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VENTURE CAPITAL FUNDS RAISED \$5.6 BILLION DURING FOURTH QUARTER 2014

Full Year 2014 Fundraising Dollars Strongest Since 2007

New York, January 12, 2015 – U.S. venture capital firms raised \$5.6 billion from 75 funds during the fourth quarter of 2014, an increase of 14 percent compared to the number of funds raised during the third quarter of 2014, but a nine percent decrease by dollar commitments, according to the Fundraising Report by Thomson Reuters and the National Venture Capital Association (NVCA). Venture capital firms raised \$29.8 billion from 254 funds during full year 2014, a 69 percent increase by dollar commitments compared to full year 2013 and the strongest annual period for fundraising dollars since 2007. By number of funds, full year 2014 was the busiest year for U.S. venture capital fundraising since 2001, when 324 funds were raised.

Year/Quarter	Number of Funds	Venture Capital (\$M)
2005	233	30,071.9
2006	236	31,107.6
2007	236	30,000.0
2008	213	25,050.4
2009	161	16,088.7
2010	175	13,272.0
2011	191	19,060.5
2012	218	19,838.2
2013	207	17,694.1
2014	254	29,826.4
4Q'13	62	5,582.2
1Q'14	69	10,036.1
2Q'14	83	8,024.1
3Q'14	66	6,162.7
4Q'14	75	5,603.5

Source: Thomson Reuters and National Venture Capital Association

*Fund commitments closed across multiple quarters are represented as one fund in the annual totals



“2014 was a strong fundraising year for the industry, both in the number of funds raised as well as the amount of capital commitments received. It’s good to see that fundraising levels are finally starting to catch up with the overall level of investment we’ve witnessed in the last few quarters,” said Bobby Franklin, President and CEO of NVCA. “As a result of the strong exit market for venture-backed companies over the last couple of years, more money is being distributed back to investors who have chosen to redeploy that capital to the venture ecosystem.”

There were 48 follow-on funds and 27 new funds raised during the fourth quarter of 2014, a 1.8 to-1 ratio of follow-on to new funds. The number of new funds raised during the fourth quarter marks a 13 percent increase from the number of first-time funds raised during the third quarter of this year. During full year 2014, 96 new venture capital funds raised \$3.0 billion, a 76 percent increase by dollar commitments and 50 percent increase by number of new funds.

The largest new fund reporting commitments during the fourth quarter of 2014 was from San Francisco, California-based Presidio Partners 2014, L.P. which raised \$140.4 million for the firm’s inaugural fund. A “new” fund is defined as the first fund at a newly established firm, although the general partners of that firm may have previous experience investing in venture capital.

	No. of New	No. of Follow-on	Total
2010	53	122	175
2011	64	127	191
2012	76	142	218
2013	64	143	207
2014	96	158	254
4Q'13	22	40	62
1Q'14	31	38	69
2Q'14	23	59	82
3Q'14	24	42	66
4Q'14	27	48	75

Source: Thomson Reuters and National Venture Capital Association

Fourth quarter 2014 venture capital fundraising was lead by Menlo Park, California-based Canaan X, L.P. which raised \$675.0 million, and San Francisco, California-based Formation8 Partners Fund II, L.P. which raised \$500.0 million. The largest venture capital fund raised during full year 2014 was from Andreessen Horowitz Fund IV, L.P., which raised \$1.7 billion during the year.



Methodology

The Thomson Reuters/National Venture Capital Association sample includes U.S.-based venture capital funds. Classifications are based on the headquarter location of the fund, not the location of venture capital firm. The sample excludes fund of funds.

Effective November 1, 2010, Thomson Reuters venture capital fund data has been updated in order to provide more consistent and relevant categories for searching and reporting. As a result of these changes, there may be shifts in historical fundraising statistics as a result of movements of funds between primary market & nation samples and/or between fund stage categories.

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About National Venture Capital Association

Venture capitalists are committed to funding America's most innovative entrepreneurs, working closely with them to transform breakthrough ideas into emerging growth companies that drive U.S. job creation and economic growth. As the voice of the U.S. venture capital community, the National Venture Capital Association (NVCA) empowers its members and the entrepreneurs they fund by advocating for policies that encourage innovation and reward long-term investment. As the venture community's preeminent trade association, NVCA serves as the definitive resource for venture capital data and unites its nearly 400 members through a full range of professional services. For more information about the NVCA, please visit www.nvca.org.