

Start-Up

Equity in start-ups

A Case Study
and some data

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Founders

Start-Up

A professor advises his PhD Student to create a start-up as the results of the research are promising. The professor knows an experienced business person who is ready to join.

How should they split equity?

Founders equity split

There is no single answer.

An equal split could be the initial idea, then should be taken into account:

- past contribution,
- future commitment & expertise / credibility,
- reverse vesting should exist (i.e. if someone stops activity, he keeps a pro-rata of a 4-5year commitment),
- the money invested is a dangerous element and should be left to future financing rounds,
- when IP belongs to a university, there will be a license which usually includes some equity to academic institution.

Founders pie calculator

<http://www.andrew.cmu.edu/user/fd0n/35%20Founders'%20Pie%20Calculator.htm>

	Weight	PhD	Prof.	Biz.
Idea	7	8	2	
Bus. Plan	2	1	3	6
Expertise /credibility	5	2	3	5
Commitment/ responsabilities	7	4	2	4
Risk	7	5		5
Total	280	131	49	100
Split		47%	18%	36%

This was an exercise only, and after a negotiation they agree on the next table

Founders equity split

Start-Up

Title	Name	Ownership Founder's	Shares Founder's
f CTO	PhD	45.0%	4'500'000
f Chief Scientist	Professor	25.0%	2'500'000
f VP Bus. Dev	Biz	30.0%	3'000'000
Total		100.0%	10'000'000

The VC round

The founders need resources and go to a VC they know. The VC proposes \$1M for 40% of the company and asks also for a 20% ESOP plan. The VC will receive “preferred” shares (i.e. with special rights).

ESOP is the employee stock option plan. When an employee exercises his option, he receives “common” shares (similar to founder shares). The company has already 7 employees and some options are granted (outstanding).

Round A equity split

Start-Up

	Title	Name	Ownership		Number of shares/stock	
			Founder's	Series A	Founder's	Series A
f	CTO	PhD	45.0%	18.0%	4'500'000	4'500'000
f	Chief Scientist	Professor	25.0%	10.0%	2'500'000	2'500'000
f	VP Bus. Dev	Biz	30.0%	12.0%	3'000'000	3'000'000
Officers & executives			100.0%	40.0%	10'000'000	10'000'000
Other common						
Total common before options			100.0%	40.0%		10'000'000
Options-outstanding				4.0%		1'000'000
Options-Available				16.0%		4'000'000
Options-Total				20.0%		5'000'000
Total - company			54.6%	60.0%		15'000'000
Investors (VCs, not management)				40.0%		10'000'000
Investors (others)						
Total- Investors				40.0%		10'000'000
Total			24.1%	100.0%		25'000'000

Number of employees

2

7

The B & C round

It is very usual to see additional rounds of financing called B and C rounds. Each round will have its own size, valuation and price per share.

VC rounds	Round	Date	Amount	# Shares	Price per share	Ownership (approx.)
	Seed / A	mai-07	\$1'000'000	10'000'000	\$0.10	40.0%
	B	jan-08	\$10'000'000	9'090'909	\$1.10	25.0%
	C	oct-09	\$15'000'000	4'155'844	\$3.61	10.0%
	Total		\$26'000'000	23'246'753		

Employee stock

The CEO will usually be around 5-10% just before the IPO. The VPs will be in the 0.5%-2% range.

The stock option plan is kept to a level which enables attracting new managers & employees (usually 20-30% including common shares of non-founders)

The **vesting** period is 4 years with 1 year cliff.

There may be a fiscal impact related to vesting and exercise.

Round B-C equity split



Title	Name	Ownership				Number of shares/stock			
		Founder's	Series A	Series B	PreIPO /C	Founder's	Series A	Series B	PreIPO /C
f CTO	PhD	45.0%	18.0%	12.4%	10.8%	4'500'000	4'500'000	4'500'000	4'500'000
f Chief Scientist	Professor	25.0%	10.0%	6.9%	6.0%	2'500'000	2'500'000	2'500'000	2'500'000
f VP Bus. Dev	Biz	30.0%	12.0%	8.3%	7.2%	3'000'000	3'000'000	3'000'000	3'000'000
CEO				8.3%	7.2%			3'000'000	3'000'000
VP S&M				1.9%	1.7%			700'000	700'000
VP Eng.					1.0%				400'000
VP Prods					1.0%				400'000
CFO					0.5%				200'000
Officers & executives		100.0%	40.0%	37.7%	35.4%	10'000'000	10'000'000	13'700'000	14'700'000
Other common									-
Total common before options		100.0%	40.0%	37.7%	35.4%		10'000'000	13'700'000	14'700'000
Options-outstanding			4.0%	5.7%	6.0%		1'000'000	2'072'727	2'500'000
Options-Available			16.0%	4.1%	2.7%		4'000'000	1'500'000	1'111'688
Options-Total			20.0%	9.8%	8.7%		5'000'000	3'572'727	3'611'688
Total - company		54.6%	60.0%	47.5%	44.1%		15'000'000	17'272'727	18'311'688
Investors (VCs, not management)			40.0%	52.5%	45.9%		10'000'000	19'090'909	19'090'909
Investors (others)					10.0%				4'155'844
Total- Investors			40.0%	52.5%	55.9%		10'000'000	19'090'909	23'246'753
Total - PreIPO		24.1%	100.0%	100.0%	100.0%		25'000'000	36'363'636	41'558'441
Number of employees			2	7	25	70			

Remarks:

- The founder's ownership numbers represent the ratio they own compared to other employees on row Total-company and the ratio they own compared to employees and investors in Total-pre IPO.
- Non-founder employee shares and options is maintained to 2% in this case.

IPO

The company goes public when revenues and growth are steady. The company raises additional money to further grow.

It also brings liquidity to founders and investors.

In 2000 (and over the past 22 years), if the IPO is successful, the average gave:

- a CEO stock value will be \$6-8M.
- a VP stock is around \$1M
- and employees have in average \$100k.

The investment bank takes a 6-8% fee on the amount raised.

IPO capitalization table



Activity	High-Tech		Company	CS	Incorporation
Town, St	Lausanne, CH		IPO date	6-juin-10	State
f= founder	Price per share	\$20	Market cap.	\$908'935'063	Date
D= director	Symbol	CSSA	URL	www.cs-sa	years to IPO
					CH
					oct-06
					3.7

Title	Name	Ownership						Number of shares/stock					Value
		Founder's	Series A	Series B	PreIPO /C	Post IPO	9.9%	Founder's	Series A	Series B	PreIPO /C	Post IPO	
f CTO	PhD	45.0%	18.0%	12.4%	10.8%	9.9%	4'500'000	4'500'000	4'500'000	4'500'000	4'500'000	\$90'000'000	
f Chief Scientist	Professor	25.0%	10.0%	6.9%	6.0%	5.5%	2'500'000	2'500'000	2'500'000	2'500'000	2'500'000	\$50'000'000	
f VP Bus. Dev	Biz	30.0%	12.0%	8.3%	7.2%	6.6%	3'000'000	3'000'000	3'000'000	3'000'000	3'000'000	\$60'000'000	
CEO				8.3%	7.2%	6.6%			3'000'000	3'000'000	3'000'000	\$60'000'000	
VP S&M				1.9%	1.7%	1.5%			700'000	700'000	700'000	\$14'000'000	
VP Eng.					1.0%	0.9%				400'000	400'000	\$8'000'000	
VP Prods					1.0%	0.9%				400'000	400'000	\$8'000'000	
CFO					0.5%	0.4%				200'000	200'000	\$4'000'000	
Officers & executives		100.0%	40.0%	37.7%	35.4%	32.3%	10'000'000	10'000'000	13'700'000	14'700'000	14'700'000	\$294'000'000	
Other common										-	-		
Total common before options		100.0%	40.0%	37.7%	35.4%	32.3%		10'000'000	13'700'000	14'700'000	14'700'000	\$294'000'000	
Options-outstanding			4.0%	5.7%	6.0%	5.5%		1'000'000	2'072'727	2'500'000	2'500'000	\$50'000'000	
Options-Available			16.0%	4.1%	2.7%	3.3%		4'000'000	1'500'000	1'111'688	1'500'000	\$30'000'000	
Options-Total			20.0%	9.8%	8.7%	8.8%		5'000'000	3'572'727	3'611'688	4'000'000	\$80'000'000	
Total - company		54.6%	60.0%	47.5%	44.1%	41.1%		15'000'000	17'272'727	18'311'688	18'700'000	\$374'000'000	
Investors (VCs, not management)			40.0%	52.5%	45.9%	42.0%		10'000'000	19'090'909	19'090'909	19'090'909	\$381'818'180	
Investors (others)					10.0%	9.1%			4'155'844	4'155'844	4'155'844	\$83'116'883	
Total- Investors			40.0%	52.5%	55.9%	51.2%		10'000'000	19'090'909	23'246'753	23'246'753	\$464'935'063	
Total - PreIPO		24.1%	100.0%	100.0%	100.0%	92.3%		25'000'000	36'363'636	41'558'441	41'946'753	\$838'935'063	
IPO						7.7%					3'500'000	\$70'000'000	
Option (underwriters)						0.0%						\$0	
Total outstanding		22.0%				100.0%			36'363'636	41'558'441	45'446'753	\$908'935'063	

Number of employees 2 7 25 70 200

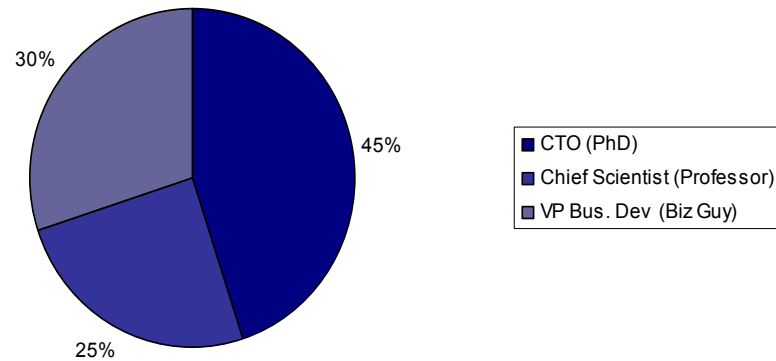
* The difference between common shares and options is very small. In this case, the number of non-founder shares and ESOP is maintained to 20% of the company at each VC round

IPO	Total cash before fees	\$70'000'000
	Paid to underwriters	\$4'900'000
	Others	\$600'000
	Net	\$64'500'000
	sold by company	3'500'000
	sold by shareholders	100'000
	Total shares sold	3'600'000
	Option to underwriters	-

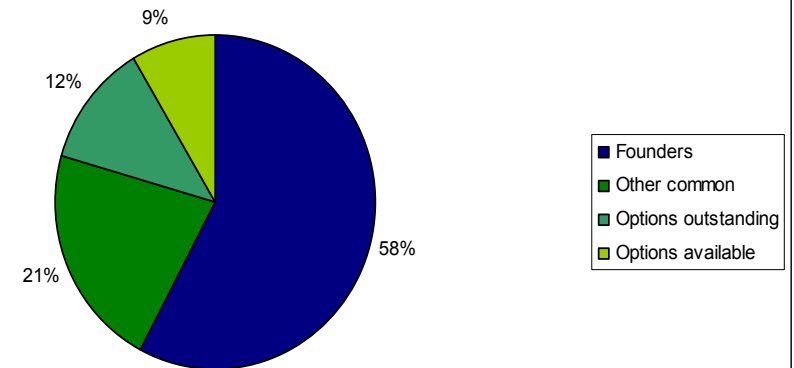
Revenues	2009	2008
Amount	\$100'000'000	\$20'000'000
Growth	400%	
Number of employees		200
Avg. val. of stock per emp		\$250'000

Summary ownership

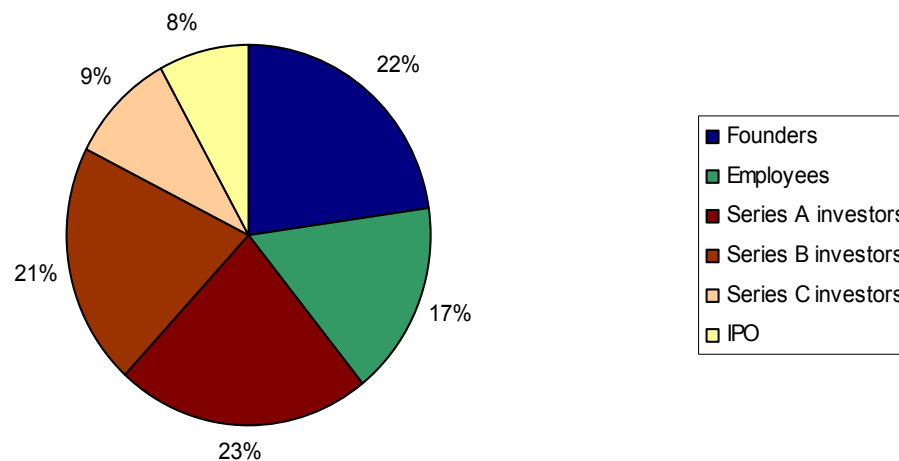
Founders



Founders & Employees



Ownership at IPO



A quote

About valuation

“When people come as a team (usually it is three or four people and typically heavyweight on engineering), it is a complex process. But I think all of us have seen it in the earlier days, times when I can remember saying, “Well, look, we’ll put up all the money, you put up all the blood, sweat and tears and we’ll split the company”, this with the founders. Then if we have to hire more people, we’ll all come down evenly, it will be kind of a 50/50 arrangement. Well, as this bubble got bigger and bigger, you know, they were coming and saying, “Well, you know, we’ll give you, for all the money, 5 percent, 10 percent of the deal.” And, you know, that it’s a supply and demand thing. It’s gone back the other way now. But, in starting with a team, it’s a typical thing to say, well, somewhere 40 to 60 percent, to divide it now. If they’ve got the best thing since sliced bread and you think they have it and they think they have it, you know, then you’ll probably lose the deal because one of these guys will grab it.”

Transcript of oral panel – the Pioneers of Venture Capital – September 2002

Summary

Start-Up

This was an example only, and it gives data points.

The initial equity split is very important and need a lot of care.

The rest is history !

Start-Up

Appendix

Examples of capitalization tables

Source: Personal data compiled from S1 documents (more in the the book Start-Up)

Actelion



Activity	Biopharma	Company	Actelion	Incorporation
Town, St	Allschwill, CH	IPO date	6-avr-00	State
f= founder	Price per share	SFr. 260.0	Market cap.	SFr. 1'363'403'600
D= director	Symbol	SWX: ATLN	URL	www.actelion.com
				CH
				Date
				déc-97
				years to IPO
				2.3

Title	Name	Founder's Ownership	Employee Ownership	PreIPO Ownership	Post IPO Ownership	Founder's Shares	Employee Shares	PreIPO Shares	Post IPO Shares	Value
f CEO	Jean Paul Clozel									
f Research	Walter Fischli									
f Corp Ops	Thomas Widmann									
f Clinical Dev.	Isaac Kobrin									
f CFO	Andre Mueller									
	Martine Clozel									
Founding team*		100.0%	51.9%	14.1%	11.4%	600'000	600'000	600'000	600'000	SFr. 156'000'000
D Chairman	Robert Cawthorn	0.0%	2.6%	0.7%	0.6%		30'000	30'000	30'000	SFr. 7'800'000
Officers & executives		100.0%	54.5%	14.8%	12.0%	600'000	630'000	630'000	630'000	SFr. 163'800'000
Other common			4.0%	1.1%	0.9%		46'200	46'200	46'200	SFr. 12'012'000
Total common before options		88.7%	58.5%	15.9%	12.9%		676'200	676'200	676'200	SFr. 175'812'000
Options-outstanding			15.6%	4.2%	3.4%		180'000	180'000	180'000	SFr. 46'800'000
Options-founders			25.9%	7.1%	5.7%		300'000	300'000	300'000	SFr. 78'000'000
Options-Total			41.5%	11.3%	9.2%		480'000	480'000	480'000	SFr. 124'800'000
Total - company		51.9%	100.0%	27.2%	22.0%		1'156'200	1'156'200	1'156'200	SFr. 300'612'000
Investors (VCs, not management)				72.8%	58.9%			3'087'660	3'087'660	SFr. 802'791'600
Investors (others)				0.0%	0.0%					
Total- Investors				72.8%	58.9%			3'087'660	3'087'660	SFr. 802'791'600
Total - PreIPO		14.1%		100.0%	80.9%			4'243'860	4'243'860	SFr. 1'103'403'600
IPO					19.1%				1'000'000	SFr. 260'000'000
Option (underwriters)										
Total outstanding		11.4%			100.0%				5'243'860	SFr. 1'363'403'600

VCs
Atlas
Sofinnova
3i

* there is uncertainty on the numbers
these are options to founders only
common shares specifics not known

Total cash before fees	SFr. 260'000'000
Paid to underwriters	
Others	
Net	SFr. 246'600'000
sold by company	1'000'000
sold by shareholders	
Total shares sold	1'000'000
Option to underwriters	-

Revenues	2000	1999
Amount	SFr. 31'523'000	SFr. 2'800'000
Growth	1026%	
Number of employees		146
Avg. val. of stock per emp		SFr. 402'822

VCs	Round	Date	Amount	# Shares	Price per share	Valuation	Ownership (approx.)
	A	1998	SFr. 18'000'000	1818000	SFr. 9.9	SFr. 23'940'594	75%
	B	1999	SFr. 38'000'000	1503060	SFr. 25.3	SFr. 99'131'292	38%
	Total		SFr. 56'000'000	3321060			

Arm Holdings



Activity	Microprocessors		Company	Arm Holdings	Incorporation
Town, St	Cambridge, UK		IPO date	17-avr-98	State UK
f= founder	Price per share	£5.75	Market cap.	£302'021'729	Date oct-90
D= director	Symbol	ARMH	URL	www.arm.com	years to IPO 7.5

Title	Name	Employee Ownership	PreIPO Ownership	Post IPO Ownership	Employee Shares	PreIPO Shares	Post IPO Shares	Value
Chairman, CEO	Robin Saxby	10.2%	3.6%	3.1%	1'632'000	1'632'000	1'632'000	£9'384'000
f COO	Jamie Urquhart	1.8%	0.6%	0.6%	295'200	295'200	295'200	£1'697'400
Officers & executives		12.1%	4.2%	3.7%	1'927'200	1'927'200	1'927'200	£11'081'400
Other common		54.7%	19.2%	16.6%	8'744'020	8'744'020	8'744'020	£50'278'115
Total common before options		66.8%	23.4%	20.3%	10'671'220	10'671'220	10'671'220	£61'359'515
Options-outstanding		23.8%	8.3%	7.3%	3'811'889	3'811'889	3'811'889	£21'918'362
Options-Available		9.4%	3.3%	2.9%	1'500'000	1'500'000	1'500'000	£8'625'000
Options-Total		33.2%	11.6%	10.1%	5'311'889	5'311'889	5'311'889	£30'543'362
Total - company		100.0%	35.0%	30.4%	15'983'109	15'983'109	15'983'109	£91'902'877
Acorn			25.3%	22.0%		11'561'961	11'561'961	£66'481'276
Apple			15.9%	13.8%		7'261'961	7'261'961	£41'756'276
Others						10'851'078	10'851'078	£62'393'699
Total- Investors			65.0%	56.5%		29'675'000	29'675'000	£170'631'250
Total - PreIPO			100.0%	86.9%		45'658'109	45'658'109	£262'534'127
IPO				13.1%			6'867'409	£39'487'602
Option (underwriters)								
Total outstanding				100.0%			52'525'518	£302'021'729

Arm was created as a JV between Apple, Acorn and VLSI

ARM is allowed to issue 10% of common shares as options. 1'500'000 was chosen to fit the rule

Total cash before fees	£39'487'602
Paid to underwriters	
Others	
Net	£39'487'602
sold by company	6'867'409
sold by shareholders	
Total shares sold	6'867'409
Option to underwriters	-

Revenues	1998	1997
Amount	£42'268'000	£26'580'000
Growth	59%	
Number of employees		300
Avg. val. of stock per emp		£240'655

Atheros



Activity	Semiconductor - wireless	Company	Atheros	Incorporation	
Town, St	Sunnyvale, CA	IPO date	18-févr-04	State	DE
f= founder	Price per share \$14.0	Market cap.	\$1'026'721'598	Date	mai-98
D= director	Symbol ATHR	URL	www.atheros.com	years to IPO	5.8

Title	Name	Founder's Ownership	Employee Ownership	PreIPO Ownership	Post IPO Ownership	Founder's Shares	Employee Shares	PreIPO Shares	Post IPO Shares	Value
f ex-CEO, consultant	Theresa Meng	83.6%	12.4%	6.5%	5.6%	4'085'000	4'085'000	4'085'000	4'085'000	\$57'190'000
fD Chair	John Hennessy	16.4%	2.4%	1.3%	1.1%	800'000	800'000	800'000	800'000	\$11'200'000
CEO	Craig Barratt		7.0%	3.7%	3.1%		2'300'000	2'300'000	2'300'000	\$32'200'000
VP Eng.	Richard Bahr		3.1%	1.6%	1.4%		1'035'000	1'035'000	1'035'000	\$14'490'000
VP Ops	Ranendu Das		1.7%	0.9%	0.8%		570'960	570'960	570'960	\$7'993'440
VP Sales	Tom Foster		1.4%	0.7%	0.6%		445'000	445'000	445'000	\$6'230'000
former CEO	Redelfs		6.9%	3.6%	3.1%		2'283'000	2'283'000	2'283'000	\$31'962'000
Officers & executives		100.0%	35.0%	18.3%	15.7%	4'885'000	11'518'960	11'518'960	11'518'960	\$161'265'440
Other common			26.7%	13.9%	12.0%		8'782'961	8'782'961	8'782'961	\$122'961'454
Total common before options		24.1%	61.6%	32.2%	27.7%		20'301'921	20'301'921	20'301'921	\$284'226'894
Options-outstanding			0.0%	14.6%	12.6%		9'222'244	9'222'244	9'222'244	\$129'111'416
Options-Available			0.0%	5.4%	4.7%		3'416'512	3'416'512	3'416'512	\$47'831'168
Options-Total			38.4%	20.1%	17.2%		12'638'756	12'638'756	12'638'756	\$176'942'584
Total - company		14.8%	100.0%	52.3%	44.9%		32'940'677	32'940'677	32'940'677	\$461'169'478
Investors (VCs, not management)				47.7%	41.0%			30'046'580	30'046'580	\$420'652'120
Investors (others)				0.0%	0.0%				-	\$0
Total- Investors				47.7%	41.0%			30'046'580	30'046'580	\$420'652'120
Total - PreIPO		7.8%		100.0%	85.9%			62'987'257	62'987'257	\$881'821'598
IPO					14.1%				10'350'000	\$144'900'000
Option (underwriters)					0.0%					\$0
Total outstanding		6.7%			100.0%				73'337'257	\$1'026'721'598

VCs	Total cash before fees	\$144'900'000
NEA	Paid to underwriters	
Foundation	Others	
August	Net	\$134'757'000
	sold by company	10'350'000
	sold by shareholders	
	Total shares sold	10'350'000
	Option to underwriters	-

Revenues	2003	2002
Amount	\$87'400'000	\$22'200'000
Growth	294%	
Number of employees		171
Avg. val. of stock per emp		\$1'474'110

VCs	Round	Date	Amount	# Shares	Price per share	Valuation	Ownership at round (wo ESOP)	Final Ownersip
	A	may99	\$6'025'000	12'050'000	\$0.50	\$8'467'500	71%	19.1%
	B	mars.00	\$25'300'000	7'676'014	\$3.30	\$81'117'446	31%	12.2%
	C	apr01	\$66'670'856	10'320'566	\$6.46	\$225'658'007	30%	16.4%
	Total		\$97'995'586	30'046'580				47.7%
	Series A	Series B	Series C	Total				
NEA		4'329'292	464'683	4'793'975				
Foundation	5'000'000	1'327'506	1'547'988	7'875'494				
August	5'000'000	1'327'506	464'396	6'791'902				
Fidelity Mt. Vernon Trust			3'095'975	3'095'975				

Ebay Inc.



Activity	Internet auction site	Company		eBay		Incorporation				
Town, St	San Jose, CA	IPO date	23-sept-98	State	CA, DE	Date	mai-96			
f= founder	Price per share	\$18	Market cap.	\$914'667'318	years to IPO	2.4				
D= director	Symbol	EBAY	URL	www.ebay.com						
Title	Name	Founder's Ownership	Employee Ownership	PreIPO Ownership	Post IPO Ownership	Founder's Shares	Employee Shares	PreIPO Shares	Post IPO Shares	Value
fD Chairman	Omidyar	59.9%	40.7%	32.5%	30.0%	15'229'425	15'229'425	15'229'425	15'229'425	\$274'129'650
D Pres, CEO	Whitman		6.4%	5.1%	4.7%		2'400'000	2'400'000	2'400'000	\$43'200'000
SVP Mark.	Swette		1.6%	1.3%	1.2%	-	600'000	600'000	600'000	\$10'800'000
f VP Strat Planning	Skoll	40.1%	27.3%	21.8%	20.1%	10'200'000	10'200'000	10'200'000	10'200'000	\$183'600'000
VP Prod Dev	Wilson		2.4%	1.9%	1.8%		900'000	900'000	900'000	\$16'200'000
VP Mark & Bus Dev	Westly		2.3%	1.8%	1.7%		864'000	864'000	864'000	\$15'552'000
CFO	Bengler		1.4%	1.1%	1.0%		525'000	525'000	525'000	\$9'450'000
VP Legal	Jacobson		0.7%	0.5%	0.5%		250'002	250'002	250'002	\$4'500'036
Officers & executives		100.0%	82.8%	66.2%	60.9%	25'429'425	30'968'427	30'968'427	30'968'427	\$557'431'686
Total common before options		82.1%	82.8%	66.2%	60.9%		30'968'427	30'968'427	30'968'427	\$557'431'686
Options-outstanding			3.8%	3.0%	2.8%		1'410'315	1'410'315	1'410'315	\$25'385'670
Options-Available			13.4%	10.7%	9.9%		5'007'748	5'007'748	5'007'748	\$90'139'464
Options-Total			17.2%	13.7%	12.6%		6'418'063	6'418'063	6'418'063	\$115'525'134
Total - company		68.0%	100.0%	79.9%	73.6%		37'386'490	37'386'490	37'386'490	\$672'956'820
Investors (VCs, not management)				18.8%	17.3%			8'791'836	8'791'836	\$158'253'048
Investors (others)				1.3%	1.2%			622'250	622'250	\$11'200'500
Total- Investors				20.1%	18.5%			9'414'086	9'414'086	\$169'453'548
Total - PreIPO		54.3%		100.0%	92.1%			46'800'576	46'800'576	\$842'410'368
IPO					6.9%				3'489'275	\$62'806'950
Option (underwriters)					1.0%				525'000	\$9'450'000
Total outstanding		50.0%			100.0%				50'814'851	\$914'667'318

VCs
Benchmark Kagle

IPO	Total cash before fees	\$63'000'000
	Paid to underwriters	\$4'410'000
	Others	\$975'000
	Net	\$57'615'000
	Shares sold by company	3'489'275
	Shares sold by shareholders	10'725
	Total shares sold	3'500'000
	Option to underwriters	525'000

Revenues	6m-98	6m-97
Amount	\$14'900'000	\$1'700'000
Growth	776%	
Number of employees		76
Avg. val. of stock per emp		\$334'022

VCs	Round	Date	Amount	# Shares	Price per share	Valuation	Ownership (approx.)
	Seed / A	Dec96	\$15'000	4'500'000	\$0.00	\$15'000	
	B	June97	\$3'000'000	3'000'000	\$1.00	\$28'429'425	11%
	B extension	May98	\$1'992'000	1'200'000	\$1.66	\$49'184'846	4%
	Total		\$5'007'000	8'700'000			



Activity	Internet search	Company		Google		Incorporation				
Town, St		IPO date	1-aou04	State	CA, DE	Date	sept-98			
f= founder	Price per share	\$80	Market cap.	\$22'921'832'480	years to IPO	5.9				
D= director	Symbol	GOOG	URL	www.google.com						
Title	Name	Founder's Ownership	Employee Ownership	PreIPO Ownership	Post IPO Ownership	Founder's Shares	Employee Shares	PreIPO Shares	Post IPO Shares	Value
f Pres. Prod	Larry Page	50.0%	19.5%	14.4%	13.4%	38'490'304	38'490'304	38'490'304	38'490'304	\$3'079'224'320
f Pres. tech	Sergey brin	50.0%	19.5%	14.4%	13.4%	38'490'304	38'490'304	38'490'304	38'490'304	\$3'079'224'320
CEO	Eric Schmidt		7.5%	5.5%	5.2%		14'758'600	14'758'600	14'758'600	\$1'180'688'000
SVP Sales	Omid Kordestani						-	-	-	
VP Eng.	Wayne Rosing						-	-	-	
Legal Counsel	David C. Drummond						-	-	-	
CFO	George Reyes						-	-	-	
VP prod. Manag	Jonathan J. Rosenberg						-	-	-	
VP Bus. Ops	Shona L. Brown						-	-	-	
Officers & executives		100.0%	46.5%	34.4%	32.0%	76'980'608	91'739'208	91'739'208	91'739'208	\$7'339'136'640
Total common before options		83.9%	46.5%	34.4%	32.0%		91'739'208	91'739'208	91'739'208	\$7'339'136'640
Options-outstanding			53.5%	39.5%	36.8%		105'557'098	105'557'098	105'557'098	\$8'444'567'840
Options-Available								-	-	
Options-Total			53.5%	39.5%	36.8%		105'557'098	105'557'098	105'557'098	\$8'444'567'840
Total - company		39.0%	100.0%	73.9%	68.9%		197'296'306	197'296'306	197'296'306	\$15'783'704'480
Investors (VCs, not management)				17.9%	16.7%			47'787'600	47'787'600	\$3'823'008'000
Stanford		2.3%		0.7%	0.6%			1'842'000	1'842'000	\$147'360'000
Investors (others)								19'997'000	19'997'000	\$1'599'760'000
Total- Investors				26.1%	24.3%			69'626'600	69'626'600	\$5'570'128'000
Total - PreIPO		28.8%		100.0%	93.2%			266'922'906	266'922'906	\$21'353'832'480
IPO					6.8%				19'600'000	\$1'568'000'000
Option (underwriters)										
Total outstanding		26.9%			100.0%				286'522'906	\$22'921'832'480

NB: the difference between common and options could not be established precisely

VCs
KP
Sequoia

Total cash before fees	\$1'568'000'000
Paid to underwriters	
Others	
Net	\$1'568'000'000
sold by company	19'600'000
sold by shareholders	
Total shares sold	19'600'000
Option to underwriters	-

Revenues	2003	2002
Amount	\$1'465'000'000	\$439'000'000
Growth		234%
Number of employees		2'500
Avg. val. of stock per emp		\$3'377'827

Round	Date	Amount	# Shares	Price per share	Valuation	Ownership (approx)
A	oct.98	\$960'000	15'360'000	\$0.06	\$5'771'288	16.6%
B	May 99	\$25'000'000	47'787'600	\$0.52	\$73'307'829	34.1%
C	May 01	\$15'000'000	6'479'000	\$2.32	\$339'420'917	4.4%
Total		\$40'960'000	69'626'600			

Logitech

Start-Up

Activity	Compuer devices		Company	Logitech	Incorporation	
Town, St	Apples, CH		IPO date *	27-mars-97	State	Switzerland
f= founder	Price per share	\$160.0	Market cap.	\$419'801'280	Date	janv-81
D= director	Symbol	LOGI	URL	www.logitech.com	years to IPO	16.2

Title	Name	Founder's Ownership	Employee Ownership	PreIPO Ownership	Post IPO Ownership	Founder's Shares	Employee Shares	PreIPO Shares	Post IPO Shares	Value
CEO, chair	Daniel Borel	52.9%	10.0%	10.0%	9.3%	243'205	243'205	243'205	243'205	\$38'912'800
Vice chair	Pierluigi Zappacosta	47.1%	8.9%	8.9%	8.3%	216'500	216'500	216'500	216'500	\$34'640'000
VP finance	Barry Zwarenstein									
GM Far East	Erh-Hsun Chang									
GM Europe	Marc M. Chatel									
SVP Bus Divs	Rory Dooley									
VP Info	Patrick W. Brubeck									
VP Sales	Vladimir M. Langer									
VP Scanner Div	Dominique Pitteloud									
Held in treasury			6.1%	6.1%	5.6%		147'537	147'537	147'537	\$23'605'920
Officers & executives		100.0%	25.1%	25.1%	23.1%	459'705	607'242	607'242	607'242	\$97'158'720
Other common			49.3%	49.3%	45.5%		1'194'446	1'194'446	1'194'446	\$191'111'360
Total common before options		25.5%	74.3%	74.3%	68.7%		1'801'688	1'801'688	1'801'688	\$288'270'080
Options-outstanding			9.2%	9.2%	8.5%		222'070	222'070	222'070	\$35'531'200
Options - available			16.5%	16.5%	15.2%		400'000	400'000	400'000	\$64'000'000
Options-Total			25.7%	25.7%	23.7%		622'070	622'070	622'070	\$99'531'200
Total - company		19.0%	100.0%	100.0%	92.4%		2'423'758	2'423'758	2'423'758	\$387'801'280
Investors (VCs, not management)				0.0%	0.0%				-	\$0
Investors (others)				0.0%	0.0%				-	\$0
Total- Investors				0.0%	0.0%				-	\$0
Total - PreIPO		19.0%		100.0%	92.4%			2'423'758	2'423'758	\$387'801'280
IPO					7.6%				200'000	\$32'000'000
Option (underwriters)					0.0%					\$0
Total outstanding		17.5%			100.0%				2'623'758	\$419'801'280

VCs

Total cash before fees	\$32'000'000
Paid to underwriters	\$5'400'000
Others	
Net	\$26'600'000
sold by company	200'000
sold by shareholders	
Total shares sold	200'000
Option to underwriters	-

* Logitech went public in Switzerland in 1988
The US shares were 10x a Swiss shares
i.e. at \$16 / share

Revenues	1997 (mar)	1996
Amount	\$413'000'000	\$355'000'000
Growth	16%	
Number of employees		2'995
Avg. val. of stock per emp		\$75'674

Numerical Technologies



Activity	EDA Software and Tech.		Company	Numeritech	Incorporation	
Town, St	San Jose, CA		IPO date	6-avr-00	State	CA, DE
f= founder	Price per share	\$14.0	Market cap.	\$443'675'890	Date	nov-95
D= director	Symbol	NMTC	URL	www.numeritech.com	years to IPO	4.4

Title	Name	Founder's Ownership	Employee Ownership	PreIPO Ownership	Post IPO Ownership	Founder's Shares	Employee Shares	PreIPO Shares	Post IPO Shares	Value
fD Pres, CEO	Y. Pati	40.3%	18.8%	9.9%	7.9%	1'755'000	2'518'500	2'518'500	2'518'500	\$35'259'000
fD CTO	Y.-T. Yang	32.0%	15.6%	8.3%	6.6%	1'395'000	2'092'500	2'092'500	2'092'500	\$29'295'000
CFO	R. Mora	0.0%	3.1%	1.6%	1.3%		412'500	412'500	412'500	\$5'775'000
VP Mark., Bus.Dev.	A. Sharan	0.0%	3.1%	1.6%	1.3%		412'500	412'500	412'500	\$5'775'000
D	N. Gupta	3.4%	7.1%	3.7%	3.0%	150'000	948'414	948'414	948'414	\$13'277'796
D Professor	T. Kailath	16.6%	8.0%	4.2%	3.4%	722'220	1'066'914	1'066'914	1'066'914	\$14'936'796
D Professor	A. El Gammal	3.4%	4.8%	2.5%	2.0%	150'000	641'667	641'667	641'667	\$8'983'338
f founder, left	M. Grant	4.2%	1.4%	0.7%	0.6%	185'000	185'000	185'000	185'000	\$2'590'000
VP Eng.	Lars Herlitz	0.0%	1.9%	1.0%	0.8%		255'000	255'000	255'000	\$3'570'000
Officers & executives		100.0%	63.6%	33.7%	26.9%	4'357'220	8'532'995	8'532'995	8'532'995	\$119'461'930
Other common			7.8%	4.2%	3.3%		1'052'635	1'052'635	1'052'635	\$14'736'890
Total common before options		45.5%	71.5%	37.8%	30.2%		9'585'630	9'585'630	9'585'630	\$134'198'820
Options-outstanding			5.2%	2.7%	2.2%		694'500	694'500	694'500	\$9'723'000
Options-Available			23.4%	12.4%	9.9%		3'133'916	3'133'916	3'133'916	\$43'874'824
Options-Total			28.5%	15.1%	12.1%		3'828'416	3'828'416	3'828'416	\$53'597'824
Total - company		32.5%	100.0%	53.0%	42.3%		13'414'046	13'414'046	13'414'046	\$187'796'644
Investors (VCs, not management)				32.0%	25.6%			8'102'995	8'102'995	\$113'441'930
Transcription Series E				15.0%	12.0%			3'809'994	3'809'994	\$53'339'916
Total- Investors				47.0%	37.6%			11'912'989	11'912'989	\$166'781'846
Total - PreIPO		17.2%		100.0%	79.9%			25'327'035	25'327'035	\$354'578'490
IPO					20.1%				6'364'100	\$89'097'400
Option (underwriters)					0.0%					\$0
Total outstanding		13.7%			100.0%				31'691'135	\$443'675'890

VCs
Mohr Davidow
Index Ventures
Goldman Sachs

Total cash before fees	\$89'097'400
Paid to underwriters	
Others	
Net	\$81'300'000
sold by company	6'364'100
sold by shareholders	
Total shares sold	6'364'100
Option to underwriters	-

Revenues	1999	1998
Amount	\$5'492'000	\$736'000
Growth	646%	
Number of employees		105
Avg. val. of stock per emp		\$232'951

VCs	Round	Date	Amount	# Shares	Price per share	Valuation (approx.)	Ownership (approx.)
	A	Dec96	\$540'000	2'250'000	\$0.24	\$1'585'733	34%
	B	Aug97	\$703'500	1'050'000	\$0.67	\$5'130'337	14%
	C	Aug98	\$7'970'990	2'445'089	\$3.26	\$32'933'527	24%
	D	Aug99	\$14'123'857	2'357'906	\$5.99	\$74'636'688	19%
	Total		\$23'338'347	8'102'995			

Rambus

Start-Up

Activity	Semicon IP		Company	Rambus Inc	Incorporation	
Town, St	Los Altos, CA		IPO date	13-mai-97	State	CA, DE
f= founder	Price per share	\$12.0	Market cap.	\$304'347'060	Date	mars-90
D= director	Symbol	RMBS	URL	www.rambus.com	years to IPO	7.2

Title	Name	Founder's Ownership	Employee Ownership	PreIPO Ownership	Post IPO Ownership	Founder's Shares	Employee Shares	PreIPO Shares	Post IPO Shares	Value
D President, CEO	Geoff Tate		11.1%	5.4%	4.8%		1'209'789	1'209'789	1'209'789	\$14'517'468
fD Ch. Scientist & VP	Michael Farmwald	56.4%	15.0%	7.4%	6.5%	1'639'548	1'639'548	1'639'548	1'639'548	\$19'674'576
fD Vice-President	Mark Horowitz	33.3%	8.9%	4.4%	3.8%	968'365	968'365	968'365	968'365	\$11'620'380
CFO	Gary Harmon		1.5%	0.7%	0.6%		160'250	160'250	160'250	\$1'923'000
VP Bus. Dev	David Mooring		2.8%	1.4%	1.2%		306'500	306'500	306'500	\$3'678'000
VP Eng.	Allen Roberts		4.2%	2.1%	1.8%		460'500	460'500	460'500	\$5'526'000
VP Marketing	Subodh Toprani		1.8%	0.9%	0.8%		195'500	195'500	195'500	\$2'346'000
f Other founders		10.3%	2.8%	1.4%	1.2%	300'000	300'000	300'000	300'000	\$3'600'000
Officers & executives		100.0%	48.1%	23.6%	20.7%	<u>2'907'913</u>	5'240'452	5'240'452	5'240'452	\$62'885'424
Other common			23.7%	11.6%	10.2%		2'583'478	2'583'478	2'583'478	\$31'001'736
Total common before options		37.2%	71.8%	35.2%	30.8%		<u>7'823'930</u>	<u>7'823'930</u>	<u>7'823'930</u>	<u>\$93'887'160</u>
Options-outstanding			22.1%	10.8%	9.5%		2'404'372	2'404'372	2'404'372	\$28'852'464
Options-Available			6.2%	3.0%	2.7%		674'102	674'102	674'102	\$8'089'224
Options-Total			28.2%	13.9%	12.1%		3'078'474	3'078'474	3'078'474	\$36'941'688
Total - company		26.7%	100.0%	49.1%	43.0%		<u>10'902'404</u>	<u>10'902'404</u>	<u>10'902'404</u>	<u>\$130'828'848</u>
Investors (VCs, not management)				50.9%	44.5%			11'297'351	11'297'351	\$135'568'212
Investors (others)								-	-	
Total- Investors				50.9%	44.5%			11'297'351	11'297'351	\$135'568'212
Total - PreIPO		13.1%		100.0%	87.5%			<u>22'199'755</u>	<u>22'199'755</u>	<u>\$266'397'060</u>
IPO									3'162'500	\$37'950'000
Option (underwriters)										
Total outstanding		11.5%			100.0%				<u>25'362'255</u>	<u>\$304'347'060</u>

VCs
MDV
KP
Dunlevie (now Benchmark)

Total cash before fees	\$37'950'000
Paid to underwriters	
Others	
Net	\$34'117'000
sold by company	3'162'500
sold by shareholders	
Total shares sold	3'162'500
Option to underwriters	-

Revenues	1997	1996
Amount	\$26'015'000	\$11'270'000
Growth	131%	
Number of employees		139
Avg. val. of stock per emp		\$430'606

Riverbed



Activity	Entreprise data mgmt	Company	Riverbed	Incorporation	
Town, St	San Francisco, CA	IPO date	26-sept-06	State	DE
f= founder	Price per share	\$9.75	Market cap.	\$720'049'571	Date
D= director	Symbol	RVBD	URL	www.riverbed.com	mai-02
				years to IPO	4.4

Title	Name	Founder's Ownership	Employee Ownership	PreIPO Ownership	Post IPO Ownership	Founder's Shares	Employee Shares	PreIPO Shares	Post IPO Shares	Value
fd Pres, CEO, Chair	Jerry M. Kennelly	50.0%	30.7%	10.2%	8.1%	5'000'000	6'000'000	6'000'000	6'000'000	\$58'500'000
fd CTO	Steven McCanne	50.0%	30.8%	10.2%	8.2%	5'000'000	6'019'808	6'019'808	6'019'808	\$58'693'128
CFO	Randy S. Gottfried		2.8%	0.9%	0.7%		550'000	550'000	550'000	\$5'362'500
VP Mark., Bus.Dev.	Eric Wolford		3.2%	1.1%	0.8%		621'978	621'978	621'978	\$6'064'286
VP Eng.	Gordon Chaffee									
VP Tech Ops.	Stephen R. Smoot									
CIO	Harold E. Irvine II									
Gen. Council	Brett A. Nissenberg									
Officers & executives		100.0%	67.6%	22.4%	17.9%	10'000'000	13'191'786	13'191'786	13'191'786	\$128'619'914
Other common			18.1%	6.0%	4.8%		3'529'546	3'529'546	3'529'546	\$34'413'074
Total common before options		71.9%	85.7%	28.4%	22.6%		16'721'332	16'721'332	16'721'332	\$163'032'987
Options-outstanding			14.3%	4.7%	3.8%		2'798'146	2'798'146	2'798'146	\$27'281'924
Options-Available					6.8%				5'000'000	\$48'750'000
Options-Total			14.3%	4.7%	10.6%		2'798'146	2'798'146	7'798'146	\$76'031'924
Total - company		61.6%	100.0%	33.1%	33.2%		19'519'478	19'519'478	24'519'478	\$239'064'911
Investors (VCs, not management)				60.7%	48.5%			35'795'393	35'795'393	\$349'005'082
Investors (others)								3'646'046	3'646'046	\$35'548'949
Total- Investors				66.9%	53.4%			39'441'439	39'441'439	\$384'554'030
Total - PreIPO		20.4%		100.0%	86.6%			58'960'917	63'960'917	\$623'618'941
IPO					11.6%				8'600'000	\$83'850'000
Option (underwriters)					1.7%				1'290'321	\$12'580'630
Total outstanding		16.3%			100.0%				73'851'238	\$720'049'571

VCs
Accel
Lightspeed
UV partners

Total cash before fees	\$96'430'630
Paid to underwriters	
Others	
Net	\$96'430'630
sold by company	9'890'321
sold by shareholders	100'000
Total shares sold	9'990'321
Option to underwriters	1'290'321

Revenues	2004	2003
Amount	\$22'900'000	\$2'500'000
Growth	816%	
Number of employees		174
Avg. val. of stock per emp		\$354'569

Round	Date	Amount	# Shares	Price per share	Valuation (approx.)	Ownership (approx.)
A	janv.03	\$6'550'000	14'395'604	\$0.455	\$11'100'000	59%
B	dec03	\$9'900'000	11'961'721	\$0.836	\$30'394'724	33%
C	dec04	\$19'900'000	9'345'796	\$2.140	\$97'804'679	26%
D	feb06	\$19'900'000	3'738'318	\$5.350	\$264'511'699	8%
Total		\$56'250'000	39'441'439			

Activity	Broadband communications	Company	Virata	Incorporation	
Town, St	Cambridge UK and CA	IPO date	17-nov-99	State	UK, Del
f= founder	Price per share * \$2.1	Market cap.	\$309'644'162	Date	juin-93
D= director	Symbol VRTA	URL	-	years to IPO	6.5

Title	Name	Founder's Ownership	Employee Ownership	PreIPO Ownership	Post IPO Ownership	Founder's Shares	Employee Shares	PreIPO Shares	Post IPO Shares	Value
D CEO	Charles Cotton		2.3%	1.0%	0.7%		1'082'813	1'082'813	1'082'813	\$2'262'594
CFO	Andrew Vought		1.6%	0.7%	0.5%		743'437	743'437	743'437	\$1'553'450
D CTO	Martin Jackson		1.1%	0.5%	0.4%		537'083	537'083	537'083	\$1'122'263
VP Corp Dev	Thomas Cooper		1.2%	0.5%	0.4%		550'833	550'833	550'833	\$1'150'994
fd Chairman	Hermann Hauser	50.0%	3.5%	1.5%	1.1%	1'500'000	1'632'096	1'632'096	1'632'096	\$3'410'350
fd Professor	Andrew Hopper	50.0%	3.3%	1.4%	1.1%	1'500'000	1'562'857	1'562'857	1'562'857	\$3'265'671
Officers & executives		100.0%	13.0%	5.6%	4.1%	3'000'000	6'109'119	6'109'119	6'109'119	\$12'765'323
Other common			46.4%	19.8%	14.7%		21'754'003	21'754'003	21'754'003	\$45'456'126
Total common before options		10.8%	59.4%	25.4%	18.8%		27'863'122	27'863'122	27'863'122	\$58'221'449
Options-outstanding			40.6%	17.3%	12.8%		19'019'214	19'019'214	19'019'214	\$39'741'641
Options-Available										
Options-Total			40.6%	17.3%	12.8%		19'019'214	19'019'214	19'019'214	\$39'741'641
Total - company		6.4%	100.0%	42.8%	31.6%		46'882'336	46'882'336	46'882'336	\$97'963'090
Investors (VCs, not management)				38.0%	28.2%			41'720'764	41'720'764	\$87'177'716
Investors (strategic and manag.)				19.2%	14.2%			21'058'749	21'058'749	\$44'003'356
Total- Investors				57.2%	42.4%			62'779'513	62'779'513	\$131'181'072
Total - PreIPO		2.7%		100.0%	74.0%			109'661'849	109'661'849	\$229'144'162
IPO					26.0%				38'525'000	\$80'500'000
Option (underwriters)										
Total outstanding		2.0%			100.0%				148'186'849	\$309'644'162

VCs
Oak
NEA
3i
Index Securities
Oracle
Olivetti

Total cash before fees	\$80'500'000
Paid to underwriters	
Others	
Net	\$73'500'000
sold by company	38'525'000
sold by shareholders	
Total shares sold	38'525'000
Option to underwriters	-

Revenues	FY 99	FY98 (mar)
Amount	\$9'256'000	\$8'931'000
Growth	4%	
Number of employees		113
Avg. val. of stock per emp		\$753'963

* a stock split was done at IPO
in fact the price per share was \$14

Round	Date	Amount	# Shares	Price per share
B	May 96	£3'589'240	5'127'485	£0.70
C	June 96	\$10'000'001	6'666'667	\$1.50
D	June 98	\$27'259'027	24'780'934	\$1.10
E	sept.99	\$8'000'000	6'153'846	\$1.30
Total		\$52'950'255	36'575'086	

Yahoo

Start-Up

Activity	Internet Software	Company		Yahoo		Incorporation				
Town, St	Sunnyvale, CA	IPO date	12-avr-96	State	CA	Date	mars-95			
f= founder	Price per share	\$13	Market cap.	\$481'458'874	Date	mars-95				
D= director	Symbol	YHOO	URL	www.yahoo.com	years to IPO	1.1				
Title	Name	Founder's Ownership	Employee Ownership	PreIPO Ownership	Post IPO Ownership	Founder's Shares	Employee Shares	PreIPO Shares	Post IPO Shares	Value
D Pres, CEO	Koogle		5.5%	3.0%	2.8%		1'025'510	1'025'510	1'025'510	\$13'331'630
fD Chief Yahoo	Yang	50.0%	21.3%	11.8%	10.8%	4'003'750	4'003'750	4'003'750	4'003'750	\$52'048'750
fD Chief Yahoo	Filo	50.0%	21.3%	11.8%	10.8%	4'003'750	4'003'750	4'003'750	4'003'750	\$52'048'750
SVP Bus Ops	Mallett									
CFO	Valenzeula									
SVP Prod Dev	Nazem									
Officers & executives		100.0%	48.1%	26.5%	24.4%	8'007'500	9'033'010	9'033'010	9'033'010	\$117'429'130
Other common			6.6%	3.6%	3.3%		1'231'716	1'231'716	1'231'716	\$16'012'308
Total common before options		78.0%	54.7%	30.2%	27.7%		10'264'726	10'264'726	10'264'726	\$133'441'438
Options-outstanding			25.8%	14.2%	13.1%		4'834'868	4'834'868	4'834'868	\$62'853'284
Options-Available			19.5%	10.8%	9.9%		3'665'132	3'665'132	3'665'132	\$47'646'716
Options-Total			45.3%	25.0%	23.0%		8'500'000	8'500'000	8'500'000	\$110'500'000
Total - company		42.7%	100.0%	55.1%	50.7%		18'764'726	18'764'726	18'764'726	\$243'941'438
Investors (VCs, not management)				15.9%	14.6%			5'415'344	5'415'344	\$70'399'472
Investors (others)				29.0%	26.6%			9'865'228	9'865'228	\$128'247'964
Total- Investors				44.9%	41.3%			15'280'572	15'280'572	\$198'647'436
Total - PreIPO		23.5%		100.0%	91.9%			34'045'298	34'045'298	\$442'588'874
IPO					7.0%				2'600'000	\$33'800'000
Option (underwriters)					1.1%				390'000	\$5'070'000
Total outstanding		21.6%			100.0%				37'035'298	\$481'458'874

VCs	IPO	Total cash before fees	\$33'800'000
Sequoia	Moritz	Paid to underwriters	\$2'366'000
Corp.		Others	\$700'000
		Net	30'734'000
Individuals		Shares sold by company	2'600'000
		Shares sold by shareholders	
		Total shares sold	2'600'000
		Option to underwriters	390'000

Revenues	6m-95	Q4 95
Amount	\$1'400'000	\$1'100'000
Number of employees		49
Avg. val. of stock per emp		\$1'609'502

VCs	Round	Date	Amount	# Shares	Price per share	Valuation
	A	avr.95	\$1'040'000	5'200'000	\$0.20	\$2'641'500
	B	nov.95	\$5'000'002	2'538'072	\$1.97	\$31'018'777
	C	mars.96	\$63'750'000	5'100'000	\$12.50	\$260'569'650
	Total		\$69'790'002	12'838'072		