

About PwC’s Cleantech Practice

PwC’s Cleantech Practice provides services and advice in assurance, tax, transactions, market entry, and business performance improvement to companies across the cleantech sector and the breadth of industries it impacts. Our broad network of industry sector specialists combines a detailed knowledge of government policy and regulation with strong private enterprise experience, providing us with an in-depth understanding of key industry issues around strategy, operations, regulations, risk, technology, and finance. As the service provider of choice for emerging and established cleantech companies as well as organizations and utilities, we can help you to develop, commercialize, deploy, and maintain go-to-market strategies for your products and services across the cleantech ecosystem.

Contacts

**Tom Solazzo**  
US Cleantech Practice Leader  
(949) 437 5342  
tom.solazzo@us.pwc.com

**Brian Carey**  
US Cleantech Advisory Leader  
(408) 817 7807  
brian.d.carey@us.pwc.com

**Keith Parsons**  
US Cleantech Assurance Leader  
(720) 931 7784  
keith.a.parsons@us.pwc.com

**Matt Haskins**  
US Cleantech Tax Leader  
(202) 414 1570  
matthew.haskins@us.pwc.com

**Debi Gerstel**  
US Cleantech Practice Chief of Staff  
(408) 817 7430  
debi.gerstel@us.pwc.com

www.pwc.com/cleantech  
www.pwcmoneytree.com  
PwC Research&Analytics

# Cleantech MoneyTree™ Report: Q1 2014

Based on the MoneyTree™ Report from PricewaterhouseCoopers and the National Venture Capital Association based on data from Thomson Reuters

*Cleantech received \$357 million in 33 venture deals in the first quarter of 2014. Funding dollars decreased 7 percent year-over-year, while deal volume decreased 42 percent over the same period.*

April 2014





Cleantech

Cleantech funding

The Cleantech sector, which crosses traditional MoneyTree industries and is composed of agriculture and bioproducts, energy efficiency, smart grid and energy storage, solar energy, transportation, water and waste management, wind and geothermal, and other renewables, saw a 7 percent decrease in funding from the first quarter of 2013 to \$357 million.

“Cleantech funding, in aggregate, is close to where it was this time last year, but the mix is moving dramatically towards late-stage investments. Late-stage deal size grew significantly, while early stage investment largely evaporated and, for the first time since we started tracking the industry, there were no disclosed first-time investments.”

Figure 1: Cleantech funding trends by quarter 2011–2014

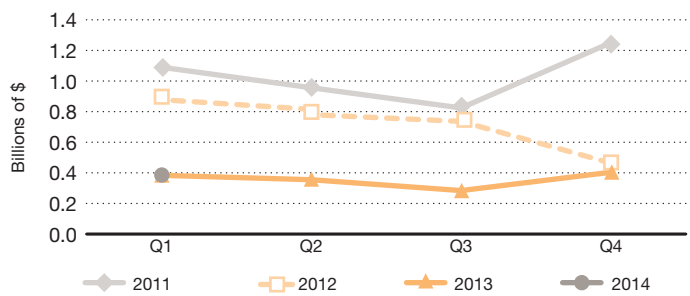
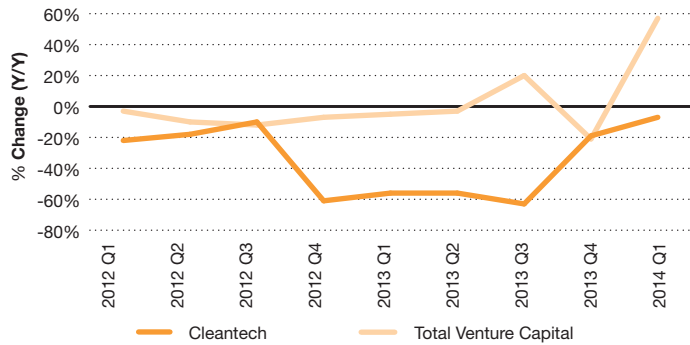


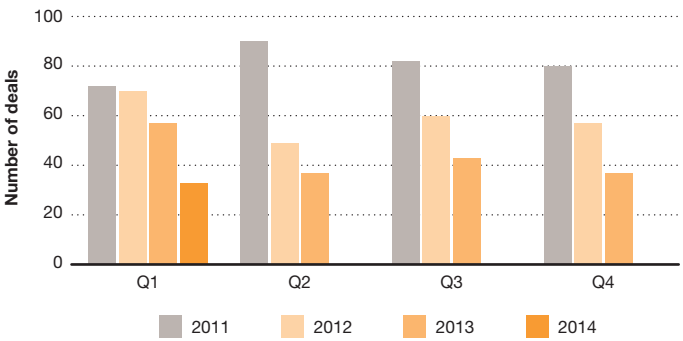
Figure 2: Growth in Cleantech funding compared with total venture funding



Cleantech deal volume

Compared to the first quarter of 2013, deal volume decreased by 42 percent in the first quarter to 33. Average deal size was \$11.5 million, an increase of 59 percent year-over-year.

Figure 3: Cleantech deal volume by quarter 2011–2014

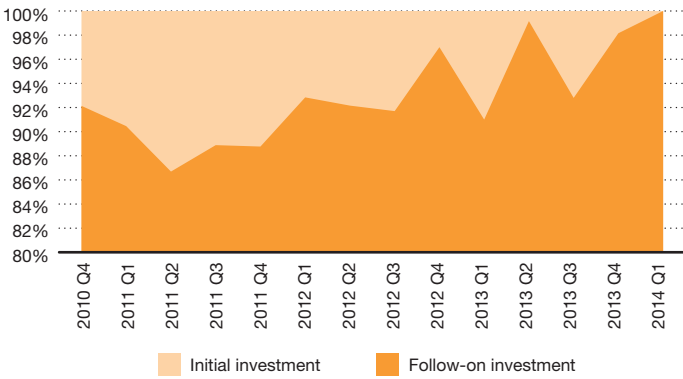


First-time funding compared with follow-on funding

With the exception of a single deal for an undisclosed amount, there was no first-time funding in the first quarter of 2014.

Year-over-year, follow-on funding increased 3 percent to \$357 million in the first quarter. Follow-on funding average deal size was \$11.5 million, a 39 percent decrease from the same period in the previous year, in 32 deals.

Figure 4: Cleantech follow-on compared with initial investments 2010–2014



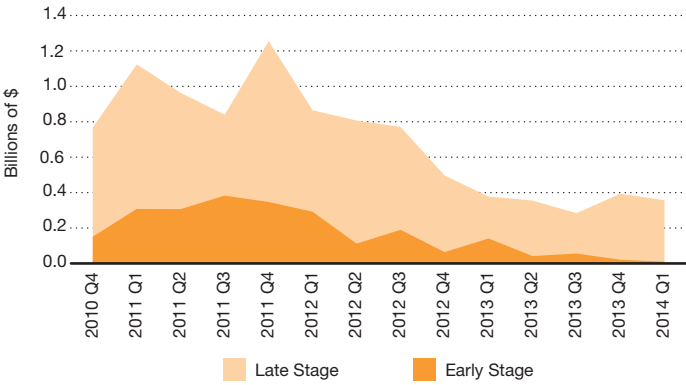
Cleantech funding by stage

Early-stage investment was \$10 million during the quarter, a decrease of 93 percent compared to the first quarter of 2013.

Cleantech investment for late-stage opportunities increased year-over-year by 46 percent to \$347 million.

Early-stage average deal size, at \$3.4 million, decreased 62 percent year-over-year in 4 deals, while late-stage average deal size, at \$12.4 million, increased 78 percent over the same period in 29 deals.

Figure 5: Cleantech funding by stage each quarter 2010–2014



2014 First quarter sequential growth factors (Q/Q growth)

	% Change in deal Volume	% Change in avg deal size	% Change in investments
Early stage	-33%	-36%	-52%
Late stage	-3%	0%	-7%

Cleantech funding by subsector

Cleantech subsectors receiving increased funding in the first quarter compared to the prior-year period were:

- Agriculture & Bioproducts, increased 939 percent to \$135 million
- Transportation, increased 658 percent to \$10 million
- Smart Grid and Energy Storage, increased 80 percent to \$107 million

Cleantech subsectors receiving less funding in the first quarter compared to the prior-year period were:

- Other Cleantech, decreased 89 percent to \$12 million
- Energy Efficiency, decreased 68 percent to \$26 million
- Water & Waste Management, decreased 53 percent to \$35 million
- Wind & Geothermal, decreased 22 percent to \$2 million
- Solar Energy, decreased 20 percent to \$31 million

Figure 6: Cleantech funding by subsector 2010–2014

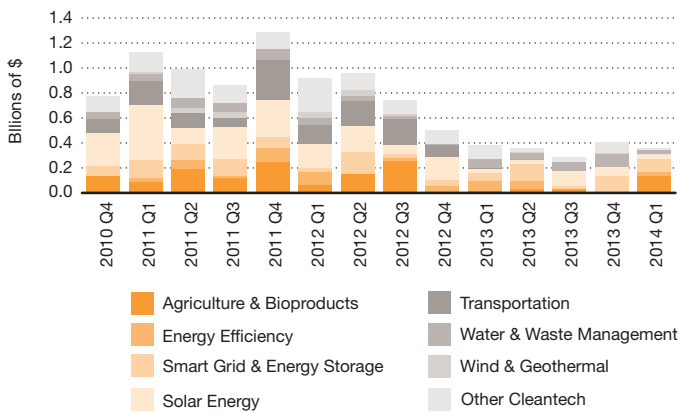
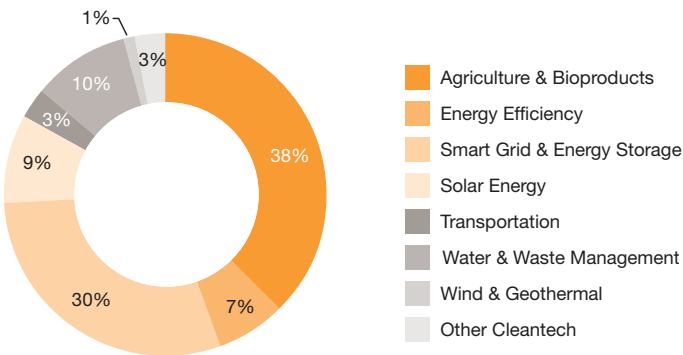


Figure 7: Cleantech funding by subsector first quarter 2014



Regional funding trends

Silicon Valley, Midwest, Colorado, Texas, and the Philadelphia metro area received the most Cleantech venture capital funding in the first quarter. Silicon Valley received the most funding with \$93 million.

Figure 8: Top five regions first quarter 2014

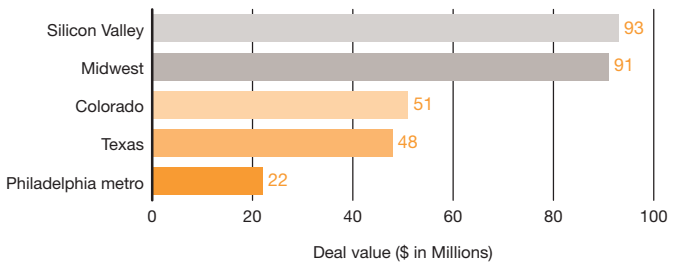


Figure 9: Funding trends in top five regions from 2010–2014

