



# *Current State of VC + Introduction*



MGMT  
4540/6260  
ESHIP FINANCE  
FALL 2023

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Prof. Brett Orzechowski

# AGENDA



1

## **WELCOME! (5 min.)**

A little about me, the summer, and you.

2

## **WHAT TO EXPECT (10 min.)**

Investors and data and then some more data.

3

## **SYLLABUS (10 min.)**

A quick review and tour of the LMS.

4

## **MACRO VC (15 min.)**

The current state of VC in three charts + fact v. fiction

5

## **MICRO VC (15 min.)**

The current state of VC in three charts + fact v. fiction

6

## **STRATEGY + CHOICES (10 min.)**

Binary choices but plenty of decisions to make.

7

## **FINAL DELIVERABLE (10 min.)**

Let's build and Invest NY

8

## **ADJOURNMENT (2 min.)**

For Thursday.

# EXPECTATIONS

# WHAT TO EXPECT

## VENTURE CAPITALS/ ANGEL INVESTORS (3)

We will focus on the current state of venture capital, niche investing, and corporate VC.

## CASE STUDIES (15)

We will focus on three clusters:  
Environment + Relationships  
Assessing, Growth + Scale  
Sectors, Models + Ecosystems

## SIMULATION (3)

We will focus on three, including a startup perspective, budget management, and portfolio cultivation.

## DATA + DATA ∞

We will focus on the analytical approach to two sides -- that of the founder and that of the investor.

# PLENTY OF RESOURCES: TO START

1

## DATA + INSIGHT

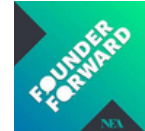
Crunchbase  
CB Insights  
Tech Crunch  
PitchBook  
Dealroom  
InvestNY  
NVCA



2

## PODCASTS

Equity  
Found  
Founder Foward



# DELIVERABLES

## BEING PRESENT (PRICELESS)

It's a small group -- by design -- so your voice matters. Be present.

## CASE STUDIES (20 percent)

We will focus on three clusters:  
Environment + Relationships  
Assessing, Growth + Scale  
Sectors, Models + Ecosystems

## SIMULATION (10 percent)

Three perspectives.  
Three simulations. Part of  
the HBR pack.

## PORTFOLIO (20 percent)

You will create your first  
startup investment  
portfolio and your math will  
be checked. The perfect  
combo of professional  
communication and  
assessment.

## QUIZZES (10 percent)

Repetition is a good thing  
and you'll have three  
chances to master the  
basics -- your future self  
will thank you.

## FINAL VC PLAN (40 percent)

You'll be creating your own  
VC firm -- on anything.  
More in 30 minutes

# KEY DATES: INDIVIDUAL + TEAM

## INDIVIDUAL

**Thursday, September 14:** Simulation No 1, The Startup Game

**Monday, September 25:** Investment Terms Quiz #1

**Thursday, October 5:** Simulation No. 2, Managing Growth V2

**Monday, October 23:** Investment Terms Quiz #2

**Thursday, November 2:** Simulation No. 3, Horizon Ventures: Innovation Accelerator

**Thursday, November 16:** Investment Terms Quiz #3

**Monday, November 20:** Case Studies Articulation Assignment Due

## TEAM

**Monday, September 25:** Team Meeting No. 1: Conceptualize

**Monday, October 23:** Team Meeting No. 2: Execution + Identity

**Thursday, November 16:** Team Meeting No. 3: Finalizing

**Monday, November 27:** Final Team Meeting

**Thursday, November 30:** Accuracy Check: Final Portfolios Assessment

**Monday, December 4:** Final Presentations No. 1

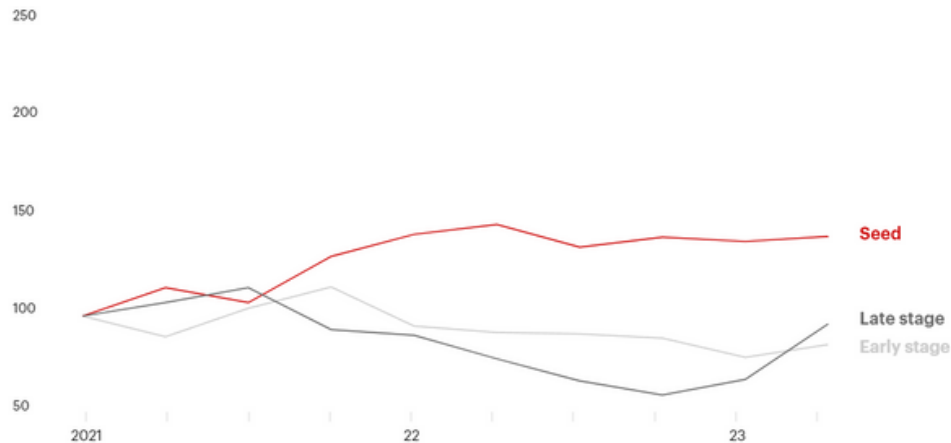
**Thursday, December 7:** Final Presentations No. 2

# MACRO: GLOBAL VC CLIMATE 2023



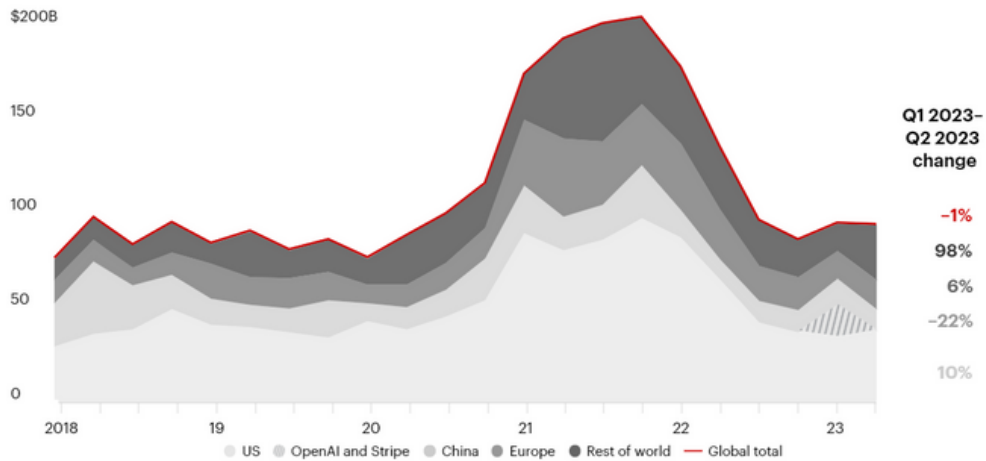
# Early- and Late-Stage Deal Sizes

Average deal size, by funding stage (indexed to Q1 2021)



Notes: Seed includes angel, preseed, and seed rounds; early stage includes Series A and B; late stage includes funding rounds Series C or later and private equity rounds; private equity rounds refer to investments by private equity firms or hedge funds in a late-stage funding round, typically upwards of \$50 million; late stage excludes Stripe's \$6.5 billion funding round in the first quarter of 2023  
Sources: Crunchbase; Bain Startup Investment Cruncher; Bain analysis

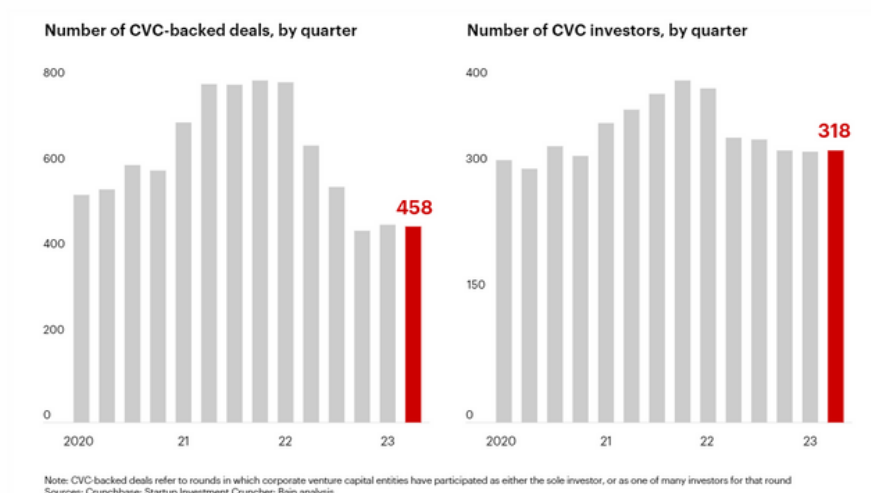
# VC, PE, and CVC Capital Funds Raised



Notes: Geographies represented are based on headquarters' locations; rest of the world includes start-ups with headquarters in the Middle East and Africa, rest of Americas (except US), rest of Asia-Pacific (except China), or unknown location; Q1 2023-Q2 2023 change for US excludes outlier funding raised by OpenAI (-\$10B) and Stripe (-\$6.5B)  
Sources: Crunchbase; Bain Startup Investment Cruncher; Bain analysis

**SOURCE:** Bain and Co.

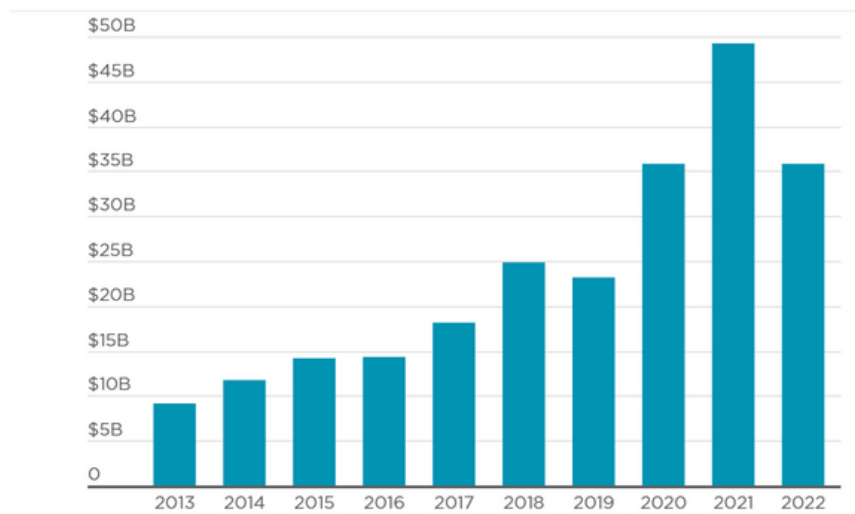
# CVC Activity By Deals and Quarter



**SOURCE:** Bain and Co.

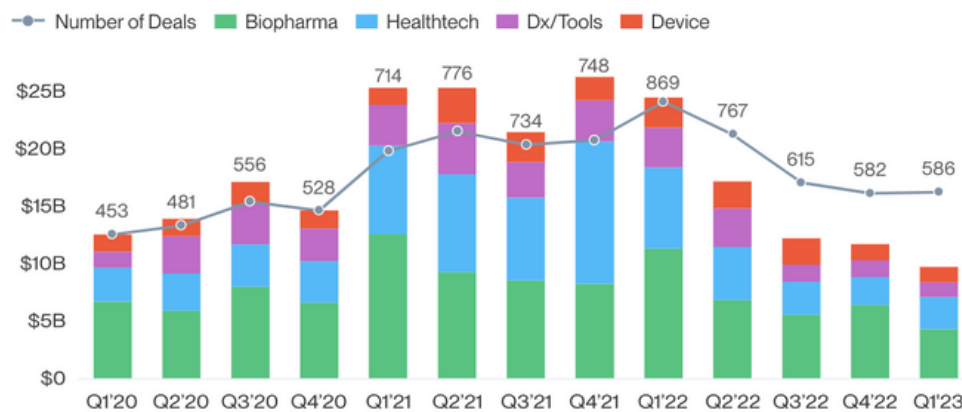
# ONE SECTOR

# Macro: U.S. VC Dollars Life Sciences Sectors



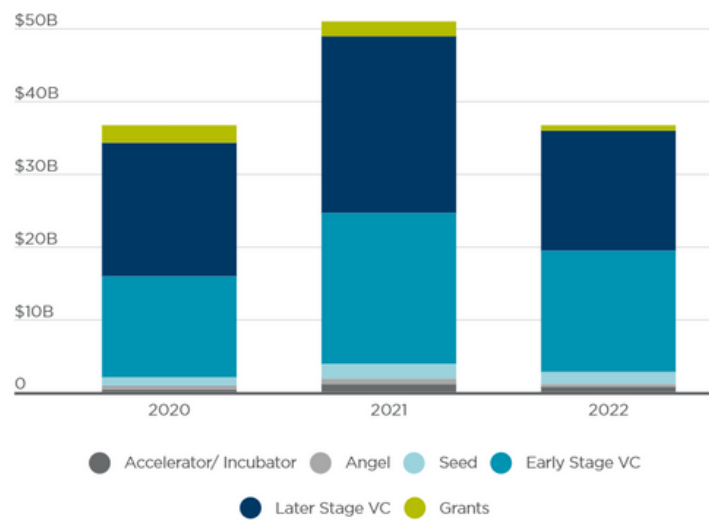
**SOURCE:** PitchBook Data, Inc.

## Micro: U.S. VC Dollars + Deals by Life Sciences Sectors



SOURCE: PitchBook Data, Inc.

# Funding Rounds

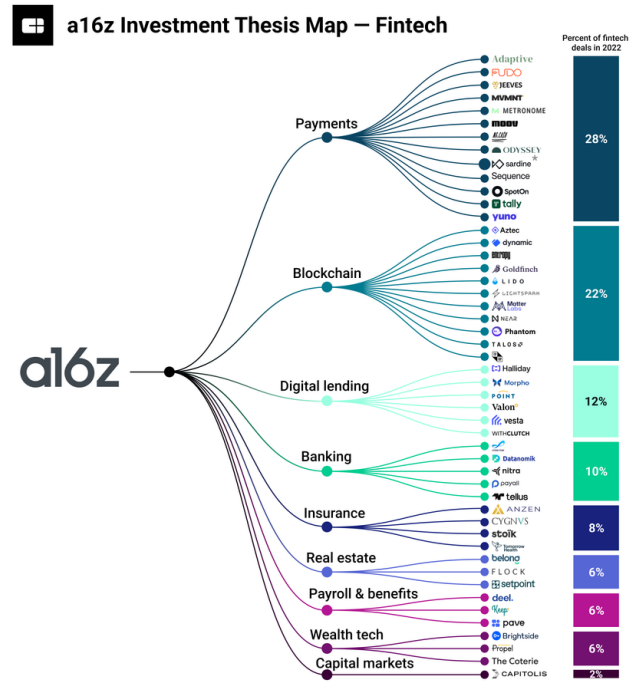


**SOURCE:** PitchBook Data, Inc.

# STRATEGY + CHOICES

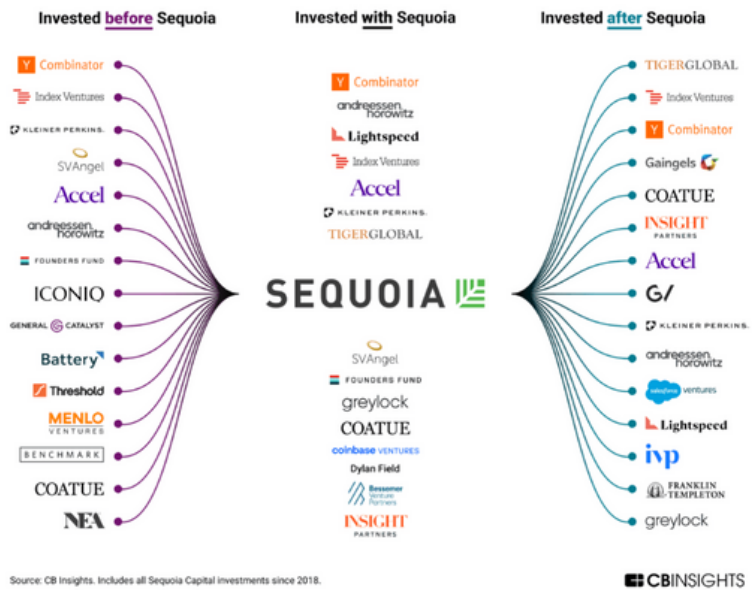


# Strategy: Portfolio Diversification



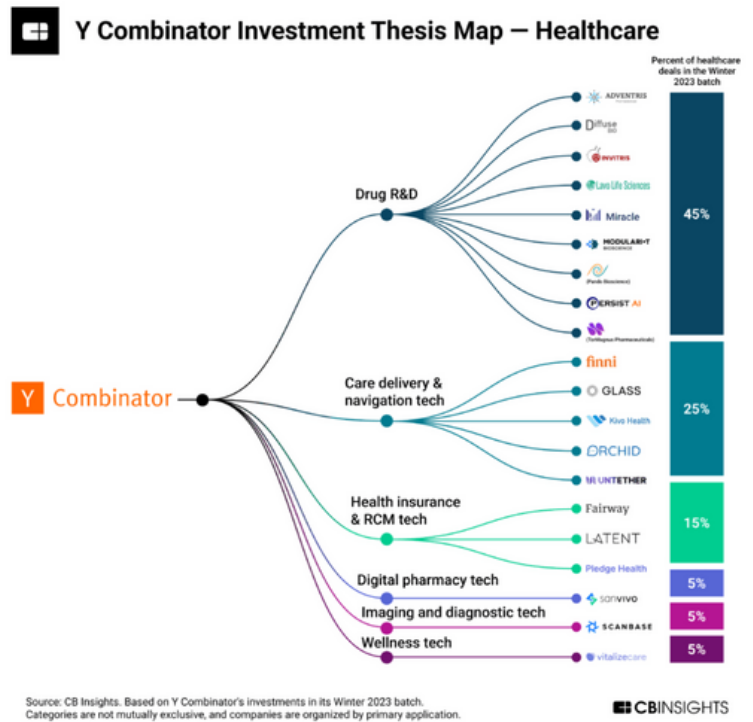


## Sequoia's Investment Syndicate Map



**Strategy:**  
**Industry Leaders +  
Partnerships**

# Strategy: Accelerators + Investment



# FINAL DELIVERABLE

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New York's Investment Ecosystem Platform

Built by and for founders, investors, and entrepreneurship ecosystem professionals.

The Invest NY platform currently covers Upstate New York, including the Capital District, Finger Lakes, Hudson Valley, Mohawk Valley, North Country, Southern Tier, Central NY, and Western New York.

1,238 FUNDED COMPANIES

1,632 ROUNDS

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OVERVIEW

CURATED CONTENT

UNFUNDED COMPANIES

FUNDED COMPANIES

FOR PARTNERS

FOR FOUNDERS

Add your organization

Are you a founder, a VC, or otherwise active in the ecosystem? Gain visibility, unlock more features, and help the database become more complete by adding your organization for free.

Create an account

Becoming a partner

Our partners help make this platform what it is through data sharing, collaboration, sponsorship and research. Sounds interesting? We'd love to discuss any ideas.

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Where the data comes from

This platform is powered by Dealroom. We combine machine learning and data engineering with user-submitted data with robust verification processes and a strong network of ecosystems.

See more

Glossary & definitions

What is a startup, scaleup or service provider? B2B or B2C? Take a look at our methodology and list of Dealroom definitions.

See more

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CONTACT

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Initiators

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