The next chapter for Corporate Venture Capital
“Future-proof” the Netherlands

Deloitte Disruptive M&A | Deloitte Center for the Edge
“We see new value creation opportunities emerging in the ecosystem. Corporate Venturing is a means to capture the value created.”

Daan Witteveen - Partner Disruptive M&A

“Availability of a healthy corporate venture capital sector is a critical component of dynamic startup ecosystems. It also helps drive innovation in companies, by partnering with winning scaleups.”

Constantijn van Oranje - Special Envoy StartupDelta
**Table of contents**

<table>
<thead>
<tr>
<th>Section</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>The next chapter for Corporate Venture Capital in the Netherlands</td>
<td>5</td>
</tr>
<tr>
<td>Why does this report matter?</td>
<td>6</td>
</tr>
<tr>
<td>Executive Summary</td>
<td>7</td>
</tr>
<tr>
<td>Introduction</td>
<td>8</td>
</tr>
<tr>
<td>Creating businesses of tomorrow</td>
<td>10</td>
</tr>
<tr>
<td>Global Corporate Venture Capital</td>
<td>14</td>
</tr>
<tr>
<td>Corporate Venture Capital in the Dutch startup ecosystem</td>
<td>16</td>
</tr>
<tr>
<td>Corporate Venture Capital funds in the Netherlands</td>
<td>20</td>
</tr>
<tr>
<td>How to reposition innovation initiatives using the Deloitte collaboration framework</td>
<td>28</td>
</tr>
<tr>
<td>A new chapter for Corporate Venture Capital in the Netherlands</td>
<td>29</td>
</tr>
</tbody>
</table>

**Interviews**

<table>
<thead>
<tr>
<th>Name</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Geert van de Wouw, Shell Ventures</td>
<td>9</td>
</tr>
<tr>
<td>Patrick de Zeeuw, Startupbootcamp</td>
<td>13</td>
</tr>
<tr>
<td>Lara Koole, Philips Health Technology Ventures</td>
<td>19</td>
</tr>
<tr>
<td>Crijn Bouman, ROCSYS</td>
<td>23</td>
</tr>
<tr>
<td>Pieter Wolters, DSM Venturing</td>
<td>27</td>
</tr>
<tr>
<td>Thijs Gitmans, Mainport</td>
<td>30</td>
</tr>
</tbody>
</table>
The next chapter for Corporate Venture Capital in the Netherlands | "Future-proof" the Netherlands
The next chapter for Corporate Venture Capital in the Netherlands

In this age of Industry 4.0, the marriage of physical and digital technologies comes with hope, ambiguity, opportunities and threats alike. In the past decade we have seen the emergence of more new businesses both on a global scale and at a faster pace than ever. We have also witnessed more new business failures and traditional businesses being disrupted.

The creation of new businesses and new business models is at the heart of future competitiveness. It's the platform for prosperity. To boost this requires a symbiotic relationship between corporates, startups and government, resulting in an annual net inflow of Dutch-inspired and Dutch-led businesses.

Luckily, an increasing number of large enterprises employ Corporate Venture Capital activities to explore emerging ecosystems, to learn from new technologies and business models, and to support collaboration with startups. Corporate Venture Capital is not only an alternative for startups to raise venture capital, it also provides an opportunity to cement business partnerships.

But we’re not there yet. Despite the increasing efforts of leading CVC arms of Dutch multinationals, the Netherlands is still not in sync with the global trend of funding scaleups. Even though 10% of VC-funded startups in the Netherlands have corporate VC-backing, most Dutch CVCs have limited means to do follow-on investments once more significant funding is needed. This means we are missing many opportunities to build the companies of the future and to keep the Netherlands competitive in the long term.

With new ecosystems coming of age, partnering with winning scaleups requires significant investments, a tailored governance model, a professionalised partnership approach and the belief that CVC is a critical instrument to cement strategic partnerships with scaleups.

We hope this report will inspire more companies to invest in startups through CVC funds and that existing funds learn faster by sharing experiences.

Let’s make it happen!

**Constantijn van Oranje**
Special Envoy StartupDelta

**Daan Witteveen**
Partner Deloitte Disruptive M&A
Why does this report matter?

**Board**
The agenda of Corporate Venture Capital shifts from innovation to industry transformation. CVC is an upcoming instrument to cement strategic partnerships with scaleups. It enables corporates to co-create and capture value in emerging business ecosystems. Ultimately this leads to long-term competitive advantage.

**Strategy & M&A**
Corporate Venture Capital is no longer an innovation instrument to only explore new technologies and business models. The M&A, CVC and Partnership toolbox is part of an integrated approach to innovation, business transformation and growth.

**CVC funds**
Increasingly, business leaders require Corporate Venture Capital to contribute to the strategic objectives beyond innovation. In the future, CVC managers will closely cooperate with strategy, M&A and the business to shape ecosystem strategies at scale.

**Startups**
Corporate Venture Capital is more than an alternative to raise capital and to secure a launching customer. Some corporates are already very serious about business ecosystem collaboration, requiring startups to raise the bar.

**Government**
Healthy business ecosystems need entrepreneurs, startups, incubators, accelerators, venture capital, universities and corporates. However, to sustain business, ecosystem winners need to be created. In addition to startup funding, the Netherlands needs to mobilise significant late-stage funding. Future-proofing our economy requires partnerships at scale.
Executive Summary

A future-proof Dutch economy
Healthy business ecosystems need entrepreneurs, startups, incubators, accelerators, venture capital, universities and corporates. To sustain business, ecosystem winners need to be created. This requires significant investments in scaleups over a longer period.

From innovation to industry transformation
Corporate Venture Capital (“CVC”) is shifting gears in the global market place, moving from financing innovative startups to financing transformational scaleups. The CVC industry is showing strong growth and is maturing.

Venturing is part of an international playing field
Most of the Dutch CVCs look outside the Netherlands for investment opportunities whilst 50% of the CVC-backing in the Netherlands comes from foreign CVC investors. However, Dutch CVC fund managers raise the concern that Dutch startups seem to be too focused on the Dutch market.

Dutch CVC funds primarily focus on early-stage investments
Except for a few leading CVC arms of Dutch multinationals, the Netherlands is not in sync with the global trend of funding scaleups. Even though 10% of VC-funded startups in the Netherlands have corporate VC-backing, most Dutch CVCs have limited means to do follow-on investments once more significant funding is needed. Currently, CVC in the Netherlands is primarily seen as an instrument to boost innovation rather than catalysing business transformation.

Catalysing cross industry collaboration through Corporate Venture Capital
An analysis of the Dutch CVC portfolios reveals a significant opportunity for corporates to collaborate and co-invest. Not surprisingly, sector convergence is driving traditional players from various industries to the same ecosystem plays. Think of initiatives in IoT, smart cities, smart living and digital health all requiring players from different sectors to collaborate.

To be successful in CVC as an integral part of a successful growth strategy, business leaders should have a long-term commitment and become comfortable with moving from small bets to support winning scaleups. Another crucial issue is to foster a startup tolerant culture, which includes an entrepreneurial, risk-tolerant mind-set and fast-decision making.

The next chapter for Corporate Venture Capital in the Netherlands
In line with global developments, Dutch corporates should consider ramping up their CVC initiatives as part of their overall strategic growth efforts. Instead of focusing on exploration and learning, corporates should embed the CVC instrument in their core strategy. The Deloitte Collaboration Framework provides business leaders insights into the effective positioning of different innovation instruments linked to the overall strategic objectives, also beyond the company’s current horizon.

With new ecosystems coming of age, partnering with winning scaleups requires significant investments, a tailored governance model, and a professionalised partnership approach. While Dutch corporates currently often see their corporate venturing activities merely as an innovation instrument for exploration and future growth, they should move them closer to the core.
Introduction

An increasing number of large enterprises employ Corporate Venture Capital (“CVC”) activities to explore emerging ecosystems, to learn from new technologies and business models, and to support collaboration with startups. CVC is not only an alternative for startups to raise venture capital, it also provides an opportunity to cement business partnerships.

As we believe CVC is pivotal to accelerate the Dutch startup ecosystem, StartupDelta, Deloitte Disruptive M&A and Deloitte Center for the Edge initiated research on the state of CVC in the Netherlands. We conducted a qualitative analysis through interviews and a round table discussion with Dutch CVC managers. In addition, we performed a data driven analysis on 20 selected CVC Funds¹, which are headquartered in the Netherlands and which have made minority investments in startups with a strategic angle for the parent company.

This is a three-part report. The first part provides perspective on the growing importance of Corporate Venture Capital to build the businesses of tomorrow. We believe that CVC will play a pivotal role in navigating the emerging industries and maintain competitiveness. To prepare for this task, CVC needs to elevate from focusing on innovation to contributing to business transformation.

The second part includes our assessment of the status of CVC in the Netherlands through three lenses:

1. We start with a global perspective on CVC and compare this with the Netherlands. Even though we are experiencing large increases in CVC activity globally, it appears the investment levels of Dutch CVC funds in startups in the Netherlands have failed to keep pace, both in terms of number of investments and investment size.
2. Secondly, we take a look at the Dutch startup ecosystem. In line with the global trend to refocus CVC from startups to scaleups, we see an opportunity for more extensive collaboration. Not only between corporates and startups, but also for corporates to team up between themselves to create “tomorrow’s businesses”. It may well take “two to tango”.
3. Finally, we provide an overview of the corporate portfolio of the main CVC funds in the Netherlands. Recognising that there is a risk of being too thinly spread, we observe that Dutch CVCs often have an internationally diversified portfolio of early stage investments.

We conclude our report with an outlook on the future of CVC. We introduce the Deloitte Collaboration Framework followed by a number of observations and recommendations for business leaders in the Netherlands to step up the game in Corporate Venture Capital.

---

¹ ABN AMRO, Achmea, Alliander, DSM, Eneco, ING, KPN, Mainport, Merck, Nutreco, NXP, Philips, Rabobank, Randstad, RTL, Sanoma (CVC arm closed in 2016), Shell, Stichting CbusineZ (CZ), Talpa
Shell Ventures

Geert van de Wouw is Vice-President of Shell Ventures, the corporate venturing unit of the Anglo-Dutch energy major. The firm seeks to invest in the energy industry including oil & gas, clean tech and mobility sectors.

What is Shell Ventures doing and focusing on?
Shell Ventures (SV) helps Shell identify and deploy new technologies and business models faster, and invests in ventures that look promising for delivering a meaningful commercial advantage. As a strategic partner, SV makes minority investments in external startups, spin-outs from Shell and externally managed venture capital funds. SV invests primarily in three areas: oil and gas technologies, renewable power and the future of mobility, whilst digitally- and data-enabled business models feature across all three verticals. In 2018, SV invested in 24 new start-ups and did 10 follow-on investments in its existing portfolio companies. Our portfolio consists of more than 50 investments, across North America, Europe, Israel and Asia.

What is your view on the added value of a corporate to a startup and vice versa?
A corporate investor brings value to a startup through deployment. This is why we have a dedicated Implementation Management team that very deliberately brokers connections between the startups we invest in and the Shell assets and projects. A contract with Shell- as a launching partner- can go a long-way for the entrepreneur. We are maybe not as nimble as the startups we invest in, but we have a lot of expertise about scaling businesses.

What is your advice for a startup that wants to attract funding and for a corporate that wants to successfully fund a startup?
First of all: we respect the entrepreneurs we invest in. We really appreciate their passion, vision and focus. Furthermore, we look for teams that have a realistic plan to put a real ‘dent’ in the energy system and can help Shell through the energy and mobility transformation, or reduce the cost of our current operations in a meaningful way. We also like to take a hard look at the intentions of the other investors around the table, as we don’t like to be the only folks with a long-term view on the investment. As for other corporates that want to fund startups, make sure you adjust your governance to fit the venture capital speed: good VC deals are often done in weeks, not months...

How do you view the state of the Dutch CVC market?
Whilst the activity level – particularly in Energy – is relatively small, we have been able to find four excellent investments in The Netherlands. Yes, the Dutch CVC market is small compared to the US or places like Norway, the UK and Israel, and there are not that many (C)VCs around, but the Netherlands has a fantastic infrastructure in terms of industry (for pilots and testing) and there is – in principal – enough money. The terms & conditions for investments in the Netherlands are still too ‘exotic’, deviating from global VC industry standards, hence making it more complicated to invest.

How can we boost the competitiveness of the Netherlands through accelerating the Dutch startup and CVC ecosystem?
By not trying to become the “Next Silicon Valley”, that’s just not realistic. Instead: we need to rely more on our own USPs: our strong scientific roots and incredible infrastructure. With these the Netherlands can become internationally the best market to test and scale new technologies and business models.

Is there sufficient investment opportunity in the Netherlands to invest in ventures with different maturities?
Most VC’s have moved away from early stage, leaving a deep void which is only partially being filled by corporate investors, impact investors and family offices. As a result, it is becoming increasingly difficult for early stage companies, like University spin-offs, to get out of the ‘valley of death’.

Do you want to share any other views on corporate venturing in the Netherlands?
We should catalyse private capital more. There is enough private wealth in the Netherlands willing to make impact investments, but they are not very well organised. In this respect, we can take an example from the Americans, who have organised their family offices with the goal to channel capital towards impact investing.
Creating businesses of tomorrow

Business leaders are challenged for growth in their traditional businesses, making it imperative to innovate and create the business of tomorrow. The growth agenda for many companies demands strategic choices to be made. Increasingly we are faced with complex choices, often with less predictable results and whose risks are perceived to be higher.

This raises questions such as:

- How to improve the core business through inorganic growth?
- What is required for an effective ecosystem strategy?
- How to juggle between innovation initiatives, investment opportunities, acquisitions, partnerships and joint ventures?
- Should we invest in early-stage, technology-led disruptive businesses, partner with more mature scaleups, or do both?

**Value creation shift**

Today's investment decisions are more complex and often have less predictable results which is the result of the interplay of technology and societal trends. Technological advances, shifts in consumer behavior and sector convergence are disrupting traditional business models. In addition, the need for sustainable businesses is key. It drives innovation and is rapidly changing industries.

Therefore, value creation for companies shifts from the company’s "core" to the company’s ecosystem. A company’s success is determined by its ability to adapt and innovate within the collective operations of the ecosystem. To create effective long-term sustainability and competitiveness, business leaders need to identify the key players, understand how value is created and design an effective collaboration model.

**The future of Corporate Venture Capital**

In the context of quickly evolving ecosystems, CVC is no longer an instrument to only explore new technologies and business models. Together with business transformation and Disruptive M&A, CVC is becoming a growth instrument to fuel new business opportunities in both the core business and adjacent sectors and drive transformation.

Disruptive M&A is a key growth area and last year companies spent $217bn on acquiring disruptive technologies and business models – an increase of 28% over previous year.

**Disruptive M&A is a key growth area**

Source: Deloitte M&A report Future of the Deal, 2019
$877 bn
Was spent by companies on disruptive innovation related M&A deals since 2015

77%
In a recent survey, 77% of the respondents said they expect to compete in a new industry in 3 years time

60%
Global share of non-TMT companies buying technology companies is 60%

$175 m
Globally, Corporate Venture funds have an average commitment of $175 million

“The dizzying pace of technological innovation has unleashed a fundamental shift in M&A. Companies’ very survival depends on their ability to serve evolving customer demands and creating business models for the future, as industries digitize and converge”

Iain Macmillan, Deloitte Global Managing Partner for M&A Services and Transaction Services

Source: Deloitte M&A report Future of the Deal, 2019
To deliver on the long-term corporate strategy, corporate venturing activities should move from the "innovation corner", to become embedded within the corporate strategy and the investment activities.

**Defining business ecosystems**

Ecosystems are dynamic and co-evolving communities of diverse actors...

...who create value and capture new value...

...through both collaboration and competition.

Ecosystems typically bring together multiple players of different types and sizes in order to create, scale, and serve markets in ways that are beyond the capacity of any single organization—or even any traditional industry. Their diversity—and their collective ability to learn, adapt, and, crucially, innovate together—are key determinants of their longer-term success.

Enabled by greatly enhanced connectivity across specialised capabilities and resources, ecosystems develop new, co-created solutions that address fundamental human needs and desires and growing societal challenges. While forging superior ways to create new value, ecosystems also increase the importance of discovering new business models to capture that value in a world of commoditisation and "de-monetisation."

Competition, while still essential, is certainly not the sole driver of sustained success. Participants are additionally incentivised by shared interests, goals, and values, as well as by the growing need to collaborate in order to meet increasing customer demands, to invest in the long-term health of their shared ecosystem, from which all can derive mutual benefit.

Source: Deloitte University Press, Business ecosystems come of age, 2015
Interview Patrick de Zeeuw

Patrick de Zeeuw is the Co-founder and CEO of Startupbootcamp, one of the leading industry-focused startup accelerators globally. Since launching, Startupbootcamp has accelerated over 700 startups of which 64% went on to receive funding.

What is your advice for startups that want to attract funding and for corporates that want to successfully fund a startup?
For both sides: do not invest too early. Let the startup grow with the help of angel and VC investments. First, start collaborating and see if both parties add value to each other. The next step could be an strategic or financial investment. A good example is the investment of Munich RE in Startupbootcamp alumni Relayr.io. They sequentially followed these steps and Munich RE fully acquired Relayr in 2018 for $300m.

How do you view the state of the Dutch CVC market?
The CVC market in the Netherlands is still immature; 10-15 years ago there merely weren't any CVC funds. Nowadays, more companies are increasing their commitment. Globally, the US CVC market surpasses Europe when it comes to maturity. Investment funds are bigger, as are their investment teams. This stems from a different investment climate and culture. It’s common for US funds to be managed by entrepreneurs. This affects risk aversity and the services they can provide to their startups. In the Netherlands, these funds are usually managed by bankers or people with a financial and/or M&A background.

How can we boost the competitiveness of the Netherlands through accelerating the Dutch startup and CVC ecosystem?
I believe our startup ecosystem has evolved really well during the last 10 years. More capital is available, the government is playing an active and stimulating role, and new funds are being initiated. The CVC market keeps on developing and is going into the right direction. It is now up to the Netherlands to prove it is capable of accelerating the growth of our startups to an even higher level.

Is there sufficient investment opportunity in the Netherlands to invest in ventures with different maturities?
Startups usually raise the bigger investment rounds abroad. Investments only come from international VC funds, or consortiums including a single Dutch CVC and multiple international investors. Such consortiums particularly have a lot of knowledge on offer for startups, since these international investors have expertise abroad and can more easily help to expand across the Dutch border.

Do you want to share any other views on corporate venturing in the Netherlands?
I see a market trend in which CVCs look at ventures in earlier stages than they did 5 to 10 years ago. They want to be involved and connected to startups earlier, so they can evaluate startups - not only from a financial perspective but, more importantly, for strategic reasons. The corporates start to collaborate with the startups and they only act on the option to invest after a couple of years. While watching the startups grow, corporates can learn a lot from them in these first few years.
Strong growth in Global CVC activity

Global Corporate Venture Capital activity has increased rapidly, with new records have been set for both total capital invested and number of deals in 2018. Asia attracted an all-time high of 38% of all CVC deals in 2018, with China attracting most CVC interest. The North American deal share receded to an all-time low (41%), while the European deal share fell to a 3-year low (17%).

Three important trends in the global CVC market indicate that the industry is maturing and shifting gears from financing innovative startups to transformational scaleups.

1. Trend to start a CVC fund. Newly active CVC firms numbered 264 in 2018, creating a total of 773 CVC firms.
2. Growth in CVC deal participation. CVC participation in the overall venture capital ecosystem is growing. CVC investors participated in 23% of all VC-backed deals throughout 2018, an increase of 19% over 2017.
3. Jump in Corporate Venture Capital activity and larger ticket sizes. CVC Groups participated in $53bn of funding across 2,740 deals in 2018. The average investment size reached $26.3m—an increase of 19.5% over 2017 ($22m).

Top 10 most active CVC investors in 2018 globally

<table>
<thead>
<tr>
<th>Rank</th>
<th>CVC investor</th>
<th>Selected investments</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Google Ventures (GV)</td>
<td>Alector, Brandless, Collective Health, GitLab, Intercom, Lime, Relay Therapeutics, Tamr, Yesware</td>
</tr>
<tr>
<td>2</td>
<td>Salesforce Ventures</td>
<td>Docker, Measurabl, Quovo, SessionM</td>
</tr>
<tr>
<td>3</td>
<td>Intel Capital</td>
<td>CloudGenix, DataRobot, Good Data, Syntiant</td>
</tr>
<tr>
<td>4</td>
<td>Baidu Ventures</td>
<td>Pear Video, Yunding Network Technology, Xgimi</td>
</tr>
<tr>
<td>5</td>
<td>Legend Capital</td>
<td>Bellen Chemistry, Phoenix Travel Worldwide, Zuoyebang</td>
</tr>
<tr>
<td>6</td>
<td>SBI Investment</td>
<td>FNC, Origami, solarisBank, Tamr, WHILL</td>
</tr>
<tr>
<td>7</td>
<td>Alexandria</td>
<td>Benson Hill Biosystems, Kallyope, Relay Therapeutics, Skyhawk Therapeutics</td>
</tr>
<tr>
<td>8</td>
<td>Kakao Ventures</td>
<td>Lunit, TimeTree, WONDERS</td>
</tr>
<tr>
<td>9</td>
<td>Mitsubishi UFJ Capital</td>
<td>CureApp, Plaid, WealthNavi</td>
</tr>
<tr>
<td>10</td>
<td>Fosun RZ Capital</td>
<td>CassTime, UniCareer, XPeng Motors</td>
</tr>
</tbody>
</table>

Source: CB Insights, The 2018 Global CVC Report
Europe continues to attract CVC investments

European startups continue to attract CVC investments, despite the decline in European deal share on a global level. CVC deals in European startups increased to 468 and funding increased to $5.5bn in 2018, up 72% from $3.2bn in 2017.

Europe is following the global trend towards more late-stage CVC funding. In 2018, the late-stage deal count increased by 20% while early-stage deals decreased by 19.1%. The median deal value in Europe increased to €11.8m in 2018.

Corporate Venture Capital for startups in the Netherlands is lagging

Compared with the Netherlands, the growth in the number of startups that attracted CVC funding has been significantly higher in the UK, Israel, Germany, France and the Nordics over the past five years. The following graphs illustrate the relatively smaller scale of Corporate Venture Capital in the Netherlands compared to the UK, Germany, France, the Nordics and Israel.

---

Source: Pitchbook, European Venture Report 2018 Annual

Source: Deloitte analysis, Pitchbook; Data retrieved April 2019
The state of Corporate Venture Capital in the Dutch startup ecosystem

Significant startup activity in the Netherlands
Over time, the startup ecosystem in the Netherlands has developed into connected growth hubs throughout the country. The Netherlands counted a total of 4,100 startups in 2018, of which health tech (9%), fintech & financial services (7%) and manufacturing (7%) represent the largest clusters. Startups receive support through no less than 70 incubator and accelerator programs such as YES!Delft, Startupbootcamp, and Rockstart.

Successful unicorns, but the development from startups to scaleups remains a challenge
Despite the strong startup activity, the Netherlands ranks low down the ranks (15) on the Startup Genome Global Startup Ecosystem Ranking 2019. Furthermore, compared to our neighbouring countries the number of startups developing into scaleups is relatively low. This is evidenced by the ‘Scale up Dashboard 2018’ of the Erasmus Center for Entrepreneurship, showing a decrease in the number of successful startups that become scaleups.

On the positive side, the Netherlands counts relatively more (13) unicorns - scaleups with a market capitalisation of over $1bn - compared to other European countries. Examples of well-known Dutch unicorns are Adyen and Elastic. Remarkably, though, the Dutch unicorns primarily raised capital from foreign investors.

Fewer venture capital deals, but shift from seed to early-stage venture capital
The development of the number of funding rounds of Dutch startups has been volatile and slightly decreasing since 2015. Investors shifted their focus from seed capital (€0-2m) to early-stage investments (€2-10m).

“World’s #2 most innovative economy”
Global Innovation Index 2018

“Amsterdam #3 city in Europe for startups”
European Digital City Index 2016

“All 13 Dutch Universities in World Top 200”
Times Higher Education World University Rankings

---

1 A Dutch startup is defined as a privately owned and operating company that is younger than 20 years (founded after 1999); has more than 1 employee; is not a subsidiary and is headquartered in the Netherlands

2 Scaleup Dashboard 2018, Prof. Dr. Justin Jansen, Erasmus Centre for Entrepreneurship
Dutch startup ecosystem visualised as of 31-12-2018 (4,100 companies)

Deep view explainer
Deep View reads company descriptions to identify key words and phrases, comparing the descriptions to create links between companies based on similar language. In this case, Deep View reads company descriptions of Dutch startups and scaleups. One node represents one company. Each color represents a different (industry) cluster.

Deep View uses text processing algorithms that employ Natural Language Processing (“NLP”) and artificial intelligence to map the Dutch startup ecosystem.

Source: Deloitte Deep View analysis, Pitchbook; Data retrieved April 2019
**Dutch Corporate Venture Capital plays a small role in funding startups in the Netherlands**

Corporate Venture Capital funds participated in Dutch financing rounds for some 15% of which 50% is provided by Dutch CVCs. In other words, 7.5% of all funding rounds of Dutch startups included at least one Dutch (co-) investing CVC.

**CVC in the Netherlands is very early stage investment oriented, compared to other countries**

Out of the investments of Dutch CVCs, 85% are early-stage rounds. The remaining 15% of the investments comprises late-stage capital. The most important difference compared to other countries is that the majority of the Dutch CVCs do not invest in later-stage scaleups. Compared to the UK, the Nordics, Germany and Israel, the Dutch CVC funds make fewer late-stage capital investments. As a result, the median investment size was €4.65m in the Netherlands in 2018. The Netherlands does not follow the global trend of increased median CVC deal sizes.

**The next step for Corporate Venture Capital in the Netherlands: from innovation to transformation**

In its search for innovation, most of the Corporate Venture Capital funds in the Netherlands focus on early-stage startups. As part of the business transformation agenda, the ability to “double down” on the winners and to support transformative scaleups would be a logical next step for CVC in the Netherlands.

---

**Investment mix per country in 2018 (VC and CVC)**

<table>
<thead>
<tr>
<th>Capital invested in:</th>
<th>Netherlands</th>
<th>Germany</th>
<th>United Kingdom</th>
<th>Nordics</th>
<th>Israel</th>
</tr>
</thead>
<tbody>
<tr>
<td>Seed</td>
<td>6%</td>
<td>6%</td>
<td>4%</td>
<td>5%</td>
<td>6%</td>
</tr>
<tr>
<td>Early stage VC</td>
<td>60%</td>
<td>39%</td>
<td>48%</td>
<td>58%</td>
<td>40%</td>
</tr>
<tr>
<td>Later stage VC</td>
<td>33%</td>
<td>58%</td>
<td>45%</td>
<td>37%</td>
<td>54%</td>
</tr>
</tbody>
</table>

Source: Deloitte analysis, Pitchbook; Data retrieved April 2019
Interview Lara Koole
Philips Health Technology Ventures

Lara Koole is Principal at Philips Health Technology Ventures. This corporate venturing team is responsible for supporting all global external venture investment activities across Philips.

What does Philips Health Technology Ventures do and what does it focus on?
Philo Health Technology Ventures is Philips’s corporate venture investment team. We invest in and build relationships with promising startups that can serve as long-term commercial partners and deliver insights that help to achieve Philips’s aim of delivering patient-centric solutions throughout the health continuum – from healthy living and disease prevention, to diagnosis, therapy and home care.

In your view, what added value can corporates offer startups and vice versa?
We add strategic value and are a trusted brand in industries that are difficult to penetrate, such as healthcare. In exchange, startups hold up a mirror to the corporates, at least that is the case with us. Their new look at the new reality makes us also sometimes rethink some of our priorities.

What number 1 tip do you have for startups that want to get funding from corporates? And what is your advice for corporates that want to successfully fund startups?
“For a startup: always put yourself in their shoes; why would a corporate want to work with you, what is its rationale behind that? What is the real win-win situation that you can create together? If you don’t know this already in advance, a collaboration is doomed to fail. For a corporate: let a startup be a startup, don’t create unrealistic expectations and don’t make disproportionate demands. Sometimes a startup just isn’t mature enough, accept that and act on it.

How do you view the state of the Dutch CVC-ecosystem?
There is still much room for improvement. In the Netherlands, Corporate Venture Capital is often still an innovation instrument at the edge of the organization, but it should be at the core of an integrated approach to innovation, transformation and new growth domains. Otherwise, you run the risk of no longer being relevant or of being overtaken.

Can we boost the competitiveness of the Netherlands by accelerating the Dutch startup and CVC-ecosystem?
I think it’s more a question of how can we accelerate the European ecosystem? For many corporates the Dutch market alone is not large enough. In addition, parties in the ecosystem must really start facilitating innovation, instead of just organising networking get-togethers. A good example of this is the cooperation between EIT Health and the European Investment Bank. Together they really foster cross-border collaboration and facilitate innovation to improve the health of European citizens.

Does the Netherlands have enough opportunities to invest in ventures with different maturities?
Of course I’m focused on a niche, a certain industry in healthcare, but I see that real scaling is quite difficult in the Netherlands. The investments made here mainly involve early-stage startups. In addition, the startups here are often too small and too focused on the Netherlands itself to be eligible for large international rounds at all.

Do you want to share any other views on corporate venturing in the Netherlands that we should reflect in our report?
The government also has a role to play in stimulating innovation and funding. There are plenty of examples of other countries where governments help mobilise significant late-stage funding. Our government has an opportunity to do the same. Especially for smaller companies active as venture investors, it could lower the barrier for investments enormously.
The state of Corporate Venture Capital funds in the Netherlands

Our research
Our assessment of the state of Corporate Venture Capital funds in the Netherlands included conducting a qualitative analysis through interviews and a round table discussion with Dutch CVC managers. In addition, we performed a data driven analysis on 20 selected CVC funds that are headquartered in the Netherlands, have at least two CVC deals completed and make minority investments in startups with an objective to add a strategic edge to the parent company.

All 20 CVCs researched have investment teams, which are primarily located in the Netherlands. The analyses only include minority investments.

<table>
<thead>
<tr>
<th>Name of company</th>
<th>Start of CVC activities in</th>
</tr>
</thead>
<tbody>
<tr>
<td>ABN AMRO</td>
<td>2015</td>
</tr>
<tr>
<td>Achmea</td>
<td>2008</td>
</tr>
<tr>
<td>Aegon</td>
<td>2014</td>
</tr>
<tr>
<td>Alliander</td>
<td>2009</td>
</tr>
<tr>
<td>DSM</td>
<td>2001</td>
</tr>
<tr>
<td>Eneco</td>
<td>2015</td>
</tr>
<tr>
<td>ING</td>
<td>2017</td>
</tr>
<tr>
<td>KPN</td>
<td>2015</td>
</tr>
<tr>
<td>Mainport</td>
<td>2015</td>
</tr>
<tr>
<td>Merck</td>
<td>2009</td>
</tr>
<tr>
<td>Nutreco</td>
<td>2018</td>
</tr>
<tr>
<td>NXP</td>
<td>2013</td>
</tr>
<tr>
<td>Philips</td>
<td>1998</td>
</tr>
<tr>
<td>Rabobank</td>
<td>2017</td>
</tr>
<tr>
<td>Randstad</td>
<td>2014</td>
</tr>
<tr>
<td>RTL</td>
<td>2010</td>
</tr>
<tr>
<td>Sanoma (quit CVC activities in 2016)</td>
<td>2012</td>
</tr>
<tr>
<td>Shell</td>
<td>1996</td>
</tr>
<tr>
<td>Stichting CbusineZ (CZ)</td>
<td>2016</td>
</tr>
<tr>
<td>Talpa Network</td>
<td>2017</td>
</tr>
</tbody>
</table>

Key facts:
- > 80% of the CVC funds invest in early-stage investment rounds
- The investment ticket of > 80% of the CVC funds is smaller than €5 million
- 90% of the CVC funds indicate that they exclusively invest in minority stakes
- Most of the CVC funds (82%) have a strong preference for a co-investor role
- The average number of investment professionals per team is 10 (3 being the smallest and 30 the largest)
A young industry: the number of Corporate Venture Capital funds in the Netherlands has more than doubled in 5 years

In 2010, 8 CVC funds were active in the Netherlands. This number more than doubled in 2018, with 19 active CVC funds. The median age of Dutch CVCs is 5 years, with 4 Dutch CVCs founded as recently as 2015. Not surprisingly, Dutch Corporate Venture Capital managers perceive the local CVC market to be young, relatively small and risk averse.

Investment mandate in line with strategic objectives

The Dutch CVC funds indicate that their investment mandate is mainly driven by strategic objectives. A key success factor is the number of commercial partnerships established. Financial return is considered to be a given, a “hygiene factor” and helps to justify program continuance.

The 20 Dutch CVCs believe that the biggest cultural change that corporates need to make is to create a risk-tolerant mindset throughout the organization. This is a necessity for successful collaboration with startups. An entrepreneurial and failure tolerant mindset, as well as fast decision-making, is key. In addition, full long-term commitment of corporate leadership is deemed essential. Dutch CVC funds secure deal flow by pro-actively scouting startups through national and international events, online research, databases, and through their investor network.

Investment portfolio: co-investment opportunities?

The 20 Dutch CVCs completed 517 deals since the inception of their respective funds. Deloitte defined 18 clusters over which the investments are divided. Seventeen Dutch CVCs have invested in Software ventures, making it the most widely invested cluster.

The investment focus per CVC fund varies: the CVC fund with the most diversified portfolio invested in 9 clusters while one CVC only invested in two clusters. The median number of clusters Dutch CVCs have invested in is 4.5.

We see an opportunity for Dutch CVCs to collaborate and co-invest. Not surprisingly, sector convergence is driving traditional players from various industries to the same ecosystem plays. Think of initiatives in IoT, smart cities, smart living and digital health all requiring players from different sectors to collaborate.

Dutch CVCs primarily focus on early stage investments

The median investment size of Dutch CVCs is relatively low. Contrary to the global trend to move towards late-stage investing, Dutch CVCs have a greater focus on early-stage investments.

In 2018, 17 Dutch CVCs completed 98 investments, representing a combined deal value of approximately €1.1bn. In contrast, 40 investments were completed in 2013, with a €144m deal value. The median deal size grew to €8.5m in 2018, up from €4.4m in 2013. This represents a compound annual growth rate of 19.6% in CVC-backed deal count and 51.4% in deal value.

From 2010 to 2018, the total number of conducted deals by Dutch CVCs increased to 517, up from 95. In the last 2 years, we have seen the investment pace accelerate, with 25% yearly growth in CVC deals conducted. However, virtually all of this growth is due to the increase of investments abroad.
The next chapter for Corporate Venture Capital in the Netherlands | "Future-proof" the Netherlands

Investments completed by Dutch CVCs visualised as of 31-12-18 (517 deals)

Deep view explainer
Deep view reads company descriptions to identify key words and phrases, comparing the descriptions to create links between companies based on similar language. Deep View reads company descriptions of portfolio companies of Dutch CVCs. One node represents one deal completed by a Dutch CVC. Each color represents a different (industry) cluster.

Deep View uses text processing algorithms that employ Natural Language Processing ("NLP") and artificial intelligence to map the ecosystem of Dutch CVC portfolios.

Source: Deloitte Deep View analysis, Deloitte research, interviews with selected Dutch CVCs, company websites, Pitchbook, Mergermarket; Data retrieved January-April 2019
Interview Crijn Bouman

ROCSYS

Crijn Bouman is Founder of ROCSYS, a Dutch startup in charging automation for cars.

What does ROCSYS do and what does it focus on?
ROCSYS enables automatic charging connections for electric cars. Before this, I founded Epyon (sold to ABB group) a startup focused on fast charging solutions for electric vehicles. I integrated this startup into a large corporate and helped to build it into a 100M+ business within ABB, a pioneering international technology leader in digital industries.

In your view, what added value can corporates offer a startup and vice versa?
Corporates give startups credibility. The fact that a large party dares to work with you as a startup also shows the market that your startup has potential. After the takeover with ABB, for instance, no one any longer asked us whether our business would really be profitable? The other way around, corporates learn from startups that they need a dynamic environment and speed to really innovate. Startups don’t make 10-year plans, they adapt quickly if the market demands it.

What is your advice for startups that want to attract funding and for corporates that want to successfully fund a startup?
As a startup: make clear agreements that you are allowed to sell your product to anyone, even if the customer is a competitor of your CV partner. Don’t limit your own market potential. As a corporate: Let a startup be a startup. Don’t force processes upon them. Encourage their independence. You don’t want to cuddle your child to death.

How do you view the state of the Dutch startup ecosystem?
Compared to 10 years ago, the ecosystem has matured a lot. It has a growing number of funds, the incubator ecosystem is more professional. It’s just that access to capital continues to be limited in the Netherlands. Compare that to CVCs in Silicon Valley, investments are often ten times higher per round. The losses may thus be bigger, but so are the gains.

Can we boost the competitiveness of the Netherlands by accelerating the Dutch startup and CVC ecosystem?
By daring to think bigger than we do know. And by accepting that we can fail as a result. Aim for the moon and you might end up in the stars. But also: Claim a sector or industry as a country. Then we have a better story to tell internationally.

Does the Netherlands have enough opportunities to invest in ventures with different maturities?
It has much improved, especially for early stage startups. But the Netherlands is still a difficult country for investments of 20 to 100 million. If we don’t change that, more and more companies will go abroad.

Do you want to share any other views on corporate venturing in the Netherlands?
Make sure you and your startups don’t end up in a hug of death. Respect each other. Learn from each other, but don’t think that what works for you also works for the other.
The next chapter for Corporate Venture Capital in the Netherlands: “Future-proof” the Netherlands

Investments completed by Dutch CVC’s 2010-2018

2010
95 CVC deals conducted
The ecosystem is scattered and disconnected. The Manufacturing and Software clusters are already developed within the ecosystem.

Source: Deloitte Deep View analysis, Deloitte research, interviews with selected Dutch CVCs, company websites, Pitchbook, Mergermarket; Data retrieved January-April 2019

2013
184 CVC deals conducted
The number of CVC deals doubled, as more interconnections were formed in the ecosystem. The (Digital) Healthcare cluster began to emerge.
The next chapter for Corporate Venture Capital in the Netherlands | "Future-proof" the Netherlands

Clusters started to converge and grew even more interdependent. Growth spiked in the Mobile apps and Fintech clusters.

2016
330 CVC deals conducted

2018
517 CVC deals conducted

Ecosystem grows denser and all major clusters become connected, indicating industry convergence. Strong growth in Software and Networks & Cybersecurity

CAGR 2016-2018 ~+25%
Most Corporate Venture Capital funds in the Netherlands conducted 10-30 deals

11 of the selected 20 CVC funds in the Netherlands have between 10 and 30 portfolio companies (55%). Two CVCs have invested in over 60 deals.

A significant portion of the investments by Dutch CVCs are outside of the Netherlands

Looking at the geographic direction of deal flow of Dutch CVCs, 78% of all investments in 2018 are made in ventures abroad. Furthermore, the growth of Dutch CVC investments in Dutch ventures is effectively stagnant. In 2013, 21 local investments were completed by the selected 20 Dutch CVCs, compared to 22 in 2018. In contrast, growth in international investments by Dutch CVCs has been considerable: from 19 in 2013 to 76 in 2018, resulting in a CAGR of 32%.

Dutch CVCs prefer a hybrid model structure

In general there are three ways to position the CVC activities in an organization: fully integrated, standalone entity, or a hybrid model. Most CVCs believe that the hybrid model is most effective. In this model CVC activities are operating as an independent entity, with close links to the corporate, through among others, the investment committee representation. The composition of members of the investment committee differs per company and includes external members that bring specific expertise, such as the head of business development, the fund manager and Board members.
Pieter Wolters is Managing Director of DSM Venturing: the corporate venturing arm of Royal DSM. DSM Venturing actively invests in startups in nutrition, biomedical, solar and 3D printing, and increasingly the digital aspects of some of those areas.

In your view, what added value can corporates offer startups and vice versa?
With their global resources, networks and knowledge, corporates like DSM can help startups accelerate their journeys from great ideas to sustainable successful businesses. Startups bring value to corporates because they operate at higher speed, with full determination for a single purpose and a tremendously entrepreneurial spirit — things that are not naturally part of the culture in large global corporates.

What is your advice for startups that want to attract funding and for corporates that want to successfully fund a startup?
For a startup: Don’t just focus on the money. Search for strategic partnerships with corporates that can actually help and add value to your business. Otherwise, none of the parties will benefit from the collaboration. For a corporate: Learn to speak the language of the startup you are working with. Make sure the people involved in the deal have startup operating and investment experience. At DSM Venturing, most of our people have either been startup founders or investors. They really understand the sense of urgency at startups. This considerably increases the success rate for both sides.

How do you view the state of the Dutch CVC-ecosystem?
Unfortunately, the Dutch market continues to be relatively small. Startup investments are lagging, which is also due to there only being a few relevant Dutch startups. Venture Capital simply follows the market, especially Corporate Venture groups of global companies - they operate in a world where geographical boundaries have been diminished.

Can we boost the competitiveness of the Netherlands by accelerating the Dutch startup and CVC-ecosystem? Let’s start by making the Netherlands more attractive as a place to work and live for experienced entrepreneurs and founders from abroad. Today, entrepreneurs from all over the world flock to the US. They are deterred by our tax burden and the rigid residence regulations. If we want to bring real experience to the Netherlands, that has to change.

Does the Netherlands have enough opportunities to invest in ventures with different maturities?
No, I don’t think so. The Netherlands does not have a large home market and the availability, especially of later-stage startups, is small. At least that’s true of the areas that are in focus for DSM.

Do you want to share any other views on corporate venturing in the Netherlands?
I’m glad Corporate Venturing has become more and more professional globally in recent years. Corporate Venturing is an increasingly integral part of the innovation agenda of many large companies. On a global scale, for Dutch companies, and most importantly for startups, I find that very encouraging.
Point of view

How to reposition innovation initiatives using the Deloitte collaboration framework

The corporate innovation agenda
Today, most corporates have created innovation labs, organise hackathons and participate in some kind of venture accelerator programs as part of their overall strategy to remain relevant, competitive and grow.

As part of that same innovation and growth agenda, Corporate Venture Capital funds have been set up to explore emerging ecosystems, to learn from new technologies and business models, and to support collaboration with startups. CVC is not only an alternative for startups to raise venture capital, it also provides an opportunity to cement business partnerships.

The Deloitte Collaboration Framework
The Deloitte Collaboration Framework provides business leaders with a model to position innovation initiatives (e.g. innovation labs, hackathons, incubators and accelerators) and transformational objectives (e.g. partnerships, investments and acquisitions). The framework helps to provide insights into the effective positioning of different innovation instruments linked to the overall strategic objectives, also beyond the company’s current horizon.

Innovation initiatives were initially positioned in separate departments with limited integration or alignment. Going forward, a more inclusive approach is required to close the gap between innovation and transformation.

The assumption of the Collaboration Framework is that the required level of commitment and the level of defined outcome determine which instrument serves the corporate objectives best. Most innovation initiatives start small, with a low investment level (low involvement) and high uncertainty (unknown outcome). This is unlike most traditional acquisitions, which have a known outcome (“we know the business we are in”) but require significant investments (high commitment).

Corporate Venture Capital as a continuum between innovation and M&A
Most CVC funds have been set up as an extension of the innovation activities. As we believe that CVC will play a pivotal role to build businesses of the future, CVC needs to elevate from solely focusing on innovation to contributing to a corporate’s overall business transformation.

Currently, most CVC activities in the Netherlands are positioned in the left-bottom quadrant (low commitment, unknown outcome), focused on seed- and early stage capital. These CVC funds are seen as an extension of the innovation agenda.

As described earlier in this report, we see a global trend towards late-stage CVC investments. Late-stage investments require higher capital investments, more management attention and a tailored governance approach. Globally, CVC is inexorably shifting upwards from the innovation domain to the core business and growth strategy.
Point of view

A new chapter for Corporate Venture Capital in the Netherlands

Our report outlines the major trends in Corporate Venture Capital, globally as well as in the Netherlands. The global Corporate Venture Capital industry is maturing with higher investments, larger tickets sizes and later stage investments. However, the Dutch Corporate Venture Capital market seems to be out of sync with the global trends. In order to remain competitive, it is crucial for Dutch corporates to boost their Corporate Venture Capital activities and make them an integral part of the overall strategy. So, we recommend that business leaders consider the following:

- **Ramp up the Corporate Venture Capital initiatives in line with global trends.** Migrate away from a focus on exploration and learning to a point where CVC is embedded as part of your core strategy.
- **Bring the Corporate Venturing Activities closer to the core to drive transformation.** Currently, CVC is often only seen as an innovation instrument.
- **Creating ecosystem winners requires patience.** Building the business of tomorrow requires long-term capital commitments and significant follow-on investments in scaleups.
- **Foster a culture that supports successful investing and partnering with scaleups.** This includes an entrepreneurial, risk-tolerant mindset and a governance framework that facilitates fast decision-making.
- **Collaborate in your ecosystem.** The opportunity to catalyse cross-industry collaboration through Corporate Venture Capital is favorable.
The next chapter for Corporate Venture Capital in the Netherlands | “Future-proof” the Netherlands

Interview Thijs Gitmans

Mainport

Thijs Gitmans is Fund Manager of Mainport Innovation Fund. This fund focuses on innovation in Logistics, Transport and Aviation and was founded by Schiphol, KLM, TU Delft, NS and Port of Amsterdam, together with NBI Investors.

What does Mainport do and what does it focus on?
Mainport’s structure is such that it has both a CVC and a VC angle. It has an independent fund manager and it operates separately from its partners, so its structure more resembles that of a VC. The strategic angle is equally important and can go hand in hand with financial return, as this is also an indicator for successful innovation.

What added value can corporates offer a startup and vice versa?
Mainport provides startups with access to a huge network and experience by connecting them to corporates. The other way around, corporates get the opportunity to collaborate with entrepreneurship they cannot develop internally. However, you need people in your own company who are willing and able to collaborate successfully.

How do you view the state of the Dutch CVC market?
Activity is relatively limited compared to the US, because the VC market only started developing in the last 10 years and CVC funds are generally one step behind VCs. But CVC seems to be catching up quickly and startups recognise the value of CVC more and more.

What is your advice for startups that want to attract funding and for corporates that want to successfully fund a startup?
Collaboration can often be helpful to startups as they don’t know up front how to incorporate their ideas and products into corporates and how to use their products to solve their problems. So, startups need to think about why and for whom they are solving problems. They likewise need to know the answers before reaching out to corporates.

Challenging the corporate’s business model has benefits but can be difficult to explain internally. Usually investments are done within the boundaries of the organization. Investing through an independent fund manager like Mainport can overcome this issue.

How can we boost the competitiveness of the Netherlands through accelerating the Dutch start-up and CVC ecosystem?
A lot of value can be created when startups are supported in their international expansion. CVC can thus be very valuable, since corporates have the network to facilitate this important step.

The question is, should the Netherlands also focus on certain areas like Israel, where an impressive ecosystem has been built around cyber security.

Is there sufficient investment opportunity in the Netherlands to invest in ventures with different maturities?
The majority of Dutch ventures want to expand internationally. Moreover, Dutch investors encourage them to find additional financing abroad to realise their international ambition. I don’t think there is a funding gap in the Netherlands for growth rounds. The startups that prove to be successful have to look across the border for larger funding rounds and international network.

Do you want to share any other views on corporate venturing in the Netherlands?
Right now it’s a matter of doing it, making mistakes and learning from them. You have to be in the business for a while to know what works and what doesn’t. I think CVC will be increasing a lot in the coming years, but we are still at the beginning of this cycle. The Dutch corporate venture funds are only starting to learn how to play the corporate venturing game.
About StartupDelta
With our unique connection to all layers of government, corporations and the main innovation hubs, StartupDelta aims to merge the Dutch startup ecosystem into one single connected hub. We break down barriers and improve access to talent, capital, networks, knowledge and markets.

About Deloitte Center for the Edge
Deloitte Center for the Edge partners with CEOs and senior executives to make sense of and profit from emerging opportunities on the edge of business and technology. We identify and explore emerging opportunities related to big shifts that aren’t yet on the CEO’s agenda, but ought to be. Center for the Edge, anchored in Silicon Valley with teams in Australia, Asia and Europe, conducts original research and develops substantive points of view, organizes exclusive sessions, and leverages an ecosystem of partners for new corporate growth.

About Deloitte Disruptive M&A
Deloitte Disruptive M&A advises scale-ups to accelerate growth, as well as corporate clients to shape and execute their disruptive M&A growth strategy. We advise on joint ventures, partnerships, investments and M&A deals. Our services cover the complete venturing lifecycle using a proprietary and data-driven methodology.

Glossary

<table>
<thead>
<tr>
<th>Definition</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Venture capital (VC)</strong></td>
</tr>
<tr>
<td>Financing source for new businesses or turnaround ventures that usually combine risk with potential for high return</td>
</tr>
<tr>
<td><strong>Corporate venture capital (CVC)</strong></td>
</tr>
<tr>
<td>A unit of a corporation that specializes in investing in startups or smaller, less established companies, and growing those companies so they can potentially provide value to the main corporation as a part of the company, or through sale</td>
</tr>
<tr>
<td><strong>Seed</strong></td>
</tr>
<tr>
<td>When any investor type provides the initial financing for a new enterprise that is in the earliest stages of development</td>
</tr>
<tr>
<td><strong>Early Stage VC</strong></td>
</tr>
<tr>
<td>An early stage financing by a venture capital firm in a company. Early stage is usually a Series A to Series B financing</td>
</tr>
<tr>
<td><strong>Later Stage VC</strong></td>
</tr>
<tr>
<td>A later stage round of financing by a venture capital firm into a company. Later stage is usually Series C to Series Z+ rounds</td>
</tr>
<tr>
<td><strong>Business Description</strong></td>
</tr>
<tr>
<td>Description of company and its activities</td>
</tr>
<tr>
<td><strong>Deal Size</strong></td>
</tr>
<tr>
<td>Total size of investment round for a given company</td>
</tr>
<tr>
<td><strong>Investment ticket</strong></td>
</tr>
<tr>
<td>The amount of money that goes into an transaction by a particular investor participating in the investment round</td>
</tr>
<tr>
<td><strong>Deal Type</strong></td>
</tr>
<tr>
<td>Type of funding received; angel, seed, early-stage, late-stage, series A/B/C/D</td>
</tr>
<tr>
<td><strong>Deal with CVC participation</strong></td>
</tr>
<tr>
<td>An investment deal involving a minority stake, generally in a start-up, with (at least one) corporate strategic investor participating</td>
</tr>
</tbody>
</table>