

2Q14

# Trends in Terms of Venture Financings in Silicon Valley

Second Quarter 2014

## Background

We analyzed the terms of 174 venture financings closed in the second quarter of 2014 by companies headquartered in Silicon Valley.

## Overview of Fenwick & West Results

Valuation results in 2Q14 were the strongest in the history of our survey.

- Up rounds exceeded down rounds 80% to 6%, with 14% flat. The 74 point difference between up and down rounds was the largest since we began calculating up/down rounds in 1Q02.
- The Fenwick & West Venture Capital Barometer™ showed an average price increase of 113%, the highest amount since we began calculating this statistic in 1Q04.
- The median price increase of financings in 2Q14 was 75%, the highest amount since we began calculating medians in 2010.
- The internet/digital media, software and hardware industries all had very strong results, with internet/digital media having the highest Barometer (169%) and median (99%) increases, software continuing not only to have strong valuations but also increasing its percentage of post Series A financings to 48%, and the hardware industry registering a very strong second best barometer result of 132%. The life science industry also posted solid results, while cleantech lagged other industries but still had reasonable results.

## Overview of Other Industry Data

More generally, the second quarter of 2014 was another very strong quarter for the U.S. venture environment.

- Venture capital investment hit its highest levels since the first quarter of 2001.
  - Venture-backed IPOs lagged the very strong 1Q14, but the number of IPOs in the first half of 2014 has already surpassed the full year totals for each of 2008-2012, and if current trends continue 2014 would be the best year for venture-backed IPOs since 2000.
  - Acquisitions in 2Q14 trailed a strong 1Q14, but were still healthy.
  - Venture fundraising had another good quarter, with the largest number of funds raising money since 4Q07, although dollars raised lagged 1Q14.
  - Venture capitalist sentiment for 2Q14 was essentially even with 1Q14, at a level of approximately 4 on a scale of 1 to 5
- **Venture Capital Investment**

U.S. venture capital investment in 2Q14 hit its highest quarterly level in dollar terms since 1Q01, and was approximately 35% higher than 1Q14 which was itself a strong quarter. The number of deals also increased,

by a less dramatic but still significant 11% over 1Q14. A summary of results published by three leading providers of venture data is below.

## 2Q14 Investing into Venture Backed U.S. Companies

	2Q14 (\$Billions)	1Q14 <sup>1</sup> (\$Billions)	Difference %	2Q14 Deals	1Q14 <sup>1</sup> Deals	Difference %
<u>VentureSource</u> <sup>2</sup>	\$13.8	\$10.7	29%	917	862	6%
<u>Money Tree</u> <sup>3</sup>	\$13.0	\$9.5	37%	1,114	951	17%
<u>CBI</u> <sup>4</sup>	\$13.9	\$10.0	39%	974	880	11%
Average	\$13.6	\$10.1	35%	1,002	898	11%

<sup>1</sup> As reported April 2014

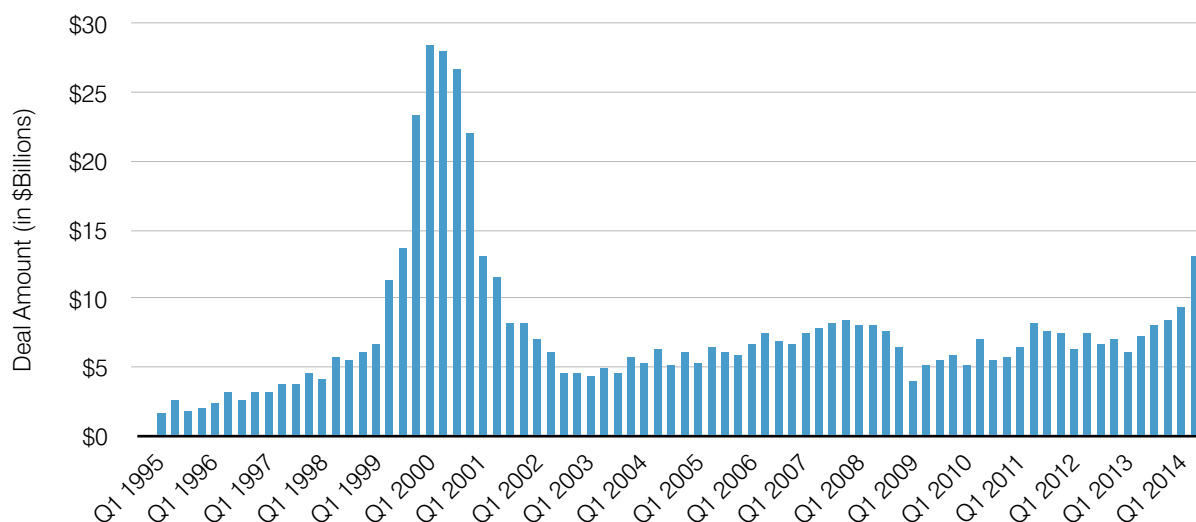
<sup>2</sup> Dow Jones VentureSource ("VentureSource")

<sup>3</sup> The PWC/NVCA MoneyTree™ Report based on data from Thomson Reuters ("MoneyTree")

<sup>4</sup> CB Insights ("CBI")

While the amount of investment in 2Q14 was the largest since the dot-com era, it was significantly lower than dot-com levels.

## Investment into Venture Backed U.S. Companies



Source: Primarily Business Insider, based on information from the MoneyTree Report.

Valuations were also high, as [VentureSource](#) reported that the median pre-money valuation for the second quarter was \$58.3 million, the highest on record and 106% higher than the \$28.4 million reported for 1Q14.

Investment in late stage companies continued to be very strong in 2Q14, with Series D and later financings taking 45% of all funding, and a five quarter high 17% of all deals, according to [CBI](#). Similarly, the [Wall Street Journal](#) reported that venture firms invested \$15.6 billion in late stage financings in the first half of 2014, which is on track to exceed the \$28.5 billion invested in late stage companies in 2000. This increase in late stage financings is likely due in part to companies delaying their IPO and raising more money privately.

Software companies received \$6.1 billion of the 2Q14 investment, including a single \$1.2 billion investment, the largest single investment ever reported by the [MoneyTree](#). Digital health was also very strong, with funding through the first half of 2014 exceeding all of 2013, according to [Rock Health](#).

With the growth of databases such as [CrunchBase](#) and [Angellist](#), more information on the startup environment is available. [Medium.com](#) recently analyzed some of this data and reported that on average, over the last 5 years:

- Series B rounds raised 3x Series A rounds, Series C rounds raised 2.2x Series B rounds, and Series D rounds raised 1.9x Series C rounds, and that
- Series B financings occur 484 days after the Series A financing, Series C financings occur 542 days after the Series B financing and Series D financings occur 530 days after the Series C financing.

The increased availability of venture focused databases is also increasing the use of “data driven” approaches to venture investing, as discussed in [Forbes](#).

Like the technology industry in general, the venture capital industry is changing, with angels and online seed financing sites providing competition at the low end of the investment spectrum, hedge funds and private equity providing competition at the high end and corporations providing competition throughout the investment spectrum. As a result many venture capitalists are focusing on providing more “value-add” to differentiate themselves from other funding sources. Much of this value-add has consisted of additional services such as HR or accounting, improved networking/mentoring capabilities and the like. However we were recently intrigued to read in [Strictly VC](#) about a new venture fund (Upside Partners) providing a portion of the carried interest of their fund to management of its investee companies, to encourage collaboration among portfolio companies, and we assume to also improve the fund’s ability to attract the best investment opportunities.

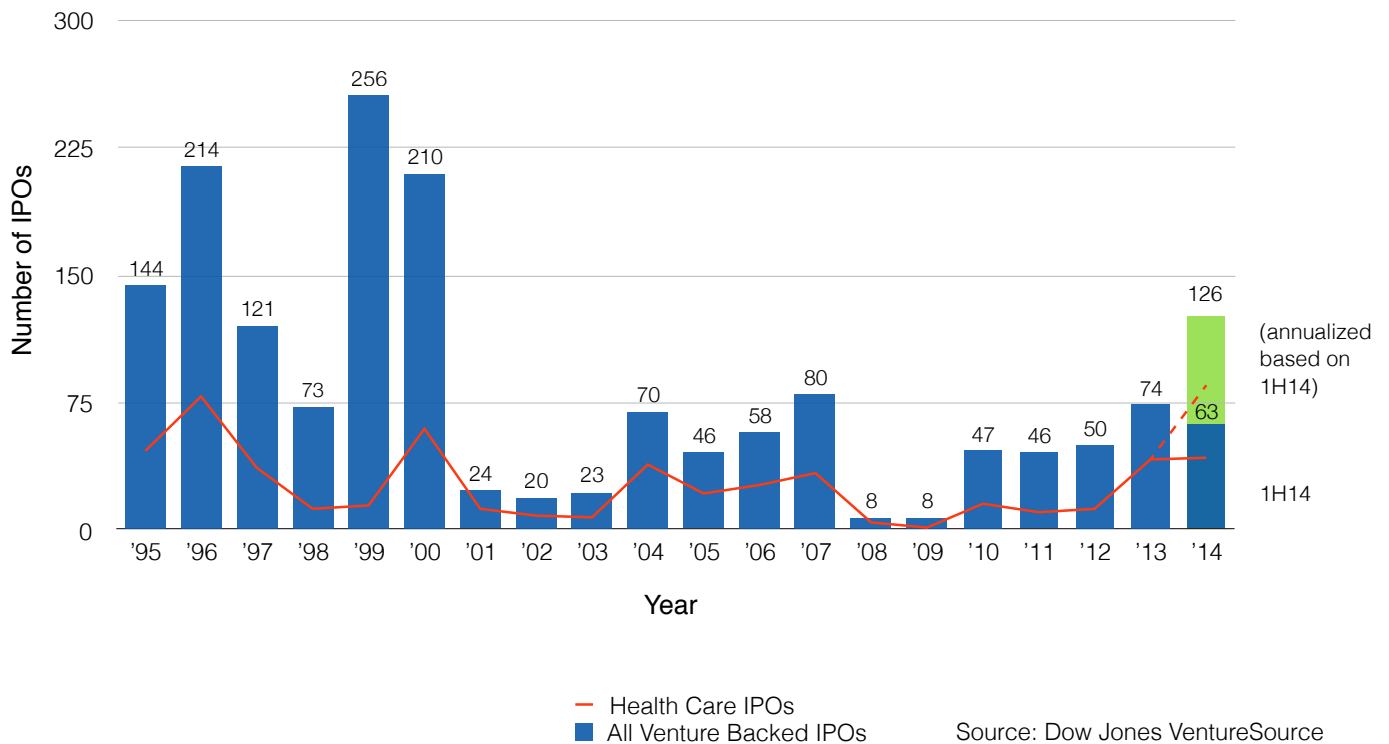
The growth in venture investing in 2Q14 was not limited to the U.S., as Europe saw its largest amount of investment since 2001 (€2.1 billion) per [the Wall Street Journal](#), China saw its largest amount of investment (\$2.8 billion) since at least 2006, per [VentureWire](#), and Israel saw its highest quarterly investment amount (\$930 million) since 2000, per [IVC](#).

▪ **IPO Activity**

There were 25 venture backed IPOs raising \$2.2 billion in 2Q14, according to [VentureSource](#). Although this was a decline from the very strong 38 IPOs raising \$2.9 billion in 1Q14, it was a very solid quarter.

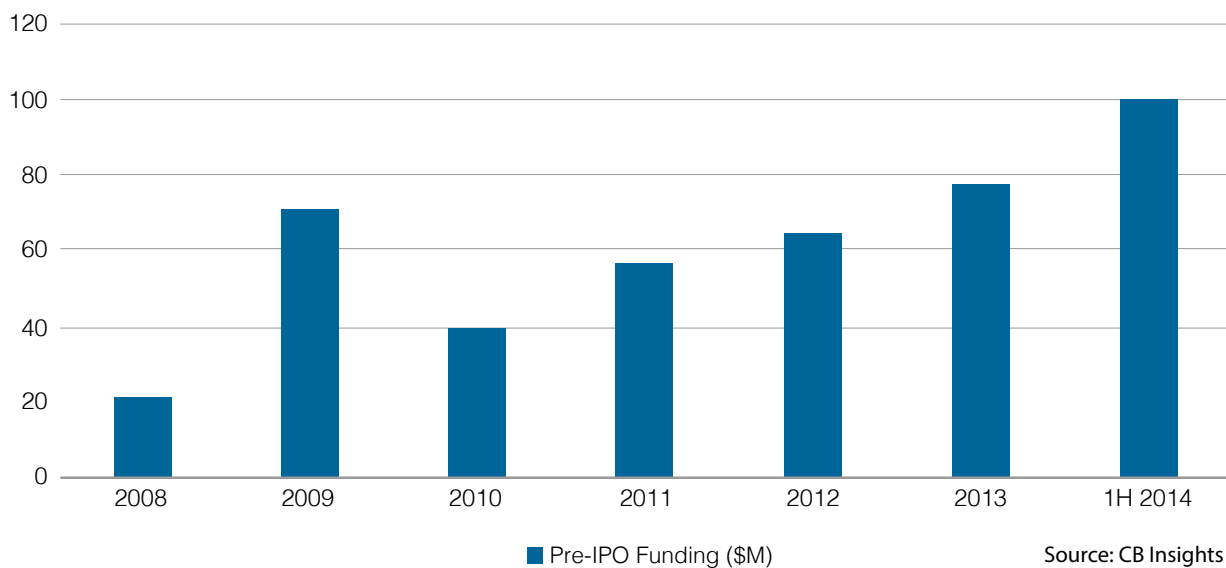
Similarly, Thomson Reuters and the NVCA ([Thomson/NVCA](#)) reported 28 IPOs in 2Q14, although Thomson/NVCA reported an increase in funds raised. Four of the IPOs, including the largest, were China based. Sixteen of the 28 IPOs were life science companies, as life science companies continued to account for a large share of IPOs, including over 50% in each of the last six quarters.

### U.S. Venture Backed IPOs



2014 is on track to have more venture backed IPOs in any year since 2000, and the companies going public now generally seem more substantive than those that went public 15 years ago. For example, while 80% of tech IPOs in 1999 had less than \$50 million of revenue, only 20% of IPOs in 2013 had revenue of less than \$50 million, according to [TechCrunch](#). The amount of money raised by companies pre IPO has also been increasing, per [CBI](#).

## Median Pre-IPO Funding for VC-Backed Tech Companies 2008 – 1H 2014



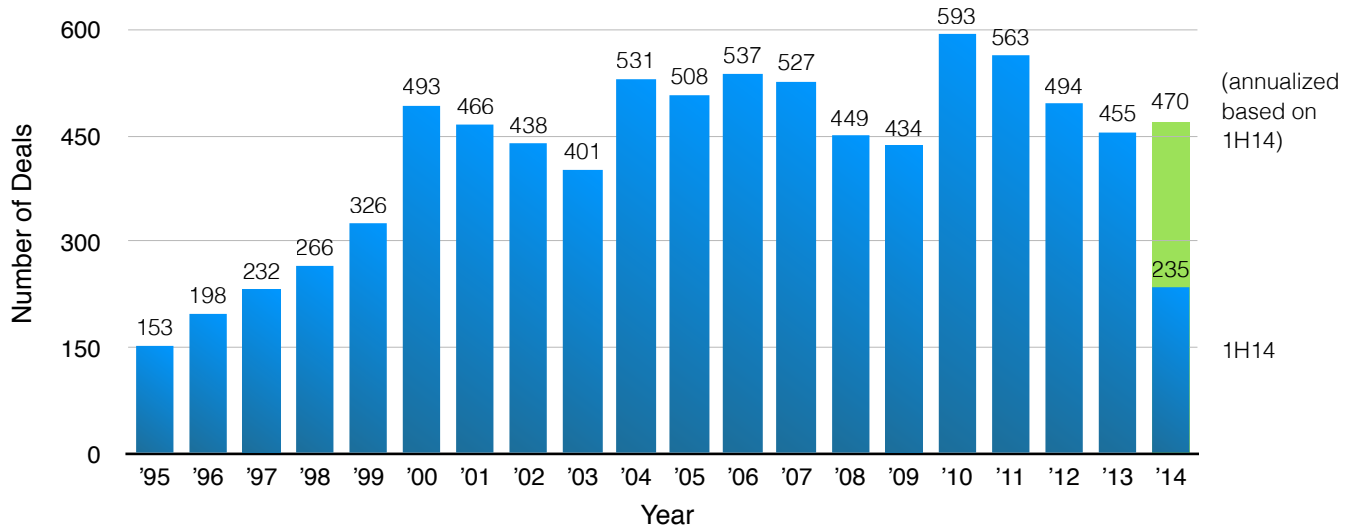
Things were not as good for venture backed companies that went public in prior quarters, with the [Thomson Reuters Post-Venture Capital Index](#) (which measures the change in stock price of venture backed companies that have gone public over the past ten years), declining 16% in 2Q14.

In an effort to improve the public company prospects of smaller companies, the [SEC](#) has recently required U.S. stock exchanges to develop a one year pilot program to increase the stock “tick” size for a group of small and midsize public companies to as much as \$0.05. This action was in response to concerns that the “decimalization” of stock quote tick sizes (\$0.01 tick sizes), which occurred in 2001, has been detrimental to smaller and medium size companies by (i) reducing incentives for underwriters to pursue smaller IPOs, (ii) limiting the production of sell-side research and (iii) making it less attractive to be a market maker for these companies. We share the concerns about the effects of decimalization and look forward to the implementation of the pilot, although we have concern that the one year time frame might not be sufficient to cause a substantial change in banker/analyst/market maker behavior.

### ▪ Merger and Acquisition Activity

M&A deal volume decreased in 2Q14 with [VentureSource](#) reporting a 15% decrease in the acquisition of venture backed companies (127 in 1Q14, as reported in April 2014<sup>1</sup>, compared to 108 in 2Q14) and [Thomson/NVCA](#) reporting a 7.6% decrease (105 deals in 1Q14, as reported in April 2014<sup>1</sup>, compared to 97 deals in 2Q14). 79 of the 97 deals were for IT companies. The number of M&A deals has ranged between 400-600 every year since 2000 and 2014 looks to be in the middle of that range.

## U.S. Venture Backed M&A



Source: Dow Jones VentureSource

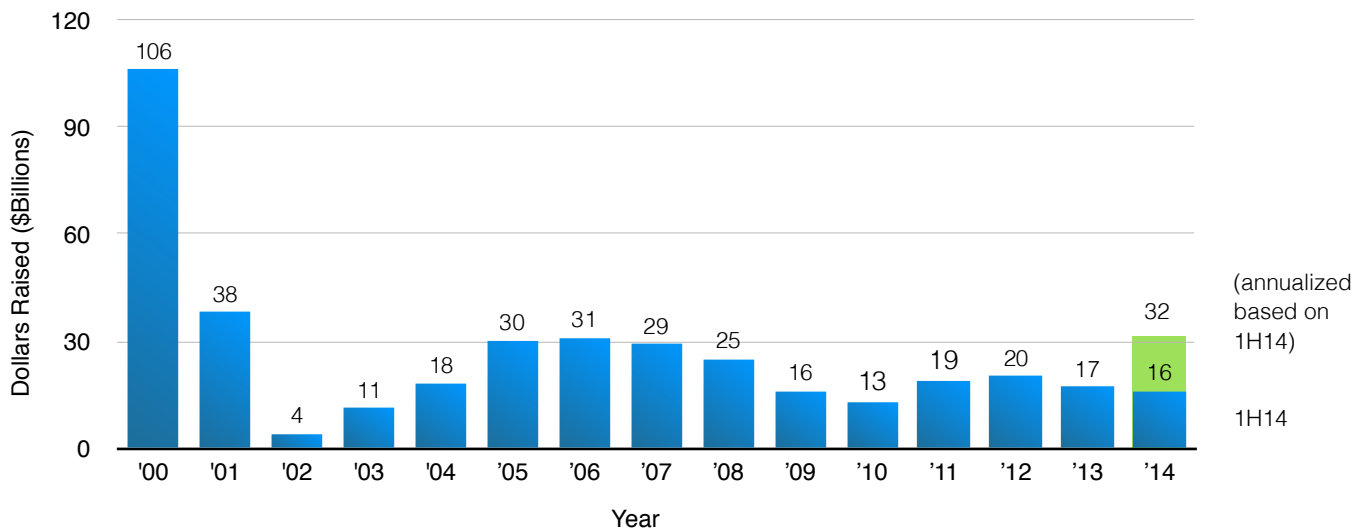
Acquisition proceeds in 2Q14 were approximately \$13 billion, a decline from 1Q14 but still very healthy, and acquisition proceeds in the first half of 2014 were \$29.5 billion, almost twice the \$15 billion reported in the first half of 2013, according to [VentureSource](#).

A potential trend in the M&A area, identified by [PitchBook](#), is the growth of private equity funds acquiring low/middle market venture-backed tech companies. This trend is supported by the difficulty of smaller tech company IPOs and the availability of low interest debt.

### ▪ Venture Capital Fundraising

A total of \$7.4 billion was raised by 78 funds during 2Q14, a 20% decrease in dollars but a 34% increase in the number of funds from the very strong \$8.9 billion raised by 58 funds in 1Q14 (as reported in April 2014<sup>1</sup>), according to [Thomson/NVCA](#). The number of funds raising capital was the largest since 4Q07, and the top 5 funds only accounted for 43% of money raised, a significant (and we believe, healthy) decline from the first quarter when the top 5 funds accounted for 60% of money raised.

## U.S. Venture Capital Fundraising



Similarly [Dow Jones](#) reported that 76 venture funds raised \$7.4 billion in 2Q14.

Despite the healthy fundraising, the [Silicon Valley Business Journal](#) reported that the number of venture professionals declined 60% from 2003 to 2013, and [Flag Capital/Upfront Ventures](#) reported that the number of U.S. tech VCs who had made at least \$1 million of investments in each quarter of a year had declined from 441 in 2000 to 86 in 2012.

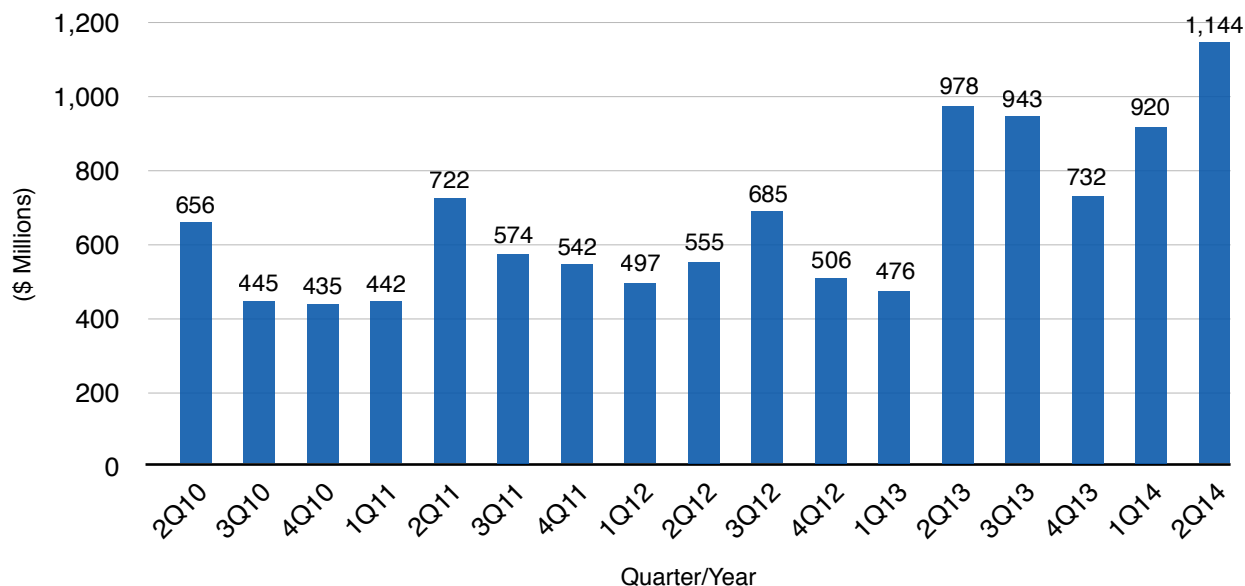
An interesting development in the fundraising area is the decision by 500 Startups to publicly raise money from accredited investors using the SeedInvest “crowdfunding” platform. This approach, reported in the [Venture Capital Journal](#), provides an alternative to relying solely on institutional investors to provide venture funds with capital.

### ▪ Corporate Venture Investing

Corporate venture investing is increasing noticeably, although there is a significant difference in the absolute numbers being reported, with [Thomson Reuters](#) reporting \$920 million of investment in 1Q14 and [CB Insights](#) reporting \$3 billion for the first quarter. Both, however, showed investment increasing significantly.



## Corporate Venture Investing into U.S. Companies



Source: Thomson Reuters  
from Private Markets article  
by Mark Boslet

### ▪ Seed investing/Accelerators

The seed financing market is continuing to grow, not only finding new ways to match early stage companies and investors, but also providing value to other segments of the venture ecosystem.

For example, established companies are starting to use (non-equity) crowdfunding sites to test consumer demand for potential new products, and early stage companies are using the sites not only to raise money, but also to demonstrate market demand for their product to potential off-line investors, according to the [Wall Street Journal](#). And the data generated by these platforms has other uses. For example CircleUp, a fundraising platform for start-ups that make consumer products, has partnered with Johnson & Johnson to provide J&J with data about consumer products and categories receiving the most investor interest and entrepreneurial activity, according to the [Wall Street Journal](#).

As with the venture capital environment, the angel/seed environment is continuing to change. Just as technology drove down the funding costs for startups, resulting in angel/seed investors taking a larger portion of early stage investment, it appears that the development of online investing and accelerators, fostered by improved technology, new business models and more flexible laws, may take market share from traditional angel investors and even venture capitalists. Alternatively, these growing alternatives may prove to be complementary and helpful to traditional angels and venture capitalists, providing mentoring to very early stage entrepreneurs, filtering opportunities, helping connect traditional “offline” investors to emerging companies, and providing new resources (information, employment information) to the ecosystem. A recent article in [TechCrunch](#) by Andy Rachleff posits that the premier venture firms have “consciously outsourced” early stage consumer internet investing to angels to reduce their investment risk in the category.

- **Academic Studies**

A [Harvard Business School](#) study found that venture capitalists who co-invest in companies do better when they don't share personal characteristics such as the same ethnicity, prior employer or university background. The professors hypothesized that similar backgrounds result in "group think" and that co-investing VCs do better when they have disparate experiences.

A Notre Dame study reported in [MarketWatch](#) found that increasing government regulation and litigation concerns have resulted in the average electronic file size of public company 10-K filings quadrupling from 2000 to 2012.

A [Hastings Law School](#) study reported in [CallLawyer](#) found that the percent of patent lawsuits filed by patent monetizers (a/k/a "trolls", as opposed to operating companies or others) increased from 32% in 2007 to 50% in 2012.

- **Venture Capital Sentiment**

The Silicon Valley Venture Capitalist Confidence Index by Professor Mark Cannice at the University of San Francisco reported that the confidence level of Silicon Valley venture capitalists in 2Q14 was essentially unchanged from 1Q14, going from 4.03 to 4.02 on a 5 point scale. This reflected a continuing strong level of confidence in the venture environment, with venture capitalists noting the accelerating pace of innovation and the strong dynamism of the entrepreneurial ecosystem, together with good recent returns to limited partners, while the public market seems to be fairly selective and able to correct valuations as needed. That said, the significant valuations of some companies, the increasing demand for limited human capital and entrepreneurial hubris caused some to express concerns about the sustainability of the current environment.

- **Venture Capital Returns**

[Cambridge Associates](#) reported the value of its venture capital index increased by 4.9% in 1Q14 (2Q14 results have not been publicly released), which exceeded the Nasdaq increase of 0.5% in 1Q14.

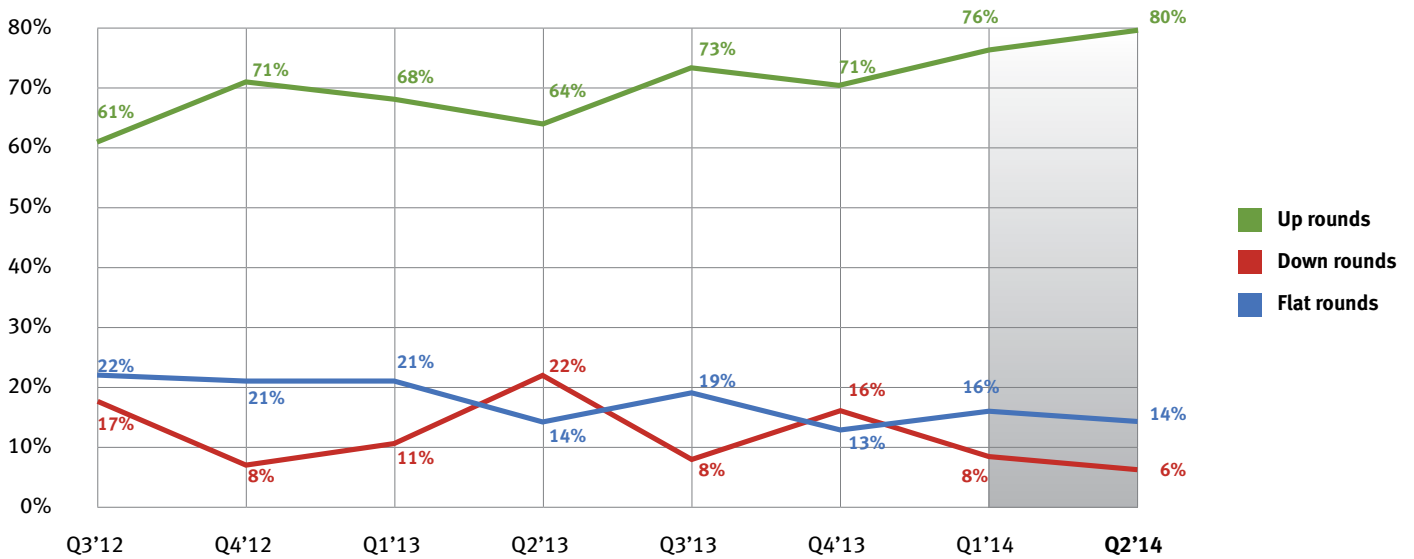
Perhaps more importantly, longer term venture performance against the Nasdaq seems to have turned the corner, as the venture index surpassed Nasdaq for the 1, 3, 10, 15, 20, 25 and 30 year periods, and only lagged for the 5 year time frame.

- **Nasdaq**

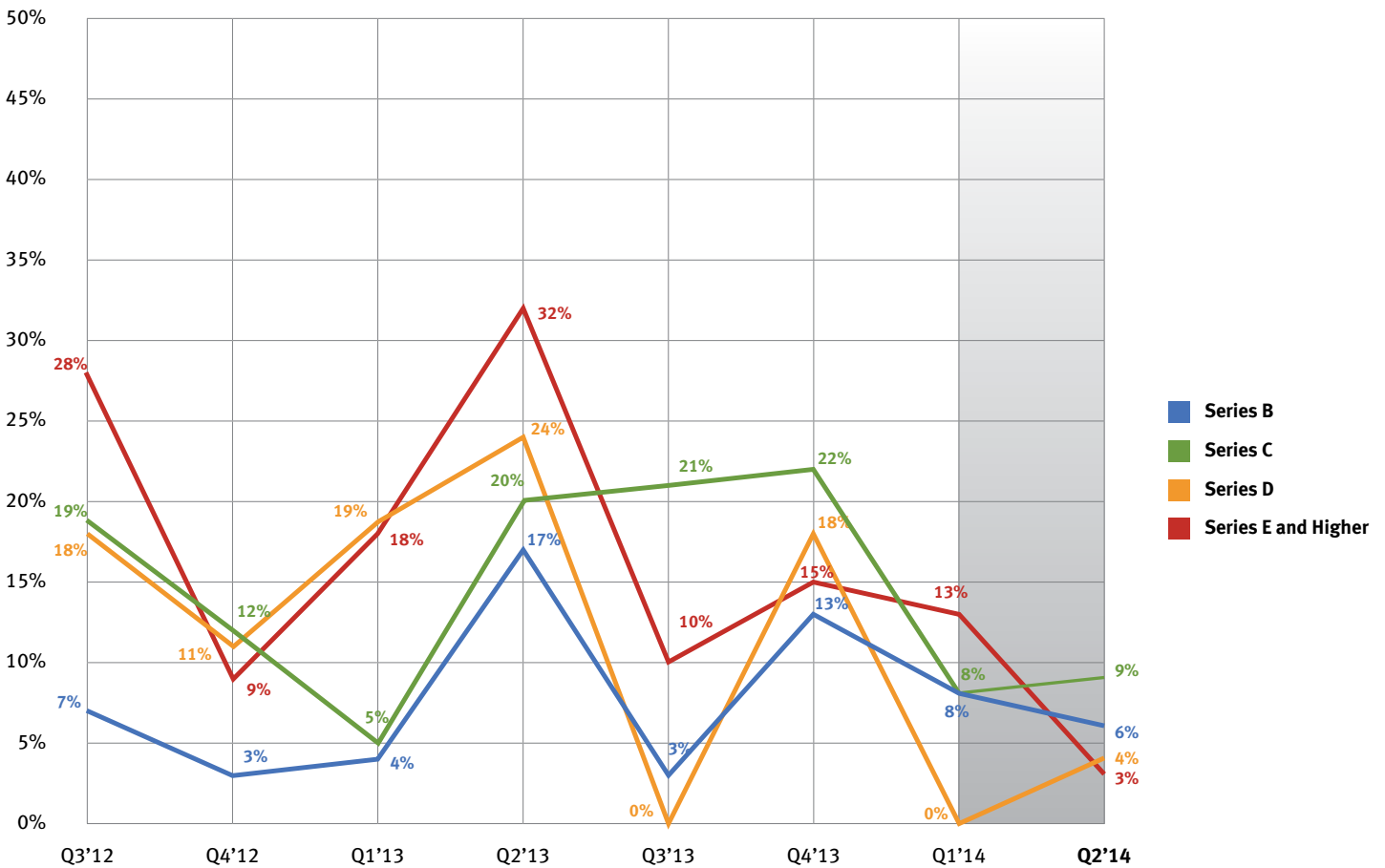
Nasdaq increased 4.5% in 2Q14, but has declined 1% in 3Q14 through August 5, 2014.

## Fenwick & West Data on Valuation

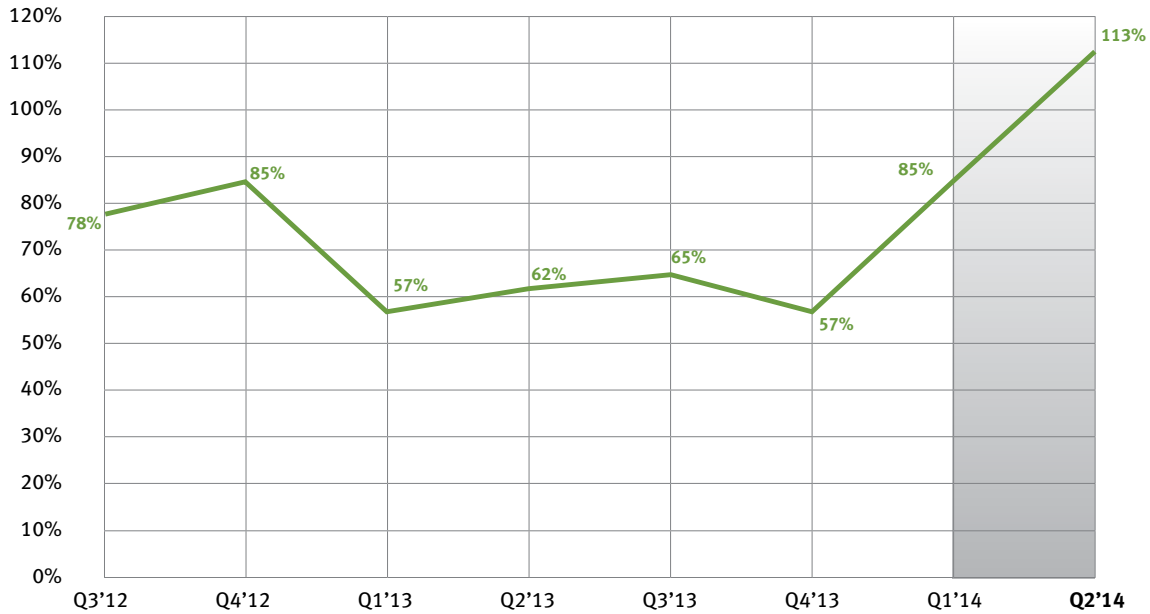
**PRICE CHANGE** — The direction of price changes for companies receiving financing in a quarter, compared to their prior round of financing.



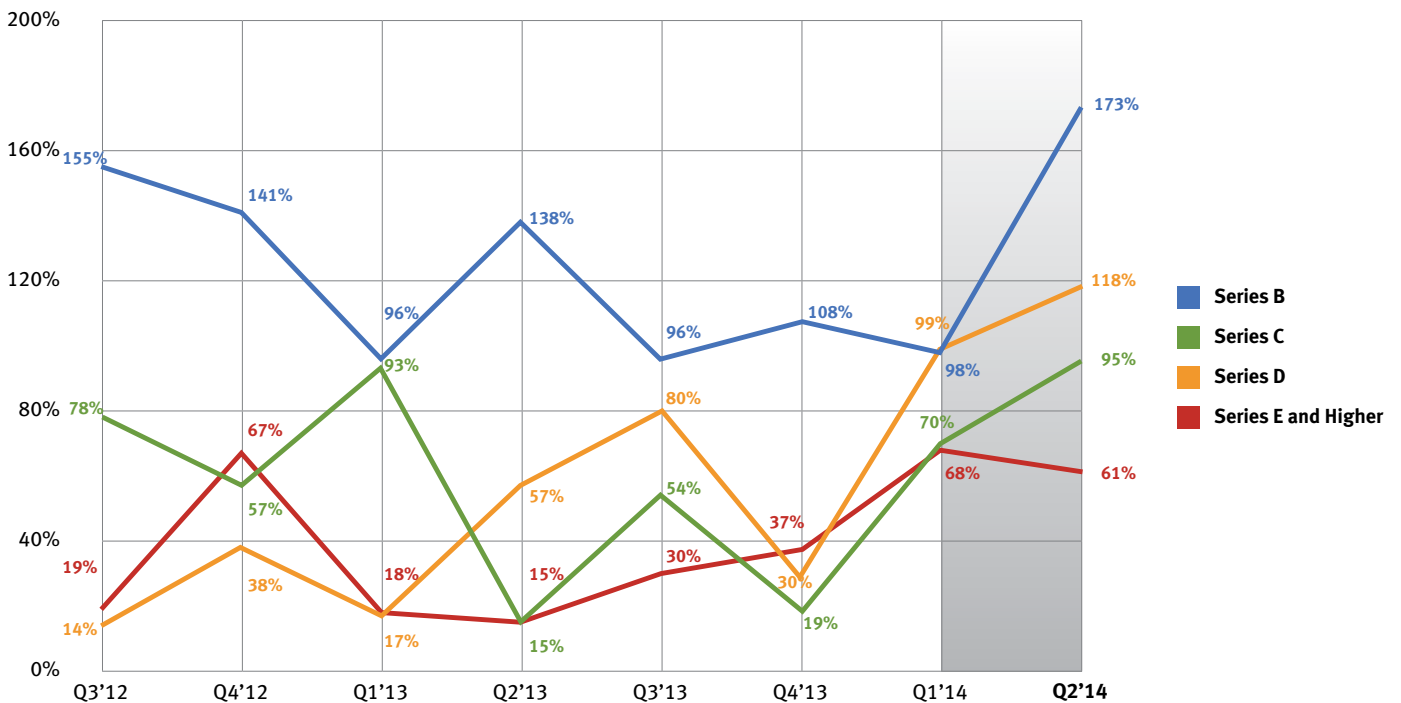
The percentage of down rounds by series were as follows:



**THE FENWICK & WEST VENTURE CAPITAL BAROMETER™ (MAGNITUDE OF PRICE CHANGE)**— Set forth below is the average percentage change between the price per share at which companies raised funds in a quarter, compared to the price per share at which such companies raised funds in their prior round of financing. In calculating the average, all rounds (up, down and flat) are included, and results are not weighted for the amount raised in a financing.



The Barometer results by series are as follows:



**RESULTS BY INDUSTRY FOR PRICE CHANGES AND FENWICK & WEST VENTURE CAPITAL BAROMETER™** — The table below sets forth the direction of price changes and Barometer results for companies receiving financing in 2Q14, compared to their previous round, by industry group. Companies receiving Series A financings are excluded as they have no previous rounds to compare.

Industry	Up Rounds	Down Rounds	Flat Rounds	Barometer	Number of Financings
Software	83%	8%	9%	120%	65
Hardware	75%	8%	17%	132%	12
Life Science	79%	0%	21%	75%	19
Internet/Digital Media	77%	8%	15%	169%	27
Cleantech	63%	0%	37%	26%	8
Other	100%	0%	0%	47%	4
<b>Total all Industries</b>	<b>80%</b>	<b>6%</b>	<b>14%</b>	<b>113%</b>	<b>135</b>

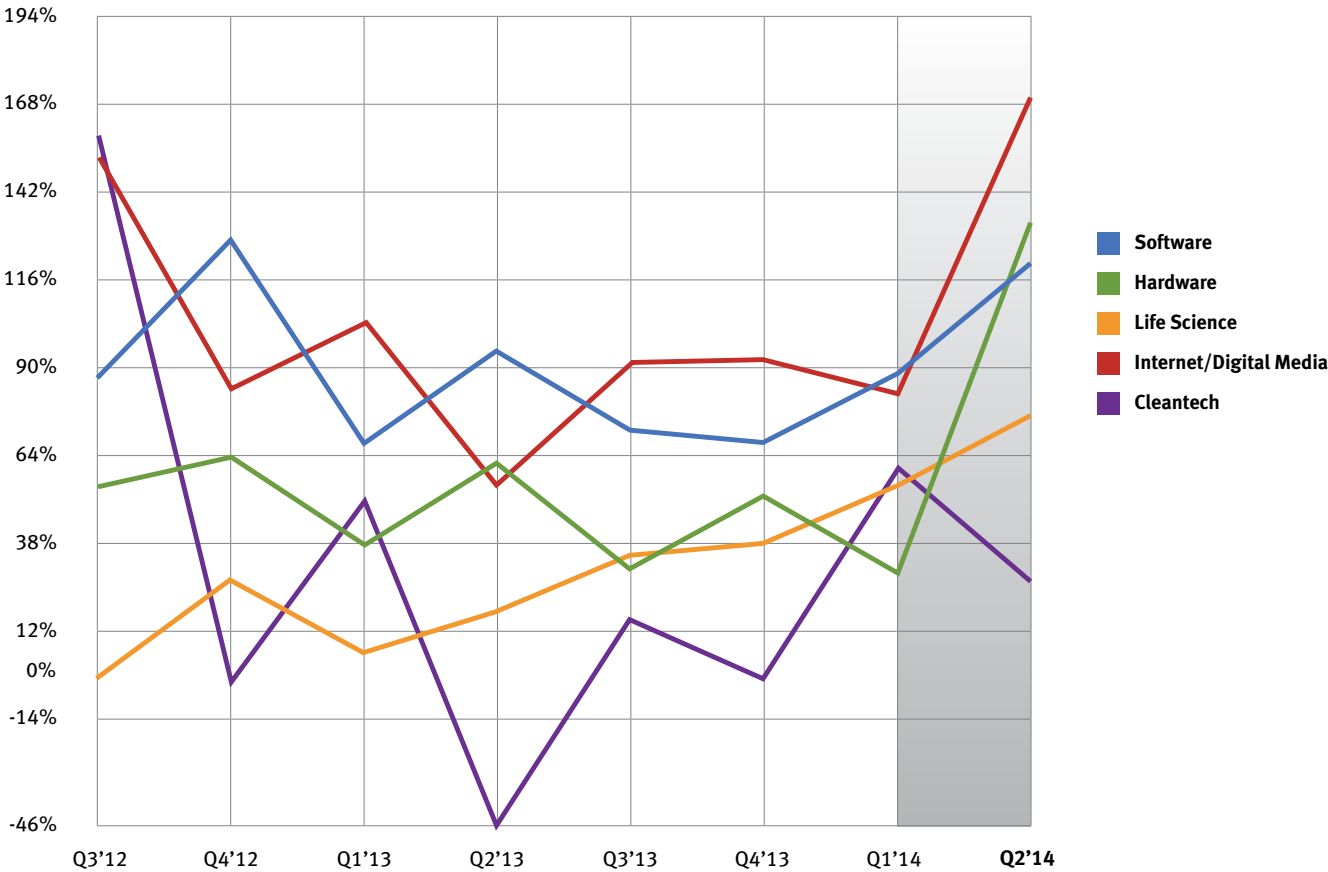
**DOWN ROUND RESULTS BY INDUSTRY** — The table below sets forth the percentage of “down rounds,” by industry groups, for each of the past eight quarters.

Down Rounds	Q3'12	Q4'12	Q1'13	Q2'13	Q3'13	Q4'13	Q1'14	Q2'14
Software	11%	5%	10%	20%	5%	15%	7%	8%
Hardware	30%	8%	0%	9%	20%	12%	10%	8%
Life Science	21%	10%	33%	30%	20%	13%	12%	0%
Internet/Digital Media	14%	12%	6%	16%	5%	15%	11%	8%
Cleantech	0%	17%	0%	100%	0%	50%	0%	0%
Other	0%	0%	0%	50%	25%	0%	0%	0%
<b>Total all Industries</b>	<b>17%</b>	<b>8%</b>	<b>11%</b>	<b>22%</b>	<b>8%</b>	<b>16%</b>	<b>8%</b>	<b>6%</b>

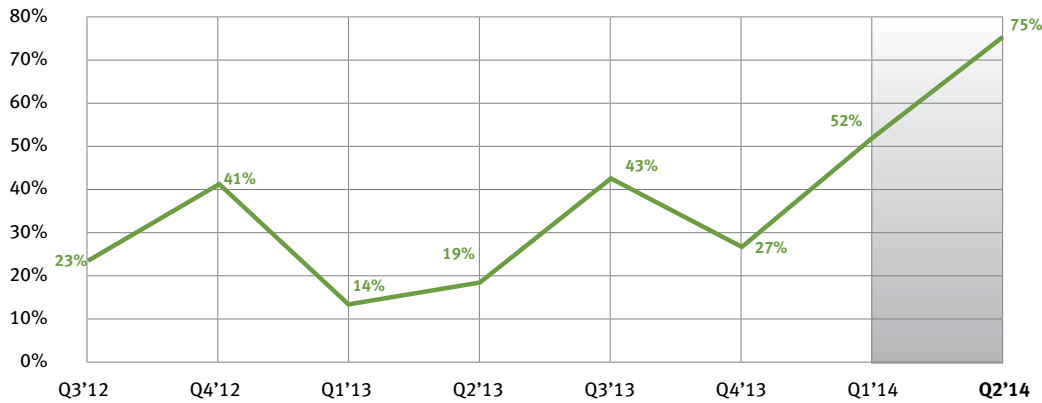
**BAROMETER RESULTS BY INDUSTRY** — The table below sets forth Barometer results by industry group for each of the last eight quarters.

Barometer	Q3'12	Q4'12	Q1'13	Q2'13	Q3'13	Q4'13	Q1'14	Q2'14
Software	87%	128%	67%	95%	71%	68%	88%	120%
Hardware	55%	64%	38%	62%	30%	52%	29%	132%
Life Science	-2%	30%	6%	20%	34%	38%	55%	75%
Internet/Digital Media	153%	85%	103%	56%	91%	92%	82%	169%
Cleantech	158%	-2%	51%	-46%	15%	-2%	60%	26%
Total all Industries	<b>78%</b>	<b>85%</b>	<b>57%</b>	<b>62%</b>	<b>64%</b>	<b>57%</b>	<b>85%</b>	<b>113%</b>

A graphical representation of the above is below.



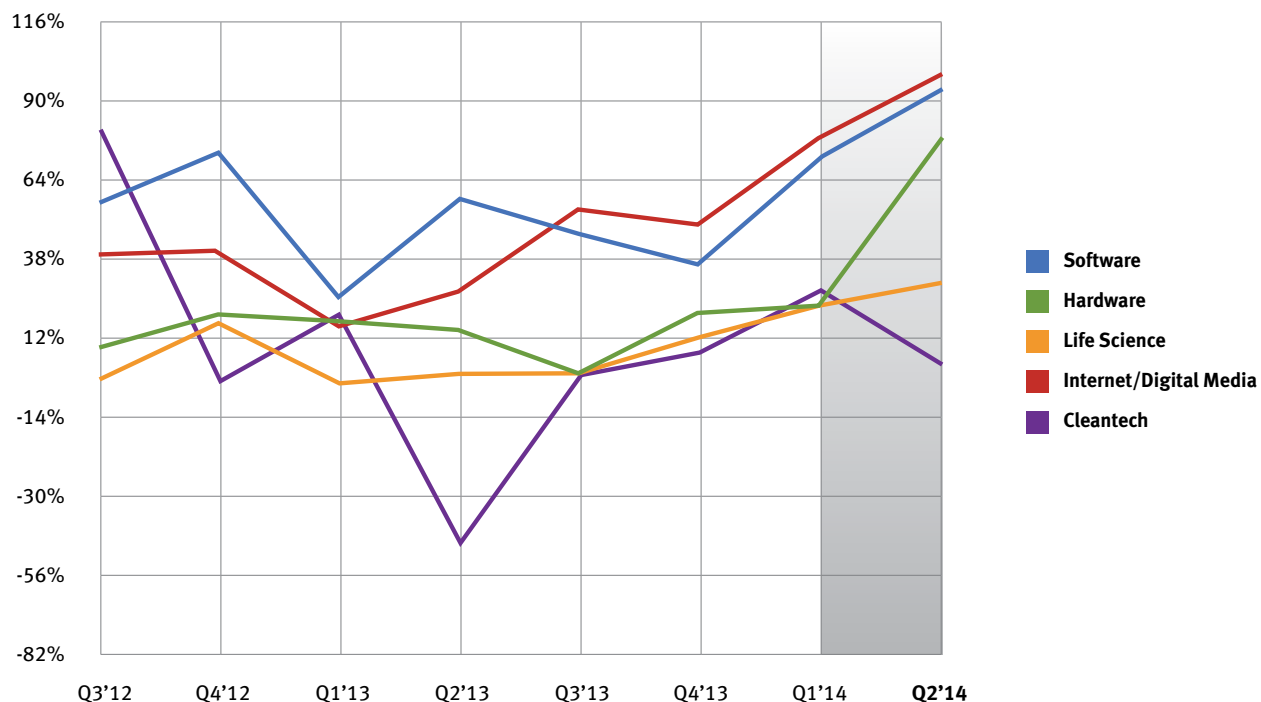
**MEDIAN PERCENTAGE PRICE CHANGE** — Set forth below is the median percentage change between the price per share at which companies raised funds in a quarter, compared to the price per share at which such companies raised funds in their prior round of financing. In calculating the median, all rounds (up, down and flat) are included, and results are not weighted for the amount raised in the financing. Please note that this is different than the Barometer, which is based on average percentage price change.



**MEDIAN PERCENTAGE PRICE CHANGE RESULTS BY INDUSTRY** — The table below sets forth the median percentage price change results by industry group for each of the last eight quarters. Please note that this is different than the Barometer, which is based on average percentage price change.

Barometer	Q3'12	Q4'12	Q1'13	Q2'13	Q3'13	Q4'13	Q1'14	Q2'14
Software	57%	74%	25%	58%	46%	36%	72%	94%
Hardware	10%	20%	17%	15%	0%	20%	23%	78%
Life Science	0%	17%	0%	0%	0%	12%	23%	30%
Internet/Digital Media	39%	41%	16%	28%	54%	50%	78%	99%
Cleantech	79%	0%	18%	-46%	0%	7%	28%	3%
Total all Industries	23%	41%	14%	19%	43%	27%	52%	75%

A graphical representation of the above is below.



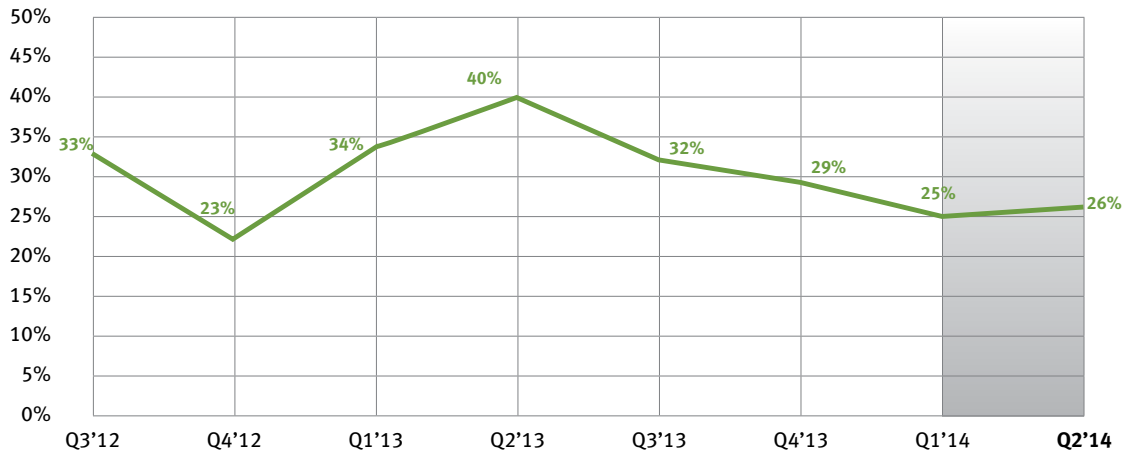
**FINANCING ROUND** — This quarter’s financings broke down by series according to the chart below.

Series	Q3'12	Q4'12	Q1'13	Q2'13	Q3'13	Q4'13	Q1'14	Q2'14
Series A	24%	12%	25%	24%	24%	24%	23%	23%
Series B	24%	31%	20%	24%	23%	26%	31%	21%
Series C	22%	22%	19%	20%	15%	14%	17%	26%
Series D	15%	16%	18%	14%	15%	14%	10%	13%
Series E and Higher	15%	19%	18%	18%	23%	22%	19%	17%

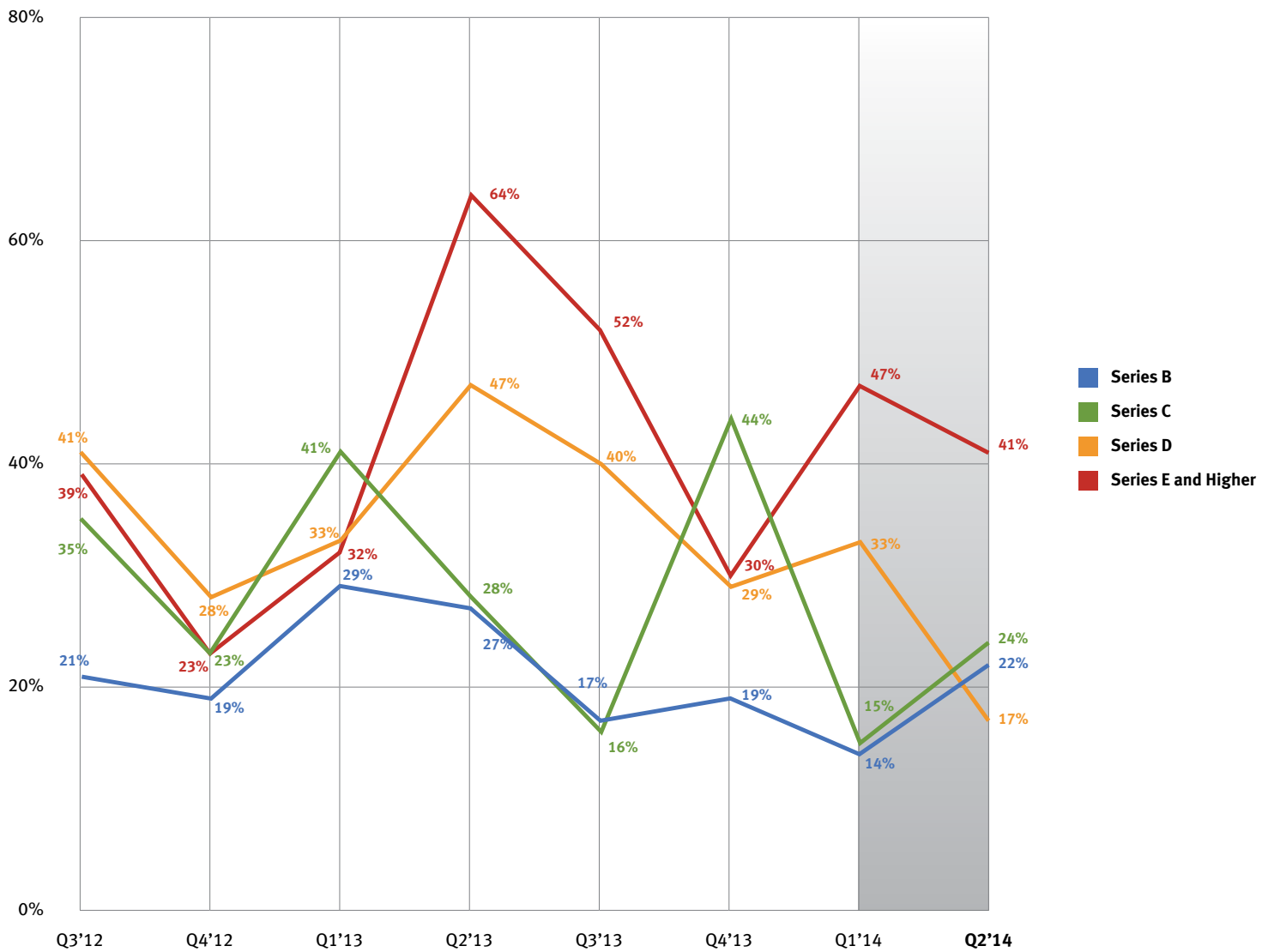


## Fenwick & West Data on Legal Terms

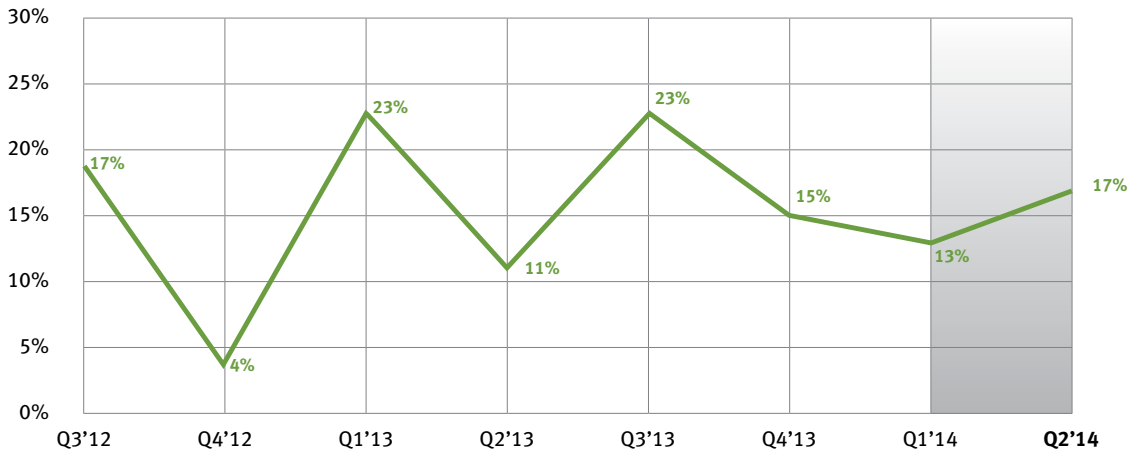
**LIQUIDATION PREFERENCE** – Senior liquidation preferences were used in the following percentages of financings.



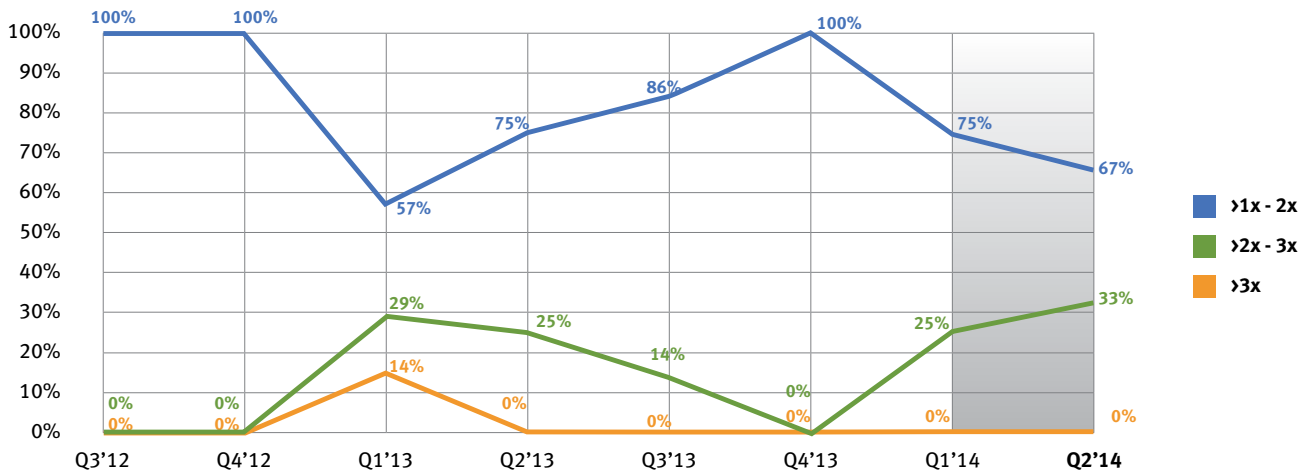
The percentage of senior liquidation preference by series was as follows:



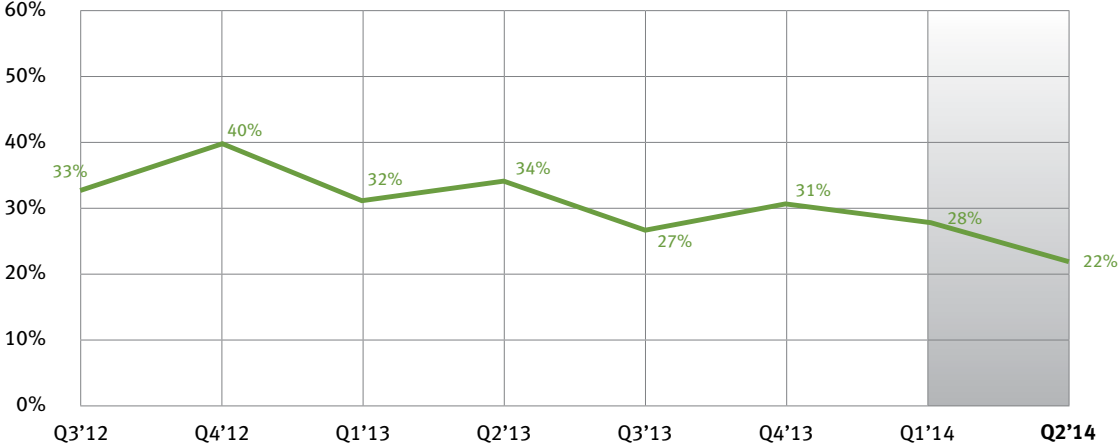
**MULTIPLE LIQUIDATION PREFERENCES**— The percentage of senior liquidation preferences that were multiple liquidation preferences were as follows:



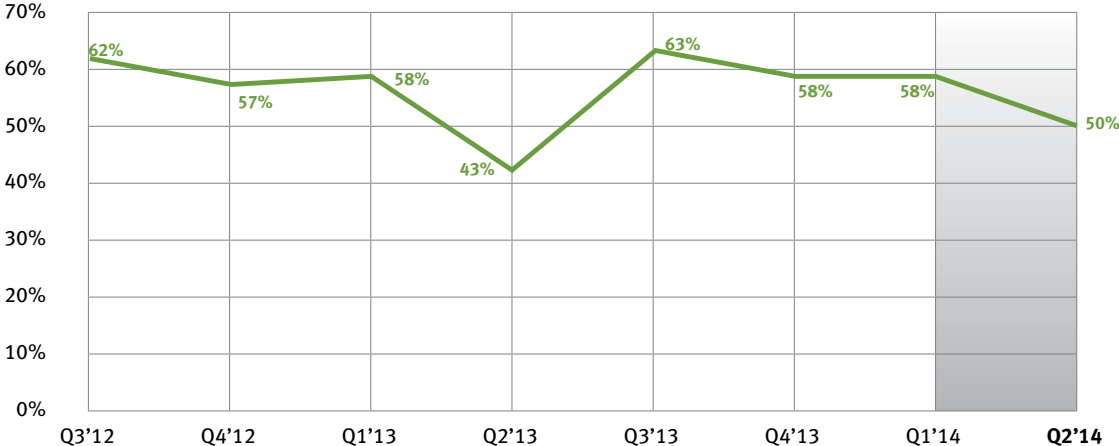
Of the senior liquidation preferences that were a multiple preference, the ranges of the multiples broke down as follows:



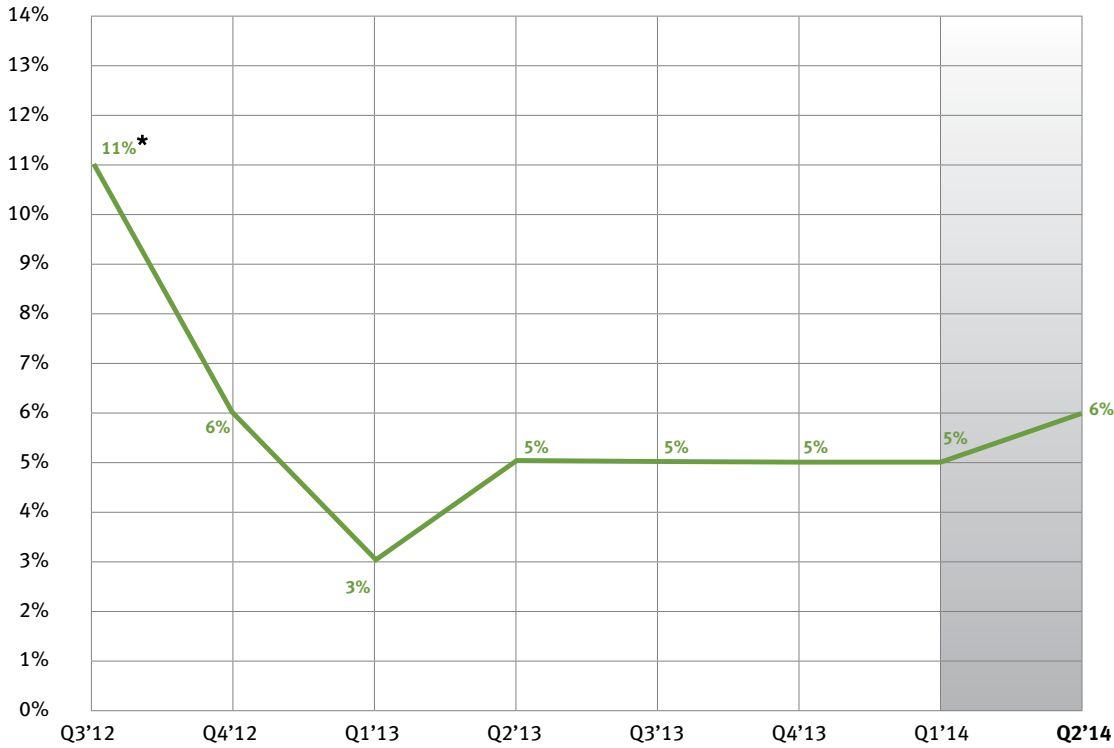
**PARTICIPATION IN LIQUIDATION** — The percentages of financings that provided for participation were as follows:



Of the financings that had participation, the percentages that were not capped were as follows:

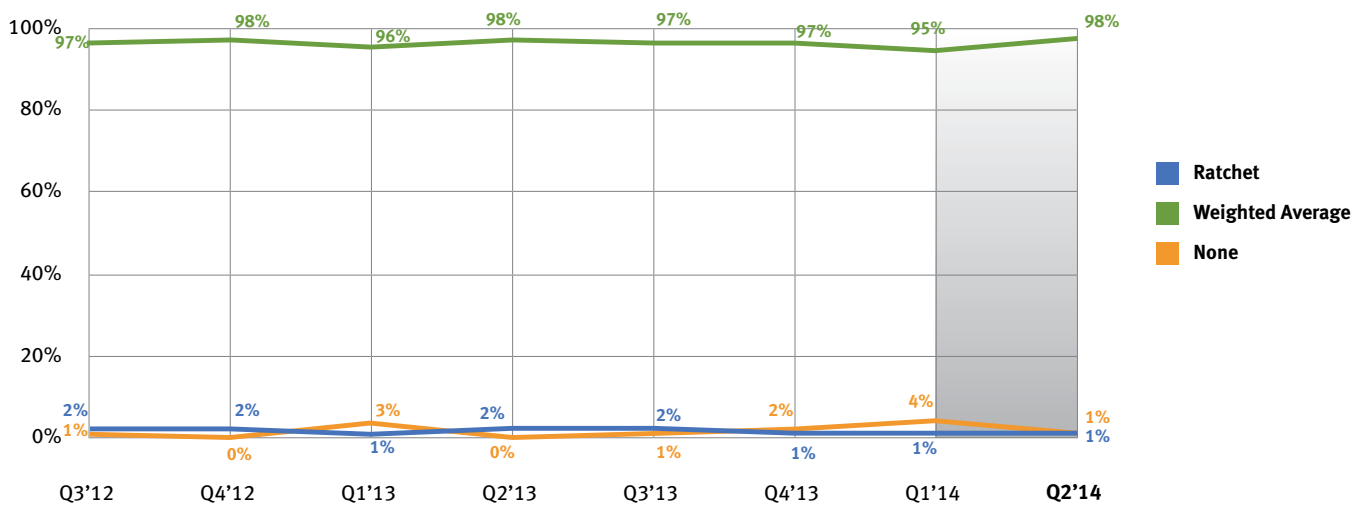


**CUMULATIVE DIVIDENDS** – Cumulative dividends were provided for in the following percentages of financings:

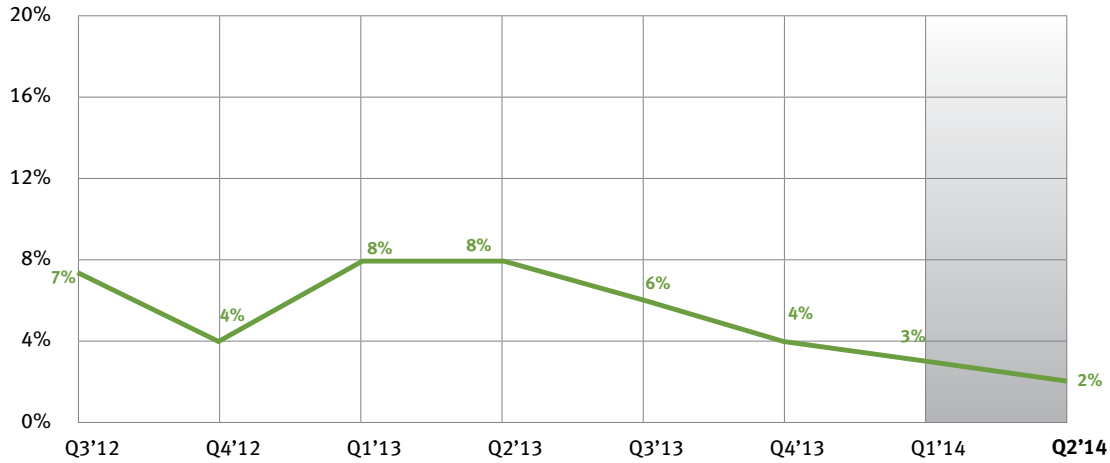


\* Note that the use of cumulative dividends was noticeably high in 3Q12. We note that 46% of the financings using cumulative dividends were in the life science industry, and that 38% of the financings (and 33% of the life science financings) using cumulative dividends did not provide for a participating liquidation preference, suggesting that in those financings' cumulative dividends were used as a substitute for participating liquidation preference.

**ANTIDILUTION PROVISIONS** –The uses of antidilution provisions in the financings were as follows:

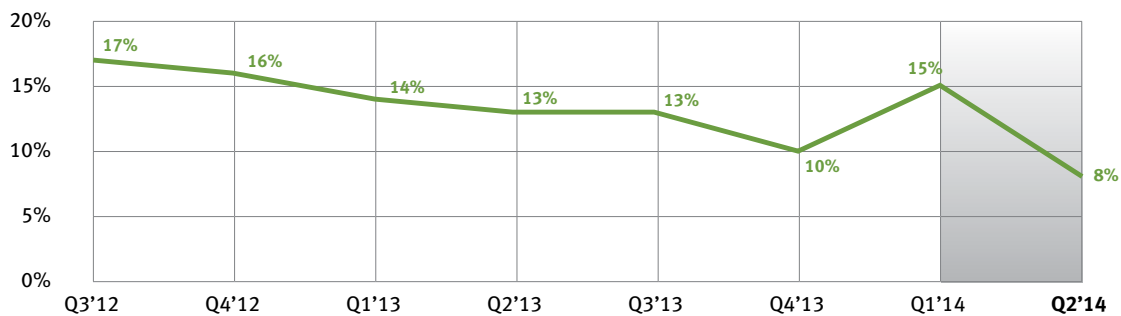


**PAY-TO-PLAY PROVISIONS** – The percentages of financings having pay-to-play provisions were as follows:

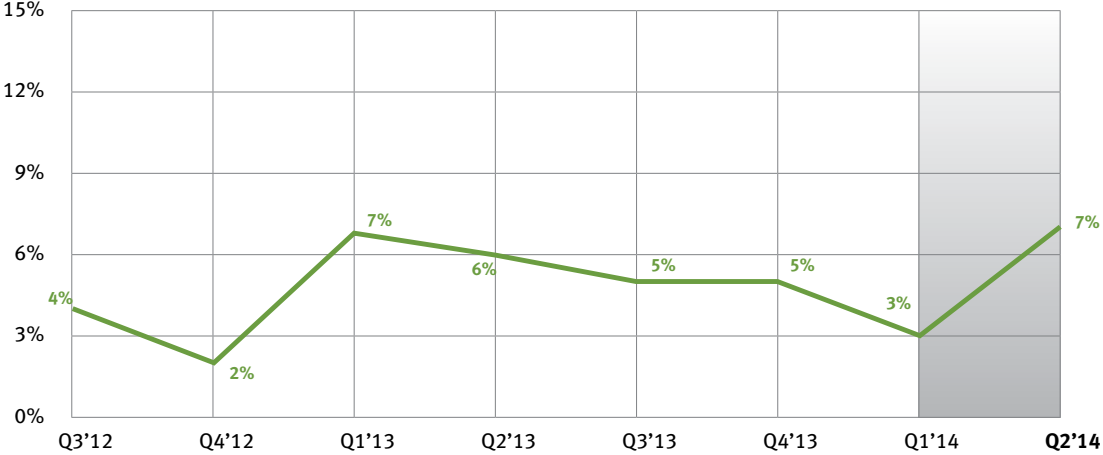


Note that anecdotal evidence indicates that companies are increasingly using contractual “pull up” provisions instead of charter based “pay to play” provisions. These two types of provisions have similar economic effect but are implemented differently. The above information includes some, but likely not all, pull up provisions, and accordingly may understate the use of these provisions.

**REDEMPTION** – The percentages of financings providing for mandatory redemption or redemption at the option of the investor were as follows:



**CORPORATE REORGANIZATIONS** – The percentages of post-Series A financings involving a corporate reorganization (i.e. reverse splits or conversion of shares into another series or classes of shares) were as follows:



▪ **Footnote**

<sup>1</sup> When comparing current period results to prior period results based on third party data (e.g., amounts invested by venture capitalists, amount of M&A proceeds, etc.), we use the prior period results initially published by the third party for the period, not the results that have been updated with additional information over time, to provide better comparability with the current period published results. For example, when comparing fourth quarter results to third quarter results, we use the initially published third quarter results, typically provided in October, not the updated results that are typically provided in January of the following year. Such situations are set forth in our report with a parenthetical as to the date the information was initially reported.

▪ **About our Survey**

The Fenwick & West Venture Capital Survey was first published in the first quarter of 2002 and has been published every quarter since then. Its goal is to provide information to the global entrepreneurial and venture community on the terms of venture financings in Silicon Valley, as well as trends in the overall U.S. venture environment.

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.

The survey consists of two different information sources – (i) our own analysis of deals done in Silicon Valley, including information on both valuations and legal terms, and (ii) an analysis of third party data on overall trends in the U.S. venture environment.

Our analysis of Silicon Valley financings is based on independent data collection performed by our lawyers and paralegals, and is not skewed towards or 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.

We aim to publish our survey approximately six weeks after the end of each quarter, to allow time for the major third party sources of information on the nationwide venture environment to publish their results, so that we can analyze and report on the larger trends that might not be apparent in individual reports.

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. Although this is somewhat geographically broader than “Silicon Valley” we use this definition to comport with the definition used by Dow Jones in defining the San Francisco Bay Area.

#### ▪ **Note on Methodology**

When interpreting the Barometer results please bear in mind that the results reflect the average price increase of companies raising money in a given quarter compared to their prior round of financing, which was in general 12 to 18 months prior. Given that venture capitalists (and their investors) generally look for at least a 20% IRR to justify the risk that they are taking, and that by definition we are not taking into account those companies that were unable to raise a new financing (and that likely resulted in a loss to investors), a Barometer increase in the 40% or so range should be considered average. Please also note that our calculations are not “dollar weighted,” i.e. all venture rounds are treated equally, regardless of size.

We provide links to third party reports where possible, to provide our readers with more detailed information if desired. In this regard we would like to expressly thank the [Venture Capital Journal](#), [VentureWire](#) and [PeHUB](#) for providing our readers access to links that would otherwise be behind their “paywall.”

#### ▪ **Disclaimer**

The preparation of the information contained herein involves assumptions, compilations and analysis, and there can be no assurance that the information provided herein is error-free. Neither Fenwick & West LLP nor any of its partners, associates, staff or agents shall have any liability for any information contained herein, including any errors or incompleteness. The contents of this report are not intended, and should not be considered, as legal advice or opinion. To the extent that any views on the venture environment or other matters are expressed in this survey, they are the views of the authors only, and not Fenwick & West LLP.

#### ▪ **Contact/Sign Up Information**

For additional information about this report please contact Barry Kramer at 650-335-7278; [bkramer@fenwick.com](mailto:bkramer@fenwick.com) or Michael Patrick at 650-335-7273; [mpatrick@fenwick.com](mailto:mpatrick@fenwick.com) at Fenwick & West.

To view the most recent survey please visit [fenwick.com/vcsurvey](http://fenwick.com/vcsurvey). To be placed on an email list for future editions of this survey please visit [fenwick.com/vcsurvey/sign-up](http://fenwick.com/vcsurvey/sign-up).

© 2014 Fenwick & West LLP

Fenwick  
FENWICK & WEST LLP