

# The Los Angeles Technology Market



A photograph of a beach at sunset. A concrete pier or boardwalk extends from the foreground into the ocean, leading the eye towards the horizon. The sand in the foreground is textured with ripples. In the distance, palm trees and a building are visible on the beach. The sky is a mix of orange, yellow, and blue. A red rectangular box is overlaid on the left side of the image, containing white text.

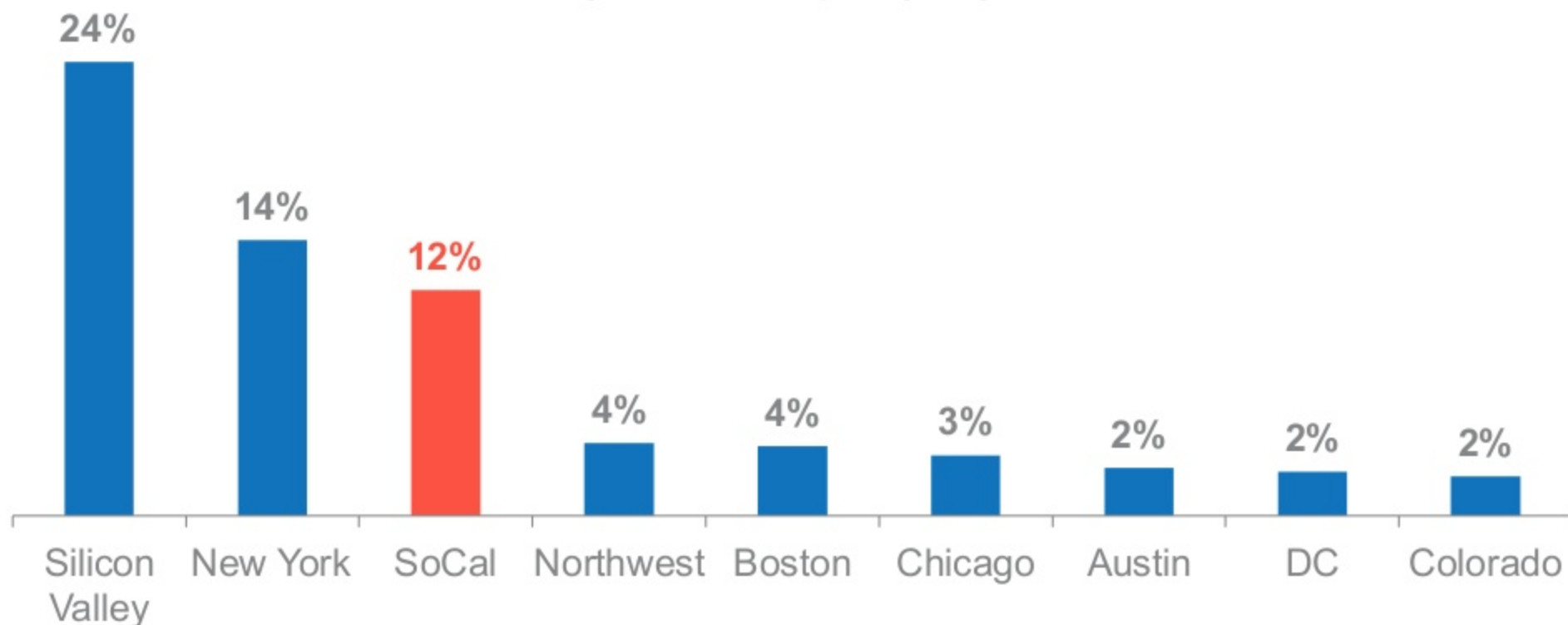
**LA ecosystem is heating up**



# LA is **#3** largest tech ecosystem in the US...

## Share of US Early-Stage Startups (%)

*AngelList startups by region*

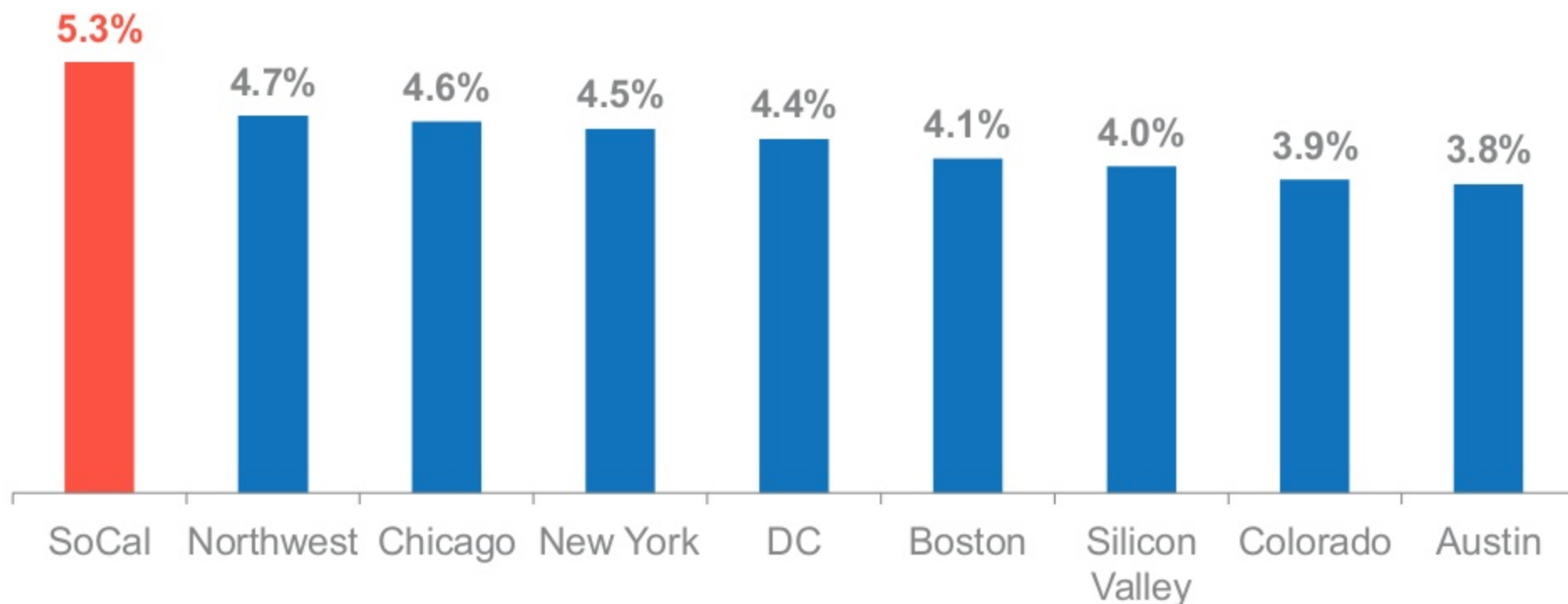


Source: AngelList – startup companies by region as of July 31, 2014.

Note: SoCal includes LA (69%), San Diego (15%), Orange County (9%), and other areas (6%), Northwest includes Oregon & Washington. Silicon Valley includes San Francisco & Bay Area.

# ...and **#1** fastest growing

2014 1H Monthly Startup Growth  
*Angellist startups by region*



Source: Angellist – startup companies by region by month.

Note: Compound monthly growth rate of new startups by region from Jan 2014 to June 2014

# Capital flowing to LA: **\$1.5B+** invested in LA in 2013, a **30% CAGR** since 2010



Source: CB Insights – LA Funding Report (July 2014)

Notes: US VC grew at 7% CAGR from 2010 (\$23.7B) to 2013 (\$29.2B) via CB Insights.

# 250 companies have raised \$1M+ since 2012

*Prominent SoCal companies  
by last round of financing*

\$50M+

\$10M+

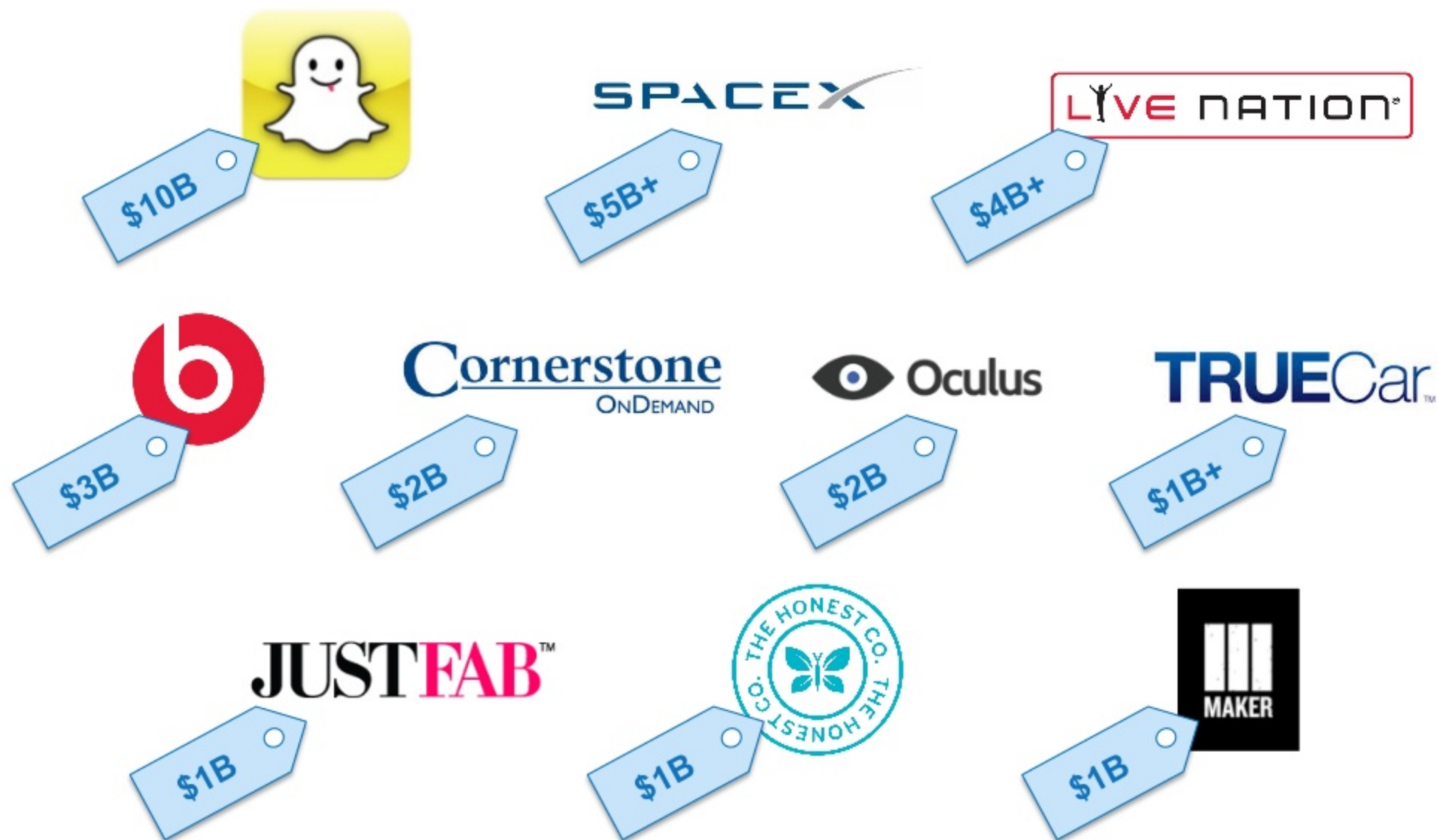
\$1M+



Sources: CB Insights, Crunchbase



# Large valuable companies are built in LA



# Increasing number of prominent successful exits



**Acquired**  
(Facebook)



**IPO**



**Acquired**  
(Disney)



**Acquired**  
(Apple)



**IPO**



**Acquired**  
(AOL)



**Acquired**  
(Apple)



**Acquired**  
(Red Hat)



**Acquired**  
(Opera)



**Acquired**  
(AOL)

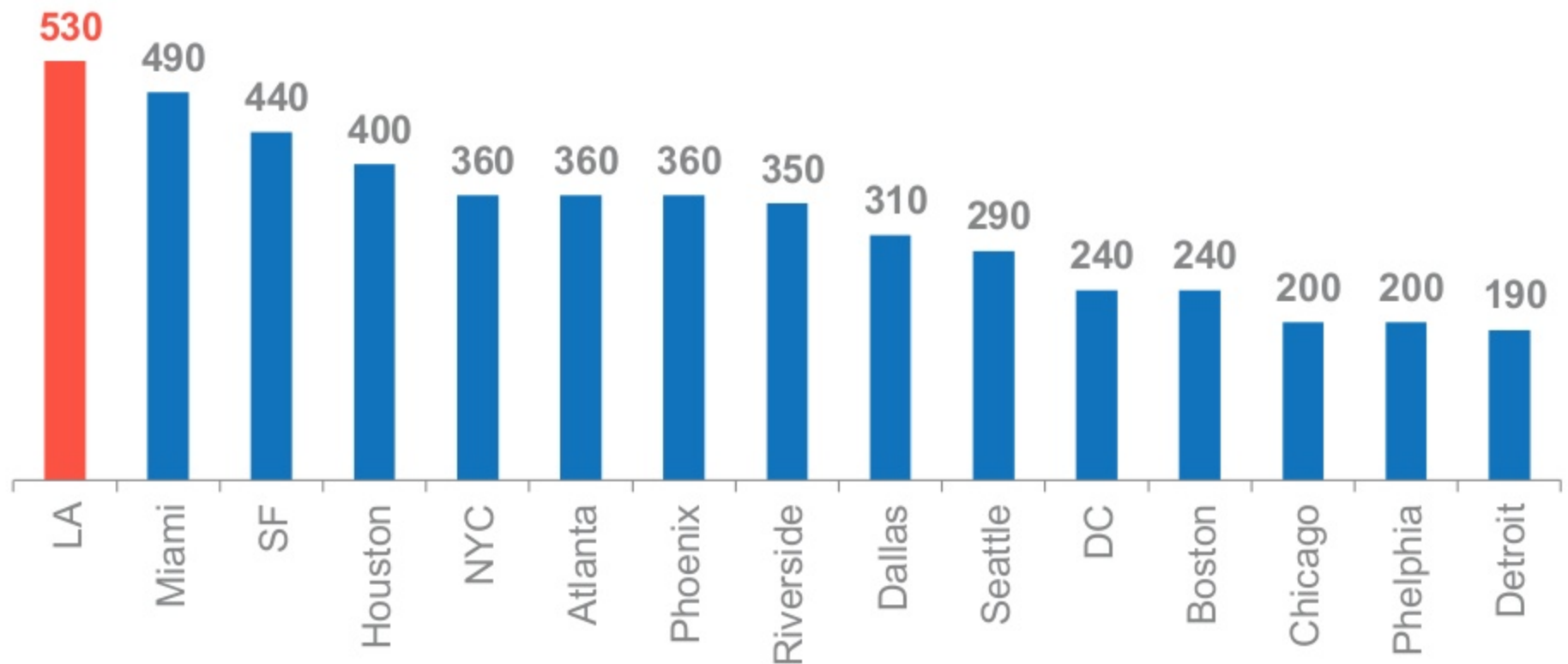
**\$8B+** in 2014 so far with more to come



# Why tech thrives in LA

# LA is built on entrepreneurship

2011-2013 Entrepreneurs per 100,000 people





# Early successes have seeded the ecosystem's new era growth

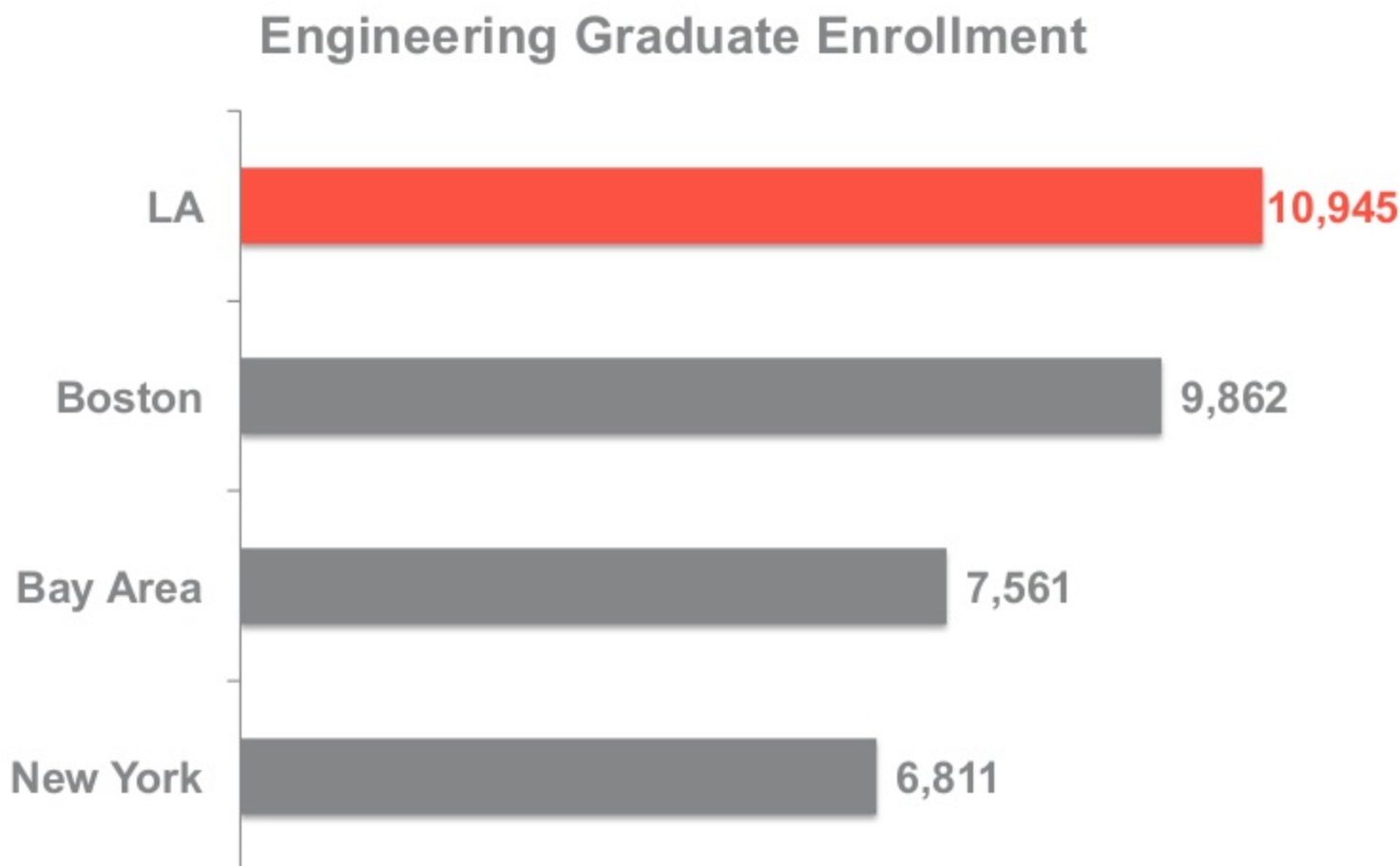
## LA Tech 1.0



**Seasoned entrepreneurs and recycled capital drive new ventures**



# LA graduates the most engineers in the US...



Sources: US News & World Report, Accreditation Board for Engineering and Technology (ABET);  
Includes graduate universities within 150 miles of metropolitan area

# ...from some of the most prominent schools

**USC Viterbi**  
School of Engineering



**UCLA** ENGINEERING  
Henry Samueli School of  
Engineering and Applied Science  
*Birthplace of the Internet*

**UC San Diego**  
Jacobs School of Engineering



UC SANTA BARBARA  
**engineering**

**UCIRVINE**  
THE HENRY SAMUELI  
SCHOOL OF ENGINEERING

**HARVEY MUDD**  
COLLEGE



UNIVERSITY OF CALIFORNIA  
**UCRIVERSIDE**  
Bourns College  
of Engineering

**LMU**|**LA**

Sources: US News & World Report, Accreditation Board for Engineering and Technology (ABET);  
Includes graduate universities within 150 miles of metropolitan area

**upfront**  
VENTURES

# LA has a strong base of local investors...

GREYCROFT

Karlin  
VENTURES

MuckerCapital

BARODA  
VENTURES

TenOneTen

wavemaker

RINCON  
VENTURE  
PARTNERS

upfront  
VENTURES

DFJ Frontier

LOWERCASE  
CAPITAL

BASEPOINT

Pritzker Group  
VENTURE CAPITAL

CAA

Anthem  
Venture Partners

M K  
capital

LAUNCHPAD LA

MESA+

Okäpi®  
Venture Capital

MIRAMAR  
VENTURE PARTNERS

SUSA  
VENTURES

VELOS  
PARTNERS

MARCH  
CAPITAL PARTNERS

AGR  
A-GRADE INVESTMENTS, LLC

CROSS  
CUT  
VENTURES

WAVE

CHERNINGROUP

TECH COAST  
ANGELS

CORE  
INNOVATION  
CAPITAL

QueensBridge  
VenturePartners

PARTNERS

+ PLUS  
CAPITAL

upfront  
VENTURES



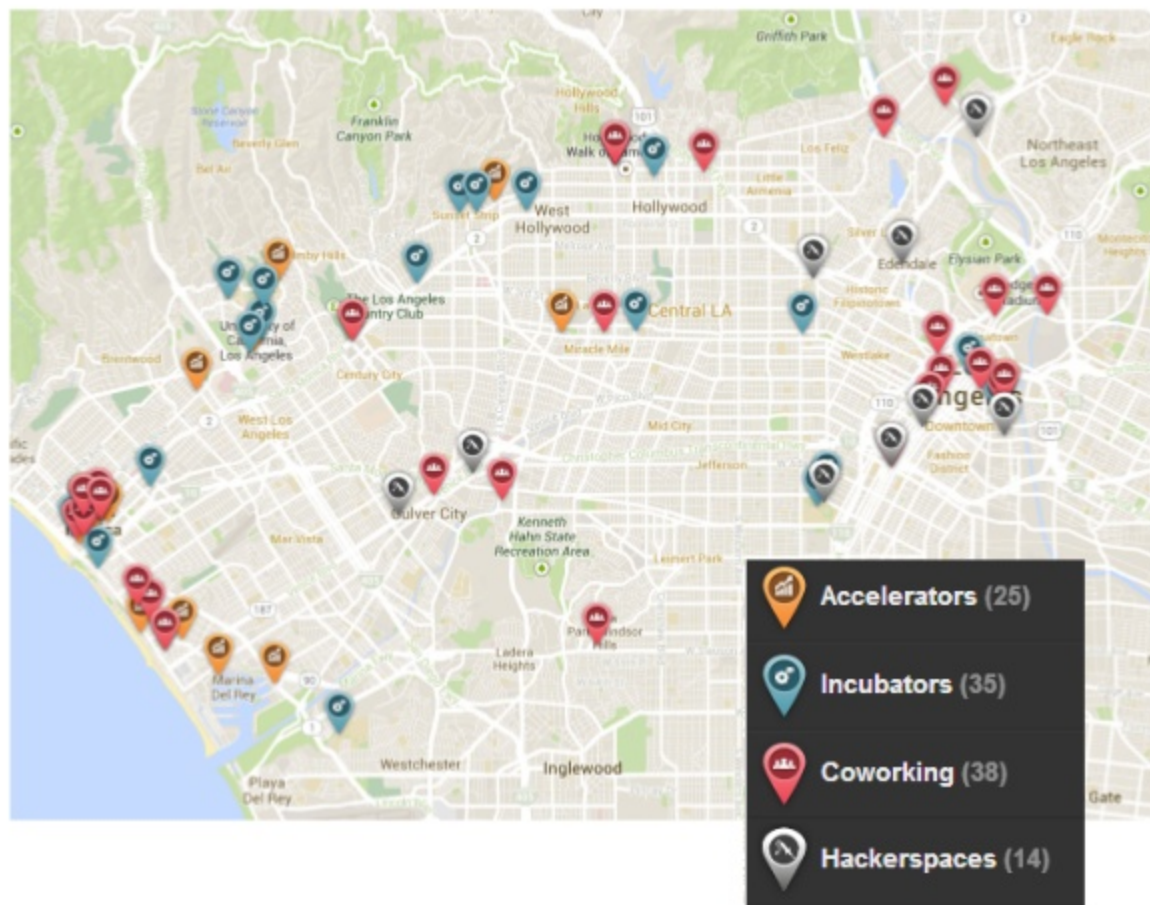
# ...who are actively writing LA checks

## Most Active VC Investors in LA

Rank	Investor
1	Upfront Ventures
2	Mucker Capital
3	500 Startups
4	Greycroft Partners
5	SV Angel
6	Siemer Ventures
7	Rincon Venture Partners
7	Double M Partners
9	Baroda Ventures
10	First Round Capital
10	Google Ventures

 LA-based Venture Firm

# Supportive incubators, accelerators, and community spaces foster early stage growth



**AMPLIFY**

**LAUNCHPAD LA**

**TECHLA**  
INTERNSHIPS



**USC Viterbi**  
School of Engineering  
Student Innovation Institute

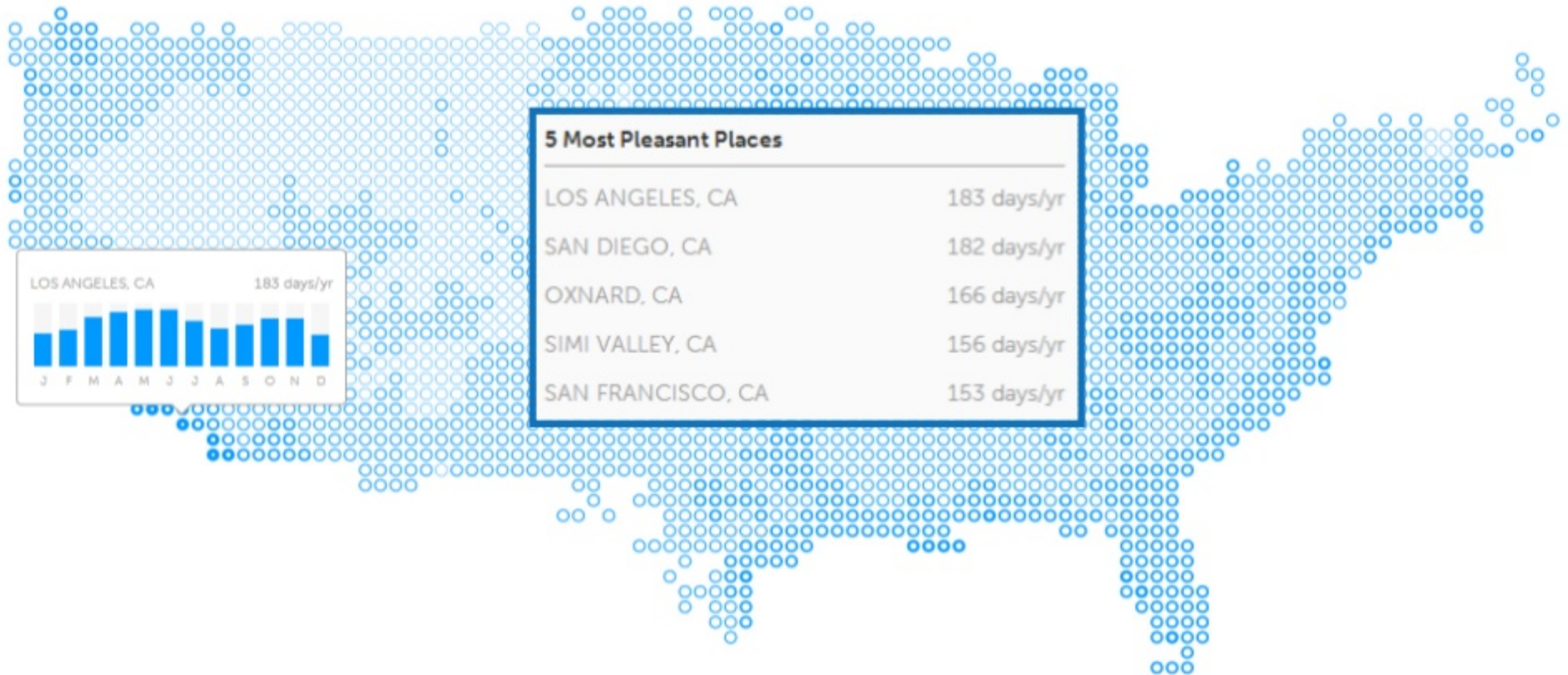


# Living in LA is more affordable compared to other tech centers

	<u>LA</u>	<u>SF</u>	<u>NYC</u>
<b>Overall Index</b>	<b>127</b>	<b>152</b>	<b>148</b>
Groceries	106	119	149
Housing	176	243	166
Utilities	112	90	131
Transportation	106	109	128
Healthcare	110	111	127
Goods & Services	103	119	144
<b>Equivalent Standard of Living</b>	<b>\$50,000</b>	<b>\$59,807</b>	<b>\$58,197</b>
<i>vs Los Angeles</i>		<i>20%</i>	<i>16%</i>



# And, of course, the weather doesn't suck



**Pleasant days:** Days with (1) mean temperature between 55° F and 75° F, (2) minimum temperature above 45° F, (3) maximum temperature below 85° F, and (4) no significant precipitation or snow depth



# Tech has moved beyond servers & switches – we are shifting to the application layer

