

**EXPLORING WAYS TO SUPPORT AND
PROMOTE EMERGING FUND MANAGERS.
KAREN KERR, KAUFFMAN FELLOWS,
EXPOSITION VENTURES**

Agenda

- ❖ **Kauffman Fellows Program Introduction**
- ❖ **Kauffman Fellows Program Outcomes**
- ❖ **Challenges Faced by Emerging Managers**
- ❖ **Support for Emerging Managers**

Kauffman Fellows

Leading the future of venture capital



Kauffman
Fellows

About Kauffman Fellows

Kauffman Fellows is a lifelong learning community for people who represent the future of venture capital.

Through our two-year education program and our vetted peer-to-peer network, Kauffman Fellows has accelerated the careers and the venture capital firms of hundreds of professionals in the field.

We believe that venture capital is one of the most powerful tools for economic development and prosperity. Our mission is to ensure our Fellows, through our education programs and network, acquire and create new skills rooted in venture capital excellence and use those skills to lead meaningful positive change.



940

Fellows Globally

680

VC Firms
Represented

1/5

Unicorns since
2015 have a Fellow
in the cap table

\$329B

Total Value of
Fellow-Exited
Companies

61

Countries
In-Network

55%

Founders of
their Firms

1/3

Of Fellows are
Female

81%

Partner-Level
& Above

Fellows from 680+ Established and Emerging Firms

Sampling of some successful Fellows' firms



CREANDUM

TRIBE CAPITAL



PLAYFAIR
Capital

GGVCAPITAL

1315
CAPITAL

EVERY
WHERE

MGV



NEA



SOZO VENTURES

BECO
CAPITAL



Accel



Canaan



intel
capital



KASZEK



IEGT
VENTURES



500



66
FELLOWS

6.2
YRS AVERAGE
INVESTING EXPERIENCE

36.7
AVERAGE AGE

48%
FOUNDERS AT FIRM



86%
ARE DIRECT INVESTORS



77%
ARE PARTNERS OR
ABOVE



28
AVERAGE DEALS LED



15 Countries
58% US DOMESTIC
42% INTERNATIONAL



Gender
45% FEMALE
55% MALE



21%
UNDERREPRESENTED
MINORITIES

Composition of Class - Accepted

Half the class will be senior leaders from Funds I-III

	% of Class	GP/MD/MP	Partner	Principal/Manager/Director
Funds 0-III	50%	24	5	4
Fund IV+	23%	6	4	5
PE / CVC	14%	2	4	3
LPs and FOs	12%	4	1	3
Others	2%	0	1	0
		54%	23%	23%

Investment Model

	Class 29 - TENTATIVE	Class 28	Class 27	Class 26	Class 25	Class 24
Fund 0-I	20 (30%)	14 (23%)	18 (31%)	15 (26%)	16 (26%)	14 (22%)
Fund II-III	13 (20%)	21 (35%)	19 (32%)	18 (32%)	18 (30%)	12 (19%)
Fund IV+	15 (23%)	14 (23%)	10 (17%)	8 (13%)	8 (13%)	9 (14%)
CVC/PE	9 (14%)	3 (5%)	2 (3%)	9 (15%)	9 (15%)	12 (19%)
LPs	8 (12%)	7 (12%)	7 (12%)	5 (8%)	5 (8%)	10 (16%)
Others	1 (2%)	1 (2%)	3 (5%)	2 (3%)	2 (3%)	5 (8%)
Impact	No Longer in Use	No Longer in Use		1 (2%)	3 (5%)	2 (3%)
Total	66 (100%)	60 (100%)	59 (100%)	57 (100%)	61 (100%)	64 (100%)

Fund Type x AUM (in \$M)

	Count	Minimum	Median	Average	Maximum
Fund 0	2	\$0	\$3	\$3	\$5
Fund I	18	\$25	\$51	\$76	\$250
Fund II-III	13	\$16	\$120	\$237	\$1,000
Fund IV+	15	\$110	\$1,299	\$4,348	\$25,000
CVC/PE	9	\$100	\$1,300	\$2,985	\$13,000
LPs/FOs	8	\$87	\$1,000	\$8,981	\$50,000
Gov/Other	1	\$10	\$10	\$10	\$10

Our Model

Kauffman Fellows is a lifelong learning platform where Fellows find education, community, and support to lead the future of venture capital. To deliver this platform, we are laser-focused on the organization's three core pillars.



Recruit

Recruit the most talented, diverse, and purpose-driven venture capital professionals rising in their careers to join our Fellowship.



Two-Year Program

Offer them a transformational two-year education program designed to radically accelerate VC success through self-reflection, peer learning, and a structured curriculum.



Network

Enable meaningful connections and lifelong learning opportunities for every Fellow within our network.

KF Network & Lifelong Learning

Kauffman Fellows is a lifelong network that supports its members through continuous personal and professional growth; the two-year program is just the beginning.

Special Interest Groups (SIGs)

SIGs are opt-in groups for Fellows, and led by Fellows. Fellows and guests share learning and investment opportunities in some of the most relevant industries, geographies, or stages in their funds/careers. For example:

- Blockchain & Crypto
- Corporate Venture
- Emerging Managers
- Healthcare
- Women's Group
- Climate & Sustainability
- Impact
- AI

Regional Chapters

Regional Chapters are aimed at activating and engaging local networks, and allowing anyone with an interest in a particular region to have a soft and powerful landing.

- Bay Area
- NYC
- MENA
- LatAm
- Europe
- Midwest
- Africa
- APAC

Global & Regional Gatherings

The KF Annual Summit, hosted in global international hubs, gathers 300+ Fellows each year to learn and celebrate; while the KF Annual Trek, hosted in regional international hubs, gathers ~70 Fellows each year to learn more about local ecosystems.



A Network 29 Years in the Making

The Kauffman network not only opens doors to co-investment deals, trusted diligence, hiring top talent, and partnership opportunities, but offers a close community of peers to tap into — senior-level investors with vast and varying areas of expertise. Well beyond the two-year program, Fellows stay in touch through WhatsApp and Slack groups, participating in regional chapters and special interest groups (SIGs), and joining modules, treks, and summits.



Emerging Managers SIG

Adrianna Samaniego, Allen, Andras, Anna, Antonio, Ariel Arrieta [NXTP], Bailey Farrell, Bedy, Ben, Bianca,

9/4/2024



Andras Forgacs

~Alessandro Santo +44 7554 143790

I might have one - See Janice @ Piabo, The Piabo founder is also an active LP <https://www.linkedin.com/in/janicesommer/>. EU based.

Many thanks Ale. Super helpful! I will ping Janice. Have you worked together? See you in Montreal!

12:01 PM

Another question for this brilliant group - we're growing the team and looking to recruit some rockstar associates with emphasis on scientific/technical backgrounds. Any exec search / recruiting firms you would recommend who specialize in VC talent?

12:05 PM

9/5/2024



~Ken Elefant

+1 (650) 867-5543

Andras, it's Ken Elefant from Kauffman 5. Contact me offline re: recruiters. We're working on the same thing for our growth fund. Kelefant@sorensoncap.com

12:21 PM



Ben Metcalfe

Andras Forgacs

Another question for this brilliant group - we're growing the team and looking to recruit some rockstar associates with emphasis on scientific/technical backgrounds. Any exec search...

Typically I've found that VC firms I've been involved in have hired associates via successful summer internships programs etc (try before you buy). However if you want to go the recruiter route, I feel like a lot of the activity I see is with True Search. I only see partner-level stuff come through but I assume they would search for junior roles too. I can intro if useful.

2:31 PM



~Punit

+1 (917) 564-4865

Ben Metcalfe

Typically I've found that VC firms I've been involved in have hired associates via successful summer internships programs etc (try before you buy). However if you want to go the re...

Agreed, most come from my network, but I've had some luck with linkedin postings with my last couple hires.

7:15 PM



KF | Photos

Anderson Thees, Ariel Arrieta [NXTP], Bailey Farrell, Ben, Bianca, Brady, CaroHM, t



Daniela Terminel: Hello everyone! Let's keep the good vibes going. Here a link t

Forwarded



👍❤️👤 10

KF Climate Crew hanging out during NY Climate Week!

11:06 AM



Itxaso

OMG! I love that picture. I wish I was there. #jealous

11:25 AM



~Nathaniel Harding joined using this group's invite

9/26/2024



~Nader

+971 56 778 6592



Type a message

The Kauffman Fellows History & Evolution

Stage One 1995-2002

**Get Professionals
Jobs in VC**

The goals were to identify and recruit high-potential professionals and get them a job in the venture capital industry.

CLASS MIX

Top talent in different industries with aspirations to enter the world of venture capital. If selected, they were recruited by the nation's top-tier venture capital firms and Kauffman would pay their salaries for two years.

Stage Two 2002-2014

**Two-Year, Tuition-
Based Program**

In 2002, Kauffman Fellows became a 501c3 post-graduate educational institution under a tuition-based model for its two-year program, attracting VC associates and ecosystem players.

CLASS MIX

Shifted our class mix to talent with aspirations to enter the industry as well as new associates at venture capital firms joining us to get upskilled.

Stage Three 2014-2024

**Lifelong Experience
Starting with Two-
Year Program**

Kauffman Fellows shifted to become a lifelong experience that starts with a two-year education program and extends through its network activities.

CLASS MIX

We now focus on a mix of emerging managers (GPs and MPs) along with established managers (partners and principals). We also open a few spots for LPs, CVCs, and other ecosystem players.

Two-Year Program Core Themes

Our Program is centered around five key themes over 25 months.

20%

Workshops Led by
Expert Facilitators

40%

Keynotes & Lectures
by Industry Experts

40%

Peer Learning: Sharing
Experiences with Your Class

Manage Yourself:

Self Awareness & Core Management Skills

Become a thought leader and a role model through self-awareness of your strengths and areas for growth.

Manage Your Deal-Flow:

Sourcing, Filtering & Closing Winners

Build a comprehensive investment thesis and strategy aligned with your portfolio construction to give you a competitive advantage when sourcing, filtering, and closing investments with world-changing entrepreneurs.

Manage Your Portfolio:

Adding Value to Entrepreneurs

Become a coach and effective board member to provide unique value to entrepreneurs in your portfolio who thrive through your support.

Manage Your Firm:

From Fund to Firm, Firm to Franchise & Franchise to Succession

Build a category-defining VC firm with your partners that consistently produces top-quartile returns and redefines the best industry practice.

Manage Your Impact:

Leadership & Purpose

Change the world by channeling capital, time, and experience towards the innovations that matter.

The pursuit of purpose, leadership, and expertise
are the three core pillars of our curriculum

The Kauffman Fellows Journey

The Pursuit of Purpose

The quest to allocate capital, time, experience, and effort to change the world.



Jason Green (Charter Class)

Co-founder of Emergence Capital for his impact as a founding member of Kauffman Fellows and Endeavor



Jennifer Fonstad (KF 3)

Co-founder of Owl Capital and former Managing Director at DFJ for 17 years, for being a co-founder of All Raise and Broadway Angels



Shailendra Singh (KF 11)

Co-founder of Peak XV (formerly Sequoia India), for leading an entrepreneurial revolution in India

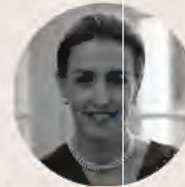
The Pursuit of Expertise

The quest to design the future of the venture capital industry.



Mamoon Hamid (KF 11)

Managing Partner at Kleiner Perkins



Adele Oliva (KF 3)

Founding Partner at 1315 Capital



Brent Ahrens (KF 5)

GP at Canaan Partners



Bryan Roberts (KF 3)

Partner at Venrock



Brian Ascher (KF 4)

Partner at Venrock



Christopher Lyons (KF 19)

GP at a16z Cultural Leadership Fund



Koichiro Nakamura (KF 12)

Founding Partner at Sozo Ventures



Staffan Helgesson (Class 10)

GP at Creandum



Fredrik Cassel (KF 12)

GP at Creandum

The Pursuit to Lead

The quest to help entrepreneurs and partners thrive under your guidance.



Matt Mochary (KF 2)

Created the Mochary Method and has been the CEO Coach to Coinbase, Open AI, and Sequoia



Ravi Mohan (KF 2)

Co-founded Shasta Ventures and is the former GP at Battery Ventures, who has spent his career mentoring entrepreneurs in building effective teams



Kauffman
Fellows

Kauffman Fund Returners Index

Measuring the success of Fellows who have achieved excellence in consistently investing and supporting category and firm-defining startups

At Kauffman Fellows we define success in venture capital as consistency in finding, investing, supporting, and exiting category and firm-defining startups.

How to Measure Consistency in Funding Category-Defining and Firm-Defining Startups

We believe we have built one of the most comprehensive lists of unicorns and unicorn exits around the world, while we also measure the impact of the venture capitalists behind them, specifically the Kauffman Fellows.

Category-Defining
Startups



Reaching Unicorn
Status

Firm-Defining
Startups



Exiting at a
Unicorn+ Valuation

Rank Weights

66%		33%
Consistency (# of investments)		Net MOIC Proxy
33%	66%	
Category-Defining Investments	Firm-Defining Investments	
33%	33%	33%
# of Unicorns	# of Unicorn Exits	Sum Exits Valuation

	Midas List Methodology	KF Methodology	Reasoning
Which startup investments are eligible?	Those reaching a valuation of \$400m for privately held, or \$200m for gone public or acquired	Those reaching a \$1 billion or higher valuation (regardless of being privately held, gone public, or acquired)	Using unicorn status removes an arbitrary cut off
Timeframe	Last 5 years, rewarding recent investments and ensuring consistency	Last 10 years (although our data availability is constrained to 2016 and beyond), rewarding VC cycles	We appreciate the value of the 5-year Midas rule, yet VC is a long-game play and consistency can be measured with the number/year of successful investments
Stage of investment	First rounds get full points, later rounds are discounted	All stages equally weighted, but investment had to be made before the startup became a unicorn, and we only count an investor's first investment in a startup and exclude subsequent rounds	We believe that all investment strategies (ie, first check only vs late-rounds only, or reserves vs no reserves) are equally valuable in VC.
Deal terms	More points for lead, larger checks, and larger ownership stakes	Any check size, any ownership, and lead or non-lead are weighted equally	We believe in different successful portfolio constructions, from high concentration/high ownership/lead investors to spray/low ownership models.
VCs Included	Any VC who submits data, and only traditional VC models (investing on behalf of third-party LPs). Excludes CVCs, FOs, others	Only Kauffman Fellows, every model (VC, CVC, Solo GPs, FOs)	We believe that non-traditional VC innovations add value to the industry
Score Rank Weights	Private, multiple variables. The starting point is the exit valuation and points are assigned to build a score	Only three variables equally weighted: # of unicorns: 33% # of unicorn exits: 33% Value of Exit: 33%	Explained in the previous section

The following data has been compiled from multiple data sources, particularly:

1. PitchBook Unicorn Tracker
2. CB Insights' Complete List of Unicorns July 17, 2024 and all years back until CB Insights' Complete List of Unicorns July 29, 2018, as well as CB Insights' Unicorn Exits Tracker April 9, 2023
3. Kauffman Fellows Directory & Kauffman Fellows Amended Data Survey for self-reported deals not included in Pitchbook or CB Insights.

For additional information about the methodology and data processing, please write to ksarro@kfp.org

1. Total Unicorns & Unicorn Exits

There have been approximately

250,000

distinct (unique) startups that raised a VC round from January 2016 to July 2024

In the same time frame,

1,828

startups "minted" as a unicorn, or 0.7% of all VC-funded startups (1 in 140)



Of these 1,828:

1,411 (77%)

are still active today and currently valued at \$1B+

311 (17%)

have exited (with 345 exit attempts)

79 (4.5%)

fell out of unicorn status (including after exiting)

27 (1.5%)

are out of business

2. Unicorns by Geography

The United States minted

50% of all unicorns



California minted


25%

In an industry heavily biased toward Silicon Valley, three out of four unicorns since 2016 have been minted elsewhere.

China added

464 Unicorns

almost the same as California.



1/4

unicorns were minted in California, one in China, one in the rest of the US, and one in the rest of the world.

86%

of all 311 unicorn exits since 2016 happened in the US and China. The UK, Germany, India, and South Korea added 8%.



1. Key Findings

1/5 Unicorns

and unicorn-exits in the world have at least one Kauffman Fellow in the cap table.

1/5 Fellows

(193/940) have invested in a startup that went on to become a unicorn, and one out of 11 have had a successful unicorn exits (84/940).

China

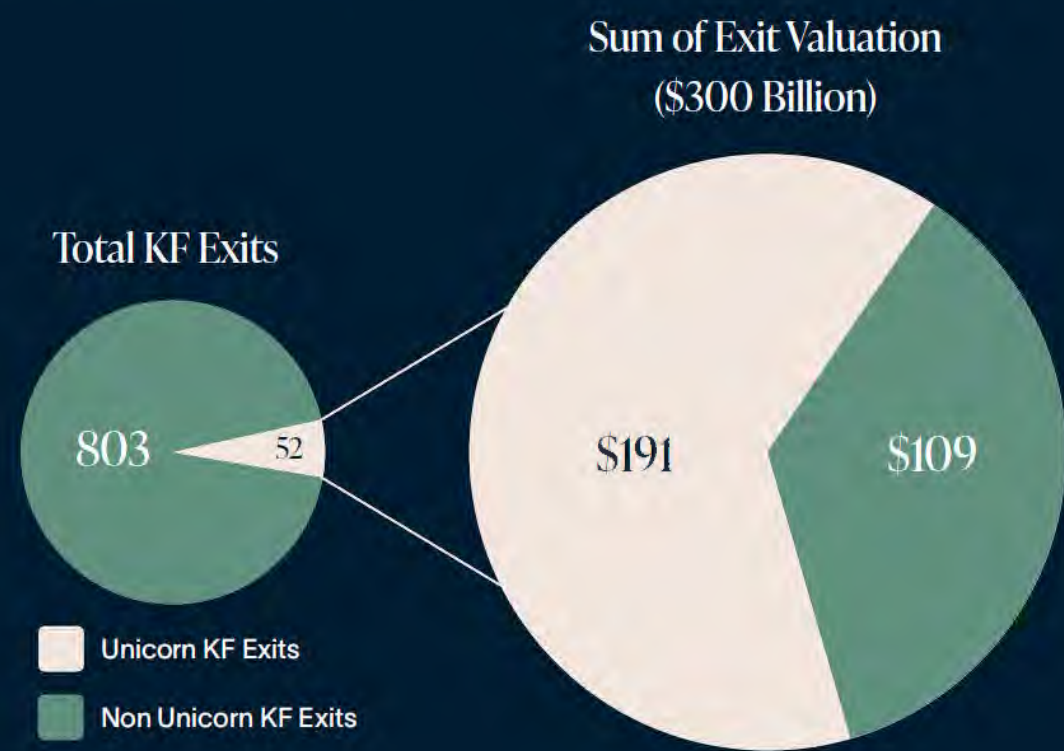
Because of the limited presence of Kauffman Fellows in China, most of these investments (68%) and exits (65%) have occurred in the US.

KF in the world

There are some countries where all registered unicorn startups have at least one Fellow in the cap table, such as Indonesia, Sweden, and Spain, among others.



Kauffman Fellow Unicorn Exits (Jan '16 to Jul '24)



Out of 940 Fellows, 318 have had 855 unique company exits (some company exits have more than one Fellow) with a total valuation at exit of \$300 billion since 2016. Of these, 84 Fellows have had 52 unique company exits at a valuation equal or higher than \$1B, with a combined valuation at exit of \$190 billion. 6% of exits do so at a valuation of \$1B+, yet they create 65% of the exit value.

3. Individual-Level Findings:

If a measure of success in venture capital is a) investing in category-defining startups and b) exiting at a unicorn valuation, then the data suggests the following:

	Companies		
	Unicorns w/a Kauffman Fellow in the Cap Table	Total Unicorns in the World	%
Category-Defining Deals (# of Unicorn Companies)	342	1,828	19%
Firm-Defining Deals (# of Unicorn Exits)	52	311	17%

	Individuals (Fellows)		
	Fellows That Have Invested in Unicorns	Total Fellows (Since 1995)	%
Category-Defining Deals (# of Unicorn Companies)	193	940	21%
Firm-Defining Deals (# of Unicorn Exits)	84	940	9%

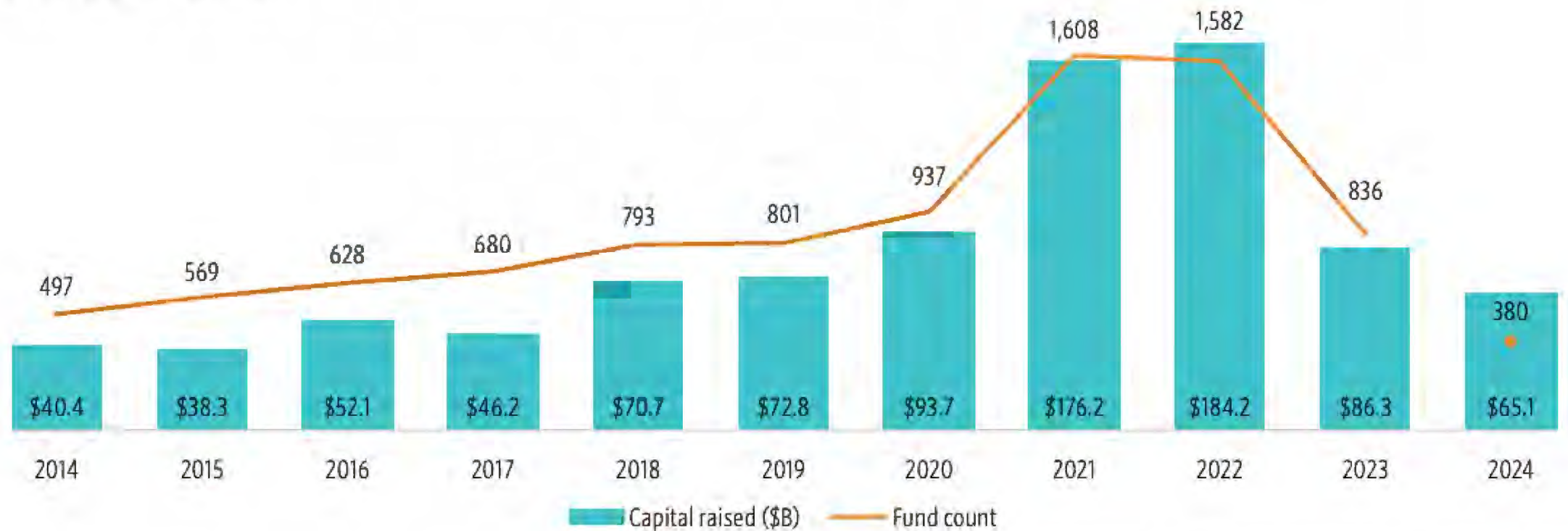
Source: Data from Pitchbook Data, Inc. and validated by Kauffman Fellows Amended Data Survey for self-reported deals not included in Pitchbook or CB Insights.

CHALLENGES FACED BY EMERGING MANAGERS

CAPITAL

Fundraising on track to narrowly exceed 2023 level

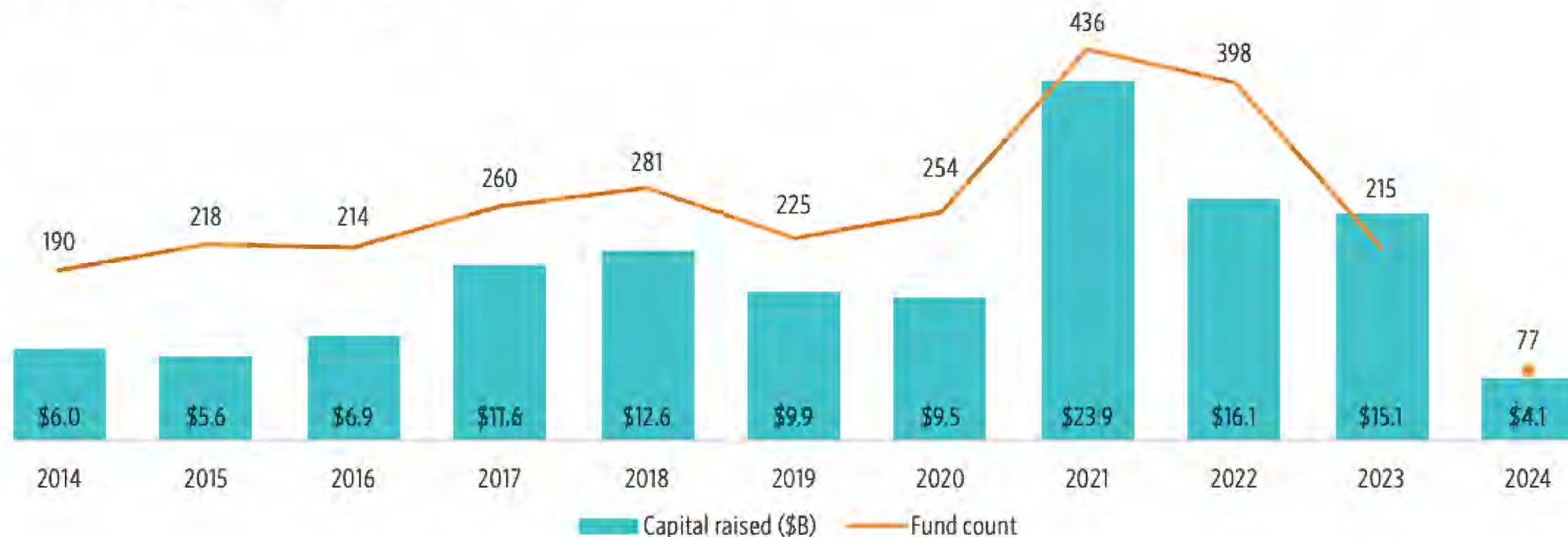
VC fundraising activity



PitchBook-NVCA Venture Monitor • As of September 30, 2024

New funds bear the brunt of the fundraising slowdown

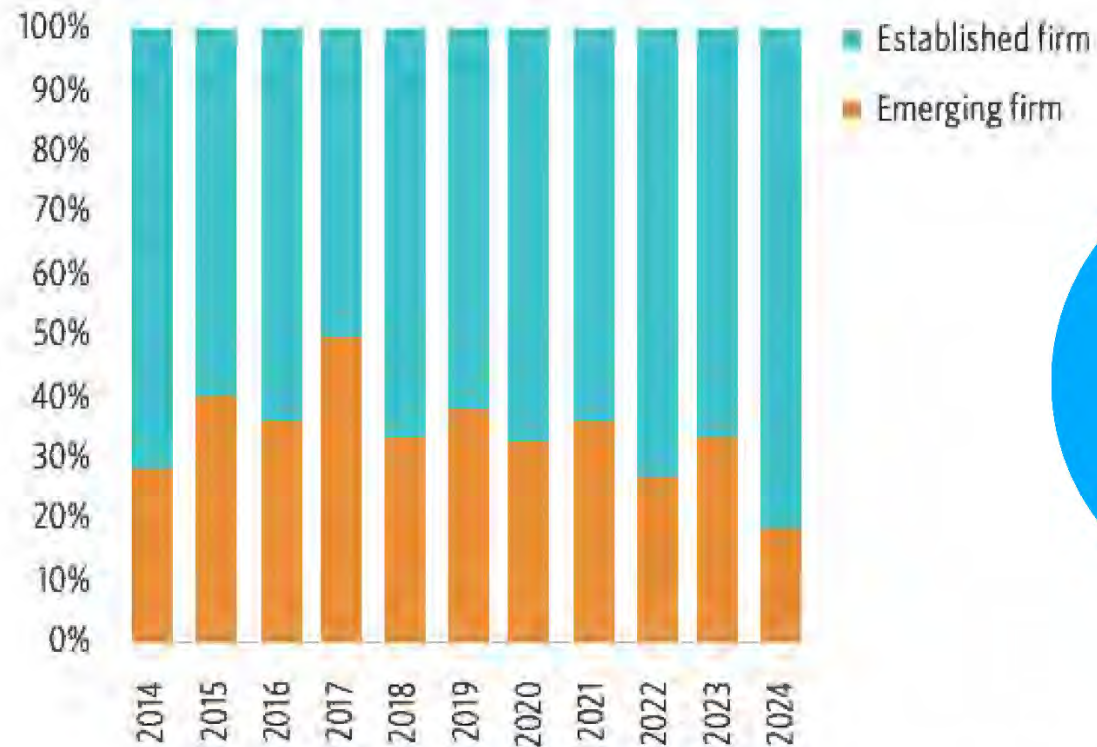
VC first-time fundraising activity



PitchBook-NVCA Venture Monitor • As of September 30, 2024

Stronger preference for established name brands

Share of VC capital raised by manager experience



81%

To
Established
Managers

PitchBook-NVCA Venture Monitor • As of September 30, 2024

VC fund net IRR dispersion by vintage cohorts and manager experience*

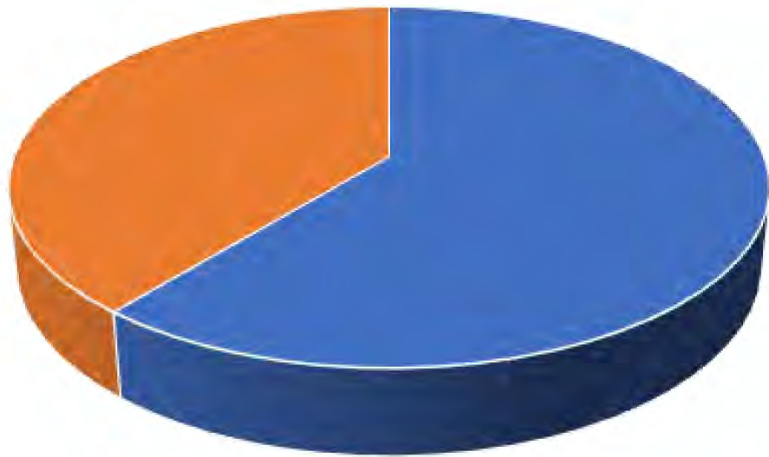


Source: PitchBook • Geography: US • *As of September 30, 2023

Note: The top decile for established managers in the 1991-1996 vintage cohort is 129.0%.

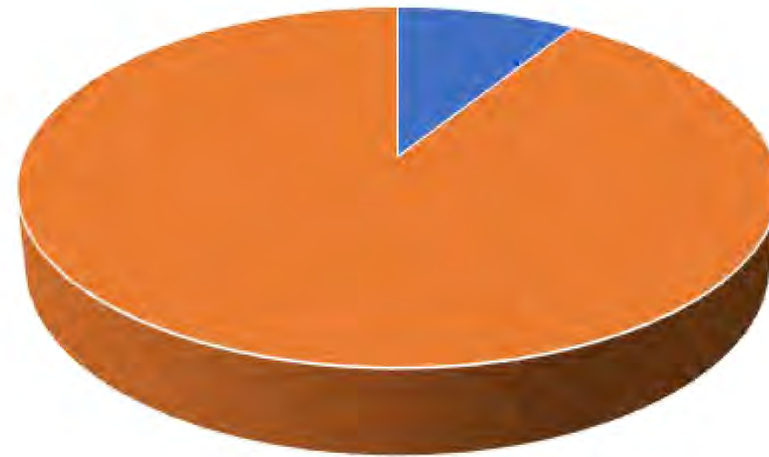
First Time Funds Raised Primarily From High Net Worths

Fund I



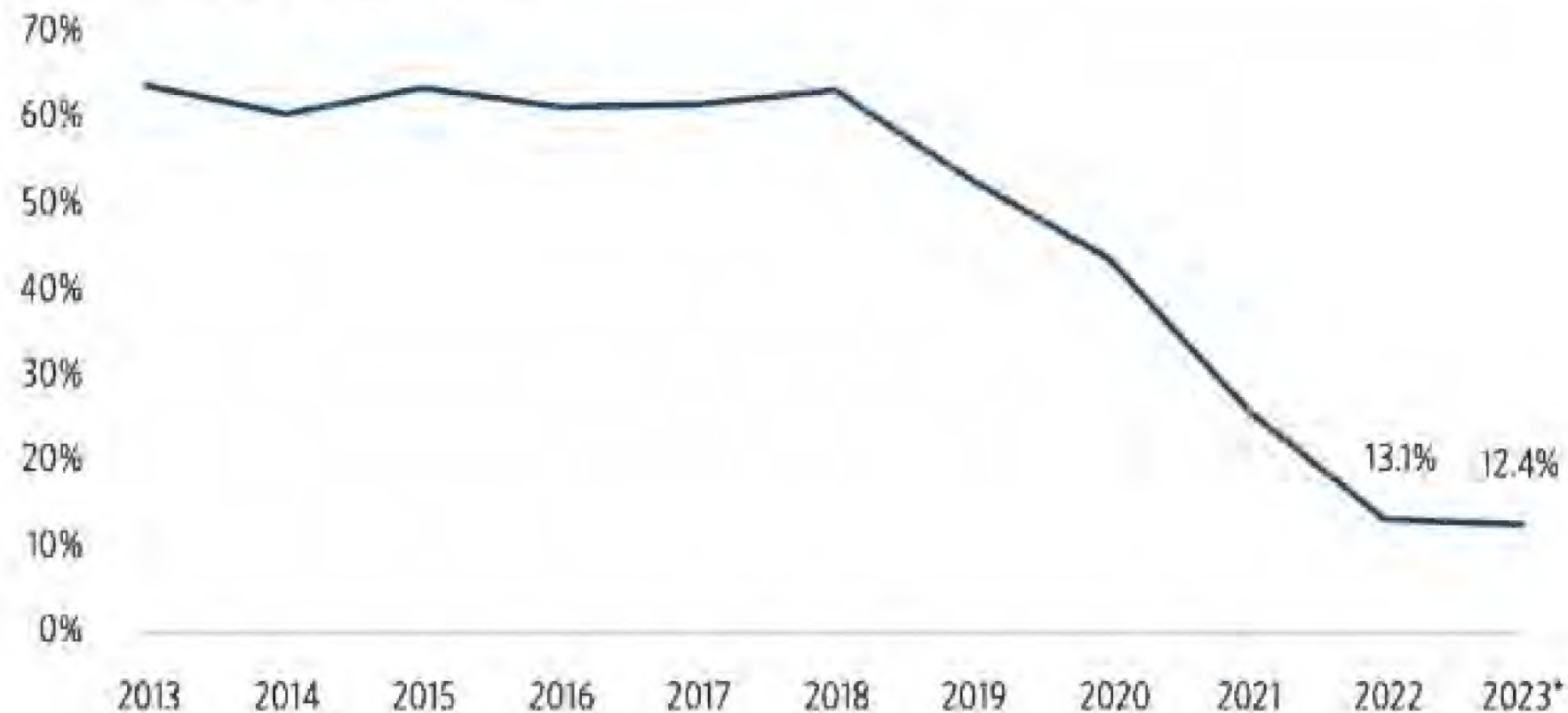
■ HNW ■ INST

Established Managers



■ HNW ■ INST

First-time VC managers that raised a second VC fund as a share of all first-time VC managers



Source: PitchBook • Geography: US • *As of December 31, 2023

Emerging Manager Support

- ❖ SSBCI targeted for Emerging Managers
- ❖ \$12M threshold for funds >99 LPs too low. Consider \$25M.
- ❖ Harder to IPO hurts Emerging Managers



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