

Venture Valuation Ag: The Genedata Assignment

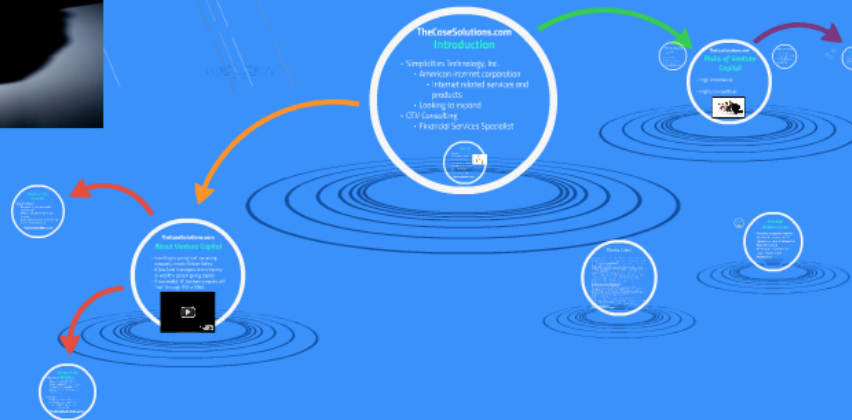
TheCaseSolutions.com



Eric Landwehr

Claire Pearson

Victoria Wang



Venture Valuation Ag: The Genedata Assignment

TheCaseSolutions.com

Eric Landwehr

Claire Pearson

Victoria Wang



Agenda

1. Introduction
2. About Venture Capital
3. Effects on the Economy
4. Risks of Venture Capital
5. Profitability and Success of VC
6. Successful VC funds
7. Recommendation/Summary



TheCaseSolutions.com

TheCaseSolutions.com

Introduction

- Simplicities Technology, Inc.
 - American internet corporation
 - Internet related services and products
 - Looking to expand
- CEV Consulting
 - Financial Services Specialist

Agenda

1. Introduction
2. About Venture Capital
3. Effects on the Economy
4. Risks of Venture Capital
5. Profitability and Success of VC
6. Successful VC funds
7. Recommendation/Summary



TheCaseSolutions.com

TheCaseSolutions.com

About Venture Capital

- Investing in young and upcoming company, mostly Silicon Valley
- A few fund managers and company or wealthy person giving capital
- If successful, VC backed company will "exit" through IPO or M&A.



YouTube

Effects on the Economy

Negative Effects:

- Disappointing venture capital performance
- Plateau-like growth of innovative startups
- Declining IPOs (initial public offerings or stock market launch)

TheCaseSolutions.com

Effects on the Economy

Positive Effects

- "Over the last 40 years, venture-backed companies produced \$3 trillion in annual revenues, 21 percent of US GDP and 11 percent of the private-sector jobs." (DiGiorgio and Harris, 2013)

Innovation

- Growth of technological innovation
- Small companies to global leaders
 - Rapidly advancing technology
 - Individual capitalism

TheCaseSolutions.com

Uncertainty

opinion
start-ups make it to 10

of market

n economy

n stock market

eSolutions.com

TheCaseSolutions.com

Risks of Venture Capital

- High Uncertainty
- Highly Competitive



Highly Competitive

- Experienced firms
 - Google Ventures
 - Intel Capital
- Marketing Investments
- Angel Investing
- Crowdsourcing

High Uncertainty

- Subjective opinion
 - 35% of start-ups make it to 10 years
- Projection of market
- Reliance on economy
- Reliance on stock market

TheCaseSolutions.com