CLAREMONT CREEK
VENTURES

Claremont Creek Ventures Raises $175M for 2nd VC Fund

Early Stage, Value-Add, "Life Cycle Venturing" Strategy Earns Investor Confidence

Oakland, CA, October 2, 2008 (BusinessWire) – Claremont Creek Ventures today announced the final close of Claremont Creek Ventures II, a $175 million second fund. Together with Claremont Creek I, Claremont Creek Ventures now has $300 million under management. Claremont Creek makes early stage investments in information technology start-ups in the areas of health care, security and mobility. The new fund will continue Claremont Creek's "Life Cycle Venturing" strategy of mentoring entrepreneurs with active hands-on participation in company growth.

"We seek out good entrepreneurs with great ideas – often investing and partnering with them at an earlier stage than would most VC firms, " said Nat Goldhaber, Claremont Creek Managing Director. "In addition to capital, we invest time and insight drawn from our own management experience, increasing our companies' odds of success by providing strategic assistance. The ability to build great companies from the ground up is what differentiates investment funds. We're pleased that our limited partners agree that we've got the right strategy even during hard economic times. Our job is to create new jobs, new technologies and great American companies."

Claremont Creek's Managing Directors Nat Goldhaber, Randy Hawks and John Steuart have navigated successful companies from garage-level through IPOs, mergers and acquisitions, not only as venture capitalists but also as company founders and C-level executives themselves. This makes them trusted, experienced partners to the entrepreneurs they back.

"We've been investing through twenty five years of economic cycles, so we're not freaking out about the economy. For us, it's business as usual," said John Steuart. "We were investing in the 80s and 90s and during the dot-com bubble, so we know that some of the best companies – Cisco and eBay, for example – got started during recessions."

"Our investment style is entrepreneur-friendly and nearly recession-proof, aimed at building value over the long haul," said Randy Hawks. "Instead of jumping on trends, we look for sound value propositions, companies doing the 'heavy lifting' of technology. It can take four to seven years to develop a new technology and bring it to market. By the time a company is ready for an exit,

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market conditions have usually changed. Even in bad economies though, companies can succeed if they're well-managed and their technology offers real value."

Claremont Creek typically invests $500,000 to $3.5M in Series A rounds, with substantial reserves to support subsequent rounds. Investors gave the firm's strategy a renewed vote of confidence, with 100% of the institutional limited partners returning to invest in the new fund. Limited partners include Harvard Management Company, The Regents of the University of California, Verizon Pension Fund, and others.

A cornerstone of Claremont Creek's strategy is its Life Cycle Venturing program for mentoring start-ups prior to investment. "By helping founders refine their product development and go-to-market strategies, make key hires, and close initial deals, we're able to see how well we work together," said Nat Goldhaber. "This gives us insight into what a company will need in order to succeed and whether we're a good fit. If everything is working well, then we invest."

Claremont Creek's first exit, PropertyBridge, Inc., confirmed Claremont Creek's "Life Cycle Venturing / early investment / active involvement" value proposition. A Web 2.0 billing solution for residential rental properties, PropertyBridge was acquired by MoneyGram International in 2007.

"There were a lot of high fives and happy faces the day the deal closed, from entrepreneurs and investors alike," said Ryan Gilbert, PropertyBridge founder and former CEO. "Claremont Creek's advice was invaluable, and we always felt they had our best interests at heart. I hope to work with Claremont Creek again with my next start-up."

Claremont Creek Ventures (www.claremontvc.com) is a venture capital firm based in Oakland, California with a $130M first fund and a $175M second fund. Founded in 2005 by Managing Directors Nat Goldhaber, Randy Hawks and John Steuart, Claremont Creek is the premier funding source for early stage technology opportunities in the East Bay, San Francisco, Silicon Valley and beyond. The firm works closely with local institutions such as UC Berkeley, UC Davis, and the Lawrence Livermore and Berkeley Laboratories to help inventors and entrepreneurs turn great ideas into great products and companies.

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Media Contacts:

Kim Criswell
Criswell Communications
kim@criswellcommunications.com
(510) 992-6295

Kathryn Thorpe
Claremont Creek Ventures
kathryn@claremontvc.com
(510) 740-5001