

VLP Founding Partner David Goldenberg Quoted in the Law360 Article “Venture Financing Begins to Stabilize After Downturn”

VLP Founding Partner David Goldenberg was quoted in the *Law360* article “Venture Financing Begins to Stabilize After Downturn.”

The article reported that, following a steep slowdown last year, new data shows financing levels for venture-backed companies began recovering in the first quarter of 2017, particularly for later-stage companies.

The article noted that the level of growth remains far below the mid-2015 peak, when a booming venture market was generating price increases of more than 110 percent. But, according to a survey cited in the article, the latest results are more in line with the historical average of 56 percent over the last 13 years.

The article also indicated that the survey cited shows that a rising minority of deals contain certain terms favorable to investors. Deals containing multiple liquidation preferences, participation rights and cumulative dividends, which provide additional benefits to preferred stockholders in the event of a sale, increased in the first quarter. The report also noted that large deals are likely, noting that established companies have cash on hand and are willing to spend to acquire new technologies and gain a competitive edge.

Mr. Goldenberg said, ““Companies are happy to get rounds done.”

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