VC 2.0: Venture Capital Goes Retro

FINANCING INNOVATION SERIES

A RESEARCH BRIEFING FROM THE UNIVERSITY OF VIRGINIA'S DARDEN SCHOOL OF BUSINESS

IN BRIEF

"OUR BIGGEST CHALLENGE TODAY FOR VENTURE CAPITAL IS TO THINK SMALLER."\(^1\)

Alan Patricof, a venture capital pioneer

A new breed of venture capitalists aims to reinvigorate their industry by taking it back to its roots. Often capping their funds at $250 million and investing as little as $25,000 in a start-up, they believe that the way to generate competitive returns in today's economic environment is to think small. And like venture capitalists of days gone by, they advocate a hands-on approach to helping their portfolio companies get off the ground. If they're right, then the future of venture investing might be discovered in its past.

Welcome to VC 2.0.

---

\(^1\) Patricof, A. 2009. 20th Annual Venture Capital Investing Conference, San Francisco, California.