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# RISING STARS

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2017

## ABOUT THE GLOBAL CORPORATE VENTURING RISING STARS AWARDS 2017: SELECTION

The 100 Rising Stars in this, the second Global Corporate Venturing awards, represent the top 1% of the industry.

Global Corporate Venturing (GCV) selected these stars as representing the brightest prospects, and those who have already been changing the industry. The selection process involved researching more than 10,000 industry professionals across more than 1,000 corporate venturing units to identify these stars. GCV was looking for those below the top rank of the venturing hierarchy in long-established units, based on their deals, career development so far, being an heir apparent or just "the glue in the unit".

For newer units, the criteria were more about ambition and desire to represent best practices and use experiences often gained elsewhere to improve the industry.

For both sets of stars, as well as the longer list of potential candidates and nominations received and examined, the input of their managers was important as nominators and for their feedback on why these stars were so good.

Looking at last year's inaugural GCV Rising Stars, the top three were all promoted or took more senior roles. Lisa Lambert, former vice-president at Intel Capital, became managing partner at Westly Group, Jack Young, partner at Qualcomm Ventures, joined Deutsche Telekom to lead its venture group in North America, and Vanessa Colella stepped up to CEO of Citi Ventures.

Also in the top 20, Nokuyuki Akimoto was promoted at NTT, Ray Schuder now effectively runs Hewlett Packard Ventures after Lak Ananth (a GCV Powerlist 100 top 25 star) was hired to run Siemens' Next 47 and Frederic Rombaut left to set up his own investment firm.

In the broader list, Olawale Ayeni was hired by IFC from Orange Digital Ventures, Mel Gaceta left US Cellular to set up Synchrony Financial's CVC unit, Adam Holcombe left USAA to join Munich Re's HSB Ventures, Mary Kay James was hired from DuPont Ventures by Tyson Foods to set up a \$150m CVC unit, Jonas Landström left Volvo to join a startup, Quinn Li took over as head of Qualcomm Ventures, David Mort spun BBVA Ventures out into an independent firm, Propel, backed by the bank, Derek Norman became head of ventures at Syngenta and Aymerik Renard took on North America ventures for West Digital Capital after its acquisition of SanDisk.

Congratulations to all these stars for the next steps in their careers. An industry grows and develops in proportion with its talent, which often can blossom only with the right mentoring, training and role models.

Naturally, the managers of these stars are also something special, and many of them are represented in the GCV Powerlist of the industry's greatest leaders, which will be published on 22 May 2017 ahead of our seventh annual Global Corporate Venturing Symposium in London.

We are delighted to welcome both the stars and their managers to the invitation-only awards dinner in Sonoma, California, on January 24. My thanks especially go to Sue Siegel and her team at GE Ventures for the support and sponsorship to enable this dinner to happen.

### Global Corporate Venturing

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# CONTENTS

## 2 INTRODUCTION

## 6 THE TOP 20

- 1 Yao Xia, executive director, Tencent Investment
- 2 Ana Segurado, global managing director, Telefónica Open Future
- 3 Alvin Wang Graylin, China regional president of Vive, HTC
- 4 Shivon Zilis, partner, Bloomberg Beta
- 5 Jack Young, head of venture capital, Deutsche Telekom Capital Partners
- 6 Rashmi Gopinath, partner, Microsoft Ventures
- 7 Bruce Niven, chief investment officer, Saudi Aramco Energy Ventures
- 8 Larry Illg, CEO, Naspers Ventures
- 9 Joel Krikston, managing director, Merck Global Health Innovation Fund
- 10= Karen Kerr, senior managing director for advanced manufacturing, GE Ventures
- 10= Marianne Wu, senior managing director, GE Ventures
- 12= Tamiko Hutchinson, managing director, Intel Capital
- 12= Trina van Pelt, vice-president and managing director, internet of things and automated driving, and co-leader, Intel Capital diversity fund
- 14 Sherwin Prior, managing director, GM Ventures
- 15 Vitalik Buterin, Wanxiang
- 16 Margarita Chavez, senior director, AbbVie Ventures
- 17 Varun Jain, senior investment manager, Qualcomm Ventures
- 18 Wendy Lung, partner, IBM Ventures
- 19 Renee Ryan, vice-president, Johnson & Johnson Innovation–JJDC
- 20= Tyson Clark, partner, GV
- 20= Laela Sturdy, partner, CapitalG

## 38 THE REST OF THE 100 IN ALPHABETICAL ORDER

- Hamzeh Abdul-Hadi, Hikma Ventures
- Ore-oluwa Adeyemi, HSBC's Strategic Innovation Investments
- Biplab Adhya and Venu Pemmaraju, Wipro Ventures
- Jeff Allen, Mastercard
- Marcos Almeida, Stefanini
- Tiba Aynечи, Novo Ventures
- Saurabh Bhansali, Humana Health Ventures
- Egbert Bierman, Transamerica Ventures
- Tara Butler, Ascension Ventures
- Claire Celeste Carnes, Providence Ventures
- Xuan Chen, SoftBank's Hopu-Arm fund
- Suzanna Chiu, Amadeus Ventures
- Bryan Ciambella, B Capital Group
- Michael Dovey, IAG Ventures
- Meredith Fisher, Partners Innovation Fund
- Brandon Gath, CME Ventures
- Allison Goldberg, Time Warner Investments
- Vitaly Golomb, HP Tech Ventures
- Deborah Harland, SR One
- Mary Kay James, Tyson New Ventures
- Ilonka Jankovich, Randstad Innovation Fund
- Therese Jordan, Asahi Kasei America
- Brian Kaas, CMFG Ventures
- Kurt Kaltenegger, ABB Technology Ventures
- Christina Karapataki, Schlumberger Corporate Venturing
- Michael Kim, Rogers Venture Partners
- Amy Kobe, Baxter Ventures
- David Harris Kolada, OpenText
- Anja König, Novartis Venture Fund
- Nathan Krishnamurthy, Capital One Growth Ventures
- Alexey Kupriyanov, Commit Capital
- Molly Lahr, American Family Ventures
- Changhan Lee, Hyundai Ventures
- Judith Li, Lilly Asia Ventures
- Franklin Luzes, Microsoft Participações
- Russell MacTough, Liberty Mutual Strategic Ventures
- Daniel Malandrín, Bradesco Private Equity and Bradesco InovaBra Ventures
- Chris Martin, General Communication
- Antoine Maurel, Orange Digital Ventures
- James McClurg, Sky
- Brad McManus, Motorola Solutions Venture Capital
- Kyounghee (Kay) Min, Cisco
- Vartan Minasyan, Kaspersky Lab
- Paul Morgenthaler, CommerzVentures
- Pramila Mullan, Accenture Ventures
- Arvind Nagarajan, Pearson Affordable Learning Fund
- Christian Noske, BMW i Ventures
- Gladys Nunez, Amgen Ventures
- Arthur O'Keefe, Movile
- Bharadwaj Ogirala, Axiata Digital Services
- Victor Orlovski, MoneyTime Ventures
- Amish Parashar, Yamaha Motor Ventures and Laboratory Silicon Valley
- Rich Pardoe, Chevron Technology Ventures
- Jessica Peltz-Zatulove, KBS Ventures
- Karthik Prabhakar, IDG Ventures India Advisors
- Anis Rashid, WME Ventures
- Aymerik Renard, Western Digital Capital
- Courtney Robinson, Advance Vixeid Partners
- Liz Rockett, Kaiser Permanente Ventures
- Joe Saijo, Recruit Strategic Partners
- Anna Schiller, JetBlue Technology Ventures
- David Schulte, McKesson Ventures
- Jason Smith, Sinclair Digital Ventures
- Mark Smith, Verizon Ventures
- Choong Sohn, Lenovo
- Rohen Sood, Reinventure Group
- Suchi Srinivasan, McKinsey Ventures
- Kiersten Stead, Monsanto Growth Ventures
- Eric Steager, Independence Blue Cross
- Carl Stjernfeldt, Shell Technology Ventures
- Lutz Stoerber, Evonik Venture Capital
- Rajesh Swaminathan, Applied Ventures
- Hong Truong, Summation Health Ventures
- Olga Turzhanskaya, Qiwi Venture
- Ilka Wicke, Boehringer Ingelheim
- Fay Xing, Wuxi Healthcare Ventures
- Janie Yu, Fung Capital
- Karen Zhang, Baidu Investment
- Penglan (William) Zhao, Bertelsmann Asia Investments



## INTRODUCTION



**James Mawson, editor-in-chief**

### CELEBRATION

Researching, selecting and writing the Global Corporate Venturing Rising Stars 2017 list has been a fascinating and inspiring dive into the wealth of talent tackling probably the hardest job in finance.

As Arvind Sodhani, former president of Intel Capital, said while giving a keynote address at a Global Corporate Venturing event hosted by DLA Piper in Tokyo in April: "Sure, corporate venturing is not easy. The big issue is dealflow. The top one or two in an industry make 110% of its profits, with numbers three to five often losing money. Getting the best dealflow requires scale and broad relationship skills, and compensation is an ongoing concern when competing against traditional VCs."

It is the "broad relationship skills" at which these GCV Rising Stars 2017 often excel, whether working with colleagues, managers, business units, entrepreneurs and other venture investors, or just trying to maintain a family and social interests rather than let work emails swamp everything.

While GCV's annual Powerlist 100 looks at the established industry leaders to understand and help celebrate their achievements and strategies for unit survival and success, the GCV Rising Stars awards is often a chance to look deeper inside the mechanics for how corporate venture capital is practiced currently and what ideas and opportunities there are to shape the industry in the future.

### WHAT WOULD HELP THE INDUSTRY

The feedback from these GCV Rising Stars 2017 provides insights that complement the statistical analysis and qualitative feedback from GCV's annual survey of more than 200 industry leaders – carried out in conjunction with professors from Stanford, Harvard and Chicago universities and published in the World of Corporate Venturing 2017 – and the regular profiles and interviews published online and in our monthly magazine.

These GCV Rising Stars broadly concentrated their advice in five areas:

- Entrepreneurs first
- Financial or strategic but communication with entrepreneurs, other VCs and senior management
- Networking and best practices
- Deal-sharing among CVCs
- Role models

Beth Ferreira, managing partner at WME Ventures and a GCV Rising Stars 2016, summed up the attitude of many of her peers in an interview in Forbes in November about raising her debut \$50m fund last year: "An agency is a service business, and venture capital is too."

In venture, **the clients are the entrepreneurs**. Servicing them well through money and support in building their business and then exiting at the best time and price are all skills corporate venturers should have the edge over other types of innovation capital providers.

Yao Xia, executive director at media platform Tencent and number one in the GCV Rising Stars 2017 list, invested \$15m in the series B round for what is now China-based ride-hailing service Didi Chuxing for a 20% stake. The portfolio company has now raised more than \$10bn in equity and debt to reach its \$35bn valuation with Tencent supporting it in the way its own main corporate venture, South Africa-listed media group Naspers did during Tencent's own growth.

Support, however, is the crucial differentiator given capital is inherently a fungible commodity. At the time of her latest deal, Laela Sturdy, partner at conglomerate Alphabet's CapitalG corporate venturing unit, said: "Google has been a customer of Care.com's enterprise services for employees since 2011, so I have been



able to see first-hand how Care.com's innovative mobile platform and enterprise solution – Care@Work – helps families search for caregivers and get much needed backup care services.

“CapitalG is excited to support Care.com in building on their market leadership by giving them access to our biggest asset—some of the world’s leading experts in a range of topics at Google and Alphabet – as they continue to deliver delightful and seamless solutions to consumers and enterprises.”

Founded in 2013, CapitalG pairs its companies with advisers spread across Alphabet. As Robert Hohman, CEO of Glassdoor and another of Sturdy's portfolio companies, said: “It is extremely convenient when you are facing a hard problem to be able to ask the question: ‘I wonder what Google did on this?’”

Almost any VC trying to raise capital is looking for corporations to commit as a limited partner in order to help them offer value-added services to portfolio companies as well as money, unless they are able to raise so much money they can hire a team to try and replicate this support as Andreessen Horowitz has done.

The third main area of support is in helping portfolio companies exit. Sturdy's boss, David Lawee, had run mergers and acquisitions for search engine provider Google, which has bought at least 190 in the past few years of the probably thousands it has reviewed.

As Global Corporate Venturing's exit analysis in its December issue showed, since 2014 about a fifth of corporate venture-backed companies going through trade sales were acquired by the parent of one of its investors.

This can be a double-edged sword for entrepreneurs. They want the buyers to know them and value their offering, and being a minority shareholder is a great place to start. But they want there to be tension in the exit process to make sure a fair market value is found, which obviates investors having special rights, such as a first refusal on buying the company, unless there is a price and mechanism for on such an option agreed upfront.

**Strategic and financial reasons for investing matter less than clarity of communication and execution.** Only about half of corporate venturing units in 2015 struck a deal that year and the 80:20 rule seems to apply in the industry with about 80% of deals being agreed by 20% of units.

These active members and those that aspire to excellence and best practices are part of the industry's GCV Leadership Society founded last year and led by luminary members, including Wendell Brooks, president of Intel Capital, Sue Siegel, CEO of GE Ventures, Jeffrey Li, managing partner at Tencent, Tom Heyman, president, Johnson & Johnson Innovation–JJDC, William Taranto, president of Merck's Global Health Innovations Fund, and Jaidev Shergill, head of Capital One Growth Ventures.

The GCV Leadership Society is being led by such luminaries and all its members to improve communication with entrepreneurs, other investors and senior management. In October, GCV in partnership with US trade body the National Venture Capital Association held the Shift conference in New York to help bring corporations as potential limited partners, co-investors and acquirers with their VC peers.

The World of Corporate Venturing annual review provides the data and insights that will provide a summary guide for senior management of the trends and rankings that will matter to them.

Best practices for the industry will emerge from networking and sharing, whether online through GCV's Leadership Society app developed by Eric Ly, LinkedIn's co-founder and first chief technology officer at his new firm, Presdo, or in person at conferences. Unlike many institutional VCs competing to raise money from often the same sources as well as to gain access to the top entrepreneurs, corporate venturers' access to money in part depends on the attitude of the C-suite and non-executive directors that control the company.

It is no coincidence that many of the most active corporate venturers, whether Tencent, Alibaba or Baidu in China or Intel, Google and Amazon in the US, raised money themselves from venture financiers and had investors on its board. The retirement of Deborah Hopkins, CEO of Citi Ventures, this month enables her to join the boards of Marsh & McLennan and Union Pacific and share her expertise in the way Claudia Fan Munce was able to join the boards of Best Buy and Bank of the West last year.

Fan Munce said the best advocate she had when running IBM Venture Capital in the early 2000s after the dot.com crash and the flight of venture capital, including corporations, was Dan'l Lewin, her counterpart at software provider Microsoft. Having a peer at another firm to point to as evidence that the strategy can



make sense is important validation to many boards.

CVCs might, therefore, compete on deal-sourcing but there are plenty of conflicting interests in corporations or people ready to listen to vested interests from outside that argue corporations should only be on hand to buy VC-backed companies rather than invest in or support entrepreneurs beforehand.

But, ultimately, it all comes back to the entrepreneurs and dealmaking. All the GCV Rising Stars were asked: "What do you think all CVCs could do better to make it a stronger industry?"

Carl Stjernfeldt, senior venture principal at Shell Technology Ventures, the corporate venture arm of Royal Dutch Shell, said: "Share deals with each other first, then to the outside world."

**Deal-sharing** among CVCs of existing portfolio companies already happens and can be facilitated through the closed network of the GCV Leadership Society app. However, curating dealflow from top universities and regional agencies can enable CVCs to leverage their teams to reach innovations outside existing hotspots, such as Silicon Valley, the UK's golden triangle of London, Oxford and Cambridge, and Beijing.

It is no surprise that both Google and Tencent have backed Oxford University's student and faculty investment fund or that entrepreneurs from MIT and Stanford and probably Tsinghua and Peking universities have created companies with aggregate annual revenues as big as the GDP of large countries.

Governments have a number of tools in supporting innovation and entrepreneurs as a way of developing and building enough jobs for their populations – help entrepreneurs start and go global to gain more customers and be competitive, encourage local VC and innovation capital community to fund them, encourage inward investment of innovation capital.

However, they are challenged in targeting VCs to help domestic portfolio companies go global or invest internationally as most remain locally-focused. Corporations on the other hand are interested in global innovation as their operations are usually multinational but their CVC and innovation teams are often only in traditional VC hotspots, such as Silicon Valley, and by the parents' headquarters. In the past four years, CVCs coming into the UK in pursuit of deals have outnumbered foreign VCs four to one, according to the Department of International Trade's venture capital unit.

Historically, many governments have viewed attracting inward investment and the best entrepreneurs as a zero-sum game – "if we have a VC or entrepreneurs then others do not". But corporations are interested in the best rather than best marketed, and do not have time or resources to set up regional outposts in every country, but if they see something interesting they can invest or visit, such as GCV-curated events in Brazil, Canada, Russia, Japan, Singapore, Hong Kong and Shanghai as well as London and California.

The next iteration of the GCV Leadership Society will see these local entrepreneurial stars have the platform to meet the corporate venture capitalist stars.

Knowledge about how practically to make venture investments has been democratised from a handful of VCs to a broader swathe of investors and entrepreneurs. But the need for **role models** remains.

James Rogers, chairman of the department of business development at US-based healthcare provider Mayo Clinic, said: "Timmeko Love would be great as a GCV Rising Star. She is relatively new to Mayo [having previously invested while at Best Buy Capital]. She has made a big impact in her time here on the Rochester campus.

"We recently moved her to Arizona and she is heading up our activities in the southwest. She leads our accelerator activities across the enterprise and our outside outreach. She is also responsible for our Benefactor Innovation Fund, which allows us to fund clinical trials in exchange for equity."

This would have been an ideal nomination of an experienced investor, but Love demurred and ruled herself out of the process.

Two-fifths of the GCV Rising Stars 2017 are women. However, despite GCV's research showing they could be in the top 1% of investors or talent in the industry, nearly half (18) of the women nominated by their bosses or selected for the final 100 declined to help with their profiles, compared with about 10% (seven) of the men.

Still, the diversity in the GCV Rising Stars 2017 list reflects the opportunity for less group-think in the industry, and fewer investors from one demographic finding entrepreneurs that look and sound like them.



Given the findings of the first NVCA-Deloitte Human Capital Survey published last month, where women represent 11% of investment partners or equivalent on venture investment teams in the US, and black or hispanic employees are at 3% and 4% respectively of the entire workforce, then the industry appears structurally in better shape, at least judging by this sample.

However, diversity is about more than gender and ethnicity – it is also about experience. Almost all the CVCs in the GCV Rising Stars 2017 list are educated at top universities, the majority with post-graduate degrees, but their route into venture investing covered the range from investment banker, to corporate lifer who had worked in a range of business units, to former journalists and sales and marketing veterans, as well as experienced VCs and serial entrepreneurs.

The route into CVC might be wide-ranging but the experiences inside can be more challenging, at least judging by reading the stories of these Rising Stars.

## HOW TO DEVELOP A RISING STAR

Andy Grove, former CEO of chip maker Intel, in his book High-output Management, said there were two tools for a manager – motivation and training.

Motivation could be considered a given, as corporate venturing is a well-paid prestigious job that involves meeting interesting people and offering at least some of them the cash and help they ask for.

Marc Andreessen, co-founder of Andreessen Horowitz, once pithily said he invested only in a company whose team had the right ethics, aptitude and attitude. It is a useful gauge for recruiting investors too.

Knowing why someone has joined an industry or firm and what their ambitions are can frame and shape the what they do, what training they might require and how they feel about working there if or after they leave.

There is a meme that resurfaces occasionally on the internet of a CFO asking a CEO why money should be spent on training as trainees might later leave. The CEO's response is: "What would happen if we do not and they stay?"

Training a Rising Star in corporate venturing and converting aptitude into success can seem almost harder, given venture investing has often been described as an art rather than a science, although relatively few CVCs in the list came from an arts rather than a technical background.

It is interesting to note how many of the corporate venturing industry leaders have chosen to send their talented or newer staff and colleagues on training courses. From its start just two years ago, the GCV Academy led by Andrew Gaule has had nearly 200 alumni from the world's leading global corporates.

The academy also has the accreditation of the top corporate venture leaders in the industry, who have decades of CVC experience reporting to the C-suite of their global organisations and have been speakers on courses:

- Sue Siegel, GE Ventures.
- Bill Taranto, Merck Global Health Innovation Fund.
- Claudia Fan Munce, formerly IBM Ventures and now on the New Enterprise Associates board.
- Dominique Megret, Swisscom Ventures.
- Tony Askew, REV Venture Partners and chairman of the British Private Equity & Venture Capital Association's venture capital committee.

The mentoring by today's leaders of tomorrow's stars is part of a desire to leave the world in a better shape than you find it. Judging by the GCV Rising Stars 2017 list, therefore, the future looks bright.



## 1 Yao Xia, executive director, Tencent Investment

"My main professional goal is to have a deep understanding about the next waves of the internet, and invest in the next Facebook, Amazon, Tencent or Alibaba, which I think is also the ultimate goal for any internet investor."

These words could be spoken by any rising star, but when you have already backed a business that has seen a near 600-fold increase in valuation to \$35bn in three years, you probably have a better chance of identifying the next generation of talented entrepreneurs as they will be beating the door down to find you.

Yao Xia, executive director at Tencent Investment, therefore, is prepared to be a popular person. Jeffrey Li, managing partner at Tencent Investment, in nominating Xia as a Global Corporate Venturing Rising Star 2017, said: "He was the one to find Didi Taxi three years ago and is the driving force of our O2O social commerce practice."

O2O, or online-to-offline, commerce is a business strategy that draws potential customers from online channels to physical stores and Tencent through its WeChat communications and payments portal has done more than any company to integrate a more seamless integration between the internet and physical worlds.

Xia noted two of his other deals had also reached at least \$1bn in value. Online retail startup Xiaohongshu, which means Little Red Book in Chinese, was valued at \$1bn in March last year compared with the \$70m valuation when Tencent first invested in 2014's \$10m B round. And used car auction company Youxinpai was worth \$2bn when it was raising a reported \$400m earlier in 2016, compared with when Tencent first invested at a \$50m valuation for the company's series B round in 2013.

However, his big win in this field has been Didi. Given that less than a sixth of China's population owns a car – there were 172 million registered in 2015 – taxis are a popular form of transport for getting to the store. Didi's platform completed 1.43 billion rides in 2015, the equivalent of about one ride per person in the country, albeit actually spread among 300 million users in 400 Chinese cities.

When in May 2013 Tencent invested \$15m for a 20% stake in Beijing-based Didi Taxi's series B round, at an estimated \$60m valuation, Xia confirmed, the Didi Taxi mobile phone application had just entered the Shanghai market with 5,000 new orders being placed in the city every day.

Now, and every day, Didi's platform generates more than 70 terabytes of data, processes more than 9 billion routing requests under its Great Tidal strategy to reduce traffic jams, and produces over 13 billion location points.

Much of the growth to be China's largest ride-hailing platform has come through the mergers, acquisitions and corporate venturing strategy of the company, now renamed Didi Chuxing.

Didi Chuxing sealed its position as China's largest ride-ordering platform when it agreed in August to acquire competitor Uber China in an all-share deal that would create a company officially valued at \$35bn.

Postal service China Post invested an undisclosed amount in Didi Chuxing two weeks later, adding to some \$10.5bn in debt and equity raised since its founding companies, Didi Dache, as Didi Taxi was renamed, and Kuaidi Dache, were launched.

Didi Chuxing was formed by the merger of Didi Dache and Kuaidi Dache in early 2015 and its subsequent corporate venture capital investments – \$100m in peer Lyft and at least \$10m in bike-sharing service Ofo, has reinforced its position.

Xia said: "CVC becomes a very important player in China internet investment industry. Beside the money being the same as other financial investors', it has a unique competitive advantage, such as business resources and operation know-how to bring benefits to investee companies. It gives us the best opportunity to back the promising company to grow and change the industry landscape."

As a result, he added: "Similar to other industries, CVC needs to have a clear understanding and also the good execution on its competitive advantage, and differentiate itself from other investors."

"Investment is a red ocean market, with too many investors and too much money. Although everybody is







talking about post-deal management or value-added services to investee companies, the key thing it can provide is still the same – money.

“From this perspective, CVC naturally has the capability of differentiation. No matter whether it is minority investment or acquisition, CVC should be thinking from the company’s perspective, being a trusted friend of the company, and provide its resources and expertise to back the company to grow.”

It is an attitude developed in Tencent through its own experience, having Naspers, a South Africa-listed media company, as a CVC shareholder since the turn of the millennium.

Naspers supported Tencent founder Huateng (Pony) Ma’s hiring of Chi Ping (Martin) Lau and James Mitchell from investment bank Goldman Sachs – now president and chief strategy officer, respectively.

Lau had worked with Qing (Jean) Liu, president of Didi Chuxing and daughter of computer maker Lenovo founder Liu Chuanzhi, when she worked for Goldman Sachs Asia for 12 years until July 2014’s move to be chief operating officer at Didi Dache.

After joining Didi Dache under founder Cheng Wei, she led the strategic merger of Didi fDache and its main competitor Kuaidi Dache, and reportedly masterminded Didi’s acquisition of Uber China in 2016.

Xia’s own background was less connected. After studying finance and economics at Shanghai University, he worked as an analyst in Deutsche Bank for nearly two years from mid-2006 before later spending three years as an associate in boutique investment bank China eCapital Corporation, focusing on the internet sector. He described these moves to China eCapital and then Tencent as his biggest challenges.

“After graduation, I started my career in the commercial banking department of Deutsche Bank. I wanted to do internet investment but it was difficult to find a job in the investment industry for a person with no relevant experience.

“The two transitions are the biggest challenge for me. Thinking back, there are two key things. One is you need to have a goal, understand the path to the goal and keep

yourself doing the right thing along the path to achieve that goal.

“The other is always staying foolish and curious about everything around you, both in your daily job and daily life. Having a deep-thinking habit is key to become a good investor. These two things helped me a lot in the two transitions.”

But having made it to his goal, Xia is now one of the well-connected, given Tencent was understood to have invested about \$5bn in more than 100 CVC deals in 2015 and formed a consortium with other investors to close the acquisition of a majority stake in Finland-based gaming company Supercell for \$8.6bn in October last year.

In November, Tencent backed China-based knowledge sharing platform Zaihang and Fenda, according to



the startup's Wechat public account.

Zaihang and Fenda had earlier raised \$25m from storied investors Vision Plus Capital, Sequoia Capital, Wang Sicong, the son of China's richest man – Dalian Wanda Group's chairman Wang Jianlin – and online talk show Luoji Siwei in June.

At the time of the deal, Xia said: "Tencent believes in the potential of knowledge-sharing, which is perfectly supplementary to our own ecosystem. Zaihang and Fenda will become one of the most important knowledge-sharing platforms in China."

Knowledge-sharing might also be said to the secret of good investing, looking at how Naspers, Tencent and now Didi Chuxing have developed with Xia as the latest star in the firmament.

## 2 Ana Segurado, global managing director, Telefónica Open Future

Probably the most active corporate venturing unit over the past four years in terms of volume of activity has perhaps been a surprising one – Spain-based telecoms group Telefónica.

Apart from misleadingly-named venture capital firm 500 Startups' 1,200 deals in its first five years, it is hard to find another group that matches Telefónica's €275m (\$300m) invested in 680 companies through its Open Future programme led by general manager Ana Segurado.

Segurado joined Telefónica in 2012 to launch Amerigo, a network of VC funds with public and private co-investors focusing on tech investments, before expanding her role to the other areas under what is now called Open Future.

Amerigo now has six funds, with an aggregated size of €345m including Telefónica's commitments, in Germany, Spain, Brazil, Mexico, Peru, Colombia and Chile.

Amerigo has 76 companies in its portfolio, including Job&Talent, Carto and Adjust, and its exits include Ticketbits.

Wayra, the corporate accelerator network of Telefónica Open Future with 11 spaces in 10 countries, has been its primary vehicle by volume, having invested €30m in more than 500 of these startups worldwide since its launch in 2011. In 2015, Volo, which had been started at the Munich Wayra accelerator, was sold to Germany-listed Rocket Internet.

Since 2014, Segurado has also been leading Telefónica Ventures, Telefónica's corporate venture fund with investment focus in North America, Israel and Europe. Telefónica Ventures has invested more than €60m in 19 companies, including Quantenna, Sigfox, Boku and Cyanogen, and exited others, such as Box and Amobee.

Before joining Telefónica, Segurado spent more than 10 years as investment manager in Inversiones Ibersuizas, now Portobello Capital, a Spain-based private equity firm with more than €500m under management.

And this perspective was important when taking on all three areas under Open Future.

Javier Placer, CEO of Open Future, said: "Bringing private equity management skills into a view that also takes into account the strategic goals of a multinational company is the key vision that Ana, now one of the most respected professionals of the VC industry, has brought to my team."

And Jack Leeney, former head of Telefónica Ventures in the US before his move to be a partner at 7GlobalCapital, agreed. "Segurado was very market-driven and from a private equity background, which was always helpful to do this role within a large corporate."

Segurado said what attracted her to corporate venture capital was "the potential of generating strategic value for a corporate beyond financial investment activity".



She added: "In the case of Telefónica, the scope of the project was also very interesting, with global presence and broad scope of investment in the digital arena.

"Telefónica Open Future has achieved €100m of cumulated revenues and savings for Grupo Telefónica coming as a result of the collaboration between Telefónica and the portfolio companies.

"Quantenna is a good case study of success in CVC. Since 2011, and with current prices of the stock after the IPO, we have multiplied by almost four times the money invested, in terms of value.



"At the same time we have a great commercial relationship between Telefónica and Quantenna. Telefónica has acquired during this time more than 2 million chipsets from Quantenna, and Quantenna technology has been very relevant for the deployment of Movistar TV in Spain."

But delivering such an effective entrepreneur-to-corporate relationship is tough. Segurado said her biggest challenges had been "making collaboration happen successfully between the portfolio companies and Telefónica" and, even for such a keen traveller and historian, managing "a team located in 10 different countries across Europe and America and in very different economies and environments".

Her main advice to other CVCs, therefore, was to "let portfolio companies live independently from the big corporation and do not oversell to invested companies the value you can bring to them in terms of business or commercial opportunities within the parent company".

But having made so many investments, the opportunity to deliver more Quantenna-type successes looms.

This challenge of repetition and scaling to a company as large as Telefónica faces all startups, something students of Segurado's entrepreneurship course at the Universidad Pontificia Comillas-ICADE for the past decade know well.

Segurado, who studied at the university in the 1990s, is applying these lessons to Telefónica. She said her ambition was "to multiply the ebitda [earnings before interest, tax, depreciation and amortisation] contribution of my area to the company".

Under Open Future's Placer – included in GCV's Powerlist 2016 – Telefónica seems to have made a good call with Segurado's hire.





### 3 Alvin Wang Graylin, China regional president of Vive, HTC

History is littered with successful companies under pressure in one area trying to expand or pivot into a fast-growing new field.

The relatively few that stand a chance of succeeding often have to thank a handful of intelligent hard-working people who are well networked, which in Chinese is the system called “guanxi”.

So it is perhaps no surprise that Taiwan-based smartphone maker HTC looked to Alvin Wang Graylin, a Chinese native, serial entrepreneur and corporate executive, for help early last year.



One of Wang Graylin's previous startups, run until the end of 2015, was called Guanxi.me, a location-based social discovery platform backed in its series A round by Singapore-based phone operator Singtel's Innov8 corporate venturing unit and venture capital firm DFJ.

Guanxi.me's Firefly personalised events app used augmented reality technology to recommend local events based on a user's tastes and social circles.

So when Cher Wang, chairman of HTC, who once declared HTC was a China-based brand in order to promote its products to local consumers, wanted its China regional president of Vive, the company's 3D virtual reality (VR) headset made in partnership with Valve, she turned to Wang Graylin. Hitting the ground running, he then had a busy second half of last year.

In November, HTC signed a strategic cooperation pact with the government of Shenzhen, a southern China city and special economic zone (SEZ), to set up a VR research institute as well as a RMB10bn (\$1.5bn) venture fund.

Wang Graylin said: "The Shenzhen SEZ has one of the most progressive governments in China, and has a history of growth and innovation for the past 30 years. It is also becoming a key centre of innovation for the mobile internet and smartphone industry globally.

"When we were approached by the Shenzhen government to set up such a fund and a VR research centre jointly, we felt it would be a very complementary relationship and would provide a strong foundation for driving growth for VR in China and globally."

Part of Shenzhen's interest in HTC lay in the groundwork Wang Graylin had done in building the industry through alliances.

In August, HTC also signed a strategic cooperation agreement with China-based online retailer Alibaba Group jointly to develop VR technology based on Alibaba's cloud platform, Aliyun. Three months later and Alibaba and HTC together demonstrated Alibaba's Buy-plus mobile VR channel on HTC-powered VR-ready smartphones.





In June, Wang Graylin also started as president the VR Venture Capital Alliance (VRVCA) with 28 initial members managing a combined \$10bn. Another eight members joined in November to take the total to \$12bn.

VRVCA backers include Colopl VR Fund, a \$50m specialist fund launched by mobile game publisher Colopl in December 2015; the Virtual Reality Fund, backed by Colopl and game developer Gumi; and Legend Capital, the corporate venturing arm of conglomerate Legend Holdings.

The corporates are augmented by institutional investors such as venture capital firms Sequoia Capital, GGV Capital, Qiming Venture Partners, Matrix Partners and Redpoint Ventures.

Wang Graylin is also chairman of the Industry of Virtual Reality Alliance, launched in September as the only government-endorsed VR organisation in China.

In May, the governing Communist Party of China's central committee and the state council issued its National Innovation-driven Development Strategy Outline, which highlighted the need to develop a new generation of information network technologies, enhance VR technology research and industrial development, strengthen the IT Infrastructure for economic and social development, promote innovation in industrial technology, and form new development opportunities.

These connections helped drive entrepreneurs to HTC and create the dealflow for the VR fund along with HTC's own Vive X VR Accelerator, set up in July with \$100m. Out of 1,200 applications from companies around the world, the accelerator chose 33 startups for the initial cohort, with support from HTC-backed incubation centers in Taipei, Taiwan, Beijing and Shenzhen in China and San Francisco in the US.

A press release disclosed a number of the companies – entertainment-focused Action Bunker VR, 7D Vision and LumiereVR; gaming-focused Directive Games, Shortfuse, EdSenses, Omnigames, Metal Cat and Glowsticks Games; applications-related CleVR, AppMagics, Teemew and SurrealVR; user interface and user experience-related BreQLabs; tools-related RockVR, Apmetrix, Fishbowl VR, Kaleidoscope VR, Immersv, Wondergate and Oben; as well as education and medical-related Augmented Intelligence and TheMetaverseChannel.

Such speed and scale creates both opportunities and challenges. Wang Graylin said: "Our biggest challenge with the investment arm has been speed of deal execution and legal complexity. The companies we are looking at come from all over the world and with differing company structures. Our internal legal and deal teams are not used to working with companies at this stage and with so many at the same time. We did 33 deals in batch one, and likely will do 30 to 40 more in January 2017. It will hopefully get better over time as we standardise our processes and documents.

"It is a bit early to say greatest, but the highest-profile company in Vive X so far is one called TPCast [one of 10 that had been in stealth]. It created the world's first wireless, high-end VR upgrade kit to allow Vive to get rid of the cable that ties it to the PC doing the VR/graphics processing. Oculus leaders had said on stage only a month ago this problem would not be solved for about two years.

"This new product will release in the first three months of 2017, and will enable a new level of freedom and improved usability for VR globally. TPCast's valuation after joining Vive X has increased manifold. There are several other companies in Vive X batch one that have the potential to create a similar level of impact on the industry."

The RMB1,400 (\$220) TPCast device was offered for pre-order in November through Vive's Chinese site and reportedly sold out within minutes.

Perhaps unsurprisingly given such an immediate impact as regional president, Wang Graylin said: "I am very happy with what I am doing today and the impact I am making. VR will be changing all our lives in a significant way and I am excited to play a role in helping direct where that is headed."

Looking more broadly, he said making a stronger venture and entrepreneurial industry required other corporations to "hire more entrepreneurs into the company and take more risk on high-potential people and deals – do not let the lawyers and accountants drive or inhibit decision-making."

Wang Graylin said before entering CVC he had been an entrepreneur for the previous 15 years, founding four venture-backed startups in the US and China and also worked for several public companies. He said: "Having that background make me understand the mind-set of both the investor and the entrepreneur,



which lets me better communicate and collaborate with both sides.”

As well as Guanxi.me, and at the same time, he was CEO and co-founder of Model Plus, a cross-agency mobile platform for searching and booking professional models, and MInfo, a mobile search technology that was the official such provider to the Beijing Olympics in 2008.

However, running multiple companies was seen by investors as a challenge. Tim Draper, co-founder of DFJ, which backed Guanxi.me in its October 2012 A round, said: “Alvin is a good guy and Guanxi might have worked, but he was distracted with other pursuits. Always best for an entrepreneur to be singularly focused.”

However, Will Wang Graylin, his brother and also a serial entrepreneur, as well as Alvin’s other co-founder at MInfo, which ran for more than a decade from 2005, was positive.

Will, now global co-general manager of Samsung Pay, after the South Korea-based conglomerate acquired his last company LoopPay in February 2015, while admitting his view might be biased, said: “Having known Alvin since childhood, and attended both undergrad at University of Washington, and graduate school at MIT together, in the same classes, I believe I can share some insights that can be helpful. Alvin had always been an overachiever – he graduated high school and college at the top of his class, nearly 4.0 GPA [grade point average, the maximum score possible], and highly competitive even recreationally in tennis, swimming and the chess team.

“He was entrepreneurial even in college, starting his computer service company [Investment Compass, later iCompass]. He has tremendous passion and energy, asside from his keen analytical skills. I have been impressed by his tenacity and believe he is the kind of person who always finds a way to win.”

And with this Rising Stars 2017 award he has won again.



## 4 Shivon Zilis, partner, Bloomberg Beta

Bloomberg’s corporate venturing unit listed 72 portfolio companies on its GitHub page in December, nearly half of which (35) have been “machine intelligence companies solving 35 meaningful problems in areas from security to recruiting to software development”, according to Shivon Zilis, partner at Bloomberg Beta responsible for seeking out many of them.

Zilis’s annual update – Current State of Machine Intelligence 3.0 – now in collaboration with partner James Cham, “has a third more companies than our first one did two years ago, and it feels even more futile to try to be comprehensive, since this just scratches the surface of all of the activity out there”, she added.

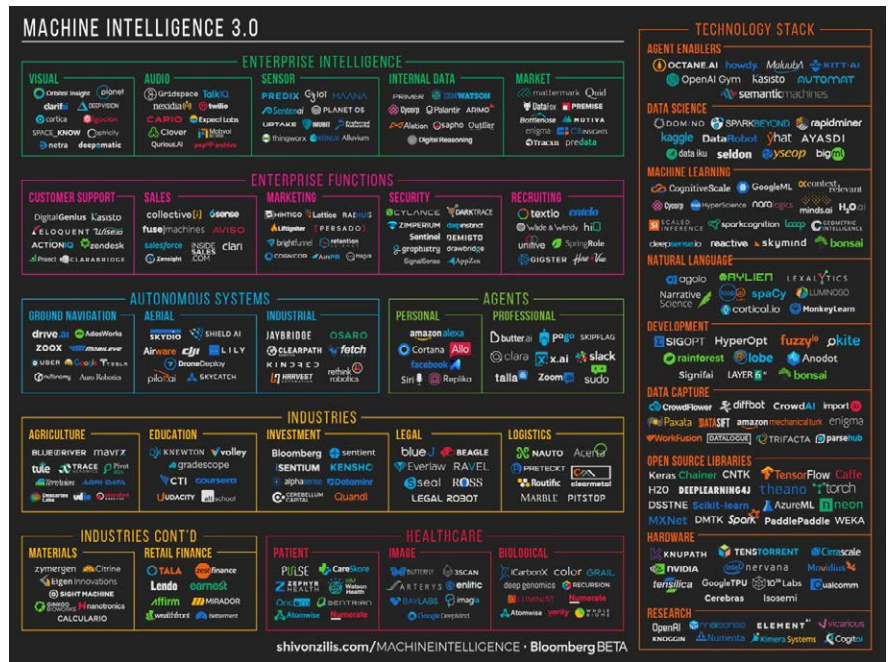
Having made her name as a smart investor a few years earlier, validated when network LinkedIn acquired her portfolio company Newsle for an undisclosed amount in July 2014 to form the cornerstone of its Connections In The News feature, Zilis has become influential in the burgeoning area of machine intelligence, including a guest comment in the Economist’s flagship World in 2017 review.

A look at 26 of Bloomberg Beta’s disclosed machine intelligence deals, the majority directed by Zilis, checked against data providers Crunchbase and Angelist, shows the fund is an investor in: Alation (\$9m A round in March 2015), Arimo (formerly Adatao, \$13m A round in August 2014), Aviso (founded 2011), Brightfunnel (\$8.25m across seed and A rounds in October 2014 and December 2015), Context Relevant (\$7m in A round in July 2013 and \$34.5m across split B rounds in 2014), Deep Genomics (\$3.7m seed round in November 2015), Diffbot (\$500,000 seed round in June 2015), Digital Genius (\$8.1m in convertible notes in 2015 and 2016), Domino Data Labs (\$3m A round in August 2015), Drawbridge Networks (\$1.7m seed round in December 2014), Gigster (\$700,000 seed round in June 2015), Gradescope (\$2.5m seed round in April 2016), Graphistry, Gridspace (2015 venture round), Howdy.ai (\$1.5m seed round in October 2015), Kaggle, Kindred.ai, Mavrx (\$10m A round in 2016), Motiva (seed round in March 2016), Orbital Insight (\$28.7m from seed to B rounds 2014-16), PopUpArchive, Primer, Sapho (about \$25m in seed and A rounds 2014-16), Shield.AI (\$2m seed round in May 2016), Textio (\$9.5m seed and A rounds in 2015), and Tule Technologies (seed round in



May 2015).

Given that Bloomberg Beta closed its second fund at \$75m only last summer, securing the funding by its sponsor and sole limited partner, media group Bloomberg, the fund could see further calls on its capital if it wanted to follow on with these early-stage deals and further exits.



The firm's other exits include cloud computing company Nodejitsu through an acquisition by domain name issuer GoDaddy, data processor Concord Systems, acquired by Akami in September, and marketing platform Spiderbook, acquired by Demandbase in June. But interest in machine intelligence is growing and "anyone who has their wits about them is still going to be making initial build-and-buy decisions," Zilis noted in her landscape of the sector.

She said deals in the space included Nervana by Intel, Magic Pony by Twitter, Turi by Apple, Metamind by Salesforce, Otto by Uber, Cruise by GM, SalesPredict by Ebay, and Viv by Samsung and "many of these happened fairly early in a company's life and at quite a high price". This reflected the changing maturity in the startups, Zilis said.

"For v1.0, we heard almost exclusively from founders and academics. Then came a healthy mix of investors, both private and public. Now overwhelmingly we have heard from existing companies trying to figure out how to transform their businesses using machine intelligence.

"For the first time, a one-stop shop of the machine intelligence stack is coming into view – even if it is a year or two off from being neatly formalised. The maturing of that stack might explain why more established companies are more focused on building legitimate machine intelligence capabilities."

Such clarity of insight built of empirical data helps explain why Zilis has been rising in profile since Ozy described her as the "nerd-athlete investor". Zilis won scholarships to the US from Canada for hockey and academia and, having taken the latter route, she majored in economics and philosophy at Yale.

And news provider Canadian Business's profile of Zilis, who turned 30 last year, quoted the "proud Canadian" and self-described "data geek" as being "obsessed with technology back in school but wanted to be on the business side of technology".

Canadian Business said she first went to work for tech company IBM's global microfinance initiative, to enable loans to be made to small businesses in developing countries, before she moved to advise startups in the education and data services spaces for Bloomberg's internal incubator.

From there it has been a short leap to learn how to invest successfully it seems.



## 5 Jack Young, head of venture capital, Deutsche Telekom Capital Partners

The top two entries in last year's Global Corporate Venturing Rising Stars list have chosen different ways to develop their careers – one joining a premier VC firm and the other moving to another leading corporate venturing team.

While Lisa Lambert, a vice-president at Intel Capital and last year's number one, subsequently moved to become managing partner at venture capital firm Westly Group to help its fundraising from external limited partners, Jack Young moved from Qualcomm Ventures to become global head of venture capital at Deutsche Telekom Capital Partners (DTCP), the Germany-based phone operator's investment management and advisory group with \$2bn invested in a portfolio of more than 70 companies.

Vicente Vento, CEO of DTCP, which was launched in April 2015 building on the parent's T-Venture corporate venturing unit, said: "With his unique qualification and proven track record in building new funds and reputable brands, Jack brings great balance between foresight and a structured investment approach to our venture capital operation. I am proud to have Jack on board as our global head of VC. He not only has a great investment track record, but understands very well how our corporate sponsors think."

Young said he had had a "productive career at Qualcomm Ventures, having joined in 2008 after working in various roles at technology companies ZTE, Nokia, Amber Networks, 3Com, GDC and Nortel Networks.

"While there I was given a unique opportunity to run two named funds. I started the \$100m Qualcomm Life Fund in 2010, focused on digital health, and four years later launched \$100m DRX Capital – a joint investment fund by Novartis and Qualcomm exploring digital medicine. With strong corporate strategic and financial supports, I was able to lead the emerging digital health industry and charter a new course."

Young, a noted fitness fan of tennis, yoga, running, skiing and swimming, said his biggest challenge was in "helping startups in which we invested to develop a meaningful business relationship with our sponsoring corporates". He added: "Startups have limited resources. It is my job to help them navigate effectively in these giant corporations and their extended networks."

DTCP manages two funds, one covering venture capital and the other private equity, and are structured with Deutsche Telekom as the sole limited partner.

The venture capital fund at DTCP invests in Europe, Silicon Valley and Israel-based technology companies, according to Young, and "our typical first cheque size is \$5m to \$10m".

DTCP is headquartered in Hamburg, Germany, and it opened a Sand Hill Road office in California early last year. Young said he joined the group as head of venture capital in April after eight years with Qualcomm Ventures, and the team had made eight venture investments since the start of 2016 – by the end of November, with another expected to close by publication of this profile – including SafeBreach's \$15m series A round, NS1's \$20m B round and Paxata's \$33.5m D round.

DTCP's exits include voice service Nexmo's sale to Vonage for \$230m, and immersive sports company Replay Technologies' sale to Intel for \$175m. While good, these relatively pale in





comparison to Young's biggest win, fitness tracking wristband Fitbit.

Qualcomm Ventures was one of the investors in a \$43m round for Fitbit in 2013. Fitbit raised \$841.2m in its initial public offering nearly three years ago. It still has a \$1.7bn market cap, although its stock is trading down by more than 80% since its high in mid-2015.

But such successes point Young to how corporate venturing could improve through offering its staff performance payments based on the returns from deals – called carried interest, or carry, by VCs.

Asked what CVCs could do better to make it a stronger industry, Young said: "Better align the incentives of their investment professionals along with the rest of the venture industry, and give the team more freedom to explore." His choice of DTCP, therefore, points to a similarity with Lambert, who is eligible for carry at Westly Group.

Young said his ambitions were, first, "dedicating my energy to ensure the success of our first venture fund at DTCP", adding: "Since we are structured in a limited partner-general partner relationship with Deutsche Telekom, we will have to plan for our next fund, which I am hoping will be bigger and broader."

Young said for last year's Rising Stars profile that corporate venturing had some advantages over traditional venture capital. He said: "Having worked in Silicon Valley as part of a successful venture-backed startup, as well as trying my hands as an angel investor, I concluded that a role in corporate venture capital might be a better fit for my skills and intellectual curiosity.

"In recent years, the venture industry has bifurcated into a dumbbell-shape, with supersized multistage funds on one end and oversized angel funds on the other. If you do not participate in either, you will have a hard time finding high-quality deals or have to resort to taking higher risk. CVC, if structured correctly and considering its strategic value-add implications, can play in this middle ground."

With DTCP, it seems Young has found his ideal ground.

## 6 Rashmi Gopinath, partner, Microsoft Ventures

Rashmi Gopinath was Nagraj Kashyap's third hire in July as he built corporate venturing unit Microsoft Ventures from the ground up last year. Tasked with covering the wide area of enterprise software, which includes cloud and infrastructure, big data, analytics, databases, software-as-a-service and business applications, internet of things, security and mobile, she hit the ground running.

Gopinath said: "At Microsoft, my first investment was in a highly competitive and oversubscribed [\$33.5m] deal at Paxata, an enterprise information management startup. My prior relationship with the founding team helped me secure a meaningful investment slot for Microsoft in a deal led by Intel with participation from Deutsche Telekom, Cisco, In-Q-Tel, and Accel, among other investors.

"I met Prakash [Nanduri, co-founder and CEO of Paxata] in 2012 when I was at Intel Capital. He was in the process of raising his series A. I have stayed in touch with him since then and continued to help the team along the way."

Her other board roles while at Microsoft include its stealth deals for CloudLanes, a cloud-managed archival service, at its seed stage, and Tactile, a mobile sales productivity platform set up by a former Salesforce executive, during its B round, she added.

It was a natural hire for Kashyap to make Gopinath an investing partner at Microsoft Ventures, as she had been part of the investing team at Intel Capital from 2011 to 2013 and then run two startups' global operations.

Gopinath said: "At Intel Capital, I worked on seven deals across cloud, infrastructure, security, mobile and analytics. I invested in Maginatics, a distributed software-defined storage startup founded by a highly successful serial entrepreneur, which was acquired by EMC within two years of investment [by Intel in its \$6m B round].

"One of my other investments was in a wearables startup called Basis Science, which was acquired by Intel



[reportedly for about \$100m] within five months of investment. I was also able to source and invest in a number of highly-competitive deals, including an investment in MongoDB.”

The other four deals while at Intel Capital were BlueData, a big data private cloud provider, Apperian, an enterprise mobile application management tool, ForeScout, an automated network access control service, and Arrayent, an internet-of-things software platform.

Between Intel Capital and Microsoft Ventures, she was in global business development for Couchbase, a US-based NoSQL database provider, and BlueData.

Gopinath said: “At Couchbase, I built and led global alliances and channel partnerships for Couchbase’s partner ecosystem of over 200 partners, and contributed 30% of the sales pipeline through partner-led deals at Fortune 500 customers.

“At BlueData, I was the first business hire and member of the core executive team leading all outbound activities, such as customer acquisition, partner acquisition and development, company and product launch, marketing and fundraising.”

Having previously worked on products for large corporations GE Healthcare and Oracle before her MBA, Gopinath said what had attracted her to corporate venture capital and then back again after working for startups was the ability to provide strategic benefits.

She added: “I joined Intel Capital right after graduating from business school. During my MBA program at Kellogg [School of Management], I had the opportunity to intern with Galen Partners, a healthcare growth equity fund, and WMG Capital, a private equity fund.

“My experience at these funds coupled with my finance and investment classes at Kellogg helped shape my focus and interest in a VC career. While exploring options at multiple VC funds, I found the benefits of CVCs highly appealing. The biggest value-add for corporate investors is the ability to provide highly-meaningful long-term strategic benefits to portfolio companies through various assets available in the corporation.

“During my time at Intel Capital and Microsoft, I have seen first-hand and experienced how important and valuable it is for startups to get connected with the right product teams at large companies to build meaningful partnerships, get access to global markets through commercial teams and well laid-out go-to-market plans and, last but not least, having a great well-recognised corporate investor backing them that significantly adds to a startup’s credibility.



"These benefits cannot be matched by any financial VCs, even those that typically either employ a large team of supporting members – such as Andreessen Horowitz – or work through their partners' personal network to connect startups with product leaders at large corporations."

Despite these strategic benefits, Gopinath said she still found herself having to deal with a lack of understanding about CVC. She said: "One of the biggest challenges that I encounter as a CVC investor is dispelling the misconception that CVCs are not good investors to bring into a competitive deal."

"This mainly arises due to a generalisation of notions, such as 'all CVCs will always require non-standard terms', such as right of first refusal [to buy a company], and will use that to block attractive acquisition offers, or they may not participate at pro rata in future rounds due to changes in business unit strategies', and are 'not financially driven'. CVCs, such as Intel Capital and Google Ventures, have striven hard to change this perception, but this is an area in which I find myself constantly educating institutional investors and entrepreneurs that have not worked with CVCs in the past."

But Gopinath said the best way to correct such impressions was through performance and working together as an industry. She said: "My professional ambition is to make Microsoft the number-one global CVC fund. I believe we can achieve this goal collectively as a team by continuing to make solid investments in highly-disruptive startups and simultaneously delivering on our promise to provide strategic value through Microsoft assets to help these portfolio companies scale and succeed."

"There is a significant shift in the industry towards a more positive perception of CVCs. This is also evident in the number of CVCs created in 2016 and the increasing number of deals CVCs are leading or participating in."

"In order for CVCs to become even stronger, I believe there are four things we can do better – share best practices with each other, work well together in a cooperative manner, set standards for general purpose corporate investing principles, and build a strong network with other CVCs and financial VCs."

It is a collaborative approach that is reflected in her personal life, too. Gopinath said: "In my spare time, I like to spend time with my family and give back to the community."

"I have a very active five-year-old daughter and spend time travelling with her and exposing her to new cultures and places. Personally, I care deeply about science, technology, engineering and mathematics education for girls and children's education, and volunteer with local organisations."

## **7 Bruce Niven, chief investment officer, Saudi Aramco Energy Ventures**

Bruce Niven is chief investment officer of Saudi Aramco Energy Ventures (SAEV), the \$500m global corporate venturing arm of Saudi Aramco, Saudi Arabia's national oil company and the world's most valuable enterprise.

Niven joined just over five years ago, in July 2011, when it was in the set-up phase, and he said SAEV had now made 24 investments on three continents.

As if that were not enough, Niven, who has climbed from 12th in last year's GCV Rising Stars 2016 listing, added: "Recently I have also been part of the set-up team for OGCI Climate Investments, a new \$1bn venture and technology demonstration fund founded by 10 oil and gas companies representing almost 20% of oil and gas production. This fund will focus on climate solutions for the oil and gas industry, in particular carbon capture, use and storage (CCUS), and reducing greenhouse gas emissions in the natural gas supply chain."

He is one of a handful of venture executives with the experience to help coordinate the 10 Oil and Gas Climate Initiative (OGCI) member companies – BP, China National Petroleum Corporation, Eni, Pemex, Reliance Industries, Repsol, Royal Dutch Shell, Saudi Aramco, Statoil and Total. Before SAEV, he spent more than seven years at Itouchu, a global Fortune 500 Japanese trading and investment company.

As a result, he understands the challenges involved in commercialising technology that multiple parties can use and deploy successfully. He said the OGCI fund "is a flexible financing vehicle that will do a mix of





venture, joint ventures, project and demonstration, and R&D funding – venture will likely be the major part”.

It is an experience and skillset that is much appreciated. Majid Mufti, CEO of SAEV since last summer, said: “Bruce is a seasoned VC professional, so he is an important figure in SAEV.”

Niven added for the Rising Stars profile: “Looking at industrial technologies, the pure-play VC model struggles. You need time and capital and the expertise of those that participate at scale. And internal R&D often fails to deliver innovation efficiently as it does not generally have the right incentives or skills to drive commercialisation. CVC to me is the model that works best in these domains. And as an investor you are

differentiated. You are able to get the attention of the most exciting new companies. That is what attracts me to it.”

While SAEV has backed a handful of funds, including Zouk, Tsing Capital and Braemar Energy Ventures, its main holdings have been in upstream-focused startups, including Target, Paradigm Drilling Services, Parsable, InflowControl, Zilift, Sekal, Cannseal, Comitt Well Solutions, Geomec, Zahroof, Maana, NanoMech, 908devices and AnTech.

However, its downstream holdings, which include Novomer, Rive Technology, Siluria, Conxtech and Airborne Oil & Gas, have caught most attention after a carve-out transaction last year.

In terms of success stories, Niven noted that Saudi Aramco acquired, for up to \$100m in November, one of two technology businesses being developed by its portfolio company, Novomer, which SAEV had backed in December 2013.

This technology, called Converge, uses carbon dioxide (CO<sub>2</sub>) as a feedstock for producing polyols, which are used in coatings, foams and adhesives, rather than relying on petroleum-based polyols.

At the time of the deal, Abdulaziz Al-Judaimi, acting senior vice-president of downstream at Saudi Aramco, said: “By providing access to reliable feedstock supplies, financial stability and unrivalled R&D investment and focus, Saudi Aramco will accelerate the commercialisation of these exciting new polyol materials.”

In July 2015, Saudi Aramco started Saudi Arabia’s first carbon capture and storage pilot project at the Uthmaniyah field and Hawiyah facilities to inject 800,000 tons of CO<sub>2</sub> every year.

Niven said of Converge: “It is cost-effective, its environmentally friendly, and it works. I believe this is the best CO<sub>2</sub>-to-chemicals play in the market today, and we are very pleased to be a part of it. The team there has done a great job.

“We are also now seeing real results from a refining catalyst we have invested in, and we see potential for \$100m a year bottom-line benefit if we deploy this system-wide. If that works out, it will pay back





our entire fund just from that one investment.

“The big challenge in CVC is always that you are merging two worlds with very different cultures and skillsets. You need to build the right team. You need experienced savvy investors [Niven is a chartered financial analyst] who also have the right personalities to deal with the corporation, and you need people from the corporate side who know the organisation but who are also self-starters with an entrepreneurial flair. The industry could do a better job of that.

“You also need to consider CVC within the broader context of external innovation and technology adoption. The engagement does not end with the investment. It has to be followed up through technology, product and application development, then trialling and adoption.

“Corporations need to be more startup-friendly through this whole process, not only in the CVC team.”

Niven’s own experience, first as a consultant for Omega Partners Strategy Consultants in the wireless telecoms industry through the late 1990s, before he founded a smartphone app developer, Telepathix, in the early 2000s has given him empathy for both sides.

While Saudi Arabia might be a long way from St John’s College at Oxford University, where Niven studied engineering and management in the early 1990s, Niven is used to travel, having lived in nine countries. It has all helped him build his global perspective, even if it has meant spending little time in any single place for his interests of cycling and tennis.



## 8 Larry Illg, CEO, Naspers Ventures

There seems something slightly ironic that one of the world’s most successful venture investors for nearly 20 years only last year formally set up a unit using the word “ventures”.

Then again, South Africa-listed media and commerce group Naspers has always been iconic following its initial standout success in backing China-based media group Tencent, with its near-\$250bn market capitalisation, and then following up with a host of other landmark deals in emerging markets around the world.

But its approach to investing in developed markets changed in late 2015 from avoidance – after some middling deals in Europe in the 1990s – to active investments in the US.

Bloomberg reported Naspers investing \$100m in Letgo, a US-based mobile-only classified advertising application, in September 2015.

Bob van Dijk, Naspers CEO, said at the time: “We will probably have more focus on the San Francisco Bay area than we have had previously. If we see the right opportunities we could see ourselves put a good amount of capital there.”

This led to the opening of Naspers Ventures in San Francisco in May last year under Larry Illg, a former Ebay online auction company executive. Illg joined Naspers in 2013 from real estate listings platform Trulia, where he served as general manager of new ventures. He was chief operating officer of Naspers’ e-commerce assets prior to taking the reins at Naspers Ventures.

Naturally, with these moves attention was whether Naspers would focus on expanding the e-commerce activities that had helped fuel its rise.

But apart from reinvesting in Movel in Brazil, the initial deals under Illg and Russell Dreisenstock, head of mergers and acquisitions (M&A) and international investments at Naspers Ventures, who moved from Singapore to the US last summer, indicate instead the unit is to help Naspers develop into an education division through venturing and M&A in the way Germany-based publisher Bertelsmann has also tried in the past few years.

Illg is board director at Codecademy, which is “teaching the world to code”, Udemy, a learning and teaching marketplace, and Brainly, the world’s largest social learning network with 70 million-plus users.

Van Dijk said in a press release announcing Brainly’s round: “Naspers is consistently looking to invest in the



leaders in markets that have global scale and the potential to be transformed by technology. The sizeable education market is a perfect fit.

"Improving education delivery is a huge focus in every region around the globe, and Brainly has identified a way that technology can help drive educational impact beyond the traditional classroom model. What is more, they have already proven their business works across geographies and we aim to accelerate their growth and impact worldwide."

Outside the US, Naspers Ventures has expanded by opening offices in Singapore and India. Ashutosh Sharma has been recruited from venture capital firm Norwest Venture Partners to head the new office and will lead Naspers' VC and M&A deals in India. Sharma was a vice-president for Norwest in India, having previously been an investment manager at Qualcomm Ventures, the corporate venturing arm of mobile chipmaker Qualcomm, between 2010 and 2012.

Naspers Ventures is already exploring deals in India, and is seeking deals where it will invest between \$10m and \$50m in companies developing consumer internet, e-commerce, healthcare, education and logistics technologies in return for a minority stake.

Naspers had previously invested roughly \$1.5bn in India-based companies, which include e-commerce firm Flipkart and Ibibo, the online travel booking platform acquired by competitor MakeMyTrip last year.

## 9 Joel Krikston, managing director, Merck Global Health Innovation Fund

"Perhaps the least appreciated skill of the CVC is to network internally and build consensus for strategies and projects outside the core," according to Joel Krikston, managing director of US-based drugs group Merck's Global Health Innovation (GHI) Fund.

This is especially the case when trying to grapple with complicated private equity-style investments and roll-up strategies but it is one in which Merck has specialised after Joe Volpe's GCV Rising Star 2016 award.

Krikston has been with Merck GHI since September 2013 and leads the group's efforts both strategically and from a portfolio perspective with regards to value-based population health and care coordination.

He has completed five new venture deals in the care coordination space and executed on a large private equity deal for GHI in creating a joint venture with University of Pittsburgh Medical Centre (UPMC) and Krikston's investment in MedCPU, a company that improves point-of-care delivery to hospitals through technology.

Bill Taranto, president of Merck's GHI fund, said: "Joel's contribution to GHI in such a short time has been extraordinary. He is a leader with a great vision about the future of healthcare. He is a rising star."

Krikston said: "I am proud of several accomplishments in my relatively short tenure at Merck GHI. First and foremost, I have really enjoyed creating novel strategies from scratch with regards to population health and care coordination. One of the great things about GHI and Bill's leadership is that as investors we have a blank slate to develop our own strategies. Creating these ecosystems and populating them with five portfolio companies in just three years has been a great experience.

"More specifically, I am very proud of what I have been able to do with regards to enabling an internally developed Merck startup called Ilum. Ilum is focused on combining a suite of solutions – clinical decision support, rapid diagnosis, real-time antibiograms [an antibiotic sensitivity test], predictive analytics – to help hospitals fight the epidemic of hospital-acquired infections.

"One of my first investments, MedCPU, has become a key foundational component of the Ilum offering and we are already in several pilots at hospitals across the country in a relatively short period of time.

"Moreover, we were able to attract UPMC as a development partner and investor in MedCPU, which really



embodies one of my key philosophies in terms of finding highly capable and respected strategic partners to build businesses with.

"I am working on another transaction at present in the area of clinical mobility which will hopefully follow this precedent and give Merck another exciting entrée into a strategically relevant emerging business.

"My biggest challenges are likely the same ones that face most CVCs – the ability to drive adoption and buy-in around externally sourced innovation inside a large organisation.



"This is particularly relevant at Merck GHI where we truly exist to create new businesses altogether for Merck as opposed to simply being an extension of an operating unit's business development group. I personally enjoy this challenge immensely as it really forces you to have a deep appreciation for your organisation's mission and the myriad of strategies and initiatives that exist internally, while also possessing the insight and external network to identify and source those innovations that best serve those strategies."

However, Krikston was thoughtful about how strategic and financial factors had to be balanced and what this might mean for his professional future given his background. Prior to joining Merck GHI, he spent years at healthcare peer Johnson & Johnson, evenly split between its corporate venturing unit, Johnson & Johnson Development Corporation, and working in a business development role supporting J&J's diagnostic franchises.

Before joining J&J, he spent nine years as a commercial and investment banker covering healthcare at banks BNP Paribas, JPMorgan and ABN Amro, having graduated with honours from New York University's Stern School of Business with an MBA in finance in 1999.

Krikston said: "CVCs could learn a lot from our partners in traditional VC with regards to quantitative analysis, portfolio company tracking and benchmarking.

"Having worked with some of the top standalone VCs in the industry, I constantly find myself learning from their quantitative approach to tracking company progress and applying metrics to the fundamental levers that will ultimately impact a company's valuation, its prospects for exit and ultimate success.

"As CVCs, we sometimes become so immersed in the strategic relevance of what any given technology

or company does, that we sometimes do not spend enough time on the financial rigour underlying our portfolio companies performance.

"I could see myself going down three potential roads. First, I would enjoy continuing to take on additional responsibilities here at Merck with regards to innovation, whether that was someday ascending to Bill's role, or leading teams that take ownership for emerging businesses as they develop and begin to contribute in a meaningful way.



"Second, I have always been passionate about entrepreneurship. To that end, I could see myself starting my own business at some point and have in fact written no fewer than three business plans over the last five years with ideas for new companies that I think offer novel solutions to age-old challenges. Funnily enough, none of these ideas are in healthcare.

"Finally, I really like the very earliest stages of innovation and company formation. To that end, I could see myself having my own fund someday, which works with and funds entrepreneurs at the stage where ideas form into companies."

But for now, he is happy as a CVC. Krikston said: "I have long been fascinated by the opportunity and challenge of driving innovation through large organisations. Marry that to a passion for entrepreneurship and strategy and you have someone who really enjoys trying to create new businesses inside of established companies.

"CVC is the pinnacle of corporate development, where one must combine a diverse set of skills to identify, source and develop external innovation that ties to internal strategic initiatives. The balance between delivering both strategic and financial returns is a challenge I really enjoy."

## **10 = Karen Kerr, senior managing director for advanced manufacturing, GE Ventures**

One challenge in corporate venturing is finding ways to convert insights on technological trends into a method for business unit executives to enact.

Karen Kerr, senior managing director for advanced manufacturing and enterprise software at GE Ventures, did that in early December by hosting a "huge advanced manufacturing summit in DC with agency heads, senators, and key executives," according to insiders at US-listed industrial conglomerate General Electric.

Sue Siegel, CEO of GE Ventures, said: "Karen is helping transform the world of industrial productivity. A true scientist at heart, Karen applies a unique perspective on making investments and developing partnerships in the advanced manufacturing ecosystem for GE and its customers. She is a dynamic leader garnering trust from those around her through her ability to combine directness and transparency, all with a lively sense of humour."

Kerr came to GE Ventures three years earlier with two decades of experience in developing technology based businesses and venture investing.

Previously, she was senior director of new ventures and alliances at University of Southern California (USC) Stevens Centre for Innovation.

Before joining USC, Kerr led business development at Intellectual Ventures, a patent development firm set up by Nathan Myhrvold after retiring from his position as chief strategist and chief technology officer of Microsoft, and was a managing director at Arch Venture Partners, a venture capital firm spun out from University of Chicago.

She had started with a part-time stint with Arch while completing her doctoral work in physical chemistry at University of Chicago, and then turned down a National Science Foundation (NSF) postdoctoral fellowship to join the charter class of Kauffman Fellows, which trains venture capitalists.

Kerr said: "The thing that most excited me about venture investing is the opportunity to build truly great companies. I was an investor in Illumina when I was at Arch Venture Partners and brought in several of our limited partners [the VC fund's investors] who had CVC arms in that deal. It would be great to do a few more Illuminas [which now has a market capitalisation of about \$20bn following its flotation, and set up a \$100m corporate venturing unit last year]."

She now has the opportunity to fund similar deals again at GE Ventures. Kerr said: "I was extraordinarily impressed by the team at GE Ventures that Sue Siegel had assembled, many who had come from financial venture firms. I was also impressed by the executive support that Sue and the GE Ventures program had from Jeff Immelt [CEO] and Beth Comstock [vice-chairman].

"Finally, the opportunity to help transform an iconic company like GE was particularly compelling. I am really







proud of the team we have built and the culture that we have co-created on the team.

“We have built a great portfolio that we can already see being impactful at GE. We started investing in drones, robotics, augmented reality, 3D printing, manufacturing analytics, warehouse logistics, and next-generation sourcing, sales and human resources software. GE is already making use of the products of our portfolio companies to improve productivity and safety and to offer new services to our customers.

“Our first investment [in November 2014] was in Airware, which is in the drone space. A lot of folks asked ‘what does that have to do with manufacturing?’, but we realised that it was another way to collect data that could be used in our products’ digital thread and to help us improve the efficiency of our field serves.

“We were out in front on that one, but now several of the businesses have teamed up with our new business creation team to build an inspection service business.

“We made an investment in Sight Machine, which does manufacturing analytics [in March last year]. They are now helping us to transform our first five factories [out of 450 around the world].”

Immelt, in September 2015 when creating the GE Digital function, said the move “will make GE a digital showsite and grow our software and analytics enterprise from \$6bn in 2015 to a top-10 software company by 2020”.

Kerr’s team now has 15 portfolio companies and “we could tell a similar story [to that of Sight Machine] about 10 of them”.

She recommended more of her corporate venturing peers “lead more deals and focus on making the deals successful post-investment within and beyond our corporation, as it will enhance our reputation”.

However, these success stories carry a level of what Kerr calls “overhead that comes with doing venture in one of the largest, most globally distributed corporations in the world”. She added: “While GE Ventures is more nimble than the rest of GE, it is less nimble than a VC. This is the first

time that I have worked in any corporation. I used to lead the new business and alliances team at University of Southern California and serve on a number of government advisory boards. I always wondered where is the hardest to get things done – academia, government or large corporations.”

Kerr’s government work includes being on the board of the Centre for Venture Education, the National Science Foundation SBIR/STTR Advisory Committee, and the National Institute of Standards and Technology Visiting Committee on Advance Technology.

Despite the responsibilities, Kerr’s feet have stayed on the ground and her humour intact, in part through her hobbies kept over the years.

She said: “I played tennis for my high school and college teams. I still play competitively today for my club team. I have lost a step but have a better sense for the court. I also used to play chess for my high school team. Occasionally, my husband and I will play in chess tournaments. Its humbling when a kid sitting on a phone book beats you.”





## 10 = Marianne Wu, senior managing director, GE Ventures

Sue Siegel, CEO of GE Ventures, the corporate venturing unit of US-listed industrial conglomerate General Electric, found it hard to choose from her strong team but was pithy in her praise of Marianne Wu: “Rock star.”

Siegel went on to add: “Marianne is helping lead GE’s digital industrial transformation through energy, intelligent environments and internet-of-things investing. Her breadth of experience in venture capital, startups, management consulting, engineering and marketing make her a force to be reckoned with. She is a strategic thinker and respected leader. Outside of the office, you will find her outdoors, in our national parks.”

Wu, a senior managing director at GE Ventures, leads the eight-strong energy and internet-of-things (IoT) investing team, the largest sector for Siegel’s unit. Wu has been at GE (and GE Ventures) for almost three years after working as a partner alongside Siegel at VC firm Mohr Davidow Ventures from 2005.

Wu said: “I was drawn to GE (and CVC) by the enormous opportunity to transform industry leveraging the breadth and scale of GE to bring innovation to the industrial economy. In particular, I am passionate about the potential for digital technology to transform industrial processes and markets, including energy. GE is so committed to leading the digital industrial transformation – it was a perfect fit.

Wu has certainly had an impact with flotations of GE Ventures portfolio companies SolarEdge, which raised \$126m on the Nasdaq stock exchange in March 2015, TPI Composites, which raised \$68.75m in July last year also on Nasdaq, and Emefcy, which listed on the Australian Stock Exchange through a merger with listed holding company Savcor.

She has also overseen the sales of portfolio companies Sensity Systems, acquired by Verizon in September for several hundred million dollars, and, most recently, Bit Stew, acquired by GE for \$153m in November. GE’s purchase of Bit Stew was part of a transformation of the company into digital, and the corporation has turned to its ventures unit to help develop new business units and spinouts.

Wu said the team had partnered GE operating businesses to launch GE’s newest business unit, Current, at the start of last year. Current, which uses data and intelligent environments to bring energy to commercial and industrial customers and save them an estimated 10% to 20% on their energy bills, said it combined GE’s light-emitting diode, solar, energy storage and electric vehicle capabilities with its Predix software platform to create a unit with \$1bn in revenues in its first year.

Aside from “trying to keep up with” her two daughters skiing, biking or hiking, Wu admitted her biggest challenge and opportunity was in coordinating with the business units across the breadth of GE and making sure that all relevant and interested constituents were “first, exposed to all the tremendous startup innovation and, second, that we capitalise on the interest to drive great, mutually beneficial partnerships”.

And this opportunity was open to all in the industry. Wu said: “CVC and innovation programs are becoming much more common across large corporates. It is important for corporates to build a strong network with each other to share best practices as we build our capabilities and define our role in the overall innovation ecosystem. We also need to show endurance and show consistency to build strong, trusted relationships with financial investors and entrepreneurs.”

It is something the former McKinsey consultant has had to show herself investing in the energy sector for more than a decade.

## 12 = Tamiko Hutchinson, managing director, Intel Capital

Tamiko Hutchinson is Intel Capital president Wendell Brooks’s chief of staff and also managing director of the world’s biggest corporate venturing unit’s portfolio management group formed last year to help its portfolio companies accelerate their growth.

This is a big role as the annual Intel Capital Global Summit organised by Lee Sessions, managing director



in Hutchinson's new team, alone features more than 1,000 guests, including the CEOs of more than 300 portfolio companies.

With Brooks deciding to shrink Intel Capital's corporate venture capital portfolio from 400-plus companies to between 250 to 300 over the next five to six years, more may be expected to be offered to those remaining.

Hutchinson said: "My goal is to help entrepreneurial companies accelerate their growth and route to market through tighter relationships with Intel's business groups, our technology experts and our global network of business partners.

"Intel Capital president Wendell Brooks has reinvigorated our approach to strategic investing and adding value is an essential element. It is a great opportunity to take a blank piece of paper and draw up how we can help our startup companies. I am thrilled to be leading one of the most important changes at Intel Capital."



She said she had joined Intel Capital in 1997 "when the group itself was a startup in venture capital". She added: "I worked to help the organisation scale from a portfolio of only a few companies to hundreds of companies based in many different countries.

"I am proud to have created and led a team back in the days from 1997 as we were one of the first global venture capitalists, negotiating shareholder positions and exits in jurisdictions around the world. We negotiated positions in France, India, China, Japan, Canada, the UK, Australia, South America, and more.

"As Intel Capital made investments in these different geographies where a Sand Hill [Road, the epicentre of venture capital firms in Silicon Valley, California] standard deal was not the norm, my team had to solve many problems in new ways. Intel Capital has invested in 57 countries and helped more than 200 companies go public and more than 350 go through an acquisition.

"I am also proud to have set much of the infrastructure and policies years ago that helped Intel Capital scale broadly and in volume. As I see what other CVCs and VCs use, I am surprised that many do not have a better set of infrastructure tools."

This insight has led Hutchinson to one of the ways her portfolio management group can help both her companies and the industry overall.

She said: "I am immensely passionate about helping companies grow. In order to achieve our objective, I want to radically enhance the way our corporation values, interacts and collaborates with our startup companies. I also want to change the way we [at Intel Capital] interact and collaborate with the external CVC community.

"Now is the perfect time for CVCs to come together across industries as digitisation and computers are offering transformational opportunities. I would love to sit down with CVCs in the biotech and pharmaceutical industry segments to collaborate on what we can do for investments in this space. I would love to collaborate with CVCs in the sports and entertainment areas as well. Industries are being disrupted and today's technology capabilities create unlimited possibilities."

Her mandate effectively to "practise the art of possibility thinking on a broad scale" is designed to help tackle what Hutchinson recognised as one of the biggest challenges in creating new things inside an organisation such as Intel Capital, that was highly successful before Brooks took it over last year from Arvind Sodhani.

Its possibility in turn has been aided by Hutchinson's experience watching Intel Capital's growth from its earliest days, then time away from the team to work in other departments at Intel.



She said: "Prior to CVC I worked at a bank [Smith Barney, now part of Morgan Stanley] analysing projects ranging from hospitals to real estate to stadiums, and helping structure debt for municipal projects and utilities. I have received benefit from my range of experiences, from being a complete Excel geek structuring financial deals to being in the pressure cooker of working with institutional traders live on the trading desk.

"One day, 20 years ago, I read an article in a chief financial officers' magazine that described how John Doerr [a legendary venture capitalist at Kleiner Perkins Caufield & Byers] was helping startup companies with amazing technology that would bring change in a remarkable way to business and every day life. I had grown up in the Silicon Valley environment full of inventions but this was the first time that I saw small companies aiming to make big changes.

"Intel was making investments in small tech companies too – I learned that Intel was taking an active role in helping companies advance their technologies and enabling adoption, and with Intel's global mindset the new technologies could come from anywhere on the globe. I wrote to Les Vadász [one of the founding team and first president of Intel Capital] at Intel and asked for a job.

"I joined Intel Capital in 1997, and having worked in the group for 13 years, I decided to move outside the CVC group, but within Intel, to gain other experiences that would help me grow. I moved to England and led European offshore cash management, built relationships with our factory network in Ireland and Israel, worked in sales to understand design wins in mobile products, worked in human resources management, and served as the chief of staff for the president of M&A [Brooks before his move to take on Intel Capital]. I returned to Intel Capital in the final three months of 2015.

"In my spare time at work, I provide consulting for Intel's America's Greatest Makers' contest which was produced by Mark Burnett [president of MGM Television and Digital Group] and aired in a series of TV episodes in 2016. I also provide help to the Intel Sports group as they showcase Intel computer capability in the form of a NBA 360 replay.

"In my spare time at home, I try to support my family of sports fanatics. Among several team sports volunteer roles, I am on the board of directors of a non-profit youth soccer league with more than 800 players."

Given such experience and vision to develop the portfolio management group, few fans of entrepreneurs would bet against Hutchinson's ability to improve their lot.

## **12=** Trina van Pelt, vice-president and managing director, internet of things and automated driving, and co-leader, Intel Capital diversity fund

Trina van Pelt was last year promoted to co-lead Intel Capital's diversity fund, after the departure of last year's GCV Rising Star 2016 Lisa Lambert to be managing partner at VC firm Westly Group.

Intel is one of the few technology firms to champion gender equality, and under Wendell Brooks, president of Intel Capital and head of the US-listed chip maker's mergers and acquisitions' team, this emphasis also reaches its corporate venturing unit and portfolio companies.

Intel Capital's five-year \$125m Diversity Fund targets startups launched by women and minorities and is run by Van Pelt and Christine Herron, director at Intel Capital. Van Pelt also manages and develops Intel Capital's talent pool of junior deal professionals.

The fund's goal, Brooks said at its annual CEO conference, was to reach out to entrepreneurs often overlooked by mainstream corporate venturing and venture capital investors.

As vice-president and managing director of internet of things and automated driving, Van Pelt has worked closely with Brooks and said she was responsible for all equity investing, M&A and strategic business development in those segments.

She was promoted in June to managing director and has led more than 70 technology acquisitions and







investments worth more than \$30bn, and has been the recipient of two Intel Achievement Awards, which are won by fewer than 2% of employees annually.

She said her biggest achievements included Intel's \$4.1bn research and development and equity investment in Netherlands-based chip developer ASML, the acquisitions of Altera for \$16.7bn in late 2015, Wind River in 2009 and the Axxia business of LSI/Avago for \$650m in mid-2014, and the strategy development in autonomous driving.

Van Pelt said she was attracted to corporate venturing due to its "strategic role and impact – connecting deals into business strategy" and she wanted to "be a key influencer in Intel's autonomous driving and internet-of-things growth strategy and execution".

With about 20 years of M&A experience, her advice to the corporate venturing industry was "have price discipline and do not inflate valuations".

Prior to Intel Capital, Van Pelt was in-house at CNet, where she led more than 20 investments and acquisitions and managed a portfolio of 37 investments, and earlier in financial advisory services with Ernst & Young, investment banking with Lehman Brothers, and earlier in private equity with TA Associates following her master's degree from Stanford Graduate School of Business.

## 14 Sherwin Prior, managing director, GM Ventures

Sherwin Prior is the "glue in the unit" of US-listed car maker General Motors' venture unit, according to his boss, Jon Lauckner, chief technology officer, vice-president of research and development and president of GM Ventures.

Prior, who was also named a GCV Rising Star last year, joined GM Ventures, the corporate venturing unit of General Motors, in September 2010 and is "responsible for a range of activities including GM Ventures strategy, operations, deal-sourcing, deal negotiations and ongoing portfolio management", he said.

As managing director of GM Ventures, he is also board observer and, in a few cases, a board member for many of GM Ventures' portfolio companies, he added.

GM Ventures has invested a total of \$240m in 36 startups over the past six years, diversified across five verticals – automotive cleantech, advanced materials, infotainment, other automotive-related technologies, and other automotive-related business models. GM Ventures has led more than 50% of the investments it has made. These investments include nine in new portfolio companies last year.

The unit has also had four exits returning \$37m at an average annual rate of return of 42%. The four were RelayRides – now called Turo – when GM Ventures sold its stake as part of a then \$25m series B round in July 2014, Sakti3, which was acquired by UK-based industrial group Dyson for \$90m in October 2015, OpenSynergy, acquired by Japan-based electronics group Panasonic in July 2016, and Telogis, acquired by phone and cable operator Verizon in August last year, less than three years after its prior \$93m round.

Prior said his greatest successes included "establishing a unique CVC operating model. "We behave a lot like financial investors representing GM as our limited partner. This means that we lead deals, participate in follow-ons and bridges. In other words, we try to be a strong syndicate partner.

"We have even led two recaps and brought in financial investors in subsequent tranches."



Prior said this approach could be followed by other corporations for the industry to develop.

He said: "All companies have to embrace the environment in which they operate and take appropriate actions. The CVC space is no different. If corporates are going to operate in the venture ecosystem they must embrace it if they want to have success. This means they have to be reliable syndicate partners and build the same credibility that they rely on for success in their core business.



"Unfortunately, more than a few corporates 'balkanise' the venturing business by not following the fundamental tenants and operating principles of venture investing.

"Leading deals, participating in follow-ons and bridges and even letting some portfolio companies fail are all basics in the venture business so they must be done well and consistently.

"I give a lot of credit to Jon Lauckner [a GCV Powerlist 2016 winner] who envisioned the importance of having investment capability and experience on the GM Ventures team – not every CVC needs to hire a former VC, just a seasoned investor goes a long way."

For his other successes, Prior said: "Second, we have made investments that are strategically important to General Motors. This is our primary mission.

"Third, in our six years since we launched GM Ventures we have already had four exits that have returned a significant amount of capital to GM.

"Finally, we have established GM Ventures as a value-added activity that has provided strategic and financial benefits in a low-cost and highly efficient way. We have done this while maintaining about the same number of professionals today that we did when we started."

Although the team numbers have remained the personnel has changed, with Alisyn Malek rotated into another organisation in GM in October and Jerneja Loncar leaving in Europe "because we prefer to focus on the opportunities in the US, Israel and China," according to Lauckner by email in August.

After graduating from Eastern Michigan University, where he remains a board trustee, Prior held a couple of financial analyst roles before coming to General Motors. Prior then left to return to his studies, this time at Michigan University, where he obtained an MBA.

Prior would then join investment bank Morgan Stanley as a senior associate for a couple of years

before moving to Northpointe Capital as an equity analyst for the rest of the decade, while also lecturing in finance at Eastern Michigan University.

Prior said a number of things had attracted him to corporate venturing capital.

"First, I have a passion for the investment industry. Prior to GM Ventures, I worked with publicly traded micro-cap and small cap companies. Venture capital is the step before an IPO, so it just made sense.



"Second, CVC provided me an opportunity to be part of the development and commercialisation of innovative technologies. I am not a technical guy, but seeing technologies emerge that can change the world is pretty exciting.

"Finally, General Motors is an iconic, global brand that is well positioned to lead the auto industry into the future during a time of unprecedented change, so it was a no-brainer."

However, Prior admitted the challenges of CVC in such an iconic brand remained.

He said: "Company cultures are seldom an easy fit for a CVC unit, especially in a manufacturing business that has a very different risk appetite than venture capital.

"So, resisting the 'corporate anti-bodies' is something that requires constant vigilance. We manage through these by working closely with key constituents in our company and adapting to changing plans and priorities."

But he said he had no plans to move on: "I fully expect to continue to grow GM Ventures. Grow with respect to the total number of investments made, exits, and diversity of our portfolio holdings.

"We have accomplished a lot in the last six years but there is still more that can be done."

## 15 Vitalik Buterin, Wanxiang

One of the most regular expectations from corporate venturers is there will be more cross-sector collaboration and innovative ideas funded.

The poster child for how this can happen involves China-based auto parts maker Wanxiang, which has set up a \$50m corporate venturing fund, Fenbushi Capital, which means distributed in Mandarin Chinese, in collaboration with Vitalik Buterin, the Russia-born, Canada-reared, Switzerland-residing co-founder of blockchain platform Ethereum.



Buterin is the technical person behind the Ethereum foundation promoting blockchain technologies and decentralized contracts. He is also working on a non-profit, Blockchain Labs, Buterin co-founded with Bo Shen, who also co-founded the decentralized exchange, or trading platform, BitShares, through his Invictus Innovations company, and Feng Xiao, vice-chairman and executive director of Wanxiang Holdings, the auto parts company's investment unit, and founder of the Bosera mutual fund company.

And the three are all general partners in Fenbushi, which has backed Factom, Everledger, ZCash, Abra, Circle, Tierion, Gem, Otonomos and Symbiont, according to its website, and reportedly Ethcore.

Blockchain, best known for being the underlying technology of digital currency Bitcoin, is a cryptographic public ledger that enables verified, instant and low-cost transactions.

Wanxiang expects to provide \$1m of funding in each of the next three years to blockchain research through Blockchain Labs, which was instrumental in the creation of ChinaLedger, an alliance of regional commodity exchanges, equity exchanges and financial asset exchanges.

In September, the Ethereum Foundation and Wanxiang's Blockchain Labs held a joint developer conference, Devcon2, and the second Global Blockchain Summit in Shanghai, China.

At the conference, Feng introduced a way of using the blockchain to track car batteries and monitor their usage, as reported by CoinDesk, which could allow them to be lent out to car makers.

But perhaps the biggest project could see Wanxiang partner US-listed technology firms IBM and Microsoft to develop blockchain for a smart cities initiative. Wanxiang reportedly plans to invest \$30bn in purchasing 83 million square feet of land as a foundation for its smart city project.





## 16 Margarita Chavez, senior director, AbbVie Ventures

While corporate strategy ebbs and flows and companies merge and acquire it can be hard for entrepreneurs and venture capitalists to find a point of consistency.

Fortunately, for AbbVie, which demerged from Abbott, its reputation as a serious investor in very early-stage biotechs has been aided by the constant presence of Margarita Chavez at the firm for more than a decade.

Scott Brun, vice-president in the corporate strategy office and head of AbbVie Ventures, said: "Margarita was promoted to senior director at AbbVie Ventures [in early 2016] and has taken on increased responsibility with management oversight for our San Francisco/Bay Area presence.

"She has played a key leadership role during the rechartering of AbbVie Ventures as we have evolved towards a strategic investing approach aligned with our core research and development therapeutic areas.

"Margarita has participated in key syndicated deals [in 2016], most recently the [\$51.5m] Morphic series A financing where we coinvested with SR One, Pfizer, and Polaris.

"Her extensive personal relationships and depth of transactional experience are a strong resource for our team."

Chavez said she had been with AbbVie Ventures since its inception in 2009 and lead investments in more than a dozen biotechs, which have included exits from AM Pharma (Pfizer's option to acquire the portfolio company closed last year) and Creabilis, which Sienna Biopharmaceuticals for about \$150m.

Until her promotion to senior director Chavez had previously been director of venture investments after six years split between being legal counsel and director of global licensing and business development (BD) for what was then Abbott from 2004.

Deals she worked on in licensing and acquisitions included the acquisition of the company's Lupron franchise, which has about \$500m in annual revenue, and the divestiture of Flebuxostsat through the dissolution of a joint venture. Chavez also worked on the licensing of Elagolix, currently in phase three for endometriosis and uterine fibroids.

Before joining AbbVie / Abbott, she worked as a deal lawyer in Silicon Valley with law firm Brobeck Phleger & Harrison, representing corporate clients in IPOs, M&A and equity financings.

She added that what had attracted her to corporate venturing had been "the opportunity to enable discovery and development of novel, transformational therapies by leveraging internal and external relationships and facilitating the symbiosis between the accomplished drug developers of AbbVie R&D and top researchers, innovators in academia and elsewhere in the ecosystem".

And Chavez noted her greatest successes had been leading "the acquisition of a biotech whose platform has been one of the cornerstones of our oncology efforts and the build-to-buy deal that is one of the most exciting microbiome programs currently in development".

In addition, Chavez said she was consulted "each time our R&D organisation and BD gives serious consideration to do a strategic transaction with one of our portfolio companies".

These deals include Abbott / AbbVie's option to acquire Alvine, which, while not exercised, enabled the portfolio company "to fully prosecute the science and AbbVie to investigate its potential to transform the lives of Celiac patients," Chavez said.

However, building a reputation with both external and internal stakeholders as a serious venture investor in biotechs "separate and apart from BD" remains her biggest challenge. It is something no doubt eased if she succeeds in her ambition to enable a blockbuster drug or biotech to be built, which could come if the corporate venturing industry as a whole "develops a willingness to take greater risks with technologies / science that can truly transform humanity".





But it is a goal that Chavez, a practitioner of yoga and pilates, remains admirably balanced about as she also tries "to see my family in California and Manila and hangout with my partner in crime / love of my life and our newly-adopted rescues".

## 17 Varun Jain, senior investment manager, Qualcomm Ventures

Varun Jain, a senior investment manager at Qualcomm Ventures, the corporate venturing unit of the eponymous chip maker, knows how to cook up more than just a good deal.

Jain said he likes to cook in his spare time – "I think I can give most Indian restaurants in the San Francisco Bay area a run for their money" – but is perhaps best known for having driven into perhaps the fastest startup to reach a \$1bn exit.



He said: "I led an opportunistic series A-1 round in November 2015 and we were the third-largest investor in Cruise Automation, a self-driving taxi service. Cruise was acquired by General Motors for \$1bn in March 2016 and we received an outstanding financial return on our investment."

Jain laid out how he approached Cruise in a guest comment for Global Corporate Venturing in April's issue ahead of it winning the GCV Award for Sub-\$50m Investment of the Year in May. He said: "This was a case wherein the company never came to us for funding and I sourced the investment through direct outreach via a cold e-mail and established a relationship with the CEO over months."

Jain said he invested "primarily in consumer devices and applications that leverage some combination of sensors, cameras and machine intelligence to reimagine our daily lives and make them fundamentally more productive".

Having started working for Qualcomm Ventures in 2013, other deals he has "independently sourced and led" include:

Flirtey, an on-demand drone delivery service, which Jain invested in its seed round (in October 2015). The company has since completed US Federal Aviation Administration-approved drone delivery and signed commercial contracts with food retailers Dominos and 7-Eleven.

Navdy, an aftermarket head-up display device for cars that allows drivers to use their smartphones without taking their eyes off the road or hands off the wheel, in which Jain invested in its series A round (in March 2015). Before the new year, Navdy started shipping the 20,000-plus pre-orders.

And Even Responsible Finance, an automated cash-flow management service for hourly workers in the US that leverages machine learning to guarantee a steady income and helps employers in reducing churn. Jain said he led an opportunistic seed-II round in June 2015 and venture capitalist Peter Thiel led its oversubscribed series A round in April last year.

Jain added: "As far as the impact on the corporate side is concerned, I am the global automotive sector lead for Qualcomm Ventures and in this role I serve as an internal domain expert and intermediary between the company's auto division and the most disruptive auto startups in the valley.



Automotive is a key area of interest for Qualcomm and our intent to become a major player in this market reflects in our recent \$47bn acquisition of [Netherlands-based chip maker] NXP"

Jain said what attracted him to corporate venture capital had been that, "while Qualcomm Ventures is a balance-sheet based fund and does not award carried interest, they gave me the opportunity to lead investments and prove my ability to invest in the best companies and build my track record.

"This was a unique and attractive proposition, which was missing in the offers I was getting at that time from the traditional VC funds.

"Like most CVCs, I have to often overcome the negative stigma in the valley regarding corporate funds, particularly in the initial rounds. In such situations, I have always found that deep domain knowledge, quick decision-making, thoughtful feedback and some hustle go a long way in convincing founders."

And, more generally, he said: "I think all CVCs can do a better job at being transparent with founders and co-investors from the very beginning about what they are hoping to get from a strategic standpoint, what value can they realistically add and what are the potential areas of conflict. This will help tremendously in negating some of the stigma associated with our community and lead to greater value creation on both sides."

Given such deals, Jain was already planning a fund. He said: "I want to keep building my track record in CVC and eventually get to a point where I can raise capital from large corporations (and other LPs) for a new kind of venture fund that I have been planning for some time. It is too early to talk about it but I believe it is a unique idea that will be very attractive to both LPs and founders."

Such a fund will certainly create more headlines for Jain, which, given his prior product and sales roles at Asia-focused news provider Mint, is something he has been well used to seeing.



## 18 Wendy Lung, partner, IBM Ventures

Wendy Lung, director of corporate strategy at IBM Venture Capital Group, is a rarity in corporate venturing: her talents have been recognised for two GCV Rising Stars awards by two different bosses.

As an IBM-lifer, having joined the US-listed technology company as a sales representative in 1989, Lung was selected for this year's award by George Ugras, who became head of IBM's corporate venturing unit last spring, as "an excellent choice".

For the Global Corporate Venturing Rising Stars 2016 awards, Lung was picked by Claudia Fan Munce, head until her retirement from IBM last year.

Lung has been a partner in IBM Ventures since 2008 "identifying disruptions to our business and our clients' businesses and building, investing and scaling new business opportunities in IBM's strategic areas," she said.

And Lung added: "My greatest feeling of accomplishment comes from effectively rallying the resources of IBM to help a startup succeed. As anyone in CVC can attest, it is not always easy to corral the power of a large corporation for a startup to leverage.

"In the past, I had created and launched several first of a kind programs in IBM to help startups scale globally. Currently, I am finding greater impact in connecting startups with our largest clients to help them solve their biggest business problems. Creates a win-win-win scenario for everyone."

Earlier, one of her greatest successes had been the creation of IBM's first global programme for startups in 2010.

She said for 2016's awards: "It was exciting to rally resources from across the company to engage and provide value to early-stage startups."

The programme, IBM Global Entrepreneur, has grown to 40 international cities, 10,000 startup participants across 100 countries, 600 mentors in the network and \$180m of venture investment in the companies since its inception in 2010.



Having previously been a director of marketing at IBM, she said she was excited at venture capital because she was an “intrapreneur”.

She added: “I have always been drawn to growing new and emerging business opportunities within the company. I helped build IBM’s first ‘net generation’ business focused on internet startups years ago. Since then, I have been involved in emerging business opportunities including wireless, digital media and network convergence. It was a perfect fit for me to join the venture capital group and further my passion in working with leading-edge innovators.”

And while she has countered the Silicon Valley trend of company-hopping to build a career, she remains aware of the challenges faced by others. “For the past five years, I have been part of a volunteer organisation that assists people who have come across life challenges to re-enter the workforce.”

By giving to others, however, she has typified another Valley mantra of trying to help the world become a better place.

## 19 Renee Ryan, vice-president, Johnson & Johnson Innovation–JJDC



For a corporate venturing unit to operate for more than 40 years requires both consistent support from a changing suite of senior executives at the parent company and the ability to find, develop and rotate talented staff.

At a time when experienced leaders, such as Brad Vale and Michael Chuisano, have moved on from Johnson & Johnson Innovation–JJDC then it falls to a new generation of rising stars to step up.

Renee Ryan, vice-president at Johnson & Johnson Innovation–JJDC, is one who has done so under Tom Hayman, president of JJDC as well as CEO of its Janssen Pharmaceuticals division (and in the top 25 for the GCV Powerlist 2016).

JJDC was formed in 1973 with same mission – to support innovation and create strategic options in areas of interest to J&J – and Ryan quoted Janssen Pharmaceuticals founder, Paul Janssen: “There is so much more to be done – the patients are waiting.”

After spending more than 15 years in healthcare investment banking, first for Goldman Sachs, then Jefferies and finally Robert W Baird, Ryan joined J&J in 2011 and said: “I really never thought of myself as a banker, but rather a healthcare industry professional.

“I am lucky that my experience has enabled me to pursue my personal passions that include helping patients, delivering new technology and innovation, and working for a company that is innovating across medical devices, consumer and pharmaceuticals. This provides me with diverse opportunities and no day is ever boring.”

In fact, Ryan said she found the job so interesting that “while my husband might be disappointed to hear, my main professional ambition is to never retire”.

She went on: “I truly love the healthcare space and know that we will always have innovation to foster and diseases to treat. The attraction for me to this role [at JJDC] was the combination of both venture investing/ shaping of early stage innovation and the strategic imperative of supporting innovation for J&J, the world’s largest healthcare company.

“To have the guidance of our credo, which starts with our obligations to the patient or consumer, is a true north for how we invest and execute. It also compels us to ensure our investments hold truly transformative potential.”

In this regard, Ryan said her greatest successes at an “extremely busy” time for the team had been the formation of Verb Surgical, a surgical robotics collaboration between Johnson & Johnson’s Ethicon subsidiary and Verily, formerly Google Life Sciences, “which was 15 months of heavy lifting to form the company and now an additional year and a half since the first employee was hired.

“The project was highly suited to my banker background doing complex deal transactions and very different



than a typical series A round of investment that a traditional, non-corporate VC would do.”

Others of her deals include eye treatment developer ReVision Optics, which raised \$32m in November, NeuroPace, which makes a cranially implanted neurostimulation device for the treatment of epilepsy, and Cala Health in bioelectronics wearables.

Given the pace of activity at JJDC, Ryan understandably said: “The biggest challenge can be time management. We closed over 25 new deals in 2015 and 2016 was even busier. Also it is tough when we see a super cool technology, but still need to pass if it is not a fit within our strategic areas of interest.”

That pointed Ryan, who received her MBA from Columbia Business School and a degree from Georgetown University, to her key insight for the corporate venture capital industry. “I think the power of corporate investing lies in the value add.

“We collectively have assets and capabilities that are fundamentally different and complementary to each other and to traditional VCs. If you look at healthcare, it is an enormous global market more than primed for cutting-edge innovation and technology that can take the market to the next level. The real potential for disruptive innovation lies in several CVCs from disparate industries working together to bring the next great breakthrough technology to fruition.”

## 20 = Tyson Clark, partner, GV

There are plenty of nuclear physicists in finance – in fact there are whole venture funds, such as QWave, covering the area – but it is rare that people trained to operate nuclear power plants make the move. Tyson Clark, a partner at GV, a corporate venturing unit of US-listed conglomerate Alphabet, is one who has.

So it is perhaps little surprise that one of Clark’s first deals at GV, formerly Google Ventures, was in November, investing an undisclosed amount in US-based cybersecurity software developer Acalvio Technologies, taking its total funding to \$22m.

Acalvio’s Deception 2.0 technology uses dynamic deception and data science to detect, engage and respond to cyberthreats at scale. The company emerged from stealth in July this year having raised \$17m from Accel, Ignition Partners and Eileses Capital before data software producer Splunk added an undisclosed sum in September.

At the time of the deal, Clark said: “Acalvio has developed highly differentiated, scalable deception technology that produces better detection and detailed attack analysis than traditional deception technology. As hacks and data breaches become increasingly prevalent, chief information security officers are taking a more holistic view of security architectures. Acalvio is well positioned in this market as companies deploy next-generation deceptive response technology as part of their core security strategies.”

Clark is someone who knows the importance of attack, stealth and defence. After two years of training by the US Department of Energy after the turn of the millennium as a nuclear reactor power plant supervisor, Clark served for a further two years as a lieutenant on board the US navy’s fast-attack submarine USS Salt Lake City. The navy had paid for his college tuition in industrial engineering at Stanford University.

After leaving the navy in 2007, he returned to school to collect his MBA from Harvard Business School before taking a more conventional route through the upper echelons of financial institutions. He was an associate at investment bank Morgan Stanley, a director of corporate development at technology company Oracle and a partner at venture capital firm Andreessen Horowitz before joining GV last summer.

Jamie McGurk, a partner for strategic relations at Andreessen Horowitz, for Clark’s GCV Rising Stars 2016 listing, explained why he had hired him: “He had a well-rounded and high-calibre pedigree that made him attractive to work in my enterprise strategic mergers and acquisitions team.

“He has a great academic pedigree from Stanford and Harvard. Oracle corporate development team is well





known and one of the better teams, especially for its structure and discipline. I am also a Morgan Stanley alumnus, so I have a high respect for people who have worked there. Last, but certainly not least, his military background was impressive."

McGurk supported Clark's move to Google even if it meant he had only a few months at Andreessen Horowitz because "investment roles at good firms are not opportunities to pass up if you really want to be an investor".

In a promotion shot in 2011, Clark talked about the type of skills he developed: "I think in the navy, in the submarine force, it is work hard, play hard. I felt like there was really nothing I could not tackle, you know, based on what I had overcome when I was in the navy.

"Some of the biggest lessons that I learned were integrity, telling the truth – under pressure, being as honest with people that you work with as you absolutely can be. Those lessons I think transcend the navy and create leaders that go off and do huge things."



## 20 = Laela Sturdy, partner, CapitalG

Shares in Care.com might have "soared 18% in extended trading," in the hours after CapitalG (formerly known as Google Capital) made its first corporate venture capital investment in a public company but the relative euphoria died away quickly.

The stock was trading at effectively the same levels in mid-December even after the company's third-quarter results to 24 September posted positive revenue growth of \$17m for its first nine months of the year and a move into the black with profits of \$1.45m in this period.

However, the euphoria over CapitalG, which is run separately to Alphabet's other corporate venturing units, such as GV (formerly Google Ventures), has remained intact.

Laela Sturdy, partner at CapitalG, adding board membership at Care.com to her previous deals for learning platform Duolingo, jobs site Glassdoor and company payroll and benefits services provider Gusto (formerly ZenPayroll) over the past two years.

Armed with her MBA from Stanford University's Graduate School of Business following an undergraduate degree from Harvard in biochemistry, Sturdy has brought these portfolio companies relatively sophisticated financing and strategic and operational tools from its parent, Alphabet and its search engine Google.

New York-listed home care provider Care.com raised \$46.35m from CapitalG in June only to pay \$30.5m of it out to one of its legacy shareholders, venture capital firm Matrix Partners, which had invested in 2006.

Care.com repurchased 3.7 million shares of its common stock from Matrix Partners at a price of \$8.25 per share, representing a 5% discount to the 30-day volume-weighted average trading price ended 27 June of \$8.68.

Care.com had issued CapitalG convertible preferred stock, at an initial conversion price of \$10.50 per share, representing a 21% premium to the 30-day volume-weighted average trading price ended 27 June of \$8.68. Dividends on the preferred stock accrue at 5.5% annually during the first seven years from issuance and are payable in kind, which means the interest is rolled up and can be paid at the end of the term.

At the time of the deal, Sturdy said: "Google has been a customer of Care.com's enterprise services for employees since 2011, so I have been able to see first-hand how Care.com's innovative mobile platform and enterprise solution – Care@Work – helps families search for caregivers and get much needed back-up care services.

"CapitalG is excited to support Care.com in building on their market leadership by giving them access to our biggest asset – some of the world's leading experts in a range of topics at Google and Alphabet – as they continue to deliver delightful and seamless solutions to consumers and enterprises."

Founded in 2013, CapitalG pairs its companies with advisers spread across Alphabet, and in the previous six months has tapped 300 different people to give advice to its companies, Sturdy said to newswire



Bloomberg at the time of the deal.

Before joining what is now CapitalG in October 2013, Sturdy had spent nearly seven years at search engine provider Google and its YouTube online video business. Initially in strategy, marketing and sales leadership, Sturdy was in 2008 made head of media and entertainment at Google's display and video advertising business. In 2010 until joining CapitalG under David Lawee, she was head of emerging businesses to run new local and commerce businesses at Google, including Google Offers and Adwords Express.

Sturdy, therefore, knew most elements within Alphabet and has pulled people in to support the portfolio companies.

When jobs site Glassdoor, a rumored IPO candidate after raising another \$40m in June in a round led by mutual fund manager T Rowe Price Associates, floats on a stock exchange it could thank Sturdy, a board observer at the company, for its international prospects. Robert Hohman, CEO of Glassdoor, said in the September 2015 issue of Fortune magazine that Sturdy had schooled Glassdoor on Google's rule for international growth, which states that every new feature should be shipped in as many languages as possible, even if it slows the pace of new releases. He said: "It is extremely convenient when you are facing a hard problem to be able to ask the question, 'I wonder what Google did on this?'"

Similarly, when Gusto planned to review its entire payments system which processes about \$20bn per year, CapitalG asked the engineer who built the software architecture for all payments across Google to help.

Edward Kim, chief technology officer at Gusto, told news provider Recode in December 2015: "CapitalG really has carte blanche within Google to find that one person and have that one person solve our problems. They actually bring a lot more to the table other than money."

And Google helps in other ways. Lawee used to run mergers and acquisitions for Google and acquired two businesses started by Luis von Ahn before he became CEO at Duolingo.

Duolingo raised \$45m in June 2015 from a consortium including CapitalG and venture capital firms Union Square Ventures, New Enterprise Associates and Kleiner Perkins Caufield & Byers but has ties with Google as both investor and portfolio company are interested in machine learning.

At the time of the deal, Sturdy told news provider Forbes: "Duolingo's mobile-first, adaptive, and gamified platform is changing the way people are learning languages across the world."

It could be said that Sturdy is changing the way people are being funded.



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# THE REST OF THE 100

IN ALPHABETICAL ORDER

## Hamzeh Abdul-Hadi, associate, Hikma Ventures



Sandwiched between Israel and Syria makes Jordan from the outside feel an ambitious place to conduct corporate venturing but having set up Hikma Ventures in 2015, the eponymous pharmaceutical company struck its first deals at the end of last year.

Lana Ghanem, managing director at Hikma Ventures, nominated her associate, Hamzeh Abdul-Hadi, for the GCV Rising Stars 2017 award and said: "Hamzeh joined Hikma Pharmaceuticals in October 2015 as a member of the treasury team and in August 2016 he joined Hikma Ventures.

"He is one of the most proactive individuals I have ever worked with. He is attentive to detail, diligent and has been as invaluable member of the team."

Abdul-Hadi added: "So far, we have made two investments since September 2016 [Chrono Therapeutics's \$47.6m series B round and Propeller Health's \$21.5m C round] and are on track to closing the third one before the end of the year. I consider that an accomplishment in terms of timing and execution.

"Collaboration between different CVCs is essential and will make the industry much stronger because the digital health space is growing exponentially and people need to work together to come up with the best solutions in a timely manner."

Ghanem said of its Chrono deal that it was a "pioneer in digital drug therapy for the treatment of smoking addiction.

"Targeting opportunities that enhance value creation for the business is key to Hikma Ventures' approach. We believe that this investment has significant potential and is aligned with our strategy of investing in the exciting consumer and digital health segments."

But while Hikma's position in the Middle East is attractive for entrepreneurs looking to expand there, Abdul-Hadi said "some of the challenges I face is keeping up to date with the latest news/technologies in healthcare as this is crucial in our business.

"But with a finance background [a bachelor of business administration from George Washington University, I believe I can bring a lot to the table from the finance angle as well as strategically and analysis of opportunities."

His prior experience as the entrepreneur behind the Spain-based social media startup Whosbuzzin, analyst at Capital Investments and in budgeting and planning for tobacco maker Phillip Morris International helped shape his insights at Hikma.

And, in the longer term, he said he wanted to use the experience to "run a VC myself one day".







## Ore-oluwa Adeyemi, director, HSBC's Strategic Innovation Investments

Much of modern financial services stems from loans, or credit, which derives from the Latin, credere, to trust or believe.

So, it seems appropriate to have trustworthy people in the corporate venturing industry regardless of whether they are taking equity, convertible debt or offering bridge or other loans.

One such is Ore-oluwa Adeyemi, director at HSBC's Strategic Innovation Investments unit responsible for corporate venturing at the UK-listed bank.

Adeyemi's professor, Israel Obisesan, described him as "a young man of impeccable character" before his departure from Nigeria to study in the US at Massachusetts Institute of Technology (MIT).

Before joining HSBC more than a decade ago, Adeyemi was in consulting in the US with Booz Allen Hamilton and had stints in technology and investing at Hewlett Packard, Agilent Technologies and Dubai Development and Investment Authority (Dubai Holding).

Once at HSBC in 2006, he said he spent two years in investment banking before becoming an investment director within HSBC Principal Investments, HSBC's private equity unit, "where I focused on direct investments particularly in Africa and also invested alongside leading global buyout firms in Europe and North America".

In 2014, he then moved over to help launch HSBC's Strategic Innovation Investments, which is the bank's corporate venture capital unit with a global mandate to invest in financial technologies and other venture opportunities of strategic value to the HSBC Group.

Adeyemi said: "I have always been attracted to investing since my time at MIT – working with entrepreneurs and students on innovative ideas, and also launching a software business in the 1990s with a classmate. My transition into financial services several years later was at HSBC and I was fortunate to work within principal investing entities, so it was a natural transition for me to be a part of a CVC team.

"I have been fortunate to have exposure to different asset classes – private equity and venture within the same organisation. This is also a particularly interesting time given the increased pace of innovation in financial services – unprecedented change that is redefining the nature of financial services.

"Several opportunities abound for large corporate institutions and banks to partner innovative startups. Also, a key attraction of CVC is seeing beyond just financial returns but also seizing the opportunity to get very granular with different units to understand their challenges, where they see opportunities and how innovative technologies can help achieve their plans.

"CVC gives you a front-row seat in the marketplace and an opportunity to influence internally and externally from day one."

Adeyemi's deals under Remi Bourrette, head of Strategic Innovation Investments, and Christophe Chazot, group head of innovation, have included Vizolution, which raised \$6.3m in October, Kyriba's \$23m series D round in September and leading CustomerMatrix's \$10.5m B round in January last year.

And he thought the opportunity for the CVC industry was "increased collaboration, not just in specific verticals but across verticals", adding: "For example, innovation in supply chain cuts across financial services, consumer goods, and CVCs in these sectors can collaborate to leverage their areas of expertise.

"Because of the focus on strategic fit with a principal, deals by CVCs tend to be a bit more complex than your everyday venture investment focused simply on financial returns. Success for me has been achieved beyond the completion of the deal, when we are clearly reaping the benefits and synergies of the strategic partnership formed by that particular corporate investment.

"Every deal has its peculiarities and challenges – but a challenge that cuts across each deal is helping young companies navigate a large global institution that is HSBC and ensuring that there is strategic alignment with these young but innovative companies.

"Drawing up the documentation is usually the easy part, but the portfolio management stage is critical for



ensuring these partnerships meet expectations – the process of onboarding innovation.”

And so Adeyemi said he was keen to mentor and give back to the CVC industry.

While Adeyemi might have left Africa for the US then the UK, he remains very involved and interested in helping the continent. He said: “Given my background – born and raised in Nigeria, I am also very passionate about Africa and role of investments in building capacity and spurring growth in that part of the world especially in the area of education and healthcare.”

He is on the advisory board of an Africa-focused healthcare investment fund and mentor for the SwiftScale accelerator programme.



## **Biplab Adhya and Venu Pemmaraju, co-heads, Wipro Ventures**

Wipro Ventures, the \$100m strategic investment unit of India-based, New York-listed technology firm Wipro focuses on investing in early- to mid-stage startups.



Under chief strategy officer Rishad Premji, Wipro Ventures’ co-heads Biplab Adhya, top picture, and Venu Pemmaraju leverage the parent company’s “global reach and market knowledge to accelerate the growth of our portfolio companies,” Altizon, Avaamo, Emailage, Intsights, Talena, Vectra Networks, Vicarious, which cover the sweep across internet of things, chatbots, cybersecurity, big data and artificial intelligence.

Pemmaraju previously spent nearly 15 years as an investment director at Intel Capital, where nearly half of his 18 public deals have successfully exited, including CloudMade, a US-based platform for location-enabled apps and services, which was 50% acquired by France-based car parts maker Valeo, and CrowdStar, a social and mobile gaming company acquired by Glu Mobile.

Adhya was previously the global head of the Oracle practice at Wipro, where he was the responsible for strategy, sales and operations for the IT Services offerings around Oracle applications from early 2012.



## **Jeff Allen, vice-president for strategic investments at Mastercard**

Corporate venturing is a journey where effectively trial and error – pivots and minimum viable products in the jargon of entrepreneurs – helps shape the current incarnation.

Jeff Allen, vice-president for strategic investments at US-listed credit cards provider Mastercard, said flexibility and openness to change has been important to its venture programme.

He said: “One of our greatest successes has been the senior-level acknowledgement that we need to adjust our investment approach, based on the significant learnings we have uncovered after spending the last two years assessing our existing portfolio.

“Mastercard has only been a public company for 10 years, and has only really started to make strategic investments on a broad scale over the last five, so there has been a lot of trial and error.

“Historically we made investments as a means to get a better commercial deal, for example exclusivity, but we have learned we need to invest in great companies and management teams first, with much deeper strategic alignment and business owner accountability.

“As part of this initiative, I have spent a lot of time optimising our existing portfolio, including selling off non-strategic (orphaned) investments. Some of those have been at robust internal rates of return, while other more complex positions have required significant time, effort and relationship building to find an exit so that we can focus our efforts on more strategic deals.”



Allen added: "I love the unique complexity within CVC, where you have to find a delicate balance/alignment between strategic interests of the corporate parent, and the aspirations of the entrepreneur and its financial investors.

"There is also the added layer of managing interests within the corporate parent itself amongst the various stakeholders, such as business executives, corporate strategy, corporate development and finance.

"Changing the status quo within a large and successful organisation like Mastercard through innovation and partnerships is not an easy task, but it is much needed and incredibly rewarding when successful!"

Allen works within Mastercard's strategy and corporate development group, where he is the functional lead responsible for Mastercard strategic investments globally. He added: "My role did not previously exist, when I was asked two years ago to build Mastercard's global portfolio management function and strategy.

"Historically each of our investments was disparately managed within the relevant business units, leading to sub-optimal strategic and financial returns. Since then, my role has expanded, and I have helped drive a reassessment of Mastercard's investment strategy through new investment models, while integrating best practices, policies and processes across deal life cycle to improve returns."

Lorenzo de la Vega, senior vice-president for mergers and acquisitions integration and investments at Mastercard and Allen's boss, said: "Jeff has taken on the task of building out Mastercard's enterprise-wide approach and discipline around inorganic ventures and investments.

"He has brought clear thinking and sound business judgement to build a set of processes that fit the Mastercard culture and are right-sized to our strategic objectives. In the words of Mastercard's controller, under Jeff's tenure, 'we have come such a long way!'"

Mastercard's portfolio now consists of about 20 active investments, including SecureKey, a Canada-based identity and authentication technology developer where Jeff is a board observer and which raised C\$27m (\$20.5m) in October. Allen has also been instrumental in several recent investments by Mastercard, including in Masabi, a UK-based mobile ticketing and fare collection service provider that raised \$12m at the end of 2015, and First Performance, a US-based provider of real-time consumer alerts and controls to financial institutions in which Mastercard took an equity stake in May 2015 as part of licensing its In Control technology and forming a partnership together.

However, Allen said the biggest challenge had been business owner accountability, especially when investments do not turn out as planned. "To complicate matters, business owners change roles frequently, increasing the likelihood of orphaned investments. We have taken several measures to increase accountability, including putting investment performance in a business owner's annual objectives, holding recurring investment reviews with our management committee, and making significant improvements to our fair value testing methodology."

However, the iterations to its operations are unlikely to have finished. Allen said: "There are a few paths that I am interested in pursuing. On the investing side, I am interested in running a CVC unit. There are several interesting models appearing in the CVC space, including traditional captive venture arms, spun-out single LP, CVC firms, and joint investment ventures. I would also be interested in running corporate or business development for an early or mid-stage company."

To make a stronger industry, Allen recommended "deeper, more frequent alignment/engagement to share best practices and investment models. This is exactly why I am attending the Global Corporate Venturing & Innovation Summit. If it does not exist already, perhaps local meet-up events in major cities on a more recurring basis to keep the dialogue going and establish a very close knit community similar to how the financial VC industry appears to be."

Allen already advises, mentors and coaches early-stage companies in the New York City area through the Startupbootcamp FinTech, Entrepreneurs Roundtable Accelerator and NYU Stern WR Berkley Innovation Lab.

Allen received his MBA from New York University Stern School of Business, which he pursued part-time while working at Mastercard. He joined the company in 2009 after working as an investment banking analyst at Sagent Advisors and Merrill Lynch for three years.





### Marcos Almeida, director, Stefanini

Since 2009, Brazil-based technology company Stefanini has acquired stakes in about 17 different companies with an eye on startups being dealflow for later acquisitions.

Most of these 17 stakes were controlling positions, but Stefanini has also bought minority stakes and created startups, according to Marcos Pereira de Almeida, its director of subsidiaries and affiliated companies, mergers and acquisitions (M&A) and startups.

Almeida said: "I think we act mostly as a corporate M&A than as a VC, in the sense that we don't necessarily intend to divest the companies we do business with."

Marco Stefanini, founder of the firm, has also become a limited partner in a local venture capital fund and a minority holder in an accelerator, Almeida said.

He added: "I am responsible for overseeing eight of Stefanini's invested companies, in some of which I have a more active and hands-on role.

"Since early 2016, I am also responsible for our M&A activities. So far we have announced the creation of a JV in cybersecurity with Israel giant Rafael and the acquisition of controlling stake at a leading IBM reseller, Scalait.

"I also manage our startup program, which essentially is a strategic partnership with top tier startups and a dealflow generator for our M&A."

Prior to Stefanini, Almeida founded and ran a family office-backed seed fund and micro VC, NH Investimentos, and worked in business and corporate development for Visa Vale and Grupo RBS, as well as consulting for Capgemini and Aquanima since the late 1990s.



### Tiba Aynechi, partner, Novo Ventures

Coming from a background in biophysics, Tiba Aynechi now applies her comprehensive life sciences knowledge to pinpointing good opportunities in the sector for Novo Ventures, the investment unit of Denmark-listed pharmaceutical firm Novo.

Since joining Novo Ventures in 2010, Aynechi has worked on a number of deals and is on the boards of Antibody developer AnaptysBio, filed for its flotation on the Nasdaq stock exchange in 2015 after raising \$94.3m from Novo and its other investors, Arcellx, Cianna Medical, which topped up its \$12 B round in mid-2015 with \$8m of equity and debt from Novo and others, and iRhythm Technologies, which had its initial public offering (IPO) in October.

iRhythm's IPO valued the company at \$107m and gave pharmaceutical firm Novo an exit. The company priced 6.3 million shares at \$17 each, and it opened at \$26.75 on its first day of trading on Nasdaq

Aynechi also participated in molecular technology company HTG Molecular Diagnostics' \$16.2m series D in 2011 and \$7.5m series E in 2014 ahead of its successful IPO in 2015 worth \$50m. Since launching in 1999, the corporate venturing unit has invested \$800m across 80 companies and had 30 successful exits.

Before moving into finance, Aynechi picked up two degrees from University of California and held research jobs at its campuses at Irvine and San Francisco. In 2006, she joined venture firm Burrill & Company and was made a director within five months. She remained there until joining Novo.







## Saurabh Bhansali, venture leader, Humana Health Ventures

Saurabh Bhansali joined US-based healthcare provider Humana’s corporate venturing unit last year and Busy Burr, head of Humana Health Ventures (HHV) and open innovation, said: “The secret to Saurabh’s quick impact and success at Humana is his ability to form a strong network of diverse business relationships within a highly complex organisation.

“He is known for his smarts, earnest approach and his curiosity. He is more than just the glue of our team – he is the spark that keeps us on fire.”

Bhansali a keen sports fan, added: “My role is to source and lead investments, and to take an active board-level role in HHV portfolio companies.

“Prior to HHV, I was on the investing team at HLM Venture Partners, a healthcare IT and services-focused venture capital fund whose primary limited partners are some of the largest players in the healthcare ecosystem.

“What attracted me to HHV was the opportunity to help build a sustainable corporate venture investing platform from the ground up. Now that we have set up the infrastructure and begun to build our portfolio, we have another great opportunity – to drive rapid and positive change within the healthcare system with the backing of one of the largest and most influential players in the industry.

“For example, our latest investment, Aspire Health, delivers an extra layer of palliative care support services to our Medicare Advantage members who need it most. Aspire’s new care delivery model has been incredibly well-received by those members enrolled in their services, and has led to fewer avoidable emergency room visits resulting in substantial cost and quality improvements.”

Other HHV deals have included US-based digital behavioural medicine service Omada Health, which raised a \$48m series C round in September 2015 just after the corporate venturing unit was launched, Livongo, which raised \$44.5m in a series C round in April last year, and US-based collaborative healthcare software developer Iora Health, which closed a \$75m series D round in October.

Bhansali, who studied at Northwestern University and received his MBA from Wharton School, added: “The biggest challenge to date has been creating awareness of our team and offering within the community. Given our nascence in the investing space, we have worked hard to educate entrepreneurs and investors on our investing program and the value we can bring to the table. In 2016, we met with more than 150 startups, more than 40 venture investors, and a variety of thought leaders in the healthcare community.

“I am passionate about helping people achieve their best health. My main professional ambition is to become a key leader in the healthcare investing space. If I am able to help build great companies that are addressing the industry’s most complex issues, I can make my best contributions to transforming the system for the better and having an impact on the health of thousands – if not millions – of people.

“In addition to tracking financial metrics, I believe CVCs should also track metrics that gauge the value of their partnerships. For example, championing a portfolio company to deliver a new commercial contract or suggesting a strong talent hire can add significantly to the success of the venture.”

but having moved from the east to west coast of the US, Bhansali described himself as “still a New York boy trying to fit into my new(ish) West Coast home, so my wife and I are now hikers, campers, and skiers.

“That said, I will always find time to fit in a game of flag football, or to cheer for my beloved Knicks and NY Giants.”





## Egbert Bierman, investment director, Transamerica Ventures

Linking corporate strategy and entrepreneurs is important in corporate venturing and it is one Egbert Bierman, investment director at Transamerica Ventures, insurance group Aegon's corporate venturing unit, is highly regarded for.

Georg Schwegler, managing director at Transamerica Ventures and former head of corporate venturing for Deutsche Telekom for nearly 13 years, said: "Egbert has a great overview on trends in analytics and digitalisation of our industry and promotes companies for partnering. He always finds an open door in our management.

"Since bridging the gap between the corporate logic and the startup community is a critical skill in our business he clearly is highly regarded in that sense.

"Egbert is interested to follow up with peers in our CVC world and started early to promote our group in that segment. We are coinvested with other insurance companies and he is definitely a cornerstone in these partnerships.

"He was a driving force in Aegon to promote the initiative for the fund before I joined [in February 2014] and built the investment strategy and structured the governance and legal entities.

"Egbert has a perfect background in finance and insurance working for ABN Amro and Ranstad. Since he was in Aegon's strategy department [from 2006] before joining the corporate fund he has a good overview on global market trends, business models in the insurance industry but also a view on the competitive landscape.

"He also managed to link Aegon into the iR3 consortium of insurance companies in Europe around blockchain where Aegon now participates with staff from our technology units as well as our reinsurance group. Our US companies like his ability to promote their solution in our European entities."

Bierman, a keen sailor, has certainly navigated the corporate venturing world with ease since January 2014 with his two colleagues, Schwegler and Andrew Pitz, an associate.

He said: "I scan the market for ventures in data, artificial intelligence, fintech and insurtech and focus on, first, series A and B investment opportunities for our EU operations and, second, EU ventures that want to make the jump to the US, where our fund can offer a cornerstone customer in Transamerica."

Transamerica Ventures' deals in the past three years have included Auxmoney, where Transamerica took an equity stake in October 2015 and agreed to €150m (\$158m) of funding to be used for loans by the Germany-based consumer-focused debt platform and cryptocurrency holding company Digital Currency Group (DCG), as well as commitment to VC firms Fintech Collective and Lerer Hippeau.

Bierman said: "What attracted me to CVC was making the connection between two realities. First, the reality of disruption/innovation and the dynamic of entrepreneurs that come up with brilliant ideas on how to further change and improve the world

"Second, the corporate reality: a lower paced dynamic where organisations trying to achieve the best with the capabilities they currently have.

"In a corporate organisation there are innovators and legacy oriented colleagues. Knowing the organisation a bit, I know where the innovators are and working with them has been very rewarding. Biggest challenge is and will remain to convince the legacy oriented colleagues that there is value in working with startups that bring innovation and additional energy in their operations.

"Making the connection by providing the organisation access to more efficient and or additional capabilities and in the mean time helping entrepreneurs grow their business is a great job to have.

"Strategically, 80% of our current portfolio companies are working with the Aegon organisation.

"Financially, as we are rather fresh as a fund we have not had exits yet, although a number of ventures I had an opportunity to source and investment in have had significant uprounds, one of which is now in the 20x range."



Bierman's advice for the corporate venturing industry was to match the "speed and investment conditions of the institutional VCs" in order to get access to the best deals.

Having participated in races from the Netherlands to England and back, it is perhaps no surprise he values speed but also the freedom that venturing can bring. Bierman, who graduated from University of Groningen, said: "The moment you are out at sea you are in a completely different world with the ship, crew, the sea and the elements."



## Tara Butler, managing director, Ascension Ventures

Tara Butler, managing director at Ascension Ventures (AV), effectively a multi-corporate-backed fund manager on behalf of care providers, helped close its fourth healthcare venture fund at \$255m last month.

She started in corporate venture capital more than 14 years earlier as an investment associate at AV's first fund and has led the medical device technology investment portfolio.

Then called Ascension Health Ventures, this first fund after the millennium raised \$125m from Ascension Health, the US's largest Catholic and non-profit health system and a subsidiary of Ascension Health Alliance. Subsequent funds were larger and had more limited partners but AV remains a subsidiary of Ascension.

As well as Ascension, the fourth fund, AV CHV IV, has money committed by Adventist Health System, Carle Foundation, Catholic Health Initiatives, CentraCare Health, Children's Medical Centre of Dallas, Novant Health, OhioHealth and OSF HealthCare. In aggregate, these operate 474 hospitals, have 578,000 employees and generate \$88bn in annual revenue.

Butler has been a board member or observer at more than a dozen portfolio companies, including Augmenix, CHF Solutions, Confluent Surgical, HemoSphere, Interventional Spine, ISTO Technologies, MindFrame, Neuroolutions, Novasys, OptiScan Biomedical, PathoGenetix and Stereotaxis, but said Ocular Therapeutix and TomoTherapy were two of her biggest successes in terms of investment returns.

TomoTherapy raised \$79m from AV and others, including university technology transfer office Wisconsin Alumni Research Foundation, before raising \$222.3m in its initial public offering (IPO) on the Nasdaq stock exchange in May 2007.

Similarly, Ocular Therapeutix raised \$68m from investors, including \$11m in its series D round in 2011 led by AV, before its July 2014 IPO raised \$60.5m after expenses. Ascension, which owned a 12.5% stake in Ocular through its CHV II fund, owned a 9.5% stake post-IPO – the company had a market capitalisation of \$228.9m on December 9 after its share price fell by more than three-quarters from March 2015's high.

But Butler said: "The biggest challenges are always recognising when to pull back from supporting a portfolio company."

An integral part of AV since 2002, therefore, Butler was promoted to become managing director in 2013.

Butler joined AV after completing a residency in obstetrics and gynecology at Washington University in St Louis and also holds a BSc in economics and an MBA from Wharton School of Business and a doctor of medicine from University of Pennsylvania. Prior to attending medical school, she held positions in business development at Medtronic, in finance at Honeywell and as a laboratory research assistant at University of Pennsylvania School of Medicine.

Butler said what attracted her to CVC was it enabled her "to combine my skills and interest in the development and commercialisation of medical technologies with my medical training".

And added: "My main personal ambition is to invest in and build strong companies in our next fund that advance the standards in medical technology within a value based care environment."





## Claire Celeste Carnes, partner, Providence Ventures

"My career path was more of a winding road than a straight path, collecting experience in marketing, digital, brand, management, and technology that serve me well in this role," according to Claire Celeste Carnes, partner at Providence Ventures.

Providence Ventures is the \$150m corporate venturing unit of Providence St Joseph Health, the third-largest, not-for-profit health system in the US with 50 hospitals, 829 physician clinics, senior services, and more than 100,000 employees across seven states on the west coast.

Carnes joined the venture team in mid-2014, after six and a half years with Providence. She said: "I had most recently been managing our digital and telehealth teams, including direct-to-consumer and employer-based telehealth and websites and tools.

"I was fortunate because my experience and education was a fit for the role at the time that Providence was forming a venture team. Our senior vice-president of strategy and innovation had just joined and he recruited me due to my ability to manage our telehealth services to run in the black and my experience with consumer-facing digital marketing.

"The transition was definitely a change, leaving the management of a large team to join our venture team, but my background, experience with angel investing [on the steering committee of Angel Oregon], and my MBA were all components that provided a good foundation for me in the role."

Prior to CVC, Carnes worked at a startup, Mac's Place, that was acquired by Egghead, spent a couple of years in consumer packaged goods at Pillsbury and Procter and Gamble, and then worked for a decade at Intel Corporation in sales and marketing.

She added: "I meet with early stage companies, speak with other investors and health system leaders, evaluate areas of evolving healthcare technology, collaborate with our internal stakeholders on their strategic priorities and evaluating solutions, and advise and support our current portfolio companies."

Carnes is board observer on three, Sqord, Avia and Binary Fountain, of Providence's nine US-based portfolio companies.

Seattle-based Sqord raised a reported \$2.3m seed round investment in late 2014 after Providence became involved in Sqord's first large-scale pilot encouraging 7,500 children to wear a fitness tracker and measure the results.

AVIA, a Chicago-based accelerator and startup that helps providers select the best technologies, raised \$6m from Providence, Jump Capital, 7Wire Ventures and Jumpstart Capital in 2014.

In October 2015, Binary Fountain closed a \$16m series A round from Providence Ventures, HLM Venture Partners and Pioneer Venture Partners. Binary Fountain, which raised \$5.7m in a January 2014 seed round also including Providence, operates a cloud-based platform that gathers and analyses patient feedback from a wide range of sources, such as social media, surveys and review websites, in order to help increase patient satisfaction and loyalty.

Carnes said: "The greatest successes have been those in which we are both a customer of a solution and an investor.

"Our Binary portfolio company provided a key solution for us in organising and making sense of social sentiment through natural language processing. In working closely with our organisation, also created a new product that enhances how physicians ratings and reviews are standardised and cleansed of personal health information, then displayed online, driving up both consumer engagement and organic search engine. This new product line not only helps us but has been a winner with other health system customers.

"I also worked early on to develop a process to standardise healthcare technology pilots so that we have a more streamlined processes. With hoops such as security reviews and contracts, I worked with various parts of our organisation including legal, enterprise risk, and information services to create a streamlined processes.

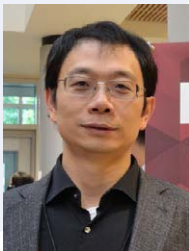




"We do not want a startup burning all their capital with legal firms just to get a contract signed for a pilot. We now have a dozen pilots going on at any one time, with clear metrics and timelines which helps both our evaluation and helps companies understand criteria by which they would be measured. This is our solution to 'pilotitus' where an evaluation goes on too long without a clear path to a full implementation.

"For any investor, not just CVC, I would also suggest that timely yes or no, is a courtesy. No one wants to hear a no, but it is much harder to have to follow up multiple times to hear the no, or just never hear back."

Such a service-led ethos bodes well for the entrepreneurs and their backers.



### **Xuan Chen, managing director, SoftBank's Hopu-Arm fund**

Japan-based internet and phone conglomerate SoftBank created headlines last year with the resignation of Nimesh Arora, setting up a \$100bn venture fund and the acquisition of UK-listed chip maker Arm for \$31.4bn.

Meanwhile, Xuan Chen, managing director of SoftBank's Hopu-Arm fund, has been targeting its \$1bn with state-owned China Investment Corporation a reported cornerstone investor.

Based in Shenzhen, China, Chen spoke at last year's Global Corporate Venturing Academy in Shanghai and oversees the fund's activities in China and Arm's Ecosystem Accelerator.

He joined Arm in 2014 having been at software provider Microsoft since 2004, latterly in business development in China for its Azure cloud platform.

Chen said what attracted him to corporate venturing had been understanding "the strategic direction of the industry and the resources that could help portfolio companies to grow".

He said he was pleased to have developed Arm's two platforms in China and looked forward to being the "venture investor helping to grow the next Google".

Chen, who completed his PhD in computer science from University of Southern California before receiving his MBA from Isenberg School of Management, however, feared the relatively slow decision speed of corporations had been his biggest challenge, even if corporate venturing did bring "strong strategic value, flexibility in execution, and self-sustained operation model" when done well.



### **Suzanna Chiu, head of ventures, Amadeus Ventures**

Suzanna Chiu, head of corporate venture capital at Amadeus Ventures, part of Spain-based travel systems provider Amadeus IT Group, has found a way to get near to the things she enjoys.

She said: "The role of CVC allows me to combine my strong interests in getting close to new technologies and transaction skills acquired from my investment banking days.

"I always have an interest in new technology since young. Technology is going to change the way we live, and have significant impact to our society.

"As a CVC, I have the opportunity to work with lots of passionate entrepreneurs and get to know their new ideas. Compared with traditional M&A where companies are being bought and sold for market shares and operational efficiency, CVCs in general focus on the creation of new value propositions and solving long standing pain points of an industry – which strong focus on exploring new frontiers of customer experiences.

"Doing VC activity inside a corporation gives you that particular focus on the solution and technology, rather than general direction / interest of the financial market, which I personally enjoy."



Excluding two exits, Amadeus has five active investments, BlueSmart, BookingPal, Evature (Expert Virtual Agent), Yapta and Flyr, with another yet-to-be-announced at time of writing in early December.

Bluesmart, which raised \$11.5m in October 2015, has developed smart luggage and an accompanying smartphone app that enables a user to track their bags worldwide, lock them and calculate their weight. The technology also provides a proximity alert and travel itineraries, while the bag includes a phone charger.

The firm's two exits, Olset, a big data company acquired by business travel technology provider Deem in October, and Cabify. Spain-based ride-hailing service Cabify went on to close a €109m (\$120m) series C round last year.

Chiu said: "The greatest success of us so far is to see one of our portfolio companies achieving the vision they have two years down the road plus the market going towards the same direction.

"When we showcase them in our customer events, everyone wants to be included in proof of concepts. Even internally, business units see the value of integrating their technology into our solutions. Overall, being able to deliver leading edge solution to our customers at the right time to market.

"The biggest challenges always come from within the organisation. Investment programs create natural tension with internal innovation / solution development activities. How we can align standards between funding internal and external projects; encourage partnership with third-party versus in-house development. These are a few on-going debates we are having internally."

Chiu, an active photographer who pins snaps on crafts platform Pinterest and enjoys visiting places (ideal for a travel reservations company), was previously part of the business strategy team of Amadeus as a senior manager from 2012.

She said: "As a CVC, some of us have really big teams but most of us exist as part of the innovation team or corporate strategy. We do not have huge amount of resources in doing baseline finance work – finding comparable transactions, calculating market multiples for specific rounds."

As befits an MBA graduate of London Business School who then spent more than four years at Macquarie Bank, Chiu wants to do more. She said her ambition was "to continue to strengthen Amadeus Ventures' impact in the company and in the industry.

"Be seen in the travel industry as the trendsetter and indicator of innovation. Also to expand Amadeus Ventures into other areas of innovation within Amadeus."



## Bryan Ciambella, principal, B Capital Group

Corporate venturing is a relatively collegial part of financial services as the nature of venture capital causes syndicates to form to spread the financial risk and bring different skills together to help the portfolio company. In addition, corporate venturers often face the same pain points when dealing with these entrepreneurs and linking them to corporate parents as well as managing teams and gaining funding from a business.

Still, it is often all-too-rare for this collegiality to spread to recommending another group's talent for an industry rising stars award. In this category falls Bryan Ciambella, a principal at B Capital Group, a \$250m venture growth fund launched in collaboration with management consultants Boston Consulting Group and social network Facebook co-founder Eduardo Saverin.

As Ciambella's nominator, Skyler Fernandes, founding managing partner at Simon Venture Group, the corporate venturing unit for the eponymous US-listed real estate company, admitted: "I almost hired Bryan."

A serial entrepreneur after working in equity research from the mid-2000s, Ciambella founded Amped Fantasy, a daily fantasy sports gaming company acquired by the Global Gaming Network, the World Championship of Ping Pong that aired in a billion homes worldwide before being acquired by Matchroom Sport, and Hello Fresh USA, a meal kit retailer with a valuation of more than \$2.9bn and \$215m of venture funding.



B Capital's first deals include Ninja Van, a Singapore-based logistics company, and Evidation Health, an analytics platform developed in collaboration with GE Ventures and Stanford Health Care.

Prior to joining B Capital in October 2015, Ciambella was a manager at IAC, the media and internet holding company behind Tinder, About.com, Match.com, Vimeo and HomeAdvisor, focused on new investments, strategy and research. His deals at IAC included buying Apalon, a top 10 worldwide iOS app publisher based in Minsk, Belarus,

Previously, he worked at Liquidity Works investing in early stage software, sports & media companies, and had been board observer at Actionable Data Solutions.

## Michael Dovey, director, IAG Ventures

"The idea of a one-plus-one-equals-three scenario is very appealing to me and I believe that we offer our portfolio companies something traditional VC cannot."

Only an entrepreneur can have such optimism so it is perhaps little surprise the quote comes from Michael Dovey, director of IAG Ventures, the corporate venturing unit of Australia-based insurer IAG.

Ron Arnold, head of IAG Ventures, said: "Mike's path into corporate venturing has been a non-traditional one. He began his career in the financial markets, working in the structured derivatives team at UBS, but left after two years to pursue a more entrepreneurial path.

"In 2009 he founded a startup [AroundYou] which quickly grew to become one of Australia's most popular online business review websites. During this time, he experienced the full startup journey where he raised seed capital, scaled the business to 50 staff and serviced thousands of paying customers over a five-year period. In early 2015 he was able to exit the business after it was acquired by another well-funded VC backed startup [Nabo, which is backed by Westpac, Fairfax and Seven West Media].

"As well as pursuing his own startup journey, he sought to support Australia's entrepreneurial ecosystem by launching a quarterly startup event [66 Meetups] in collaboration with the city of Sydney to help entrepreneurs meet, connect and grow' with each other, with investors and with mentors. The event would regularly attract over 200 attendees and after two years operating the event, [and] management was transferred across to another well-established incubator [ATP Innovations].

"As well as his role at IAG Ventures, Mike is a part of Sydney Angels which is a member based investor syndicate that provides seed capital to early stage businesses."

Dovey, who lives with his wife and three children right near Bondi Beach in Sydney, said: "I started at IAG 18 months ago specifically to help build out IAG Ventures, so I have been lucky to be a part of the journey right from the very beginning.

"Having originally started my career within a large corporate and then having the totally opposite experience of having launched, scaled and exited a startup, I felt that CVC would be the perfect combination of my previous experience and skills. I was also attracted to the idea of investing as a strategic investor where we are able to bring money plus strategic support to the investments we make."

In October, Australia-listed credit and fraud decision technology ZipMoney acquired insurer IAG's portfolio company PocketBook for A\$6m, months after IAG Ventures had previously invested in the budget planner.

And, in August, IAG Ventures backed UpGuard, a US-based cybersecurity business, in its \$17m series B round.

On UpGuard, Dovey said: "The round was oversubscribed and we were fortunate to invest alongside some other tier one VC firms including August Capital, Pelion Ventures and Square Peg Capital.

"I count the investment into UpGuard as our greatest success because we were able to clearly demonstrate the strategic value of IAG which is what got us a seat at the table alongside such other great investors and then we were able to move at the same pace as them during the closing of the round, which is something that typically is challenging for a large corporate to do.



“The biggest challenge as a CVC is striking the right balance between investing for strategic benefit versus investing with a pure return on investment (ROI) focus. While it would be a lot of fun to invest in everything we thought had great ROI potential, when you consider the scale of the entire organisation, you can begin to appreciate that this strategic benefit is likely a lot larger and a lot more valuable than just the pure financial ROI of the individual investment.

“In order for corporates to be successful in this space, they need to be able to clearly define their value proposition to startups beyond just money invested.

“This means giving an honest assessment of the corporates strengths and weaknesses and being as transparent about them as early as possible. This allows both the startup and the corporate to get on the same page quickly and to have a clear understanding of the investment process, timelines and how the two parties can support each other and work together post the investment being made.”

## Meredith Fisher, partner, Partners Innovation Fund



There is something about extreme accomplishments, whether in sports, business or academia, that seem to attract people, such as Meredith Fisher, partner at the Partners Innovation Fund (PIF) and marathon runner, to the Harvard area in the US.

Christopher Coburn, chief innovation officer at Partners HealthCare System, and an ultracyclist able to compete in endurance races of 24 hours, said: “Meredith has the remarkable mix of skills, positive outlook and cultural insights needed to excel as an in house investor in our research enterprise, which is the largest in the industry and populated with more than 3,500 Harvard faculty.

“Her background in business development, as the sole biotech investor in a large family office [Bracebridge Capital], as a bench drug discovery scientist, her academic achievements and her ability to work through complex organisational challenges that confound others and make it look effortless result in an ideal teammate and a core member of the high-performing PIF team Roger Kitterman [a GCV Rising Star 2016] has so expertly assembled.”

Fisher said: “I joined PIF in 2015 at the start of the second fund, which grew from a \$35m fund for PIF I to a \$100m-plus fund for PIF II.

“PIF invests at the earliest stages of company formation: seed or series A. PIF has a very privileged position in early stage venture because of the sheer number and significance of the discoveries made by Partners investigators which could lead to new medicines.

“Because I often have access and exposure to technologies ahead of publication or patent filing, the role comprises elements of both venture investor and venture creation. Many times, I will take part in the company creation process in addition to making the investment.

“The opportunity to play a role in catalyzing the translation of these innovations to commercial opportunities and most importantly to patient impact was incredibly appealing.”

Having completed her PhD in molecular microbiology at Harvard University and received her MBA around the corner from Massachusetts Institute of Technology, Fisher has mainly studied and worked in the Boston region. She was senior director of technology and business development at Enlight Biosciences, a venture creation firm founded by PureTech Ventures in partnership with seven pharmaceutical companies, for three years then head of business development at Gingko BioWorks for a year before Fisher moved to Bracebridge.

At PIF she is a board observer at her first two deals, ImmuneXcite, a biologics-based platform for fighting cancer, and Lyndra, which helps people take drugs through their mouth.

Fisher added: “In addition, I am working on several early stage projects based on new discoveries in neuro, immunology and rare disease that I am excited to help develop into potential newcos.”

Similar in some ways to her penchant for adopting old rescue dogs, however, she said risk acceptance and management was important. “We focus on the earliest stages of venture and technology development.





This means there is usually still significant scientific and technical risk in the opportunities that must be recognised, planned for and managed. Risk tolerance must be high.

"We also only invest a part of a syndicate – not as a sole investor – and so finding the right syndicate partners who have similar risk tolerance and investment interests is critical.

"CVCs are a unique group of investors within venture. I would like to see more of us syndicating with each other, particularly in the earliest stages of company formation. There is significant value that can be provided to new companies by CVCs beyond investment dollars such as drug development, therapeutic area, regulatory and clinical expertise."



## Brandon Gath, director, CME Ventures

Venture investing is often described as more of an art than a science, and the ability to track down interesting deals using intuition and sleuthing skills is a valued one among the colleagues of Brandon Gath, a director at CME Ventures, the corporate venturing unit of the derivatives exchange operator.

Rumi Morales, executive director and head of CME Ventures following the departure of Mark Fields to one of its portfolio companies, Wickr, said: "Brandon has been an essential member of CME Ventures since its inception, and has directly contributed to building it into one of the financial industry's most innovative corporate venture arms.

"He has sourced the majority of our investments, often pursuing a company with no more than a hunch and its LinkedIn page, and emerging with an impenetrable investment case and lasting business relationship.

"Brandon also contributes significantly post-investment, as a valued observer on three of our portfolio companies' boards.

"He has single-handedly developed CME Ventures' profile in the Bay Area, situating himself there on his own initiative to be at the heart of dealflow, forging important connections in the VC community and representing CME's strategic value as an investor.

"CME Ventures could not have reached its success without Brandon and there is no question that he is the one to drive it to future greater heights."

CME Ventures had made 22 investments in 14 portfolio companies, Gath added, with 11 public:

- Dwolla, a real-time payment network, series D round with Andreessen Horowitz.
- 1QBit, a quantum computer software company, series A and B round with Royal Bank of Scotland.
- Powerlytics, an economic data software company, series A convertible note.
- Ripple, a payment protocols company, series A and B round with IDG and Santander Ventures.
- Nervana Systems, a deep-learning cloud company, series A with Data Collective and DFJ Capital.
- Fortscale, a security and user behaviour analytics company, series A with Intel Capital and Blumberg Capital.
- Wickr, a secure communications platform run by Mark Fields as CEO, series A and B with Breyer Capital and Alsop Louie Partners.
- SparkCognition, a developer of cognitive analytics for the internet of things, series A with Verizon Ventures.
- Digital Currency Group, a blockchain fund, series A with Bain Capital Ventures and RRE.
- Digital Asset Holdings, a blockchain applications company founded by former JPMorgan Chase banker Blythe Masters, series A with JPMorgan and Goldman Sachs.
- Orbital Insight, a satellite image analysis company, series B with Google Ventures and Sequoia Capital.

Gath, a former consultant at Accenture after graduating in economics and entrepreneurial finance from University of Chicago Booth School of Business, said CME Ventures was investing in frontier technologies, such as data science, financial technologies and cybersecurity. This edge investing was an important reason behind his move from corporate development and finance to helping found the corporate venturing unit, he added.

Gath said: "The ability to have a direct influence on emerging industries and company's through investment



and ongoing support was what attracted me.

"It has been very rewarding supporting companies that are leaders in new fields like deep learning, geospatial, and quantum computing. These companies are addressing challenges and opportunities in finance, medicine, and transportation that will have a long term positive impact on society.

"My greatest success was leading our investment in Nervana Systems. We were an early investor in one of the first deep learning cloud companies, which was acquired by Intel in 2016 [reportedly for more than \$350m].

"Being a three-person VC team [with Morales and Justin Strausbaugh], it is always a challenge to allocate time between supporting your existing companies and investing in new companies.

"CVCs should strive to put in place structures and incentives that ensure they are positioned to be in the market for the long term. I think you are seeing more corporate VCs set up structures that replicate their financial VC peers, which is really positive for the industry."



## Allison Goldberg, managing director and vice-president, Time Warner Investments

Allison Goldberg, managing director and vice-president at Time Warner (TW) Investments, the corporate venturing unit of the US-listed media group, has done more than many to support New York City's burgeoning venture ecosystem.

She is a director or active observer on the boards of several portfolio companies including Dynamic Signal, which raised \$25m last month, Bustle, which raised \$15.5m at the end of 2014, Joyus, which raised \$24m in June 2015, Mashable, which raised \$17m in its B round in 2015, and YieldMo, which raised \$10m in October 2014.

Previous investments include Visible World, acquired by Comcast, Adify, later sold to Cox, AdMeld, later sold to Google, Bluefin Labs, later sold to Twitter, Everyday Health, which is public on the stock exchange, MediaVast, later sold to Getty Images and Tremor Video, which is also public.

Rachel Lam, senior vice-president and group managing director at TW Investments, which looks for investment opportunities that directly enhance Time Warner's ability to meet specific strategic goals, such as the delivery of new services, enhancement of an existing product, entry or expansion into a key strategic market, completion of a strategic partnership, and critical research and development, said for her GCV Rising Stars 2016 nomination that Goldberg had "deep industry knowledge of the digital media sector and made invaluable contributions to the Time Warner Investments team".

Goldberg joined TW in 2001 after a year as a venture capital associate at Groupe Arnault having jumped from media investment banking at Morgan Stanley in the dot.com years after graduating in economics and finance at Wharton.

## Vitaly Golomb, investments and partnerships, HP Tech Ventures

It is perhaps little surprise Vitaly Golomb, investments and partnerships "evangelist" at HP Tech Ventures, described himself as "a drummer with not nearly enough time to play"

Golomb joined computer and printer maker HP in March, two months before its split from server and enterprise software developer Hewlett Packard Enterprise. The split allowed HP to form its own corporate venture capital unit, HP Tech Ventures, as the existing team and portfolio, Hewlett Packard Ventures, went with Hewlett Packard Enterprise in the demerger.





Between May and December, Golomb said he had met more than 300 companies all over the US, Europe, and Asia, although no deals had been struck publicly by December, and the list of events he was attending in the next quarter included:

- December 26 – Up in Hanoi.
- January 5-8 – CES in Las Vegas.
- January 25-26 – Global Corporate Venturing & Innovation Summit in Sonoma.
- February 2 – Startup World Cup in Sunnyvale.
- February 27-March 2 – Mobile World Congress in Barcelona.

Reflecting his fast-paced life, Golomb, a member of the supervisory board at trade body the Ukrainian Venture Capital and Private Equity Association (UVCA), said: "I have been an entrepreneur my entire career starting from 13 years old.

"Prior to being recruited to help HP build the CVC program, I was working on putting together my own seed fund focused on providing outstanding technical talent in central and eastern Europe and south-east Asia a bridge to Silicon Valley.

"In that effort I also put on Startup AddVenture conferences in seven countries and spoke in over 30 others. Prior to that, I founded and ran a series of three companies [Keen Systems, acquired by Aleyant Systems, Sputnik Integrated and All Digital Printing and Graphics]."

Although he was planning on going forward with his own fund, he being "offered a unique opportunity to help build the CVC for Silicon Valley's original startup [Hewlett-Packard, founded in a garage in Palo Alto] from scratch was not something I could pass up".

However, HP is no longer a startup and Golomb said: "This is my first time in a large company in my entire career. Though we are a bit insulated, we still inherit lots of bureaucracy and politics which I am honestly not so used to. It is a new muscle that I have to strengthen to get things done."

And the battles with bureaucracy have yet to slow him down as he has submitted his first book manuscript – Accelerated Startup: the New Business School – to an editor and that "certainly feels like an accomplishment".

He added: "I also get a lot of satisfaction from mentoring and playing coach to entrepreneurs. It is probably inevitable that I will start my own fund in the future."

Still, for now, he is working on HP Tech Ventures "and still figuring out our process but making progress both on direct investments and fund of funds programs.

"I believe most CVC practitioners are going through the same struggles and challenges. It would serve us well to share information on dealing with the internal mechanics unique to the CVC craft. This will help us all get better and faster as an industry and to be more competitive with the institutional side."

And, alongside drumming, he has retained his passion for motorsports and currently sits on the advisory board of Rimac Automobili, "a Croatian company that makes the world's fastest car, which happens to be all electric".

Undoubtedly, Golomb would drive it in the fast lane.



## Deborah Harland, partner and vice-president of business investments, SR One

Deborah Harland was already heading up scientific licensing within the UK-listed drugs maker GlaxoSmithKline for four years before joining its corporate venturing unit, SR One, in 2005 as a general partner.

Put in charge of establishing SR One's European investment office, the Bath and London University graduate has brought her experience to bear in a number pharmaceutical roles including clinical development, medical affairs, and business development.



She was elevated to the role of partner and vice-president of business investments at SR One in 2009. In November, Italy-based drugs group Chiesi acquired for at least €75m (\$80m) one of Harland's portfolio companies, Atopix Therapeutics, a UK-based allergy prevention treatment that extended its series A round in October 2014.

She is a non-executive director at VHSquared, Mission Therapeutics, F-Star, Bicycle Therapeutics and joined the board of Switzerland-based Asceneuron in September 2015 after its \$30.6m round.

From these portfolio companies, her other investments include 2014's \$32m series A for Bicycle Therapeutics, which followed a \$5.7m round in 2012, \$30.4m for Mission Therapeutics in 2013, and \$9.4m in the same year for F-Star Biotechnology's series A.

She also worked with fellow corporate venturer Roche on a \$39.3m round for central nervous system focused life sciences firm Addex Pharmaceuticals a year before its IPO in 2007, worth \$134.5m. What is more, she worked on antibody therapeutics firm Ablynx's 2006 series C, worth \$50m, ahead of its IPO, which also took place in 2007.

Her portfolio company trade sales include Pharmakodex (acquire by Orexo) and Syntaxin (bought by Ipsen).

Harland is an independent director at Cancer Research Technology, the specialist commercialisation and development arm of Cancer Research UK, the world's largest cancer research charity.

## Mary Kay James, head of Tyson New Ventures

Mary Kay James, a managing director (MD) at DuPont Ventures, the corporate venturing unit of the eponymous chemicals company undergoing a complex merger with peer Dow Chemical, last month announced her move to US-based meat processor Tyson Foods to run its new \$150m fund.

Tyson New Ventures will invest in alternative proteins, food security and using the internet in the food chain and its first deal was acquiring 5% of Beyond Meat, which has created a plant-based protein, in October.

James, a Global Corporate Venturing Rising Star 2016 awardee, said as well as three to four people in the deal team, she would also be setting up an incubator to connect with companies as potential acquisitions.

At DuPont Ventures, James had held responsibility for sourcing, analysing and executing strategic investments for its \$15bn agriculture and nutrition businesses. She was promoted in 2013 to MD for agriculture, nutrition and health investments after more than nine years of investing in energy storage and solar investments. She also has experience as an adviser to cleantech VC American River Ventures. At present, she is also a board observer at AvidBiotics, an anti-bacterial company.

In 2015, James finished her tenure as chairman of the US trade body National Venture Capital Association's (NVCA) corporate venture group. She was one of the founding members of DuPont Ventures in 2003.

In her spare time, James enjoys working with her family on historic property restoration. Similarly, her work at the NVCA and other organisations has encouraged James, a post-graduate in mechanical engineering from Ohio State University, in her view that collaboration and discussions more broadly are worthwhile.

She said for 2016's award: "At a high level, CVCs have done a great job participating in and supporting industry groups. But building trusting relationships is what drives investing partnerships, so more work can be done on that side. Non-competing companies should make it a priority to develop co-investing relationships with other CVCs as well as do a better job at finding common areas to share investments."







## Ilonka Jankovich, partner, Randstad Innovation Fund

The best nominations for Rising Stars often come from peers in the same sector who recognise the work done as they reflect on what they themselves could have done better with more support from senior management.

So Ilonka Jankovich, partner at the Randstad Innovation Fund (RIF), the corporate venture fund of Randstad, the second-largest human resources provider in the world with about \$20bn in annual revenue, was praised by her peers in the services sector.

Since RIF's launch in March 2014, Jankovich has been responsible together with Paul Jacquin for managing the fund and is on the board of four – Vonq, Brazen, Gr8 People and CrunchR – out of its 12 deals.

Six of those dozen deals came last year, including US-based talent recruiting platform Wade & Wendy, which raised \$4m in its seed funding from a consortium also including US-based instant communication technology provider Slack. Jankovich said RIF had also invested in Coffreo and "did another one but that will be announced only this year".

Randstad also acquired one of RIF's portfolio companies, the freelance platform Twago, and as result is now offering a freelance management system.

Jankovich said of the deals: "For Randstad the learning was tremendous. It gave valuable input to the strategy of the Randstad Group.

"We have been able to build partnerships with the portfolio companies which have been a success from a commercial point of view and, as a result, portfolio companies developed good insight in the staffing industry. Introducing our clients to portfolio companies and developing joined solutions have been high on the agenda."

She added: "As a strategic corporate venture fund, RIF is building a portfolio of early-stage, HR technology investments. RIF invests in companies which are at

the forefront of technology or transforming the talent acquisition and workforce management industry, hence boosting external innovation within the Randstad Group.

"The goal is to combine Randstad's expertise and reach with entrepreneurial spirit and technological excellence.

"Having been an entrepreneur myself in the HR industry I realised that technology will have a massive impact on our industry.

"When I got the opportunity to start a fund for Randstad monitoring the HR tech developments on a global basis and making investments in the space I was thrilled.

"To get a proper understanding what is happening in the space and what kind of impact it can have on Randstad is intellectually challenging. Making the right investments from a strategic and financial point of view is balancing act which requires deep knowledge of the industry and business sense. I am intrigued by this balancing act."

But it is a balancing act that must be in the entrepreneurs' interests, she added. "The exact goals of a corporate fund could be clearer (strategic versus financial) set up upfront.

"The Chinese walls between investment and the operations are to be guarded. We have to keep high ethical standards. The CVC should protect the interest of the startup companies."

But this ethical clarity and transparency is perhaps no surprise as Jankovich had been lawyer, working for six years for magic circle firm Clifford Chance in Amsterdam, London and Budapest, before starting her own law firm in the Netherlands.

Then, after 10 years as a lawyer, she started Legal FlexForce, which became the largest legal recruiter on the continent and acquired in 2001 by Monster/TMP Worldwide. Monster was last year being acquired by Randstad for \$429m.



After the sale of Legal FlexForce, however, Jankovich said: "I decided together with my family [she has three sons] to move to Hungary to discover my roots. I established the specialist recruitment firm ProfiPower in 2004 and sold it 2010 to Randstad."

Once installed at Randstad she rose quickly, becoming the country manager of Randstad Hungary then setting up RIF.

But Jankovich is also an angel investor and on the board of Exact, a cloud financial software company acquired by Apax Partners.



## Therese Jordan, director of new business development, Asahi Kasei America

Therese (Terri) Jordan is director of new business development at Japan-based materials and healthcare group Asahi Kasei's US subsidiary America and works as part of its corporate venturing capital group in Menlo Park, California, to identify and develop seed investments.

She said: "This is my first position in corporate venturing at Asahi Kasei Ventures]. I became interested in this line of work following Asahi Kasei's acquisition of a startup that I was working in, Crystal IS.

"Following the acquisition in 2011 I stayed on at that company as a senior vice-president of business development and after four years was looking for a new challenge.

"I was intrigued by the possibility of helping to shape the company's investment strategy, particularly when it came to cleantech and especially water purification, which was topically what I was involved with at Crystal IS.

"I came to this role only in January 2016 and am just getting started. One of the challenges we have is how to monitor and evaluate our minority investments once we have made them.

"I have spent some time this year developing a methodology to help us to do this with discipline and attention to both strategic alignment and financial return, while also engaging with stakeholders across our company."

Jordan said she sat on one board as an observer. Asahi Kasei Ventures' portfolio includes Trevi Systems and Axine Water Technologies as water-focused deals, as well as Mirexus in nanomaterials, Envia Systems in batteries and Aryballe Technologies in industrials and Steripen and Chrono Therapeutics in healthcare.

And she added: "Identifying startups that fall in our sweet spot is of course always a challenge. And, frankly, trying to understand which investments are the right ones to inspire a 'yes' vote from our investment committee as things change in the business all the time.

"Another challenge for me is being in a role which is sometimes peripheral to the core business interests. My entire career, beginning at GE [until 2004] and later at other medium sized and smaller companies [Victrex and Konarka] I have been in operational leadership roles.

"The CVC task is something quite different from this and requires a degree of patience and influencing skills that I am still learning. I do find that it is critical to have a cultural value that embraces a spirit of play and experimentation in making these investments.

"Living in possibility means needing to let go of the illusion of certainty and low risk. I think we are doing this fairly well. But we could always do better.

"In my spare time I am a triathlete and am an avid hiker. I also have raised three amazing children who are now all in college and beyond."





## Brian Kaas, president and managing director, CMFG Ventures

“People helping people” is probably not a bad way of describing how corporate venture capital should work but when it comes from Cuna Mutual Group, the main US-based financial services provider to credit unions and their members, it carries more significance.

Brian Kaas, president and managing director of CMFG Ventures, the corporate venturing group for Cuna, which has relationships with more than 95% of all credit unions that collectively have membership of at least 107 million consumers in the US, said the one-year-old unit was exploring “startups that align with the credit union mission, ‘people helping people’, with the intention of mutual success for credit unions and their members”.

CMFG has already closed six investments, including Cumulus, CUnexus, Forevercar, SmartAsset and Springboard Auto, and Kaas said it had several more under consideration. He added: “We have also implemented commercial arrangements with two of our portfolio companies to introduce their products and platforms into the credit union ecosystem with more to follow.

“Our ability to move quickly is attributable in large part to our organisation’s commitment to innovation. This commitment is driven by the senior level of our management on down and is being embedded into the culture of our organisation.

Kaas is also head of corporate development and said the ventures’ unit “biggest challenges at the moment are finding bandwidth within our team and working through our growing pains.

“Both of these challenges are attributable to our rapid growth in relation to our team size. We have only three members at the moment [the others being associates Brent Greiber and Mandi Salo].

“As the dust starts to settle on our first wave of investments, we continue to refine our processes and learn from our successes and failures.

“Another challenge we face is common to many CVCs operating within a broader organisation. Namely, it is the challenge of navigating the many layers of a large organisation while working under tight timelines.”

Still, as a former partner at law firm Foley & Lardner, Kaas said: “CVCs should be mindful to weigh their internal strategic goals with the broader goals of their portfolio companies. Nothing can be more damaging than a misalignment of interests in the VC world.

“For example, while our organisation is deeply committed to the credit union ecosystem, we do not impose limits or restrictions on the ability of our portfolio companies to pursue other markets.”

But he added their first priority should be in remaining committed. “History has shown periods during which CVCs have abandoned the VC market, especially during down markets. This historical lack of long-term commitment can dampen the reputation of CVCs and cause us to be viewed as unreliable partners.”

And while Kaas has apologised for his own unreliable driving skills in golf, he said “when I take off my work hat, I enjoy spending every moment I can with my wife Sarah and two children (ages 11 and 9)”.



## Kurt Kaltenecker, group vice-president and head of technology, ABB Technology Ventures

“He was my right-hand person and has migrated from being the chief technology officer to actively doing deals,” according to Girish Nadkarni, founder and head of ABB Technology Ventures (ATV), the corporate venture capital unit of Switzerland-based industrial group Asea Brown Boveri, as he departed to “work on a couple of interesting fund concepts” in November.

The “he” was Kurt Kaltenecker, group vice-president and head of technology at ATV, who has had his hand in almost all the successes of the corporate venturing team since 2010.



Kaltenegger, who joined ABB in 1991 after receiving his PhD in physics from Montanistic University in Austria, said: "After I built up the ABB research centre in China and established and pioneered the role of chief technology officer China for ABB from January 2007 to February 2010, I returned to the ABB headquarters in Switzerland to build up ATV together with Girish Nadkarni, who had already started late in 2009 working on the CVC concept for ABB.

"In ATV's first years I was in the role of head of technology to screen the global technology development landscape for disruptive game changing technologies in scope and in vicinity to ABB's business, was leading a number of due diligences in regard to equity investments and finally started to lead investments in early 2015.

Besides my involvement in [18] investments together with Girish Nadkarni, I lead the deals for PointGrab, an Israel startup in deep-learning-based vision sensor technology for home automation, in the E round investment and took the lead in the investment into Automata, an early stage robotics startup."

His third deal as ATV's lead was Scotrenewables, a UK-based tidal turbine developer that Kaltenegeger said as a board member he helped "reorganise" and hire a new CEO we well as supported its successful application for a European Union grant of about \$12m.

And in all three Kaltenegeger is a board member.

He also mentioned his role in selling cybersecurity developer Industrial Defender to Lockheed Martin in March 2014 and Validus, a low voltage DC technology, to ABB in May 2011 just months after its minority investment.

Given his already near-20 years at ABB by the time he joined ATV, Kaltenegeger said he was swayed the force of Nadkarni's personality to join its then-nascent CVC unit.

He said: "First of all, it was Girish Nadkarni, an outstanding personality and a well-known name in the venture capital environment who attracted my attention to the ABB CVC discussion.

"My main motivation to be active in the CVC environment is that a corporate venture unit doing scouting and direct investments has a much stronger lever to impact the long-term future of the mother company than most of the other functions in the company.

"Equity investment give a limited-risk way to probe the future with high-risk disruptive technologies and gives an early learning to the company."

These insights can be impactful, Kaltenegeger said, noting that he had "changed ABB business units' minds in regard to 3D printing, from a lukewarm interest to a number of activities and one investment, Persimmon, which I did the investment together with my team colleague Grant Allen.

"I could affect some directional changes in our R&D roadmaps, because of the insight into global dealflow and technology trends in our sector."

However, he admitted that convincing ABB that corporate venturing was more than pre-acquisition dealflow and that startups could be as valuable partners as big name companies and the not-invented-here syndrome was a challenge.

As to the future, Kaltenegeger said he was looking "to find new ways how a CVC institution could be combined with other elements of business development to get a well-established element of future agile business growth via technology leadership".

And for the CVC industry he encouraged greater exchange of information, invitation to co-investments and a cross CVC dialogue, "as long as there is a non-competing situation" and they have "a clear mission and mission-aligned key performance indicators".

As a parent of three children and skiing and hiking enthusiast, among other activities, however, Kaltenegeger is used to climbing new peaks







## Christina Karapataki, venture principal, Schlumberger Corporate Venturing

Passionate about getting new technology out of the lab and into high-value commercial applications, Christina Karapataki has had the opportunity to realise her dream of having an impact on the innovation community over the past four years as a venture principal at Schlumberger Corporate Venturing.

In the past year, she has also been heavily involved with the mergers and acquisitions (M&A) team, and had the opportunity to manage M&A transactions where oil services company Schlumberger acquired venture-backed companies.

Karapataki said: "This gave me an additional perspective into the venture world and how best to position startups for exit through acquisition.

"I was responsible for the first financial exit of the group in 2015 and I oversaw a second exit from our portfolio in 2016 when Miox Corporation was acquired by Johnson Matthey. Since joining Schlumberger I have completed 10-plus venture financings (direct and follow-on investment) with \$8m-plus capital deployed."

She said she had led investments in Nantero and Onapsis, and co-led investments in 908 Devices and Naturafrac, while also is a board director of Wirescan and board observer for 908 Devices and Parsable.

In addition, Karapataki has responsibility for almost half of the existing portfolio companies all of which are at various levels of engagements, ranging from simply monitoring technical activities to participating on the board as a director, she added.

However, this complexity has expanded after Schlumberger acquired Cameron, an equipment manufacturer for the oil and gas industry, last year. Karapataki said this acquisition "significantly increased the scope of the venture group.

"We were also asked as a group to investigate investment opportunities in two new fields, enterprise software and environmentally friendly technologies."

Last month, Schlumberger invested in UK-based high-altitude wind power generation technology Kite Power Systems, as part of a consortium with other strategic investors, Eon and Shell Technology Ventures.

Prior to joining Schlumberger and after her master's in energy technology and policy from MIT, Karapataki did a five-month internship with Venrock, a financial VC group formed out of the wealth of the original oil magnate Rockefeller's family money.

Of her move to corporate venturing, she said: "I was very interested to work with startups and more importantly see new novel technology move out of the lab and into high value commercial applications.

"I knew that CVC would give me the opportunity to be part of that process. I also really enjoy the opportunity to work with great entrepreneurs and help them grow their business. At corporate VC I think we have the added advantage of looking in a lot more detail in the technical capabilities of the startups and work with the internal business units to really understand what potential impact a particular technology can have to the industry."

In parallel, she is an adviser for the US trade body National Venture Capital Association (NVCA's) corporate venture group "where we work to increase exposure of the corporate venture capital activities and actively promote collaboration between financial and corporate VC groups," such as its joint event, SHIFT, with Global Corporate Venturing in New York City in October.

And for the industry, Karapataki said: "It is fairly well established that corporate VC groups can be a valuable strategic partner for a startup, however CVCs need to put further effort so that they can also be recognised as a valuable financial investor.

"CVC groups need to pay at least equal attention to both strategic and financial returns in order to better align themselves with the goals of the startup."

Outside of the CVC world, Karapataki loves nothing more than exploring the world, or going sailing whenever she visits her home country of Cyprus.





## Michael Kim, principal, Rogers Venture Partners

Michael Kim joined Rogers Venture Partners (RVP), the corporate venturing unit of the Canada-based telecoms operator, in 2012 as a principal after six years as an analyst in investment banks Morgan Stanley, Oppenheimer, CIBC World Markets and JPMorgan.

Sourcing and managing new and existing investments as well as supporting and helping inform both the RVP partnership as well as our corporate parent on trends in tech innovation however was a rewarding challenge, he said.

Kim, a board member at holiday rental company CanadaStays and marketing services provider Trapit, said: "Working at RVP, I have had the opportunity to lead up whitepapers and deep dives into emerging sectors such as virtual and augmented reality, while analyzing investments across the entire VR/AR stack.

"Additionally, we have invested in emerging technologies such as blockchain disrupting trillion dollar industries including healthcare and finance by investing in PokitDok and SecureKey, respectively. RVP has also focused on segments transforming digital media and the TV viewing and video advertising experience with investments in Cognitive Networks, (acquired by Vizio) and Watchwith.

"The switching costs endured by many in venture has similarly been one of my biggest challenges. Meeting thousands of entrepreneurs, diligencing countless sectors, analyzing multiple stages, and absorbing the tsunami of trends & data points can many times lead to analysis paralysis. Identifying best practices to effectively digest and translate themes into near-term and tangible insights and benefits for the partnership, our portfolio companies and corporate parent is an on-going evolving, but rewarding, challenge."

One solution to the challenge is for the industry to better collaborate, Kim said.

"Having a systematic process across CVC's to identify up-to-date and real-time requests for proposals and corporate engagement opportunities for portfolio companies is one way to collectively bring tangible value to the startup ecosystem and get more CVC's into deals.

"While innovation groups and CVCs informally do pipeline reviews and foster corporate engagements, a more formal process or platform for CVC collaboration would accelerate and magnify one CVC's ability to bring near term value to companies.

"Leveraging the collective power of CVC's and then educating entrepreneurs on this impact will be important for CVC's going forward to get into deals and ultimately bring both strategic and financial value back to corporate LPs [limited partners, the investors in venture funds]."

It is one that is much appreciated by his colleagues. Paul Sestili, partner at Rogers Venture Partners, said: "Michael is an up-and-coming star in the VC world, and has added tremendous value to our CVC unit. His combination of analytical rigor and deep understanding of technology positions him for a long career in venture. He is a key piece of Rogers' team and has a bright future in our group. Plus, he is an incredibly nice guy, with whom it is a pleasure to work every day."



## Amy Kobe, director, Baxter Ventures

"It is not the idea, it is the execution" that is important in healthcare, according to Amy Kobe, director at Baxter Ventures, the corporate venture capital unit of US-based healthcare provider Baxter International, and the same could be said of what she has brought to venture investing.

Anne Sissel, vice-president and head of Baxter Ventures, said: "Amy is truly extraordinary and cannot imagine a better candidate for your award."

Having joined Baxter last year, Kobe said: "I am excited to have joined Baxter at a time of meaningful opportunities – growth and innovation.

"Large organisations are realising that meaningful innovation happens outside their four walls and an established CVC group can help incubate those ideas and opportunities.



"The confluence of regulatory changes, digital technology and rising consumerism has ushered in an unprecedented era of innovation in healthcare.

"However, many challenges still remain. Data and information systems are siloed. The mindset, behavior changes and capacity for risk needed to nurture innovation can often be improved. Testing new models is difficult and the requirements for evidence are high.

"While the industry is shifting toward value-based, patient-centric care, many structures are not aligned to incentivise this, making it difficult to change from the status quo.

"It takes not only the right idea, but the right team surrounded by the right advisors at the table with the right stakeholders engaged to achieve success."

Prior to joining Baxter last year after receiving her MBA from Northwestern University – Kellogg School of Management following her undergraduate and master's from Stanford University in chemical engineering, Kobe spent time as an investor in digital health at accelerator Healthbox and as a consultant at McKinsey & Company. She began her career at Genentech.

Kobe said Healthbox began as one of the first business accelerators for the healthcare industry and had grown to provide innovation consulting and venture investing services. "In my three years at Healthbox, I developed and led the accelerator businesses in Nashville and Salt Lake City as well as launched the innovation and investing service lines."

Another good idea well executed.

## David Harris Kolada, vice-president of venture capital and corporate development, OpenText



There are many ways to skin the proverbial corporate venturing cat, and OpenText, a Canada-based enterprise information management company turning more than \$2bn of revenue per year, has taken its commitments to approach one stage further by investing in a fund of funds.

David Harris Kolada, vice-president of venture capital and corporate development at OpenText, said its "focus right now is on signing partnerships with companies from the portfolios of the VC funds in which we have invested".

He added: "I manage a \$100m portfolio of investments in six VC funds, including the OpenText Enterprise Apps Fund, Sierra Ventures Funds X and XI, Northleaf Venture Capital Fund, Teralys Capital Innovation Fund and the Kensington Venture Fund [the last three being funds of funds].

"I hold OpenText's seat on the limited partner advisory committee for all six funds, and I am the chairman of the OpenText Enterprise Apps Fund limited partner advisory committee.

"I am also leading the creation and implementation of a direct investment program at OpenText, which will include co-investments with VC fund managers in the portfolio and investments from other sources.

"As a member of OpenText's corporate development team [run by Doug Parker], I help support the company's active M&A strategy through market insight from the VC ecosystem, due diligence assistance, and potential M&A incubation through engagement with companies before they reach OpenText's M&A profile."

Harris Kolada joined OpenText in 2015 with close to 25 years of experience in venture capital, technology company management and investment banking.

He has held several senior management positions, including senior vice-president of corporate development and chief financial officer at Eloqua, acquired by database provider Oracle, and senior director of strategic investment at Cognos, acquired by IBM, a role which encompassed both CVC as well as M&A, Harris Kolada said.

He added: "Most recently, I managed the market transaction team at Sustainable Development Technology



Canada (SDTC), a \$1bn cleantech fund, facilitating more than 115 SDTC portfolio company market transactions valued at approximately \$1bn.

"Previously, I gained experience in venture capital investment management at Jefferson Partners, where, as a partner, I jointly managed over \$200m of assets. I began my career as an investment banker both on Bay Street, Toronto, and Wall Street, New York.

"Having worked in Venture Capital, Corp Dev and VC-backed companies for the majority of my career, I was keen to start up and lead a CVC unit at the largest software company in Canada and the leading enterprise information management vendor globally.

"Many CVC units are headed up initially by internal hires with no VC experience. OpenText chose to bring in someone from outside the company with deep VC experience – a better approach in my opinion."

He said it was still early days for CVC at OpenText but some early wins included its first go-to-market partnership agreement with an undisclosed portfolio company last month and navigating a key-person event at a fund – the departure of general partner Luc Filiatreault – where it is the lead LP.

Naturally, Harris Kolada said there had been challenges, including "prioritising VC-related deals amongst the tyranny of urgent matters related to core business, for example, product development for core platform, other partnerships, quarter-end issues and high volume of M&A – five deals for a purchase price of over \$2bn in 2016".

Harris Kolada said his ambition was supporting "awesome entrepreneurs to build segment-leading companies" and recommended the industry "make and keep long-term commitments to the market, invest throughout the cycle, and support portfolio companies beyond things that help the CVC parent corporation's short-term objectives".

In his spare time, he goes on "short-term mission trips to help at an orphanage and build housing for dirt-poor families" and coaches his son's little league baseball team. While he admits that "Canadians are modest as a rule", his accomplishments have talked louder than his reticence.



## Anja König, managing director, Novartis Venture Fund

After a decade in corporate venturing, Anja König as managing director is an integral part in identifying life sciences opportunities in the UK, Switzerland, and other parts of Europe for pharmaceutical firm Novartis' corporate venturing unit, the Novartis Venture Fund.

A graduate of Oxford, Ludwig Maximilian University of Munich and Cornell, König was an associate partner at management consultancy firm McKinsey for six years from 2000, where she worked with healthcare, pharmaceutical and biotech firms on both sides of the Atlantic.

In her current portfolio are biotech Bicycle Therapeutics, which received \$32m in 2014 along with corporate venturing peers SR One, UK-based anti-fungal drug developer F2G, which received \$60m last year and Forendo Pharma, which secured \$12.8m in 2014.

She has also overseen several successful exits for Novartis, including Heptares Therapeutics, acquired by Sosei for up to \$400m in 2015, and Covagen, a life science firm targeting cancer and inflammatory diseases.

Novartis has supported Covagen since its 2009 seed round and led its \$50m series B, sold to Johnson & Johnson subsidiary Cilag for an unspecified sum in 2014.

König has also had two flotations. Qurient Therapeutics listed on Korea's Kosdaq stock exchange last year after spinning out from Institut Pasteur Korea, a research institute focused on curing infectious diseases, in 2008. Qurient raised KrW32.5bn (\$26m) in its IPO through the sale of 1.5 million shares at KrW21,000 each.

König also worked with biotech Nabriva Therapeutics, which received \$44.7m in 2006 in a series A and a further \$120m in its 2015 series B, ahead of its IPO later in the year.







## Nathan Krishnamurthy, senior associate, Capital One Growth Ventures

From self-described “Wall Street spreadsheet monkey” at investment bank Merrill Lynch to venture capital is a path trodden by many, and aspired to by more.

But few choose to go by way of being a chef as Nathan Krishnamurthy, part of the investment team at Capital One Growth Ventures, the corporate venture capital unit of the eponymous bank, did.

Still, it is a path that has worked. Jaidev Shergill, head of Capital One Growth Ventures, said: “Nathan has quickly been able to understand the complexity of our organisation, the technology and business leverage areas and the people who can help our portfolio companies succeed. With this knowledge and relationships with the venture and startup ecosystem, Nathan is proving to be a critical member and rising star of the team.”

Having joined in May 2015, Krishnamurthy said: “My greatest success was leading and structuring an unprecedented deal for Capital One in which we tied a key element of our data management strategy to an early-stage startup.

“These deals work great when all the pieces fit together. We had a long-term problem and no roadmap to solve it; a startup had a groundbreaking solution, still in alpha; I could lean on our data engineers to diligence and validate the product at enterprise scale; our commercial team could lean on me to properly capitalise the startup, getting them comfortable with a long-term software licence; and this symbiotic relationship got several leading VCs excited enough to put their own money in the deal.”

But the pieces do not always come together so well. Krishnamurthy added: “The biggest challenge for any CVC is reconciling traditional VC time horizons – three to eight years – with normal-course-of-business time horizons – current quarter or fiscal year – that is the challenge, but also why it is exciting.

“CVCs should seek to understand and use market terms and timelines in almost all circumstances. No slipping in rights of first refusal or first offer, returns on net assets, or any other acquisition option [effectively meaning the corporate parent can buy a startup] and framing this as “founder friendly”.

“No contracting for product exclusivity, special projects, or roadmap pivots that steer portfolio companies off course. Be straight forward with founders about the decision-making process and timeline. Anything less gives CVC a bad name.”

His own experience helping startups as a strategy manager for incubator Launch Collective for three years helped inform this perspective, sharpened by completing his MBA at University of Pennsylvania’s Wharton School in 2015 as a Palmer scholar in the top 5% of his class.

Given such clear advice, understandably Krishnamurthy said his main professional ambition was to have a “net positive benefit on as many people as possible through the investments we make and the way we use those technologies”.



## Alexey Kupriyanov, CEO, Commit Capital

Commit Capital is the corporate venture capital unit of Russia’s national telecoms operator Rostelecom, formed in mid-2015 from a nascent Rostelecom Venture Capital, at which point Alexey Kupriyanov stepped up from investment director to CEO.

Andrey Polouektov had just moved from head of mergers and acquisitions to also incorporate strategy and the creation of Commit came at the same time as the change.

While Russia has had relatively limited domestic corporate venturing activity, Russian Venture Company, the state-backed fund of funds and ecosystem developer, highlighted Commit, which made its first three deals last year.

In November, Commit invested R130m (\$2m) in RDP, a local developer of network solutions for telecoms



operators, for a 15% stake.

Commit's first \$1.5m investment went to Raidix's series A round for a 30% stake. The fund also invested in Brain4Net's \$1.75m seed round for a 20.3% stake.

Alexei Basov, vice-president at Rostelecom said its first venture capital fund transactions were part of "its strategy to establish a long-term technological advantage in the industry's fast growing digital segment and reduce its overall dependency on foreign technology providers".

Before rejoining Rostelecom in June 2014, Kupriyanov had been an investment banking director for a few months at Advance Capital.

Kupriyanov had first worked at Rostelecom for more than two years as deputy head of M&A after similar spells on M&A and investment banking after the completion of his master's in finance from State University.



## Molly Lahr, head of platform, American Family Ventures

Molly Lahr, newly-promoted head of platform at American Family Ventures, the corporate venture capital unit of US-based American Family Insurance and its larger enterprise covering Homesite and The General, might be the ringer for the team at golf but understands the importance of teamwork when it comes to deals.

She said: "While at the Consumer Electronics Show in January of 2015 (it also happened to be my first day on the team, which was so cool,) we met with a company on the exhibit floor.

"The founder was in a t-shirt and laced his pitch with profanity, and we all walked away feeling like we were about to be a part of something big, something special.

"That company, Ring, a smart video doorbell, has grown to become a household name in the connected home space in two short years. Our initial investment in Ring, and each subsequent round, has opened up waves of new opportunities for the fund, our team, and American Family Insurance.

"Each person on our team has had a hand to play in our investment and operating partnerships with Ring. It is a great example within our portfolio of how a team works together to make great deals happen.

"Outside of our dealflow, I am most proud of being a part of a team that works as a driven, well-rounded unit. That would not be possible without the outstanding leadership and mentoring of my managing director, Dan Reed."

In turn, Reed said: "Molly is moving into a head of platform role for us. She is just been promoted into that role because she has effectively been, as you put it, the glue that holds our unit together for the past couple of years.

"Her relationships to our internal business units have been critical, and she constantly takes the initiative to improve our operations and our external network. As head of platform, her expanded new role, she will oversee our internal business development, our support for our portfolio, and the expansion of our sourcing and partnership network.

"It is a big step up from her current role as senior analyst, but one she is definitely earned through her consistent 'roll up the sleeves' approach and sense of ownership that she always displays."

Lahr joined the American Family Ventures team in January of 2015 as a senior analyst after a year working for startups, Gillware Online Backup and Branch2, in the health technology and software space and two years as a director for the Wisconsin Innovation Network, a membership subsidiary for the Wisconsin Technology Council where American Family Insurance is a major contributor.

Lahr, who is also an adviser to US trade body the National Venture Capital Association's corporate venture group, said her interest in the venture world started when she was a junior at Creighton University and selected value investing as her track within my finance major.



Creighton is based in Omaha, Nebraska, home of Warren Buffett, a value investor who runs the Berkshire Hathaway conglomerate.

And, perhaps similar to how Berkshire Hathaway recycles cash from its insurers to other long-term holdings, Lahr said: "By accepting the head of platform role at American Family Ventures, I feel that I am beginning my journey into the next phase of my career in CVC.

"Building a platform that enables the deal team to move quickly, strengthen its value offering, and leverage enterprise assets will be a difference maker when competing for high profile deals.

"Beyond the ability to move quickly, CVCs need to leverage the platform to move from a 'push' to a 'pull' relationship with the core business."



## Changhan Lee, investment manager, Hyundai Ventures

The purpose of Global Corporate Venturing Rising Stars 2017 was to shine a light on the talented people working at the new units or below the top rank and hear their views and insights on the work being done and ideas developed that will change the industry in the future.

John Suh, executive director at Hyundai Ventures, the corporate venture capital unit of South Korea-based car company, understood this spirit when he nominated Changhan Lee for Global Corporate Venturing Rising Stars 2017.

As Suh said: "He is one the silent ones in the world of global corporate venturing. He is based in Korea and so does not get the attention that my staff in Menlo Park [in California's Silicon Valley] gets.

"Changhan is one of most thoughtful, humble CVCs I know. He has led or supported several important investments made by Hyundai Motor Company.

"It is a shame that he is not able to meet and mingle with the CVC crowd in Silicon Valley. I would very much like to see him get recognition even though he is virtually unknown in the CVC community and likely not in the database of CVCs or industry professionals."

Lee said he joined Hyundai Ventures as an investment manager six years ago. "My organisation's goal is to introduce new technologies and apply to mass production, giving our current potential customers with exciting experiences and performances. The greatest success is that we keep the adoption ratio of new tech to vehicle at over 50%. More than half of our portfolio companies have on-going business relationship with the mothership, Hyundai Motor.

"The biggest challenge is that CVC can take a long time to invest in startups because of high complexity, due diligence and internal approval process.

"These internal procures and hierarchy are challenging, but by building internal trust and reputation within the company, we were successfully able to meet the needs of startups as well as our investment committee."

However, with the automotive industry "now facing with dramatic industrial change," the role of CVC within Hyundai has been increase "from just sourcing new technology to leading development teams to innovate within".

Lee majored computer engineering in the Kyungbook university and started his career as an information technology engineer in Hyundai Motors after receiving his MBA from Yonsei University.





## Judith Li, partner, Lilly Asia Ventures

The investment stars have often been those who understand how to unlock value from combining ideas and syndicates across borders and industries.

Judith Li, a partner at Lilly Asia Ventures, a regional corporate venture capital unit set up in 2008 by a pharmaceutical company in the region and now with three funds sponsored by US-listed drugs group Eli Lilly, has already shown how this can work.

She said for her GCV Rising Stars 2016 award: "In Fund III, we are pioneering a few innovative cross-border deal structures that can help leverage each geography's unique strengths.

"Using these structures, we will be able to bring in some truly cutting-edge technologies into the China market – something that has never happened before. Several of our investments have already increased significantly in value, indicating the potential that can be unlocked.

"I think there could be an era of better cross-industry collaboration coming. Healthcare has always been overly siloed and strong syndicates of CVC could help bridge leading corporations across different sub-industries. Particularly in Asia, having an investment from and being affiliated with a strong multinational brand is attractive to young companies. Our Lilly connection is a powerful platform in securing deals and providing post-investment value-add."

Deals over the past few years indicates this thesis. Last year's deals included three in the US:

- Maryland, US-based Nextcure, which focuses on the development of next-generation immune-oncology therapeutics using a proprietary platform developed at professor Lieping Chen's laboratory at Yale University.
- TMunity, which spun out from University of Pennsylvania last January to focus on the immunological potential of T cells to treat a wide range of diseases.
- Fortis, a California-based early-stage biotech whose lead asset is an antibody-drug conjugate for the treatment of prostate cancer and multiple myeloma and raised \$18m in September.

Building on this theme, her colleague, managing partner Fei Chen, also last year led a \$20m series A round for Singlera Genomics, a US-based developer of genetic testing technology.

Li also sits on the board of US-based Just Biotherapeutics, which added \$14m to its A round in July, and Veritas Genetics, which raised \$30m in October having scanned a whole genome for less than \$1,000.

In Asia, Li sits on the boards for Taiwan-based CVie Therapeutics, a subsidiary of Lee's Pharmaceutical, and US and China-based Crown Bioscience.

Naturally, it is hard work to manage the distances involved. Li said her challenge was "staying afloat among three time zones, and fighting the perpetual jet lag" and, with her husband Ben, splitting her time between Hong Kong, Shanghai, and the Bay Area.

Travel had been less intensive at her former role for two years at Boston-based Partners Healthcare, which followed her BA in neurobiology from Harvard University and MBA at the business school there and then work at management consultant McKinsey.

Darren Carroll, now senior vice-president of corporate business development at Eli Lilly who had originally started the global corporate venturing programme back in 2005 and earlier developed the open innovation market in physical sciences through spinning out InnoCentive, had recommended them both for the Rising Stars 2016 award. He said: "They [Li and Chen, who report to Yi Shi, founding partner of Lilly Asia Ventures] have been very active and I expect them to remain so."

Li concurred. She said her ambition was: "To continue building solid companies in healthcare, which by its nature will always be a pillar industry in any economy. Particularly in China, there are still so many white spaces where good global products are not widely available."







## Franklin Luzes, chief operating officer, Microsoft Participações

For a country with a relatively nascent entrepreneurial and corporate venturing ecosystem given its size and economic importance, Franklin Luzes has done much to support both startups and investors.

Luzes joined US-listed software developer Microsoft in October 2002 as part of its developer platform and evangelism organisation then spent seven years working with independent software vendors in Brazil and Latin America.

In 2010, he then took on the role of InnovAction lead in Brazil, “where I was responsible for promoting the spirit of innovation for the entire Brazilian subsidiary, resulting in the generation of ideas and actions that added value to Microsoft, its employees, partners, customers, and consumers”.

Then, since 2013, Luzes took the post of chief operating officer at Microsoft Participações, a wholly-owned investment subsidiary of Microsoft Brasil, which was set up to bridge the gap between innovative entrepreneurs and professional investors by developing a so-called micro-VC fund, BR Startups.

This fund, therefore, provides pre-seed and seed capital investment opportunities to the Brazilian startup ecosystem and Luzes said it was “the first multi-corporate venture capital initiative established in Brazil”.

Last year, US corporations Qualcomm and Monsanto joined Microsoft as investors in BR Startups, as well as Brazilian institutions, such as Algar, Votorantim Bank and Rio de Janeiro Development Agency.

Luzes, who is married with three children, said: “The BR Startup Fund is meant to provide one of the most robust contributions to nurture an innovation and entrepreneurship ecosystem in Brazil.

“The competitiveness of a company and the health of the communities around it are closely intertwined. A business needs a successful community, not only to create demand for its products but also to provide critical public assets and a supportive environment. On the other hand, a community needs successful businesses to provide jobs and wealth creation opportunities for its citizens.

“Therefore, the Brazilian Micro-VC Fund (BR Startups) places this principle at the forefront of its operating model by establishing strategic partnerships, both in private and public sectors in order to implement a ‘shared risk and shared return’ model to further enable local cluster development. It will benefit entrepreneurs, investors, corporations and government thus generating positive impact in the economy and advancing the startup ecosystem development in Brazil.”

The BR Startup Fund, through its Acelera Partners investment holding company, has invested in ACE, formerly known as Aceleratch, which was elected the Best Latin American Startup Accelerator for three years in a row – 2014, 2015 and 2016.

ACE’s exits include Axado acquiring Shipfy, Gust buying Fundacity and Glassdoor buying LoveMondays.

A successful entrepreneur himself, Luzes has taken a similar approach to “convincing and getting the formal approval of Microsoft in 2013 to create this innovative project.

“We had to divide the fund-raising of the BR Startup Fund into two phases, initially a minimum viable product (MVP) of the concept then a growth investment to scale up the BR Startups Fund. At this moment, this is exactly the stage that we are now here in Brazil.

“Finally, we had to face the reality that Brazil does not have a mature local startup ecosystem. Thus, we had to deal with inherent conditions such as:

- Lack of experience of the entrepreneurs and only a few are serial entrepreneurs.
- Highly mortality rate of startup companies in Brazil.
- Brazil does not have a solid track record of successful startups with global scale.
- Brazil has no unicorn startup – one valued at more than \$1bn.
- Brazil has no local Nasdaq and no Brazilian startup is listed on Nasdaq.

“In a nutshell, it is an uphill battle to be an entrepreneur in Brazil.”

Prior to Microsoft, Luzes was the co-founder and CEO of an online learning company in Rio de Janeiro, MHW, for seven years, going through two rounds of venture capital its sale to Xerox.





## Russell MacTough, managing director, Liberty Mutual Strategic Ventures

The power of good role models is hard to overstate. For Russell MacTough, managing director at Liberty Mutual Strategic Ventures (LMSV), the \$150m corporate venture capital unit of US-based insurer Liberty Mutual's global consumer markets business, he was "fortunate enough to work alongside one of the best CVCs in the business, Bill Taranto of Merck GHI, while I was at Silicon Valley Bank".

He added: "Seeing how CVC married corporate strategy with venture capital investing was really exciting and since that time I have wanted to get into a CVC role."

It took MacTough a little time to find his way into corporate venturing but joined LMSV in July 2015 ahead of its launch.

Previously, he spent about 18 months as a vice-president at fintech specialist Morgan Partners having previously spent six years at Silicon Valley Bank becoming founder and head of CVC advisory services business in the Boston region near Taranto's office.

Daniel Robinson, managing director of mergers and acquisitions and venture investments at Liberty Mutual Insurance, said: "Russ played a critical role in the launch of LMSV this past year. He has been instrumental in crafting a vision and embodying a culture/approach that supports both the start-up ecosystem and Liberty Mutual's innovation efforts alike. Russ will continue to be the driving force to continue expanding our venture efforts as we deepen LMSV's presence within the venture community."

MacTough added: "Since we are brand new in the market our greatest success is that entrepreneurs and other investors like working with us, and that has opened many doors for us. Launching the fund and closing our first four investments were all tactical wins, but for us to truly succeed long-term our reputation amongst our peers is critical.

"Any CVC, and especially a new one without a track record, needs to be 100% transparent with the market and if you say you are going to do something you had better deliver."

These four deals included auto claims assistant Snapshot's \$20m series C round, home awareness sensor maker Notion's \$3.2m seed round and smart locks maker August's round.

But with technology helping out around the house might be useful given MacTough's family life. "Before I had kids I had a lot of interests. I cannot quite remember what they were because, happily, I now invest whatever free time I have in my family."



## Daniel Malandrin, vice-president of Bradesco Private Equity and head of Bradesco InovaBra Ventures

It can seem an abrupt shifting of gears to go from working on more than \$7bn of mergers and acquisitions and capital markets deals as an investment banker to deciding on which startups will receive \$300,000 to \$1.5m in return for a minority equity stake in their seed or series A rounds.

But it is one Daniel Malandrin, vice-president of Bradesco Private Equity and head of the R100m (\$30m) Bradesco InovaBra Ventures, has carried out with aplomb managing all aspects related to funds of proprietary committed capital, including decisions related to some of the invested companies

Malandrin, who received his MBA from University of California Berkeley after a degree in business administration from Universidade de Sao Paulo, said: "Prior to my current position, I was a vice-president at the investment banking arm of Bradesco, Bradesco BBI, where I originated and executed transactions totaling \$7bn-plus both in capital markets and M&A.

"Two years ago, Bradesco Innovation Team invited me to participate in the InovaBra Program. This ultimately



led to my participation in the development of InovaBra Ventures, our CVC initiative. I highly value the opportunity to work with the innovation team in such an exciting project.

"Financial institutions are facing more challenges nowadays, with the increasing number of financial technology startups launching competitive products and services for the local and global markets. Therefore, it is a great time to work in CVC, particularly in fintech.

"I also highly value the opportunity to meet and work with bright entrepreneurs and to assess disruptive and new technologies and business models that will potentially generate great returns on the investments and provide strategic benefits to Bradesco.

"I believe that my background in technology and consulting, my experience living and working in San Francisco Bay Area, along with my 10 years working in investment banking and private equity at Bradesco, including at internal projects, will contribute to the success of the project. Moreover, I am happy to be part of and contribute to the evolution of the CVC and VC industry in Brazil."

Previously, Malandrin worked in management consulting and technology at EY and Multirede.



### **Chris Martin, director of venture investment and mergers and acquisitions, General Communication**

Chris Martin's promotion to director of venture investment and mergers and acquisitions at General Communication, a US-based phone company, in November followed a rapid transition into the company and use of his skills by his boss.

Laurel Buckner, vice-president of corporate venture investment and mergers and acquisitions at General Communication, said: "We recently made an investment with Microsoft Ventures [a \$9m series B round for text assistant Zipwhip] and Chris's financial acumen and insight played a key role in the investment.

"Chris has been able to leverage his background in investment banking and corporate development at Hulu and Starbucks into evaluating and investing in startups. He is curious about new technologies and is able to understand market dynamics and make sound investment decisions. He is a critical team member of our corporate venture investing group.

Martin joined General Communication in 2015 as a senior manager in Buckner's team following two years at coffee retailer Starbucks and similar roles at online video company Hulu and Univar and a relatively short stint as an investment banking analysts.



### **Antoine Maurel, investment manager, Orange Digital Ventures**

There are few areas of venture finance as exciting as financial services – fintech – and Africa and it has fallen to Antoine Maurel, investment manager at Orange Digital Ventures, the corporate venture capital unit of the eponymous France-based telecoms operator, to cover both.

Yann Kandelman, head of investments and development at Orange Digital Ventures, said: "Antoine is in charge of all fintech as well as Africa-focused investment opportunities.

"In addition to venture, he also works in my team on some corporate development opportunities. In this context, he recently coordinated our €75m (\$80m) investment in Jumia, and he is now representing us as a board observer in the company. So I would definitely say he is a rising star."

Founded in 2012, internet company Jumia is also backed by strategic investors Axa, Goldman Sachs, Millicom, MTN and Rocket Internet.



Maurel said he had been in the team of three who created the Orange Digital Ventures fund in the beginning of 2015.

Beyond helping in the launch, Maurel said his successes included “helping five of our startups in which we invested to make the most of the Orange group assets and help three of them as a board member, which is a heavy responsibility”.

His five deals are point-of-sale service Wynd, crowdfunding platform Kisskissbankbank, online video provider Afstream, blockchain development company Chain and fintech company Afrimarket.

Climbing the peaks and troughs of dealmaking seems to have come naturally for Maurel, a “big fan of mountaineering” and a former consultant at Sofrecom who joined Orange, one of its clients, in 2008.

And he said he was attracted to corporate venturing as “I have always been tech savvy and did an engineering school”.

He went on: “I became very interested in startups, reading a lot of tech articles when I was in my previous position at Orange as a partnerships manager involving Amazon, LinkedIn, Foursquare, Wikipedia. The strategic side and the outputs of a deal for a corporate makes the job even more interesting.

“Second, I had the opportunity to participate to the creation and the launch of the initiative at Orange which was a huge challenge and a great adventure.”

However, dealing in parallel with all the different tasks which are encompassed as an investment manager is a challenge, as is “explaining internally how we can work properly with a startup, why we are on startup’s side in front of Orange and explain the VC world rules to our internal partners”.

As a result of such experiences, he gave three tips for others. “CVCs should never force the synergies with the corporate before the startup is strong enough to be able to deal with the corporate in addition to other customers, they should protect their startups from the burdens of the corporate and make the most of their assets – be clear, reassure and ensure that sensitive information from the startup does not flow from the startup to the corporate, and they should make investment decisions as fast as possible.”

## James McClurg, head of Investments, Sky



The intense nature of venture investing means it can be hard to switch off even when nominally on holiday. It is, therefore, perhaps understandable that James McClurg, head of Investments at UK-listed media company Sky, would feel the need to list as his hobbies “travelling to new and exciting places, which, to be clear, are not just tech hubs”.

Sky, an entertainment and communications business in 22 million homes across UK, Ireland, Germany, Austria and Italy, was under offer at an enterprise value of £18.5bn (\$22bn) from shareholder 21st Century Fox in mid-December.

The £10.75 per share offer was more than 50% up on the 700p offer made in 2010 by Fox’s predecessor, News Corp, and reflected the growth of the company and ability to tap into future opportunities, such as through venturing.

Commenting before Fox’s takeover approach was made, McClurg said: “I was hired to join the founding team [of the Startup Investments & Partnerships unit] in 2013 after Sky made a few opportunistic investments.

“Following those initial deals Sky wanted to systematically identify, invest and partner startups across the US and Europe; creating partnerships to drive innovation, new revenue opportunities and costs efficiencies.

“The ability to truly add value to and work with the startup following the deal, through the business relationship with Sky, was the main attraction in joining the team.

“Also the opportunity to work with really interesting people, both from the startup and from the business, both of which are at the top of their game and have huge experience / insights – these combined perspectives have led me to develop and learn a lot.





"As a relatively new unit we have had some good early success over the last three to four years, including five exits to date, two in particular to note are: 1 Mainstream, acquired in October 2015 by Cisco, and Elemental, acquired the same month for \$269m by Amazon."

McClurg said Sky had investments in 19 startups in the US and Europe and two boutique funds. He picked out as a successful deal its investment in a virtual reality startup, Jaunt, in 2013, which led Sky to set up its own virtual reality studio and launch a VR app as well as striking a commercial deal with the startup.

He added: "Our investment in and work with online video startups led us to create our own social-first channel in partnership with a startup, Whistle Sports, and to also complete commercial deals to carry online video on Sky's core platform."

McClurg added that Sky had rolled out a new native advertising format following its investment in Sharethrough and also became an international partner for Roku, white-labelling its set-top box and distributing Sky's contract-free proposition, NowTV, across Europe on the box.

However, such active dealmaking requires McClurg and the team under Emma Lloyd to be "keeping a constant focus on identifying and driving big and strategic opportunities for Sky."

"Due to the highly integrated nature of our business we receive a wide-range of inbounds, we need to spend the majority of our time on what could be transformational opportunities (either today or in the future) which will truly benefit Sky and the startups we work with – and be wary to not get caught up in lots of tactical or short-term conversations, especially given the small size of our team."

As to what else would help the industry, McClurg said: "It would be great to have more connections made among the more junior people in CVC, those below the lead of the unit, so as to increase dealflow sharing, success and challenge stories and building relationships for the next wave of corporate venture unit leads – and of course to have some fun."

He and Global Corporate Venturing are preparing the first such networking drinks in March to complement those already held by GCV in Silicon Valley every few months.

But for those travelling through either location, both are definitely tech hubs rather than pure holiday destinations.

## Brad McManus, investment director, Motorola Solutions Venture Capital



Search engine provider Google might be among the most active acquirers of technology companies with at least 190 deals but to manage two portfolio company sales to it in three months is a feather in the cap for Brad McManus, investment director for Motorola Solutions Venture Capital (MSVC), the corporate venturing unit of the eponymous public safety and commercial communications and intelligence service provider.

Reese Schroeder, managing director of Motorola Solutions Venture Capital, said: "Though he is a CVC veteran with 12 years at the helm of Panasonic Ventures, he has been with Motorola Solutions for two years. Since joining, Brad has completed three deals and oversaw two key exits. He has brought some new thinking to our team and has proven to be a valuable asset. I would recommend him for this honor this year."

McManus, who is MSVC's Silicon Valley-based venture partner, said: "The two managed portfolio companies, API.ai (Speaktoit) and Eyefluence, were both successfully acquired in the by Google fourth quarter of 2016."

"API.ai is a leader in the natural language processing space and prior to exiting, Motorola Solutions engineers collaborated with API.ai to develop our proprietary speech-based interface platform. This platform is an example of a solution that allows our customers to interact with technology while keeping their 'eyes up and hands free'."

"The other company that was acquired by Google was the eye interaction technology innovator, Eyefluence, which developed one of the most advanced eye tracking technologies for augmented / virtual / mixed reality use cases."



"Motorola Solutions collaborated with Eyefluence to develop a prototype platform that was incorporated into a compelling proof of concept. It imagines a public safety command centre in a virtual reality headset, and the virtual environment is controlled hands-free using eye interaction technology."

McManus said: "My three new deals were Orion [a \$9m round in February last year], Seamless Docs [a \$7m B round in May] and a third company not publicly disclosed as of today [mid-December]."

McManus has had a long history of combining financial and strategic goals. While with Panasonic's ventures team from 2002 to 2013, he said he invested in electric vehicles maker Tesla, "which generated over \$300m in VC gains".

He added: "More importantly we aligned Panasonic's battery division with Tesla, which resulted in a major lithium ion battery partnership and the creation of the GigaFactory in Nevada, where the governor of the state estimated that the plant would generate \$100bn in economic benefit over two decades from the construction of the factory (source: LA Times)."

But success for the corporate venture capital parent has come by keeping an eye on the startups' needs. McManus said: "My initial exposure to CVC was when I was associated with an early online payments startup that became a portfolio company of the Panasonic Incubator in 1999.

"Experiencing first-hand how a corporation and startup can work together for win-win outcomes made a strong impression on me. Startups at any stage of development and growth can generate significant mutual benefits for both parties.

"For early-stage companies, the credibility, industry and product / market advice can be invaluable, not to mention access to other players in the venture ecosystem. As I transitioned from the startup side of the table to the venture investment side, it was helpful to have an understanding of CVC from a startup's perspective.

"I hope to continue to learning from entrepreneurs and innovators through the experience of venture capital investing. It is a genuine privilege to interact with some of the brightest people around the world who are starting early-stage companies. All of us in the venture industry have a unique opportunity to be a part of next-generation technologies and business models, which have the potential to disrupt existing industries and change the way the world works.

"To strengthen our industry, CVCs should strive to evolve professionally in our capacities as venture investors and strategic partnering thought leaders. We should all work to maintain the highest levels of credibility and reputation (of not just ourselves but of the entire CVC community) by setting the example in how we interact with startups, our portfolio companies, venture capitalists and all related stakeholders.

Prior to joining the venture group at Panasonic, and subsequently at Motorola Solutions, McManus was an institutional public equity investor for a large trust company, and then at an investment firm that I co-owned in Malibu, California.

## **Kyounghee (Kay) Min, director of corporate development, Cisco**



Kay Min joined the Cisco corporate development team in 2011 and is responsible for all of Cisco's acquisitions and investments in routing, optical networking, and photonics markets which continue to display dramatic increases in speed and component integration.

Min also has the geographic responsibility for Canada. Her extensive experience in roles of increasing responsibility in the product development and product management sides of optical networking includes both large companies – Pirelli and Lucent – as well as startups, Photuris, as a founding team member, and Mahi. A transition into investment banking and venture capital investing further broadened her experience.

She earned an MBA from Georgetown University and a BSc in ceramic engineering from Rutgers University.





## Vartan Minasyan, head of investment and innovation, Kaspersky Lab

The marriage of entrepreneur and investor is a study of psychology and people’s motivations and a subject of enduring fascination for Vartan Minasyan, head of investment and innovation at Kaspersky Lab, a Russia-based cybersecurity company.

While being an electronics engineer out of Moscow Mining University, in information technology for 20 years, Minasyan said he had been a wedding photographer years ago and, “personally, my biggest interest in the people’s motivation, as it is not very predictable.

And in a financial world where most accelerators take 6% to 10% of a startup’s equity for the insights shared during the programme, Minasyan, perhaps predictably, went the other direction in its corporate venturing capital initiative when he became head in August 2014, seven years after joining Kaspersky.

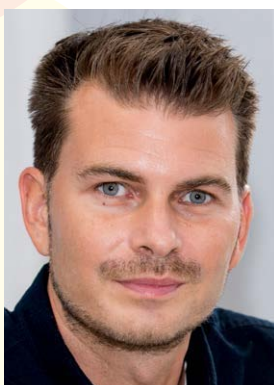
He said: “CVCs should differentiate stronger from VCs, moving from financial to strategic goals, playing a more important role in open innovation activities.

“Also, CVCs should give back more to the ecosystem and engineering community, as corporations have generally longer strategies than VCs – creating free acceleration and pilot programs with every possible case and cause.

“For me, CVC is a matter how big corporation can give back to a technological community, resulting in new products and new business. Uniting energy of a startup and experience of a corporation is a very interesting professional task as sometimes you have to align forces that originally trying to fight or avoid each other.

“I am proud of two things that happened for the last year: First, we saw over 600 startups of our interest with some of them now building pilots with us or out partners and, second, our own Kaspersky Start acceleration program, which helps earliest-stage entrepreneurs build their first startup with help of a large company, had no charge or equity taken.”

But even with such apparent alignment with founders wanting to hold on to their stock, Minasyan said his biggest challenge – “always” – was to “align the pace of a corporation and startup without breaking both of them”.



## Paul Morgenthaler, senior investment manager, CommerzVentures

After decades of trying to cross successfully between banking and insurance, companies are increasingly hoping the more digital future for financial services will at last make it easier. Germany-based bank Commerzbank is one looking at this future with expectation, with its corporate venturing unit having in March last year released a white paper on Transforming the \$4 trillion insurance industry.

And high hopes rest on Paul Morgenthaler, senior investment manager at CommerzVentures, to help them do this. Morgenthaler said: “My role at CommerzVentures involves helping to define our investment strategy and hypotheses around specific sectors within fintech and insurtech, identifying startups that are a fit for our investment strategy and leading the investment process, including due diligence, negotiations and management of the portfolio.

“What attracted me most to CVC was the opportunity to build and execute a focused investment thesis around fintech and insurtech. I am convinced that a clear sector focus helps us to identify the best opportunities early and to add value to our portfolio companies, which will ultimately translate into strong returns.

“In addition, the brand and reach of our LP, Commerzbank, helps us to access the best opportunities, as we can offer our portfolio companies very tangible benefits, especially around bank partnerships, business development and low-cost customer acquisition.”



Patrick Meisberger, managing director at CommerzVentures, said: “Paul has shown a phenomenal development since starting at CommerzVentures early 2015. As a refreshingly non-corporate guy, but with deep understanding of the financial services and insurance industry, he has developed a great sense for sourcing disruptive and successful technology startups and where they can help corporate organisations such as banks to transform into a more digital future.

“This is, in the end, what corporate VC is about: finding and investing into the best companies and helping to transform their corporate organisation.”

Morgenthaler has completed nearly half of CommerzVentures’ seven deals since it started in 2014. His current investments include digital insurance manager GetSafe when it raised less than €10m (\$12m) in October 2015, fintech lender Iwoca as part of its \$20m round in July 2015 and banking platform Mambu, which raised €8m in January last year.

In a traditional VC fund carried interest – performance fees – are often paid out on a deal-by-deal basis, which means Morgenthaler could reap significant benefits if these deals as well as the overall fund does well. He said: “CommerzVentures is set up as a pure financial investor, with a classical general partner-limited partner [fund manager and investor respectively] structure with Commerzbank as our single LP. As [with] my colleagues in the investment team, I have contributed a significant share of my own personal wealth to the fund, therefore this is a very entrepreneurial setup. Given my own entrepreneurial background, I enjoy this setup very much.”

Previously, Morgenthaler was running two fintech startups, PSR Rating and Pauls Way, in credit rating and consumer financial education, respectively. Between these, he was a consultant at Boston Consulting Group and then, just before joining CommerzVentures, had been chief scientific officer at research company Finanztip.

But the focus now is on “building my track record, by doing successful investments, adding value to our portfolio companies and being a helpful resource to the broader ecosystem”.

He went on: “In venture capital even the best companies in your portfolio sometimes face difficult situations. I believe it is key to recognise which companies face temporary headwinds versus those that face challenges on a more fundamental level.

“Returns of our fund will be driven by the right decisions on which companies to double down on, even more so than by the initial selection of companies. Therefore, it pays to stay as close as possible to our portfolio companies and to really understand their situation. This is not always easy, given our portfolio is fast growing and dispersed over Europe, US and Israel.”

Fortunately, Morgenthaler enjoys travelling, having visited more than 60 countries, to go alongside his outdoor pursuits of running, hiking or mountain-biking and volunteering for social causes, specifically in education for children from under-privileged backgrounds.



## Pramila Mullan, senior principal, Accenture Ventures

Successful management consultants have a near-genius ability to take a faintly pejorative term and turn it into something that sounds great.

Pramila Mullan, senior principal at Accenture Ventures, the corporate venture capital unit of the eponymous consultancy, said: “I will gladly admit I am a tech geek, or, as we like to refer to at Accenture, ‘one of the cool kids’.

“In September 2015, I joined the Accenture Ventures team. Accenture Ventures accelerates the adoption of growth-stage enterprise technology innovations. My first year in CVC has provided me the opportunity to embrace and uncover a whole new set of skills. I am building relationships with startups, entrepreneurs, investors, academic R&D, venture capitalists and corporate R&D groups around the world. It is an exciting time to be in CVC, and I just love it.



"We are a small team of two generating significant results. In my first year, we have completed 10 deals in major technology areas, such as blockchain, security, new IT, vertical cloud, etc.

"This required developing a very efficient and streamlined investment process from deal identification through due diligence and closing always with an eye of ensuring a portfolio that had a positive return on investment.

"Having spent most of my career in research and development, this move to CVC required me to climb a learning curve of due diligence quickly. The technology part was easy for me at least. I was feeling armed with the right set of skills to conquer any challenge.

"The financial and legal due diligence required wading through a sea of terms – cap table, valuations, term sheets, *pari passu*, – a myriad of terminology. Some days I longed to be back in my comfort zone with my robots and research. It was not always easy, but I knew I had to get up to speed quickly."

Michael Redding, managing director for strategic technology innovation at Accenture, said: "Pramila is new to CVC but she brings a depth of experience in enterprise technology having previously worked at Bell Labs, Orange Labs, Cisco, and Accenture Technology Labs.

"What makes her special is a keen perspective on the enterprise technology landscape so that when we are evaluating a sector, for example, artificial intelligence (AI), development and operations, or a specific startup she can rapidly home in on a candidate with significant potential – both in the market and as a partner to Accenture, a priority for our CVC approach.

"A great example was last spring when we were looking hard at the AI domain. Pramila spotted Nervana Systems and helped launch an in-depth review and technical due diligence with them. Her instincts were spot on as just a few months later, Intel validated her choice by acquiring them for \$350m.

"Bottomline, Pramila combines a detail-oriented research mindset with a strong enterprise experience base to enable us to find high quality investment candidates and future partners."

Before joining Accenture Ventures, Mullan was a senior principal in Accenture Labs from June 2012 focused on research related to internet of things (IoT) and digital health.

She has been a technology executive in research and development at both startups and telecommunications service and equipment providers, such as AT&T Bell Laboratories, Cisco, Motorola, and Orange Labs, through her career before that.

Indeed, she used to work with Jitendra Kavathekar, managing director of open innovation at Accenture, while both were at Motorola in the mid-2000s, when Kavathekar gave her the recommendation. "Pramilla brings an excellent combination of domain expertise, can-do mentality, and ability to connect 'what if' to real business objectives."

While she wants to become a partner at a CVC, Mullan said: "As a woman in technology, and now CVC, I think it is important to give back. I want young women to see the exciting work I am doing and know they can do this too."



## Arvind Nagarajan, director, Pearson Affordable Learning Fund

Humility combined with power and responsibility is a powerful combination and Arvind Nagarajan, director at Pearson Affordable Learning Fund, a corporate impact venturing fund within Pearson, the world's largest education company, recognises the need for both.

Katelyn Donnelly, managing director at Pearson Affordable Learning Fund (PALF), which invests in entrepreneurs that are establishing innovative affordable learning services in emerging markets, said: "He is the investment director at PALF and leads on India and Latin America. He has had a big portfolio win this past year with Karadi Path, an English language learning company, being very successful."

Karadi Path was PALF's 10th investment in November 2015 when it raised \$2.3m in its series A round. Last





summer, Karadi Path was one of two Indian startups – the other being Guru-G – selected to be part of Project Literacy Lab, an accelerator for entrepreneurs dedicated to closing the global literacy gap by 2030 in which Pearson is offering mentoring.

Founded in 2011, Karadi Path now operates in more than 1,200 schools, both private and government-run, across eight states in India, reaching at least 200,000 students this school year. Karadi Path also trained over 6,000 teachers.

Nagarajan joined PALF in the summer of 2013 and said he “was attracted to the idea of combining the power and responsibility of being a capital allocator with deep sector expertise.

“I think working with entrepreneurs is an amazing responsibility and privilege, and doing so while building real domain expertise – in my case, in education – makes you a more valuable investor.

“My biggest challenges have been learning to be a better portfolio manager. It requires knowing when to listen, when to push, when to be there, when to provide space. Especially in areas where emerging market startups tend to struggle like human capital, it can be difficult to play a productive support role.

“I think CVCs could be more honest with themselves and entrepreneurs about their goals. CVCs are not a single species – some are more strategic in their outlook while others are more commercial, some align closely to their business units while others do not.

“But it is important for entrepreneurs to be on the same page from day one on what CVC is looking for in relationship – otherwise, future funding rounds, exit scenarios and other situations get a lot more complicated.”

But, while Nagarajan is a GCV Rising Star 2017 at work, in his spare time things are proving harder. “I love playing sports, including tennis, basketball and hockey. While each year sees my limited skills diminish further, I still really enjoy playing.”

## Christian Noske, partner, BMW i Ventures



One definition of a Global Corporate Venturing Rising Star is their speed of promotions and Christian Noske, partner at BMW i Ventures, the corporate venture capital unit of the eponymous Germany-based car maker, is off to a fast start.

Following a promotion in 2015 to investment principal at the car manufacturer’s venturing unit, and selection for last year’s GCV Rising Stars 2016 awards, Ulrich Quay, managing director of BMW i Ventures, said: “Christian is the right candidate for 2017’s awards. He has identified great deals and taken over board seats, for example Scoop and Rever, and can click with startups, investors and big corporations alike. Christian is also a great pleasure to work with!”

In July, BMW i Ventures made a strategic investment in Rever Moto, a US-based motorcycle-focused trip planner.

In May, US-based carpooling app developer Scoop Technologies raised \$5.1m in a round featuring the corporate venturing subsidiaries of BMW and enterprise software producer Workday.

New to corporate venturing when he joined BMW four years ago, Noske, therefore, has found himself having a sizeable impact as part of BMW i Ventures’ internal, four-member investment committee.

Based in New York City still, Noske said he spent a lot of time on the west coast, where Rever and Scoop are based – in Colorado and California respectively – and i Ventures’ new headquarters in Mountain View, the town where search engine provider Google’s headquarters are also located.

It is perhaps an appropriate location for i Ventures to be given Google, through its Alphabet parent company, has spun off its self-driving project as a new company, Waymo, and through its corporate venturing units, GV and CapitalG, has sought institutional freedom from the parent providing the money.

And Google’s corporate venturing approach has been a model for BMW.



"A lot of corporate venturing units work in the same way and make the same mistakes. They all start by saying 'we want to be very protective, we want to keep it close to the company,'" said Noske for his GCV RisingStar 2016 profile. "If you are coming from an industry, such as car manufacturing, that is an older industry, we have a tendency to set up corporate venturing units so they are not as dedicated as perhaps Google or Intel are."

For this year's award, Noske said his success was just this evolution. "I was part of the BMW i Ventures evolution from a first-generation CVC unit to a CVC unit with complete autonomy and institutional investor processes.

"With our new set-up we have the tools to play at the top of not only CVCs but the entire VC industry. My goal is to prove that CVC can be as financially successful as the top intuitional VCs and at the same time achieve strategic goals and drive value for the corporation."

Studying economics and computer sciences at Stuttgart, Germany, Noske went on to business development roles before finding an interest in consumer product development at Germany-based industrials group Robert Bosch.

In addition to BMW i Ventures, Noske said he was an active angel investor and, when not working, liked hiking, cooking and beach volleyball. He drives fast enough at work.



### Gladys Nunez, principal, Amgen Ventures

Starting in a bioscientist position at Anglo-Swedish drugs group AstraZeneca after graduating from Southampton University, Gladys Nunez found her home at Amgen two years later when she joined the firm as a biochemist in 1997.

In 2002, Nunez joined the company's business development unit, and has completed numerous deals for the company over the past 13 years, focused on discovery, development, and commercial applications in life sciences. She also managed Amgen's Academic Alliance Group, an initiative to build bridges between academia and industry through the establishment of comprehensive academic alliances, for two years from 2008 before becoming a principal at Amgen Ventures at the end of 2014.

She said on her updated LinkedIn profile: "One of my focus areas is also working closely with Amgen's digital health organisation which has been established over the past two years supporting alliances with key digital health venture groups and organisations."

Since moving, Nunez has helped judge PathoVax's innovation RGVax technology as the top winner at Harvard's Healthcare Innovation and Commercialisation workshop.

For more than a decade, Amgen Ventures has invested in more than 30 emerging biotechnology companies to advance promising medicines and technologies.



### Arthur O'Keefe, chief financial officer, Movile

"Mergers and acquisitions without integration" sounds like trying to have your cake and eat it – to have the excitement of chasing and closing a deal without worrying about the consequences of trying to make it fit in with its new parent.

This formula, though, is the secret raising agent behind Movile's cake becoming larger, with much of this success to the Brazil-based internet conglomerate's chief financial officer, Arthur O'Keefe.

Fabricio Bloisi, chief executive at Movile, for O'Keefe's GCV Rising Stars 2016 nomination said: "Movile's growth and innovation strategy has bet highly on corporate venture to accelerate our entrance in new business, new markets and to experiment with technology innovations. Arthur is in charge of mergers and acquisitions in Movile."



Movile is a Brazil-based mobile commerce provider covering food delivery, same-day delivery, ticketing, children's education and logistics and has been backed by South Africa-based media and commerce company Naspers since 2008.

O'Keefe said he joined Movile four years ago to help start its strategic corporate venture capital and mergers and acquisitions programme. He said for his 2016 award: "We also work closely with the chief executives and chief financial officers of our invested companies in deals there.

"CVC is about reinvention. I love the idea of the phoenix rising from its own ashes and think of the CVC process in this manner. We take people, learning and capital from previously successful ventures and reinvest them into a new future through partnering entrepreneurs who have great ideas and want to accelerate the process.

"In this way, the role is filled with optimism and excitement as we create hypercharged companies by taking something already moving fast – a company – and accelerate it beyond what anyone thought was possible by adding great people, additional capital, proven processes and super aggressive strategy, particularly mergers and acquisitions."

iFood, was Movile's first CVC investment, and last August it raised another \$30m from investors including UK-headquartered counterpart Just Eat as well as Movile. Founded in 2011, iFood at the time of the \$30m round delivered some 1.7 million meals each month from around 10,000 partner restaurants compared with 1 million meals a year earlier.

The company will use the new funding to acquire Just Eat's Brazilian subsidiary, Hellofood Brazil, and to purchase a 49% stake in SinDelantal, the market leader in Mexico.

O'Keefe last year added: "The learnings and data from this process [of iFood's growth] were critical in the decision-making process to invest behind other great businesses such as PlayKids, Apontador, MapLink, Rapiddo and Cinepapaya in the segments of children's education and entertainment, local services, logistics and ticketing."

And Movile has also made its first exit in Cinepapaya, a Peru-based online movie ticket platform, which last month was acquired by Fandango, a peer in turn backed by media company NBCUniversal, which holds a majority stake, while entertainment group Warner Brothers holds a minority stake.

To keep its own growth going as well as help fund its subsidiaries, in June Naspers led a \$40m series F round for Movile through its corporate venturing unit, Naspers Ventures. Earlier in the month, for example, Movile had entered the online ticketing sector with a \$4m investment in Brazil-based ticketing and event management platform Sympla.

And in September, Movile has invested R\$3m in Leiturinha, the Brazil-based operator of a children's book subscription service, PlayKids.

Last year, O'Keefe summed the strategy up as "mergers and acquisitions without integration – it is a unique model in which we effectively work with the entrepreneur to create a joint venture between management and Movile to create a stronger business that continues to operate independently and retain its own incentive structure.

"It is a tremendous amount of work on the back end, but the results are supercharged companies that change the world in the segments in which they operate."

O'Keefe is used to hard work and being able "to live in a constant state of disruption".

His background helps with this level of discomfort. After graduating from the George Washington University with a degree in computer engineering, he began his career in the US Navy, where he served as lieutenant on USS Georgia and "ran an 18,000 ton submarine and operated a small nuclear reactor" for five years.

After leaving the navy in 2002, he undertook his MBA at Harvard Business School. Later, O'Keefe became a trader on Wall Street at what was then Credit Suisse First Boston. He moved to become a chief financial officer and chief operating officer in various investment companies in Brazil, India and the US, including shopping club Coquelux, before his move to Movile.





## Bharadwaj Ogirala, corporate development, Axiata Digital Services

Malaysia-based phone operator Axiata has probably been the most active corporate venture capitalist across south-east Asia region, according to insiders, with a two-pronged approach: a direct investment model using an in-house team and off the balance sheet and a corporate venture fund managed by a third-party, Intres, in collaboration a state-backed agency.

Bharadwaj Ogirala in the corporate development team at Axiata Digital Services is in the former 'prong' and a Global Corporate Venturing Rising Star 2017 with an eye on a top job as a CVC.

Srinivas Gattamneni, head of corporate development at Axiata Digital and a member of the GCV Powerlist 100 in 2016, said: "Bharadwaj's dealmaking skills combine a strong blend of strategic as well as financial skillset, which is essential to unlock value for the corporate investor as well as the investee. He has been instrumental in growing Axiata portfolio in the digital arena. Axiata Digital has done over 20 investments in three years and deployed over \$200m in capital."

Ogirala has been with Axiata for about two years and led four deals and played a support role in five others. He said: "I have evaluated deals in wide array of industries including digital advertising, e-commerce, mobile financial services, entertainment, digital enablement sectors. My notable closed deals are the acquisition of Komli Asia and series C investment into Storeking."

Storeking raised \$16m from Axiata in June, which was the first time Axiata Digital has invested in an India-based startup, although it owns a 19% stake in telecoms operator Idea Cellular in the country.

Adknowledge Asia Pacific acquired Komli's operations in Singapore, Thailand, Vietnam, Philippines, Indonesia, Malaysia and Hong Kong for a reported \$11.25m. Adknowledge is an 80%-owned subsidiary of Axiata Digital Advertising, a wholly owned unit of Axiata Digital Services, which in turn is a wholly owned subsidiary of Axiata Group.

Ogirala, who is also a group eonsul at an expatriate networking community, added: "The acquisition of Komli Asia by Adknowledge Asia was a milestone deal at our unit – as it was the first 100% acquisition at Axiata Digital. The main strategic reason behind acquiring Komli Asia was to tap into the strong team they had built in this region and it was pleasing to see Komli team members take up senior roles – CEO, chief marketing officer, vice-president finance, in the merged entity."

Prior to Axiata Digital Services, Ogirala had a similar corporate development role at land bank Goodhope Asia for three years, where he negotiated and closed two CVC deals in the animal feed sector, he said.

Ogirala said: "CVC requires the right mix of strategic thinking, valuation and deal negotiation skills. I had picked these skills over time from my consulting experience [at PwC], business education [at Indian Institute of Technology, Bombay then an MBA program at Indian School of Business, Hyderabad] and chartered financial analyst certification. The opportunity to apply these skills was what attracted me to CVC. Further, it is quite fulfilling to see your investment thesis come to fruition by you taking control of synergy extraction and portfolio management.

"The biggest challenge, however, is to run CVC deals at a breakneck speed while dealing with corporate red tape. Corporate M&A teams and support functions are designed to run deals of large deal sizes with the deal running over many months. But as CVC competes with VC money it needs to be agile and close the deal in a very short time. As startups typically experience high growth and high burn rate, it becomes imperative to close the deal in short time without affecting the valuation metrics.

"My professional ambition is to continue making solid investments creating value. In my current role, this would mean ensuring that the current investments are validated by external fundraising or by an exit – IPO or sale. In the near future, I wish to head the CVC function and take a board role in the investee companies."

Once in a top job and even beforehand, he said the industry "should encourage more cross investments by CVCs", adding: "Often the synergy links are much stronger when there is a collaboration with corporates from complementary industries."

For the noted photographer, that would be a picture worth capturing.





## Victor Orlovski, managing partner, MoneyTime Ventures

Russia's largest bank, the state-owned Sberbank might have 110 million consumers, 2 million merchants and 80 million mobile banking users but its ambitions are to become "more than a bank" and target many industries and markets that are not financial ones by nature.

This so-called Alibaba or Tencent model, named after the rapid expansion of the two China-based internet companies, depends on an effective corporate venturing strategy and so Sberbank has turned to Victor Orlovski, managing partner at MoneyTime Ventures, the general partner that manages its venture funds.

It is a smart choice as Orlovski was chief technology officer and chief digital officer at Sberbank for eight years and has a "unique knowledge of Sberbank technology landscape, business models and strategic plans", he said, adding: "I was in charge of the most significant technology driven transformation of the financial institution in 21st century."

"Sberbank passed through revolution in banking from where it was back in 2007 – an old fashioned inefficient bank with no single data technology, mobile or online banking facility to one of the most innovative financial and technology groups in the world.

"Sberbank technology is a cutting-edge platform competing with the most innovative companies far beyond financial services market, including digital advertising, mobile checkouts, SME cloud platform, and telco marketplace. Today, Sberbank employs more than 11,000 highly-qualified technology experts, data analysts, scientists, competing for talents with Google, Facebook, Mail.ru and other tech giants.

"Having this experience and background, it was quite obvious for me to be passionate about further development of Sberbank tech and innovative business solutions and the best outcome of my efforts was to build and manage the fund investing in the most promising startups."

He is also, as Lev Khasis, deputy CEO at Sberbank, for his nomination to the GCV Rising Stars 2017 awards said: "A great guy."

MoneyTime manages \$100m in SBT Fund I and SBT Fund II in which Sberbank is an anchor investor in the first and one of many investors in the second fund, which started raising up to \$250m in November.

Orlovski, who completed his MBA from Warwick University before joining US-listed technology company IBM for a year then Sberbank in 2008, said: "The main goal of the fund is to invest in ventures that may leverage massive Sberbank infrastructure, outstanding brand and customer loyalty in more than 20 geographies.

"The fund is not a fintech fund by nature but is an investor in promising technology and business models that may be synergistic for Sberbank.

"There are 14 ventures Sberbank has invested so far in [through the SBT funds], and many of them started commercial relationship with Sberbank in the form of contractual arrangement, profit sharing and joint ventures."

These deals included US-based ride-hailing platform Uber, US-based alternate mortgage business LendingHome, UK and Israel-based social trading platform EToro, cybersecurity and firewall management provider Tufin and US-based data platform developer GridGain, which raised \$15m in series B funding in February last year with Orlovski joining its board. Earlier, Orlovski had joined the board of portfolio company NetGuardians after its \$5.2m B round included SBT in October 2014.

To improve access to local dealflow, in June Sberbank partnered the Internet Initiatives Development Fund, a Russian government fund for online startups, to launch a fintech accelerator. The fund is selecting the startups for the accelerator and Sberbank will provide these ventures with expertise and funding for pilot projects from Sberbank itself and its SBT funds.

Orlovski, who is a "happy father of six kids," angel investor and poet in both English and Russian, started his career in ABN Amro serving in different managerial positions in Uzbekistan, Russia and the Netherlands before joining Russia-based Alfa Bank as chief transformation officer in 2001.







## Amish Parashar, venture partner and director of strategic business, Yamaha Motor Ventures and Laboratory Silicon Valley

Amish Parashar, venture partner and director of strategic business at Yamaha Motor Ventures and Laboratory Silicon Valley (YMVSV), the California-based corporate venturing unit of the Japan-based motorcycle maker, filed his first patent in high school.

A native California, with his wife and son, Parashar added that since filing this first patent he has “valued invention, the invention process, and ensuring high-impact technologies are commercialised for the betterment of our world”.

He has found a suitable home for this interest at Yamaha. Hiro Saijou, CEO of Yamaha Motor Ventures and Laboratory Silicon Valley, said as well as helping Yamaha Motor Business Accelerator program, Parashar had led half of its four deals and was “really the glue in the unit for us to play a team sport of innovation”.

These two deals are still in stealth, according to YMVSV’s website, but Saijou hinted that one was a “very high-profile” artificial intelligence company and the other was “pretty early but great potential” in agriculture technology. But his work goes beyond deal sourcing. Parashar, a founding member of YMVSV at its launch in August 2015, said: “My work encompasses two main foci: investments and innovation.

“To build our investment efforts I have sourced deals, led investments, and worked closely with our portfolio companies. In addition, the majority of my efforts involve building some of the other tools we as corporate VCs can deploy – portfolio collaborations, joint projects, internal and external business creation. Across both of these categories I work to foster community, especially in areas of artificial intelligence, transportation, mobility, and complex hardware systems.”

He added that his main attraction to working in corporate venturing “was towards the opportunity to make a global impact with a high-performance team and as part of a creative, technology-focused company”, and added: “We are fortunate to have two large toolboxes – that of traditional VC as well as that of a multinational company. For every opportunity I can deploy well-matched tools which go far beyond an equity investment.

“Also, as I consider the innovation ecosystem, we look far beyond startups and into technology labs, universities, in-house projects, and even other large corporations.”

Parashar has certainly moved well between these worlds in his career. Having earned two engineering degrees from Dartmouth College, an MSc from University of London, and being named a fellow of the Royal Society of Public Health (UK), Parashar has been a faculty member at Singularity University and adviser at Stanford University and lecturer at its Institute of Design.

Just prior to YMVSV, for four years he was director of innovation at Triple Ring Technologies, a 120-person, technology creation laboratory based in Silicon Valley and Boston where he worked with large corporations and high-growth startups.

He had moved to Triple Ring from a stealth startup building a three-wheeled electric vehicle, where he had been chief technology officer. This had followed a move from founding a medical device design company, NeoVention in 2004. But his longest role has been as a board member and co-founder of global non-government organisation Natik (formerly The International Humanitarian Foundation) since 2002.

And as various parts of the ecosystem join up, Parashar is well-placed to help. He said: “A few years ago there was vigorous debate about whether CVC involvement should be allowed in deals and the motivations of corporations in VC-backed companies. The industry’s active efforts have changed this. I think most sophisticated startups and venture investors now value CVC participation and know what to expect.

“Now that the CVC industry is seen as a responsible worthy collaborative participant in deals, it is time to show even greater value. We can be patient financially and be strategically-minded investors, but can also add significant depth in the areas of highest risk for early-stage efforts. Further, we can do so in ways that are intentionally different, quicker and more collaborative than the typical methods by which our corporations operate.”





## Rich Pardoe, venture executive, Chevron Technology Ventures

Silicon Valley investors often have greater regard for their place in their local ecosystem than long-term commitment for whichever group is currently paying them, with more than a few corporate venturers choosing to leave an employer if asked to relocate from California.

After 25 years with oil major Chevron, however, the last nine of which have been as a venture executive in its corporate venturing unit, Chevron Technology Ventures (CTV), Rich Pardoe was not in that camp.

Kemal Anbarci, managing executive at CTV, in his nomination said: "Rich not only took over our most significant investments like Maana from Bob Grazer [who retired from CTV last year], but he led our investments in critical deals such as Airborne Oil and Gas.

"He is also truly the 'glue in the unit'. With three new venture execs joining Chevron in the last 12 months we pulled Rich from his base in the San Francisco Bay area to Houston, CTV headquarters, for a more central leadership role within the group in mentoring and showing the ropes not only to venture execs but also to our new support groups in finance and supply chain."

Pardoe, who had spent five years at a startup, Ebonex Technologies, before its failure and his move into Chevron in 1991, said: "The venture activity within Chevron is focused on identifying technology being developed in startups that provide value to Chevron's operations and then working to get that technology trialed and adopted.

"I was brought into the venture group more for my knowledge of Chevron's operations than for prior CVC knowledge. My own experience in Chevron has been in areas such as refinery plant design, supply and trading, pipeline and marine scheduling, and refinery operations planning.

"When reviewing our total portfolio of investments, it is exciting to see that nearly 80% of the companies have been involved in a trial within Chevron. And about a quarter of those trials led to the adoption of the technology within Chevron."

This trial-and-adoption rate comes despite what Pardoe said were challenges for industry. "Beyond the obvious economic climate facing the energy industry, it is always a challenge to get an initial toehold for a new technology. To find partners willing to give it a try, recognise the uncertainties inherent with an emerging technology, and to work towards reducing those uncertainties so that the technology can be fairly evaluated."

Which is why Anbarci referenced his deals. In October, Netherlands-based thermoplastic composite pipe (TCP) equipment provider Airborne Oil and Gas raised €23m (\$25.5m) in a series C round that included a €10m investment from energy and petrochemical company Saudi Aramco and following an undisclosed amount from CTV at the start of last year as these TCPs promise fewer leaks and easier and cheaper installations.

Meanwhile, Maana's Emergent Semantic Graph is an advanced analytics platform that helps businesses optimise their assets by collecting information on operations and business processes. The company emerged from stealth in May 2015 having raised \$14m from Chevron Technology Ventures, GE Ventures, Intel Capital, Frost Data Capital and ConocoPhillips before adding Shell and Saudi Aramco to the syndicate a year later with a \$26m B round.

Pardoe said what attracted him to CVC was being "interested in a variety of subjects and how things interrelate.

"CVC offers a great opportunity to connect the dots by applying technologies to solve challenges.

"CVC is also a dynamic field where one is presented with new and varied challenges and opportunities to contribute to their solution on a regular basis."

And Pardoe unwinds from such challenges by cycling and baking – "no machines, all by hand".





## Jessica Peltz-Zatulove, partner, KBS Ventures

An advertising veteran based on New York’s Madison Avenue, Jessica Peltz-Zatulove made her move to corporate venture capital in 2014 when she joined KBS Ventures, the investment unit now part of advertising group MDC Partners.

Her arrival followed the departure of Darren Herman as managing partner at the end of 2013 to become vice-president of content services at Mozilla. KBS Ventures had by then already negotiated equity stakes with several early-stage startups, including YieldBot, Adaptly and PlaceIQ, before Joshua Engroff took over as managing partner.

Peltz-Zatulove brought to KBS 10 years of experience in working with startups to develop their branding. Now, the Indiana University graduate uses her experience working with startups to focus on early-stage investments in media and advertising startups at KBS.

Prior to joining KBS Ventures, Peltz-Zatulove spent nine years on the customer side, including at a global media agency, Zenith Media, where she managed the media strategy of several brands, such as Verizon Wireless, H&M and Puma.

She added: “I had started advising startups on the side and immediately fell in the love with working with entrepreneurs. I recognised there was a deficiency in the market helping brands discover and activate relevant technology solutions, and had wanted to get experience being on the operator side of an early stage startup.

“I joined Evol8tion as employee number two, a boutique consulting startup that specialised in connecting early stage startups with brands for partnerships. There we matched brands such as Kraft Foods and Unilever with emerging startup solutions that addressed their business needs.

“These experiences have given me a unique perspective as a CVC, having spent time both on the customer and startup side its enabled me to both help founders understand customer nuances to secure their first contracts, as well as empathise with entrepreneurs by understanding the challenges of building businesses.

“We have received positive feedback on how we have operationalised ventures to weave our portfolio companies into our organisation. For example, we created a comprehensive onboarding process to help our founders navigate our ecosystem to identify key point people and departments, enabling them to maximise the value of our network.

“I believe every CVC should have an internal onboarding playbook that dissects the organisation for new portfolio companies. By being transparent and creating a roadmap of relevant executives and business units for the startup, going on a “kickoff roadshow” will not only help educate key point people on the new solution, but also help jumpstart relationships to identify more opportunities to collaborate.

“Additionally, leveraging ventures has become an important strategic advantage to drive revenue for our professional services business. By incorporating our portfolio companies and insights into new business pitches, it has become a competitive differentiator for MDC in the market.

“We view our venture arm as our prediction engine to help brands stay ahead and educated on marketing trends. To help elevate our founders within the marketing community, we host leadership dinners with senior industry executives, thought leadership events where we invite them to speak, and include them in innovation days.

“On the investment side, we are proud of the reputation we have worked hard to build around the venture and startup community as being helpful, supportive investors. This has enabled us to squeeze into multiple competitive rounds that were oversubscribed.”

Peltz-Zatulove is a board member at Roost, which provides push notifications, and observer at Mezzobit. Alongside her investment duties, Peltz-Zatulove maintains a passion for mentoring, and has advisory roles at UpWest Labs, Entrepreneurs Roundtable Accelerator, Women in Power and Astia and coordinates the Women in Venture Capital network in New York City.





## Karthik Prabhakar, director, head of fundraising, IDG Ventures India Advisors

"We are proud to have him with us." It should be a phrase used by every boss to a colleague but when it comes Sudhir Sethi, founder and chairman of IDG Ventures India (IDGVI) and doyen of the industry, it carries a lot of authority.

But, then again, given it was said of Karthik Prabhakar it is probably unsurprising. Sethi had promoted Prabhakar to partner just five and a half years after he joined IDGVI as a summer intern from taking his PGDM – the Indian equivalent of an MBA – from Indian Institute of Management Bangalore.

In fact, Sethi told news provider YourStory that Prabhakar had been the youngest promoted partner in the country. In nominating Prabhakar again for the Global Corporate Venturing Rising Stars 2017 awards, Sethi said: "Karthik has led IDG Ventures India fundraising effort along with stellar investments in firms like NestAway and PlaySimple. In the short period of six years he is a partner at the firm and a role model to many in India on his ability to shoulder responsibility, work in teams and build trust with investors. Karthik is a glue to the firm and a true asset. We at IDG Ventures India are proud to have him with us"

Prabhakar is on the boards of PlaySimple Games, a mobile casual gaming studio in which IDGVI reinvested as part of its \$4m series A round in November, and NestAway Technologies, an online home rentals marketplace that closed \$30m for its C round in April.

He is also a board observer at LetsVenture Online, a crowdfunding platform for startups that raised its A round in October 2015, Newgen Software, an enterprise content management product suite that raised a reported \$15.5m in 2014, and ULink BioEnergy, a mobile commerce platform called AgroStar for agriculture that raised \$3.6m in August 2015.

Prabhakar said he had also led the investment in Living Consumer Products, and assisted on FieldEZ, which he stepped down from the board in April. He was an active part of the team advising on the exit from investment in Manthan Systems at the end of 2014.

But outside of dealmaking, it is Prabhakar's fundraising prowess that is important to Sethi's plan to develop a global venture fund from India.

Prabhakar said he had raised more than \$250m since 2011 and "successfully set up the processes and systems required to run this engine in the firm".

IDGVI manages about \$500m and with about 60 portfolio companies but started also raising in rupees in 2013 and about a fifth of its total assets is now from local investors, including Kris Gopalakrishnan, one of Infosys' founders.

Sethi told YourStory: "In China, almost 60% of venture capital is local money. In India, it is less than 5%. There is a lot of wealth in India and it is going into real estate and stock market.

"There is a difference between a rupee investor and a dollar investor. Dollar investor is macro in nature while rupee investor is, on the ground, micro in nature. It is a great value-add. If Indians are investing in India, the international investors gain confidence."

And more money allows IDGVI to expand internationally. (IDGVI is part of IDG Ventures, a global network of technology venture funds with more than \$4bn under management, over 200 investee companies and 10 offices across Asia and North America founded by International Data Group, the US-based publisher that invests in its regional corporate venturing units but leaves control and strategy to be set by the local team.)

Sethi said as well as nominating Prabhakar, "I would recommend Karan Mohla, partner consumer media and tech. He also leads our China programme."

Before joining IDGVI in 2011, Prabhakar worked in product engineering and technical marketing roles, first at chipmaker Intel as a software engineer to speed up data transmission around the internet. During this time, in his spare time, he worked on a project that led to filing of a patent in the area of wireless sensor networks.

He then quit Intel's new business initiatives to join IIM Bangalore and land at IDGVI.





## Anis Rashid, investor, WME Ventures

Prior to joining WME Ventures, the independent corporate venturing unit of talent management powerhouse WME IMG, Anis Rashid led US-based e-commerce marketplace Spring's operations scaling team and helped design and develop its vendor-facing analytics product.

Before joining Spring, he worked at Goldman Sachs in its technology, media and telecoms investment banking group, where Rashid said he worked on a number of deals, including Zulily's flotation, DirecTV's sale to AT&T and Disney's acquisition of LucasFilm.

Rashid's first foray into the startup world came when building a social blogging platform called Opin during his third year at University of Virginia.

Under managing partner Beth Ferreira, WME Ventures, which raises about half of its \$50m first fund from outside investors, has made nine investments, including pet food company Ollie and game streaming company Forge, since Rashid joined in March last year.

Rashid said he joined as "I saw WME Ventures as a particularly compelling opportunity to leverage a platform that has an outsized impact on today's consumer landscape.

"The WME-IMG network has numerous touch points from strategy and early-stage development through to commercialisation and mass-market adoption, which create a unique opportunity to add strategic value to early stage companies.

"As traditional VCs move towards a service model, WME Ventures' structure enables it to align incentives with entrepreneurs and help facilitate innovation in technology, media, commerce, gaming, sports, and fashion, among other verticals.

"The challenge will always be that there are not enough hours in the day – we must always ensure that each entrepreneur and business is given careful consideration, while still allocating sufficient time to working with our portfolio companies and staying abreast of newly emerging trends.

"I believe every investor benefits from aligning their incentives with those of the founders they invest in. If incentives are aligned and teams consist of thoughtful, discerning investors with relevant experiences, then a corporate affiliation can be seen as pure incremental value."



## Aymerik Renard, director, Western Digital Capital

It is a risk of mergers and acquisitions that the buyer will prefer its existing team and overlook the talents of those joining but, instead, Western Digital recognised the venture talents coming over with SanDisk and promoted Aymerik Renard to be director at Western Digital Capital.

Daniel Flynn, vice-president of corporate development and strategy at Western Digital, said: "As you are probably aware, Western Digital closed its acquisition of SanDisk in May. As a result of the combination, we have combined our respective corporate venture capital arms into a single Western Digital Capital.

"On our team of about 10 team members, Aymerik is only one of two professionals dedicated full-time to Western Digital Capital. As such, Aymerik has been instrumental in driving this integration, leading efforts around managing our combined portfolio of companies, launching our Western Digital Capital website, and our go-forward investments in innovative startups that improve how data is generated, saved, managed, and consumed."

Renard said by heading the North American venture capital investing efforts at Western Digital, he also had "an eye on Europe and Asia as well, investing across startups relevant to all of our major brands and divisions – WD, SanDisk, HGST and G-Technology".

Before the integration, and "at the request of SanDisk's CEO," Renard said: "I defined and launched a targeted fund of funds activity to complement our direct investment strategy, supporting great investment teams.

I have also expanded our investment domains from classic storage systems and technologies to frontier





tech, covering the internet of things (IoT), drones, augmented reality, virtual reality, computer vision, automotive systems, and space imaging and sensor fusion.

On the consumer IoT front, for instance, it is exciting to see a portfolio company like August go from concept to having multiple award-winning products in the market, and being featured on stage by Apple during one of the iconic keynotes."

Earlier in his career, Renard headed North American investing for France Telecom-Orange for a dozen years across hardware, software, and services, with some of its portfolio companies listing on Nasdaq and New York stock exchanges, and others being acquired by Yahoo, Sun Microsystems, Microsoft, Cisco, SAP, IBM, Cox Automotive, and Cable & Wireless.

In between France Telecom-Orange and Sandisk, Renard headed startup business development for supply chain firm PCH International, helping consumer electronics and IoT companies with design, manufacturing, fulfillment, and distribution aspects, spending extensive time in Hong Kong and China's greater Shenzhen region. While there he also co-founded the Highway1 accelerator for hardware startups.

As Renard said of why he was initially interested in corporate venturing: "I have essentially always been interested in the how information technology is conceptualised, created, marketed, sold, used and regulated.

"That was reflected in my academic pursuits at Carnegie Mellon University, where I majored in information and decision systems as well as policy and management.

"That has also been reflected in the jobs I held while in university, such as teaching a third year software engineering methodology course lab, developing reservation software for CMU's housing office, and being a campus representative for Apple."

Given such an interest in the overview of how technology works, his hobby of drone-based aerial photography comes as no surprise.



## Courtney Robinson, principal, Advance Vixeid Partners

Courtney Robinson, a principal and founding member at Advance Vixeid Partners (AVP), an independent investment firm established in partnership with US-based media group Advance Publications, is good at spotting an opportunity.

In August, Robinson and AVP led a \$15m series B round for US-based Curology, which runs an online platform that enables users to share photos of their skin with qualified healthcare professionals who can then prescribe them with topical medication customised to their needs.

She joined as a founding member of AVP in October 2014, having previously held the same role as a founder at Amex Ventures, the strategic investment group of credit card company American Express, in 2011 "to help launch the venture efforts there and open the Palo Alto office".

While the parent companies' core businesses at both institutions are in different fields, Robinson has brought her own insights into helping set up AVP. For the GCV Rising Stars 2016 awards, she said: "I am proud of having been a founding member of both Amex Ventures and AVP, creating the infrastructure and processes to lay the foundation for a successful and efficient team.

"Many of the biggest challenges in corporate venturing are related to the sponsorship model. There is a fundamental disconnect between business units, who are focused on delivering results for this quarter or year, and corporate venture units that are thinking about how the world will look in five to 10 years.

"There are several examples of this structure preventing investments in companies that will go on to produce outsized returns.

"Part of what attracted me to the opportunity at AVP is that we made the decision, along with Advance, to operate outside of this structure and make decisions autonomous among our small team."



Before joining Amex Ventures, Robinson worked at Plum District, a local commerce company targeting the mom and family vertical, for less than a year in 2011. She started her career in investment banking at GCA Savvian after going to Columbia University to study economics, "where I played varsity field hockey".



## Liz Rockett, director, Kaiser Permanente Ventures

Coming out of advising foundations and endowments how to invest in companies that aligned with mission interests – impact or values-based venturing – Liz Rockett, director with Kaiser Permanente Ventures (KPV), the corporate venturing unit of the US-based healthcare system, has found a platform to continue this work while still going with the flow of what works.

She said: "I joined KPV [in March 2015] because I believe we can make the smartest bets in healthcare venture if we use our platform well.

"Kaiser Permanente has been a leading light for the healthcare industry in value-based care and technology-enabled care. That position allows us to see opportunity and potential ahead of others, but also to keep our feet on the ground – focused on products and services that have tangible value.

"Beyond that, this is a team that likes to think big – our work is about more than maximising returns, we share a vision of how to transform the US healthcare system."

Before joining KPV, Rockett through both her own firm and Imprint Capital Advisors, had spent nearly four years advising clients, such as Robert Wood Johnson Foundation, WK Kellogg Foundation, Packard Foundation and impact investor Acumen Fund, on how to improve healthcare through their investments.

Earlier, she been at companies, such as TriZetto Group, Advisory Board Company, Outcome and Siemens, on applying healthcare best practices.

But she has been made welcome at KPV. Sam Brasch, senior managing director at Kaiser Permanente Ventures, said: "Since joining Kaiser Permanente Ventures in 2015, Liz has quickly established herself as a thoughtful and insightful leader within KP and the external entrepreneurial community around the opportunity and challenges for innovative companies addressing major unmet needs in the healthcare system.

"In recognition of her strengths and great early work at KPV, Liz was promoted to director within her first year. She has since gone on to lead investments in two leading digital therapeutics companies, BigHealth and Chrono Therapeutics. We are thrilled and lucky to have Liz as part of our team and excited for the role she is going to play at KPV going forward."

Big Health's \$12m series B round closed in July and Chrono Therapeutics' \$47.6m B round for the smoking cessation wearable was made in September.

Rockett said: "As I joined to kick off the fourth fund, I am partial to some of our newest investments, including Big Health, Chrono Therapeutics, Vidyo and Hometeam. They represent the breadth of the portfolio we are trying to build (in sector and stage), and some of the most exciting leadership teams and innovations we have encountered.

"We are proud of our recent exits with iRhythm in its recent IPO [for \$107m] and Transcend, acquired by Alcon [a subsidiary of Novartis, in February], and are excited about the strength of the companies in our third fund's portfolio."

The fundraising came at a period of change for both KPV and its parent, as Dave Schulte left for peer McKesson Ventures. Rockett said: "Our team has gone through substantial transition since I joined, both within our investment team and in the KP executive structure around us.

"This change has created opportunity. The newly re-formed team has taken the clean slate to sharpen our mission and vision, and hone new tools to better achieve our goals. However, it has also presented the challenges that any team in transition must weather.

"That perspective has me thinking a lot about the impact of change on the teams that we invest in,



and how we can be better partners to executive teams as they go through periods of rapid expansion, contraction, or transition.”

In order to do that, Rockett said the industry as a whole had to get better at “listening.

“I do not think we can do it enough. To the entrepreneurs – our work is in service to what they need to succeed, including the needs they identify and what we can uniquely see that they need.

“To our ‘corporates,’ the entities for whom we invest – the insights of an operating entity are essential to help the venture community make smarter bets on needed products and services with the best chance to succeed.

“To ourselves – to figure out how to do more and better with the platforms we have.”

Rockett makes space for these voices to be heard and recognised as she said: “In my life outside of work, I am big on the ocean, yoga, and family, not always in that order. Perhaps more interesting to this crowd is my exploration into culture and career development.

“I am a big believer in the non-linear career path. While I started my career building teams and navigating interpersonal dynamics at all levels in the early days of health IT, I came up through product and business line management. In moving over to the investing side, I am looking to build a high-potential portfolio of changemakers at KPV. Where I go from here, time will tell.”



## Joe Saijo, president and managing director, Recruit Strategic Partners

There are three corporate venture capital funds in Japan-based employment services firm Recruit, each with different objectives, and then the company itself can invest or buy businesses.

Joe Saijo last year took over as president and managing director of Recruit Strategic Partners (RSP), which manages \$215m in six funds invested in 100 portfolio companies, mainly in US and Japan. RSP is looking to “foster research and development to look at innovative tech and models which will become the next generation pillars of business in Recruit Holdings in the mid to long term,” Saijo said. The other CVCs in the company are Recruit Strategic Investment (RSI), which is effectively an extension of business development to look at Recruit’s “existing” business spaces other than human resources, and the HR Tech Fund (HRTF), which does the same thing but only in HR, he added. In addition, Recruit Holdings can buy its portfolio companies, such as its purchases of Quandoo and Hotspring.

Saijo joined RSP as a country manager in April 2013 before annual promotions to senior vice-president, director then president.

Previously, he had had similar roles at Japan-based electronics company Hitachi so Saijou said: “I have been in the strategic startup investment space for 10 years, including the notable IPO of Palo Alto Networks on the New York Stock Exchange in my previous company [Hitachi].”

For RSP, he said one of the greatest success was the investment in Boston, US-based DataRobot, which is the predictive analytics platform based on machine learning and artificial intelligence. Saijou said: “We achieved great results in business by embracing their technology.”

Based in san Francisco, Saijou said his biggest challenges were occasionally suffering from the changes in headquarters’ direction and strategy, as well as personnel transfer. “This makes us hard to keep the original commitment we made for the company when we invested.”

And for such a rising star in the HR sector, Saijou was understandably concerned for others and said the CVC industry could benefit from better career development as startup investors and greater talent mobility between CVCs and VCs.

And he said skills need to be used or refreshed or they could be lost. “I was originally software engineer more than 10 years ago, but I cannot code any more as time flies so fast.”





**Anna Schiller, program manager,  
JetBlue Technology Ventures**

If you are going to take on the challenge of introducing west coast entrepreneurial ideas to an east coast parent, then having a mindset to look across functions and different problems is helpful.

Bonny Simi, president at JetBlue Technology Ventures (JTV), said: “We are successfully forging new territory with our CVC structure, by having a member of our team imbedded in JetBlue in New York, while we also run our CVC as a separate subsidiary in Silicon Valley. This ambidextrous structure is helping us ensure alignment with mothership, while also allowing us to move quickly in the Valley.

“Anna Schiller, program manager at JetBlue Technology Ventures, is a rising star for our team, because she is able to manage the delicate balance of introducing new concepts into the corporate parent, without distracting them too much to create friction. We are thrilled with the progress we have made in relationship with our parent company – thanks to Anna. She has helped us move to proof-of-concept on several potential investments, which speeds up the adoption cycle dramatically.”

Schiller moved over to JTV in September from product development at JetBlue where I managed the technology and entertainment experience on a plane, such as introducing free wifi or Amazon Prime video.

She said: “Because we are a strategic arm of JetBlue, we are often looking at companies that may not fit in strictly with the objectives of a team’s work at that very moment. We are looking at innovation two to five, to sometimes 10 years down the line.

“One of our challenges has been the balancing act of getting our various internal stakeholders be comfortable with the fact that certain startups/companies may not have direct impact on their operation now, while also helping them realise the value and advantages to them down the line. Fortunately, we have very high level support from our CEO and board of directors.

“Because our approach is somewhat unique in the CVC world, we have been able to show our value very early on in our life cycle which has contributed to our success. We operate both as a financier and strategic partner, which allows us to share our knowledge and brand name with the startups and also bring innovative offerings to the airline which has tangible effects on the way we run our business and operation.”

Prior to JetBlue and after studying interdisciplinary studies, design, at University of California Berkeley, Schiller said she held strategy and marketing positions at e-commerce and tech startups, was an early member of the team at Gilt Groupe and also worked in journalism early in my career.

And the future could see her crossing over from investor to entrepreneur. “I am very interested in the entrepreneurial track. I am getting exposure to incredible founders and investors, am able to dive deep into the industry and get exposure at a macro-level to the ways in which successful and not-so-successful businesses operate. At some point in my career, I would like to run and grow my own company.”



**David Schulte, managing director,  
McKesson Ventures**

David Schulte, managing director at McKesson Ventures, the \$250m corporate venturing unit of the US-based healthcare provider, has three deals under his belt in his new firm after leaving peer Kaiser Permanente Ventures in September 2015.

Tom Rodgers, senior vice-president and managing director at McKesson Ventures, said: “Dave was on your list last years and remains a very suitable candidate as he completed a few new deals this year – Landmark, Komodo, Shyft – and he is the clear heir apparent to me.”

In August, Shyft Analytics, a US-based provider of cloud analytics software for the life sciences industry, raised \$12.5m in series B funding yesterday from investors including corporates McKesson Corporation and Medidata Solutions. Komodo Health raised an undisclosed stealth round also including IA Ventures and



Felicis, while Landmark is a New England-based owner, operator and management services provider for older people.

Rodgers and Schulte have also been building up the rest of the team with Aaron Fink also regarded as a good candidate after his promotion to principal in 2015.

Schulte has more than 18 years of experience as an investor and investment banker at JP Morgan – under the defunct name of Hambrecht & Quist – UBS and Piper Jaffray.

Before McKesson Ventures, Schulte spent 12 years helping to build and grow Kaiser Permanente Ventures, the corporate venturing unit of the hospitals group. In his tenure there, he led an investment team whose IT and digital health investments included Omada Health, Proteus Digital Health, Health Catalyst, Kit Check, Validic, Ingenious Med and MetricStream.

As well as the successes, though, Schulte has had to deal with challenges in venturing. He wants to apply these insights to McKesson. Schulte said for his GCV Rising Stars 2016 award: “At KP Ventures, like many corporate VCs, the greatest challenge was navigating organisational politics and delivering on the promise of corporate venture. It is difficult to consistently provide tangible benefit to portfolio companies.”

To make this a stronger industry, Schulte said all CVCs could think about holding themselves accountable for providing tangible value to their portfolio companies. He thinks CVCs should align their own incentives with the success of their portfolio companies and provide more efficient and transparent decision-making. He also said CVCs would benefit from adopting National Venture Capital Association standard term sheets and eliminating right of first refusal terms from their deals.

As a former Minneapolis state soccer and basketball player, Schulte’s biggest concern last year was “dreading my young children’s first ‘legitimate’ victory” in their back-garden games.



## Jason Smith, director, Sinclair Digital Ventures

Most corporations planning to expand their corporate venturing practice outside their home state seem to choose California and Silicon Valley as their destination. Sinclair Broadcast Group, a Baltimore, Maryland-based media company, instead chose Seattle in Washington state when they wanted Jason Smith, director of Sinclair Digital Ventures (SDV), to head west and leave his brother and their fine-dining restaurants in Baltimore.

Scott Shapiro, vice-president of corporate development at Sinclair Broadcast Group, said: “Jason started under me about five years ago doing traditional M&A and was instrumental in helping us organise our corporate VC about two years ago.

“At that point we sent him to Seattle to immerse him with our tech team and give us a bicoastal presence.

“In the past two years Jason has spearheaded our research in emerging technology like virtual and augmented reality and drones, and he is also focused on next-generation news content.

“He is an invaluable part of the screening process and has developed a keen eye for things that make sense for Sinclair – which is half the battle. At this point he functions fairly autonomously – as a manager, this is really what I am striving for.”

Seattle might have less of the cache and vibrancy of Silicon Valley but as the home for software provider Microsoft and Amazon, which carried out its first drone delivery in the UK last month, is an important tech hub.

And being a city surrounded by water, Seattle is also a short distance from Smith’s pastime catching fish – even if he prefers to go to the mountains of Montana fly fishing at the Dome Mountain Ranch in Paradise Valley. “To me it is the most peaceful stress releasing activity in the world. Nothing beats you with mother nature trying to land the whale.”

But his day job keeps him active. Smith said: “I represent the west coast operations for the venture group and sole goal is to help our product engineers and sales folks by investing in companies that can help





expedite opportunities that are focused on our core. We all know that entrepreneurs can move much faster than traditional companies especially one with 10,000 employees. We put faith in these entrepreneurs to help prove out business models or in some cases disprove use cases at a much lower loss profile."

However, only his investments in Pioneer Square Labs, ZypMedia and ScoreStream are on the west coast, with NewsOn, a local news streaming platform in New York, Burst.It in the Boston region and Chideo in Texas.

Smith said: "We believe in a two to three-year horizon on successes, so we are at our inflexion point now. We believe there will be some nice wins for us, we measure our return beyond a traditional return-on-investment metric. My personal favorite would be Sorenson Media. It is the future of TV ads for the connected TV."

Smith was hired by the Sinclair family's private equity group, Keyser Capital, worked there for a year and then got pulled into the Shapiro's corporate development unit of Sinclair to help with the \$5bn in acquisitions over more than five years until he joined SDV.

He said what attracted him to CVC was the "opportunity to be at the tip of the spear in innovation but work with corp. dev. folks to push boundaries on what our company can become.

"Innovation in our industry is key, failure to continue to innovate will lead to what happened with radio and newspapers, death by 100 cuts."

But, similar to other CVCs, Smith said "getting buy-in by department leaders to help flex the strategic investment into the current work process of that division" was his major challenge. He added: "Without buy-in from the top, the investments become lost sheep. Sheep herding is half the job, making sure all key stakeholders are up to date on all issues both positive and negative to ensure we course correct to drive best value for our investments and our core operations."

Longer-term, Smith said: "I am an entrepreneur at heart, have invested in all sorts of things on personal level (property, real estate, seed rounds), at some point I would like to scratch the itch for my own startup that can make an impactful difference in the industry I love the most – media and broadcast."

And, like many good entrepreneurs, Smiths knows success often involves "giving up some of the upside".

At SDV, Smith said in a round he would try to "pull in a strategic that is not competitive – helping drive real value."

After all, a fisherman rarely catches much with an empty hook.

## Mark Smith, executive director, Verizon Ventures

A decade after joining phone operator Verizon's nascent corporate venturing unit and Mark Smith, executive director at Verizon Ventures, seems to have been moving at an ever-faster pace.

Smith, nominated by John Doherty, senior vice-president for corporate development, said: "Verizon Ventures is an evergreen multi-stage corporate venture program building meaningful connections between Verizon and the tech community through direct investments as well as a variety of engagement programs and events.

"I joined my colleague Dan Keoppel as the second member of the team in 2007. After the first five years of the program we had made a total of nine investments, one of which I had led.

"Fast forward to 2016 and we now have a team of 14 people, have made more than 70 investments, and placed over \$300m of Verizon's capital to work helping entrepreneurs accelerate their businesses."

His one deal has expanded commensurately. Smith said: "Over my years on the team I have worked on over two dozen deals and I currently have responsibility for 15 active portfolio investments. While that sounds like a crazy number, we have a very strong development group who I work with day in and day out to figure out how we can bring value to the relationship."



He said his current portfolio companies were AdStage, Benbria, Civis Analytics, MapD, Verdigris Technologies, AdTheorent, BL Healthcare, Kiip, Qualia Media – formerly LocalResponse – MobileRQ, Payfone, Rounds, Urban Airship and Q-Sensei.

The range and scope of these deals have also expanded. Smith said: “Early in our program’s existence our investments were very tactical. For a period of a few years on the investment side it was a challenge to convince our investment committee to look beyond the known adjacent spaces of our current businesses and product roadmaps.

“As everyone became more comfortable with our processes and judgment and investment outcomes the range of potential deals we could do expanded. Also, I think we have universal understanding and almost urgent appreciation that disruptive competitive products and services can come from any vector and that Ventures provides a great window into new potential ideas and businesses.”

Smith added: “We have had a number of positive exits, which, of course, is good for the financial calculations that support our program.

“As we have expanded the program we have had a great opportunity to bring more talent and diversity to the team. Within the larger Verizon organisation I see greater understanding of what we do, the expertise and connections we have, with the result that we get early or first calls from executives on many topics of interest or are sought out for feedback and participation on internal projects often with our portfolio companies.”

His former portfolio companies include:

- Invidi Technologies, an advertising technology company agreed to be acquired in November by AT&T. If completed as planned in this quarter, AT&T would hold a controlling stake in Invidi, which would continue to operate independently, with WPP remaining as a minority shareholder and Dish joining as a new investor.
- Run, which was acquired by Publicis in October 2014 through its Starcom MediaVest Group.
- BlueKai, a data services and technology company acquired by Oracle reportedly for up to \$400m in February 2014.
- 4Home, a home automation device maker acquired by Motorola Mobility at the end of 2010.

But Smith said: “Importantly, we continuously raise the bar on our development and engagement activities.”

He helped establish the Verizon Powerful Answers Award Challenge and back in September had just back from an event at Verizon headquarters to foster “cross-portfolio networking and cooperation as well as exposure to our executives” for the 20 portfolio companies that presented and 400 RSVPs from our company.

And longevity in the industry has given pithy perspective on what has brought success: “Stay focused on actions that enable entrepreneurs to succeed. Work with other CVCs on broader policy and industry issues. Share best practices.”

And win, he might have added. “Before joining Verizon Ventures I was part of Verizon’s mergers and acquisition group which I joined from Lehman Brothers. For about a dozen years I used to blow off steam by competitive racing – swimming, triathlons and marathons. I have hung up my bike and goggles for competitions and my current focus is on tennis. Billie Jean King said: ‘Tennis is a perfect combination of violent action taking place in an atmosphere of total tranquillity.’ I still like to win, but the social part of tennis is more enjoyable and less wear and tear on the body.”

## Choong Sohn, senior manager for open innovation, Lenovo

Choong Sohn, senior manager for open innovation at China-based computer equipment maker Lenovo, leads deal-sourcing and deal-execution for strategic investments, partnerships and mergers and acquisitions in the US having joined the company in April last year.





And, having been involved in corporate venture capital since 2012 starting at phone operator SK Telecom Ventures before becoming a startup adviser, Sohn hit the ground running.

In June, Lenovo partnered Cloudian to “disrupt the \$87bn data centre technology market” with software-defined object storage on Lenovo’s appliances. Four months later Sohn lead Lenovo joining as a new investor in Cloudian’s \$41m series D round. Peter Hortensius, chief technology and strategy officer for the data centre group at Lenovo, at the time of the D round closing said: “When researching for ways to address the explosive growth in data, Cloudian’s storage solution, leveraging scaleable x86 infrastructure, was the clear winner.”

At the time of writing – mid-December – Sohn said: “I am working to close one more deal before the end of the year.”

He said what attracted him to CVC was the relative lack of competition. Sohn said: “Fewer VCs have the appetite to invest in core innovation areas such as semiconductors, sensors and materials given the lack of venture-type return profiles. My background and interest in these areas is what initially attracted me to CVC given these are often highly strategic areas of innovation for certain technology companies, including Lenovo.”

But strategic interests comes with a price – lots of stakeholders. Sohn said: “Managing innovation sourcing across all of our business units has been quite a challenge given the size of our team and breadth of technology coverage.”

But he said his ambition would be to “continue sourcing the best external technologies and startups that will drive innovation within Lenovo”.

This was something that would be made easier if the industry created “more opportunities to come together to network, share experiences and best practices”

After completing a master’s in engineering at Massachusetts Institute of Technology, Sohn began his career in various engineering and marketing roles in the semiconductor industry, including Applied Materials, KLA-Tencor and Samsung. Then, after receiving an MBA from University of California Los Angeles, and briefly working in finance at Deutsche Bank, he joined SK Telecom Ventures in 2012.

## Rohen Sood, investment manager, Reinventure Group



Rohen Sood, investment manager at Reinventure Group, the corporate venture capital unit of Australia’s second-largest bank, Westpac, admits he has been “in a unique position of being the first and only employee for two years at the firm – joining at the fund’s inception”.

But he has turned this unique position to advantage as Reinventure is Australia’s largest fintech-focused VC managing two \$50m funds sponsored by Westpac.

Sood said: “I worked on 13 ventures as well as 10 follow-on investments. I led the due diligence and investment process for seven of these deals – where we were the lead investor on each. I was also intimately involved in the raising of the second \$50m fund.”

Simon Cant, head of Reinventure with co-founder Danny Gilligan, said: “Rohen Sood would absolutely be a great choice for this Global Corporate Venturing Rising Stars 2017 award.

“He has been integral in a number of our more recent deals – Auror, OpenAgent and HyperAnna. He is incredibly astute and insightful, a hard worker and ruthlessly honest in his advice and decisions. He is a calm mind under pressure and a clear future leader in corporate VC or VC generally. He could well be described as the glue in the unit, but that would be to understate his talents as a VC in his own right.”

Cant added that Reinventure was structured as a “clean, traditional VC – with management fee and carry [a share of performance] only and a strict focus on disruptive ventures, leaving sustaining ventures to the bank.

“However, we still draw on a deep relationship of trust with the bank starting with the CEO to have them



lean in to support our ventures.”

In August, OpenAgent raised \$9m, while in October Hyper Anna, the Australia-based creator of a virtual assistant for corporate information enquiries, secured A\$1.25m (\$960,000) in seed funding from Reinventure and AirTree Ventures. New Zealand-based crime prevention software developer Auror (formerly Eyedentify) had completed a round of funding in September 2015.

Sood, who was promoted in July to investment manager from associate in July, said its other deals included Coinbase, Fillr, FlareHR, HeyYou, Nabo, PromisePay, SocietyOne, Valiant and Zetaris and, in particular, “I am proud of the work I did to champion one venture through to investment which has seen a 10-times increase since our initial investment”.

And Sood, a former consultant at AT Kearney and PwC, added that what attracted him to CVC was its potential impact. “Traditional strategy and implementation projects have short to medium term impact on businesses. CVC allows you to have a truly long term impact on the evolution of an industry and be part of the disruptive forces that have a deeply transformational impact.

“The biggest challenges have been managing and confronting my own internal mental biases when looking at new opportunities. We have a strong philosophy of ‘strong opinions loosely held’, which is necessary in early-stage CVC given the lack of traction and market data at times.

“I am continually challenging myself to view things from this lens in order to find non-consensus (and correct) opportunities.”

As to the future, Sood said he wanted to “continue to develop my skills in venture capital for the medium term but ultimately I believe getting strong startup experience is vital to perform effectively as an investor.

“I would like to pursue this later in my career either as a founder or a senior member of a startup I am passionate about.”



## Suchi Srinivasan, vice-president, McKinsey Ventures

Management consultants McKinsey built its success by hiring the top 1% of graduate talent. Or, in the case of Suchi Srinivasan, vice-president of McKinsey Ventures, rehiring them.

Srinivasan had worked initially as a management consultant at McKinsey for two years between 2005 and 2007 after stints at technology firms Avaya and Lucent.

She was rehired to help develop McKinsey Ventures in 2014 following business development work at Cleanweb Hackathon, a non-profit community building event for global entrepreneurs, her startup Watts At Work and operational roles at software provider Microsoft.

Mario Aquino, managing partner at McKinsey Ventures Asia-Pacific, said: “McKinsey New Ventures has built an extensive track record investing in big data and advanced analytics over the past four to five years, and becoming one of the most successful and fastest-growing parts of our firm.

“Our 35-plus digital solutions startups – a combination of organic innovations, equity-based deals, and partnerships – have completely transformed the digital capabilities that McKinsey is able to deliver to its clients and now operate at scale with more than 1,000 dedicated professionals.

“While innovation and cutting-edge technology play a big role, it is not without the talent and leadership of our teams that we have been able to build such a great success story.

“Suchi – who runs our partnerships team – is a perfect example of the high-impact leaders that we attract and groom and without whom would not have been possible to generate such a high traction in such a short period of time.”

Srinivasan completed her MBA at New York University Stern School of Business, her MSc in computer engineering at Rutgers and her BSc in electrical engineering at Indian Institute of Technology Madras.





## Kiersten Stead, investment director, Monsanto Growth Ventures

Timing is not everything in venture investing but it is a major factor.

Ahead of its own agreed \$66bn sale to chemical and pharmaceutical company Bayer, therefore, crop company Monsanto's first corporate venturing exit is useful and another feather in the cap for Kiersten Stead, investment director at Monsanto Growth Ventures (MGV).

Climate Corporation, a Monsanto subsidiary, acquired MGV portfolio company VitalFields, an Estonia-based developer of a digital tool available in seven European countries that collects field data to help farmers plan, manage and analyse their work in order to improve productivity, in November.

Stead's colleague, John Hamer, managing director at MGV, said the VitalFields exit was "an important one in validating our strategy".

Founded in 2011 and previously known as WeatherMe, VitalFields was revealed as a portfolio company of Monsanto Growth Ventures, the corporate venturing arm of Monsanto, in January last year. It raised \$1.2m in a May 2015 round backed by SmartCap, part of the state-backed Estonian Development Fund.

Stead, Hamer and Ryan Rakestraw, the third member of the investment team, by last month had 13 portfolio companies, one exit, and deployed more than \$100m in committed capital in just under four years since 2013. Rakestraw closed one of MGV's latest deals when the corporate venturing unit led the \$11m series B round in Resson Aerospace, a Canada-based machine learning company.

Stead sits on the board of four private technology companies, including Understory after leading its \$7.5m A round in February last year, Plant Response following MGV leading its \$6.6m A round, and Blue River Technology which MGV joined as part of its \$17m B round, both at the end of 2015, with other deals still in stealth, she said.

And she was hopeful of more exits to come – "we have a couple more in the queue".

Stead added: "We are perhaps too new to measure metrics in internal rate of return or return on investment, but this looks good so far, however, we are doing well on the strategic piece and have enthusiastic support from the company executives. "This strategic benefit takes constant effort, and my team members do a good job of communicating and maintaining credibility."

However, she said balancing the deals and responsibilities they brought with the relatively small team was a challenge. Stead added: "We have a hard time retaining supporting roles we require, or growing the team to a size that is appropriate."

But if they could expand their team, she knew who they would like: "Hire more professional permanent, venture investors into the team from institutional venture capital: people are the most important factor in building CVC teams with longevity."

Stead is also on the Keystone Science Advisory Board, the selection board of Genome Canada's Genomic Applications Partnership Program, and on the board of a not-for-profit sport association.

Stead has been a keen sportswoman and had close ties to Canada.

Born in Harare, Zimbabwe, Stead then lived in South Africa and Ireland before her family migrated to Toronto, Canada, where she studied biology at the universities of Calgary and Alberta, completing her PhD at the latter in 2006.

She stayed on for post-doctoral research and her MBA and helped Alberta win the Queen's Cup at the MBA Games in 2011.

Alberta also won the Sprit Award, selected by their peers, that year, with Stead receiving accolades in newspaper Financial Post for leading "a top-notch Ultimate frisbee win," after previously representing Canada in the world championships the year before.

She said: "I spent almost all of my spare time up until 2011 playing ultimate [a team game using a frisbee], playing on the Canadian national team from 1998 until my retirement in 2011. I came out of retirement





briefly to play with the US team in 2014. Previously, I was an internationally ranked alpine ski racer in Canada, eventually retiring to attend university. I still play both sports recreationally.

For last year's GCV Rising Stars 2016 awards, she said there were three main reasons for joining Monsanto. There was the team and the surrounding people in the rest of the organisation and the opportunity to help found and shape a new CVC to be successful. The ability to focus on a vertical such as agriculture was an excellent fit with her expertise and, to her, it was an area of investment neglect for many years. Finally, there was the kudos of Monsanto: "If you are going to build a venture capital portfolio in agriculture, there is no better company to do it with."

Stead had previously worked for two years until 2013 on the merchant bank Burrill & Company's venture capital team, which invested broadly in life sciences and industrial biotechnology with \$1.2bn under management from limited partners, including Monsanto.

Monsanto, which had also recruited Hamer from Burrill in 2012, had been among Burrill's LPs that had removed the founder, Steven Burrill, from managing a \$283m VC fund in early 2014 over his alleged misconduct.

Stead added she was briefly a management consultant specialised in early stage company development in nanotechnology, agriculture, and materials engineering and, earlier, was a member of an agriculture startup that was acquired by Seaphire/ Arcadia Biosciences in 2002.



## **Eric Steager, director of corporate development and innovation and managing director of strategic innovation portfolio, Independence Blue Cross**

"I pitched my boss the idea, he pitched his boss and so on. Eighteen months later, the strategic innovation portfolio was publicly announced."

Eric Steager, director of corporate development and innovation and managing director of strategic innovation portfolio at Independence Blue Cross (IBC), a healthcare licensee of the Blue Cross Blue Shield Association, outside of Philadelphia, had a background in venture capital, with almost eight years of experience in it, but joined IBC in an acquisitions capacity.

Although John Banta, managing director of Blue Cross Blue Shield Venture Partners, which involve 31 of the 36 plans in the association, said Steager had been a "terrific collaborator" over the past four years, it was this path of manager buy-in that has been his biggest success with the team so far.

Steager said: "Our unit is relatively young so while we have not backed a unicorn yet, as I look back upon our efforts in driving both strategic and financial returns for the organisation, there are multiple successes to point too. Yet, in my mind, the fact we were able to assist a 75-year-old health insurance company in recognising the benefits of partnering the early-stage ecosystem beyond simply that of pilot or vendor contract is significant and clearly a key success for the group.

"The symbiotic relationship between what a large company can bring to a startup in terms of guidance and resources is critical, but equally critical is having those within a large company understand their counterparts needs at the startup. The ability to mentor, coach and connect in addition to the inherent and intrinsic benefits of watching these startups grow and flourish are certainly the positive aspects of the role."

However, challenges abound. Steager said: "In addition to all of the typical big company challenges around misalignment of priorities – it is really important to the startups living the relationship but only one of 20 priorities of the strategic business unit champion – the health insurance industry in the US has been subject to a number of external headwinds, challenges and uncertainties.

"These headwinds make the normal course of corporate venture investing even more complex and methodical. That said, where there is crisis there is opportunity. So, given this difficult environment with its ever increasing regulatory and financial uncertainties and challenges, our CVC group has the continued opportunity to add value by bringing the strategic insights, new business model innovations and



perspectives gained by our efforts to the executive leadership so they can be more effectively prepared and able to deal with them.

"However, as an industry we still continue to be too internally focused versus our brethren in traditional or institutional venture capital. While I think most of the bad habits and stereotypes of CVC have gone by the wayside as a practical matter, there is still many outside of our industry that have antiquated perceptions of our efforts.

"Therefore, taking the time to look outside of our respective organisations for opportunities to collaborate with traditional VCs, or highlight our industry at events like SHIFT and the Global Corporate Venturing & Innovation Summit are welcome and necessary for our continued mutual success. Venture capital is, as Silicon Valley will loudly tell you, is a relationship game and you cannot make those relationships and bring value to your organisation by focusing inward on the corporate dynamics and politics."

After consulting in the late 1990s, Steager spent the 2000s in venture capital and private equity, initially with Banc One Capital Markets, then Ankaa Capital Partners, Safeguard Scientifics and GPX Enterprises.

Steager said work and family life with his wife and two kids limited his spare time beyond teaching venture capital financing and corporate finance at Drexel University and being on the board of a pediatric cancer charity GetWellGabby Foundation.



## Carl Stjernfeldt, senior venture principal, Shell Technology Ventures

Carl Stjernfeldt, senior venture principal at Shell Technology Ventures (STV), the corporate venturing unit of the Anglo-Dutch oil major, said he was in the Guinness book of world records as part of a team effort.

A search for his entry could find no reference to corporate venture capital but his colleagues are certainly respectful.

Geert van de Wouw, managing director at Shell Technology Ventures, said: "Carl Stjernfeldt is our most active senior venture principal in terms of sourcing and closing deals. In the past 24 months, he has closed Maana, a big data company, Veros, developing predictive maintenance analytics, Quantico, developing artificial logging in the oilfield, and Welldog, an oilfield technology services company.

"Carl also led our fund-of-fund investments in Energy Ventures and Proventure, where we are a limited partner. He will be closing another three deals in the next two to three months and one more fund-of-fund investment. In short, he is a rising star in my team."

Based in the US, Stjernfeldt is board observer at Maana, Veros Systems and Welldog and looking to "make minority equity investments in emerging vendors – startups – that can deliver outsized value to our parent while being financially sound and rewarding".

He added: "That is, we are measured on both financial and strategic return, which is key for long-term success as a CVC. STV invest both in the oil and gas areas as well as new energies, a new business area for renewables and emerging business models in the energy sector, and my areas of focus include the intersection of software and IT with both oil and gas and new energies."

Stjernfeldt joined STV in 2013 after nearly seven years as a general partner at Castile Ventures and an equal period time as a partner at Battery Ventures, both in the Boston region.

He said he was interested in joining STV as having "the chance and opportunity to learn the very exciting energy sector, learning while being on one of the top platforms in the world", adding: "Working for a Fortune 5 company sometime brings a set of internal challenges that are unusual for an outsider. But the knowledge, presence and brand more than makes up for that."

And whereas the goal might be to have a deal of such size and importance it is mentioned in Shell's quarterly report, Stjernfeldt said the industry as a whole would be improved if it could "share deals with each other first, then to the outside world – think Kickstarter for CVCs only".





## Lutz Stoeber, investment director, Evonik Venture Capital

One indication of Lutz Stoeber, investment director at Evonik Venture Capital's (EVC), success has been in building the corporate venture unit of the eponymous Germany-based chemicals company's relations with the wider venture ecosystem.

No doubt helped by the BASF diaspora that populate other leading corporate venturing groups, including Evonik, Merck, Saudi Aramco and Eon, Stoeber is one of the few corporate venturing representatives from overseas firms advising US trade body the National Venture Capital Association (NVCA).

Bernhard Mohr, head of Evonik Venture Capital and former BASF Venture Capital partner, said: "Over the past three years he has helped us to build our portfolio in the US, besides establishing a strong network in the VC industry.

"Lutz was recently appointed by NVCA as member of its Corporate Venture Advisory Group. Personally, I have highest appreciations for Lutz's professionalism and dedication to his work, in combination to the experience and transactional background he brings to our team."

Stoeber joined EVC as an investment manager and one of its founding members under Mohr in 2012. He was promoted in the following year to investment director to take on the responsibility for investments in North America.

Stoeber said these areas included "innovative technologies with high growth potential in the field of specialty chemicals, advanced materials and animal nutrition and include companies with solutions to problems within the following megatrends – resource efficiency, health and nutrition and globalisation".

EVC has invested in nine companies, including Airborne Oil & Gas, Algal Scientific, Biosynthetic Technologies, FRX Polymers, JeNaCell, Nanocomp, Synoste, Vivasure and Wiivv. In addition, EVC became a limited partner in four VC funds, including Pangaea Ventures, Emerald Technology Ventures and GRC SinoGreen Fund in China.

Previously, Stoeber had been involved in investments in chemical, advanced materials and industrial companies throughout the capital structure, he said. "I helped to establish Pardus Capital, a special opportunities fund, between 2005 and 2010 and ran their German office.

"Between 1999 and 2005, I worked for institutional investors and was part of DGH&A that was widely recognised for its ability to acquire, set strategy for and grow companies in the chemical and industrial minerals sector."

Stoeber, who completed his PhD in polymer science, added: "What attracted me to CVC is the extensive technical and business expertise that corporates have in-house.

"I enjoy a combination of strategy, entrepreneurship and investing in different industries and also where industries cross. Corporate VC allows me to participate in all that – to work with a variety of business units on growth strategies, to bring new technologies to the business units and learn from seasoned operators in the business units. In addition, it allows me to interact with entrepreneurs and technologies that change the way we will do things in the future or have a major impact on advancing our lives.

"For a corporate venturing unit, it is essential to define the objective of the venture capital activities and establish a close link to the parent's innovation programs and business interests. At EVC, we established a cross-functional team with team members coming from within Evonik and some joining from the outside. This allows for strong functional expertise in investments and also for communication directly with the operational business units.

"One of the biggest challenge for corporate investors is undoubtedly internal in nature. Maintaining consistent and ongoing business unit engagement is a key challenge we engage daily.

"The benefit is that over time the business units start to see the value of having an externally focused innovation arm and rely increasingly on us with the expertise we bring.

"Corporate venturing has dramatically matured over the past few years. Especially around topics such as



when to engage corporate investors, the financing discipline of corporate investors are improved and the engagement of corporate investors with venture businesses.

"Although there are still misperceptions around the role of CVCs and disagreements around valuations that CVCs need to entertain, I believe CVCs are astute enough to show the significant value that they bring apart from the investment. This strategic value is often not reflected and recognised enough.

"I anticipate continuing in my role in corporate venturing and eventually might return to traditional venturing. I also cannot rule out another opportunity that appeals to my inner entrepreneur having worked in a startup."



## Rajesh Swaminathan, investment director, Applied Ventures

Rajesh Swaminathan, investment director at chip and display designer Applied Materials' Applied Ventures unit, in his spare time likes rock climbing, which seems an apt metaphor for his rise as one of the most active corporate venturing capitalists.

Swaminathan said: "I focus on investments in advanced materials, cleantech, 3D printing, healthcare, and augmented and virtual reality. I also manage our investment strategy in India. We have invested in about 70 companies to date and invest up to \$50m per year off our balance sheet."

Tony Chao, head of Applied Ventures, said: "Rajesh joined within the last two years and has been very prolific at networking and closing a number of deals. Most recent deal that Rajesh worked on is Norsk Titanium – a first investment for us into the additive manufacturing arena."

In September, Applied Ventures supplied an undisclosed amount of funding for Norway-based structural titanium component producer Norsk Titanium following the portfolio company raising \$15m in equity funding in June.

Swaminathan added: "Our mission is to bring our materials engineering expertise to existing and new markets to help address technology challenges and accelerate commercialisation. It is fascinating to see how our investments are disrupting a range of markets. Inpria, for example, is a materials company pursuing the extreme ultraviolet lithography market.

"SolidEnergy, a li-anode-based battery company [where the negative electrode uses lithium], is working to improve battery life, cost and range anxiety by offering new technology for high energy density batteries. Nanosys, a quantum dot (QD) materials company, is accelerating the adoption of QD materials for display technologies."

Before joining Applied Materials in 2009, and as the global financial crisis hit, Swaminathan spent just more than a year as senior associate at Third Point Ventures, the venture unit of hedge fund Third Point, including investing in Enphase, a micro-inverter company that went public in 2012.

This role had followed receiving his MBA at Harvard Business School as part of a shift into finance after five years leading Lucent Technologies' engagement with startups across optics and radio frequency devices.

Swaminathan said: "I worked with Bell Labs and had the opportunity to work very closely with several leading optics startups while there.

"It was fascinating to leverage the technical capabilities, channels and business relationships of Bell Labs, now part of Nokia [but originally within Lucent], to accelerate the success of many emerging companies. That experience also strengthened my belief that early engagements with startups are critical for larger corporate venture capitalists whose long-term success is based on disruptive and scaleable innovations.

"While pursuing my MBA at Harvard, I engaged with startup companies working on solar, biofuels and water desalination. I observed that hardware technology companies like these could leverage the expertise of the more established corporations.

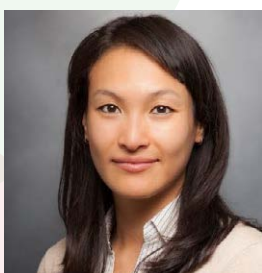
"The synergies between corporate VCs and technology startups and my own background in materials



engineering is what attracted me to Applied Ventures. The company's experience in modifying materials at atomic levels and on an industrial scale enables many of our portfolio companies to transform possibilities into reality and bring ideas to commercialisation."

However, he said many financial VCs had limited exposure to deep tech startups, requiring more corporate VCs to step up.

As a result, he said it could be helpful if there were "stronger collaboration between CVCs, which would help pull together good investment syndicates in a timely way" and recommended more networking events, such as those by Global Corporate Venturing and US trade body NVCA, and "better branding and communication of value to startups".



### Hong Truong, director, Summation Health Ventures

Hong Truong now works as a director at Summation Health Ventures, the corporate venture capital group of Cedars-Sinai and MemorialCare Health Systems based in southern California. She joined it in September after three years as an associate in healthcare corporate venture capital at Kaiser Permanente Ventures.

She said: "The corporate venture groups I have been with have had the benefit of two worlds: the nimbleness and flexibility of a small company and the resources and opportunities of a big company. As an investor, it is great to be able to speak with entrepreneurs with a clear competitive advantage over other firms – the name-brand of my corporate, access to deep industry expertise and the ability to being a partnership to the table.

"I was involved with a number of investments while at Kaiser Permanente Ventures. Among them, two stand out as particularly meaningful to me. I sourced our investment in Validic, which sells a platform for connected devices in healthcare, and I was an advocate for our investment in HomeTeam, a tech-enabled private duty business.

"One of my biggest challenge has been to align corporate priorities and the timing of those priorities, with investments. Startups will raise money when they need it, healthcare systems will adopt new services and technologies when it makes sense for them. Bridging those two entities and their needs is an art. For those CVCs that act as strategic investors, it is important for them to partner companies for which they are truly able to deliver value. Otherwise, it makes us all look bad."

Truong gained a master's in public health from Yale in 2011, "and am still a public health junkie", she said. "The intersection of public health and technology has never been more exciting. My main ambition is to improve the delivery of healthcare services. I see venture investing as a means to an end, to reshape this industry."



### Olga Turzhanskaya, head of Qiwi Venture

Olga Turzhanskaya, head of Qiwi Venture, the corporate venture capital unit of Russia-based payments company Qiwi, has moved from sell-side to buy-side equity analyst and on to private equity then venture investing through her career. This gives her a comprehensive picture on private and public investments in Russia and the Commonwealth of Independent States.

Turzhanskaya joined Qiwi Venture in early 2014, a year after the payments company floated on the US's Nasdaq stock exchange. Russia-based internet company Mail.ru, in turn backed by corporate venture money from South Africa-listed media group Naspers, had made over \$300m from selling its shares in Qiwi. Qiwi's flotation spread its wealth to other startups.

A month later, in late April 2014, Andrei Romanenko, an executive at Qiwi, set up Run Capital, a \$30m venture fund targeting Russian tech startups at the pre-seed and seed stages. The Russian entrepreneurs who launched Run Capital alongside Romanenko, Sergei Fedyushchenko, Igor Mikhailov, Andrei Muravyov and Nikolai Romanenko, were all linked to Qiwi.





And other executives have also been dealmaking, with Sergey Solonin, Qiwi's CEO, in July joining Russia-based contractor services marketplace YouDo's \$6.2m series C round, alongside Sistema.

But, while Qiwi Ventures had struck some deals before Turzhanskaya joined, including Carbay.ru, it has seen plenty of interest afterwards, with mobile payment application AnyBalance raising \$150,000 in May 2015. Others in its portfolio include 47 Restaurants, PIN Bonus, POSFinance, Centrobot Agora, Bunch, Zaimix, Your Audioguide, Easywallet, Tutt.ru, Checkit and PrimeGate, according to database Rusbase.



### **Ilka Wicke, director, Boehringer Ingelheim**

A long-time member of pharmaceutical firm Boehringer Ingelheim's staff and a strong driver of innovation at the Germany-based company, Ilka Wicke came to the company nearly 20 years ago to explore new drug discovery approaches as head of an interdisciplinary research laboratory. Based in Ingelheim, Germany, she is a director at Boehringer Ingelheim and an investment manager at the Boehringer Ingelheim Venture Fund.

In 1999, Wicke made her first moves towards corporate venturing when she moved to a corporate development role at Boehringer Ingelheim in which she developed strategic partnerships and conducted negotiations of licensing and technology agreements. She earned a promotion in 2001 to director and led patent licence and research collaboration agreements with universities, other companies, and research institutes for the majority of the first decade of the new millennium. Throughout 2009 she played an integral part in creating the Boehringer Ingelheim Venture Fund.

Since its launch in 2010, Wicke has sat in the director's chair at the fund. She actively seeks seed and series A opportunities in the biotech sector, and has played a part in a number of deals. These include Boehringer's investment into cancer metabolism startup MetaboMed as part of its \$18m series A round in April last year, following its 2013 seed.

In October, Promethera Biosciences, a cell therapy and regenerative medicine company targeting liver diseases, raised €10m (\$11m) in its series C extension financing. Her other portfolio company, anti-fungal firm Pcovery, raised \$3.2m in 2014.

Before coming to Boehringer, Wicke spent a year at the Sloan Kettering Cancer Centre after obtaining her PhD from Johann Wolfgang Goethe University. While there, she worked on retroviral gene therapy, which stimulates anti-tumour responses. The research would lead on to Sloan's contribution, along with intellectual property from Fred Hutchinson Cancer Research Centre and Seattle Children's Research Institute, to the creation of Juno Therapeutics, one of the main startups driving forward the promising immunotherapy treatments for cancer that can genetically alter white blood cells so they can identify and target tumours. Juno, launched in December 2013, would go on to raise \$310m before completing its IPO within a single year.



### **Fay Xing, partner, Wuxi Healthcare Ventures**

Fay Xing, partner at Wuxi Healthcare Ventures, the strategic investment arm of China-based pharmaceutical research company WuXi PharmaTech, joined one of the most active healthcare investors in May 2015.

Having spent nearly five years as a principal at Decheng Capital/Bay City Capital, based in Shanghai her move to Wuxi allowed her to add back US dealmaking to her China experience. She had earlier worked in corporate venture capital for Medtronic in the California and Shanghai after completing her MBA from Harvard in 2005 and two years working as founder of CardioCool in Palo Alto, California, during her doctor training at Stanford University.

In August, Wuxi was part of the \$20m series C round for US-based cancer care technology developer Avelas Biosciences and participated in a \$30m series D round for Israel-based digestible insulin formulation developer Nutrinia. In July, China-based biopharmaceutical startup CStone Pharmaceuticals closed a \$150m series A round featuring WuXi Healthcare Ventures through one of Xing's partners.





## Janie Yu, partner, Fung Capital

There has been a long tradition of journalists becoming venture investors ever since legendary investor Michael Moritz gave up covering hardware company Apple at Time magazine in order to join Sequoia Capital in 1986.

One of the most successful of the recent breed, which includes Stewart Alsop a decade later in 1996, Om Malik in 2006 and MG Siegler and Michael Arrington both in 2011, according to research by Business Insider, has been Janie Yu, partner at Fung Capital, the venture unit for the Fung family that separately controls the Fung Group, a conglomerate that has businesses expanding across the entire value chain of retail, from consumer product sourcing, supply chain management, distribution and retail operations.

Yu might have given up being a journalist for BBC/PRI's co-production, *The World*, based in China, in 2006 but said: "The investigative nature of the work turned out to be great training for my VC career, and it is fairly intuitive for me to peel the onion and understand the core opportunities and risks of a company."

Michael Hsieh, president at Fung Capital USA Investments, said: "Let me start off by congratulating you for identifying Janie as a rising star in the world of corporate venture investing. We try to keep her a secret but your research ability is laudatory and I guess it is time for us to share her with the world."

"Janie came to us with no background in finance or venture investing. In fact, she was a former journalist with the BBC in China and obtained her master's in East Asian studies at Harvard University. This turned out to be the perfect training to become an associate in our firm because she possesses deep intellectual curiosity, quick grasp of complicated concepts and an uncanny ability to elicit information from complete strangers.

"As a result, she was able to identify retail and technology trends that enables us to identify key investments such as HookLogic, Tulip, Narvar, among others in our portfolio and pipeline. She was quickly promoted to vice-president in two years and became a partner in her fourth year. This is a meteoric rise within our organisation.

"Janie's bilingual and bicultural background also makes her unique in identifying and making cross-border investments between the US and China, especially since there will be increasing capital flows and technology exchanges between the two regions. She is clearly someone to keep an eye on, and I wholeheartedly support and recommend her for your Rising Star award."

Yu, who after journalism worked in marketing for Burt's Bees and ad agency Cone, repaid the compliment: "I was fortunate enough to find an amazing team at Fung Capital that has a winning track record due to the domain expertise and focus on retail technologies, which is a great fit for my background. Furthermore, the firm culture also encourages and helps younger team members to grow and flourish, and for me this was an opportunity not to be missed.

"One of the main reasons behind our firm's success has been focus and discipline. However, for me personally, it has been a learning curve, particularly in the past couple of years when the VC market is so hyped and restless. Occasionally, I get distracted by deals outside of retail tech, and sometimes I fall in love with a company and relax our rigorous screening standards. Fortunately, thanks to the strong team culture, I am able to stay focused and disciplined."

Although Yu is also on the board for Navar, a US-based customer post-purchase experience management platform, Yu's biggest success so far was the leading the investment in Hooklogic, a US-based native product ad network that helps brands place product listing ads across leading e-commerce sites such as Walmart, Target and Mayc's, and provides closed-loop attribution. The company was acquired in November by France-based peer Criteo for \$250m, which Yu said was "a great outcome for all shareholders. It also delivered much needed optimism in the depressed ad tech market.

"I firmly believe that CVCs have to see financial return as the primary mandate in order to sustain and grow the industry.

"I challenge myself to continue to make good investments, not just as a portfolio, but every single deal. I would like to help elevate the entire retail industry by investing in innovative technologies that can help retailers and brands operate effectively and deliver a superior experience to consumers."





**Karen Zhang, executive director, Baidu Investment**

Karen Zhang, executive director for investment at China-based search engine provider Baidu, has spent more than a decade honing her investment skills and the rewards are increasingly evident.

Since joining Baidu in February 2015, her deals cover mid to late-stage technology and media and have included Lianjia.com, Miya Baby, EDaixi, Doumi, MWee, SMI Culture, LeCheBang, Kuaishou, Womai.com and Bolomi.

As a former China-based director at Japan-listed investment company Jafco for nearly 6.5 years, she sat on boards of Boqii.com, Showworld, EasyPrint, iHaveu.com, Motor2, and DHGate.com, with successful flotations of Tarena and eHi on US stock exchanges and trade sales of 51 wan.com, acquired by Great Wall Cartoon for \$80m, and Amsky at a five-times return on investment.

She first managed companies while at Goldman Sachs after the millennium before becoming an associate in the global principal investment division of investment banking peer Merrill Lynch until September 2008. At Merrill Lynch she was covering made four growth equity deals at between \$20-40m in the greater China area.



**Penglan (William) Zhao, senior investment manager, Bertelsmann Asia Investments**

If you have been an investment banker (IB) working on \$20bn of flotations and mergers and acquisitions over a three-year period then the move to venture capital (VC) investing can seem to involve rounding error amounts.

Penglan (William) Zhao, senior investment manager at Bertelsmann Asia Investments (BAI), the China-focused corporate venturing unit of the Germany-based publisher, therefore, has done his best to find deals that would have interested his former peers from his days working at JPMorgan and UBS.

For the nine investments Zhao has led on sourcing or execution for BAI since he joined in March 2015, "six of them have grown to the clear market leader in respective industry, and three of them have been up round to over \$500m valuation", the company's spokesperson said.

Zhao takes the lead on BAI's fintech coverage, and has sourced and led two deals in this sector: China-based online agriculture finance platform NFQ Finance(Nongfenqi) and China's overseas-focused investment portal Meixin Finance.

He also led the deal of Yingshiji, a China-based online food delivery infrastructure and service provider.

In addition, BAI said Zhao "played an active role in executing transactions of significant deals, including two on fintech, China's largest internet auto finance platform Yixin Capital, and China's largest student loan originator Fenqile, and two China-based global companies: Bigo Live, the largest live-streaming app in south-east Asia, and Baca, the largest news aggregate portal in Indonesia and Brazil".

Annabelle Long, head of BAI, said: "William made a wise decision to transform himself from IB to VC. He is proving his potential to realise BAI's vision of seeking and supporting entrepreneurs who will be role models of the young generation."

Zhao, who graduated in maths from Canada-based University of Waterloo, has also been actively involved in the communication and interaction between BAI and Bertelsmann headquarters and other business units, the company said.

And, unlike many investment bankers, the conversation would probably have been about more than his own deals.





Global Corporate Venturing

# Leadership Society



## GCV Leadership Society and ICVCA missions:

The GCV Leadership Society is for corporate venturing leaders and aims to be the pre-eminent provider of data, information, events and other services for the global corporate venturing community. The Society helps develop the corporate venturing leaders of the future.

A separate CVC trade body, the International Corporate Venture Capital Association, chaired

and majority governed by practicing corporate venturers, has also been created to help the industry communicate its work to third parties, such as entrepreneurs, VCs, corporate management and through regional trade bodies and local networks that provide government lobbying.

	ICVCA (Organisation/ Individual) \$499 per year	Premium* (Company) \$12,500 per year	Luminary (Company) \$50,000 for 2 years
Right to join and use the 'ICVCA' Name	✓	✓	✓
Get the <a href="#">Weekly Community Newsletter</a>	✓	✓	✓
Entry in the <a href="#">Member App</a>	✓	✓	✓
Pro Bono - Bridging communications to third parties	✓	✓	✓
<a href="#">Enhanced Company Profile</a> in the Directory app		✓	✓
<b>Free Ticket</b> to either the annual Summit or Symposium		TWO	THREE
<a href="#">Executive Advisory Role</a> - act as GCV Leadership Society Ambassador for a three-year period			✓
<a href="#">GCV Subscription**</a> for up to 2 users for 12 months - access the monthly magazine (pdf), news website and special reports	10% Discount	FREE	FREE
<a href="#">GCV Analytics</a> for 1 user for 12 months (add an extra user for \$5,000 more) - access 8,000+ deals through GCV Analytics for bespoke reports	10% Discount	FREE	FREE
<a href="#">Branding on Leadership Society materials</a> as Luminary members			✓
<a href="#">NDA Club</a>			✓

\*GCV Subscribers can upgrade for a limited time. Subscription fee already paid will be subtracted from the amount due on a pro-rated basis.  
\*\*Includes access to Global Government Venturing and Global University Venturing.



## Get all the benefits of the Mawsonia brands with the GCV Leadership Society, all under one umbrella.





## ICVCA

\$499 per year

This US-based non-profit organisation is governed by the industry leaders in order to communicate with third parties, such as entrepreneurs, VCs and corporate managers. It is separate to Global Corporate Venturing (GCV) and its UK-based corporate parent, Mawsonia, although it can contract services from GCV and/or other service providers, such as data, to help in its outreach efforts. Subscribers to GCV will automatically be enrolled in the ICVCA with \$499 rebated to the non-profit as GCV's contribution to the industry. However, people can join the trade body separately to taking GCV's Leadership Society services.

### GCV Industry Partner (Firm) or other industry professional (e.g. Academic, Government)

\$10,000 per year\*

\* Non-corporate venturers will have more limited access to the ICVCA's services unless authorised by its board.

## Why Join?

- Support your industry
- Help shape thought-leadership and best practice to increase success
- Network with the most influential corporate venturers in the world – these could be your co-investors or partners
- Raise your company's profile to increase co-investment and deal-flow opportunities
- Increase your personal profile for your next career move
- Join sub-committees to move the industry forward in areas such as deal flow, investment models, partnership approaches, innovation excellence and intellectual property

## Committee members include:



Claudia Fan Munce  
NEA



Sue Siegel  
GE Ventures



Bill Taranto  
Merck

*"Global Corporate Venturing represents the industry and the good citizens and leaders in the innovation capital ecosystem are part of its Leadership Society."*

Claudia Fan Munce,  
GCV Leadership Society Chairperson and  
former Head of IBM Venture Capital

## Luminaries include:



Tom Heyman  
J&J



Wendell Brooks  
Intel Capital



Jeffrey Li  
Tencent



Jaidev Shergill  
Capital One

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