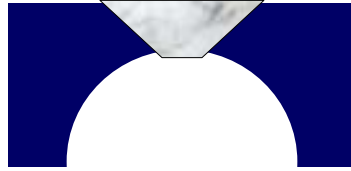


USVP



Helping Entrepreneurs Build Great Companies™

EDAC East Coast Meeting Panel

EDA & IP Funding and Valuations in Today's Market



Jacques Benkoski
April 7th , 2005

Semiconductor Infrastructure

- US Venture Partners current investments
 - ▶ Synfora, Forte, Electric Cloud, Lightspeed, Ciranova, EZ-Cad, Brion, Clearshape, Flexlogics and Pivotal
- Previous famous investments
 - ▶ Artisan, PDF Solutions, Cadmos, Epic
- Personally also working with
 - ▶ Certess, Luminescent
- Continuing to invest in EDA and IP



EDA/IP Investment Thesis

- Venture is looking for return
 - ▶ must have a 10x possibility
 - ▶ can have a 3x fall back
- Competing with the large companies
 - ▶ requires a minimum 5x improvement
 - ▶ customer must justify spending for something they get for free
 - ▶ harder if you sell efficiency as opposed to a solution to a crisis
- Discipline is key
 - ▶ what is your real market size ?
 - ▶ how much can you burn to get there ?
 - ▶ what constitutes success ?

