

# Early Stage Investment Trends in the U.S.

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National Economic Council  
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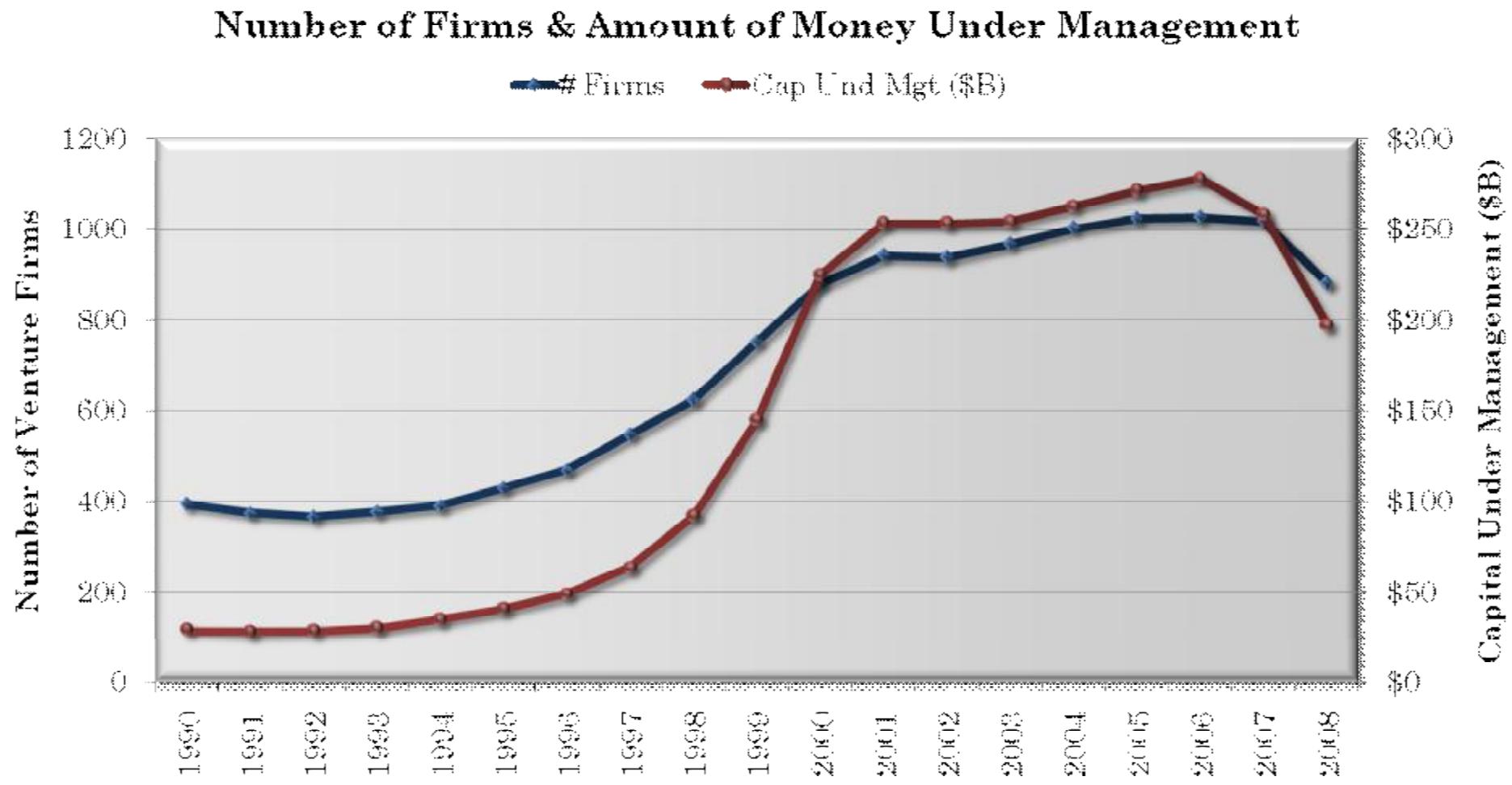
# VC: A Primary Driver of U.S. Economic Growth

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- VC backed revenue was 18% of total US GDP in 2006
- VC backed companies almost doubled their total U.S. sales growth from 2003 – 2006: 11.8% vs. 6.5%
- Venture-backed jobs were 9% of all U.S. private jobs in 2006
- Venture-backed job growth was more than double private sector job growth from 2003 – 2006, 3.6% vs. 1.7%
- For every VC dollar invested from 1970 – 2001 there was \$7.90 in U.S. revenue during 2006
- **National Venture Capital Association** – Source of all statistics cited & charts used in this presentation

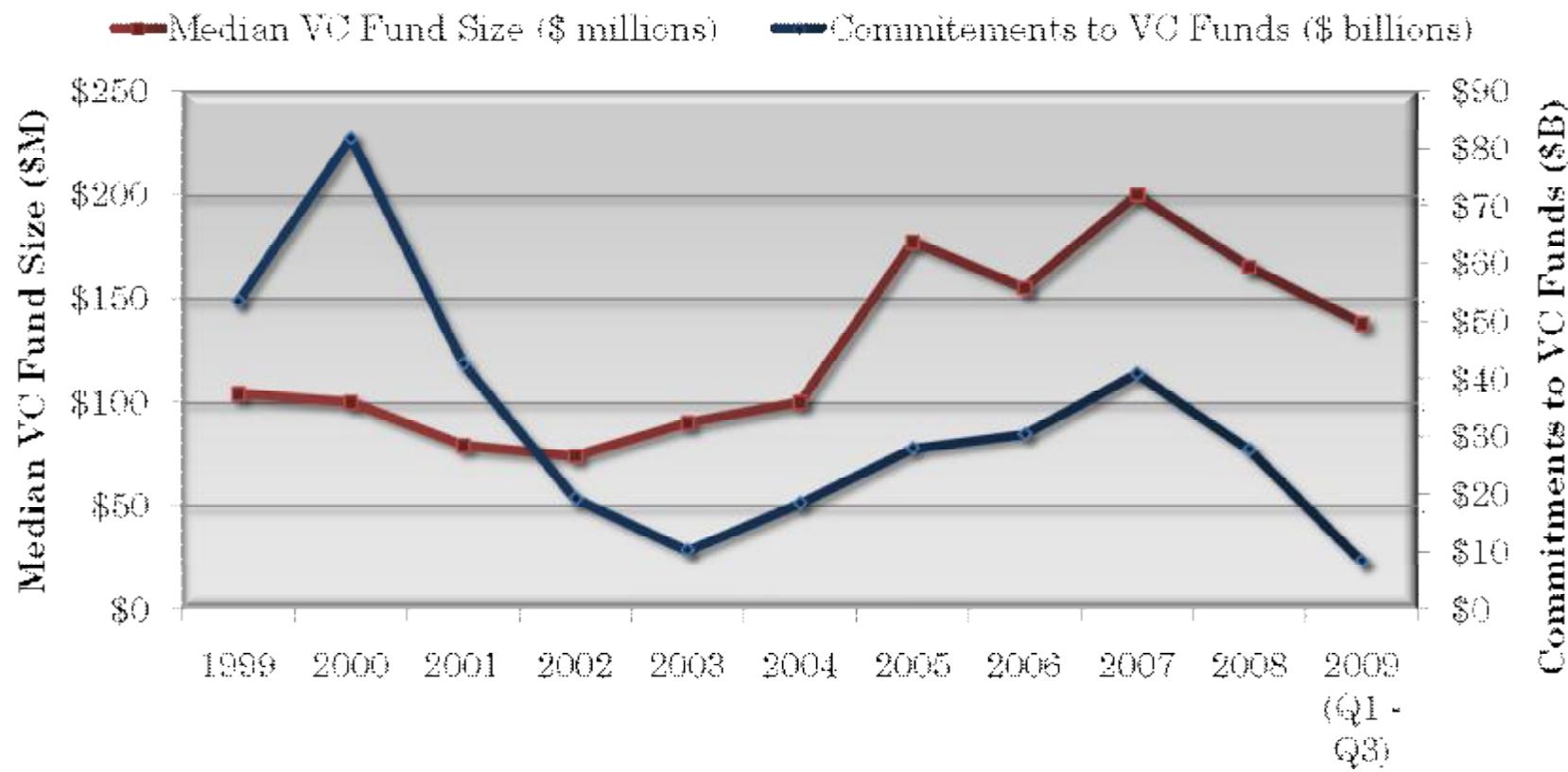
# Declining Resources

Less money and fewer resources to inject into the economy.



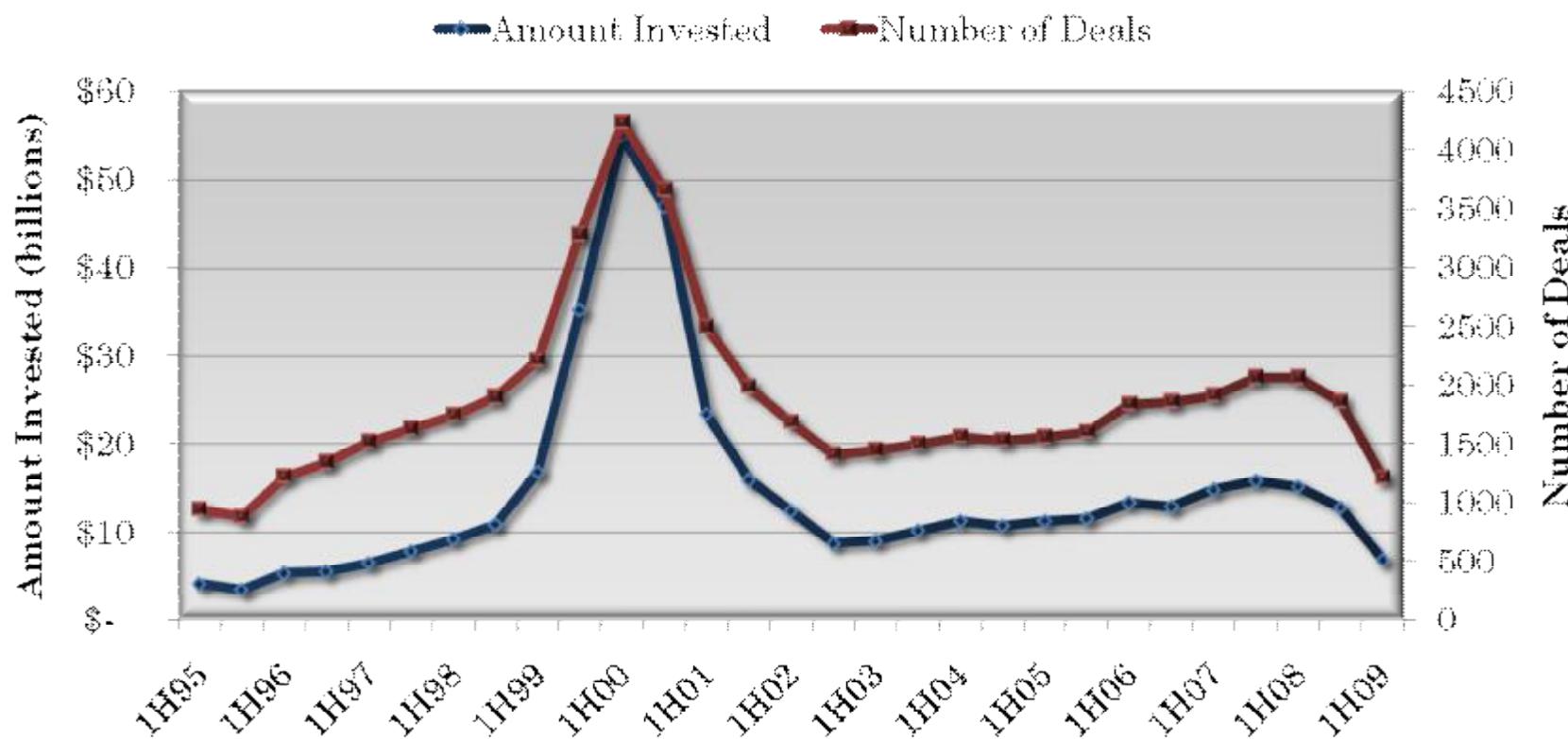
# Declines in Available Funds in 2009

Fewer resources hinders the amount of growth that can occur, thus hindering the “Commercialization” stage.



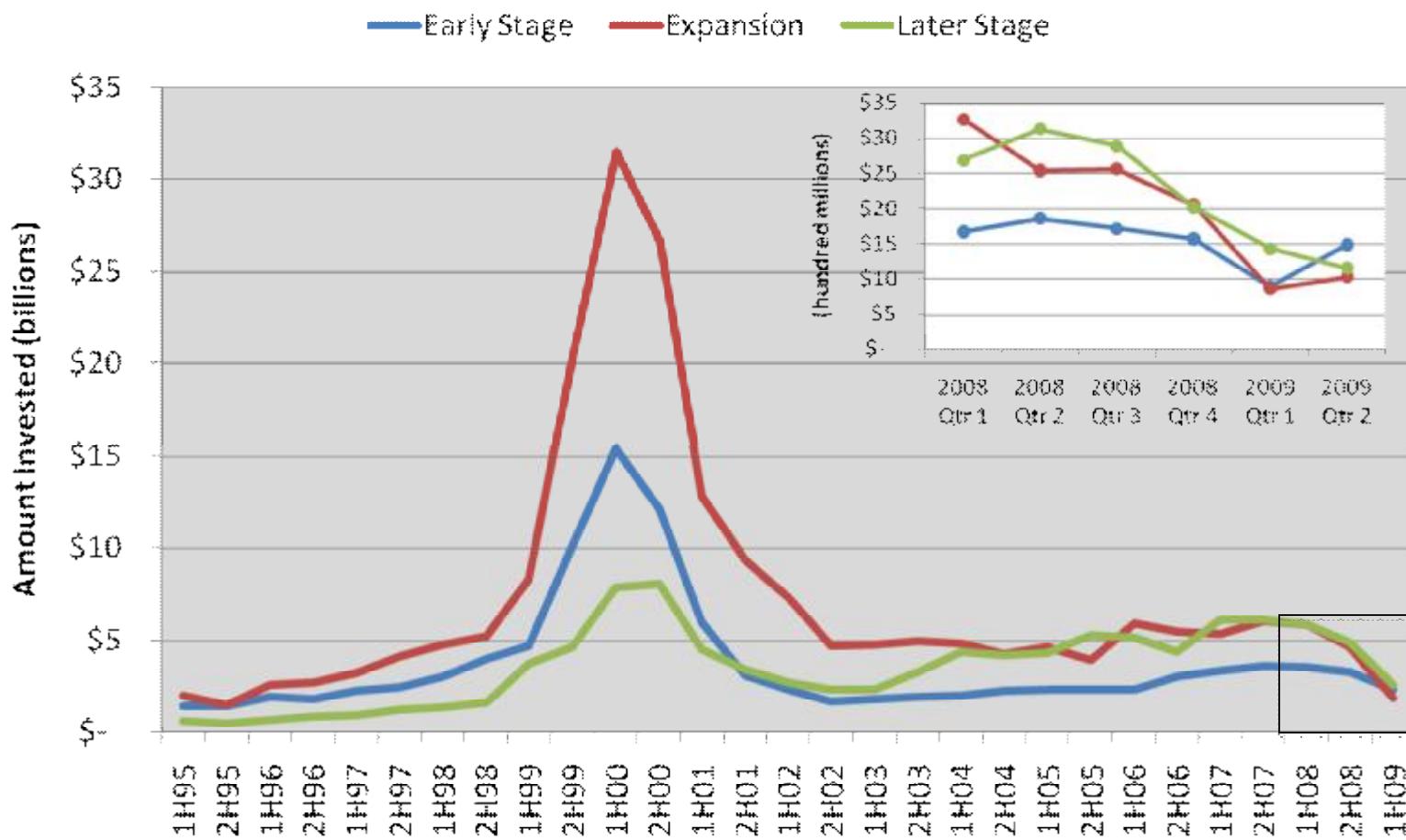
# VC Investments, 1H 1995 – 1H 2009

Overall, the amount of money invested and number of deals is declining.



# Declines in Amounts invested by Stage, 1H 1995 – 1H 2009

Startup, seed, and early stage investing has seen a significant and steep contraction.



# Declines in Deals by Stage, 1H 1995 – 1H 2009

Startup, seed, and early stage investing has seen a significant and steep contraction

