



Venture Capital Funding Quarterly

Telecom • Wireless Mobile • Communications

2nd Quarter, 2013 – United States

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Summary

Telecommunications, Wireless, Mobile and Communications technology startups raised \$553 million during 2Q 2013, a decrease of 37% vs. the previous quarter. 95 companies received funding, 9% greater than the previous quarter.

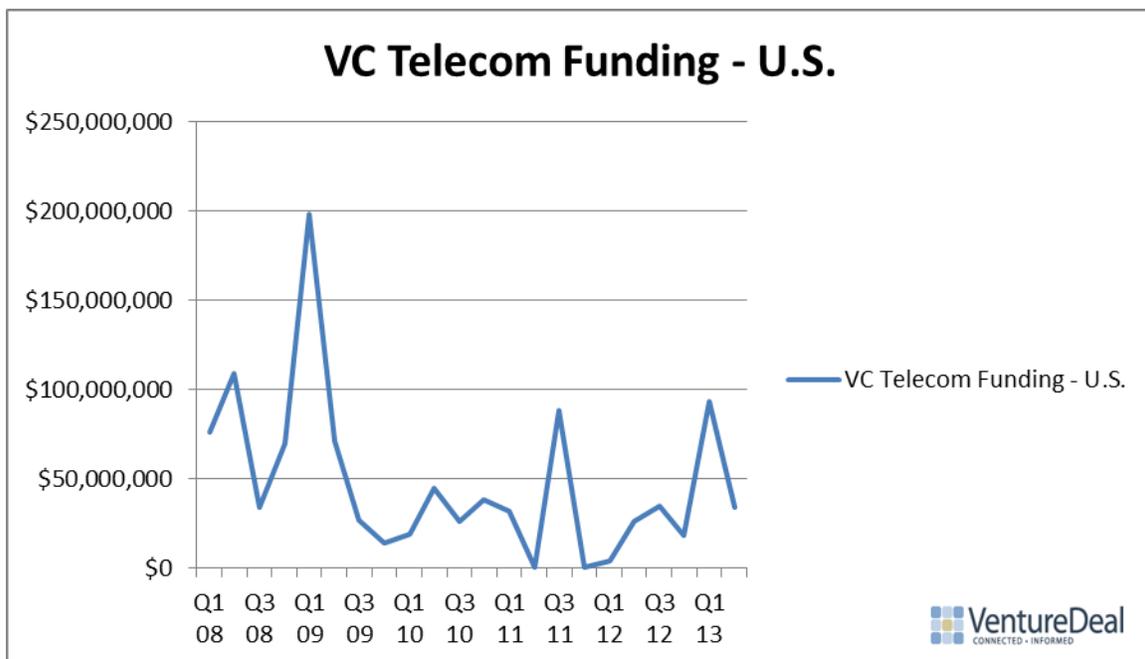
The sectors of Telecom, Wireless and Communications each posted a significant drop in quarterly funding results, decreasing by 58%, 67% and 94% respectively. Only the Mobile sector increased, by an anemic 3%.

Funding Activity

Telecom

The Telecom sector reversed its previous quarterly increase in funding, with only 5 companies receiving \$34 million, continuing its generally low-level funding trend since 2009.

Chart 1 - Telecom Funding



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San Mateo, California-based [Intelepeer](#) raised the largest Telecom funding during the quarter, receiving \$15 million from its syndicate of four venture capital firms. The company said it would use the funding proceeds to “accelerate customer acquisition, product development and new market entry.”

Wireless

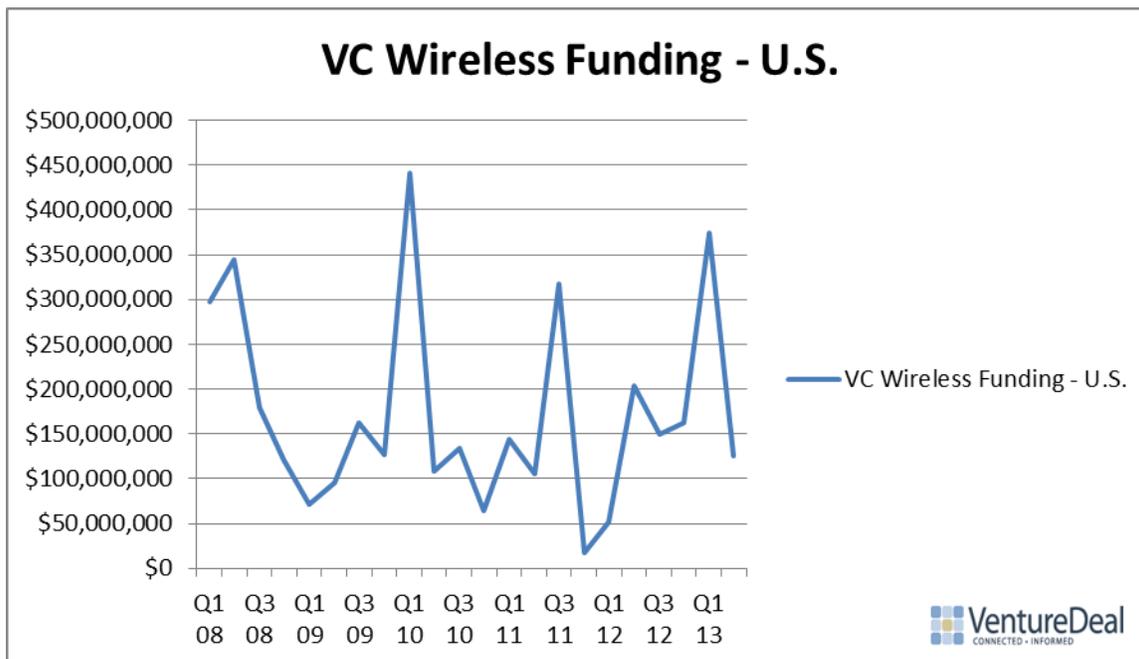
13 Wireless technology companies raised \$125 million during the quarter, a decrease of 67% in dollar volume but a 4% increase in the number of companies receiving funding versus the previous quarter.

The largest funding round during the quarter, accounting for 41% of the sector’s aggregate funding total, was \$51 million for the third institutional financing for [Affirmed Networks](#). Affirmed said it would use the proceeds to support multiple deployments in numerous trials globally while expanding its carrier-grade virtualization solutions. [Bessemer Venture Partners](#) led the investment syndicate.

[Variable](#) of Chattanooga, Tennessee, landed \$1.25 million in its Series A round from both Angel group and venture capital investors. Variable is attempting to develop a platform to provide consumers with affordable and accurate wireless sensors for integration with their “smart device”.

Cambridge, Massachusetts-based [United Villages](#) raised \$230,000 in an unpublished round, funded by transportation giant [UPS Strategic Enterprise Fund](#). United Villages says that it has developed technology to wirelessly connect isolated villages to the Internet using prepaid cards and computer kiosks.

Chart 2 - Wireless Funding - See Next Page

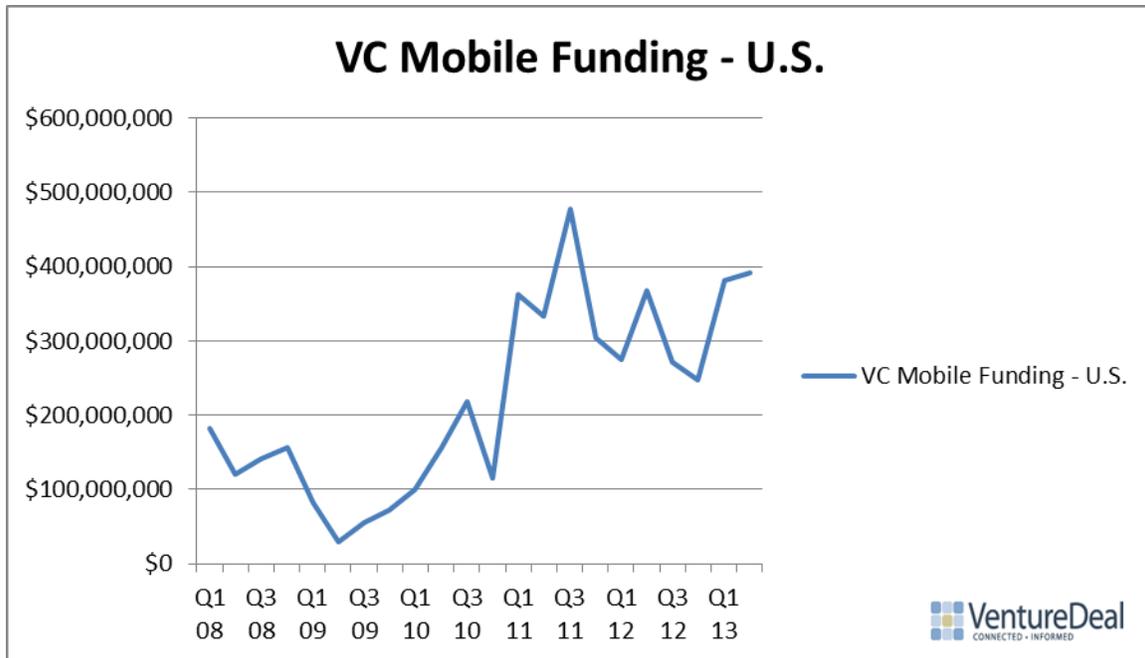


Mobile

The Mobile sector continued its previous quarterly funding increase, with 75 companies securing \$392 million in new funding, representing a 3% increase in funding amounts versus the previous quarter. The number of companies funded increased by 12%, to 75.

New York-based [Foursquare](#) accounted for \$41 million of the aggregate funding amount in a venture capital debt financing round from its syndicate of investors including private equity firm [Silver Lake](#). Foursquare said it would use the funding proceeds to expand its sales team.

Also receiving venture capital debt funding, mobile payments technology company [mBlox](#) landed \$14 million to “fund strategic growth initiatives.” The company raised the financing from middle market structured finance investor [NXT Capital](#). mBlox has received in excess of \$80 million in financing since 2005.

Chart 3 - Mobile Funding


Communications

The Communications sector raised a disclosed \$1.5 million between 2 companies during the quarter, representing a significant decrease in amounts funded among one fewer company funded versus the previous quarter.

[VoApps](#) garnered \$1.5 million in its Series A financing round. The Atlanta, Georgia-based company develops innovative voice applications, such as its DirectDROP voicemail that leaves mobile voicemails without calling the user's phone.

Chart 4 – Communications Funding Next Page

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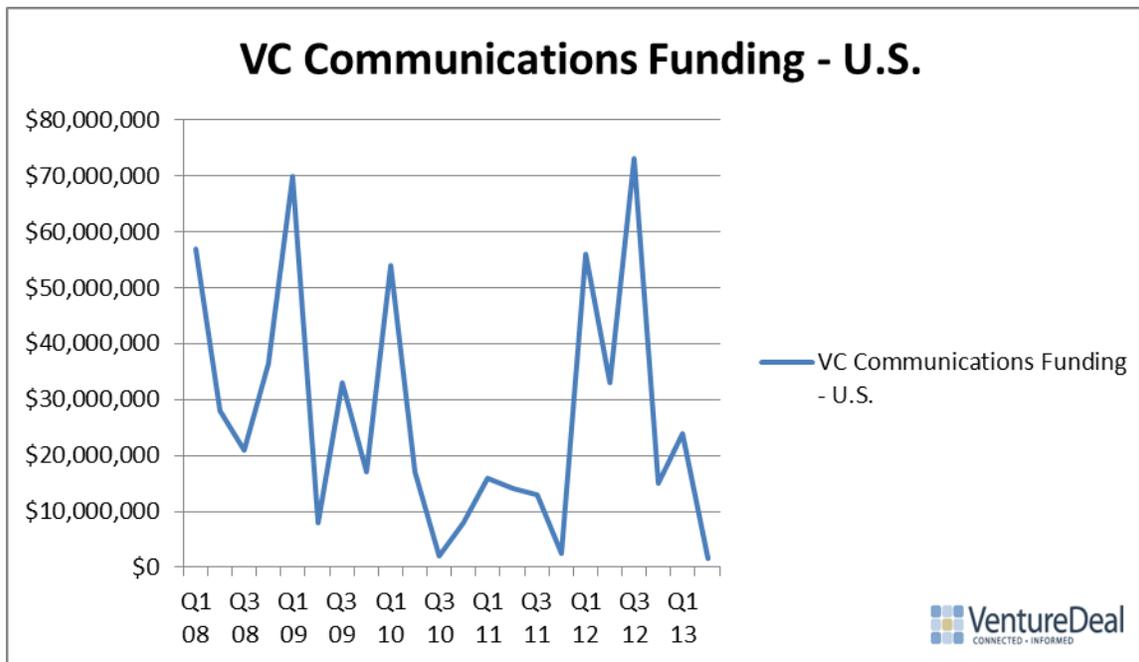
Chart 4 – Communications Funding


Table 1

Venture Funding Activity – 2nd Quarter 2013

Industry	Total Disclosed Funding	% Change Vs. Prior Quarter	Number of Companies Funded	% Change vs. Prior Quarter
Telecom	\$34 million	- 58%	5	- 38%
Wireless	\$125 million	- 67%	13	+ 4%
Mobile	\$392 million	+ 3%	75	+ 12%
Communications	\$1.5 million	- 94%	2	- 33%
Total	\$553 million	- 37%	95	+ 9%

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Notes

This report was prepared by the staff of VentureDeal, LLC.

The information source used was the VentureDeal.com database. VentureDeal is a venture capital database that provides the latest information about venture-backed technology companies, venture capital firms and transactions in the United States.

The database obtains transaction and company information from a wide variety of reputable public and private sources. While this report is free of charge, users may view the individual transactions supporting the totals herein by subscribing to VentureDeal.

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