



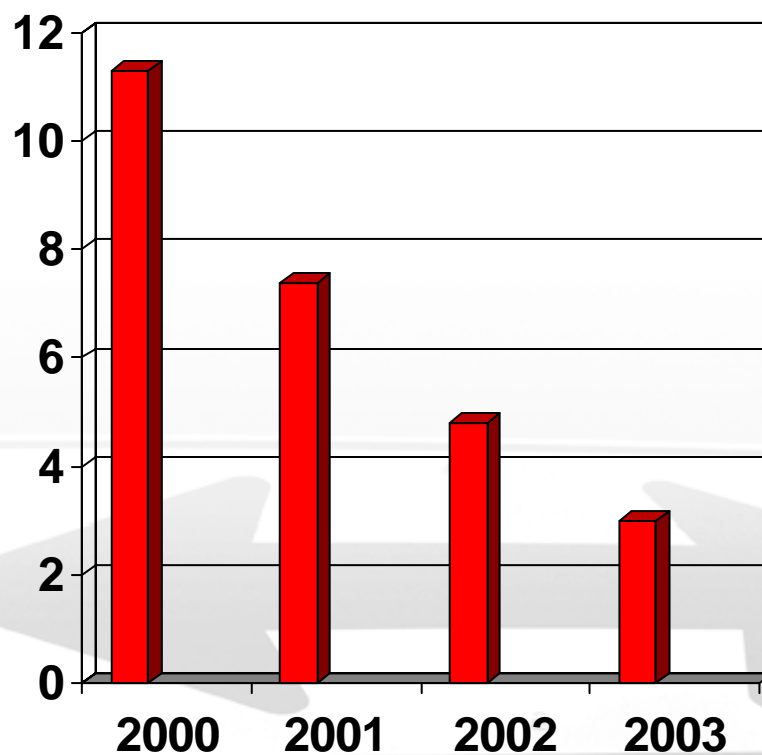
VC activities in EMEA

T Nicolle IBM PvC EMEA Business Dev Executive

10.10.03

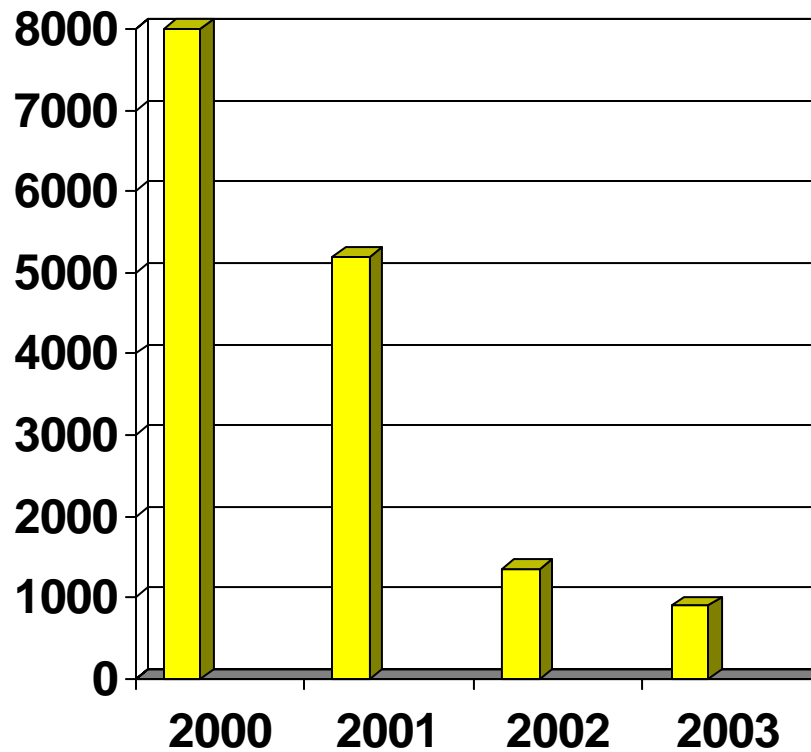


# EMEA VC PRIVATE EQUITY INVESTMENTS IN B\$



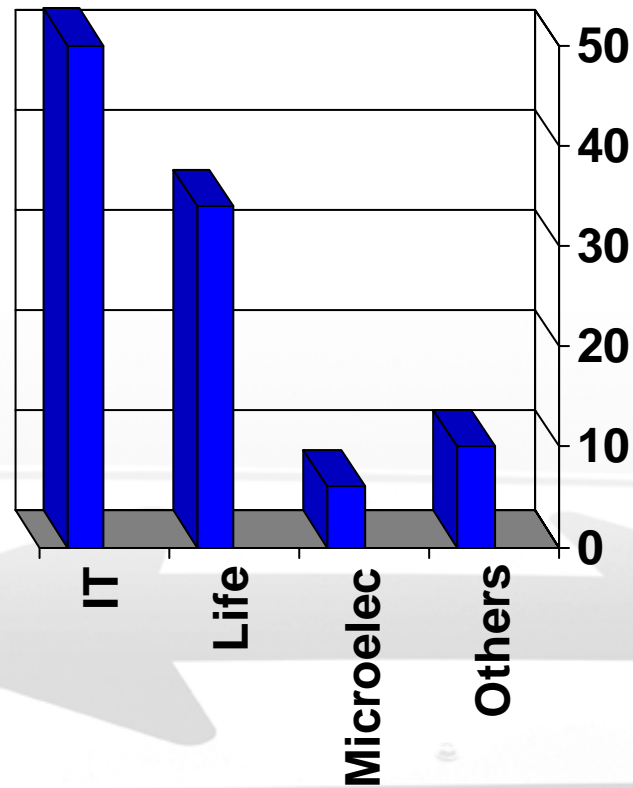


# EMEA VC PRIVATE EQUITY INVESTMENTS DEALS FIGURES





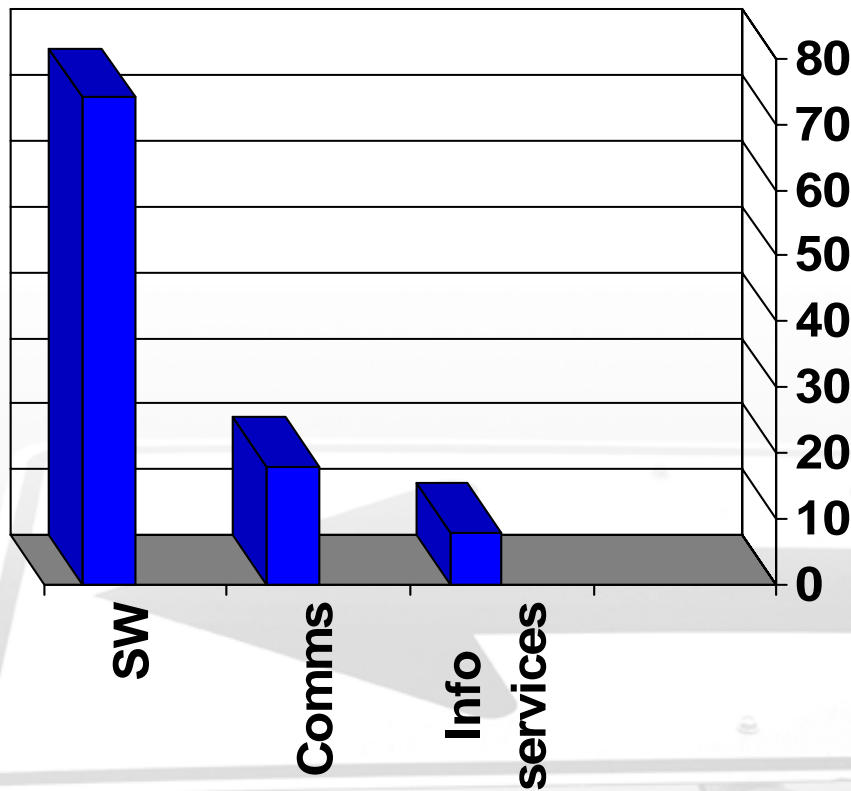
# EMEA VC PRIVATE EQUITY INVESTMENTS SECTOR %





# EMEA VC PRIVATE EQUITY INVESTMENTS

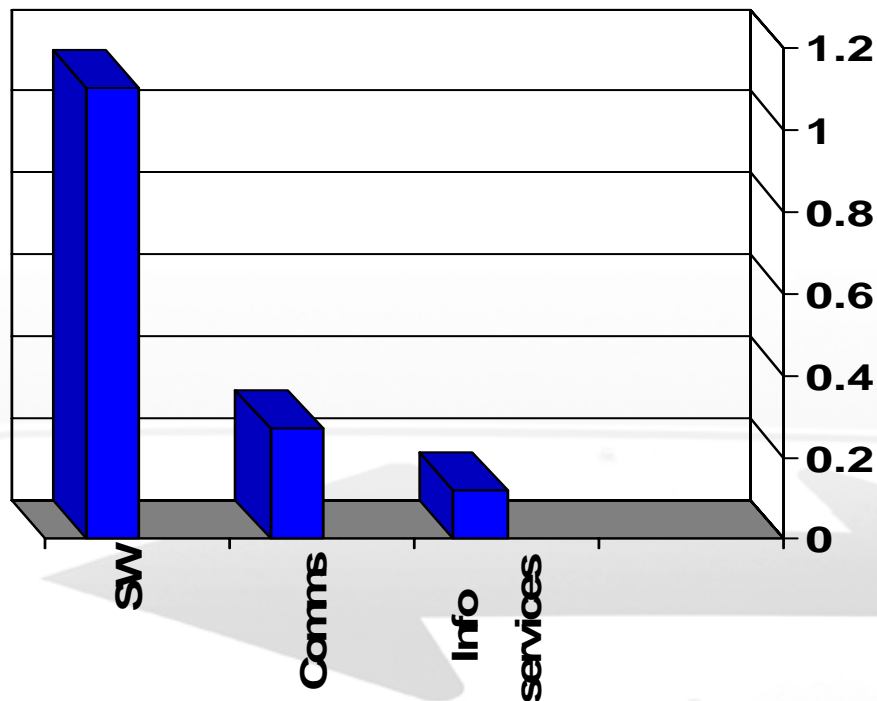
## IT distribution in %





# EMEA VC PRIVATE EQUITY INVESTMENTS

## IT related distribution in B\$ (All SW)





## **EMEA VC INDUSTRY FACTS**

- **6x Smaller compared to the US VC industry**
- **Facing the most severe downturn in history**
- **Almost no seeding investment**
- **Average investment per deal : 0.7M\$**
- **Major countries :1-UK 2-Germany  
3-France**
- **Situation seems to improve (Q2 2003)**



## EMEA VC INDUSTRY TRENDS

- **VC Industry still need consolidation. Just starting the process**
- **VCs are very selective and not likely to go after seeding or early stage A companies.**
- **Trend is to consolidate selected companies in existing portfolio to transition them from Stage A to B**
- **Exit pattern is almost exclusively M&A**



## What does it mean for you?

### ■ In the past :

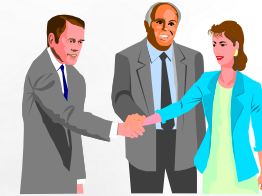
■ 1999- 2000



+



+Internet=



■ 2001-2002 : Basic metrics applies :

- Defendable assets
- Go to market track of record with references
- Simple channel enablement strategy

### ■ Today you need to demonstrate that you can transition a company from STAGE A to B :

- World class leadership team are mandatory with solid track of record
- Understand strategic alliances with minor and major partners
- Understand how to structure a go to market +channel enablement
- **Can implement and manage non organic growth**



## How OSGi Alliance can help you?

- **Technology is not important to VCs but building successful Ecosystems is the key to build value added companies**
- **What does OSGi Alliance provide in this context?**
  - **Federate a strong community to serve multiple markets with strong potential with an open approach view.**
  - **Get accurate market trends**
  - **Influence the market**
  - **Offer access to the key players TO BUILD VIABLE PARTNERSHIPS**



## Is it enough?

- No but it is a significant way to make **THE** difference
- **THINGS TO REMEMBER**
- VCs are not willing to feed existing businesses but concentrate on growing ones
- Position in the value chain is **KEY**. Being an OSGi Alliance active member can help to determine the right positioning with the right partners
- Be innovative on how to manage non organic growth to transition to Stage B **A.S.A.P.**



**Questions?**