



STARVest PARTNERS

May 06, 2009 10:12 AM Eastern Daylight Time

StarVest Partners Oversubscribed for \$244 Million Second Fund

Actively Investing in Expansion-Stage Technology-Enabled Business Services Companies throughout the U.S. for More Than a Decade

NEW YORK--([BUSINESS WIRE](#))--StarVest Partners, a venture capital firm investing in technology-enabled business services companies throughout the U.S., today announced the close of its oversubscribed \$244 million Fund II. The firm's proven track record drew much attention to the second fund, and StarVest II was oversubscribed by nearly 25 percent. The largest institutional investors from its first fund increased their commitments, and the firm added several leading institutions, including major public pension funds, significant fund-of-funds and leading university endowments.

The firm was one of the first in the country to focus on investing in technology-enabled business services and is unique in its expansion-stage focus investing throughout the U.S., with successful investments not only in Silicon Valley and the Boston corridor, but also in Cleveland, Chicago, Austin, Los Angeles and Scottsdale. StarVest focuses on investing in four key sectors:

- Software as a Service (SaaS)
- Internet Marketing Services
- eCommerce Services
- Data Aggregation Services or Data-as-a-Service

"As a major investor in venture capital firms, we believe StarVest brings some of the deepest domain knowledge and experience investing in expansion-stage technology-enabled business services companies throughout the U.S.," said Kelly Williams, Managing Director and Co-Head of the Customized Fund Investment Group at Credit Suisse and a StarVest Limited Partner.

StarVest first gained national recognition in 2007 as the lead outside venture capital firm in [NetSuite](#), whose December 2007 initial public offering opened with a [\\$1.6 billion market capitalization](#), the highest market capitalization of any venture capital-backed technology IPO since Google. StarVest General Partner Deborah A. Farrington, currently the lead director of [NetSuite](#), was recently named for the second year in a row to the *Forbes* "Midas 100" list of top venture capitalists.

"StarVest Partners saw the opportunities in recurring revenue businesses like Software-as-a-Service well before other venture capitalists and seized the opportunity to invest in us," said Zach Nelson, CEO of [NetSuite](#). "The partners have a deep understanding of technology and service-based businesses and have played a key role in building NetSuite's success, both prior to the IPO and on an ongoing basis."

StarVest was also one of the first institutional investors in [MessageOne](#) (acquired by Dell Computer) and Connected Corporation (acquired by Iron Mountain). Among its other success stories are [iCrossing](#), the largest privately held digital marketing services company; Insurance.com, the largest online auto insurance agency; and [Newgistics](#), a leading logistics and returns management company.

"StarVest brought key insights and relationships to help us form a significant partnership," said Satin Mirchandani, former CEO of [MessageOne](#) and currently running Dell's SaaS businesses.

Bob Brennan, former CEO of Connected and current CEO of Iron Mountain (NYSE:IRM) and StarVest II Advisor, said, "StarVest goes the extra mile to be a highly value-add investor."

"StarVest is continually focused on helping with potential customers – just what companies need in this environment," said Don Scales, CEO of [iCrossing](#) and StarVest II Advisor. "In fact, they helped us land one of our biggest customers."

StarVest marks its 11th SaaS investment with its recent investment in [PivotLink, Inc.](#), a leading provider of on-demand business intelligence tools and solutions. "We chose to have StarVest lead our most recent financing round because the firm brings more experience and insight into building a SaaS business than any other VC firm," said Quentin Gallivan, CEO of [PivotLink, Inc.](#) and former CEO of Postini.

The General Partners of StarVest II are Larry A. Bettino, Deborah A. Farrington, Laura B. Sachar and Jeanne M. Sullivan.

About StarVest Partners

StarVest Partners is a New York-based venture capital firm with \$400 million under management that is funding technology-enabled business services companies throughout the U.S. The firm's value-added partnership maintains a laser focus on four key emerging technology and services sectors: Software as a Service (SaaS), Internet Marketing Services, eCommerce Services and Data Aggregation Services. StarVest combines a sophisticated investment background with the experience to foresee opportunities for both its portfolio companies and funding partners. The firm's general partners are Larry A. Bettino Deborah A. Farrington, Laura B. Sachar and Jeanne M. Sullivan.

StarVest gained national recognition in 2007 as the lead venture capital firm in NetSuite, whose December 2007 initial public offering opened with a \$1.6 billion market capitalization, the highest market capitalization of any venture capital-backed technology IPO since Google. StarVest was also one of the first institutional investors in MessageOne (acquired by Dell Computer in April 2008). More information about StarVest is available at the company's Web site: www.starvestpartners.com.

Contacts

StarVest Partners
Joan Jennings, 212-863-2500
Joanie@starvestpartners.com