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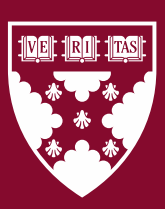

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Abstract

We examine whether and how venture capital (VC) investors shape the media visibility of private startups. Using a stacked difference-in-differences design, we document a significant increase in both journalist-initiated news and company-initiated press releases following VC investment. The effects are stronger when investors hold board seats, when startups are at early stages, and when a greater share of new investors joins the syndicate, but weaker for high-reputation VCs—consistent with active media management substituting for reputational visibility. Our results are robust to a variety of alternative interpretations and corroborate our main findings. We also show that post-investment increases in media coverage are associated with a higher likelihood of raising subsequent financing and with improved employee quality. Complementing the archival evidence, a global survey of VC investors indicates that most VCs actively support media visibility to enhance branding, stakeholder communication, and talent acquisition. Together, our findings suggest that media visibility serves as an important channel through which investors reduce information frictions in opaque private markets.

JEL Codes: G23; G24; M13; M40
Keywords: Venture capital; Entrepreneurship; Media; Journalism; Information

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1 Introduction

Financial media plays a central role in the modern disclosure landscape, complementing formal mechanisms such as financial reporting, conference calls, and regulatory filings. In public markets, media coverage amplifies firm disclosures (Bushee et al., 2010), facilitates price discovery (Drake et al., 2014), and shapes investor interpretation of accounting information (Blankespoor et al., 2018). However, in private markets, where firms operate under extreme opacity and severe information frictions, the role of media is less well understood. In the absence of market prices and mandated disclosure, media coverage cannot simply replicate its public-market functions of facilitating price discovery or amplifying formal reports. Whether the media can meaningfully shape the information environment for startups is therefore theoretically ambiguous, raising a fundamental question: how is information about startups produced and disseminated?

In this paper, we study whether investor influence can shape the media coverage of startups. Specifically, we examine whether, how, and why venture capital (VC) investors shape the media presence of their portfolio companies. VC investors typically invest in early-stage, private startups with limited reputation and face strong incentives to influence external perceptions to maximize their investment returns. We argue that media visibility, whether actively generated or passively conferred, functions as an informal information production mechanism in settings where formal disclosure is absent, allowing VCs to shape stakeholder perceptions in otherwise opaque environments.

To study our research question, we focus on US-based startups backed by VC investors. Startups offer an ideal setting for several reasons. First, early-stage firms typically lack the reputation needed to attract meaningful media attention on their own, creating room for investors to play an active role in increasing visibility. Second, because private companies in the United States are not required to disclose financial information, the informational value of media coverage is especially pronounced. For many stakeholders, such as potential employees and investors, media coverage may serve as a key source of information about the firm, particularly in the absence of formal disclosures. Third, VC investors themselves are highly sensitive to public visibility, given their

reliance on reputation for fundraising and deal flow. As VCs raise successive funds while earlier investments are still maturing, they have strong incentives to enhance the perceived success of their portfolio companies. Consistent with this idea, Gompers (1996) shows that VCs often take companies public earlier to bolster their own reputational capital.

On the one hand, VCs may *not* have strong incentives to increase media coverage of their portfolio companies. First, media coverage intended to support future fundraising or exit outcomes may have limited marginal benefit if target investors are already sophisticated and well-informed through private channels. Second, media attention can be risky. Prior work shows that financial media disproportionately highlights negative events and frames them unfavorably (Baloria and Heese, 2018; Niessner and So, 2018), which could damage the reputation of young firms. In such cases, both startups and their investors might prefer to avoid publicity altogether. Furthermore, prior work (e.g., Lang and Lundholm, 2000; Petkova et al., 2013) predicts that firms increase disclosure before raising external capital to reduce information asymmetry, implying that startups would exhibit greater visibility prior to a financing event rather than in the post-investment period. Finally, startups may face proprietary costs (Bernard, 2016; Verrecchia, 1983), which give them incentives to withhold disclosures that could reveal competitively sensitive information.

On the other hand, VCs have both the means and the motivation to influence media coverage. Actively, VCs can shape firm behavior and external messaging by professionalizing portfolio companies—e.g., facilitating key executive hires or implementing policies that improve access to the press (Gompers et al., 2020; Hellmann and Puri, 2002). VCs may also use in-house public relations staff or retain external PR firms to generate coverage.[1] Passively, VCs may enhance media visibility through reputational spillovers, as their prominence can certify the credibility of portfolio companies and attract media attention (e.g., Lee and Wahal, 2004; Megginson and Weiss, 1991).

We adopt two complementary approaches to test our research question. First, we empirically assess whether VC investment is associated with increased media coverage of startups, using VC deal data and company-level news data from PitchBook and PitchBook News, respectively. The

[1] See, for example, https://www.nytimes.com/2012/07/23/business/venture-capital-firms-once-discreet-learn-the-promotional-game.html.

PitchBook News dataset provides broad coverage of private firms directly linked to PitchBook's investment universe, allowing us to match news articles to VC transactions without external name matching. We focus on US-based startups that received VC financing between 2016 and 2022 and examine changes in media attention around the timing of VC financing events. Our sample consists of 28,562 unique VC deals from 17,665 startups.

Second, a key empirical challenge is endogeneity, particularly the difficulty of identifying appropriate counterfactual firms. Because private companies are not required to disclose financial information, there is no reliable way to observe the universe of startups that never receive VC funding.[2] To address this concern, we construct our control group from other VC-backed companies financed by the same investor in the same industry with similar age but at different points in time. We further exclude control firms that receive VC funding within one year of the treated firm's investment date to ensure that control firms remain untreated throughout the event window. This design ensures that treated and control firms are similar in both observable characteristics and investment relationships, reducing concerns that treatment effects reflect selection on unobservable startup fundamentals.

We implement a stacked difference-in-differences (DiD) design, following the framework of Baker et al. (2022), and estimate the effects of VC investment using Poisson pseudo-maximum-likelihood (PPML) regressions, which are well-suited for modeling count data with many zeros (Cohn et al., 2022). Our main outcomes are the number of journalist-initiated news articles and company-initiated press releases associated with each portfolio company before and after the investment event.

Our main PPML regression results indicate a significant increase in media coverage following VC investment. Economically, we estimate a 26% increase in the number of news articles after investment, with the effect is larger for positive coverage than negative, while press releases rise by a similar magnitude. These findings are consistent with the hypothesis that VC investors enhance the external visibility of their portfolio companies. The results remain robust to pre-trend

[2]Moreover, non-VC-backed firms may differ systematically from VC-backed startups in ways that confound direct comparison.

adjustments under the Honest DiD framework of Rambachan and Roth (2023).

We present three tests to further attenuate endogeneity concerns. First, we replicate our main analysis using an alternative control group composed of non–VC-backed firms, which reduces the concern that our results are driven by characteristics common to venture-backed companies. Second, to mitigate the possibility that some treated firms may have already received prior VC funding, we restrict the sample to first-round VC investments, ensuring that the estimated effects are not contaminated by previous financing events. Third, we implement entropy balancing on pre-treatment covariates to attenuate potential selection and reverse causality—specifically, the concern that VCs may selectively invest in startups that already exhibit higher baseline levels or upward trends in media visibility. Across all three settings, the estimated effects remain similar to the main test, indicating that the observed increase in media coverage is not an artifact of sample composition, pre-existing trends, or residual selection.

We next examine heterogeneity in the treatment effect to better understand the mechanisms through which VC investment influences media coverage. First, we analyze investor involvement by testing whether the effects are stronger when the investing VC holds a board seat in the portfolio company. Board representation increases investors' ability to monitor management and coordinate external communication (e.g., Bernstein et al., 2016). Consistent with this prediction, we find that the increase in media coverage is significantly stronger for startups backed by VCs with board representation, particularly for news articles. Second, we examine heterogeneity in investor reputation. We find that the increase in media coverage is weaker for high-reputation investors, consistent with the view that reputable VCs rely less on public media visibility because they possess broader networks and alternative channels of information dissemination (Hochberg et al., 2007). Third, we assess whether the effects vary with the stage of the portfolio company. The interaction is strongest for early-stage startups, suggesting that VC investment has its greatest impact on the information environment when baseline visibility is lowest. Finally, we test whether media effects are stronger when a larger share of new investors participates in the financing round, and find that media coverage increases more for deals with a higher proportion of new investors,

consistent with stronger incentives to enhance external visibility when new syndicate members join. Together, these cross-sectional patterns indicate that the media response to VC investment is shaped by both investor influence and information asymmetry—stronger when investors are more actively involved, when reputation-based substitutes are absent, and when firms or investors face greater incentives to reduce opacity.

A natural question that follows from our empirical results is whether increased media exposure has real economic consequences for portfolio companies. To answer this question, we examine two key outcomes: the likelihood of raising subsequent funding and the quality of talent hired post-investment. For the former, we find that increases in news and press releases are significantly associated with a higher probability of securing a subsequent round of VC financing. This finding is consistent with the view that greater media visibility enhances awareness and reduces informational frictions for potential investors.

For the latter, we explore whether media exposure influences startups' ability to attract higher-quality talent. Human capital is a critical input for startup success, particularly in knowledge-intensive sectors (Babina and Howell, 2024; Bernstein et al., 2022; Cao et al., 2024; Dimmock et al., 2022). Using data from Revelio Labs, which provides résumé-level information on new hires, we examine whether increases in media coverage are associated with improvements in employee educational background. We proxy employee quality using the average US university ranking of new hires. We find that increases in positive news are significantly associated with better university rankings among hires. This pattern indicates that visibility itself plays a central role in shaping startups' ability to recruit top talent, consistent with the view that media exposure reduces information frictions in labor markets. However, we caution that these relationships should be interpreted as associational rather than strictly causal, since unobservable firm characteristics or reverse causality may also influence both media attention and subsequent outcomes.

We complement our empirical analysis with a global survey of 399 VC investors across 382 firms, representing approximately 3.6% of all VC firms tracked in Preqin. The survey is designed to provide descriptive evidence on whether, why, and how VCs take steps to increase media coverage

for their portfolio companies. Consistent with our empirical findings, 77.1% of respondents report that they at least "sometimes" take such actions. In a dichotomous version of the question, 66.7% of respondents answered "Yes," confirming that media engagement is a widespread practice among investors.

VCs primarily cited media coverage as a way to enhance portfolio company branding (mean score: 6.08 out of 7), provide information to clients and suppliers (5.88), and attract talent (5.81). These results align with recent work showing that firm visibility plays a key role in hiring (Bryan et al., 2023; Kim and Pergler, 2023). Overall, the responses suggest that VCs view media coverage as a strategic tool to reach stakeholders beyond just investors.

Regarding how VCs enhance media exposure, 72% report responding to journalist inquiries, 60% refer journalists to portfolio companies, and 54% communicate directly about their investments. Additionally, 70% use firm blogs and press releases to promote investments, with industry-specific outlets like TechCrunch being the preferred channel. VCs also reported targeting their media efforts toward B2B companies (65%), early-stage firms (43%), and companies where they are the lead investor (73%), consistent with prior research on the active role of lead VCs (Gorman and Sahlman, 1989). Notably, respondents indicate that media efforts are concentrated on relatively successful startups, suggesting that VCs aim to maximize the visibility—and value—of their strongest performers rather than attempting to rehabilitate struggling ones.

Finally, the survey suggests that VC investors with more monitoring (based on the level of interactions with the portfolio company) tend to prioritize media more than investors with less monitoring. More specifically, among investors who meet with their portfolio companies at least once a month, 84% report taking steps to enhance their portfolio companies' media presence. In contrast, only 69% of investors who meet with their portfolio companies once a quarter reported doing so. This supports our board cross-sectional test and the claim that VC monitoring could be an important driver behind increased media coverage.

Note that our survey results should be interpreted with caution. The absolute number of responses is comparable to other large-scale VC surveys, but non-response bias remains a potential

concern if media-active investors were more likely to participate. We therefore view the survey evidence as complementary and descriptive, supporting rather than driving our main empirical conclusions.

We contribute to several strands of accounting literture. First, we contribute to research on the media's role as an information dissemination mechanism. Existing studies focus almost exclusively on public firms, where disclosure is mandatory and media primarily amplifies information already produced through reporting, analyst coverage, and regulatory filings (e.g., Blankespoor et al., 2018; Bushee et al., 2010; Drake et al., 2014; Engelberg and Parsons, 2011; Kaniel and Parham, 2017; Twedt, 2016). In contrast, private startups operate under extreme opacity: they lack mandatory reporting, rarely attract unsolicited media attention, and face uncertain or even negative returns to publicity due to proprietary costs and reputational risks. In such settings, it is not obvious that media visibility would emerge or carry economic weight. We show that media coverage does matter in private markets, by demonstrating how external visibility can shape stakeholder behavior. This extends accounting research by documenting how information reaches stakeholders in environments with limited public reporting and where media plays a central role in producing, rather than merely transmitting, information.

Second, we contribute to the literature on investor influence over media coverage. Prior research shows that institutional investors can shape the tone or slant of media narratives for public firms through selective information provision (e.g., Bushman and Pinto, 2023; Dyck et al., 2008; He et al., 2023). These studies examine how investors affect the *tone* of the articles, holding visibility constant. In contrast, we show that investors also shape the *quantity* of media visibility for startups, where baseline coverage is sparse. We further identify that active monitoring is likely to be the mechanism behind our findings, by showing that media increases are significantly larger when investors have greater monitoring intensity (e.g., board seats).

Third, we contribute to research on the value-added services of VC investors (e.g., Bernstein et al., 2016; Bernstein et al., 2022; Hellmann and Puri, 2002). Existing work emphasizes governance, monitoring, operational support, and certification as the primary mechanisms through which

VCs add value. We show that public information creation through media visibility constitutes an additional, previously underexplored channel of investor value added, which may affect external stakeholders such as prospective employees and follow-on investors. In particular, the visibility generated after VC investment is associated with subsequent financing outcomes and improvements in employee quality, highlighting a real-effects channel not examined in prior work. This contribution is conceptually distinct from our mechanism tests, by demonstrating the economic significance of this visibility as a value-added service in opaque private markets.

Our paper proceeds as follows. Section 2 discusses our data, sample selection, and research design. Section 3 examines the results of our empirical tests. Section 4 discusses heterogeneous effects. Section 5 presents the consequences of increased media. Section 6 discusses the survey design and results. Section 7 concludes.

2 Empirics: Data, sample selection and research design

2.1 Data

We obtain a list of startup fundraising rounds in the United States from Pitchbook. The database contains the following information on global private equity/venture capital (PE/VC) transactions: the company receiving the investment, the investing firm, and transaction information. We focus on completed VC deals for startups located in the United States.

To retrieve news articles on portfolio companies, we use the PitchBook News dataset, which is natively linked to PitchBook's deal-level universe. The dataset provides article-level information for private firms, including the publication date, source outlet, title, and byline text, allowing direct identification of media coverage for each PitchBook-tracked company without external name matching. PitchBook News offers broad coverage of venture-backed startups across industries since 2015 and includes both independent media articles and company-initiated press releases.

To classify the tone of each article, we apply the FinBERT model, a transformer-based language model trained on financial text (Huang et al., 2023). Specifically, we compute the model's

predicted sentiment score using the article's byline, which serves as a concise summary of the news content in PitchBook News. Articles with a positive (negative) predicted sentiment are classified as positive (negative) news, while those with near-zero scores are treated as neutral and excluded from tone-specific analyses. This procedure enables a consistent, scalable measure of article tone that parallels prior accounting research using machine-learning–based sentiment classification. Our results are robust to alternative classifications such as the Loughran and McDonald (2011), which is reported in Table IA1.[3]

2.2 Sample selection

Table 1 summarizes the sample selection procedure. To construct our main sample, we begin by restricting the sample to US-based startups with available founding year that received VC financing between 2016 to 2022. This yields 38,802 and 67,082 unique startups and VC transactions, respectively. Next, we expand these transactions to the VC–company–deal level, where each observation represents a unique pairing between a VC firm and a portfolio company in a specific financing round. This procedure yields 301,156 VC–company–deal pairs.

We then form cohorts consisting of one treated portfolio company and a set of control companies. Control firms are defined as those financed by the same VC investor, operating in the same PitchBook industry classification, and whose founding year differs from the treated firm by no more than one year (+/- 1 year). To ensure that control firms remain untreated throughout the event window, we exclude potential controls that (i) receive VC funding within one year of the treated deal date or (ii) have exited or will exit within one year of the treated deal date. This step prevents contamination of the control group by firms that become treated during the same observation period. This process yields 27,004 unique firms and 40,390 unique transactions.

Using these cohort-level data, we merge firm-specific media coverage information from PitchBook News, matching VC investment events to news articles via PitchBook company identifiers.

[3] As an additional diagnostic check, Table IA2 reports the main results obtained using RavenPack's proprietary sentiment scores. While RavenPack has more limited coverage, its structured sentiment labels allow us to benchmark the tone classifications derived from PitchBook bylines. The qualitative patterns are consistent across datasets.

Specifically, we match news articles up to one year before/after the *treated* company's deal date.[4] To ensure that media coverage reflects general visibility rather than financing announcements, we exclude all fundraising-related articles, identified using a text-based filter that detects the co-occurrence of deal-related verbs (e.g., raised, secured, closed, funded, backed by, led by) with monetary or round indicators (e.g., $, USD, million, billion, Series, Seed, Round). This step prevents mechanically induced spikes in coverage that coincide with financing disclosures and allows us to isolate broader changes in media attention unrelated to the announcement event itself. In Table IA3, we report the most frequent tokens appearing in article bylines after filtering and show that the remaining articles predominantly reference products, technologies, partnerships, and operational activities rather than financing events.[5]

After excluding firms without any articles in the one-year window surrounding the treated firm's financing date, the final sample comprises 17,665 unique firms and 28,562 unique transactions. Finally, we aggregate the number of news articles by quarter to construct a cohort–company–quarter-level panel, excluding the quarter of the VC investment itself (Quarter 0) to further avoid mechanically inflated coverage around the financing announcement.[6]

Table 2 summarizes the distribution of VC-backed financing rounds across geography, stage, and industry. Panel A reports the number of portfolio company transactions by headquarters state. Consistent with the overall concentration of US venture activity, the majority of deals are located in California (43%) and New York (15%), followed by Massachusetts (7%). Panel B shows the distribution of financing rounds by stage, indicating a balanced representation across the funding cycle, with approximately 22% of deals classified as first-round financings and 15% as Round 5 or later. Panel C presents the industry composition based on PitchBook classifications. Software

[4]We focus on a one-year pre–post window for two reasons. First, restricting the window avoids contamination from adjacent financing events: a subsequent round's pre-period could otherwise overlap with an earlier round's post-period, complicating interpretation in a staggered design. Second, the year following investment is when VCs are most operationally involved—professionalizing the firm and coordinating external communication—so any investor-driven visibility effects are most likely to emerge within this period (e.g., Gompers et al., 2020; Hellmann and Puri, 2002).

[5]The main test using the RavenPack sample (Table IA2) also supports this conclusion: when we drop articles tagged by RavenPack as fundraising-related, the estimated post–VC-investment increase in media coverage is virtually unchanged.

[6]The results are similar when quarter 0 is included, reported in Table IA4.

startups account for roughly 55% of transactions,[7] followed by Pharmaceuticals & Biotechnology (8%). Overall, the sample reflects the broader distribution of US VC activity and provides diversified coverage across sectors and financing stages.

2.3 Research design

To test our main research question of whether portfolio companies receiving VC investment experience an increase in media coverage, we compare media coverage over time between treated and control companies. A key challenge is addressing the concern that startups receiving VC funding may already differ systematically from other startups, including in their propensity to attract media attention. Additionally, employing a standard DiD or event study research design raises concerns about contamination of the control group due to staggered treatment adoption, where firms that are eventually treated (i.e., receive VC funding later) are incorrectly used as controls for earlier-treated firms (Baker et al., 2022; Callaway and Sant'Anna, 2021). This can bias treatment effect estimates if treatment effects are dynamic or if treatment timing is endogenous.

To mitigate these concerns, we follow the stacked-DiD framework from Baker et al. (2022) and construct cohorts around treated firms using comparable VC-backed control companies. The sample construction process is described in more detail in Section 2.2. We estimate the following stacked regression using a PPML estimator:

$$\begin{aligned} Y_{i,j,t} = \beta_1 Treat_{i,j} \times Post_{i,t} + \beta_2 Post_{i,t} \\ + \beta_4 ln(Age)_{i,j,t} + \alpha_{i,j} + \alpha_t + \epsilon_{i,j,t} \end{aligned} \tag{1}$$

where i indexes the cohort (VC firm–treated company–round group), j indexes companies, and t indexes quarters. The dependent variable $Y_{i,j,t}$ captures the number of news articles, and we separately examine news articles and company-initiated press releases as outcomes to isolate investor-driven versus organic media effects. Because news coverage is highly skewed with a

[7] In Table IA5, we find similar results when we re-estimate the main specification without software companies.

large mass of zeros and a few extreme outliers, we winsorize the dependent variable at the 99.9th percentile (other continuous variables, such as age, are winsorized at 1 and 99%).[8] $Treat_{i,j}$ is a dummy equal to one for treated firms; $Post_{i,t}$ is a dummy equal to one for post-investment quarters for the treated firm's cohort.

We use PPML following Cohn et al. (2022) to appropriately model count data without introducing biases associated with log-transforming zero-heavy distributions. Note that because the PPML estimator automatically drops groups (cohort–company combinations) with all-zero outcomes, the effective estimation sample excludes observations that never receive any media coverage within the eight-quarter window. Our results are robust to using OLS with $\log(1 + News\ Count)$ and a dummy variable as the dependent variable (reported in Table IA7 and Table IA8, respectively).

A key feature of our design is that treated companies may already have prior VC backing. The $Post_{i,t}$ variable indicates whether the quarter is after the focal financing event, not whether it is the company's first VC investment. Including previously funded startups increases sample size and ensures that we capture media effects around incremental financing events, not just initial funding. This decision biases against finding effects, since previously funded firms may already have higher baseline media attention. Regardless, to alleviate the above concern, we report robustness tests restricting to first-round financings (Table 6, Panel B).

To further address potential endogeneity, we control for natural log of firm age ($ln(Age)_{i,j,t}$), as older firms may naturally attract more media coverage. Fixed effects $\alpha_{i,j}$ (cohort-company) and α_t (calendar year-quarter) absorb time-invariant cohort-company-level and time shocks, respectively. Standard errors are double-clustered at the VC and calendar year-quarter level. Our results are robust to alternative fixed effects (reported in Table IA9) and alternative clustering (reported in Table IA10).

[8] Winsorizing at the 99th percentile would remove nearly all nonzero variation, whereas the 99.9th percentile cutoff preserves meaningful dispersion in coverage intensity while mitigating the influence of extreme observations. Nonetheless, winsorizing at 99th percentile and using the unwinsorized raw counts yield similar results, reported in Table IA6).

3 Empirical results

3.1 Descriptive statistics

We begin with providing some context on the sources of news articles, reported in Table 3. Specifically, it summarizes the distribution of source outlets for both news articles and press releases. The largest share of independent news coverage comes from technology-focused media outlets such as TechCrunch, BizJournals, and VentureBeat. Press releases, by definition, are distributed through press releases, PR Newswire, GlobalNewsWire, and BusinessWire.

Table 4 reports descriptive statistics for our regression sample. Panel A (Panel B) presents summary statistics for treated (control). Across both groups, media coverage is sparse and highly skewed, with a large number of zero observations for both news and press releases. On average, the treated (control) observations have 0.272 (0.248) news articles. Press-releases are more common, with a mean of 0.619 (0.642) news articles for treated (control) observations.This distributional pattern motivates our use of PPML regressions, which are well-suited for count data with excess zeros. In terms of positive and negative split, for both groups we observe more positive news (treated 0.047; control 0.041) than negative (treated 0.019; control 0.019). The age distribution is similar between both groups, with a median of five years for both groups.

Panel C summarizes variables used in our consequence tests. Approximately 46% of the sample receives a subsequent round of VC financing, and the average US university ranking of newly hired employees is 219.8. These values are consistent with expectations for VC-backed companies and support our interpretation that changes in media coverage may plausibly influence real economic outcomes such as fundraising success and talent acquisition.

3.2 Main regression results

Table 5 reports our main regression results, which separately examine news and press releases as the dependent variables. Columns (1)–(3) present results for all news, positive news, and negative

news,[9] respectively, while Columns (4)–(6) present analogous results for press releases. Consistent with our predictions, we find that portfolio companies experience a significant increase in news following VC investment. Economically, the results indicate a 26.1% increase post-VC investment,[10] and for positive news, a 23.5% increase.[11] In contrast, we do not find a statistically significant effect on negative news coverage. Press releases also increase, reporting 22.4% increase in all press releases. The positive and significant $Post$ coefficients across some specifications are consistent with the notion that even control firms (non-treated firms in the cohort) are growing startups that naturally gain more media coverage over time. However, the significantly larger $Treat \times Post$ coefficients indicate that VC investment events are associated with additional increases in media exposure beyond this secular trend.

To assess the validity of the parallel trends assumption and to explore the dynamics of media coverage around VC investment, Figure 1 plots estimated treatment effects by quarter using interactions between the treatment indicator and relative event time (X axis). Panels A–C show the dynamics for all, positive, and negative news, while Panels D–F display analogous results for press releases. Overall, the dynamics appear broadly consistent with the parallel trends assumption: coefficients in the pre-investment period are small in magnitude and indistinguishable from zero. Although the coefficients at $t = -4$ are negative and statistically significant, indicating that treated firms initially had lower baseline media coverage than the control firms, there is no evidence of differential slopes in the quarters immediately preceding the investment. Thus, any bias would reflect a level difference rather than a pre-trend in growth rates. To further assess sensitivity, we apply the Honest DiD framework of Rambachan and Roth (2023) in Figure IA1. The sensitivity analysis shows that our estimated post-investment effects remain positive and statistically robust even when allowing post-treatment trend deviations several times larger than the largest pre-period deviation. In other words, the treatment effect would only be attenuated to zero under implausibly

[9] The number of observations is smaller for negative-news regressions because many firms have no negative articles during the eight-quarter window. These zero counts lead the PPML estimator to drop all-zero groups.

[10] The economic interpretation of the coefficient on $Treat \times Post$ of 0.232 (Table 5, Column (1)) is calculated as $e^{0.232} - 1 = 0.261$.

[11] Alternatively, when using dummy variables as the dependent variable in Table IA8, there is a 2.9% point increased probability of the treated startup having at least one news article, and 4.4% point increase in the press releases.

large violations of parallel trends, providing additional support that our findings are not driven by subtle pre-trend differences.

Moreover, the post-investment dynamics display economically meaningful patterns. The increase in independent news coverage is largest in the first quarter after the investment, consistent with a period of intensive post-deal involvement in which VCs help professionalize operations, facilitate early hires, and coordinate external communication (Gompers et al., 2020). Press releases exhibit a sharp but persistent level shift post VC investment relative to the increases in news articles.

3.3 Robustness

While the main results provide strong evidence that VC investment is associated with increased media coverage, it is important to ensure that these findings are not driven by sample construction choices or unobserved firm characteristics. In the following sections, we present a series of robustness tests addressing alternative control samples, variation in financing round stages, and potential endogeneity related to media event intensity.

3.3.1 Non VC-backed companies as control companies

An important concern with our baseline research design is that our control companies, while matched on VC investor and industry characteristics, have also received VC financing before the treated's financing event. Although these companies are selected to mitigate timing and growth potential differences, the fact that both treated and control firms are VC-backed raises concerns that our estimated effects could be confounded by characteristics common to venture-backed firms.

To address this issue, we construct an alternative control group composed of companies that have never received VC funding. Specifically, we select firms from the Pitchbook database that (1) have no recorded VC financing history, (2) operate in the same industry as the treated company (using Pitchbook industry classifications), and (3) have an age -1/+1 years from the treated firm's age at the time of the investment event. We then re-estimate our main regressions using this

alternative control group to test the robustness of our findings to differences in underlying firm financing status.

We re-estimate Equation 1 using the alternative set of control companies in Table 6, Panel A. Consistent with our main findings, we continue to observe a significant increase in media coverage following VC investment, suggesting that our results are not driven by characteristics common to venture-backed companies. Furthermore, the coefficients suggest that the estimated treatment effects are even larger when using non-VC-backed companies as controls. Specifically, we find a 60.5% increase in all news and a 52.7% increase in positive news following VC investment. These effects are economically larger than those observed in our main results, consistent with the idea that non-VC-backed firms are less likely to experience organic media growth absent external investment shocks.

3.3.2 Round 1 results

In addition to the aforementioned concerns, another potential issue is that many of our treated company-rounds have already received VC investment even during the pre-period. For example, for round-three investments, the treatment group had already received two rounds of VC funding. To mitigate the concern, we restrict our treated sample to round-one investments. In this setting, the treated companies would not have received any VC financing during the pre-period; therefore, we are able to test a cleaner effect of VC investments.

Table 6, Panel B reports the PPML regression results. We find an increase in all, positive, and negative news post investment. We observe a similar effect for press releases. The results overall validate our main result from the VC investment effects.

Taken together, these robustness analyses confirm that our findings are not driven by the characteristics of VC-backed control firms or by prior rounds of VC funding, and they reinforce the conclusion that VC investment are related to increased media coverage.

3.3.3 Reverse causality and simultaneity

A remaining concern is that differences in pre-treatment characteristics between treated and control firms may still influence our results, even after matching by VC firm, industry, and investment timing. For instance, VC investors may selectively fund startups that already exhibit higher baseline media visibility or upward pre-trends in coverage and press releases, creating the appearance of post-investment increases even in the absence of causal effects. To reduce this potential reverse causality and selection concern, we employ entropy balancing on pre-treatment covariates following Hainmueller (2012). This procedure re-weights the control firms such that the first two moments (means and variances) of the pre-period distributions of key variables, i.e., prior levels and changes in news/press releases coverage, exactly match those of the treated firms.[12] Entropy balancing thus provides a more transparent and non-parametric approach to constructing a balanced comparison group, ensuring that differences in post-investment outcomes are not driven by pre-existing disparities.

Table 6, Panel C, reports the results of this re-weighted specification. The estimated treatment effects similar to the main effects, and the magnitudes are comparable to those in our baseline analysis. This similarity indicates that our main findings are not an artifact of imbalanced pre-treatment covariates or residual selection effects. In particular, the post-investment increase in positive and total news coverage persists even when pre-period exposure and firm characteristics are perfectly aligned across treated and control firms. Together, these results reinforce the interpretation that VC investment causally increases media visibility, rather than merely reflecting pre-existing differences in firms' propensity to attract media attention.

To evaluate whether differences in pre-investment media trajectories drive our results, we test whether pre-period levels or changes in media coverage predict which startups receive VC investment within VC–industry cohorts. Table IA12 shows that neither pre-period news nor changes in news coverage are positively related to the probability of treatment; if anything, the coefficients are slightly negative. This implies that VCs do not systematically select startups already expe-

[12]The moments before/after entropy balancing is reported in Table IA11.

riencing elevated or rising media visibility. Combined with our pre-trend patterns in Figure 1, these results help attenuate concerns that our estimates reflect pre-existing differences in media trajectories rather than investor-driven effects.

4 Heterogeneous effects

4.1 Board representation

While our baseline results document a positive relationship between VC investment and subsequent media coverage, an important question remains: through what mechanisms does this effect arise? One salient channel is investor involvement through active monitoring (e.g., Bernstein et al., 2016; Hellmann and Puri, 2002), particularly when VCs hold board seats in their portfolio companies. Board representation increases investors' ability to monitor management, influence strategic decisions, and coordinate external communication. VCs serving on the board are also more likely to coordinate firm-level communication and external engagement, for example by advising management on messaging or timing of major announcements. Board representation may thus enhance a firm's strategic visibility and credibility with outside stakeholders, even in the absence of increased firm-initiated publicity. If media amplification is partly driven by active investor engagement, we expect the post-investment increase in coverage to be stronger when the investing VC holds a board seat.

To test this prediction, we test whether the effects are stronger for startups with the VC investor on the board of directors. Specifically, we re-estimate the main regression but additionally including the interaction term $Treat \times Post \times Board$ (and its main effects). Table 7, which reports results for this cross-sectional test, supports this prediction. The estimated coefficients on the triple interaction term are positive and statistically significant for total and positive news coverage, but close to zero for negative news and press releases. We observe a slight decrease in negative press releases. his pattern indicates that investor board participation amplifies the visibility of portfolio companies primarily through independent, third-party media channels, even though press releases

also increases on average. The result aligns with our survey evidence, which shows that investors sitting on portfolio company boards are more likely to engage with journalists or coordinate external communication than to expand press-release activity directly.

4.2 VC reputation

We next examine heterogeneity in the impact of VC investment on media coverage based on the reputation of the VC investors. Reputation can influence media outcomes through two distinct mechanisms. On one hand, reputable investors serve as a certification mechanism (Bernstein et al., 2022), whereby their association enhances a startup's perceived credibility and attracts journalistic attention. On the other hand, highly reputable VCs often have extensive networks (Hochberg et al., 2007) and alternative channels of information dissemination that may reduce their reliance on public media visibility. Under this substitution view, the post-investment media effects could be attenuated among startups backed by higher-reputation investors.

To test this idea, we extend our main regression (Equation 1) by including a triple interaction term, $Treat \times Post \times High\ Rep$, where $High\ Rep$ equals one if both the cumulative number of funds raised and total dollar amount raised is larger than the median among all VCs in the same year. The reputation measure is constructed from PitchBook data and captures investors' historical success and prominence in the venture capital market.

Table 8 reports the results. The coefficients on $Treat \times Post \times High\ Rep$ are smaller and statistically weaker than the baseline estimates, indicating that the increase in media coverage following VC investment is less pronounced for startups backed by high-reputation VCs. This finding suggests that reputable investors rely less on media exposure to shape external perceptions, consistent with the notion that reputation and media visibility act as substitutes in reducing information asymmetry. Conversely, the stronger effects among lower-reputation investors imply that these VCs depend more heavily on public media to build visibility and signal portfolio quality. This result parallels the findings of Flam et al. (2025), who show that private equity firms with weaker reputations issue more press releases around fundraising windows. Taken together, the evidence

suggests that less-established investors VCs turn to media and press releases to offset informational disadvantages, whereas reputable investors can rely on existing networks.

4.3 Portfolio company stages

We also explore whether the impact of VC investment on media coverage varies based on the stage of the portfolio company at the time of financing. Specifically, we test whether earlier-stage companies, those with less established reputations and limited existing public information, experience larger media coverage increases compared to later-stage companies. This setting naturally presents a tension: early-stage startups face greater barriers to attracting third-party media attention and, arguably, have the greatest need for external visibility, yet they also bear higher proprietary costs from public disclosure (e.g., Bernard, 2016; Verrecchia, 1983) and may be more cautious about revealing information during formative stages.

We classify company stage using PitchBook's deal classifications. We define an indicator variable, $Early$, equal to one if the financing round is categorized as "Angel," "Seed," or "Early Stage VC," and zero otherwise. It differs from our earlier robustness test restricting to first-round financings, which focuses on identification; here we analyze heterogeneity in treatment effects across the startup life cycle.

Table 9 reports the results. The interaction term $Treat \times Post \times Early$ is positive and statistically significant across all specifications, indicating that the post-investment increase in media coverage is stronger for early-stage startups than for more mature firms. The magnitude of the effect is economically meaningful: early-stage companies experience larger gains in both news and press releases. This pattern is consistent with the view that VC investment has its greatest impact on the information environment when baseline visibility and external credibility are lowest. In such opaque settings, our results suggest that VC investors play a pivotal role in reducing information frictions.

4.4 Proportion of new investors

We further examine whether the media effects of VC investment depend on the composition of investors within the syndicate, particularly the presence of new investors. Information production incentives are likely to be stronger when a larger share of investors are new to the portfolio company, since these investors have less private information about the firm and stronger motivations to establish its credibility with external stakeholders. In contrast, incumbent investors, those who have participated in prior rounds, may already be familiar with the company's prospects and face less need to influence public perceptions through media visibility.

To test this idea, we construct an indicator variable, $High\ New$, equal to one if the ratio of new investors to total investors in the financing round exceeds the sample median. We then extend our main regression by including the triple interaction term $Treat \times Post \times High\ New$. Table 10 presents the results. Across all specifications, the coefficients on $Treat \times Post \times High\ New$ are positive and statistically significant, indicating that media coverage increases more strongly when a greater proportion of investors are new to the deal. The effects hold for both independent news and press releases, suggesting that new investors actively contribute to expanding the firm's media presence through multiple channels. This pattern supports the idea that information diffusion is an important part of investor onboarding, where new syndicate members seek to enhance external visibility.

5 Consequences

5.1 Subsequent round financing

To further assess the consequences of increased media coverage following VC investment, we examine whether changes in media attention are associated with startups' ability to raise subsequent funding rounds. Following prior work in venture capital and entrepreneurial finance, we use the ability to raise a subsequent financing round as an indicator of startup success and external vali-

dation (e.g., Bernstein et al., 2022). Next-round financing has been widely used as a measurable and economically meaningful outcome reflecting a firm's ongoing attractiveness to investors and its potential for growth. If media visibility increases stakeholders' information about a firm and enhances perceived quality, it should be reflected in an increased likelihood of securing additional venture funding.

To test this idea, we regress next-round fundraising outcomes on changes in media coverage, using both news and press releases. Specifically, we restrict our sample to treated company-rounds and collapse the sample to have one observation per company-round. Next, we measure the changes in news types to capture the extent to which the startup experienced changes in the quantity of news:

$$Chg\ News_i = \ln News_{i,post} - \ln News_{i,pre} \tag{2}$$

where $\ln News_{i,post}$ is the natural log of the sum of the number of articles post VC investment for treated company-round i; $\ln News_{i,pre}$ is the natural log of the sum of the number of articles pre VC investment. We then estimate the following OLS regression:

$$\begin{aligned} Nextround_i = {} & \beta_1 Chg\ News_i + \beta_2 \ln Age_i + \beta_3 \ln News_{i,pre} + \beta_4 \ln Employees_{i,pre} \\ & + \beta_5 \ln New\ Employees_i + \alpha_{ind} + \alpha_{rnd} + \alpha_y + \epsilon_i \end{aligned} \tag{3}$$

where $Nextround_i$ is an indicator variable that equals one if the treated company-round observes a subsequent round of VC funding, and zero otherwise; $\ln Age_i$ is the company age at the time of VC investment; $\ln News_{i,pre}$ is the natural log of the sum of news (or press releases) pre VC investment, to control for pre-VC startup visibility; $\ln Employees_i$ and $\ln New\ Employees_i$ are the natural logs of the number of employees and the number of new employees post VC investment, to control for startup size and growth, respectively; α_{ind}, α_{rnd}, and α_y denotes startup industry, deal round, and deal year fixed effects, respectively. Standard errors are clustered at the industry level.

Table 11, Panel A, reports the results examining the relationship between media coverage and the likelihood of raising a subsequent round of VC financing. We find that increases in overall and positive media coverage—both independent news and press releases—are significantly associated with a higher probability of subsequent financing. In contrast, greater negative coverage, particularly from press releases, is linked to a lower likelihood of securing the next round. The magnitudes are economically meaningful: a one-standard-deviation increase in positive news coverage corresponds to an increase of approximately 1.7% points in the probability of next-round financing.

Overall, these results suggest that positive media exposure plays a central role in facilitating continued investor interest and access to capital, consistent with the idea that visibility and favorable sentiment reduce information frictions in follow-on fundraising. Taken together, the evidence indicates that media engagement following VC investment has tangible financial consequences.

5.2 Talent quality

In addition to examining financial outcomes, we explore whether increased media exposure affects startups' ability to attract higher-quality talent. Human capital is a critical resource for early-stage firms, particularly in knowledge-intensive sectors where employee skills and education can significantly influence firm growth and success (e.g., Babina and Howell, 2024; Bernstein et al., 2022; Cao et al., 2024; Dimmock et al., 2022). Increased media coverage can enhance a startup's visibility among potential employees, reducing information frictions and making the firm a more attractive destination for top talent. If media exposure improves startups' public profiles, we expect that treated firms should be able to recruit employees from more prestigious universities. To test this prediction, we examine whether startups experiencing greater increases in media coverage subsequently hire employees with stronger educational backgrounds, as measured by the average university rankings of new hires. To do so, we replace the dependent variable in Equation 3 with the variable $\ln US\ Rank$, which is the natural log of the mean university rank of the new hires made during the post VC investment.

Table 11, Panel B, presents the results. A negative coefficient indicates an improvement in talent quality, as lower numerical ranks correspond to more prestigious universities. We find that increases in overall and positive news coverage are associated with significant declines in $\ln(US\ Rank)$, implying that startups attracting greater external media attention subsequently hire employees from better-ranked universities. Interestingly, while negative press releases are associated with a lower probability of subsequent financing, they are also linked to improvements in employee university quality. This contrast suggests that media visibility can have heterogeneous effects across stakeholder groups. For investors, negative press may heighten perceived risk or signal operational challenges, whereas for prospective employees, even unfavorable publicity can increase awareness and convey a sense of organizational activity or prominence. Overall, these results indicate that media coverage broadens startups' reach in labor markets, supporting the view that media serves as a channel for reducing information frictions and attracting talent.

While these analyses in Table 11 suggest meaningful consequences of media coverage, we caveat that they should be interpreted as associational. Startups with greater media visibility may differ in unobservable characteristics that also influence fundraising and hiring outcomes. Although we include firm-level controls to reduce these concerns, endogeneity cannot be fully ruled out. The results should therefore be viewed as descriptive correlations rather than definitive causal effects.

6 Survey

6.1 Survey design and delivery

Our survey is primarily designed to understand (1) whether VCs take actions to increase their portfolio companies media coverage and (2) the reasons behind their responses. In doing so, our goal is to validate our hypothesis and understand the potential benefits and mechanisms of their actions. Using an initial draft, we circulated our questions to academics and survey experts for comments. After finalizing the survey questions and obtaining IRB approval from our respective institutions,

we designed and administered the survey via Qualtrics. The final survey has 21 questions.

To deliver the survey, we collected a sample of VC investors and their email addresses from Preqin, which contains contact information on 40,295 VC investors globally. From this sample, we discarded duplicates and email addresses that bounced back or failed to deliver, leaving us with 38,533 individuals. For each individual, we sent a personalized link to the survey. An example copy of the solicitation email is reported in Appendix B. The survey questions are listed in Figure IA2.

We obtained a total of 749 initial responses. Of these responses, 15 responses opted out to not participate in the study. 61 observations were removed as they were filtered out from the screening questions. Specifically, we asked whether (1) if the individual works for a VC fund that invests in startup companies and (2) whether the individual's role in the VC fund is investing in startups. If the recruit answered "No" in either one of the questions, (s)he was filtered out. This reduces the concern that some responses may not have been from VC investors (e.g., Gompers et al., 2020). We also discarded 66 responses that started the survey but had not recorded an answer to the main question.

From these responses, we additionally discarded 213 of them from the main manuscript results because we used different wording for the answer choices in the first waves of the survey. Specifically, this version had the following choices for our main question: "Not important at all," "slightly important," "moderately important," "very important," and "extremely important" for the main question.[13] Our final wave used choices "Never," "Rarely," "Sometimes," "Often," and "Always," and "Yes" and "No" for a subsample of investors. Considering that the main question reads "Overall, do you actively take measures to increase your portfolio company's media coverage?" there is an inconsistency between the question and the provided choices. Still, the results using this version are similar to the reported main results in the paper, as approximately 65% of the responses are still recorded as an investor taking measures to increase portfolio company media coverage, suggesting that the wording of the answer choices does not affect the overall survey

[13]The results of the discarded responses are presented in Figure IA3.

outcomes.

In our analyses, we use the remaining 399 individual responses, representing a 1.04% response rate at the individual level. However, not all individuals emailed were in active investing roles at VC firms. Given that our study concerns the motivations and effects of VC investors, we choose to interpret the response rate at the firm level. We received responses from 382 firms out of a total of 10,738 VC firms, yielding a 3.56% response rate at the firm level.[14] The firm-level response rate (3.6%) is somewhat lower than in comparable VC surveys, but the sample remains broadly representative given the large and global pool of targeted investors. For reference, Bernstein et al. (2016) collected 306 responses from a smaller, primarily US-focused sample. We therefore interpret the survey results as complementary descriptive evidence that supports, rather than drives, the main conclusions from our archival analyses.

6.2 Descriptive statistics/Survey results

We first present descriptive evidence on our survey respondents in Table 12. Panel A describes the geographical distribution of the investors that responded to our survey. Of the 399 responses, 40.6% come from North/South America, of which the majority responded from the US. This is a lower proportion compared to Bernstein et al. (2016), but this is largely due to the discarded responses that were targeted to US investors. The next highest proportion of responses come from Europe, followed by Asia/Oceania/Middle East, and Africa.

Panel B further reports the descriptive statistics of the investors. Of the 399 responses, 64.2% of them are Partners or C-level executives and 20.8% are founders of the VC firm. This provides support to the plausibility of our survey responses, as it suggests that the respondents are capable of shaping the VC firm's overall strategy. We also asked how often the respondents meet their portfolio firm management, and 82.8% responded that they meet at least once a month. This is consistent with Gompers et al. (2020) who report a similar result. Finally, the respondents have a

[14] When we consider the 213 additional responses that were ultimately discarded due to different wording of the answer choices, this rate further increases to 5.12%.

mean experience of 11.267 years, which implies that the respondents are fairly experienced.

We begin our survey by asking the respondents whether they take measures to increase media coverage of their portfolio companies. There are five possible answers for the question: "never," "rarely," "sometimes," "often," and "always." For a group of Singapore investors, we asked the same question using a dichotomous Yes/No choice to validate that classifying "sometimes" as a positive response ("Yes") yields consistent results across response formats. Table 12 Panel C and Figure 2 report the results. In Table 12 Panel C, our main results suggest that 77.1% of the investors responded at least "sometimes", which we consider the answer to be Yes, following Denes et al. (2023). When we conduct a t-test of the mean against the midpoint of the responses (i.e., 3, which is "sometimes"), we find a statistically significant result that is consistent with the mean of our responses being higher than 3. Using the sample with a "Yes/No" choice, we make a similar conclusion as 66.7% of the responses answered "Yes" to the main question. The mean (0.667) is significantly higher than the midpoint (0.5).

Figure 2 shows similar but more disaggregated results. Although the most frequent answer is "sometimes" (147 responses), even when we exclude this answer, 61.24% of the respondents answered "often" or "always." Panel B visualizes the survey responses from the sample that used a dichotomous choice for the main question, same results from Table 12 Panel C. Overall, our results are consistent with the argument that VC investors take measures to increase portfolio company's media coverage.

6.3 Why do VC investors increase portfolio company media coverage?

Next, we investigate potential incentives regarding why VC investors take (or do not take) steps to increase portfolio company media coverage. For the respondents that answered "sometimes," "often," and "always" to the main question, we asked why they take steps to increase portfolio company media coverage. If a respondent answered either "rarely" or "never," we assume they do not take measures to increase portfolio company media, and we questioned why the respondents do not take measures to increase media coverage. This bifurcated questioning approach follows

the methodology used in previous survey studies with VCs such as Denes et al. (2023). For both questions, we suggested several potential reasons and ask the respondents to rank each option using a 1-7 Likert scale.

Figure 3 plots the mean Likert scale for each option of the question regarding why investors take measures to increase media coverage and offers several interesting insights. While all of our choices were relevant reasons and was significantly higher than the midpoint (4), some interesting insights emerge. First, the respondents who take steps to increase portfolio company media coverage claimed that they mainly do so to enhance the company's brand and awareness. The mean score for this response is 6.08 out of 7, recording the highest value among the options. This is consistent with the argument that the media can be one of the ways to generate attention and awareness of the portfolio company.

The second most important factor drawn from the responses is that other stakeholders, such as suppliers and potential clients of the company, search articles about portfolio companies (mean value of 5.88). Corroborating this response, the third highest response shows that increased media can help attract better talent into the portfolio companies. These two responses are consistent with the argument that media coverage is not only important for investors or management but also other stakeholders.

A comment from one of the respondents provides more context on these three points:, "Overall, increased media coverage helps awareness, which can pave the way for better direct response marketing. It also can attract inbound interest from suppliers, potential customers, investors, and employees." Increased media coverage can also help the portfolio companies raise subsequent financing rounds, as noted by the fourth highest response (mean of 5.66). This is consistent with Baik et al. (2024), which show that increased information can contribute to the probability of receiving VC investments. Other factors, including exit value, revenue, or VC fundraising seem to be less important than the four reasons discussed thus far.[15]

[15]For those who responded no, we also ask why investors do not take any measures to increase media coverage. Based on the responses, the two most important reasons were that (1) portfolio companies are responsible for handling media articles (mean value of 5.94), that (2) focusing on the portfolio companies' core product/service is a much more important driver of portfolio company success (5.85), and that (3) potential investors in the company have other

6.4 How do VC investors increase media?

To further investigate the mechanisms that drive VC investors to increase media coverage of their portfolio companies, we ask two questions. First, we asked how the VC investors are able to increase the portfolio companies' media coverage. In this question, we asked the respondents to select all that apply to them. The results are presented in Figure 4.

The most common method reported is communication with journalists, including responding to inbound emails and calls (72%) and referring journalists to the portfolio company (60%). Although responding to inquiries may appear reactive, these interactions still place VCs in a central gatekeeping role: journalists often approach investors for information about opaque startups, and VCs decide whether, how, and through whom information flows. Referral activity, in turn, reflects a more proactive effort to channel media attention toward the portfolio company. Taken together, these actions indicate that VCs meaningfully shape the flow of information even when they are not the ones initiating every press interaction.

VCs also report using firm websites and press announcements (70%), organizing interviews with portfolio company management, and issuing press releases directly from the firm. These activities more clearly represent proactive involvement in coordinating external communication. Overall, the survey responses indicate that VCs engage in a mixture of reactive and proactive activities that collectively reflect an active role in facilitating, shaping, and managing portfolio company visibility, consistent with the monitoring and involvement mechanism highlighted in our archival analyses.

Second, we asked which types of media outlets the VC investors use to disseminate media. Figure 5 displays the results. Overwhelmingly, 70% of the respondents answered industry-specific media, such as *TechCrunch*, to be the most important outlet. Only 46 respondents selected national news (such as the *Wall Street Journal*) and 26 respondents select local news (such as *The Boston Globe*), respectively. This is consistent with the argument that VC investors would prefer

sources to obtain information about the portfolio (5.21). These responses are consistent with our null hypothesis that media coverage may not be a first-order factor to maximize VC investment returns and that investors have alternative sources of information to understand the portfolio company.

to allocate time and attention to helping increase media articles to a specific group, such as potential stakeholders (e.g., investors or industry insiders such as clients and suppliers), rather than the general public.

6.5 Portfolio company-level variation

It is also important to understand which portfolio companies the VCs are more likely to exert efforts to increase media coverage. In Figure 6, we asked which types of portfolio companies the VC investors are more likely to increase media coverage. Panels A, B, C, D, E, and F divide the selections into customer base (i.e., B2C vs. B2B); portfolio company stage (seed, early, expansion, later)[16]; VC being the lead investor or on the board of directors; the timing of the portfolio company's fundraising; whether the company is struggling/not struggling to raise future VC financing; and struggling/not struggling to exit, respectively.

Panel A demonstrates that VCs prioritize B2B companies for increased media coverage, which is consistent with the high response score regarding other stakeholders of the portfolio company being an important audience for its media. This result reinforces the argument that portfolio company media articles are targeted to a specific group rather than to the general public.

In Panel B, we find that early stage investments are most important (43%) for increased media coverage (consistent with our empirical results in Table 9), which demonstrates an increased magnitude for early VC rounds. This is consistent with the notion that startups with a lower reputation can benefit more from increased media coverage.

Panel C finds that being a lead investor/being a board member motivates the VC firms to increase media coverage. This is consistent with the notion that the lead investor is the most actively engaged with the portfolio company (Gorman and Sahlman, 1989). Furthermore, this aligns with the cross-sectional results in Table 7 where we find stronger effects for VCs on the startup's board of directors.

Panel D shows a split in terms of VCs with portfolio companies that have recently raised VC

[16]Note that these classifications are formally defined by the National Venture Capital Association (NVCA).

funding or that are raising funding within six months. While there is a slight preference for helping companies that are planning to fundraise soon, there is no significantly discernible difference.

Meanwhile, Panel E shows that VC investors favor relatively successful companies than portfolio companies that are struggling to raise additional VC funding. Similar to Panel E, Panel F demonstrates that VCs focus on portfolio companies that have no problem exiting. The results support the argument that VCs focus more of their media efforts into successful startups than struggling, unsuccessful startups, where, in the latter case, the VCs attempt to mislead potential investors by embellishing struggling portfolio companies.

7 Conclusion

This study examines how investors shape the media visibility of private firms, focusing on VC-backed startups. We document that startups experience substantial increases in media coverage following VC investment, across both journalist-driven news and company-initiated press releases. The effects are stronger when investors hold board seats—indicating active involvement—and when portfolio companies are at earlier stages of development or have a greater proportion of new investors in the syndicate. In contrast, startups backed by highly reputable VCs exhibit weaker post-investment increases in coverage, consistent with the view that prominent investors rely less on public media channels because they possess extensive private networks and alternative means of information dissemination.

We also show that increased media visibility has meaningful implications. Startups experiencing larger post-investment increases in coverage are more likely to raise subsequent financing and to attract higher-quality employees from more prestigious universities. Interestingly, while both independent and firm-initiated media coverage predict continued funding success, only independent coverage and, to some extent, negative press releases are associated with improved hiring outcomes, highlighting differences in how various stakeholders interpret and respond to media signals.

Complementing our archival analysis, survey evidence from a global sample of VC investors reveals that the majority of VCs actively take steps to enhance media visibility for their portfolio companies. VCs report that media coverage is important not only for branding but also for attracting customers, suppliers, employees, and investors. The survey results also indicate that investors selectively target their media-enhancement efforts toward early-stage and more successful startups, consistent with the patterns observed in our empirical findings.

Overall, our study contributes to three literature. First, we extend research on investor-media interactions by documenting that investors actively manage media coverage even for private firms. Second, we contribute to work on media as an information dissemination mechanism by showing economically meaningful effects of media visibility in private markets. Finally, we add to the literature on the value-added activities of VCs by highlighting media management as an important, previously underexplored mechanism through which investors support their portfolio companies.

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Appendix A Description of Variables

Variable name	Definition [Data Source]
All News	Count of all articles relevant to a specific portfolio company. [PitchBook News]
Positive News	Count of articles with a FinBert score greater than 0. [PitchBook News]
Negative News	Count of articles with a FinBert score less than 0. [PitchBook News]
All PR	Count of all articles classified as press release. An article is defined as a press release if the news source of the article is one of the following: "Company Press Release," "PR NewsWire," "GlobalNewsWire," "Market Screener," and "BusinessWire." All other articles are classified as news articles. [PitchBook News]
Positive PR	Count of press releases with a FinBert score greater than 0. [PitchBook News]
Negative PR	Count of press releases with a FinBert score less than 0. [PitchBook News]
ln (Age)	Natural log of one plus the age of the portfolio company at the time of investment, calculated using the "Company Founded Date" field. [Pitchbook]
Nextround	Indicator equal to one if the company-round receives a subsequent round of VC financing within the observation window. [PitchBook]
Board	Indicator equal to one if the VC investor has at least one board seat in the startup, zero otherwise. [PitchBook]
Early	Indicator equal to one if the financing round is categorized as "Angel," "Seed," or "Early Stage VC" in the "Company Investment Stage 1 at Round Date" field. [PitchBook]
High New	Indicator equal to one if the deal has an above-median share of new VC investors (scaled by total number of VC investors) in a given round, zero otherwise. [PitchBook]
High Rep	Indicator equal to one if the VC has above-median cumulative number and dollar amount of funds raised, and zero otherwise. [PitchBook]
Post	Indicator equal to one if time t is after VC firm i's investment in treated company-round j, and zero otherwise.
Treat	Indicator equal to one if company-round k is classified as treated, i.e., received VC investment during the observation window.

Appendix A – continued from previous page

Variable name	Definition
ln (US Rank)	Natural log of mean university ranking of a new hire's alma mater based on US college rankings in the post period. If the individual has multiple degrees, the best (lowest) rank is used. [Revelio]
ln (Employees), Pre Period	Natural log of number of employees in the pre period. [Revelio]
ln (New Employees)	Natural log of number of new employees in the post period. [Revelio]
ln (News), Pre period	Natural log of one plus the number of articles in the pre period. [PitchBook News]
Chg in News/PR	Log change in the number of articles or number of events between pre- and post-investment periods. [PitchBook News]

Appendix B Solicitation email for the survey

Hello,

We are writing to let you know that we are collecting survey responses from venture capitalists, like you, who invest or oversee investment performance until May 18th 11:59 EST.

Please help use further understand the relationship between media coverage and VC-backed startups by filling out this 5-minute survey.

Follow this link to the Survey:
Take the Survey

Or copy and paste the URL below into your internet browser:
https://XXX.qualtrics.com/jfe/form/SV_0NiPxIbliV7fedg?Q_DL=RQ4DCH0BPzdI7R0_0NiPxIbliV7fedg_CGC_Yx1Xr4J5WMoJ90O&Q_CHL=email

All responses will be anonymized and aggregated into final survey results. If you have any questions or interest in the project, please feel free to contact me at XXX

Thank you for your time and consideration,

XXX

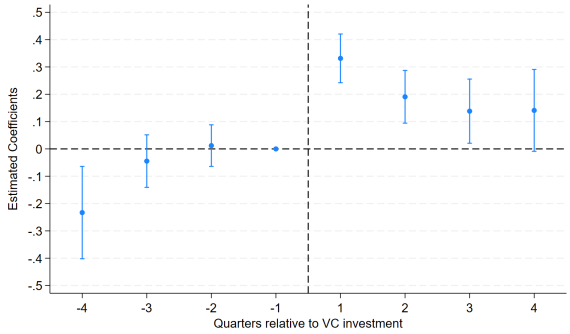
--
XXX
Assistant Professor

Follow the link to opt out of future emails:
Click here to unsubscribe

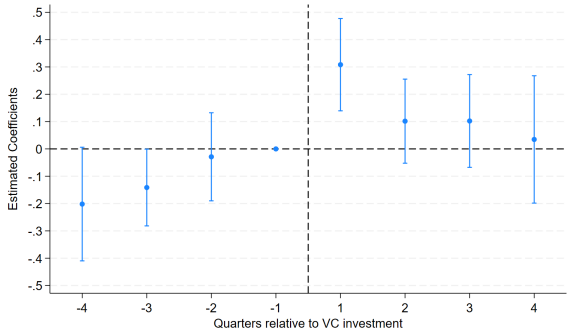
Figure 1: **News articles by each quarter relative to VC investment**

This figure presents the coefficients associated with $Treat \times RelQuarters$ (in Equation 1). The X-axis shows the quarters relative to the VC investment date; the dotted vertical line denotes the quarter in which the VC invested in the portfolio firm. Panel A, B, and C (D, E, and F) show the results using news articles (press releases) as dependent variables. The blue bars represent 95% confidence intervals surrounding the point estimate.

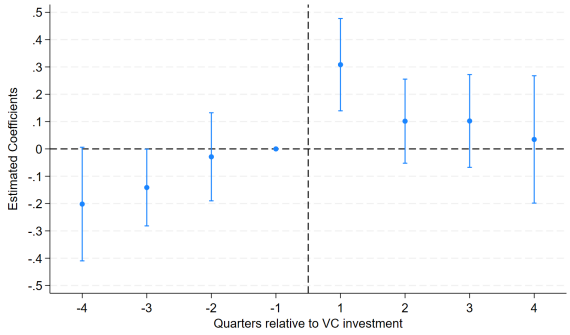
Panel A: **All news**



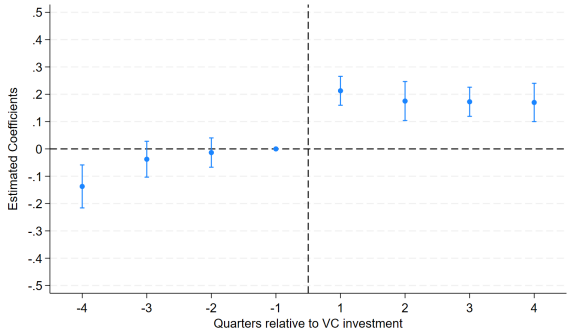
Panel B: **Positive news**



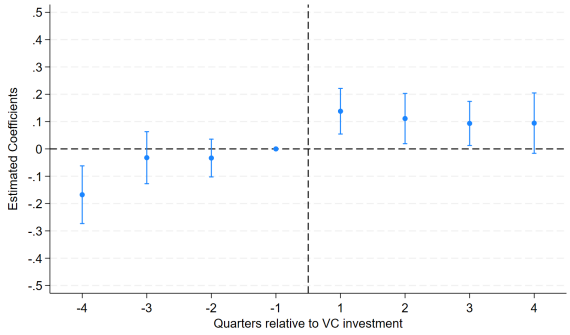
Panel C: **Negative news**



Panel D: **All press releases**



Panel E: **Positive press releases**



Panel F: **Negative press releases**

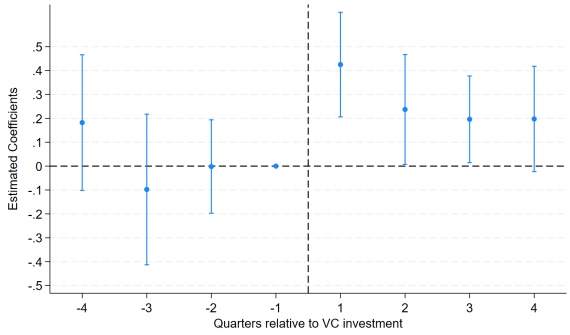
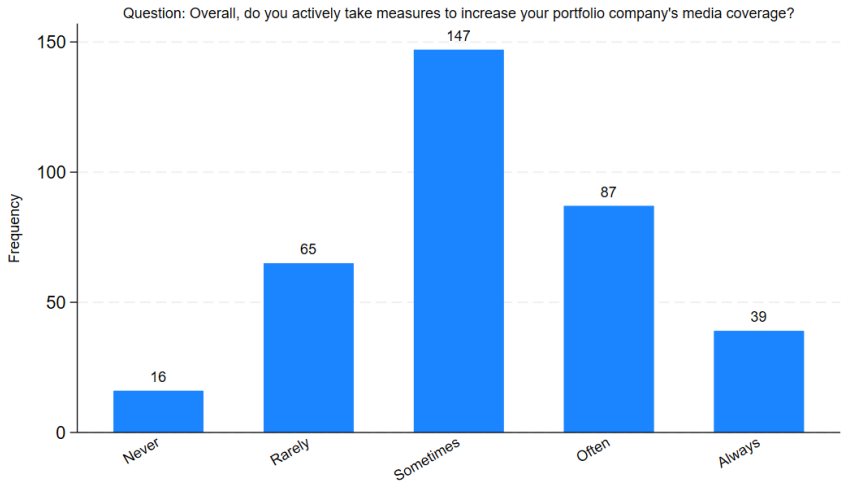


Figure 2: **Distribution of survey responses: main question**

This figure shows the responses of the question, "Overall, do you actively take measures to increase your portfolio company's media coverage?" Panel A uses the responses from "Never" to "Always"; "Sometimes", "Often", and "Always" are considered as the investor taking steps to increase portfolio company media. Panel B uses a dichotomous approach with a "Yes" and "No" answer.

Panel A: Responses using Never-Always



Panel B: Responses using Yes/No

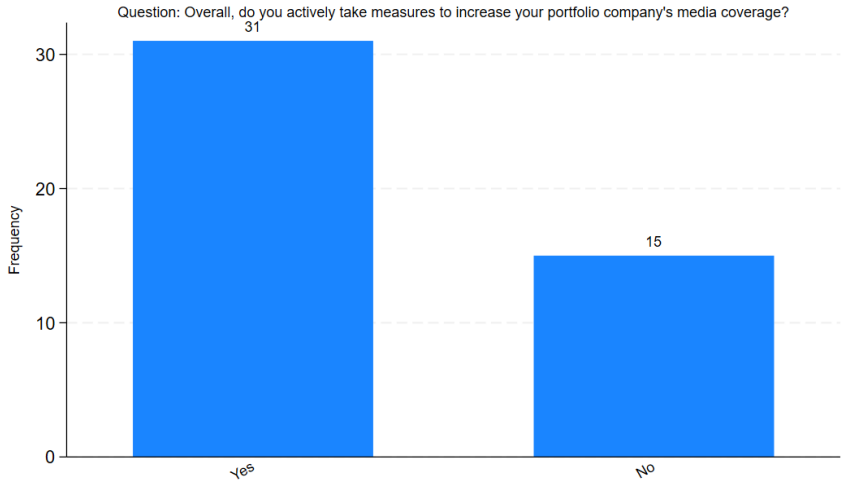


Figure 3: **Distribution of survey responses: Why do VC investors increase media coverage?**

This figure presents the distribution of the responses to the question, "Below are potential reasons why you are taking measures to increase portfolio company media coverage. Please select the extent to which you agree with the following reasons." Those who select responses "Moderately important", "Very important", and "Extremely important" ("Slightly important" and "Not important at all" receive the question. Each bar represents the average Likert scale (from 1-7) of the importance of each factor. The black dotted line is the midpoint of the possible responses (4).

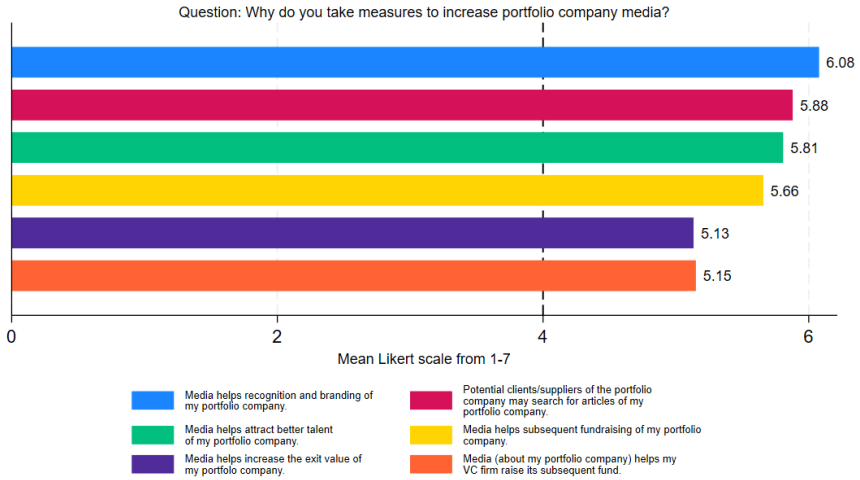


Figure 4: **Distribution of survey responses: How do VC investors increase media?**

This figure presents the distribution of the response to the question, "My VC firm takes proactive steps to increase my portfolio company's media exposure." Each bar represents the number of responses for each option.

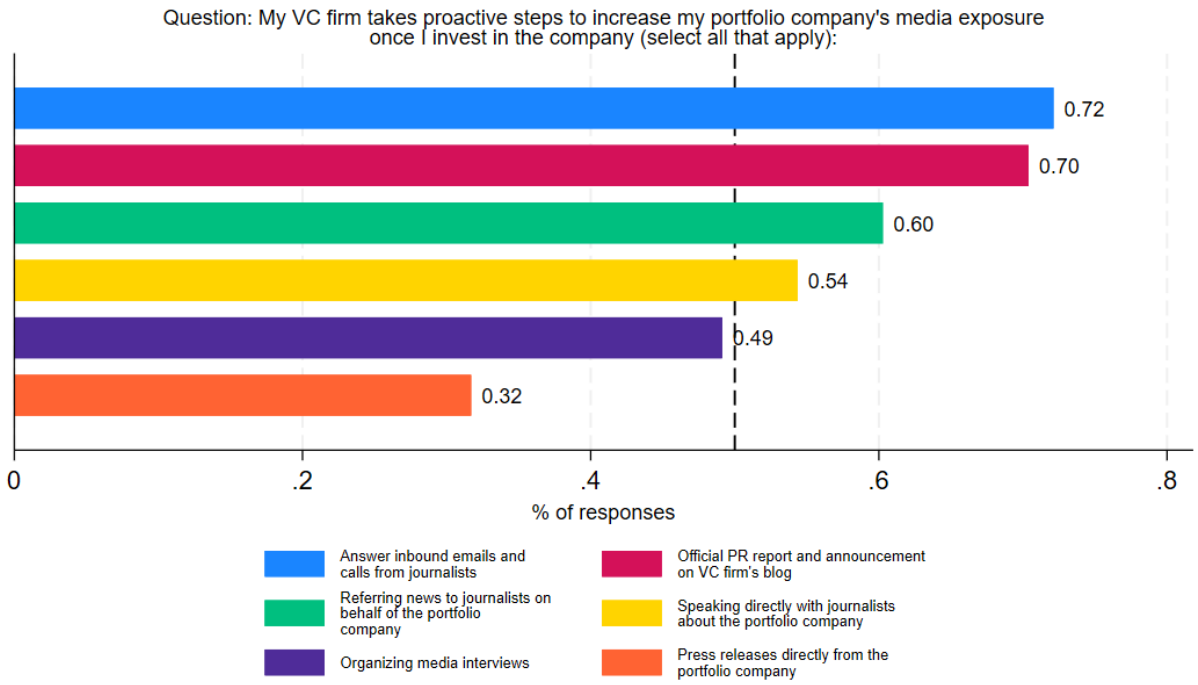


Figure 5: **Distribution of survey responses - Which media do VC investors use to increase portfolio company media coverage?**

This figure presents the distribution of the response to the question, "Which media outlet do you most frequently choose to disseminate media articles on portfolio companies?" The Y axis represents the proportion of respondents that selected a given option.

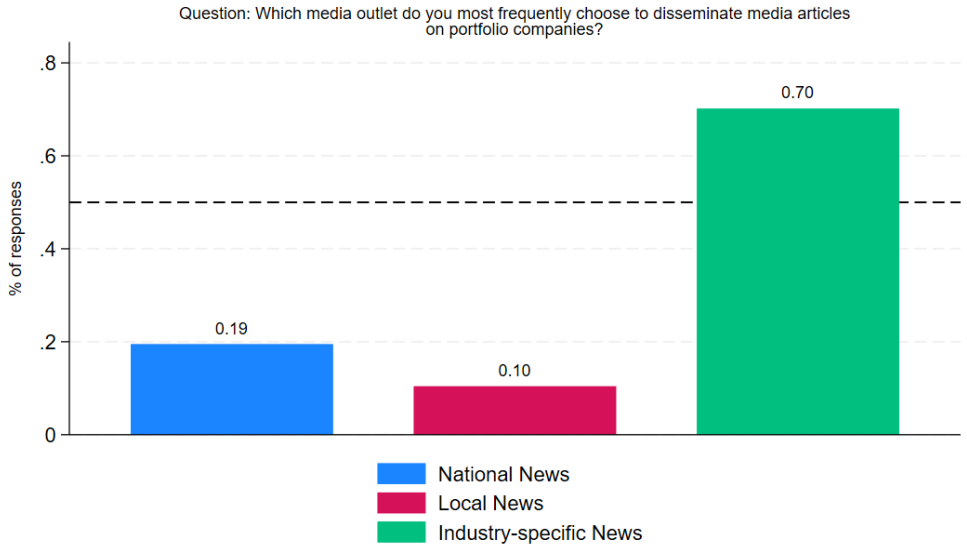


Figure 6: **Distribution of survey responses - Which types of portfolio companies do you increase media more than others?**

This figure presents the distribution of the response to the question, "Which types of portfolio companies are you more likely to increase their media coverage?" Panel A compares responses between B2C and B2B companies; Panel B compares across different stages of the portfolio companies (i.e., Seed, Early, Expansion, and Later stages); Panel C compares whether the VC investor is the lead investor of the portfolio company or sits on the board, or neither; Panel D compares portfolio companies that just raised a VC funding against companies that are fundraising in the next 6 months; Panel E compares portfolio companies that are struggling to raise funding against companies that do not have problems raising VC funding. Finally, Panel F compares companies that are struggling to exit vs. that are not. The Y axis represent the proportion of respondents that selected a given option.

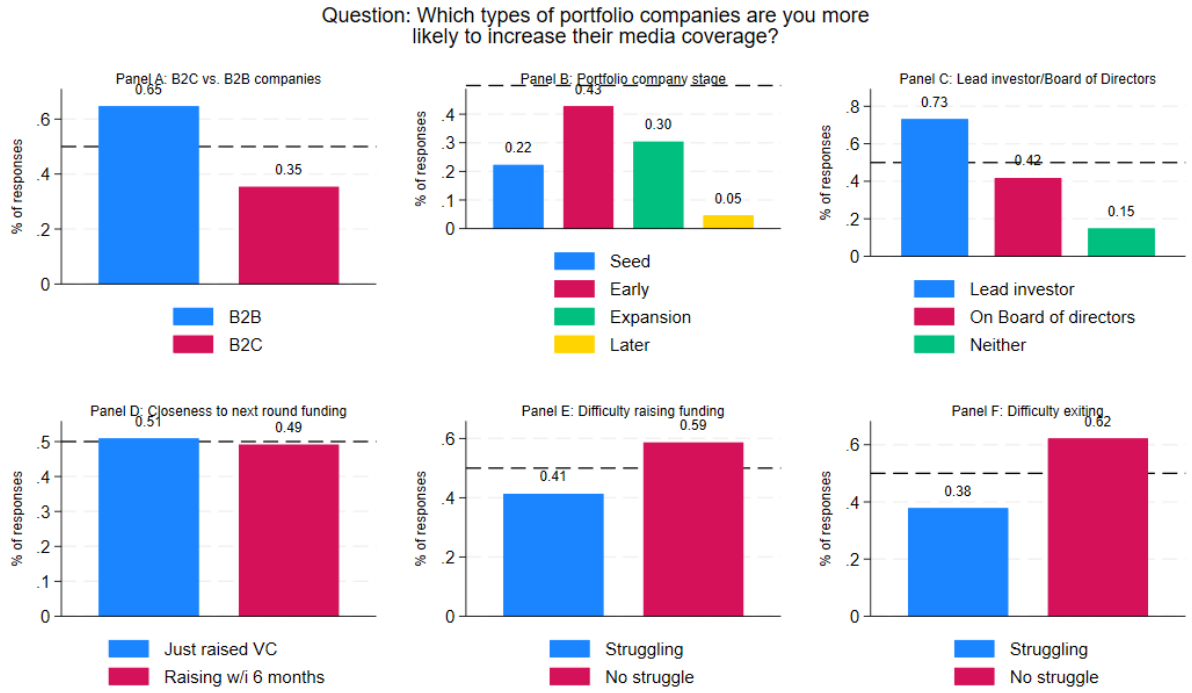


Table 1: **Sample selection**

This table describes the sample selection process.

	# of unique firms	# of unique deals	# of cohorts
Completed VC deals from 2016, US startups	39,997	68,599	301,156
Drop if founding year is missing	38,802	67,082	296,144
Create cohort data	38,802	61,347	296,144
Drop same firms but different rounds	37,296	58,403	217,802
Drop control firms that received VC funding within 1 year of treated's investment	36,555	57,029	203,274
Drop control firms that have already exited or within 1 year of exit	36,096	56,386	191,401
Drop control firms that are in different industry than treated firm	31,211	47,351	137,048
Drop control firms that are greater than 2 years difference in age	27,004	40,390	106,969
Drop if no articles during +/- 1 years	17,665	28,562	66,937

Table 2: **Number of Transactions**

This table reports the number of portfolio company-rounds involved in our sample. Panel A reports this statistic by headquarter state; Panel B, by investment round; Panel C, by industry based on Pitchbook's classification.

Panel A: By state

State	Freq.	Percent
California	12,175	42.7
New York	4,360	15.3
Massachusetts	2,075	7.3
Texas	1,233	4.3
Washington	1,003	3.5
Illinois	689	2.4
Colorado	660	2.3
Florida	596	2.1
Pennsylvania	494	1.7
Delaware	410	1.4
Georgia	372	1.3
Virginia	364	1.3
North Carolina	338	1.2
Utah	331	1.2
Ohio	301	1.1
Maryland	299	1.1
Other States	2,862	9.9
Total	28,562	100.0

Panel B: By investment round

Round	Freq.	Percent
1	6,290	22.0
2	7,868	27.6
3	6,199	21.7
4	3,818	13.4
5+	4,387	15.3
Total	28,562	100

Panel C: By industry

Industry	Freq.	Percent
Software	15,607	54.6
Pharmaceuticals and Biotechnology	2,183	7.6
Commercial Services	2,087	7.3
Healthcare Technology Systems	1,387	4.9
Consumer Non-Durables	1,244	4.4
Healthcare Devices and Supplies	939	3.3
Services (Non-Financial)	827	2.9
Healthcare Services	706	2.5
Commercial Products	600	2.1
Computer Hardware	488	1.7
Consumer Durables	405	1.4
Media	379	1.3
Other Financial Services	343	1.2
Other Industries	1,367	4.9
Total	28,562	100

Table 3: **Article descriptives**

This table summarizes the sources of news and press releases at the article level.

Source	Freq.
News articles	
TechCrunch	13,229
BizJournals	8,694
VentureBeat	4,507
Business Insider	3,968
Biospace	3,640
Other	54,064
Press releases	
Company Press Release	134,620
PR NewsWire	39,575
GlobalNewsWire	17,504
Market Screener	16,829
BusinessWire	13,207
Total	309,837

Table 4: **Descriptive statistics**

Panel A: Treated companies

Variable	N	Mean	SD	p10	p25	p50	p75	p90
All News	534,914	0.272	1.177	0	0	0	0	1
Positive News	534,914	0.047	0.280	0	0	0	0	0
Negative News	534,914	0.019	0.174	0	0	0	0	0
PR	534,914	0.619	1.762	0	0	0	1	2
Positive PR	534,914	0.203	0.728	0	0	0	0	1
Negative PR	534,914	0.026	0.189	0	0	0	0	0
Age	534,914	5.056	2.646	2	3	5	7	9
Early	534,914	0.645	0.479	0	0	1	1	1
High Rep	534,914	0.250	0.433	0	0	0	0	1
Board	534,914	0.033	0.179	0	0	0	0	0
High New	534,914	0.536	0.499	0	0	1	1	1

Panel B: Control companies

Variable	N	Mean	SD	p10	p25	p50	p75	p90
All News	2,874,939	0.248	1.073	0	0	0	0	1
Positive News	2,874,939	0.041	0.255	0	0	0	0	0
Negative News	2,874,939	0.019	0.170	0	0	0	0	0
PR	2,874,939	0.642	1.722	0	0	0	1	2
Positive PR	2,874,939	0.211	0.715	0	0	0	0	1
Negative PR	2,874,939	0.028	0.197	0	0	0	0	0
Age	2,874,939	5.103	2.361	2	3	5	7	8
Early	2,874,939	0.661	0.473	0	0	1	1	1
High Rep	2,874,939	0.413	0.492	0	0	0	1	1
Board	2,874,939	0.030	0.171	0	0	0	0	0
High New	2,874,939	0.506	0.500	0	0	1	1	1

Panel C: Outcome test variables

Variable	N	Mean	SD	p10	p25	p50	p75	p90
Dependent variables								
Nextround	19,448	0.460	0.498	0	0	0	1	1
US Rank	11,971	219.806	157.927	34	95.500	196.579	305.400	436
ln(US Rank)	11,971	5.003	1.080	3.526	4.559	5.281	5.722	6.078
Chg In								
News	19,448	0.220	0.977	-0.693	0	0	0.663	1.609
Positive News	19,448	0.066	0.582	0	0	0	0	0
Negative News	19,448	0.040	0.374	0	0	0	0	0
PR	19,448	0.453	1.146	-0.693	0	0	1.099	1.946
Positive PR	19,448	0.235	0.893	-0.336	0	0	0.405	1.386
Negative PR	19,448	0.053	0.480	0	0	0	0	0
Control variables								
ln(News), Pre period	19,448	0.387	0.827	0	0	0	0	1.609
ln(Employees), Pre period	19,448	2.939	1.325	1.099	2.015	2.876	3.801	4.747
ln(New Employees)	19,448	1.656	1.150	0.223	0.811	1.504	2.398	3.239
ln(Age)	19,448	1.567	0.539	0.693	1.099	1.609	1.946	2.197

Table 5: **Increase in News Post-VC Investment**

This table presents PPML regression results from Equation 1. Columns (1)-(3) (Columns (4)-(6)) present results using the number of news (press releases) as dependent variables, respectively. All variables are defined in Appendix A. All continuous variables are winsorized at the top and bottom 1% level; count variables are winsorized at the top 0.1% level. Standard errors are clustered at the VC and Year-Quarter level and are reported in parentheses. Significance levels are indicated by *, **, *** for 10%, 5%, and 1%, respectively.

	News			Press Releases		
	(1) All	(2) Positive	(3) Negative	(4) All	(5) Positive	(6) Negative
Treat x Post	0.232***	0.211***	0.125	0.202***	0.137***	0.251***
	(0.03)	(0.05)	(0.09)	(0.02)	(0.03)	(0.05)
Post	0.204***	0.187***	0.368***	0.185***	0.209***	0.243***
	(0.05)	(0.06)	(0.07)	(0.06)	(0.06)	(0.07)
ln(Age)	0.551***	0.848***	1.065	1.238***	1.229***	0.980***
	(0.19)	(0.17)	(0.70)	(0.16)	(0.16)	(0.28)
Cohort-Co FE	Yes	Yes	Yes	Yes	Yes	Yes
Year-Quarter FE	Yes	Yes	Yes	Yes	Yes	Yes
Observations	1,774,946	623,380	267,096	2,618,491	1,581,755	474,169
Pseudo R-sq.	0.362	0.164	0.162	0.401	0.274	0.117
Cluster	VC, YQ	VC, YQ	VC, YQ	VC, YQ	VC, YQ	VC, YQ

Table 6: **Robustness Tests: Alternative Settings**

This table presents robustness tests using different settings and measures. Panel A presents PPML regression results from Equation 1, but with an alternative set of control companies (i.e., non-VC-backed companies). Panel B restricts our sample to round one investments and re-estimates Equation 1. Panel C presents the main regressions after controlling for levels and changes of news/press releases in the pre period by conducting entropy balancing. Columns (1)-(3) (Columns (4)-(6)) present results using the number of news (press releases) as dependent variables, respectively. All variables are defined in Appendix A. All continuous variables are winsorized at the top and bottom 1% level; count variables are winsorized at the top 0.1% level. Standard errors are clustered at the Cohort-Company and Year-Quarter level and are reported in parentheses. Significance levels are indicated by *, **, *** for 10%, 5%, and 1%, respectively.

Panel A: Non-VC-backed firms

	News			Press Releases		
	(1) All	(2) Positive	(3) Negative	(4) All	(5) Positive	(6) Negative
Treat x Post	0.473***	0.423***	0.555***	0.326***	0.282***	0.306*
	(0.06)	(0.10)	(0.16)	(0.04)	(0.05)	(0.16)
Post	0.025	0.028	0.084	0.118*	0.150**	0.056
	(0.06)	(0.04)	(0.09)	(0.07)	(0.07)	(0.09)
ln(Age)	0.674*	1.774**	0.589	1.071***	1.416***	1.250
	(0.36)	(0.71)	(1.03)	(0.25)	(0.35)	(0.82)
Cohort-Co FE	Yes	Yes	Yes	Yes	Yes	Yes
Year-Quarter FE	Yes	Yes	Yes	Yes	Yes	Yes
Observations	2,029,324	407,107	199,590	4,472,907	1,927,992	271,124
Pseudo R-sq.	0.169	0.070	0.096	0.217	0.113	0.094
Cluster	Cohort-Co, YQ			Cohort-Co, YQ		

Panel B: Round 1 only

	News			Press Releases		
	(1) All	(2) Positive	(3) Negative	(4) All	(5) Positive	(6) Negative
Treat x Post	0.842***	0.923***	1.252***	0.665***	0.523***	0.649**
	(0.13)	(0.21)	(0.38)	(0.08)	(0.12)	(0.29)
Post	0.256***	0.266***	0.362***	0.285***	0.313***	0.201*
	(0.05)	(0.10)	(0.10)	(0.04)	(0.05)	(0.11)
ln(Age)	0.463**	0.906***	1.193	1.288***	1.285***	0.778**
	(0.23)	(0.26)	(0.74)	(0.21)	(0.20)	(0.34)
Cohort-Co FE	Yes	Yes	Yes	Yes	Yes	Yes
Year-Quarter FE	Yes	Yes	Yes	Yes	Yes	Yes
Observations	363,929	100,121	37,326	522,544	268,146	71,457
Pseudo R-sq.	0.293	0.136	0.177	0.345	0.226	0.093
Cluster	VC, YQ	VC, YQ	VC, YQ	VC, YQ	VC, YQ	VC, YQ

Panel C: Entropy balancing

	News			Press Releases		
	(1) All	(2) Positive	(3) Negative	(4) All	(5) Positive	(6) Negative
Treat x Post	0.215***	0.190***	0.118	0.202***	0.137***	0.251***
	(0.03)	(0.05)	(0.10)	(0.02)	(0.03)	(0.05)
Post	0.247***	0.245***	0.463***	0.185***	0.209***	0.243***
	(0.08)	(0.09)	(0.10)	(0.06)	(0.06)	(0.07)
ln(Age)	0.895***	1.047***	1.397***	1.238***	1.229***	0.980***
	(0.15)	(0.17)	(0.46)	(0.16)	(0.16)	(0.28)
Cohort-Co FE	Yes	Yes	Yes	Yes	Yes	Yes
Year-Quarter FE	Yes	Yes	Yes	Yes	Yes	Yes
Observations	1,774,946	623,380	267,096	2,618,491	1,581,755	474,169
Pseudo R-sq.	0.366	0.169	0.166	0.401	0.274	0.117
Cluster	VC, YQ	VC, YQ	VC, YQ	VC, YQ	VC, YQ	VC, YQ

Table 7: **Board representation**

This table re-estimates the main regression (Equation 1) interacted with a dummy variable, Board, which equals 1 when the investor VC sits on the portfolio company board of directors, and 0 otherwise. Columns (1)-(3) (Columns (4)-(6)) present results using the number of news (press releases) as dependent variables, respectively. All variables are defined in Appendix A. All continuous variables are winsorized at the top and bottom 1% level; count variables are winsorized at the top 0.1% level. Standard errors are clustered at the VC and Year-Quarter level and are reported in parentheses. Significance levels are indicated by *, **, *** for 10%, 5%, and 1%, respectively.

	News			Press Releases		
	(1)	(2)	(3)	(4)	(5)	(6)
	All	Positive	Negative	All	Positive	Negative
Treat x Post x Board	0.606***	0.631**	0.514	0.189	0.075	-0.347*
	(0.16)	(0.27)	(0.54)	(0.14)	(0.19)	(0.18)
Treat x Post	0.230***	0.207***	0.127	0.196***	0.129***	0.252***
	(0.03)	(0.05)	(0.09)	(0.02)	(0.03)	(0.05)
Treat x Board	-0.051	-0.098	0.070	-0.127***	-0.136***	0.005
	(0.05)	(0.08)	(0.16)	(0.03)	(0.04)	(0.10)
Board	-0.084***	-0.058	-0.056	-0.020	-0.004	-0.037
	(0.03)	(0.05)	(0.06)	(0.03)	(0.03)	(0.04)
Post	0.200***	0.184***	0.366***	0.184***	0.209***	0.242***
	(0.05)	(0.06)	(0.07)	(0.06)	(0.06)	(0.07)
ln(Age)	0.550***	0.846***	1.065	1.238***	1.228***	0.981***
	(0.19)	(0.17)	(0.70)	(0.16)	(0.16)	(0.28)
Cohort-Co FE	Yes	Yes	Yes	Yes	Yes	Yes
Year-Quarter FE	Yes	Yes	Yes	Yes	Yes	Yes
Observations	1,774,946	623,380	267,096	2,618,491	1,581,755	474,169
Pseudo R-sq.	0.362	0.164	0.162	0.401	0.274	0.117
Cluster	VC, YQ	VC, YQ	VC, YQ	VC, YQ	VC, YQ	VC, YQ

Table 8: **VC Reputation**

This table re-estimates the main regression (Equation 1) interacted with a dummy variable, High Rep, which equals 1 when the investing VC firm is defined to be a high reputation VC, and zero otherwise. Columns (1)-(3) (Columns (4)-(6)) present results using the number of news (press releases) as dependent variables, respectively. All variables are defined in Appendix A. All continuous variables are winsorized at the top and bottom 1% level; count variables are winsorized at the top 0.1% level. Standard errors are clustered at the VC and Year-Quarter level and are reported in parentheses. Significance levels are indicated by *, **, *** for 10%, 5%, and 1%, respectively.

	News			Press Releases		
	(1)	(2)	(3)	(4)	(5)	(6)
	All	Positive	Negative	All	Positive	Negative
Treat x Post x High Rep	-0.103***	-0.159**	-0.103	-0.077***	-0.075*	-0.019
	(0.04)	(0.08)	(0.09)	(0.03)	(0.04)	(0.08)
Treat x Post	0.266***	0.274***	0.156	0.234***	0.170***	0.270***
	(0.03)	(0.07)	(0.10)	(0.02)	(0.03)	(0.06)
Post x High Rep	0.009	0.069	-0.012	0.040*	0.055	0.076*
	(0.03)	(0.05)	(0.05)	(0.02)	(0.03)	(0.04)
Post	0.200***	0.154**	0.374***	0.165***	0.182***	0.205***
	(0.05)	(0.06)	(0.07)	(0.06)	(0.06)	(0.07)
ln(Age)	0.549***	0.862***	1.056	1.248***	1.244***	1.007***
	(0.19)	(0.17)	(0.69)	(0.16)	(0.16)	(0.28)
Cohort-Co FE	Yes	Yes	Yes	Yes	Yes	Yes
Year-Quarter FE	Yes	Yes	Yes	Yes	Yes	Yes
Observations	1,774,946	623,380	267,096	2,618,491	1,581,755	474,169
Pseudo R-sq.	0.362	0.164	0.162	0.401	0.274	0.117
Cluster	VC, YQ	VC, YQ	VC, YQ	VC, YQ	VC, YQ	VC, YQ

Table 9: **Early Rounds**

This table re-estimates the main regression (Equation 1) interacted with a dummy variable, Early, which equals 1 when Pitchbook codes the deal type as one of the following: "Angel," "Seed," or "Early Stage VC," and 0 otherwise. Columns (1)-(3) (Columns (4)-(6)) present results using the number of news (press releases) as dependent variables, respectively. All variables are defined in Appendix A. All continuous variables are winsorized at the top and bottom 1% level; count variables are winsorized at the top 0.1% level. Standard errors are clustered at the VC and Year-Quarter level and are reported in parentheses. Significance levels are indicated by *, **, *** for 10%, 5%, and 1%, respectively.

	News			Press Releases		
	(1) All	(2) Positive	(3) Negative	(4) All	(5) Positive	(6) Negative
Treat x Post x Early	0.256***	0.261*	0.328*	0.164***	0.148***	0.300**
	(0.07)	(0.14)	(0.18)	(0.04)	(0.05)	(0.15)
Treat x Post	0.141***	0.124	0.022	0.152***	0.097***	0.160**
	(0.04)	(0.08)	(0.10)	(0.02)	(0.03)	(0.07)
Post x Early	-0.025	-0.019	-0.006	0.007	0.013	0.004
	(0.03)	(0.05)	(0.07)	(0.02)	(0.03)	(0.05)
Post	0.217***	0.196***	0.371***	0.181***	0.203***	0.241***
	(0.06)	(0.07)	(0.08)	(0.06)	(0.07)	(0.07)
ln(Age)	0.513***	0.796***	0.965	1.174***	1.158***	0.887***
	(0.19)	(0.21)	(0.71)	(0.17)	(0.17)	(0.28)
Cohort-Co FE	Yes	Yes	Yes	Yes	Yes	Yes
Year-Quarter FE	Yes	Yes	Yes	Yes	Yes	Yes
Observations	1,774,946	623,380	267,096	2,618,491	1,581,755	474,169
Pseudo R-sq.	0.362	0.164	0.162	0.401	0.274	0.117
Cluster	VC, YQ	VC, YQ	VC, YQ	VC, YQ	VC, YQ	VC, YQ

Table 10: **New investors**

This table re-estimates the main regression (Equation 1) with an interaction term for a dummy variable, High New, which equals one if the ratio of new VC investors to total investors in the financing round exceeds the sample median, and 0 otherwise. Columns (1)-(3) (Columns (4)-(6)) present results using the number of news (press releases) as dependent variables, respectively. All variables are defined in Appendix A. All continuous variables are winsorized at the top and bottom 1% level; count variables are winsorized at the top 0.1% level. Standard errors are clustered at the VC and Year-Quarter level and are reported in parentheses. Significance levels are indicated by *, **, *** for 10%, 5%, and 1%, respectively.

	News			Press Releases		
	(1) All	(2) Positive	(3) Negative	(4) All	(5) Positive	(6) Negative
Treat x Post x High New	0.269***	0.295***	0.303***	0.120***	0.094*	0.292**
	(0.06)	(0.08)	(0.10)	(0.03)	(0.05)	(0.13)
Treat x Post	0.115***	0.095*	-0.016	0.182***	0.105***	0.141**
	(0.04)	(0.05)	(0.08)	(0.02)	(0.03)	(0.06)
Treat x High New	-0.074	-0.362	-0.451	-0.037	0.065	0.094
	(0.20)	(0.23)	(0.72)	(0.12)	(0.16)	(0.54)
Post x High New	0.005	0.010	0.010	0.011	0.011	-0.009
	(0.02)	(0.04)	(0.04)	(0.01)	(0.02)	(0.03)
High New	0.098**	0.166**	0.023	0.085**	0.079*	0.058
	(0.05)	(0.07)	(0.07)	(0.04)	(0.05)	(0.10)
Post	0.201***	0.181***	0.362***	0.191***	0.205***	0.247***
	(0.06)	(0.06)	(0.07)	(0.03)	(0.06)	(0.06)
ln(Age)	0.522***	0.810***	1.028	1.154***	1.211***	0.955***
	(0.19)	(0.18)	(0.69)	(0.16)	(0.16)	(0.29)
Cohort-Co FE	Yes	Yes	Yes	Yes	Yes	Yes
Year-Quarter FE	Yes	Yes	Yes	Yes	Yes	Yes
Observations	1,774,946	623,380	267,096	3,083,799	1,581,755	474,169
Pseudo R-sq.	0.362	0.164	0.162	0.408	0.274	0.117
Cluster	VC, YQ	VC, YQ	VC, YQ	VC, YQ	VC, YQ	VC, YQ

Table 11: **Consequences of increased media coverage**

This table tests the consequences of increased media. Panel A (Panel B) presents next round financing (Mean US Rank) outcomes. All continuous variables are winsorized at the top and bottom 1% level. Standard errors are clustered at the Industry level and are reported in parentheses. Controls include ln(Age), ln(News/PR) (pre period), ln(Employee count) (pre period), ln(New employees). Standard errors are clustered at the industry level. Significance levels are indicated by *, **, *** for 10%, 5%, and 1%, respectively.

Panel A: Next VC financing round

Dep variable: Nextround	(1)	(2)	(3)	(4)	(5)	(6)
Chg in All News	0.014**					
	(0.01)					
Chg in Positive News		0.017***				
		(0.01)				
Chg in Negative News			0.022**			
			(0.01)			
Chg in All PR				0.008		
				(0.00)		
Chg in Positive PR					0.006*	
					(0.00)	
Chg in Negative PR						-0.006**
						(0.00)
Controls	Yes	Yes	Yes	Yes	Yes	Yes
Industry FE	Yes	Yes	Yes	Yes	Yes	Yes
Round FE	Yes	Yes	Yes	Yes	Yes	Yes
Deal Year FE	Yes	Yes	Yes	Yes	Yes	Yes
Observations	19,448	19,448	19,448	19,448	19,448	19,448
Adj. R-sq.	0.271	0.271	0.271	0.271	0.271	0.271
Cluster	Ind	Ind	Ind	Ind	Ind	Ind

Panel B: University rankings of new employees

Dep variable: ln(US Rank)	(1)	(2)	(3)	(4)	(5)	(6)
Chg in All News	-0.048***					
	(0.00)					
Chg in Positive News		-0.040***				
		(0.00)				
Chg in Negative News			-0.034***			
			(0.01)			
Chg in All PR				-0.006		
				(0.00)		
Chg in Positive PR					-0.003	
					(0.01)	
Chg in Negative PR						-0.016***
						(0.00)
Controls	Yes	Yes	Yes	Yes	Yes	Yes
Industry FE	Yes	Yes	Yes	Yes	Yes	Yes
Round FE	Yes	Yes	Yes	Yes	Yes	Yes
Deal Year FE	Yes	Yes	Yes	Yes	Yes	Yes
Observations	15,995	15,995	15,995	15,995	15,995	15,995
Adj. R-sq.	0.105	0.103	0.103	0.101	0.101	0.101
Cluster	Ind	Ind	Ind	Ind	Ind	Ind

Table 12: **Main survey results**

This table provides statistics on our survey results. Panel A provides geographical distribution of the respondents; Panel B provides descriptive statistics on the characteristics of the respondents; Panel C shows the results of our main question. In Panel C, 'Global sample' denotes the survey iteration using choices "Never, Rarely, Sometimes, Often, and Always"; 'Singapore sample' denotes the survey iteration using a "Yes/No" response. A t-test of whether the mean of our sample answers is larger than the survey's midpoint (i.e., 3 for the global sample and 0.5 for the Singapore sample) is provided. *, **, and *** denote statistical significance at 10%, 5%, and 1%, respectively.

Panel A: Geographical distribution

Country	N	%
Americas	162	40.6
Europe	119	29.8
Asia/Oceania/Middle East	109	27.3
Africa	9	2.3
Total	399	100

Panel B: Descriptive statistics

	N	Mean	Std
Partner/C-level (0/1)	399	0.642	0.480
Founder (0/1)	399	0.208	0.406
Meet portfolio at least once a month (0/1)	319	0.828	0.378
VC Experience (years)	317	11.267	7.824

Panel C: Main question - Do you take active steps to increase media?

Sample	N	% Yes	Mean	Std	95% Conf. Interval
Global sample (Never-Always)	354	77.1%	3.192***	1.008	[3.087 3.300]
Singapore sample (Yes/No)	45	66.7%	0.667***	0.477	[0.523 0.810]

Internet Appendix for:

Venture Capital's Influence on Startup Media Coverage

Table IA1: **Loughran and McDonald measures**

This table re-estimates the main regression (Equation 1) using Loughran-McDonald based positive and negative news definitions. See Appendix A for variable definitions. Standard errors are clustered at the VC and Year-Quarter level and are reported in parentheses. Significance levels are indicated by *, **, *** for 10%, 5%, and 1% respectively.

	News		Press Releases	
	(1) Positive	(2) Negative	(3) Positive	(4) Negative
Treat x Post	0.323***	0.284***	0.193***	0.172***
	(0.06)	(0.08)	(0.03)	(0.04)
Post	0.162**	0.279***	0.191***	0.189***
	(0.06)	(0.07)	(0.06)	(0.06)
ln(Age)	0.652***	0.826**	1.163***	1.068***
	(0.20)	(0.36)	(0.18)	(0.21)
Cluster-Co FE	Yes	Yes	Yes	Yes
Year-Quarter FE FE	Yes	Yes	Yes	Yes
Observations	593,922	451,624	1,803,677	961,876
Pseudo R-sq.	0.141	0.209	0.286	0.180
Cluster	VC, YQ	VC, YQ	VC, YQ	VC, YQ

Table IA2: **Main test using Ravenpack sample**

This table presents PPML regression results from Equation 1. Columns (1)-(3) (Columns (4)-(6)) present results using the number of news (press releases) as dependent variables, respectively. All variables are defined in Appendix A. Standard errors are clustered at the Cohort-Company and Year-Quarter level and are reported in parentheses. Significance levels are indicated by *, **, *** for 10%, 5%, and 1%, respectively.

	Non-Company-initiated			*Company-initiated*		
	(1)	(2)	(3)	(4)	(5)	(6)
	AllNews	*PosNews*	*NegNews*	*AllNews*	*PosNews*	*NegNews*
Treat × Post	0.276***	0.349***	-0.038	0.308***	0.248***	-0.232
	(0.09)	(0.09)	(0.16)	(0.07)	(0.07)	(0.40)
Post	0.195**	0.245**	0.162	0.130	0.224***	-0.184
	(0.09)	(0.10)	(0.13)	(0.08)	(0.08)	(0.23)
Age	-0.428*	-0.546**	-0.235	-0.507***	-0.444**	-0.124
	(0.24)	(0.25)	(0.87)	(0.18)	(0.22)	(1.48)
Event Count	-0.000	0.002	-0.003	-0.004	-0.000	-0.015
	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	(0.01)
Controls	Yes	Yes	Yes	Yes	Yes	Yes
Cluster-Co FE	Yes	Yes	Yes	Yes	Yes	Yes
Cluster-Yr FE	Yes	Yes	Yes	Yes	Yes	Yes
Observations	30,747	29,836	7,201	37,539	36,744	2,818
Pseudo R-sq	0.687	0.598	0.578	0.417	0.320	0.063
Cluster	Cohort-Co, YQ	Cohort-Co, YQ	Cohort-Co, YQ	Cohort-Co, YQ	Cohort-Co, YQ	Cohort-Co, YQ

Table IA3: **Article-level Frequent words**

This table summarizes the most frequently mentioned words in individual articles.

Token	Frequency
platform	31,818
data	29,701
ai	22,744
leading	22,047
technology	21,663
based	20,378
health	16,525
business	15,880
industry	15,453
global	14,736
market	14,634
startup	14,476
software	14,283
digital	14,065
management	13,619
cloud	12,788
security	12,781
provider	12,520
tech	11,449
solutions	11,270
ceo	11,032
partnership	10,135

Table IA4: **Including Quarter 0**

This table re-estimates the main regression (Equation 1) including the period right around the VC investment (i.e., quarter 0). See Appendix A for variable definitions. Standard errors are clustered at the VC and Year-Quarter level and are reported in parentheses. Significance levels are indicated by *, **, *** for 10%, 5%, and 1% respectively.

	News			Press Releases		
	(1) All	(2) Positive	(3) Negative	(4) All	(5) Positive	(6) Negative
Treat x Post	0.387***	0.350***	0.284**	0.226***	0.154***	0.338***
	(0.04)	(0.06)	(0.11)	(0.02)	(0.03)	(0.05)
Post	0.263***	0.239***	0.349***	0.196***	0.204***	0.276***
	(0.04)	(0.04)	(0.05)	(0.03)	(0.04)	(0.04)
ln(Age)	0.498***	0.748***	0.953	1.173***	1.142***	0.923***
	(0.19)	(0.17)	(0.67)	(0.16)	(0.16)	(0.29)
Cluster-Co FE	Yes	Yes	Yes	Yes	Yes	Yes
Year-Quarter FE FE	Yes	Yes	Yes	Yes	Yes	Yes
Observations	2,182,132	781,348	337,420	3,083,799	1,890,113	597,975
Pseudo R-sq.	0.366	0.168	0.167	0.408	0.280	0.120
Cluster	VC, YQ	VC, YQ	VC, YQ	VC, YQ	VC, YQ	VC, YQ

Table IA5: **No software industry**

This table re-estimates the main regression (Equation 1) after removing software companies. See Appendix A for variable definitions. Standard errors are clustered at the VC and Year-Quarter level and are reported in parentheses. Significance levels are indicated by *, **, *** for 10%, 5%, and 1% respectively.

	(1) All	(2) Positive	(3) Negative	(4) All	(5) Positive	(6) Negative
Treat x Post	0.322***	0.364***	0.225*	0.237***	0.232***	0.231***
	(0.04)	(0.08)	(0.13)	(0.03)	(0.04)	(0.08)
Post	0.432***	0.283***	0.556***	0.249***	0.256***	0.418***
	(0.05)	(0.06)	(0.11)	(0.04)	(0.05)	(0.07)
ln(Age)	1.009***	1.438***	1.111*	1.373***	1.615***	1.584***
	(0.20)	(0.34)	(0.58)	(0.13)	(0.23)	(0.40)
Cluster-Co FE	Yes	Yes	Yes	Yes	Yes	Yes
Year-Quarter FE FE	Yes	Yes	Yes	Yes	Yes	Yes
Observations	409,595	150,671	51,275	544,730	286,025	67,004
Pseudo R-sq.	0.304	0.131	0.141	0.319	0.199	0.076
Cluster	VC, YQ	VC, YQ	VC, YQ	VC, YQ	VC, YQ	VC, YQ

Table IA6: **Alternative winsorization**

This table presents robustness tests using different settings and measures. Panel A presents PPML regression results from Equation 1, using winsorized dependent variables at the top 1% level. Panel B presents the same regression results using unwinsorized dependent variables. Columns (1)-(3) (Columns (4)-(6)) present results using the number of news (press releases) as dependent variables, respectively. All variables are defined in Appendix A. Standard errors are clustered at the VC and Year-Quarter level and are reported in parentheses. Significance levels are indicated by *, **, *** for 10%, 5%, and 1%, respectively.

Panel A: Dependent variables winsorized at top 99%

	News			Press Releases		
	(1) All	(2) Positive	(3) Negative	(4) All	(5) Positive	(6) Negative
Treat x Post	0.184***	0.211***	0.065	0.193***	0.146***	0.232***
	(0.03)	(0.04)	(0.08)	(0.02)	(0.03)	(0.04)
Post	0.209***	0.167***	0.353***	0.182***	0.213***	0.233***
	(0.05)	(0.06)	(0.07)	(0.06)	(0.06)	(0.06)
ln(Age)	0.842***	1.087***	1.479**	1.267***	1.240***	0.984***
	(0.17)	(0.15)	(0.58)	(0.16)	(0.16)	(0.30)
Cluster-Co FE	Yes	Yes	Yes	Yes	Yes	Yes
Year-Quarter FE FE	Yes	Yes	Yes	Yes	Yes	Yes
Observations	1,774,946	623,380	267,096	2,618,491	1,581,755	474,169
Pseudo R-sq.	0.239	0.086	0.095	0.352	0.241	0.069
Cluster	VC, YQ	VC, YQ	VC, YQ	VC, YQ	VC, YQ	VC, YQ

Panel B: Non-winsorized dependent variables

	News			Press Releases		
	(1) All	(2) Positive	(3) Negative	(4) All	(5) Positive	(6) Negative
Treat x Post	0.274***	0.231***	0.203*	0.197***	0.135***	0.259***
	(0.06)	(0.08)	(0.12)	(0.02)	(0.03)	(0.06)
Post	0.159**	0.174**	0.298***	0.184***	0.214***	0.238***
	(0.06)	(0.07)	(0.08)	(0.06)	(0.07)	(0.07)
ln(Age)	0.251	0.773***	0.536	1.191***	1.212***	1.008***
	(0.26)	(0.24)	(0.70)	(0.16)	(0.17)	(0.29)
Cluster-Co FE	Yes	Yes	Yes	Yes	Yes	Yes
Year-Quarter FE FE	Yes	Yes	Yes	Yes	Yes	Yes
Observations	1,774,946	623,380	267,096	2,618,491	1,581,755	474,169
Pseudo R-sq.	0.408	0.210	0.235	0.411	0.284	0.139
Cluster	VC, YQ	VC, YQ	VC, YQ	VC, YQ	VC, YQ	VC, YQ

Table IA7: **OLS**

This table re-estimates the main regression (Equation 1) using OLS with log(1+news count) as the dependent variable. See Appendix A for variable definitions. Standard errors are clustered at the VC and Year-Quarter level and are reported in parentheses. Significance levels are indicated by *, **, *** for 10%, 5%, and 1% respectively.

	News			Press Releases		
	(1) All	(2) Positive	(3) Negative	(4) All	(5) Positive	(6) Negative
Treat x Post	0.031***	0.008***	0.003***	0.049***	0.014***	0.004***
	(0.00)	(0.00)	(0.00)	(0.01)	(0.00)	(0.00)
Post	0.023***	0.005***	0.004***	0.045***	0.022***	0.004***
	(0.01)	(0.00)	(0.00)	(0.01)	(0.01)	(0.00)
ln(Age)	0.025*	0.002	-0.004*	0.011	-0.028*	-0.005**
	(0.01)	(0.00)	(0.00)	(0.03)	(0.02)	(0.00)
Cluster-Co FE	Yes	Yes	Yes	Yes	Yes	Yes
Year-Quarter FE	Yes	Yes	Yes	Yes	Yes	Yes
Observations	3,409,853	3,409,853	3,409,853	3,409,853	3,409,853	3,409,853
Adj. R-sq.	0.342	0.184	0.197	0.418	0.323	0.119
Cluster	VC, YQ	VC, YQ	VC, YQ	VC, YQ	VC, YQ	VC, YQ

Table IA8: **Dummy variables as dependent variable**

This table estimates the main regression (Equation 1) but instead using OLS models and dummy variables as dependent variables. See Appendix A for variable definitions. Standard errors are clustered at the VC and Year-Quarter level and are reported in parentheses. Significance levels are indicated by *, **, *** for 10%, 5%, and 1% respectively.

	News			Press Releases		
	(1) All	(2) Positive	(3) Negative	(4) All	(5) Positive	(6) Negative
Treat x Post	0.029***	0.009***	0.003***	0.044***	0.014***	0.005***
	(0.00)	(0.00)	(0.00)	(0.01)	(0.00)	(0.00)
Post	0.023***	0.006***	0.005***	0.033***	0.023***	0.005***
	(0.01)	(0.00)	(0.00)	(0.01)	(0.01)	(0.00)
ln(Age)	0.052***	0.007	-0.004	0.063***	-0.009	-0.005*
	(0.02)	(0.00)	(0.00)	(0.02)	(0.01)	(0.00)
Cluster-Co FE	Yes	Yes	Yes	Yes	Yes	Yes
Year-Quarter FE	Yes	Yes	Yes	Yes	Yes	Yes
Observations	3,409,853	3,409,853	3,409,853	3,409,853	3,409,853	3,409,853
Adj. R-sq.	0.199	0.134	0.160	0.278	0.245	0.094
Cluster	VC, YQ	VC, YQ	VC, YQ	VC, YQ	VC, YQ	VC, YQ

Table IA9: **Alternative fixed effects**

This table re-estimates the main regression (Equation 1) using alternative fixed effects. Panel A (Panel B) presents results using news (press releases) as the dependent variable. See Appendix A for variable definitions. Standard errors are clustered at the VC and Year-Quarter level and are reported in parentheses. Significance levels are indicated by *, **, *** for 10%, 5%, and 1% respectively.

Panel A: News

	(1) All	(2) Positive	(3) Negative	(4) All	(5) Positive	(6) Negative	(7) All	(8) Positive	(9) Negative
Treat x Post	0.277***	0.237***	0.196*	0.244***	0.233***	0.160*	0.276***	0.289***	0.109
	(0.08)	(0.08)	(0.11)	(0.03)	(0.05)	(0.09)	(0.05)	(0.08)	(0.20)
Post	0.197***	0.183***	0.355***	0.131*	0.127	0.337***	0.097	0.091	0.292**
	(0.06)	(0.06)	(0.07)	(0.07)	(0.13)	(0.11)	(0.07)	(0.13)	(0.15)
ln(Age)	0.592***	0.760***	0.872***	0.496**	0.869***	0.965	0.433*	1.308***	1.017
	(0.07)	(0.06)	(0.20)	(0.20)	(0.20)	(0.72)	(0.26)	(0.32)	(1.24)
Cluster FE	Yes	Yes	Yes	No	No	No	No	No	No
Cluster-Co FE	No	No	No	Yes	Yes	Yes	Yes	Yes	Yes
Year-Quarter FE	Yes	Yes	Yes	No	No	No	No	No	No
Industry-Year FE	No	No	No	Yes	Yes	Yes	No	No	No
State-Year FE	No	No	No	Yes	Yes	Yes	No	No	No
Cluster-Year FE	No	No	No	No	No	No	Yes	Yes	Yes
Observations	3,218,145	2,521,831	1,708,981	1,774,658	619,758	262,975	1,567,930	460,061	174,169
Pseudo R-sq.	0.197	0.141	0.151	0.362	0.167	0.172	0.384	0.176	0.164
Cluster	VC, YQ	VC, YQ	VC, YQ	VC, YQ	VC, YQ	VC, YQ	VC, YQ	VC, YQ	VC, YQ

Panel B: Press Releases

	(1) All	(2) Positive	(3) Negative	(4) All	(5) Positive	(6) Negative	(7) All	(8) Positive	(9) Negative
Treat x Post	0.200***	0.134***	0.246***	0.206***	0.142***	0.278***	0.236***	0.159***	0.328***
	(0.03)	(0.04)	(0.08)	(0.02)	(0.03)	(0.07)	(0.03)	(0.03)	(0.09)
Post	0.185***	0.209***	0.243***	0.287***	0.342***	0.190	0.251**	0.293***	0.123
	(0.06)	(0.06)	(0.07)	(0.10)	(0.11)	(0.15)	(0.10)	(0.10)	(0.14)
ln(Age)	0.997***	1.143***	0.920***	1.201***	1.216***	0.944***	1.252***	1.387***	0.997*
	(0.05)	(0.05)	(0.10)	(0.17)	(0.16)	(0.29)	(0.20)	(0.20)	(0.58)
Cluster FE	Yes	Yes	Yes	No	No	No	No	No	No
Cluster-Co FE	No	No	No	Yes	Yes	Yes	Yes	Yes	Yes
Year-Quarter FE	Yes	Yes	Yes	No	No	No	No	No	No
Industry-Year FE	No	No	No	Yes	Yes	Yes	No	No	No
State-Year FE	No	No	No	Yes	Yes	Yes	No	No	No
Cluster-Year FE	No	No	No	No	No	No	Yes	Yes	Yes
Observations	3,362,578	3,115,880	2,275,798	2,616,528	1,579,361	470,426	2,452,891	1,387,126	336,576
Pseudo R-sq.	0.220	0.187	0.116	0.392	0.266	0.118	0.410	0.276	0.127
Cluster	VC, YQ	VC, YQ	VC, YQ	VC, YQ	VC, YQ	VC, YQ	VC, YQ	VC, YQ	VC, YQ

Table IA10: **Alternative clustering**

This table re-estimates the main regression (Equation 1) using alternative clustering. Panel A (Panel B) presents results using news (press releases) as the dependent variable. See Appendix A for variable definitions. Significance levels are indicated by *, **, *** for 10%, 5%, and 1% respectively.

Panel A: News

	(1) All	(2) Positive	(3) Negative	(4) All	(5) Positive	(6) Negative	(7) All	(8) Positive	(9) Negative	(10) All	(11) Positive	(12) Negative
Treat x Post	0.232***	0.211***	0.125***	0.232***	0.211***	0.125***	0.232***	0.211***	0.125	0.232***	0.211***	0.125
	(0.02)	(0.03)	(0.04)	(0.01)	(0.02)	(0.03)	(0.05)	(0.07)	(0.10)	(0.05)	(0.07)	(0.10)
Post	0.204***	0.187***	0.368***	0.204***	0.187***	0.368***	0.204***	0.187***	0.368***	0.204***	0.187***	0.368***
	(0.01)	(0.02)	(0.04)	(0.01)	(0.01)	(0.02)	(0.02)	(0.04)	(0.07)	(0.02)	(0.04)	(0.07)
ln(Age)	0.551***	0.848***	1.065***	0.551***	0.848***	1.065***	0.551**	0.848***	1.065***	0.551**	0.848***	1.065***
	(0.07)	(0.12)	(0.14)	(0.03)	(0.05)	(0.08)	(0.23)	(0.30)	(0.39)	(0.23)	(0.31)	(0.38)
Cluster-Co FE	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Year-Quarter FE FE	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Observations	1,774,946	623,380	267,096	1,774,946	623,380	267,096	1,774,946	623,380	267,096	1,774,946	623,380	267,096
Pseudo R-sq.	0.362	0.164	0.162	0.362	0.164	0.162	0.362	0.164	0.162	0.362	0.164	0.162
Cluster	VC	VC	VC	Cluster	Cluster	Cluster	Co	Co	Co	VC, Co	VC, Co	VC, Co

Panel B: Press Releases

	(1) All	(2) Positive	(3) Negative	(4) All	(5) Positive	(6) Negative	(7) All	(8) Positive	(9) Negative	(10) All	(11) Positive	(12) Negative
Treat x Post	0.202***	0.137***	0.251***	0.202***	0.137***	0.251***	0.202***	0.137***	0.251***	0.202***	0.137***	0.251***
	(0.01)	(0.02)	(0.03)	(0.01)	(0.01)	(0.02)	(0.02)	(0.03)	(0.07)	(0.03)	(0.03)	(0.07)
Post	0.185***	0.209***	0.243***	0.185***	0.209***	0.243***	0.185***	0.209***	0.243***	0.185***	0.209***	0.243***
	(0.01)	(0.01)	(0.04)	(0.01)	(0.01)	(0.02)	(0.01)	(0.02)	(0.05)	(0.01)	(0.02)	(0.05)
ln(Age)	1.238***	1.229***	0.980***	1.238***	1.229***	0.980***	1.238***	1.229***	0.980**	1.238***	1.229***	0.980***
	(0.07)	(0.09)	(0.14)	(0.03)	(0.03)	(0.06)	(0.15)	(0.16)	(0.38)	(0.15)	(0.17)	(0.38)
Cluster-Co FE	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Year-Quarter FE FE	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Observations	2,618,491	1,581,755	474,169	2,618,491	1,581,755	474,169	2,618,491	1,581,755	474,169	2,618,491	1,581,755	474,169
Pseudo R-sq.	0.401	0.274	0.117	0.401	0.274	0.117	0.401	0.274	0.117	0.401	0.274	0.117
Cluster	VC	VC	VC	Cluster	Cluster	Cluster	Co	Co	Co	VC, Co	VC, Co	VC, Co

Table IA11: **Entropy balancing**

This table reports the first and second moments for treated and control companies before (Panel A) and after (Panel B) entropy balancing.

Panel A: Before entropy balancing

	Treat		Control	
	Mean	Variance	Mean	Variance
News	0.197	0.482	0.217	0.676
Chg News	0.055	0.119	0.045	0.121
PR	0.439	1.234	0.525	1.463
Chg PR	0.128	0.326	0.131	0.315

After entropy balancing

	Treat		Control	
	Mean	Variance	Mean	Variance
News	0.197	0.482	0.198	0.490
Chg News	0.055	0.119	0.054	0.119
PR	0.439	1.234	0.441	1.245
Chg PR	0.128	0.326	0.128	0.327

Table IA12: **Pre-period media and treated assignment**

This table tests whether pre-investment media coverage predicts treatment within VC–industry cohorts. The dependent variable equals one for the startup receiving VC funding in the focal investment event and zero for control startups backed by the same VC firm but in different investment events. Standard errors are clustered at the VC level. *, **, and *** indicate statistical significance at 10%, 5%, and 1%, respectively.

Panel A: Levels and changes in news

Dep variable: Treat	(1)	(2)	(3)	(4)	(5)	(6)
ln(All News)	-0.023***					
	(0.00)					
ln(Pos News)		-0.026***				
		(0.00)				
ln(Neg News)			-0.011			
			(0.01)			
Chg in All News				0.003		
				(0.00)		
Chg in Pos News					-0.005	
					(0.00)	
Chg in Neg News						0.007
						(0.01)
VC FE	Yes	Yes	Yes	Yes	Yes	Yes
Deal Year FE	Yes	Yes	Yes	Yes	Yes	Yes
Observations	427,830	427,830	427,830	427,830	427,830	427,830
Adj. R-sq.	0.101	0.101	0.100	0.100	0.100	0.100
Cluster	VC	VC	VC	VC	VC	VC

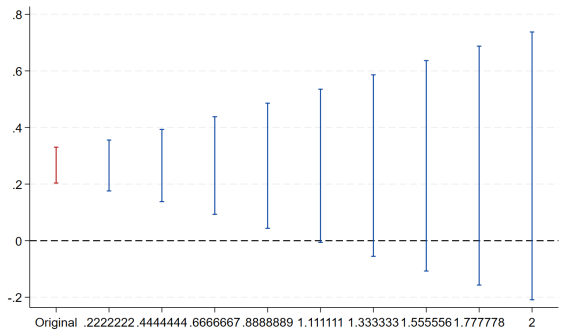
Panel B: Levels and changes in press releases

Dep variable: Treat	(1)	(2)	(3)	(4)	(5)	(6)
ln(PR)	-0.018***					
	(0.00)					
ln(Pos PR)		-0.010*				
		(0.01)				
ln(Neg PR)			0.045			
			(0.04)			
Chg in PR				0.003		
				(0.00)		
Chg in Pos PR					-0.005	
					(0.00)	
Chg in Neg PR						0.007
						(0.01)
VC FE	Yes	Yes	Yes	Yes	Yes	Yes
Deal Year FE	Yes	Yes	Yes	Yes	Yes	Yes
Observations	427,830	427,830	427,830	427,830	427,830	427,830
Adj. R-sq.	0.100	0.100	0.100	0.100	0.100	0.100
Cluster	VC	VC	VC	VC	VC	VC

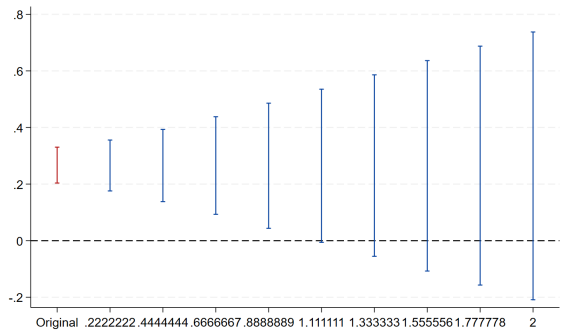
Figure IA1: **Honest differences-in-differences sensitivity analysis**

This figure reports 95% confidence internvals for the effect of VC investment on media coverage using the HonestDiD procedure of Rambachan and Roth, 2023. For each outcome, we consider the class of relative-magnitude violations of parallel trends, which bounds post-investment deviations in trends by $\bar{M}$ times the largest pre-investment deviation. The x-axis plots different values of $\bar{M}$; the bar labeled "Original" shows the conventional DiD estimate and 95% confidence interval under exact parallel trends. Blue bars show robust confidence sets for increasing values of M. Panel A–C use non-company-initiated news as the outcome (total, positive, and negative articles, respectively), while Panels D–F use company-initiated press releases (total, positive, and negative).

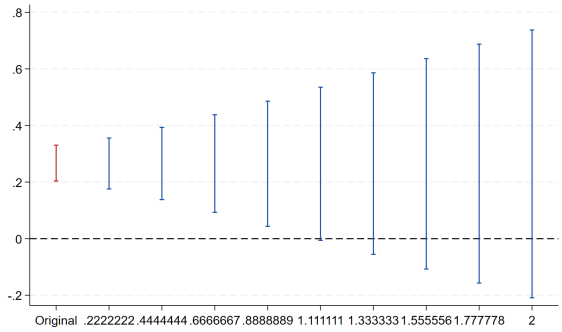
Panel A: **All news**



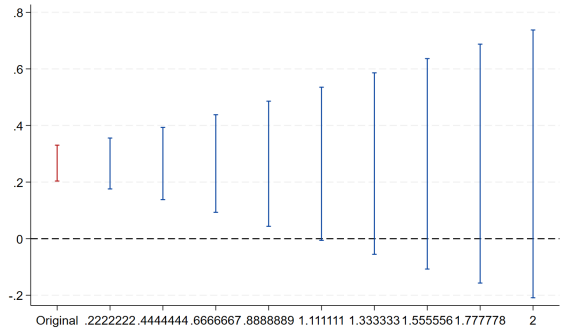
Panel B: **Positive news**



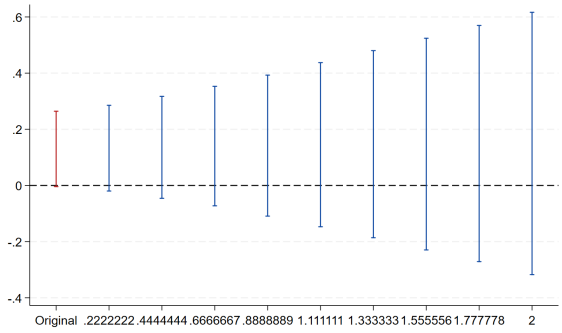
Panel C: **Negative news**



Panel D: **All press releases**



Panel E: **Positive press releases**



Panel F: **Negative press releases**

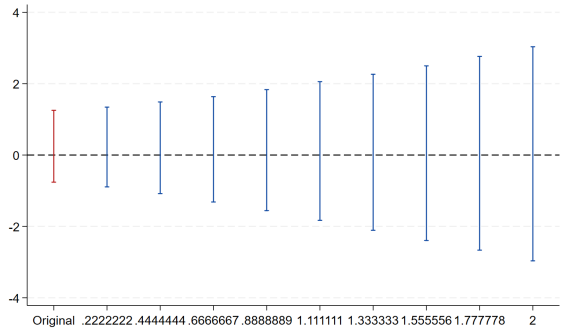


Figure IA2: **Survey questions**

Start of Block: Rationale

Introduction In this part of the survey, we will ask you questions about how interested and involved your VC firm is with your portfolio company's media coverage.

Q1 Overall, do you actively take measures to increase your portfolio company's media coverage?

- Never
- Rarely
- Sometimes
- Often
- Always

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Q2 Below are potential reasons why you are <u>not</u> taking measures to increase portfolio firm media coverage. Please select the extent to which you agree with the following reasons:

	Strongly disagree	Disagree	Somewhat disagree	Neither agree nor disagree	Somewhat agree	Agree	Strongly agree
Focusing on portfolio company's product/service quality is more important for growth.	○	○	○	○	○	○	○
Other marketing strategies (e.g., advertisements) are more important for portfolio company growth.	○	○	○	○	○	○	○
Potential investors of the company have other sources to obtain information about my portfolio company.	○	○	○	○	○	○	○
I don't want the portfolio company's competitors to learn about the company's strategy.	○	○	○	○	○	○	○
Media is handled mostly at the portfolio company level.	○	○	○	○	○	○	○
There are journalists that follow my VC firm who will write about my portfolio company even if I do not take any measures.	○	○	○	○	○	○	○

Q3 Are there any additional reasons why your VC firm does not take measures to increase the portfolio company's media coverage? Please include these below:

_____
_____
_____
_____
_____

Page Break

Q4 Below are potential reasons why you are taking measures to increase portfolio company media coverage. Please select the extent to which you agree with the following reasons:

	Strongly Disagree	Disagree	Somewhat disagree	Neither agree nor disagree	Somewhat agree	Agree	Strongly agree
Media helps my portfolio companies to increase their revenue	○	○	○	○	○	○	○
Media helps increase the exit value of my portfolio company	○	○	○	○	○	○	○
Media helps recognition and branding of my portfolio company	○	○	○	○	○	○	○
Potential clients or suppliers of the portfolio company may search for articles of my portfolio company	○	○	○	○	○	○	○
Media helps attract more VC investors in the subsequent fundraising round of my portfolio company	○	○	○	○	○	○	○
Media helps attract better talent of my portfolio company	○	○	○	○	○	○	○
Media (about my portfolio company) helps my VC firm raise its subsequent fund.	○	○	○	○	○	○	○

Q5 Are there any additional reasons why your VC firm takes measures to increase the portfolio company's media coverage? Please include these below:

_____
_____
_____
_____
_____

End of Block: Rationale

Start of Block: Timing

Q6 At what point is it important to increase your portfolio company's media exposure? Please rank each option:

	Not important at all	Slightly important	Moderately important	Very important	Extremely important
Immediately after my VC firm's investment	○	○	○	○	○
Anytime when my VC firm is holding the portfolio company	○	○	○	○	○
When we (the VC firm) are trying to exit the portfolio company	○	○	○	○	○
Around a new feature or product release of the portfolio company	○	○	○	○	○
Around key hires of the portfolio company	○	○	○	○	○
When my portfolio company is doing well	○	○	○	○	○
When my portfolio company is not doing well	○	○	○	○	○
When we (the VC firm) are fundraising for the subsequent fund	○	○	○	○	○

End of Block: Timing

Start of Block: Personnel/Resources

Q7 My VC firm takes the following steps to increase my portfolio company's media exposure once I invest in the company (select all that apply):

- [ ] Answer inbound emails and calls from journalists about the portfolio company
- [ ] Official PR report and announcement on VC firm's blog
- [ ] Reach out to journalists to write articles about my portfolio company
- [ ] Organize media interviews with portfolio company management
- [ ] Persuade portfolio company to increase press releases
- [ ] Introduce PR firms to portfolio companies

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Q8 Which media outlet do you most frequently choose to disseminate media articles on portfolio companies?

- ○ National (e.g., Wall Street Journal)
- ○ Local (e.g., The Boston Globe, NBC Chicago)
- ○ Industry Focus (e.g., TechCrunch)

End of Block: Personnel/Resources

Start of Block: Methods

Q9 My VC firm prioritizes in engaging with a portfolio company's media coverage when the portfolio company has the following characteristic (select the best option):

Q10 Portfolio company's customer base

- ○ B2C
- ○ B2B

Q11 Portfolio company development stage

- ○ Seed
- ○ Early
- ○ Expansion
- ○ Later

Q29 VC firm role in the portfolio company:

- ○ When your VC firm is the lead investor in the portfolio company
- ○ When your VC firm has a board seat in the portfolio company
- ○ When your VC firm neither is the lead investor nor has a board seat in the portfolio company

Q12 Portfolio company's closeness to next round funding

- ○ Just raised a funding round
- ○ Raising funding within the next 6 months

Q13 Portfolio company's difficulty in raising funding

- ○ Struggling to raise subsequent VC funding round
- ○ Would not have trouble raising subsequent VC funding round

Q14 Portfolio company's difficulty in exiting

- ○ Struggling to exit the portfolio company
- ○ Would not have trouble exiting the portfolio company

End of Block: Methods

Start of Block: "Census Questions"

Q15 What industries does your VC firm primarily invest in?

- ☐ Financial Technology
- ☐ E-Commerce and Direct-to-Consumer software
- ☐ Healthcare
- ☐ B2B Software
- ☐ Internet Media and Social Media
- ☐ EdTech
- ☐ Crypto
- ☐ Other _____

Q16 Which location does your VC firm focus on investing in?

- [ ] US West Coast
- [ ] US East Coast
- [ ] Other US areas
- [ ] Other North America
- [ ] South America
- [ ] Europe
- [ ] Africa
- [ ] Asia/Oceania

Page Break

Q17 How often do you meet on average with the founder/management for a given portfolio company?

- ○ 1 time a week
- ○ 2-3 times a week
- ○ 2-3 times a month
- ○ 1 time a month
- ○ 1 time a quarter

Q18 What stage investments does your VC firm focus on?

- [ ] Seed
- [ ] Early
- [ ] Expansion
- [ ] Later

Q19 How many of your VC firm's portfolio companies have you interacted with directly in the past month?

- ○ 1-4
- ○ 5-8
- ○ 8+

Q20 How many years have you been in the VC investing industry?

_____

End of Block: "Census Questions"

Start of Block: Comments and Questions

Q21 (Optional) Thank you for taking the time to answer our survey. Please let us know if you have any comments about our survey below.

_____

End of Block: Comments and Questions

Figure IA3: **Survey results from discarded responses**