

THE OXFORD HANDBOOK OF

VENTURE
CAPITAL

Edited by

DOUGLAS CUMMING

OXFORD
UNIVERSITY PRESS

CONTENTS

.....

<i>Contributors</i>	ix
Introduction DOUGLAS CUMMING	1
 PART I THE STRUCTURE OF VENTURE CAPITAL	
1. The Capital Flow from Institutional Investors to Entrepreneurs ALEXANDER GROH	15
2. Venture Capital and the Financial Crisis: An Empirical Study across Industries and Countries JOERN BLOCK, GEERTJAN DE VRIES, AND PHILIPP SANDNER	37
3. Venture Capital Reputation C. N. V. KRISHNAN AND RONALD W. MASULIS	61
4. Keys to Fundraising Success in Nascent Venture Capital Firms JENNIFER WALSKE AND ANDREW ZACHARAKIS	130
5. Corporate Venture Capital in the Twenty-first Century: An Integral Part of Firms' Innovation Toolkit GARY DUSHNITSKY	156
6. Corporate Venture Capital: From Venturing to Partnering JOSEPH A. MCCAHERY, ERIK P. M. VERMEULEN, AND ANDREW M. BANKS	211
7. VIPE Financing: Venture (Capital) Investments in Public Equity SUSAN CHAPLINSKY AND DAVID HAUSHALTER	246
8. Philanthropic Venture Capital from a Global Perspective: Definition and Investment Strategy MARIAROSA SCARLATA AND LUISA ALEMANY	274

PART II VENTURE CAPITAL SCREENING, STAGING, AND SYNDICATION

- | | |
|--|-----|
| 9. Venture Capital before the First Dollar: Deal Origination, Screening, and Evaluation
CHRIS YUNG | 303 |
| 10. Capital Structure Determinants in Growth Firms
Accessing Venture Funding
MARINA BALBOA, JOSÉ MARTÍ, AND ÁLVARO EDMUNDO
TRESIERRA-TANAKA | 328 |
| 11. Venture Capital Staging: Domestic versus Foreign
VC-Led Investments
YONG LI | 354 |
| 12. Follow-on Financing of Venture Capital-Backed Companies
TOM VANACKER, ARNOUT SEGHERS, AND SOPHIE MANIGART | 373 |
| 13. Performance Implications of Venture Capital
Syndication Networks
DENIS TRAPIDO | 401 |

PART III VENTURE CAPITAL VALUATION AND FINANCIAL CONTRACTING

- | | |
|---|-----|
| 14. Valuing Common and Preferred Shares in
Venture Capital Financing
DIETMAR LEISEN | 423 |
| 15. Required Rates of Return and Financial Contracting
for Entrepreneurial Ventures
RICHARD SMITH | 448 |
| 16. Financial Contracting in U.S. Venture Capital:
Overview and Empirical Evidence
OLA BENGTTSSON | 478 |
| 17. Time-Inconsistent Preferences and Venture Capital Contracting
MANUEL A. UTSET | 509 |
| 18. Syndication of VC Investments, Governance,
and Contract Design
AZIN SHARIFZADEH AND UWE WALZ | 542 |

19. Venture Capital in Germany: The Role of Venture Capital Firms' Experience, Ownership Structure, and Agency Problems 571
RON CHRISTIAN ANTONCZYK, WOLFGANG BREUER,
AND MALTE BRETTEL
20. Venture Capital Law Firms: An Analysis of Equity Investments and Networks 602
PAUL VRONSKY

PART IV VENTURE CAPITAL VALUE ADDED AND PERFORMANCE

21. From Ideas to Products: Financing Innovation and Getting Access to Innovation 627
WOLFGANG BESSLER, JULIAN HOLLER, MARTIN SEIM,
AND JAN ZIMMERMANN
22. The Impact of Venture Capital on Innovation 668
ROBERTA DESSÍ AND NINA YIN
23. What Drives the Top Line?: Determinants of Sales Revenue in Private Venture-Backed Firms 686
JOHN R. M. HAND
24. Value Added by Angel Investors through Postinvestment Involvement: Exploratory Evidence and Ownership Implications 721
JESS CHUA AND ZHENYU WU
25. The Impact of Venture Capital on the Long-term Performance of IPO Firms: Evidence from Korea 751
JAEHO LEE

PART V REGIONAL PERSPECTIVES ON VENTURE CAPITAL

26. Regional Impact of Venture Capital 791
SAMPSA SAMILA
27. Spread, Scope, and Scale in Venture Capital Globalization: A Clustered Globalization Model 810
RAVI MADHAVAN AND AKIE IRIYAMA

28. The Development of Venture Capital: Macroeconomic, Political, and Legal Determinants STEFANO BONINI	824
29. A Comparative Analysis of Venture Capital Investment in the United States and Europe ROMAN KRÄUSSL AND STEFAN KRAUSE	864
30. The Role of Geographic Proximity in Venture Capital DOUGLAS CUMMING AND NA DAI	897
31. Geography and Venture Capital Investment in the United States, 1995–2009 EMANUEL SHACHMUROVE AND YOCHANAN SHACHMUROVE	938
32. The Role of Government, Venture Capital, and Banks in Closing Liquidity Gaps in the SME Sector of an Emerging Market DAREK KLONOWSKI	966
<i>Index</i>	997