WISCONSIN

2016 DEAL FLOW SNAPSHOT YEAR-END

YEAR-TO-YEAR COMPARISON

	COMPANY COUNT	DEAL COUNT	MEAN CAPITAL INVESTED (Millions)	MEDIAN CAPITAL INVESTED (Millions)	TOTAL CAPITAL INVESTED (Millions)
2016	87	100	$2.6	$0.8	**$261.7**
2015	113	140	$1.8	$0.4	**$254.5**

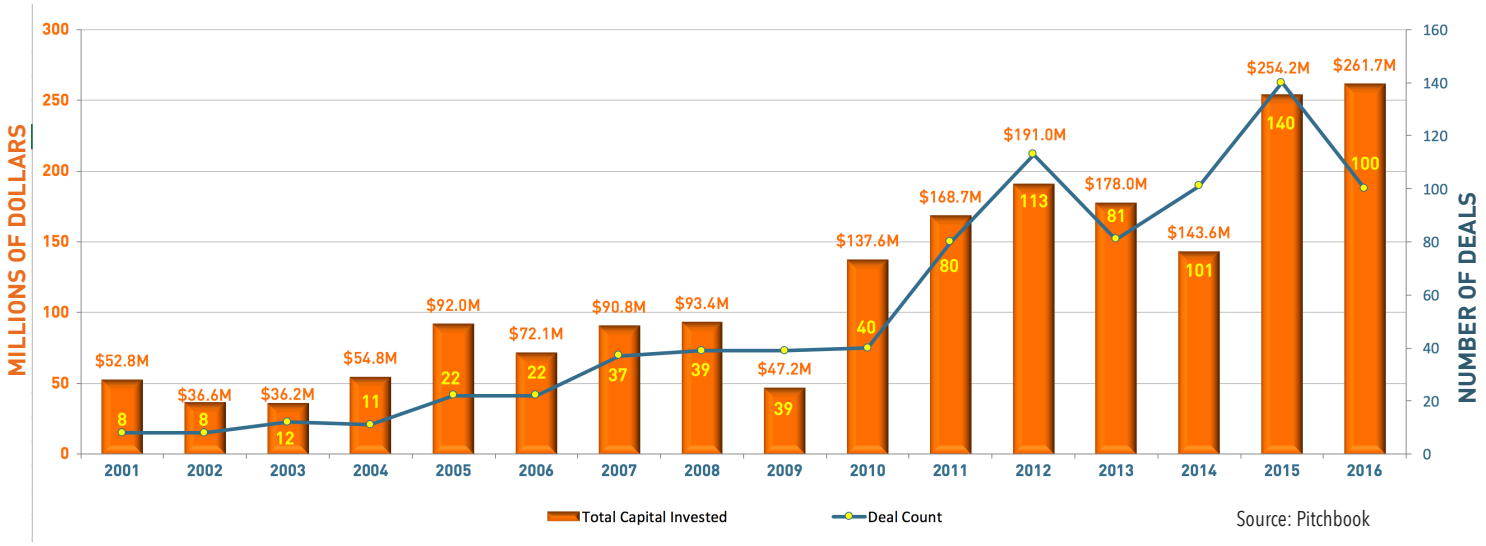
Wisconsin deal flow data for calendar year 2016 show encouraging trends. The total dollar amount of investment increased by $7.4 million compared to the prior year, bringing the 2016 investment total to a record $261.7 million. In addition, the average deal size in 2016 was $810,000—nearly twice the average for 2015.

The data reported by Pitchbook, an investment research firm, show that 87 companies closed 100 funding rounds in 2016, compared to 113 companies closing 140 rounds in 2015. The drop in the number of deals comes primarily from a decrease in the number of deals smaller than $30,000—and this may be partly due to reporting discrepancies, since smaller deals are less likely to be publicized and therefore less likely to be counted by Pitchbook. Overall, the increase in investment, and the record level it reached in 2016, are significant, and worth celebrating.

Company valuation more than doubled from 2015 to 2016, indicating that Wisconsin's startups are, on average, in a stronger position and more attractive to investors than they were a year ago.

A longer-term perspective shows that venture capital investment has increased significantly in the last 15 years. The total number of deals closed in 2016 is more than 12 times the number closed in 2001, and nearly five times the capital was invested in 2016 as was invested in 2001. Although there is some fluctuation from year to year, overall the trend is one of growth in both the number of deals and total dollars invested.

TOTAL CAPITAL INVESTED AND DEAL COUNT



Source: Pitchbook