



WEBINAR

The evolution of US VC during the COVID-19 crisis

In partnership with:





WEBINAR

The evolution of US VC during the COVID-19 crisis

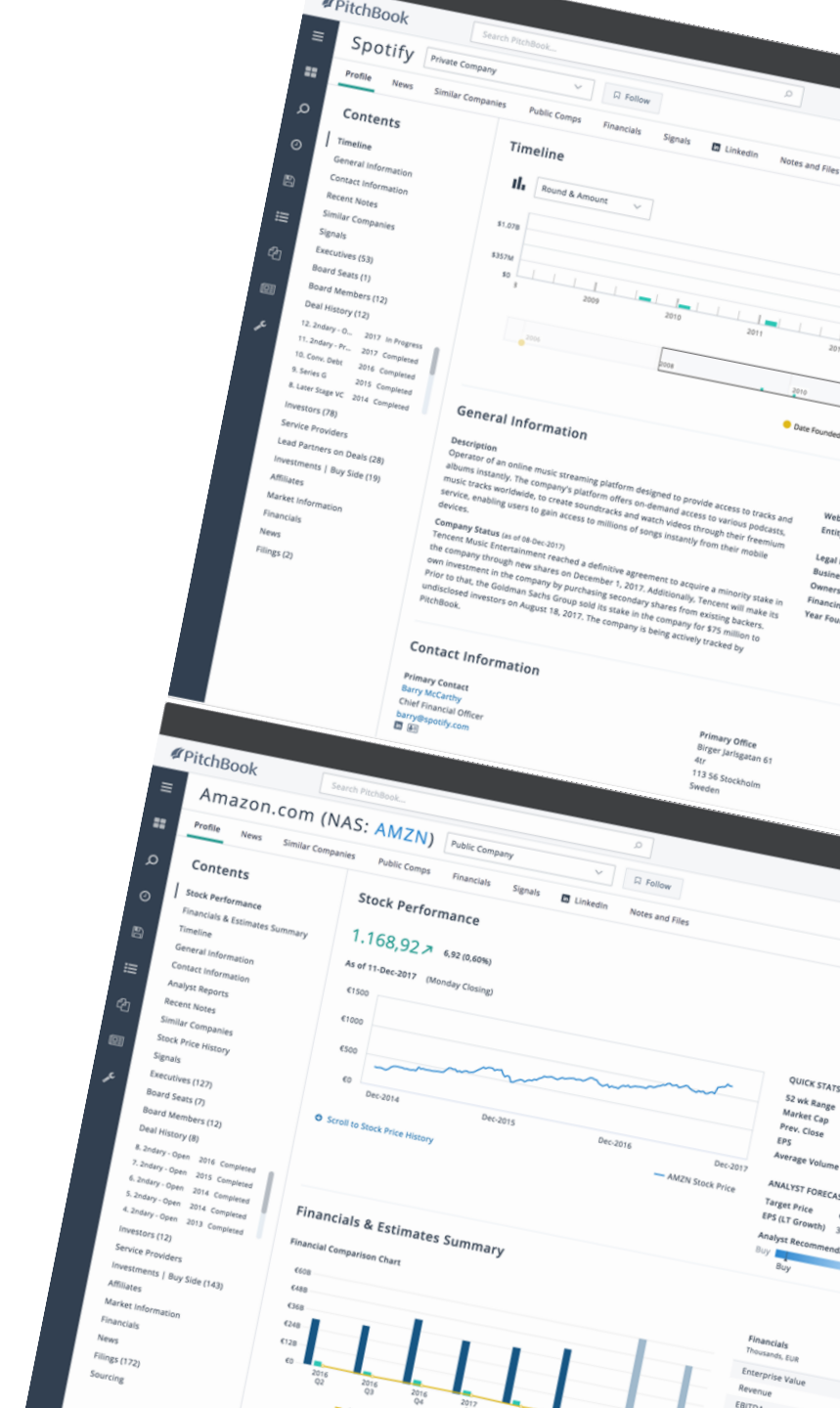


Bobby Franklin

President & CEO, National Venture Capital Association (NVCA)

PitchBook: The leading resource for private and public market analysis

PitchBook is a financial technology company that provides data on the capital markets to help professionals discover and execute opportunities with confidence and efficiency. We collect and analyze detailed data on the entire venture capital, private equity and M&A landscape—including public and private companies, investors, funds, investments, exits and people. Our data and analysis are available through our suite of products (the PitchBook Platform), industry news and in-depth reports.



Q2 2020 Venture Monitor Report



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Venture Monitor

Q2 2020

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Nearly \$47B has been invested in late-stage deals through Q2 2020
Page 11

Exit count tracking for lowest year since 2011
Page 29

VC fundraising has reached \$43B, adding to already high level of dry powder
Page 31

The definitive review of the US venture capital ecosystem

Key themes

1

VCs finding a way to make deals even during pandemic

2

Outlook around exits improves but volumes still muted

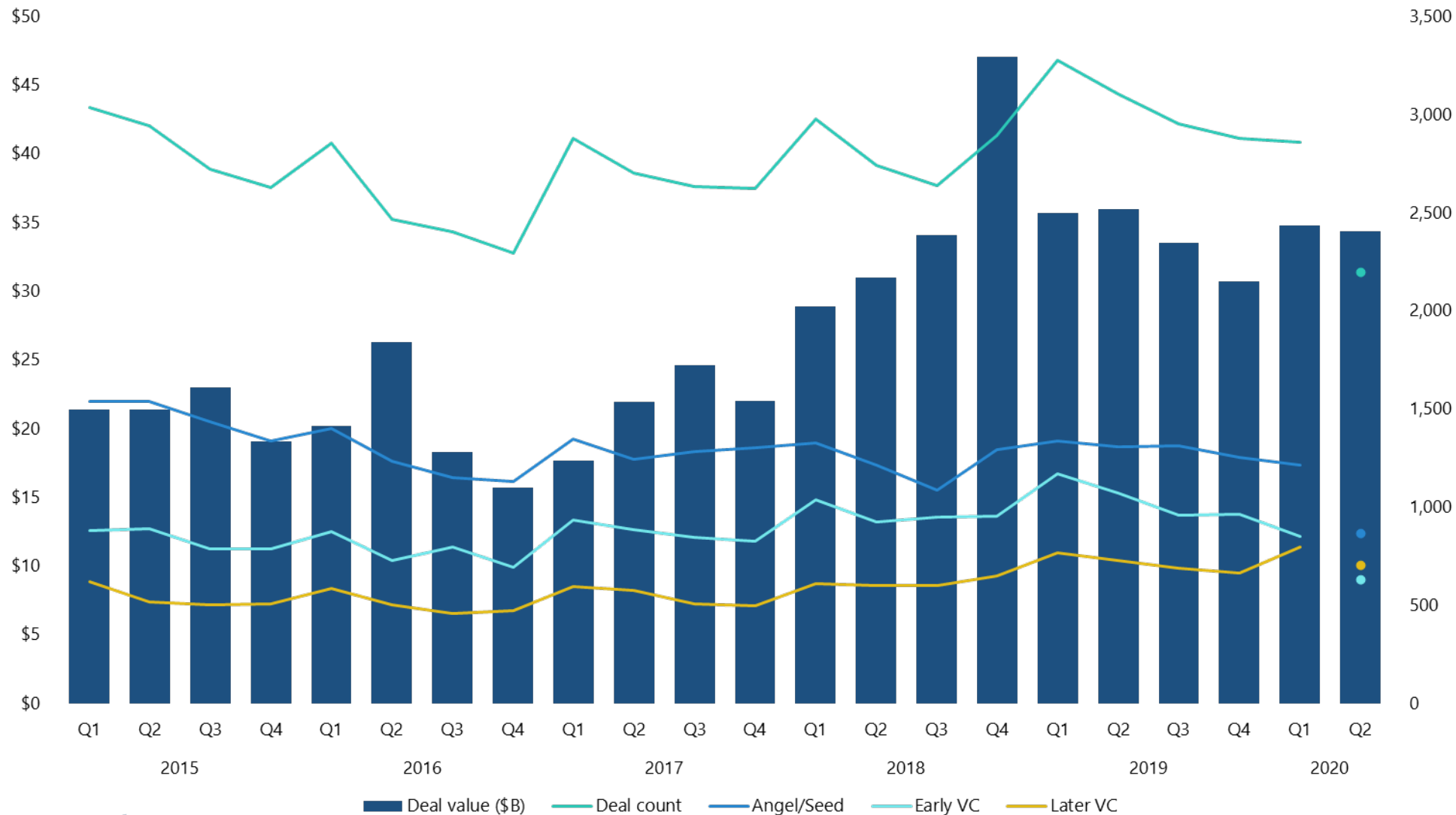
3

Large established firms continue to find fundraising success

US DEALMAKING

US VC deal activity

Another robust quarter of capital investment despite pandemic



23.2%

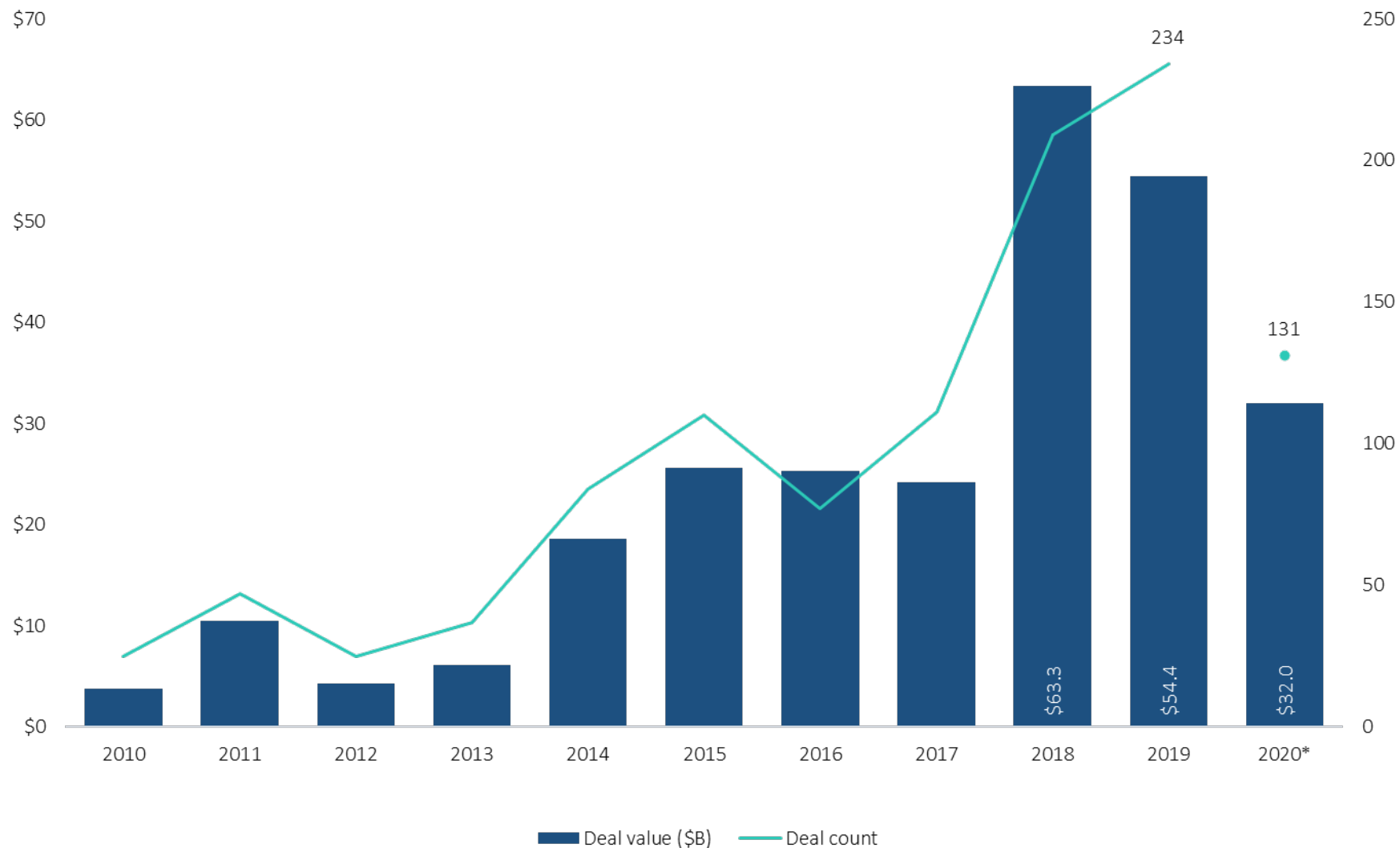
QoQ deal count decline

\$69.2B

Total 2020 deal value

US VC mega-deal activity (\$100M+)

Mega-deal activity on pace to match or surpass 2019 totals



67

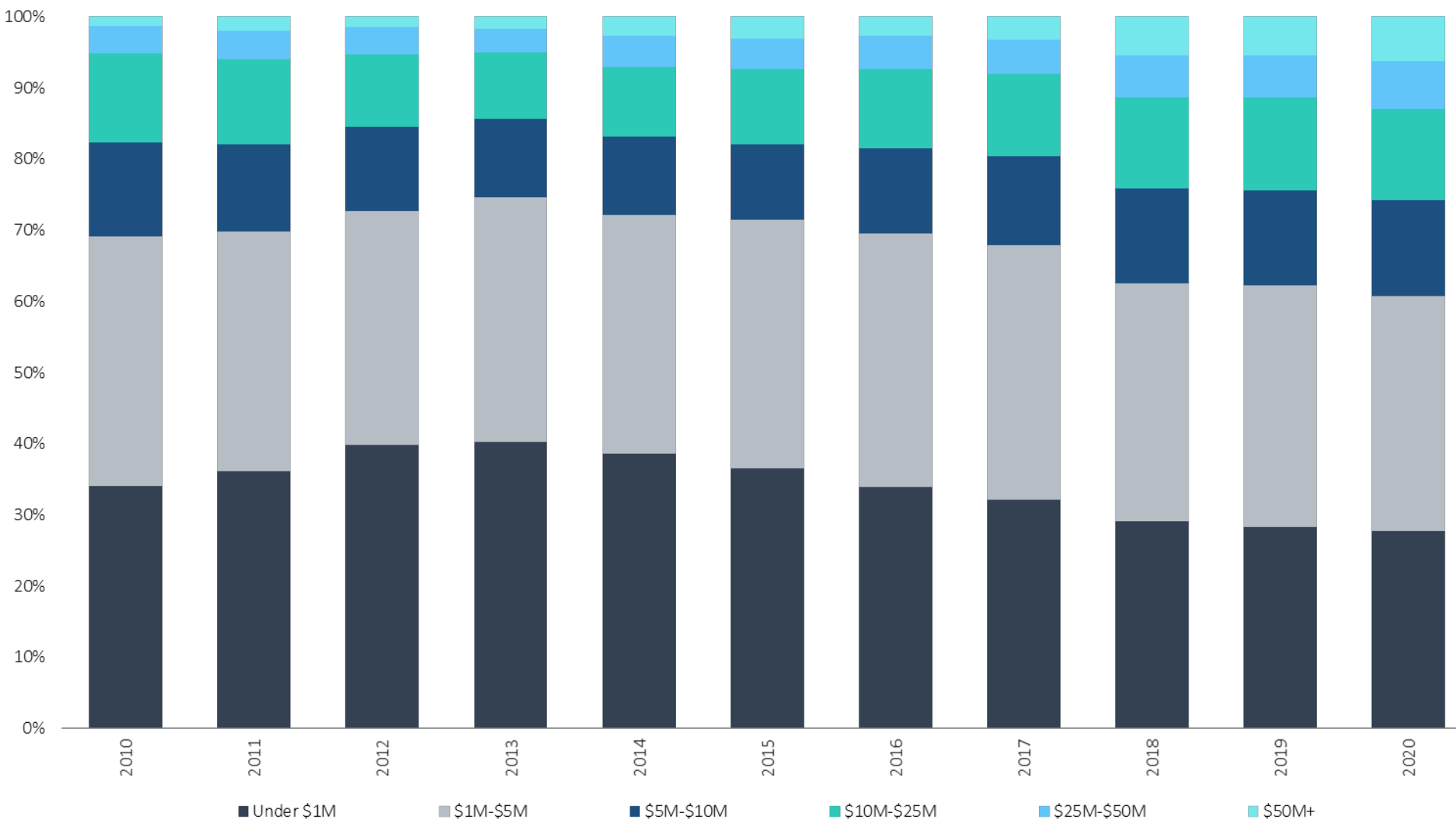
Mega-deals closed in Q2
2020

\$16.9B

Q2 2020 deal value

US VC deals (#) by size

Larger deals maintain move toward becoming the norm



6.9%

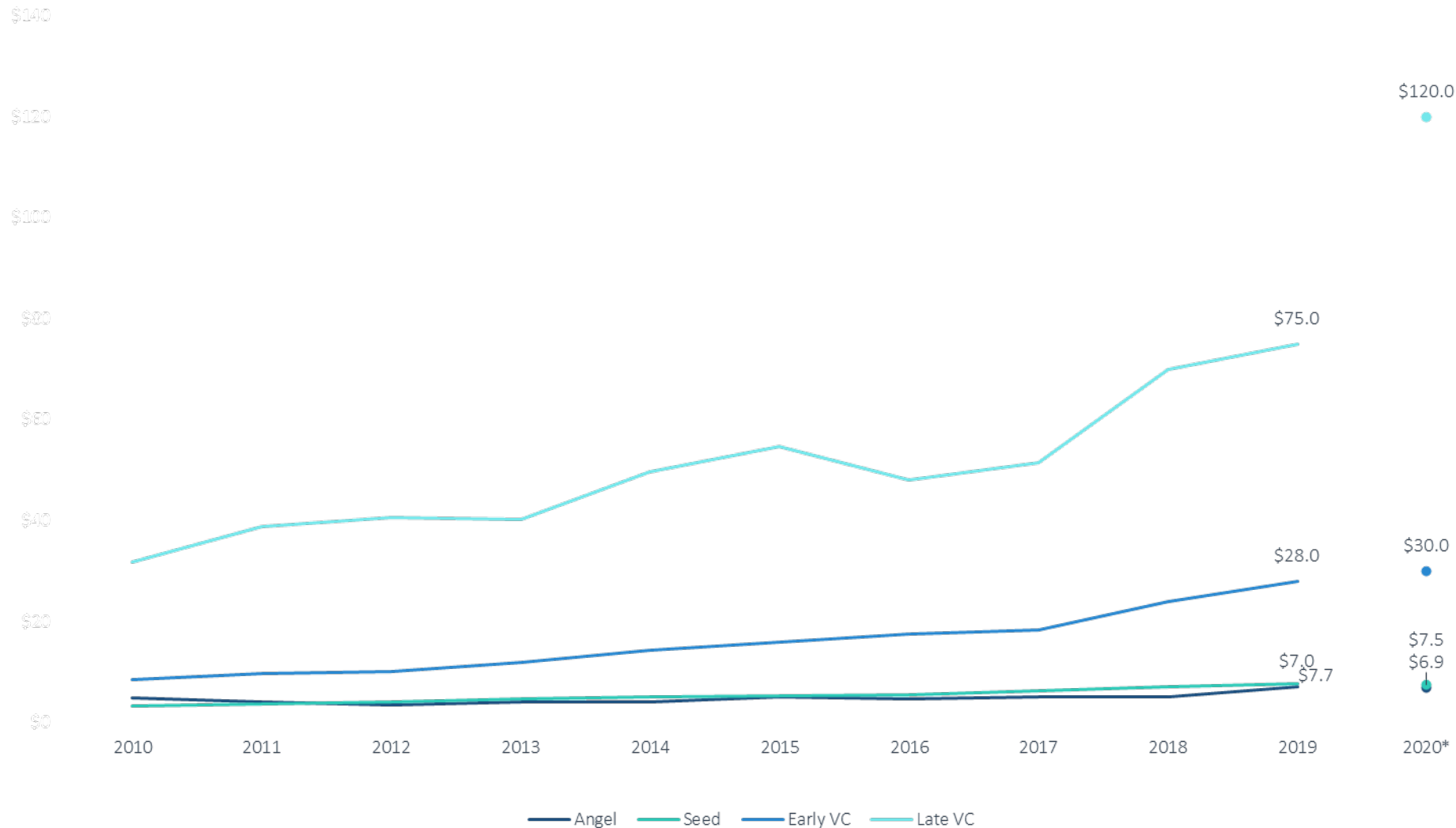
of deals over \$50M
in Q2 2020

41.1%

of angel and seed deals
in 2020 – lowest since

Median US VC pre-money valuations (\$M)

Valuations steady outside of the late-stage



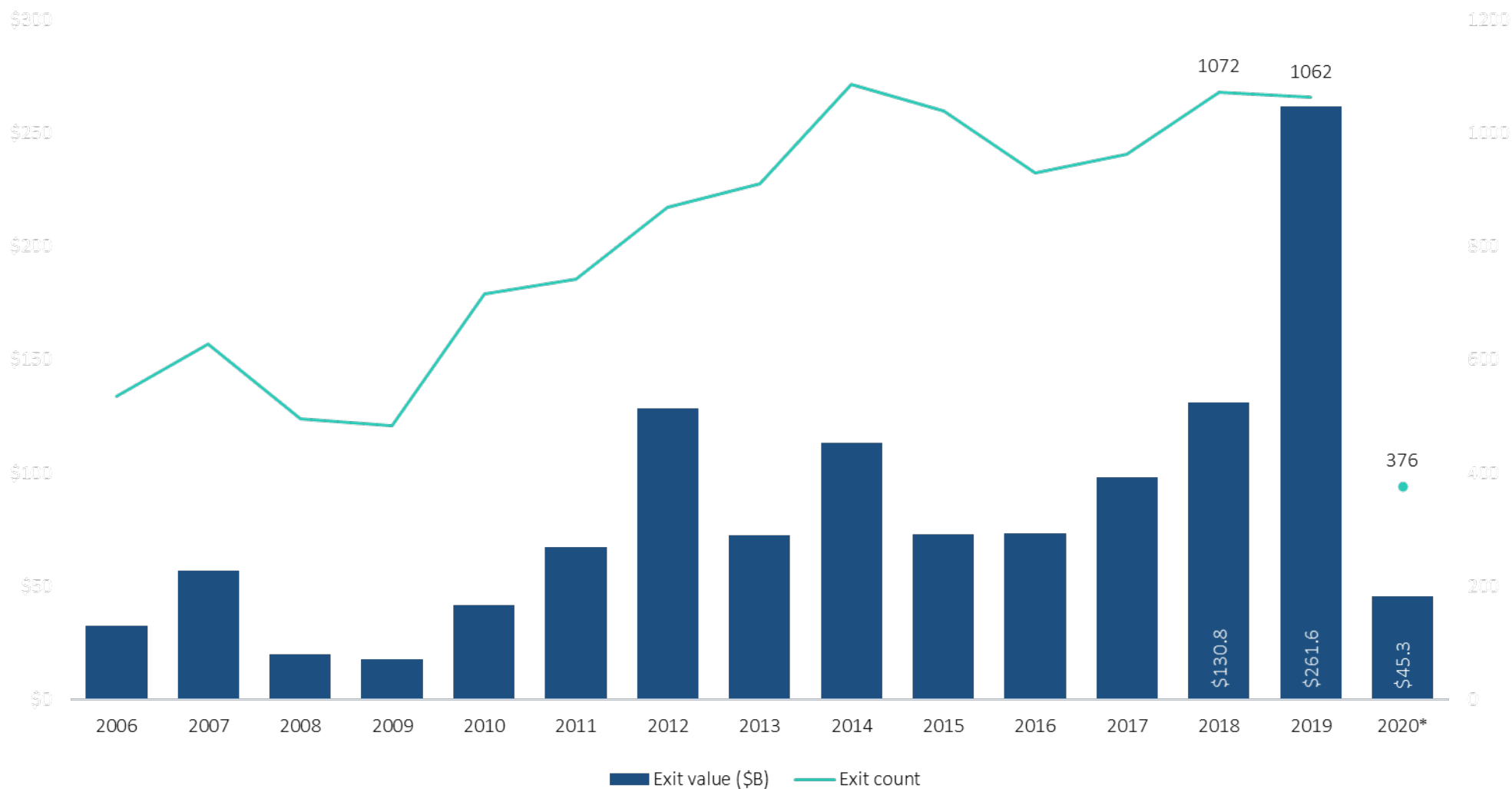
60.0%

Increase YoY, late-stage
median valuations

US EXITS

US VC exit activity

Exit activity shows sharpest reaction to pandemic



11.8%

QoQ decline in Q2 2020 exit value

Notable deals:

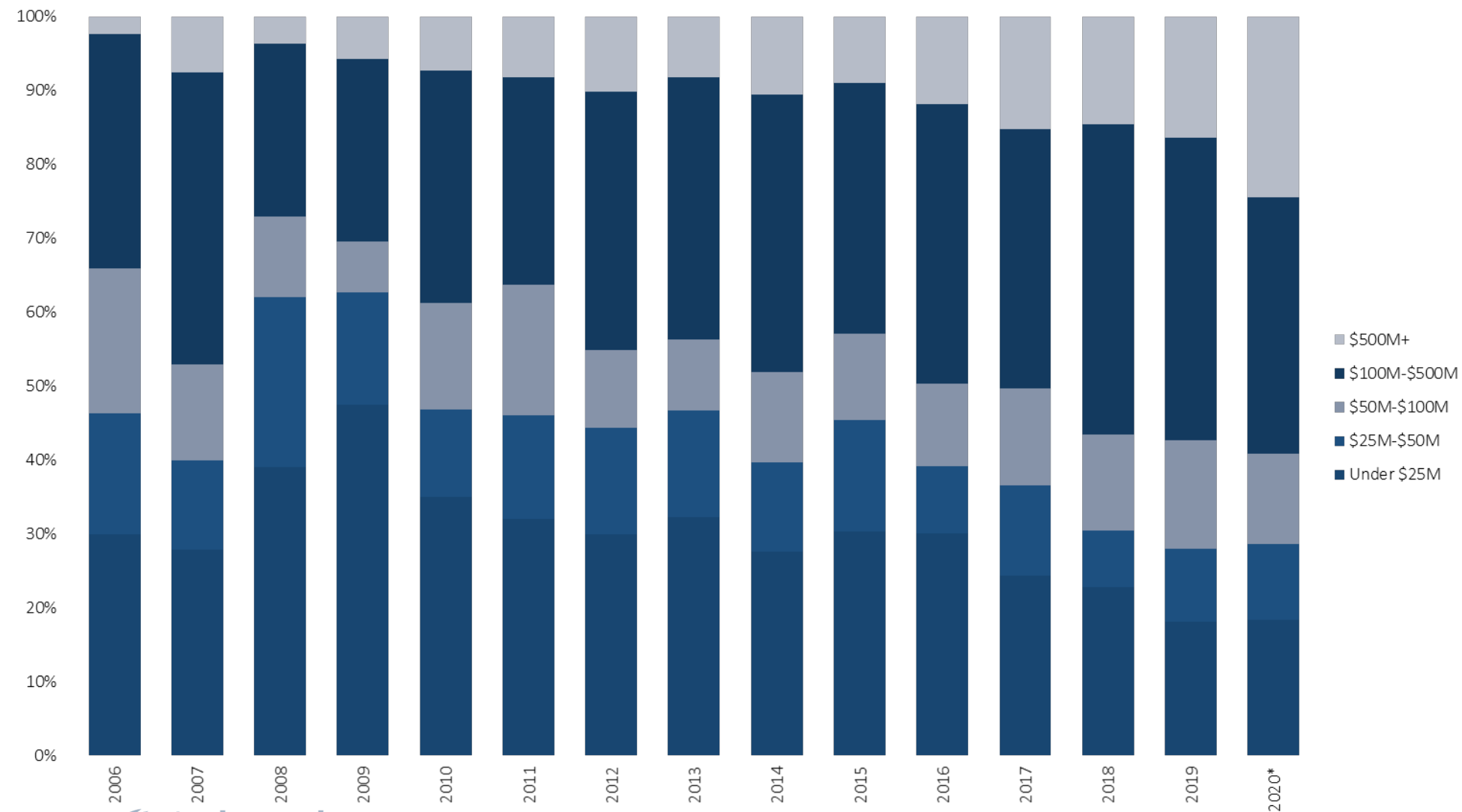
Legend Biotech \$5.5B

Vroom \$2.1B

Zoox \$1.2B

US VC exits (#) by size

Mid-sized exits seeing most pressure in volume

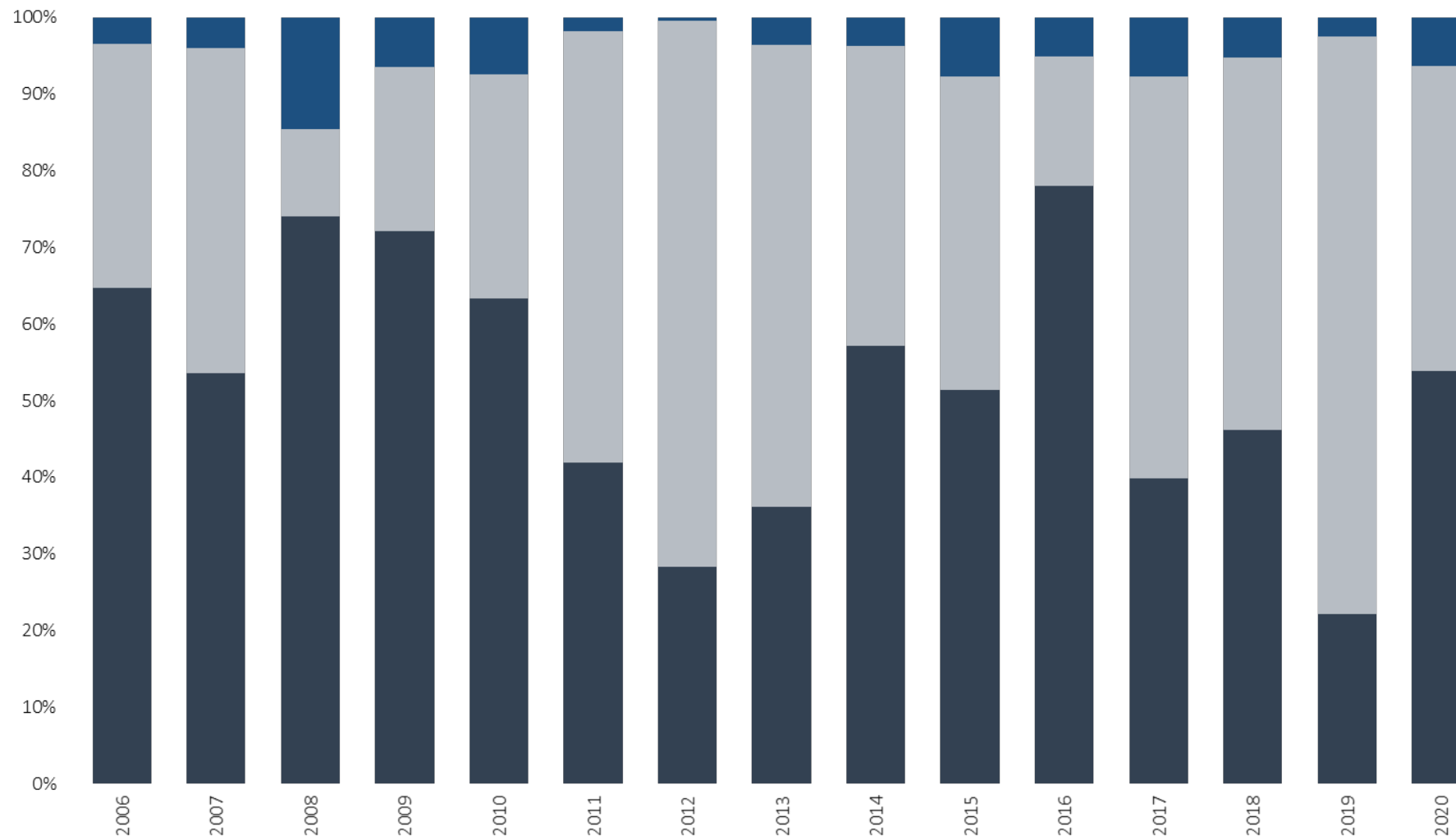


76.3%

Percent of capital exited
in 2020 attributed to
exits over \$500M

US VC exits (\$) by type

IPOs proportion of total capital exited shrinks after record 2019



16

VC-backed IPOs in Q2
2020,
relative to 10 in Q1

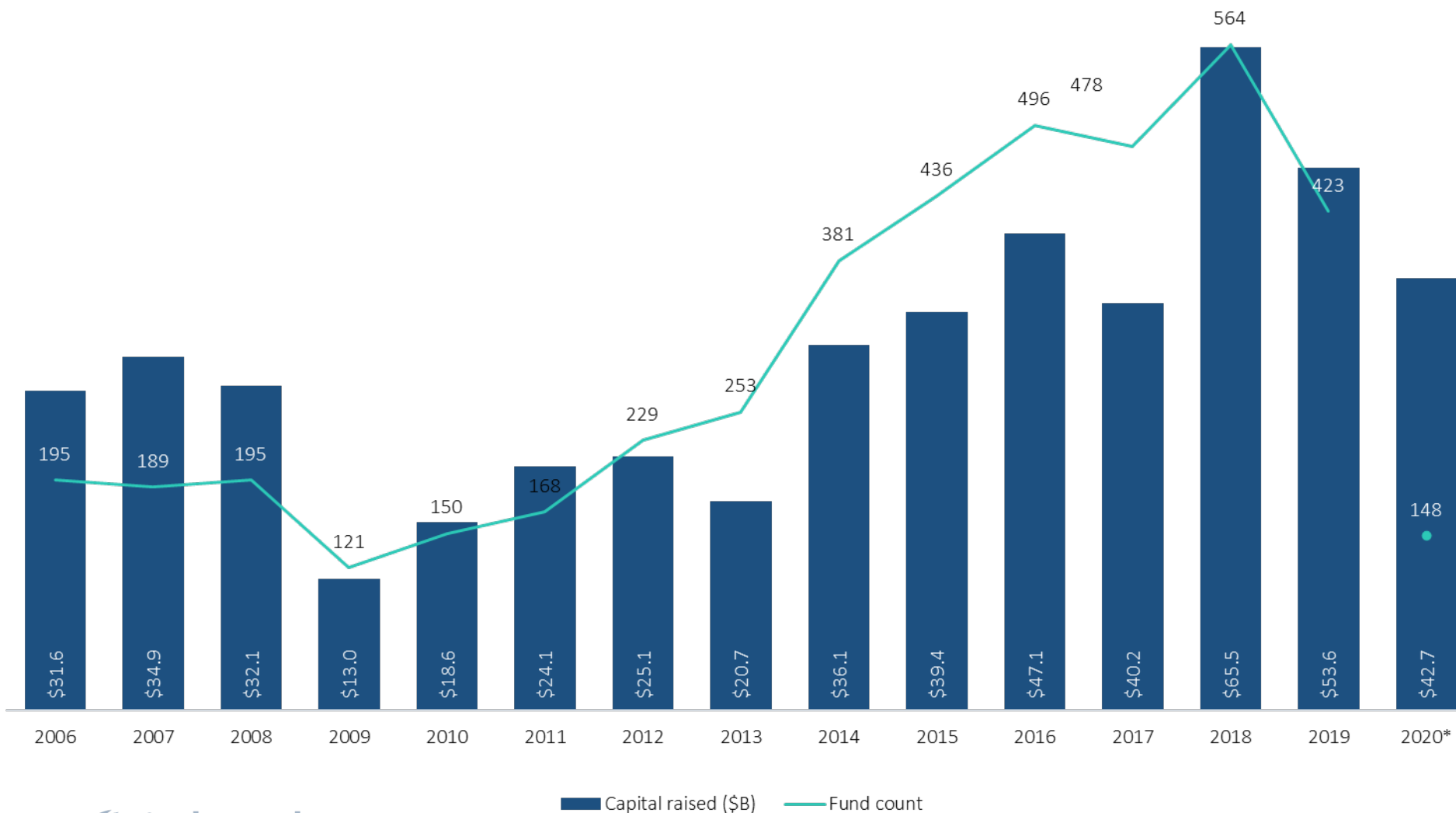
57.9%

Percent of Q2 2020 exit
value attributed to IPOs

US FUNDRAISING

U.S. VC fundraising by year

Host of large funds drive robust total capital raised in 2020



24

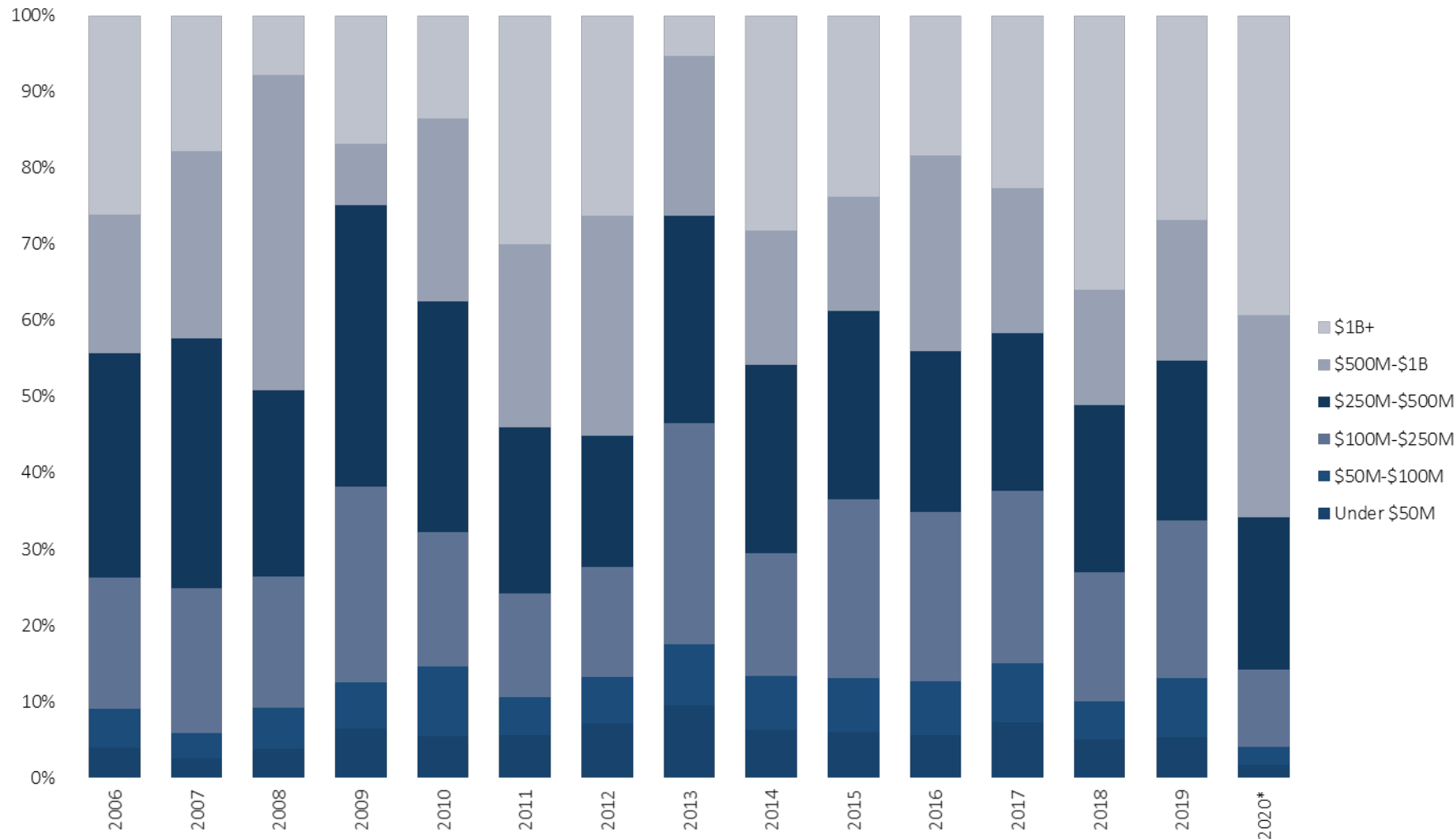
Mega-funds closed
in 2020

\$1.5B

Capital raised by first
time funds in H1 2020

US VC funds (\$) by size

Frequency of small funds sustains negative trend



35.9%

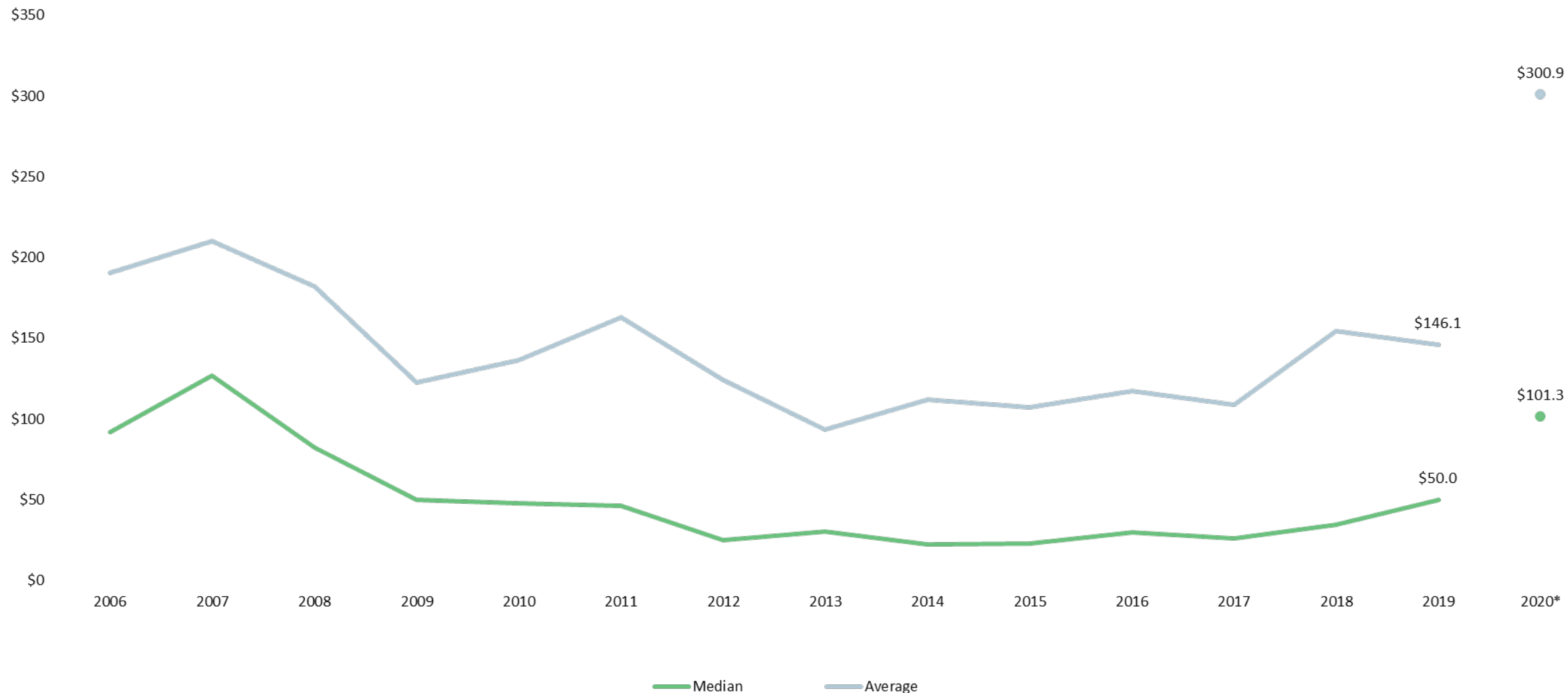
Micro-funds proportion
of H1 2020 total
fundraising count

105.9%

YoY increase in average
fund size

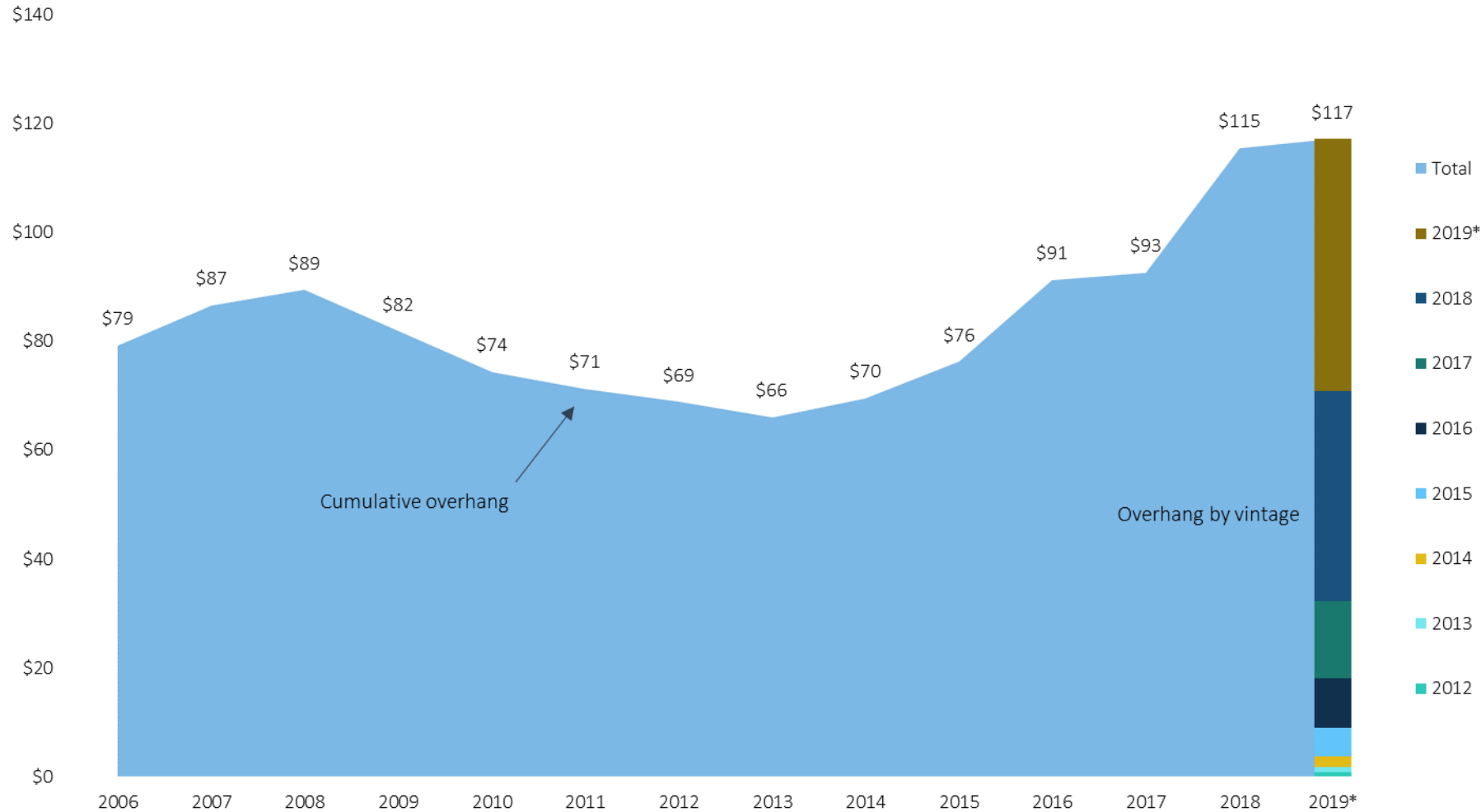
US VC median and average fund size (\$M)

Big funds get bigger



US VC capital overhang

Dry powder holds near record level in 2019



3.3

Years of dry powder on hand

-\$4.9B

In VC net cash flow through Q3 2019

Key themes

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Outlook around exits improves but volumes still muted

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Large established firms continue to find fundraising success

Featured Interviews

Q2 2020 Venture Monitor

Featured Interviews

Moderated by Lee Gibbs, PitchBook



Cameron Stanfill

Venture Analyst,
Institutional Research
Group



Jennifer Friel Goldstein

Head of Business Development,
Technology and Healthcare



Matthew Lee

Product Manager, Equity
Management



svb



Silicon Valley Bank



Jennifer Friel Goldstein

Head of Business Development, Technology and Healthcare

As Head of Business Development, Technology & Healthcare, for Silicon Valley Bank, Jennifer helps innovators and their partners drive new business and enact change within the innovation ecosystem. She brings 20 years of finance, business development, strategy and biotechnology experience to the team. A three-time graduate of the University of Pennsylvania, Jennifer also contributes to several non-profit organizations, including VentureForward.



Matthew Lee

Product Manager, Equity Management

Matthew has 15 years of experience in multiple finance and financial technology firms at various levels, including divisional oversight, technical sales, equity research, auditing and valuations.

Matthew is currently a Product Manager focusing on private market initiatives. Matthew is a CFA charter holder and is currently pursuing a master's in finance from Indiana University.



Cameron Stanfill

Venture Analyst, Institutional Research Group

As a Venture Analyst at PitchBook, Cameron specializes in late-stage investment and exit activity, authoring extensive research on topics including alternative liquidity options, direct listings and IPOs. He also contributes to PitchBook's emerging technology research, leading coverage of AI and Machine Learning. Cameron has been cited in multiple tier-one publications, including CNBC, Barron's, and The Wall Street Journal. Prior to joining PitchBook, he was a Financial Analyst at Jackson & Jackson in Louisiana.

Featured Interviews

Moderated by Lee Gibbs, PitchBook



Cameron Stanfill

Venture Analyst,
Institutional Research
Group



Jennifer Friel Goldstein

Head of Business Development,
Technology and Healthcare



Matthew Lee

Product Manager, Equity
Management



Understanding deal activity...

“

What are the motivations of investors
deploying capital amidst the
uncertainty?

“

Is the Healthcare investment activity directly related to pandemic response, or is the activity broader?

“

Where is the trepidation on early-stage investing coming from?

Featured Interviews

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“

Is there a risk of hindering innovation
if early stage financing is side-lined
for a longer period?

“

What about the due diligence process is changing, and staying the same, during these times?

“

How are investors and entrepreneurs
getting creative to build
relationships?

“

What traits among VC-backed companies demonstrate resilience in an environment like we're in?

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VC Exit activity...

“

What knock-on effects could VC experience if liquidity remains locked up for an extended period?

“

How are investors and companies collaborating to help maintain liquidity?

“

SPACs – what are they, and how are they being used at this moment in time?

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VC Fundraising...

“

Regarding fund closures in Q2, was that momentum from 2019, or are investors looking to be opportunistic?

“

What kind of a place do first-time
fund managers have in this market?

“

How do you expect LPs appetite for
Venture to change, if at all?

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“

As you look ahead and continue gauging impact of the pandemic, what are you optimistic about?

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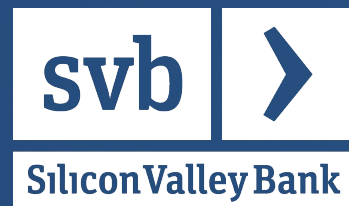


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