THE 2015 GLOBAL CORPORATE VENTURE CAPITAL YEAR IN REVIEW

A comprehensive data-driven look at 2015’s corporate venture capital activity globally

Released March 2016
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Corporate Development
Cisco

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Portfolio Manager
Telefonica Ventures

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Greg Bae
Investments & Biz Dev
Comcast Ventures

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Simon Mencarelli
Senior Manager, Strategic Planning
Dassault Systems

“We have been looking for a tool that could give us the ability to track, research and identify investment opportunities. CB Insights provides this simply and in a simple, easy to use interface. The depth of information that we get is exactly what we need. Great product.”

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# TABLE OF CONTENTS

<table>
<thead>
<tr>
<th>Section</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Executive Summary</td>
<td>5</td>
</tr>
<tr>
<td>Global Financing Trends</td>
<td>6</td>
</tr>
<tr>
<td>Country Recaps: UK, China, India</td>
<td>19</td>
</tr>
<tr>
<td>US Financing Trends</td>
<td></td>
</tr>
<tr>
<td>Financing Trends</td>
<td>25</td>
</tr>
<tr>
<td>State Recap: California</td>
<td>35</td>
</tr>
<tr>
<td>State Recap: New York</td>
<td>39</td>
</tr>
<tr>
<td>State Recap: Massachusetts</td>
<td>43</td>
</tr>
<tr>
<td>Global Sector Recaps</td>
<td></td>
</tr>
<tr>
<td>Internet</td>
<td>48</td>
</tr>
<tr>
<td>Mobile &amp; Telecom</td>
<td>52</td>
</tr>
<tr>
<td>Healthcare</td>
<td>56</td>
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</tbody>
</table>
EXECUTIVE SUMMARY

2015: CORPORATE VCs PARTICIPATE IN 1301 FUNDINGS TOTALING $28.4B
Global funding with corporate venture participation jumped 70% year-over-year partly on the back of $100M+ mega-rounds to unicorns Didi Kuaidi, SoFi, Jet, and others. However, on a deals basis corporate venture activity rose only 4% on the year, and ended the year on a weak note. Corporate VC deal activity hit an 8-quarter low in Q4’15.

CORPORATE VENTURE INVESTMENTS IN ASIA, EU RISING
North American startups took 69% of global corporate venture deals in Q1’15, but that share steadily dropped and was down to 59% by Q4’15 with no. 2 region Asia and no. 3 Europe both seeing upticks in deal share.

2015 SEES RECORD NUMBER OF NEW AND ACTIVE CVCs
Globally, 85 new corporate VC units made their first investment in 2015, continuing a steadily upward march in the number of new CVCs since 2010. 2015 also saw fresh highs in the number of CVCs actively making investments, both overall and at the seed stage.

CORPORATES ALSO INVEST $26.9B DIRECTLY INTO STARTUPS
Beyond dedicated venture arms, corporations themselves are also pouring dollars directly into VC-backed startups (See pg. 19). Led by Chinese heavyweights like Tencent and Alibaba, corporates participated in 668 deals that represented $26.9B of funding in 2015.

INTEL CAPITAL LEADS CVC INVESTORS GLOBALLY
Intel Capital led all corporate VCs in global activity, investing in 18% more unique companies in the year than second-place GV (formerly Google Ventures). Intel has been aggressively investing abroad, with 32% of their 2015 investments made in companies outside the US market.

CVCs INVOLVED IN 806 US DEALS TOTALING $17.4B
Corporate venture funding to US companies rose 33% in 2015, but deal growth nearly flat-lined at just 2%. The Q4’15 year-end slowdown was also felt in the US market, which saw the fewest corporate venture-backed deals since Q4’13.

US CVC DEALS INTERNET-FOCUSED; MOBILE & HEALTHCARE CLOSE
US corporate VC deal share in Internet fell to 34% in Q1’15 but recovered to 49% by year’s end. Mobile and healthcare traded spots each quarter, though healthcare (17.2%) just edged out mobile (16.5%) to place second for 2015.

NOTE: REPORT ONLY INCLUDES INVESTMENT BY CVC ARMS
With the exception of pg. 18, this report only covers the funding activity of specific, separately demarcated corporate venture arms. Corporates making strategic investments directly are not included. Slide 62 details the methodology used.
GLOBAL CORPORATE VENTURE CAPITAL: FINANCING TRENDS
2015 GLOBAL CORPORATE VENTURE ACTIVITY HITS FRESH HIGHS, BUT ENDS ON WEAK NOTE

2015 saw corporate VC investors participate in $28.4B of funding across 1301 deals, topping 2014’s record numbers. However, as overall venture activity slowed in Q4’15, corporates pulled back as well, with deal activity dropping to its lowest level since Q1’14.
CORPORATE VENTURE INVESTMENTS IN EUROPE, ASIA ON THE RISE

North American startups took over half of the deals with CVC participation in each of the five quarters analyzed. However, North American deal share steadily dropped throughout 2015, with no. 2 Asia and no. 3 Europe both seeing upticks in deal share.
CVC DEALS RETURN TO THE EARLY-STAGE MARKET

Q1’15 represented a 5-quarter low for early-stage (seed/Series A) CVC activity, with deals dropping to 43% while Series D+ rose to 14% of the total. However, by Q4’15 late-stage deals had pulled back to 10% of CVC deals, while early-stage deals rebounded to 50%.
INTERNET SECTOR CONTINUES TO TAKE DOMINATE SHARE OF CVC DEAL ACTIVITY

Despite fluctuations in absolute share, the internet sector remained the top recipient of global CVC deals, taking 48% of them in Q4’15. Deal share to mobile & telecom startups topped the share for healthcare in 4 out of the past 5 quarters.

Global CVC Deal Share by Sector
Five Quarter Trend
CVCs PARTICIPATE IN A FIFTH OF ALL VC DEALS IN 2015

Corporate venture firms participated in 19.3% of the 6743 venture-backed financing rounds in 2015, compared to a participation rate of just 16.5% in 2013.
CVC DEAL SHARE AT 18% OR HIGHER FOR 7-Straight Quarters

On a quarterly basis, CVC deal share topped out at 21% in Q3’15, which was the frothy peak for VC funding overall.

Global Corporate VC Share of All VC Deals
Q1’13 - Q4’15

<table>
<thead>
<tr>
<th>Quarter</th>
<th>Other VCs</th>
<th>CVC Deal Share</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q1’13</td>
<td>84%</td>
<td>16%</td>
</tr>
<tr>
<td>Q2’13</td>
<td>84%</td>
<td>16%</td>
</tr>
<tr>
<td>Q3’13</td>
<td>84%</td>
<td>16%</td>
</tr>
<tr>
<td>Q4’13</td>
<td>83%</td>
<td>17%</td>
</tr>
<tr>
<td>Q1’14</td>
<td>83%</td>
<td>17%</td>
</tr>
<tr>
<td>Q2’14</td>
<td>82%</td>
<td>18%</td>
</tr>
<tr>
<td>Q3’14</td>
<td>80%</td>
<td>20%</td>
</tr>
<tr>
<td>Q4’14</td>
<td>81%</td>
<td>19%</td>
</tr>
<tr>
<td>Q1’15</td>
<td>81%</td>
<td>18%</td>
</tr>
<tr>
<td>Q2’15</td>
<td>79%</td>
<td>19%</td>
</tr>
<tr>
<td>Q3’15</td>
<td>81%</td>
<td>21%</td>
</tr>
<tr>
<td>Q4’15</td>
<td>81%</td>
<td>19%</td>
</tr>
</tbody>
</table>
ACTIVE CVCS NEARLY DOUBLE FROM Q3’12 TO Q3’15

A record 185 corporate VC firms completed an investment in Q3’15, representing a 31% year-on-year increase and a jump of 97% from the 94 firms making an investment in Q3’12.

Global Quarterly Active Corporate VC Investors
Q1’12 - Q4’15
CVC INVESTORS PILE INTO SEED-STAGE INVESTMENTS IN RECORD NUMBERS IN 2015

In 2015, 126 unique CVC arms participated in at least one seed VC round worldwide. That represents a fourfold increase from the 30 corporate VCs who completed such deals in 2011.

Global Active Corporate VC Investors at the Seed Stage
2011 - 2015

![Bar Chart showing the number of unique CVC seed investors from 2011 to 2015: 30 in 2011, 53 in 2012, 89 in 2013, 118 in 2014, and 126 in 2015.]
2015 ALSO SEES RECORD NUMBER OF NEW CORPORATE VC ARMS

85 new corporate VC units globally made their first in investment in 2015, including notable names such as Twitter Ventures and Workday Ventures. This continues a steadily upward march in new participants since 2010.

Number of New Corporate Venture Capital Groups
By Year of First Investment, 2010 - 2015

- 2010: 23
- 2011: 28
- 2012: 49
- 2013: 61
- 2014: 73
- 2015: 85

New Corporate VCs
CVC DEAL SIZES CONTINUE TO OUTPACE VC OVERALL

Average deal size with CVC participation has topped $21M+ for 3 consecutive quarters, including a Q3’15 spike bolstered by monster deals to Didi Kuaidi and SoFi (among others).

Global Corporate VC vs. Overall VC Average Deal Size
Q1’13 - Q4’15
THE MOST ACTIVE CORPORATE VENTURE CAPITAL GROUPS

Intel Capital led all CVCs in global activity, investing in more than 75 companies, roughly 18% more than second-place GV. They have been aggressively investing abroad, with about 32% of their 2015 investments made in companies outside the US.

2015 Most Active CVCs (by # of unique global company investments)

<table>
<thead>
<tr>
<th>Rank</th>
<th>CVC Investor</th>
<th>Recent* New Investments</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>intel capital</td>
<td>DataRobot, savi, chargi, LISNR</td>
</tr>
<tr>
<td>2</td>
<td>GV</td>
<td>ARMO, pindrop, toast, UDACITY</td>
</tr>
<tr>
<td>3</td>
<td>Qualcomm Ventures</td>
<td>Housejoy, MindTickle, ATTUNE, CloudFlare</td>
</tr>
<tr>
<td>4</td>
<td>salesforce ventures</td>
<td>bloomreach, FinanceFox, MapAnything, CARTODB</td>
</tr>
<tr>
<td>5</td>
<td>GE Ventures</td>
<td>APX, Omni-ID, MORPHISEC, omada</td>
</tr>
</tbody>
</table>

*Includes investments in 2016 YTD
Apart from CVC activity, corporations are also investing directly in startups. Beyond dedicated venture arms, corporations themselves are also funneling dollars directly to VC-backed startups. Led in activity by Chinese heavyweights like Tencent and Alibaba, corporates participated in 668 deals that represented $26.9B of funding in 2015*.

*Corporate deals *without* a CVC co-investor (deals *with* a CVC co-investor are included in the CVC figures).
COUNTRY RECAPS: UK, CHINA, AND INDIA
UK SEES FUNDING FROM DEALS INVOLVING CVCs RISE EIGHTFOLD SINCE 2011

CVCs took part in $1.7B of investment across 41 deals to UK-based private companies in 2015, representing a sharp rise from 2011 (22 deals and $203M). Some of the year’s largest deals include July’s $460M Series H to O3B Networks and a $320M financing to Immunocore.
CVC INVESTMENT IN CHINA SEES AN UPSWING ON THE BACK OF MEGADEALS

Corporate venture units participated in $6.2B of financings across 66 deals in China, rising from just $910M and 57 deals in 2014. CVCs were prominent in megadeals, including an $850M Series E to Dianping in April and a $2B Series F to Didi Kuaidi in July.
CVC DEALS, DOLLARS IN INDIA DROP FROM 2014 RECORDS

CVC activity receded in India in 2015, down from $443M and 29 deals in 2014 to $421M across 24 deals. Q3’15 was a strong quarter, with 10 deals, but funding was driven by a $100M round to home furnisher Pepperfry and a $90M round to doctor search portal Practo.
QUALCOMM, INTEL, BERTELSMANN ACTIVE INVESTORS IN MAJOR MARKETS OUTSIDE US

Qualcomm has been actively sourcing investments from outside the US, ranking in the top 5 investors in each of these markets since 2011. Intel was the most active in both China and India, while Bertelsmann’s investment arms also make appearances.

### Most Active CVCs in the UK 2011-2015

<table>
<thead>
<tr>
<th>Rank</th>
<th>CVC Investor</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>QUALCOMM VENTURES</td>
</tr>
<tr>
<td>2</td>
<td>SR·one™</td>
</tr>
<tr>
<td>2</td>
<td>INGENIOUS VENTURES</td>
</tr>
<tr>
<td>4</td>
<td>Johnson-Johnson INNOVATION</td>
</tr>
</tbody>
</table>

### Most Active CVCs in China 2011-2015

<table>
<thead>
<tr>
<th>Rank</th>
<th>CVC Investor</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Intel capital</td>
</tr>
<tr>
<td>2</td>
<td>LEGEND CAPITAL</td>
</tr>
<tr>
<td>3</td>
<td>BAI</td>
</tr>
<tr>
<td>4</td>
<td>QUALCOMM VENTURES</td>
</tr>
<tr>
<td>5</td>
<td></td>
</tr>
</tbody>
</table>

### Most Active CVCs in India 2011-2015

<table>
<thead>
<tr>
<th>Rank</th>
<th>CVC Investor</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Intel capital</td>
</tr>
<tr>
<td>2</td>
<td>QUALCOMM VENTURES</td>
</tr>
<tr>
<td>3</td>
<td>BII</td>
</tr>
<tr>
<td>3</td>
<td>Cisco Investments</td>
</tr>
</tbody>
</table>

Most active by number of unique company investments.
Where is all this data from?

The CB Insights platform has the details on all the 2015 corporate venture deals included in this report.

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US CORPORATE VENTURE CAPITAL: FINANCING TRENDS
US CVC FUNDING HITS RECORDS IN 2015, BUT SEES A SHARP PULLBACK IN ACTIVITY IN Q4’15

Corporate VCs participated in 806 deals representing $17.4B of funding to US-based companies in 2015. Funding dollars rose 33% in the year, but deal growth nearly flat-lined at just 2%. The Q4’15 year-end slowdown saw the fewest CVC-backed deals since Q4’13.
CALIFORNIA TAKES OVER HALF OF US CVC DEALS IN 2015

Aside from a Q1’15 dip to below 50% share, the Golden State continued to dominate US CVC deal activity, securing 51% of US deals with CVC involvement in 2015 overall. New York edged out Massachusetts by a single deal to secure second place for the year.
CORPORATE VENTURE ARMS ACTIVE IN US MID-STAGE MARKET

Series B activity only made up 17% of US CVC deals in Q4’14, but grew to 28% in Q4’15. Mid-stage (Series B and C) took a 38% share in that quarter. Apart from a peak in Q3’15, seed/angel activity took under 20% of deals done by CVC arms in the US in 2015.
US CVC DEAL ACTIVITY FOCUSED ON INTERNET; BUT MOBILE & HEALTHCARE CLOSE

Among US deals with CVC backing, the internet sector accounted for a 34% share in Q1’15 but grew to 49% by year’s end in Q4’15. Mobile and healthcare traded second place, though healthcare (17.2%) just edged out mobile (16.5%) to place second in share for full-year 2015.

US CVC Deal Share by Sector
Five Quarter Trend

Q4’14: 39%
Q1’15: 34%
Q2’15: 47%
Q3’15: 43%
Q4’15: 49%
CVCs PARTICIPATE IN OVER A FIFTH OF US VC DEALS IN 2015

CVCs participated in 20.7% of 3895 US venture-backed financings in 2015, up from 16.5% in 2013.
CVC US DEAL SHARE AT 19% OR HIGHER FOR 7-Straight Quarters

As with the global view, CVC quarterly deal share in the US topped out at 23% during the peak of Q3’15.
ACTIVE US CVCs HITS RECORD NUMBER, BUT SLIP IN Q4’15

In Q3’15, 125 distinct corporate VC arms invested in a US-based startup. The Q4’15 drop-off in participation provides further evidence of a chillier climate towards the close of 2015.
CVC DEAL SIZES LARGER THAN OVERALL VC DEALS IN US

The average size of deals with CVC participation was larger than overall US VC deals, mirroring the global pattern. The average size of deals with CVC investors stayed under $16M throughout 2013, but was above $21M in final 3 quarters of 2015.

US Corporate VC vs. Overall VC Average Deal Size
Q1'13 - Q4'15

![Bar chart showing the average deal size for Corporate VC and Overall VC from Q1'13 to Q4'15. The chart illustrates that CVC deals were generally larger than overall US VC deals, with a notable increase in the latter part of 2015.]
THE MOST ACTIVE CORPORATE VENTURE CAPITAL GROUPS INVESTING IN THE US

With a US-centric portfolio, GV traded places with global leader Intel Capital to claim the top spot here. Salesforce also swapped places with Qualcomm Ventures to place third.

### 2015 Most Active CVCs (by # of unique US company investments)

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<thead>
<tr>
<th>Rank</th>
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<th>CVC Investor</th>
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</thead>
<tbody>
<tr>
<td>1</td>
<td>GV</td>
<td>6</td>
<td>GE VENTURES</td>
</tr>
<tr>
<td>2</td>
<td>intel capital</td>
<td>7</td>
<td>Bloomberg BETA</td>
</tr>
<tr>
<td>3</td>
<td>salesforce ventures</td>
<td>7</td>
<td>F-PRIME</td>
</tr>
<tr>
<td>4</td>
<td>QUALCOMM VENTURES</td>
<td>9</td>
<td>SAMSUNG VENTURE INVESTMENT</td>
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<tr>
<td>5</td>
<td>COMCAST VENTURES</td>
<td>10</td>
<td>CISCO Investments</td>
</tr>
</tbody>
</table>
US CORPORATE VENTURE CAPITAL STATE RECAP: CALIFORNIA
CALIFORNIA SEES MORE CVC DOLLARS ACROSS FEWER DEALS IN 2015

Funding from deals involving CVCs in California totaled $10.6B for 2015, fueled by CVC participation in mega-deals such as SoFi’s $1B Series E and Zenefits’ $500M Series C. That’s compared to $8.2B in 2014. However, deal count declined from 426 in 2014 to 414 in 2015.
CVCs INVESTING ACROSS ALL STAGES IN CALIFORNIA

Corporate venture share across stages fluctuated through the year, with a dip in early-stage investing from Q1’15 to Q2’15. Overall, however, the variety of deal share across stages reflects the diversity of the Californian startup landscape.

California CVC Deal Share by Series
Five Quarter Trend

<table>
<thead>
<tr>
<th>Q4’14</th>
<th>Q1’15</th>
<th>Q2’15</th>
<th>Q3’15</th>
<th>Q4’15</th>
</tr>
</thead>
<tbody>
<tr>
<td>9%</td>
<td>2%</td>
<td>2%</td>
<td>3%</td>
<td>2%</td>
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<tr>
<td>6%</td>
<td>5%</td>
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<td>10%</td>
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<td>8%</td>
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<td>6%</td>
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<td>7%</td>
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<td>23%</td>
<td>26%</td>
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<tr>
<td></td>
<td>17%</td>
<td>19%</td>
<td>21%</td>
<td>16%</td>
</tr>
</tbody>
</table>

Legend:
- Seed / Angel
- Series A
- Series B
- Series C
- Series D
- Series E+
- Other
CVC INVESTING BY SECTOR IS MORE DIVERSE IN CALIFORNIA, BUT MOBILE SLIPPING

Unsurprisingly, internet was the top sector in California for CVC deals, but took less than half of deals done by corporate venture arms in 2015 at 47%, compared to 65% in New York. Mobile deal share dropped from a peak of 26% in Q1’15 to just 12% in Q4’15.

California CVC Deal Share by Sector
Five Quarter Trend

<table>
<thead>
<tr>
<th></th>
<th>Q4’14</th>
<th>Q1’15</th>
<th>Q2’15</th>
<th>Q3’15</th>
<th>Q4’15</th>
</tr>
</thead>
<tbody>
<tr>
<td>Internet</td>
<td>44%</td>
<td>36%</td>
<td>48%</td>
<td>51%</td>
<td>50%</td>
</tr>
<tr>
<td>Healthcare</td>
<td>18%</td>
<td>11%</td>
<td>14%</td>
<td>11%</td>
<td>15%</td>
</tr>
<tr>
<td>Mobile &amp; Telecommunications</td>
<td>5%</td>
<td>7%</td>
<td>4%</td>
<td>4%</td>
<td>4%</td>
</tr>
<tr>
<td>Software (non-internet/mobile)</td>
<td>6%</td>
<td>9%</td>
<td>6%</td>
<td>6%</td>
<td>7%</td>
</tr>
<tr>
<td>Computer Hardware &amp; Services</td>
<td>6%</td>
<td>12%</td>
<td>11%</td>
<td>11%</td>
<td>12%</td>
</tr>
<tr>
<td>Other</td>
<td>22%</td>
<td>26%</td>
<td>17%</td>
<td>12%</td>
<td>12%</td>
</tr>
</tbody>
</table>
US CORPORATE VENTURE CAPITAL STATE RECAP: NEW YORK
FUNDING FROM CVC-BACKED DEALS JUMPS 63% IN NEW YORK; DEAL COUNT FLAT

Deals involving CVC funding in New York jumped 63% in dollar terms to $1.6B in 2015, headlined by FanDuel’s $275M Series E in Q3’15. Deal count matched 2014’s at 88.
CVCs FOCUS ON EARLY-STAGE INVESTMENTS IN NEW YORK

Early-stage (seed/angel and Series A) deals have dominated recent CVC activity in New York, taking a 54% or greater deal share in 4 out of the 5 quarters analyzed.

NY CVC Deal Share by Series
Five Quarter Trend

Q4'14: 38%
Q1'15: 24%
Q2'15: 16%
Q3'15: 35%
Q4'15: 30%

#Seed / Angel | #Series A | #Series B | #Series C | #Series D | #Series E+ | Other
---|---|---|---|---|---|---
34% | 12% | 6% | 6% | 4% | 4% | 10%
35% | 12% | 8% | 6% | 4% | 4% | 5%
19% | 40% | 20% | 6% | 4% | 4% | 5%
35% | 35% | 23% | 5% | 5% | 10% | 5%
30% | 35% | 15% | 10% | 4% | 4% | 10%
INTERNET SECTOR DOMINATES CVC INVESTMENTS IN NEW YORK

Internet was the top sector of interest by a landslide, seeing 65% of New York deals involving corporate venture capital in 2015. Mobile came in a firm second with 20%.

NY CVC Deal Share by Sector
Five Quarter Trend

<table>
<thead>
<tr>
<th>Quarter</th>
<th>Internet</th>
<th>Healthcare</th>
<th>Mobile &amp; Telecommunications</th>
<th>Software (non-internet/mobile)</th>
<th>Business Products &amp; Services</th>
<th>Other</th>
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</thead>
<tbody>
<tr>
<td>Q4'14</td>
<td>52%</td>
<td>3%</td>
<td>7%</td>
<td>12%</td>
<td>12%</td>
<td>28%</td>
</tr>
<tr>
<td>Q1'15</td>
<td>76%</td>
<td>6%</td>
<td>6%</td>
<td>12%</td>
<td>12%</td>
<td>28%</td>
</tr>
<tr>
<td>Q2'15</td>
<td>76%</td>
<td>6%</td>
<td>6%</td>
<td>12%</td>
<td>12%</td>
<td>28%</td>
</tr>
<tr>
<td>Q3'15</td>
<td>50%</td>
<td>8%</td>
<td>4%</td>
<td>12%</td>
<td>12%</td>
<td>28%</td>
</tr>
<tr>
<td>Q4'15</td>
<td>60%</td>
<td>30%</td>
<td>4%</td>
<td>12%</td>
<td>12%</td>
<td>28%</td>
</tr>
</tbody>
</table>
US CORPORATE VENTURE CAPITAL STATE RECAP: MASSACHUSETTS
DEALS, DOLLARS FROM CVC INVESTMENTS BOTH UP IN MASSACHUSETTS

Corporate venture units participated in $1.8B of funding through 2015, a strong 90% increase over the previous year. Unlike California and New York, deal count rose as well, up to 87 for the year from 77 the year prior.

<table>
<thead>
<tr>
<th>Quarter</th>
<th>Deals</th>
<th>Investment (M)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q1 '13</td>
<td>16</td>
<td>$132</td>
</tr>
<tr>
<td>Q2 '13</td>
<td>19</td>
<td>$229</td>
</tr>
<tr>
<td>Q3 '13</td>
<td>20</td>
<td>$274</td>
</tr>
<tr>
<td>Q4 '13</td>
<td>18</td>
<td>$272</td>
</tr>
<tr>
<td>Q1 '14</td>
<td>18</td>
<td>$153</td>
</tr>
<tr>
<td>Q2 '14</td>
<td>23</td>
<td>$274</td>
</tr>
<tr>
<td>Q3 '14</td>
<td>12</td>
<td>$87</td>
</tr>
<tr>
<td>Q4 '14</td>
<td>24</td>
<td>$458</td>
</tr>
<tr>
<td>Q1 '15</td>
<td>26</td>
<td>$533</td>
</tr>
<tr>
<td>Q2 '15</td>
<td>23</td>
<td>$406</td>
</tr>
<tr>
<td>Q3 '15</td>
<td>18</td>
<td>$596</td>
</tr>
<tr>
<td>Q4 '15</td>
<td>20</td>
<td>$311</td>
</tr>
</tbody>
</table>
Corporate venture deals in Massachusetts have seen a slight shift away from other stages and toward mid-stage deals. Together, mid-stage (Series B and C) deals accounted for 45% or more of the total in the three most recent quarters.
CVCs TARGET MASSACHUSETTS HEALTHCARE STARTUPS

As expected, corporates are using their venture arms to leverage the strength of the Massachusetts’ healthcare startup ecosystem. 40% of the state’s deals involving CVCs went to healthcare in 2015, while 22% went to internet.
Like the 2015 CVC Report? Let Us Know!
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info@cbinsights.com
(212) 292-3148
GLOBAL CORPORATE VENTURE CAPITAL SECTOR RECAP: INTERNET
CVCs PARTICIPATE IN $12.1B OF FUNDING TO INTERNET SECTOR

Corporate VC involvement in the internet sector boomed, as CVCs participated in $12.1B of funding across 578 deals to VC-backed companies in 2015. Dollars retreated sharply in Q4’15 following two outsize quarters, as deal count slipped for the second-consecutive quarter.
ASIA GAINS GREATER SHARE OF CVC INTERNET DEALS

Corporate VC deal share in Internet has remained relatively consistent across the top 3 continents. North America still captures the majority of all investments, but Asia accounts for 25% of deals after taking 21% in two of the previous four quarters.
CVC EARLY-STAGE INTERNET DEALS BOUNCE BACK AT TAIL-END OF 2015

For deals in the internet sector involving CVCs, seed/angel deals fell to just 18% of the total in Q1’15, but returned to over a quarter of all deals in Q3’15 and Q4’15. Meanwhile, Q4’15 represented a 5-quarter low for late-stage Series D+ investments at 11%.
GLOBAL CORPORATE VENTURE CAPITAL SECTOR RECAP: MOBILE & TELECOM
CVCs INVESTING LESS FREQUENTLY IN MOBILE AND TELECOM

CVC interest in mobile slid in 2015 with deal count falling for 5-straight quarters, and Q4’15 seeing the fewest CVC-backed mobile deals in over 2 years. Funding to the sector was erratic through 2015, with the Q3’15 spike driven by CVC participation in $1B+ rounds to Didi Kuaidi.
EUROPE HEATING UP FOR CORPORATE VC DEALS IN MOBILE

Europe saw quarter-on-quarter growth in its share of CVC deals to mobile and telecom in 4 of the past 5 quarters, taking nearly a fifth of global CVC mobile deals in Q4’15.
CVC MOBILE SEED DEAL SHARE SLIPS THROUGHOUT 2015

As the volume of CVC deals in mobile has slackened, the share of seed/angel deals within the total has fallen as well. With the exception of Q3’15, the proportion of seed/angel deals has dropped every quarter since hitting 37% in Q4’14.

Global CVC Deal Share by Series - Mobile & Telecom
Five Quarter Trend

Q4’14
- Seed / Angel: 37%
- Series A: 6%
- Series B: 3%
- Series C: 10%
- Series D: 13%
- Series E+: 29%

Q1’15
- Seed / Angel: 34%
- Series A: 3%
- Series B: 13%
- Series C: 14%
- Series D: 27%
- Series E+: 29%

Q2’15
- Seed / Angel: 22%
- Series A: 3%
- Series B: 5%
- Series C: 26%
- Series D: 19%
- Series E+: 29%

Q3’15
- Seed / Angel: 29%
- Series A: 7%
- Series B: 5%
- Series C: 19%
- Series D: 29%
- Series E+: 28%

Q4’15
- Seed / Angel: 21%
- Series A: 4%
- Series B: 4%
- Series C: 28%
- Series D: 30%
- Series E+: 30%
GLOBAL CORPORATE VENTURE CAPITAL SECTOR RECAP: HEALTHCARE
HEALTHCARE SECTOR SEES STRONG YEAR IN CVC INVESTMENT

Healthcare funding from deals with CVC participation totaled $5.4B in 2015, a 90% increase over 2014. There were 192 deals with CVC participation to healthcare in 2015, compared to 168 in 2014. Funding peaked in Q3’15, but topped $1.1B in every quarter of 2015.

Global CVC Financing History - Healthcare
Q1’13 - Q4’15

- Q1’13: $423M
- Q2’13: $682M
- Q3’13: $538M
- Q4’13: $696M
- Q1’14: $437M
- Q2’14: $934M
- Q3’14: $565M
- Q4’14: $897M
- Q1’15: $1,120M
- Q2’15: $1,322M
- Q3’15: $1,843M
- Q4’15: $1,108M

- Q2’13: 43
- Q3’13: 28
- Q4’13: 38
- Q1’14: 43
- Q2’14: 50
- Q3’14: 45
- Q4’14: 55
- Q1’15: 37
- Q2’15: 64
- Q3’15: 36
NORTH AMERICA DOMINATES IN HEALTHCARE
CVC DEAL SHARE

Led by the US, North America took 74% of deals with CVC participation in healthcare overall in 2015. Europe generally took second place, with Asia trailing in third.

Global CVC Deal Share by Continent - Healthcare
Five Quarter Trend
CVCs COMPLETE FEWER EARLY-STAGE HEALTHCARE DEALS

In Q4’14, seed/angel and Series A financings represented nearly half of all corporate VC deals in healthcare. However, this early-stage share has not topped 40% since, and hit a 5-quarter low of 28% in Q4’15.

Global CVC Deal Share by Series - Healthcare
Five Quarter Trend

- Q4’14: 4% Seed / Angel, 27% Series B, 33% Series A, 42% Other
- Q1’15: 5% Seed / Angel, 27% Series B, 33% Series A, 33% Other
- Q2’15: 6% Seed / Angel, 32% Series B, 24% Series A, 24% Other
- Q3’15: 6% Seed / Angel, 31% Series B, 30% Series A, 25% Other
- Q4’15: 3% Seed / Angel, 31% Series B, 25% Series A, 25% Other

Legend:
- Seed / Angel
- Series A
- Series B
- Series C
- Series D
- Series E+
- Other
APPENDIX: 100 MOST ACTIVE CORPORATE VENTURE CAPITAL FIRMS OF 2015 (GLOBAL)

<table>
<thead>
<tr>
<th>1 - 25</th>
<th>26 - 50</th>
<th>51 - 75</th>
<th>76 - 100</th>
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<tbody>
<tr>
<td>Intel Capital</td>
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<td>Bertelsmann Asia Investments</td>
<td>Unilever Ventures</td>
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<td>Google Ventures</td>
<td>Citi Ventures</td>
<td>ITOCHU Technology Ventures</td>
<td>Swisscom Ventures</td>
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<td>Siemens Venture Capital</td>
<td>MS Ventures</td>
<td>Boxer Capital</td>
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<tr>
<td>Salesforce Ventures</td>
<td>Ping An Ventures</td>
<td>Mitsubishi UFJ Capital</td>
<td>WuXi Venture Fund</td>
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<tr>
<td>GE Ventures</td>
<td>DG Incubation</td>
<td>EMC Ventures</td>
<td>Presidio Ventures</td>
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<td>Comcast Ventures</td>
<td>YJ Capital</td>
<td>Sanofi-Genzyme BioVentures</td>
<td>Reed Elsevier Ventures</td>
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<td>Samsung Ventures</td>
<td>SMBC Venture Capital</td>
<td>Kaiser Permanente Ventures</td>
<td>Shea Ventures</td>
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<tr>
<td>F-Prime Capital</td>
<td>Lilly Ventures</td>
<td>Technicolor Ventures</td>
<td>Motorola Solutions Venture Capital</td>
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<td>Bloomberg Beta</td>
<td>Mitsui &amp; Co. Global Investment</td>
<td>Kickstarter Ventures</td>
<td>3M New Ventures</td>
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<tr>
<td>Cisco Investments</td>
<td>Merck Global Health Innovation Fund</td>
<td>Axiata Digital Innovation Fund</td>
<td>Nissay Capital</td>
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<td>SR One</td>
<td>TIM Ventures</td>
<td>Zafire Investments</td>
<td>CAA Ventures</td>
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<td>Roche Venture Fund</td>
<td>Investor Growth Capital</td>
<td>WestTech Ventures</td>
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<td>Robert Bosch Venture Capital</td>
<td>MassMutual Ventures</td>
<td>Time Warner Investments</td>
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<tr>
<td>GREE Ventures</td>
<td>Fosun Kinzom Capital</td>
<td>Deutsche Telekom Strategic Investments</td>
<td>Evonik Venture Capital</td>
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<td>Recruit Strategic Partners</td>
<td>Eircom Digital Boost Initiative</td>
<td>McKesson Ventures</td>
<td>Santander InnoVentures</td>
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<td>AXA Strategic Ventures</td>
<td>Ascension Ventures</td>
<td>Broadway Video Ventures</td>
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<td>Hewlett-Packard Ventures</td>
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<td>Hearst Ventures</td>
<td>Dentsu Digital Holdings</td>
<td>Baxter Ventures</td>
<td>Autodesk Spark Innovation Fund</td>
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<td>Novo Ventures</td>
<td>Tengelmann Ventures</td>
<td>Monsanto Growth Ventures</td>
<td>Caixa Capital</td>
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<td>Google Capital</td>
<td>Rakuten Ventures</td>
<td>Simon Venture Group</td>
<td>IDrive Ventures</td>
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<tr>
<td>Johnson &amp; Johnson Innovation</td>
<td>BioMed Ventures</td>
<td>Advance Vixied Partners</td>
<td>CHV Capital</td>
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<td>CyberAgent Ventures</td>
<td>Takeda Ventures</td>
<td>Syngenta Ventures</td>
<td>Vorwerk Direct Selling Ventures</td>
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<tr>
<td>Pfizer Venture Investments</td>
<td>SingTel Innov8</td>
<td>NTT DoCoMo Ventures</td>
<td>Lazarus Israel Opportunity Fund</td>
</tr>
<tr>
<td>Renren Lianhe Holdings</td>
<td>BlueCross BlueShield Venture Partners</td>
<td>Transamerica Ventures</td>
<td>Infosys Innovation Fund</td>
</tr>
<tr>
<td>In-Q-Tel</td>
<td>Orange Digital Ventures</td>
<td>UPS Strategic Enterprise Fund</td>
<td>Telstra Ventures</td>
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### APPENDIX: 100 MOST ACTIVE CORPORATE VENTURE CAPITAL FIRMS OF 2015 (US)

<table>
<thead>
<tr>
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<td>Google Ventures, Alexa Fund, Takeda Ventures, Rakuten Ventures</td>
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<td>26-50</td>
<td>Intel Capital, Renren Lianhe Holdings, DG Incubation, Axel Springer Digital Ventures</td>
</tr>
<tr>
<td>51-75</td>
<td>Salesforce Ventures, Johnson &amp; Johnson Innovation, Time Warner Investments, Twitter Ventures</td>
</tr>
<tr>
<td>76-100</td>
<td>Qualcomm Ventures, Mitsui &amp; Co. Global Investment, Presidio Ventures, Cornerstone Innovation Fund</td>
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#### 100 Most Active CVCs of 2015 (by # of unique US company investments)

<table>
<thead>
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</tbody>
</table>

- GE Ventures, BlueCross BlueShield Venture Partners, GREE Ventures, GM Ventures
- Bloomberg Beta, Roche Venture Fund, Dentsu Ventures, E.ON Venture Partners
- F-Prime Capital, Simon Venture Group, MRL Ventures, Boxer Capital
- Samsung Ventures, Sanofi-Genzyme BioVentures, Transamerica Ventures, Randstad Innovation Fund
- Cisco Investments, Technicolor Ventures, CME Ventures, Santander InnoVentures
- Novartis Venture Funds, Advance Vizarre Partners, Fosun Kinzon Capital, Motorola Solutions Venture Capital
- SR One, American Express Ventures, SingTel Innov8, NTT DoCoMo Ventures
- Bertelsmann Digital Media Investments, UPS Strategic Enterprise Fund, Robert Bosch Venture Capital, Bialla Venture Partners
- Verizon Ventures, Investor Growth Capital, Syngenta Ventures, Microsoft Ventures
- Hearst Ventures, Ascension Ventures, MedImmune Ventures, Wells Fargo Startup Accelerator
- Citi Ventures, Kaiser Permanente Ventures, Autodesk Spark Innovation Fund, Crawley Ventures
- Google Capital, McKesson Ventures, Monsanto Growth Ventures, WME Ventures
- Novo Ventures, MassMutual Ventures, Amgen Ventures, Ping An Ventures
- Pfizer Venture Investments, Zafire Investments, Brace Pharma Capital, Constellation Technology Ventures
- In-Q-Tel, Broadway Video Ventures, CHV Capital, Reed Elsevier Ventures
- Merck Global Health Innovation Fund, Baxter Ventures, Fletcher Spaght Ventures, 3M New Ventures
- Lilly Ventures, Hewlett-Packard Ventures, Workday Ventures, Gibraltar Ventures
- Recruit Strategic Partners, WuXi Venture Fund, Rex Health Ventures, Orfin Ventures
- Siemens Venture Capital, Shea Ventures, Capital One Ventures, Tyco Ventures
- BioMed Ventures, Orange Digital Ventures, Dell Ventures, ICG Ventures
METODOLOGY

Measuring corporate venture activity is important. We encourage you to review the methodology and definitions employed by us to better understand the numbers presented in this report. If you have any questions about our definitions or methodological principles, please reach out to us directly.

What is included?

**Equity financings into emerging companies.** Funding rounds *must* include participation of at least one corporate venture group. Convertible notes are included under this definition.

**Fundings of only private companies.** Public companies of any kind on any exchange (including Pink Sheets) are excluded from our numbers even if they received investment by a venture firm(s).

**Geographic breakdowns are based on headquarters.** Our geographic data is based on the city and state where the company receiving investment is headquartered. If a company has a satellite office/presence in multiple cities or was founded in a particular city but has moved its HQ, our results reflect only this HQ address.

**Only include the investment made in the quarter for tranched investments.** If a company does a second closing of its Series B round for $5M and previously had closed $2M in a prior quarter, only the $5M is reflected in our results.

**Round #s reflect what has closed – not what is intended.** If a company indicates the closing of $5M out of a desired raise of $15M, our numbers reflect only the amount which has closed.

**Only verifiable fundings are included.** Fundings are verified via (1) various federal & state regulatory filings (2) direct confirmation with firm or investor, or (3) press release.

**Funding close date matters.** Fundings are provided based on funding close date and not on announcement date.

What is not?

**Strategic corporate investments.** Corporations making strategic investments in companies but not as part of a specific organized venture group are not included (with the exception of the analysis on pg.18).

**No contingent funding.** If a company receives a commitment for $20M subject to hitting certain milestones but first gets $8M, only the $8M is included in our data.

**No business development/R&D arrangements whether transferable into equity now, later or never.** If a company signs a $300M R&D partnership with a larger corporation, this is not equity financing nor is it from a venture capital firm. As a result, it is not included.

**Buyouts, consolidations and recapitalizations.** All three of these of transaction types are commonly employed by private equity firms and are tracked by CB Insights. However, they are excluded for the purposes of this report. Private equity investments into companies which may have received venture capital investment prior are also not included.

**Private placements.** These investments also known as PIPEs (Private Investment in Public Equities) even if made by a corporate venture group(s) are not included.

**Debt/loans.** Venture debt or any kind of loan issued to emerging, startup companies even if included as an additional part of an equity financing is not included. If a company receives $3M with $2M from venture investors and $1M in debt, only the $2M is included in these statistics.

**Government funding.** Grants, loans, equity financings by the federal government, state agencies or public-private partnerships to emerging, startup companies are not included. Strictly corporate venture outfits.

**Incubator investments.** Investments of money as equity or debt and/or services by incubators are not included.