

The top half of the page features a dark background with a complex, glowing grid of white lines. Overlaid on this grid are several vertical bars in shades of orange and blue, resembling a candlestick or bar chart. A blue dashed line and an orange dashed line curve across the grid, suggesting data trends or market movements. The word "FENWICK" is printed in a bold, white, sans-serif font in the upper left corner.

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Fenwick & West  
Silicon Valley Venture Capital  
*Flash Report*

October 2020

# Fenwick & West Silicon Valley Venture Capital

## *Flash Report*

October 2020

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This survey is a special interim report to highlight changes in the Silicon Valley venture capital environment through October 2020 in light of the COVID-19 pandemic.

Please note that when providing data on a monthly basis, and especially when analyzing trends among industries or series on a monthly basis, we are working with smaller numbers than in our quarterly report and accordingly the possibility of statistical anomalies increases.

## Key Findings

Venture valuation metrics were strong, returning to pre-pandemic levels for the first time. Deal volume was also solid. The software and life sciences industry results were strong, while internet/new media lagged.

### *Valuation metrics were strong.*

- The percentage of up-rounds in October was 79%, the highest since February and just slightly below the 2019 average of 83%. The percentage of down rounds was 4%, the lowest since December 2019.
- The average share price increase was 101%, the highest since January and higher than the 2019 average of 93%.
- The median share price change was 73%, the highest since November 2019 and notably higher than the 2019 average of 60%.

### *Financing volume continued solid.*

- The number of Silicon Valley venture financings was stable in October, with 65 financings, which was the same amount as in September, as well as the average for 2019.

### *Software and life sciences posted strong results, internet/new media lagged.*

- There were 15 life sciences financings in October, compared to a monthly average of nine in 2019. The life sciences industry was the only industry to surpass its 2019 average monthly amount. Software had the largest number of financings in October at 29, a small decline from its 2019 average of 30.
- The software industry led on the valuation front, with an average per-share price increase of 140%, compared to 88% in September and 101% in 2019. Life sciences was second with a 74% average increase. The internet/new media industry was a laggard, with only a 40% average per-share price increase, compared to 99% in September and a 122% average in 2019.
- The median share price increase results reflected a similar trend, with the software industry leading with an 83% median increase and the life sciences industry second with a 77% increase. Internet/new media lagged at 18%.

## Detailed Results

The following charts focus on the results discussed above. More detailed charts will be provided in our Silicon Valley Venture Capital Survey for the entire fourth quarter of 2020, which will be released in February 2021.

### Number of Financings by Series

Series	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	2019
A	47	28	22	14	18	13	24	15	21	11	255
B	31	12	14	13	16	13	19	19	16	17	174
C	26	8	7	16	14	10	11	18	11	15	145
D	9	6	3	10	8	12	9	7	4	10	75
E+	13	6	8	17	14	15	10	14	13	12	128
<b>Total - All Series</b>	<b>126</b>	<b>60</b>	<b>54</b>	<b>70</b>	<b>70</b>	<b>63</b>	<b>73</b>	<b>73</b>	<b>65</b>	<b>65</b>	<b>777</b> <b>(65/mo)</b>

Series	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	2019
A	37%	47%	41%	20%	26%	21%	33%	21%	32%	17%	33%
B	25%	20%	26%	19%	23%	21%	26%	26%	25%	26%	22%
C	21%	13%	13%	23%	20%	16%	15%	25%	17%	23%	19%
D	7%	10%	6%	14%	11%	19%	12%	10%	6%	15%	10%
E+	10%	10%	15%	24%	20%	24%	14%	19%	20%	18%	16%

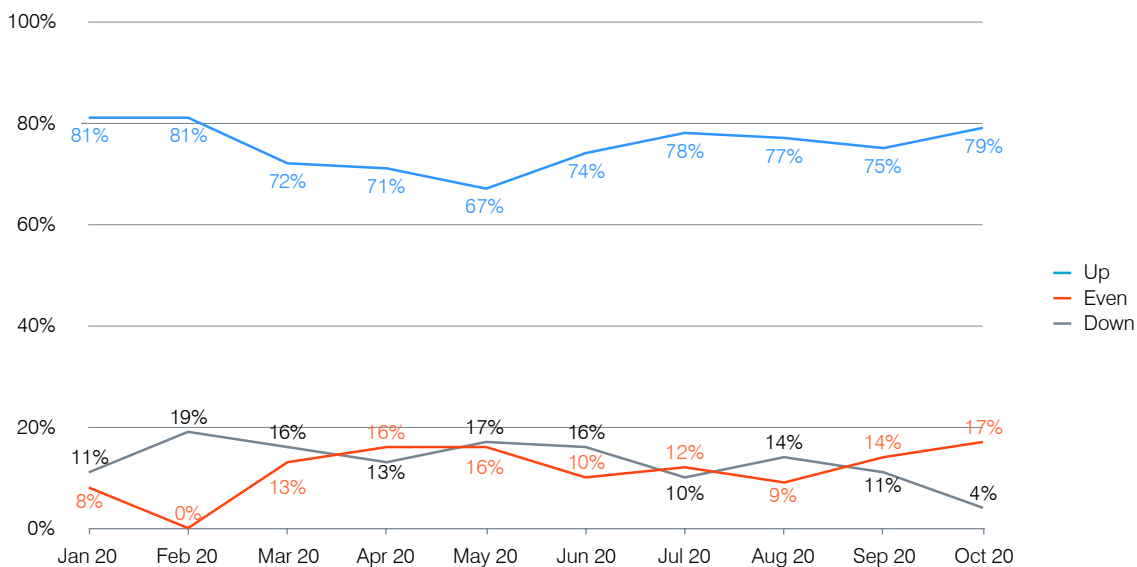
### Number of Financings by Industry

Industry	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	2019
Software	63	22	23	34	38	27	34	22	30	29	356
Hardware; Electronics	9	4	4	4	2	5	4	7	6	4	82
Life Sciences	20	14	15	17	13	17	14	19	10	15	107
Internet; New Media	20	15	7	7	11	7	15	19	13	10	149
Other	14	5	5	8	6	7	6	6	6	7	83
<b>Total - All Industries</b>	<b>126</b>	<b>60</b>	<b>54</b>	<b>70</b>	<b>70</b>	<b>63</b>	<b>73</b>	<b>73</b>	<b>65</b>	<b>65</b>	<b>777</b> <b>(65/mo)</b>

Industry	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	2019
Software	50%	37%	43%	49%	54%	43%	47%	30%	46%	45%	46%
Hardware; Electronics	7%	7%	7%	6%	3%	8%	5%	10%	9%	6%	11%
Life Sciences	16%	23%	28%	24%	19%	27%	19%	26%	15%	23%	14%
Internet; New Media	16%	25%	13%	10%	16%	11%	21%	26%	20%	15%	19%
Other	11%	8%	9%	11%	9%	11%	8%	8%	9%	11%	11%

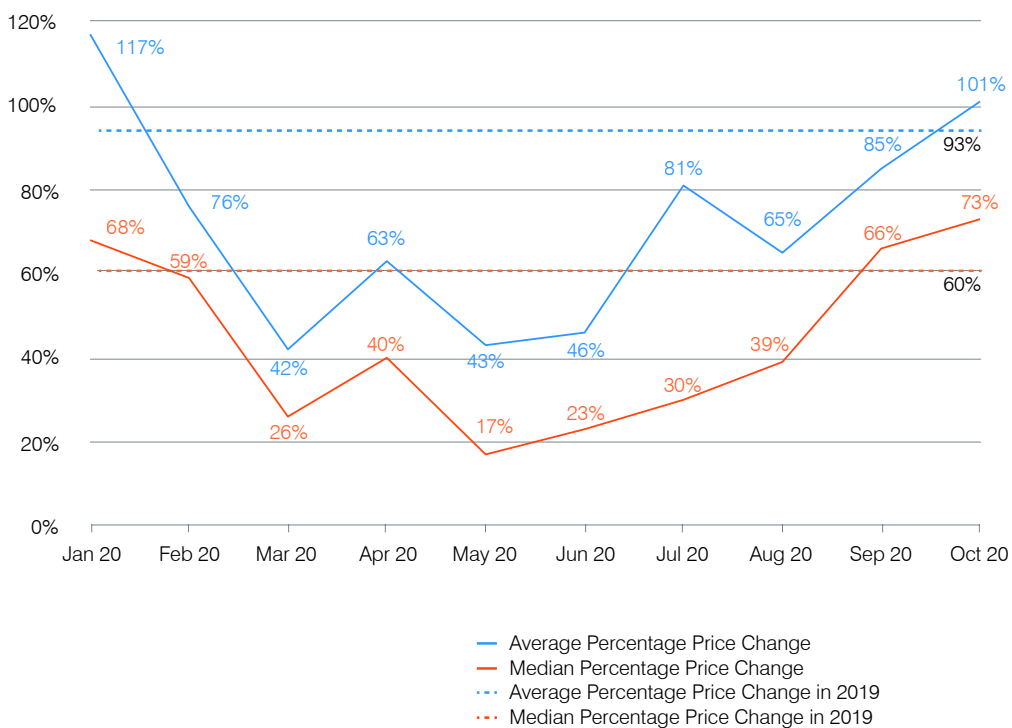
## Price Change

Price Change	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	2019
Up	81%	81%	72%	71%	67%	74%	78%	77%	75%	79%	83%
Even	8%	0%	13%	16%	16%	10%	12%	9%	14%	17%	9%
Down	11%	19%	16%	13%	17%	16%	10%	14%	11%	4%	8%



## Average and Median Price

Price Increase	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	2019
Average	117%	76%	42%	63%	43%	46%	81%	65%	85%	101%	93%
Median	68%	59%	26%	40%	17%	23%	30%	39%	66%	73%	60%



## Average Price Increase by Industry

Industry	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	2019
Software	130%	74%	51%	102%	46%	67%	88%	73%	88%	140%	101%
Hardware; Electronics	108%	47%	58%	-27%	9%	15%	85%	29%	32%	53%	78%
Life Sciences	69%	106%	32%	18%	50%	18%	51%	55%	154%	74%	43%
Internet; New Media	98%	99%	13%	109%	53%	88%	111%	80%	99%	40%	122%
Other	159%	-4%	50%	16%	18%	35%	29%	99%	-13%	102%	96%
<b>Total - All Industries</b>	<b>117%</b>	<b>76%</b>	<b>42%</b>	<b>63%</b>	<b>43%</b>	<b>46%</b>	<b>81%</b>	<b>65%</b>	<b>85%</b>	<b>101%</b>	<b>93%</b>

## Median Price Increase by Industry

Industry	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	2019
Software	110%	65%	33%	86%	27%	39%	44%	33%	83%	83%	74%
Hardware; Electronics	37%	37%	51%	0%	9%	19%	30%	42%	4%	58%	38%
Life Sciences	28%	17%	23%	7%	15%	1%	47%	49%	50%	77%	32%
Internet; New Media	68%	103%	8%	36%	40%	75%	19%	45%	85%	18%	66%
Other	76%	4%	50%	2%	-6%	36%	16%	2%	-10%	76%	68%
<b>Total - All Industries</b>	<b>68%</b>	<b>59%</b>	<b>26%</b>	<b>40%</b>	<b>17%</b>	<b>23%</b>	<b>30%</b>	<b>39%</b>	<b>66%</b>	<b>73%</b>	<b>60%</b>

## Average Price Increase by Series

Series	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	2019
B	125%	112%	39%	115%	64%	57%	106%	67%	135%	167%	118%
C	128%	99%	60%	71%	69%	50%	102%	105%	50%	65%	112%
D	81%	30%	25%	-10%	33%	53%	20%	44%	131%	113%	86%
E+	103%	26%	39%	57%	-1%	29%	63%	22%	40%	42%	43%
<b>Total - All Series</b>	<b>117%</b>	<b>76%</b>	<b>42%</b>	<b>63%</b>	<b>43%</b>	<b>46%</b>	<b>81%</b>	<b>65%</b>	<b>85%</b>	<b>101%</b>	<b>93%</b>

## Median Price Increase by Series

Series	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	2019
B	71%	75%	20%	89%	42%	45%	51%	37%	107%	101%	89%
C	79%	85%	33%	22%	29%	27%	65%	79%	15%	32%	60%
D	60%	45%	21%	0%	26%	19%	0%	42%	145%	71%	60%
E+	54%	23%	36%	36%	0%	19%	23%	11%	16%	32%	33%
<b>Total - All Series</b>	<b>68%</b>	<b>59%</b>	<b>26%</b>	<b>40%</b>	<b>17%</b>	<b>23%</b>	<b>30%</b>	<b>39%</b>	<b>66%</b>	<b>73%</b>	<b>60%</b>

## About our Survey

The Fenwick & West Venture Capital Survey has been published quarterly since the first quarter of 2002. Its goal is to provide information to the global entrepreneurial and venture community on the terms of venture financings in Silicon Valley.

The survey is available to all, without charge, by signing up at [www.fenwick.com/vcsurvey/sign-up](http://www.fenwick.com/vcsurvey/sign-up). We are pleased to be a source of information to entrepreneurs, investors, educators, students, journalists and government officials.

Our analysis of Silicon Valley financings is based on independent data collection performed by our lawyers and paralegals, and is not overly representative of financings in which our firm is involved. We believe that this approach, compared to only reporting on deals handled by a specific firm, provides a more statistically valid and larger dataset.

This survey consists of priced equity financings of companies headquartered in Silicon Valley that raised at least \$1 million from venture capitalists or other professional investors during the applicable time period. Subsequent closings of financings are only treated as new financings if they occurred at least six months after the initial closing. In identifying financing rounds, we label the first professional round as Series A, the second professional round as Series B, etc., regardless of the actual name used by the company, to increase comparability across companies. For purposes of determining whether a company is based in "Silicon Valley" we use the area code of the corporate headquarters. The area codes included are 650, 408, 415, 510, 925, 916, 707, 831 and 209.

## Contact Information

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