

Venture Capital

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Worldview Loses GP Savage As It Winds Down

By Scott Denne

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A general partner is leaving Worldview Technology Partners at the end of the year, with more expected to follow as the firm continues to wind down its fourth fund.

Colin Savage, who joined Worldview in March 2000 from Norwest Venture Partners, will be leaving the firm to pursue other interests, General Partner and co-founder James Wei told VentureWire. Wei said the departure was "amicable."

Wei declined to comment on Savage's future plans. Savage could not be reached for comment.

Almost two years ago Worldview shelved plans for a \$250 million fifth fund and put all its energy into its current portfolio, rather than seeking new investments. With the companies in its portfolio maturing and having exited from about a quarter of its portfolio in the last year, the amount of work for its general partners is decreasing, said Wei.

"I would expect as the workload decreases we'll have other departures as well," said Wei.

Savage is the first general partner to leave the firm since it pulled plans for Worldview V, Wei said.

As of now the firm and its partners have not made any concrete plans for the future, other than continuing to work with its current portfolio. "I don't think that Worldview will raise another fund," said Wei, but "obviously none of us are retiring."

The firm has had nine exits from its fourth fund this year including: **3PAR Inc., which had a successful public offering last month; Infinera Corp., which had a June IPO; Aeluros Inc., which sold to NetLogic Microsystems Inc. for \$57 million, plus \$20 million in earn outs; and Purisma Inc., which was bought by Dun & Bradstreet Corp. Another portfolio company, Avvenu Inc., announced on Tuesday an agreement to sell to Nokia Corp.**

The 2001 vintage Worldview IV has currently invested \$475 million of the \$600 million that its LPs committed to it, according to Wei. The firm values its current portfolio and distributions at \$475 million, said Wei. As of June 19, **the fund had an internal rate of return of 7%, according to Grove Street Advisors LLC. The median IRR for a venture fund of the same vintage is 3.05%**, according to Cambridge Associates LLC.

Calls to various Worldview limited partners weren't immediately returned. A representative from the Los Angeles Fire and Police Pensions declined to comment.

Wei expects the returns for the fund to increase with more positive exits coming in the next two or three quarters, he said. Some of the firm's current investments include Force10 Networks Inc., Azul Systems Inc., ONStor Inc. and Stretch Inc.

At Worldview, Savage focused on investments in advertising technologies, Web 2.0, data center infrastructure and enterprise applications.

Savage sits on the boards of four of Worldview's portfolio companies. He will continue with

the firm as a consultant and remain on the boards of Emergent Game Technologies Inc. and Reactrix Systems Inc. He is leaving the boards of Azul Systems Inc. and OnStor Inc.

In addition to Wei, Worldview's remaining general partners are co-founder Michael Orsak, Irwin Gross, Tim Weingarten, Pete Goettner and James Strawbridge.

<http://www.worldview.com>