



**Future Role of Traditional VCs
Presentation to MOMENT 2016**

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Bessemer Venture Partners



Oldest US venture capital firm, dating back to 1911 with over \$4 billion under management and one of the most consistent track records in the industry.

A truly global investment firm with **six offices on four continents** and portfolio **investments in key developed and emerging markets.**

50 investment professionals, including **15 investing partners** with **5 on the Forbes Midas** list of the top 100 venture capitalists in the world.

Our History



June 16, 1911
 My dear Hal,
 Shows today transferred to you
 name two million dollars \$2,000,000
 in Bonds and two million dollars
 \$2,000,000 of the Bessemer investment
 Company which I wish you to regard as a
 trust for me for the benefit of yourself
 and your children after you.

1872 1901 1911 1976 1981 1984 1986 1998 2004 2007 2011 2016

Henry Phipps and Andrew Carnegie co-found Carnegie Steel

Carnegie Steel sold into the formation of US Steel, the first billion dollar corporation

Henry Phipps establishes Bessemer Securitties as family office

Silicon Valley office opens

Bessemer Venture Partners spins out

Boston Life sciences office opens practice established

Larchmont office opens

Mumbai office opens

Israel office opens

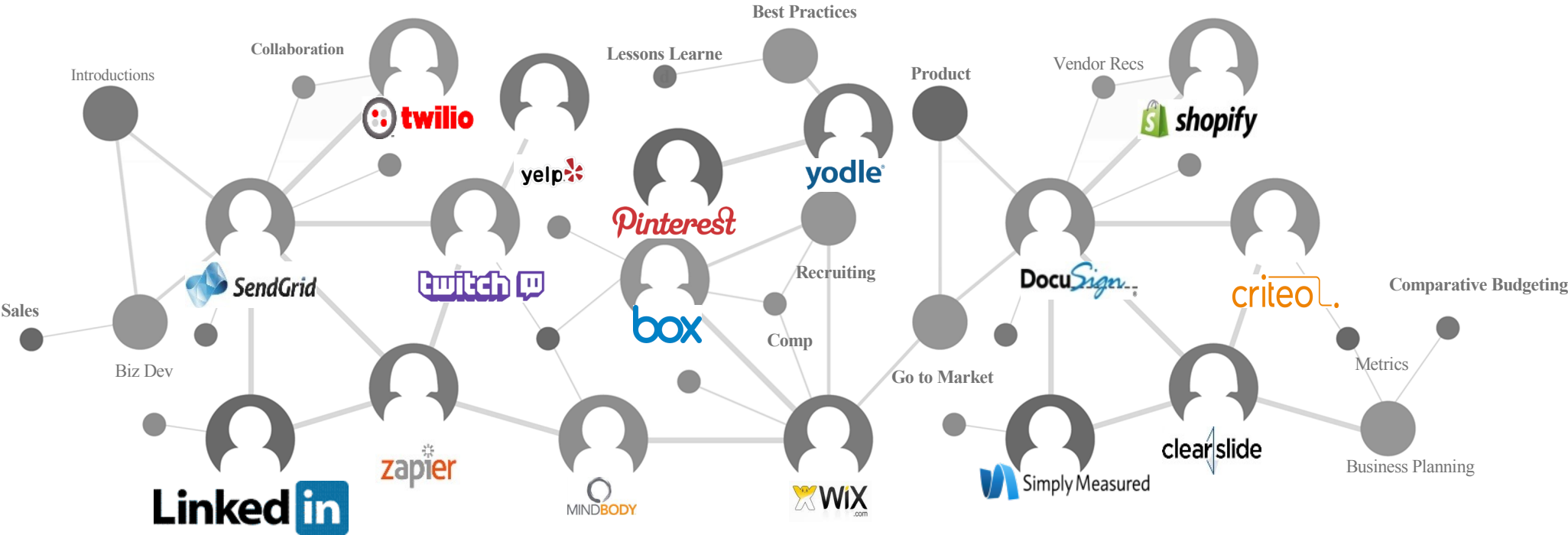
BVP celebrates 100 years

Quick facts about BVP

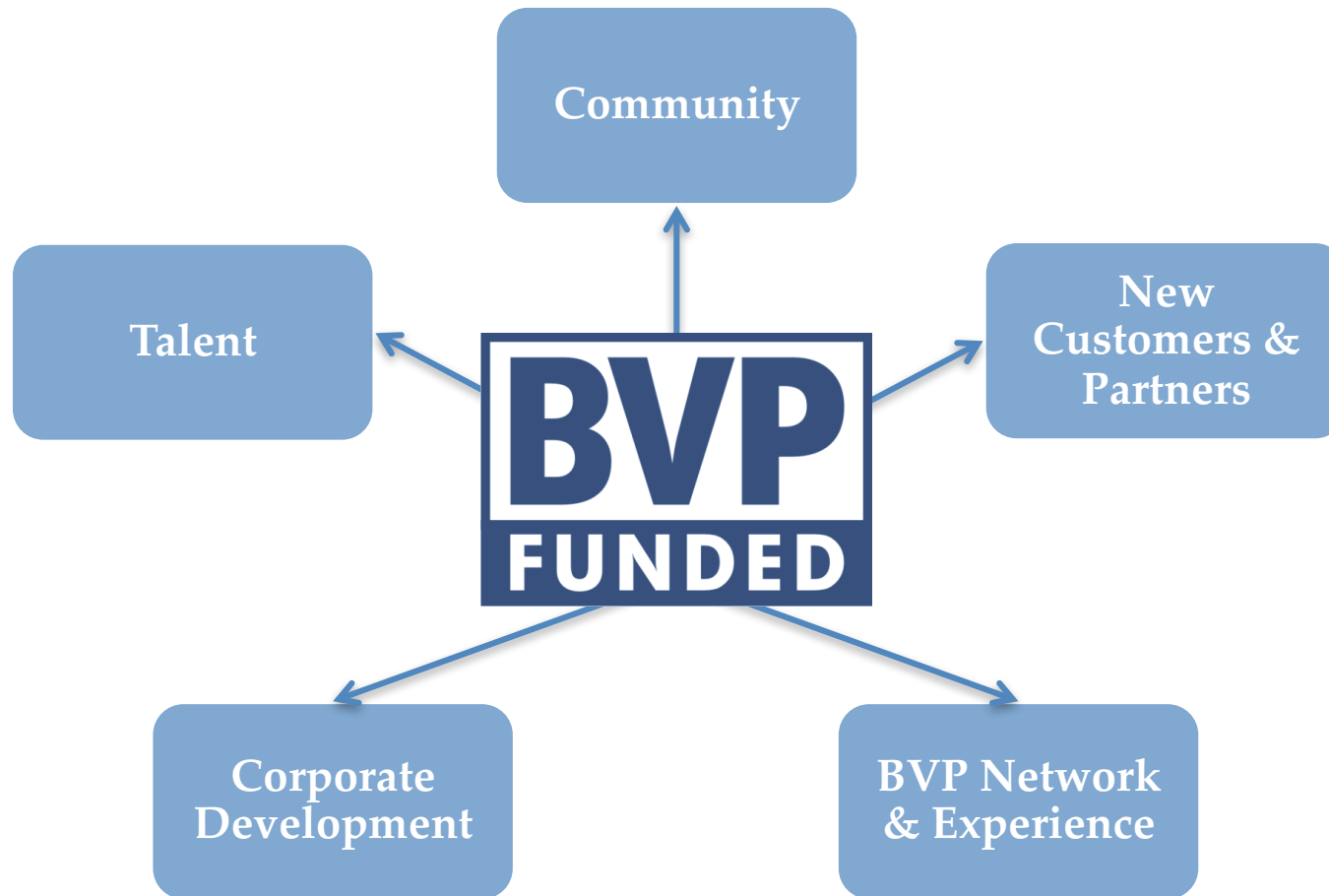
- **Oldest private investing practice dating back to 1911**
- **Spun out of family office as VC firm in 1981**
- **\$4.0b under management; latest fund BVP 9 \$1.6b**
- **15 partners; 40 investment professionals; 7 offices**
- **Active investments in more than 15 countries**
- **Invest at all stages from Seed to Growth**
- **Personally invested in your success and invest for the long haul**
- **Highly selective; 1-2/opportunities/partner/year**
- **Roadmap-driven approach**



Creating a sense of community among the portfolio



BVP Funded Solutions






Why do we invest according to roadmaps?

- Enables us to develop expertise about a particular field in advance of meeting an entrepreneur
- Helps us to more precisely and quickly interpret the data about a business
- Enables us to make investment decisions faster and with more confidence
- Allows us the ability to provide the right kind of help and support after we invest

What roadmaps are active today?

	ABOUT	COMPANIES	TEAM	STRATEGIES	BVP THINKING	BVP FUNDED	Q
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Investment Strategies



Consumer

CLOUD COMPUTING	INFRASTRUCTURE 2.0
CONSUMER	MARKETPLACES
CYBER SECURITY	MOBILE
DEVELOPER PLATFORMS	SPACE TECH
FINANCIAL SERVICES	INDIA OPPORTUNITIES
HEALTHCARE	ISRAEL OPPORTUNITIES
INDUSTRY SOFTWARE	VIDEO

With a history that includes early investments in Yelp, LinkedIn and Skype,

At Bessemer Venture Partners, we believe that our long history and successful track

Example Roadmap: Developer Platforms

- Businesses that provide advanced capabilities for developers to use in their daily work
- Often take the form of APIs that are part of the development process or other services that aid the development workflow
- Businesses that allow non-developers more advanced, technical capabilities



The Eight Commandments of Developer Platform Businesses

1. Delivered as a metered service that can be metered
2. Grows with the business
3. Replaces something that companies already pay for
4. Offers an amazing user experience
5. Developers love it
6. Exhibits strong network effects
7. Eliminates the need for non-core skillset that no one enjoys
8. Democratizes development



Example Roadmap: Online Video

- Entertainment is moving from traditional television and cable to being delivered via the Internet to connected devices
- This has profound consequences for how we consume media in the future
- Look for products where users have high levels of passion and engagement
- Also look for technologies that facilitate this shift (e.g., discovery, curation, video infrastructure)





The BVP Videoscape
The evolution of video platforms

Video On Demand YouTube, vimeo, vidme, youku, dailymotion	Native Video Networks facebook, snapchat, govo, Vine, Joyus, smule	Live Platforms YouTube, twitch, Streamup, kancord, mabrush, rabbit, Hang w/, USTREAM
MCN's vevo, FUNNY&DIE, Tastemade, STYLEHAUL	Curators HYPER, UPWORTHY, Haystacktv, legit.	Creator Tools naritiv, VHX, patreon, FAMEBIT
Consumer Video Tools MSQRD, CAMEO, dubsmash, magisto	Original Content Vox, BuzzFeed, viacom, AMC, Disney, HBO	Content Aggregators NETFLIX, amazon, hulu, Vessel, CRACKLE, SNA G FILMS, philo, PLUTO

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The BVP Videoscape



What is the future role for traditional VCs?

- Innovate or be disrupted
- Keep pace with areas on the bleeding edge
 - New roadmaps
 - Eliminate old roadmaps (e.g., semiconductors, clean-tech)
- Essential to have the ability to fund our companies all of the way through – often by ourselves
- Provide the right services and expertise to enable the success of our portfolio companies

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Questions? @ethankurz