

## **David Goldenberg, Founding Partner of VLP Law Group, was recently quoted in the Daily Journal article “Report: High valuations and larger cash flow continue in seed funding for startups”**

VLP Law Group founding partner David Goldenberg was recently interviewed by the Daily Journal for the article, “Report: High valuations and larger cash flow continue in seed funding for startups.”

The article reported that Seed-stage venture capital funding has risen to a five-year high in 2015, with median valuations in these early rounds jumping 30 percent since 2014.

According to a report released by PitchBook Data Inc. and the Angel Resource Institute at Willamette University that tracks the last five years, the median round size with only angel investors has elevated from \$350,000 in 2010 to over \$1 million this year.

When angel investors and venture capital firms come together to seed a startup, the round size this year has grown to a \$2 million median with an average size of \$3.5 million, according to the report.

With valuations in private companies still ballooning, especially in the tech sector, younger companies are feeling the rush too. The median seed round valuation (including VC investors) at the end of the third quarter this year was \$3.95 million compared to \$3 million last year.

"My guess is that people see Uber's valuation, for example, and they trickle it all the way back to the seed funding," said David Goldenberg. "There's nothing really different here in the last five years. We're just seeing a continual evolution."