



Venture Capital Action Plan



CVCA
CANADIAN VENTURE CAPITAL
&
PRIVATE EQUITY ASSOCIATION

Program Summary



Goal: Help innovative companies grow by creating a more sustainable and effective innovation financing system in Canada.

Strategy: Partner with institutional and corporate strategic investors to close the annual investment gap in Canadian innovation.



Program Summary



Approach: Leverage Government investment through a matching fund of funds program to attract new (and returning) private sector investors to the Canadian venture capital ecosystem.

Government of Canada seeded \$400M primarily through a matching fund of funds program with 4 private sector partners.

Every \$1 in Government capital is matched by over \$2 in private capital.



Program Summary

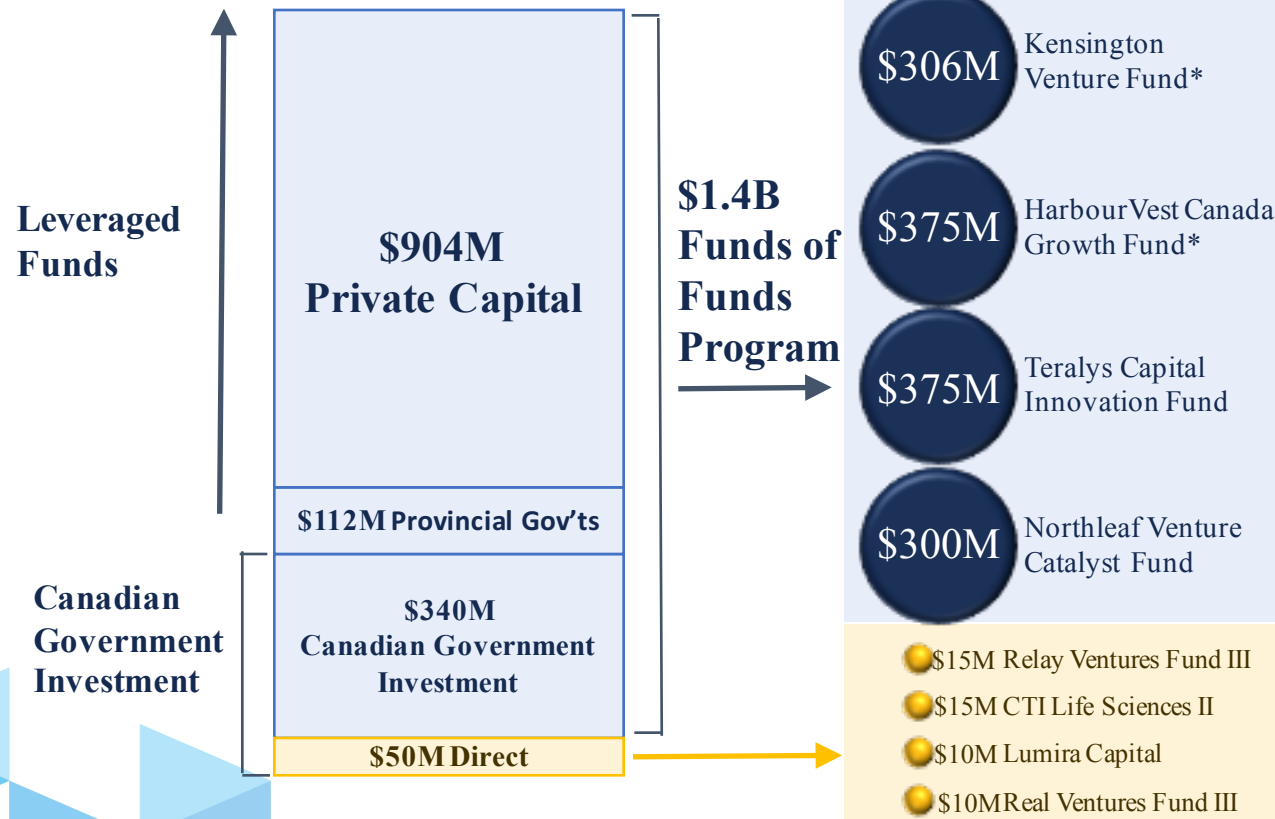
Reception: The industry fully supports the current VCAP program and believe the next stage is vital to Canada's future innovation.

Next Steps: VCAP was designed as the first step in filling a gap in the Canadian innovation financing ecosystem. This first step is to be completed in 2018. It is too soon to stop this funding.

The next stage is necessary to build on the positive results thus far and ensure the ecosystem does not take a substantial step backward after 2018.

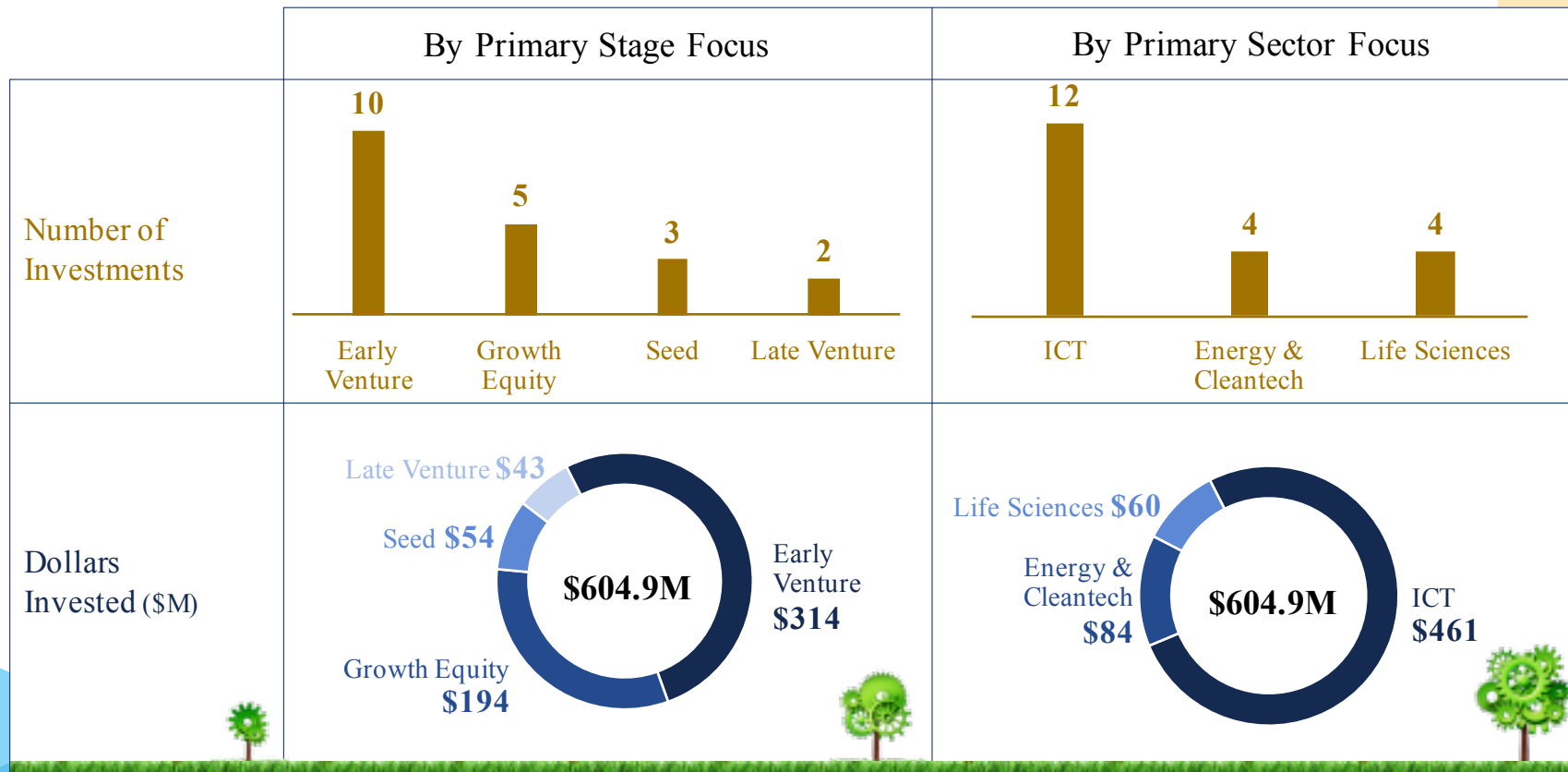
It is important to note that the current, and any future, VCAP type of program will likely have no negative fiscal impact and instead generate positive returns of Government funds.

Program Allocation



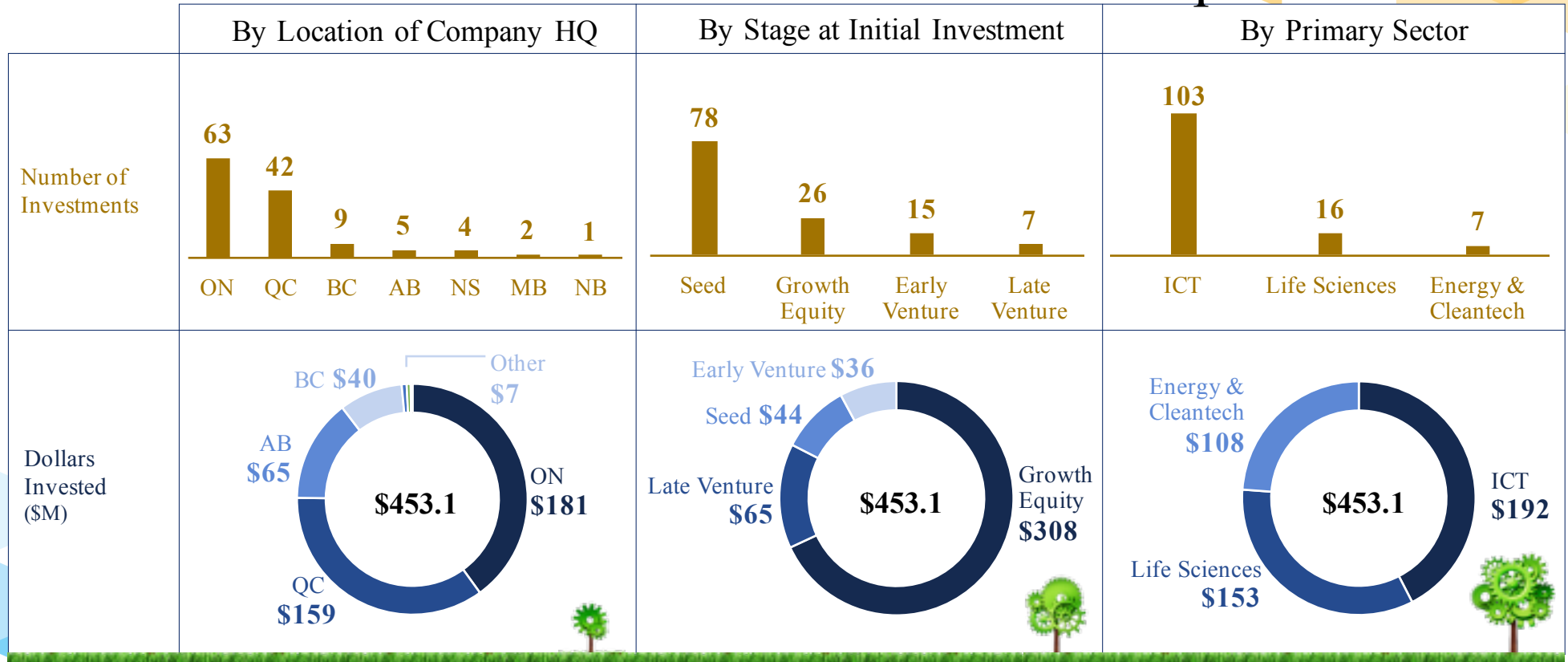
*** New Funds created directly as a direct result of VCAP.**

20 Canadian Fund Commitments totaling over \$600M



➤ Program is 59% committed

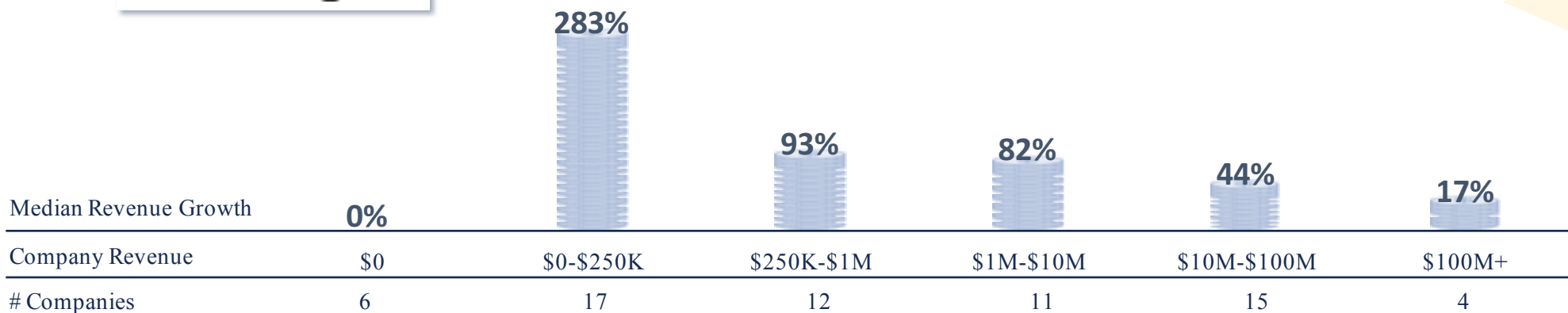
Over \$450M Invested in 126 Canadian Companies



➤ 80% of funding has gone to Canadian companies - representing more than the entire Canadian Government investment

Economic Impact

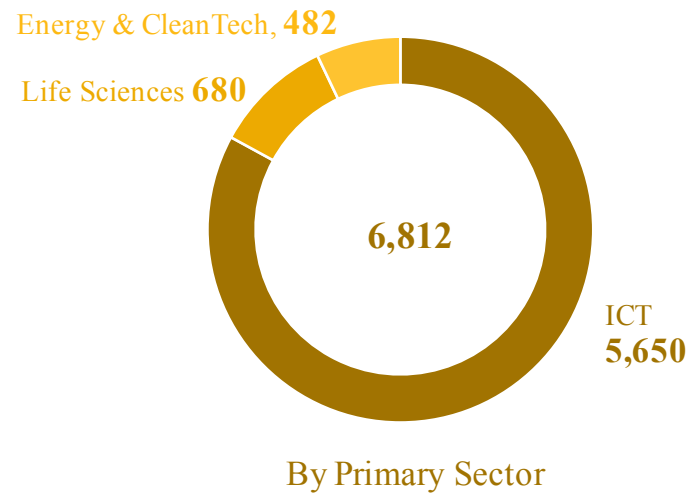
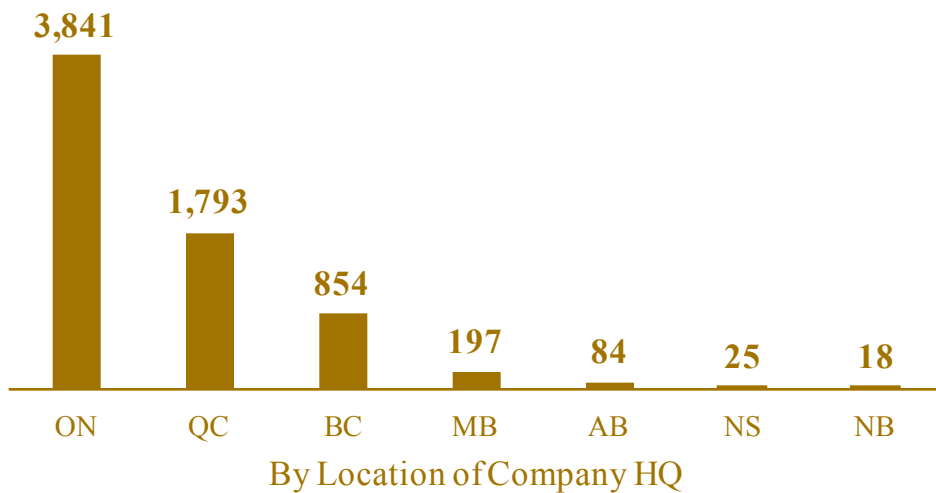
2015 Company Revenues



Total Sample (65 firms)	Aggregate	Median
2015 Revenue	\$1.1B	\$0.9M
Revenue Growth	37%	68%

Economic Impact

Number of Employees



Based on sample of 65 firms