

Venture Capital Funding Quarterly

Telecom • Wireless Mobile • Communications

2nd Quarter, 2008 – United States

Published by: [VentureDeal](#)

Contents

Summary	2
Funding Activity	2
Notes	5

This material has been prepared and issued by VentureDeal, LLC. The information contained herein is based on current information that VentureDeal considers reliable, but we make no representation that it is accurate or complete, and it should not be relied upon as such. It is provided with the understanding that VentureDeal is not acting in a fiduciary capacity. © 2008 VentureDeal. Some Rights Reserved.

Summary

Telecommunications, Wireless, Mobile and Communications technology startups raised \$603 million during Q2 08, a reduction of 18% from the previous quarter. 70 companies received funding, an increase of 8% quarter over quarter. This continues the recent trend of lower funding for the four sectors in the aggregate.

Wireless companies continue to show financing amount growth throughout this funding downturn. Additionally, Wireless firms continue to receive the greatest funding amount among the four sectors.

Funding Activity

Telecom

The Telecom sector showed a 43% growth in funding amounts and a 20% growth in the number of companies funded during the quarter. Two companies received the lion's share of the funding. [Genband](#) raised \$25 million for its IMS-based solutions that allow service providers to get the most out of their legacy infrastructure and transition over to next generation platforms.

[Telecom Transport Management](#) (TTM) landed \$20 million in further funding to help it finance the continued expansion of its high capacity backhaul networks. TTM provides networking capacity for companies needing managed transport services.

[Elanti Systems](#) received \$1.4 million dollars for its intelligent routing software solutions for the telecommunications industry. Elanti provides management solutions that focus on "service assurance and visualization for IP VPN customers."

Wireless

33 Wireless technology startups raised \$345 million during the quarter, an increase of 16% in dollar volume and 22% in the number of companies receiving funding, over the previous quarter. This continues a trend of consistent and healthy growth in the sector.

Large financings during the quarter included [Ubidyne](#), which received \$34 million for its standards-agnostic micro radio technology that is integrated with wireless antennas. The company says the benefit of this technology is that it reduces amplifier cost for wireless telecom companies and improves radio performance and coverage.

[Jitterbug](#), the trade name for GreatCall, has developed a simple cell phone for the elderly market segment that allows them to take advantage of simplified wireless services. The company raised \$38 million in its series C funding round.

[ExteNet Systems](#) secured \$27.5 million to enable it to expand its installation of distributed antenna system networks for wireless service providers to help them expand their service areas via in-building networks as a solution to wireless coverage problems.

Mobile

Mobile companies secured \$121 million in new funding, spread among 20 companies, representing a 34% and 13% decrease respectively. There were no large fundings during the quarter, which may have accounted for the funding decrease.

A number of companies received series B financings during the quarter, which were invariably used for product or service rollout or expansion:

Funambol	\$12.5 Million
Jaxtr	\$6.4 Million
Miyowa	\$8 Million
Ontela	Undisclosed
Skyfire	\$13 Million

This material has been prepared and issued by VentureDeal, LLC. The information contained herein is based on current information that VentureDeal considers reliable, but we make no representation that it is accurate or complete, and it should not be relied upon as such. It is provided with the understanding that VentureDeal is not acting in a fiduciary capacity. © 2008 VentureDeal. [Some Rights Reserved](#).

The largest funding during the quarter was a \$19 million series C round for [Invensense](#). The company has developed what it calls the "world's first integrated motion sensing solutions based on multi-axis gyroscopes and accelerometers with embedded intelligence."

[SNAPin Software](#) raised \$12 million during the quarter and was promptly acquired for \$180 million in an all stock transaction by [Nuance Communications](#). SNAPin created software that lets mobile operators interact with their subscribers in real time and understand the context of their current mobile behavior.

Communications

The Communications sector continued to see declines, with five companies raising only \$28 million.

The largest investment during the quarter was \$11.5 million for [ForteMedia](#). The company is developing hands-free communication technology with small microphone technologies, combined with its voice processor ICs.

[3n Global](#) secured \$7 million from [ABS Ventures](#) and other investors. 3n provides mass notification solutions to enterprises, government agencies, healthcare systems and educational institutions that allow them to trigger mass communications via a variety of media.

[Sound ID](#) received \$750,000 from [Essex Woodlands Health Ventures](#) to continue development of its Bluetooth compatible headset designed to address each user's unique hearing preferences in a variety of environments.

For Table of Venture Funding Activity, see Next Page

Table 1

Venture Funding Activity – 2nd Quarter 2008

Industry	Total Amount Funded	% Change Vs. Prior Quarter	Number of Companies Funded	% Change vs. Prior Quarter
Telecom	\$109 Million	+ 43 %	12	+ 20 %
Wireless	\$345 Million	+ 16 %	33	+ 22 %
Mobile	\$121 Million	- 34 %	20	- 13 %
Communications	\$28 Million	- 51 %	5	0 %
Total	\$603 Million	- 18 %	70	+ 8 %

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.

This publication may be re-produced or re-transmitted for non-commercial purposes, subject to the copyright notice herein.

This material has been prepared and issued by VentureDeal, LLC. The information contained herein is based on current information that VentureDeal considers reliable, but we make no representation that it is accurate or complete, and it should not be relied upon as such. It is provided with the understanding that VentureDeal is not acting in a fiduciary capacity. © 2008 VentureDeal. Some Rights Reserved.

While all attempts have been made to verify information provided in this publication, neither the author nor the publisher assumes any responsibility for errors, omissions or contrary interpretation of the subject matter herein.

This publication is not intended for use as a source of any advice such as legal, medical, or accounting. The information contained herein may be subject to varying international, federal, state and/or local laws or regulations. The purchaser or reader of this publication assumes responsibility for the use of these materials and information. Adherence to all applicable laws and regulations, including international, federal, state and local, governing professional licensing, business practices, advertising and all other aspects of doing business in the US, Canada or any other jurisdiction is the sole responsibility of the purchaser or reader. Neither the author nor the Publisher assume any responsibility or liability whatsoever on the behalf of any purchaser or reader of these materials.

[\(C\) 2008 VentureDeal, LLC. Some Rights Reserved.](#)