

Cambridge Silicon Radio plc

- CSR Ltd incorporated on 1st April 1999 raising a total of \$85 Million VC funding over the next three years
- Taped out its first ground-breaking low-cost single chip Bluetooth product in late 1999
- Reached break even in Q3 2003 with an eventual \$400m IPO in London in February 2004
- Has been very consistent over the years operating a traditional FABLESS model producing its 1 Billionth chip in May 2008
- In July 2009 merged with SiRF Technology holdings in the US who pioneered consumer GPS
- Just over 1300 people in Europe, US, and Asia
- Wide range of industry respected connectivity products operating as a major player in mobile wireless Bluetooth, FM, and GPS solutions




Ivor Evans

- GM UK Operations
- More years of industry experience than I care to remember (but my wife tells me it's 25)
- “Grew up” when the UK had a manufacturing base working in Europe for a while before transitioning into the FABLESS world

- All of which means I'm no VC funding expert
- But that said here's some numbers and thoughts



Thoughts

- Consider where you are in the idea train?
 - Services
 - Products
 - Components & Manufacturing
 - Materials & Fundamentals
- A vertical double-headed arrow with a color gradient from red at the top to green at the bottom.
- 2-3 years to exit
- 5-10 years to exit
- Focus (harder the further out you are)
 - But reconcile focus, flexibility, and serendipity
 - This all works when the VC pipe works



Numbers

- Number of VC-backed IPO's:
1998 68
2008 7 (none in Q2 or Q4!)
- Average Time to IPO
1998 3 years
2008 9 years
- Number of Companies Funded:
1998 1,896 (\$14.0B invested)
2008 1,930 (\$14.1B invested)

- Not a great picture

Source: www.vccconfidential.com



But things may just be improving ...

<u>Quarter Ending</u>	<u>End to End Net To LP</u>	<u>Quarter Ending</u>	<u>End to End Net To LP</u>
2000 Q1	29.37	2005 Q1	(1.73)
2000 Q2	3.78	2005 Q2	2.37
2000 Q3	11.99	2005 Q3	5.14
2000 Q4	(18.87)	2005 Q4	2.35
2001 Q1	(15.15)	2006 Q1	4.76
2001 Q2	(6.52)	2006 Q2	0.27
2001 Q3	(17.44)	2006 Q3	2.30
2001 Q4	(7.06)	2006 Q4	9.63
2002 Q1	(7.68)	2007 Q1	2.33
2002 Q2	(10.52)	2007 Q2	6.76
2002 Q3	(9.92)	2007 Q3	2.64
2002 Q4	(8.41)	2007 Q4	3.67
2003 Q1	(4.25)	2008 Q1	(1.72)
2003 Q2	0.56	2008 Q2	0.38
2003 Q3	(0.52)	2008 Q3	(2.85)
2003 Q4	1.64	2008 Q4	(12.53)
2004 Q1	1.49	2009 Q1	(2.87)
2004 Q2	0.37		
2004 Q3	6.18		
2004 Q4	6.77		

- Source: www.cambridgeassociates.com