

Early Stage Investment Trends in the U.S.

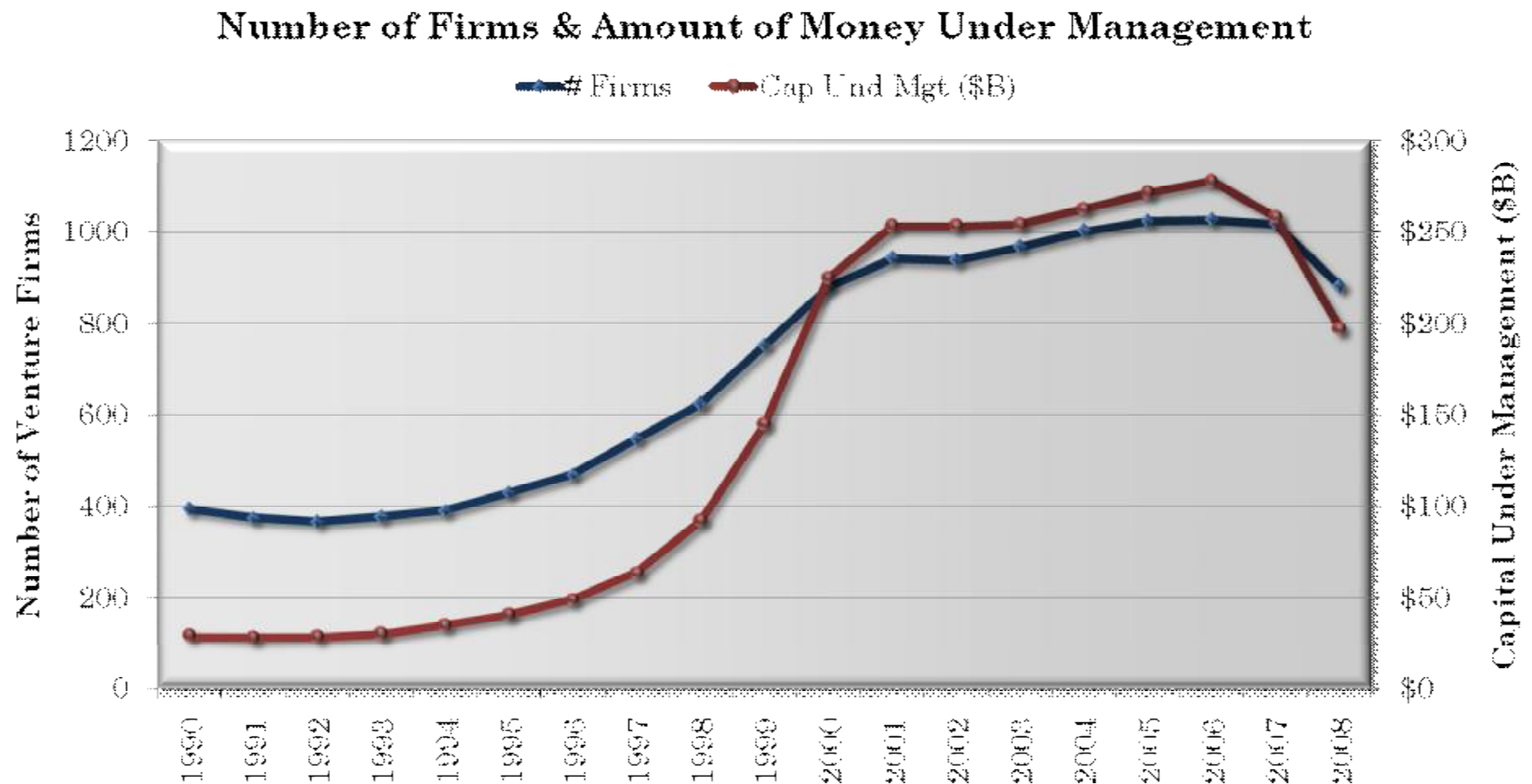
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National Economic Council
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VC: A Primary Driver of U.S. Economic Growth

- 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**

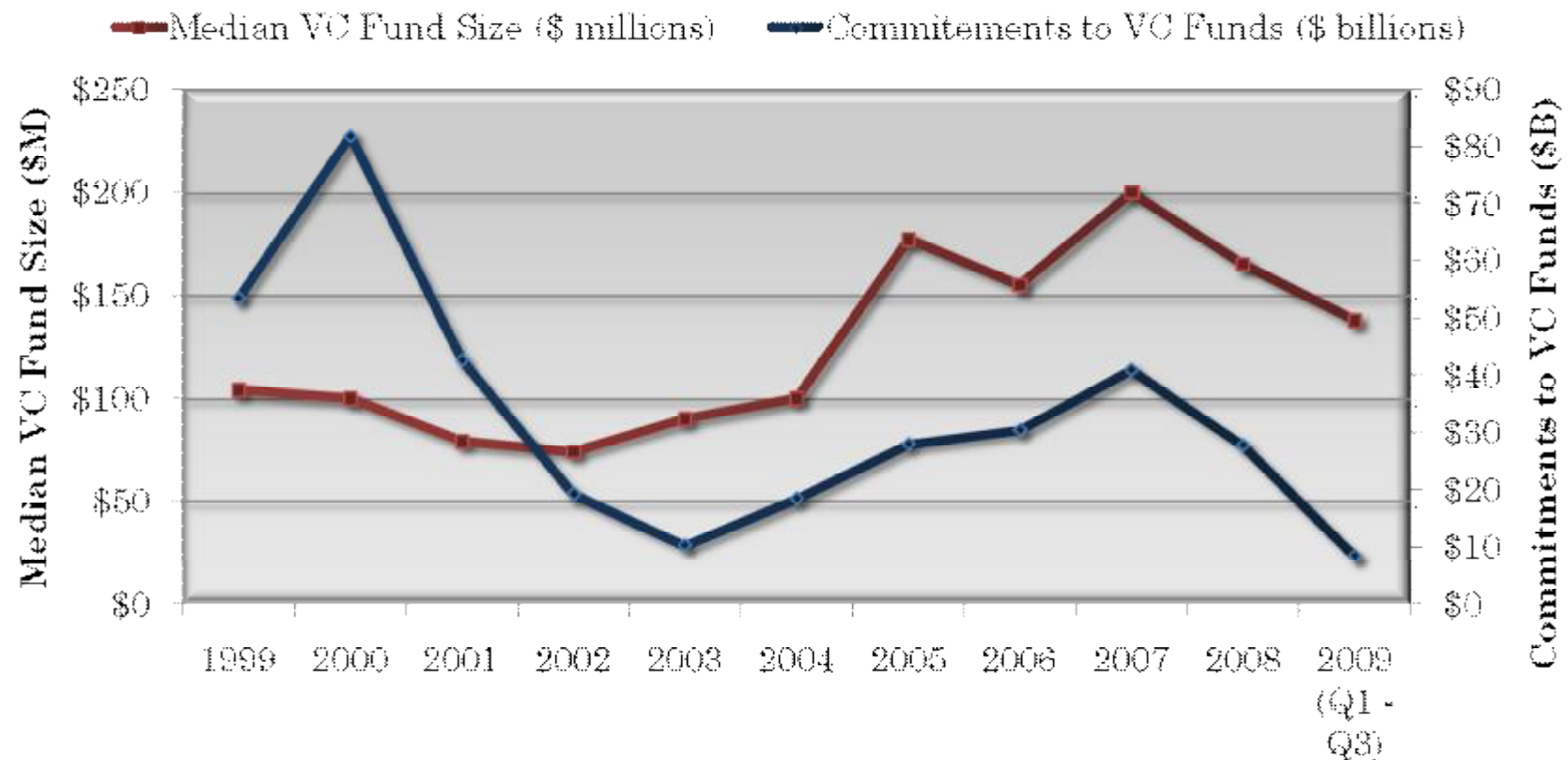
Declining Resources

Less money and fewer resources to inject into the economy.



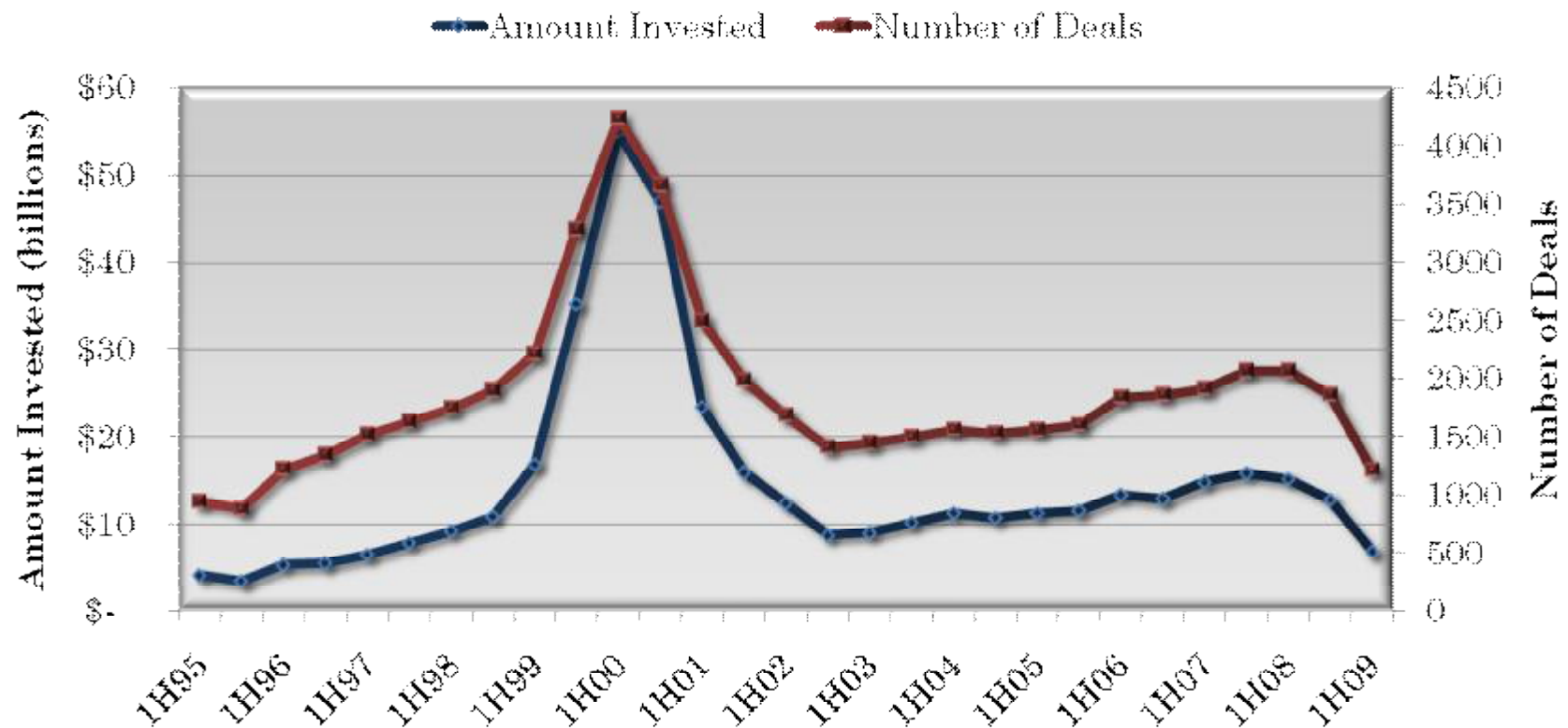
Declines in Available Funds in 2009

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



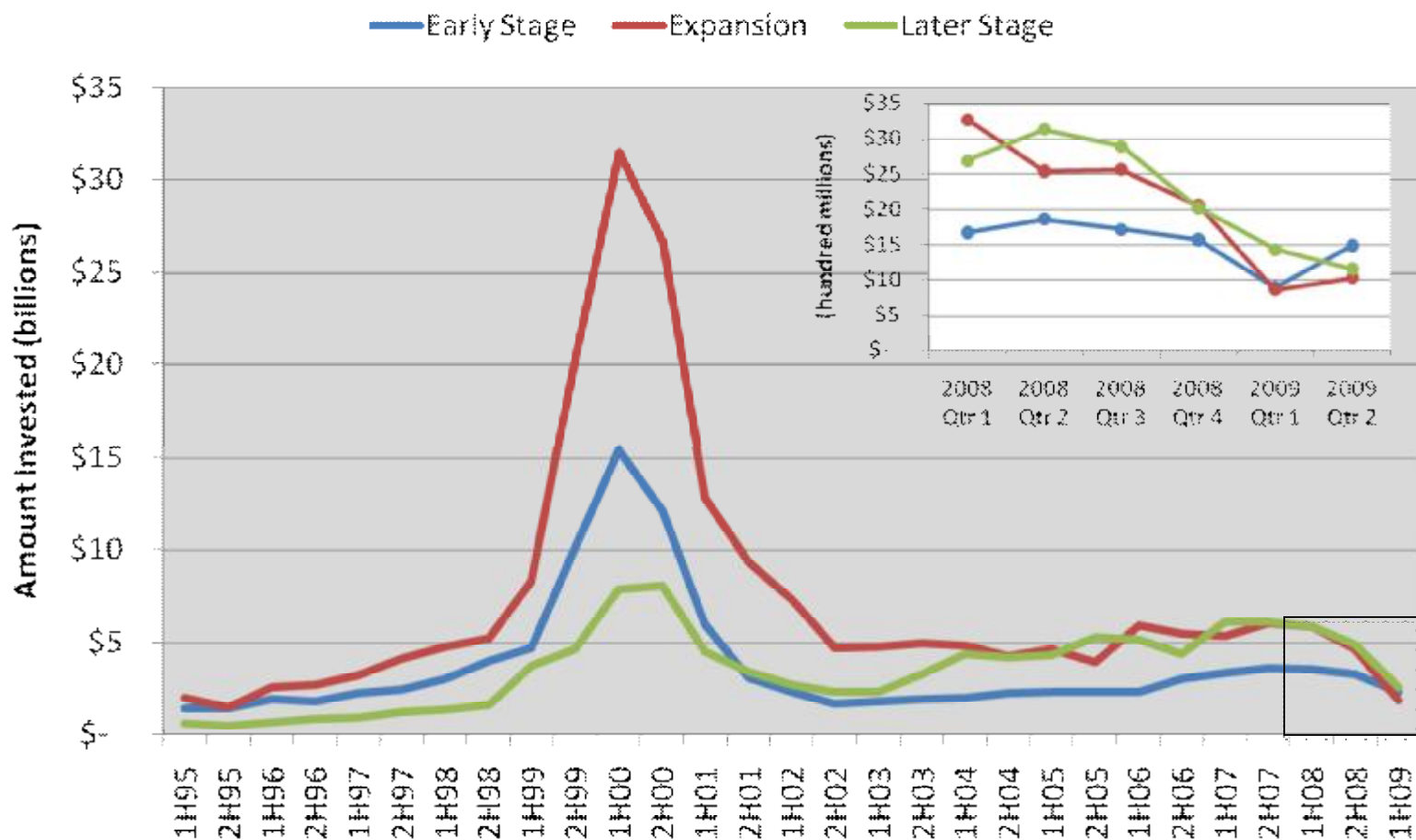
VC Investments, 1H 1995 – 1H 2009

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

