



## **Stanford•NVCA Venture Capital Symposium**

March 10-11, 2020

Location: Stanford University

### **AGENDA**

#### **MARCH 10, 2020**

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| <b>2:00 pm – 2:50 pm</b> | <b>Registration</b>                         |
| <b>2:50 pm – 3:00 pm</b> | <b>Welcome Remarks</b>                      |
| <b>3:00 pm – 4:00 pm</b> | <b>Plenary Session: The CEO Perspective</b> |

This session offers a CEO's perspective on topics including:

- Building a board;
- What makes a good director (and what makes a bad one);
- Leveraging the talent and experience of board members;
- Running a board meeting;
- Board-CEO relationships;
- CEO succession; and
- How mega-funds impact governance structures and controls.

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| <b>4:00 pm – 5:00 pm</b> | <b>Plenary Session: VC Under the DC Microscope: Three Important Public Policy Issues Making a Big Impact</b> |
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Venture investors and startups are increasingly coming under the microscope of federal policymakers and regulators. In this session, we'll take a deep dive into three important public policy issues every VC and entrepreneur should know, how to navigate them, and what to expect going forward. Topics may include CFIUS, trade, and immigration.

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| <b>5:00 pm – 6:00 pm</b> | <b>Cocktail Networking Reception</b>                               |
| <b>6:00 pm – 8:00 pm</b> | <b>Dinner and Keynote Presentation with Steve Case, Revolution</b> |

**MARCH 11, 2020**

**8:00 am – 8:50 am                      Registration and Breakfast**

**8:50 am – 9:00 am                      Welcome Remarks**

**9:00 am – 10:00 am                      Plenary Session: Navigating the Acquisition Process**

For the vast majority of startups, the most likely exit is an acquisition. But the acquisition process can be complex, confusing and time-consuming. This session will help founders, investors, and board members navigate the ins and outs of a potential acquisition by exploring such topics as:

- When to sell the company;
- Finding buyers and soliciting offers;
- Valuation;
- Hiring a banker;
- Due diligence;
- Signing a term sheet; and
- Getting to closing

**10:00 am – 11:00 am                      Plenary Session: Culture Wars**

A series of scandals and lawsuits have increased scrutiny of cultural and ethical norms within the venture capital ecosystem. But in the age of unicorns and instant social media attention, ethics challenges and cultural missteps can affect a broader range of investors, employees, and customers and risk unwanted regulatory scrutiny and reputational harm. Empowered employees are also raising awareness of unethical business practices and toxic workplace cultures. Venture capitalists have faced their own ethical crises, including a wave of #MeToo allegations and challenges to diversity.

What is a positive organizational culture and how do you create and reinforce it while still innovating at speed and scale? This session will consider how venture capitalists, corporate leaders, and advisors can establish strong culture and values at their own firms and at the portfolio companies they are helping to build.

**11:00 am – 11:30 am                      Break**

**11:30 am – 12:30 pm                      Breakout Sessions**

**1. Staying Out of Trouble: Duties and Conflicts of the Venture-Backed Company Director**

Conflicts of interest at venture-backed companies are common but can usually be managed to avoid or minimize litigation risk. The key is to recognize and confront the conflict, not to hide from it. This session will review the fiduciary duties of a venture-backed company director and explore the myriad conflicts arising within a portfolio company board. This session will also

offer practical techniques that can help eliminate or minimize this high-risk exposure and reduce the risk of personal liability.

## **2. Making Tough Calls & Successfully Dealing with Investment Failures**

Every VC has to deal with failure. Successful VCs know how best to manage it. This session will cover topics such as:

- When to leave a board;
- When to continue to invest versus cut the cord;
- Negotiating down rounds; and
- Dealing with the potential reputational impact at the fund and how to communicate effectively with LPs.

## **3. Emerging Ecosystems & the Opportunities & Challenges for Investing Outside Traditional VC Hubs**

California, Massachusetts, and New York remain the dominant forces for venture activity in the U.S., but several emerging ecosystems have seen robust activity in recent years and are poised for growth in the next decade. Lower valuations, lower costs of living, strong pools of talent, maturing and diversified investor networks, and interest from local governments are all favorable trends for the next wave of leading startup markets. This session will cover the opportunities and challenges for these emerging ecosystems, and explore what's in store for investors and entrepreneurs.

**12:30 pm – 1:45 pm                      Lunch and Table Discussion Topics**

**1:45 pm – 2:45 pm                      Breakout Sessions**

### **1. Understanding the Evolving Data Privacy and Security Landscape**

Data privacy and security is a top concern for businesses in all industries. Startups must navigate a complex web of new and tighter regulations around privacy, data breaches, and misuse of consumers' personal data. VC firms are also at risk of data breaches simply because they operate with sensitive financial information in the digital world. This session will explore recent developments in privacy and data protection legislation and consider what to expect going forward. This session will also examine how VC firms can best navigate this new regulatory landscape and help their portfolio companies manage privacy concerns and information security risks.

### **2. IPOs, Direct Listings, and Secondary Market Transactions**

2019 has been an active year for the U.S. IPO markets. Exit value generated through venture-backed IPOs reached nearly \$190 billion in the first three quarters of 2019, already a 14-year high with one quarter remaining in the year and more than double the previous high of \$91 billion in IPO exit value in 2012. While most companies performed well, some highly anticipated unicorns disappointed investors with their IPO debuts and other companies cancelled IPOs entirely in the wake of weak investor interest. At the same time, private market players are

opening their minds to new ways of realizing value from their investments. Slack followed in the footsteps of Spotify by choosing to go public through a direct listing, and secondary market trading continued to provide a viable source of liquidity for investors and other shareholders.

This session will examine key takeaways from the recent spate of IPOs and will help investors to navigate the IPO process by exploring best practices around:

- Selecting a bank;
- Due diligence and regulatory filings;
- Pricing; and
- Preparing a company to be IPO ready.

This session also will explore the what, how and why of alternative exit strategies such as direct listings and secondary market transactions that may offer liquidity without the complexities of a traditional IPO.

### **3. Human Capital in VC: Career Development, Talent Management, & Succession Planning**

Getting into VC and the paths to success are by no means the same for everyone. At the same time, firms are increasingly thinking about and preparing for the future of their firm. This session will cover topics such as how to pave a career in VC, how firms approach talent recruitment and management, what the next generation of talent will look like, and succession planning.

**2:45 pm – 3:15 pm**                      **Break**

**3:15 pm – 4:15 pm**                      **Breakout Sessions**

#### **1. Putting the Fun in Fund Management: Best Practices for New Managers**

After raising your first fund, the fun really begins when you have to manage it! This session will cover topics geared toward new managers, including how to address portfolio construction, reserve planning for follow-on investments, recycling capital, guidance on back office services, communications with LPs, and more.

#### **2. Fine-Tuning Your Boardroom Mechanics**

Entrepreneurs and venture capital investors focus most of their attention on product development, scale and revenue generation, and less on the challenges associated with sitting on a company board. But ignoring board mechanics can be a mistake. This session will address a range of important mechanical details that often fail to receive appropriate attention, including best practices for running a board meeting and setting an agenda, the best form for taking minutes, whether and how directors should take and retain notes, the operation of committees and working groups, and procedures for managing observer rights.

### **3. Comparing Structure and Strategies in Corporate Venture**

Corporate venture is evolving, with an increasingly diverse set of companies engaging in venture investing and a greater variety of legal and operational structures employed across the asset class. Once the norm, investing off the balance sheet is no longer the default and long-term approach for many funds as CVCs explore adding LPs, establishing dedicated seed or growth funds, and investing in other VC funds, among other options. Join this session to learn how and why CVCs are adopting new legal and operational structures and what these mean for their financial and strategic goals.

**4:15 pm – 5:00 pm**                      **VC Perspective with Kirsten Green, Forerunner Ventures**

**5:00 pm – 6:00 pm**                      **Cocktail Networking Reception**