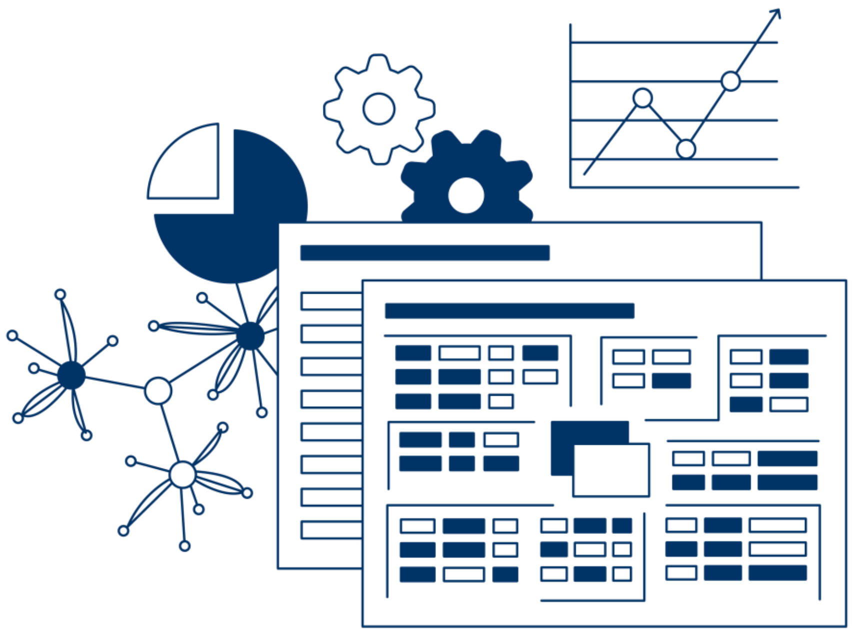
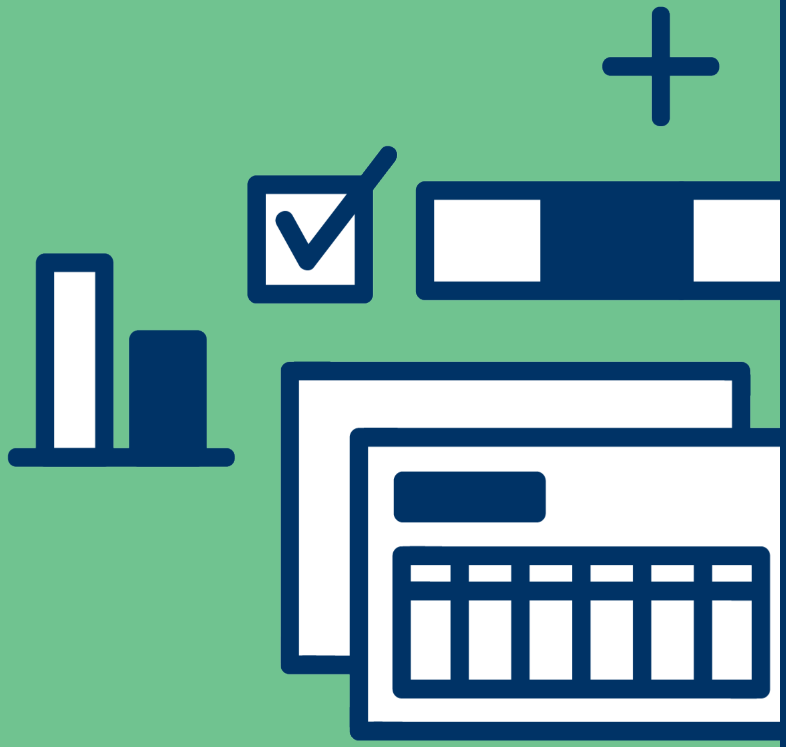
The 2020 Global CVC Report

A comprehensive, data-driven look at global corporate venture capital activity in 2020.



CB INSIGHTS

CB INSIGHTS



WHAT IS CB INSIGHTS?

CB Insights helps the world's leading companies make smarter technology decisions with data, not opinion.

Our Technology Insights Platform provides companies with comprehensive data, expert insights, and work management tools to drive growth and improve operations with technology.

CLICK HERE TO SIGN UP FOR A FREE TRIAL

“CB Insights has helped Sun Life Financial work more efficiently. It's streamlined our research process and reduced the time it takes for us to get a perspective on an emerging trend.

Christopher Collins

Assistant Vice President of Digital Partnerships, Sun Life Financial

Sun Life | CBINSIGHTS

Contents

Summary of findings

Overview:

- **Global CVC-backed deals fall for the first time in more than 5 years:** CVC-backed deals declined from a record high of 3,416 in 2019 to 3,359 in 2020. The modest 1.7% year-over-year (YoY) decline is attributable to a slowdown in the first half of 2020 where deals were down 5% from 2019 levels before rebounding in the second half of 2020.
- **Global CVC-backed funding reaches record high:** CVC-backed funding soared to an all-time high of $73.1B in 2020, increasing 24% from 2019, despite the overall decline in CVC-backed deals.
- **The number of active CVCs declines slightly:** For the first time in more than 4 years, the number of CVCs participating in a deal fell — from a record 984 in 2019 to 979 in 2020.
- **CVCs step back from seed-stage deals:** The number of CVC-backed seed-stage deals fell 10% YoY in 2020 and accounted for just 24% of CVC-backed deals, a 5-year low.
- **Mega-rounds gain CVC attention:** Mega-rounds (deals worth $100M+) with CVC participation reached an all-time high of 182 in 2020 — a 48% increase compared to the previous year.
- **GV, Salesforce Ventures, and Intel Capital again top the list of most active CVCs:** New to the top 10 in 2020 were Qualcomm Ventures, Lenovo Capital and Incubator Group, and the Slack Fund.

Note: We use "CVC-backed funding" and "CVC-backed deals" to refer to corporate venture capital participation in these funding rounds.

Summary of findings

Geography:

- **Asia sees a recovery in CVC-backed funding:** Rising to $22.1B in 2020, a 33% annual increase, CVC-backed funding to Asia-based companies recovered from a dip in 2019. China contributed substantially to the rebound, with CVC-backed funding to companies in the country increasing 68% compared to the previous year.
- **CVC-backed deals to North America and Europe fall but funding increases:** In both North America and Europe, CVC-backed deals fell modestly but funding jumped upward, helped by a record level of CVC participation in $100M+ mega-deals on both continents.
- **Silicon Valley attracts a smaller share of CVC-backed deals:** For a third straight year, Silicon Valley saw its share of CVC-backed deals in the US decline in 2020, reaching a new low of 35%. Boston and Los Angeles both gained CVC-backed deal share.

Investment focus areas:

- **CVC investment in AI companies declines:** For the first time in more than 5 years, CVC-backed deals and funding to AI companies fell. Deals and funding dropped by 10% and 2%, respectively, from all-time highs in 2019.
- **CVCs refocus on cybersecurity:** Following a dip in CVC-backed deals to cybersecurity companies in 2019, CVCs participated in 140 deals worth a record-breaking total of $3.8B in 2020.
- **Digital health takes center stage among CVC priorities:** CVC-backed funding to digital health companies jumped 68% YoY to an all-time high of $8.8B in 2020, while deals also soared to a new record of 310.
- **CVC activity in fintech declines:** CVC investments in fintech companies fell from all-time highs in 2020, with deals dropping 21% to 416 and CVC-backed funding declining 14% to $10.8B.

Note: We use "CVC-backed funding” and “CVC-backed deals" to refer to corporate venture capital participation in these funding rounds.

GLOBAL CORPORATE VENTURE CAPITAL IN 2020

Global CVC Activity

GLOBALLY, CORPORATE VENTURE CAPITAL GROUPS PARTICIPATED IN

$73.1B

OF FUNDING ACROSS

3,359 deals

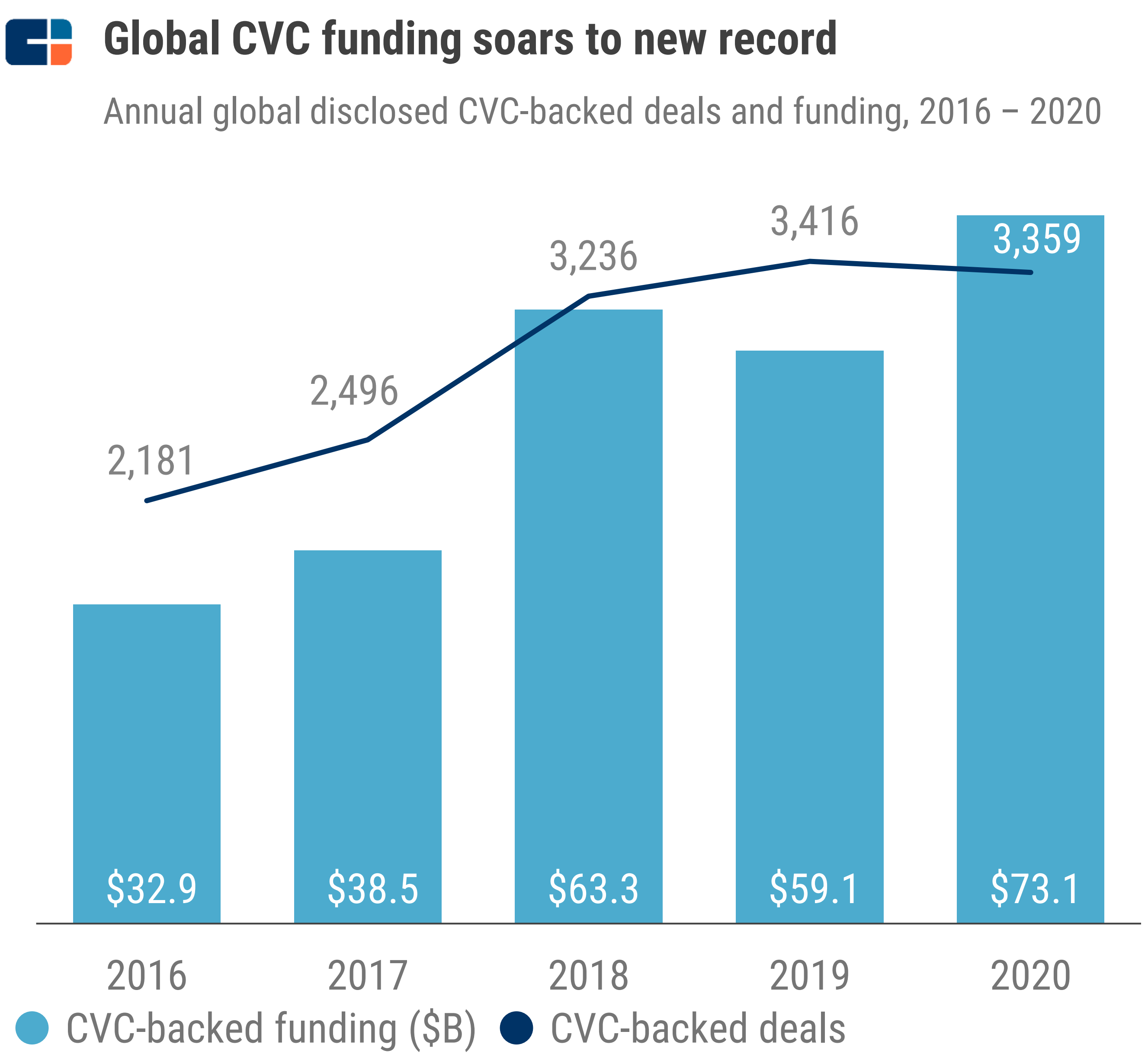
IN 2020

CVC-backed funding sets new record despite fall in deals

Globally, CVCs participated in 3,359 deals worth $73.1B in 2020.

Despite a 1.7% decrease in CVC-backed deals from 2019 to 2020, CVC-backed funding rose by 24% YoY to an all-time high.

The largest CVC-backed deal in 2020 was a $1B private equity investment in the China-based semiconductor company UNISOC which included Haier Capital.



CVC deals rebound following Covid-19 shock in Q1’20

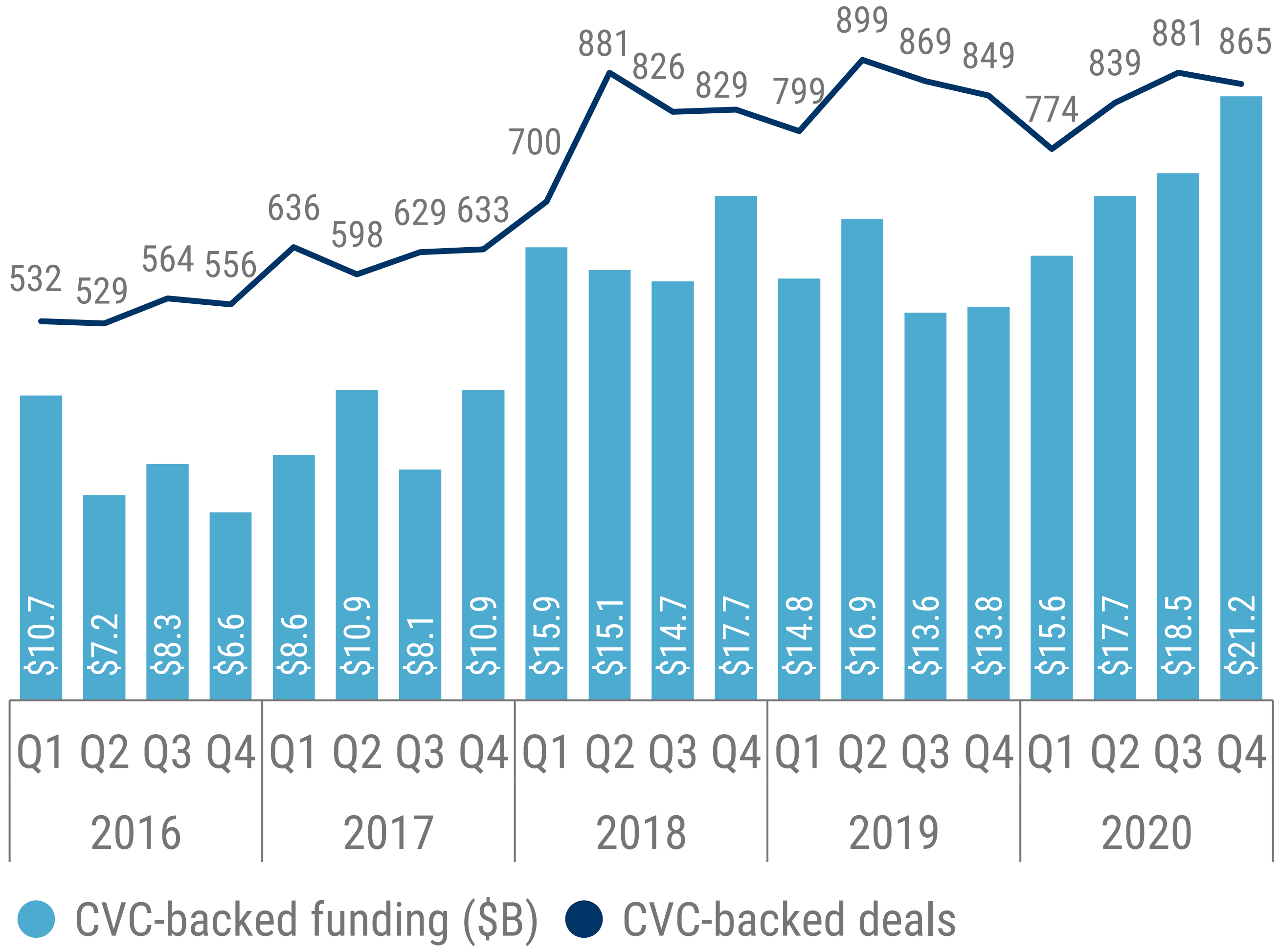
In the first half of 2020, CVC-backed deals were down 5% compared to the same period in 2019.

The 774 CVC-backed deals in Q1’20 represented the lowest level since Q1’18.

However, CVC activity rebounded, with deals in the second half of the year up 2% from a year earlier and with funding in Q4’20 reaching a record $21.2B.

Quarterly funding reaches a new high in Q4’20

Quarterly global disclosed CVC-backed deals and funding, Q1‘16 – Q4‘20



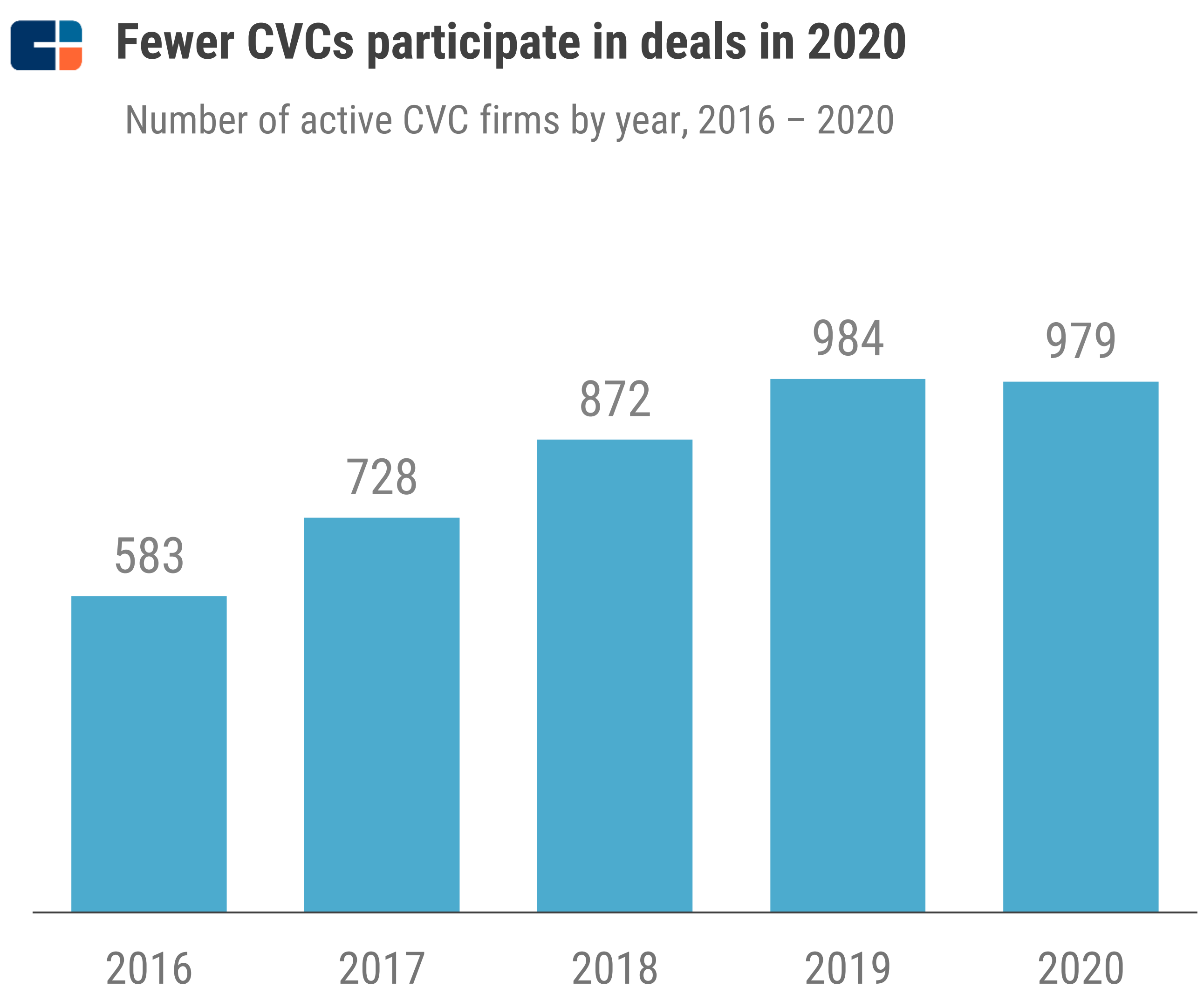
CBINSIGHTS

Corporations pull back from corporate venture

The number of CVCs participating in deals fell from 984 in 2019 to 979 in 2020.

This marks the first decline in CVC participation in 4+ years, a period where the number of active CVCs grew 68%.

Several CVCs made their first investment in 2020, including Equinox Ventures, Goodyear Ventures, and Snowflake Ventures.



North America's CVC-backed deal share finds its floor

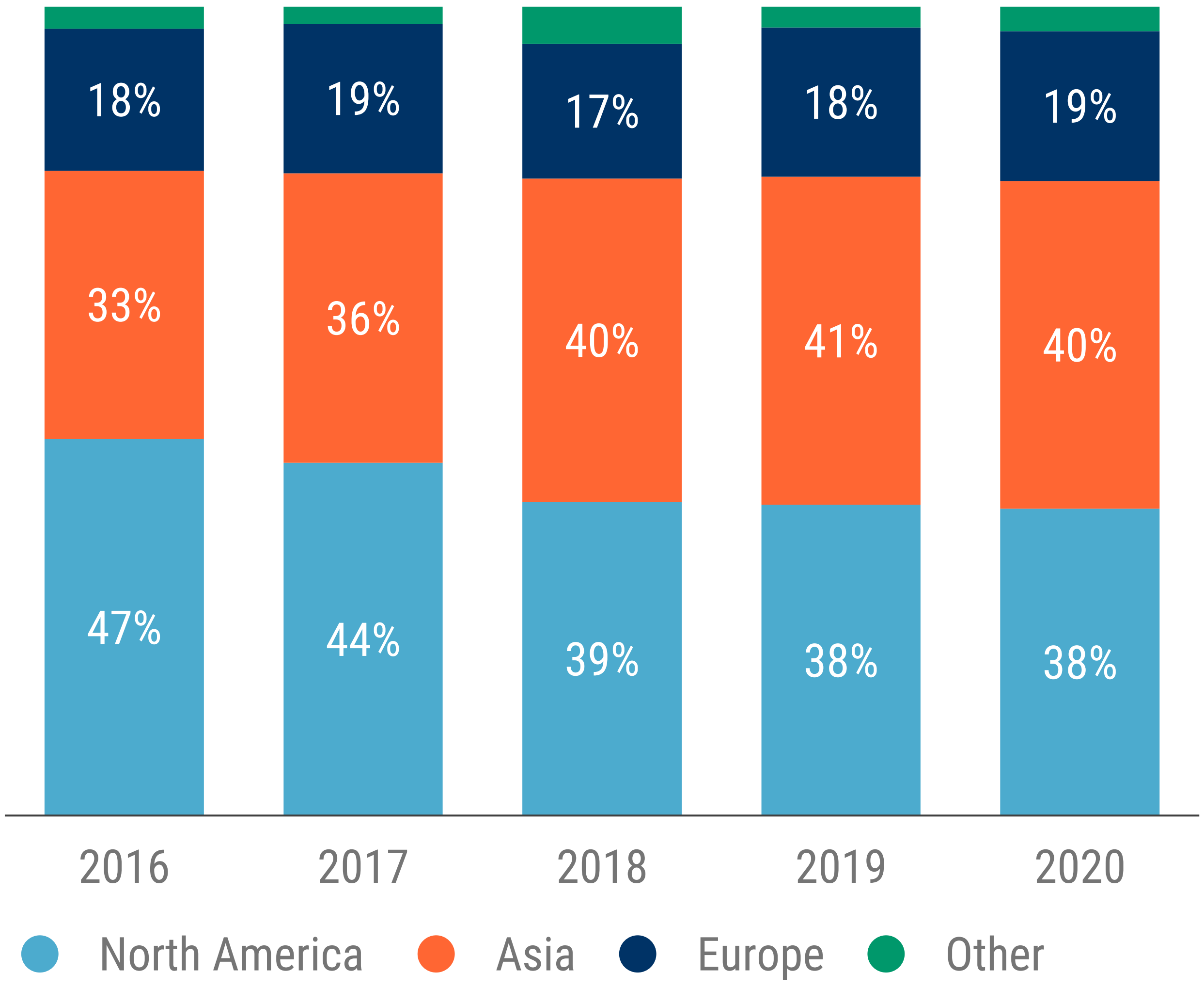
Following years of declining CVC-backed deal share, North America saw its deal share remain unchanged from 2019.

Asia's CVC-backed deal share gains were put on pause in 2020, having now hovered around 40% for 3 straight years.

Europe's deal share stayed within its tight 5-year range of 17-19%.

Asia's CVC-backed deal share gains put on pause

Annual global CVC-backed deal share by continent, 2016 – 2020



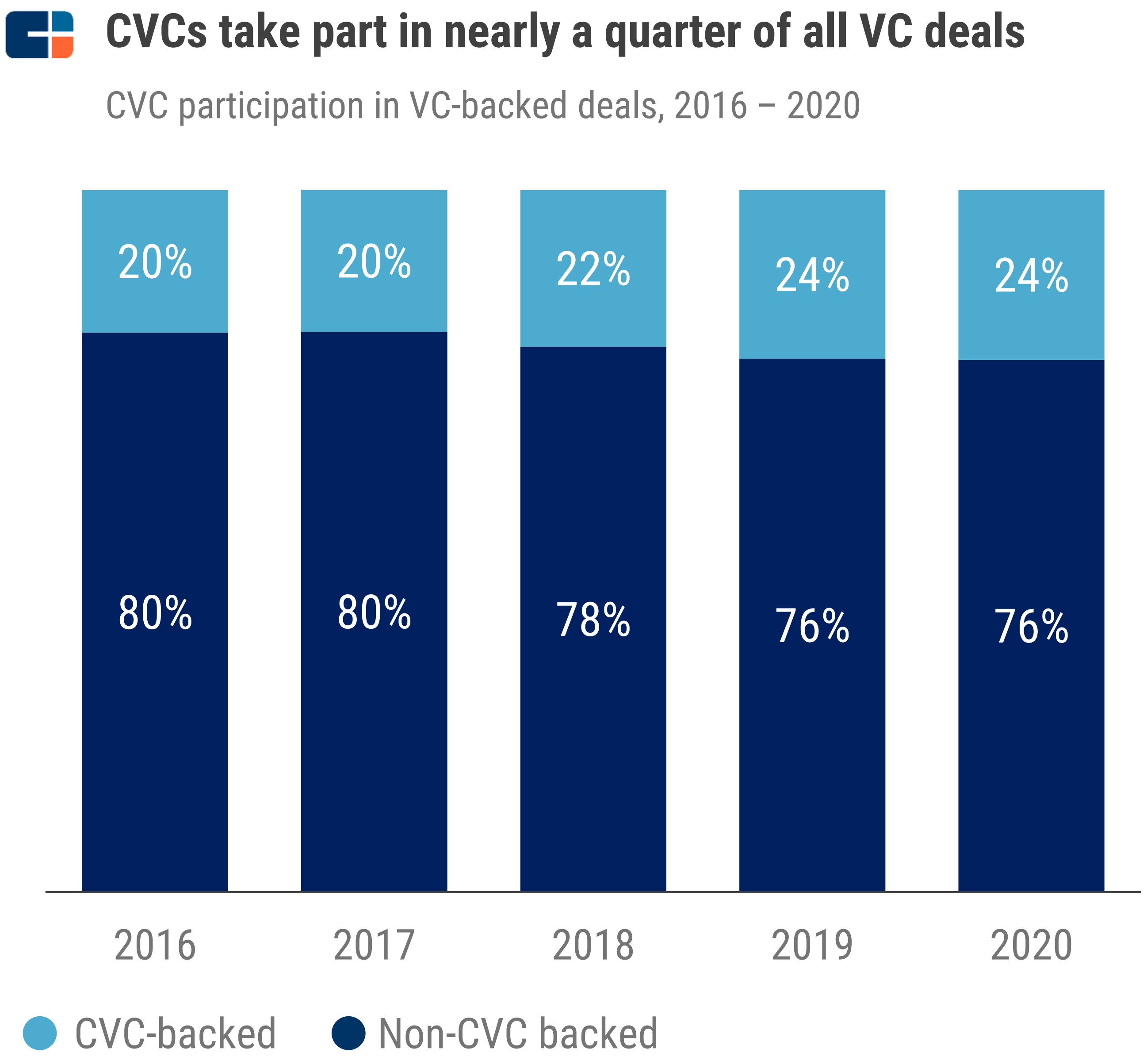
CBINSIGHTS

CVCs are key players in the VC ecosystem

CVC investors participated in 24% of all VC deal activity in 2020, a figure unchanged from 2019.

About 33% of CVC-backed deals did not include a traditional VC co-investor in 2020 — a decline from 38% in 2019.

Salesforce Ventures participated in the most deals (20) without a VC investor, followed by Mitsubishi UFJ Capital (17) and Habo Investment (16).

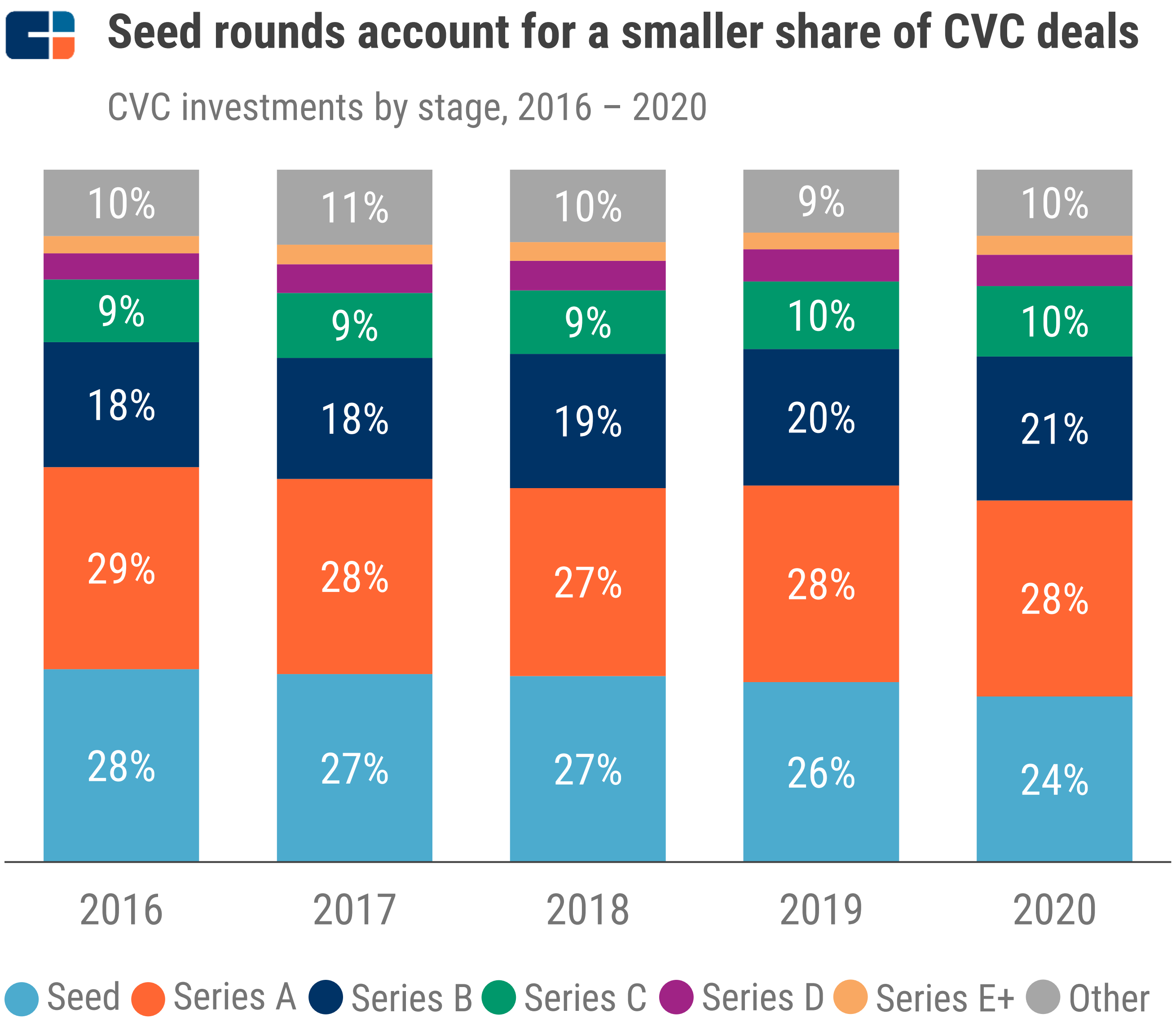


CVCs pull back from early-stage deals

Seed-stage deal share reached a 5-year low of 24% in 2020, with the number of deals down 10% YoY — far greater than the 1.7% drop in CVC deals overall.

Still, 435 CVCs participated in these deals in 2020 — an increase of 25 from 2019.

Series B and Series E+ deals accounted for a larger portion of deal share, with each growing 1 percentage point from 2019.



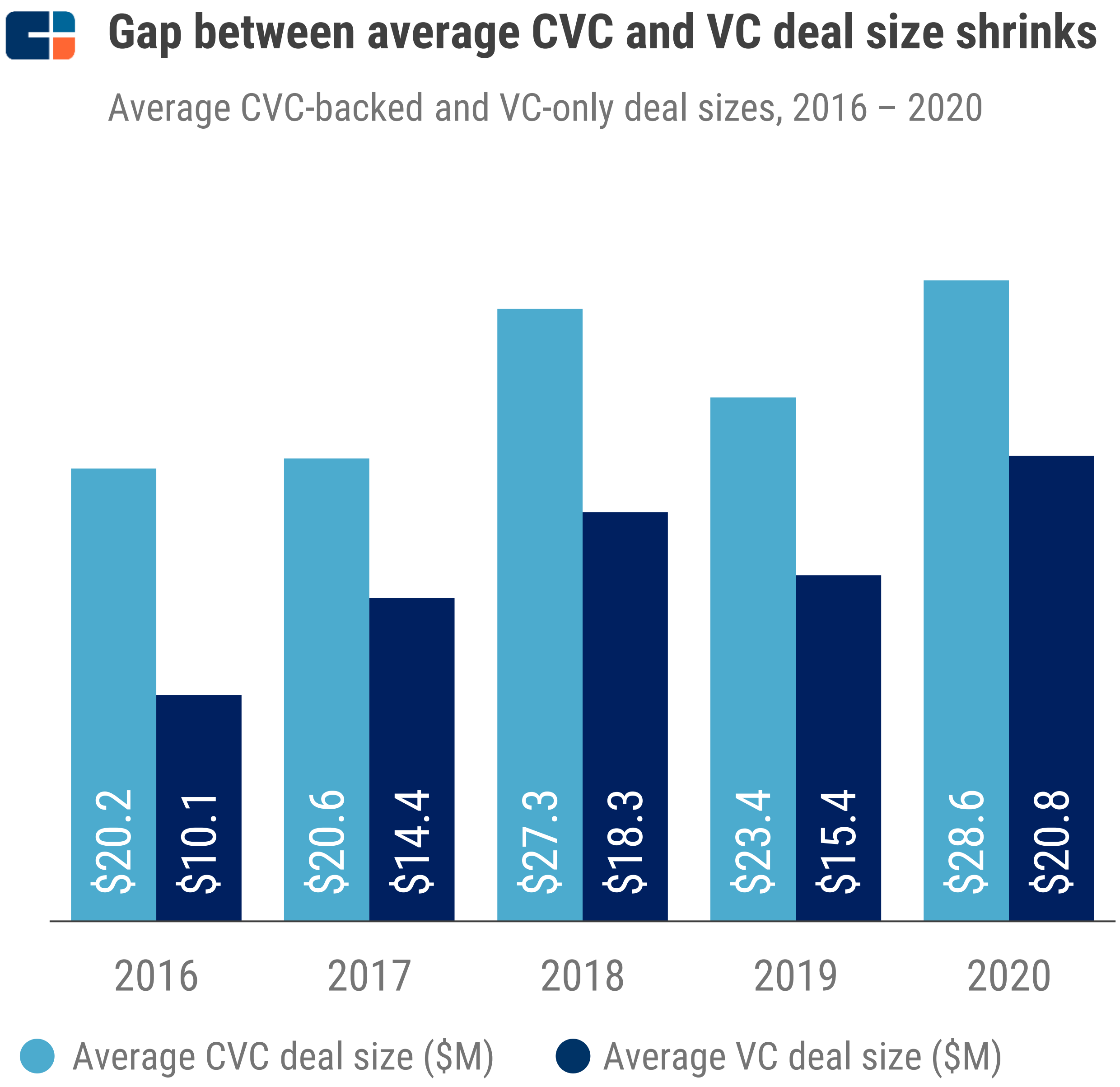
Average CVC deal size grows in 2020

The average CVC-backed deal size grew to an all-time high of $28.6M in 2020.

The average deal size increased by at least 15% YoY for all deal stages except Series D.

The average VC deal size (for deals that didn't include CVC participation) also reached a record $20.8M in 2020.

The gap between average CVC-backed and VC-only deals shrunk to $7.8M.



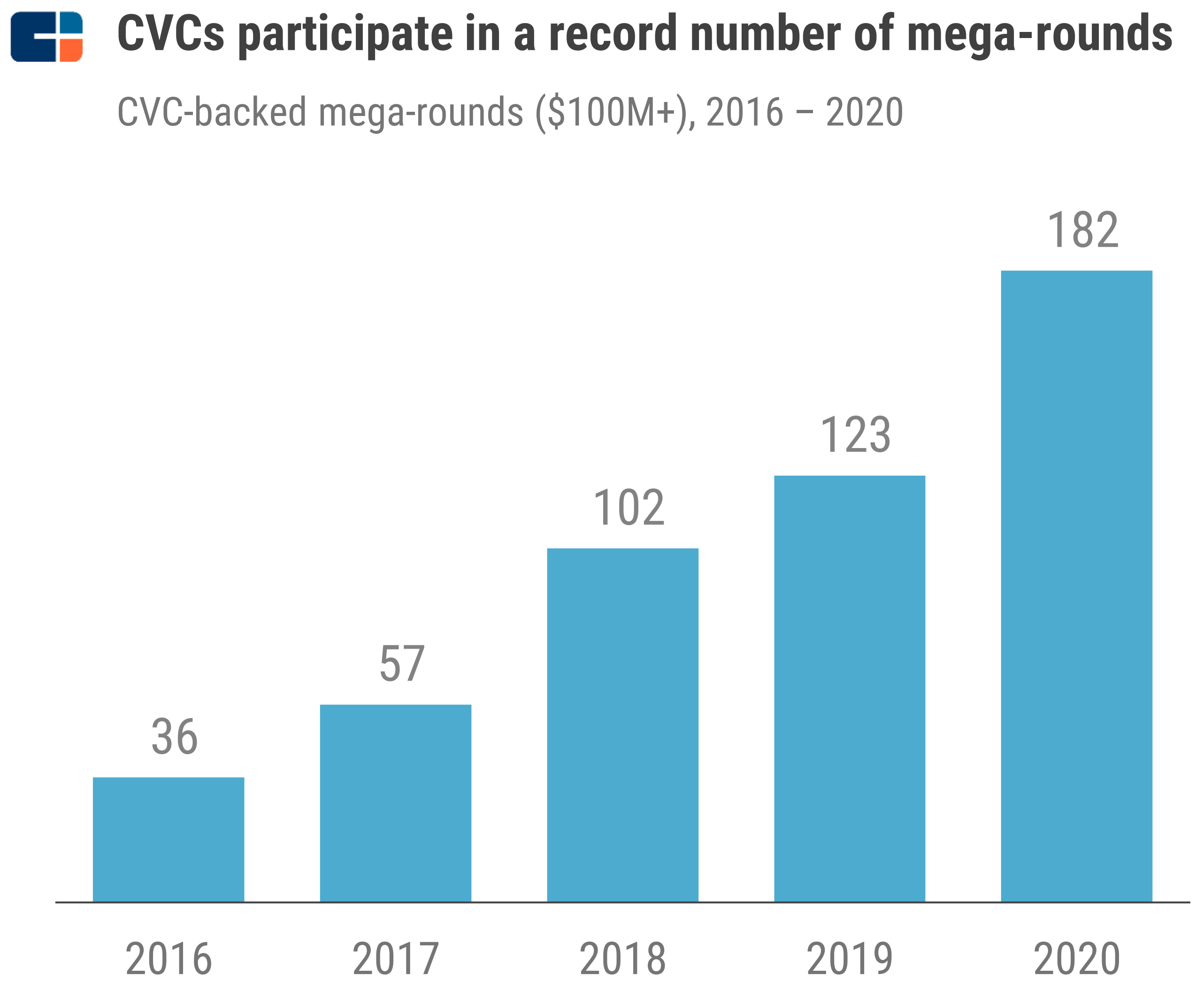
CBINSIGHTS

CVCs do not shy away from mega-rounds

CVCs participated in an all-time high of 182 mega-rounds in 2020 – an increase of 48% YoY.

Mega-rounds represented a record 5% of all 2020 CVC-backed deals.

GV participated in 22 mega-rounds in 2020, double the second most active CVC investor, Salesforce Ventures, in mega-rounds.



GV remains the most active CVC

Rank	CVC Investor	Select 2020 Investments
1	GV	Podium, Lime, dunzo, Snorkel.AI, Verix, Alkira
2	salesforce ventures	Gong, BigID, DataRobot, Resily, Qatalog
3	intel capital	SiFive, Synack, Anodot, Anyscale, Hypersonix
4	MUFG Mitsubishi UFJ Capital	Neo Career, AppBrew, UPWARD, AWL
5	M12	Bakkt, Onfido, At-Bay, Acerta, Voodle
6	SAMSUNG	SentinelOne, Digital Asset, RailYatri, NOTA
7	Qualcomm ventures	Matterport, MindTickle, Celona, floLIVE
8	SBI Investment	Neo Career, FunPep, Minereye, MiraBiologics
9	Lenovo Capital	Dmall, SemiDrive, HOZ Medical, Cyclone
10	slack fund	Hopin, MURAL, GRID, Donut, Yac

GV (Google Ventures) was once again the most active CVC, investing in 81 unique companies in 2020.

Salesforce Ventures was the second most active CVC for another year, making 70 investments in unique companies in 2020.

Qualcomm Ventures, Lenovo Capital and Incubator Group, and the Slack Fund entered the list of top 10 most active CVCs in 2020.

Salesforce Ventures passes GV for most unicorn deals

Rank	CVC Investor	Select 2020 Investments
1	salesforce ventures	Airwallex, AppsFlyer, Auth0, BigID, DataRobot, Gong, Hopin, OwnBackup, Snyk, Tanium
2	GV	Cockroach Labs, Discord, Farmers Business Network, InMobi, Olive, Podium, Stripe
3	CapitalG	Collibra, Dataiku, Duolingo, Next Insurance, Unqork
4	COMCAST VENTURES	Sidecar Health, K Health, Hippo

Salesforce Ventures participated in the deals of 10 unicorn companies (companies valued at $1B+) in 2020.

GV took part in 7 unicorn deals – one more than in 2019.

Comcast joins the list with 3 unicorn deals in 2020, trailing CapitalG's 5 deals.

REGIONAL CORPORATE VENTURE CAPITAL IN 2020

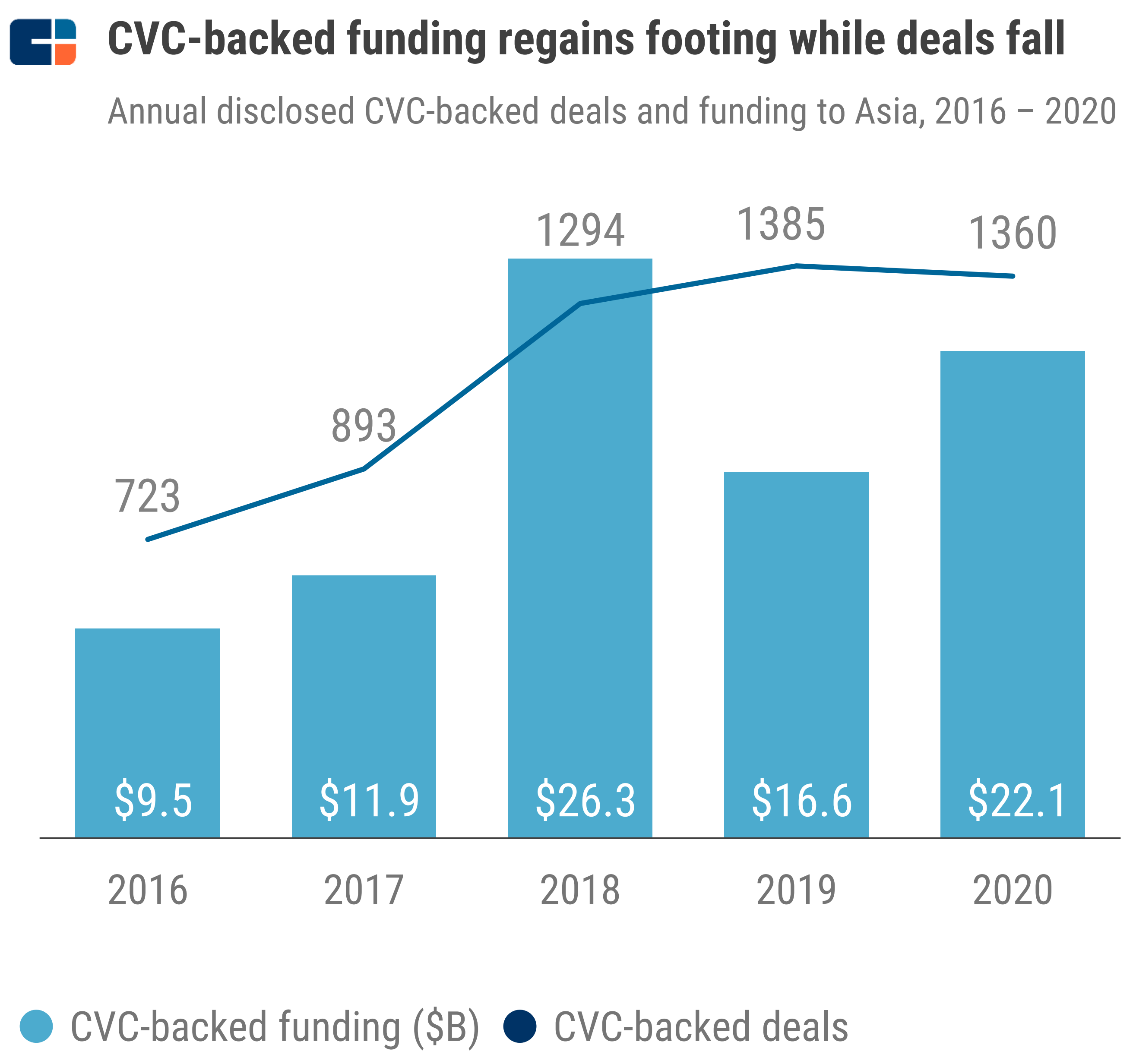
Asia CVC Activity

CVC-backed deals to Asia decline while funding rebounds

CVC-backed deals to Asia-based companies fell by 2% YoY in 2020 after reaching an all-time high of 1,385 in 2019.

CVC-backed funding recovered from a dip in 2019, rising by 33% to $22.1B in 2020.

The decline in CVC-backed deals ends a 5+ year span where deals to Asia-based companies rose steadily and often rapidly.

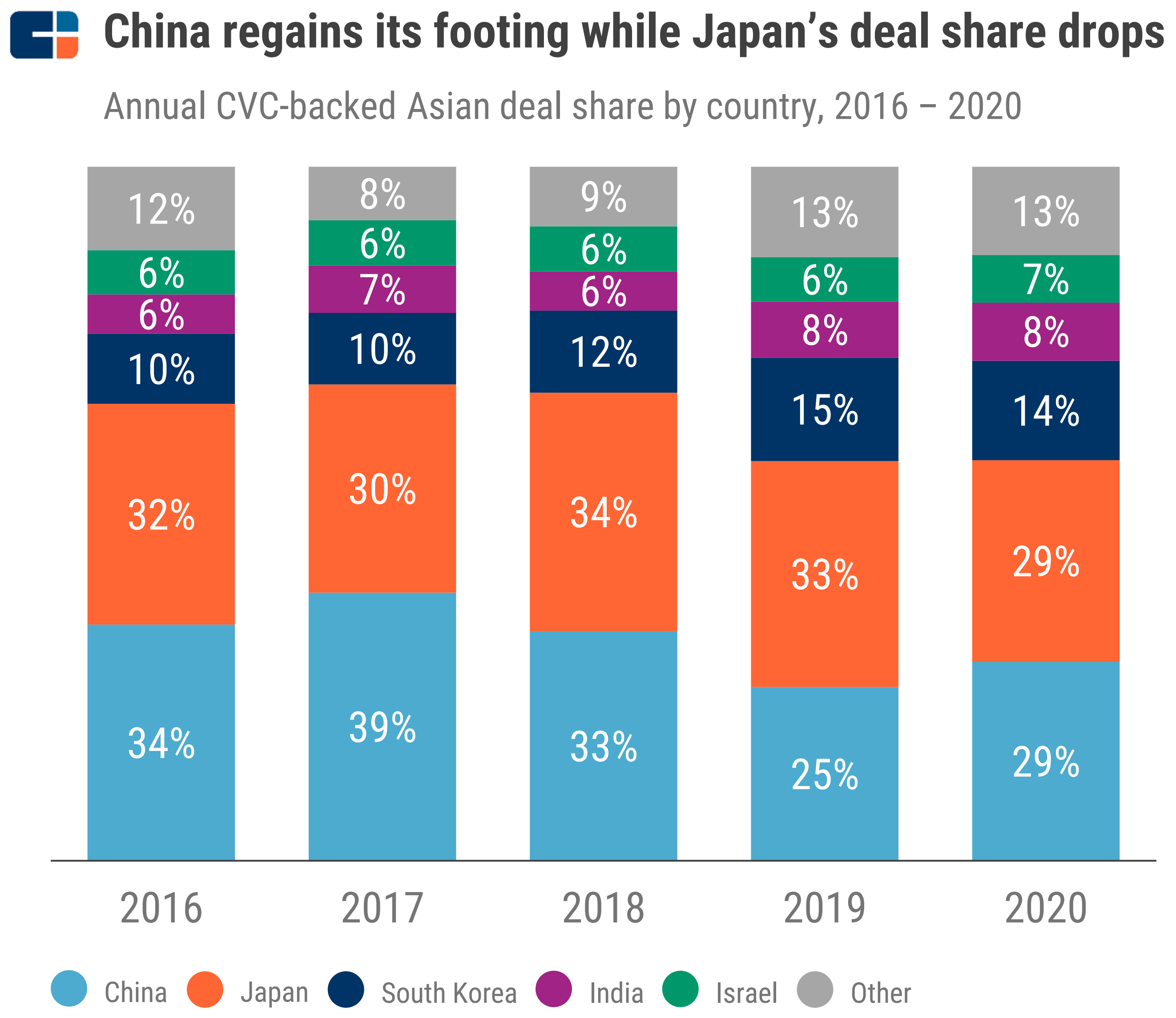


China recovers from its lowest CVC-backed deal share in years

While Japan and China's combined deal share has slipped in recent years, they still account for more than half of all CVC-backed deals to Asia.

Japan's deal share dropped to its lowest level in 5 years, while China's share rebounded from a 2019 low.

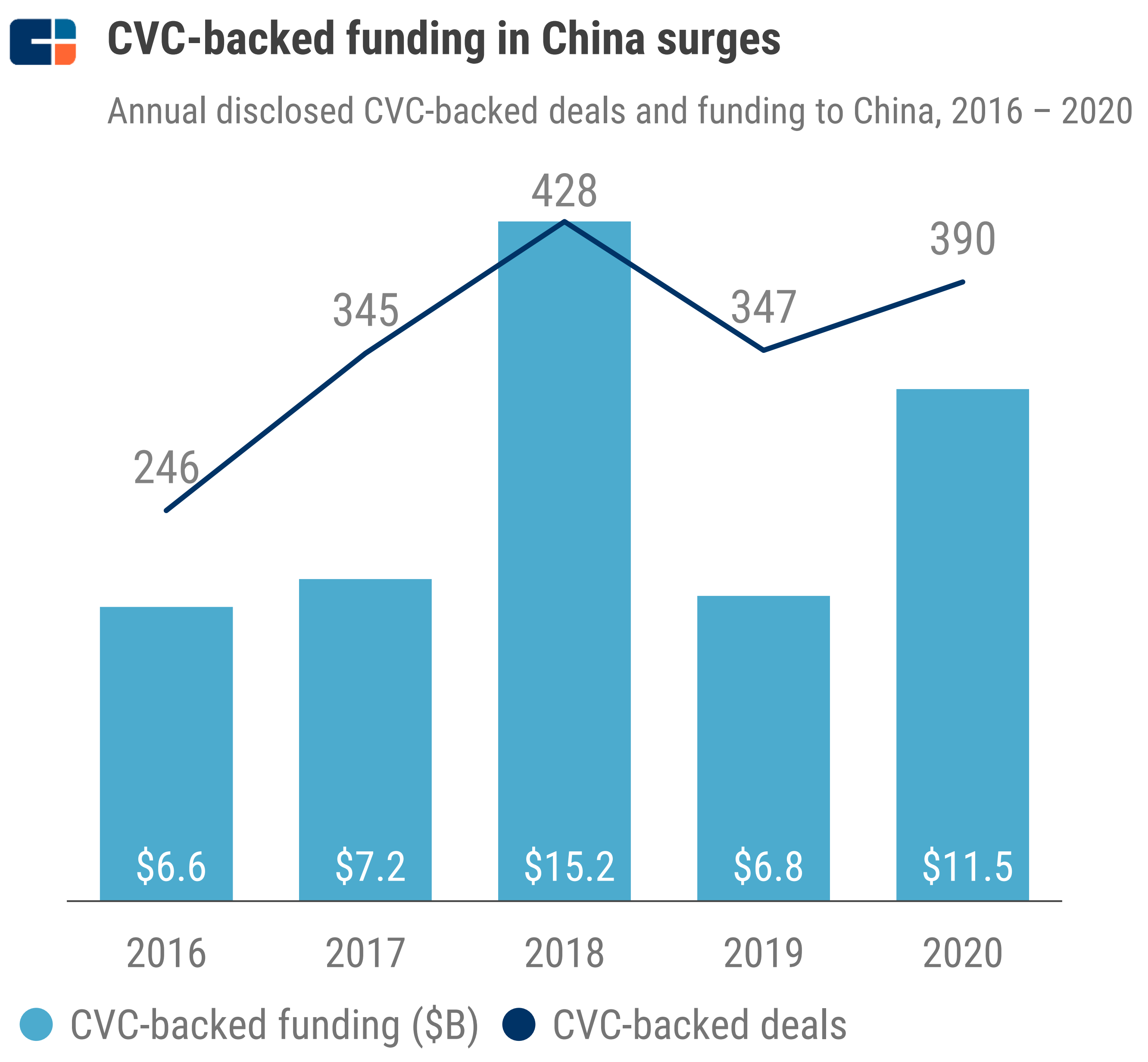
Israel saw its first bump in deal share in 5 years, rising 1 percentage point from 2019 to 2020.



CVC activity in China bounces back from 2019 low

CVC-backed deals to China-based companies jumped 12% YoY to 390, while CVC-backed funding increased by 68% to $11.5B.

Lenovo Capital and Incubator Group became the most active CVC investor in China-based companies, participating in 25 deals in 2020.

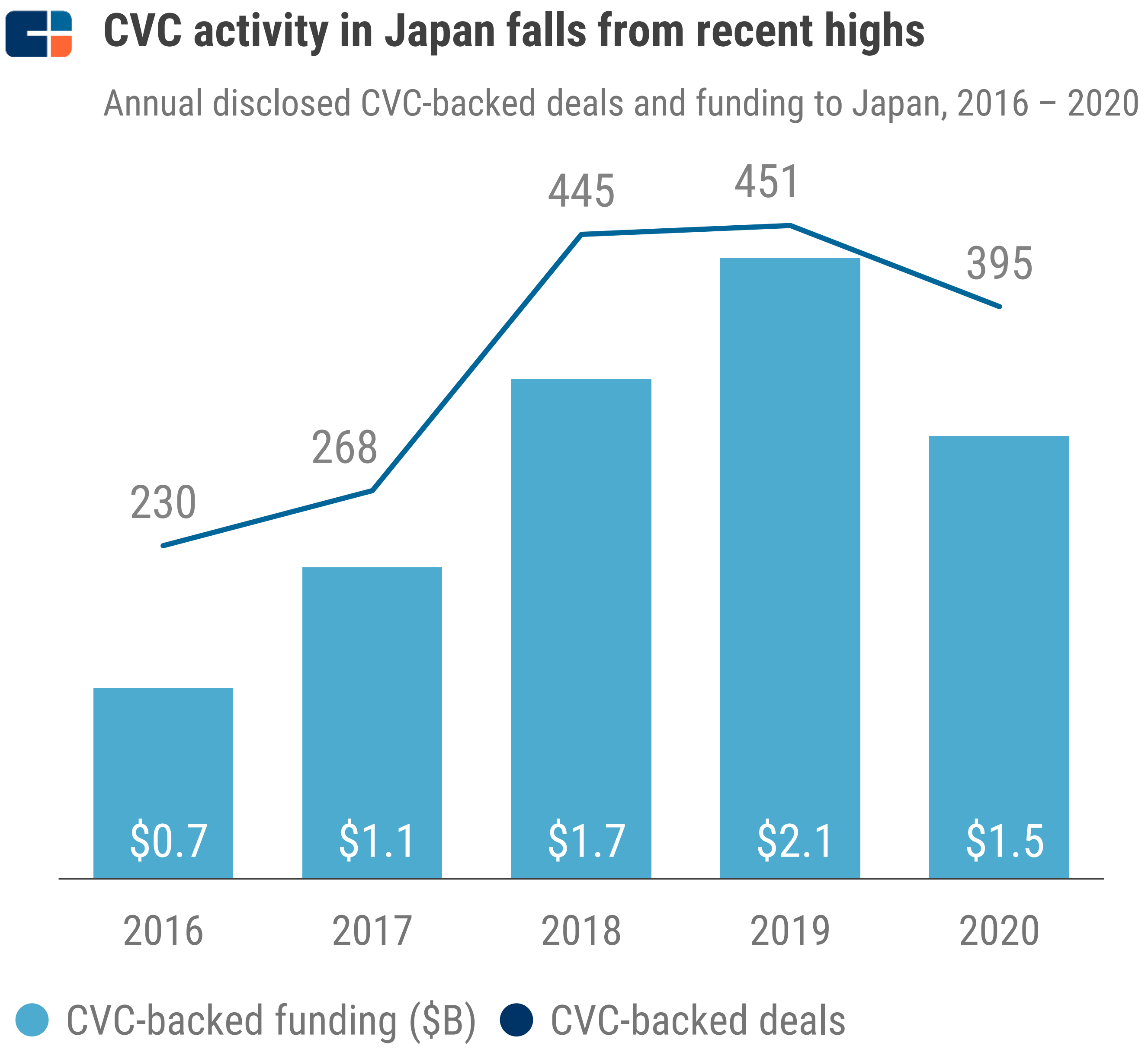


CVC-backed deals and funding to Japan declines

CVC-backed deals to Japan-based companies in 2020 fell 12% from a record 451 in 2019.

CVC-backed funding to Japan-based companies dropped to its lowest level since 2017, falling 29% YoY to $1.5B in 2020.

SBI Investment — one of the most active CVCs — scaled back its investments in Japan-based companies by 52% from 42 in 2019 to 20 in 2020.

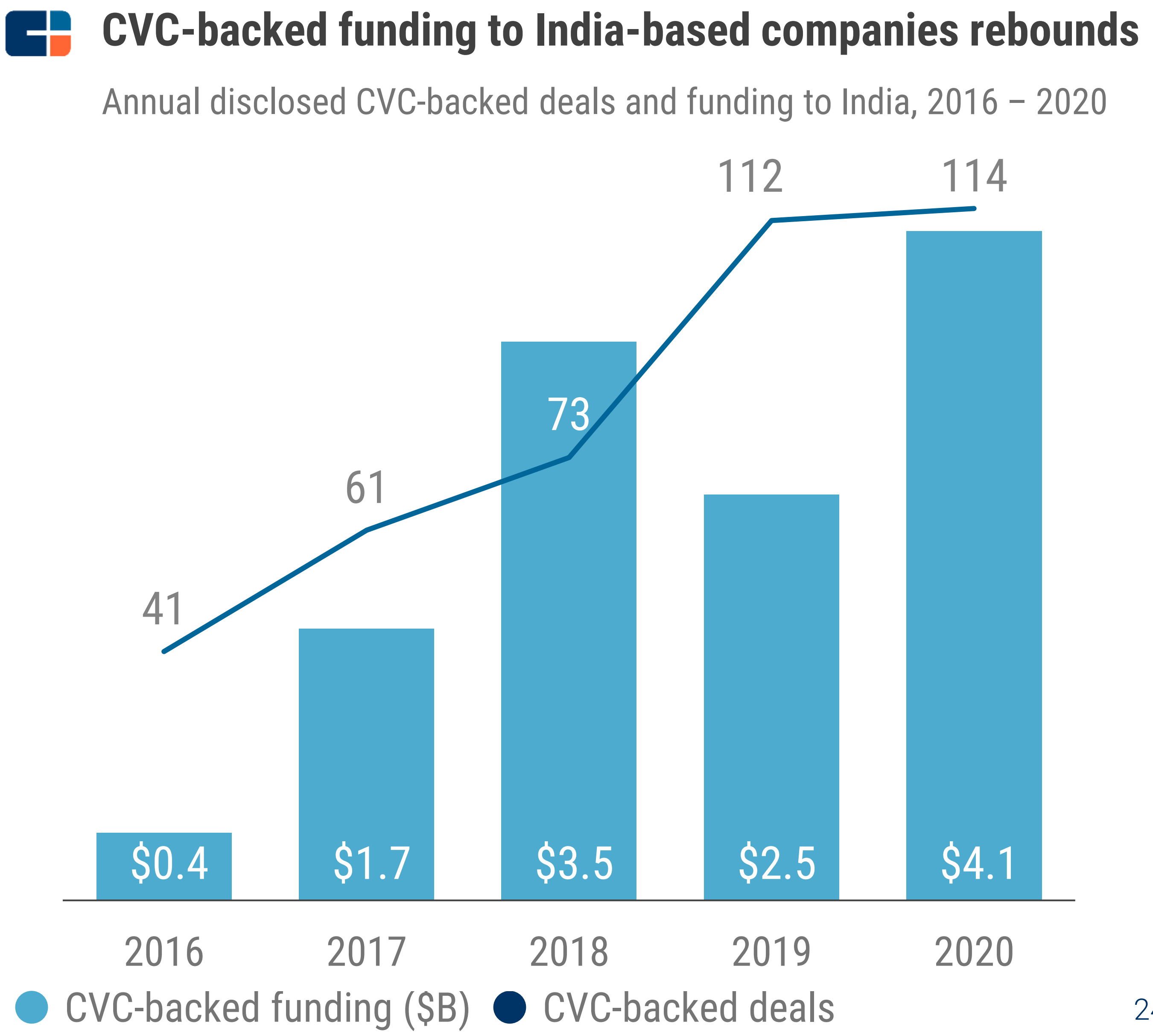


CVC-backed deals to India continue their rise

CVC-backed deals to India-based companies grew at a slower rate in 2020 but managed to reach a new high of 114.

CVC-backed funding recovered from a drop in 2019, climbing 64% YoY to a record $4.1B in 2020.

Intel Capital's $253 investment and Qualcomm Ventures' $97M investment in the India-based telecom company Reliance Jio were among the country's largest CVC deals in 2020.



REGIONAL CORPORATE VENTURE CAPITAL IN 2020

Europe CVC Activity

CVC-backed funding to Europe rises despite a fall in deals

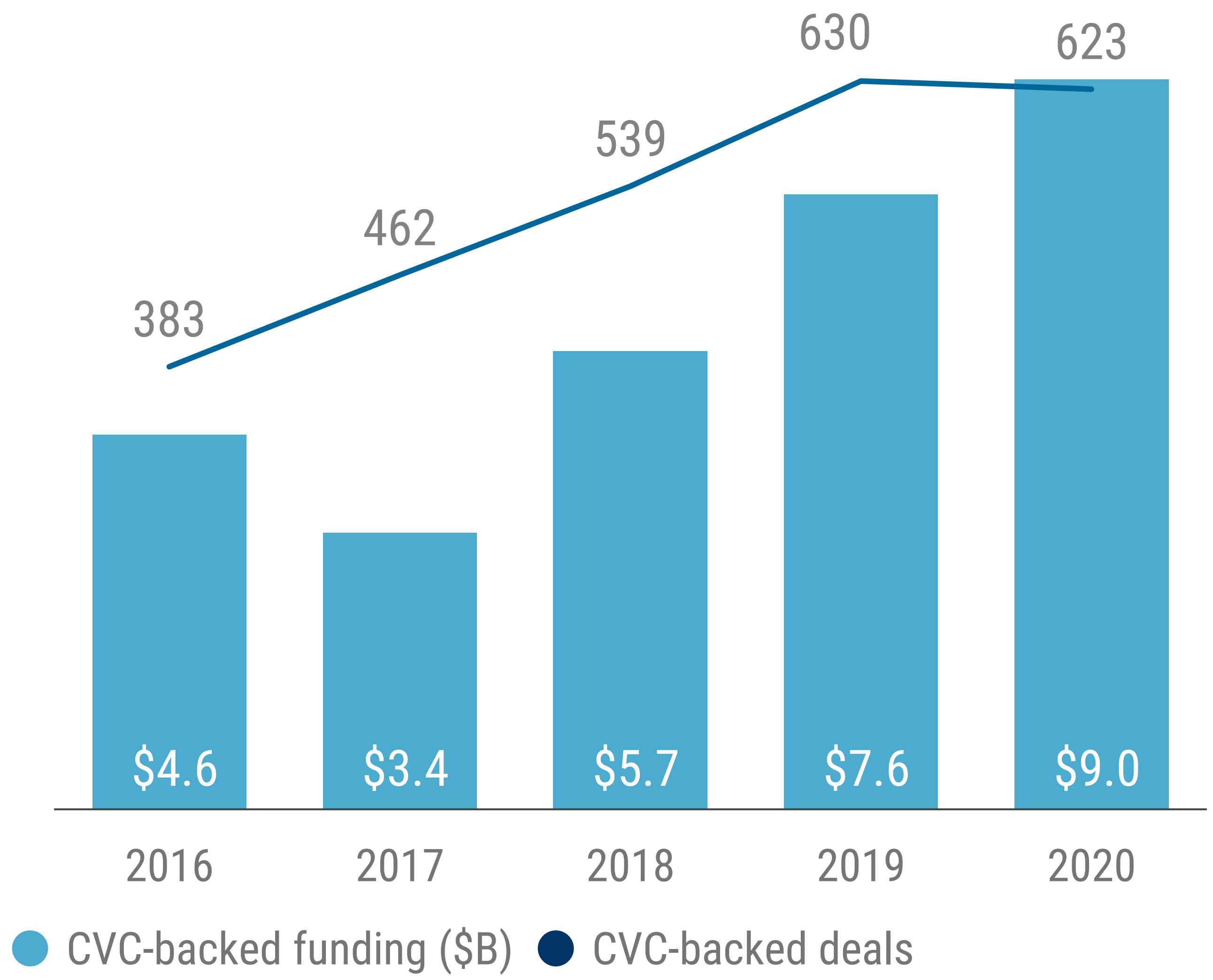
CVC-backed deals to Europe-based companies dropped slightly from 630 in 2019 to 623 in 2020.

CVC-backed funding defied the drop in deals to reach a new height of $9B, growing 18% YoY.

Mega-rounds, such as Cazoo's $311M Series D round, jumped 80% YoY to 18, helping drive the rise in funding.

Europe witnesses third straight CVC funding record

Annual disclosed CVC-backed deals and funding to Europe, 2016 – 2020

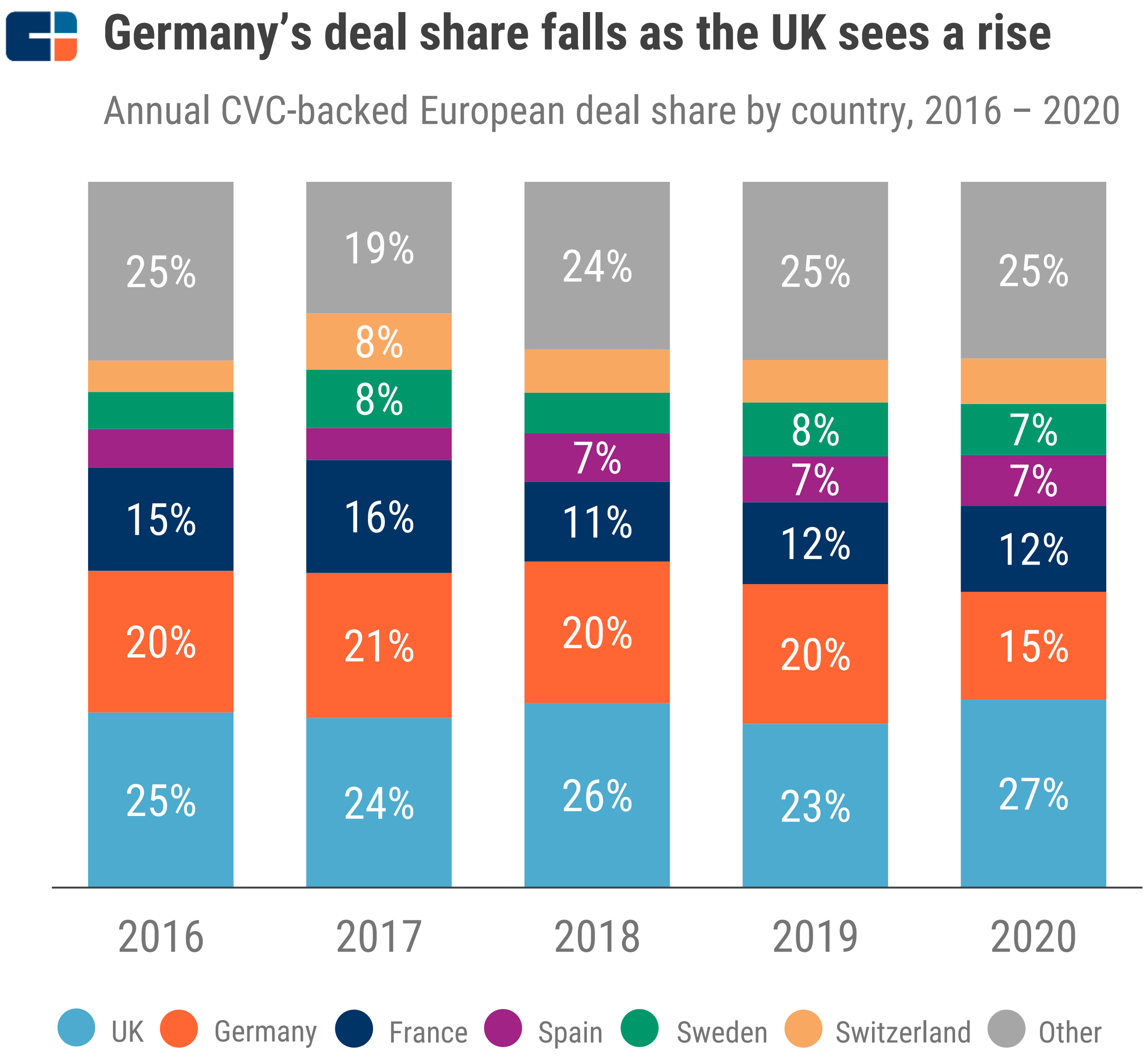


UK gains deal share in Europe

The UK's deal share reached a 5-year high, while Germany's deal share fell below 20% for the first time in 4+ years.

France's deal share was unchanged YoY at 12%, well below its 2017 height of 16%.

Spain maintained its deal share of 7% for the third year in a row — an increase from its 2017 level of 5%.



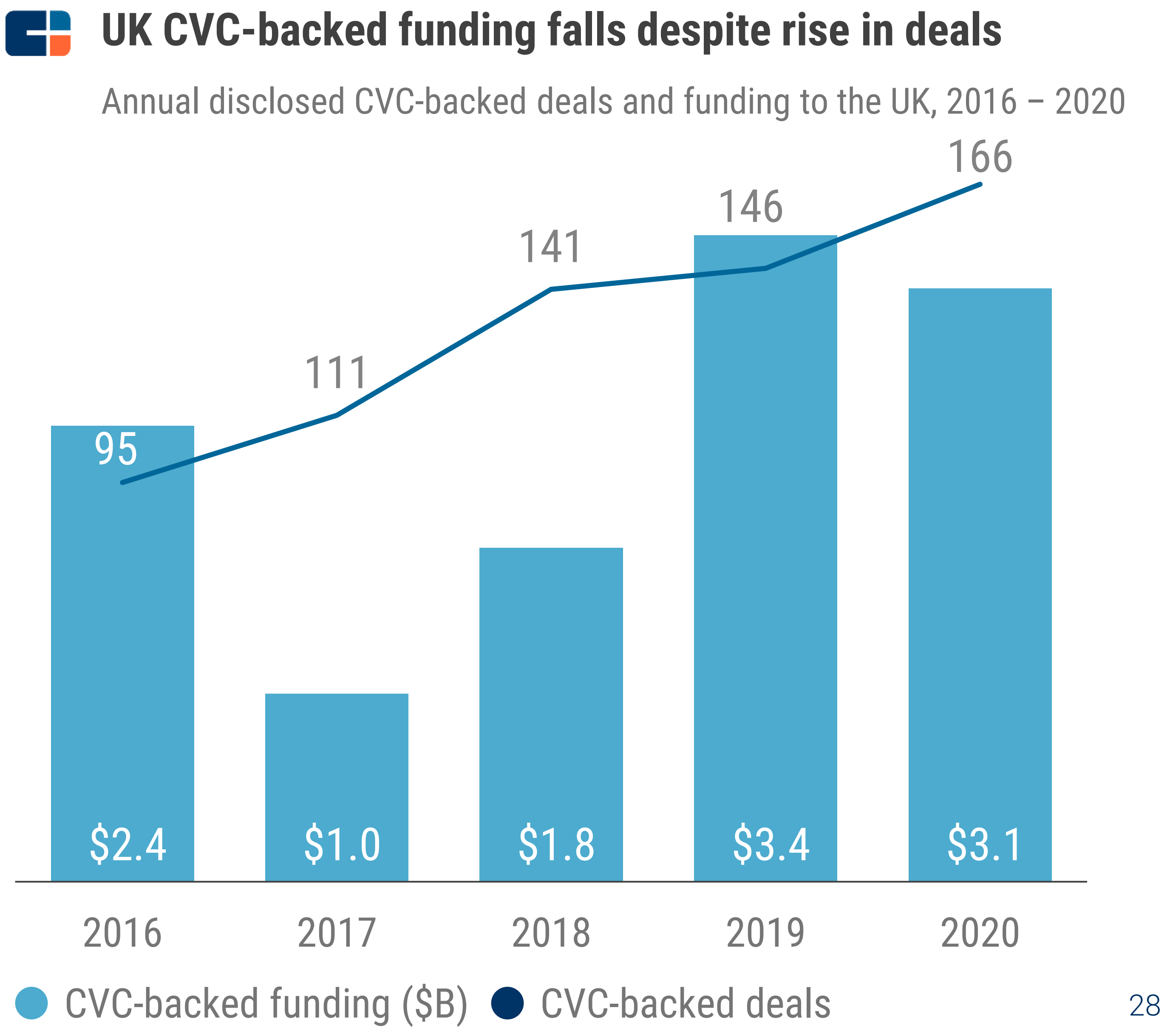
CBINSIGHTS

UK CVC-backed deals surge to a record high

CVC-backed deals jumped to a new record of166 in 2020 — a 14% increase from 2019.

CVC-backed funding to UK-based companies failed to match 2019's all-time high, declining about 8% to $3.1B in 2020.

Salesforce Ventures was among the most active investors in UK-based companies, completing 8 deals in 2020.

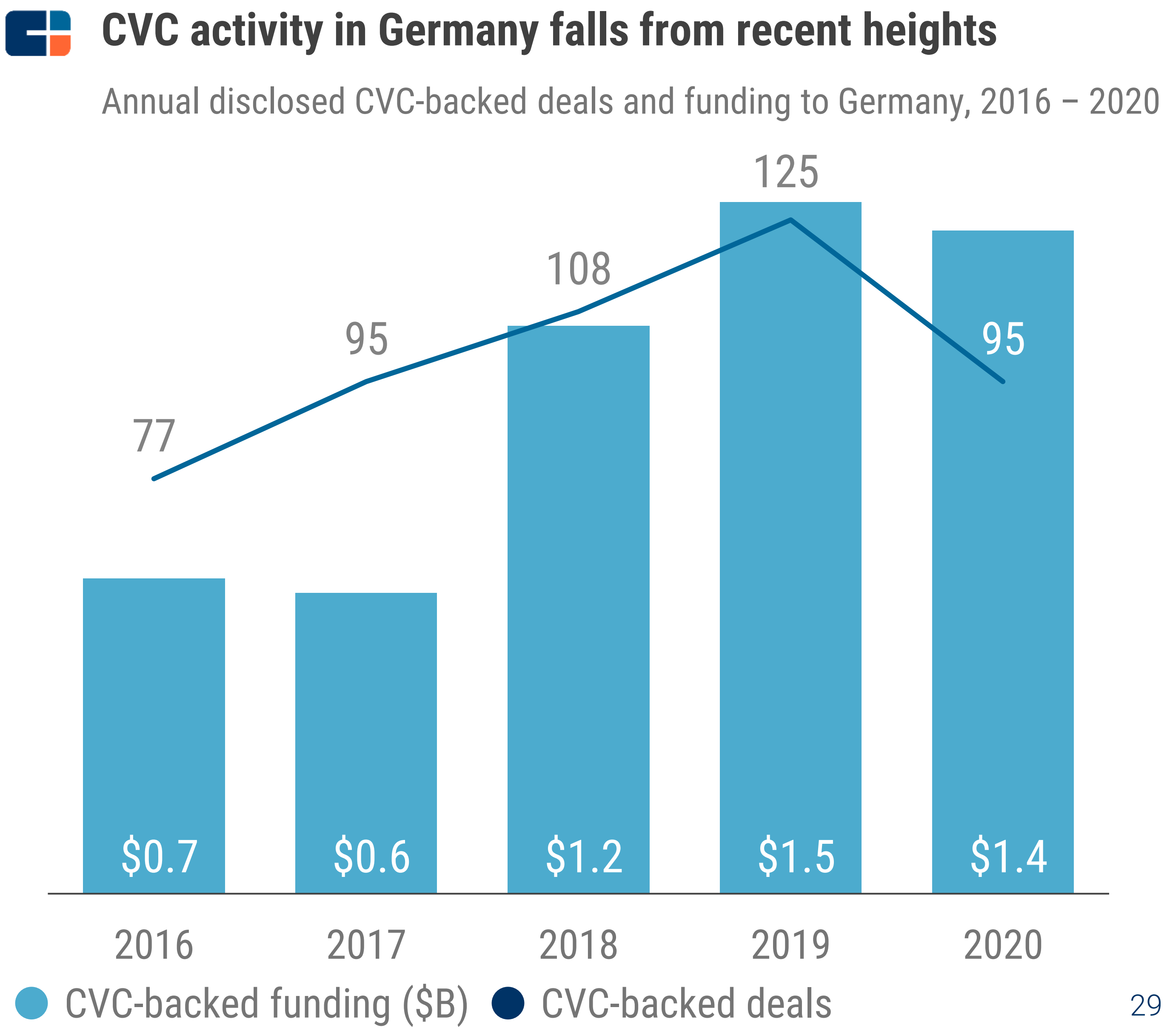


CVC-backed deals to Germany plummet

In 2020, CVC-backed deals to Germany-based companies plummeted 24% YoY to their lowest level since 2017.

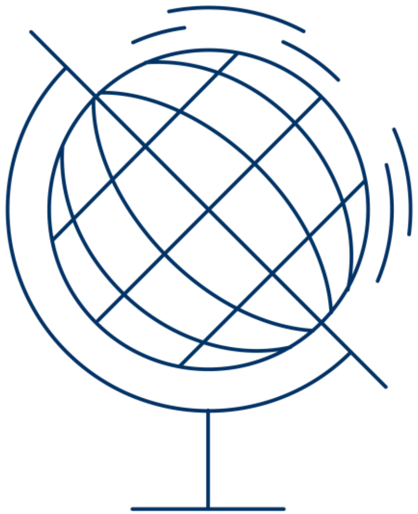
CVC-backed funding fell modestly from a record high of $1.5B in 2019 to $1.4B in 2020.

Last year's most active CVC in Germany, Vorwerk Direct Selling Ventures, scaled back its deals from 7 in 2019 to 1 in 2020.



REGIONAL CORPORATE VENTURE CAPITAL IN 2020

US CVC Activity

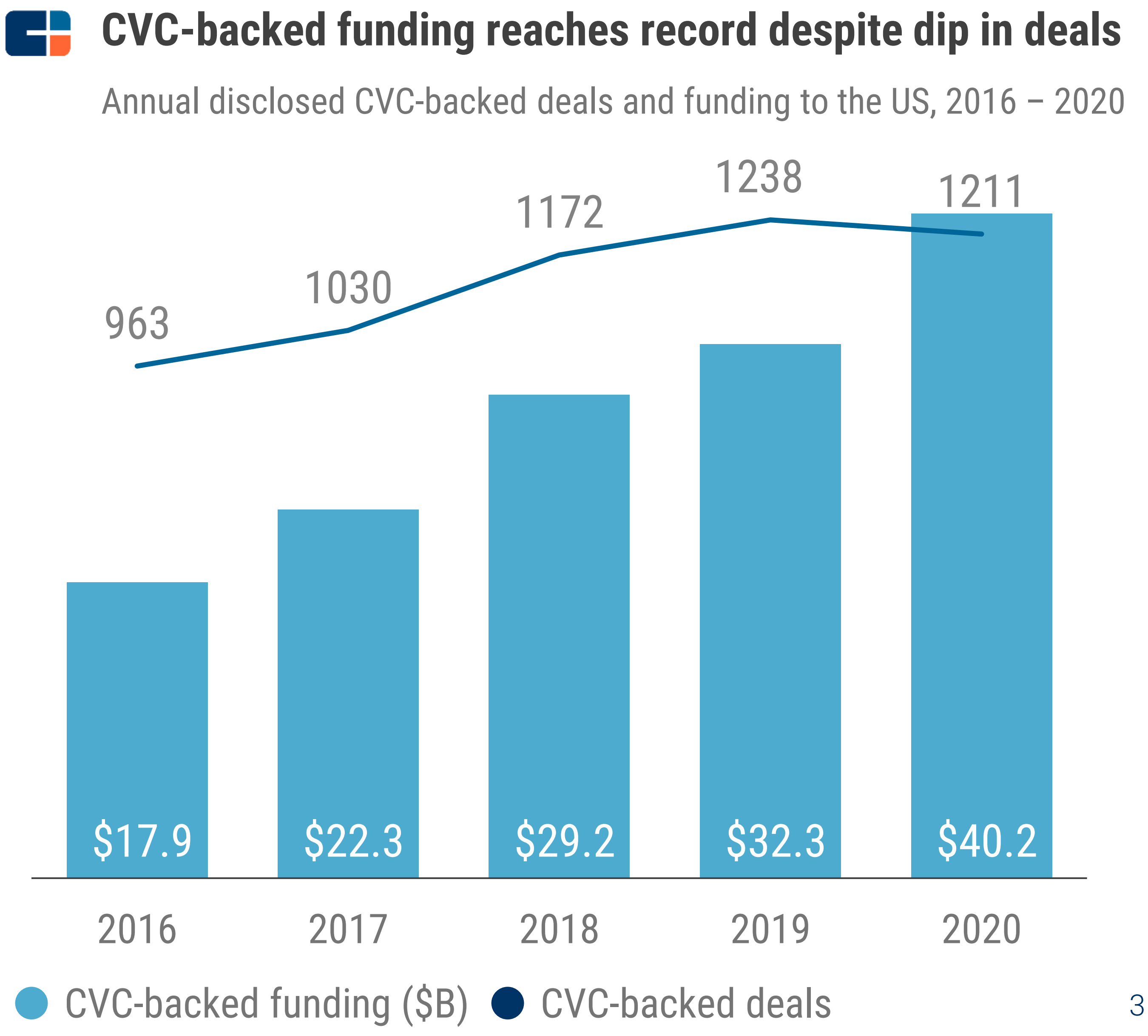


CVC-backed funding to US companies continues to grow

In 2020, US CVC-backed funding increased 24% YoY to reach an all-time high for the fifth straight year.

The number of CVC-backed deals to US-based companies declined in 2020 to 1,211 from a record 1,238 in 2019.

Contributing to the increase in total funding, the number of CVC-backed mega-rounds for US-based companies reached 109 in 2020, up 54% from 2019.

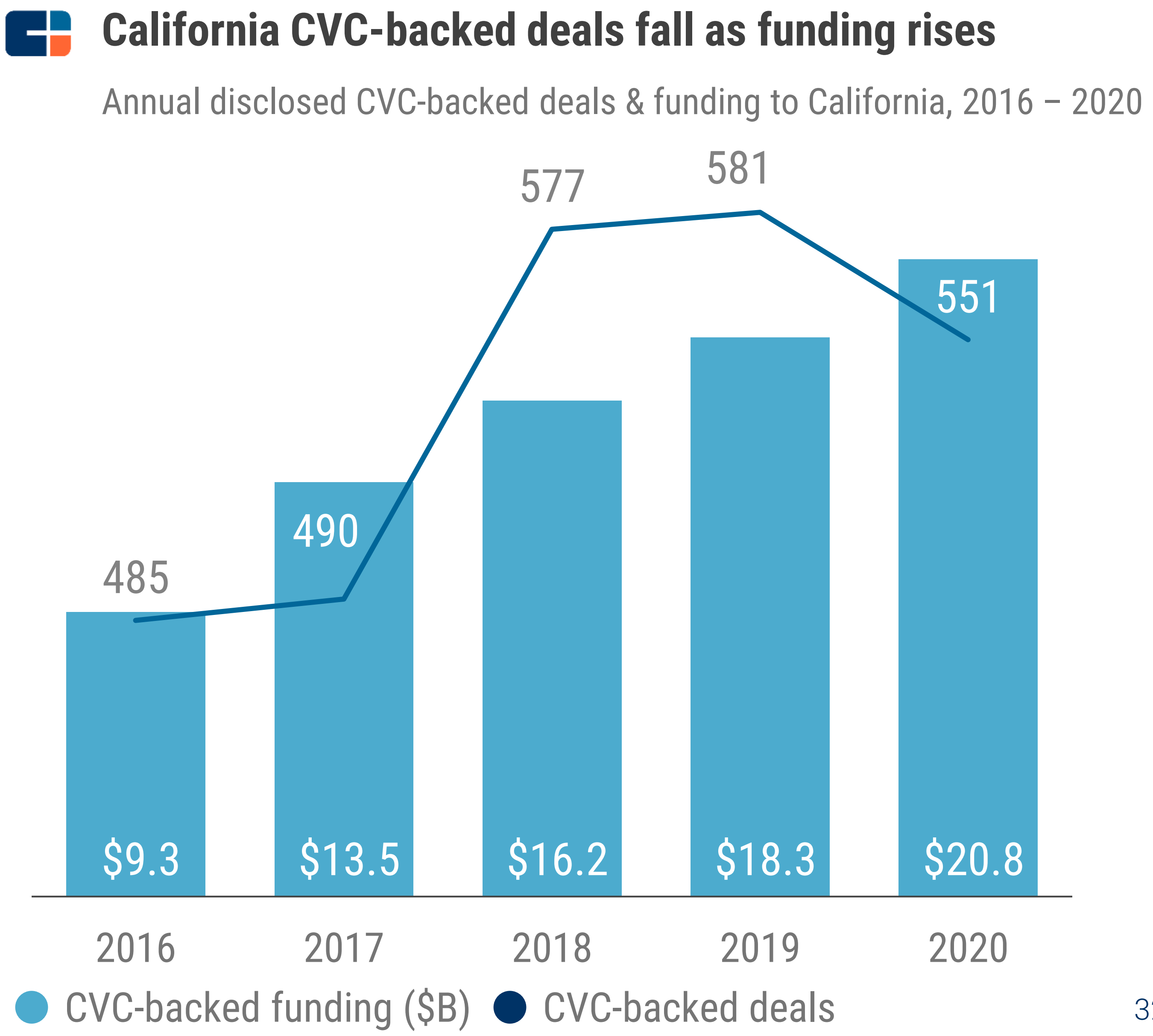


California attracts fewer CVC-backed deals

Compared to 2019, CVC-backed deals to California-based companies declined 5% but funding increased 14%.

CVC-backed mega-rounds jumped 36% YoY to 60 in 2020, driven by later-stage funding rounds for Stripe, Hippo, Sentinel One, and others.

Silicon Valley-based companies accounted for 77% of all CVC-backed deals in the state — the lowest deal share in 5 years.

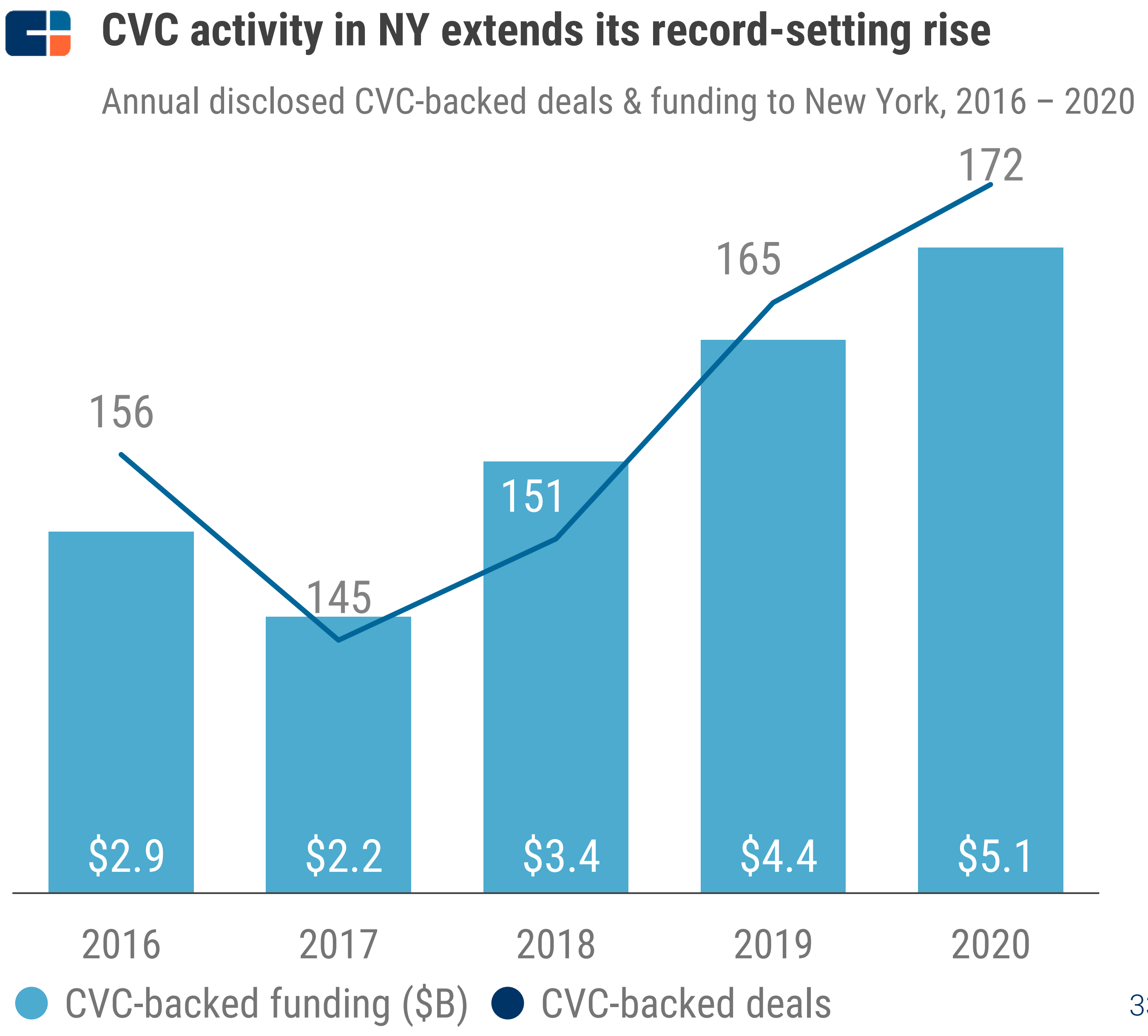


NY continues to see CVC activity growth

New York CVC activity set new records in 2020, with funding rising 16% YoY to $5.1B and deals increasing 4% to 172.

CVC-backed mega-rounds rose 143% YoY for New York-based companies to a record 17 in 2020. Unqork, Better.com, and ASAPP were among the companies with the largest funding rounds.

New York City accounted for 96% of CVC-backed deals in the state during 2020.



CVC activity in Massachusetts surges

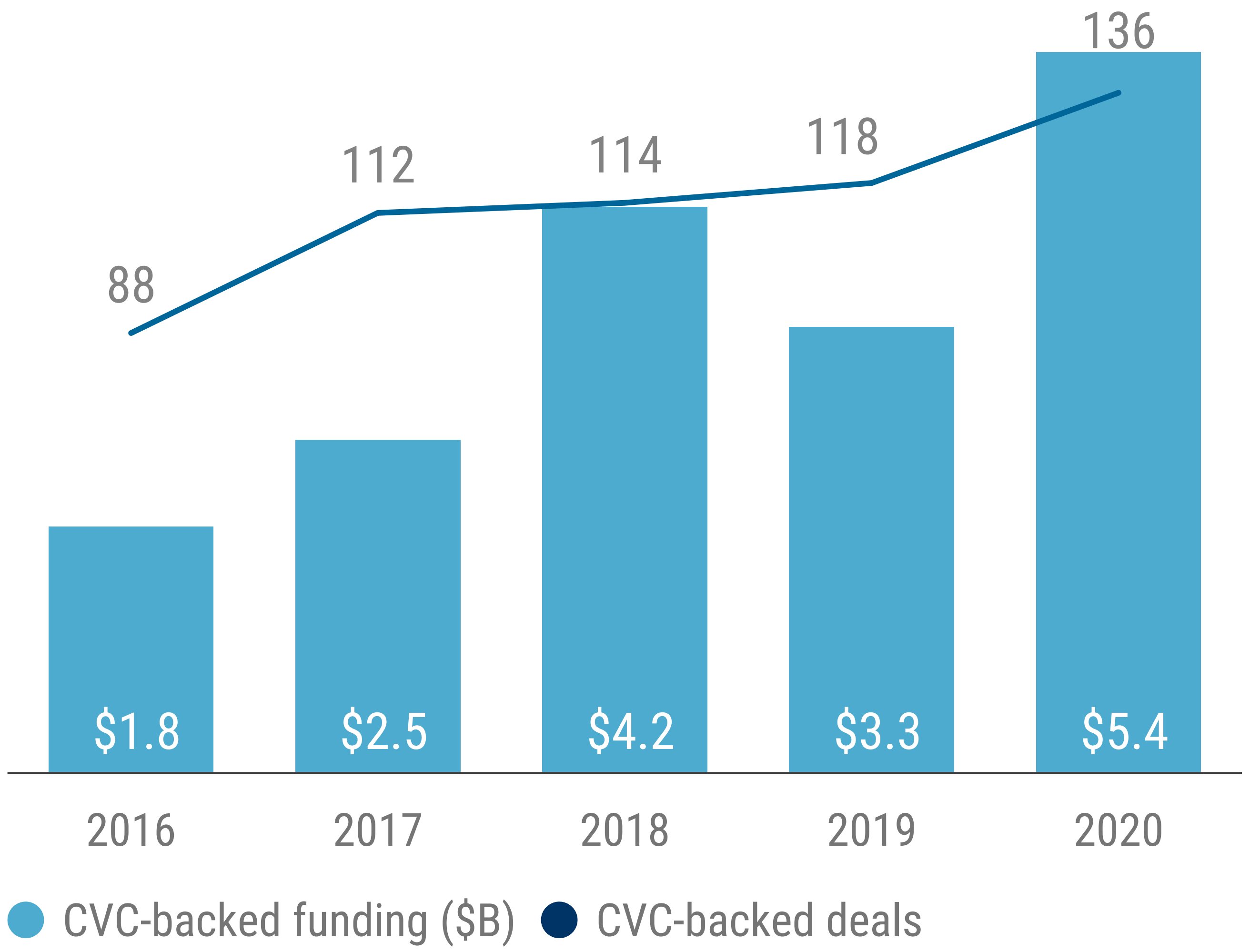
CVC-backed funding to MA-based companies rebounded from a drop in 2019, growing 64% YoY to $5.4B.

Following 2 years of modest growth in the number CVC-backed deals, 2020 saw deals increase 15% YoY to 136.

Healthcare companies drove funding gains, with XtalPi, Thrive Earlier Detection, and EQRx all closing $200M+ rounds with CVC participation.

CVC-backed funding and deals to MA companies set records

Annual disclosed CVC-backed deals & funding to Massachusetts, 2016 – 2020

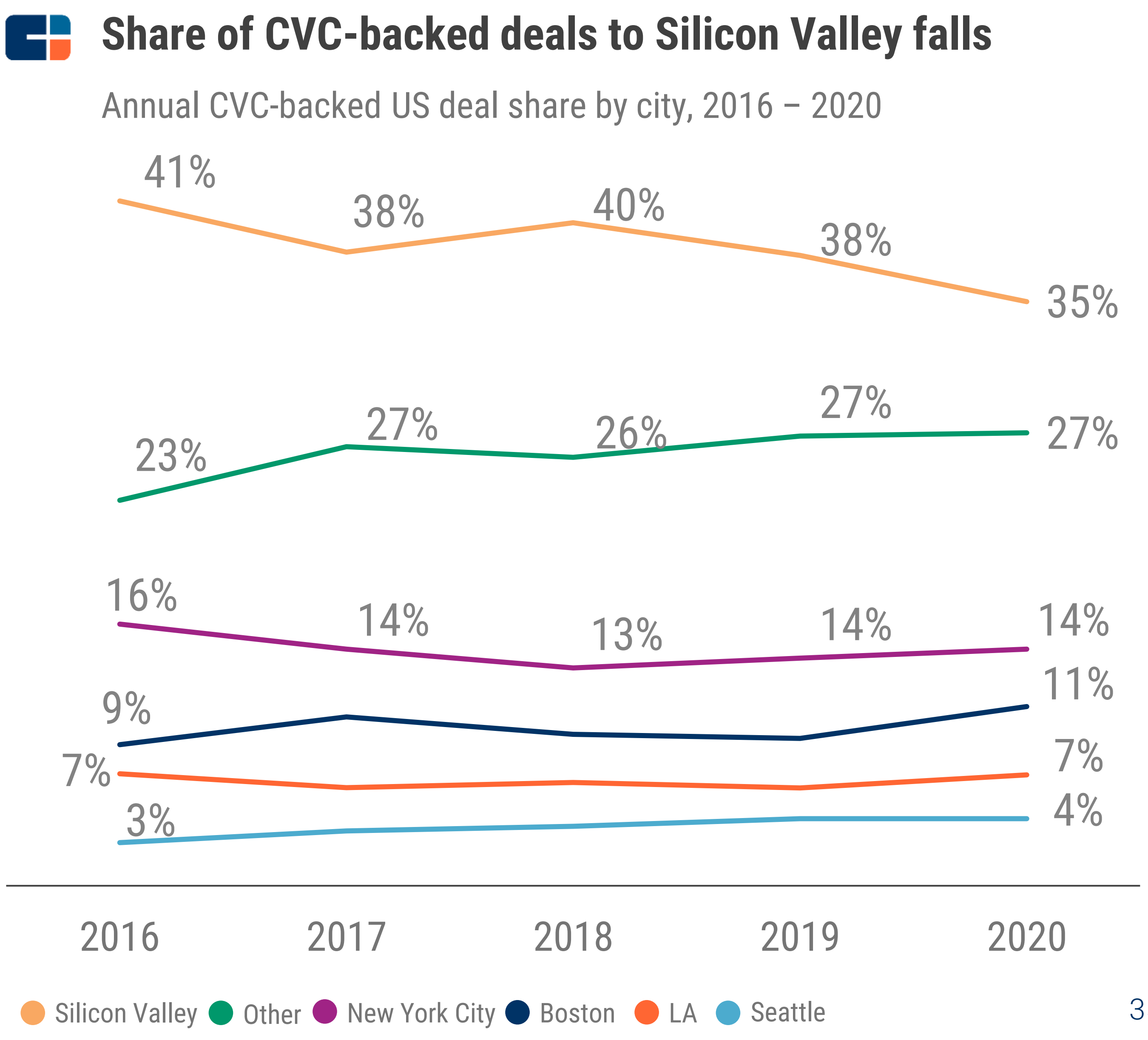


Silicon Valley's grip on US CVC deals loosens

Unchanged from 2019, major US tech hubs – Boston, NYC, and Silicon Valley – accounted for 60% of all CVC-backed deals in the US in 2020.

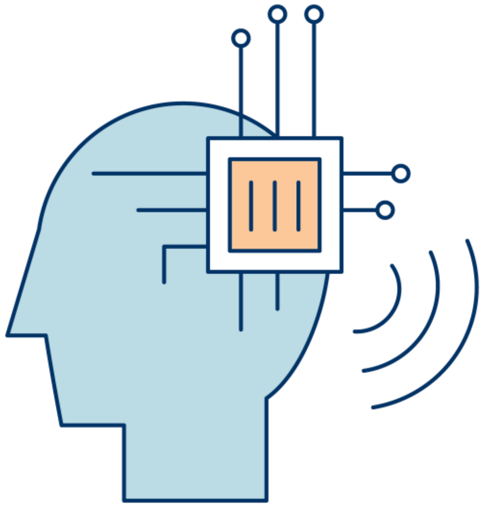
Boston and Los Angeles both saw a slight increase in their deal share – 2 and 1 percentage points, respectively.

Silicon Valley's deal share fell to its lowest level in 5 years and is down 6 percentage points from its 5-year high of 41% in 2016.



GLOBAL CORPORATE VENTURE CAPITAL IN 2020

AI CVC Activity

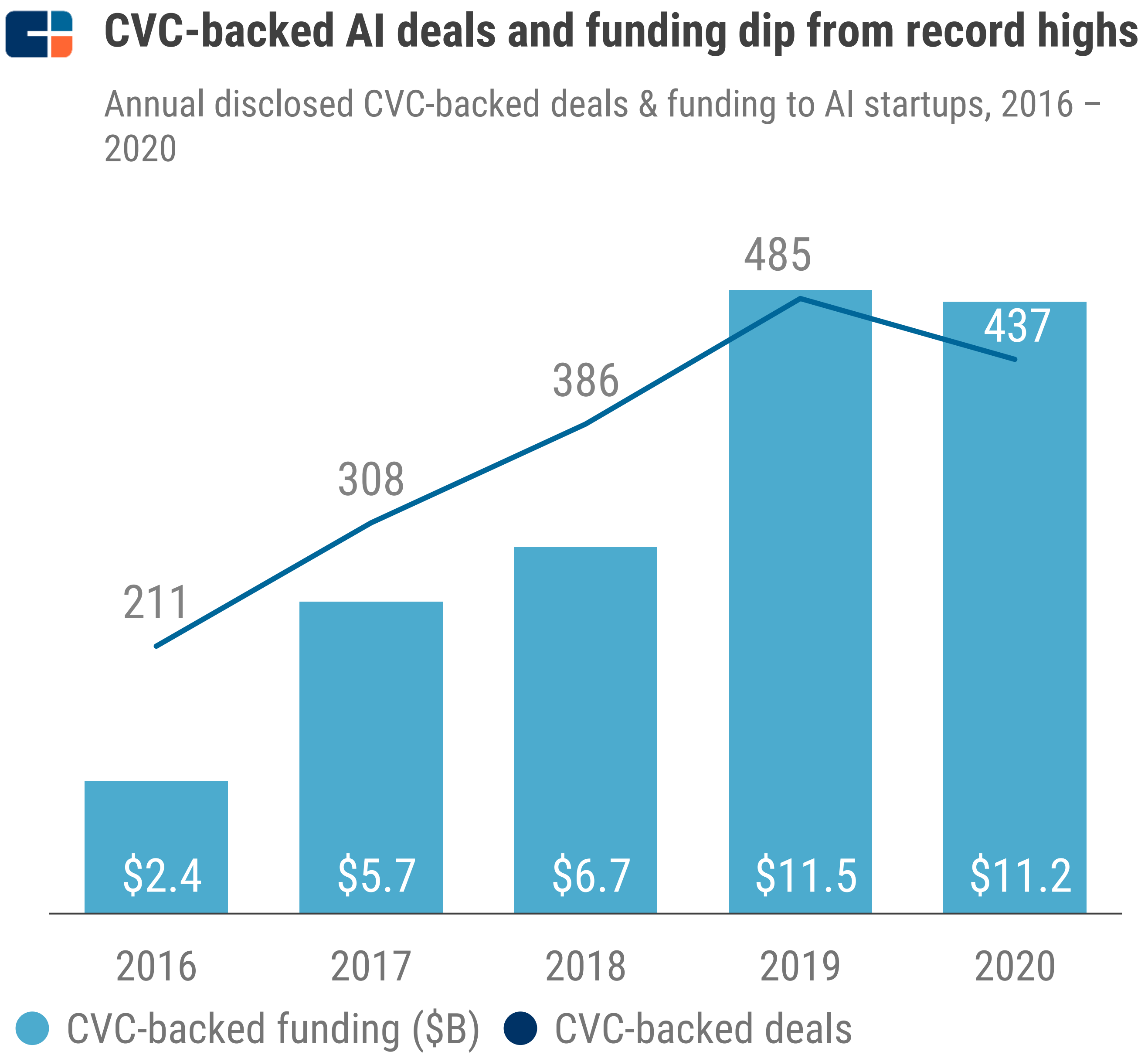


CVC activity in AI falls after period of rapid growth

The number of AI deals with CVC participation fell for the first time in 4+ years, falling 10% to 437 in 2020.

AI funding from rounds with CVC participation dropped 2% from a record $11.5B in 2019 to $11.2B in 2020.

CVC-backed mega-rounds for AI companies, which increased 77% from 2018 to 2019, grew a more modest 30% in 2020 to 30.

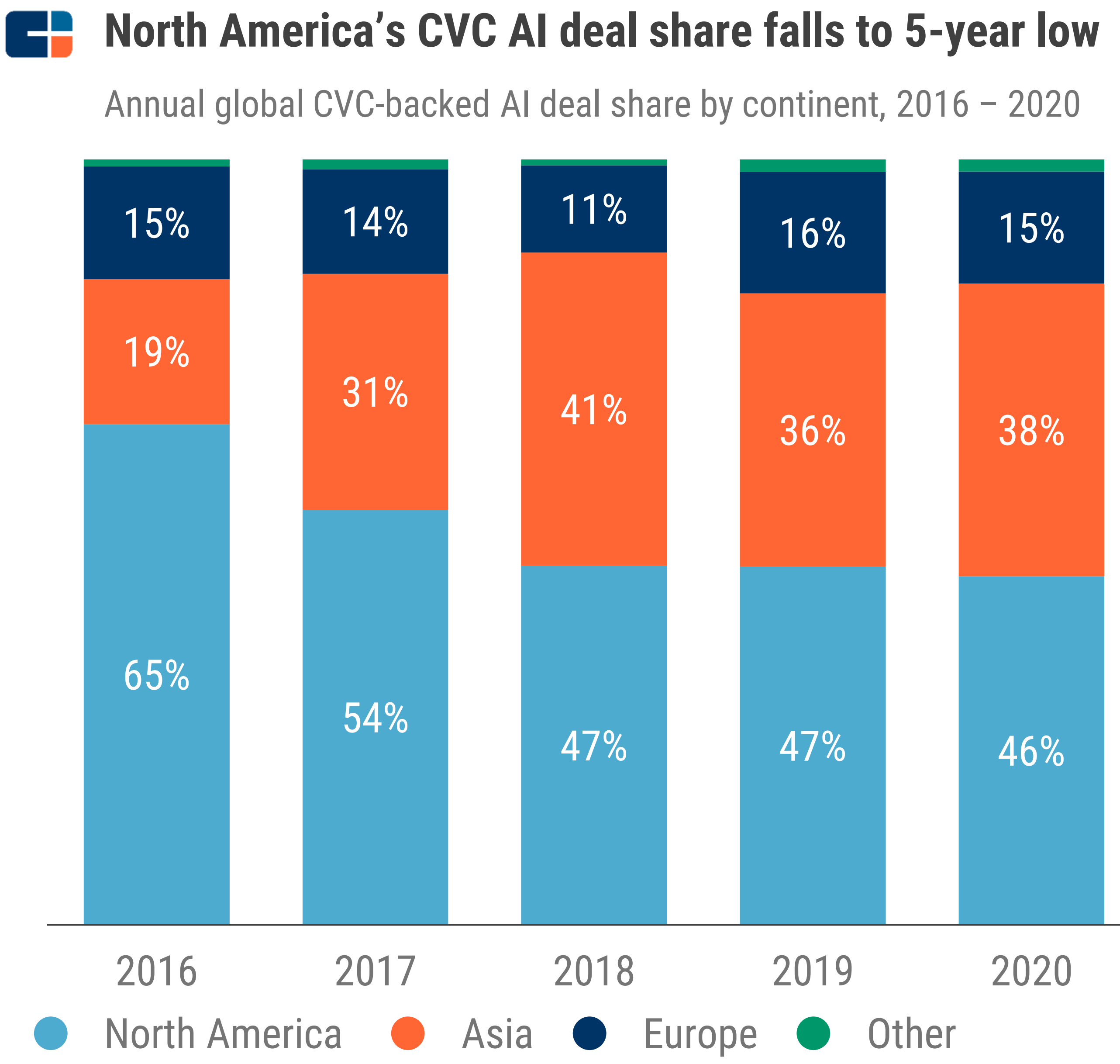


Asia gains AI CVC deal share

While CVC-backed deals to AI companies fell across the globe, Asia experienced a slighter decline and gained deal share.

Europe saw the sharpest decline in CVC-backed AI deals, but North America experienced the greatest decline in deal share — hitting a 5-year low.

The largest CVC-backed AI deal in 2020 was a $319M Series C round for the Chinese-American pharmaceutical company XtalPi based in Cambridge, MA.



Intel Capital retains the top spot for AI investments

With 19 unique AI investments in 2020, Intel Capital was the most active CVC in the space for a second straight year.

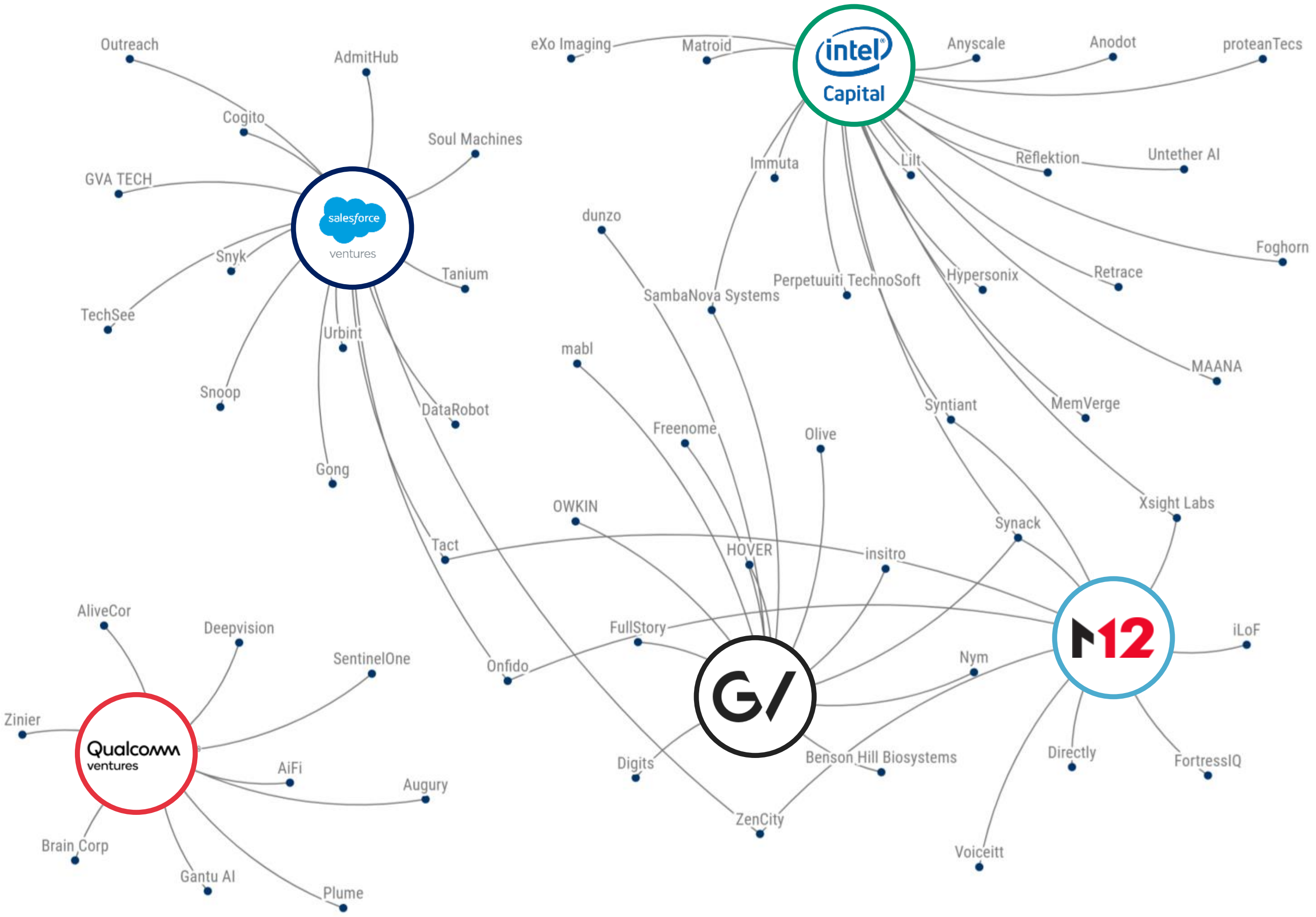
Salesforce Ventures passed GV and M12 for the number 2 spot, investing in 15 unique AI companies.

Qualcomm Ventures joined the top 5 list for the first time, making 9 AI investments in 2020.

CBINSIGHTS

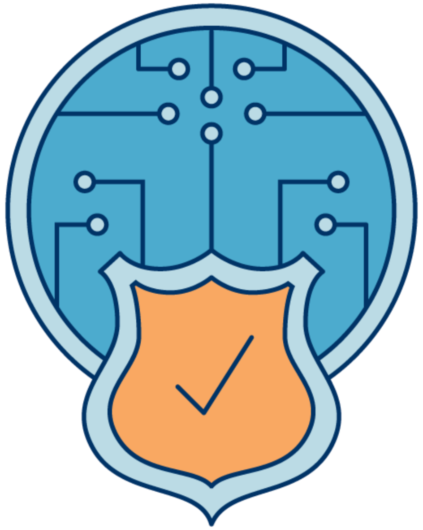
Most active CVC groups in AI during 2020

Top 5 most active CVCs by AI deal activity in 2020



GLOBAL CORPORATE VENTURE CAPITAL IN 2020

Cybersecurity CVC Activity

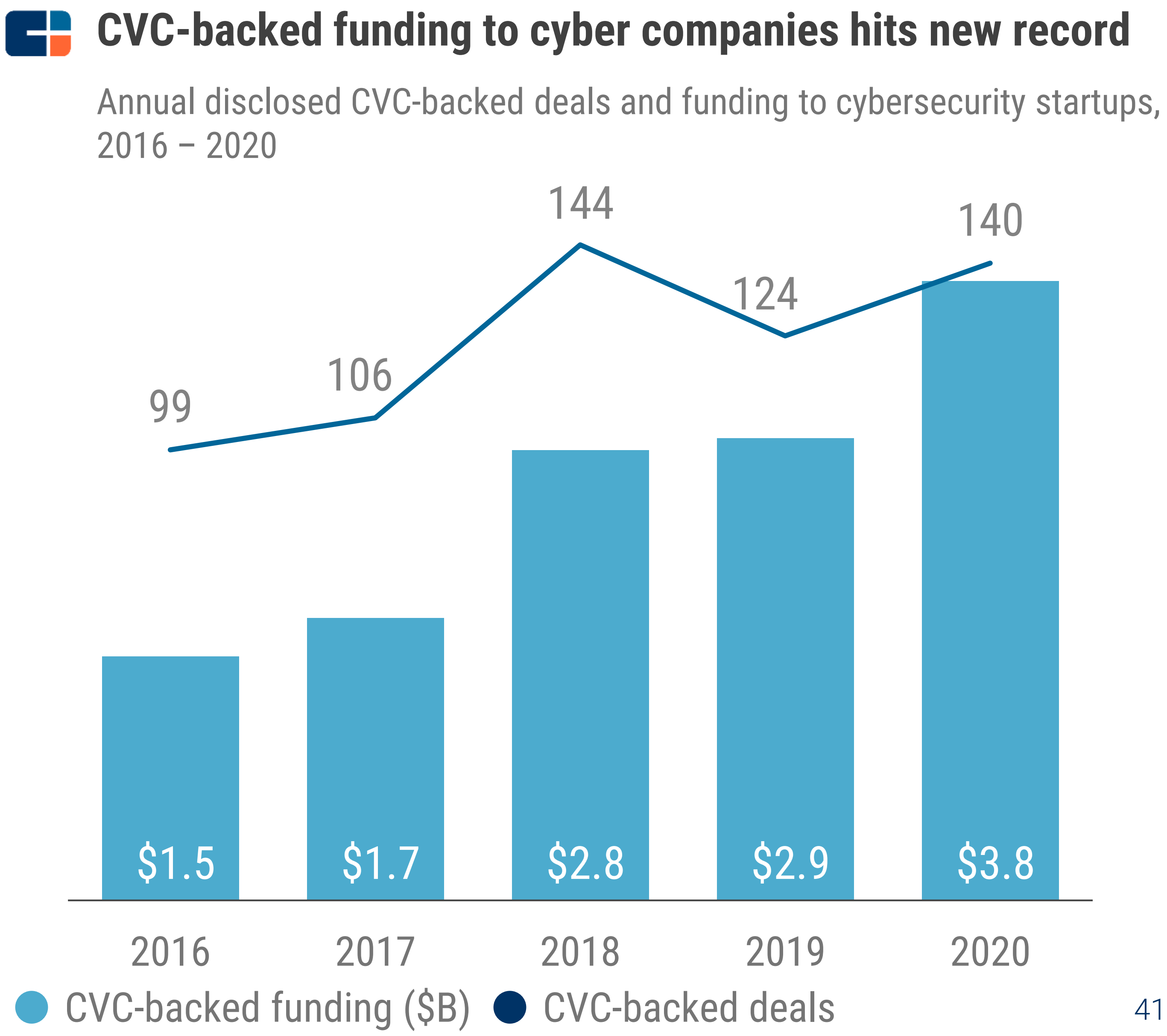


Cybersecurity draws more attention from CVCs

Funding from CVC-backed rounds to cybersecurity companies soared by 31% YoY to a record high of $3.8B in 2020.

CVCs participated in 13% more cybersecurity deals in 2020 than in 2019, approaching 2018's record of 144.

Cybersecurity mega-rounds with CVC participation grew 100% YoY from 6 to 12.



Asia's CVC-backed cyber deal share jumps

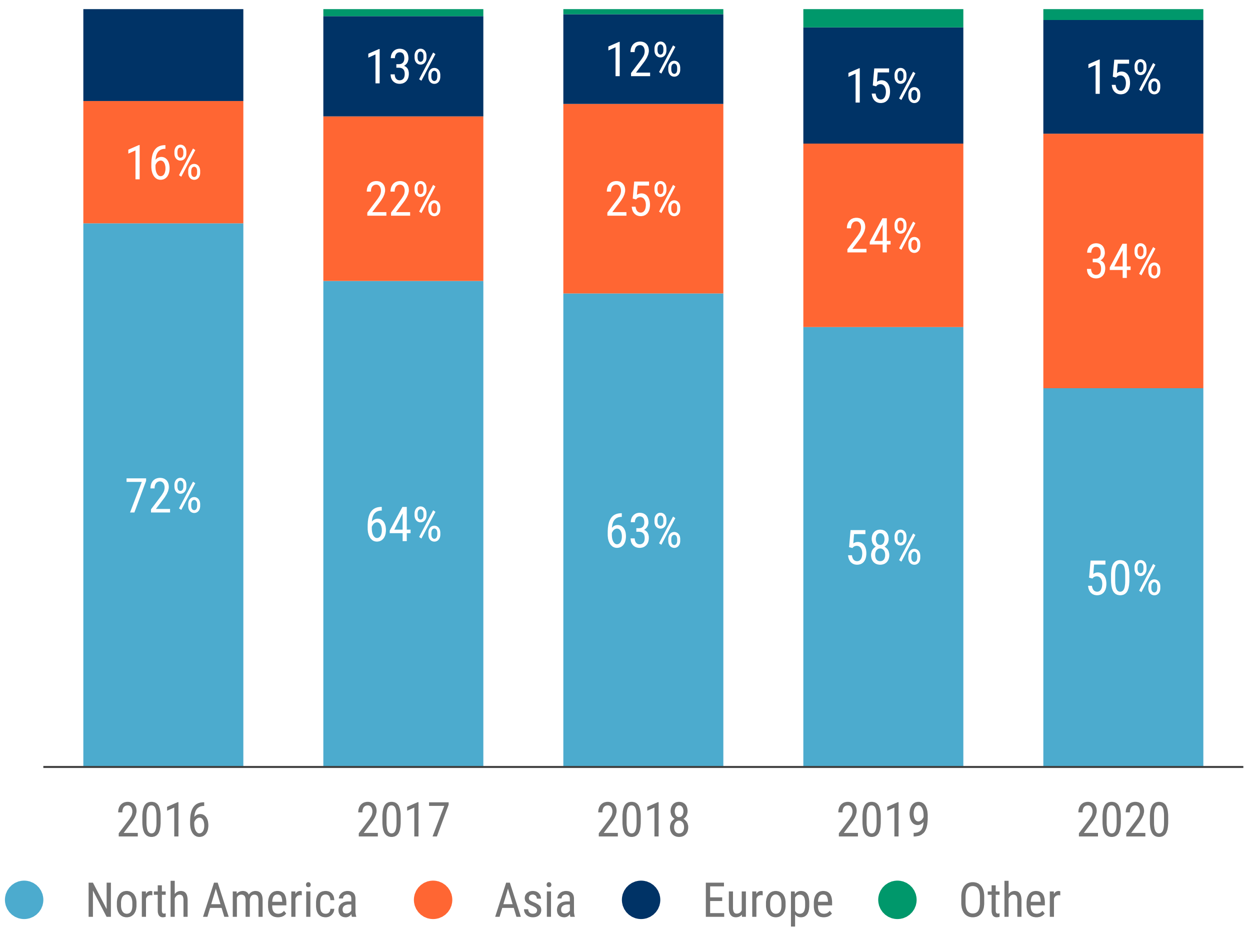
North America's deal share dropped again in 2020 and now accounts for half of all CVC-backed cyber deals — down from nearly three-quarters in 2016.

Asia's 10 percentage point gain in CVC-backed cyber deal share was led largely by Israel, which attracted 27 deals in 2020 — a near 100% increase from 2019.

SentinelOne's $200M round that included Qualcomm Ventures was the largest CVC-backed cyber deal in 2020.

North America's CVC-backed cyber deal share continues its decline

Annual global CVC-backed cybersecurity deal share by continent, 2016 – 2020



Salesforce Ventures becomes the most active CVC in cyber

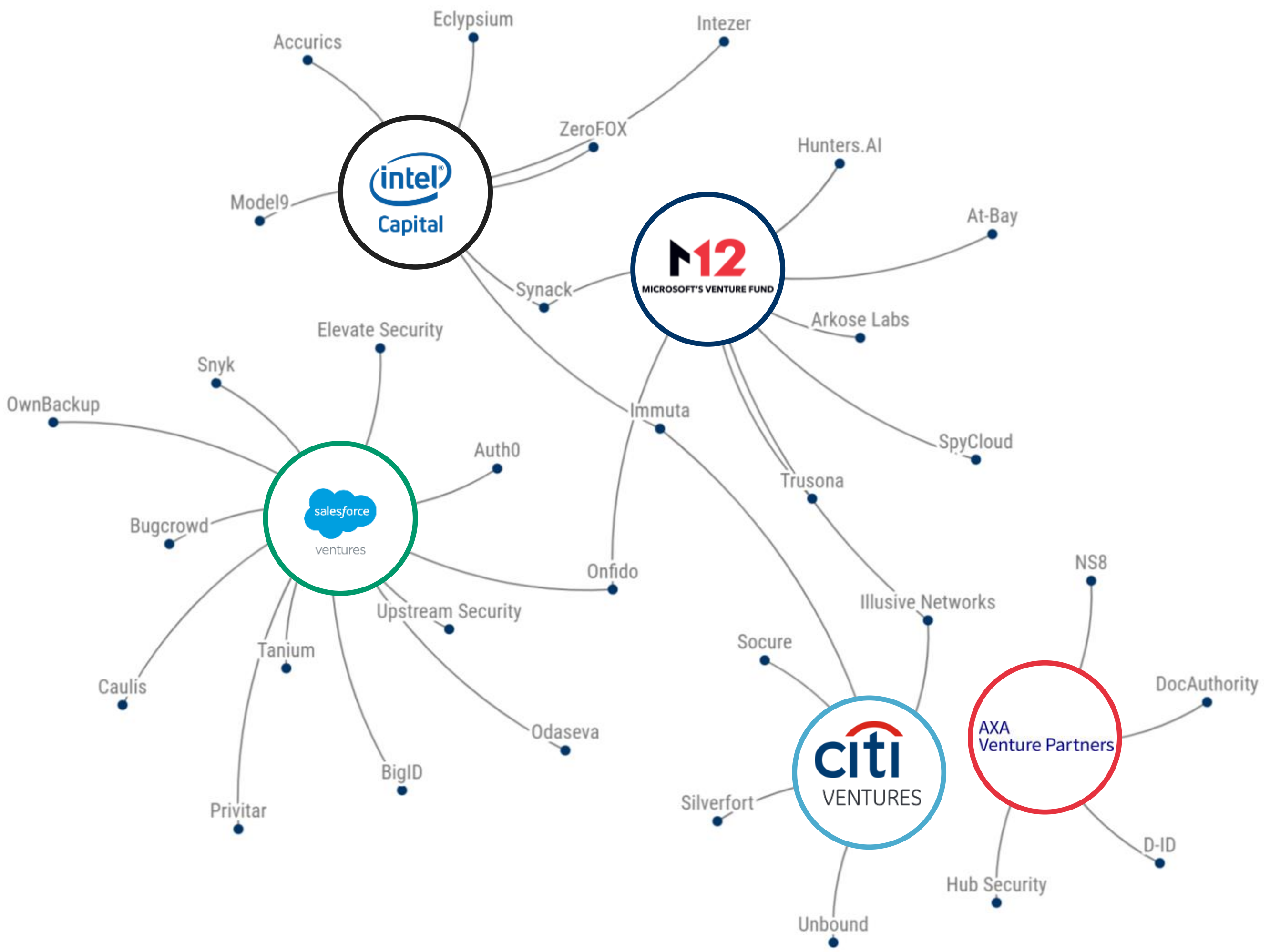
Making 12 unique cybersecurity investments in 2020, Salesforce Ventures became the most active CVC in the space.

Salesforce Ventures was followed by M12 and Intel Capital, which had 8 and 7 unique cyber investments, respectively, in 2020.

Two financial CVCs – Citi Ventures and AXA Venture Partners – joined the top 5 list of most active CVCs in cybersecurity.

Most active CVC groups in cybersecurity during 2020

Top 5 most active CVCs by cyber deal activity in 2020



GLOBAL CORPORATE VENTURE CAPITAL IN 2020

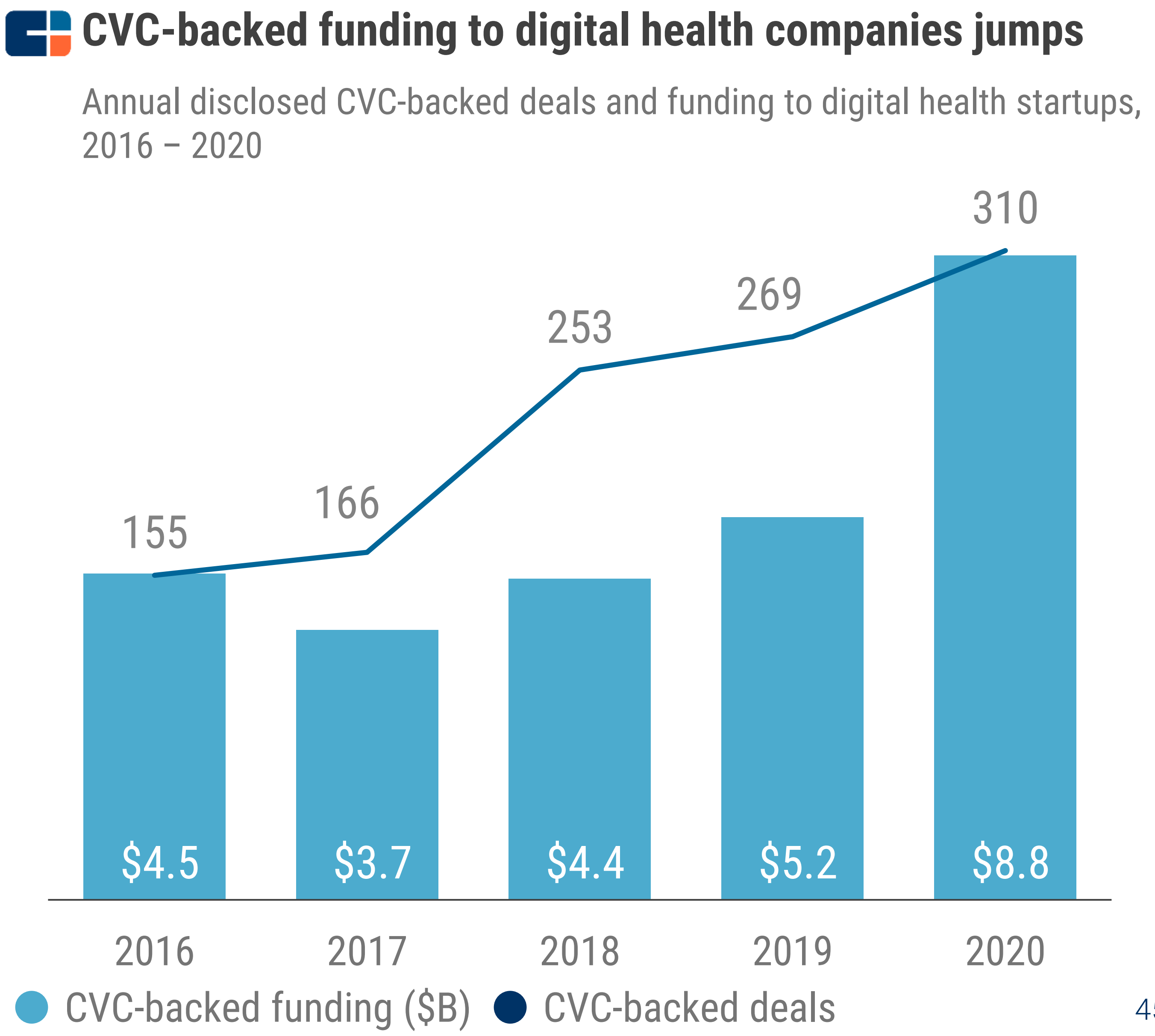
Digital Health CVC Activity

CVCs double down on digital health

CVC-backed funding to digital health companies grew by 68% YoY to a record $8.8B in 2020.

Extending years of gains, CVCs participated in 310 digital health deals in 2020.

Behind the jump in total funding were mega-rounds with CVC participation, which rose to 27 in 2020, up 170% from 2019.



CVC activity in digital health declines in Asia

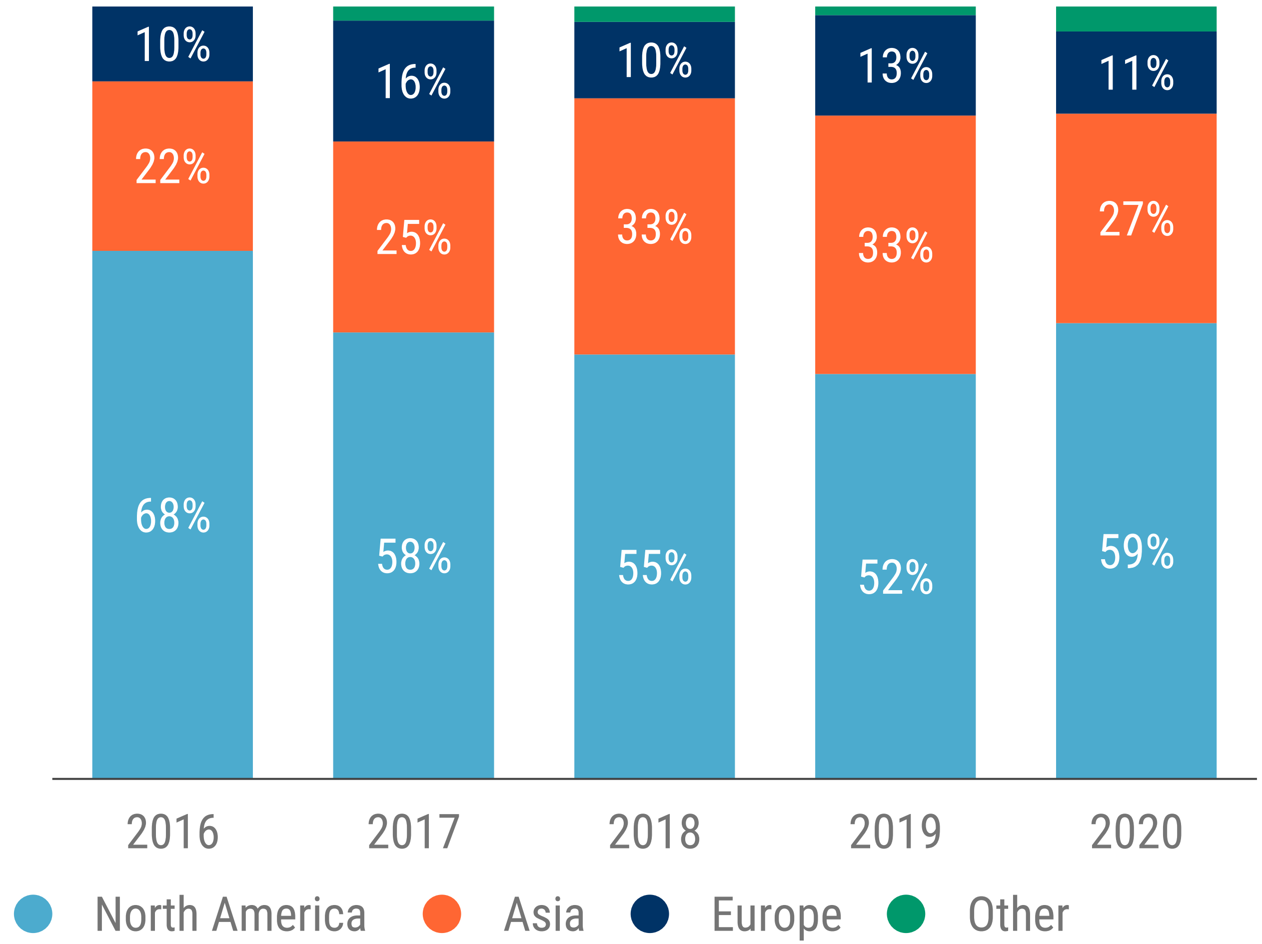
Following a 4-year low in 2019, CVC-backed deal share for North America-based digital health companies rebounded in 2020 to its highest level since 2016.

Asia and Europe saw their share of CVC-backed deals to digital health companies decline in 2020, with Asia's share dropping 6 percentage points.

North America saw the largest CVC-backed digital health deal: a $319M round for MA-headquartered XtalPi.

North America's CVC-backed digital health deal share rebounds

Annual global CVC-backed digital health deal share by continent, 2016 – 2020



GV doubles down on digital health investments

With 17 unique digital health investments in 2020, GV was again the most active CVC in the space.

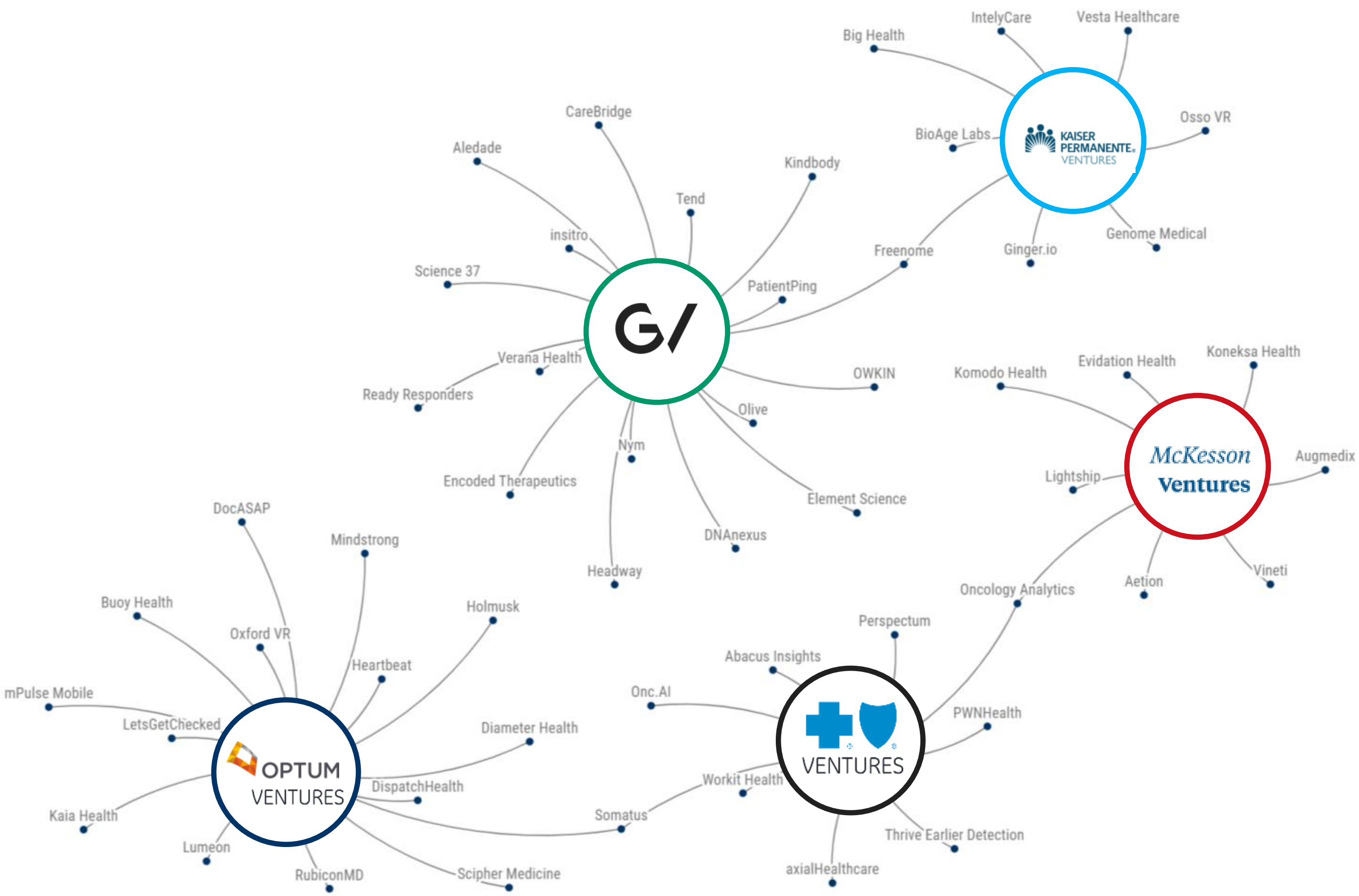
The CVC arms of companies in areas like health insurance and healthcare supply chains were particularly active in 2020.

McKesson Ventures joined the top 5 list for the first time with 8 unique digital health investments in 2020 – tied with Kaiser Permanente Ventures.

CBINSIGHTS

Most active CVC groups in digital health during 2020

Top 5 most active CVCs by digital health deal activity in 2020



GLOBAL CORPORATE VENTURE CAPITAL IN 2020

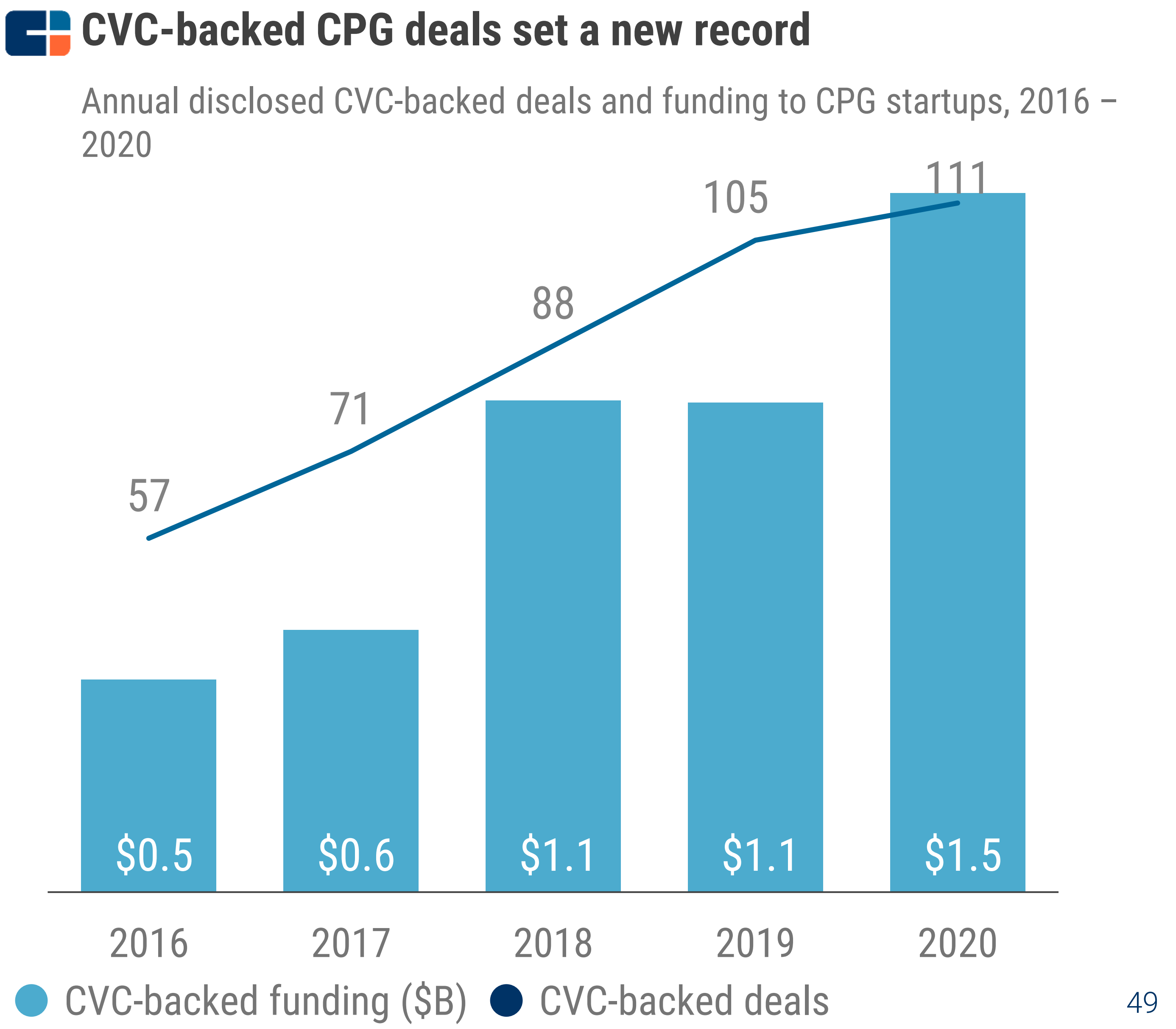
CPG CVC Activity

CVC activity in CPG sets new records

CVC-backed deals to CPG companies grew 6% YoY to 111 in 2020 — a slowdown in growth rate from 19% YoY growth in 2019.

The total funding represented by CVC-backed deals to CPG companies reached a record $1.5B in 2020 following a period of near-zero growth between 2018 and 2019.

CPG saw fewer CVC-backed mega-rounds than other major sectors, with just 3 in 2020.



CPG companies in Asia attract record CVC investment

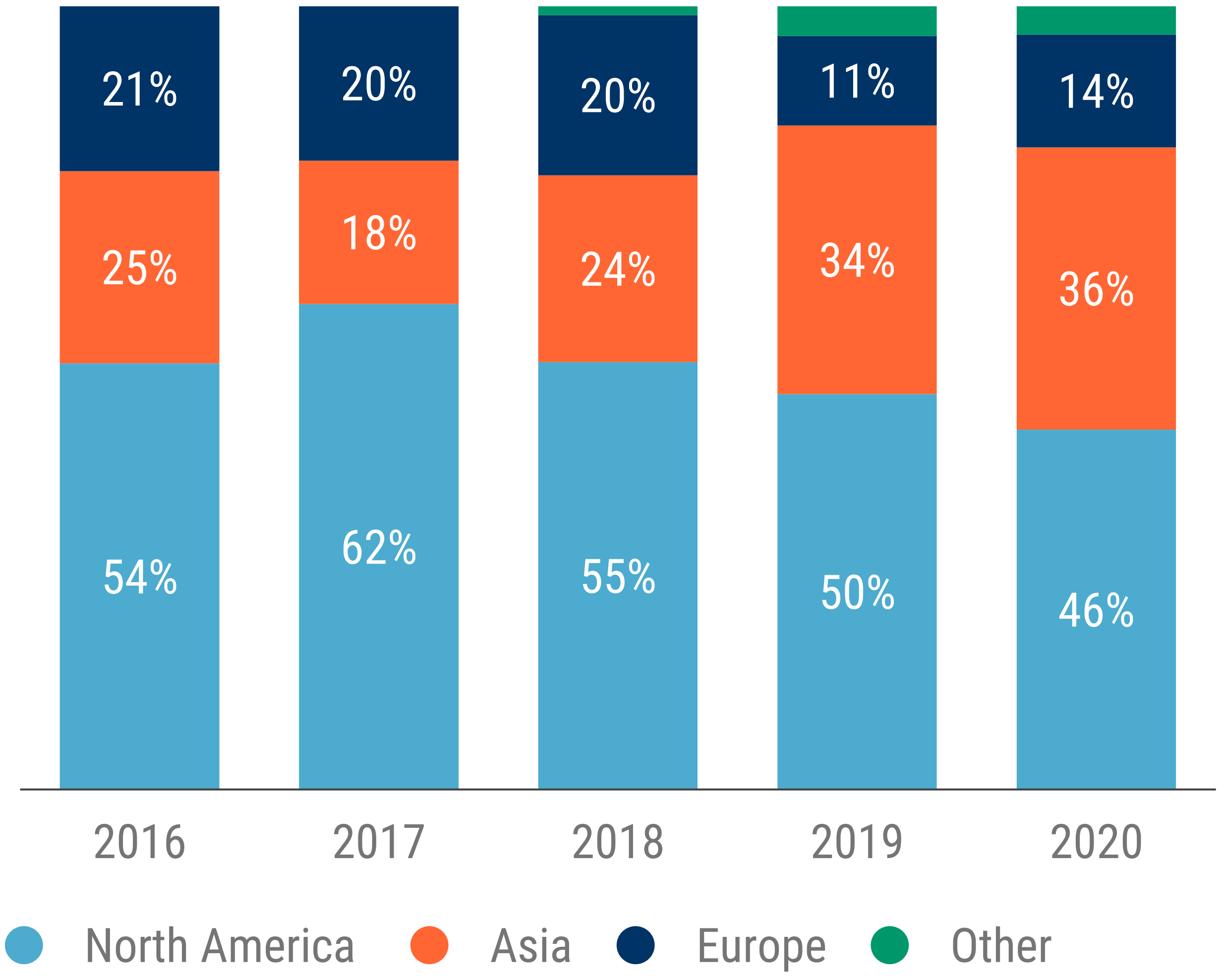
Asia continued to grow its CVC-backed CPG deal share in 2020, accounting for a record 36% of deals.

Europe bounced back from a record-low deal share of 11% in 2019 to 14% in 2020 but remains below 2016-2018 levels.

North America's share of CVC-backed deals to CPG companies dropped below 50% for the first time in 2020.

North America's CVC-backed CPG deal share falls to record low

Annual global CVC-backed CPG deal share by continent, 2016 – 2020



Unilever Ventures remains the most active CVC in CPG

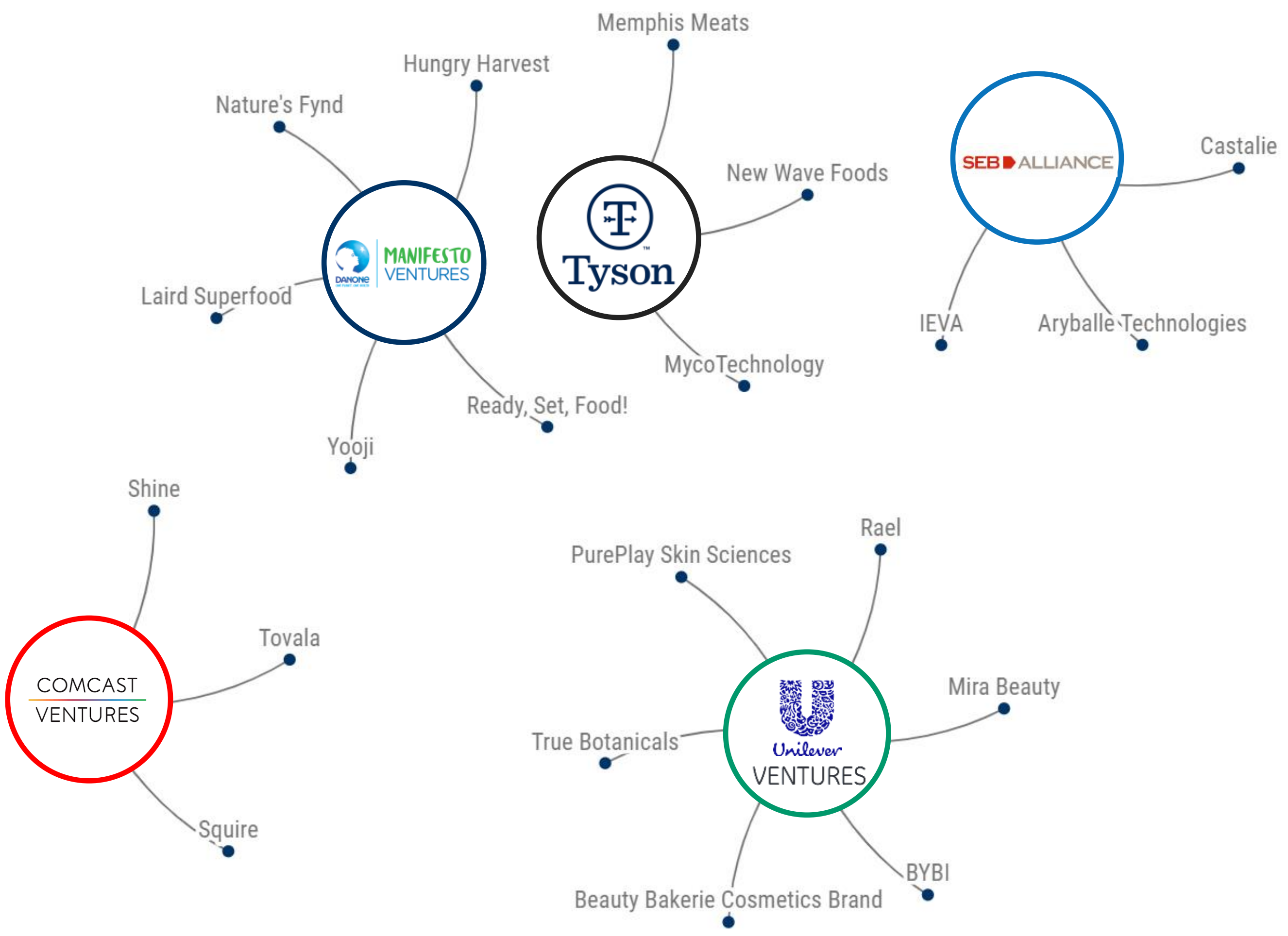
Despite 3 fewer CPG deals in 2020, Unilever Ventures was again the most active CVC investor in the CPG space, backing 6 unique companies.

The corporate venture arm of Danone was the second most active CVC in CPG, making 5 unique investments.

SEB Alliance and Comcast Ventures are new to the top 5 list.

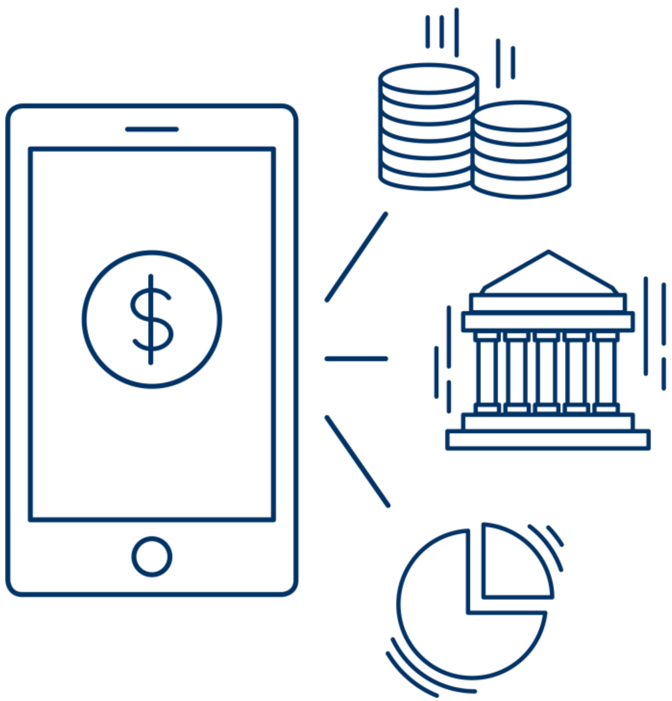
Most active CVC groups in CPG during 2020

Top 5 most active CVCs by CPG deal activity in 2020



GLOBAL CORPORATE VENTURE CAPITAL IN 2020

Fintech CVC Activity



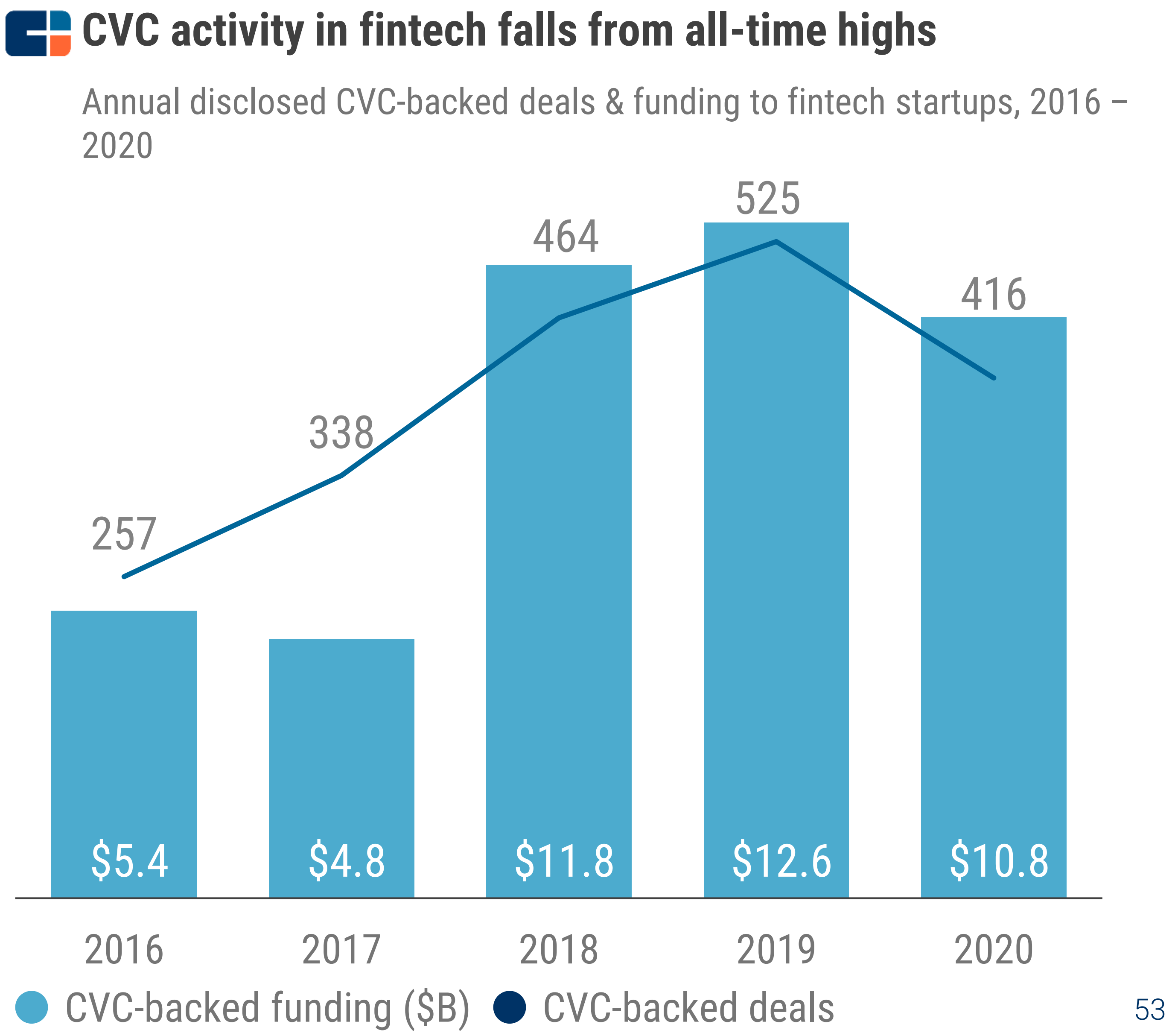
CVCs pull back from fintech

CVC-backed deals to fintech companies fell 21% from an all-time high of 525 in 2019 to 416 in 2020.

CVC-backed funding fell less steeply from a record $12.6B in 2019 to $10.8B in 2020.

Helping drive 2020's retreat in total funding was a drop-off in CVC-backed fintech mega-rounds, which declined from 34 in 2019 to 28 in 2020.

CBINSIGHTS



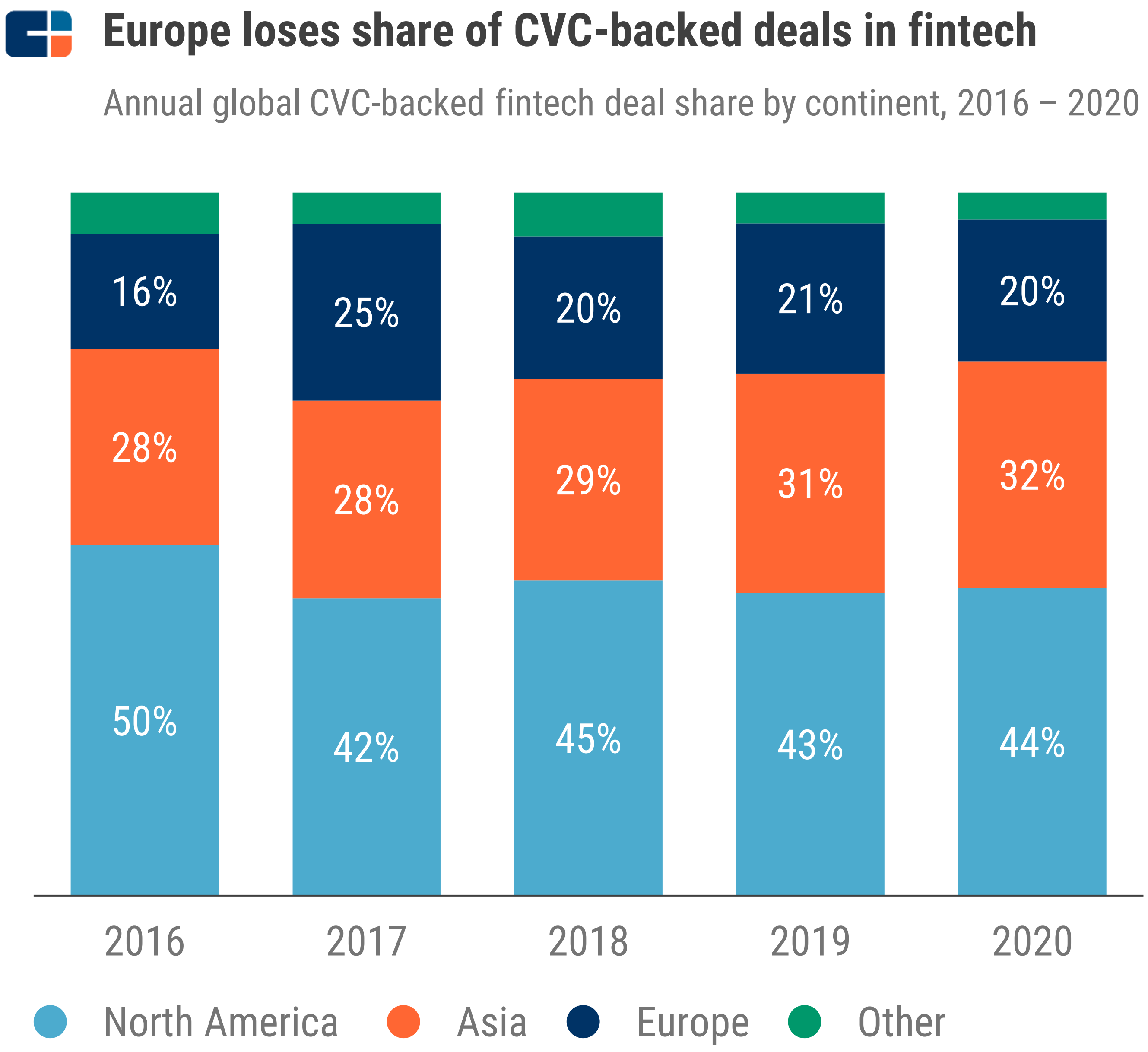
All regions experience retreat in CVC-backed fintech deals

All regions saw CVC-backed fintech deals fall in 2020, but they fell the steepest in Europe — which lost a percentage point of overall deal share.

Both North America and Asia gained a percentage point of deal share.

US-based Stripe's $600M round was the largest fintech deal in 2020 with CVC participation.

CBINSIGHTS



Citi Ventures was the most active CVC in fintech

With 12 unique fintech investments in 2020, Citi Ventures became the most active CVC in the space.

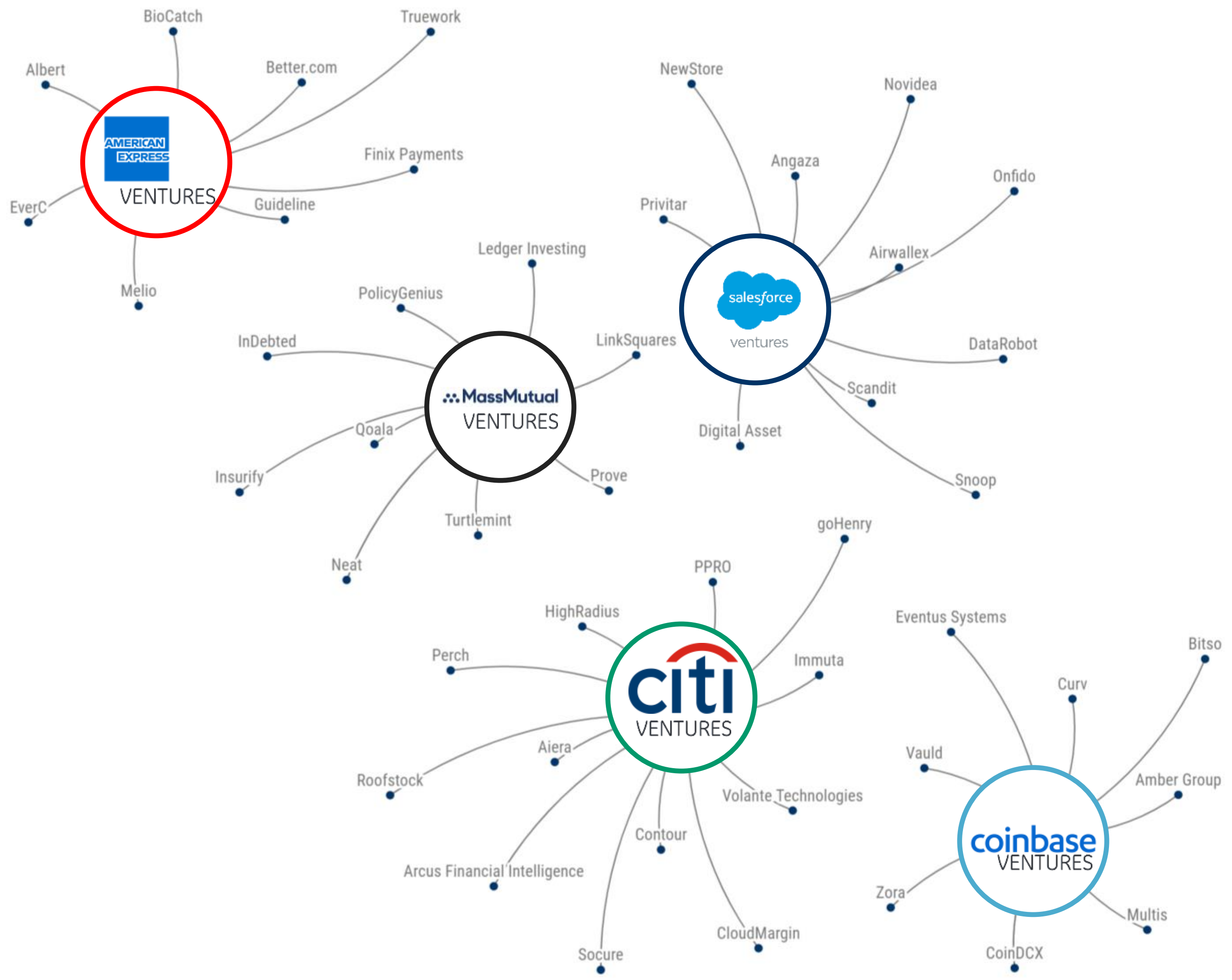
Salesforce Ventures – the most active fintech CVC investor in 2019 – made 10 unique fintech investments in 2020.

Coinbase Ventures maintained its position among the most active fintech CVCs, while MassMutual and American Express joined the list.

CBINSIGHTS

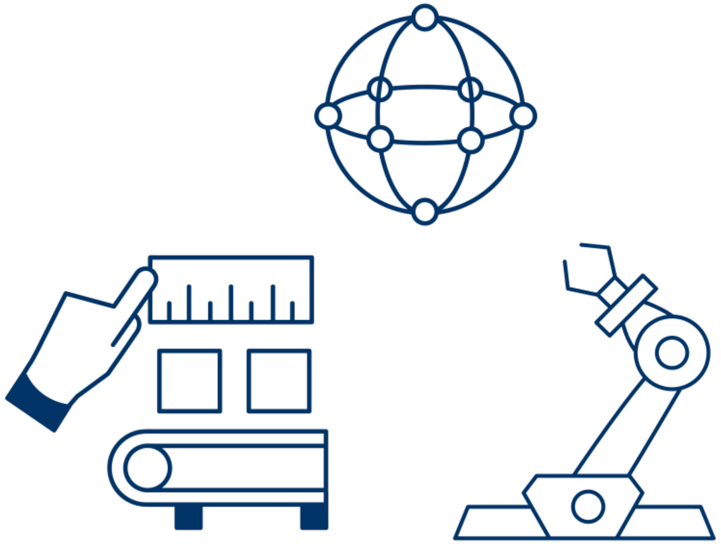
Most active CVC groups in fintech during 2020

Top 5 most active CVCs by fintech deal activity in 2020



GLOBAL CORPORATE VENTURE CAPITAL IN 2020

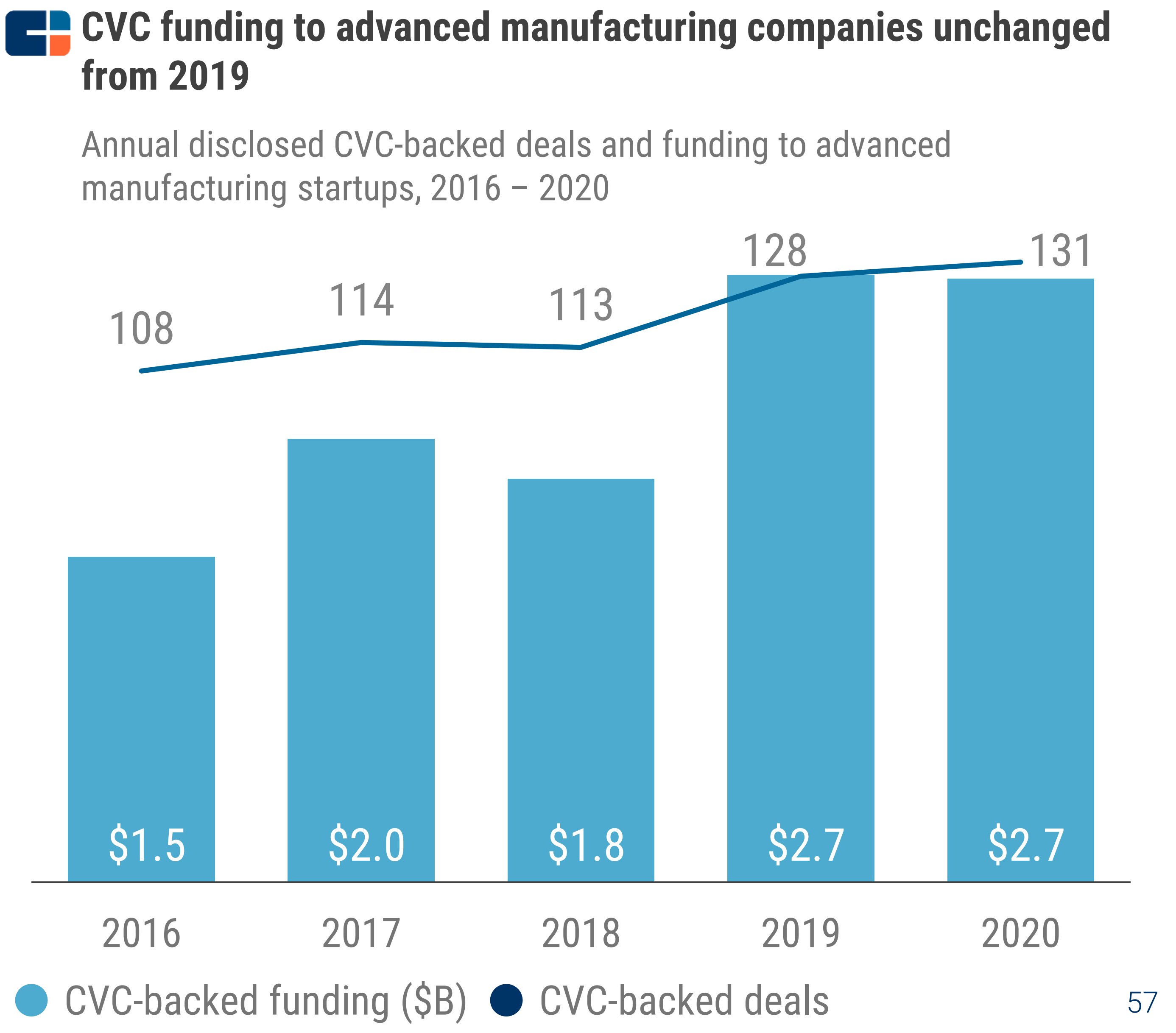
Advanced Manufacturing CVC Activity



CVC deals to advanced manufacturing companies increase

CVCs participated in slightly more deals to advanced manufacturing companies in 2020 — up 3 deals YoY — but funding remained level with 2019.

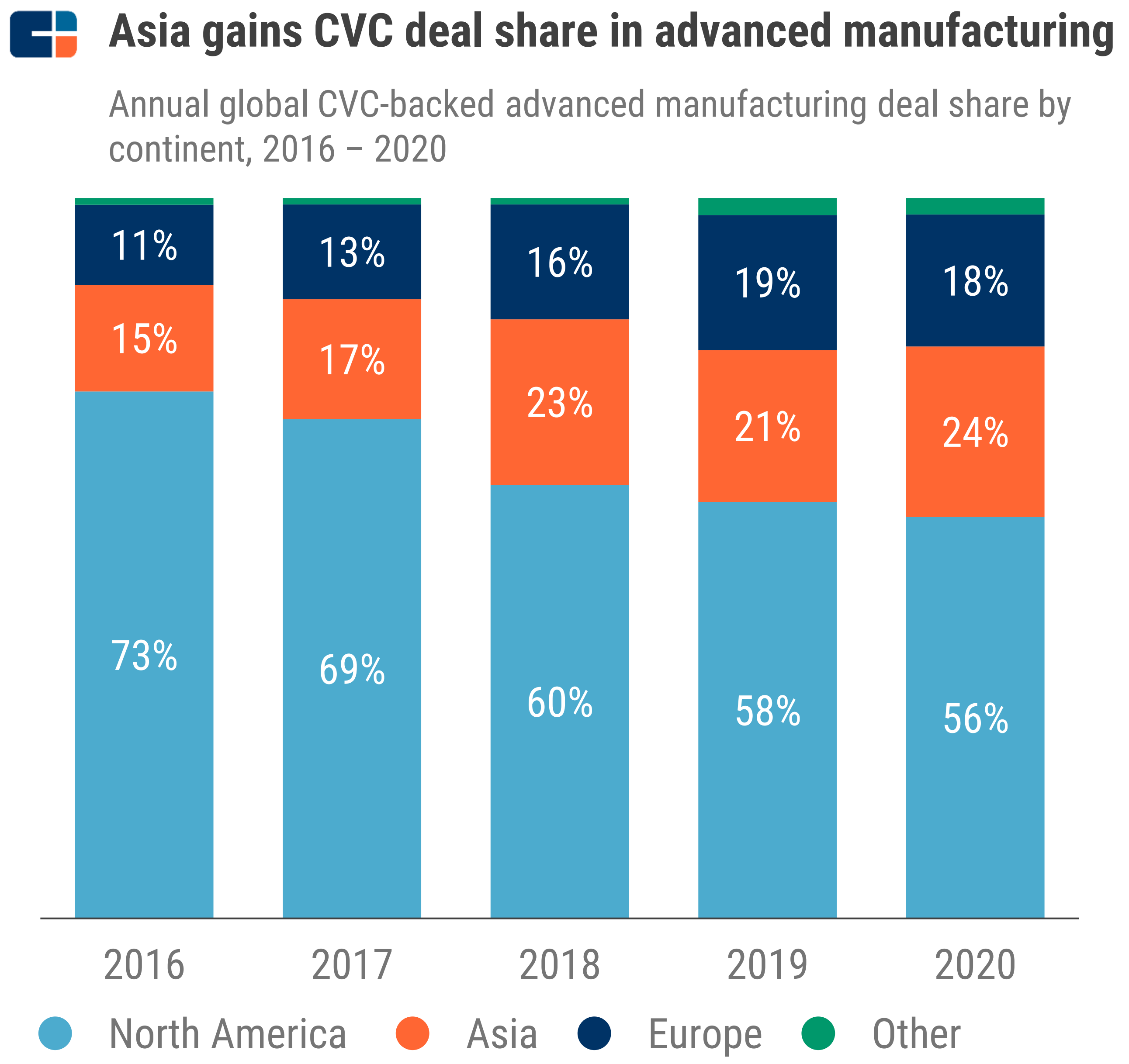
CVC interest in advanced manufacturing companies remains elevated compared to recent years.



North America's CVC deal share continues its decline

North America's share of CVC-backed deals going to advanced manufacturing companies has steadily declined in recent years.

Over the last 5 years, North America's deal share eroded by 17 percentage points while Asia and Europe gained 9 and 7 percentage points, respectively.



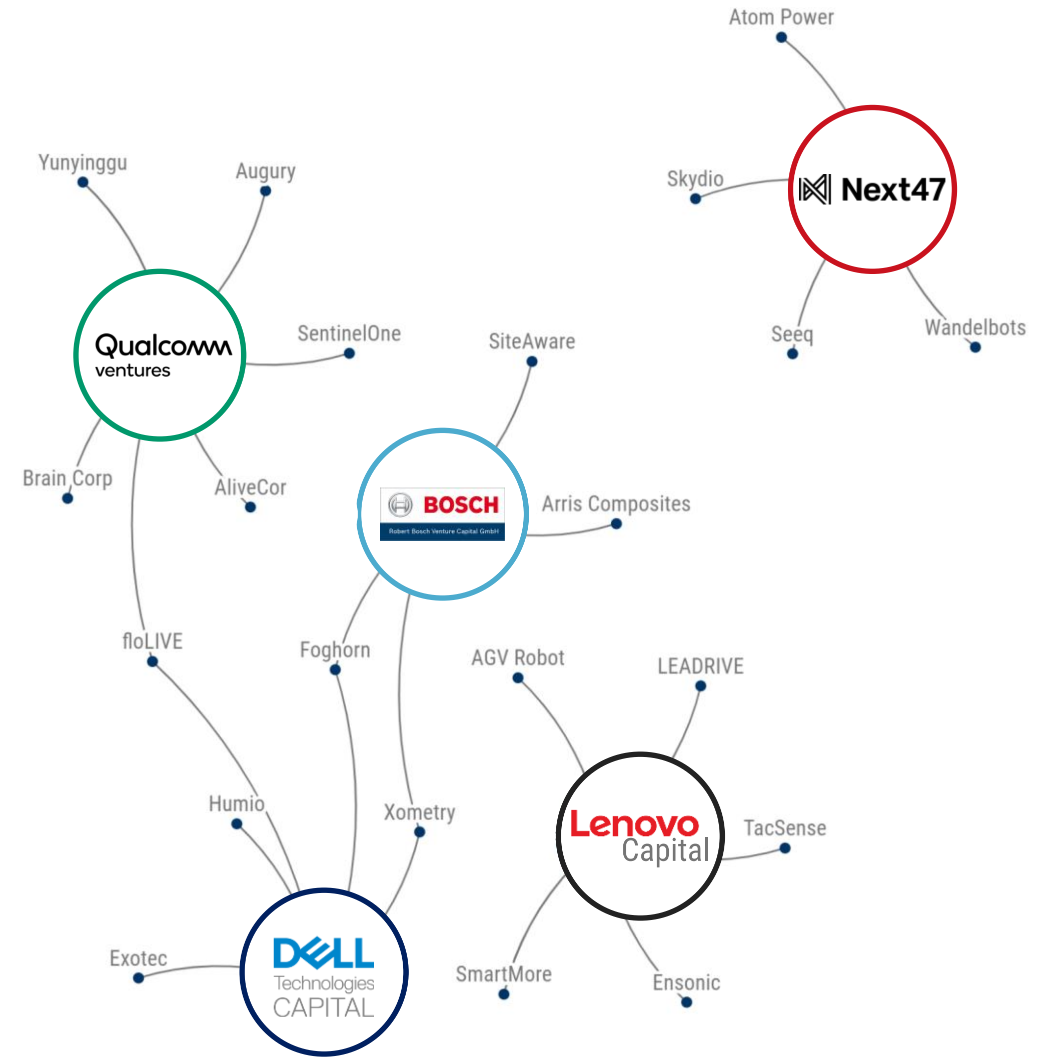
Qualcomm Ventures was the most active CVC investor in advanced manufacturing

Participating in 6 unique advanced manufacturing deals in 2020, Qualcomm Ventures was the most active CVC in the space.

The corporate venture arms of Lenovo, Dell, Bosch, and Samsung rounded out the top 5 list of most active CVCs in the space, with each making 4+ deals in 2020.

Most active CVCs in advanced manufacturing during 2020

Top 5 most active CVCs by advanced manufacturing deal activity in 2020



Methodology

CB Insights encourages you to review the methodology and definitions employed to better understand the numbers presented in this report. If you have any questions about the definitions or methodological principles used, we encourage you to reach out to CB Insights directly. Additionally, if you feel your firm has been under-represented, please send an email to info@cbinsights.com and we can work together to ensure your firm's investment data is up to date.

What is included:

— Equity financings into emerging companies. Fundings must be put into CVC-backed companies, which are defined as companies that have received funding at any point from corporate venture groups.

— Fundings of only private companies. Funding rounds raised by public companies of any kind on any exchange (including Pink Sheets) are excluded from our numbers, even if they received investment from a corporate venture group.

— Only includes 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 numbers 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 various federal and state regulatory filings, direct confirmation with firm or investor, or press release.

— Historical funding data is subject to change as our technology & data operations explore data sets globally and refine company and investor classifications.

What is excluded:

— 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.

— No buyouts, consolidations, and/or recapitalizations. All three of these 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.

— No private placements. These investments, also known as PIPEs (Private Investment in Public Equities), are excluded even if made by a venture capital firm.

— No debt/loans of any kind (except convertible notes). Venture debt or any kind of debt/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.

— No government funding. Grants, loans, or equity financings by the federal government, state agencies, or public-private partnerships to emerging startup companies are not included.