THE STATE OF THE GLOBAL VC LANDSCAPE

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Ahead of the June vote last year on whether the United Kingdom should leave the European Union, the betting markets and pollsters all predicted the “Remain” side would win. But they were wrong. In a shocking upset, the “Leave” camp emerged victorious, triggering a Brexit in a 52–48 vote and the entire world was left reeling from the unexpected results.

Despite recent rulings by the United Kingdom High Court, it remains to be seen what the ultimate financial implications of Brexit will be if the country does end up removing itself from the European Union. People had initially predicted that the markets would take a serious hit. And they did—only to rebound a few days later. But the long-term outcomes? We won’t know until Article 50 is officially triggered and the dissolution process commences in full gear—something Prime Minister Theresa May says she expects to do before the end of March 2017.

In the meantime, we can only guess. The Woodford Investment Fund, for example, suggests that while the UK may suffer some short-term losses, Brexit will likely create a number of opportunities over the longer term. Unfortunately for UK-based entrepreneurs and startups, a good chunk of those losses might come from venture capitalists tightening their purses as they wait out the period of uncertainty to see how everything resolves.

The unspoken rule in the startup world has always been that you head to the United States if you want the best shot at getting your company financed and to ultimately be successful globally. After all, the US has the strongest startup culture and ecosystem, and a company that makes it in the US is expected to make it anywhere. Even within the US though, there are a variety of trends in funding and startups from region to region.

Everyone knows it's harder to get funding on the East Coast (i.e., New York City) because investors there are sticklers for solid financials. To increase the chances of selling an idea that lacks solid revenue generation up front, entrepreneurs can head to the West Coast (i.e., San Francisco) and talk to investors who are more likely to trust their gut and fund ideas that are more feel-good with strong long term visions. Strike out in Manhattan or San Francisco, and it might be time to take a trip to places like Denver, Chicago and Austin.

If US-based venture capitalists aren't willing to fund an idea, entrepreneurs can then look overseas, to Europe and the countries there. They could try even more additional options in China and the rest of Asia, with their big purses and desire to invest.

It's safe to say that in the aftermath of Brexit and the uncertainty in the US political landscape, the venture capital market landscape has shifted. Ahead of the Brexit vote, venture capital investing in the UK was already down 27% year-to-year as financiers hesitated to pour money into new companies during a period of uncertainty—this despite the fact that investors poured 63% more dollars into VC funds there during the same period.

We live in an interconnected world. Brexit's impact on the venture capital ecosystem and changes in the US private investment world after the new president takes office could send shockwaves around the global investing community.

But what does that mean for entrepreneurs? Where can startups look for money these days? What does today's global VC landscape look like anyway?

In the following chapters, we will explore the state of various venture capital markets around the world and see what kinds of trends, opportunities and risks are associated with each of them. This information should help entrepreneurs figure out which geographical markets are most likely to effectively support their financing needs, even as the landscape shifts.

Chapter 1: Venture Capital in the United States

A vast majority of the global venture capital activity takes place in the United States. According to Ernst & Young, 68% of global VC investments were made in the United States in 2013.

Last year, VCs funded more than 3,660 companies in the United States to the tune of $58.8 billion. Investments were made in startups spread out over 133 cities, according to PWC. VCs poured the most money into these five areas:

1. **San Francisco-Oakland-Fremont:** In America's tech metropolis, VCs gave 797 startups $21 billion.
2. **New York-Northern New Jersey-Long Island:** On the East Coast, 416 startups hauled in $7 billion.
3. **Boston-Cambridge-Quincy:** In Massachusetts, 348 companies brought in $5.6 billion.
4. **San Jose-Sunnyvale-Santa Clara:** Over in California, 321 startups received $6.2 billion.
5. **Los Angeles-Long Beach-Santa Ana:** Rounding out the list, 240 companies in the greater Los Angeles area fundraised $4.5 billion.

Whereas VCs used to be notorious for pouring all their money into Silicon Valley, the data suggests investors are increasingly diversifying their investments and supporting companies that are on the East Coast. Beyond that, a number of other cities—like Seattle, Atlanta and Denver—are forming formidable venture communities and pushing startup ecosystems in their own neighborhoods.

Let's focus on the three major areas for venture investment in the United States and the general characteristics of both investors and startups in each.

I. The East Coast

Anyone who's paying attention knows how hot the New York City startup market has been over the past years; it's where investors want to put their money on the East Coast. According to the *New York Business Journal*, venture capitalists funneled 40% more dollars into NYC-based startups in 2015 than they did in 2014. This is due to the fact that companies like Jet.com, Flatiron Health and Datto closed huge financing rounds in 2015. Tech companies have increasingly moved to the big city, with all the giants (Google, Facebook, etc) opening offices there and filling entire neighborhoods with strong tech talent.

Up next is nearby Boston. While startup activity had slowed down in recent years, it has since rebounded thanks in part to a number of investments made in companies focused on life sciences, among other things. VC firms are also pouring a lot of dollars into startups in the mobile and software-as-a-service (SaaS) verticals, as well as those designing intelligent

systems, robotics and new manufacturing tools and applications. According to *Forbes*, Boston is home to five of the United States' hottest startups, including Jibo, DraftKings and Pronutria Biosciences. The huge amount of smart talent coming from universities around the city that are looking to stay after graduation makes this no surprise.

Washington DC is also attracting a large number of VC investments—many of which are focused on startups which are involved with the government and politics. Remember, the federal government is the country's largest customer. And it has the largest purse, too—so the potential for closing huge contracts is certainly there. According to *Inc*., DC is the country's fourth-most desirable city for tech startups and venture investment activity. In addition to the tremendous opportunity that exists simply by proximity to Capitol Hill, the government is lowering capital gains taxes on angel investors, making investing that much more appealing. Startups in the region also have advantage from their proximity to the country's lawmakers, which give them a good vantage point for up-and-coming legislation.

Startups are attracted to the East Coast and New York City in particular because there is no shortage of talent and there is a sense of legitimacy that comes with being headquartered in Manhattan (or, increasingly, Brooklyn). But this doesn't mean that venture capitalists are writing blank checks to companies that have cool names and happen to be located in the Flatiron District.

Indeed, VCs on the East Coast are intensely interested in companies that have demonstrated the ability to generate revenue and have attractive price multiples. Investments made in startups on the East Coast tend to be global, and VCs are usually in the first or second group of financiers approached by entrepreneurs. There's a lot of interest in later-stage companies too; private equity firms and hedge funds—which tend to be based in New York City and Boston—are getting in on the trend. These firms may not be as patient as VCs, so they end up waiting for proven success until eventually pouring in money to support continued growth and an eventual exit. They have also been the reason that many late-stage valuations have been considerably higher than what we've been used to in the past. Of course, it's worth mentioning this valuation cap has jumped largely in part due to individual later stage investments into behemoth companies like Uber, Airbnb, and Snapchat, which have been rumored to IPO "soon" for years.

II. The West Coast

As anyone who's hopped between New York City and San Francisco will tell you, the vibe between the two cities couldn't be more different. In New York, people move quickly and, very generally speaking, tend to be more straightforward (or "brutally honest"). Walk through the big city, and you'll see millions of people walking everywhere very quickly. In San Francisco, the vibe is dramatically mellower. People on the West Coast tend to be more laid back and seem friendlier on the surface—maybe it's the California sunshine.

That being the case, it comes as no surprise that VCs on the West Coast tend to be more big-picture thinkers. So long as the idea seems to have merit and investors are swayed by a particular pitch or long-term vision, they are willing to give funding—even when companies don't have strong financials and may not have a plan to generate revenue anytime soon. Because of this, valuations can be higher than comps would otherwise suggest.

While Silicon Valley still attracts the most money from venture capitalists, the market has cooled off in recent years. Deals made in Q4'2015 were down 35% from the prior year, according to PitchBook. In any case, there are a number of unicorns out west that still haven't IPO'd. But valuations began dipping through 2016. Many companies are raising fewer and fewer dollars. This makes sense, as while private investors may be willing to give a pass on financials, public investors are often much less lenient, making exits at higher valuations than the last raise more difficult.

Over the last few years, Los Angeles has attracted a number of startups as well—primarily because it's a considerably cheaper city than San Francisco. Companies like Snap, Dollar Shave Club, Ring, Tinder and Riot Games have set up shop in LA and are paving the way for other entrepreneurs. Startups in LA also have an advantage with their proximity to media and entertainment behemoths and talent. And as video and traditional media companies move to integrate more technology, LA's startup scene stands in the sweet spot of that convergence, with many growing video companies. With Snap's IPO on the horizon, LA is a city to watch as early employees cash out and look to either start their own companies or invest in new ones, creating a "Paypal Mafia"-esque impact in southern California.

Still, Silicon Valley remains, well, Silicon Valley. Its name speaks for itself. Startups feel like they need to get the famous VCs out west to bless their product. Getting funding there tends to bring in plenty of free publicity that helps both externally with news and internally with hiring. Because of that, VCs in the valley tend to have the first pick when it comes to choosing which companies to fund and which to pass on. Like the East Coast, investments in Silicon Valley are global too.

III. The Rest

Not every entrepreneur with a great idea wants to float around from New York City to San Francisco—the country's two most expensive cities—on the off chance a venture capital firm

might decide to fund their startup. Whether they don't have enough money to stomach the enormous rent and pay employees market rates, or they simply prefer to live in more affordable regions, a number of entrepreneurs building companies look for cheaper rents and inexpensive resources.

To meet this need and help their cities get onto the technology wave, many investment firms invest predominantly in local companies and local companies alone. Since all you need is computing power and access to the internet to build most startups, entrepreneurs are leaving the comforts of New York City and San Francisco and settling down all across the country.

Here are some of the more exciting areas of startup and VC activity that traditionally fly under the radar:

- **Austin:** By all accounts, Austin boasts one of the United States' fastest-growing tech scenes. In 2015, 99 deals were closed in the area, providing an infusion of $740 million into the Austin startup community—a 20% increase from the year prior when 114 companies brought in $615 million. While nearby Dallas has seen a dip in venture capital, Austin has thrived of late. Companies like Caringo, CollabIP and Continuum Analytics closed funding rounds in September 2016.

- **Seattle:** Home to public companies like Amazon, Microsoft and Zillow, Seattle's tech scene is booming. While not everyone agrees Seattle is a top-flight city for venture capital, the area has seen a lot of success. Venture funding was flat in Washington state between 2014 and 2015—116 deals that brought in $1.2 billion occurred last year vs 114 deals and $1.3 billion in 2014. But there's still been a lot of activity. Behind Silicon Valley, Seattle has the country's second-hottest tech office market.

- **Denver:** A number of startups have blossomed in the Rocky Mountains as Denver's startup scene continues to take off. Though fewer deals closed in 2015 than 2014, Denver has seen venture capital investments nearly double over the last five years. In 2011, 32 deals brought the city $179 million; in 2015, 59 deals netted $345 million, with investments made primarily in the internet sector.

- **Salt Lake City:** According to *CNBC*, Utah is the United States' best state for business. Salt Lake City's tech startup scene certainly plays a role in that, as the city consistently places toward the top of funding lists. In 2015, there was an 85% increase in tech job postings in Utah. Like other locations, Utah saw a funding decline from 2014 to 2015 which brought in $800 million and $700 million respectively. Still, on a per capita basis, Utah raised more money than New York.

- **Chicago:** The state of Illinois brought in $1.1 billion in venture capital funding in 2015, making it the sixth-most desirable area in the country for startup investments. Online lender Avant, which is based in Chicago, is responsible for a significant portion of that

money, having closed a $325 million Series E round in September 2015. According to PitchBook, investors have realized the highest returns on exits in Chicago-area investments over the last 10 years; a whopping 45% of Chicago deals netted 10-fold returns during that time period.

The US venture capital ecosystem covers a large range of verticals and has something to offer everyone. But that doesn't necessarily mean entrepreneurs across the globe, or even in the states, need to seek out investors located on American soil. In fact, there are a ton of VCs based in Europe and Asia that are eager to fund fledgling companies.

Chapter 2: Venture Capital in Europe

In 2015, for the third straight year, venture capitalists invested more money in Europe than they did the year prior. This was despite the fact that other VC markets—like the United States and China—slowed down slightly in 2015. Collectively, the European market hauled in $14.4 billion in 1,598 deals in 2015, according to Ernst & Young—an uptick from the $11.3 billion invested in 2014. That made it the highest level of funding the region had seen since 2001.

But, as noted previously in the introduction, venture capitalists began pulling funding in the immediate aftermath of the Brexit vote. Whether that trend picks up or fizzles out this year remains to be seen. But one thing is certain: even if VCs are reining in their spending until the

uncertainty surrounding the Brexit is resolved, they are still extremely interested in funding startups.

What are the hottest areas of VC investment in Europe and what does the landscape look like today? Let's take a look.

I. London

In 2014, tech companies in London fundraised a respectable $1.3 billion. Fast forward one year later, and startups hauled in $2.28 billion—a 69% increase in 12 short months. Not too shabby. On a whole, UK tech companies brought in $3.6 billion in 2015, a significant uptick from the $2.1 billion invested in 2014.

By and large, London is driving this level of investment. Thanks to its center as a financial hub, VC investors are funding a record number of companies in the fintech sector—to the point where Britain has been named the fintech capital of the world. Like their neighbors across the pond in New York City, UK investors are very value-oriented. They like to invest in companies that look good on paper but also have the strong financials to back it up.

But in the aftermath of the Brexit vote and the UK's uncertain future, the spigot of VC dollars tightened. Investors became worried about how Brexit would affect their own economy; a ton of US companies that have presences in the UK emphatically warned against deciding to leave the European Union.

On top of that, pundits wonder whether the implications of the Brexit vote will ultimately encourage top talent to seek employment elsewhere. If the economy looks murky, the most skilled workers could choose to look elsewhere for work, thereby influencing where startups choose to call home. Some suggested the UK's decision to leave would ultimately dethrone London as the fintech capital of the world. Time will only tell.

In any case, while British-based investors might be a little more wary of spending money these days, other foreign investors are swooping in to buy at bargain prices. In the month following the Brexit vote, 60 deals totaling $34.5 billion were made—quite the increase from the 79 deals totaling $4.3 billion that were made in the month ahead of it.

II. France

France is the second-largest VC market in the European ecosystem. This is partially due to the fact that the French government has drastically reduced the tax burden of VCs and angel investors, encouraging them to invest in early-stage companies.

In 2015, France startups hauled in $1.12 billion, accounting for 8% of all of the deals made in Europe. Most noticeably, BlaBlaCar—France's answer to Uber—raised $204.1 million.

While France's VC investments are growing, they're not keeping pace with Europe as a whole. Consider the following:

- 80% of all VC deals in France occurred in Paris.
- Two companies—BlaBlaCar and SIGFOX, a company focused on IoT connectivity—accounted for 33% of all the funding France received in 2015, which could signify the market is too concentrated.
- More than 50% of the deals done in France were between $1.12 million and $5.6 million—early-stage funding (either seed or Series A rounds). This might present problems because France is trailing the rest of Europe when it comes to Series B and Series C rounds and it remains to be seen whether these will increase in coming years.
- Hardware companies in France are doing well: 25% of the top 25 deals were in this space. Other big areas of investment are big data, adtech, telco, search, and media.

France's VC ecosystem is trending in the right direction. But the market is perhaps not as mature as entrepreneurs and investors may prefer.

III. Italy

It's no secret that Italy has struggled to climb out of a hole following the financial meltdown of 2007–2008. But there's been positive traction in the last few years. In 2015, Italy's VCs closed 77 deals to the tune of $134.5 million—a 50% increase from the prior year. Unfortunately for

entrepreneurs looking for a ton of cash, the average seed round was $224,000 while startups received an average of $2.24 million.

Companies most likely to be financed are in language and communications technology, advanced information technology and retail.

Still, there's excitement brewing in the Italian startup community. It may only be a matter of time before venture capital dollars start flowing into the country, but Italian investors aren't too familiar with investing in private companies - they have traditionally preferred investing in real estate and government bonds. For this reason, some Italian startups are turning to crowdfunding to finance their businesses.

London, France and Italy represent some of the most intriguing regions for capital in Europe. But other countries—like Finland and Germany—are also continuing to fund more and more startups as well.

Now that we've looked at the venture capital markets in the United States and Europe, it's time to shift our focus to yet another emerging market where capital is plentiful and investor appetite is high: Asia.

Chapter 3: Venture Capital in Asia

In 2014, venture capitalists forked over an impressive $20.7 billion to help startups reach their full potential on the Asian continent. A year later, VCs poured a staggering $55.3 billion into

startups—good for a 267% increase year-to-year. And the first half of 2016 was double the amount invested in the year prior.

Unsurprisingly, China is responsible for a vast majority of that funding. Other major players include India, South Korea and Japan.

So where are VCs investing their money in Asia? A vast majority of funding goes to five categories: e-commerce, logistics, lifestyle, finance and healthcare. However of that funding, only 5% of investments were made in late-stage deals. Overall, VCs appear to be much more interested in helping startups in earlier rounds; 80% of VC deals came during seed, Series A and Series B rounds.

Let's take a deeper look at some of the larger startup ecosystems in Asia.

I. China

China has a quickly growing tech scene that the US seems to be ignoring. Much like its economy, the VC market in China is exploding as well. In 2015, Chinese VCs poured $49.2 billion into 1,635 deals, according to Ernst & Young. Impressively, VC funding there has increased sevenfold over the last five years.

In a desire to strengthen its economy even more, China is building its own version of Silicon Valley, and throwing a lot of money at it to get it done. The government's own investment fund

has about $338 billion in it. There's a ton of innovation in China and an enormous population pool from which to pick top talent. Many ideas are seen as "copies" of US companies (e.g., Alibaba and Amazon/eBay), but that doesn't mean they should be overlooked. Investors and startups that ignore China are missing that the country has the talent, capital, and government backing to build as strong and nimble an ecosystem as any other in the world.

China investors are also looking for opportunities overseas. There is a huge appetite to get intoUS companies. Many Chinese VCs are investing in the US—which is part of the many factors that have led to such huge valuations in some companies. In 2015, Chinese investors closed 140 deals with US-based startups, sending more than $6 billion to Silicon Valley during the first half of the year alone. Most notably, they poured over $1 billion into more mature companies like Uber, Airbnb and SoFi, demonstrating that where other countries might balk at the capital requirements, Chinese investors are more than happy to throw money into hot deals. China also invested $500 million in Israel-based startups last year.

Despite these positive trends, China could be seen as a riskier place to ask for money. There's always a chance that Chinese companies will steal intellectual property, a concern that all startups consider when looking to expand there. At the same time, startups fundraising there also worry that giving an investment firm your startup pitch deck could lead to that information being explicitly used to help Chinese companies and competitors.

The country's VC market is led by firms like Sequoia Capital China, IDG Capital Partners, SB China Capital, and Legend Capital.

II. India

While China has been the cause of the vast majority of VC activity in Asia, India is fast playing catch-up. In Q1 of 2015 India closed 69 deals, compared to the 66 deals closed in China. Altogether, investors sent $7.9 billion to startups in India in 2015. More money was invested during the first half of 2015 than was invested in all of 2014, and consumer technology was the favored sector for investments, with companies like Snapdeal and Flipkart drawing hefty sums. Compare these figures to the $1.06 billion invested in 2013 and the $3.86 billion invested in 2014, and you see India is trending in the right direction.

However, simply due to China's absolute dominance of the VC market, India remains a distant second place in terms of dollars raised in Asia. Still, a number of firms have noticed the potential the country offers and startups should consider the strong growth that the country has seen if they are deciding where to raise money next.

To many observers, the country's tech industry really does seem to be on the brink of exploding. Like China, India has a huge population, meaning startups have a very large talent pool to find top talent. And the people who are graduating from some of the top universities are just as strong as US graduates. A number of shrewd investors already know this and are getting in early.

While India is often currently used as cheap overseas labor for US companies, that doesn't mean there isn't innovation there and that India isn't a threat. In fact, India's future is looking

very bright. Each month, 6 million citizens use the internet for the first time. This, coupled with the facts that 1,200 tech startups were launched in 2015 and the government has set aside nearly $1.5 billion to invest in new companies, paints a pretty picture of what the startup landscape may look like in a few short years.

Also notably, India's citizens are allowed to invest up to $250,000 in foreign countries each year, according to federal law.

III. Japan

After slowing down in the aftermath of the financial collapse, Japan's venture investment in 2015 finally returned to 2006 levels. But it hasn't only been private VCs who are picking up the pace.

Due to the risk-averse nature of many Japanese investors—there is only $1.96 billion available to *all* entrepreneurs on the island-nation—more and more corporations are setting up their own VC funds to support tech startups. These corporate funds invested $241.2 million in new companies in 2015—or a 430% increase from 2014. Aside from these, there are a number of traditional Japanese VC firms, like JAFCO, Sunbridge and East Ventures.

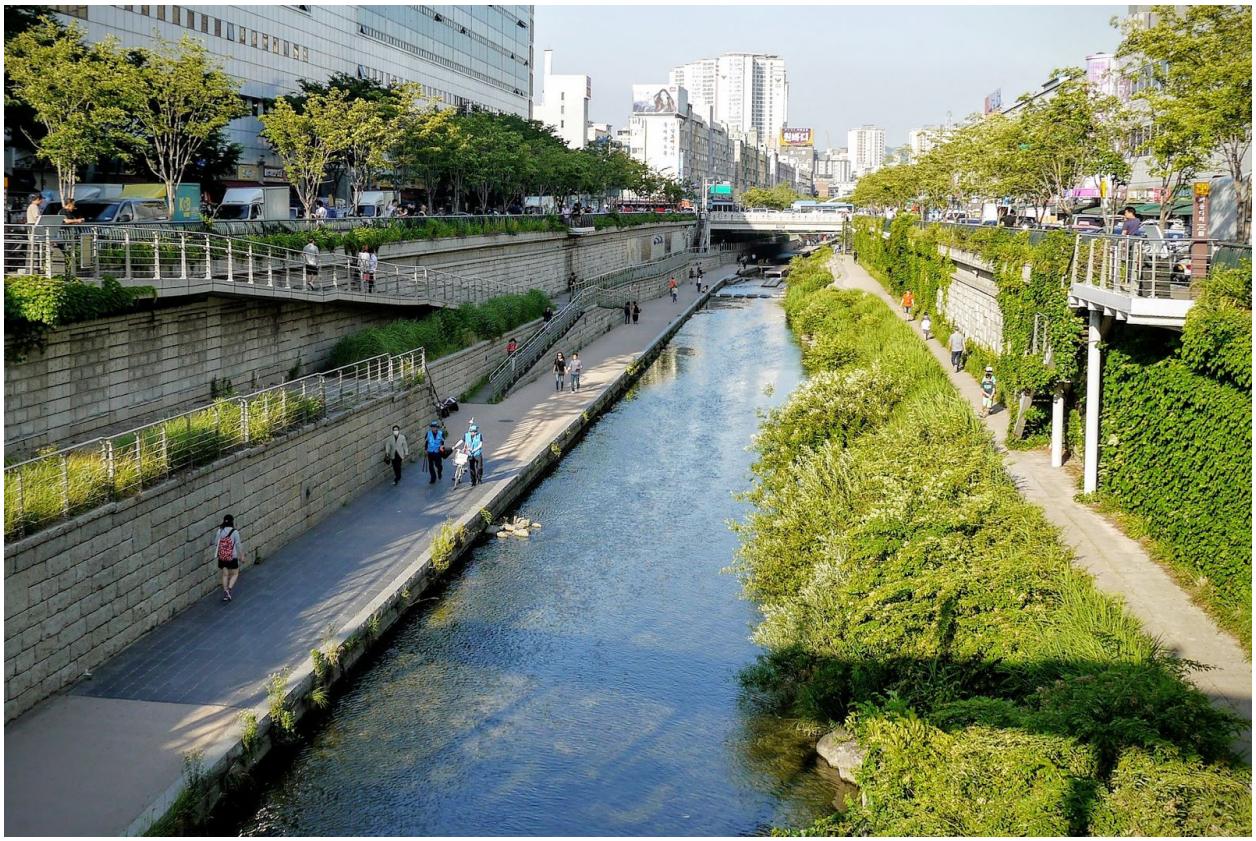
In any case, Japan's startup ecosystem still has a lot of room to grow. Despite having a GDP about a third the size of the United States', Japan startups are attracting significantly less VC

investment. Unlike the US where mergers and acquisitions are common, Japanese investors are much more likely to exit via an IPO than an outright sale.

But the news is not all doom and gloom. More and more workers are joining startups. The country is home to a ton of innovation in the fields of robotics and artificial intelligence—something that may pay huge dividends for the VC and startup communities down the road as those verticals heated up in 2016.

In addition to focusing on companies on their own soil, Japanese investors are also putting dollars into companies based in the United States, India, and South Korea, among other places.

IV. Korea



Last year, $1.2 billion was invested in South Korea's startup community. Like other countries in Asia, ecommerce startups have been a focus for VC dollars in Korea. Gaming is next, followed by food technology.

South Korea's most prominent startup is Coupang, an ecommerce platform that's similar to Amazon. The company has received $1.4 billion in funding since its inception. Now valued at $5 billion, Coupang is proving that the South Korean market is capable of producing winners.

While so far the trend in the countries covered have had investors preferring to put money into early-stage companies, the opposite is true in South Korea. Only about 30% of the deals made

in South Korea go to early-stage startups; investors prefer companies that prove they have real traction and a good market before offering support.

Like its neighbor to the east, South Korea VC firms are most likely to see their exits come in the form of IPOs. The South Korean government also has some skin in the game and invested $1.95 billion in new companies in 2014.

Google is also making a bet on South Korea. In 2015, the company opened up Campus Seoul, a 21,528-square-foot coworking space, geared to attract app developers, entrepreneurs and investors under the same roof.

Chapter 4: Venture Investment Trends Around the World

So what is there to make of all this? After studying the VC landscape around the world, here are the main takeaways:

- **Silicon Valley isn't the only option:** It used to be the case that entrepreneurs who needed money would fly out to Silicon Valley and try to impress angel investors and VCs. That is quickly changing. In the United States alone, new startup markets are emerging across the country. New York City, Los Angeles, and Boston are particularly

alluring for entrepreneurs. And even more of them are setting up shop elsewhere in places like Austin, Seattle and Chicago.

- **Money is moving in the right direction:** While many locales experienced dips in year-to-year funding from 2014 to 2015, overall trends indicate that more and more investors are opening their wallets. And 2016 looked to be another strong year despite the many changes seen in some of the biggest economic markets. This bodes well for entrepreneurs across the world who need funding and shows there is still investor appetite for good deals.

- **Europe is a question mark:** It may take two years or even more before the true aftermath of Brexit is finally realized. While investors seeking opportunities were able to jump in at bargain prices immediately following the vote, it remains to be seen whether those investments will produce positive yields. Will London remain the fintech capital of the world? We'll find out sooner or later. In any case, other countries in Europe could jump in and try to attract VCs and startups to boost their own ecosystems.

- **VCs and entrepreneurs alike need to know the culture:** Different countries have different cultures. Entrepreneurs need to know who they're selling to before they make their pitches. For example, South Korean VCs are very unlikely to fund companies that haven't proven themselves to be successful on a smaller scale. VCs in New York City like companies that have great financials. Know who you're pitching to in order to increase your chances of success.

- **There is a lot of opportunity in Asia:** The VC market in Asia is booming and investors are fighting amongst themselves over the chance to invest some deals and verticals. But know what you're getting into. There's a lot of money in China, but the country isn't exactly known for being the most standup and transparent entity. India, on the other hand, appears to be poised for a tech revolution. Dollars are flowing in and the developing talent there is often overlooked.

- **Asian VCs are looking to invest in the US market:** Investors in China, the UK, and Japan, among other countries, are looking to invest in US companies. Last year, for example, Chinese investors poured a record $15 billion into the US businesses. We can expect this trend to continue. For startups looking for another venue of fundraising, these are great countries to look.

The global venture landscape is ever-changing. But investors all over the world realize how important startups are to our future and see the impact that tech companies have had on the global economy, which is why they're funding more and more companies. Despite the gloom and doom in the news heralding the end of the tech bubble, there is still capital available across the globe. It might mean looking outside the "normal" channels, but getting money should never

be the restraint for startups. Entrepreneurs should build a great product, have a strong long term vision, figure out how to sell it, and the money will come.