DECEMBER 2019

PARTNER CONNECT TEXAS 2019

READY TO SOAR INTO 2020?

Read the latest scoop on topics being discussed during PartnerConnect Texas! The leading Southwest Forum for Private Equity and Venture Capital.

PEI

Dear Colleague:

PartnerConnect Events is excited to host the 12th Annual PartnerConnect Texas on December 9th-11th at the Fairmont Hotel in Dallas, Texas.

You are invited to join us as we gather 225+ top Private Equity and Venture Capital LPs and GPs for 1.5 days of prolific networking and educational sessions. Keynote speakers include: Kenneth A. Hersh, President and CEO, George W. Bush Presidential Center; Rush Harvey, Director of Investments, Texas A&M Foundation; Bruce MacDonald, Managing Director, VCU Investment Management Company. Our carefully curated event will include peer-to-peer interactive roundtables, a cocktail reception, ExecConnect private meetings and our highly anticipated closed-door LP and GP Think Tanks.

Our white paper articles are brought to you by the publishers of Buyouts Insider, Private Equity International, VCJ and the prestigious PE HUB on topics being discussed during PartnerConnect Texas. Read the latest articles on: Fresh Capital, Fundraising, Energy Secondaries, Renewable Energy Fund and Emerging Managers.

Articles within this white paper include:

4 Texas ERS Commits $385m to PE in May
5 Energy fundraising's New Normal
7 Energy Secondaries: The Pop in Your Portfolio
8 The Rise of the Renewable Energy Fund
10 Emerging Managers Continue to Pile up Capital in Upbeat Market

Our robust one-track agenda will discuss the following topics during PartnerConnect Texas:

- Endowments and Foundations Discuss Their Unique Private Equity Investing Strategy and Process
- Texas Managers Discuss Lessons Learned From Investing in 2019 and Their Vision for 2020
- How LPs are Preparing and Managing Their Private Markets Portfolios for a Potential Downturn
- Top LPs Discuss Trends and Best Practices for Emerging Managers to Build LP Relationships
- What Strategies Have and Have Not Done Well in Energy
- The Many Ways GPs Are Using Co-Investments
- Navigating a Challenging Investment Environment

Thank you for reviewing our white paper and I look forward to connecting at PartnerConnect Texas!

Kind Regards,

Daniel Weinstein
Conference Producer

Daniel R. Weinstein

PARTNER CONNECT
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PartnerConnect Texas is the premier forum for LPs and GPs to learn about trends in the lower to upper-middle market private equity & venture capital space, while engaging in high-level networking. With the high amount of dry powder and overall under allocation to alternatives by LPs, PartnerConnect Texas continues to serve as the optimal setting to connect with industry leaders through peer-to-peer interactive roundtables, closed-door LP and GP Think Tanks and our proprietary LP-GP meetings program, ExecConnect.

Texas ERS commits $385 mln to PE in May

By Dietrich Knauth

RoschetzkyIstockPhoto/Getty Images Plus

Texas ERS updated its pacing plan to account for recent large commitments.

- The recent commitments include two LGT Capital Partners funds
- TA Associates, TPG, and Advent also received allocations

Texas Employees' Retirement System committed $385 million to private equity in May, a busy month that contributed to pension's decision to lift its pacing target for 2019.

The $28.2 billion retirement system committed:

- $110 million to Advent International Global Private Equity Fund IX, which raised $17.5 billion to invest primarily in Europe and North America;
- $125 million to LGT Capital Partners' Crown Asia Private Equity Fund IV;
- $100 million to TA Associates' XIII fund, which raised $8.5 billion to focus on global growth companies and small-to-medium buyouts;
- $25 million to TPG Healthcare Partners, which has a $2.5 billion target, and
- $25 million to TPG Partners VIII, which has a $11 billion target

Texas ERS had initially planned to commit $1 billion to PE for all of 2019, but increased that target to $1.45 billion at its latest meeting, citing recent large commitments, including commitments to LGT Capital Partners. In addition to LGT's Asia fund, Texas ERS also approved a $100 commitment to LGT's Crown Secondaries Special Opportunities Fund II.

The retirement system has a 14.6 percent allocation to PE, with a target allocation of 13 percent

Under the new pacing strategy, Texas ERS plans to commit $1 billion to PE in 2020 and 2021, before increasing its allocation to $1.2 billion in 2022.

Texas ERS intends to invest a significant portion of that in co-investments, targeting $200 million in 2020 and 2021 and $240 million in 2022.

ACTION ITEM

View the updated Texas ERS pacing plan here https://bit.ly/2X3pLlj

Recent LP Commitments

Limited Partner	Fund Name	Fund Strategy	Amount committed	Fund Target/ Size	Insight
California Public Employees' Retirement System	Blackstone Capital Partners VIII	Buyouts	$750 million	$20 billion +	Blackstone Group's eighth flagship fund will mostly purse large U.S. buyouts, followed by European buyouts, Asian buyouts and energy opportunities.
	Trident VIII Fund	Buyouts	$400 million	$6.5 billion	Stone Point Capital's latest Trident fund will focus on financial services in North America and Western Europe. Its previous fund raised $5.5 billion in 2017.
Los Angeles City Employees'	Bridgepoint Europe V, L.P.	Large Buyout	20.91%	$44,232,239	$30,691,530
	Harvest Partners VIII	Buyouts	$50 million	$3.25 billion	Harvest Partners specializes in leveraged buyouts and growth financings in the general industrial, business services, and consumer/retail sectors.
	Glide Buy-Out Fund VI	Buyouts	$40 million		The fund will focus on European middle-market companies.
	Spark Capital VI	Venture Capital	$13.25	$400 million	The fund will focus primarily on start-up companies.
Nebraska Investment Council	New Enterprise Associate XVII	Venture Capital	$50 million	$3.6 billion	New Enterprise Associates is a global venture firm that focuses investments across the technology and helathcare sectors.
	HarbourVest Dover Street X	Secondaries	$66 million	$5.75 billion	HarbourVest leverages credit rather than investors' capital early in the Dover fund's life.
San Francisco Employees' Retirement System	Brazilian Private Equity Fund V LP Co- Investment	Co-Investments	$25 million		Patria is focused on investments in South America. The Blackstone Group is a shareholder in the business.

Source: Buyouts

Energy fundraising's new normal

LPs are rethinking fund allocations amid a pronounced downturn in the sector, and paying closer attention to sustainable strategies and vehicles focusing on renewables.

By Marine Cole

Fundraising of energy-focused vehicles has experienced a slowdown in the past few years to levels that indicate a shift in the way limited partners are allocating their money when investing in the sector.

The fall of oil and gas prices in the fourth quarter and the volatile price environment since then have negatively impacted fundraising. With depressed valuations and fewer exits, LPs haven't received much cash back from their commitments over the last few years and have become averse to putting more money in the ground.

However, the success of an energy fundraising is increasingly dependent on a GP's specific sub-strategy in addition to good returns, and some traditional energy investment managers are still attracting commitments from LPs. In particular, midstream-focused funds have been more attractive than upstream-focused vehicles. But the structural shift is also prompting investors to take a broader view of their portfolios and to include investments in 'impact' projects, sustainability and renewable sources of energy.

Fundraising was nearly flat in 2018, with $17.7 billion raised by 17 funds, up from $14.3 billion raised by 20 funds in 2017, according to PEI data. This is low compared with fundraising results from the past 10 years. Fundraising in energy peaked in 2014, when 40 funds closed on $31.3 billion. Some of the largest funds that have managed to close in the past few years include EnCap Energy Capital Fund XI, which secured $7 billion in December 2017, and Quantum Energy Partners VII, which closed on its $5.6 billion hard-cap last August.

"Institutions have generally experienced lower returns in their energy portfolios and that's caused them to not allocate as much to that sector," says Brent Burnett, managing director with Hamilton Lane's real assets team.

"Related to that, the distributions have been a lot slower. The exit activity has just been a lot lower. Some LPs have positions that they're just not getting capital back from, and therefore they're not redeploying that even in the same sectors. I think the lower performance in combination with the lower distributions that they're getting out of their existing holdings has caused them to allocate less in aggregate to the sector."

"There's a confluence of events that's causing fundraising to be bad," agrees Jeff Eaton, partner and global head of origination at Eaton Partners. "It's the lack of exits, the lack of money going back to LPs, the lack of returns LPs are seeing. The down trend has been really protracted. It's lasted about four-and-a-half to five years now.

"Every year, we think the end is in sight, but it hasn't proven to be true. So at some point investors get fatigued and they take the view they're going to wait and not commit more until they have conviction that once again they can make good returns in the space.

Photo courtesy of Getty Images

The optimist would take the view that there is no better time to buy than when things seem so bad, but some of us have been saying that for several years now."

> *Interest from LPs during fundraising depends in part on the strategy followed by GPs. Raising money for upstream strategies can be a challenge, says Eaton, while raising money for a midstream fund still seems to be of significant interest to people. "It's really specific to the strategy and asset type,"*
>
> **Jeff Eaton.**

More specifically on the upstream side, there still seems to be interest for some of the top historical performers and a few newer managers that may be raising their second or third funds and that have outperformed in the last several years. "But there is hardly any bid for first time funds focused on the space right now," Eaton adds, "which is very different than five years ago when we saw both the top historical names attracting money but also saw money flowing to newer firms/spinouts of those bigger, more well-known firms."

The amount of funds in market so far this year does not bode well for the total fundraising figures for 2019. As of 1 April, the amount targeted by managers of energy-specific funds in market was $17.2 billion. The 10 largest energy-specific funds in market are targeting $14.3 billion of investor capital on aggregate. This represents 80 percent of the total targeted by all 61 energy-specific funds being raised. Since 2014, the number of vehicles that held final closes has gone down every year, from 40 in 2014 to 17 in 2018.

Waiting game

What's pushing fundraising activity down is also the fact GPs are waiting longer in between fundraising cycles as they continue to hold on to dry powder. They are also taking longer to raise funds.

Of the top 10 energy funds currently in market, two were launched in 2015 – Denham International Power Fund and Mountain Capital Partners NPI – according to PEI data. All but two have been in market for two or more years.

Some of the high-profile funds that are currently in market include Warburg Pincus's second energy-focused fund, which launched in November and is seeking $2.5 billion. The firm raised $4 billion for its first fund nearly five years ago. In the autumn, First Reserve launched Fund XIV, which is targeting about $3 billion.

"On the supply side, you still have more and more managers that are trying to raise money," says Eaton. "You have lower demand, and a greater supply of managers to choose from. That typically is not good for the fundraising picture. On top of that you have the structural shift where people are looking more into impact investing and renewables, thus decreasing demand from LPs for oil and gas focused strategies as well."

One of the silver linings from the slowdown in interest for traditional energy funds is the greater institutional demand for dedicated renewables strategies managed both by traditional energy GPs that are diversifying their offering and by first-time managers. Infrastructure funds are also focusing on renewables as part of their strategies. In general, wind and solar power are the primary drivers of activity in renewables funds.

"Some LPs are less inclined to invest in energy in the future because they want to invest in sustainability and impact strategies instead," says Eaton. "It is no longer just a fleeting moment where people think more about ESG strategies. There's a structural change going on where some LPs are going to lower their allocation to fossil fuels, in favour of investing in renewable energy for instance. That's something we can't ignore."

Last year, the University of California chief investment officer Jagdeep Singh Bachler said the university's pension fund and endowment would move out of fossil fuel investments in the long term. "The traditional approach, not only with us but other investors, was the tendency to own oil and gas upstream assets," Bachler told an investment subcommittee meeting.

He added that, going forward, investments would focus on cashflowing assets such as infrastructure, including in transmission lines and utilities.

Other institutional investors have followed suit, distancing themselves from fossil fuel investment for environmental, social and governance purposes. But returns in renewables, particularly in the US, have dropped recently, as explains David Foley, a senior managing director in the private equity group at Blackstone and chief executive of Blackstone Energy Partners.

"I believe levered equity returns available to investors in renewable power generation have declined over the last several years as the sector has matured and as the amount of capital looking to invest in green energy has exceeded demand," he says.

> *"In the US, we think the returns have fallen below the traditional private equity range and perhaps even at the lower end of what would be acceptable to infrastructure funds.*

"We do see better potential returns on new investments in renewable power generation in selected international markets and we continue to evaluate such opportunities."

Despite some softness in the US, renewables private equity funds are here to stay and have clearly become a new flavour in investors' preferred ways to invest in energy.

Meanwhile, as traditional energy fundraising is suffering because of the cyclicality in commodity prices and the structural shift of LPs reducing or getting rid of their investments in fossil fuels, uncertainty and a lack of visibility reign

Experts are confident that the market could become vibrant again as long as distributions increase and returns ensue, but it will take time and patience on the part of both LPs and GPs.

Energy secondaries: The pop in your portfolio

GP-led secondaries deals in energy – a sector fraught with risk – could provide the boost in returns some investors are looking for.

Rod James

At the start of this year, a number of secondaries professionals believed 2019 could be a big year for energy, particularly when it came to GP-led deals.

A series of steep oil price declines over the past 15 years led many energy fund managers to hold onto assets until they could work a more profitable exit. Today, there are several vintages that have blown past their 10-year lives with plenty of net asset value remaining.

The HarbourVest Partners-led $1.9 billion GP-led deal on Lime Rock Partners IV last year and GCM Grosvenor's backing of a restructuring on Denham Capital's 2005-vintage fund suggest that energy managers are exploring their options. According to research by secondaries intermediary Setter Capital, energy fund transaction volumes were up 38 percent last year at $1.7 billion, from $1.23 billion the year before.

> *"There's a global phenomenon of private companies staying private longer," says Holcombe Green, head of secondaries advisory at Lazard.*

"Energy firms [in particular] have the need to find non-traditional routes to liquidity in order to deliver cash back to investors in what has been a relatively illiquid underlying market in recent years."

It is in the energy sector that the first ever multi-billion GP-led secondaries deal may occur. In February, Private Equity International's sister publication Buyouts reported that The Energy & Minerals Group, a Houston-headquartered GP with $16.2 billion in assets under management, was working with advisor Park Hill on a secondaries deal that could be worth between $4 billion and $5 billion in NAV. The assets are out there and the need for liquidity is real. Still, energy remains a risky bet.

GP-led secondaries processes tend to come with a degree of diversification. Even though all assets are managed by the same GP, there is likely to be a mix of sectors and geographies to hedge against negative macro effects.

Brent influence

In energy, most assets are to some degree correlated to the price of oil. This can be useful as it makes the value of an energy fund relatively transparent. It can also mean the buyer is making a binary bet on fluctuating oil prices. As of early June, Brent crude was down around 18 percent compared with a year prior.

"What appetite do buyers have to go into an asset class that has seen two crises in the last 10 years?" asks a London-based managing director at an advisory firm. The transparency of the price of energy funds also takes away a useful advantage for the secondaries buyer – the lag between when a deal is priced and when it completes.

In 2016 energy-focused private equity firm First Reserve attempted to restructure its 2006-vintage fund. The deal was priced off a March NAV date and by the time the offer went to limited partners in the vehicle, the price of oil had risen. LPs who were once keen to sell were now eager to stay. The secondaries buyers lined up to back the deal – Pantheon and ICG – could not acquire a big enough chunk to justify doing the deal.

For larger deals, such as that involving EMG, a consortium of buyers that includes non-traditional institutions such as sovereign wealth funds and pensions, who have longer term return horizons, can help to spread the risk. GP-led transactions that contain some midstream assets, such as pipelines, have a weaker oil price correlation, so their inclusion can also help make a portfolio less risky.

> *"When a GP goes out with their projection on a deal it will probably look very attractive because with oil, if you get the price right, you nail it," says one secondaries buyer who has bid on an energy GP-led deal in the past year.*

While energy GP-leds can be a risky basis for a portfolio, small amounts of exposure to this deal type can be the pop in returns some secondaries funds are seeking.

The rise of the renewable energy fund

Latham & Watkins partners Eli Katz and Omar Nazif note that as private equity funds increasingly target renewable energy assets, they will need a strong grasp of the financing structures as well as the opportunities.

Guest Writer

Private equity and infrastructure funds are increasingly focusing on wind, solar and other renewable energy assets – an exciting and rapidly expanding new asset class that has the added advantage of furthering sustainability and green investing goals. Investing successfully in this sector requires an understanding of some of the unique financing and tax subsidy structures that underpin the industry, as well as a sense of how this sector has evolved and where it is trending.

Renewables are primarily composed of wind and solar power projects ranging from a single project capable of generating hundreds of megawatts of power to vast pools of distributed power assets serving single corporate or industrial customers, or even individual homeowners. Investment structures range from the outright purchase of an operating project or a development platform, to more complex forms of mezzanine capital – including debt or equity investments in projects that are in various stages of development.

Photo courtesy of Getty images

Several trends have sparked fund sponsors' increased interest in the renewables sector. First, the asset class has matured to the point where the basic technology of generating power from wind turbines and solar panels has been widely proven.

Second, the de-carbonisation of the power sector continues to accelerate – a development that has been driven by federal and state climate policies favouring clean energy over fossil-fuelled power projects, as well as the greater cost efficiency of generating power from renewable sources.

Lastly, fund LPs are demanding an increase in clean energy investments as a way to advance sustainability initiatives while deploying capital in a safe and growing asset class.

The first sustained wave of renewable power build in the US was largely spurred by European-sponsored power developers. These developers brought technical know-how to the US, where they were greeted with falling equipment prices, favourable tax and regulatory policies, and generous long-term fixed-price revenue contracts from utilities.

Photo courtesy of Getty images

US-based independent power producers backed by major utilities or other sources of private investment capital quickly joined the reneable power ramp-up. The capital for this initial wave of development was provided by a range of sources, including non-recourse project debt, private equity capital and public capital provided by "yieldcos". Tax equity – a highly specialised form of capital provided by large US banks and insurance companies in exchange for the tax credits generated by operating renewable projects – also backed the initial wave of US renewable power projects.

Unique financing structures

The US tax code heavily subsidises domestic renewables – a unique feature that has always shaped the US renewables investment landscape. Solar projects qualify for a federal tax credit equal to 30 percent of their cost, and wind projects qualify for tax credit worth approximately $24 per MWh of power generated during the first 10 years of operations. Combined with depreciation tax deductions, these tax benefits are often worth more than 50 percent of the value of the project.

Project owners often sell these tax benefits to large US banks, insurance companies and other investors through tax equity arrangements, which invariably assume the most senior position in the capital structure. Construction lenders or other capital sources typically provide funding for construction to bridge the project through development to the tax equity investment, which is made when the project is operational and generating tax credits and may be applied to "take out" the construction debt.

Raising capital for operating projects

Often requires subordinating a lender or other capital source to the tax equity investor. Commonly, an operating period lender provides a "back-leverage" loan secured only by the developer's equity interest in the project. A growing number of project finance banks now provide back-leverage loans with terms and pricing comparable to senior secured, project level debt.

Funds in this sector need a strong grasp of the cost and structure of tax equity capital. Aside from the complexities of valuing tax credits, tax equity structures often provide for cash distributions that vary over time.

These distributions can be diverted to the tax equity investor in certain circumstances and require recourse indemnities from sponsors. A range of market practices have evolved to accommodate guaranties offered by short duration funds, based on NAV tests or uncommitted capital thresholds. Stronger sponsors continue to seek to reduce the scope and duration of these guaranties.

Another complexity is the gradual phase-out of tax credits, which is currently scheduled for wind projects and solar projects in late 2019 and 2023, respectively. Tax credits for renewables have expired and been renewed almost a dozen times since the 1960s. The tax credit phase-out rules employ a generous grandfathering test based on when construction begins, a standard that has spawned a variety of investment structures designed to extend the tax credit periods for tens of thousands of megawatts of future projects.

Photo courtesy of Getty images

Future trends

Meanwhile, the industry is expanding to other forms of technologies, revenue arrangements and investment structures. Large pools of individual, small-scale, distributed solar systems have raised billions in capital through securitisations, private placements, tax equity and other passive or controlling equity and debt investments. Funds continue to pursue joint ventures with capital-constrained developers to build out project pipelines, grandfather projects for expiring tax credits or build scale for future public exits.

Project offtake structures continue to evolve as well, with a rapidly expanding pool of large corporates now buying power from renewable energy projects to help reduce their carbon footprints. Capacity and energy hedging structures based on those used in the gas-fired power sector are also proliferating.

On the technology front, energy storage systems primarily based on lithium ion batteries are rapidly scaling as developers seek to improve the renewable energy value proposition by shifting energy from times of high winds or bright sunshine to periods of higher demand (and therefore higher energy prices). The US offshore wind industry appears poised to ascend rapidly, with some estimates projecting that capital needs will exceed $30 billion over the next two decades.

Many fund sponsors, seeing complexity as a barrier to entry for the competition, a clear political trend in favour of clean energy, and the transformation of power infrastructure, are jumping into the mix for a once-in-a-generation opportunity that's too good to pass up.

Emerging managers continue to pile up capital in upbeat market

Lawrence Aragon and Joseph Weitemeyer, Editor-in-chief & Research Editor

KevinHyde/iStock/Getty Images

The fundraising picture for new venture funds just keeps getting rosier.

Eighteen new managers raised a combined $1.7 billion from June 19 to July 16, up 22 percent from 19 firms that raised a combined $1.4 billion in the previous four-week period, according to VCJ research.

Tech-focused firms were the most popular, accounting for nine of the total, followed by healthcare/life sciences-focused managers (six) and combo tech/healthcare investors (three).

But healthcare/life sciences investors were by far the biggest fundraisers. As a group, they raised about $1.1 billion. In contrast, tech funds pulled in about $548 million combined, while dual-focused funds raised about $101 million in aggregate.

Healthcare/life sciences firms topped the fundraising list.

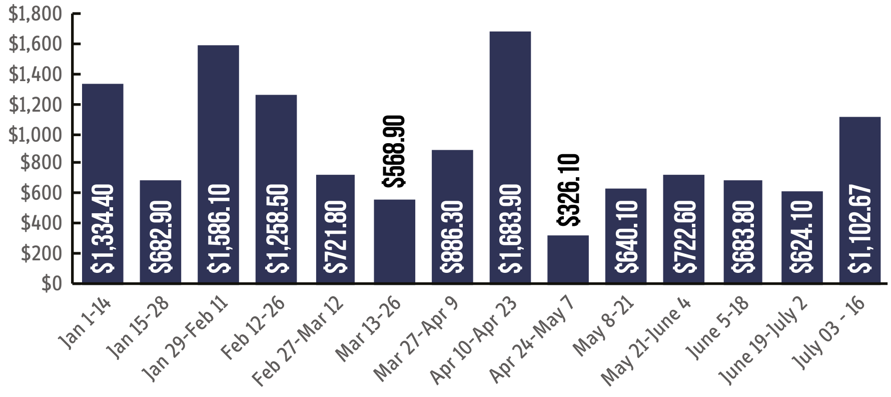
Boston's Vida Ventures came in at No. 1. It held a first close on $552.7 million from 119 investors through two parallel vehicles, SEC filings showed. It has set a target of $600 million for its sophomore fund. Vida's mandate is to back "transformative biomedical innovations across all therapeutic areas, regardless of stage."

Co-founder and Senior Managing Director Fred Cohen is listed as the fund's manager, although the fund lists six co-founders on its website. Cohen boasts 30-plus years in science, medicine, entrepreneurship and venture capital.

Medicxi was the second-largest fundraiser. The firm, which has offices in the United Kingdom, Switzerland and Jersey, raised $260 million from 25 U.S. investors for its third fund, according to an SEC filing. The firm was founded by the former Index Ventures life sciences team, and it continues to manage Index's life sciences portfolio.

In third place was Shanghai's Biotrack Capital, which aims to invest in China's leading healthcare entrepreneurs. It raised $159 million from 36 investors for its debut fund, according to an SEC filing. The firm has set a fundraising target of $175 million.

Fundraising by new VCs (by dollar amount)



Source: Research by VCJ. Amounts are in millions.

Techies

Two firms tied for largest tech fundraisers: Pace Capital and Vertex Ventures. Each pocketed $150 million.

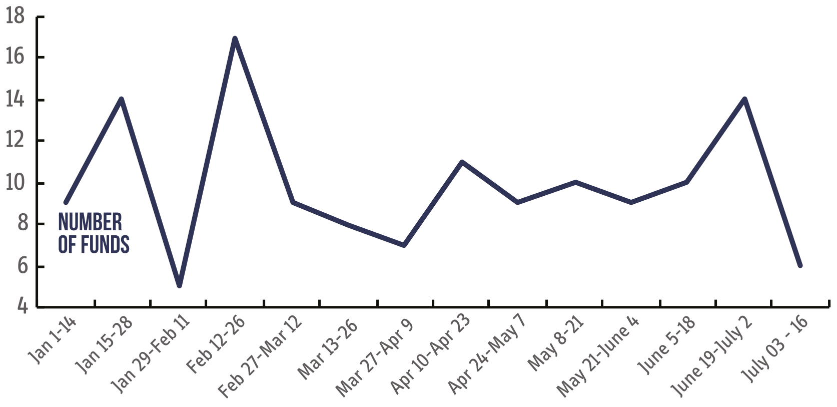
Pace, based on New York, closed its debut fund on June 27 with $150 million from 31 investors, according to an SEC filing. The firm was launched by entrepreneurs Jordan Cooper and Chris Paik earlier this year. Paik was previously a general partner at Thrive

Fundraising by emerging venture managers (June 19-July 16, 2019)

Firm name	Fund name	Focus	Amount raised $M	Target $M	Location	Phone	Filing
Vida Ventures	Vida Ventures II LLC; VIDA VENTURES II-A LLC	Transformative biomedical innovations across all therapeutic areas, regardless of stage.	$552.7	$600.0	Boston	857-254-9492	https://bit.ly/2XIstky; https://bit.ly/32yu4rR
Medicxi	Medicxi III LP	Life sciences with a particular focus on therapeutics.	$260.0	n/a	St. Helier, Jersey	44 1534-481050	https://bit.ly/2Sjs2rb
BioTrack	BioTrack Capital Fund I LP	Healthcare investing and incubating innovative life science companies in China.	$159.0	$175.0	Shanghai	86 021-80337475	https://bit.ly/2GgQAfn
Pace Capital	Pace Capital Fund I LP	Series A investments.	$150.0	$150.0	New York City	201-785-7223	https://bit.ly/2G1w5U8
Vertex Ventures	Vertex Ventures US Fund II LP	Invests in tech, including software, cloud, security and automation.	$150.0	$150.0	Palo Alto, Calif.	650-285-5224	https://bit.ly/2JpNOGA
Maniv Mobility	Maniv Mobility II LP	Early stage automotive and mobility technology startups.	$101.0	$101.0	Tel Aviv, Israel	201-727-1411	https://bit.ly/2Y9b9Vp
Visionary Ventures	Visionary Venture Fund II LP; Visionary Venture Fund II (QP) LP	Opthamology industry.	$62.1	$100.0	Aliso Viejo, Calif.	949-330-6563	https://bit.ly/2XDzGgO
Torch Capital	Torch Capital I LP	E-commerce, consumer internet, digital media, healthcare, fintech, beauty and food and beverage.	$57.8	$60.0	Wilmington, D.E.	860-479-2401	https://bit.ly/2YKCxpC
Fifty Years	Fifty Years Fund II LP	Early stage investments in companies using technology to solve the world's biggest problems.	$50.0	$50.0	San Francisco	415-481-4323	https://bit.ly/2XSGM5s
Geekdom Fund	Geekdom Fund III LP	Seed and pre-seed investments in B2B SaaS in the U.S. and Canada.	$40.0	$50.0	San Antonio, Texas	210-865-3782	https://bit.ly/2xBARTw
Elm Street Ventures	Elm Street Ventures II LP	Early stage funding with emphasis on life sciences and health care related products and services.	$29.6	n/a	New Haven, CT	203-401-4201	https://bit.ly/2LoKk9R
Kairos Ventures	Kairos Venture Opportunities I LP	Scientific discoveries and their commercialization into viable businesses.	$25.6	$100.0	Beverly Hills	310-750-2452	https://bit.ly/2Lc9rwu
Tin Men	Tin Men Fund I LP	Early-stage enterprise technology companies in Southeast Asia.	$24.4	n/a	Singapore	345-949-8066	https://bit.ly/30k1Z5M
Boldstart Ventures	Boldstart Opportunities I LP	IT infrastructure and software development.	$18.3	$30.0	New York City	917-243-9199	https://bit.ly/2YL3N7s
Montage Ventures	Montage Ventures Fund II LP	Financial services, e-commerce, marketplaces and healthcare start-ups.	$18.1	$37.5	Menlo Park, Calif.	650-793-6768	https://bit.ly/2G2rVeu
Level 5 Capital Partners	Level 5 Capital Partners Fund 1 LP	Health, wellness and family physical services.	$13.9	$100.0	Atlanta	847-840-3494	https://bit.ly/2RK5QG8
TIA Ventures	TIA Ventures Fund II LP	Customer-relevant solutions to problems worth solving.	$9.8	n/a	Brooklyn, N.Y.	646-622-0124	https://bit.ly/2G49PZE
Eudemain Ventures	Eudemian Ventures Fund I LP	Seed and early-stage consumer and enterprise software companies.	$4.2	$15.0	San Francisco	415-916-2070	https://bit.ly/32eNC4w
Total			$1,726.5				

Source: VCJ research by Joseph Weitemeyer

Fundraising by new VCs (by number of funds)



Source: Research by VCJ.

Capital and was named to Forbes' list of 30 Under 30 venture capitalists in 2015, when he was 27.

Back on the West Coast, Vertex closed its sophomore U.S. fund on $150 million from 55 investors, according to an SEC filing. The Palo Alto, California-based firm raised a debut fund of $151 million from 43 investors in 2015, according to a regulatory filing. It invests in a variety of tech sectors, including cloud security, software-as-a-service and machine learning.

PARTNER CONNECT EAST 2020

March 16–18 | Hyatt Regency Boston, MA

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The event will feature our unique ExecConnect Private Meeting Program and closed-door LP and GP Think Tanks. Qualified Limited Partner registrations are complimentary.

> “PartnerConnect events are always expertly produced and provide a unique opportunity to take a deep-dive into the middle market.”
>
> **Rich Lawson,** Chairman, CEO and Co-Founder, **HGGC**

2019 limited partner attendees:

- Cambridge Associates
- Edmond de Rothschild Private Equity
- Hartford Investment Management Co. (HIMCO)
- Kauffman Foundation
- Liberty Mutual Investments
- Morgan Stanley Alternative Investment Partners
- New York Life Investments
- Rhode Island State Investment Commission
- Thrivent Private Investments
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