

Venture Capital Concepts



Quick Intro: Jeff Clavier

- Managing Partner, SoftTech Venture Consulting
 - Support of very early stage startups in the Internet consumer space: Web 2.0, Social Media, Search
 - Co-chair of Vertical Leap, the SDForum Search chapter
- Angel Investor
- Experience:
 - Software Startup (Effix - sold to Reuters – Paris, France)
 - Senior Executive (Reuters – Paris, London, New-York)
 - Venture Capitalist (Reuters Venture Capital – Palo Alto)
- Disclosure (as of 08/21/2005):
 - Clients: Buzznet, Userplane, Glenbrook Networks, UltraDNS, RVC
 - Personal Investments: Feedster, Truveo, Intalio

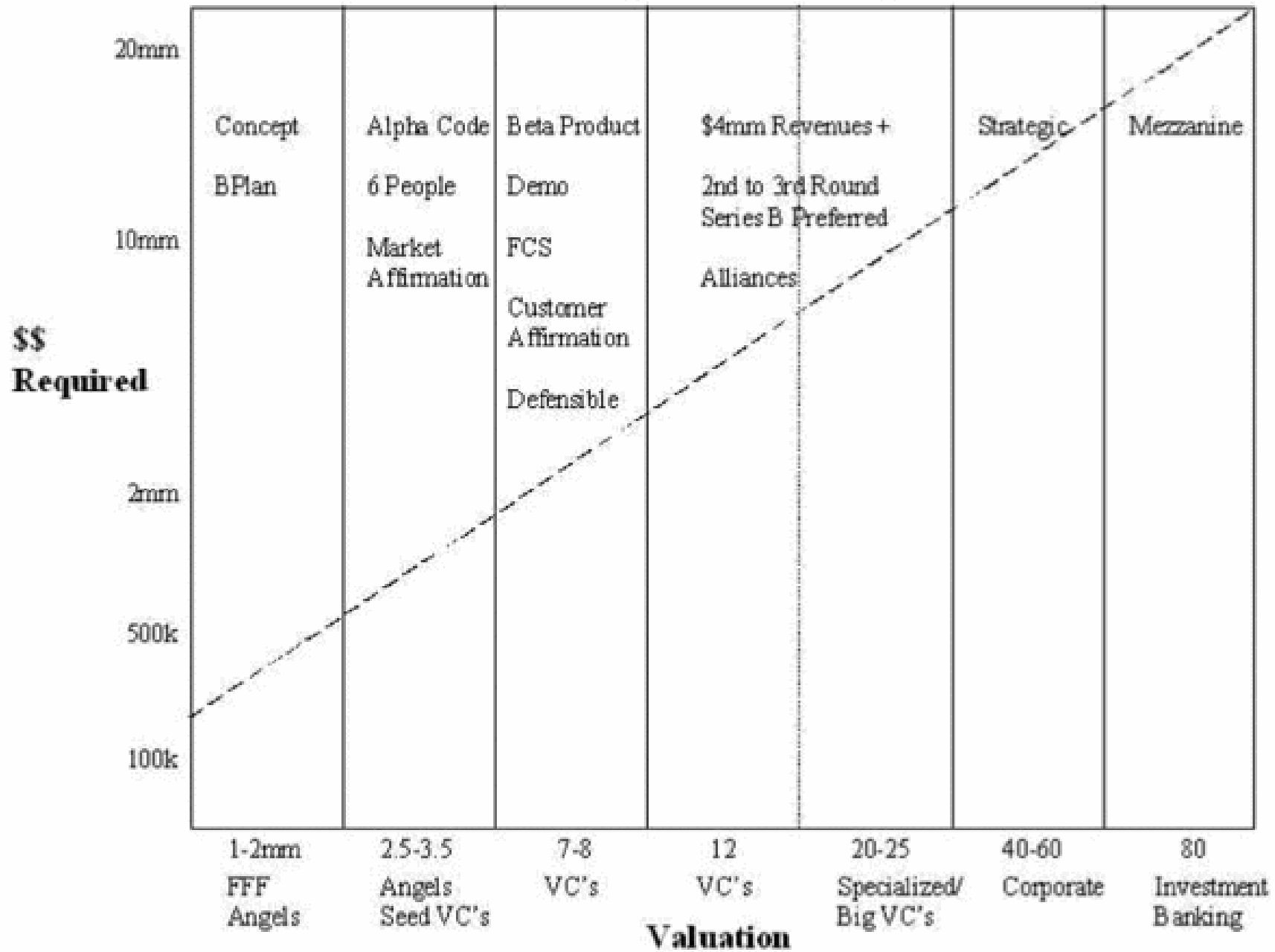
Definitions

- Limited Partners: HNI, Pension Funds, University Endowments, Funds of Funds
- VC Fund: pool of money, managed by a team of General Partners, with a defined investment strategy and focus
 - stage, geography, industry, “bite size”
- Types: “pure” VCs, corporates, early to late stage, passive vs. active
 - work with Angels, Private Equity funds and public markets

Definitions

- VC Partnership structure
 - General Partners, Partners, Principals, Associates
 - Venture Partners, EIRs
 - Back-office staff: finance, legal, recruitment
- Income: Management Fee of 2 to 3% of fund size + Carried Interest (“Carry”) of 20 to 30%
- Life of a fund (10 year):
 - Fund raising from LPs, Analyze and Invest in opportunities (over the first 5 years), Support portfolio companies, Exit
- Exit: Trade Sale, IPO, Redemption, Write-off

Funding Source Matching



Source: Redleaf Ventures

Note: amounts and stages are only indicative since they vary according to investment sectors

Top Early Stage VCs (Technology)

- Accel Partners
- August Capital
- Benchmark Capital
- Bessemer Venture Partners
- Draper Fisher Jurvetson
- Greylock
- Kleiner Perkins Caufield & Beyers
- Matrix (East Coast)
- Mayfield
- Mobius VC
- NEA
- Norwest Venture Partners
- Polaris (East Coast)
- Redpoint
- Sequoia
- Trinity
- USVP

Note: this list is not meant to be completely exhaustive

Resources

- Networking, Networking, Networking
- Blogs to read
 - My VC Blogroll ->
 - “10 Commandments”, Allen Morgan
 - “Termsheet Series”, Brad Feld
 - Category Venture Capital, Software Only
- Books
 - The Art of the Start, Guy Kawasaki

VC BLOGGERS

[Allen Morgan](#)

[Bill Burnham](#)

[Brad Feld](#)

[Christopher Allen](#)

[David Beisel](#)

[Ed Sim](#)

[Jeff Busgang](#)

[Marc Goldberg](#)

[Paul Kedrosky](#)

[Rodrigo Sepúlveda Schulz](#)

[VentureBlog](#)

[Will Price](#)

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