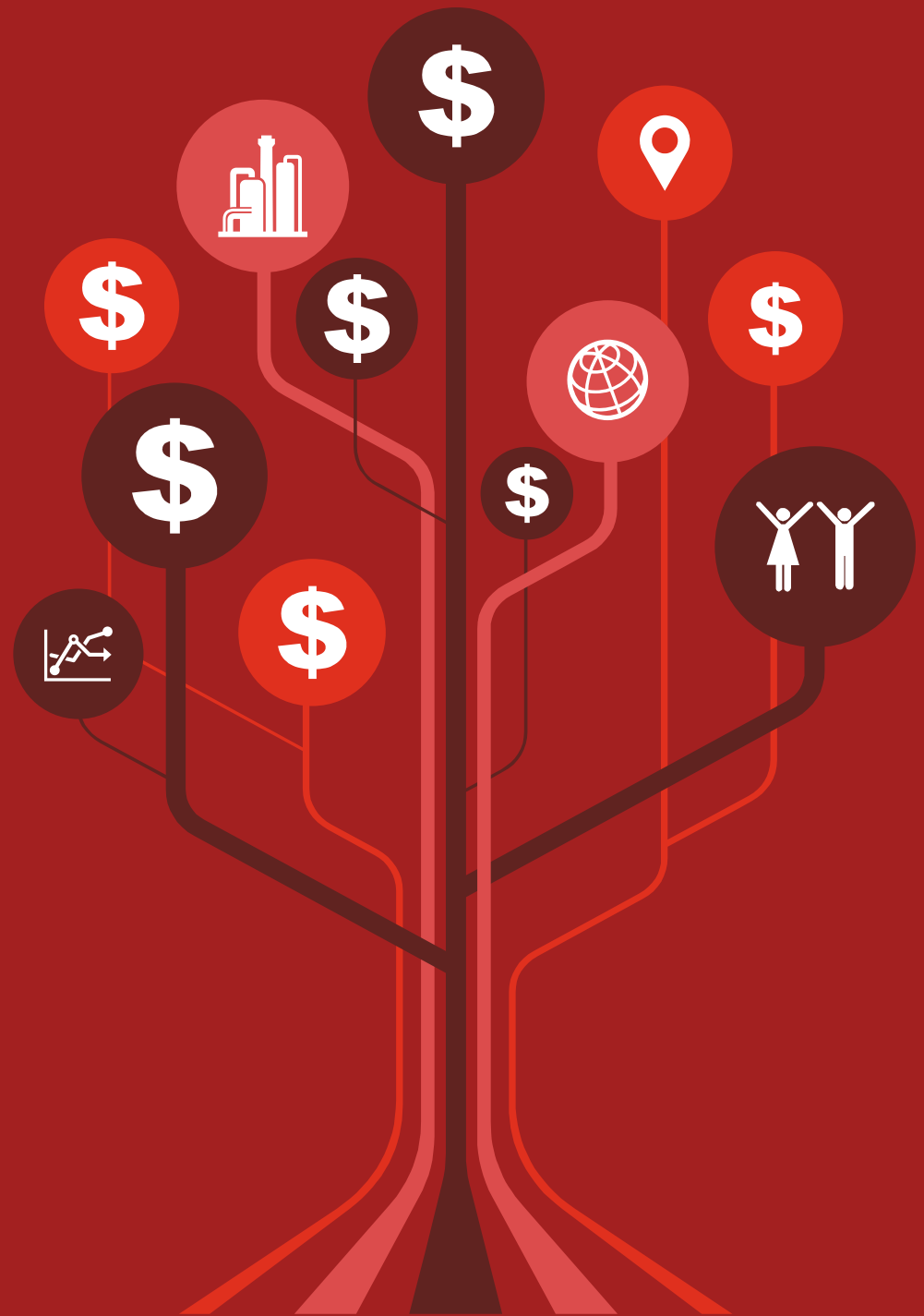


*PwC / CB Insights*

# *MoneyTree*<sup>TM</sup>

## *Report*

Q1 2018



# Executive summary

## US records second consecutive quarter with over 30 rounds of \$100M+

**US market sees more funding over fewer deals:** Dollars to VC-backed companies were up 4% in Q1'18 over the previous quarter with \$21.1B invested across 1,206 deals. Deal activity declined 2%.

**The US sees more than 30 mega-rounds, again:** US-based companies saw another big quarter for mega-rounds, recording 34 rounds of \$100M or more. Mega-rounds accounted for 34% of total funding in Q1'18 but down from 42% in Q4'17. This marks the first decline since Q4'16.

**US mints 5 new Unicorns:** In Q1'18, 5 new VC-backed companies reached \$1B+ private market valuations.

**First venture rounds decline:** First venture financings as a share of all US deals fell to 32% in Q1'18, the lowest percentage since Q1'17. This is correlated to a pullback in VC investment at the seed stage.

**US AI has a big quarter:** Funding to US-based artificial intelligence companies leapt 29% in Q1'18 as \$1.9B was invested across 116 deals.

**New England funding up, overtakes NY Metro:** New England funding increases for the third-straight quarter, as \$2.7B was invested across 125 deals. NY Metro-based companies saw 13% fewer deals than last quarter, recording \$2.6B across 172 deals.

## North America and Asia are centers of mega-round deal making, combining for 60+ \$100M deals

**San Francisco, LA funding up, SV down:** San Francisco (N. Bay)-based companies saw \$6.4B of funding invested across 233 deals in Q1'18, a 23% increase in funding spurred by 8 mega-deals of \$100M or more. LA/Orange County saw funding jump 97% with \$1.9B invested across 101 deals. Silicon Valley (S. Bay) funding declined by 20% to \$2.9B in Q1'18, down from \$3.6B the quarter before.

**Global investment reaches \$46.5B despite less deals:** Deal activity decreased by 4% in Q1'18, as \$46.5B was invested across 2,884 deals.

**Asia funding pulls back after heady Q4'17:** Total quarterly funding to Asia-based companies declined 17% in Q1'18 as \$19.1B was invested across 912 deals. This represents a 5% decline in deals, down from 957 the quarter prior.

**North America and Asia are centers for mega-rounds and unicorns:** North America saw 35 mega-rounds in Q1'18, while Asia recorded 29, and accounted for 4 of the 5 top rounds globally. Both regions were also each home to 5 new Unicorns this quarter.

*Note: Report includes all rounds to VC-backed companies. For a detailed brief on methodology, please reference page 79 of this report.*

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# *Table of contents*



**4 US Overall Trends**



**12 US Sector Activity**



**33 US Places**



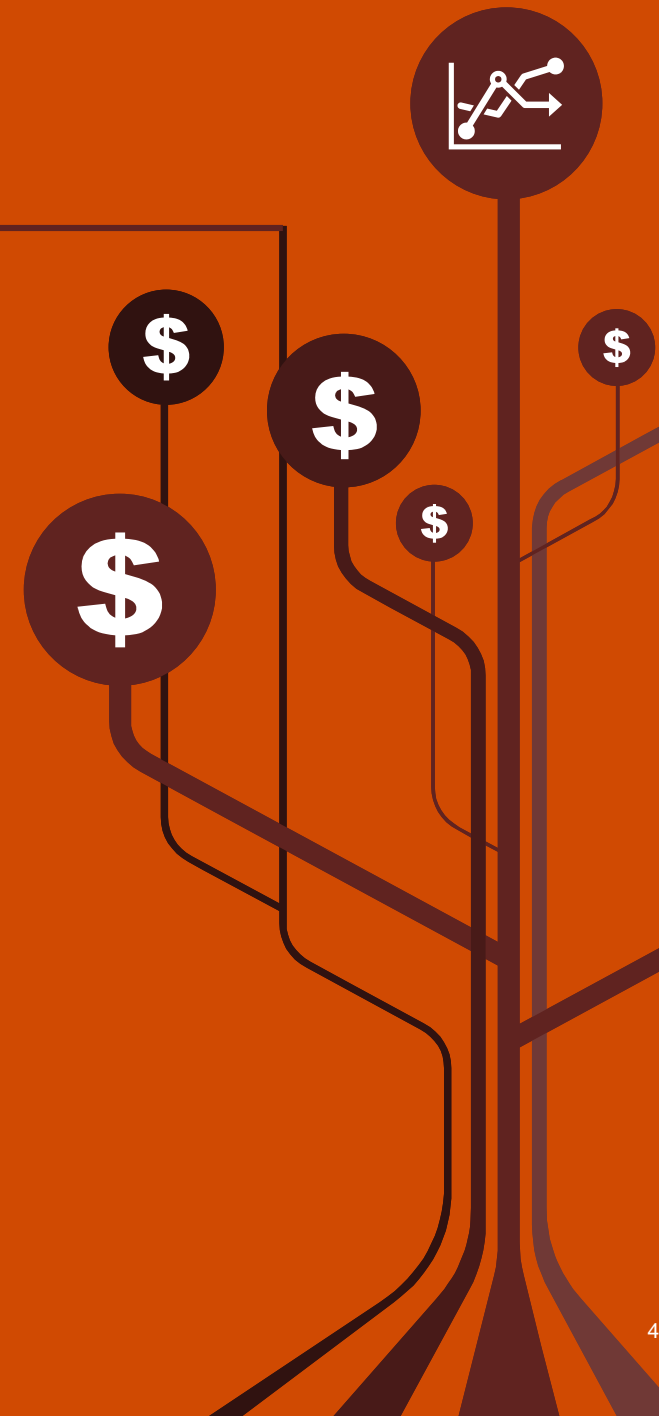
**51 US Movers and Shakers**



**59 Global Trends**

01

# *US Overall Trends*





*In Q1 2018*

# UNITED STATES

*VC-backed companies raised*

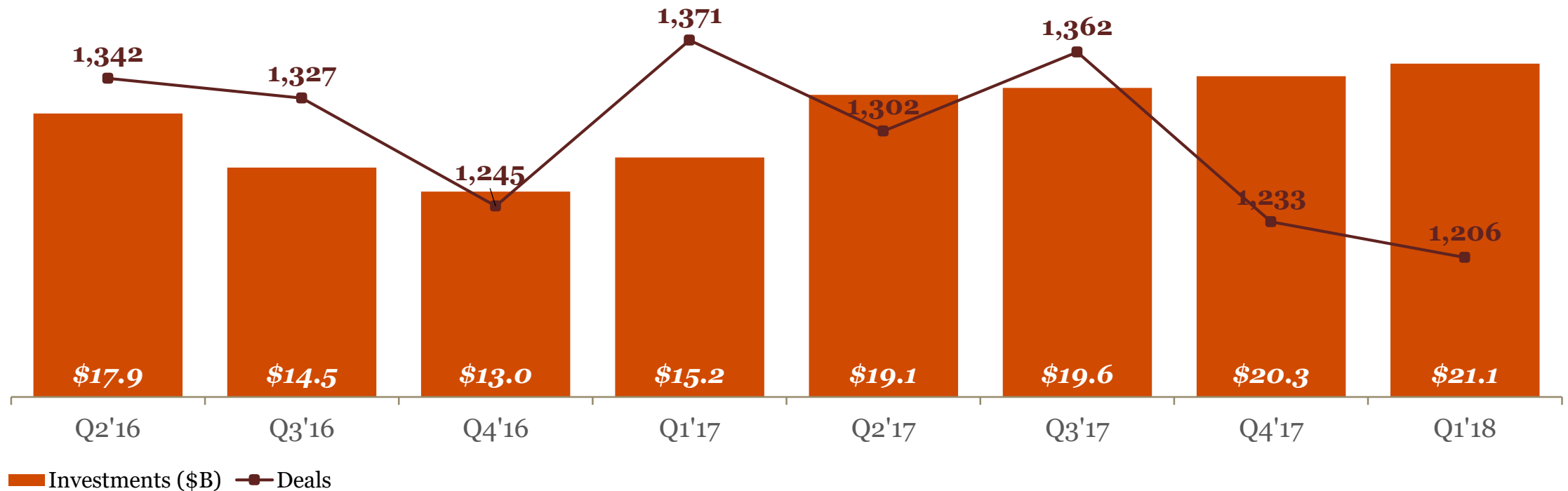
**\$21.1B**

# 8-quarter US financing trend



## US funding up, while deals slide in first quarter of 2018

- Dollars were up 4% in Q1'18 as \$21.1B was invested across 1,206 deals. Deal activity declined for the second consecutive quarter, falling 2%.
- 34 mega-rounds of \$100M or more contributed to the strong quarterly funding total, the second-straight quarter with more than 30 rounds of \$100M or more.



## *US financing trends*



“

Q1'18 reached new heights for this decade with \$21B invested in VC-backed startups and a \$20M average deal size.

— *Tom Ciccolella, Partner, US Ventures Leader at PwC*

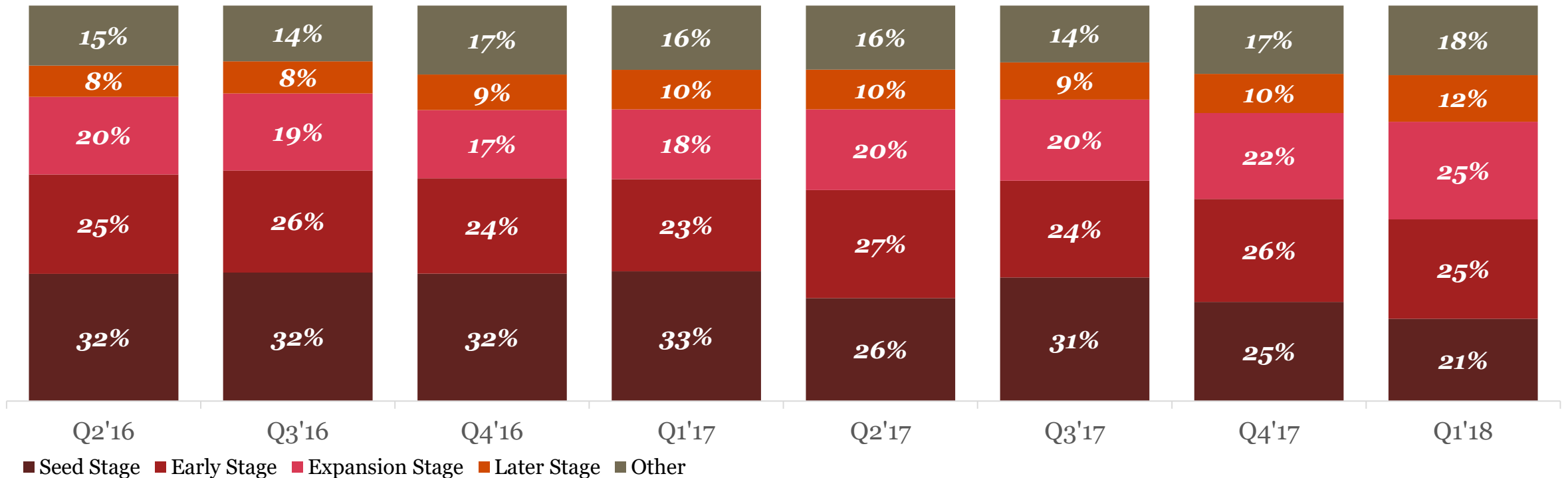
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# US deal share by stage



## US seed deals decline as a portion of deal activity, expansion stage deals increase

- Seed-stage deals as a percentage of overall deal activity declined to 21% in Q1'18, down from 25% the quarter prior. Apart from Q3'17, overall seed-stage activity has declined relative to historical range between Q2'16 and Q1'17.
- Expansion-stage deal share increased to 25% up from 22% in Q4'17.



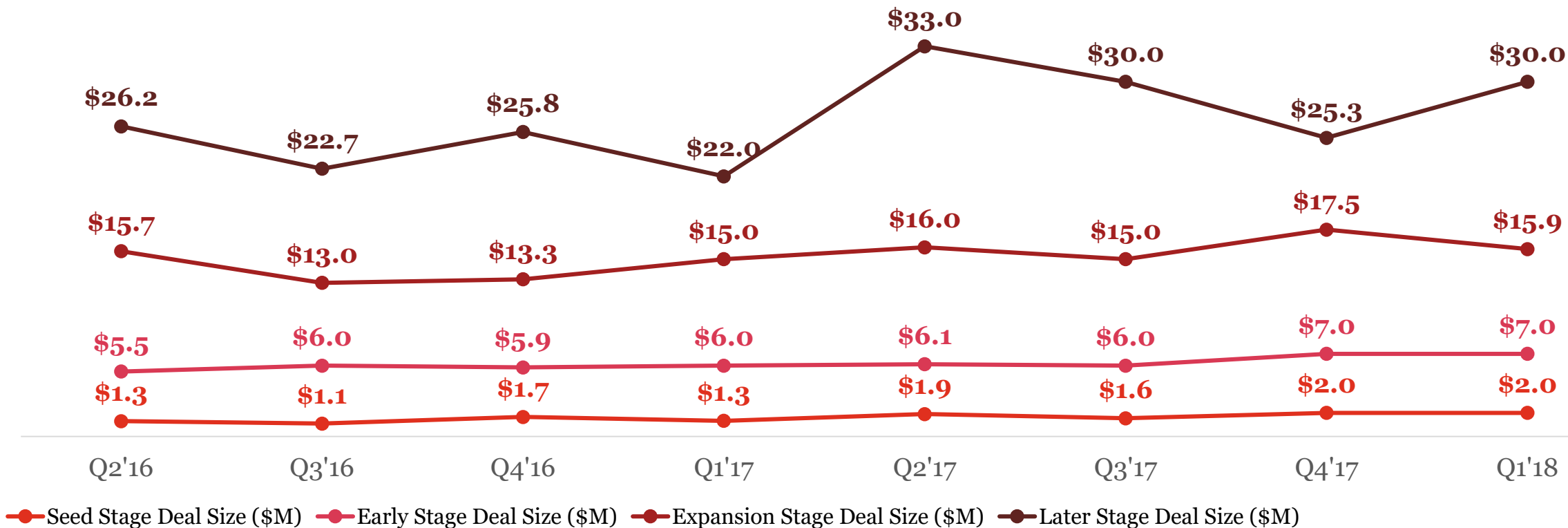




# Median US deal sizes by stage

## Later-stage deal sizes rebound after Q4'17

- Median later-stage deal size increased to \$30M in Q1'18, up from \$25.3M in Q4'17 and a return to historical range recorded in Q2'17 and Q3'17.
- Expansion-stage deal sizes declined to \$15.9M, down from \$17.5M the quarter before but within their historical range.

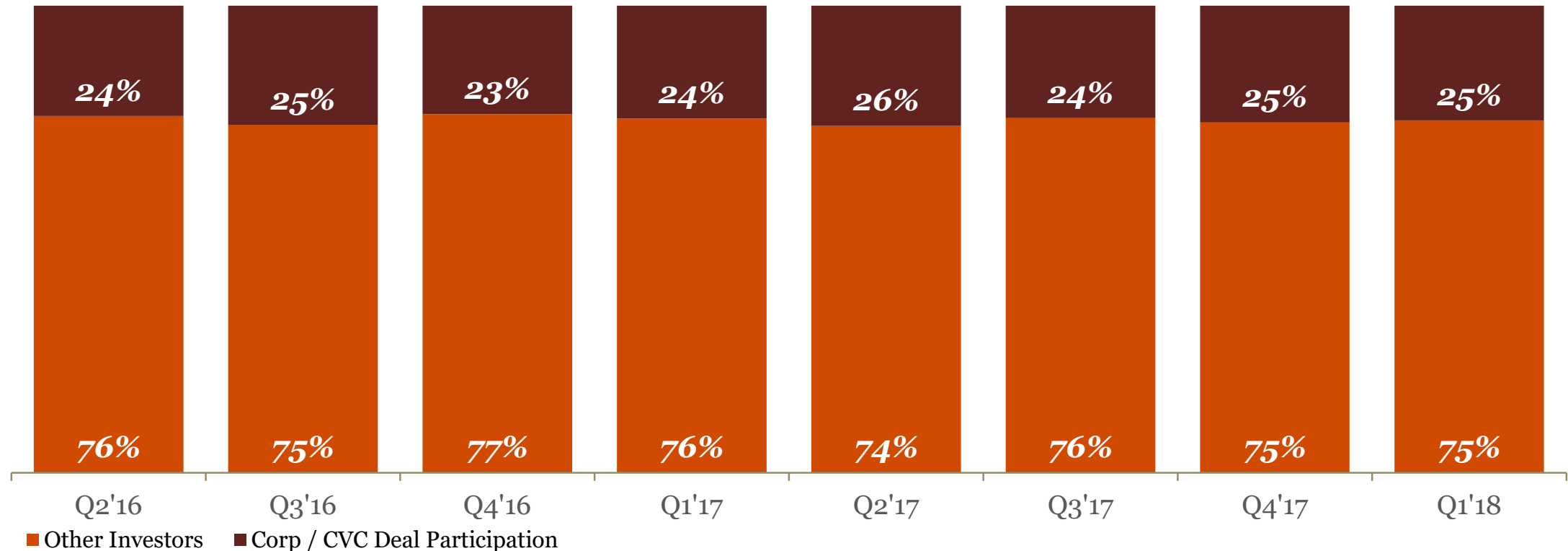


# US corporate deal participation



## Corporate participation remains steady in Q1'18

- Corporate participation in US deals remained constant in Q1'18, as corporations and CVCs were again involved in 25% of all US deals to VC-backed companies.

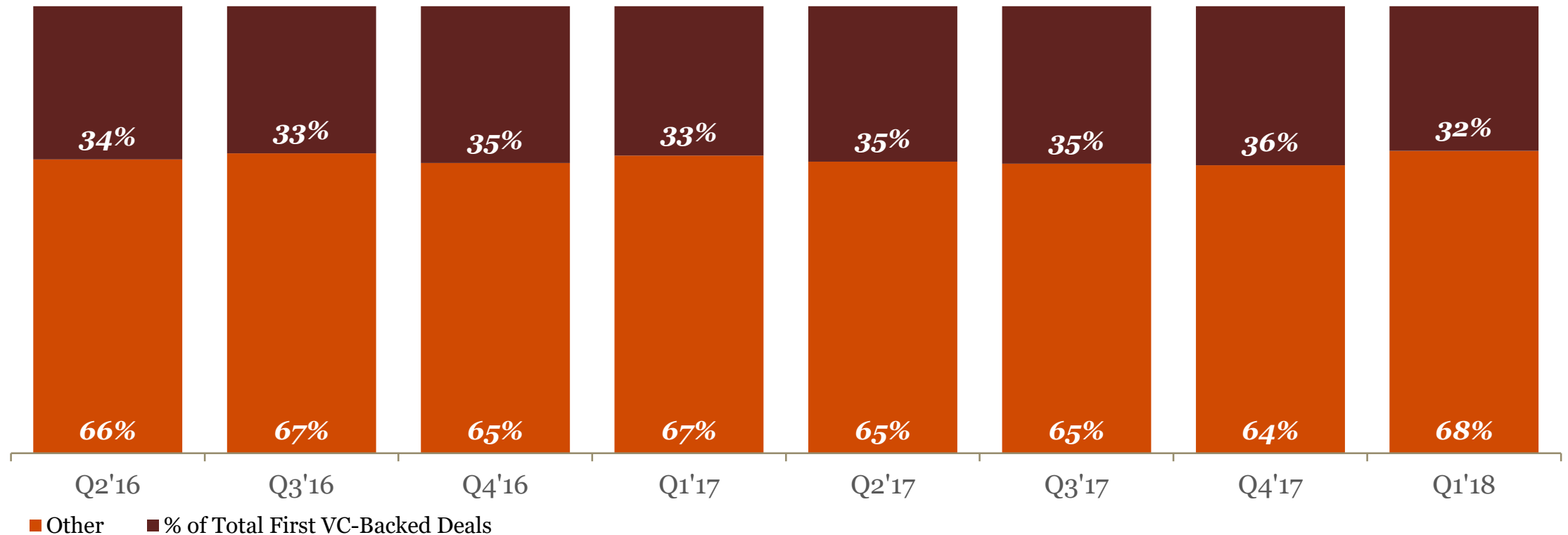


# US first venture financing share



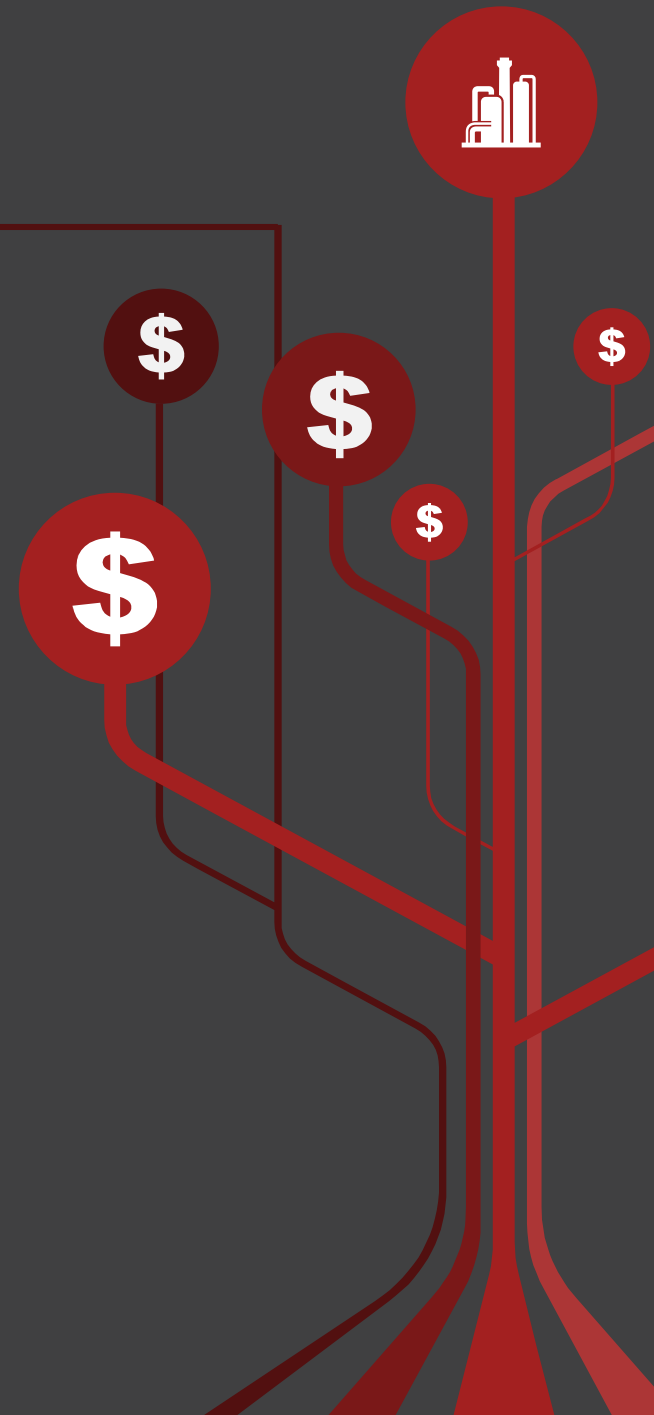
## First venture rounds as a share of total deals decline in Q1'18

- First venture financings as a share of all US deals fell to 32% in Q1'18, the lowest percentage since Q1'17.
- This is correlated to a pullback in VC investment at the seed stage.

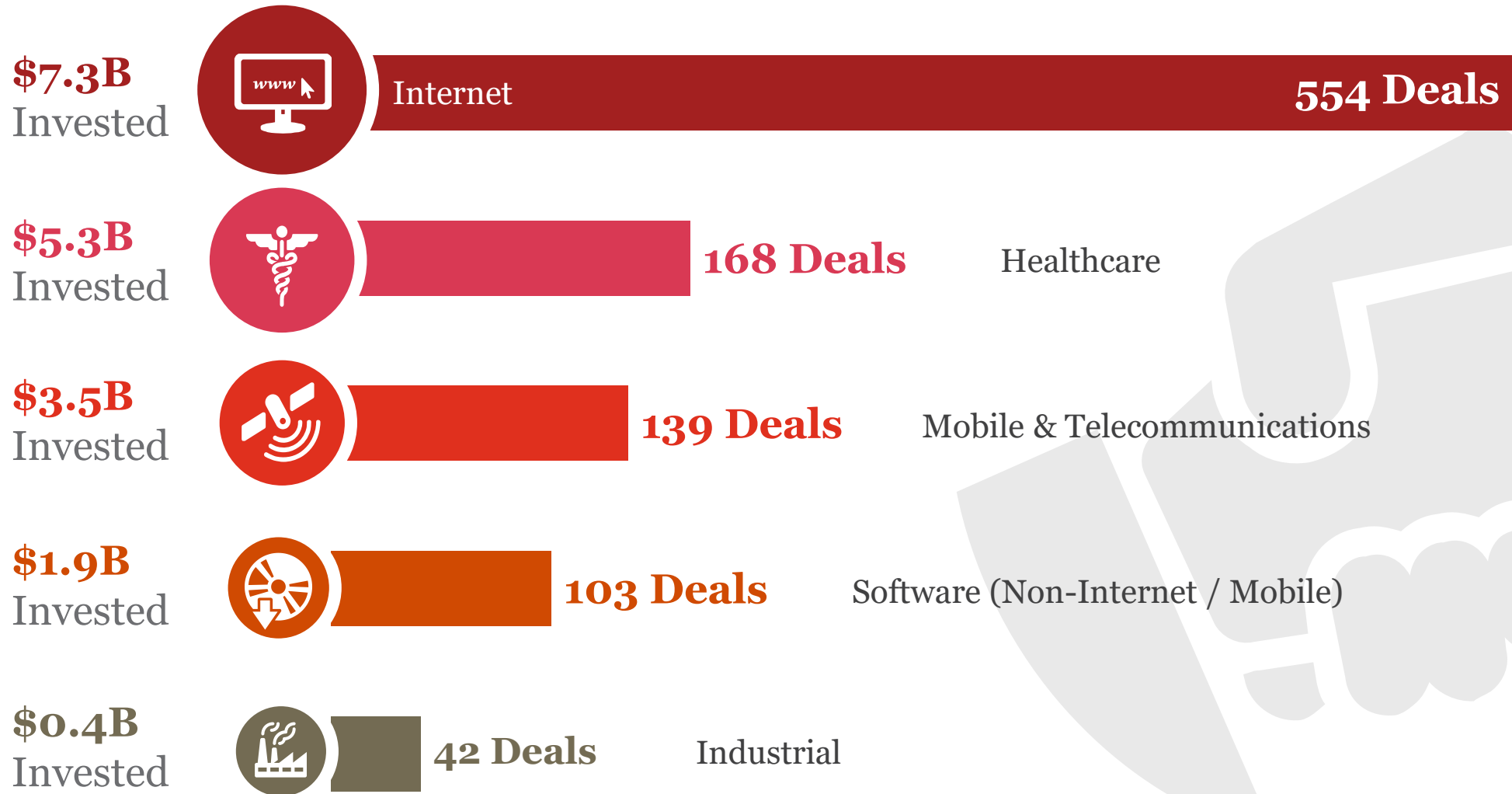


02

# *US Sectors*



# US deal and funding by Top 5 sectors

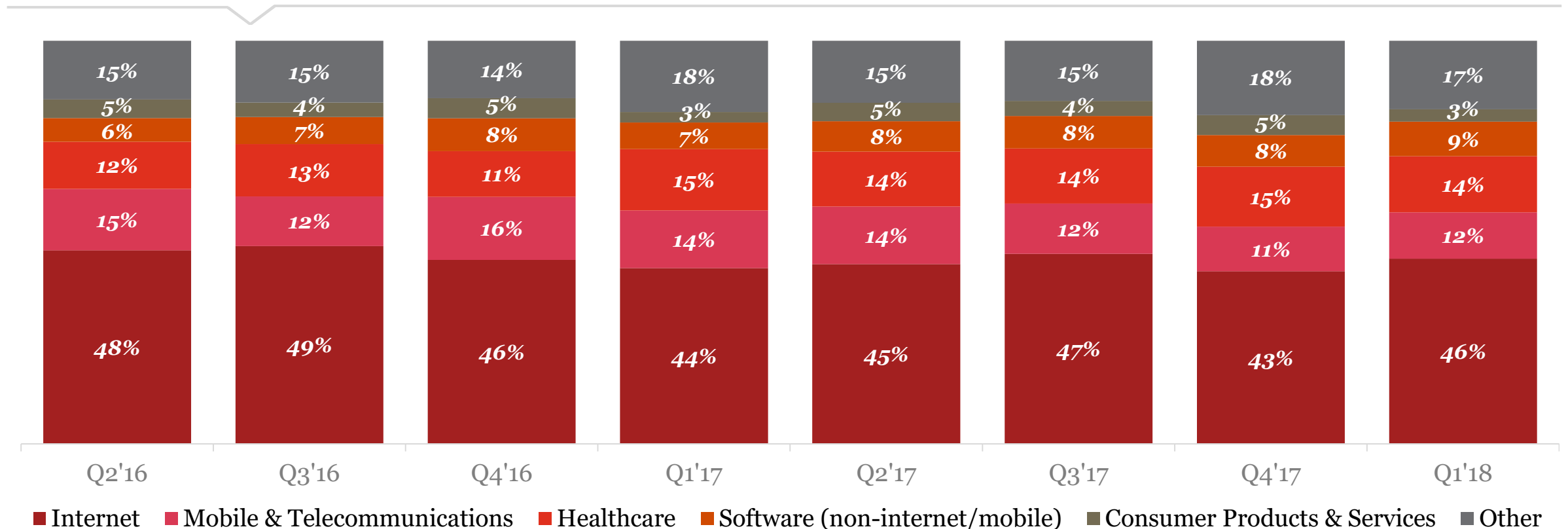


# US deal share by sector

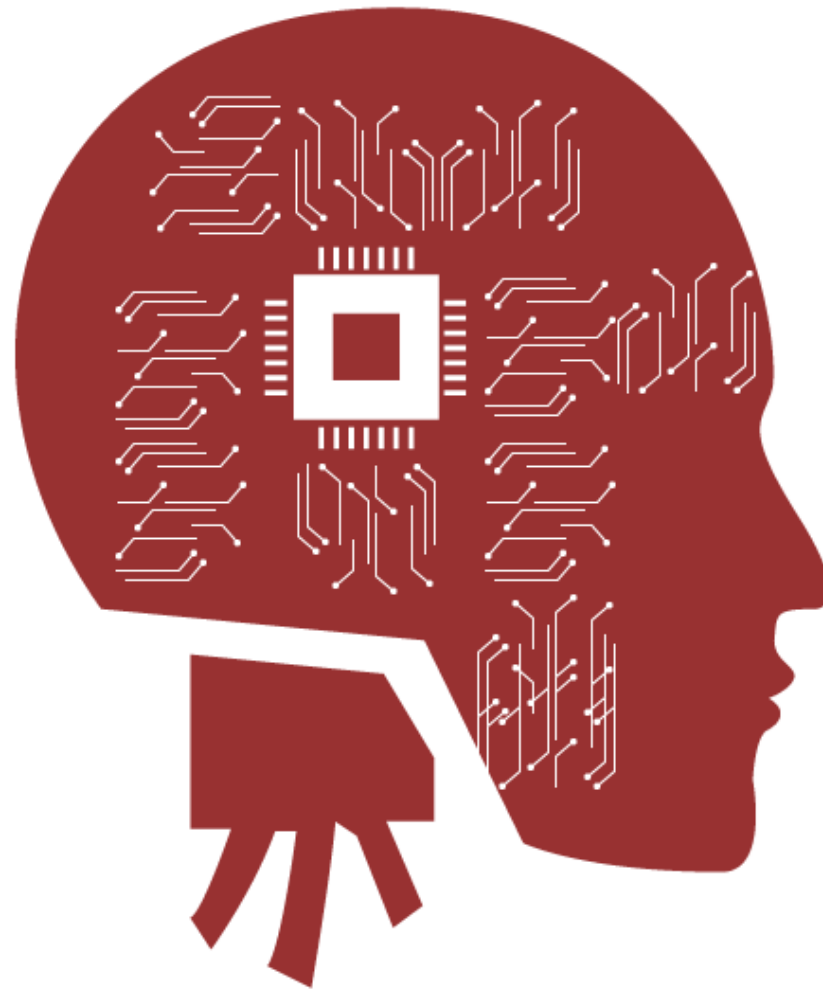


## Internet deal share increases

- Internet deal share increased in Q1'18 to 46%, up from 43% the quarter before.
- Mobile & Telecom deal share increased by a percentage point in Q1'18 to 12% of total US deal activity.



# *Artificial Intelligence*



# Artificial Intelligence



“

Q1 was a record quarter for Artificial Intelligence (AI) funding, with total investments exceeding \$1.9B, the highest ever. The quarter saw three AI mega-rounds in companies independently focusing on robotic process automation, autonomous vehicles, and predictive analytics.

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

”

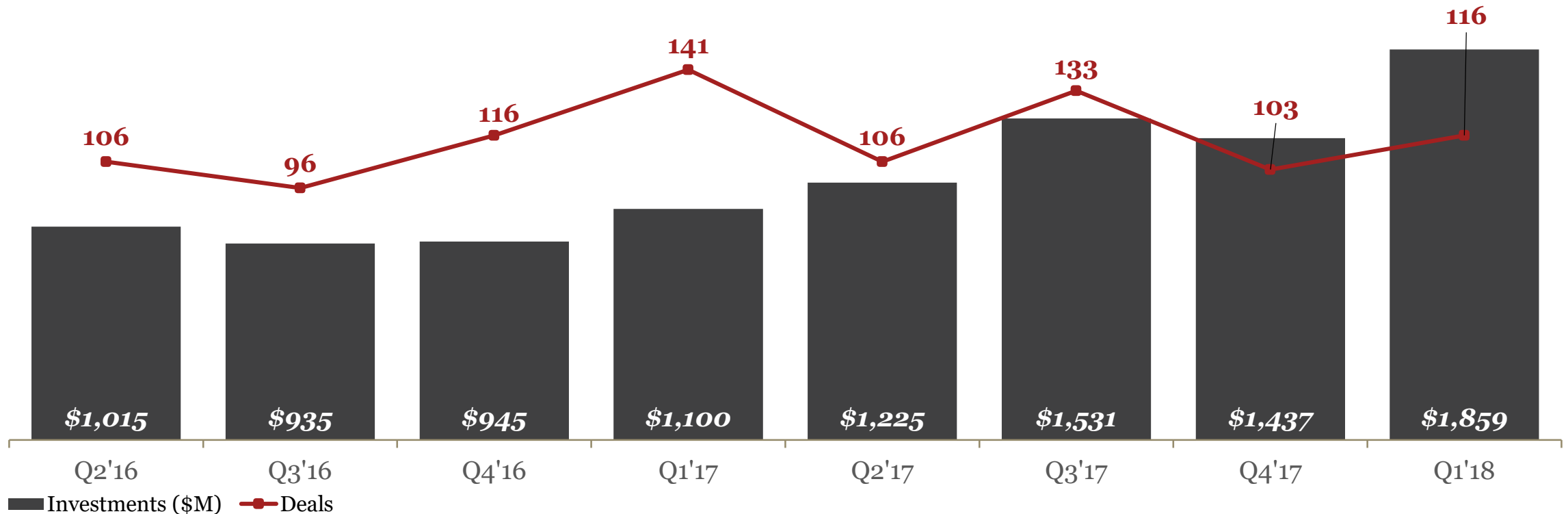


# AI: US funding over time



## US artificial intelligence sees big first quarter

- Amidst a modest increase in deal activity, quarterly funding to US-based artificial intelligence companies increased 29% in Q1'18 as \$1.9B was invested across 116 deals. This represents an 8-quarter high in funding.
- The \$1B+ quarter was led by companies such as UiPath (\$153M Series B), Pony.ai (\$112M Series A), and Nuro (\$92M Series A).

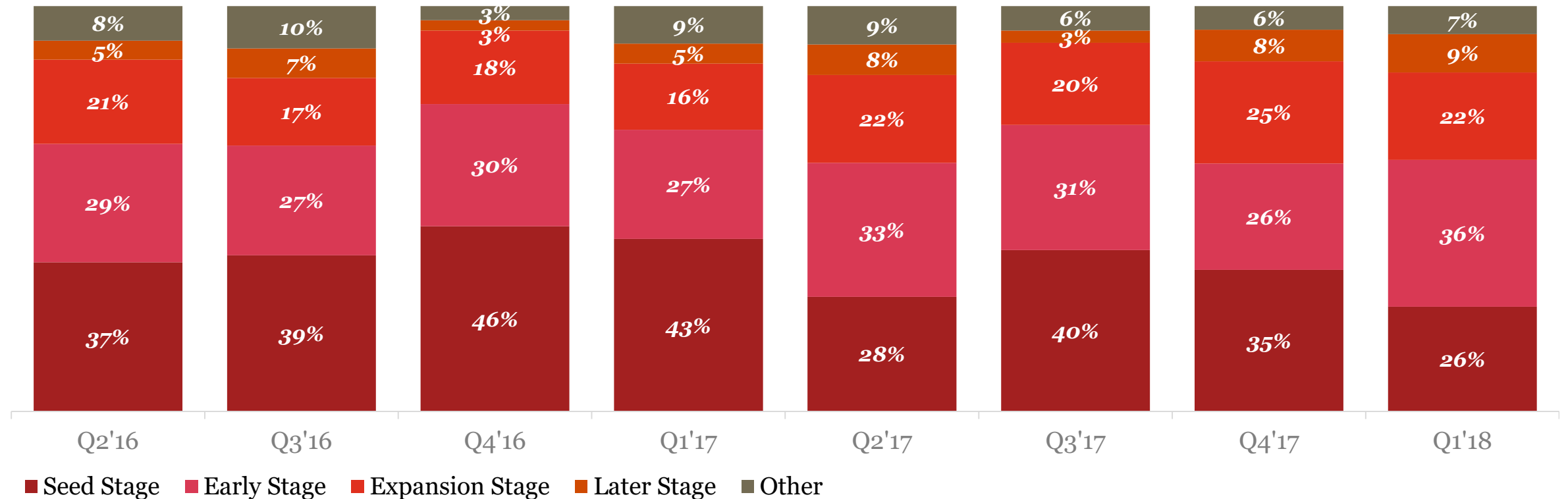


# AI: US deal share over time



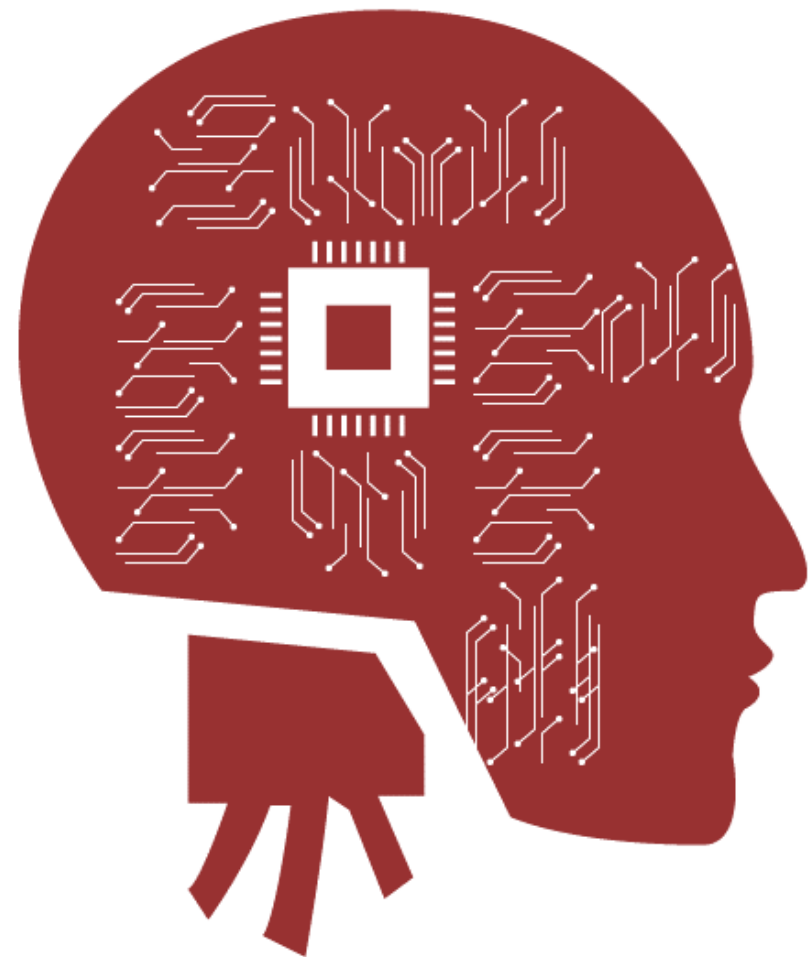
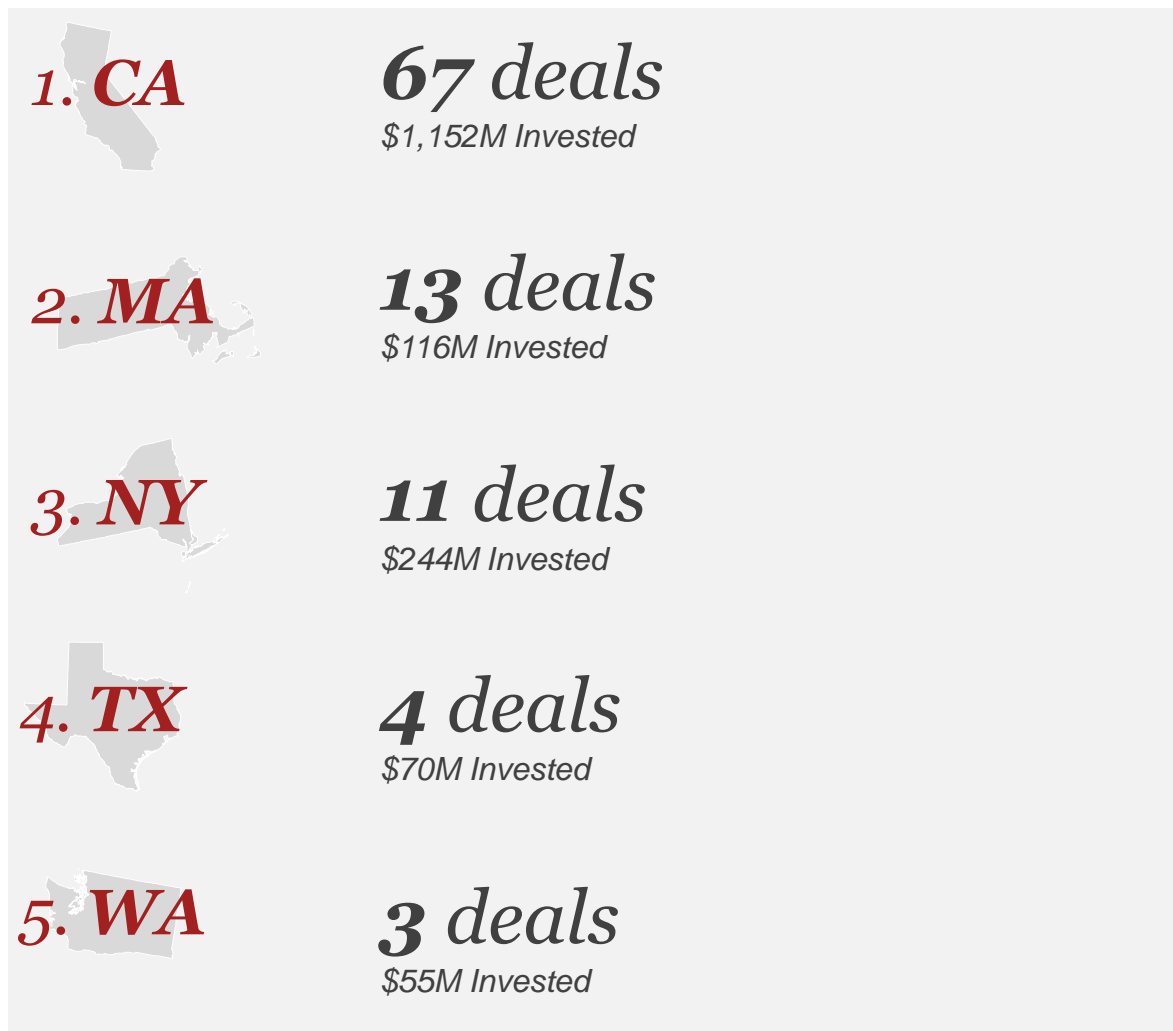
## Seed-stage activity declines; early-stage expands

- Seed-stage deals declined to 26% in Q1'18, down from 35% the quarter before and the lowest percentage since Q2'17.
- Early-stage activity increased by 10% in Q1'18, an eight-quarter high.





# AI: Top states by deals



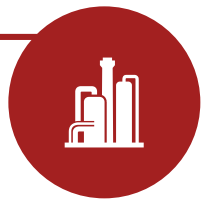
# AI: Largest US deals of Q1'18



Company	Location	Sector	Industry	Stage of Funding	\$ Value of Deal	Select Investors
UiPath	New York, NY	Software (non-internet/mobile)	Scientific, Engineering Software		<b>\$153M</b>	Accel Partners, capitalG, Kleiner Perkins Caufield & Byers
Pony.ai	Fremont, CA	Software (non-internet/mobile)	Scientific, Engineering Software		<b>\$112M</b>	Comcast Ventures, Legend Capital, Sequoia Capital China
C3 IoT	Redwood City, CA	Internet	Internet Software & Services		<b>\$100M</b>	Sutter Hill Ventures, The Rise Fund, TPG Growth
Nuro	San Francisco, CA	Automotive & Transportation	Automobile Manufacturing		<b>\$92M</b>	Banyan Capital, Greylock Partners
Tempus Labs	Chicago, IL	Healthcare	Biotechnology		<b>\$80M</b>	New Enterprise Associates, Revolution, T. Rowe Price
Stem	Millbrae, CA	Energy & Utilities	Energy Storage		<b>\$80M</b>	Activate Capital, Temasek Holdings, Ontario Teacher's Pension Plan Board



# Cybersecurity

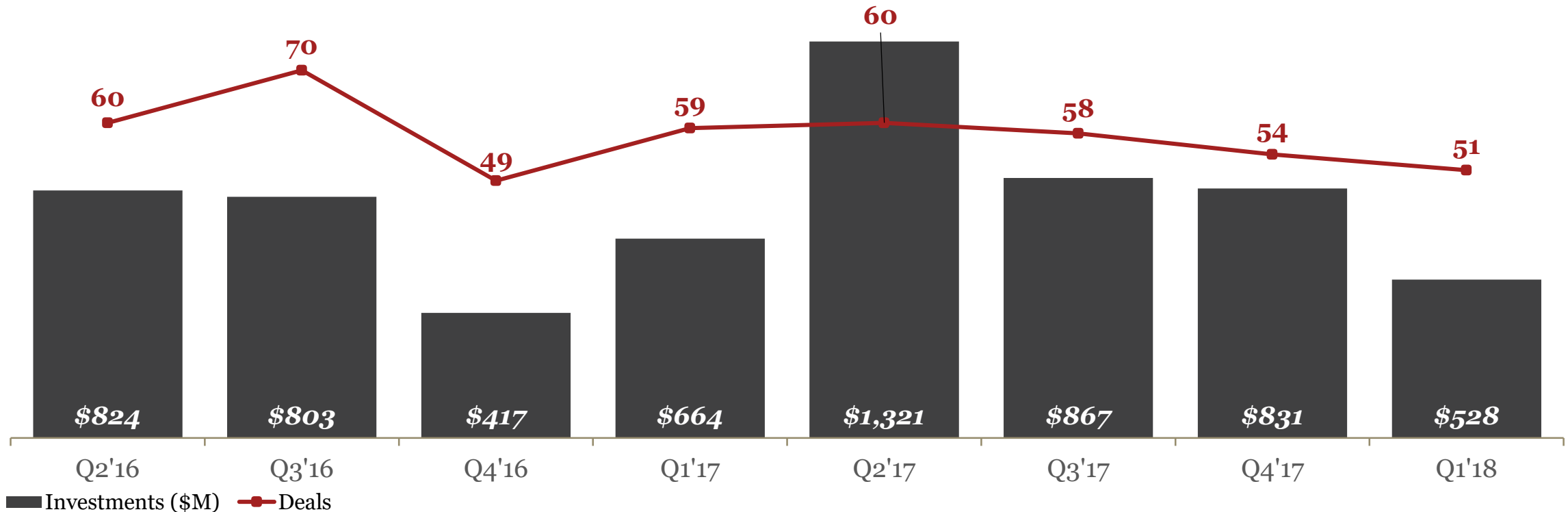


# Cybersecurity: US funding over time



## Cybersecurity continues decline in financing for third-straight quarter

- Deals and dollars to US-based cybersecurity companies declined for the third-straight quarter, as \$528M was invested across 51 deals in Q1'18.
- Quarterly funding declined by 37% with fewer large rounds. The largest round completed in the quarter was \$53M.

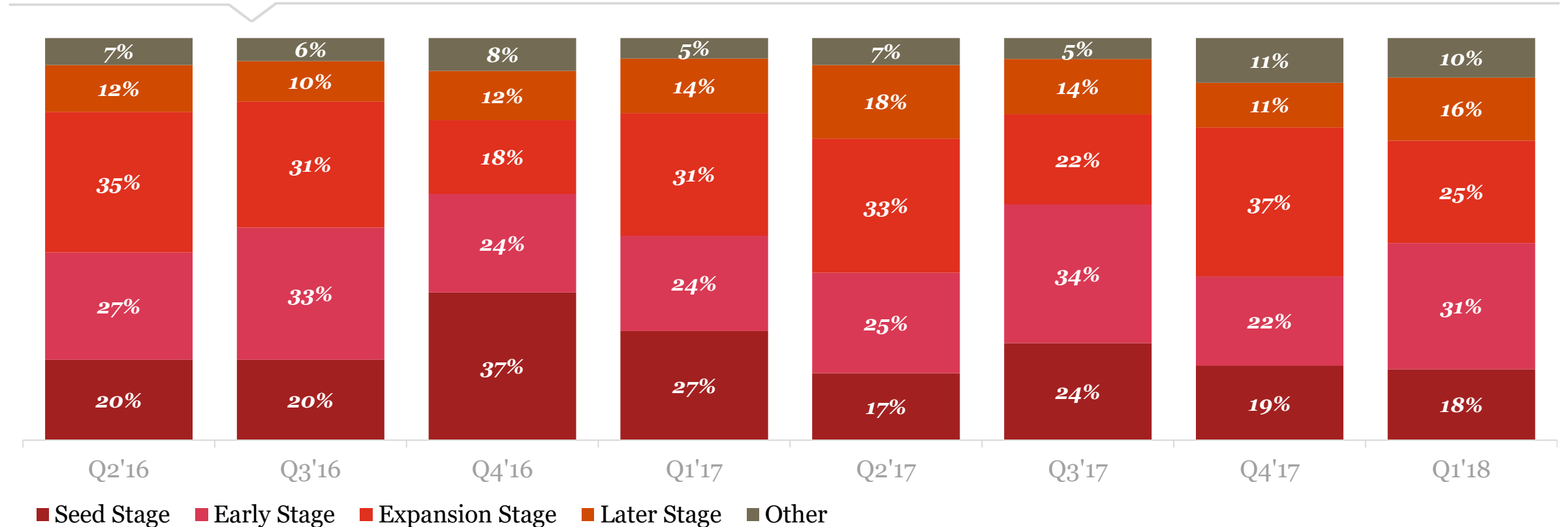


# Cybersecurity: US deal share over time



## Early-stage financing grows as expansion-stage deal share declines

- Early-stage deals as percentage of total deal activity increased from 22% in Q4'17 to 31% in Q1'18.
- Expansion-stage deal share decreased over the same time period, declining to 25%.



# Cybersecurity: Top states by deals



**1. CA**

**21 deals**  
\$317M Invested

**2. NY**

**7 deals**  
\$62M Invested

**3. MA**

**6 deals**  
\$30M Invested

**4. TX**

**4 deals**  
\$36M Invested





# Cybersecurity: Largest US deals of Q1'18



Company	Location	Sector	Industry	Stage of Funding	\$ Value of Deal	Select Investors
Sift Science	San Francisco, CA	Internet	Internet Software & Services		<b>\$53M</b>	Insight Venture Partners, Spark Capital, Union Square Ventures
DataVisor	Mountain View, CA	Internet	Internet Software & Services		<b>\$40M</b>	New Enterprise Associates, Sequoia Capital China, GSR Ventures
Anomali	Redwood City, CA	Internet	Internet Software & Services		<b>\$40M</b>	GV, Paladin Capital Group, Lumia Capital
Vectra Networks	San Jose, CA	Computer Hardware & Services	IT Services		<b>\$36M</b>	Accel Partners, IA Ventures, Khosla Ventures
Digital Reasoning Systems	Franklin, TN	Internet	Internet Software & Services		<b>\$30M</b>	Barclays Bank, Goldman Sachs, Square Capital

Seed Stage

Early Stage

Expansion Stage

Later Stage

# *Digital Health*





“

The first quarter of 2018 is off to a strong start for Digital Health following 2017's record year of funding. Over \$1.4 Billion has been invested across 65 deals.

— **Vaughn Kauffman**, *Principal, Health Services  
Advisory Leader at PwC*

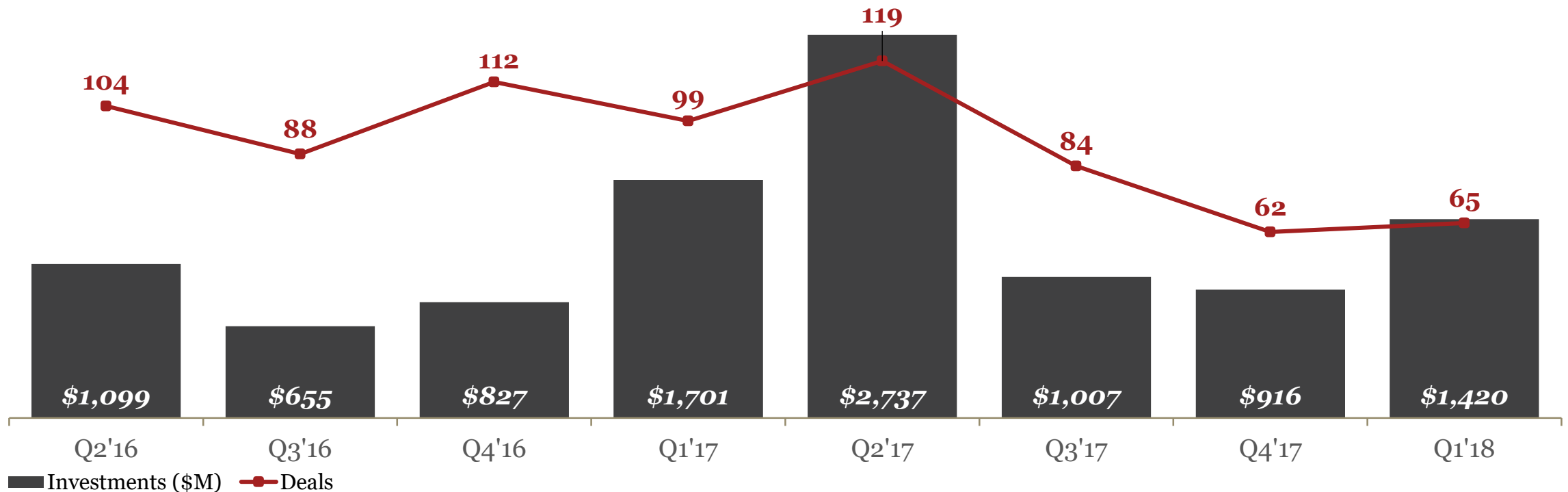
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# Digital Health: US funding over time

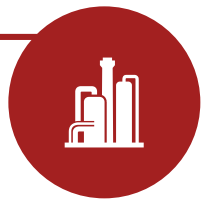


## Digital health funding up amidst modest increase in deals

- Funding to US-based digital health companies increased 55% in Q1'18, as \$1.4B was invested across 65 deals.
- Mega-rounds to companies like Helix (\$200M Series B), Oscar Health (\$165M Series D), and HeartFlow (\$150M Series E) drove total quarterly funding.

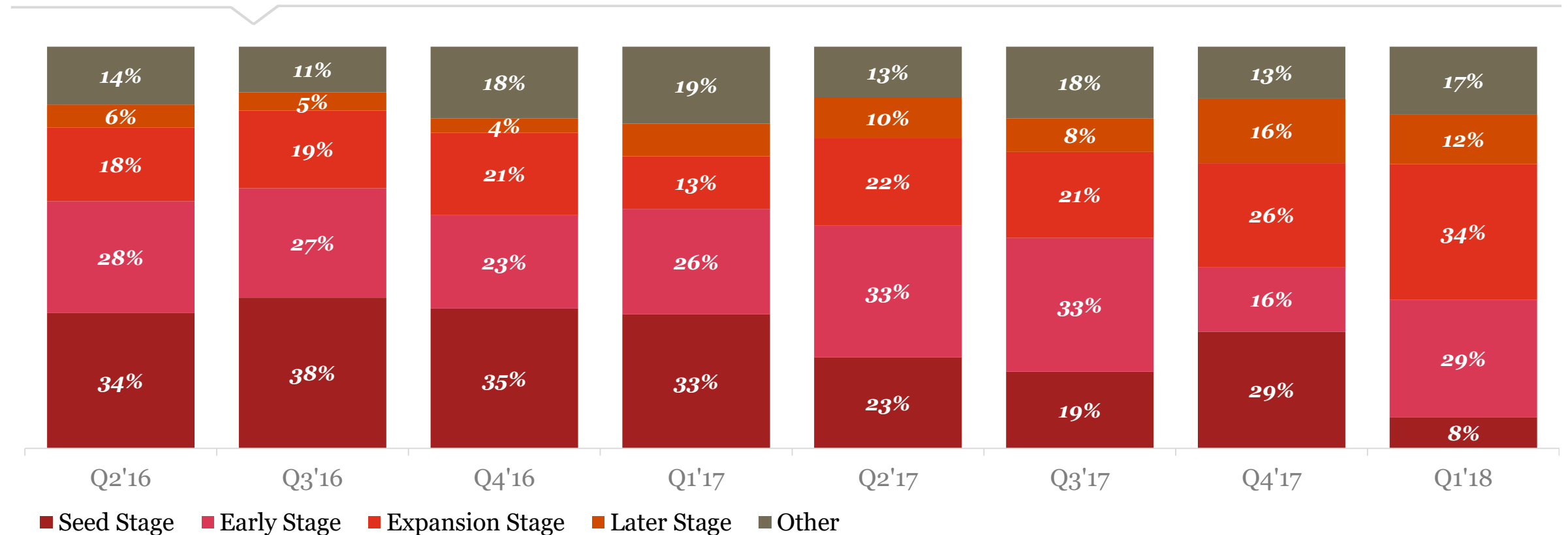


# Digital Health: US deal share over time



## Seed-stage deal activity plummets in Q1'18

- Early- and expansion-stage deals both increased in Q1'18, accounting for 29% and 34% of deals respectively.
- Seed-stage deals declined to 8% of total deal share, down from 29% in Q4'17.





# Digital Health: Top states by deals

1. **CA**

**25 deals**  
\$733M Invested

2. **NY**

**10 deals**  
\$293M Invested





3. **MA**

**6 deals**  
\$134M Invested



# Digital Health: Largest US deals of Q1'18

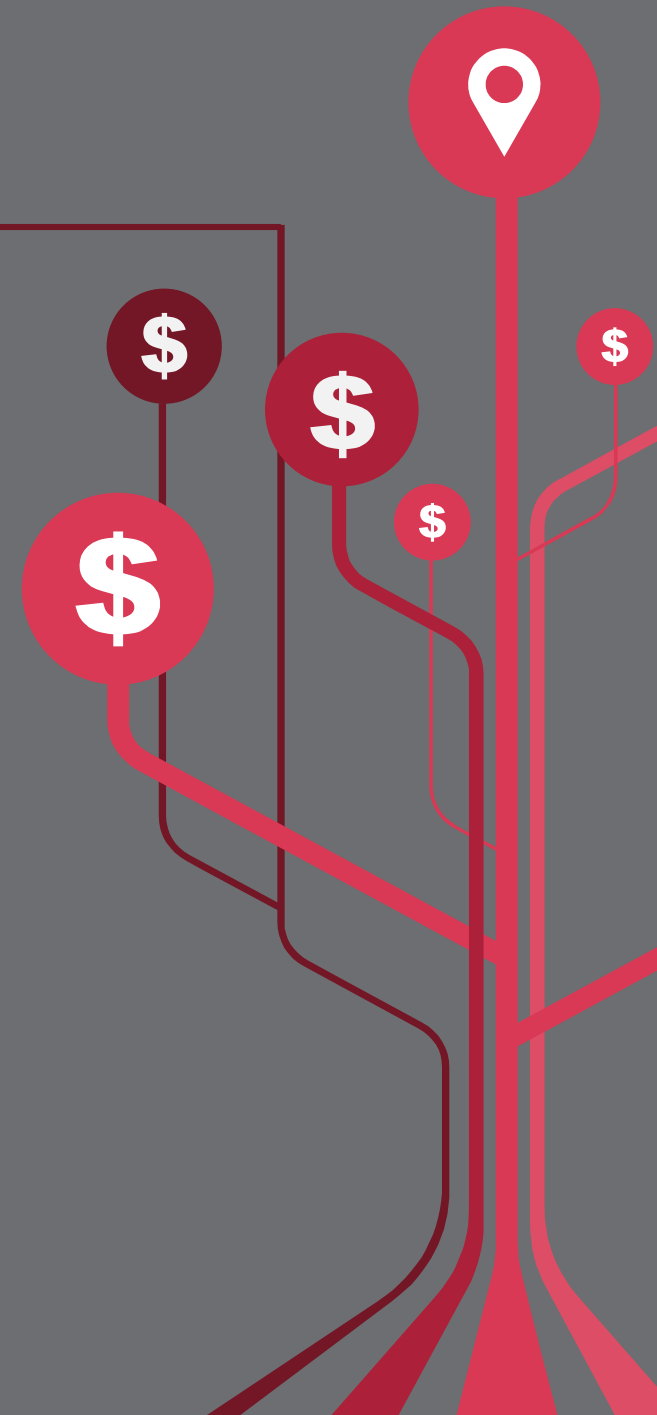


Company	Location	Sector	Industry	Stage of Funding	\$ Value of Deal	Select Investors
Helix	San Carlos, CA	Healthcare	Disease Diagnosis		<b>\$200M</b>	DFJ Growth Fund, Kleiner Perkins Caufield & Byers, Warburg Pincus
Oscar Health	New York, NY	Internet	Internet Software & Services		<b>\$165M</b>	8VC, General Catalyst, Khosla Ventures
HeartFlow	Redwood City, CA	Software (non-internet/mobile)	Healthcare Software		<b>\$150M</b>	Baillie Gifford & Co., Wellington Management
Collective Health	San Francisco, CA	Financial	Insurance		<b>\$110M</b>	Founders Fund, New Enterprise Associates, GV
Tempus Labs	Chicago, IL	Healthcare	Biotechnology		<b>\$80M</b>	New Enterprise Associates, T. Rowe Price, Kinship Trust Company



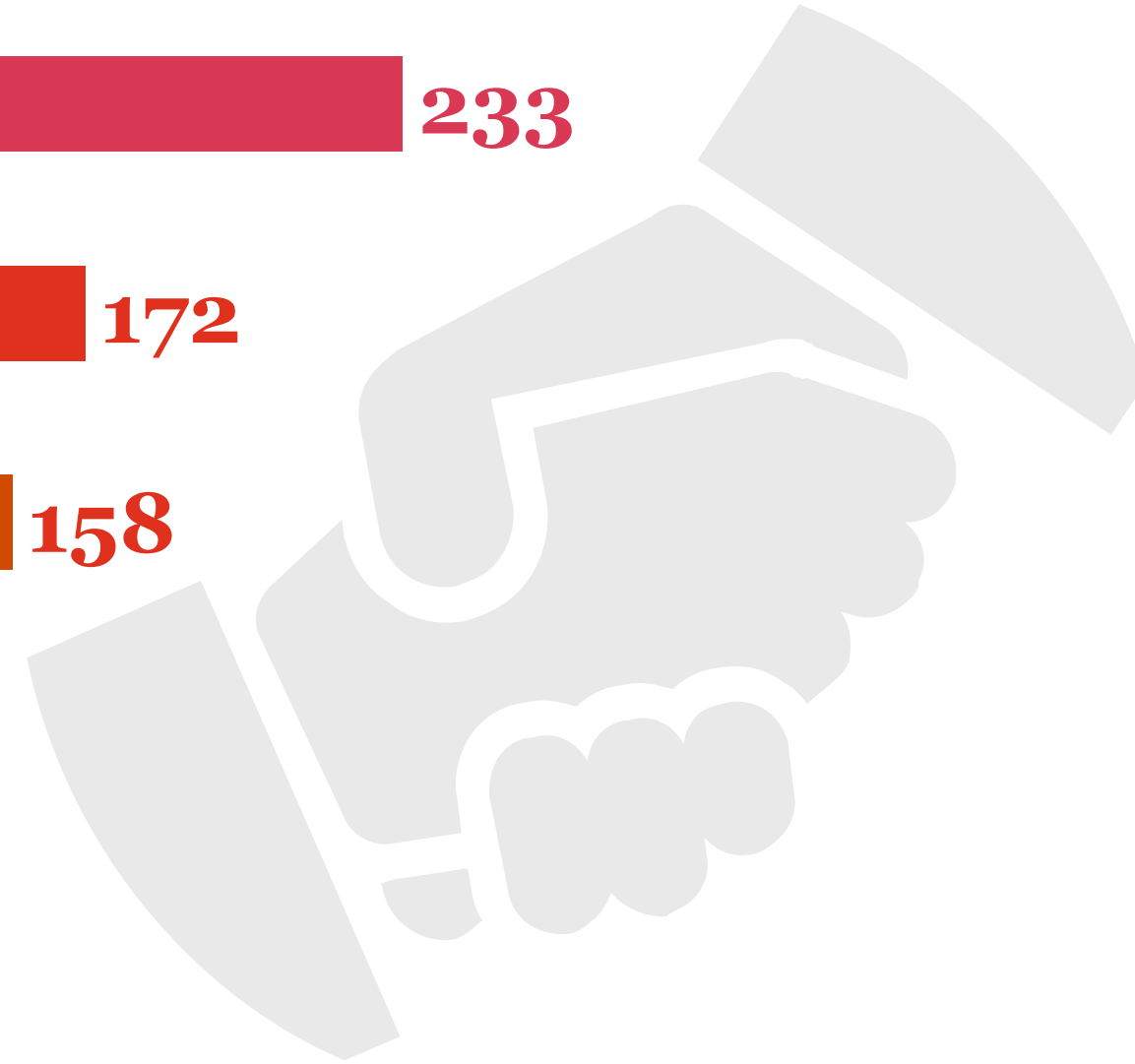
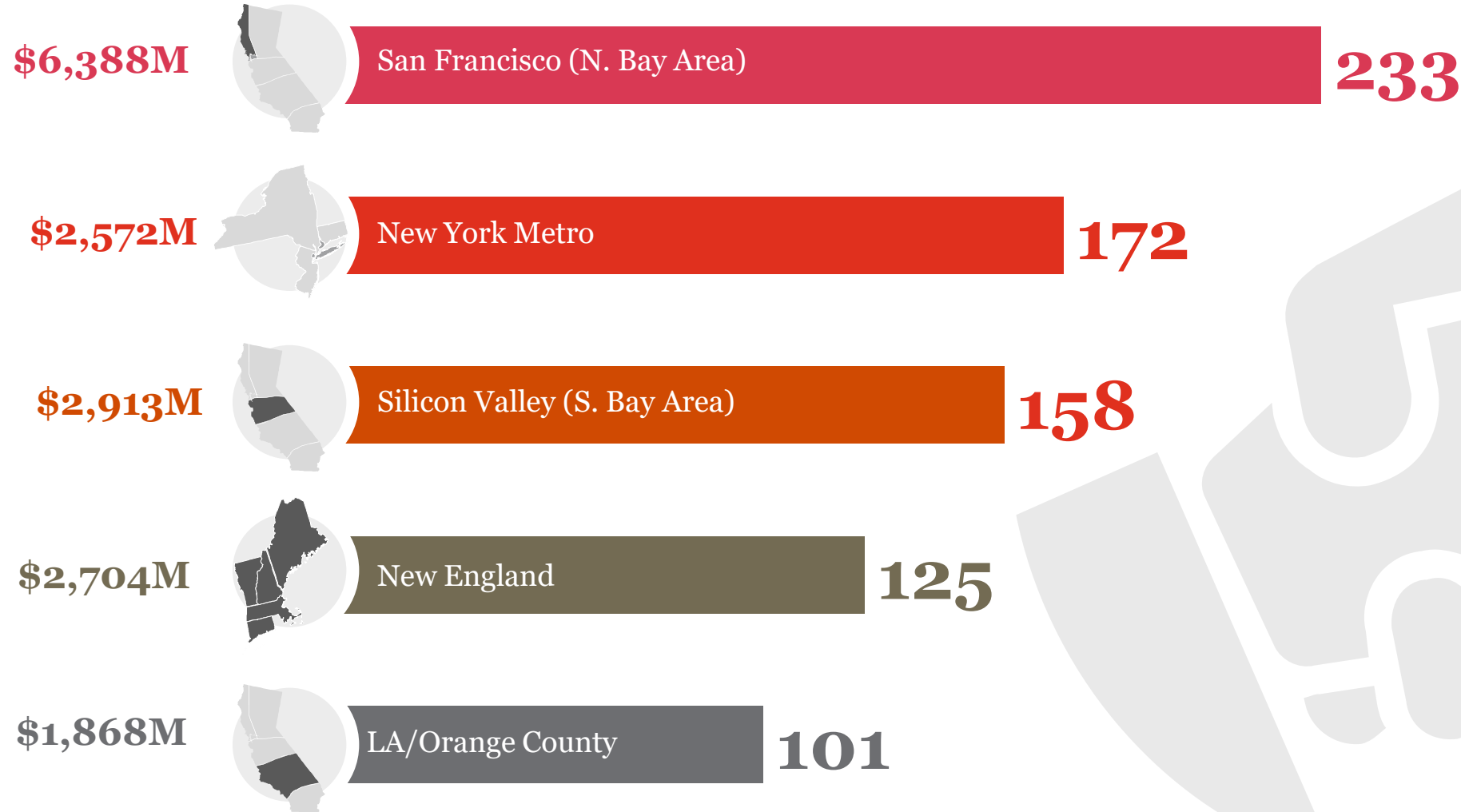
03

# *US Places*

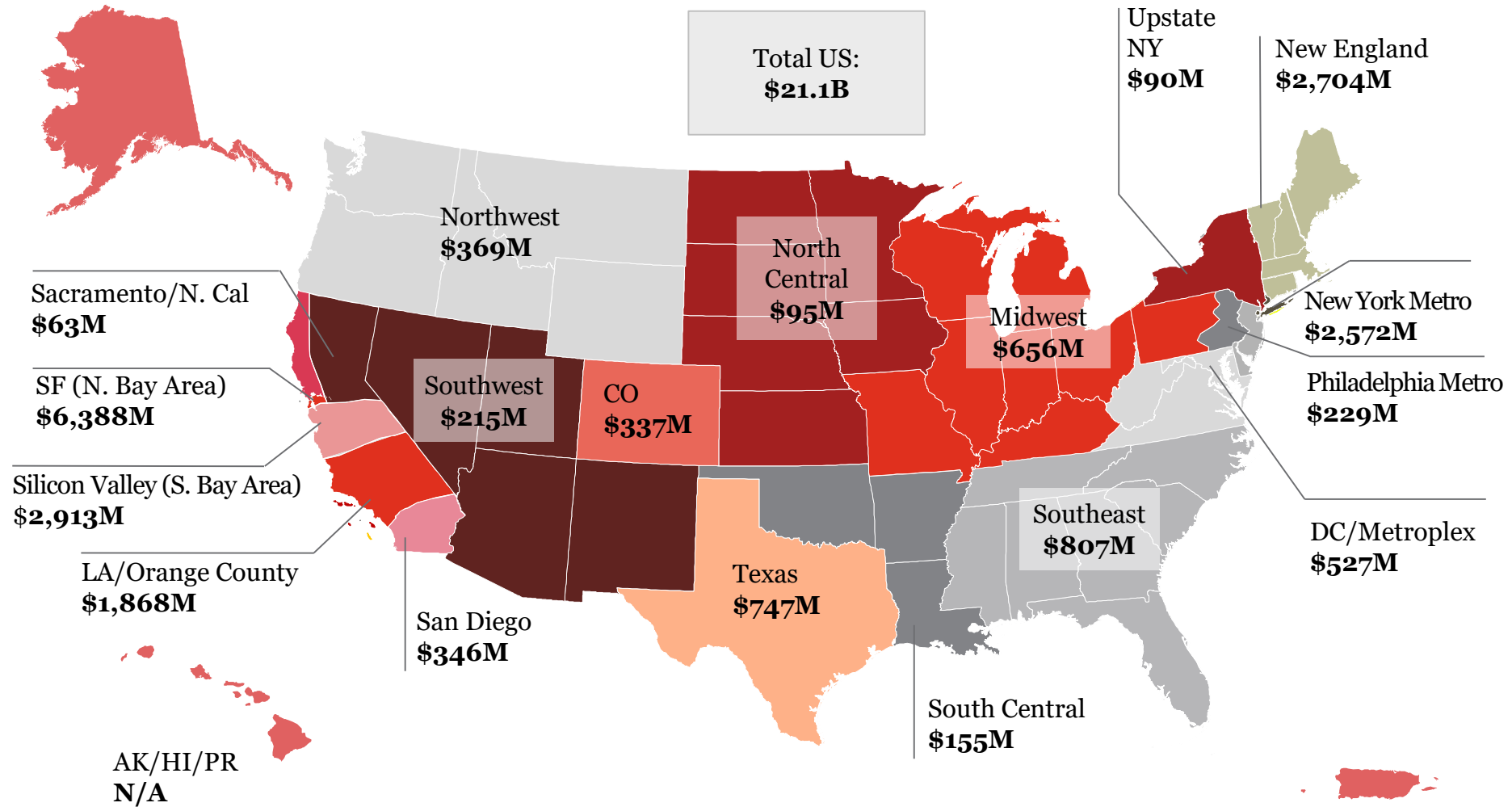




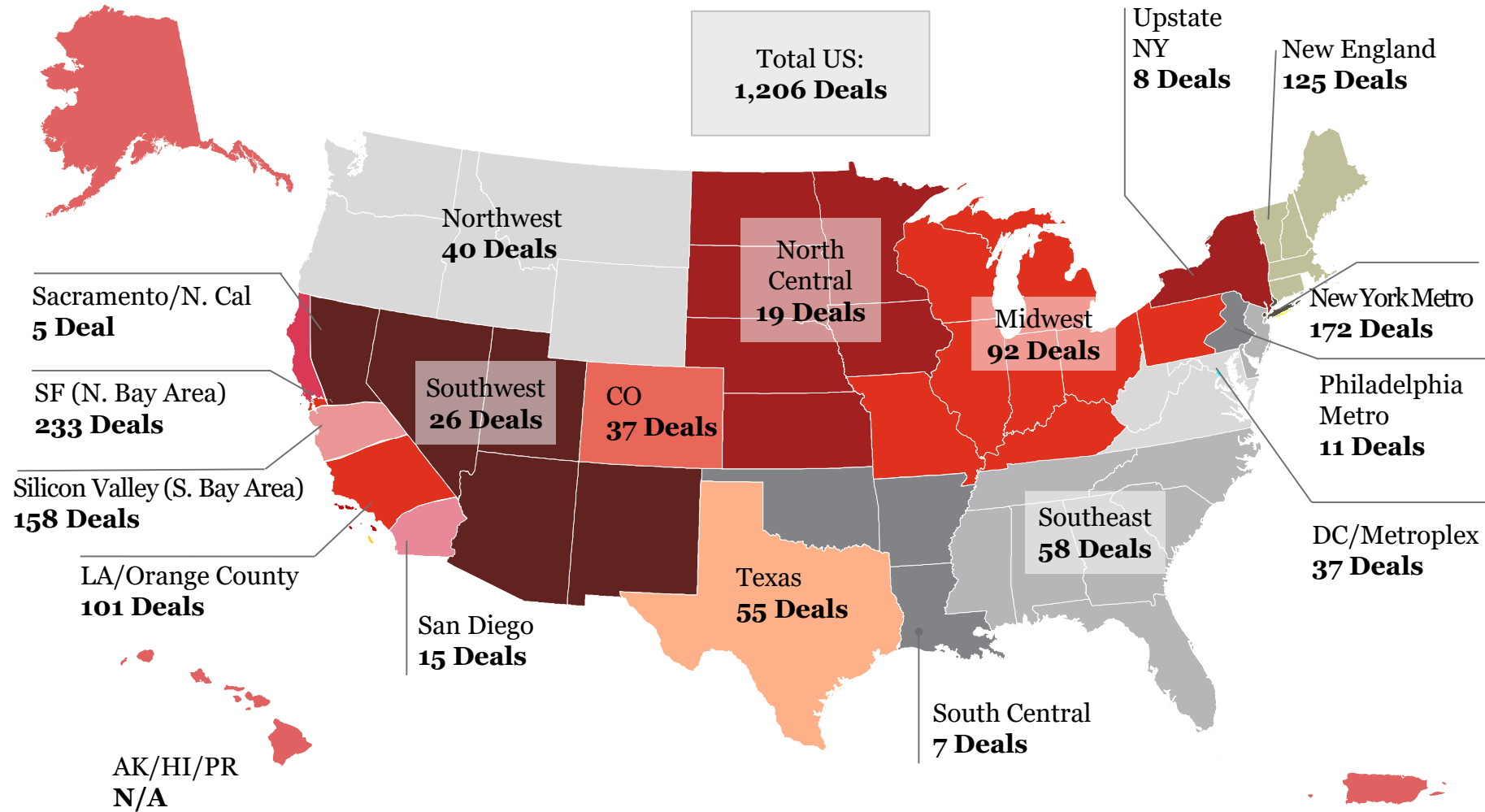
# US top five regions of Q1'18 by deals



# US: Q1'18 funding by region



# US: Q1'18 deals by region



## *San Francisco (North Bay Area)*



“

San Francisco (North Bay Area) companies raised \$6.4B across 233 deals, a 23% increase in funding.

— ***Danny Wallace**, Partner, US Emerging Company Services Co-leader at PwC*

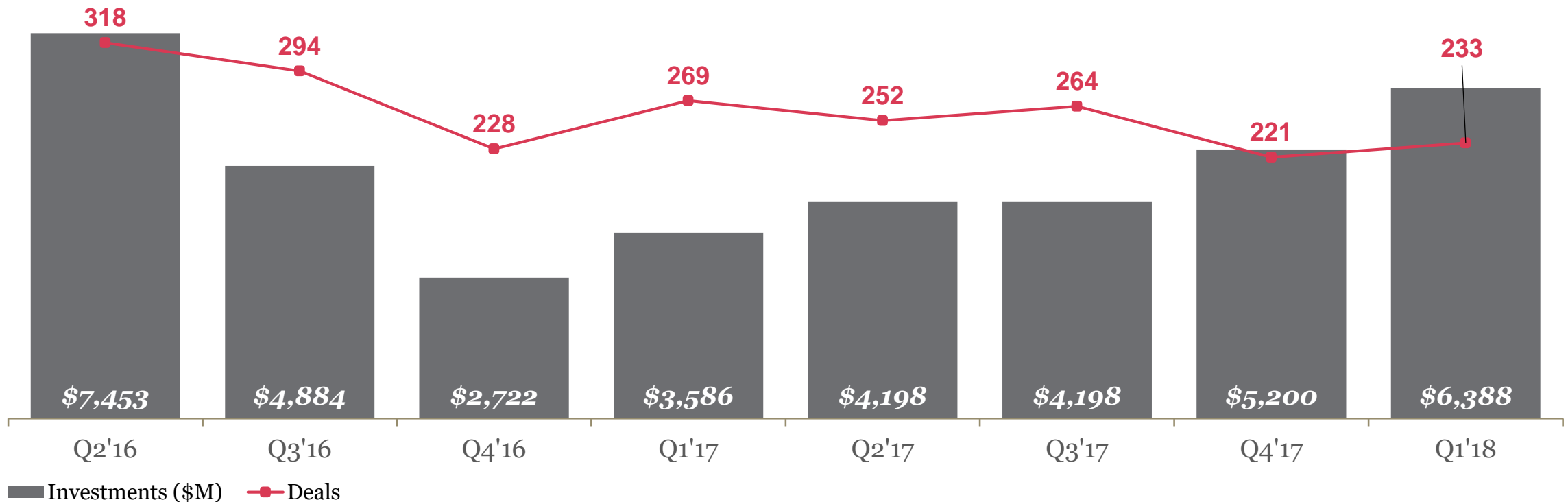
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# 8-quarter financing trend: San Francisco (North Bay Area)



## San Francisco funding increases

- San Francisco-based companies saw \$6.4B of funding invested across 233 deals in Q1'18, a 23% increase in funding over the quarter before.
- The top 8 deals of \$100M or more represented \$2.8B in funding, spurred by a \$1.25B mega-round.



## *New York Metro*



“

NY Metro saw \$2.5B invested across 172 deals, including five \$100m+ mega-rounds. While QoQ financing declined 13% in deals and 12% in funding, this level of funding represents a 61% increase from the same period in the prior year and remains in the middle of the range of funding raised over the past 8 quarters.

— *David Silverman, Partner, US Emerging Company Services Co-leader at PwC*

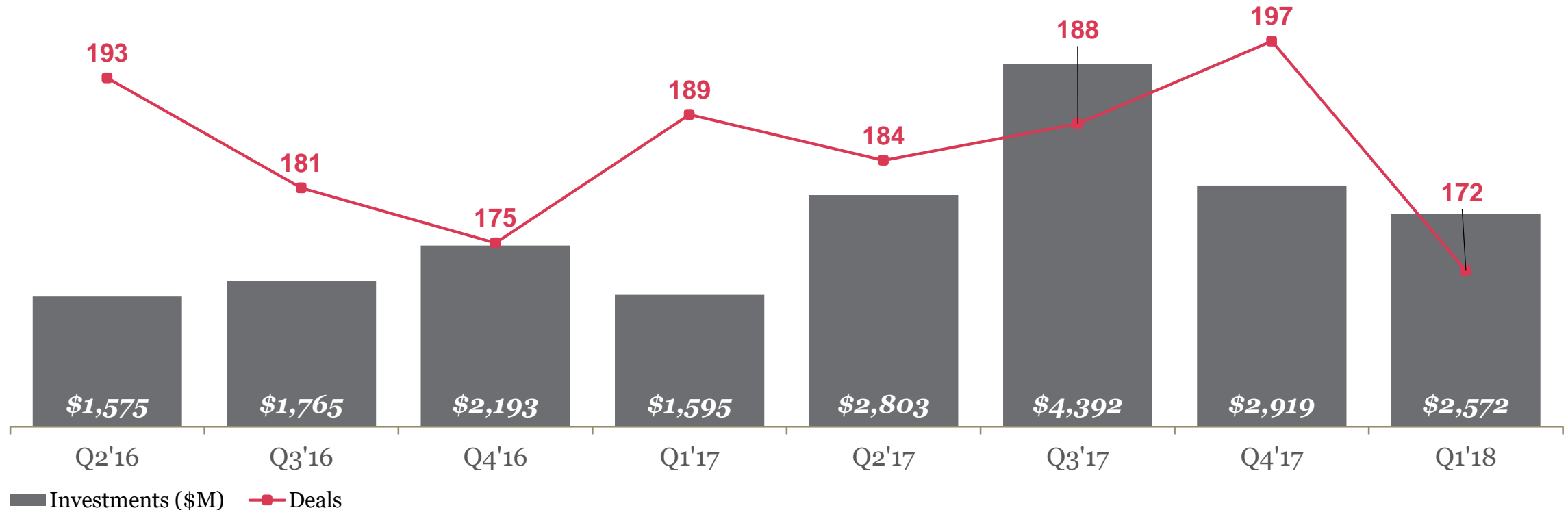
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# 8-quarter financing trend: New York Metro



## Deal activity in New York Metro area sinks after quarter-high

- Deal activity in the New York Metro area declined to 172 deals in Q1'18, down from 197 the quarter before.
- Quarterly funding declined 12% over the same time period as \$2.6B was invested.



## *Silicon Valley*



“

Silicon Valley (South Bay Area) raised 20% less this quarter than Q4'17, while deal activity remained flat.

— ***Kathleen Borie**, Director, US Emerging Company Services at PwC*

”

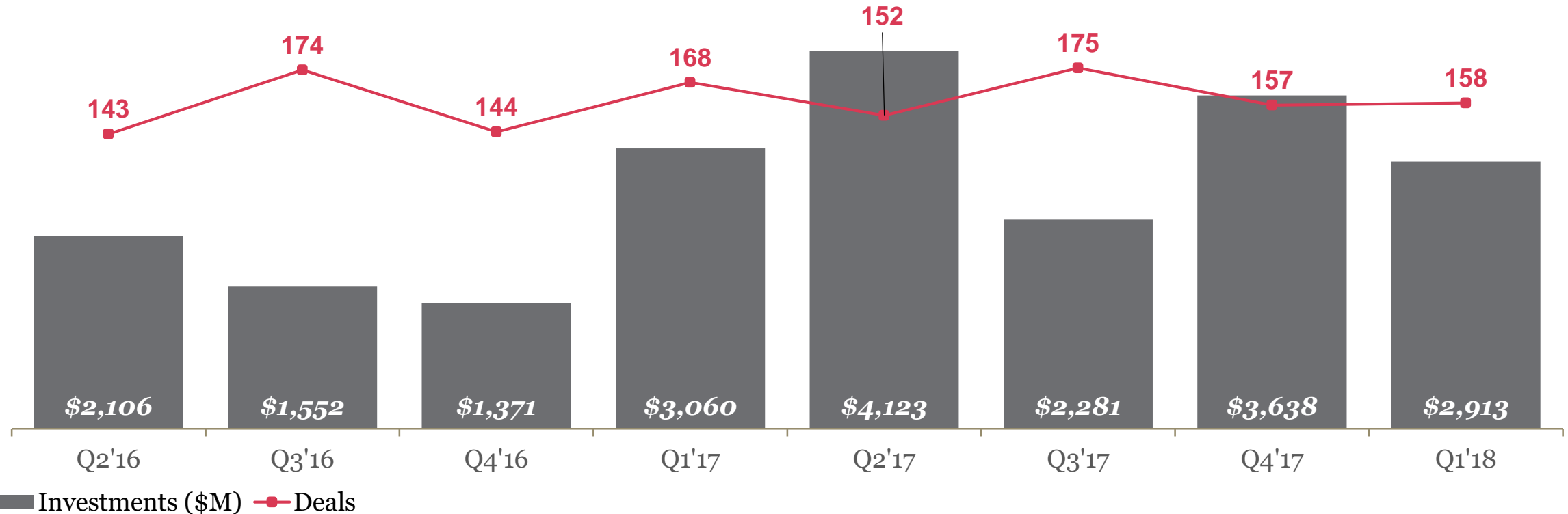


# 8-quarter financing trend: Silicon Valley (South Bay Area)



## Silicon Valley funding declines, deals flat

- Deals to Silicon Valley-based companies remained flat in Q1'18, recording one more deal than Q4'17.
- Total quarterly funding declined by 20% to \$2.9B over the same time period, down from \$3.6B the quarter before.



## *New England*



“

New England had a record quarter when compared to the prior seven quarters with over \$2.7B invested across 125 deals. Growth was driven by six mega-rounds (\$100M+).

— *Alan O'Rourke, Partner, US Emerging Company Services at PwC*

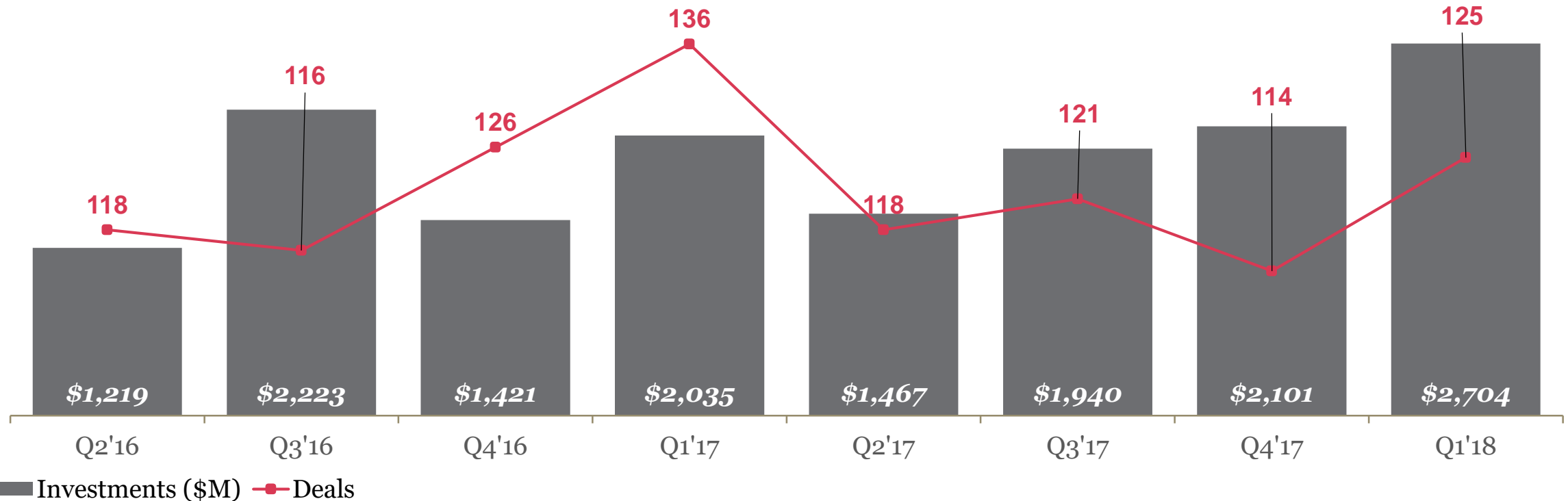
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# 8-quarter financing trend: New England



## New England funding increases for the third-straight quarter

- New England-based companies recorded 11 more deals in Q1'18 than Q4'17, as \$2.7B was distributed across 125 deals.
- Total quarterly funding increased by 29% as compared to Q4'17, and represents an 8-quarter high.



## *Los Angeles / Orange County*



“

Financing of LA-OC based VC-backed startups nearly doubled in Q1'18 (QoQ) driven by four \$100M+ mega-rounds that accounted for the nearly 40% of all money invested.

— ***Christie Good***, Partner, US Emerging Company  
Services at PwC

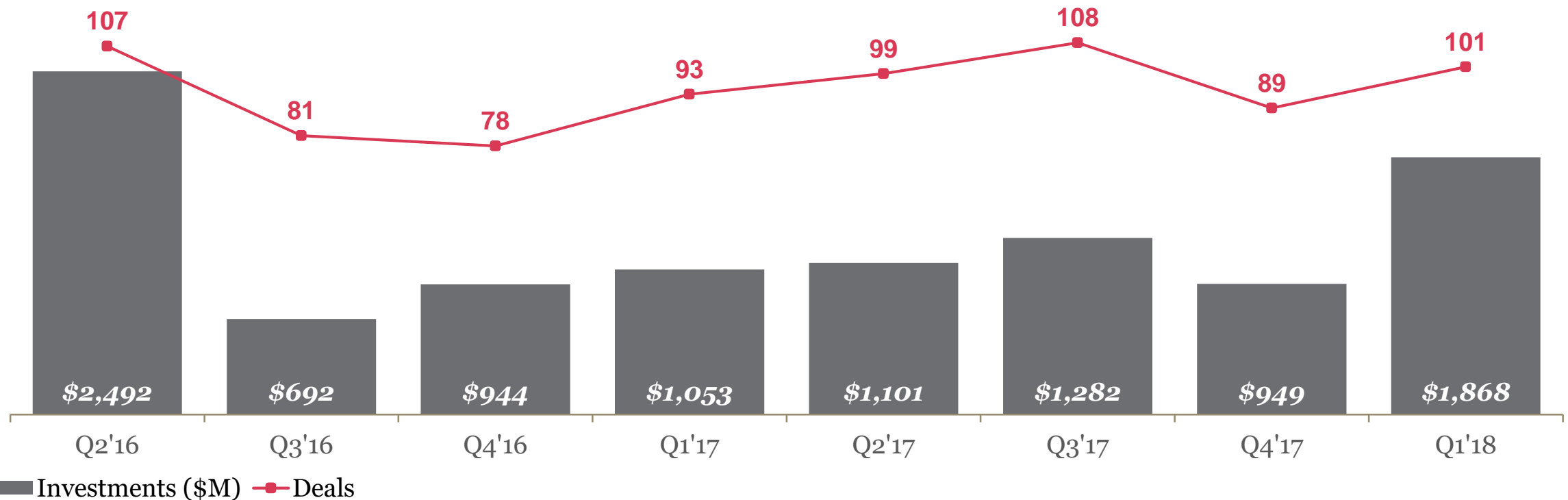
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# 8-quarter financing trend: LA/Orange County

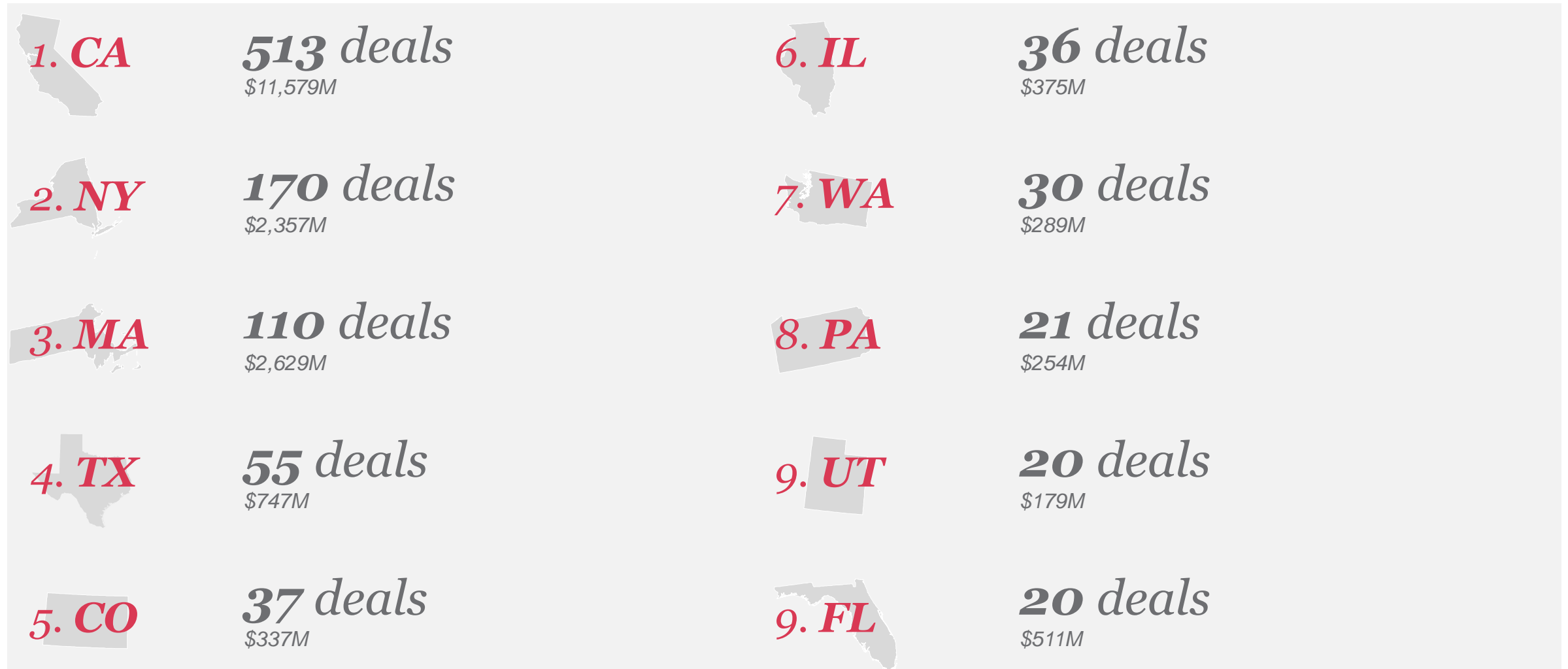


## Deals and dollars to LA/Orange County-based companies rebound

- Total quarterly funding increased 97% in Q1'18 compared to Q4'17, as \$1.9B was invested across 101 deals.



# US: Top 10 states of Q1'18 by deals



# US: Top 10 states of Q1'18 by dollars

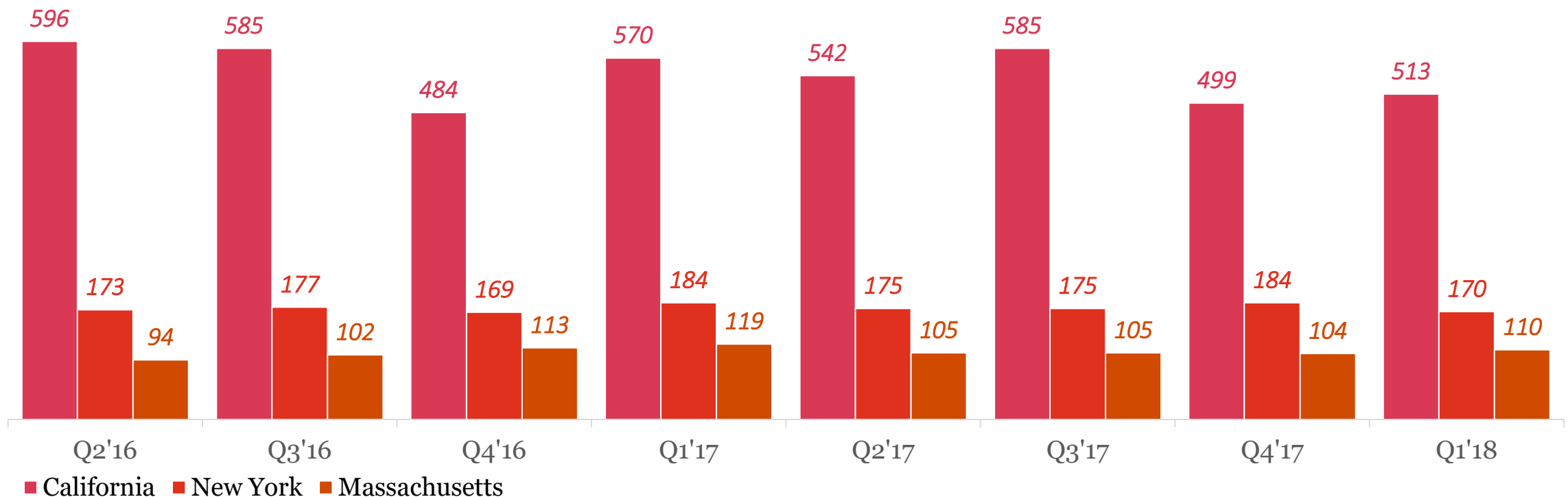


# Q1'18 Regional comparison: Deals CA vs. NY vs. MA



## California, Massachusetts see increase in deals, NY declines

- California recorded 14 more deals in Q1'18 as compared to the previous quarter. New York deal activity declined by the same amount, while Massachusetts recorded six more deals.



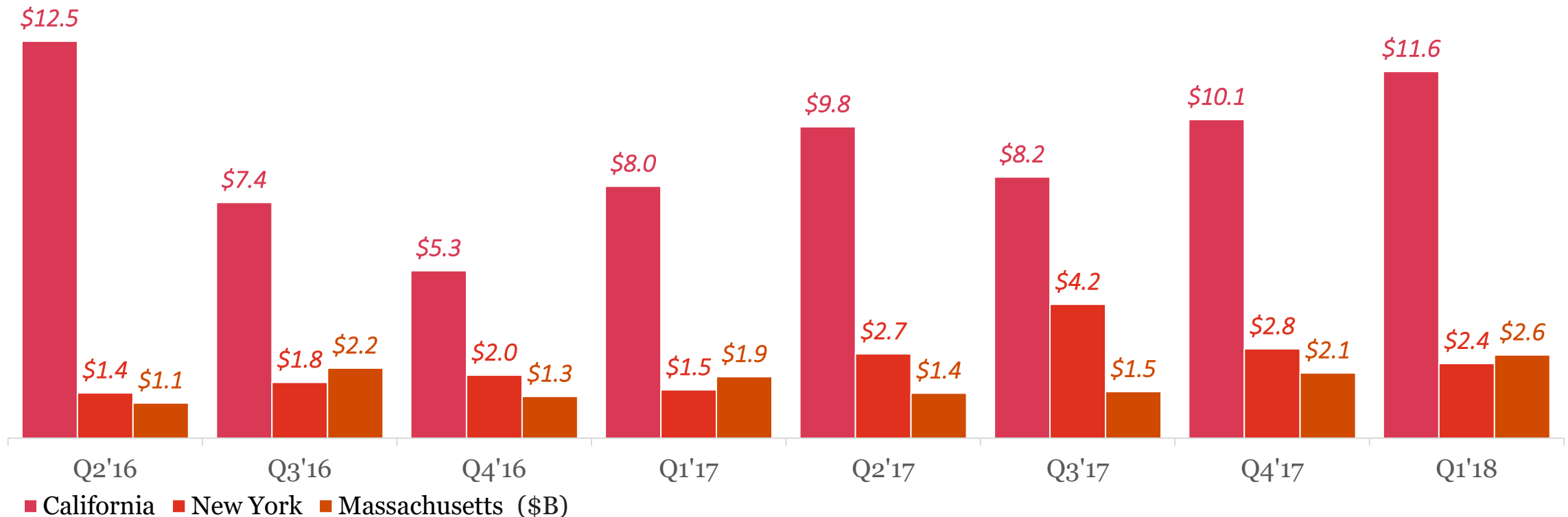


# Q1'18 Regional comparison: Financing CA vs. NY vs. MA



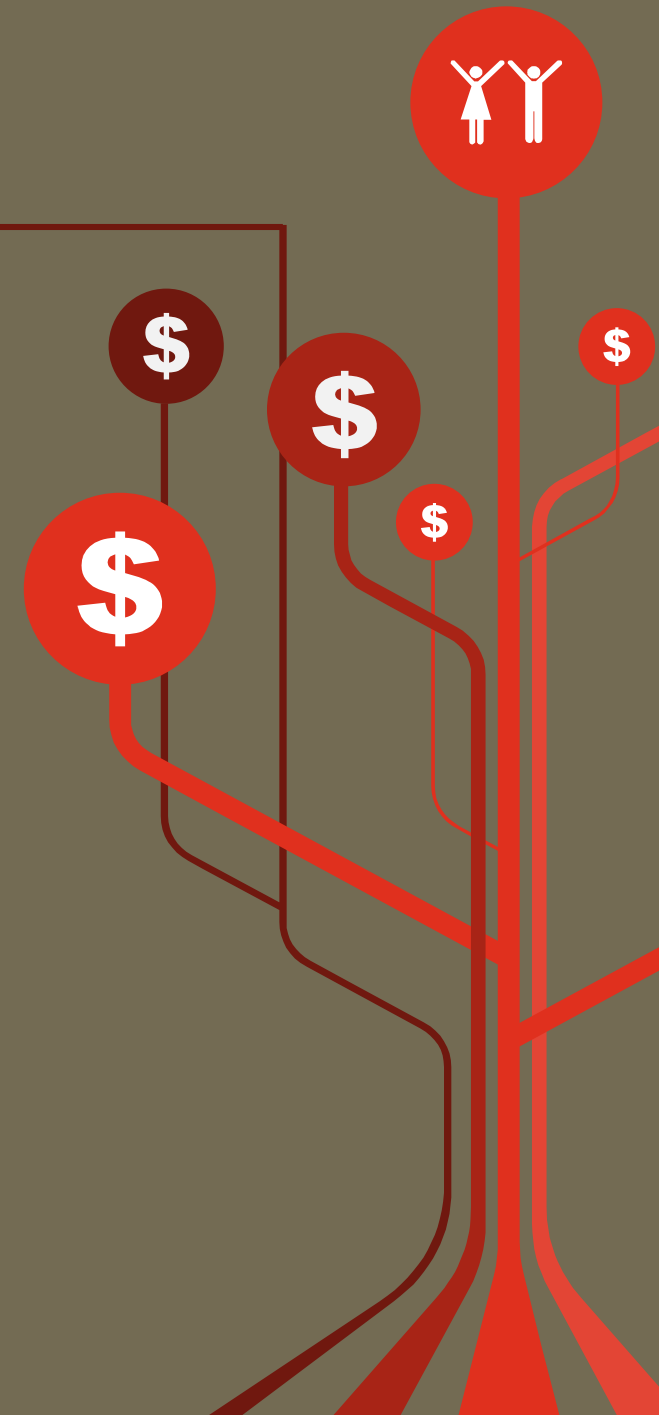
## California sees \$1.5B more in funding

- California-based companies saw 15% more funding in Q1'18 compared to Q4'17, recording \$11.6B total quarterly funding.
- New York funding declined from \$2.8B to \$2.4B, while Massachusetts recorded \$500M more investment than Q4'17, with \$2.6B in total quarterly funding.



04

# *US Movers & Shakers*



## *Mega-rounds*



“






Mega-round (\$100M+) investments declined in aggregate and size, while overall activity is still near historical highs.

— *Tom Ciccolella, Partner, US Ventures Leader at PwC*

”

# Largest US deals of Q1'18



Company	Location	Sector	Industry	Stage of Funding	\$ Value of Deal	Select Investors
Uber	CA, United States	Mobile & Telecommunications	Mobile Commerce		<b>\$1250M</b>	Sequoia Capital, SoftBank Group
DoorDash	CA, United States	Internet	e-Commerce		<b>\$535M</b>	SoftBank Group, Sequoia Capital
Moderna Therapeutics	MA, United States	Healthcare	Drug Development		<b>\$500M</b>	Sequoia Capital China, Fidelity Investments
Magic Leap	FL, United States	Software (non-internet/mobile)	Scientific, Engineering Software		<b>\$461M</b>	Public Investment Fund of Saudi Arabia
Wag!	CA, United States	Mobile & Telecommunications	Mobile Commerce		<b>\$300M</b>	SoftBank Capital

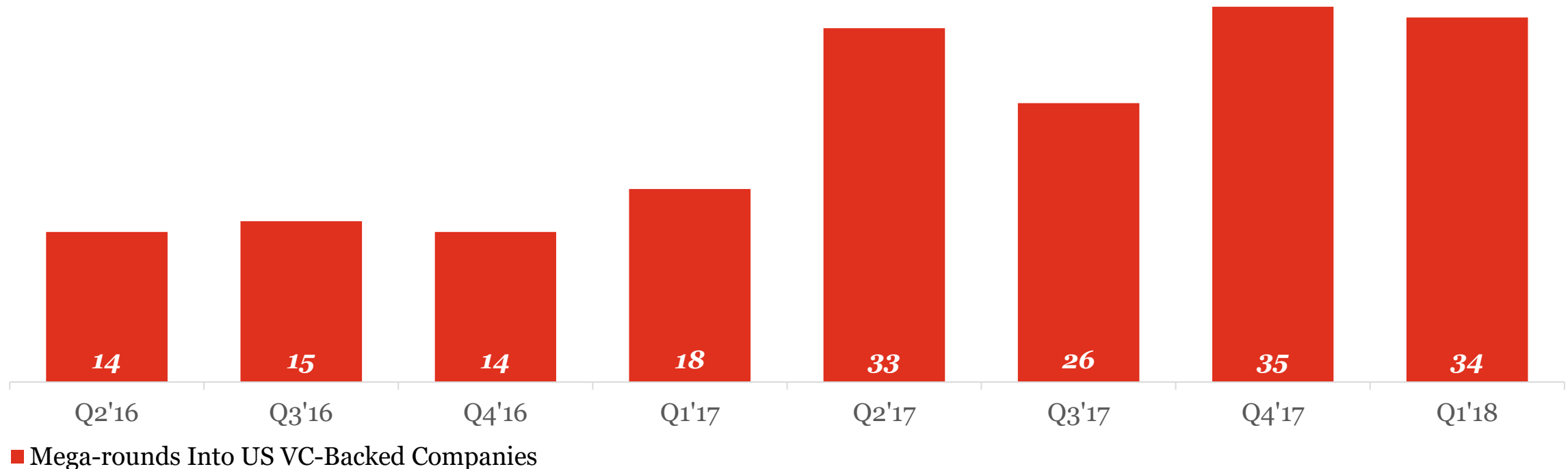


# US mega-round activity



**34 mega-rounds recorded in Q1'18, one less than Q4'17**

- US-based companies saw another massive quarter for mega-rounds recording 34 rounds of \$100M or more.

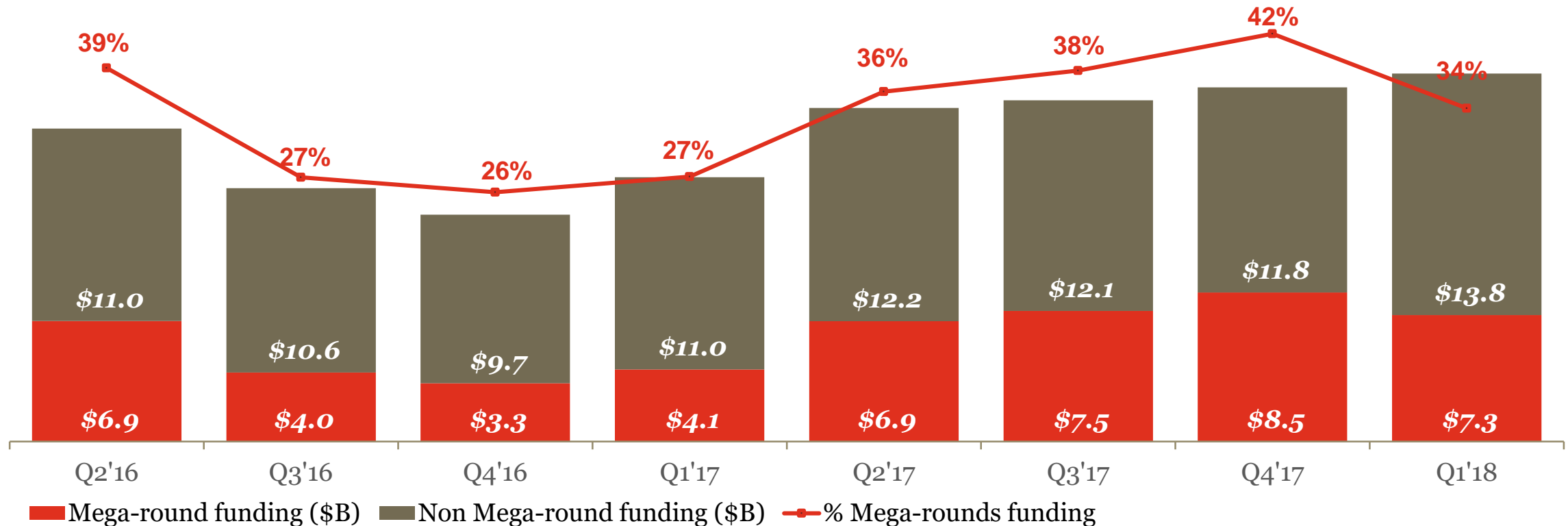


# 8-quarter US mega-round trend



## US mega-rounds decline as a percentage of total funding

- US mega-rounds as a percentage of total quarterly funding declined after rising for four quarters.
- In Q1'18, \$7.3B of funding came from \$100M+ mega-rounds, down from \$8.5B the quarter before.

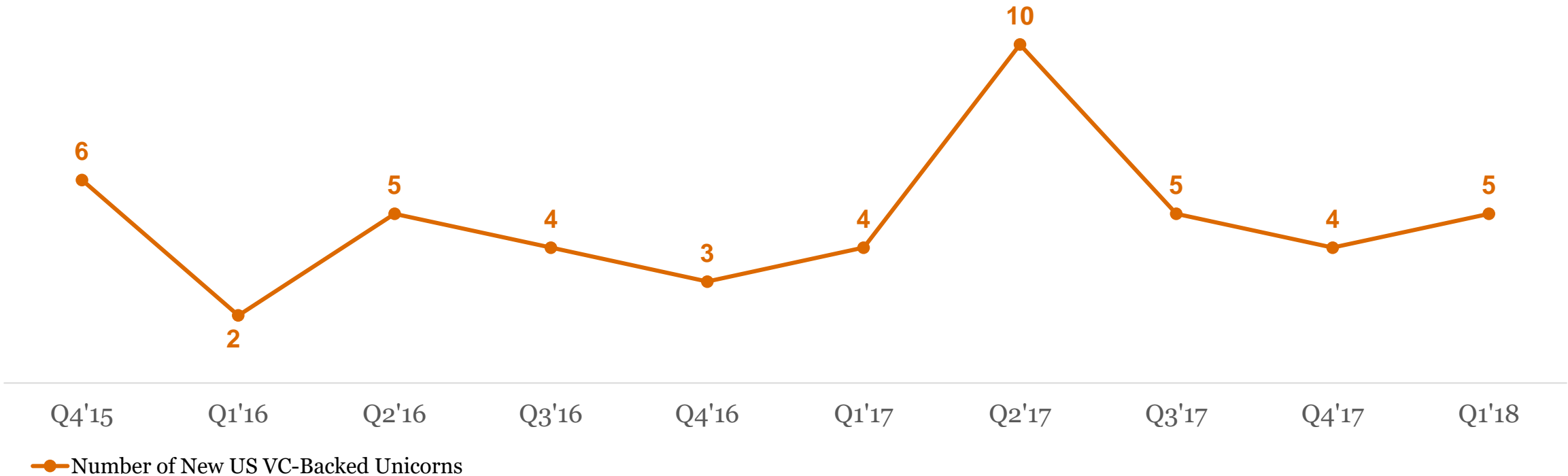


# US new unicorn births



## 5 new unicorns in the US

- In Q1'18, 5 new VC-backed companies reached \$1B+ valuations.
- New companies achieving a valuation of \$1B or more included UiPath, Intercom, and DoorDash.



# Most active VC firms of Q1'18 in the US



<i>Investor</i>	<i>Location</i>	<i>No. of US Companies</i>	<i>Select Q1'18 Investments</i>
<b>1. New Enterprise Associates</b>	Menlo Park, CA	<b>22</b>	Radiology Partners, Collective Health, Tempus Labs
<b>2. GV</b>	Mountain View, CA	<b>15</b>	Collective Health, Ripple Foods, DNAnexus
<b>2. Khosla Ventures</b>	San Francisco, CA	<b>15</b>	EtaGen, Atomwise, Vectra Networks
<b>2. Andreessen Horowitz</b>	Menlo Park, CA	<b>15</b>	LimeBike, Reflektive, Caffeine
<b>5. Revolution</b>	Washington, DC	<b>14</b>	Tempus Labs, Catalyte
<b>6. Lightspeed Venture Partners</b>	Menlo Park, CA	<b>13</b>	Reflektive, TripActions

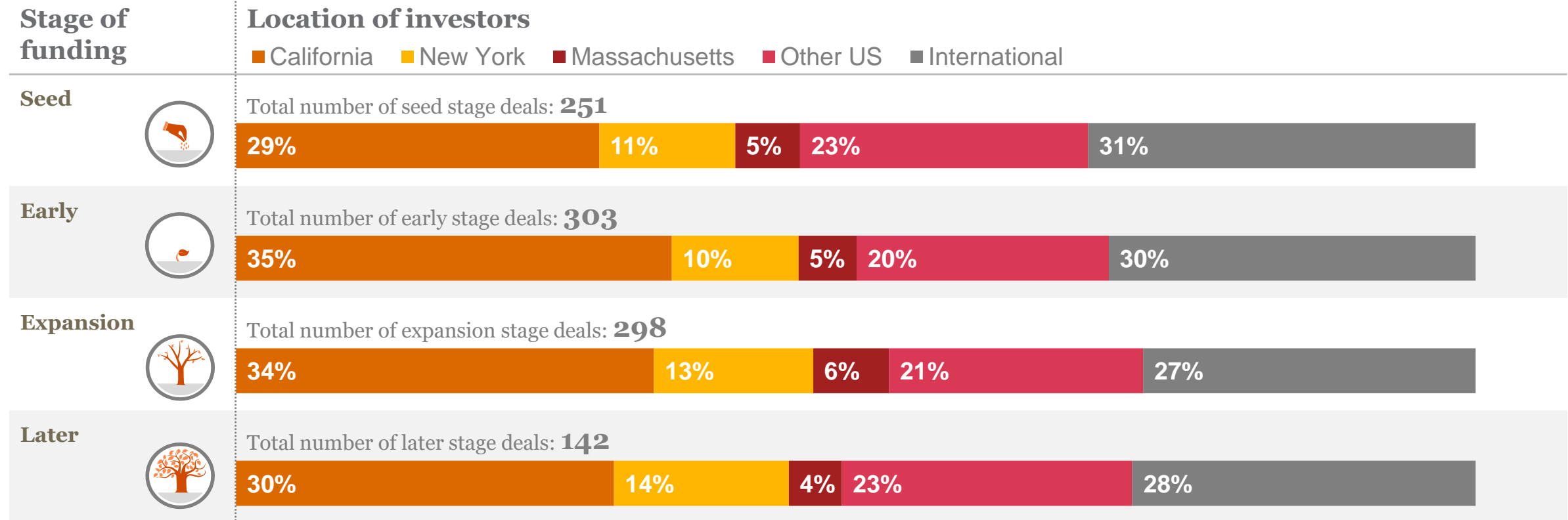


# Q1'18 Investor locations



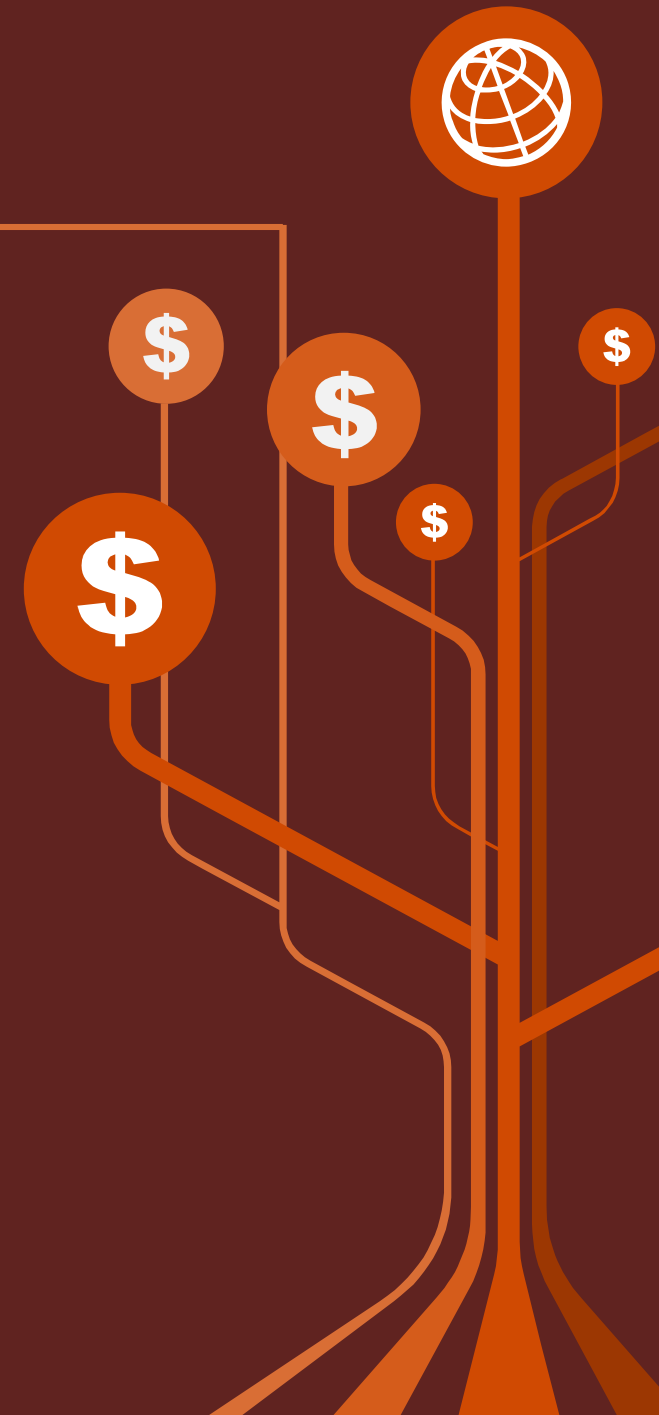
## California investor presence most prominent at early and expansion stages

- At least 30% of early-, expansion-, and later-stage deals in the US featured a California-based investor.
- However, at the seed-stage, overseas investors were more prevalent, participating in 31% of deals. While California investors participated in 29% of seed deals.

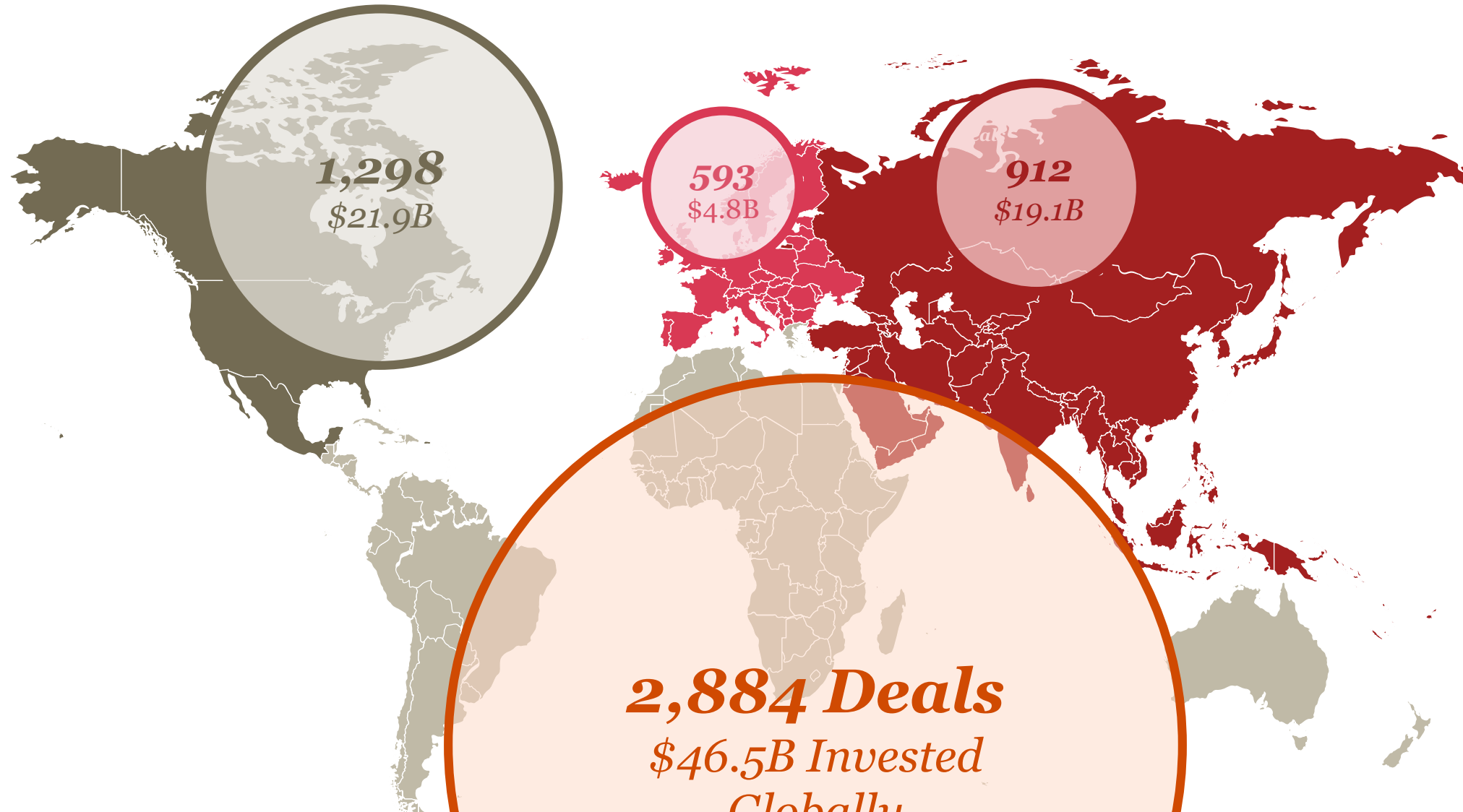


05

# *Global Trends*



# Q1'18 Global regional comparison

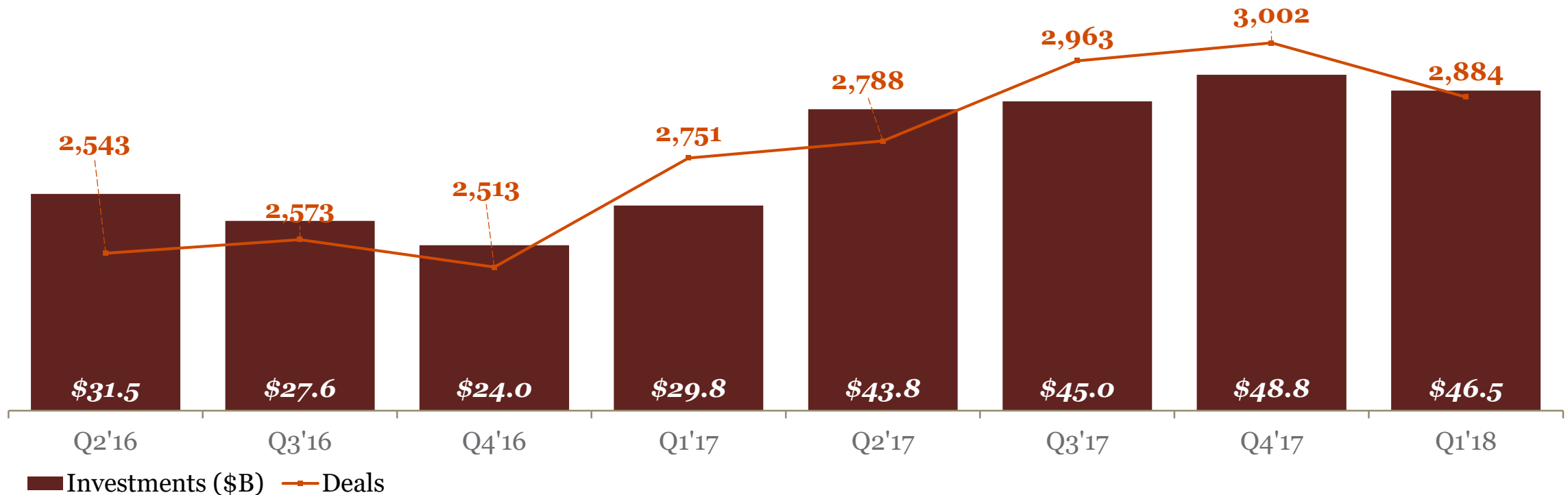


# 8-quarter global financing trend



## Deals and dollars decrease slightly in first quarter

- Deal activity decreased by 4% in Q1'18, as \$46.5B was invested across 2,884 deals. This represents a 5% decline in total quarterly funding.

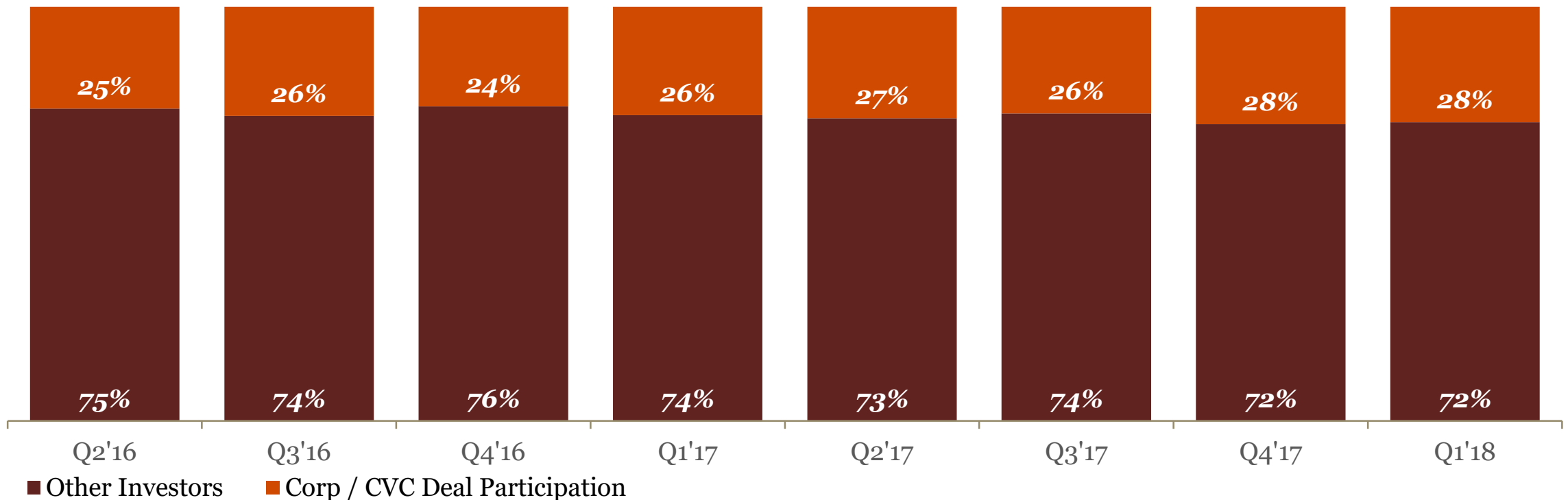


# Global corporate deal participation



## Corporate participation remains at 28%

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

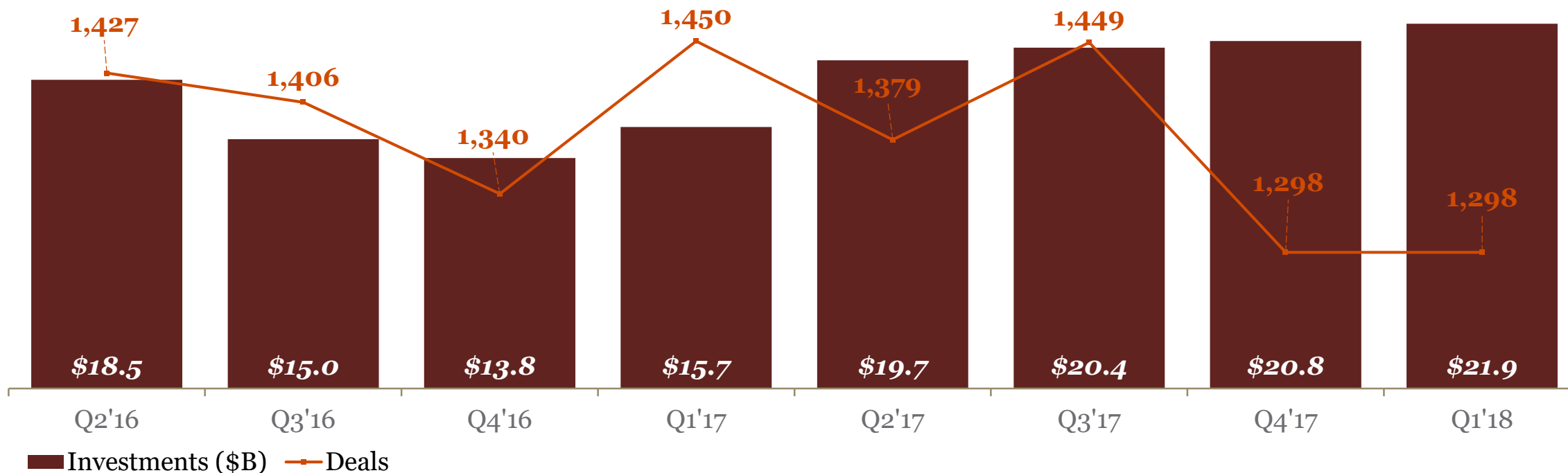




# 8-quarter financing trend: North America

## North American deal activity flat, funding up

- VC-backed companies in North America raised \$21.9B spread across 1,298 deals in Q1'18. This represent the same amount of deals recorded in Q4'17 and an 5% increase in funding.

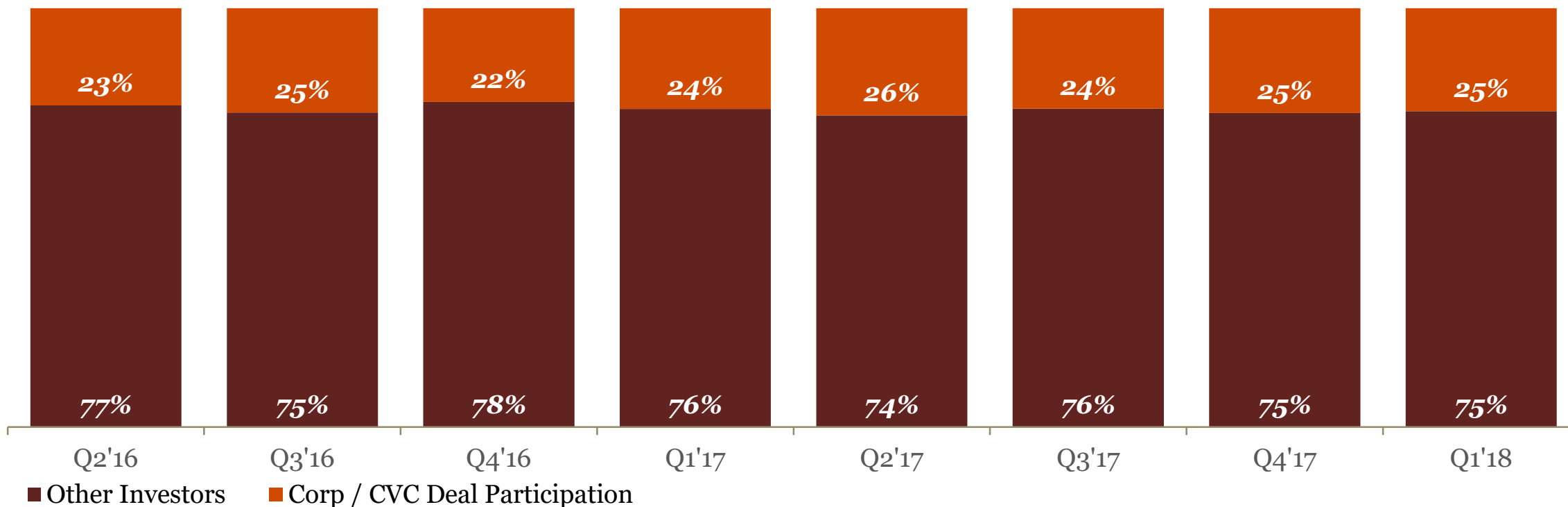




# North American corporate deal participation

## Corporate participation remains at 25% in North America

- Corporations (and/or their venture arms) participated in 25% of Q1'18 deals to VC-backed companies in North America, the same as Q4'17.

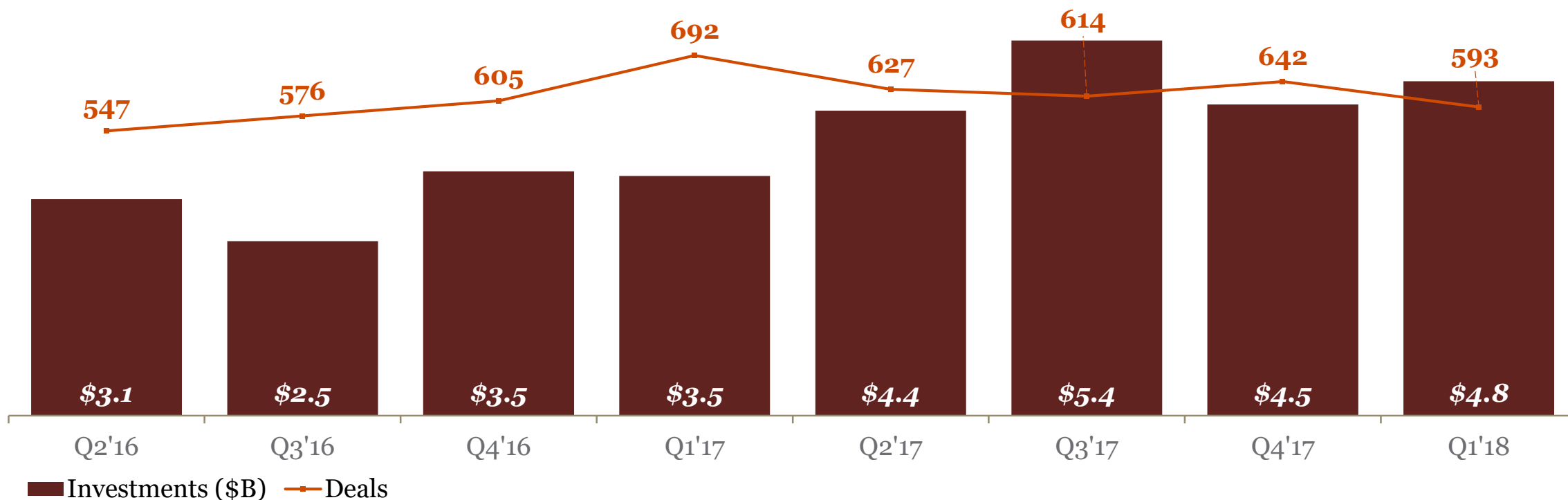




## 8-quarter financing trend: Europe

### European deal activity declines, funding up

- Total quarterly funding increased 8% in Q1'18 as \$4.8B was invested across 593 deals.
- Deal activity declined 8% as compared to the quarter prior.



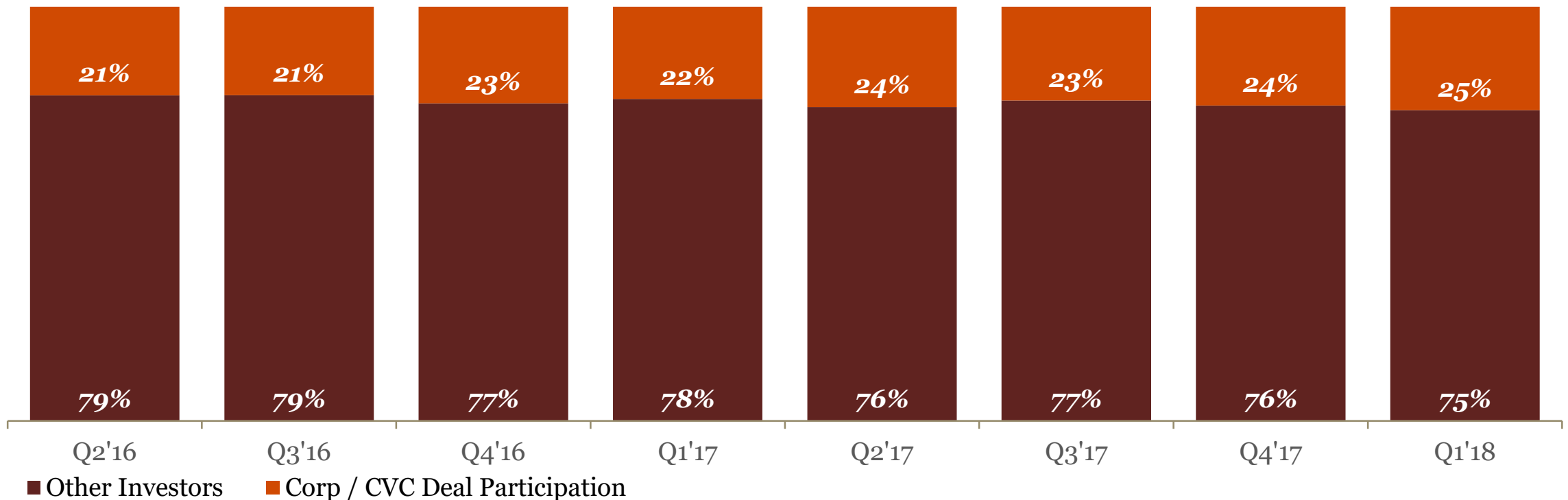


# European corporate deal participation



## Corporate participation increases a percentage point

- Corporations (and/or their venture arms) participated in 25% of Q1'18 deals to VC-backed companies in Europe, increasing from 24% the quarter before.

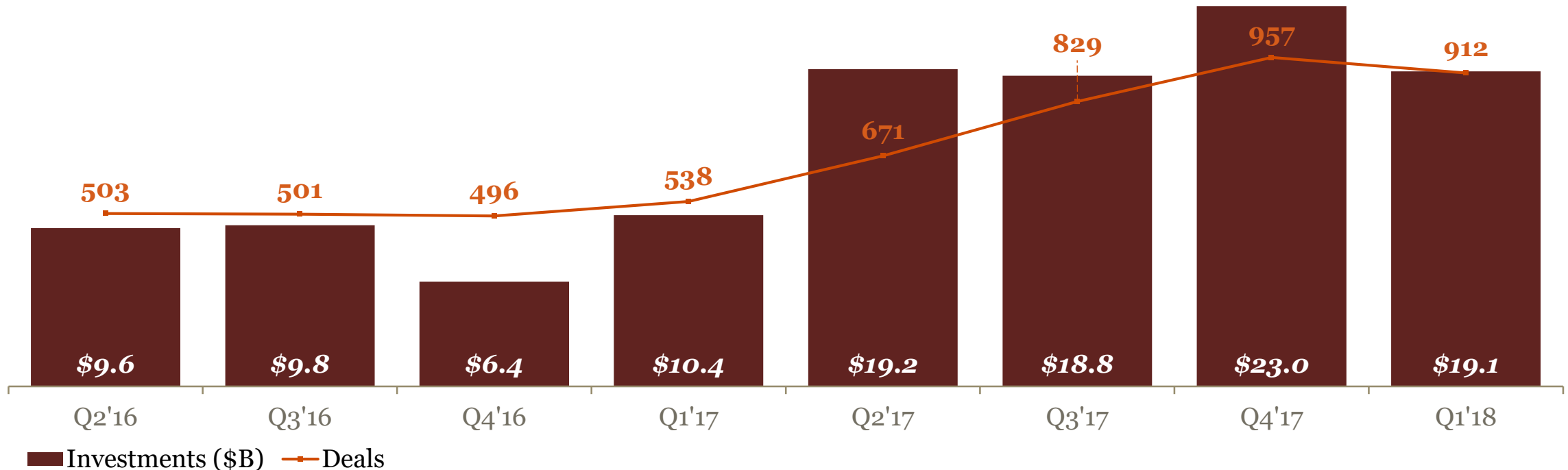


# 8-quarter financing trend: Asia



## Asia funding dips despite relatively stable deal making

- Total quarterly funding to Asia-based companies declined 17% in Q1'18 as \$19.1B was invested across 912 deals; representing a 5% decline in deals, down from 957 the quarter prior.

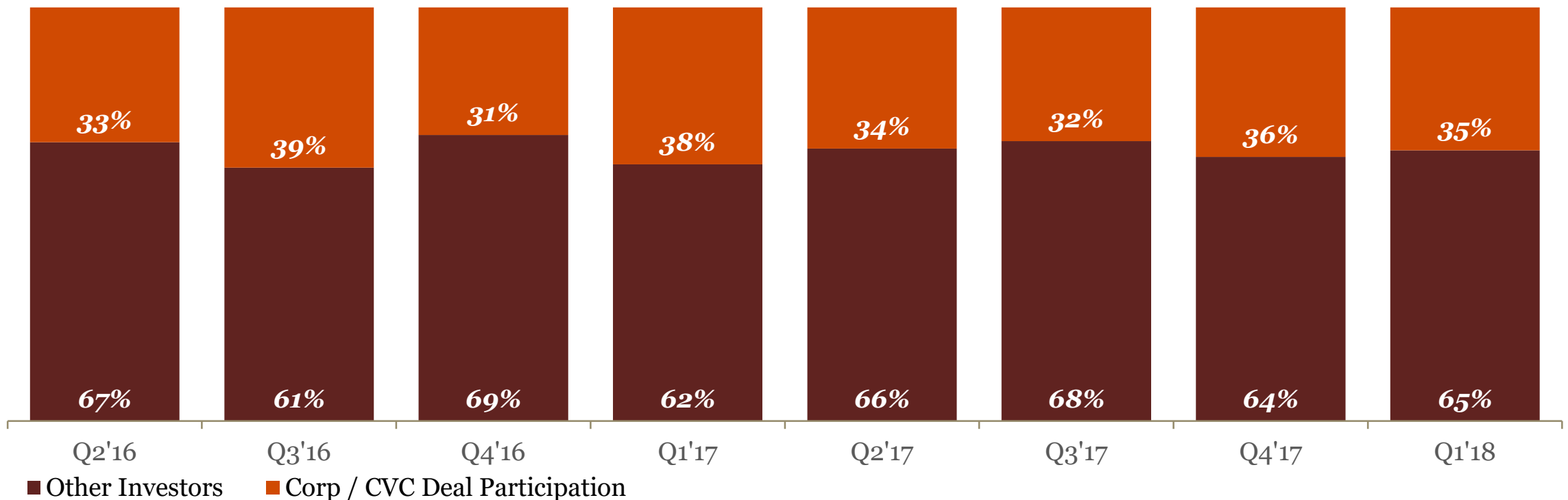


# Asia corporate deal participation



## Corporate participation declines by a percentage point in Q1'18

- Corporations (and/or their venture arms) participated in 35% of deals to VC-backed companies in Asia in Q1'18, down from 36% in Q4'17.





# Largest global deals of Q1'18

Company	Location	Sector	Industry	Stage of Funding	\$ Value of Deal	Select Investors
Easyhome	Beijing, China	Retail (non-internet/mobile)	Home Furnishings & Improvement		\$2054M	Alibaba Group, JD Capital Management, Sequoia Capital China
GO-JEK	Jakarta, Indonesia	Mobile & Telecommunications	Mobile Software & Services		\$1500M	JD.com, Tencent Holdings, Warburg Pincus
Uber	CA, United States	Mobile & Telecommunications	Mobile Commerce		\$1250M	SoftBank Group, TPG Capital, Sequoia Capital
Mobike	Shanghai, China	Mobile & Telecommunications	Mobile Commerce		\$1000M	Tencent Holdings
Chehaoduo	Beijing, China	Internet	e-Commerce		\$818M	IDG Capital, Sequoia Capital China, DST Global



Seed Stage



Early Stage



Expansion Stage



Later Stage

# Most active VC firms of Q1'18 globally



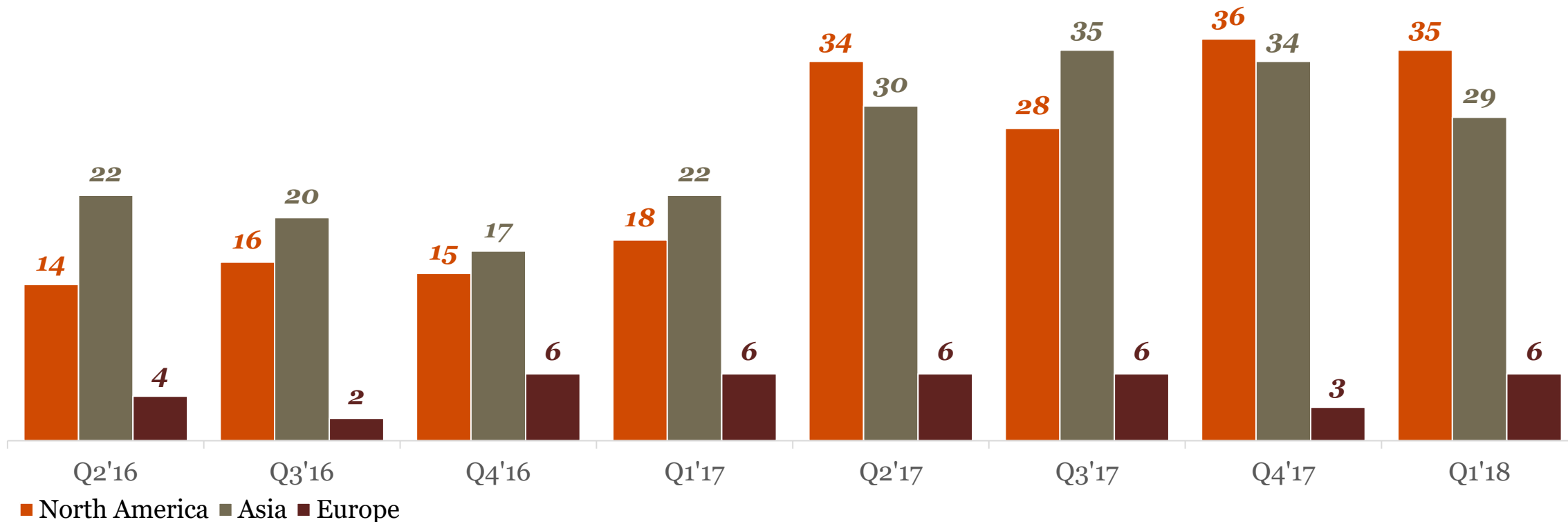
<i>Investor</i>	<i>Location</i>	<i>No. of Global Companies</i>	<i>Select Q1'18 Investments</i>
<b>1. New Enterprise Associates</b>	California, US	<b>26</b>	Radiology Partners, Collective Health, Tempus Labs
<b>2. Sequoia Capital China</b>	Beijing, China	<b>24</b>	Easyhome, Moderna Therapeutics, Ziroom
<b>2. IDG Capital</b>	Beijing, China	<b>24</b>	Rokid, Xpeng Motors, Club Factory
<b>4. 500 Startups</b>	California, US	<b>23</b>	Kin Insurance, SmartHR, Indio Technologies
<b>5. Andreessen Horowitz</b>	California, US	<b>18</b>	Caffeine, Dfinity, LimeBike



# Global mega-round activity

**North America and Asia see a combined 64 mega-rounds of \$100M or more**

- North America saw 35 mega-rounds in Q1'18, while Asia recorded 29, down 5 from the quarter before.

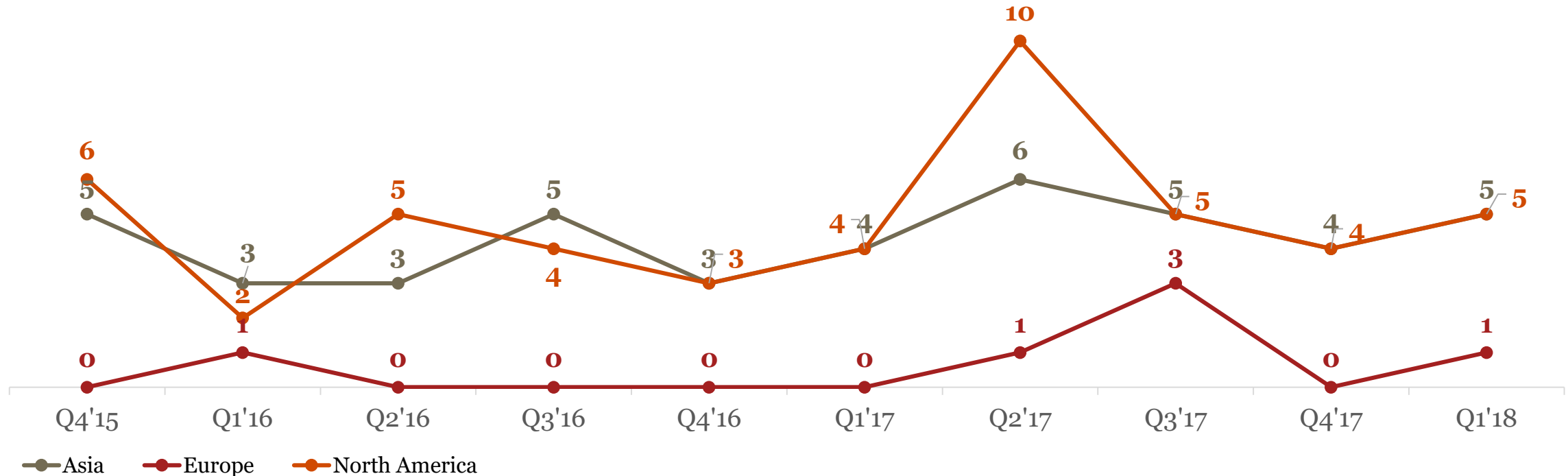


# Global new unicorn births



## Asia and North America remain tied in Unicorn creation

- North America and Asia both saw 5 companies join the ranks of private companies valued at \$1B or more in Q1'18, both up from 4 the quarter before.

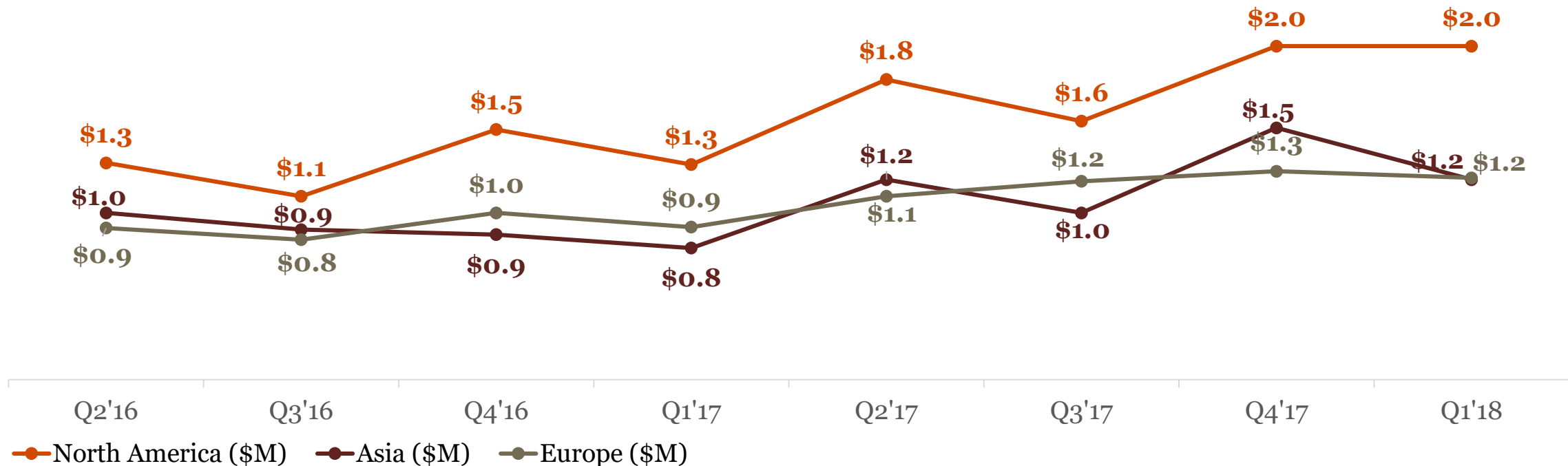




# Global seed-stage median deal size

## Median seed-stage deal sizes decline in Asia

- Median Asian deal sizes declined from \$1.5M to \$1.2M in Q1'18.



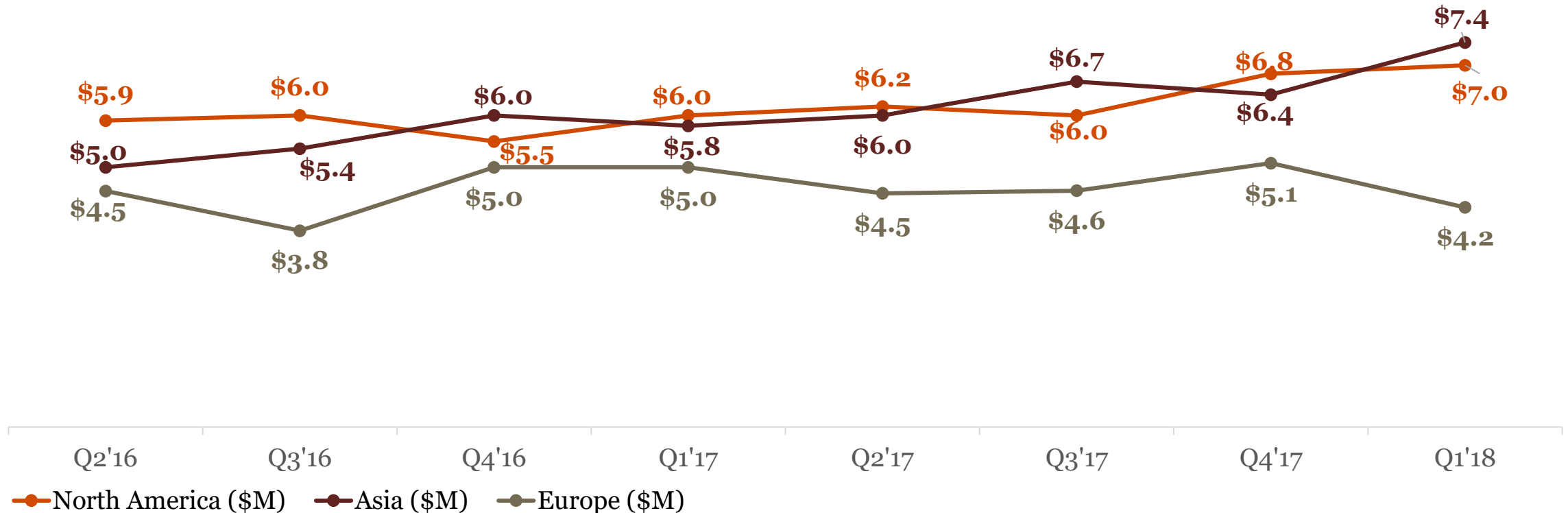


# Global early-stage median deal size



## Asian early-stage deal sizes rise

- Median early-stage deal sizes in Asia rose \$1M in Q1'18, increasing to \$7.4M from \$6.4M the quarter prior.

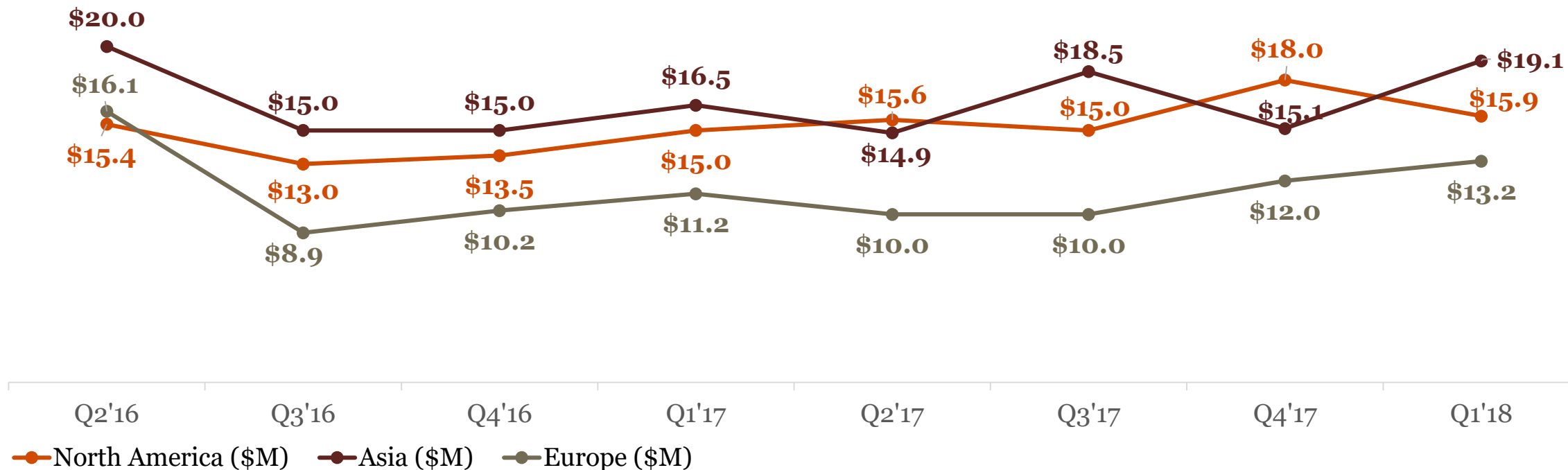




# Global expansion-stage median deal size

## Expansion-stage deal sizes increase in Asia, decrease in North America

- Median expansion-stage deal sizes in Asia jumped to \$19.1M in Q1'18, up from \$15.1M the quarter prior.
- North American expansion-stage deal sizes declined from \$18M to \$15.9M over the same time period.

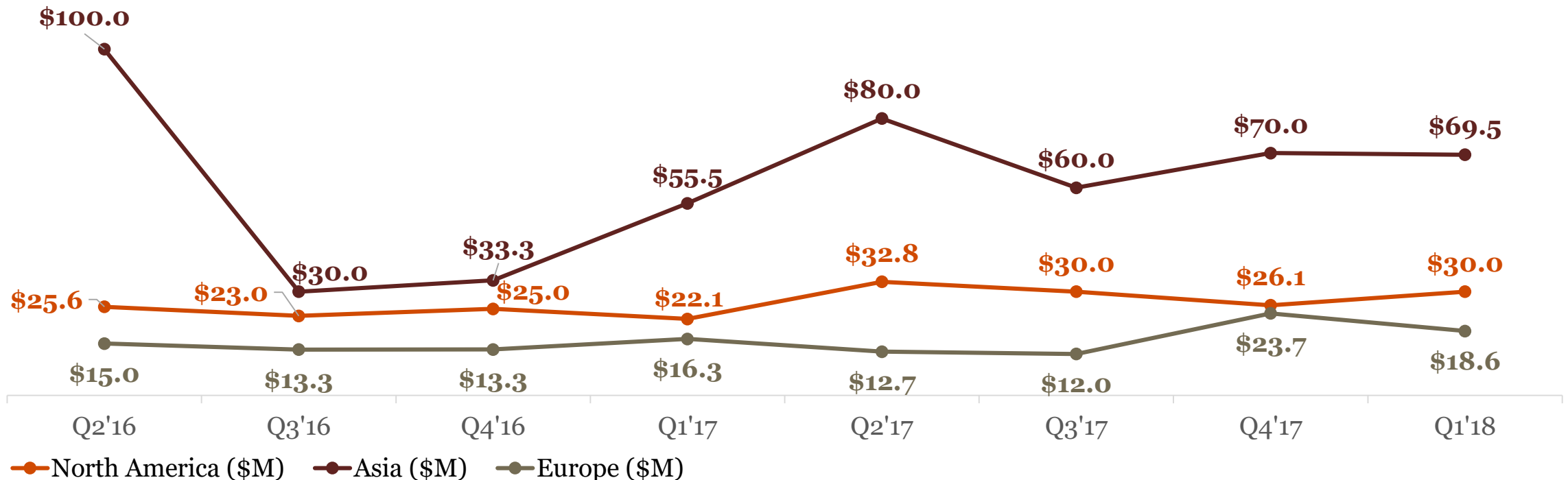


# Global later-stage median deal size



## Later-stage deal sizes increase in North America, decline in Europe

- Median later-stage deal sizes increased to \$30M in North America in Q1'18, up from \$26.1M in Q4'17. European deal sizes declined to \$18.6M, down from \$23.7M the quarter before.



# *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	\$14.7	1	Kansas	\$106.5	5	Nevada	\$0.12	1	South Carolina	\$5.1	3
Arizona	\$28.5	4	Kentucky	\$7.9	5	New Hampshire	\$50.2	3	South Dakota	\$0.08	1
California	\$11,579	513	Louisiana	\$6.0	1	New Jersey	\$314.9	10	Tennessee	\$35.3	6
Colorado	\$337	37	Maine	\$5.98	3	New Mexico	\$7.5	1	Texas	\$747	55
Connecticut	\$7.1	7	Maryland	\$405.9	16	New York	\$2,357	170	Utah	\$179.3	20
DC	\$16.3	6	Massachusetts	\$2,629	110	North Carolina	\$213.4	15	Vermont	\$3.6	3
Florida	\$511	20	Michigan	\$46.2	8	Ohio	\$99.8	13	Virginia	\$104.5	15
Georgia	\$27	13	Minnesota	\$75.9	12	Oklahoma	\$42.98	1	Washington	\$289	30
Illinois	\$375	36	Missouri	\$67.8	15	Oregon	\$38.98	7	Wisconsin	\$0.29	1
Indiana	\$34.5	5	Montana	\$41.3	3	Pennsylvania	\$254	21			
Iowa	\$13.3	3	Nebraska	\$5.3	2	Rhode Island	\$10	1			

*No disclosed quarterly activity: AK, AR, DE, HI, ID, MS, ND, WV, WY*

# Notes on methodology

PwC ([pwcmoneytree.com](http://pwcmoneytree.com)) 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 either: venture capital firms, corporate venture arms, or super angel investors.
- Fundings of private companies only. 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 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 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 these 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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