

# Q1 2015 [VentureDeal](#) Quarterly Venture Capital Report

## Internet - Digital Media - ECommerce - Software

During the first quarter of 2015, 548 companies in the Internet, Digital Media, eCommerce and Software sectors raised \$9.5 billion in venture capital funding in the aggregate, an increase of 9% in total funding amounts versus 4Q 2014 and a 13% decrease in the number of companies funded.

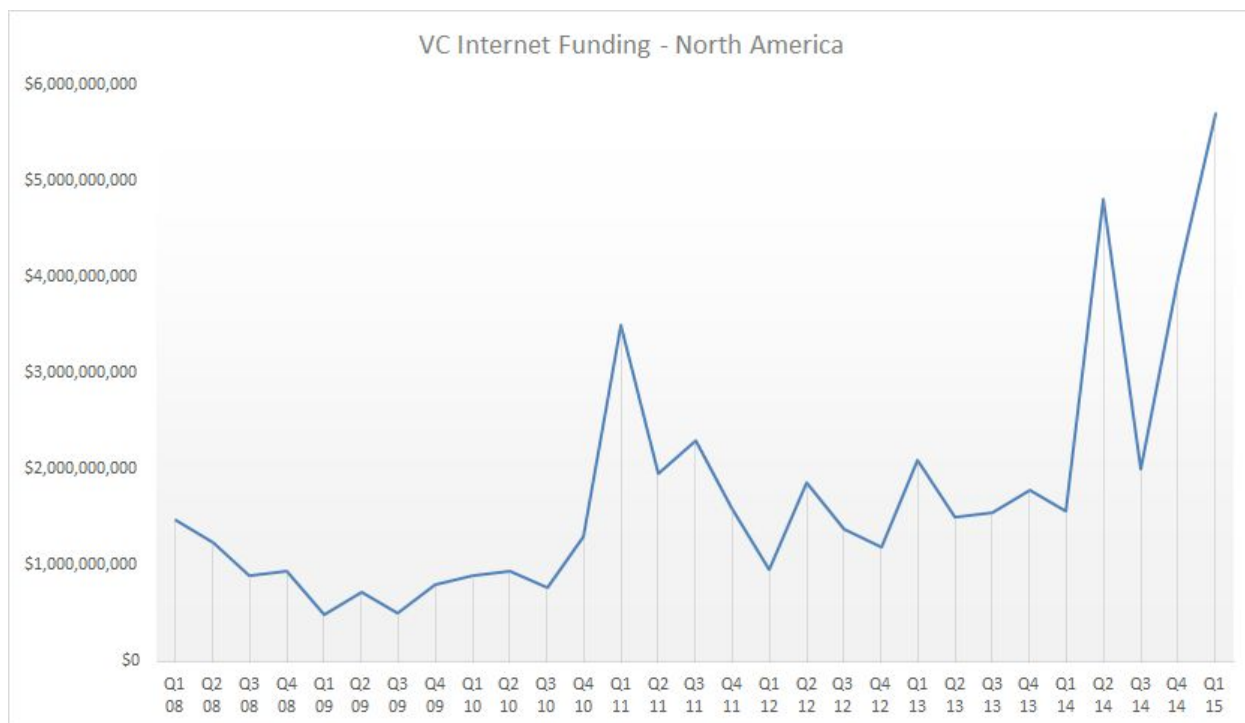
### Internet

Internet sector company fundings continued their previous quarterly increase by registering a 43% climb in dollar volume. The sector received \$5.7 billion in venture capital funding during the quarter, allocated among 184 companies – a decrease in the number of companies funded of 27% vs. 4Q 2014.

Mobile, Internet-driven urban transportation attracted the most capital from VC investors in the Internet market space in Q1 15. Web-based city transportation network operator [Uber](#) led the way, raising a massive \$1.6 billion in debt capital from undisclosed VC investors in late January. The San Francisco-based startup followed that up about one month later by raising \$1 billion in equity in a Series E funding round. The investments underscore investors' confidence in Uber's growth potential and management's ability to deal with challenges and expand internationally. Uber said it would use the proceeds of the debt financing to continue its international expansion, invest in R&D and improve safety.

VC investors also put their capital to work in Internet ride-sharing platform operator [Lyft](#), which secured \$530 million in equity capital in a Series E funding round in March led by [Rakuten Ventures](#). The company had previously raised \$340 million in venture funding prior to the current round and said it would use the proceeds to expand its service further in the U.S. and internationally, with a focus on Asian markets.

### Internet Funding - 1st Quarter 2015



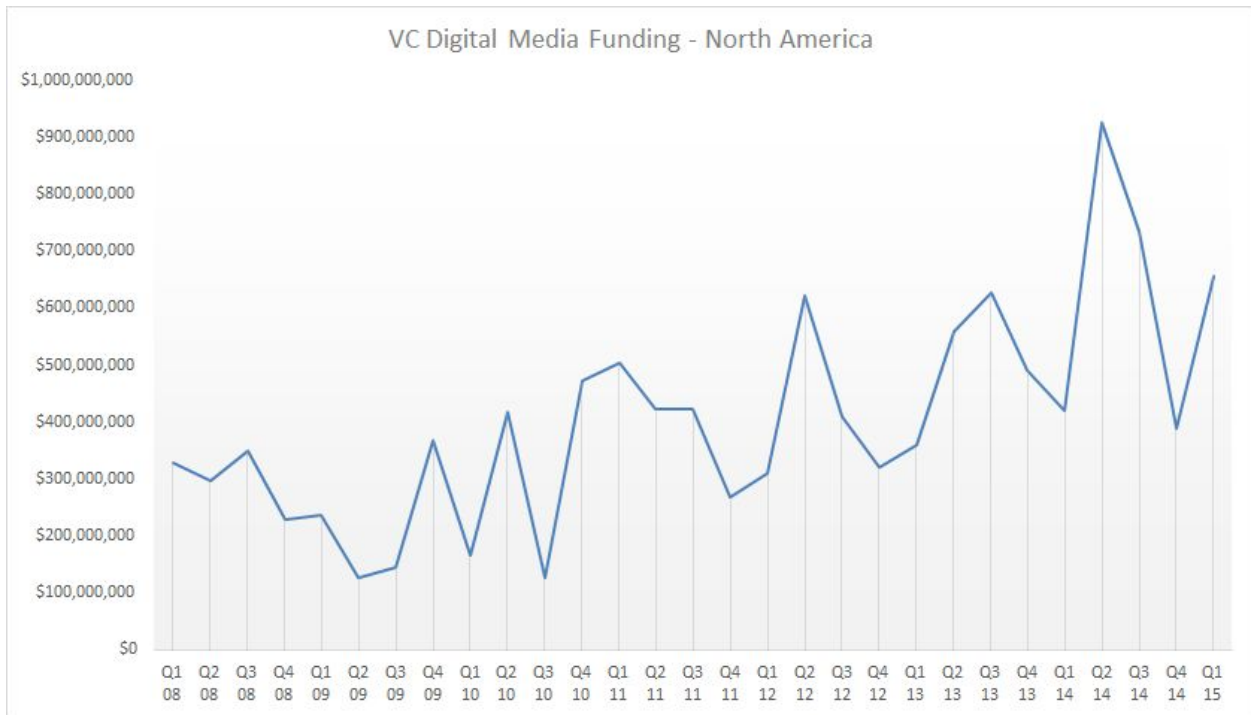
## Digital Media

Digital Media funding continued its previous quarterly result of aggregate funding decrease. Digital Media companies for the purposes of VentureDeal's definition are generally either video/casual game developers or online advertising networks. Total funding decreased quarter over quarter by 47% to \$390 million, with 76 companies being funded, a decrease of 11% in companies funded versus the previous quarter.

Video discovery and distribution platform provider [Taboola](#) raised \$117 million in equity capital from a VC group that included [Fidelity Investments](#), [Marker](#) and [Steadfast Venture Capital](#) in February. Management intends to use the capital to fund technological innovations and the personalization capabilities of its platform, which attracts some 130M unique views a month.

Independent music services group [Kobalt](#) received \$60 million in equity capital from a group that included [Google Ventures](#) and [MSD Capital](#) in late February. The company said it will use the funds to enhance and expand use of its online platform, which collects and reports on digital music royalties.

### Digital Media Funding - 1st Quarter 2015



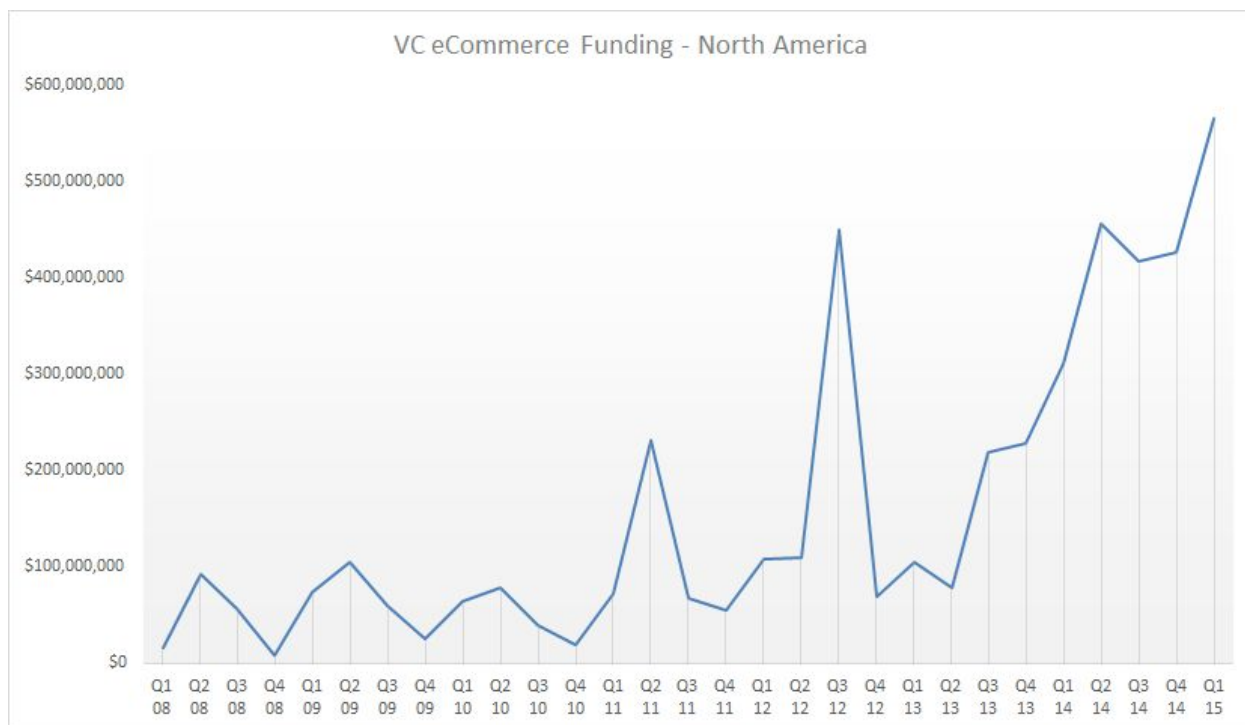
## ECommerce

The ECommerce sector increased its quarterly funding level, with 28 companies receiving a total of \$427 million in funding, representing a 2% increase in financing amounts versus the previous quarter's tally.

Online shopping club [Jet.com](#) netted \$140 million in debt funding from [Bain Capital Ventures](#), [Accel Partners](#) and other VC investment firms in February. The company said it will use the capital to deliver on its promise of radical price innovation in e-commerce.

[Farfetch](#) raised \$86 million in equity capital from VC investors in early March, an investor group that included [DST Global](#), [Conde Nast](#) and [Vitruvian Partners](#). Farfetch's online platform brings together independent fashion boutiques around the world with prospective fashion followers and customers. The company said it would use the funds to launch local language websites, such as German, Korean and Spanish.

### ECommerce Funding - 1st Quarter 2015



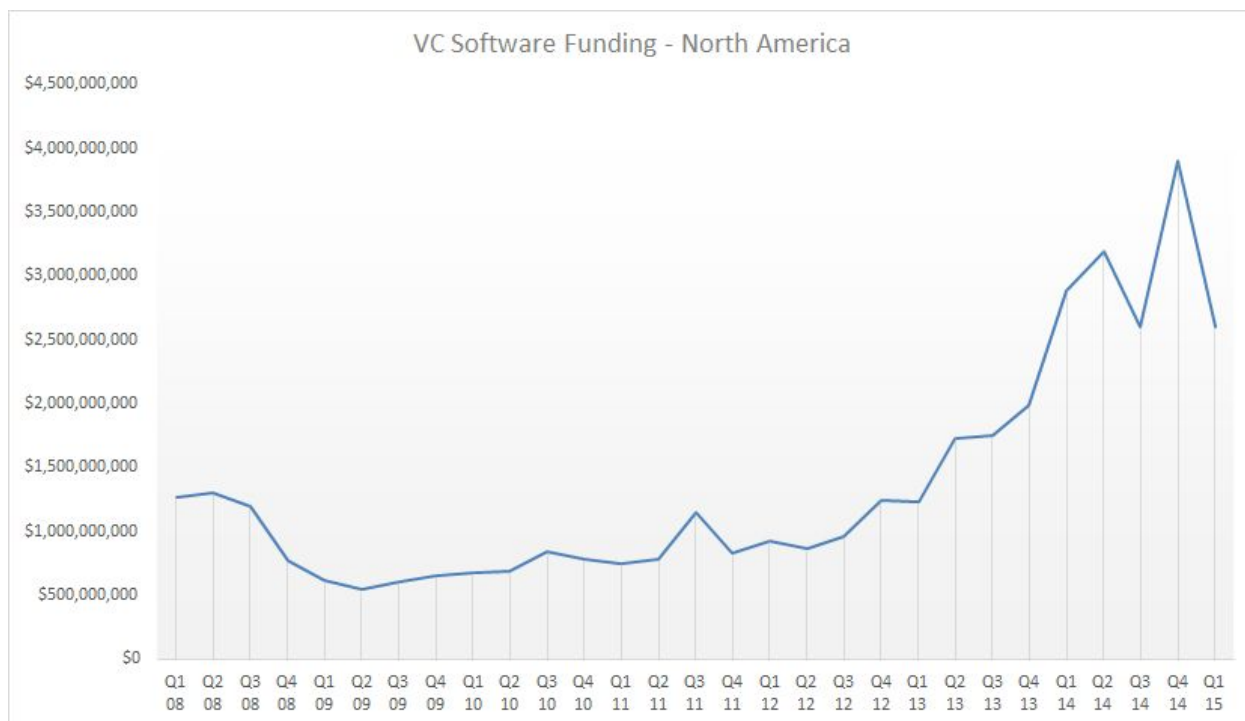
## Software

Software company fundings represented the second largest sector of the grouping, raising \$3.9 billion between 277 companies. This activity represented a quarterly increase of 50% in total funding amounts and a 3% decrease in the number of companies funded.

[Accela](#) raised \$143.5 million in equity capital from VC groups in late February, the largest fundraising in the software segment of the VC market in Q1. Accela's online e-government platform supports thousands of services and processes millions of transactions for more than 500 public agencies worldwide related to land and asset management, public health and safety.

[FinancialForce.com](#) secured \$110 million in VC equity capital in late March. Based on the Salesforce SaaS platform, FinancialForce provides an integrated suite of cloud-based enterprise resource planning (ERP) applications. The funds are to be used for general purposes, including R&D, customer services, sales and marketing.

### Software Funding - 1st Quarter 2015



**Table 1**  
**Venture Capital Funding - 1st Quarter 2015**

Industry	Total Disclosed Funding	% Change Vs. Prior Quarter	Number of Companies Funded	% Change vs. Prior Quarter
Internet	\$5.7 billion	+ 43%	184	- 27%
Digital Media	\$657 million	- 68%	76	- 0%
eCommerce	\$566 million	+ 33%	33	+ 18%
Software	\$2.6 billion	- 33%	255	- 8%
<b>Total</b>	<b>\$9.5 billion</b>	<b>+ 9%</b>	<b>548</b>	<b>- 13%</b>

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