



Predictions from Venture Capitalists

“2013 should see a sustained good IPO environment rather than the starts and stops of recent years. All the ingredients are in place.”

- J. Sanford (Sandy) Miller, Institutional Venture Partners

“Ed-Tech, Cybersecurity and the business of health care will be trending VC investment areas in 2013.”

- John Backus, New Atlantic Ventures

“Venture capital will continue to be dominated by a few firms with several new ones being formed. Small and private firms will do start-ups.”

- Pitch Johnson, Asset Management Company

“Institutional venture capital is no longer a viable funding source for early stage life sciences company - corporate VC will fill the void.”

- Brenda Gavin, Quaker Partners

“MOBILE FIRST becomes prevalent developer strategy for business and consumer apps as tablets replace PC/TV as the first screen.”

- Scale Venture Partners

“The more things change, the more they stay the same.”

- Christine Herron, Intel Capital

“The B2B tech private company valuation bubble will grow and then pop in October.”

- Scott Maxwell, OpenView Venture Partners

“2013 will see major material innovations get funding, as well as biological diagnostics.”

- Bart Stuck, Signal Lake

“Amidst slightly positive economic trends, Venture will remain stable, but somewhat flat for the year. 2014 will be the breakout year.”

- David Lincoln, Element Partners

“Broader economy and public markets will negatively surprise, which is never good for venture.”

- Chris Meldrum, Gold Pine Ventures

“Severe contraction in incubators and ‘accelerators’.”

- David Titus, Windward Ventures

“Corporate venture groups will continue to grow -- and they will actively collaborate and syndicate deals with seed stage VC firms.”

- Jack Crawford Jr., Velocity Venture Capital

“The chasm between early stage and later stage continues to grow... killing the engine of entrepreneurship.”
- John Glanville, Athenaeum Capital Partners LLC

“2013 will be a great year to invest in early stage companies.”
- Jon Soberg, Blumberg Capital

“More creative fund structuring.”
- Ken Woody, Innova Memphis

“Fly to quality”
- Michele Gardelli, Itaventures IKE

“Fewer Funds, drawback on back office resources, partnership agreements favoring GP due to tax restraints, good time to invest.”
- Peter Patterson, Patterson VC Man Co

“Fewer funds available for start-ups; Less funding for innovation-based businesses; Higher ROI required by investors.”
- Richard Upton, UPTONGROUP

“Strong decline of large cleantech funds. Diversified funds pull out of cleantech.”
- Robert Fenwick-Smith, Aravaipa Ventures

“Fewer firms with more money.”
- Scott Albert, The Aurora Funds

“I believe some focus will shift to the venture capital since it is more likely to create real value.”
- Sebastian Lethansen, Commonwealth Holding

“The # of VC funds will continue to decline, and there will be fewer but better quality startups being backed.”
- Todd Jaquez-Fissori, Hercules Growth Capital

“IPOs will increase by 50% from 2012.”
- William Quigley, Clearstone Venture Partners

More Predictions Regarding

Industry Forecasts

“‘Success’ in clean tech will be defined by capital-efficient business models and not measured by simply raising a lot of venture capital.”

“Cleantech will continue to languish through 2013 and into 2014.”

“A sharp increase in life sciences exits will surprise everyone.”

“Mobile enterprise will be the hot investment area.”

“Consumer sucks wind and business to business takes off.”

The Venture Capital Industry

“Another year of [venture capital] industry consolidation.”

“As multi-disciplined funds shed teams with track, new firms will form & find backing.”

“Continued contraction with fewer firms having the same money to invest.”

“Continued LP concentration; a lot of seeds looking for As.”

“Contraction will occur. The fundraising environment will continue to be tough as rates of return from existing funds will not improve much.”

“Fewer \$s raised and deployed.”

“Fewer dollars chasing more good ideas = a good time to invest for improved returns in a few years.”

“Fewer Funds, Industry Contracting.”

“Fewer GPs.”

“For tax reasons, many GPs will leave the business.”

“Fundraising continues to be difficult and begins to have a greater adverse effect on entrepreneurs.”

“GP/LPs recognize big losses as a result of overfunding social/consumer Internet deal. Some high profile Silicon Valley firms will have bad PR.”

“Happy Days Are Here Again.”

“Healthcare VC will get smaller and smaller, with capital accruing mainly to a half dozen firms.”

“Major brand name funds will be unable to raise successor funds and will begin the long slow wind down.”

“Megafunds and small specialists thrive. All others fail.”

“Models will change from a traditional GP/LP structure.”

“Venture capital as an asset class will continue to underperform buyouts and the public market for all fund vintages since 1999.”

“Less Jeans, Less Reality TV, and more IPOs!”

The Economy & Government

“After fiscal cliff resolved, markets rage and venture capital IPOs do well.”

“Expect a year much like 2012 with some improvement if the Fed Government can reduce spending and adopt a rational tax policy.”