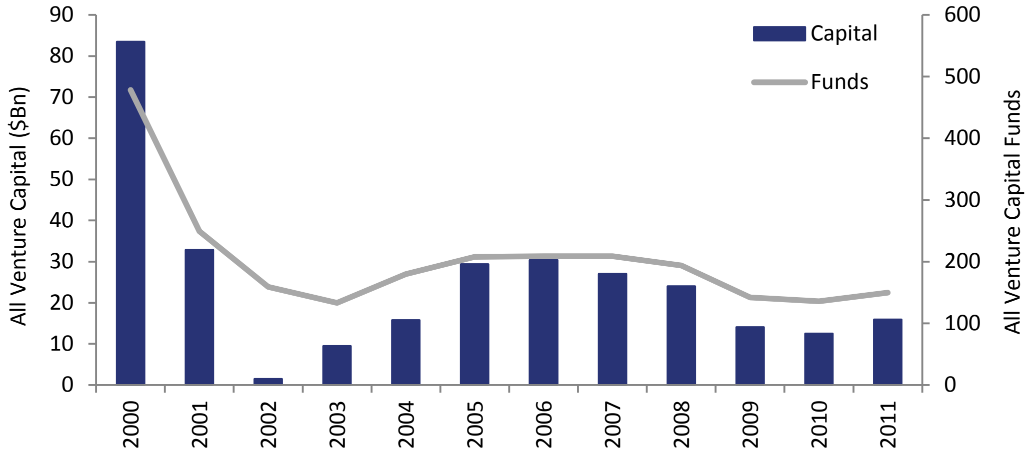
Fundraising data including all venture capital, inclusive of seed, early, late, and multi-stage capital, tells a similar story. The total amount of capital raised by venture capital managers across all stages in the US in 2011 was $16.0 billion according to Thomson One, 27% more than the $12.5 billion raised in 2010, but 63% below the median of $43.6 billion raised from 1999 to 2001. The amount of capital raised last year was also 41% below the median of $27.0 billion raised from 2004 to 2008. One hundred and fifty firms raised capital last year, a 10% increase over 2010, but roughly 70% less than the 478 firms that raised capital in 2000. We mentioned last year that we sensed a bottoming in venture capital fundraising. The bump in 2011's data confirms our feeling, as does 2012 to date. Given that $8.0 billion was raised in the first five months of 2012, which annualizes to roughly $19.0 billion, <u>US venture capital fundraising seems poised to have settled around $15-20 billion annually</u>. The industry is now twelve years past the peak in venture capital fundraising, and much of the excess capital raised from 1999 to 2001 has finally worked through the system. While it is true that far less capital is required to start and validate companies today than ever before, successful companies are remaining private longer and require significant capital to scale within increasingly global markets.[3] This dynamic has well-positioned the industry to absorb the amount of capital being raised currently.

Exhibit 1 – Fundraising rebounded in 2011 off 2010's "bottom"



Source: Thomson One as of December 31, 2011
Includes fundraising by US venture capital and venture capital-type investors (funds with limited partners)

All Venture Capital Fundraising



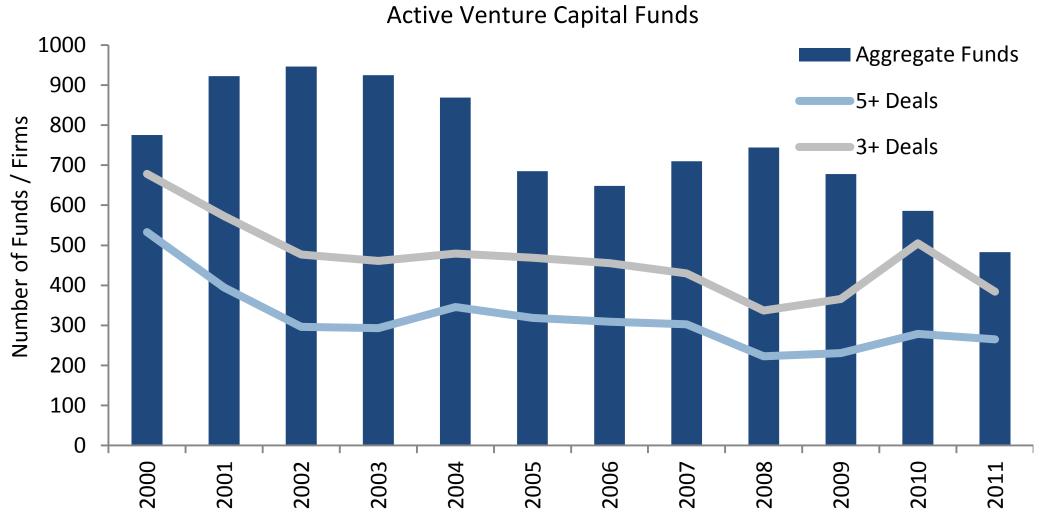
Source: Thomson One as of December 31, 2011
Includes fundraising by US venture capital and venture capital-type investors (funds with limited partners)

Industry Consolidation Continues

The concentration of capital within the hands of a select few venture capital firms has continued in 2012, as NEA recently raised greater than $2.0 billion for its fourteenth fund, Andreessen Horowitz raised $900 million for its third fund (along with a $600 million overage fund), and Kleiner Perkins, Bain Ventures, and Canaan Partners each raised more than $500 million for their latest funds.[4] These five firms raised 67% of the total capital raised in the venture capital industry in the first five months of 2012. In fact, ten firms raised 89% of the total capital raised in the first five months of 2012. This "flight to quality" is a long-term trend in the venture capital market that we have previously discussed at length. By and large, only experienced investors with truly unique competitive advantages, strong track records, and excellent reputations among entrepreneurs are able to raise capital today.

As in previous State of the Venture Capital Industry reports, **Exhibit 2** estimates the number of active firms in the venture capital market over time. We analyze both the number of firms that raised capital in the current and previous four vintage years, as well as the number of firms that have invested in at least three and five companies each year. The first method – depicted by the dark blue bars – proxies the number of funds with capital available for new investments, as venture capital investment periods typically span five years. According to this metric, 483 funds were within their investment period during 2011, 18% fewer than in 2010, and 49% fewer than in 2002, the peak of the data set. To examine the number of funds we believe are *truly active,* we determined how many invested in three or more, and five or more deals in each year. Three hundred and eighty-four funds invested in three or more deals in 2011, 24% fewer than in 2010, and 43% fewer than in 2000, the peak of the data set. Two hundred and sixty-five funds invested in five or more deals in 2011, 5% fewer than in 2010, and 29% fewer than in 2000. Interestingly, while the amount of capital raised increased in 2011 relative to 2009 and 2010, the number of active funds continued to decline. The general industry trend of "right-sizing" has continued, and we continue to believe the number of active firms today creates a compelling investment environment.

Exhibit 2 – The number of active venture capital funds continued to decline in 2011



Source: Thomson One (funds) and VentureSource (deals); US-only independent private partnerships
Aggregate funds includes all US venture capital funds that raised capital in the current and previous four vintage years
Please see Note on Methodology at end of section for further sourcing information

LPs Prefer Seed or Late Stage Strategies

A barbell strategy among LPs and VCs continued in 2011, with strong interest in the seed and late or growth stages of investment relative to Series A and B rounds. Several factors are driving LPs' and VCs' interest in seed investing. In many instances, cloud computing has helped reduce the cost to start an Internet technology company by more than 90% since 2000.[5] As a result, it is generally believed that more companies are being started today than any point in history, and more seed stage companies were funded in 2011 than in any year except 1999 and 2000. Further, since seed funds are typically less than $75 million, one or two major winners, or several smaller successes, can truly drive a great outcome for a fund. That said, competition is increasing in the category; we see pitches for new seed managers almost weekly, and if many of these new funds are successful securing LP capital, seed returns will likely diminish despite its structural tailwinds. With regard to late stage fervor, institutional investors have come to fear missing out on the next major winner, even if valuations seem high in an absolute sense.[6] We call it the "Facebook (or even Pinterest) effect." Further, late stage funds such as Meritech Capital Partners and Institutional Venture Partners have achieved significant success investing in growth rounds of companies such as Facebook, Twitter, and Zynga. At the same time, growth stage funds of Sand Hill Road venture capital firms such as Accel Partners and Kleiner Perkins have made successful investments in those same companies, Facebook and Twitter, as well as others such as Rovio and Spotify that should lead to good fund-level returns. As companies remain private longer, venture capital firms have had more time and opportunities to participate in the steep portion of companies' value creation curves. These activities and their implications will be discussed further in the Investments and Valuations sections.

Investments

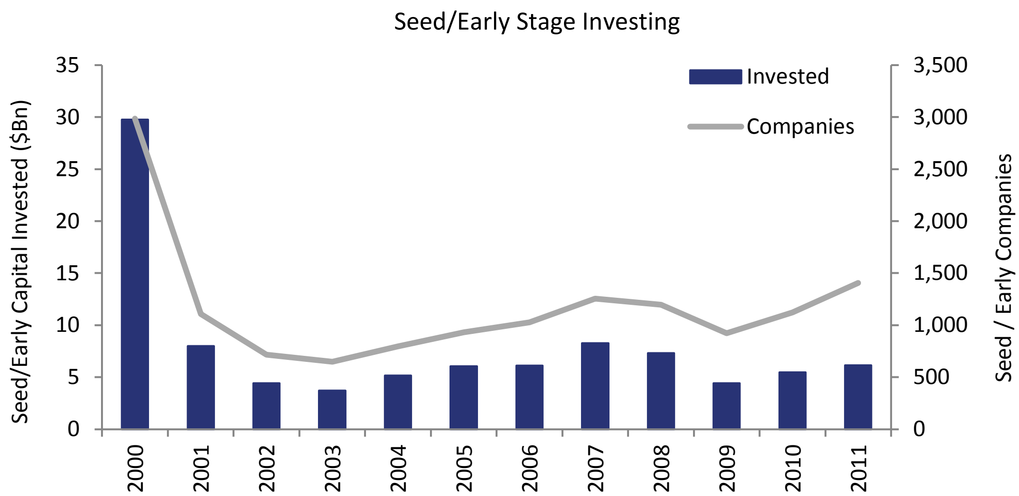
Seed and Early Stage Investments

Venture capital investment activity continued the upward trend begun in 2010. According to VentureSource, $6.1 billion was invested in seed and early stage portfolio companies in the US in 2011, 12% more than the $5.5 billion invested in 2010, and 39% more than the $4.4 billion invested in 2009. Seed and early stage investment activity remains below levels seen from 2006 to 2008, when a median of $7.3 billion was invested annually. In 2011, 1,407 seed and early stage companies received capital, 25% more than the 1,122 companies that raised capital in 2010, and 52% more than the 924 companies that did so in 2009. The average amount invested into seed and early stage companies in 2011 was $4.4 million, 10% less than the $4.9 million average invested in companies in 2010, and 8% less than the $4.8 million invested in companies in 2009.

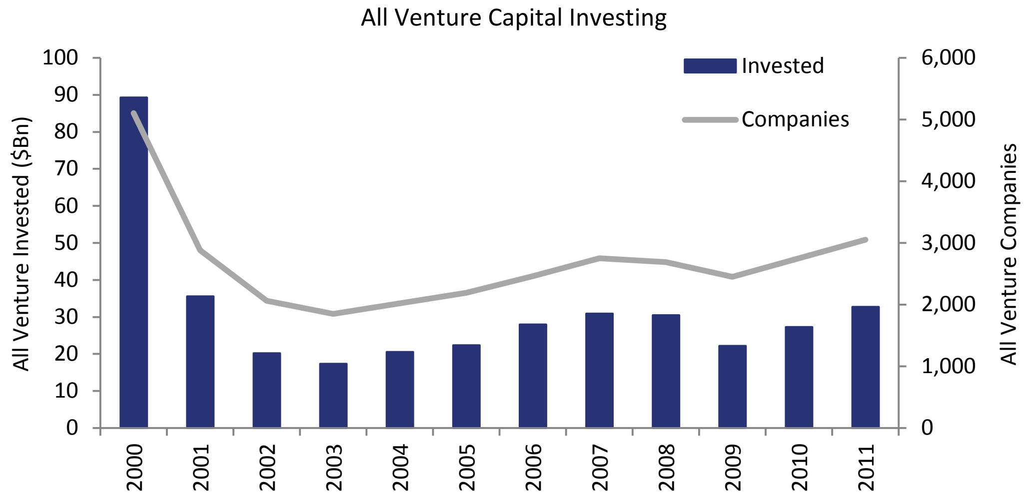
Late and Multi-Stage Investments

Similarly, when considering late and multi-stage financings in addition to those at the seed and early stage, activity continued to rebound in 2011. In 2011, $32.8 billion was invested in 3,052 companies, compared to $27.3 billion invested in 2,749 companies in 2010. Last year marked a departure from the prior two years. Capital invested increased in 2011 relative to the 2006 to 2008 period, when a median of $30.5 billion was raised annually. In fact, 2011 marked the most capital that has been invested in a single year since 2001, when $35.6 billion was invested. However, last year's activity remains well below the peak of the dotcom bubble; in 2000, 5,103 companies received $89.3 billion of capital, 2.7 times the amount of capital invested in 2011. As **Exhibit 3** shows, investment activity is picking up, but we believe it is still off a relatively low base, and that a sustainable amount of capital was invested in each of the past few years.

Exhibit 3 – Investment activity continues to rebound, but remains sustainable



Source: Thomson One data through December 31, 2011



Source: Thomson One data through December 31, 2011

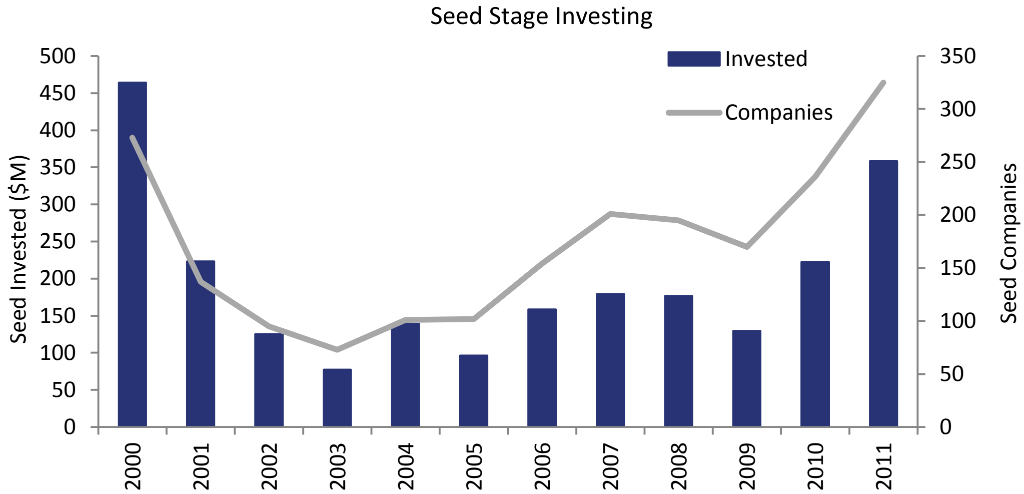
Seed (Super Angel) Validation

We initially profiled the seed, or "super angel", category of venture capital last year. As a brief update, we have now seen the recently defined space validated by the early performance of several managers. Investment multiples for several funds currently stand at greater than 4.0 times (total value to paid-in capital, including mark-to-market values), and these funds have distributed large portions of committed capital to investors. The original thesis is playing out; that is, the cost to start Internet technology businesses has fallen dramatically since the late 1990s, allowing companies to effectively prove their products on small seed investments. Upon proof-of-concept, these early investments have been written-up significantly by Series A investors, allowing companies to attack global markets with large cash hoards. In other instances, companies have been acquired for small dollar amounts (often sub-$50 million) but generated very attractive investment multiples for early seed investors, thus driving substantial value to super angel funds.

In our State of the Venture Capital Market report last summer, we conveyed the general trend upward in seed investment activity since 2003. As **Exhibit 4** indicates, 2011 may represent the true "arrival" of seed as a category, and the data perhaps even indicates an overheated or feverish investment climate. Three hundred and fifty-nine million dollars were invested in 325 companies last year, relative to $223 million invested in 236 companies in 2010. That is a 61% increase in capital invested and 38% increase in companies funded year-over-year. Comparing 2011 to 2009, the contrast is even starker: 176% more capital was invested in 2011 than in 2009, and 91% more companies were funded. Many companies with little more than an idea and a PowerPoint have raised capital at pre-money valuations greater $10 million. If a founder is high profile with a history of success (see: Dustin Moskovitz and Sean Parker), seed valuations have been far greater.

As we will discuss further in the Valuations section, median pre-money seed stage valuations have increased significantly, but at just $3.25 million in 2011, remain low in absolute terms. We expected a decrease in pricing at the Series A and B rounds due to a potential glut of seed-backed companies seeking funding; while the number of interesting Series A and B projects – which most of our managers primarily target – has in fact increased, valuations actually rose in these rounds, albeit far more moderately relative to the seed and late stages. Despite the competitive and valuation headwinds to successful seed investing, we continue to believe that highly attractive return potential exists for a select number of super angels with terrific deal flow and strong operational and investment expertise.

Exhibit 4 – The *true* rise of the super angel

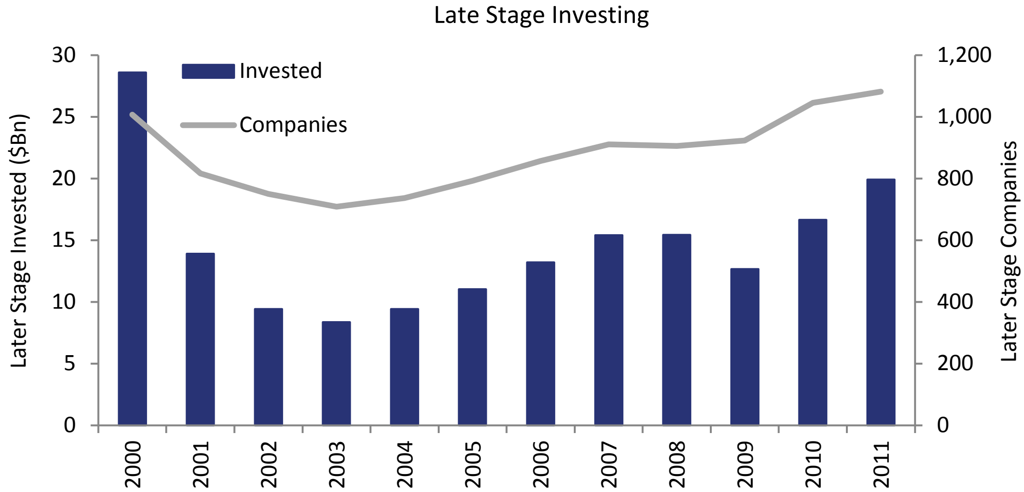


Source: Thomson One data through December 31, 2011

Late Stage Investing Increased in Older Private Companies

We also conveyed in our last report the strong recent interest among VCs in late stage, or growth-oriented, technology investing. Recently, companies have remained private longer than they have historically given the demands imposed on public companies. Further, late stage capital can be used to help build global companies today after domestic market validation is established. VCs have also targeted exciting, well-known technology companies they may have liked to invest in at the early stage. In this latter case, VCs of course believe the companies have significant remaining runway to grow. Many of these investments – including Accel's later stage investment in Rovio and Andreessen Horowitz's in Twitter – appear to be turning out very well. Still, we are generally wary of VCs exercising their fear of missing out on the next Facebook, Groupon, or Zynga by chasing hot deals. As these phenomena have taken hold, late stage investment activity has increased significantly, as can be seen in **Exhibit 5**; 20% and 57% more capital was invested at the late stage in 2011 versus 2010 and 2009, respectively. As perhaps the truest sign of the category's frothiness, more capital was invested at the late stage in 2011 than in any year since 2000.

Exhibit 5 – Late stage investment activity at its highest point since 2000



Source: Thomson One data through December 31, 2011

Note on methodology and sources of data: Thomson One tends to capture a greater percentage of fundraising activity, and VentureSource typically captures a greater share of investment activity. We therefore used Thomson One's platform to analyze venture capital fundraising, and VentureSource to analyze venture capital investments. Two distinct databases were used in favor of data integrity and at the expense of direct comparisons between fundraising and investment activity. You will notice that venture capital investing actually exceeds fundraising for most years; the reason is that investment data includes activities by corporate, government, and other entities, while fundraising data enables analysis of purely institutional venture capital fundraising. True capital invested by institutional venture capital firms is likely lower than the statistics captured below, but we believe the data to be directionally accurate.

Valuations

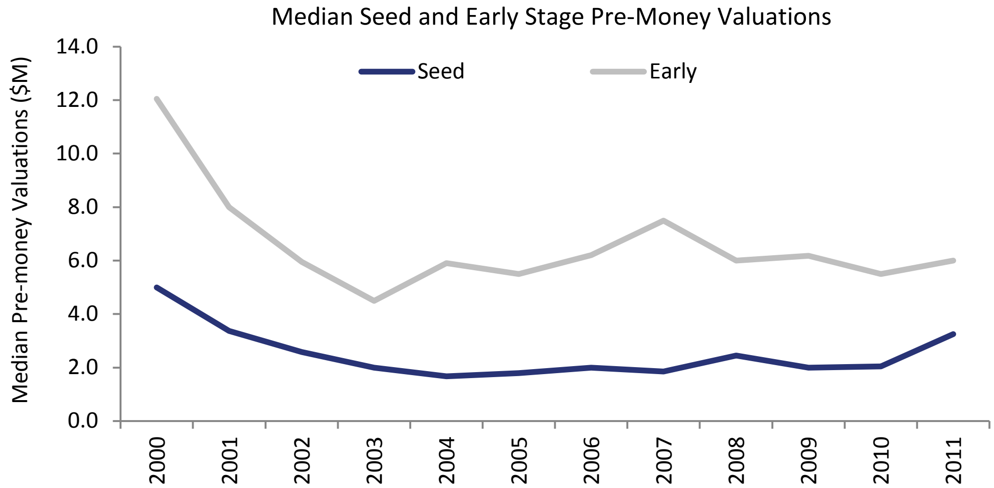
Interest in Seed Stage Driving Higher Valuations

The seed stage has been discussed frequently as an area of high interest among VCs and LPs since early 2010. However, as evidenced in **Exhibit 6**, this attention did not manifest through higher valuations until 2011. After rising just 2% from 2009 to 2010, median seed stage pre-money valuations increased 59% from 2010 to 2011. And as of July 5, seed valuations throughout 2012 have remained similarly high. At $3.3 million in 2011 and $3.4 million to date in 2012, valuations have been high relative to recent years while remaining low in absolute terms. It is clear that increased competition at the seed stage is driving valuations upward. We find it interesting that even as the supply of companies seeking seed financing has increased dramatically, demand for seed investments is far outpacing supply and lending power to entrepreneurs versus VCs. As Ben Horowitz said in a recent interview, seed deals were one third the price of today when Andreessen Horowitz was founded three years ago, for essentially the same types of deals.[7] As mentioned in the Investments section, the number of seed companies started over the past two years has led to many more companies seeking Series A financing.

Early Stage Valuations Still Well Below Internet Bubble Period

With fewer investors focused on traditional early stage investing today, valuation increases in this segment have been far more muted. Median early stage pre-money valuations rose just 9% from 2010 to 2011, to $6.0 million. And relative to the median annual early stage pre-money valuation over the five-year period from 2005 to 2009, valuations last year were actually down 3%. At both the seed and early stage, despite much talk of an overheated venture capital environment, valuations remain well below those of the Internet bubble period. Seed stage valuations last year were down 35%, and early stage valuations down 50%, from 2000 levels. We also believe the pace of innovation, consumer adoption, and revenue growth among technology companies is far greater today than in 2000, and in many cases justifies companies' high valuations.

Exhibit 6 – Seed valuations rose significantly in 2011; early stage saw a more muted rise



Source: VentureSource through December 31, 2011
Seed and early stage, US-based deals only

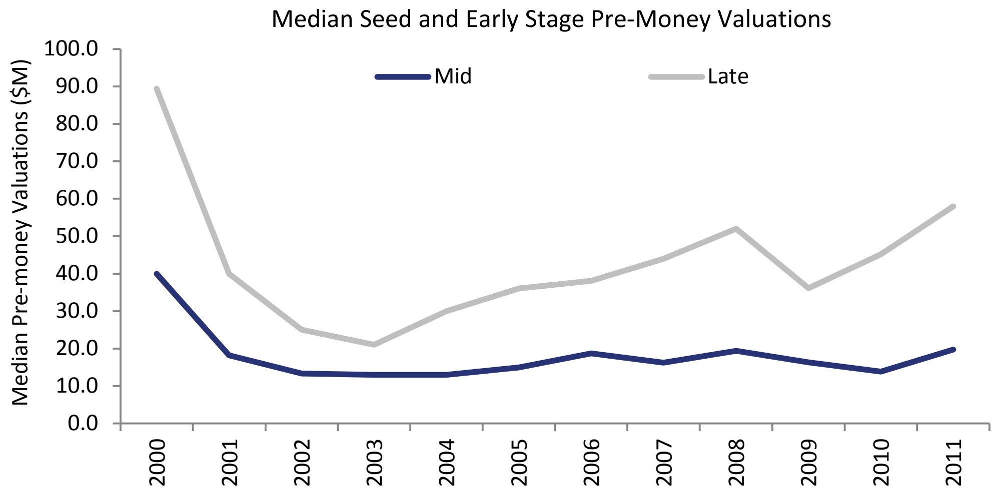
Mid-stage Valuations Increased by Revenue and Users

Mid-stage, typically Series B and C, valuations also rose in 2011. The median mid-stage pre-money valuation last year was $19.8 million, 43% greater than the $13.8 million median in 2010, and 21% greater than the median annual mid-stage pre-money valuation from 2005 to 2009. It is likely that once Series A companies show strong revenue growth and user engagement, valuations increase significantly prior to Series B financings. This is particularly evident in 2012 to date, when Path, a popular mobile social network, raised Series B capital at a $210 million pre-money valuation and Instagram, a mobile photo sharing application that reportedly boasts more than 50 million users, raised Series B capital at a $450 million pre-money valuation before being acquired by Facebook for $1.0 billion a week later.[8] These and other high-priced second round financings have actually driven mid-stage valuations past late stage valuations for 2012 to date. And while mid- and late stage valuations are high today relative to recent years, they are once again significantly below those in 2000.

Later Stage Companies More Mature, Deserving of Valuations

As more capital was invested at the late stage in 2011 than during any period since 2000, valuations pushed upward, as indicated in **Exhibit 7**. Median late stage pre-money valuations increased 28% from 2010 to 2011, and 60% from 2009 to 2011. Last year's median late stage pre-money valuation of $58.0 million was the highest of any year since 2000. At least a portion of the recent increase in valuations is attributable to companies remaining private longer; of the 25 US-based venture-backed companies that have gone public to date in 2012, the median age is nearly twelve years, the oldest in history. Many later stage companies are more mature and therefore deserve higher valuations. Today's technology companies can attack far larger, more global markets than ever before, once again validating high valuations for some late stage firms. There are 2.3 billion Internet users worldwide today, with significant recent growth in countries such as India, Indonesia, China, and the Philippines. There are also 1.1 billion mobile 3G subscribers, and more Internet-connected devices today than people.[9] But, we have also seen private financings for several companies, including Facebook and Zynga, at higher valuations than public trades in the same companies soon after, leading us to be cautious of the category generally.

Exhibit 7 – Late stage valuations at highest point since 2000; mid-stage up 43% YoY



Source: VentureSource through December 31, 2011
Mid- and late stage, US-based deals only

Exits

IPO Appetite Returning

As discussed last year, the median number of venture-backed IPOs annually from 1995 to 2000 was 222. While we believe venture capital markets may never see a halcyon period for liquidity like this again, we are encouraged that public market appetite for venture-backed companies has begun to return. **Exhibit 8** notes the scope of the IPO and M&A markets over the past several years. Forty-six US-based venture-backed companies went public in 2010, and 40 more did so in 2011, after just 17 total in 2008 and 2009. And while thirteen percent fewer US-based venture-backed companies went public in 2011 than 2010, the median post-IPO market capitalization increased 56% over the same period to $434 million.

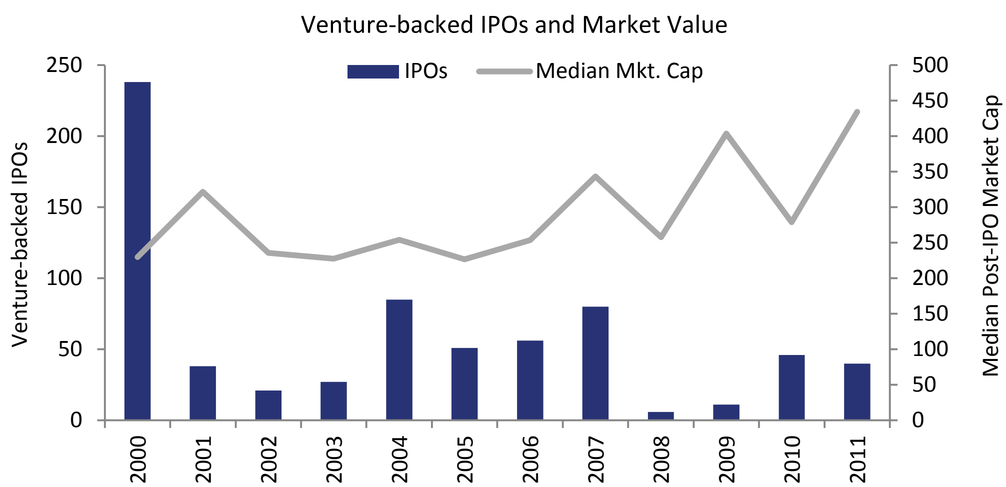
The rise in median market capitalization could tell two distinct stories. One may be that public market investors have little desire to invest in small, risky companies, which must therefore wait until they are more mature to go public. This is likely true. However, it may also indicate an increased willingness among investors to pay premiums for growth, particularly for brand name Web 2.0 companies. Those that went public since early 2011 with high revenue and earnings multiples include LinkedIn, Groupon, Zynga, and Yelp. Twenty-nine US-based venture-backed companies have gone public in 2012 as of July 5; if the markets keep their current pace, 58 companies will have gone public by the end of

2012, the most since 2007 and more than the median of 51 US-based venture-backed IPOs annually over the past 15 years.[10] In a truly robust liquidity environment, we would prefer to see 60-80 US-based venture-backed IPOs annually. We would have certainly preferred for Facebook's IPO to have been recognized for the truly monumental return it generated to its investors, particularly Accel Partners and Peter Thiel, the company's earliest backers, rather than for its clumsy IPO. In fact, Facebook's botched offering seemingly stalled subsequent venture-backed IPOs, as there have been just three since. These issues aside, we believe now is a fairly good time for companies with compelling value propositions and growth metrics to go public.

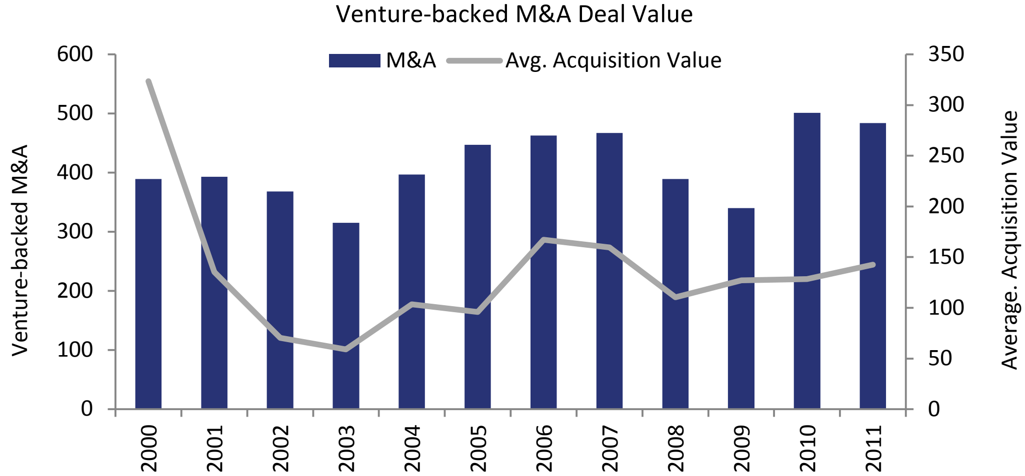
M&A Remains Strong Alternative to IPO

The past two years have seen very strong mergers and acquisitions activity of US-based venture-backed companies. Five hundred and one such companies were acquired in 2010, while 484, just 3% fewer, were acquired last year. Compared to a median number of venture-backed M&A transactions over the past 15 years of 389, we are led to believe that as VCs have had difficulty taking companies public over the past five years, they have leveraged M&A to make up some of the shortfall. Deal values have increased recently as well; the average acquisition price over the past two years was $135 million, 22% higher than the period from 2001 to 2009. We are also encouraged that along with large, $500 million-plus acquisitions of companies such as Diapers.com and the aforementioned Instagram, many companies, including TripIt, IO Turbine, and Assistly, have been acquired for less than $125 million while generating very strong outcomes for their early investors. In many of these latter cases, seed managers have been the primary early backers, influencing our general confidence in the elite echelon of the seed investment category.

Exhibit 8 – IPO market returns to solid footing; M&A filled some recent IPO shortfall



Source: Thomson One through December 31, 2011; US-based, venture-backed companies



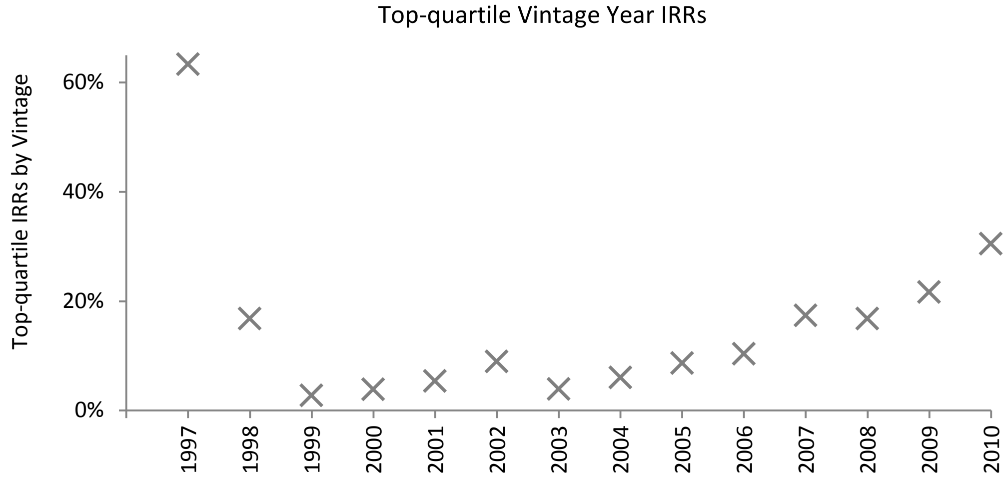
Source: Thomson One through December 31, 2011; US-based, venture-backed companies

Returns

We have not discussed venture capital returns in detail in prior State of the Venture Capital Market reports. We found ourselves largely ignoring industry benchmarks for the first few years of our firm's life, since our funds were too young to produce any meaningful return metrics. At the same time, we have long emphasized that low absolute returns during the early and mid-2000s were driven primarily by overcapitalization in the market, too many funds chasing too few compelling investments, and depressed public market returns.[11] As discussed in the fundraising section, the number of active firms has steadily declined since 2000, from 533 funds that invested in at least five deals in 2000 to just 265 in 2011.

While history would show that the poor returns of the early 2000s will improve over time, the aforementioned change in competitive dynamics has begun to manifest as we thought it would, highlighted in **Exhibit 9**: for each vintage year from 2007 to 2010, top-quartile US venture capital returns were at least 17% net to investors as of December 31, 2011, according to Cambridge Associates. We noticed this phenomenon anecdotally as well, having seen several managers with mediocre absolute returns on vintage 2003 to 2005 funds, but net investment multiples greater than 2.0 times on their next fund, most of which have yet to even have a chance to fully work through the J-curve. With much of the excess capital gone from the market and despite frothiness in some segments (see: seed and late stages, mobile and social sectors), we largely expect these returns to hold up or improve. It is difficult to time markets, and venture capital is no exception, particularly given the longstanding relationships necessary to maintain scarce allocation to top managers. But if the IPO window truly opens and the economy provides an unlikely tailwind, we could see significant upside, even to some early and mid-2000s returns.

Exhibit 9 – Recent top-quartile vintage year IRRs looking strong



Source: Cambridge Associates as of December 31, 2011; US venture capital

Conclusion

Fundraising, investments, and valuations all increased from 2010 to 2011. Activity in some segments, primarily seed and late stage, increased across each of these categories more than others. While an increase in competitive dynamics should suggest caution, and we are perhaps more tempered in our enthusiasm today than in prior years, we continue to believe the industry appears right-sized.

As highlighted throughout this report, the amount of capital available to invest, number of active firms, and valuations today are all well below 2000 levels. We also continue to be encouraged by the rate of technology innovation and the size of the large, global markets which today's venture-backed companies can target. We have also seen promising recent signs on both the liquidity and performance fronts. M&A activity in 2010 and 2011 compares very favorably to the best periods in industry history, and the IPO market has reached more sustainable territory. Vintage year returns from 2006 onward lend validity to our conjecture that overhang from the bubble has worked through the system, and thus overall the industry is more appropriately structured to generate attractive risk-adjusted returns. In addition, if an investor has the ability to both access and invest in the select number of elite managers with exceptional deal flow and track records of success, he or she should realize results that are even more compelling.

Endnotes

(1) Mulcahy, Diane, Bill Weeks, and Harold S. Bradley. *We Have Met the Enemy...And He is Us*. Ewing Marion Kauffman Foundation, 2012. Web. 16 Jul. 2012. <http://www.kauffman.org/uploadedFiles/We have met the enemy and he is us(1).pdf>. To note – Center for Venture Education (CVE - home of the Kauffman Fellows Program) is separate and distinct from the Ewing Marion Kauffman Foundation. Opinions expressed in this source are of the Ewing Marion Kauffman Foundation alone and not shared by TrueBridge Capital or CVE.

(2) ThomsonOne. Retrieved on July 5, 2012.

(3) Thomson One. Retrieved on July 5, 2012. To note – the median age of the US-based VC-backed companies that have gone public as of July 5, 2012 is 11.47 years. The maximum age at any other point in time over the past 20 years is 9.99 years, which occurred in 2009.

(4) ThomsonOne. Retrieved on July 5, 2012.

(5) Suster, Mark. "Understanding Changes in the Software & Venture Capital Industries." *Both Sides of the Table*. N.p., 28 06 2011. Web. 5 Jul. 2012. <http://www.bothsidesofthetable.com/2011/06/28/understanding-changes-in-the-software-venture-capital-industries/>.

(6) VentureSource. Retrieved on July 5, 2012.

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