

CAPITAL IMPACTING THE CAPITAL

CREATING JOBS IN THE
NATIONAL CAPITAL REGION

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VENTURE CAPITAL IS A JOBS MULTIPLIER

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US GDP is \$18 Trillion/year

US VC Investments are \$25 Billion/year
0.14% of GDP

~15% of all US private sector jobs are in companies
that are, or once were, venture backed

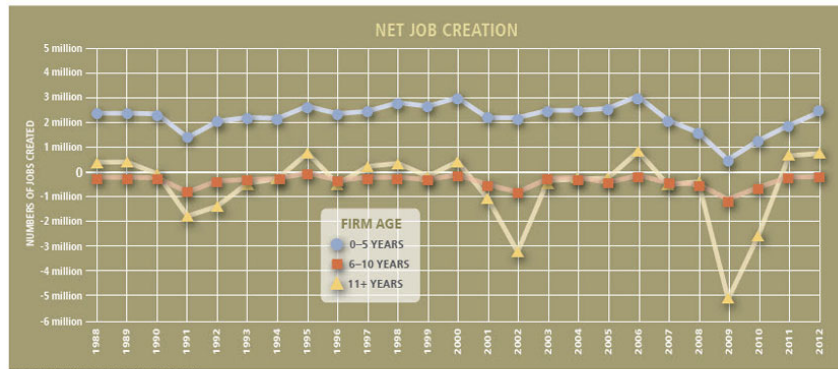
Source: NVCA

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YOUNG COMPANIES CREATE THE JOBS OF TOMORROW

3



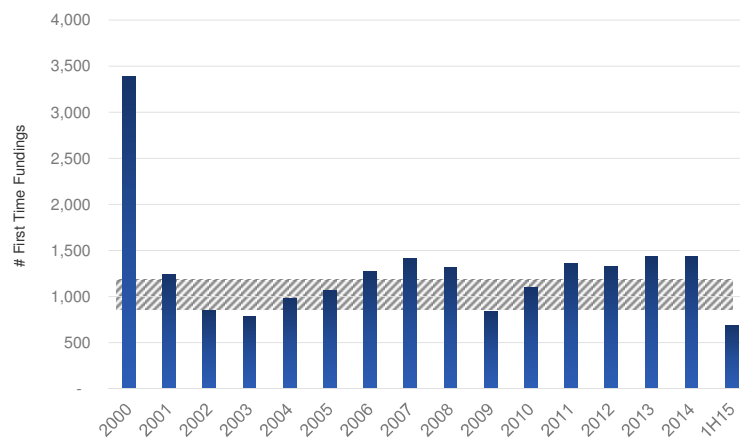
We need to think about **YOUNG** companies,
not big companies vs small companies!

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VC FUNDS 1,400 NEW FAST GROWTH COMPANIES/YR

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Source: PricewaterhouseCoopers/National Venture Capital Association MoneyTree™ Report,
Data: Thomson Reuters

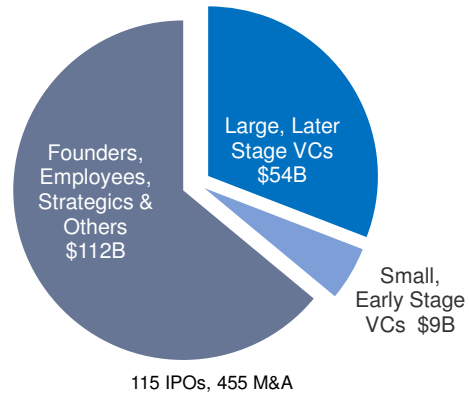
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VC BACKED COMPANIES CREATE NEW WEALTH

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570 VC-Backed Exits in 2014
\$175B Value



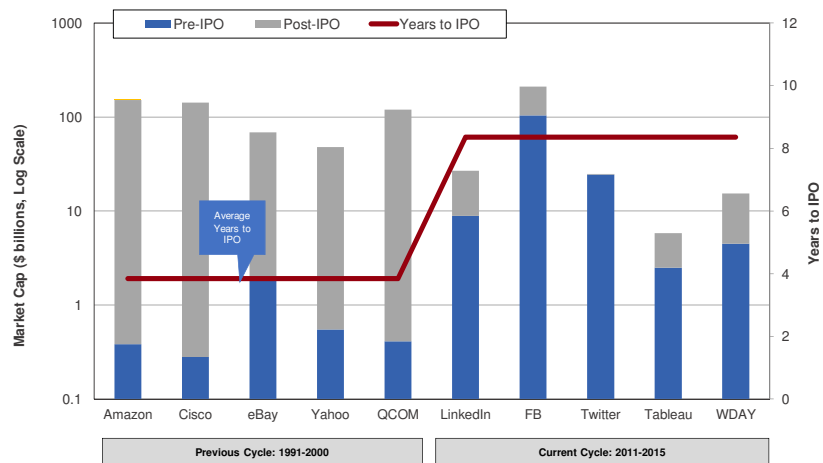
Source: NVCA/Thomson Reuters; NAV analysis

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VALUE CREATION SHIFT FROM PUBLIC TO PRIVATE

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INTERNET TECH COMPANIES INCREASINGLY VALUABLE

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1995

	Company	Home Country	Market Cap. (\$MM)
1	Netscape	USA	\$5,415
2	Apple	USA	3,918
3	Axel Springer	Germany	2,317
4	RentPath	USA	1,555
5	Web.com	USA	982
6	PSINet	USA	742
7	Netcom On-Line	USA	399
8	IAC / Interactive	USA	326
9	Copart	USA	325
10	Wavo Corporation	USA	203
11	iStar Internet	Canada	174
12	Firefox Communications	USA	158
13	Storage Computer Corp.	USA	95
14	Live Microsystems	USA	86
15	iLive	USA	57
Total Market Cap of Top 15 Internet Co's			\$16,752

2015

	Company	Home Country	Market Cap. (\$MM)
1	Apple	USA	\$763,567
2	Google	USA	373,437
3	Alibaba	China	232,755
4	Facebook	USA	226,009
5	Amazon.com	USA	199,139
6	Tencent	China	190,110
7	eBay	USA	72,549
8	Baidu	China	71,581
9	Priceline Group	USA	62,645
10	Salesforce.com	USA	49,173
11	JD.com	China	47,711
12	Yahoo!	USA	40,808
13	Netflix	USA	37,700
14	LinkedIn	USA	24,718
15	Twitter	USA	23,965
Total Market Cap of Top 15 Internet Co's			\$2,415,867

Source: Morgan Stanley, Capital IQ, Bloomberg.

Note: Market capitalizations are as of May 22, 2015 and December 31, 1995, respectively

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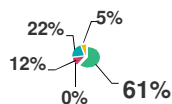
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THE WORLD IS NOW ONLINE

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1995

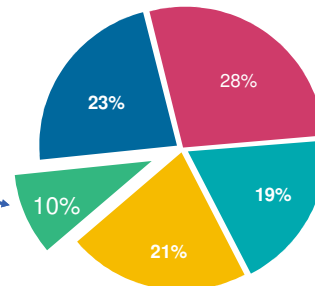
35M+ Internet Users
0.6% Population Penetration



■ USA ■ Asia (ex. China)
■ China ■ Europe ■ Rest of World

2014

2.8B Internet Users
39% Population Penetration



Change in
US
position

Source: Euromonitor, ITU, US Census.

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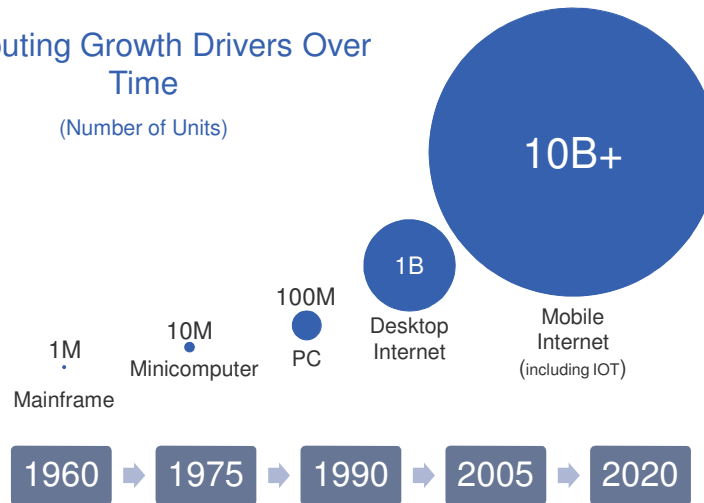
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TECHONOLGY'S EXPONENTIAL EXPANSION

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Computing Growth Drivers Over Time

(Number of Units)



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CREATIVE DESTRUCTION ALREADY HAPPENING

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CREATIVE DESTRUCTION THE NEXT WAVE

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Industries About to be Fundamentally Altered

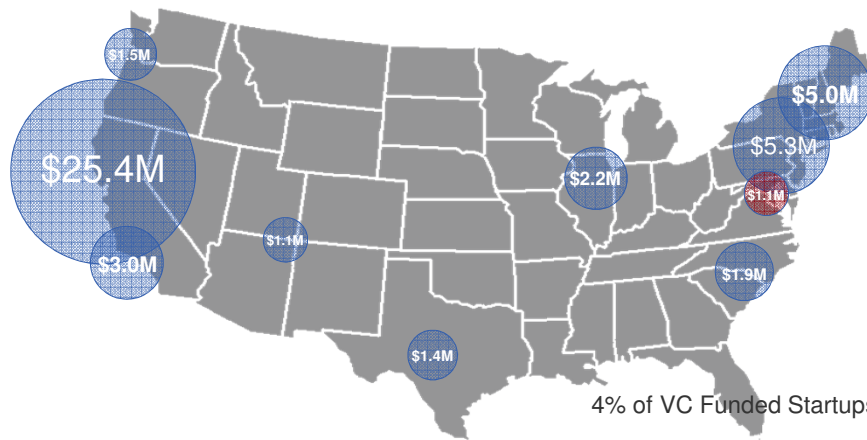


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DC REGION NOT A FORCE IN VC-BACKED STARTUPS

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4% of VC Funded Startups

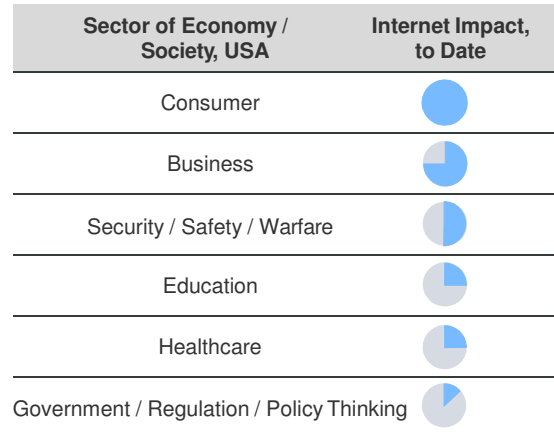
2% of VC Dollars Invested

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INTERNET IMPACT LOW IN STRONG DC SECTORS

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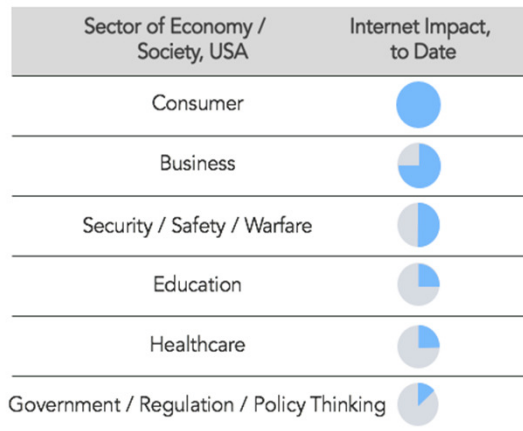
Note: Harvey Balls estimate degree to which Internet has changed behavior / outcomes in selected sectors of economy / society, 4/15.

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REGIONAL ADVANTAGES IN EMERGING SECTORS

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The Washington Region's Advanced Industrial Clusters

1. Advocacy
2. Information and Communications Technology
3. Science and Security Technology
4. Biological and Health Technology
5. Business and Financial Services
6. Media and Information
7. Business and Leisure Travel

Source: JobsEq and Inforum calculations

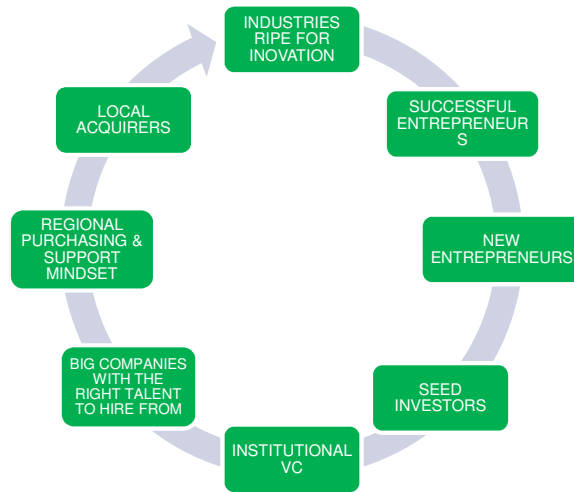
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STARTUP ECOSYSTEM VIRTUOUS CYCLE

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SILICON VALLEY



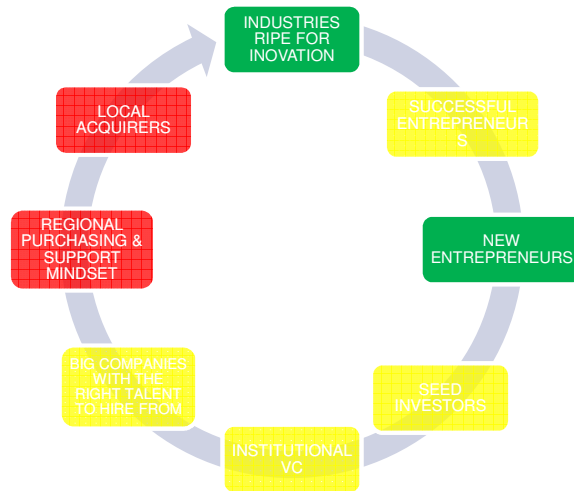
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STARTUP ECOSYSTEM VICIOUS CYCLE

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DC REGION



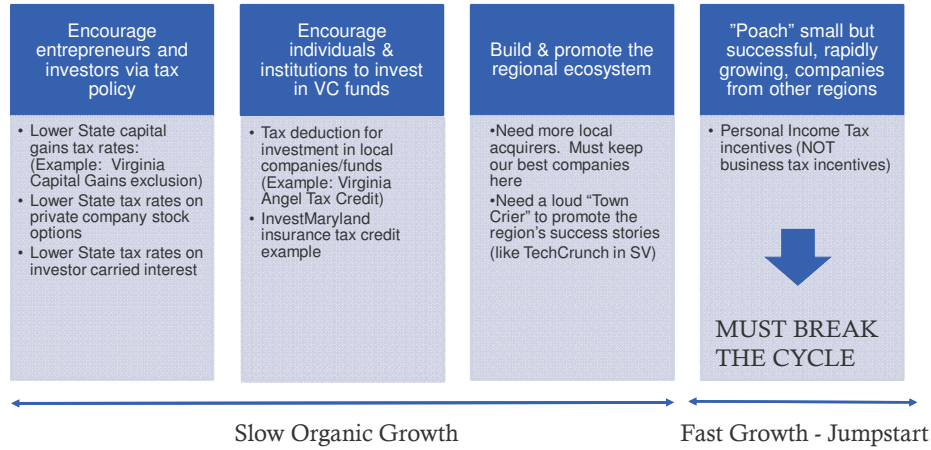
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REPOSITIONING THE DMV FOR SUCCESS

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High Potential Clusters



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