



Contact: Laura Cruz, The Weiser Group for NVCA, 1-646-254-6000 x13, lcruz@weisergroup.com

NVCA CELEBRATES 35 YEARS OF SUPPORTING VENTURE CAPITAL, ENTREPRENEURSHIP, AND INNOVATION

Association Sets Public Policy Agenda for the Coming Year, Premier First Web Video, and Highlights Entrepreneurs

Mountain View, CA, September 19, 2008 – Last night the National Venture Capital Association (NVCA) celebrated its 35th anniversary by gathering together an intimate group of venture capital industry leaders for “An Evening of Innovation and Conversation.” The program, hosted on Microsoft's campus in Mountain View, CA, featured a discussion on both the historic and forward-looking legislative policies that have shaped - and will continue to cultivate - a vibrant start-up economy. Additionally, event attendees heard from venture-backed companies whose technologies are among the most cutting edge in the areas of homeland security, biotechnology, and clean technology. The NVCA also premiered “[VentuReality](#),” a three-part web video series that follows the humorous plight of a fictional entrepreneur in search of financing.

“In the short 35 years the NVCA has represented the interests of venture capital investors, entrepreneurs, and innovators, tremendous economic value has been created by our member firms,” said Mark Heesen, president, National Venture Capital Association. “From the early stage biotech and clean technology discoveries to cutting edge Internet and telecom companies to some of the most recognized consumer brands, venture capital-backed companies account for more than 10 million American jobs and \$2 trillion in GDP. We are honored to represent the public policy interests of these long term investors whose jobs it is to grow young companies and bring innovations to the American people,” Heesen added.

Joining Mr. Heesen on the stage last evening were representatives from three venture-backed companies that are working to change the way Americans live. These companies are illustrative of the range of innovations backed by the venture capital community and supported by NVCA's advocacy efforts on Capitol Hill.

Tengion is a leader in the field of regenerative medicine and is developing new human organs and tissues that are derived from a patient's own cells. **Digital Signal Corporation** is operating on the cutting edge of homeland security with its surveillance technologies. **Tesla Motors** has manufactured a 100 % electronic sports car that costs 2 cents per mile and has plans for a sedan in 2010.

Yet, much of the evening's informal conversation focused on NVCA's public policy priorities heading into the presidential election and beyond. Among the major policy goals for the Association in 2009 are:



Retain the current capital gains tax rate. With the current 15 percent capital gains tax rate scheduled to expire on December 31, 2010, the NVCA will continue educating Congress and the new Administration on the importance of maintaining capital gains tax rates to encourage risk taking and long-term investment and innovation in the U.S. The NVCA also will continue to advocate retaining capital gains tax treatment of carried interest for venture capital investments.

The IPO will again be the brass ring for venture-backed companies. With venture-backed companies going public at less than one-third the rate they did just a decade ago, the NVCA has embarked upon a fact-finding mission to determine the drivers which are dissuading start-up companies from choosing the public markets and to develop initiatives that will help reinvigorate long-term economic growth. Findings and recommendations will be presented to the new Administration, the new Congress, the SEC, the financial community and the private sector.

The US will embrace healthcare reform without compromising innovation. The goal for the venture capital industry is a value-based health care system that pays for innovative medical therapies and technologies so that patients have access to products that can improve health outcomes.

The US will adopt a long term perspective on clean technology innovation. Congress and the Administration must move beyond short term, year-by-year tax incentives and support significant long term measures that fundamentally change the way the country operates.

”The United States can no longer take for granted its economic and innovative leadership. We must earn that position each and every year,” said Dixon Doll, NVCA chairman and co-founder and general partner of DCM, an early stage venture capital firm supporting entrepreneurs building world-class technology companies. “The venture industry is committed to working with the new Congress, Administration, government agencies and the public to insure that our tax and capital markets policies allow us to remain competitive and our regulatory processes permit us to be highly efficient. The NVCA will be sitting at more tables discussing more issues in the coming years than ever before. And as we have always done, we will work on a bi-partisan basis to keep innovation thriving here in the US.”

About NVCA

The National Venture Capital Association (NVCA) represents approximately 480 venture capital firms in the United States. NVCA's mission is to foster greater understanding of the importance of venture capital to the U.S. economy and support entrepreneurial activity and innovation. According to a 2007 Global Insight study, venture-backed companies accounted for 10.4 million jobs and \$2.3 trillion in revenue in the United States in 2006. The NVCA represents the public policy interests of the venture capital community, strives to maintain high professional standards, provides reliable industry data, sponsors professional development, and facilitates interaction among its members. For more information about the NVCA, please visit www.nvca.org.

###