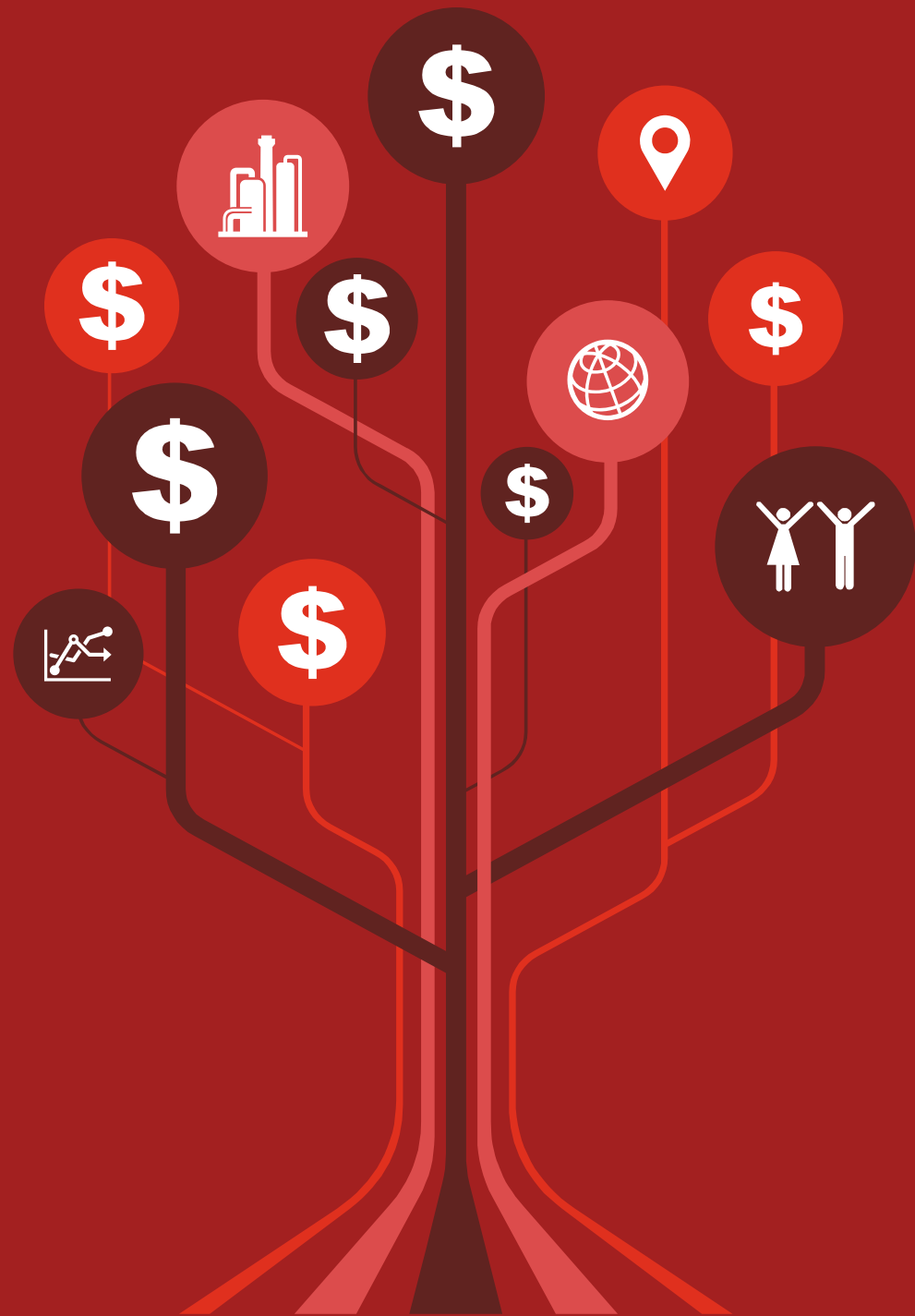


*PwC / CB Insights*

# *MoneyTree™* *Report*

Q2 2018



# Executive summary

**US hits records for deals, dollars, and mega-rounds.**

**US market sees record quarter for funding, deal**

**activity:** Dollars to VC-backed companies were up 2% in Q2'18 over the previous quarter, with a record \$23B invested across 1,416 deals. Deal activity increased 9%. This is the second straight quarter of increased deals and dollars.

**US mega-rounds set records, again:** US-based companies saw record quarter for mega-rounds, recording 45 rounds of \$100M or more. However, mega-rounds declined as a percentage of total VC funding to 34%, the second straight quarterly decline, from a high of 39% in Q4'17.

**US mints 6 new unicorns:** In Q2'18, 6 new VC-backed companies reached \$1B+ private market valuations.

**First venture rounds increase:** First venture financings as a share of all US deals rose to 35% of the total in Q2'18, up from 33% in Q1'18.

**US AI has a second big quarter:** Funding to US-based artificial intelligence companies rose 21% in Q2'18 to \$2.3B, after a 37% rise in Q1'18. The Q2'18 saw large rounds to Dataminr (\$392M Series E) and CrowdStrike (\$200M Series E).

**Fintech deals increase:** Funding to US-based fintech companies increased 40% in Q2'18, as \$3B was invested over 142 deals.

**Global investment at record highs, as North American and Asian deals, mega-rounds, and new unicorn births jump.**

**Global deals and dollars hit records:** Deal activity increased by 17% to a record 3,564 deals worldwide. Global funding increased by 6% to \$51B in Q2'18, the largest quarterly amount in our dataset.

**Asian mega-rounds, new unicorns, and deals take off:** Asia saw 40 \$100M+ deals in Q2'18, up from 29 in Q1. The region also saw 9 new unicorns and a 36% increase in deal activity.

**North American mega-rounds, funding increase:** North America saw 46 mega-rounds in Q2'18, with an overall increase in deal activity and funding. Deals rose 8% to 1,506, and funding rose 2%, to \$24B.

**Silicon Valley deal activity declines:** Silicon Valley deal activity declined to 166 deals in Q2'18, down from 170 in Q1. Total funding increased slightly to \$3.9B.

**LA/Orange County deal activity declines, while San Francisco increased:** LA/Orange County deal activity declined to 98 deals in Q2'18, down from 109 in Q1. San Francisco deals increased to 271, up from 260 in Q1.

*Note: Report includes all cash equity rounds to VC-backed companies. For detailed methodology, please reference page 74 of this report.*

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**12 US Sector Activity**



**33 US Places**



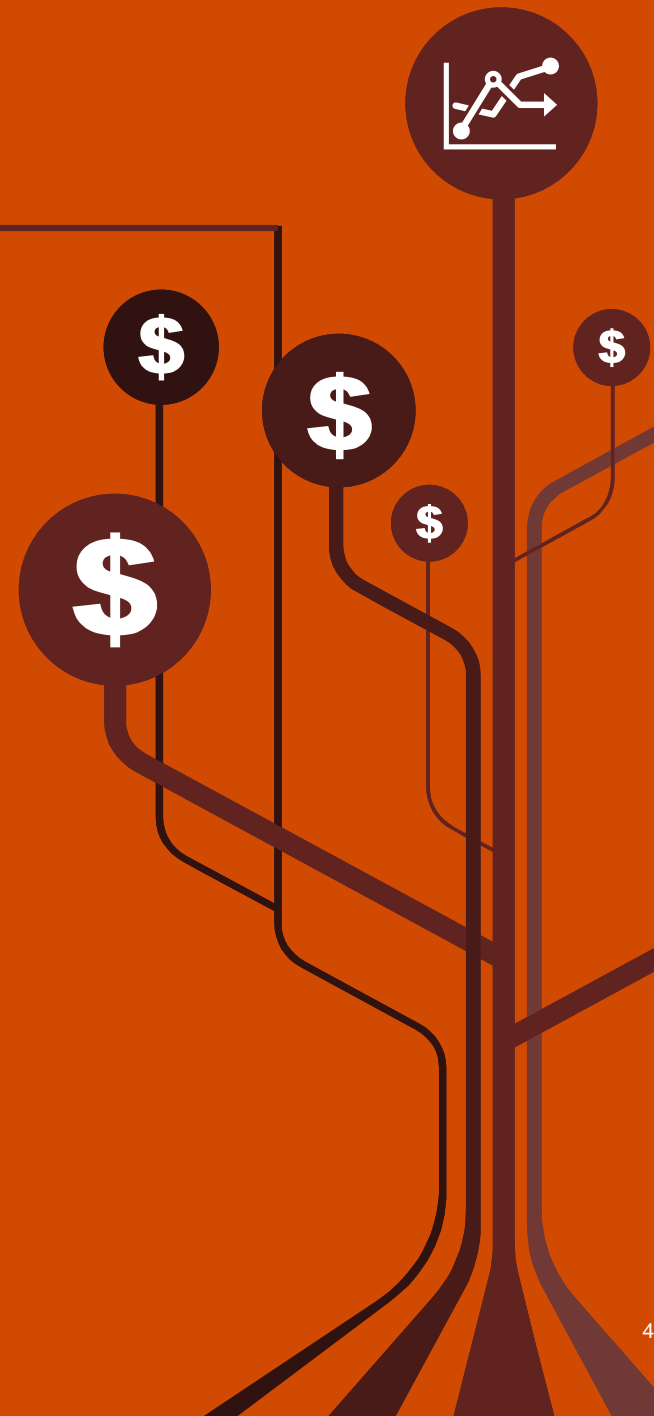
**45 US Movers & Shakers**



**53 Global Trends**

01

# *US Overall Trends*



A low-angle photograph of the U.S. Capitol dome in Washington, D.C., showing the dome's intricate architectural details and the Statue of Freedom on top. The sky is blue with light clouds.

*In Q2 2018*

# UNITED STATES

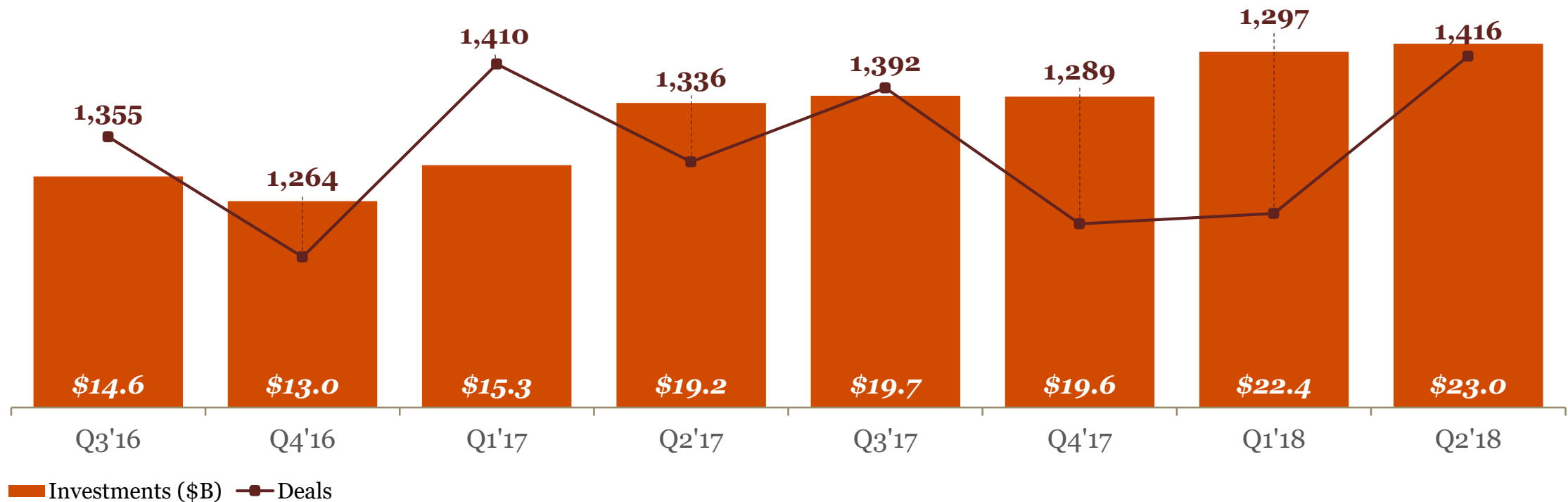
*VC-backed companies raised*  
**\$23B**

# 8-quarter US financing trend



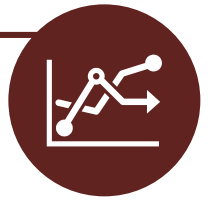
## US funding hits a record \$23B in Q2'18

- Dollars were up 2% in Q2'18 as a record \$23B was invested across 1,416 deals. Deal activity increased for the second consecutive quarter.
- 45 mega-rounds of \$100M or more contributed to the strong quarterly funding total. Q2'18 the third straight quarter with more than 30 rounds of \$100M or more.





## *US financing trends*



“

Deal activity looks to be resurgent with \$23B invested in VC-backed startups setting a new quarterly funding high since the start of this century, while also increasing activity to over 1,400 deals.

— **Tom Ciccolella**, *Partner, US Venture Capital Leader at PwC*

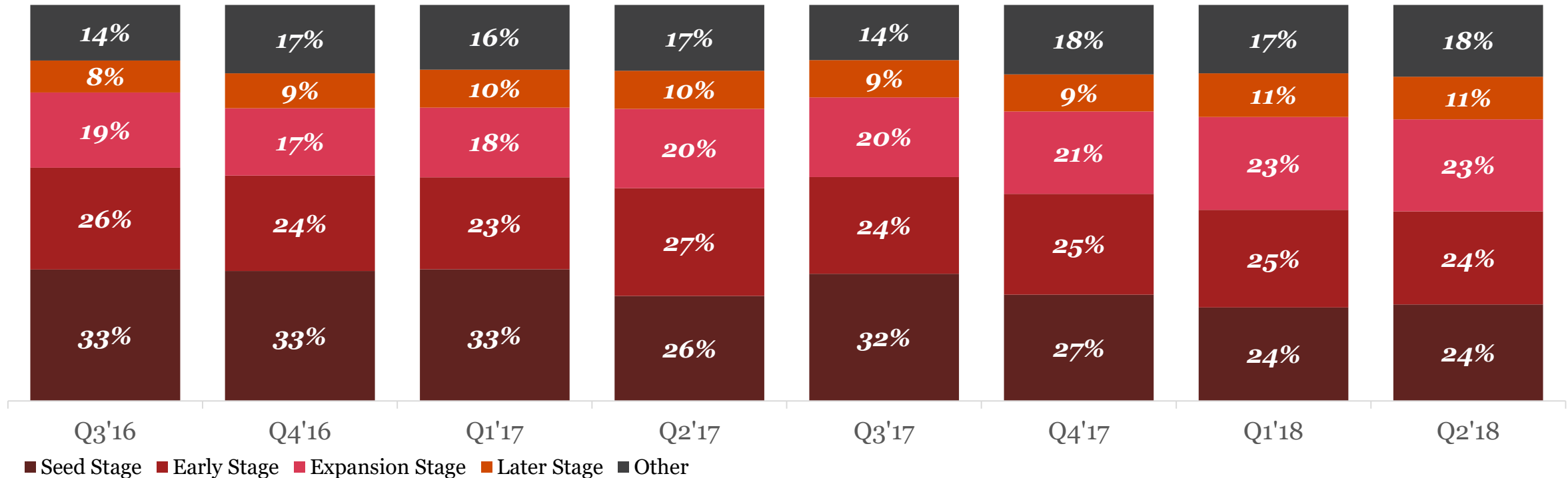
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# US deal share by stage



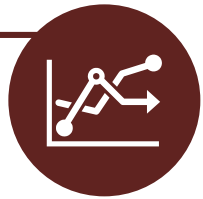
US seed deals flat as a portion of deal activity, expansion-stage deals decline slightly

- Seed-stage deals were flat at 24% from Q1'18 to Q2'18.
- Early-stage deals declined slightly from 25% in Q1'18 to 24% in Q2'18.



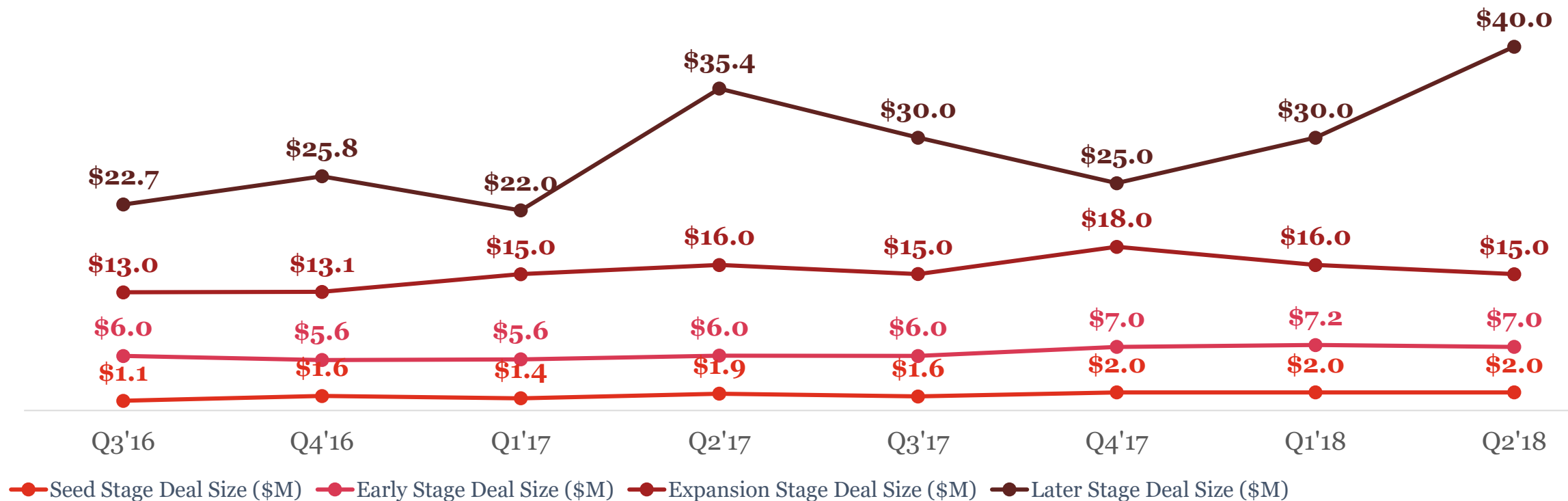


# Median US deal sizes by stage



## Later-stage median deal size increased significantly in Q2'18

- Median later-stage deal size increased to \$40M in Q2'18, up from \$30M in Q1'18 and well above the historical range in recent quarters.
- An increase in later stage mega-rounds, from 17 in Q1'18 to 29 in Q2'18, brought the median deal size up to \$40M.
- Expansion-stage deal sizes declined to \$15M, down from \$16M the quarter before but within the historical range.

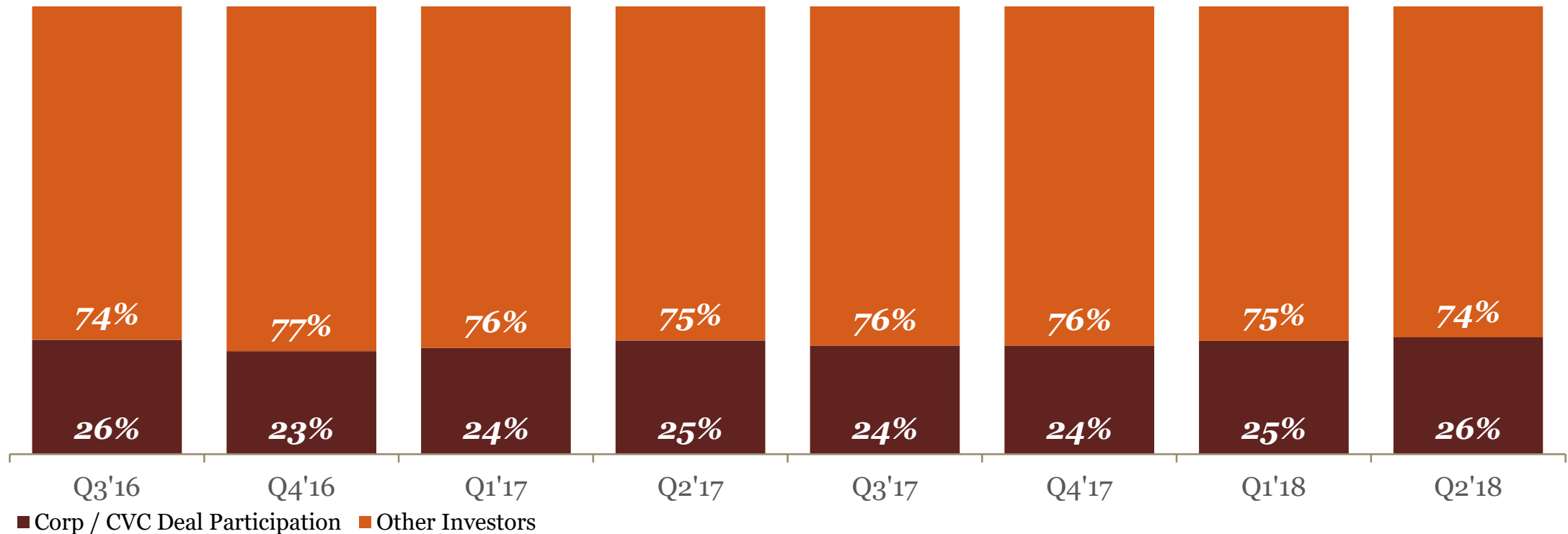


# US corporate deal participation



## Corporate participation remained steady in Q2'18

- Corporate participation in US deals increased slightly in Q2'18, to 26% of US deals to VC-backed companies.

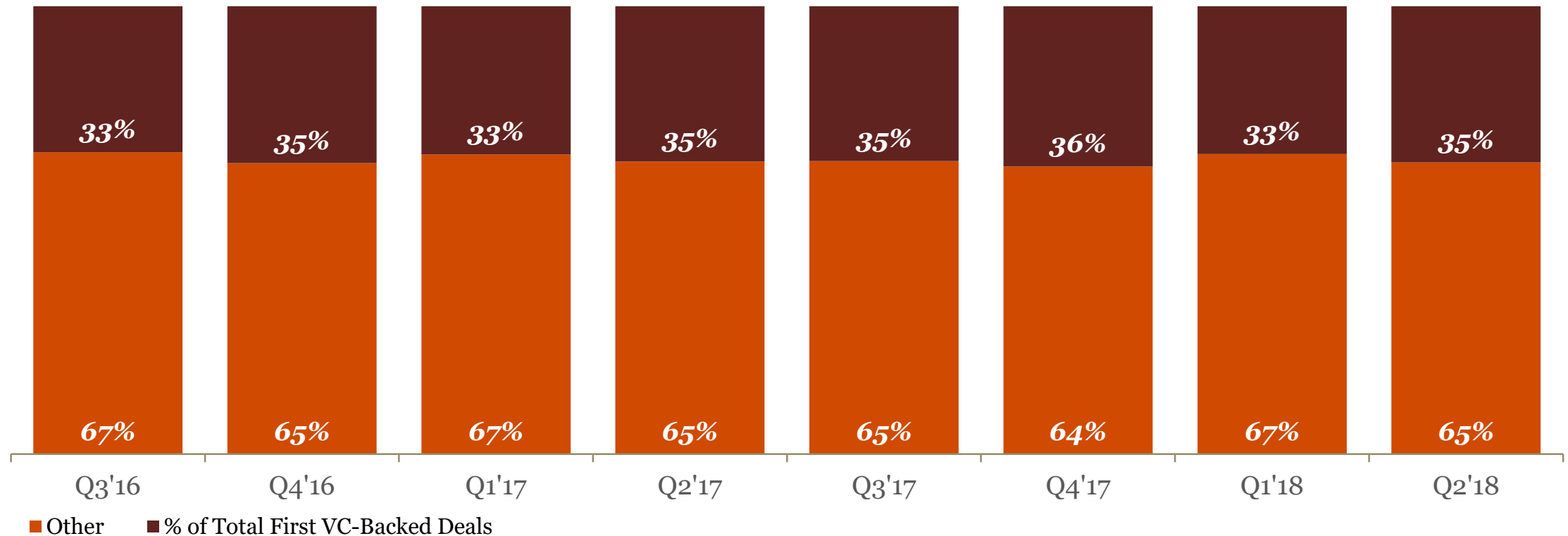


# US first venture financing share



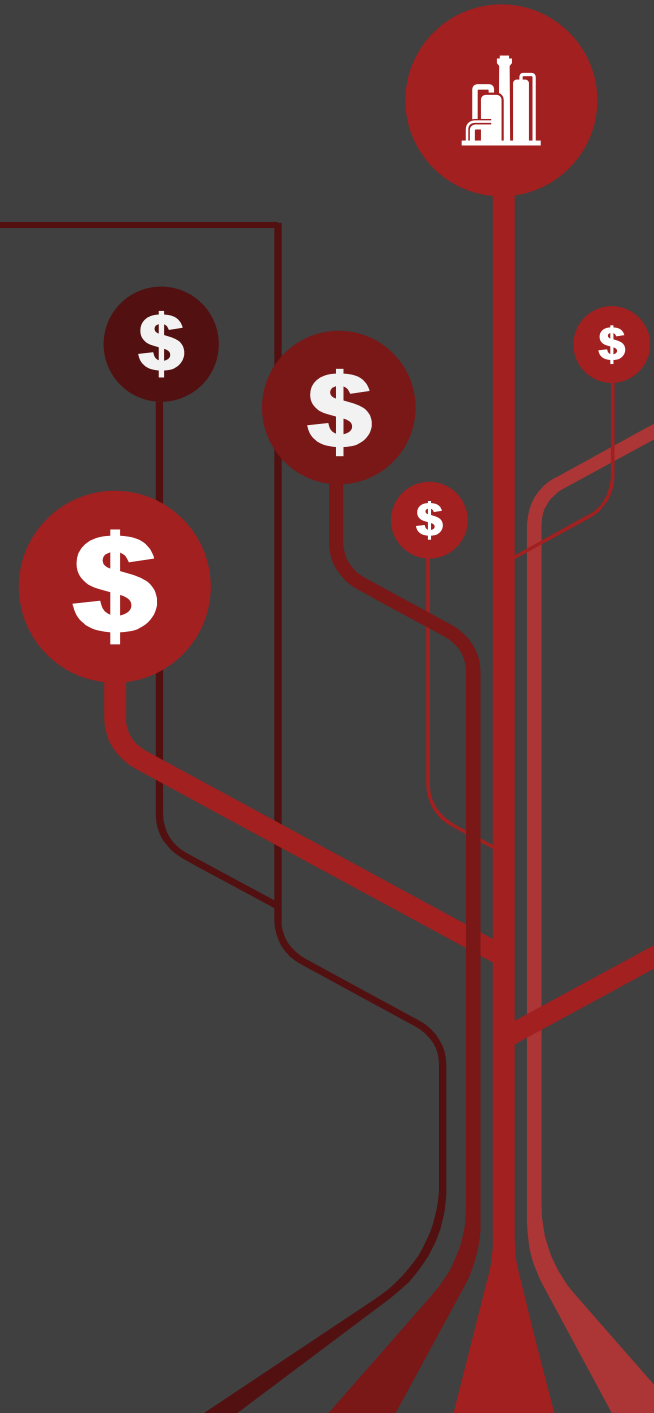
## First venture rounds as a share of total deals increased in Q2'18

- First venture financings as a share of all US deals rose to 35% in Q2'18.



02

# *US Sectors*



# US Top 5 Sectors by Q2'18 deals



**\$8.9B**  
Invested



Internet

**610**

**\$5.3B**  
Invested



**216** Healthcare

**\$3.4B**  
Invested



**173** Mobile & Telecommunications

**\$1.8B**  
Invested



**130** Software (Non-Internet / Mobile)

**\$0.4B**  
Invested



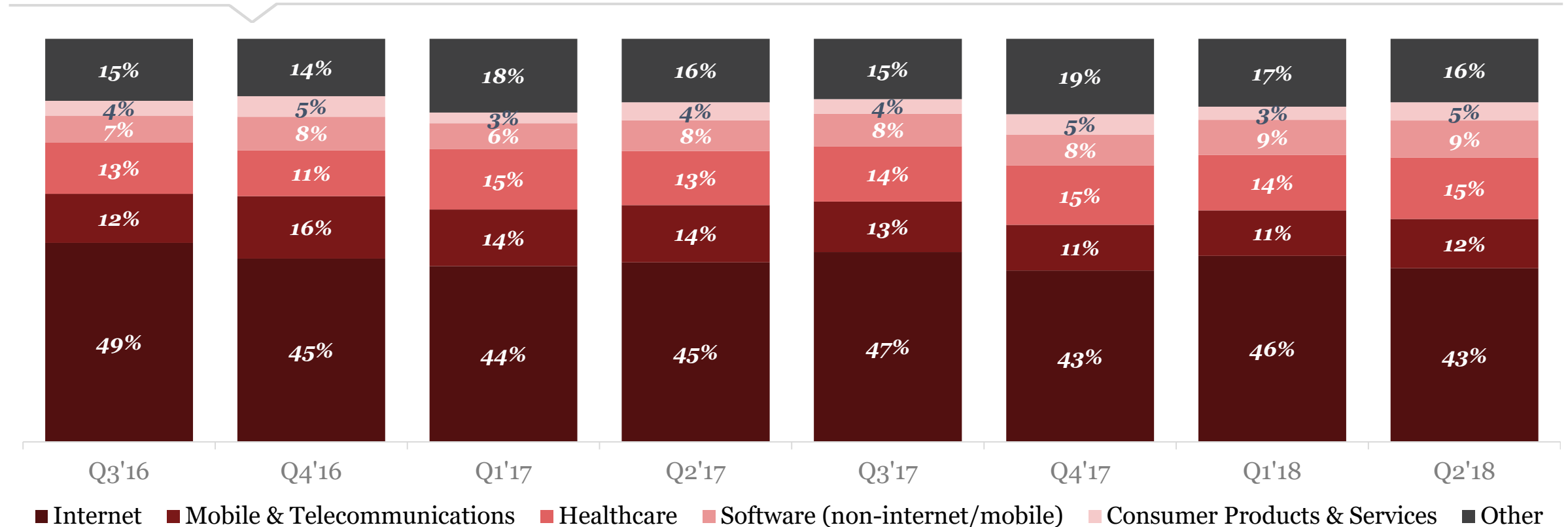
**64** Consumer Products & Services

# US deal share by sector



## Internet deal share declines, mobile and telecom up

- Internet deal share declined to 43% in Q2'18, down from 46% the quarter before.
- Mobile & Telecom deal share increased by a percentage point in Q2'18 to 12% of total US deal activity.



# *Fintech*







“

VC-backed Fintech startups received nearly \$3B in total funding this quarter, pushing total FY18 investments in VC-backed Fintech startups to over \$5B.

— **David Kelley**, Partner, NY Metro Fintech Leader at PwC

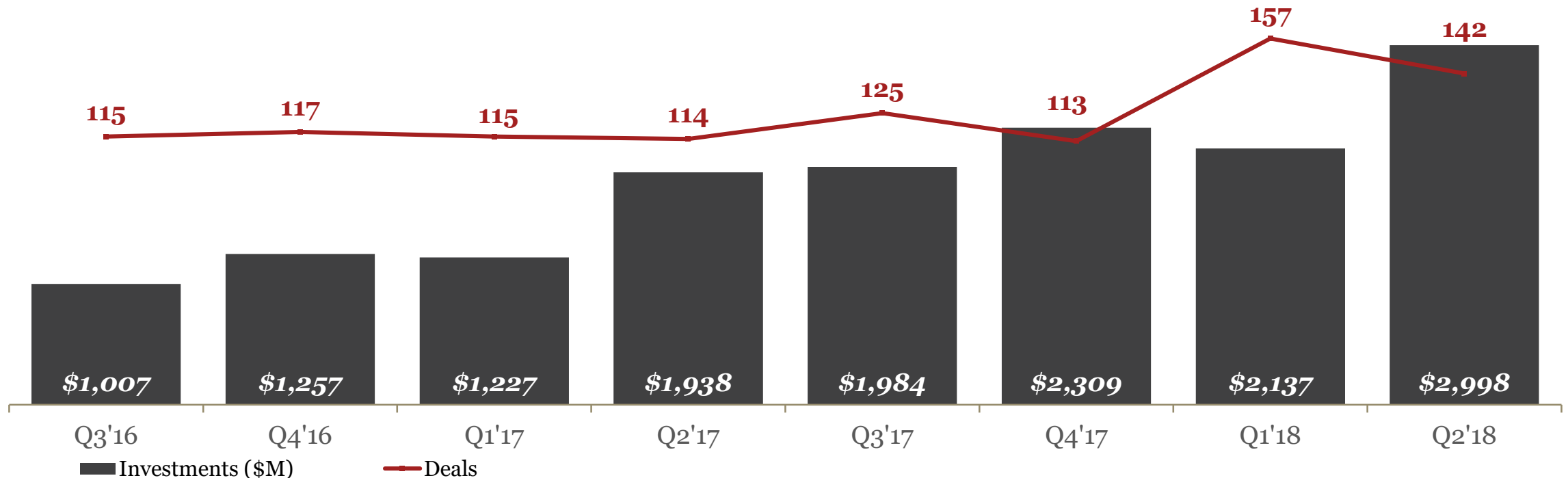
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# Fintech: US funding over time



## Fintech funding rose amid a decline in total deals

- Funding to US-based fintech companies increased 40% in Q2'18, as \$3B was invested over 142 deals.
- Deal activity declined from 157 deals in Q1 to 142 in Q2'18. Top rounds in the quarter included Dataminr with a \$392M Series E round, and Robinhood, with a \$363M Series D round.

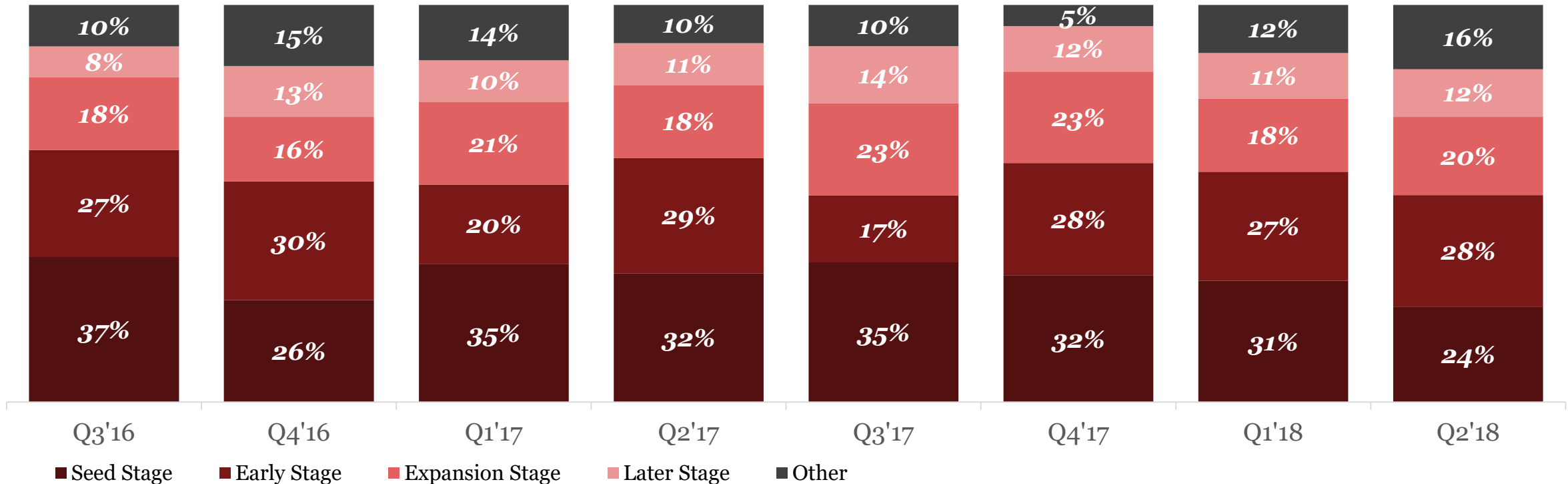


# Fintech: US deal share over time



## Seed-stage deal activity declined in Q2'18

- Seed-stage deals declined by 7 percentage points to 24% of all VC funding to US-based fintech companies.
- Early, expansion, and later-stage deals all saw modest increases in Q2'18.



# Fintech: Top states by deals



**53 deals**  
\$1,558M Invested



**31 deals**  
\$758M Invested



**7 deals**  
\$130M Invested



**7 deals**  
\$99M Invested



# Fintech: Largest US deals of Q2'18



Company	Location	Sector	Industry	Stage of Funding	\$ Value of Deal	Select Investors
Dataminr	New York, NY	Internet	Internet Software & Services		<b>\$392M</b>	Venrock
Robinhood	Palo Alto, CA	Mobile & Telecommunications	Mobile Software & Services		<b>\$363M</b>	capitalG, Kleiner Perkins Caufield & Byers, DST Global
Tradeshift	San Francisco, CA	Internet	Internet Software & Services		<b>\$250M</b>	HSBC, Public Sector Pension Investment Board
Circle Internet Financial	Boston, MA	Mobile & Telecommunications	Mobile Software & Services		<b>\$110M</b>	Accel, Breyer Capital, General Catalyst
Signifyd	San Jose, CA	Internet	Internet Software & Services		<b>\$100M</b>	Menlo Ventures, Bain Capital Ventures, IA Ventures



# *Artificial Intelligence*







“

Q2'18 was a second-straight record quarter for total Artificial Intelligence (AI) funding with total investments exceeding \$2.3B. Eight mega-rounds (over \$100M) in AI startups contributed to the record total.

— **Anand Rao**, *Principal, Global Artificial Intelligence  
Leader at PwC*

”

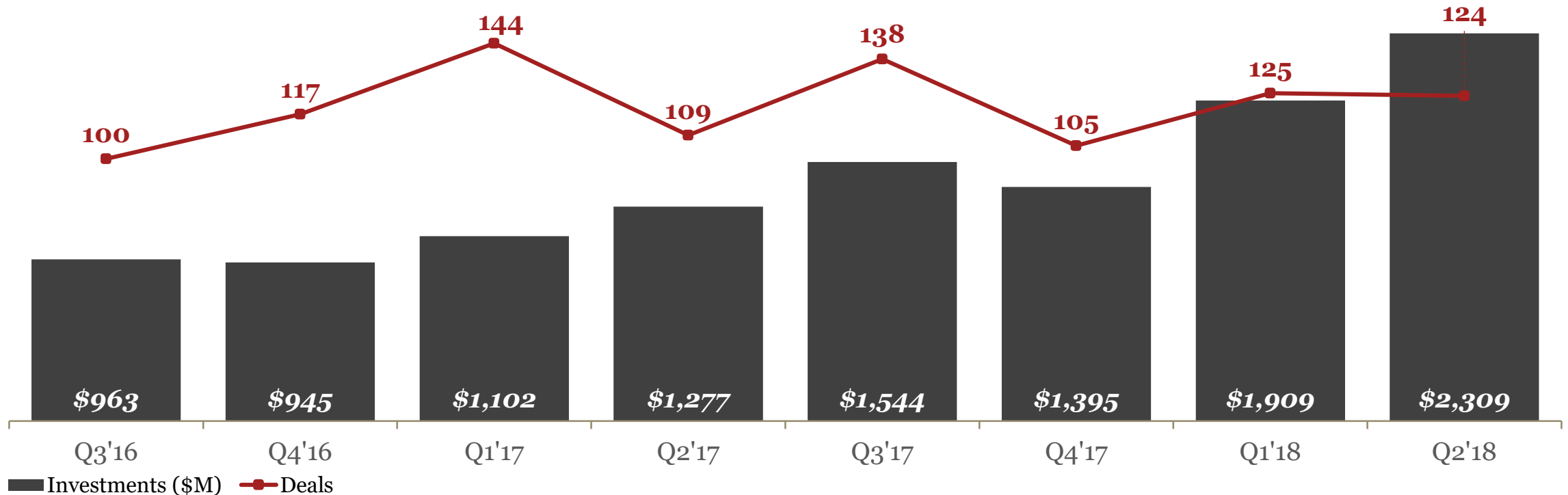


# AI: US funding over time



## US artificial intelligence deals flat, overall funding up

- Deals to US-based artificial intelligence companies were flat, declining by one deal to 124. Total funding rose to \$2.3B, up from \$1.9B.
- The quarter was led by later-stage deals to companies such as Dataminr (\$392M Series E) and CrowdStrike (\$200M Series E).

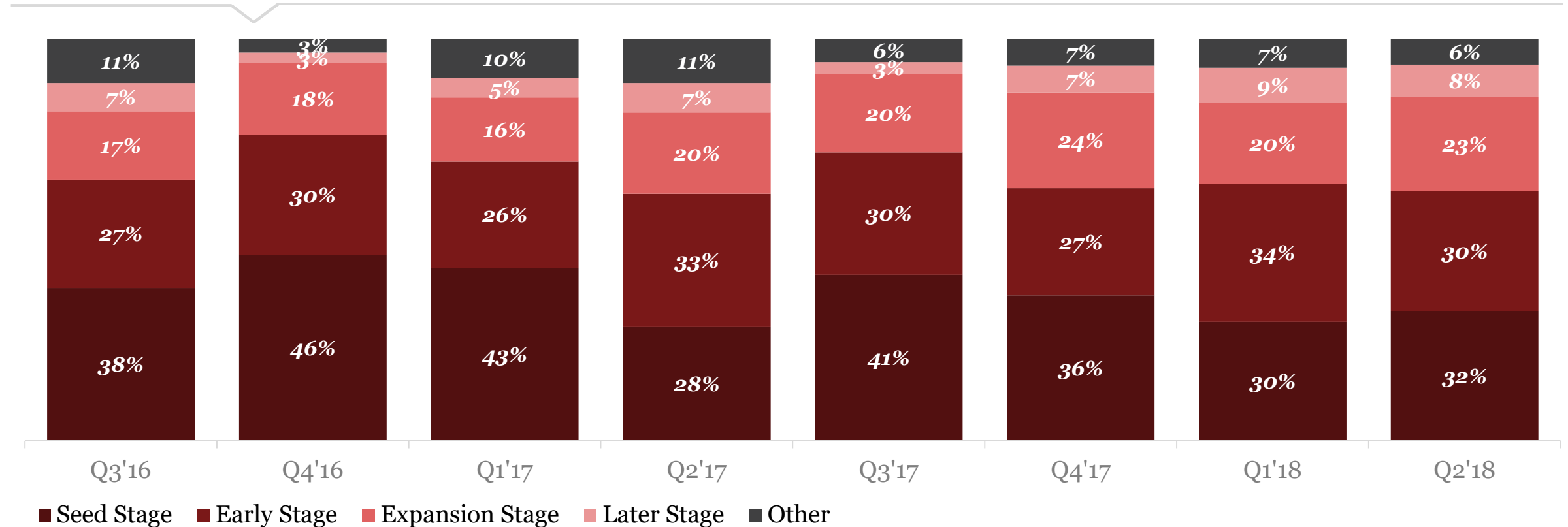


# AI: US deal share over time



## Seed-stage activity increases, early-stage declines

- Seed-stage deals increased to 32% in Q2'18, up from 30% the quarter before.
- Early-stage activity declined by 4 percentage points in Q2'18 to 30% of all US artificial intelligence deals.



# AI: Top states by deals



**1. CA**  
*67 deals*  
\$1,487M Invested

**2. NY**  
*19 deals*  
\$565M Invested

**3. MA**  
*8 deals*  
\$55M Invested

**4. TX**  
*7 deals*  
\$32M Invested

**5. WA**  
*5 deals*  
\$27M Invested



# AI: Largest US deals of Q2'18



Company	Location	Sector	Industry	Stage of Funding	\$ Value of Deal	Select Investors
Dataminr	New York, NY	Internet	Internet Software & Services		<b>\$392M</b>	Venrock
CrowdStrike	Sunnyvale, CA	Internet	Internet Software & Services		<b>\$200M</b>	Accel, capitalG, General Atlantic
Tanium	Emeryville, CA	Software (non-internet/mobile)	Security Software		<b>\$175M</b>	TPG Growth
Cylance	Irvine, CA	Software (non-internet/mobile)	Security Software		<b>\$120M</b>	Blackstone Group
AutoLab AI	Palo Alto, CA	Software (non-internet/mobile)	Stealth Mode		<b>\$113M</b>	Eclipse Ventures, Flex



# *Cybersecurity*





“

Investment in VC-backed Cybersecurity startups surged to nearly \$1.7B in Q2 after three prior quarters of funding decline. The spike in total funding is attributable to four Mega-rounds (\$100M+) this quarter, whereas the prior three quarters had only two mega-rounds combined.

— **Joseph Nocera**, *Principal, US Cybersecurity at PwC*

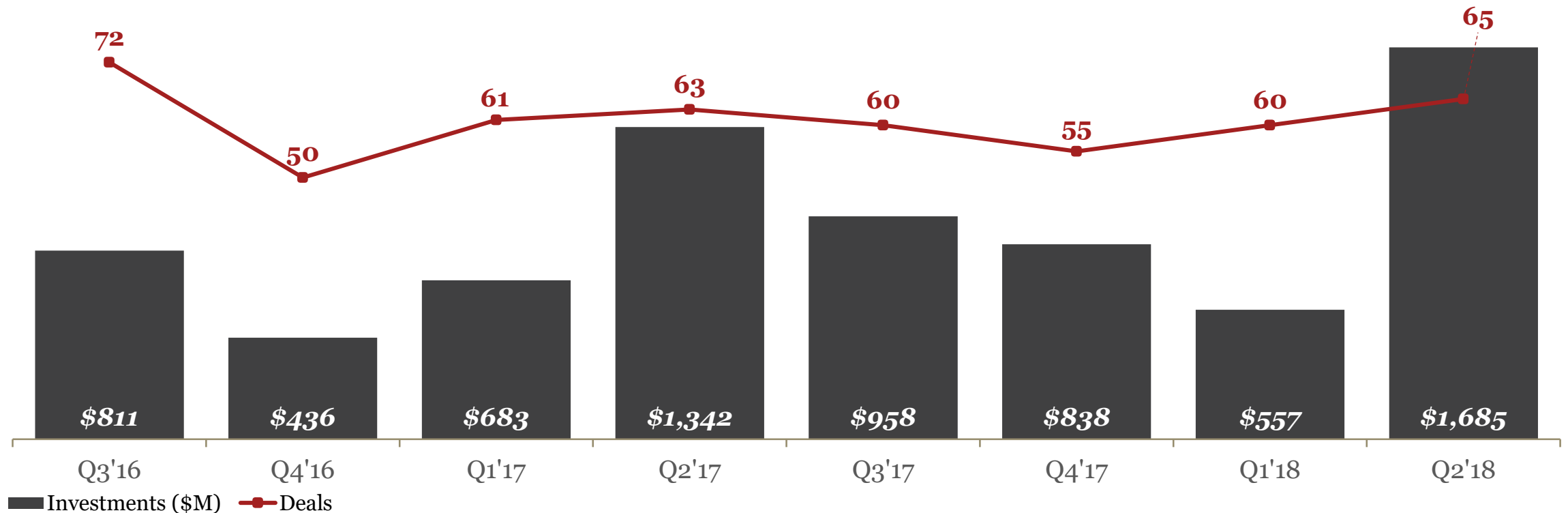
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# Cybersecurity: US funding over time



## Cybersecurity deals and dollars increased significantly

- Deals and dollars to US-based cybersecurity companies increased significantly after a three-quarter funding decline, as \$1.7B was invested across 65 deals in Q2'18.



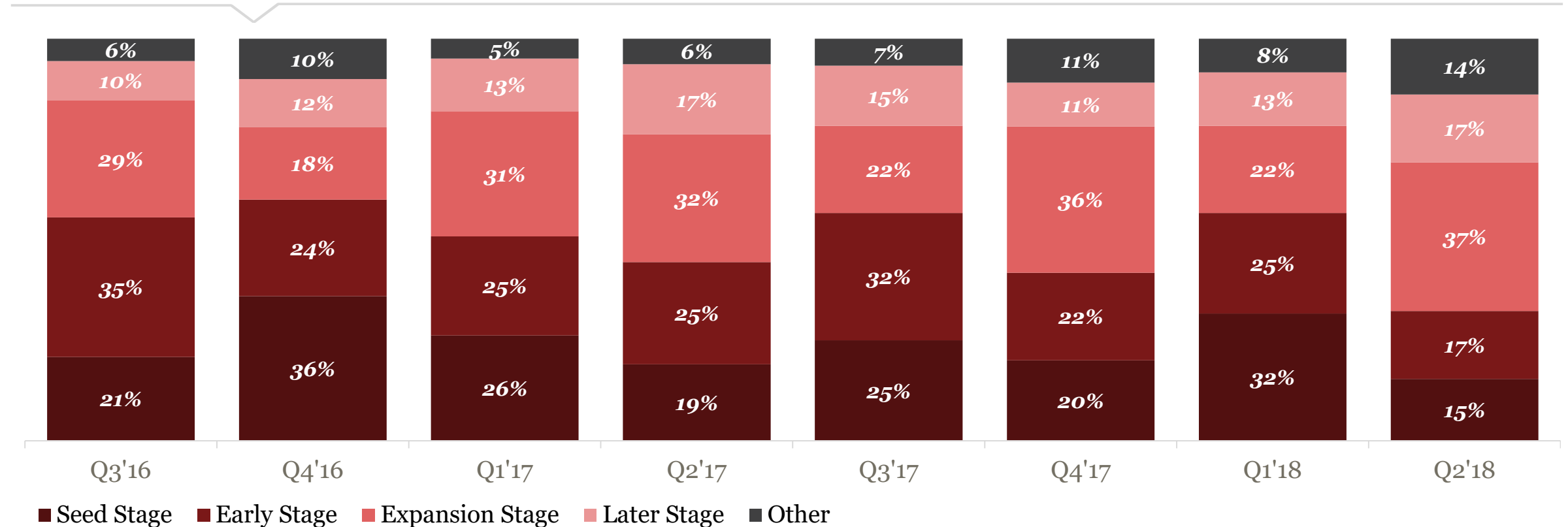


# Cybersecurity: US deal share over time



## Seed and early-stage deals declined, expansion stage deals up significantly

- Seed-stage funding declined significantly to 15% of all cybersecurity deals, down from 32%. Early-stage funding also declined, from 25% in Q1 to 17% in Q2'18.
- All other stages gained share with Expansion-stage deal share increasing the most over the same time period, rising from 22% to 37%.



# Cybersecurity: Top states by deals

**1. CA**

**27 deals**  
\$955M Invested

**2. MA**

**8 deals**  
\$143M Invested

**3. VA**

**5 deals**  
\$80M Invested

**4. CO**

**4 deals**  
\$16M Invested



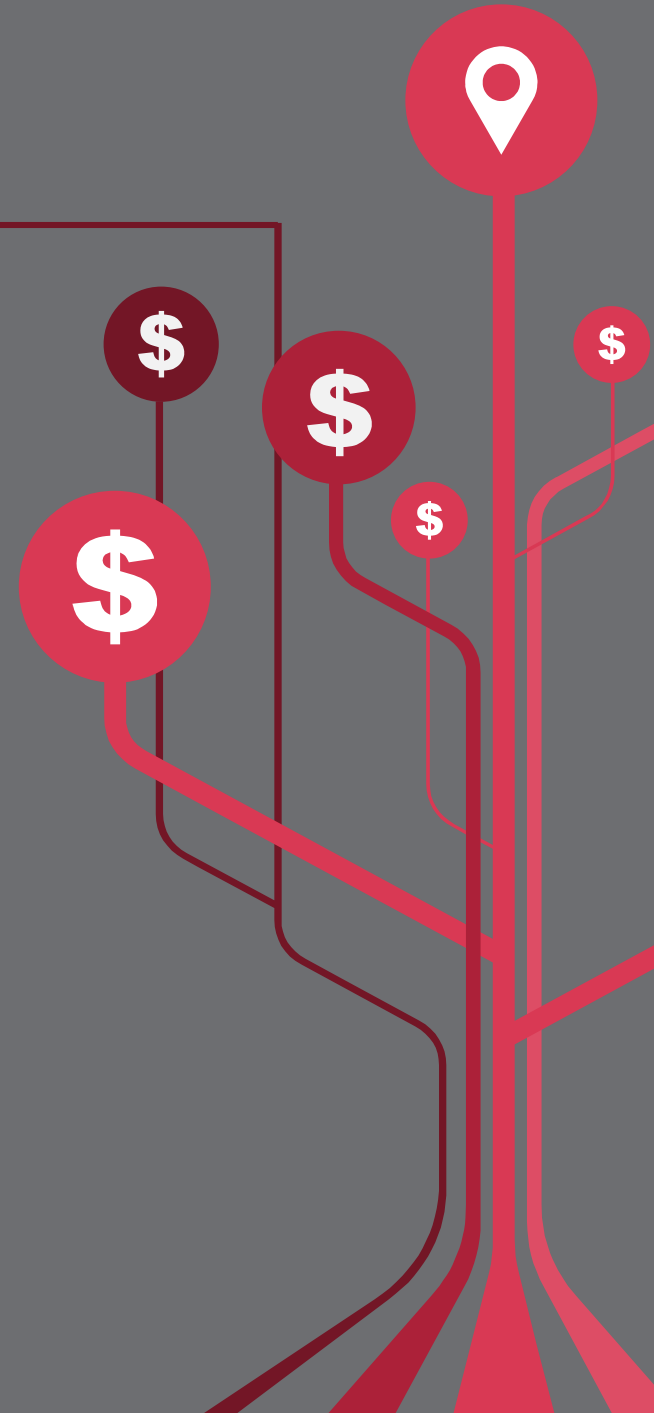
# Cybersecurity: Largest US deals of Q2'18



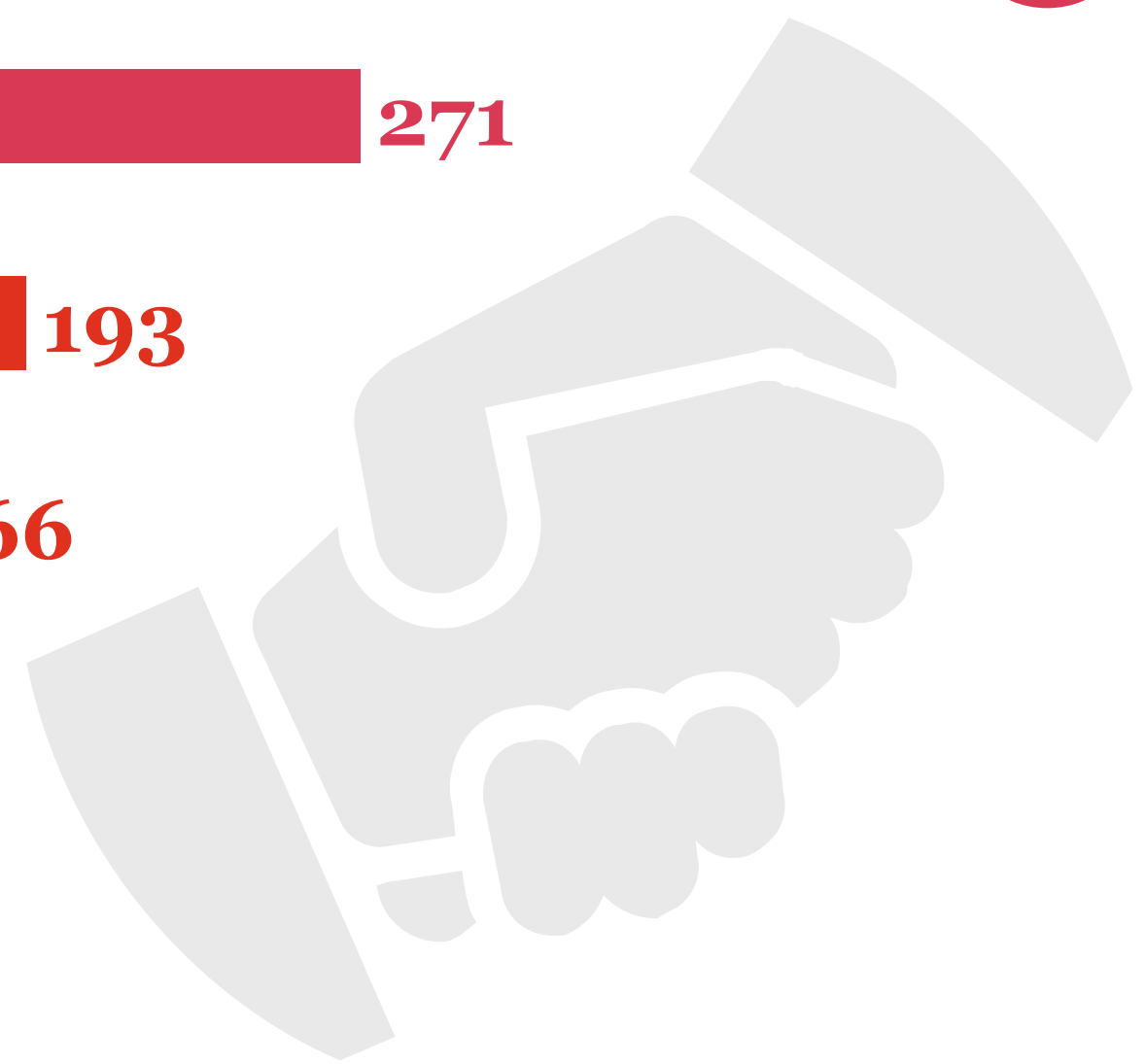
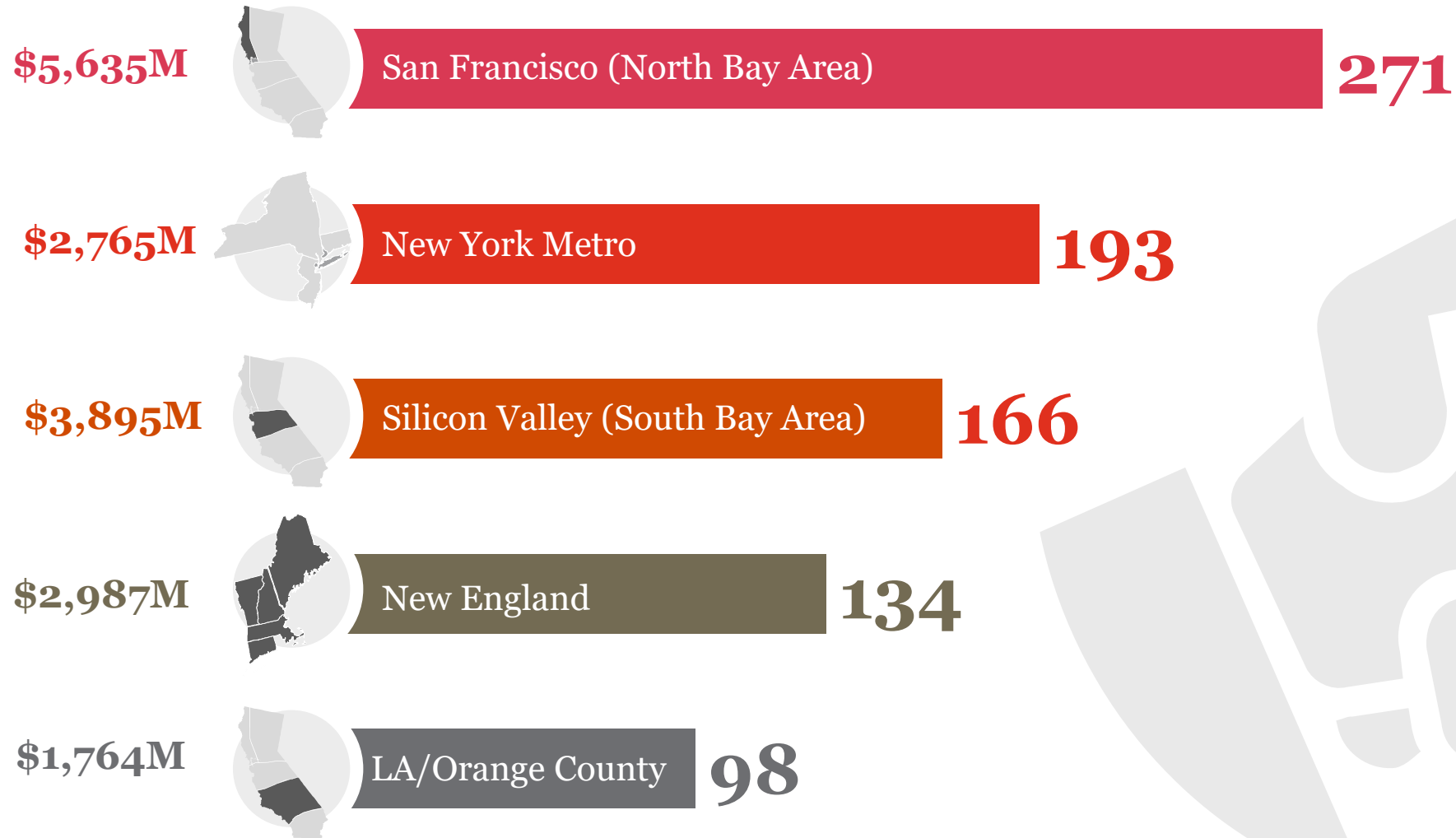
Company	Location	Sector	Industry	Stage of Funding	\$ Value of Deal	Select Investors
CrowdStrike	Sunnyvale, CA	Internet	Internet Software & Services		<b>\$200M</b>	Accel, capitalG, General Atlantic
Tanium	Emeryville, CA	Software (non-internet/mobile)	Security Software		<b>\$175M</b>	TPG Growth
Cylance	Irvine, CA	Software (non-internet/mobile)	Security Software		<b>\$120M</b>	Blackstone Group
Signifyd	San Jose, CA	Internet	Internet Software & Services		<b>\$100M</b>	Bain Capital Ventures, Menlo Ventures, American Express Ventures
IronNet Cybersecurity	Fulton, MD	Computer Hardware & Services	IT Services		<b>\$78M</b>	C5 Capital, ForgePoint Capital, Kleiner Perkins Caufield & Byers
					Seed Stage	
					Early Stage	
					Expansion Stage	
					Later Stage	

03

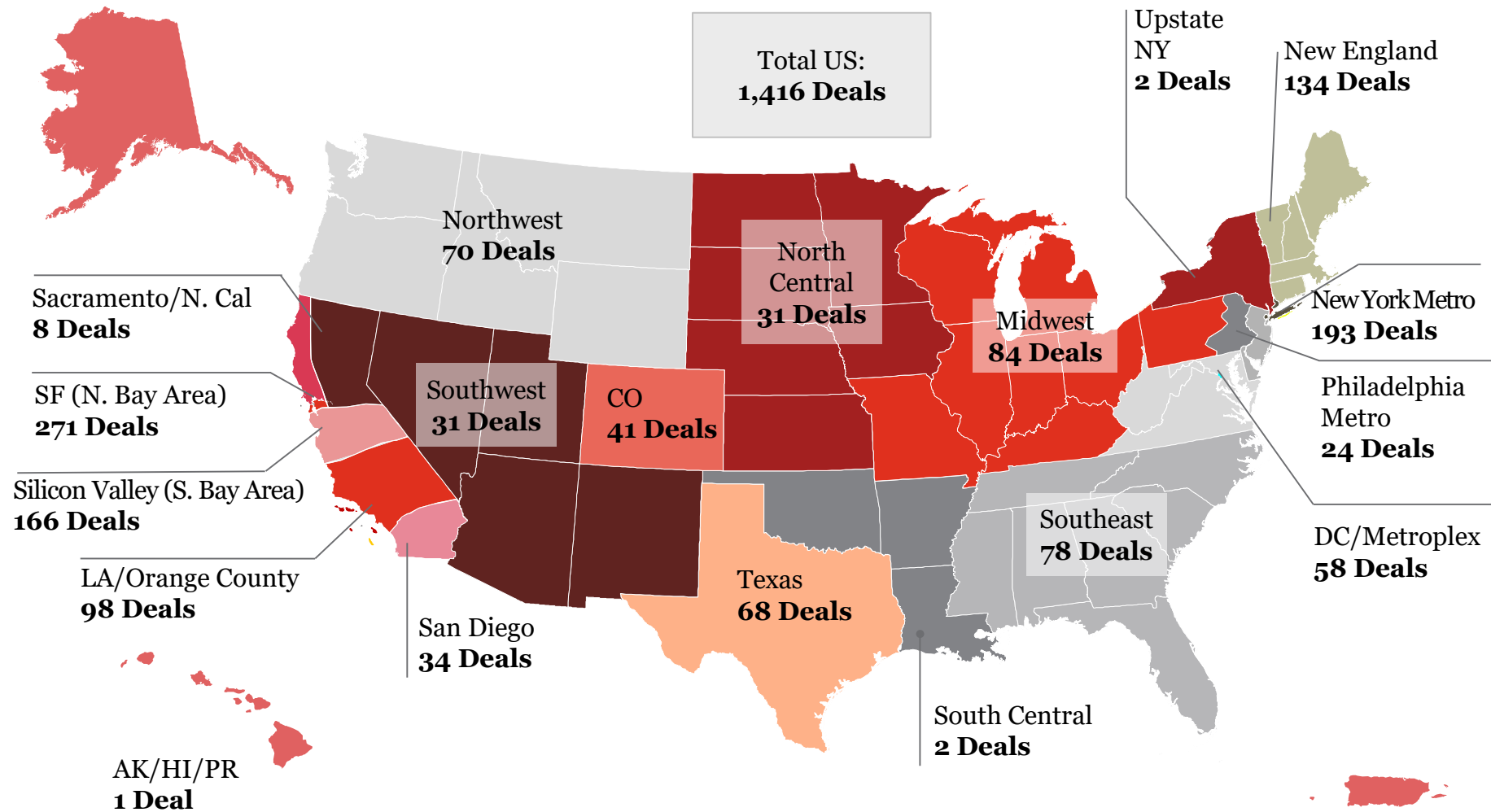
## *US Places*



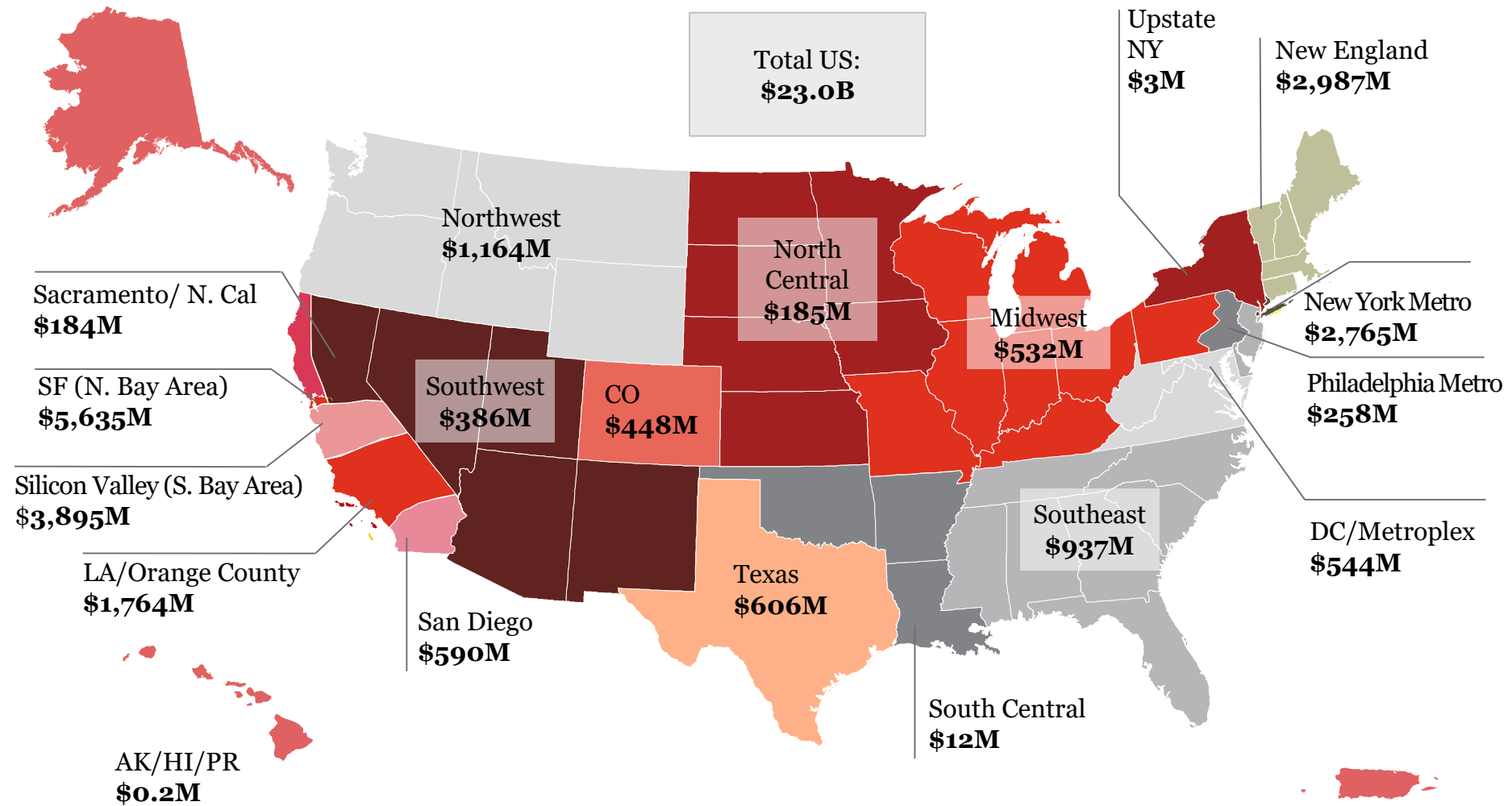
# US Top 5 Regions by Q2'18 deals



# US: Q2'18 deals by region



# US: Q2'18 funding by region

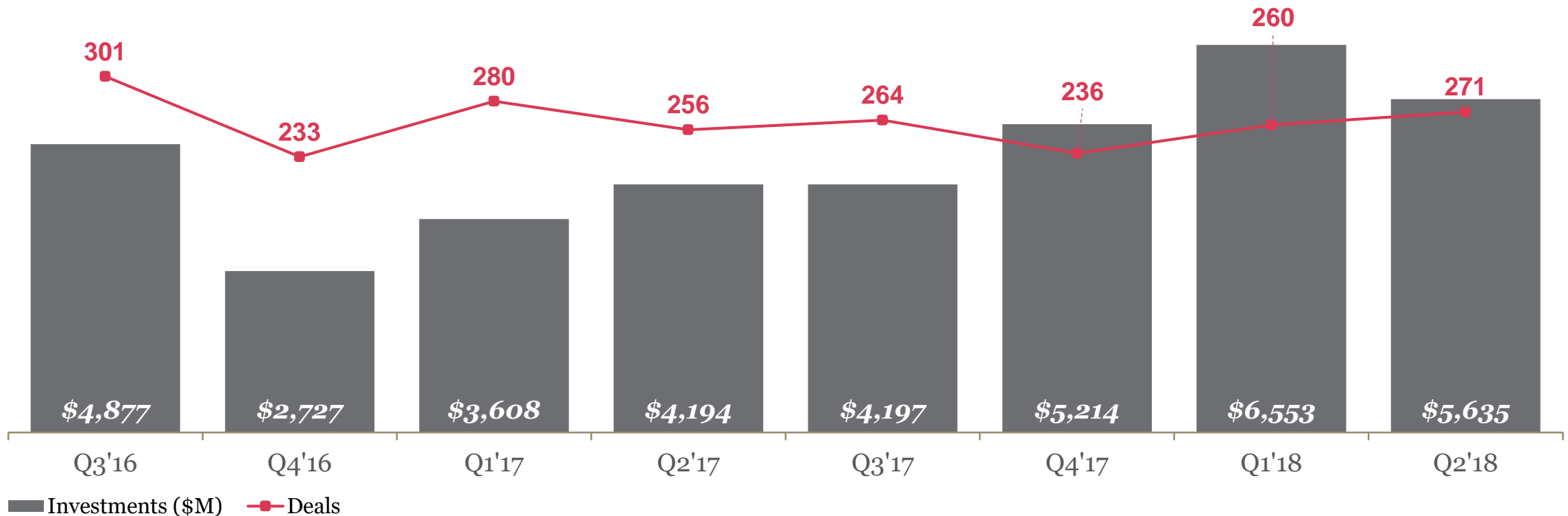


## 8-quarter financing trend: San Francisco (North Bay Area)



### San Francisco deal activity increases amid a decline in overall funding

- San Francisco deal activity increased to 271 deals in Q2'18, up from 260 in Q1, though total funding declined 14%.
- The quarter was led by a \$600M investment in Lyft by Fidelity Ventures.



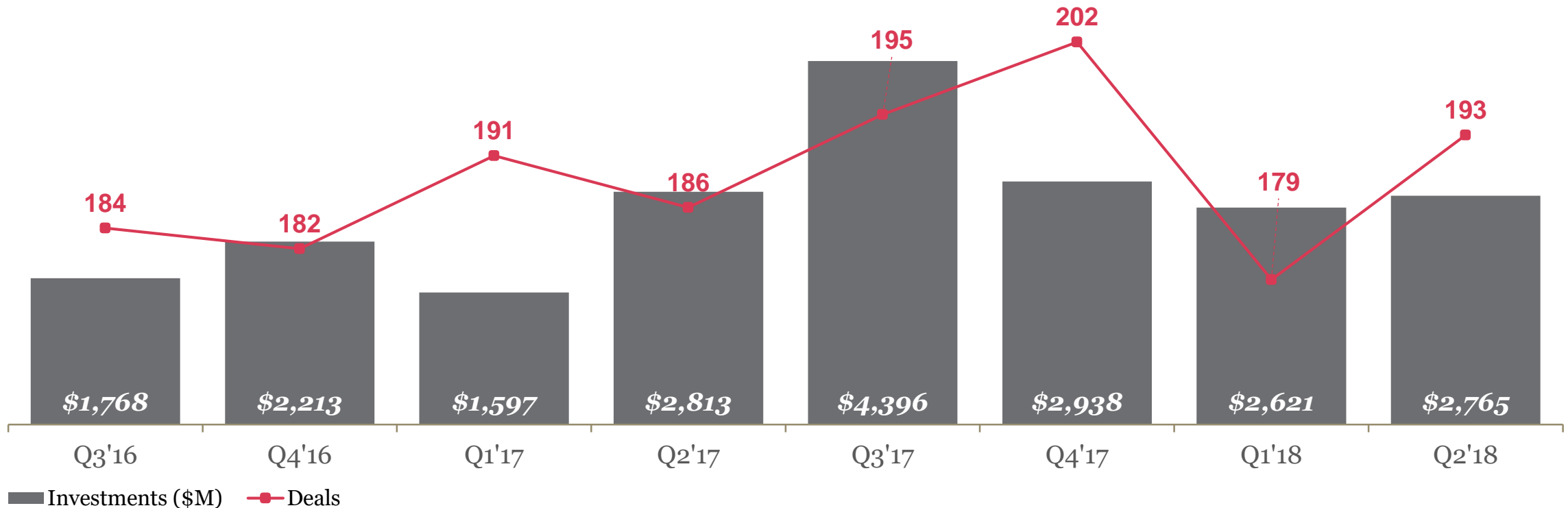


## 8-quarter financing trend: New York Metro



**Deal activity in the New York Metro area jumped, while funding stayed flat**

- Deal activity in the New York Metro increased to 193 deals, up from 179 in Q1'18.
- Quarterly funding increased slightly to \$2.8B.

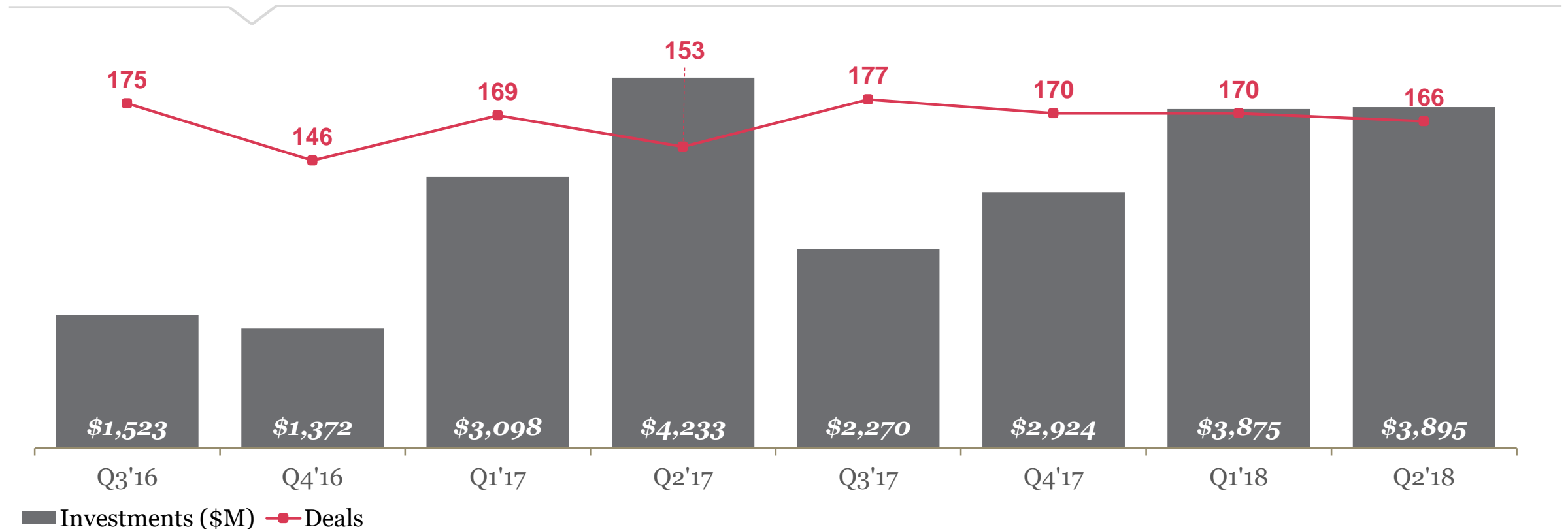


## 8-quarter financing trend: Silicon Valley (South Bay Area)



### Silicon Valley deals declined, funding flat

- Deals to Silicon Valley-based companies declined in Q2'18 to 166, down from 170 in Q1.
- Total quarterly funding was flat at \$3.9B.

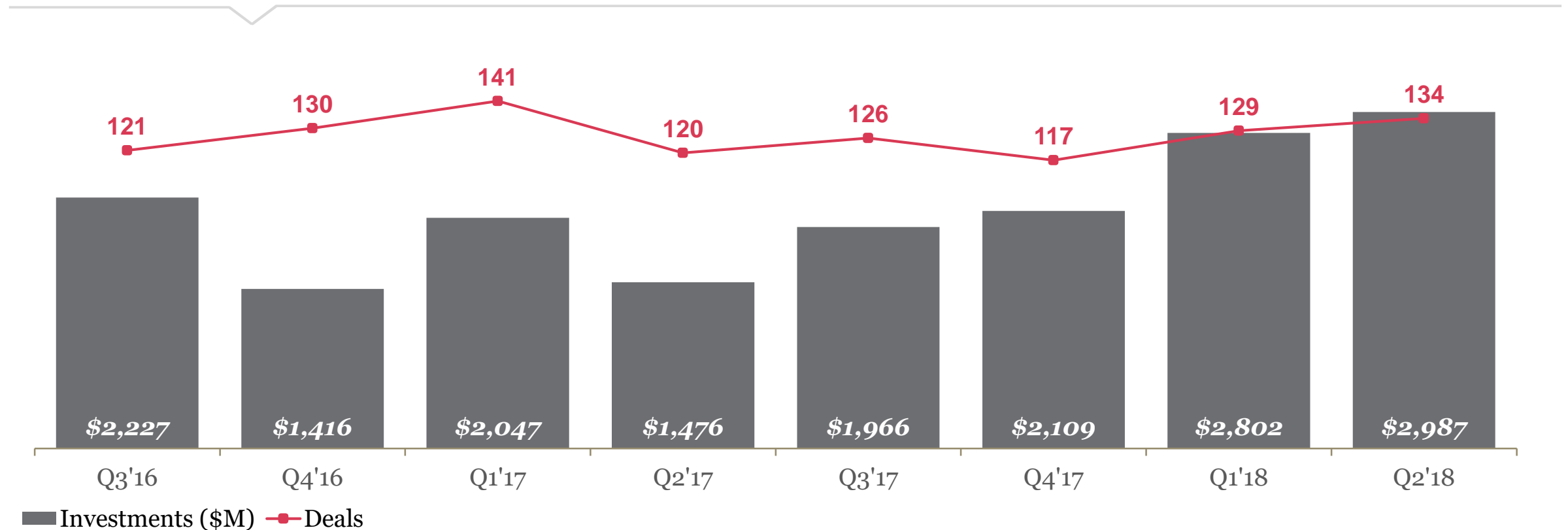


## 8-quarter financing trend: New England



### New England funding increased for the fourth-straight quarter

- New England-based companies recorded 5 more deals in Q2'18, as \$3B was distributed across 134 deals.
- Total quarterly funding increased by 6.5% over Q1'18.

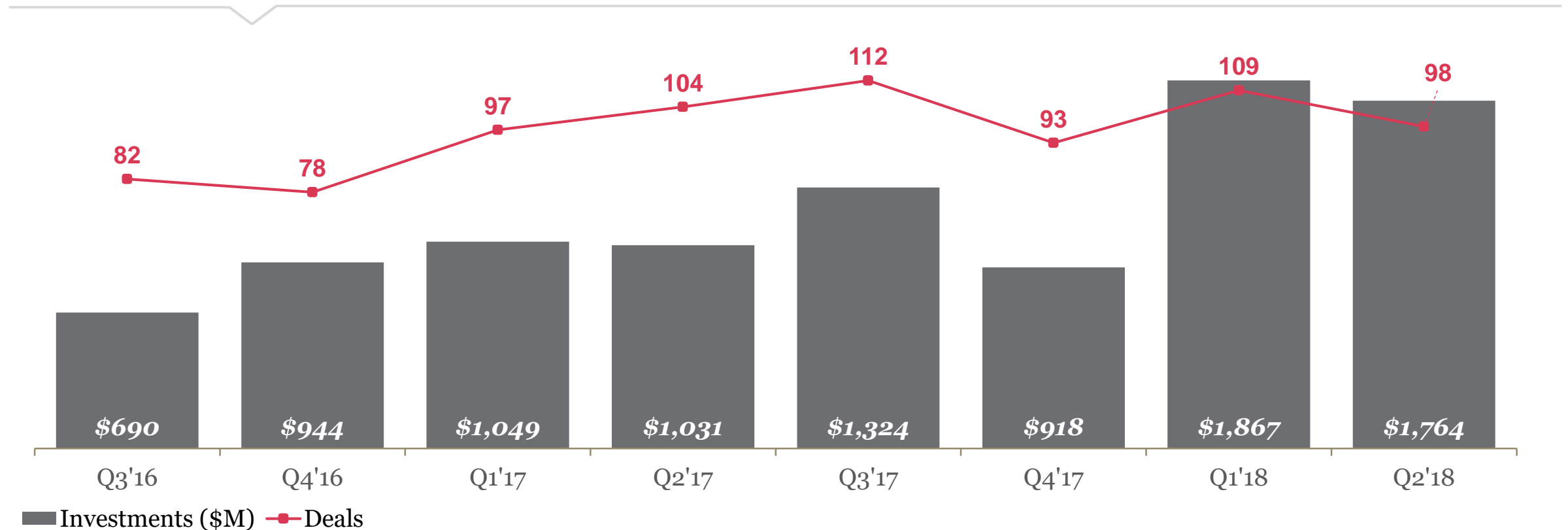


## 8-quarter financing trend: LA/Orange County

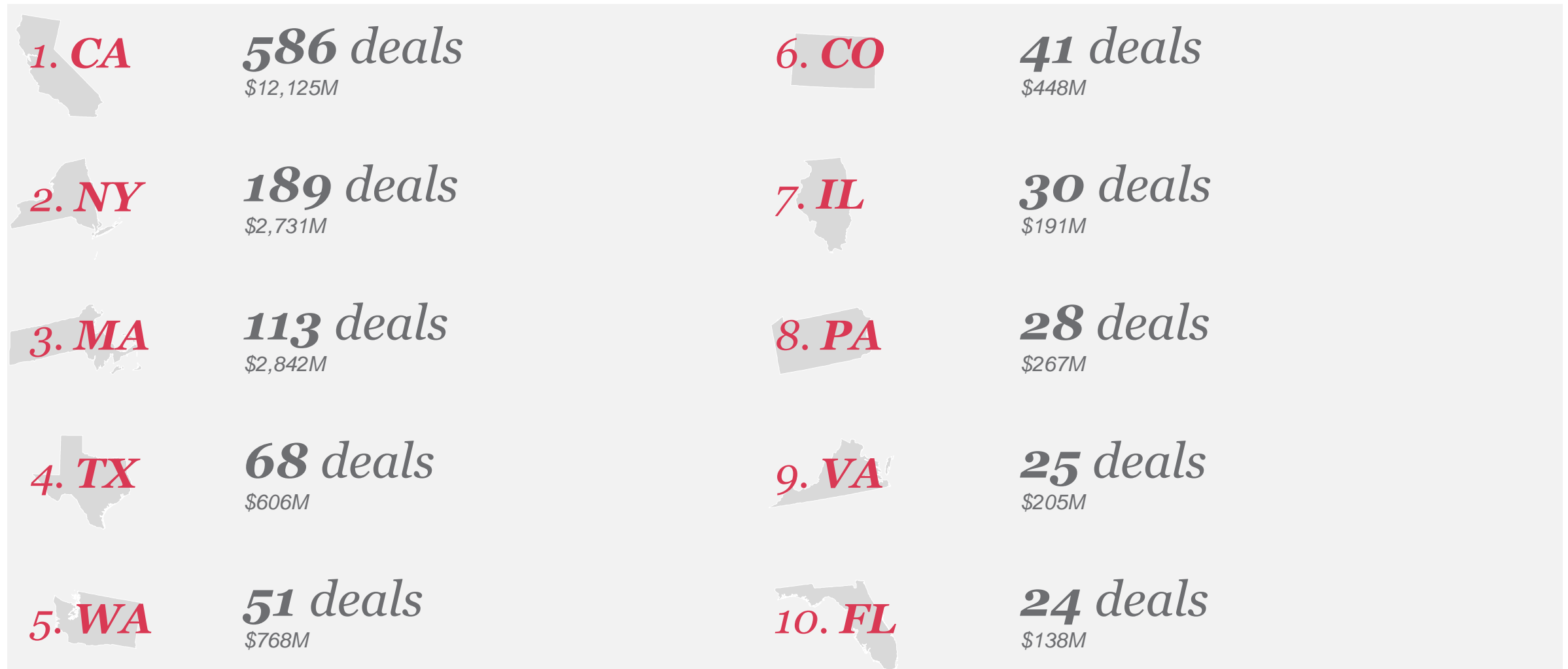


### Deals and dollars to LA/Orange County-based companies declined

- Total quarterly funding declined to \$1,764M in Q2'18, though funding levels are still well above the \$918M raised in Q4'17.



## US: Top 10 States by Q2'18 deals

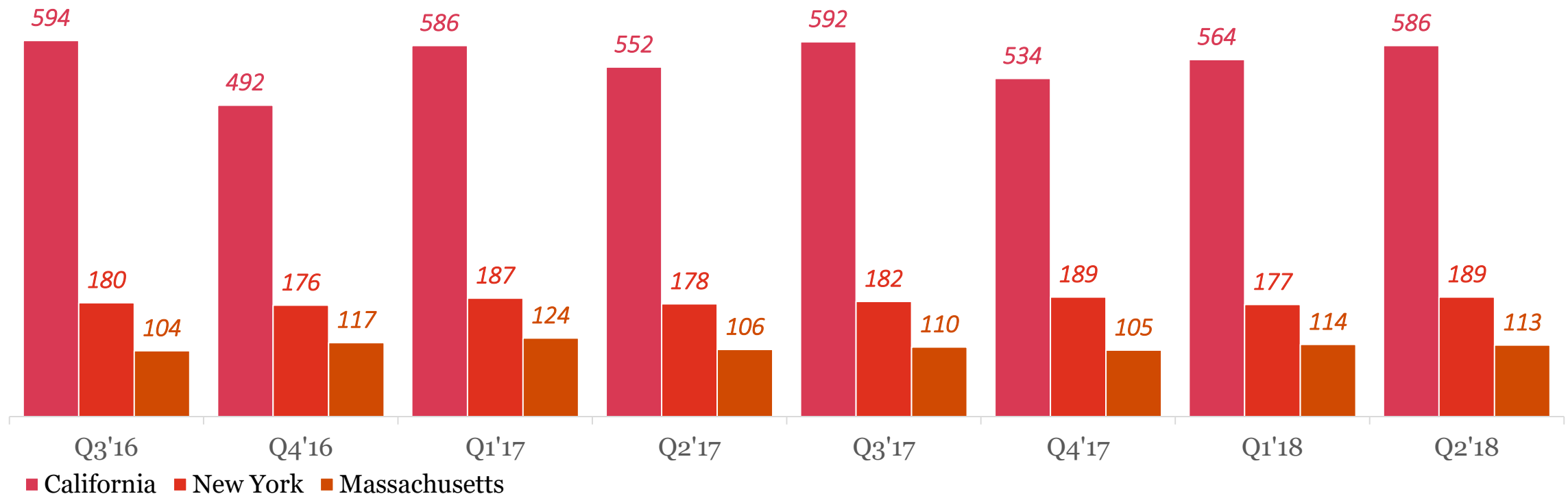


# Q1'18 regional comparison, Deals: CA vs. NY vs. MA



**California, New York saw increases in deals, Massachusetts declined slightly**

- California recorded 22 more deals in Q2'18 compared to the previous quarter. New York deal activity increased by 12 deals, while Massachusetts declined by 1.

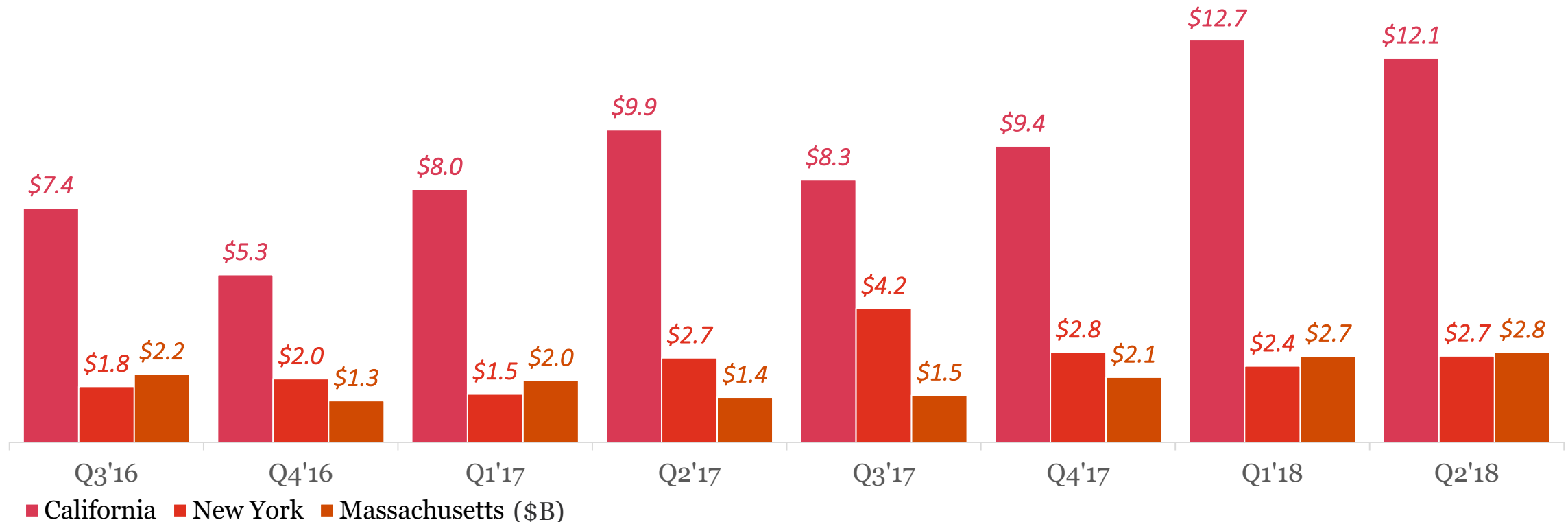


# Q1'18 regional comparison, Funding: CA vs. NY vs. MA



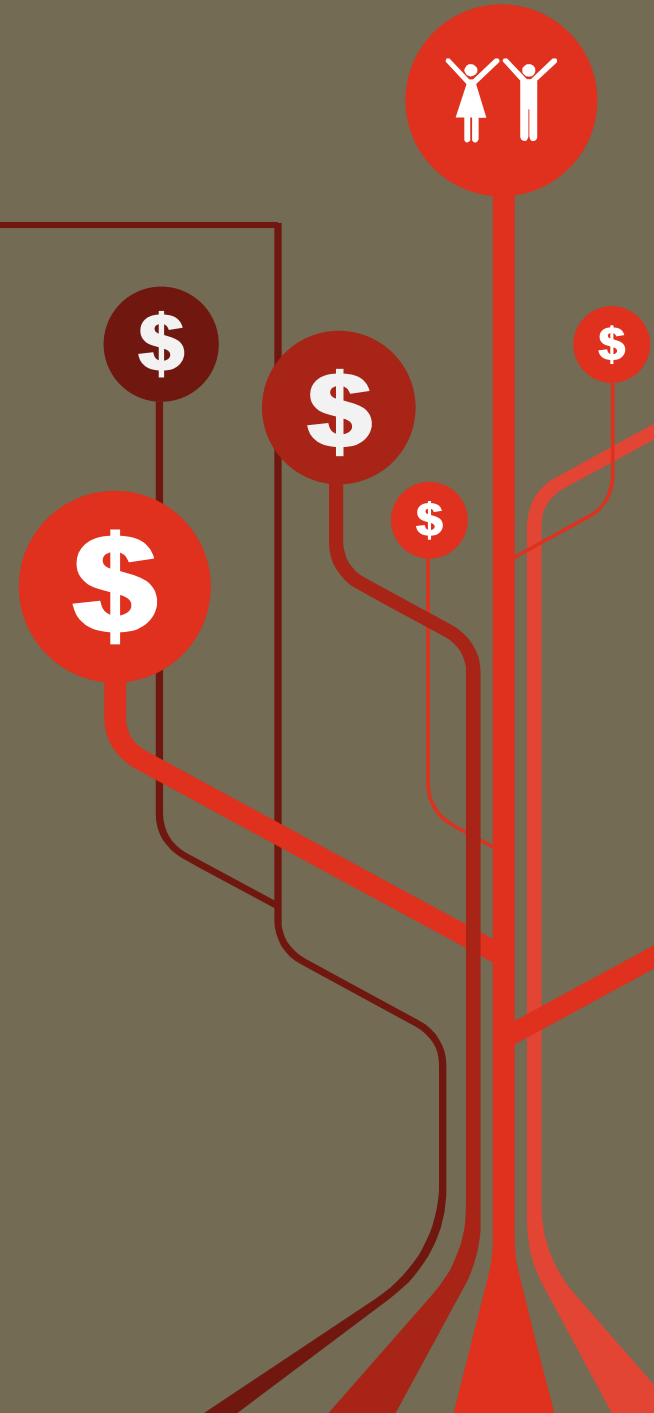
## CA declined slightly, while NY and MA funding increased

- California-based companies saw funding decline by \$600M. Funding remains elevated compared to Q4'17.
- New York funding increased to \$2.7B from \$2.4B. Massachusetts-based companies raised \$2.8B, up from \$2.7B in Q1'18.



04

# *US Movers & Shakers*





## Mega-rounds



“

2018's mega-rounds are currently on pace to beat what was an unprecedented 2017 -- which posted 111 mega-rounds.

— **Tom Ciccolella**, Partner, US Venture Capital Leader at PwC

”

# Largest US deals of Q2'18



Company	Location	Sector	Industry	Stage of Funding	\$ Value of Deal	Select Investors
Lyft	CA, United States	Mobile & Telecommunications	Mobile Commerce		<b>\$600M</b>	Fidelity Ventures
Dataminr	NY, United States	Internet	Internet Software & Services		<b>\$392M</b>	Venrock
Robinhood	CA, United States	Mobile & Telecommunications	Mobile Software & Services		<b>\$363M</b>	capitalG, Kleiner Perkins Caufield & Byers, DST Global
OpenDoor Labs	CA, United States	Internet	Internet Software & Services		<b>\$325M</b>	General Atlantic, GGV Capital, New Enterprise Associates
Allogene Therapeutics	CA, United States	Healthcare	Biotechnology		<b>\$300M</b>	Vida Ventures, TPG Capital, BellCo Capital
GRAIL	CA, United States	Healthcare	Disease Diagnosis		<b>\$300M</b>	Sequoia Capital China, Ally Bridge Group, Blue Pool Capital
Bird Rides	CA, United States	Mobile & Telecommunications	Mobile Software & Services		<b>\$300M</b>	Accel, Index Ventures, Sequoia Capital

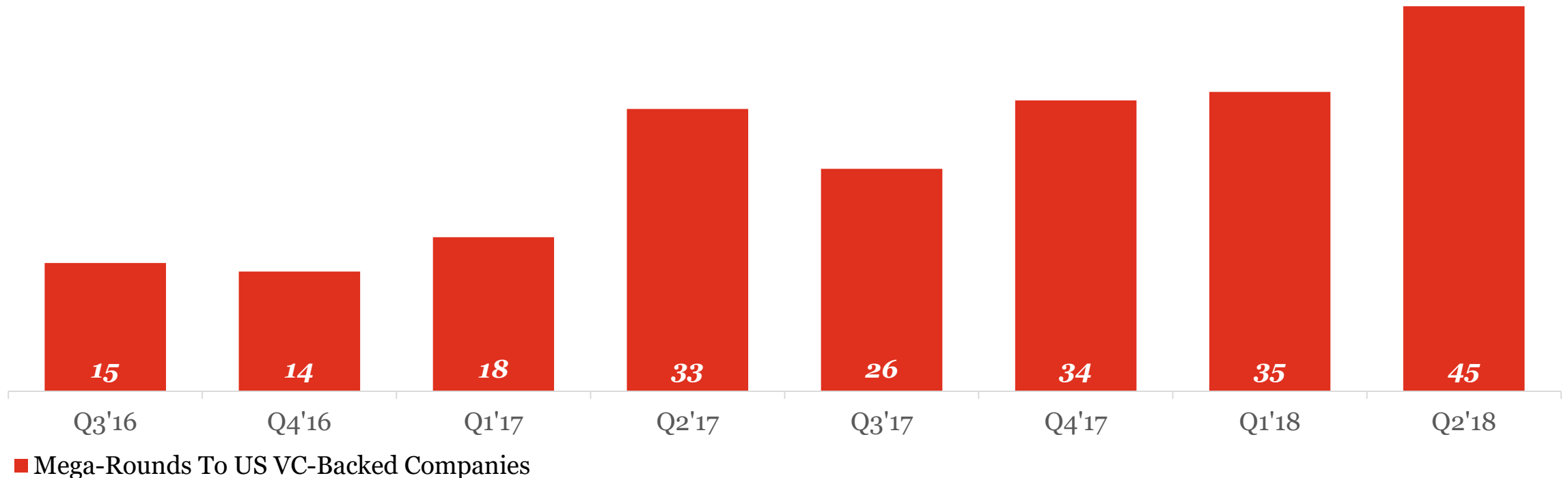


# US mega-round activity



**45 mega-rounds recorded in Q2'18, up 10 from Q1, set a new historical record**

- US-based companies saw another massive quarter for mega-rounds, recording 45 rounds of \$100M or more.
- Prior record of 36 mega-rounds was set in Q3'15.

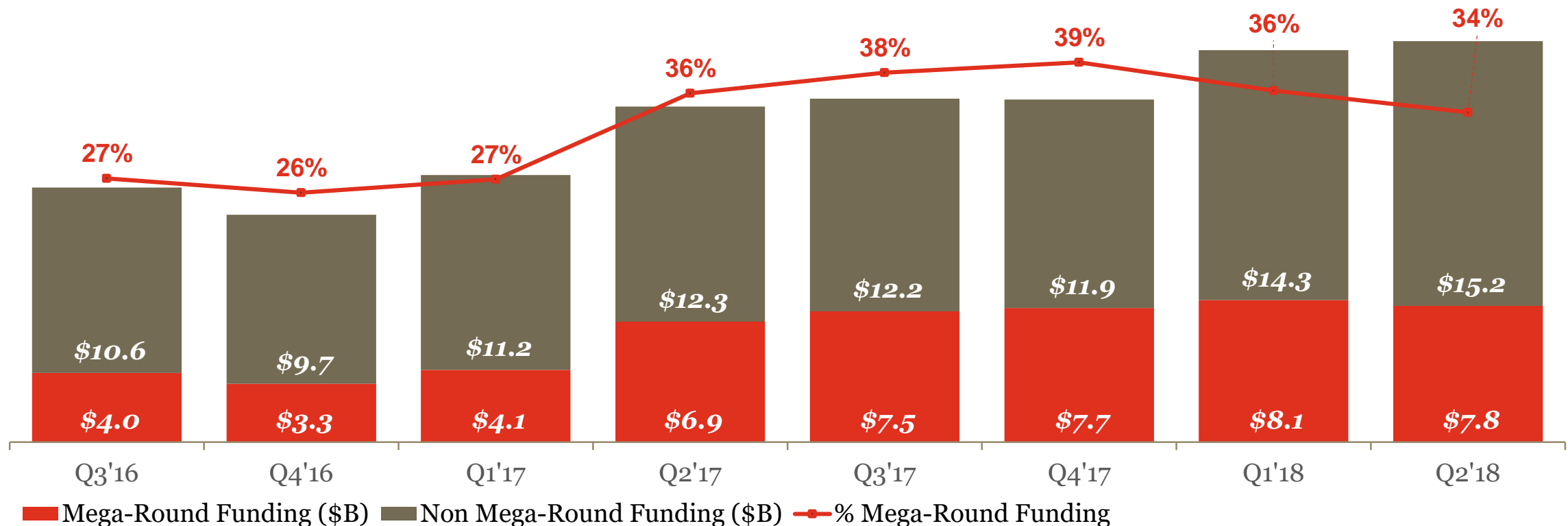


# 8-quarter US mega-round trend



## US mega-rounds decline as a percentage of total funding for a second straight quarter

- US mega-rounds declined as a percentage of total quarterly funding to 34%.
- In Q2'18, \$7.8B of funding came from \$100M+ rounds, the second highest quarter ever.
- Funding was down slightly from the \$8.1B record set last quarter.

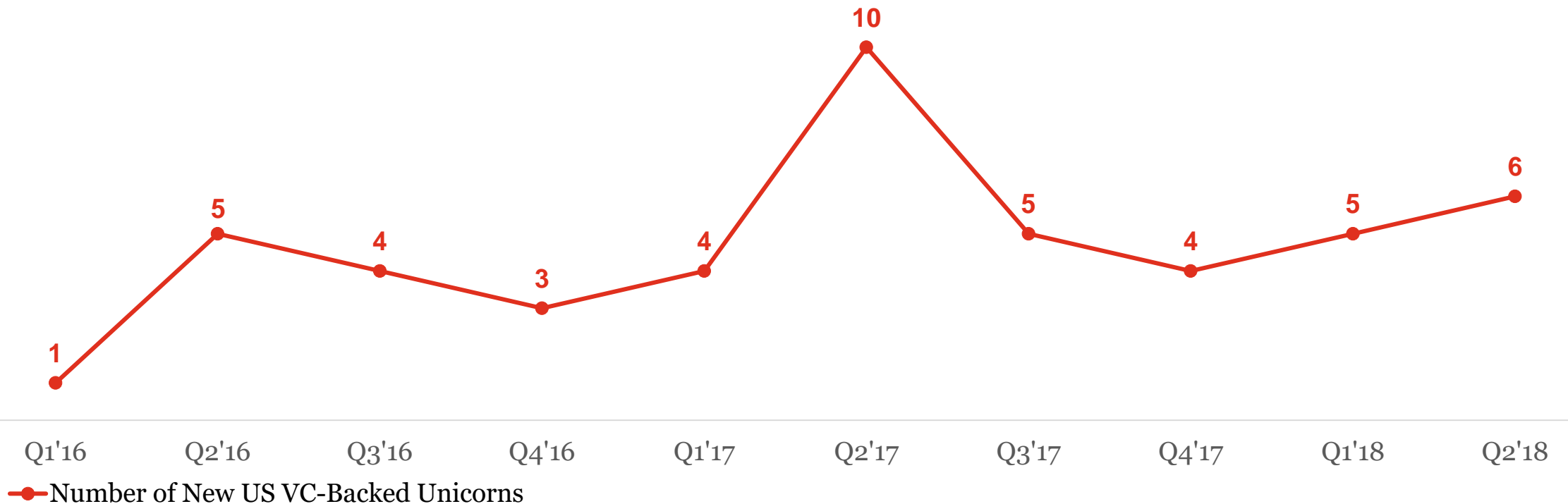


# US new unicorn births



## 6 new unicorns in the US

- In Q2'18, 6 new VC-backed companies reached \$1B+ valuations.
- New companies achieving a valuation of \$1B or more included Bird Rides, Dataminr, and SoundHound.



# Most active VC firms of Q2'18 in the US



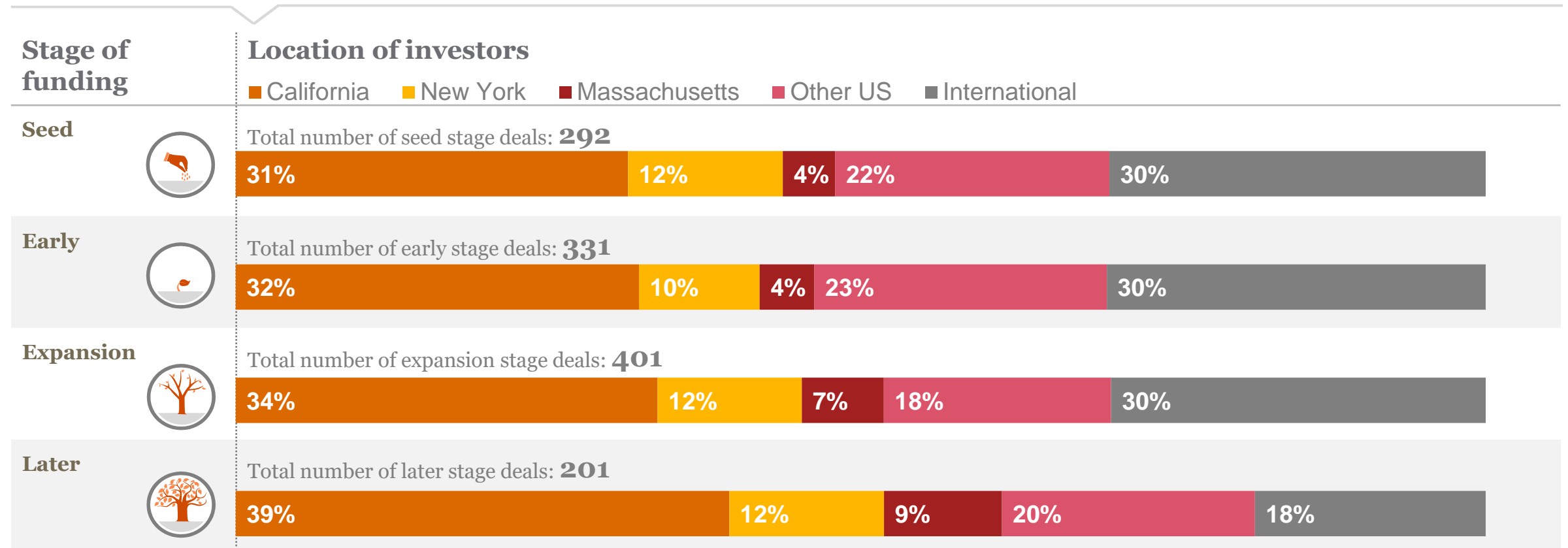
<i>Investor</i>	<i>Location</i>	<i>No. of US Companies</i>	<i>Select Q2'18 Investments</i>
<b>1. Plug and Play Ventures</b>	Sunnyvale, CA	<b>27</b>	B8ta, Cobalt Labs, iBeat
<b>1. New Enterprise Associates</b>	Menlo Park, CA	<b>27</b>	CareZone, Hello Alfred, Metacrine
<b>3. General Catalyst</b>	Palo Alto, CA	<b>20</b>	BigCommerce, Drift, Livongo Health
<b>4. Insight Venture Partners</b>	New York, NY	<b>18</b>	Jama Software, EzCater, Ceres Imaging
<b>4. Founders Fund</b>	San Francisco, CA	<b>18</b>	Andurl, Cedar, Tmunity Therapeutics

# Q2'18 investor locations



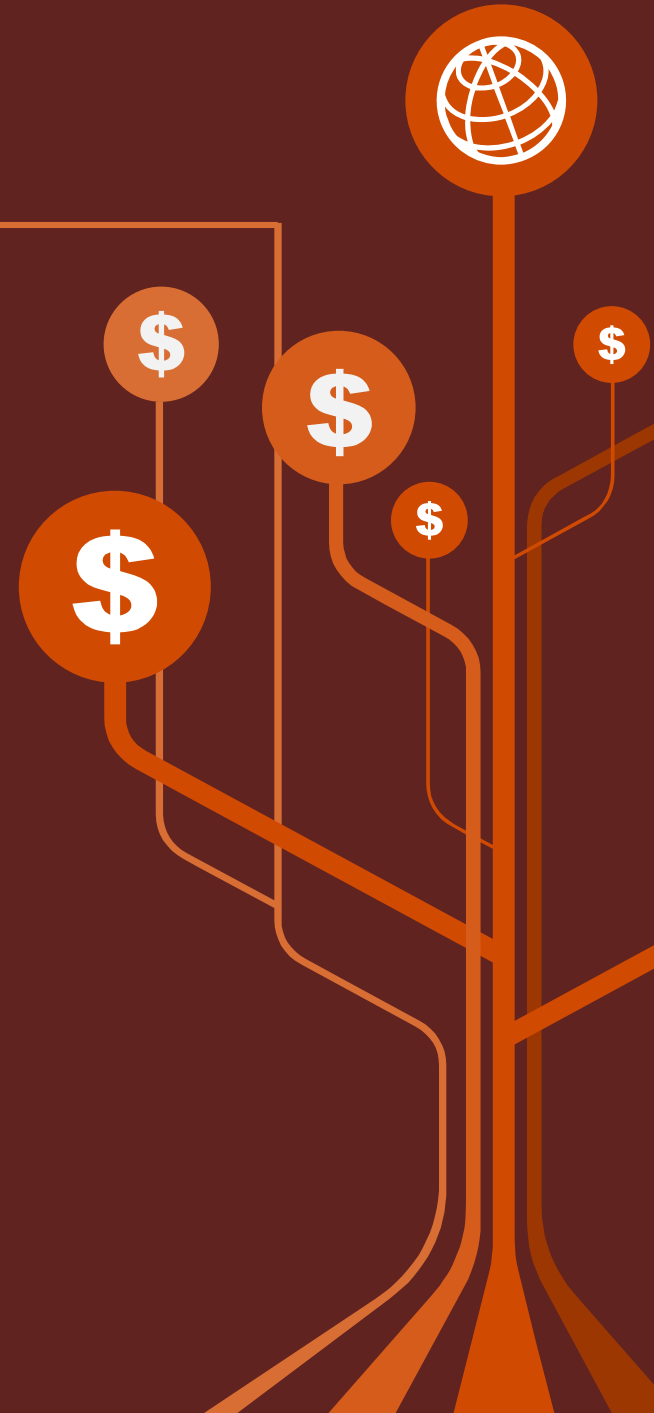
## California investor presence most prominent across stages

- More than 30% of all deal stages for US companies featured a California-based investor.
- For seed, early, and expansion deals, overseas investors were more prevalent, participating in 30% of deals at each stage.



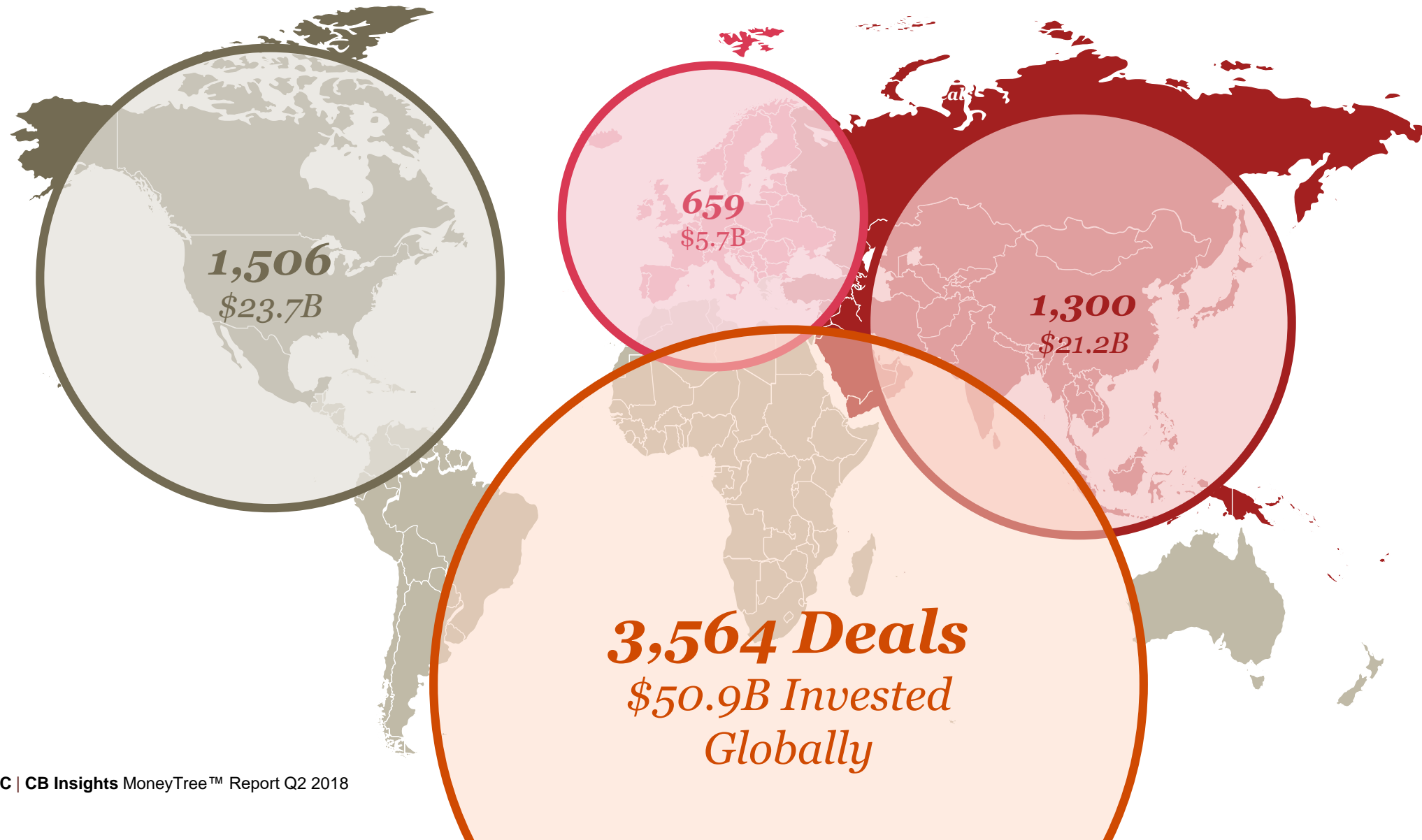
05

# *Global Trends*





# *Q2'18 global regional comparison*

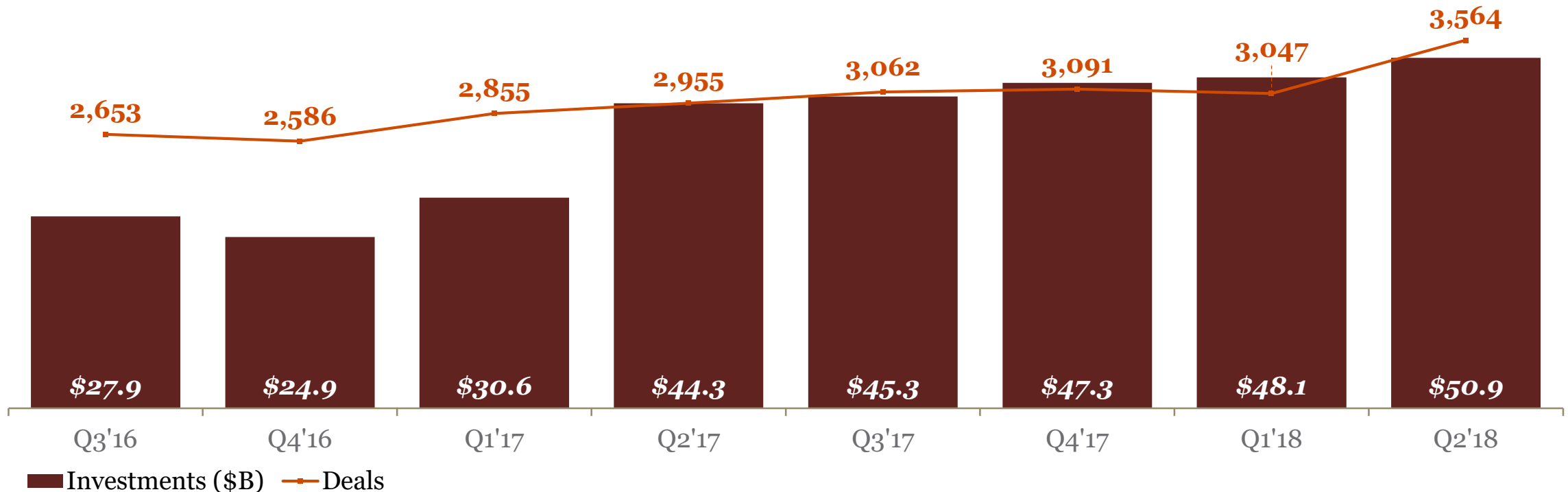


# 8-quarter global financing trend



## Deals and dollars increased globally in Q2'18

- Global deal activity increased by 17% in Q2'18, with 3,564 deals worldwide, driven by large jumps in deal activity in Asia and North America.
- Global funding increased by 6% to \$51B in Q2'18, driven by a \$2B quarter-over-quarter funding increase in Asia.

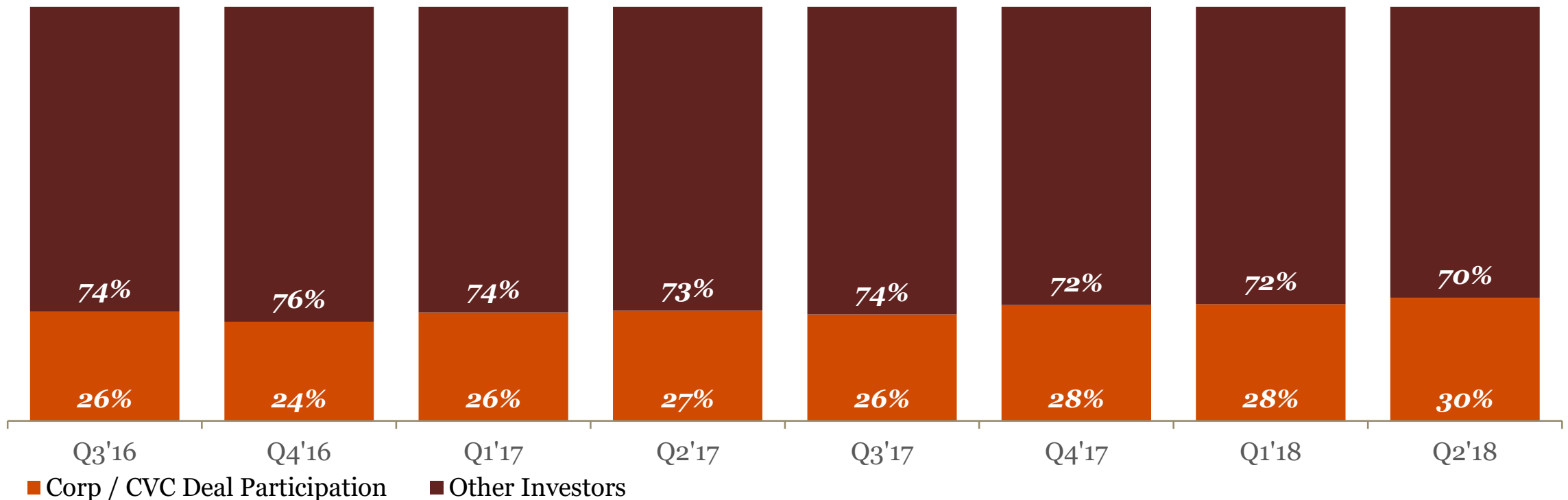


# Global corporate deal participation



## Corporate participation increases to 30%

- Corporations (and/or their venture arms) participated in 30% of all deals to VC-backed companies in Q2'18, up from 28% in Q1.

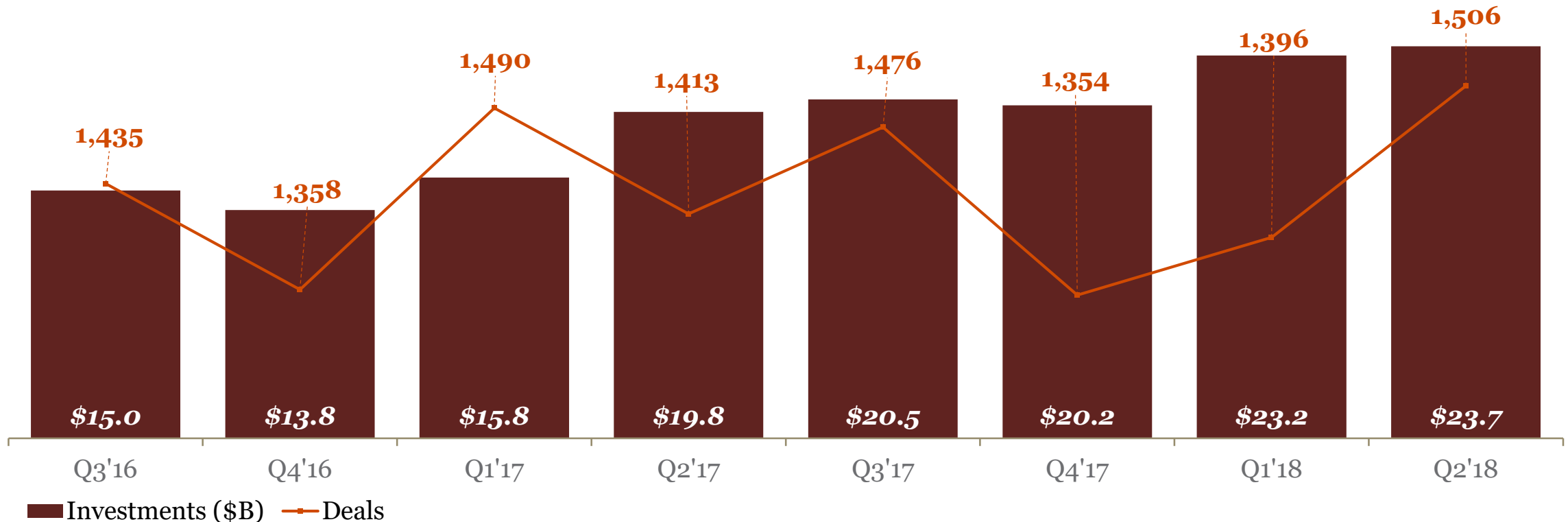


# 8-quarter financing trend: North America



## North American deal activity, funding up

- VC-backed companies in North America raised \$23.7B in Q2'18, up slightly from Q1's \$23.2B.
- Deals increased significantly from 1,396 in Q1 to 1,506 in Q2.

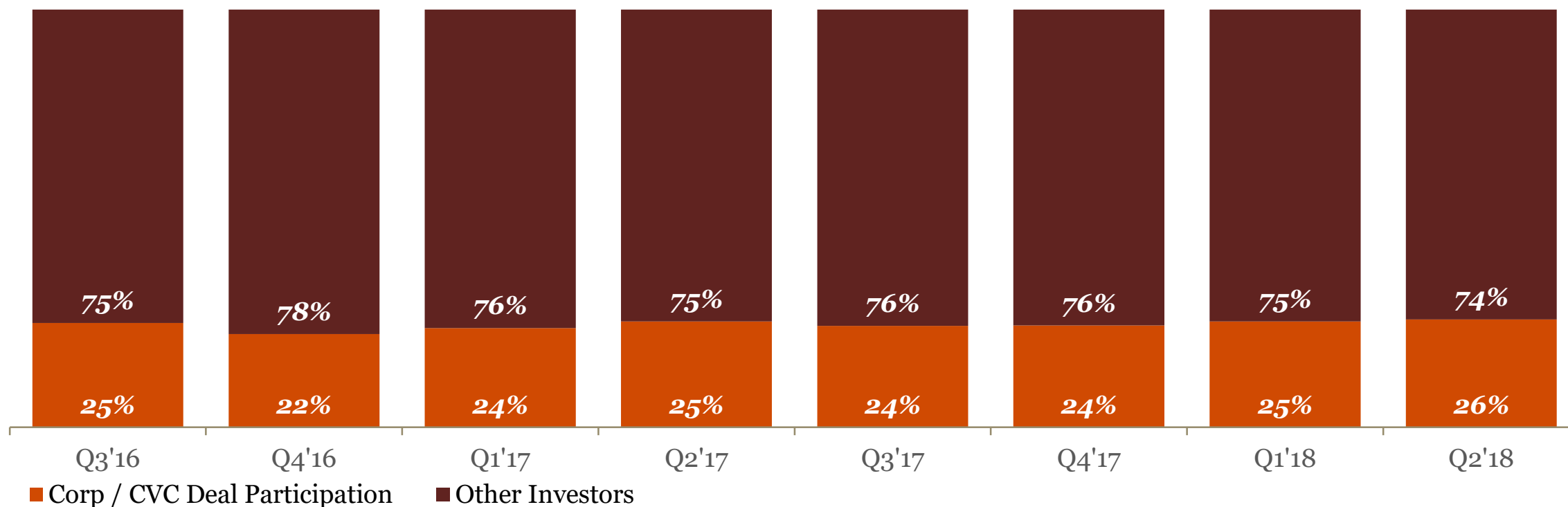


# North American corporate deal participation



## Corporate participation increased slightly

- Corporations (and/or their venture arms) participated in 26% of Q2'18 deals to VC-backed companies in North America, a 1 percentage point increase from Q1.

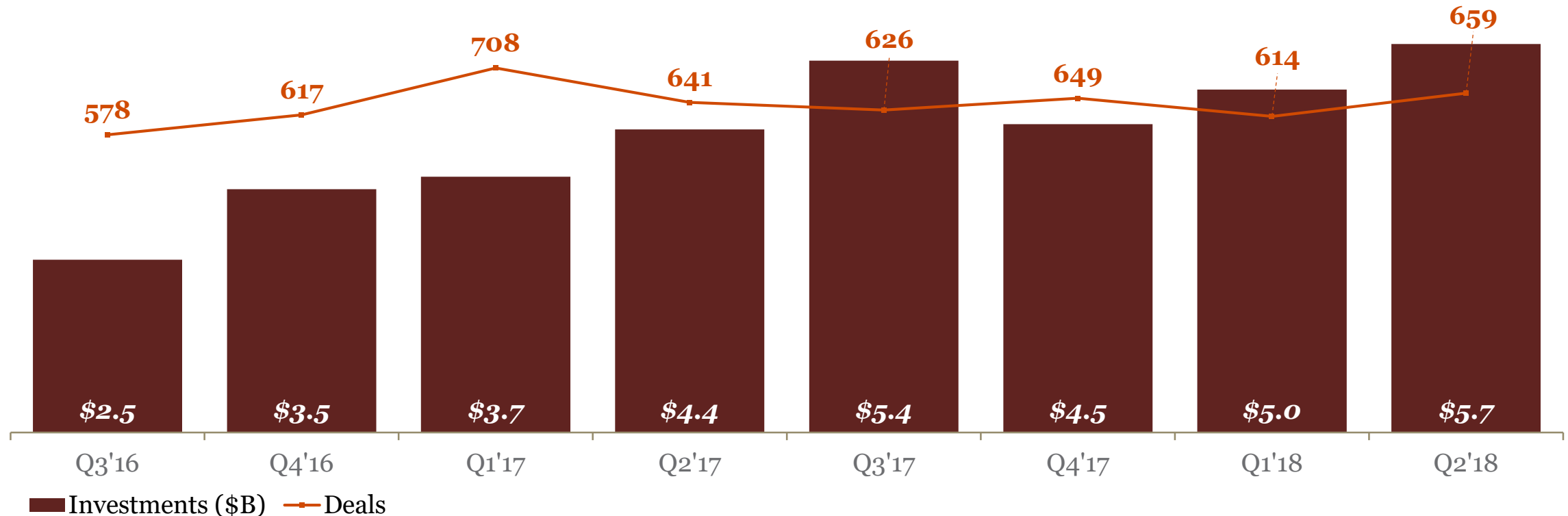


# 8-quarter financing trend: Europe



## European deal activity, funding up

- Total quarterly funding increased 13% in Q2'18 as \$5.7B was invested across 659 deals.
- Deal activity increased 7% as compared to the quarter prior.

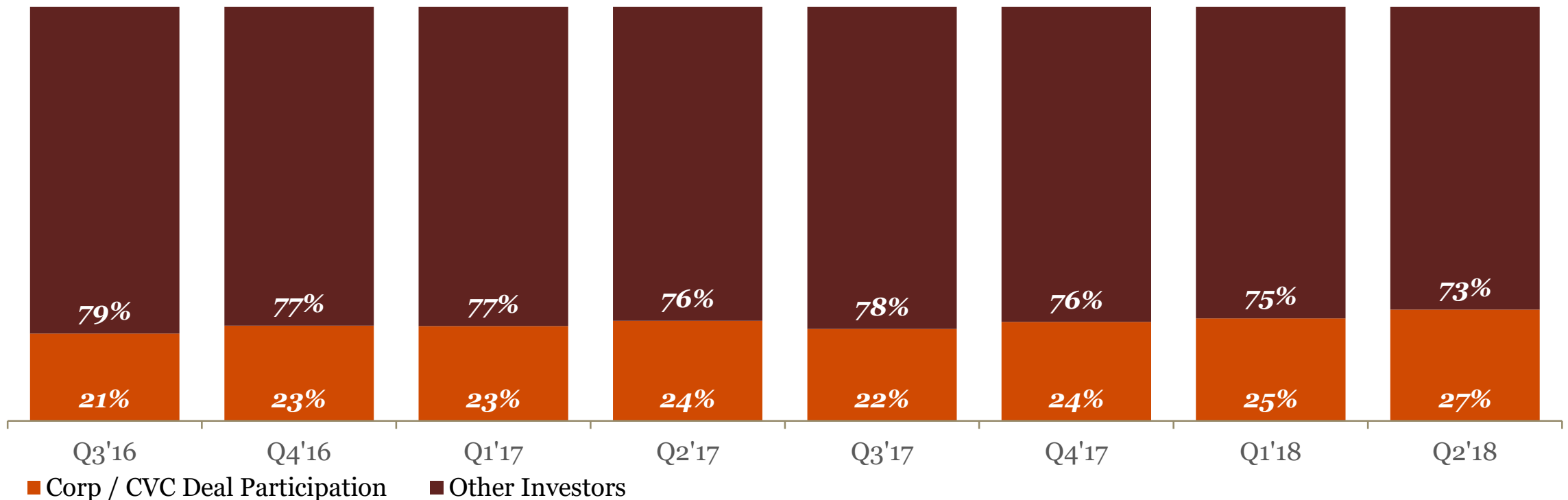


# European corporate deal participation



## Corporate participation increases

- Corporations (and/or their venture arms) participated in 27% of Q2'18 deals to VC-backed companies in North America, increasing 2 percentage points from the quarter before.

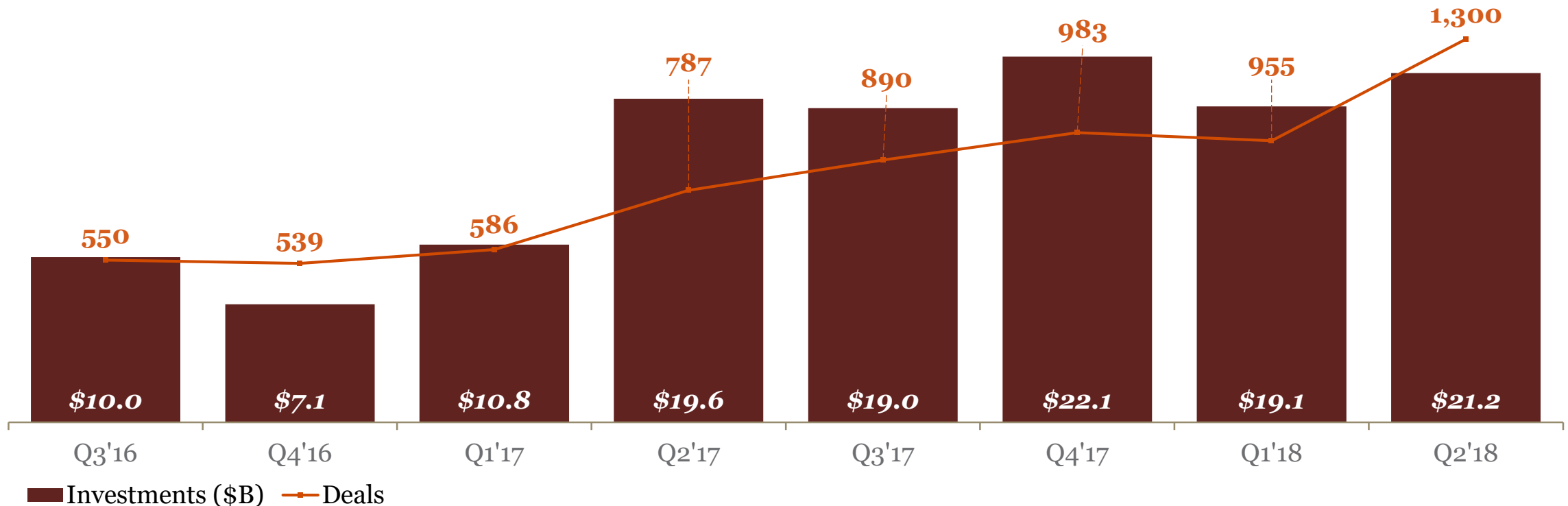


# 8-quarter financing trend: Asia



## Asia funding and deals increased

- Total quarterly funding to Asia-based companies increased 10% in Q2'18 as \$21.2B was invested across 1,300 deals.
- Deals increased by 36% from the prior quarter to 1,300.



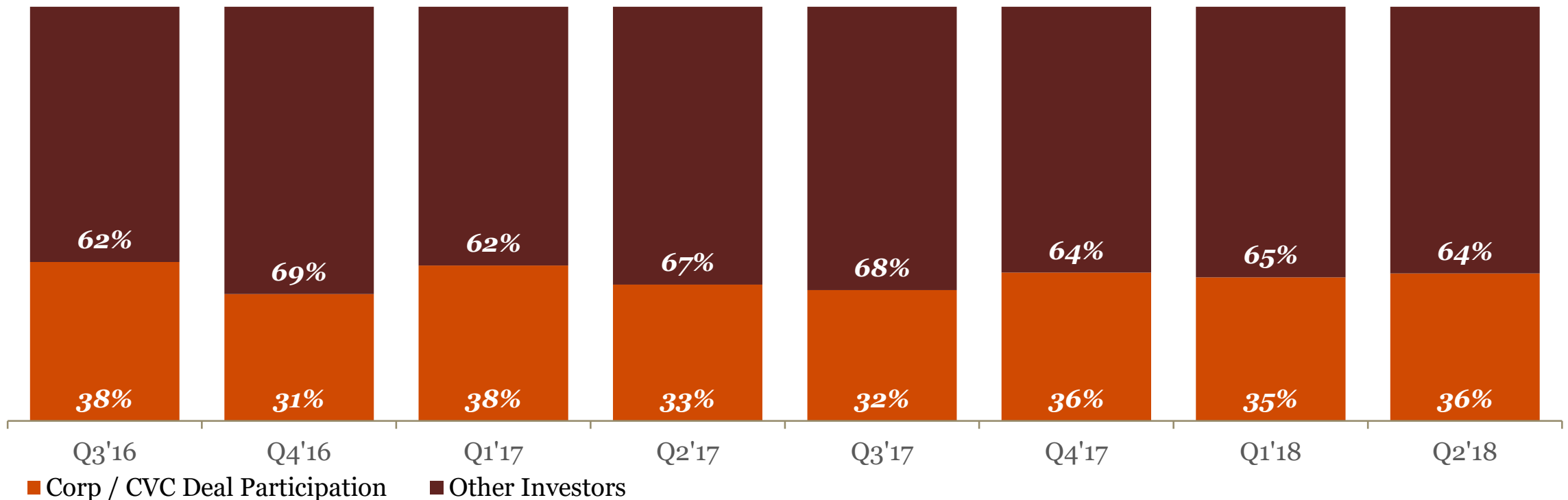


# Asian corporate deal participation



## Corporate participation increased slightly

- Corporations (and/or their venture arms) participated in 36% of deals to VC-backed companies in Asia in Q2'18, up from 35% in Q1'18.



# Largest global deals of Q2'18



Company	Location	Sector	Industry	Stage of Funding	\$ Value of Deal	Select Investors
Manbang Group	Guiyang, China	Internet	Internet Software & Services		<b>\$1,900M</b>	SoftBank Group, Sequoia Capital China, Lightspeed China Partners
Grab	Singapore	Mobile & Telecommunications	Mobile Commerce		<b>\$1,000M</b>	Toyota Motor Corporation
UBETECH Robotics	Shenzhen, China	Consumer Products & Services	Consumer Electronics		<b>\$820M</b>	Tencent Holdings, Green Pine Capital Partners, CDH Investments
Hellobike	Shanghai, China	Mobile & Telecommunications	Mobile Commerce		<b>\$700M</b>	Ant Financial Services Group, Fosun International
SenseTime	Beijing, China	Software (non-internet/mobile)	Scientific, Engineering Software		<b>\$620M</b>	Tiger Global Management, Fidelity Investments, Qualcomm Ventures



# Most active VC firms of Q2'18 globally



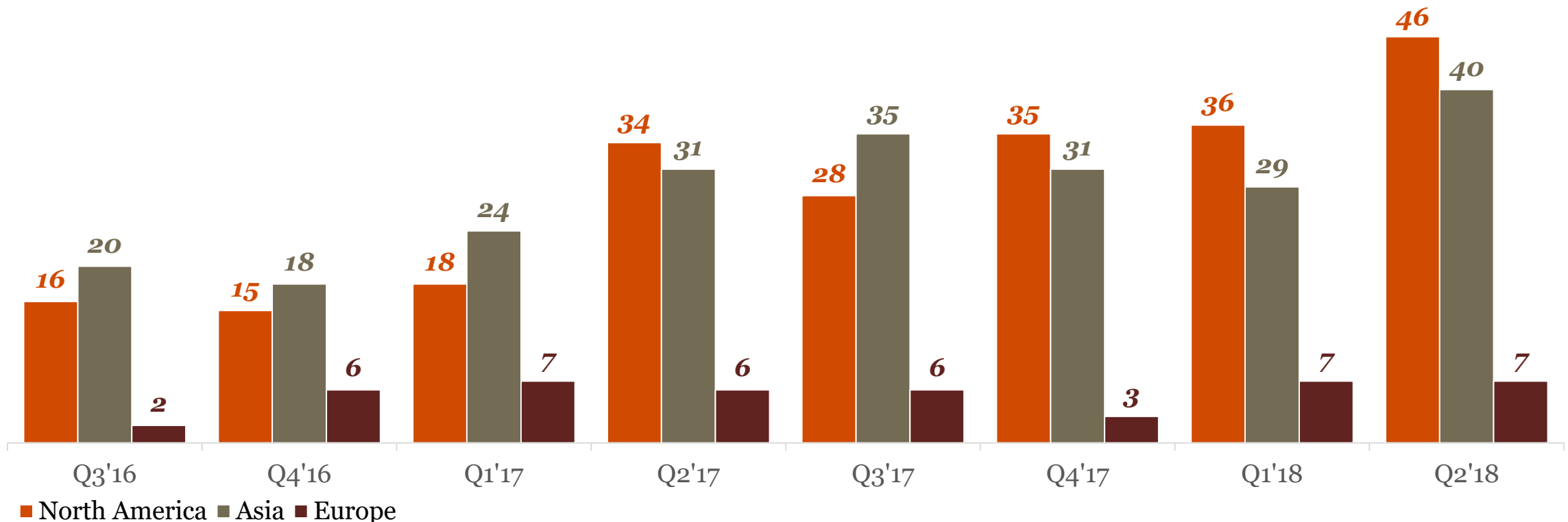
<i>Investor</i>	<i>Location</i>	<i>No. of Global Companies</i>	<i>Select Q2'18 Investments</i>
<b>1. ZhenFund</b>	Beijing, China	<b>39</b>	TrustToken, SYNYI.AI, CastBox
<b>2. Plug and Play Ventures</b>	California, US	<b>37</b>	B8ta, LocateAI, iBeat
<b>3. 500 Startups</b>	California, US	<b>36</b>	Carousell, ApplyBoard, Motorleaf
<b>4. Sequoia Capital China</b>	Beijing, China	<b>33</b>	Coherent AI, GRAIL, Jiatui
<b>5. IDG Capital</b>	Beijing, China	<b>31</b>	Agora Lab, EZBuy, BitKan

# Global mega-round activity



## Mega-rounds increased significantly in North America and Asia

- North America saw 46 mega-rounds in Q2'18, an increase from 36 in Q1. Asia mega-round activity increased to 40, from 29 in Q1.
- Mega-rounds were flat in Europe, at 7 deals.

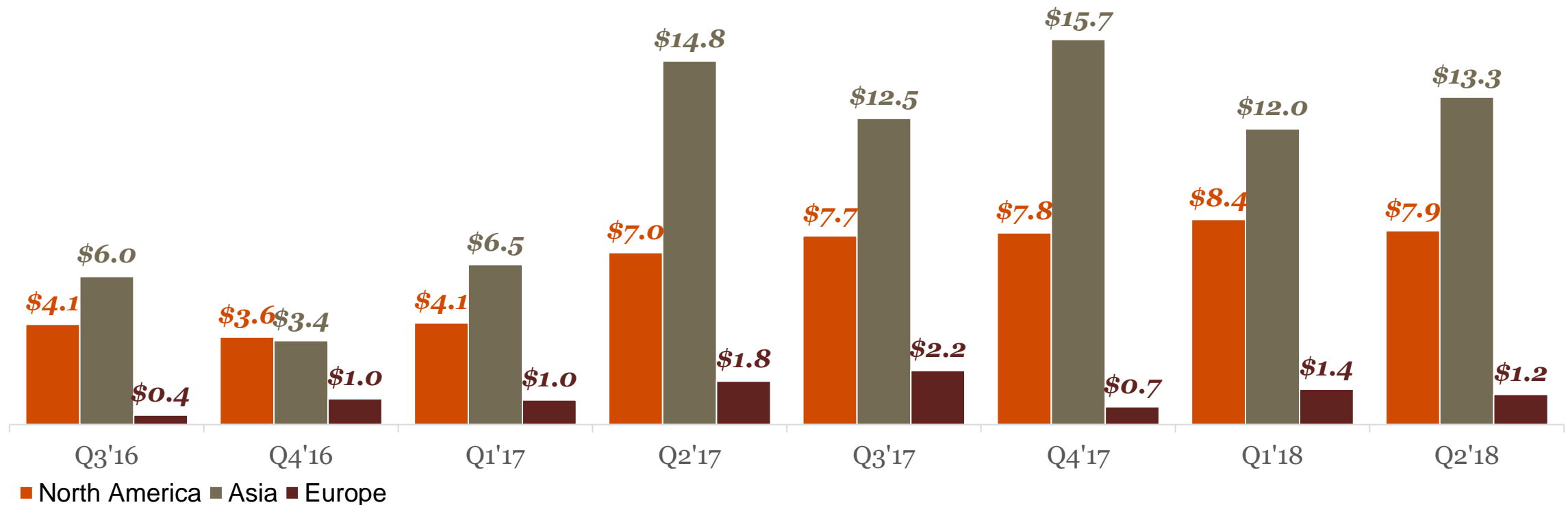


# Global mega-round activity



## Total mega-round dollars increased in Asia, declined in North America and Europe

- Asia saw the total dollar amount of \$100M+ rounds increase to \$13.3B in Q2'18, up from \$12B in Q1.
- Total funding from \$100M+ rounds declined in both North America and Europe.

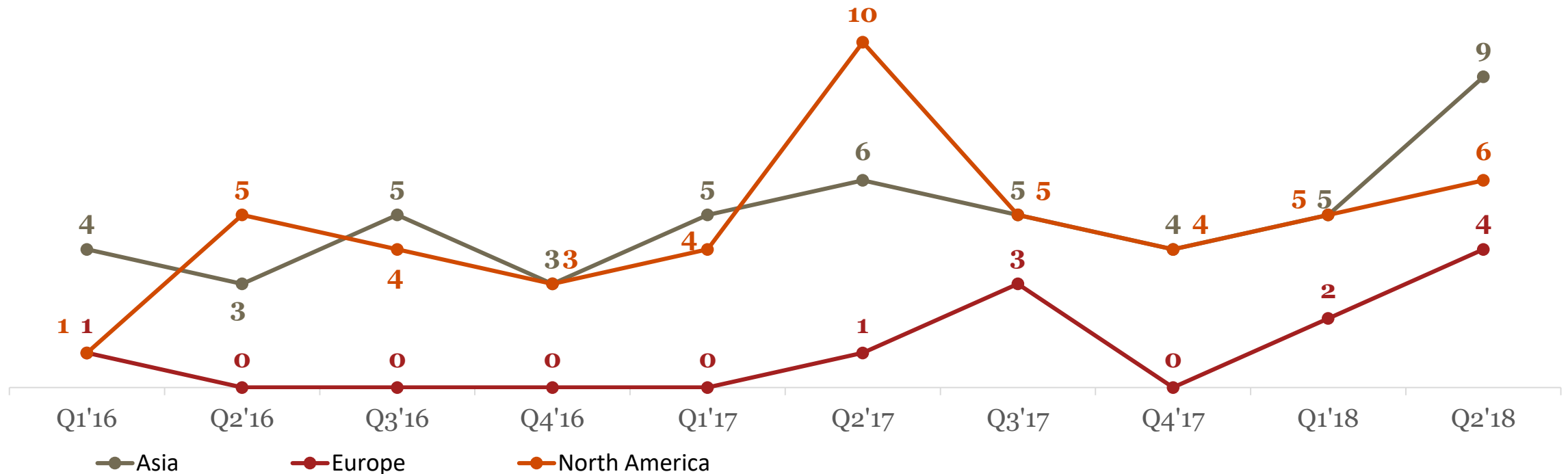


# Global new unicorn births



## Asia takes off in new unicorn births

- New unicorn births in Asia jumped to 9 new companies valued at \$1B or more.
- Europe and North America also saw growth in new unicorns, rising to 4 and 6, respectively.

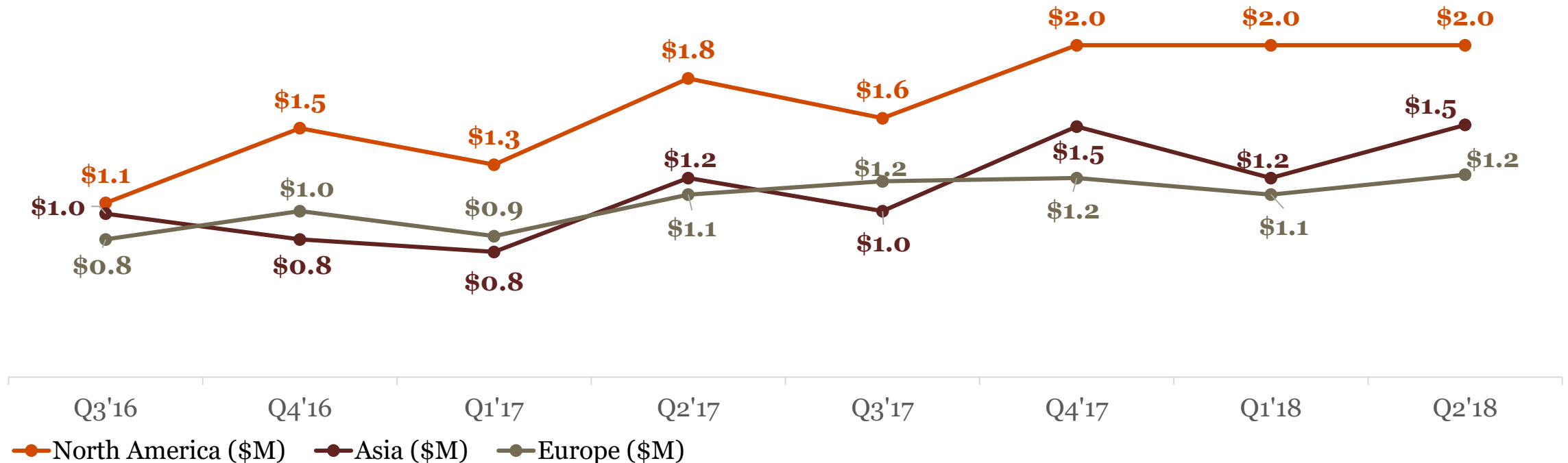


# Global seed-stage median deal size



## Median seed-stage deal sizes increase in Asia

- Median Asian seed-stage deal size increased to \$1.5M in Q2'18 from \$1.2M in Q1. Seed deals in Europe increased slightly to a median of \$1.2M from \$1.1M year-over-year.
- North American median seed-stage deal size was flat for the third straight quarter.

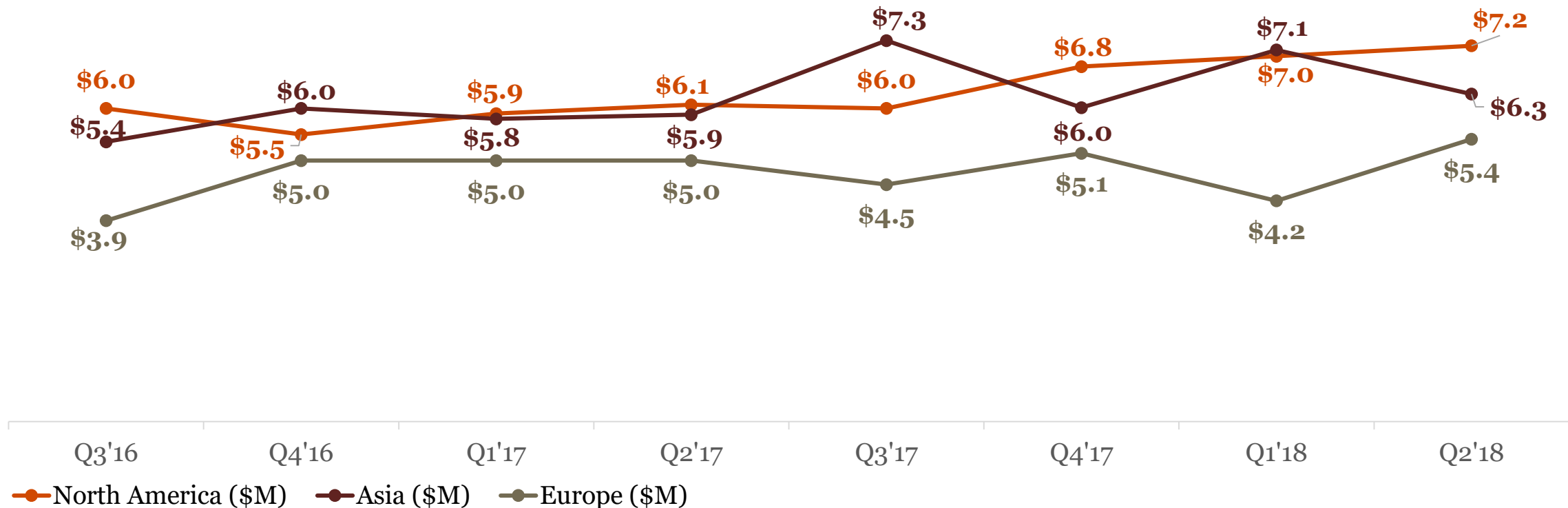


# Global early-stage median deal size



## Asian early-stage deal sizes decline

- Median early-stage deal size in Asia declined to \$6.3M in Q2'18, from \$7.1M in Q1.
- Median early-stage deal size increased in North America and Europe.



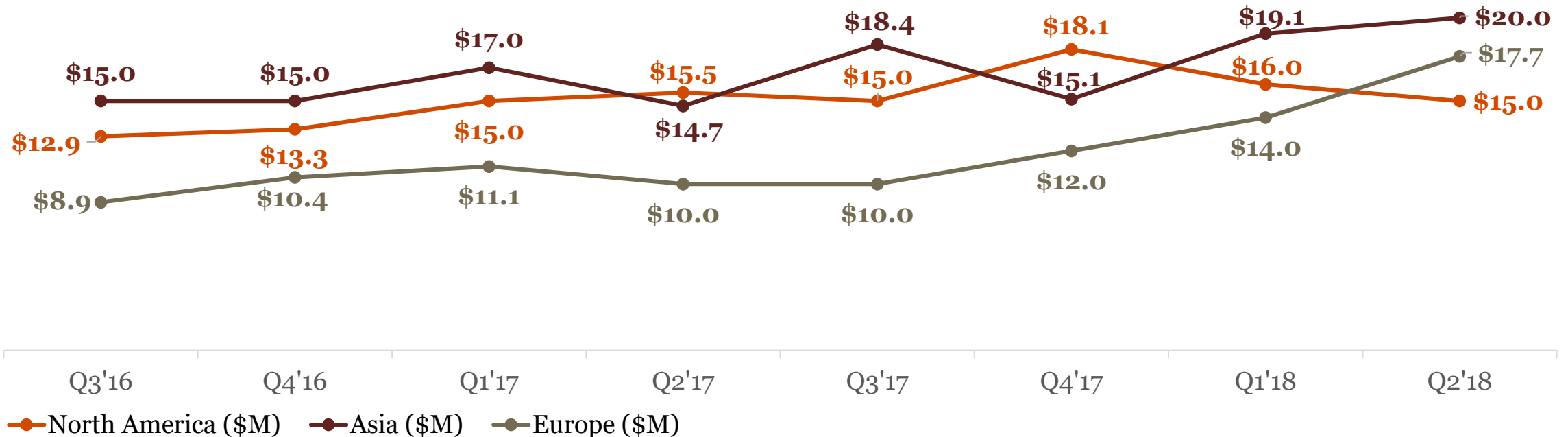


# Global expansion-stage median deal size



## North American expansion-stage deal sizes decline

- Median expansion-stage deal size in North America declined to \$15M in Q2'18, down from \$16M in Q1.
- Asian and European medians for expansion-stage deals increased in Q2'18.

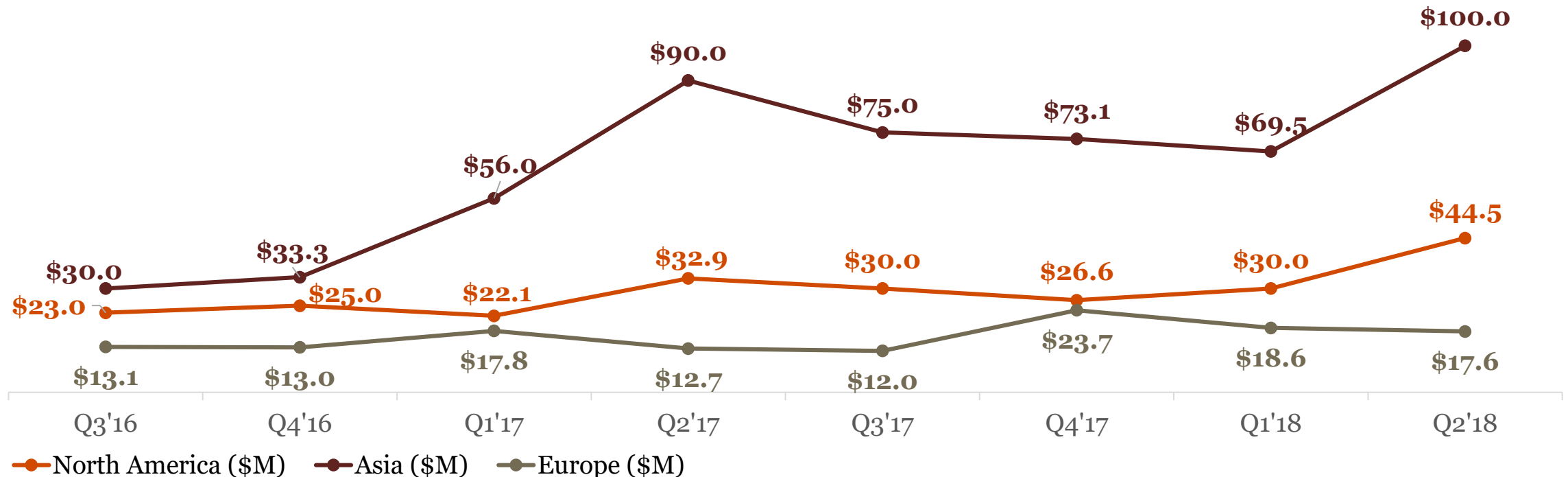


# Global later-stage median deal size



## Later-stage deal sizes increased significantly in Asia

- Asian median later-stage deal size jumped to \$100M in Q2'18, up from \$69.5 in Q1'18. Deals over \$200M doubled in Q2'18, from 6 in Q1 to 12.
- Median deal size also increased in North America, rising to \$44.5.
- Later-stage median deal size declined in Europe to \$17.6M in Q2'18.



# *Appendix*

# US States: Full listing

<i>State</i>	<i>\$M</i>	<i>No. of Deals</i>	<i>State</i>	<i>\$M</i>	<i>No. of Deals</i>	<i>State</i>	<i>\$M</i>	<i>No. of Deals</i>	<i>State</i>	<i>\$M</i>	<i>No. of Deals</i>
Alabama	\$2.2	3	Idaho	\$6.0	1	Missouri	\$11.0	6	Pennsylvania	\$267.0	28
Arizona	\$153.3	9	Illinois	\$191.0	30	Nebraska	\$15.5	4	Rhode Island	\$9.9	2
Arkansas	\$1.5	1	Indiana	\$18.3	10	Nevada	\$25.2	4	South Carolina	\$65.2	5
California	\$12,125.0	586	Iowa	\$1.0	2	New Hampshire	\$11.5	3	Tennessee	\$96.3	15
Colorado	\$448.0	41	Kansas	\$10.4	1	New Jersey	\$42.6	10	Texas	\$606.0	68
Connecticut	\$118.6	11	Kentucky	\$27.3	3	New Mexico	\$21.0	3	Utah	\$186.9	15
DC	\$91.9	10	Maine	\$2.7	4	New York	\$2,731.0	189	Vermont	\$2.0	1
Delaware	\$5.0	1	Maryland	\$247.0	23	North Carolina	\$428.7	13	Virginia	\$204.8	25
Florida	\$138.0	24	Massachusetts	\$2,842.0	113	North Dakota	\$7.4	2	Washington	\$768.0	51
Georgia	\$207.0	18	Michigan	\$129.0	17	Ohio	\$142.0	13	Wisconsin	\$43.7	11
Hawaii	\$0.2	1	Minnesota	\$117.0	12	Oregon	\$390.2	18			

*No disclosed quarterly activity: AK, LA, MS, MT, OK, SD, WV, WY*

# Notes on methodology

PwC ([pwc.com/moneytree](http://pwc.com/moneytree)) and CB Insights ([cbinsights.com](http://cbinsights.com)) encourage 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 underrepresented, please send an email to [info@cbinsights.com](mailto:info@cbinsights.com) and we can work together to ensure your firm's investment data is up to date.

Rankings, e.g., top states and top sectors, are done by quarterly deal activity (that is, deal count for the given quarter).

## What is included:

- Equity financings into emerging companies. Fundings must be to VC-backed companies, which are defined as companies that have received funding at any point from venture capital firms, corporate venture arms, or super angel investors.
- Fundings of private companies only. Funding rounds raised by public companies on any kind on any exchange (including Pink Sheets) are excluded from our numbers, even if they received investment by a venture firm(s).
- Only includes the investment made in the quarter for tranching 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 (1) various federal and state regulatory filings; (2) direct confirmation with a firm or investor; (3) press release; or (4) credible media sources.
- Equity fundings to joint ventures and spinoffs/spinouts are included, given that they meet the VC-backed criteria.
- Geography note: Israel funding figures are classified in Asia.

## 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 venture capital firms. As a result, it is not included.
- No buyouts, consolidations, 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 not included, even if made by a venture capital firm(s).
- 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 in our statistics.
- No non-equity government funding. Grants or loans by the federal government, state agencies, or public-private partnerships to emerging startup companies are not included.
- No fundings to subsidiaries of a larger parent corporation.

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