

# Venture Capital Funding Quarterly

## **Telecom • Wireless Mobile • Communications**

3<sup>rd</sup> Quarter, 2012 – United States

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## Summary

Telecommunications, Wireless, Mobile and Communications technology startups raised \$531 million during 3Q 2012, a decrease of 16% vs. the previous quarter. 92 companies received funding, an increase of 5% quarter over quarter.

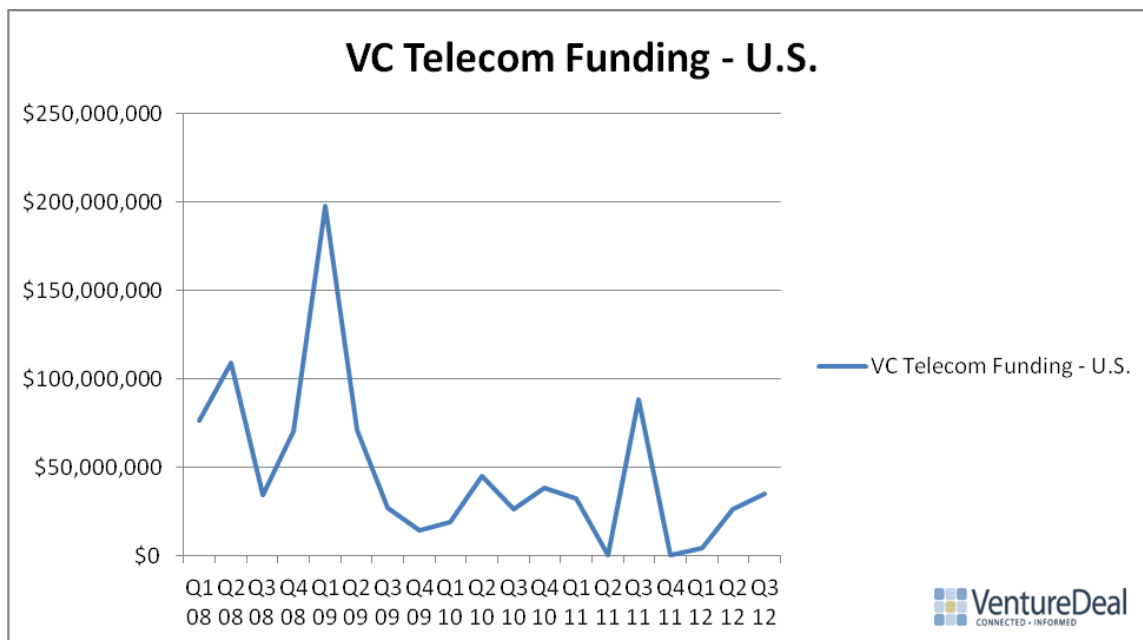
Two of the four sectors posted increased quarterly funding results - Telecom and Communications. Wireless and Mobile sectors showed funding decreases during the quarter – a 26% reduction for each sector in aggregate funding amounts.

## Funding Activity

### Telecom

The Telecom sector continued its previous quarterly uptick of funding, with 7 companies receiving \$35 million, a welcome increase versus low-level funding in Q2 2012.

**Chart 1 - Telecom Funding**



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Menlo Park, California-based [Tely Labs](#) garnered \$15 million from venture capital and corporate investors that included [Comcast](#). The company was founded in early 2010 with the goal of turning a standard HD television into a two-way communications and entertainment center.

## Wireless

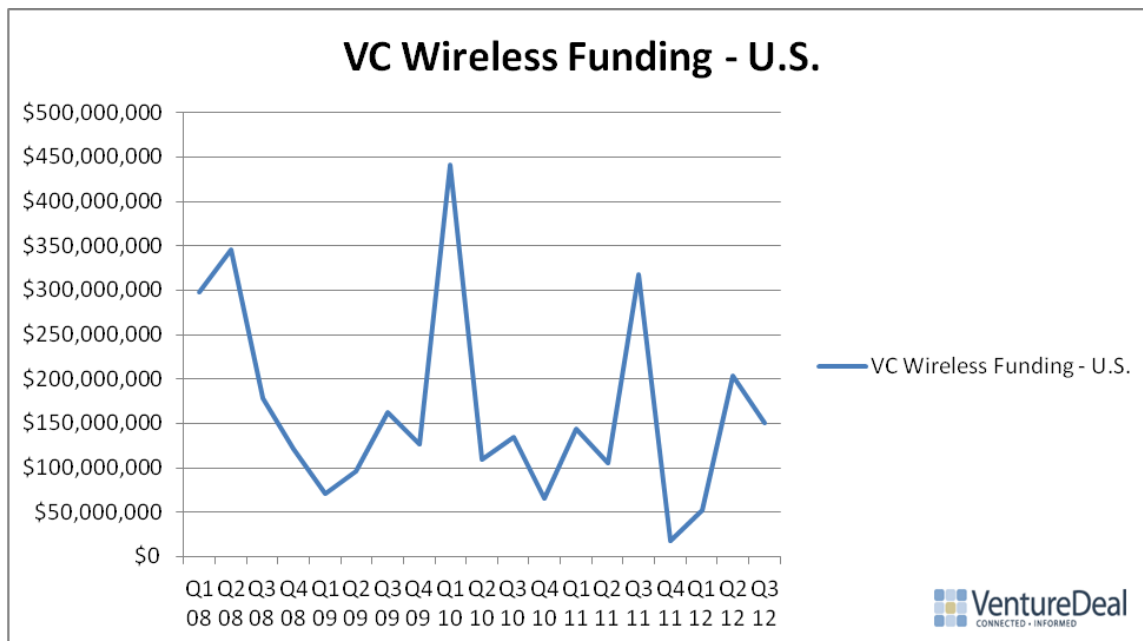
16 Wireless technology companies raised \$150 million during the quarter, a decrease of 26% in dollar volume and a 20% reduction in the number of companies receiving funding versus the previous quarter.

The largest funding round for a wireless company was \$25.5 million for [Telcare](#), which has developed technology that it says "connects the last mile between patient and caregiver using wireless M2M technology." [Sequoia Capital](#) and [Qualcomm](#) provided the funding for the Series B financing round.

Plano, Texas-based [BLiNQ Networks](#) garnered \$10 million to expand its sales and marketing initiatives for its small cell wireless backhaul solutions. The company is backed by a syndicate of venture capital firms.

[On-Ramp Wireless](#) secured \$10.1 million according to an SEC regulatory filing. The company has developed what it calls the "first wireless system purpose-built to efficiently connect billions of hard-to-reach devices." On-Ramp was still seeking \$20 million in additional financing, as of 7/11/2012.

## Chart 2 - Wireless Funding - See Next Page

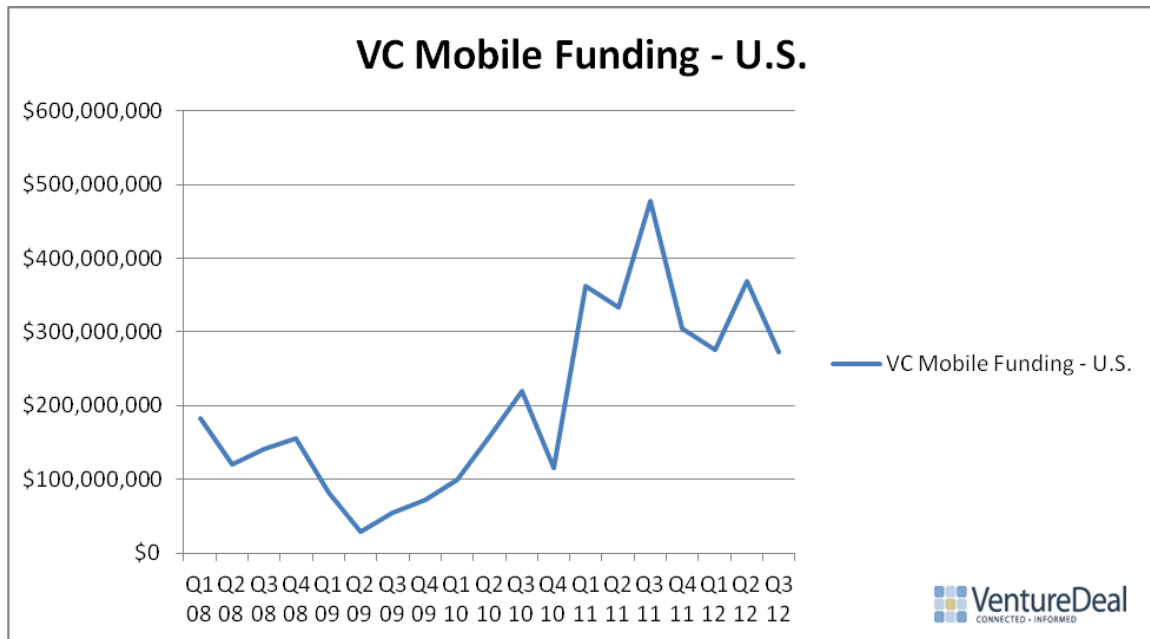


## Mobile

The Mobile sector reversed its previous quarterly funding increase, with 65 companies securing \$272 million in new funding, representing a 26% decrease in funding amounts versus the previous quarter. The number of companies funded increased by 12%.

Cambridge, Massachusetts-based [JumpTap](#) landed the largest round of the quarter, receiving \$27.5 million in financing for its technology that provides wireless carriers with an end-to-end carrier-branded mobile search solution. JumpTap's financing was provided by a large syndicate of venture capital, corporate and private equity investors.

[Kiip](#) of San Francisco, California garnered \$11 million in its Series B round from a roster of well-known venture capital firms. The company is developing a rewards network that incentivizes consumers with rewards, which results in greater engagement and revenues from mobile games and applications.

**Chart 3 - Mobile Funding**


## Communications

The Communications sector raised \$73 million between 4 companies during the quarter, representing a dramatic increase in amounts funded and a doubling of the number of companies funded versus the previous quarter.

The largest amount funded in the sector was a \$42 million Series E financing for Campbell, California-based [AOptix Technologies](#) from a syndicate of venture capital firms and private equity investors. The company provides a variety of laser communications systems to government agencies. [Kleiner Perkins Caufield & Byers](#) was among the investors in the syndicate.

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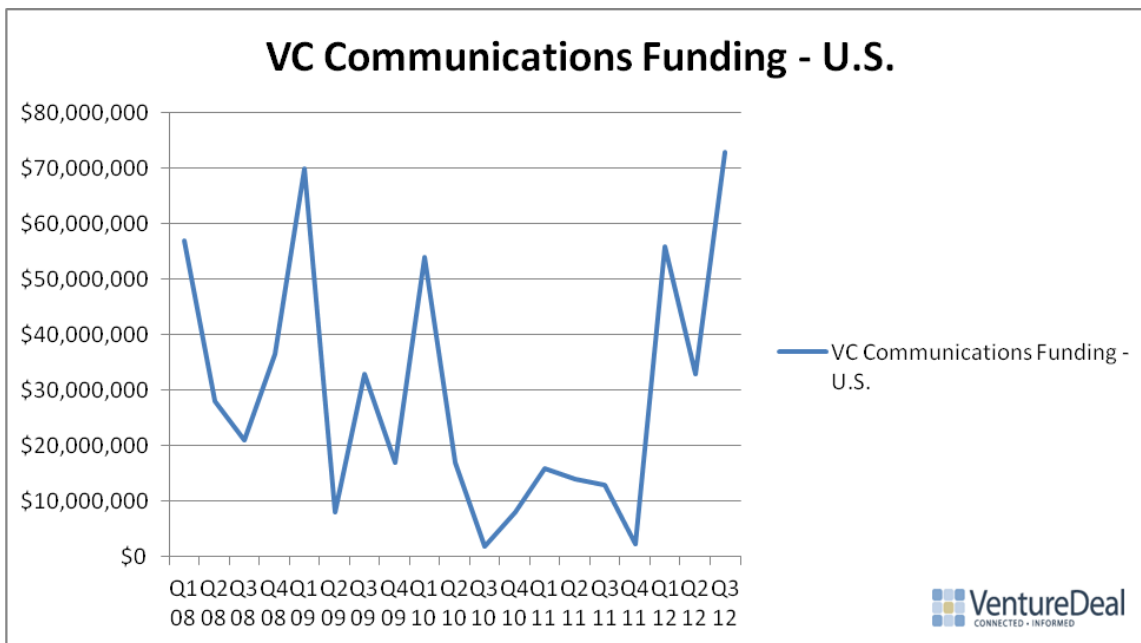
**Chart 4 – Communications Funding**


Table 1

**Venture Funding Activity – 3<sup>rd</sup> Quarter 2012**

Industry	Total Disclosed Funding	% Change Vs. Prior Quarter	Number of Companies Funded	% Change vs. Prior Quarter
Telecom	\$35 million	+ 35%	7	- 13%
Wireless	\$150 million	- 26%	16	- 20%
Mobile	\$272 million	- 26%	65	+ 12%
Communications	\$73 million	+ 121%	4	+ 100%
<b>Total</b>	<b>\$531 million</b>	<b>- 16%</b>	<b>92</b>	<b>+ 5%</b>

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## Notes

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

The information source used was the [VentureDeal.com](http://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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