

# All In

## Female Founders and CEOs in the US VC Ecosystem

2020



# Foreword

In 2019, we inaugurated the All In Report, a first-of-its-kind look at female entrepreneurship and its place in the venture ecosystem. Our objective was to shed light on the subject using in-depth data across a variety of metrics—deal and exit activity, geography, sector, female venture capitalists, etc. For our second report in the series, we aim to continue building the analysis to provide new and important datapoints going forward. We acknowledge that the data in this report is one-dimensional—the female gender—and that the report is missing data at the intersection of the female gender and race, nationality, citizenship, and sexual orientation. Our ultimate goal is to provide a reliable and detailed view on female entrepreneurs in the VC ecosystem, each and every year, so we are working to include additional demographic data in future editions. However, PitchBook does not currently track these attributes, and we were unable to find a source of data on any of these attributes that matched our methodology and could be incorporated into our analysis. So we made the decision for this report to stay focused on looking at female entrepreneurs and executives as one group.

One of the themes of our 2020 edition is highlighting the progress made by women over the past decade in the VC ecosystem. Many of the datapoints we found show clear and undeniable trends of improvement. In the US, startups with at least one female founder made up 23.8% of all VC investments in 2019. In 2010, that figure was 12.6%. The same goes for startups with female CEOs at the helm. In 2019, startups with female CEOs accounted for 13.5% of all VC investments, more than double the ratio from 2010 (6.8%).

On the exit front, 198 female-founded startups were sold or went public last year, marking a record. Ten years ago, that number was only 38. A point we highlighted in 2019 remains true in 2020, as well: Female-founded companies tend to exit faster than the overall market, an important metric in terms of returns. If 2020's pace continues to hold, we'll see the 10th straight year of faster exits for female founders in the US. Venture investors and family offices can use that data to strengthen their arguments for investing in more female-founded companies.

As encouraging as those historical trends are, they hit a snag in 2020. COVID-19 and its ripple effects have had a disproportionate impact on female entrepreneurs, according to our numbers. That impact shows up in several metrics—especially compared to male entrepreneurs—across deal activity and valuations in particular. That will probably ring true to many in the VC industry, which has been hearing anecdotes since the pandemic began. Given the very positive trendlines over the past decade, though, we see reason for optimism that progress can resume.

As always, we want to thank our sponsors and contributors to this year's report, as well as All Raise and their data team for supporting us in preparing this analysis. We look forward to partnering with them on future research, and we're excited to continue building the broadest research possible on female entrepreneurs in the VC ecosystem—they have influenced our society in a big way, and our numbers show that much more impact is ahead.

## The PitchBook Team

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## A note on methodology

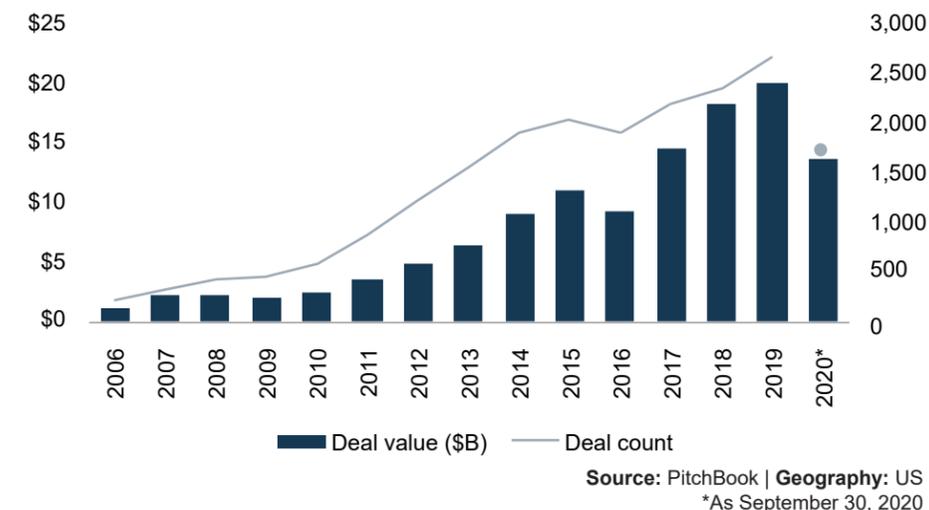
Throughout this report, we refer to “female-founded companies” as VC-backed companies with at least one female founder. “Female-led companies” refer to companies with a female CEO. The geographical scope of data in this edition is focused on the US. Please refer to the final page of this report for a more detailed methodology on sectors.

# Records broken

## 2019 a high-water mark

In 2019, female-founded companies in the US closed more venture deals than ever and secured more capital than ever on an annual basis, raising over \$20 billion across 2,669 deals. A decade ago, they closed on just \$2.5 billion across 576 deals. The pandemic abruptly paused these upward trajectories in venture activity. The latest venture data showcases the disproportionately adverse effect that COVID-19 has had on female entrepreneurs. In the first three quarters of the year, total deal value for female-founded companies is down 31.3%, far more than the 17.9% drop seen across all US companies.

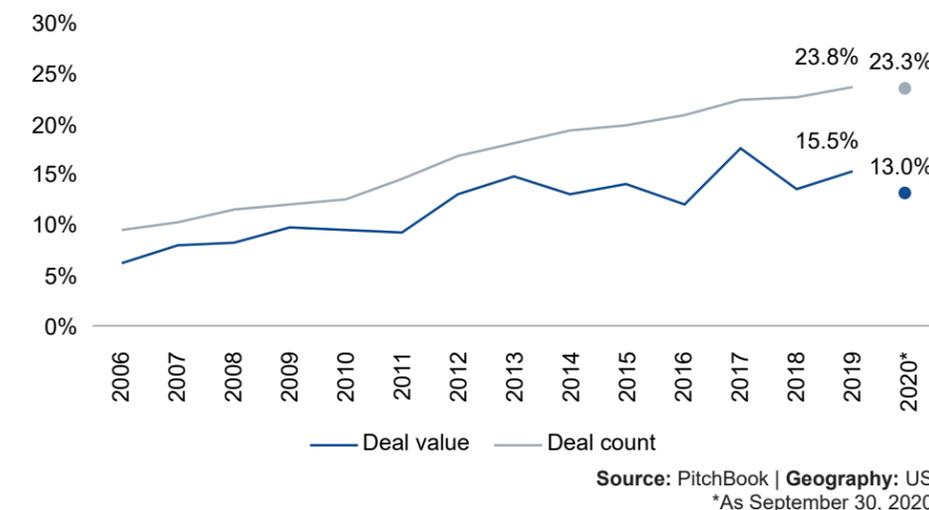
## VC deal activity in female-founded companies



## But 2020 had an impact

Female-founded companies based in the US represent 23.3% of all VC rounds closed YTD, down from 23.8% in full-year 2019. The decline is small but the first in over a decade. They also represent only 13.0% of all VC dollars deployed YTD, which is down from 15.5% in 2019. The pandemic forced many would-be founders to put their plans on hiatus, which also helps explain female founders' reduced share of venture deal activity in 2020. A Female Founders Alliance survey found that 87% of pre-pandemic survey respondents were “somewhat or highly likely to start a company,” but six months later “51% of them have delayed or scrapped these plans,” while a small minority of them accelerated their plans.<sup>1</sup>

## Female-founded companies as proportion of all VC deal activity

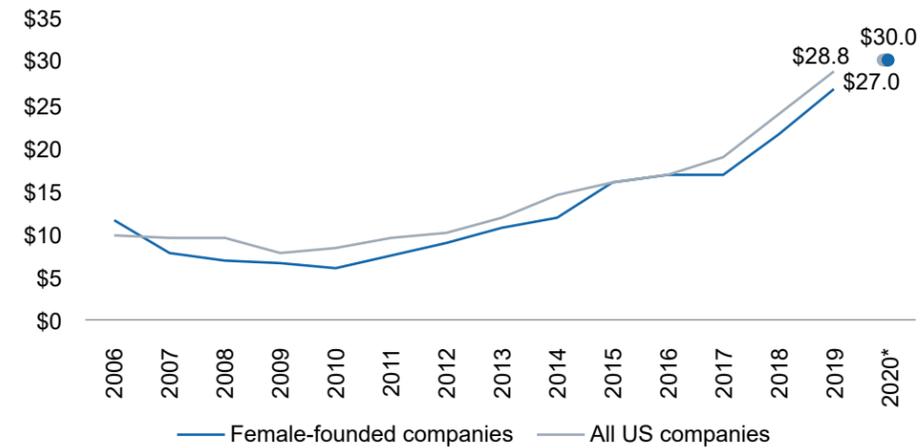


1: Gender and Entrepreneurship During the Pandemic: A Study by the Female Founders Alliance, Female Founders Alliance, 2020.

### Little gap at the early stage

Female-founded companies have historically received slightly lower valuations than the broader market at the early stage. The gap is typically 10% or less, but the trend is visible. Early-stage valuations depend on a number of factors, especially the sector in which the company operates. Most early-stage companies are young and relatively untested, and venture capitalists often consider a founder's personality traits as an imprecise gauge of the company's prospects. So far in 2020, at least, female founders have kept pace with the broader market at the early stage but lag in late-stage pre-money valuations.

Median early-stage VC pre-money valuation (\$M) for female-founded companies and all US companies

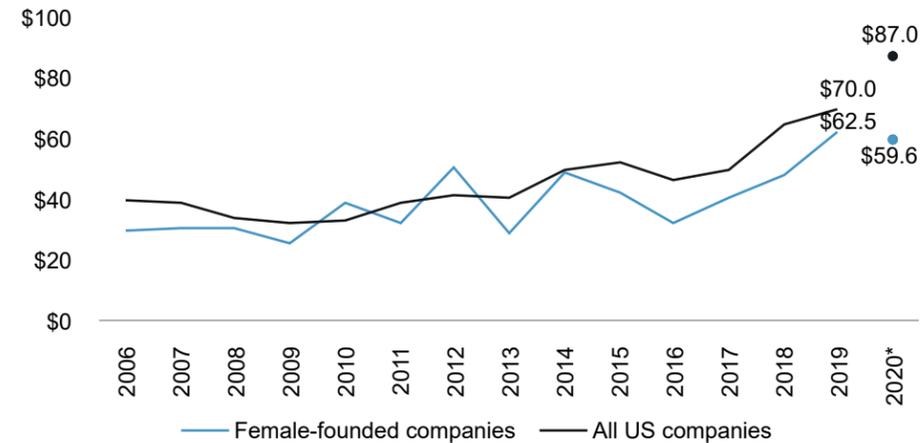


Source: PitchBook | Geography: US  
\*As September 30, 2020

### A large gap at the late stage

Compared to the early stage, late-stage valuations depend heavily on a company's progress, especially whether it is hitting its goals or not. Valuations fluctuate wildly as a result. Twice over the past 10 years, female-founded companies have achieved higher median late-stage pre-money valuations than the broader market on an annual basis, but in recent years the median has waned. However, the gap between late-stage valuations for female-founded companies and the broader market following the pandemic is the largest PitchBook Data has recorded. The median for the former group fell from \$62.5 million in 2019 to \$59.6 million YTD, while the median for the latter actually increased from \$70.0 million to \$87.0 million.

Median late-stage VC pre-money valuation (\$M) for female-founded companies and all US companies



Source: PitchBook | Geography: US  
\*As September 30, 2020



You're here to do great things.  
We're here to help.



## Microsoft for Startups

We are a comprehensive global program designed to support startups as they build and scale their companies. We believe in a diverse, equitable and inclusive entrepreneurial community — one that empowers every startup and every founder to achieve more. Whether it's working directly with startups through our program or partnering with organizations that share our values, we are committed to helping underrepresented founders thrive.

Learn more about how Microsoft for Startups helps to grow businesses at [Startups.Microsoft.com](https://Startups.Microsoft.com)

# Underrepresented founders need more relatable heroes

The strides female founders have made in the startup industry are worth celebrating. However, according to Annie Parker, Director of Equity and Inclusion at Microsoft for Startups, and Katie Doherty, Co-founder of Female Founder School, these founders need more support earlier in their journeys in order to drive significant, sustaining, and inclusive change.

In October, Microsoft for Startups and Female Founder School, a company that works with early-stage entrepreneurs, teamed up to run a three-month Pilot Program for 25 founders across North America. In the following conversation, they share their insights on the barriers that continue to persist for women, what we can do to reduce the gender gap, and why this moment in time presents a unique opportunity for change.

**Katie:** Annie, in your opinion and experience, what are we seeing in terms of gains made by female founders?

**Annie:** We're definitely seeing progress. In 2019, female-founded companies (companies with at least one female founder) represented 23.8% of total US venture deals across all sectors, according to PitchBook data. Ten years ago, that number was 12.6%. In 2019, companies with female CEOs represented 13.5% of total US venture deals across all sectors, while a decade ago, that number was 6.8%. However, the gap is still far too wide. And the gap is especially acute for female founders of color. Between 2009 and 2017, only 0.06% of the \$424.7 billion in total tech venture funding went to startups founded by Black women.<sup>2</sup>

**Katie:** We're also worried that the gains are fragile given the pandemic has had a disproportionately adverse impact on female business owners. While venture activity across the broader US ecosystem in 2020 has remained within range of historical levels, female-founded companies have raised less YTD than in previous years, potentially closing the fewest deals and least

amount of capital since 2017. And some women have had to make the hard decision to prioritize caretaking responsibilities or focus on jobs with guaranteed benefits.

On the other hand, at Female Founder School we've personally seen a marked increase in the number of women starting companies. In March, we started getting hundreds of registrations week over week for our online founder-training workshops. In talking with our participants, we heard multiple reasons for the spike in motivation, including having more unscheduled time outside of work or more discretionary time because of a job loss. Some of our founders turned to entrepreneurship as the alternative to a shrinking job market. Moreover, we've heard from others that the pandemic has led people to rethinking career interests and a heightened desire to have societal-level impact via entrepreneurship. Applications for new US businesses are rising at the fastest rate since 2007.<sup>3</sup> One survey found that more than 1 in 5 entrepreneurs are starting businesses that were not planned before the pandemic.<sup>4</sup>



**Annie Parker**  
Director of Equity and  
Inclusion  
Microsoft for Startups



**Katie Doherty**  
Co-founder  
Female Founder School

**Annie:** The increase in the number of startups created since March presents an important opportunity to close the gender gap. In 2019, around 20% of startups globally had at least one female founder, according to PitchBook data. That number could increase significantly if we can 1) provide more support to women who have recently started their businesses to drive their success and 2) compel more aspiring founders to take the leap by derisking that decision through greater availability and awareness of resources.

**Katie:** We agree. The most efficacious way to increase the overall volume of successful female founders is to provide support earlier in the funnel at the idea stage, when founders have a business idea but have yet to demonstrate that there is a market for what they are trying to build. In doing hundreds of interviews with aspiring and recent founders, I learned along with my co-founders, Enhao and Brittney, that the most common roadblocks to starting a company are lack of confidence in entrepreneurial experience and technical skills and concern around the market potential of business ideas—regardless of the level of previous career success achieved.

Annie, what did you and your team hear in the 50-plus interviews that you did with current, former, and future founders?

**Annie:** The key insight we found was that almost all the women regretted not starting their companies earlier. They were looking to fill gaps in their skillset before feeling prepared to start something on their own. The result is that, unlike many of their male counterparts, many female entrepreneurs are immensely overqualified. We learned that one of the major barriers to women and other unrepresented founders in feeling confident that they can be successful

is a lack of relatable heroes and other founders who look like them.

**Katie:** We've been really excited to see Microsoft for Startups recognize the gap in support for idea-stage founders. Women are more likely to take the first steps to starting a business and are more likely to be successful when they have the skills to validate their business ideas (and are confident in those skills), a community of peers for support and accountability, and a network for mentorship. Opening up vast networks is an area where corporations such as Microsoft can bring tremendous value.

Traditionally, we've seen hesitancy on behalf of established organizations to work with founders at the earliest stages. One reason is that idea-stage founders are still in the process of validating product-market fit. They don't yet have impressive recurring revenue or enough traction to "wow" investors. Thus, they aren't perceived as a lucrative customer base. Secondly, organizations are less likely to invest in or sponsor startups where there is a higher risk of failure. The earlier the founder, the less certain the ROI of an organization's capital or time investment.

Unfortunately, it's a reinforcing cycle. Because of the limited support early on, these founders don't have access to important resources for building their products and acquiring customers, and therefore can't show enough traction to raise capital. And when investors do back an idea-stage founder, it's often because they're a successful serial entrepreneur or have an existing relationship. According to PitchBook data, 86.5% of decision-makers in US VC firms are men. Women are also more likely to have predominantly female networks.<sup>5</sup> Because of these cyclical dynamics and male-dominated VC networks, access to important resources continues to be stubbornly out of reach for many early founders.

**Annie:** An additional consequence of the lack of support at the earliest stages is that those who are able to overcome the gap often have pre-existing advantages. Many funds and groups out there are supporting female entrepreneurs at the venture-backable stage, which is crucial. However, that capital is still going to founders who likely already have some leg up, whether it's financial means, location, access to networks, and so on. A significant number of women are still being left out of the equation, not because they lack the potential to start a successful company, but because they live outside major cities, don't have networks from elite institutions,<sup>6</sup> or don't have to the capital build out their solutions and teams.

**Katie:** In doing this Pilot Program, providing support to idea-stage founders democratizes access for historically underrepresented groups. Three-quarters of applicants to the Pilot Program and three-quarters of the founders accepted into the cohort are founders of color. And our 25 select founders represented 23 cities in North America. This data demonstrates that when you support founders at the earliest stages, you remove additional barriers to diversity and inclusion in the industry, beyond gender.

**Annie:** At Microsoft, we know that when we see a diversity of perspectives, backgrounds, and experiences come together, we see greater success. Without question, the greatest value that we can provide is a platform to connect these incredible women to one another. And through this community, our founders are empowered to build their own networks of support, accountability, and expertise.

2: "ProjectDiane 2020: The State of Black & Latinx Women Founders," digitalundivided, 2020.

3: Business Formation Statistics, United States Census Bureau.

4: "How 2020 Has Influenced a New Class of 'Pandemic Founders,'" JustBusiness, October 27, 2020.

5: Women in the Workplace, McKinsey & Company, 2017.

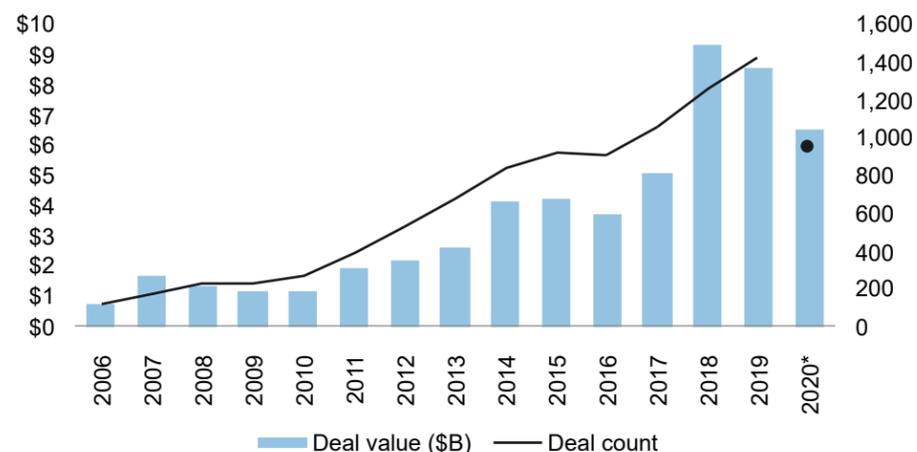
6: Pioneering Women, Tide, n.d.

# The corner office

## Doubled over three years

Female CEOs have secured far more VC financing in recent years than they ever have. In 2019, 1,430 venture deals closed with US-based companies led by female CEOs for a total of \$8.6 billion, following the record \$9.3 billion invested in 2018. Starting in 2016, there was an unmistakable increase in the number of deals closed with female-led startups, which more than doubled over a three-year span. Dealmaking figures are relatively positive in 2020 through Q3, with 946 deals closing for a total of \$6.5 billion. Total deal value YTD for female-led companies is already the third-highest annual total on record, and deal count should exceed 1,000 by year end.

VC deal activity in female-led companies

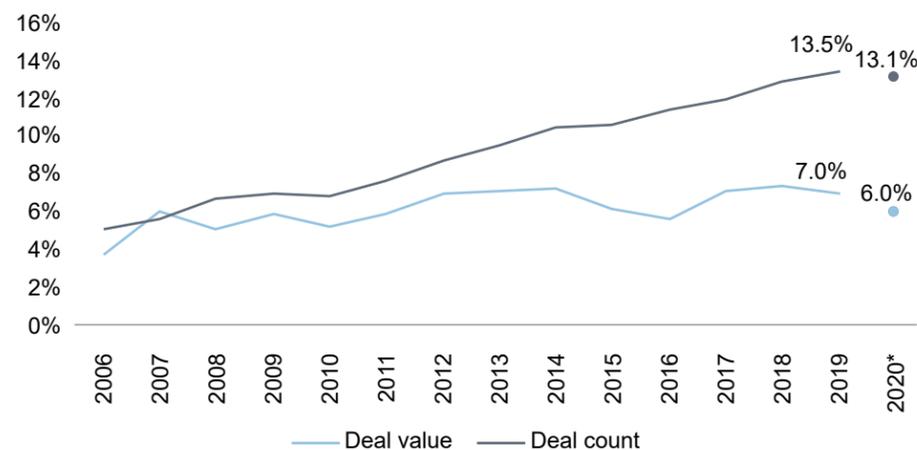


Source: PitchBook | Geography: US  
\*As September 30, 2020

## Almost doubled since 2010

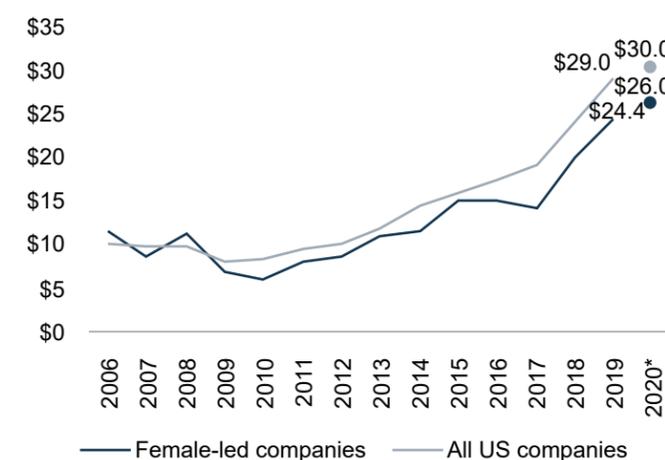
Female CEOs are a growing force in the VC ecosystem. Female-led companies have represented 13.0% of total US VC deal count in each of the last three years, about double the share in 2010 (6.8%). The increase has been remarkably steady, with female CEOs gaining a percentage point almost every year over the past decade. The 20% barrier isn't far away, if trends continue. That said, 2020 marks the first time in over a decade that this metric has fallen, yet another signal that COVID-19 has had a unequal impact on female entrepreneurship.

Female-led companies as proportion of all VC deal activity



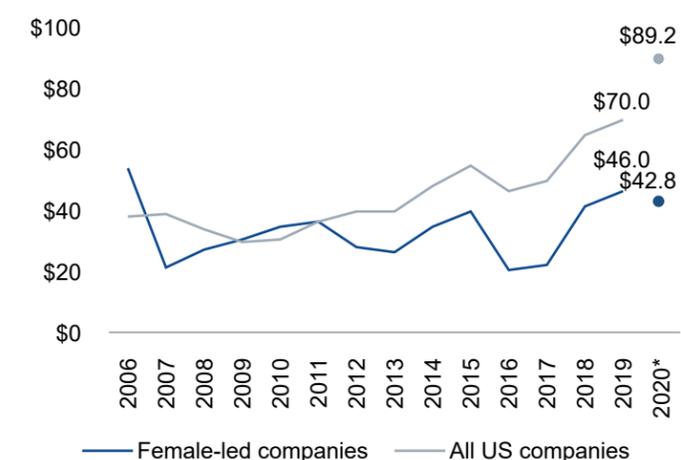
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\*As September 30, 2020

Median early-stage VC pre-money valuation (\$M) for female-led companies and all US companies



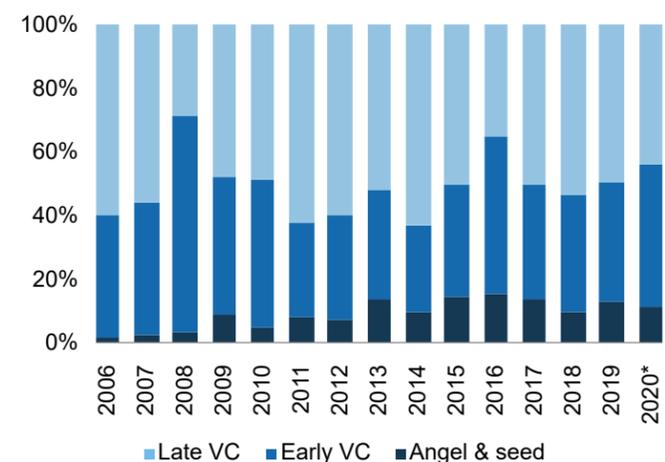
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Median late-stage VC pre-money valuation (\$M) for female-led companies and all US companies



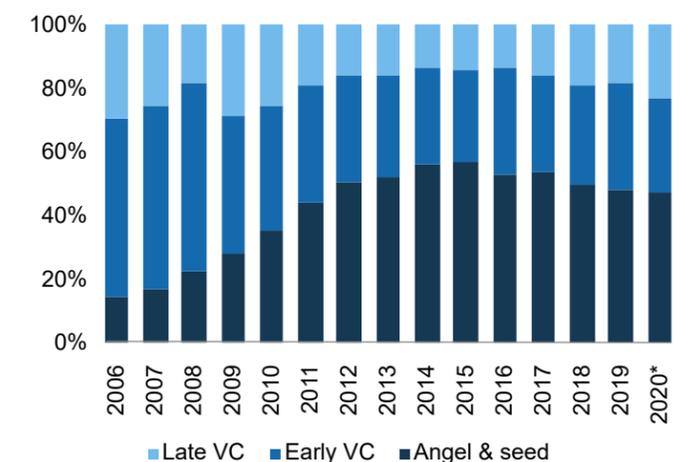
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VC deals (\$) with female-led companies by stage



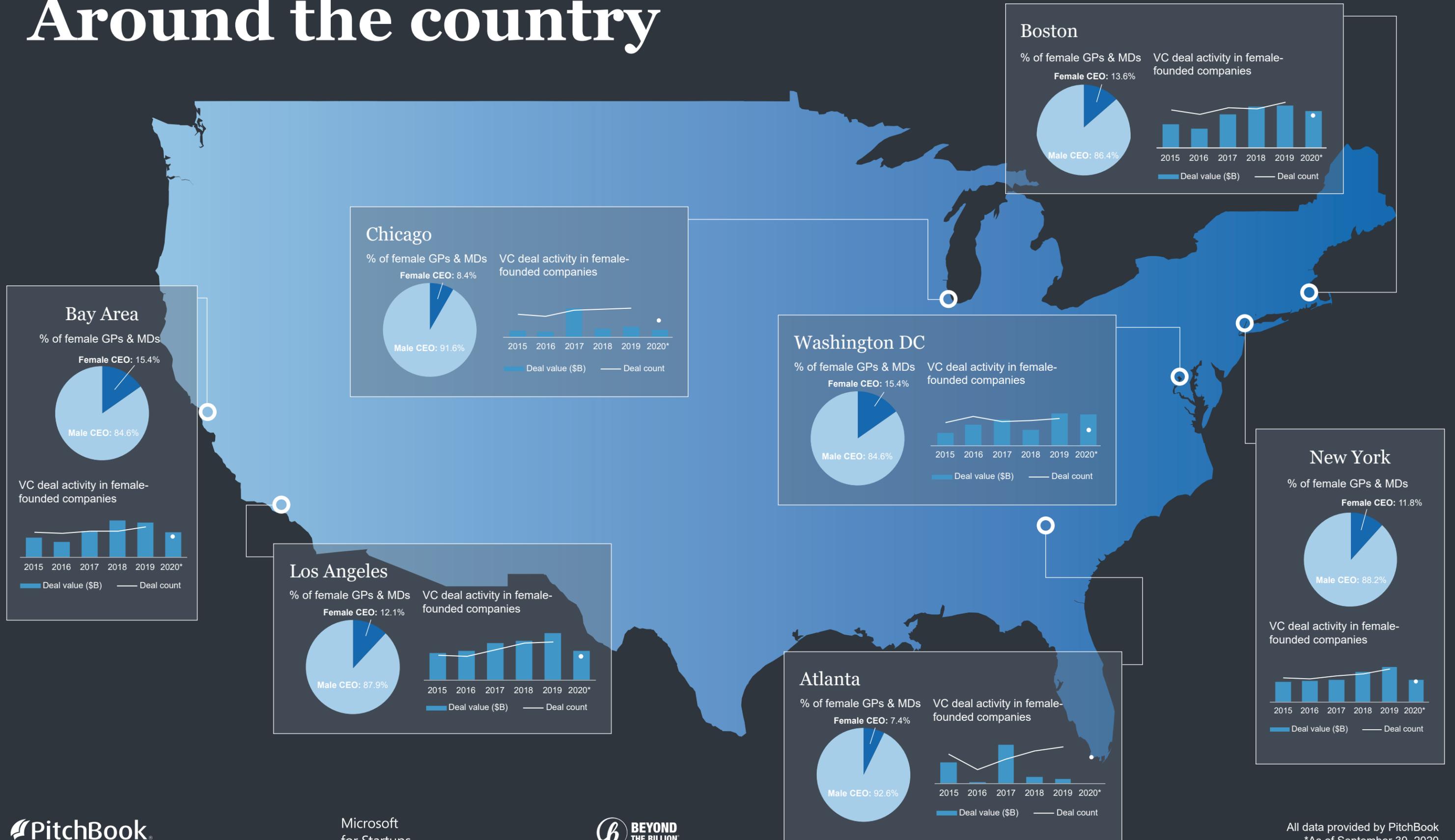
Source: PitchBook | Geography: US  
\*As September 30, 2020

VC deals (#) by female-led companies by stage



Source: PitchBook | Geography: US  
\*As September 30, 2020

# Around the country



# Driving returns through diversity

As we at Beyond The Billion™ (BTB) work with our partner funds deploying beyond \$1 billion to female founders, we are encouraged that many of them fuel innovation addressing our world's greatest challenges. From military-grade mobile ventilators to the long-awaited COVID-19 vaccine, female founders continue to serve on the frontline. The message is clear: More than ever, we must continue to fuel innovation by women. By leaving out 50% of the population, we exclude their lens on the world and their great innovations that benefit us all. The key question remains: **How do we move faster to bridge the venture investment gap?** We gathered some of our best funders and their investees to tackle the topic.

**Shannon:** Our continued outperformance as GPs invested into female founders is our solution. Our portfolio companies, including Airwallex, have fared better with women at the forefront: higher profitability, number of up rounds, and employee retention rates. The lack of confidence in women in leadership is largely due to cognitive biases. We must be more cognizant of how these inherent biases affect our decisions and intentionally address them daily.



**Shannon Kalayanamitr**  
Partner  
Gobi Partners

and shift away from labeling them based on gender. I don't feel defined by the female founder title. I've succeeded by co-

**Lucy:** In the beginning, I didn't see myself as different from any other founder looking to scale. However, I soon realized there weren't many female founders around me, particularly in fintech. Role models are important, and I'm thrilled to be seen as one. That said, it's important not to place impossible standards on female founders



**Lucy Yueting Liu**  
Co-founder & President  
Airwallex

founding a company that has a genuine purpose of helping other businesses scale in this digital economy.

**Jackie:** Our portfolio performance confirms what research has shown. Diversity in leadership leads to increased creativity, better decision-making, and higher profitability. Endeavor Catalyst's rules and co-investing structure is transforming its \$5 million pledge to BTB into around \$50 million being invested in female-led businesses; we're proud to be invested in founders such as Hande. She has become a testament to investors that now is the time to double down on female founders.



**Jackie Carmel**  
Managing Director  
Endeavor Catalyst

**Hande:** Breaking the traditional "patterns" is key. In fact, Insider is a heavily



**Hande Cilingir**  
Co-founder & CEO  
Insider

female-led organization with 50% of top executives in the company being women. The more people see themselves in leadership, in tech, the faster we'll see positive change. It's undeniable that young women in developing countries

**Rana:** When we started our raise, my co-founder and I experienced first-hand how difficult it is for women to gain access to VC. Investors tend to invest in people who look like them, and there we were, two female scientists from MIT talking about emotions and technology. Then, I wore a hijab and was a new mother. And while we persisted, successfully raising \$53 million to date, it concerned me that there is little diversity within venture firms. I became adamant about bringing on diverse investors and was delighted when MFV invested in us.

**Ollen:** We launched our fund with a goal of finding great investments inside and outside the norms. Women are significantly underrepresented as founders and funders within VC. We view that as an untapped economic opportunity. In addition to significant representation among our

Limited partners (LPs) have the power to influence and shape the landscape of where capital is allocated. As an LP, we:

- **Build on trusted relationships with GPs to accelerate their diversity journey:** We strive to demonstrate our value-added, deep commitment to VC and understanding of sector dynamics to earn the role of trusted partner to our fund managers. We have to use this platform to ask hard questions and to drive and demand greater diversity within their firm franchises and at the portfolio level.
- **Beyond lip service, execute:** We have been open to, and have backed, fund managers and investment models that can generate

feel the adversities more than anyone else. We wanted to turn this around and build equal space in tech. We have been running the Young Engineers program where our engineers dedicate their weekends to giving coding classes to

high school students. 70% of students enrolled in the program are female, and we are working to translate that into the workforce.



**Ollen Douglass**  
Managing Director  
Motley Fool Ventures (MFV)

LPs, 40% of our capital and three of our largest investments are in female-led companies. Our female-led companies have performed better than, or equal to, the rest of the portfolio. We will continue to deliver

financial returns and increase our support for diversity. This includes first-time funds, female-led funds, and diversity-focused investment theses, including funds such as Cycle Capital led by Andrée-Lise Méthot and Stand Up Ventures led by Michelle McBane. Solving complex challenges and capturing new opportunities require the collective brainpower of our entire society. Gender diversity will help propel us out of this crisis.

- **Measure and monitor performance:** We should measure, report on, and sensitize our funds on diversity. We should also continuously improve ourselves at a firm level.



**Rana el Kaliouby, PhD**  
Co-founder & CEO  
Affectiva

performance by supporting diverse, talented entrepreneurs, such as Rana. Her unique approach of converging emotions and technology, "humanizing AI," is what captured our attention.



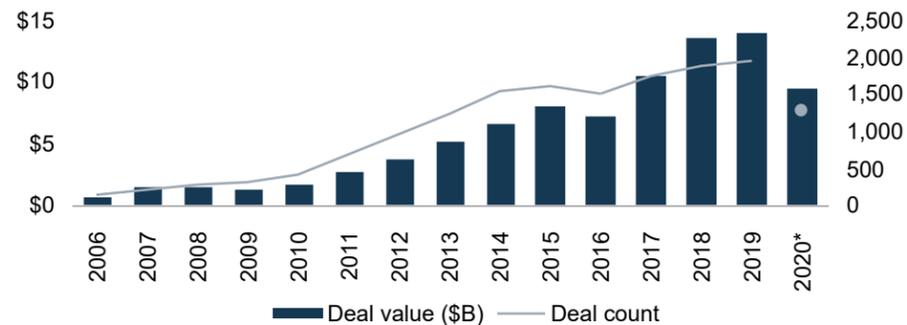
**Cédric Bisson**  
Partner  
Teralys

# Industry spotlights

## Technology

Venture investors closed nearly 2,000 deals totaling \$14.1 billion with female-founded tech companies in 2019, setting records on both fronts. Between 2018 and 2019, investors funneled \$27.7 billion into female-founded tech companies. That's a remarkable turnaround from a decade ago, when these businesses saw less than \$2 billion invested in any given year.

VC deal activity in female-founded tech companies



Source: PitchBook | Geography: US  
\*As September 30, 2020

## Digital health

VC deal activity has been trending downward for female-founded digital health companies, with overall deal volume dropping by 25.0% YoY in 2019. 2020 appears poised for healthy numbers, however, given the importance of digital health to the current medical system. Digital health includes technology such as telemedicine and mobile health, usage of which has increased substantially since COVID-19.

VC deal activity in female-founded digital health companies

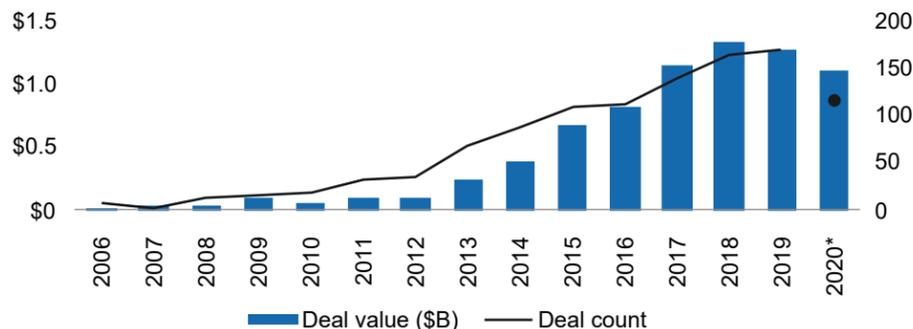


Source: PitchBook | Geography: US  
\*As September 30, 2020

## Fintech

169 venture deals closed with female-founded fintech companies in 2019, setting a new high-water mark, while the \$1.3 billion invested was the second-highest annual total on record. 2020 figures are strong, all things considered. 115 investments have closed through September, totaling \$1.1 billion. The post-COVID-19 fintech market holds promise. 2020 has been an unplanned test case for digital payments, digital lending, and a host of other applications.

VC deal activity in female-founded fintech companies



Source: PitchBook | Geography: US  
\*As September 30, 2020

## Media

Despite COVID-19 fallout, aggregate VC deal count for female-founded media companies may hit an annual peak. Female-led companies in the sector have secured 86 investments so far, not far off 2019's total of 113, for a combined \$475.0 million, which is already the third-highest annual total on record, falling just short of 2019's \$499.0 million.

VC deal activity in female-founded media companies

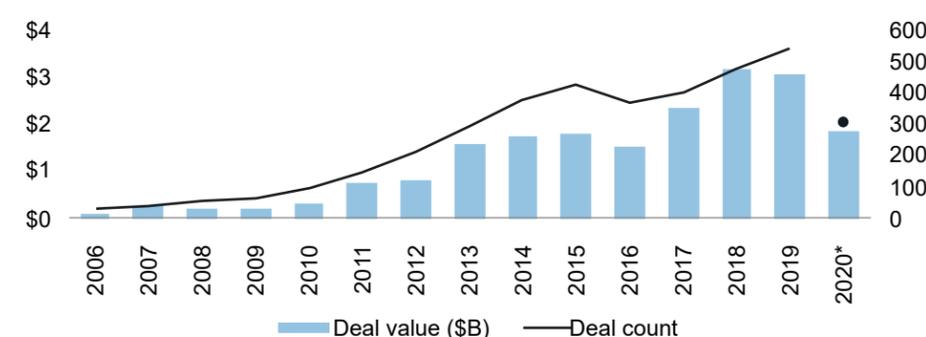


Source: PitchBook | Geography: US  
\*As September 30, 2020

## Retail

VC deal activity in the retail space is at a standstill in 2020. Investors have made less than 300 investments with female-founded retail companies YTD, a steep drop from the 538 investments seen in 2019. Like other hard-hit sectors, retail stands to benefit from startups that can disrupt the industry by harnessing behavioral shifts. Female entrepreneurs have been at the forefront of these trends, thanks to novel approaches such as Stitch Fix and Le Tote.

VC deal activity in female-founded retail companies

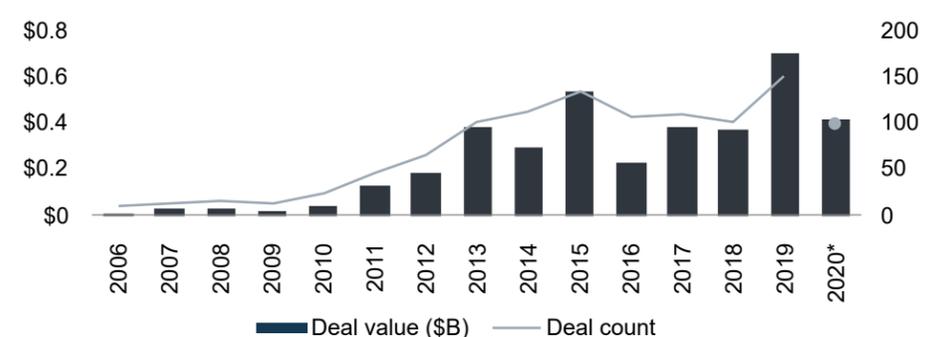


Source: PitchBook | Geography: US  
\*As September 30, 2020

## Education

2019 was a high point for venture activity in female-founded education startups. 151 VC investments closed in the sector, worth a combined \$697.0 million. Both were records for female founders operating in this space. Compared to other sectors, female founders have seen strong interest from venture capitalists going back several years.

VC deal activity in female-founded education companies



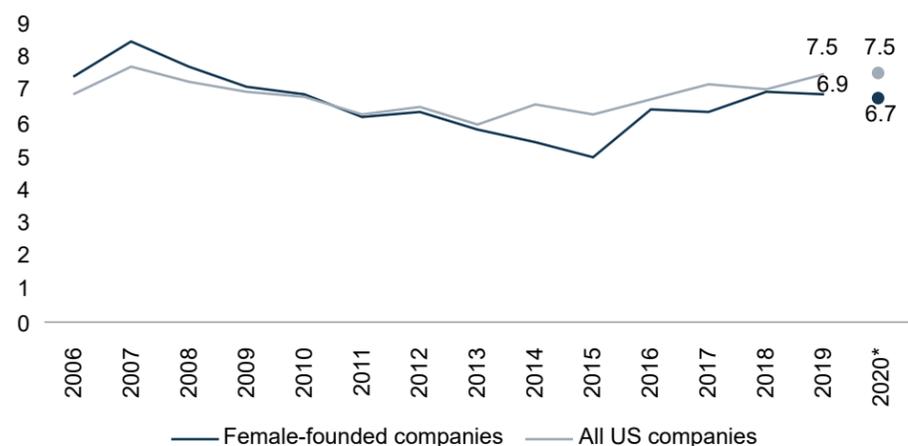
Source: PitchBook | Geography: US  
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# Quicker to exit

## Ten years straight

For venture capitalists, time is money. If an investor can double her money in five years instead of 10, her returns would be higher, and she would have more time to reinvest her gains in other opportunities. Exiting investments reasonably quickly is a hallmark of successful investors. This is why it is important to note that US companies founded by women have consistently exited faster—through acquisitions or IPOs—than the broader VC market. In fact, if 2020 exit data continues at its current pace, female-founded companies will have outperformed the broader market on this metric for 10 years straight.

Median time to exit (years) for female-founded companies and all US VC-backed companies

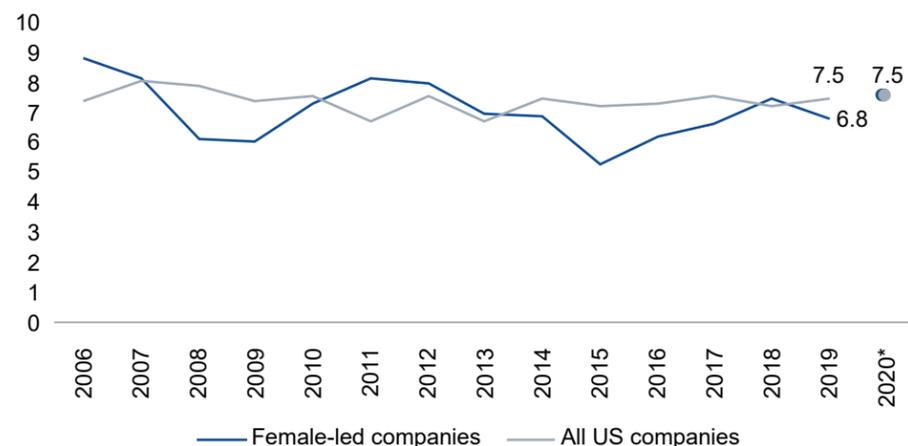


Source: PitchBook | Geography: US  
\*As September 30, 2020

## On the CEO side

The same trend largely holds true for startups with female CEOs. In six years of the past decade, female-led startups exited faster than the overall US market on a median basis. The disparity between them was especially stark in 2015. The female-led companies that exited via acquisition or IPO that year had been VC-backed for 5.3 years on a median basis while all US companies that exited that year were backed for 7.2 years. Enhanced business performance with women in leadership positions is a compelling datapoint for venture capitalists, family offices, and other investors and LPs to consider.

Median time to exit (years) for female-led companies and all US VC-backed companies



Source: PitchBook | Geography: US  
\*As September 30, 2020



What would you do if you could invest in founders who delivered higher ARR, higher IRR and faster exits? Well you can.

## WHEN YOU INVEST IN WOMEN YOU'RE IN GOOD COMPANY™

Over 90 of our VC & LP partner investors across the globe have pledged to invest and are actively deploying beyond **US\$1 billion** to women founders and are reaping the rewards

## Join us at Beyond the Billion:

- Preferred access to thousands of LPs
- A global investor network backing high-performing deals with women-founders at the core
- Global awareness via systemic initiatives to propel the agenda forward and more!



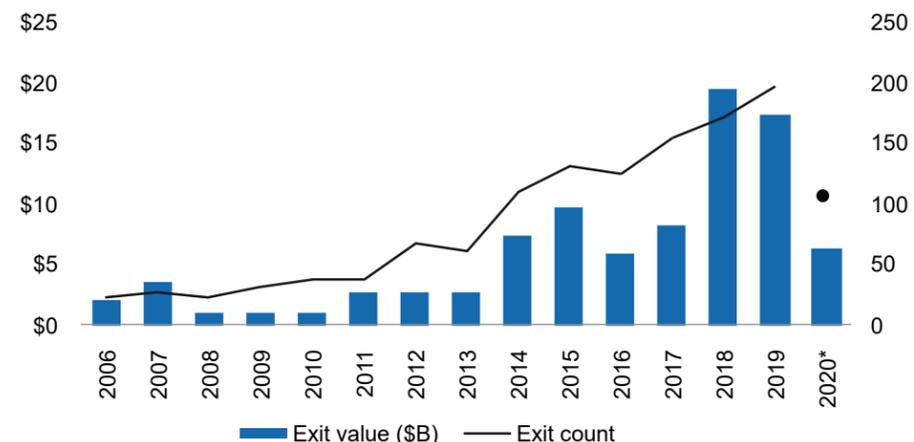
Contact us at: [founders@beyondthebillion.com](mailto:founders@beyondthebillion.com)  
[www.BeyondTheBillion.com](http://www.BeyondTheBillion.com)

# Exits racking up

## Record 2019, down 2020

Nearly 200 female-founded, VC-backed companies exited in 2019. For perspective, only 38 exited a decade ago. Total VC exit value in 2019 was not far off the peak set in the year prior, hitting \$17.4 billion. 2020 has been a down year for female-founded company exits, but it has been across the broader market as well. At the same time, total exit value for female-led companies has actually risen 29.9% while it has declined by 43.6% for all US companies over the same timeframe. This suggests that while COVID-19 has had a disproportionate impact on women on the deal side, women are still exiting at higher values than all US companies.

US VC exit activity in female-founded companies

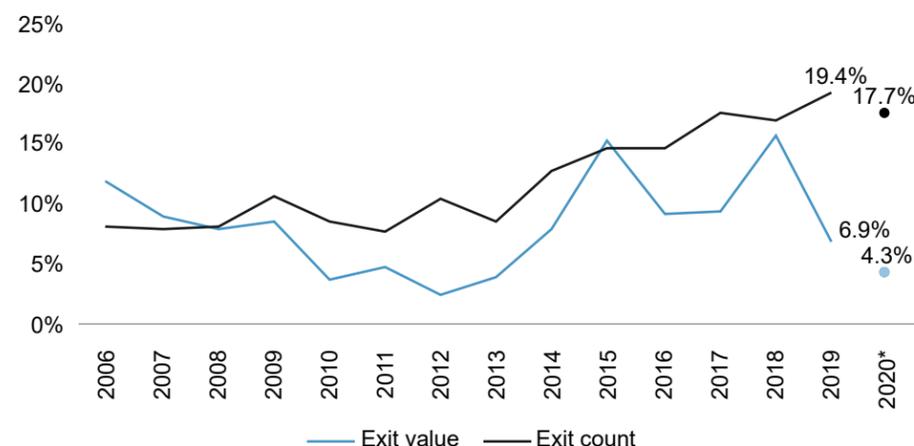


Source: PitchBook | Geography: US  
\*As September 30, 2020

## A larger share over time

Female-founded companies represented almost 20% of venture-backed exits in 2019, a far more substantial share compared to 10 years ago, when female-founded companies constituted only 8.7% of all VC exits. PitchBook data suggests female-founded companies will comprise an even larger share over time, following the gradual increase in the percentage of female founders receiving VC financing. It will take time for the M&A market to rebound, however, which will continue to have an impact on female founders going into 2021.

Female-founded companies as proportion of all VC exit activity



Source: PitchBook | Geography: US  
\*As September 30, 2020

## Key takeaways

### 2019 was a record year

VC deal activity in US-based female-founded companies set records in 2019. Deal volume was 2,669, up 13% from 2018, and value exceeded \$20 billion for the first time, up 9% from 2018.

**What it means:** While 2020 is a challenging year on several fronts, the momentum for female founders is visible. The number of venture deals in 2019 was almost five times what it was in 2010.

### Ten straight years of faster exits

2020 is on pace to be the 10th straight year that female-founded companies exited faster than the broader market, an important metric in terms of returns.

**What it means:** Research has shown that positive datapoints such as this can be compelling for venture capitalists, family offices, and other investors, as well as to limited partners, who are the ultimate source of funding for the VC industry.

### Female CEOs are multiplying

13.5% of all VC investments in the US last year went to companies with women CEOs. Ten years ago that number was 6.8%.

**What it means:** The ratio of female CEOs has more than doubled over the past decade. While there is still work to do, the positive trajectory is stable and will approach 20% in the coming years. **Numbers are going up around the country.** US cities are seeing record years for female founders.

**What it means:** Different cities bring different opportunities for all founders, including women. PitchBook's numbers show records for female founders in 2019 for six prominent metro areas, including the Bay Area, New York, Boston, Los Angeles, Chicago, and Atlanta.

## Methodology

Please refer to PitchBook's Report Methodology page for a complete breakdown of our terms and definitions.

Any data references to Silicon Valley include VC activity within the San Francisco/Bay Area MSA combined with PitchBook's San Jose MSA.

**Education:** Includes educational training and services, educational software, and edtech

**Media:** Includes broadcasting, radio & television, information services, movies, music & entertainment, publishing, and social content

**Digital health:** Includes telemedicine, digital wearing devices, fitness trackers, and remote monitoring & diagnostics software

**Retail:** Includes apparel & accessories, consumer durables, consumer nondurables (ex. food and beverage), retail, LOHAS, and wellness

**Female GPs:** Only includes fully disclosed decision-makers who are currently with their firms as of September 30, 2020. Only includes VC firms with AUMs of at least \$50 million, and excludes life sciences and healthcare-focused firms as defined by their investment history (>25% of firms' investment in those industries)

# The global venture capital ecosystem at your fingertips

PitchBook is a financial data provider that tracks every aspect of the global venture capital ecosystem, including companies, valuations, transactions, industry trends and investors.

The screenshot displays the PitchBook dashboard with the following components:

- Header:** PitchBook logo, a "Global search" input field, and a help icon with the text "Someone at the ready to help".
- Discover more than 3M private companies around the world:** A progress bar and three key metrics:
  - 326,000 Investors
  - 1.423M Transactions
  - \$20B Largest deal
- Surface emerging companies automatically:** A grid of company logos including Glossier, built in, insitro, HUMACYTE, myVILLAGE, and minted.
- See the evolution of an industry over time:** A bar chart showing an upward trend in industry metrics over time.
- Market Maps:** Three panels of icons representing different market segments or industries.
- Track the flow of capital:** A line and bar chart showing capital flow trends.
- Read expert analysis:** Two featured articles: "All In: Women in the VC Ecosystem" and "Private Market PlayBook: Private Equity in the Age of COVID-19".
- Get the latest news:** A section for news items, including a "VC Private Founders Dashboard".