Appendix for "Board Dynamics over the Startup Life Cycle"

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1 Form D data collection

To our knowledge, our data is the first comprehensive view of VC-backed startup boards used by researchers. Creating this data revealed several gaps in both public and commercial databases. This section aims to provide more detail about how we created the startup board database with the goal of highlighting the benefits relative to alternative data sources (and a caution for other researchers that may rely on only one source). The data has four major parts: Form D pdfs, Form D XML documents, VentureSource, and Pitchbook. We describe each here and then summarize how we merge them together. The sample of startups used for the Form D search was all VC-backed startups first financed from 2002 to 2017 that raised some equity from U.S.-based VCs during this period according to VentureSource.[1]

1.1 Form D pdf files: 2002 – 2009

From late 2002 to 2009, Form Ds were filed with the SEC using a paper document, subsequently scanned by the SEC staff and posted to EDGAR. We first downloaded all filed pdfs from the SEC website for the set of VC-backed firms financed between 2002 and 2009. Figure A1 shows the section of these files with the board data. Some parts of the pdfs are machine readable, including the names, addresses, and firm information. Unfortunately, the checked boxes that show whether a person is an executive and/or director are difficult to extract. We therefore created an online application to facilitate manual transcription of this information.[2] A team of research assistants compared the machine-scraped names from the pdfs with the pdfs themselves. This comparison allowed them to both correct name transcription errors and check the correct box for the person's type. An RA reviewed each Form D pdf, while a second RA checked a random 5% for quality assurance. For the 25,756 filings, over 212,000 rows – person and firm – were collected.

[1] For each startup, we also need to gather their CIK, the unique identifier in the SEC database.

[2] The Python web application is available by request to the authors.

1.2 Form D XML files: 2009 – present

Starting in 2009, the SEC switched to electronic Form D filing that resulted in machine-readable XML files. Thus, the director data in this time period is relatively easy to collect for our list of VC-backed startups. Figure A2 shows an example of a post-2008 Form D filing. As above, we search out the SEC's CIK identifier for each post-2008 VC-backed startup in VentureSource and Pitchbook. We downloaded and parsed all Form D filings associated with these startups. Unlike the pdf files, the person's type (e.g., "Executive officer", "Director") is readily accessible.

1.3 Merging Form D with VentureSource

For both pre-2008 and post-2008 Form Ds, we flag an executive director as an individual in the Form D that has both "Executive Officer" and "Director" checked. Those with only "Director" checked are either VC investors or independent directors. To identify those, we merge the set of VC partners associated with investors in that startup (from VentureSource) to the list. We flag those directors that merge as VC directors, and we flag the remaining as independent directors.

2 Form D regulations and disclosure rules for startup financings

The regulatory apparatus that generates Form D filings in our data is Regulation D. Passed in 1982, this part of the Securities Act of 1933 regulates the private offerings of securities.[3] The regulation can be viewed as a set of requirements that must be met by the issuers and the security offering itself to allow exemption from security registration. Form D filings are the record of an issuer's exemption request. The form and the exemption requirements have changed several times over the years, but at the heart are several pieces. The first is the exemption type, which depends on the size of the offering, the timing since the last offering, the investor types, or the financial disclosures. The Form D document – example screenshots from pre- and post-2008 found in Figures A1 and A2 – shows the exemption type, company information, offering characteristics, and most important for this paper, directors. Each subset of Form D data has both filings and amendments. Amendments are required if the issuer significantly changes the amount of securities sold, has a mistake in the original filing, or has a material change such as a change to related persons (e.g., directors). Amendments are matched to original filings using a "date first sold" field. We use the most recent amendment for any director data, while assigning the date of board seat as the date of the original amended filing. As discussed in the paper, our sample has a requirement that a startup file a Form D with at least one executive director over its life. Thus, it is important to

[3] See Title 17 of the Code of Federal Regulations, part 230, Sections 501 through 508.

consider the set of startups that may not file a Form D.

2.1 Avoiding Form D filing requirements

Outside of pure non-compliance, there are several ways that the startups raising capital can avoid the requirement to file a Form D. The SEC provides the following summary of one of the more popular means to do this: 4(a)(2).[4]

> To qualify for this exemption, which is sometimes referred to as the "private placement" exemption, the purchasers of the securities must:
>
> - either have enough knowledge and experience in finance and business matters to be "sophisticated investors" (able to evaluate the risks and merits of the investment), or be able to bear the investment's economic risk
> - have access to the type of information normally provided in a prospectus for a registered securities offering and
> - agree not to resell or distribute the securities to the public
>
> In general, public advertising of the offering, and general solicitation of investors, is incompatible with the private placement exemption. The precise limits of the private placement exemption are not defined by rule. *As the number of purchasers increases and their relationship to the company and its management becomes more remote, it is more difficult to show that the offering qualifies for this exemption. If your company offers securities to even one person who does not meet the necessary conditions, the entire offering may be in violation of the Securities Act.* [Emphasis added]

Similarly, the law firm Morrison Foerster describes several factors that have to be met to use 4(a)(2)[5]. The number of investors should be relatively small, the pool of investors should have some preexisting connections to the issuing company, investors should have "[g]eneral business knowledge and experience," the offering's information "disclosure need not be as extensive as that in a registered offering, but must be factually equivalent," and there should be no resales allowed.

The SEC concludes that if these conditions are not met, then the issuers should rely on "safer harbor" 506(b)/(c) exemption, which triggers a Form D filing. A comparison of the 506(b)/(c) safe harbor to the 4(a)(2)-only rule reveals some clear differences:

- 506(b)/(c) has an "unlimited # of accredited". The SEC suggests that a larger pool of investors is likely to violate the conditions for 4(a)(2)-only.

[4] `https://www.sec.gov/smallbusiness/exemptofferings/rule506b`
[5] `https://media2.mofo.com/documents/170608-4a2.pdf`

- 506(b)/(c) has no information rule for these investors. Thus, if the 4(a)(2) information condition is difficult to satisfy – particularly with a lot of investors – then a startup will have to use another exemption type and likely file a Form D.
- 506(b)/(c) allows the issuers to ignore blue sky (state-level) securities laws, while 4(a)(2)-only does not. Thus, a 4(a)(2)-only with three investors in three states will have to deal with three non-SEC regulators.

Altogether, the set of conditions that allow a startup to avoid Form D suggests that non-filers may differ from filers. The most obvious expected differences are financing size, number of investors, and investor characteristics. We will explore some of these differences below and also examine how these differences relate to potential differences in board of directors characteristics.

Note that there are two other ways that a startup can avoid filing a Form D when raising capital: Section 3(a)(11) and Rule 147 offerings. Both have strict requirements that the startup raise capital from one state and do operations only in that state. These conditions are hard to meet for most startups that raise a significant amount of capital in syndicated financings. However, it is also possible that such startups have similar unobserved differences in governance to those considered using 4(a)(2) given the "closeness" of their investors.

All these issues lead one to ask whether the startups filing Form Ds are representative and whether the board data that we extract from the filings – combined with commercial databases – is both accurate and representative of the typical VC-backed startup board. We explore each of these below.

3 Assessing board of directors data: is the data representative and accurate?

In this section we examine whether our sample, which is based on Form Ds, is representative of the entire venture capital universe.

3.1 Startups and financings with missing Form D data

The first question is how the set of Form D filing startups compare to other VC-backed startups that do not file. Recall that the latter group could either have failed to comply with the regulations – punishment is weak even according to the SEC – or they found an alternative way (e.g., Section 4(a)(2)) to avoid registering their securities. To start, we consider the set of VC-backed startups found in VentureSource – a data provider that does not rely solely on the Form D filings for data collection – that pass similar filters to those described in the main paper, i.e., raised capital from a U.S.-based VC investor and raised equity financing over our sample period (the exact conditions are listed in Table A1). We search for each startup on the EDGAR site to identify its CIK (SEC identifier) and in turn whether it has a Form D. Note that this sample creation differs slightly from the one used in the paper as the latter also includes filters that (i) condition on having a Form D before the first known VC financing and (ii) condition on having at least one Form D with an executive director. For the $[2002, 2018]$ sample period, there are 14,064 startups that are VC-backed and pass similar filters to those in the main paper. Of these, 31.5% (4170) do not have a CIK nor a Form D filing over their life.[6] We compare these startups in several ways below.

3.1.1 Cross-sectional differences between Form D filers and non-filers

The discussion in Section 2.1 suggests there may be some observable differences between startups with and without a Form D filing. Table A1 presents this comparison using startup features and their outcomes. First, likely due to a combination of backfill of Form Ds by firms going public (see the discussion in Section 3 of the main paper) and larger size, Form D filers are four times as likely to go public. Second, startups without a Form D filing are more likely to be headquartered in California and less likely to be based in Massachusetts. The stark difference in geography is likely driven by the concentration of capital in CA: any startup outside of CA that raises capital from outside of the state will have difficulty satisfying exemptions used to avoid Form D filing, as discussed in Section 2.1 above. Note, however, that the failure rates are not significantly different. Both the year of first VC and founding year also show that filers are a bit older, which is likely driven by the decline in compliance over time that we document in Section 3.1.2 below. The most striking difference – likely correlated with the IPO rate – is the total capital raised: filers raise an average of $43.9m versus $27.5m for non-filers. This size difference does not appear to be driven by first round syndicate size, so it is possible that startups with lower capital demand or lower growth prospects do not file Form Ds. This could be done via the 4(a)(2) rule or alternatively, simple non-compliance given the low risk of sanction.

Overall, we conclude that there are indeed observable differences between startups with and without a Form D filing. Startups with Form D filings are a bit older, more likely to reside outside of California, and raise significant amounts of capital. Unfortunately, the fact that the non-filers do not have Form Ds limits our ability to discuss whether their boards are different using this

[6] The biggest reason why the "full" Form D sample in this analysis (Table A1) has more observations than our sample in the paper is the rule in the paper that we drop startups with a VC financing that occurs before the first Form D filing. We impose this rule in the paper to ensure that we see the full board over the entire life cycle of the startup starting at first VC financing, but we do not impose it in this analysis because our goal here is to understand the overall differences between startups filing and not filing Form D.

analysis. To that end, in Section 3.2, we collect another database of startup boards where we can observe the full set of directors regardless of whether they file a Form D. We show that while there are certain differences in board characteristics between Form D filers and non-Form D filers, our main results are qualitatively similar between the two.

3.1.2 Form D filing over time

Figure A3 reports the time series trends of Form D filings for first time VC financings. The figure considers the sample of startups with and without Form D filings reported in Table A1 and documents the fraction that ever filed a form D. Two patterns emerge. First, there is a decreasing probability that a startup files a Form D over the sample period, from over 75% on or before 2010, to an average of 60% since 2010. Note that these changes are not directly driven by startups raising more angel financing or convertible debt (two common ways to avoid Form D filing) because we condition on raising capital from VC investors (which typically involves equity).[7] These patterns lead to a concern that the trends that we show in board composition and control might be driven by selection in Form D filing over time. Simply, our conclusions about the increasing entrepreneur control over boards – or decreasing board size – could be a consequence of a smaller set of startups filing Form D and those filers having different board structures. We explore this possibility in Section 3.2 and do not find evidence that this is the case.

Discussions with practitioners – VCs and angel investors – suggest that one of the main drivers of this decline in Form D filing is a demand for secrecy. Particularly after Form Ds switched to machine-readable XML, there was much more transparency about who was raising capital. Some startups and investors sought to avoid disclosing this information by non-compliance or finding alternative exemption paths that did not require Form D filing (e.g., 4(a)(2)). Such considerations matter for our conclusions only if they correlate with board control allocation and structure. Why this correlation would exist is not obvious. We examine this formally in Section 3.2.

3.1.3 Financing-level Form D filing

The analysis in Sections 3.1.1 and 3.1.2 compares firms that never filed a Form D to those with at least one Form D. In this section, we briefly consider the set of startups with at least one Form D to ask whether each *financing* of these firms has an associated Form D. For each firm in this set of startups and each its VC financing, we determine whether a Form D was filed in any of the three months before or after the closing date reported in VentureSource. Figure A4 presents the

[7] In an unreported figure, we repeat this time series analysis conditioning on some of the most active VCs over the same period (Sequoia Capital, Accel, Benchmark, Kleiner Perkins, NEA, and Andreesen Horowitz). These VCs' portfolio companies exhibit the same trends over time and slightly higher levels of Form D filing by year.

count of Form D filings (solid bars) and the percent with a matched Form D. The latter peaks at nearly 85% in 2008 and averages to 81% over the 15 sample years. Given the complexity of defining financings (e.g., tranche financings, milestone payments, and convertible note conversions), we view this high percentage as reassuring.

3.2 Comparing MA boards with and without Form Ds

Without quality information about startup boards that lack a Form D, we cannot address whether the cross-sectional and time series differences discussed in Sections 3.1.1 and 3.1.2 matter for our results. We cannot rely on the main commercial databases as we find that they have their own gaps based on the Form Ds that we have collected (see the discussion in Section 3 of the paper). Fortunately, the state of Massachusetts requires firms headquartered there to file annual reports.[8] These reports should list all the directors of the firm since 2010.[9] Our goals here are two-fold. First, we want to determine whether the boards of non-Form D filers are different from the boards of filers and if so, how. Second, we will compare the trends across the two samples since 2010.

To begin, we collect all VC-backed startups from 2010 to 2018 using the VentureSource data that did not have a Form D (i.e., the subset of Table A1 for MA-based startups). For each startup, we collect the MA incorporation identifier using the secretary of state website search.[10] Of the 153 startups in the full MA sample, we found some information on 93% (142). We collect each of the startup's annual reports (example of such a filing is in Figure A5) and Pitchbook profiles. Combined with VentureSource, the latter allows us to identify the director type: entrepreneur, investor, or independent director. Any uncertainty about director type was resolved through searches on Google and LinkedIn. We record the name of each director, their type, start date, and end date. The start date is assigned as six months prior to the first annual report in which the director appears, and the end date is assigned as six months prior to the first annual report in which the director no longer appears. Of these 142 startups, 111 had at least one executive director and all directors had an identifiable type, which forms our MA sample of non-Form D filers.

Before we present the results of this data collection, it is useful to revisit our predictions about the types of firms that are not filing Form Ds (see Sections 3.1.1 and 3.1.2) and discuss how these predictions about the startups map to their boards. First, the boards are likely to be smaller because the conditions to avoid Form D filing require lower capital raises and fewer, closer investors.

[8] Both corporations organized in Massachusetts (called "domestic corporations") and corporations organized or chartered in another state or country (called "foreign corporations") but doing business in Massachusetts are required to file an annual report with the Secretary of the Commonwealth within two and one-half months after the close of their fiscal year. See https://www.mass.gov/service-details/an-introduction-to-corporations.

[9] MA has a 10-year retention policy.

[10] See `http://corp.sec.state.ma.us/CorpWeb/CorpSearch/CorpSearch.aspx`

Fewer investors also means fewer agents seeking board representation. Similarly, if Form Ds are not filed for secrecy concerns, then we would also expect non-filing startups to have smaller boards because larger boards mean less secrecy. Second, it is likely that non-Form D filer boards have fewer independent directors. This is because if secrecy is the goal, then restricting the board to investors or managers is a good strategy.

Figure A6 and Table A2 compare MA startups with at least one Form D and non-filing MA startups by firm-year. We first excluded Form D-filing startups with IPOs because zero of those without Form Ds went public, and it is likely that firms going public may backfill their Form Ds. There are 347 startups based in MA that have a Form D filing and did not go public, so the sample in Figure A6 and Table A2 consists of 347 Form D filers and 111 non-filers. A unit of observation is a firm-year starting from first VC financing to either exit or end of sample period. A startup enters the sample once it has at least one director seat. Our key variables of interest are board size and the percentage of seats held by each director type.

Figure A6 explores the differences in board size and composition between Form D-filing and non-filing firms across the firm's life cycle, averaging each variable by firm age. The top left panel shows that board size of non-filing firms is smaller over the whole firm's life, consistent with the above predictions. Reassuringly, both the percent of VCs and executives on the board – conditional on at least one director – show no difference from the time of first VC financing to age six. The percent of independent directors is lower in non-filing firms until age four.

Table A2 presents the regression results, controlling for capital raised, syndicate size, the presence of out-of-state investors, age at first VC financing, as well as industry and startup age fixed effects. The dependent variable in the first column is the log of board size, and other dependent variables are the same as in Figure A6. The last column conditions the sample on firm-years where there is at least one VC director on the board. Consistent with Figure A6, the results show that startups without Form Ds have boards that are 21% smaller across years. The differences in size manifest mainly through fewer independent directors and weakly more VC directors on boards of non-filing firms. The coefficients are economically significant as they represent 45% and 12% of the sample average, respectively. Overall, these results are consistent with our predictions about non-Form D filers.

We next compare the allocation of board control between the two types of firms. Table A3 asks whether startups without Form D filings have different control dynamics over the life cycle. In each column we consider a sub-sample by firm age (zero to three) where the dependent variables are dummies for control: VC, entrepreneur, or shared. The first four columns show that there is no difference in the likelihood a startup has VC control. The next four columns show that outside of the first year post-VC, there is also no difference in the likelihood a startup has entrepreneur control (when compared to the mean of the dependent variable and ignoring statistical significance, there is some evidence that entrepreneur control is more likely among startups without Form Ds in their early years). The main difference between the two types of firms is the lower likelihood of shared control among non-filers in the early years. These results are consistent with the findings of smaller boards and fewer IDs in Table A2: boards of non-filing firms use independent directors less, and thereby are smaller and are more likely to be controlled by entrepreneurs than to have shared control in early years.

Importantly, despite these differences in early years, the within-firm dynamics in the allocation of control is similar across the two samples. Recall that Table 5 and 6 in the paper showed that the average startup begins with entrepreneur control, and as it matures, shifts to shared control, and then to VC control, consistent with Prediction 2. Tables A4 and A5 show similar dynamics for non-Form D filers. Specifically, Table A4 reports transition probabilities for non-Form D filing MA startups and shows that conditional on a change in board control from one year to the next, entrepreneur control is 72% likely to switch to shared control and shared control is 89% likely to switch to VC control; and that conditional on VC control, VCs retain control with probability 87% (the corresponding probabilities for our main sample are 71%, 85%, and 89%, respectively). Next, recall that Table 6 showed that the probability of entrepreneur control decreases over the startup's life, while the probability of VC control increases. Table A5 repeats this analysis for the MA sample without Form Ds. Although we lack the power for statistical significance, it shows similar within-firm control dynamics. We also find, similar to Table 6, that the likelihood the startup has an independent director increases with age. Overall, the results demonstrate that the Form D data exhibits similar board control dynamics as our sample of non-filers.

Finally, we address whether the time series trends showing the decline in VC control over the board and the reduction in board size are an artifact of Form D filing selection over time. In other words, a potential concern is that the trends found in Figures 4 and 5 of the paper are due to a smaller set of firms filing Form D over time and these firms having different board characteristics from non-filers. The limitations on the sample period in our MA data prevent a full time series comparison as in Figures 4 and 5. However, the results of Tables A2 and A3 help alleviate this concern. As discussed above, Table A2 shows that non-Form D filers have smaller boards and a lower percent of independent directors, and columns 5-8 of Table A3 show that non-Form D filers are more likely to have entrepreneur control in early stages. Given that the rate of Form D filers has been decreasing over time (Figure A3) and assuming that this was the only change occurring, we would then predict: a) increasing board size in our selected sample of Form D filers over time; b) increased use of IDs over time; and (c) decreased entrepreneur control over time, because more and more small boards, boards with a low percent of IDs, and boards with entrepreneur control are moving out of the sample with time. Thus, the fact that we see the opposite trends for all these variables in Figures 4 and 5 means that the trends of decreasing board size, fewer IDs, and increasing entrepreneur control are likely to be even stronger than what we see in our sample.

The collection of evidence using the Massachusetts startups without Form D shows that our main Form D-based sample has two limitations. First, the financings and startup characteristics that trigger a Form D filing correlate with larger boards and higher use of independent directors. Second, these differences result in some differences in cross-sectional measures of control early in the startup's life. The differences reassuringly stop there, thus revealing that the major conclusions in the paper about within-firm and time series trends of board control are not a by-product of any selection from Form D filing.

3.3 Is the data from Form D accurate?

The Massachusetts data also allows us to validate whether the Form D data on boards is accurate. Assuming the annual reports filed with the state have an exhaustive list of directors as of the end of each year, we can compare the board members from our data (which is based on Form D, VentureSource, and Pitchbook) with these filings.

We selected 25 random MA-headquartered startups that first raised VC financing on or after 2010 and had a Form D filing. The data collection process from Section 3.2 is repeated to get the annual reports and Pitchbook profiles. For each startup we compare the board constructed from the annual reports to those in our main data. Of the 25 startups, 21 had a perfect match of the set of directors between the first VC financing and exit.[11] Start dates and end dates did not match perfectly, but the discrepancies were minor. The remaining four startups had some directors listed in the MA annual report but not in our data. Here is a summary of the companies with discrepancies:

- Dragon Innovation stopped filing Form Ds after its first financing. This discovery led us to add a robustness check in the main paper that drops startups that have not filed a Form D for two years since their last VC financing (see Section 7 of the paper and Section 4.3 of this Appendix). This robustness check shows no meaningful change in our main results.

- eXIthera had a missing board member who was in the original Form D but disappeared from an amended Form D. We believe this is an edge case, and it was corrected in our data.

- N-of-One Inc. has one VC director not in our data. Here, the individual is not in the Form D, but is in VentureSource. However, the VentureSource data has no information on a

[11] For one company, Get Human, we realized that the Form D filing failed to have an "Executive Officer" box checked for a director, which we manually corrected in our data.

start date. Our data creation in the paper is conservative with directors sourced only from VentureSource and not in Form D: we require a start date for them to be available. So in this case, the VC director is dropped.

- Azigo has a complex history with name changes and long gaps between its founding and first VC financing. The company appears to have reorganized (i.e. a restart) without raising capital, thus failing to trigger a Form D filing. Their board changed in years without financings in ways our data does not see. This example highlights another limitation of the Form D data: it relies on VC financing events to coincide with changes in the board. We believe that these are the most common times for such changes, with the average startup in our sample raising capital every 1.7 years. If a startup does not raise capital after 2 years, then we assume it has failed. We therefore do not think this reveals a major problem with our data.

These diagnostic tests point to no systematic issues with our data creation process, while the tests themselves improved some of the logic we use in that process.

3.3.1 Comparing to Certificates of Incorporation

Form Ds are not the only regulatory filing that has information on boards of directors. Certificates of incorporation (COI) include information about the rights that certain classes of shares have for election of directors. Figure A7 presents an example of a typical paragraph in a COI about board rights. We reviewed ten random startups in our sample that were also found in the COI data provided by PCRI (PCRI, 2020). Our goals were to determine whether such filings are an alternative source of board data and how they can isolate any issues with the Form D-based data collection that we conduct. Overall, we conclude that COIs on their own do not provide a full picture of the board and its dynamics, while there is no evidence from COI that the Form D data has major gaps in coverage.

Specifically, in many of the cases where we have both a COI and Form D, there is no board size listed in the COI. In half of those that do provide board size, it is only done so several years after the first VC financing event. The lack of board size information complicates the interpretation of independent board seats. In addition, in all of the COI, there are seats referred to as "jointly elected by the common and preferred." The Form D data suggests that these jointly elected seats can be independent directors, investors, or entrepreneurs, so the exact director type would not be known based solely on the COI data. For example, in one case there were two jointly elected seats that appear to have been split between the VCs and the entrepreneur. Overall, the uncertainty about board size combined with the ambiguity about jointly elected directors, allow for a rich set of possible director types. We found no cases where the board size inferred from the Form D exceeds that of the COI. In three of the cases, we have fewer VC directors on the board than are available to preferred shareholders listed in COI. These discrepancies could be explained by the VCs and common shareholders jointly electing a VC representative as a "jointly elected" director.

This analysis suggests that Form Ds – combined with commercial databases – provide an unbiased view of boards of directors. Moreover, it shows that COIs cannot be used in isolation due to the lack of information about board size and flexibility on the jointly-elected directors.

We also spoke to a venture capitalist with a portfolio of over 150 startups to get some additional clarity on the differences between Form D and COI data. We asked whether it was the case that investors and common may not elect all the directors made available in the COI. They confirmed that this was indeed the case, which reaffirms that COIs cannot be used to determine board composition or evaluate alternative data sources.

References

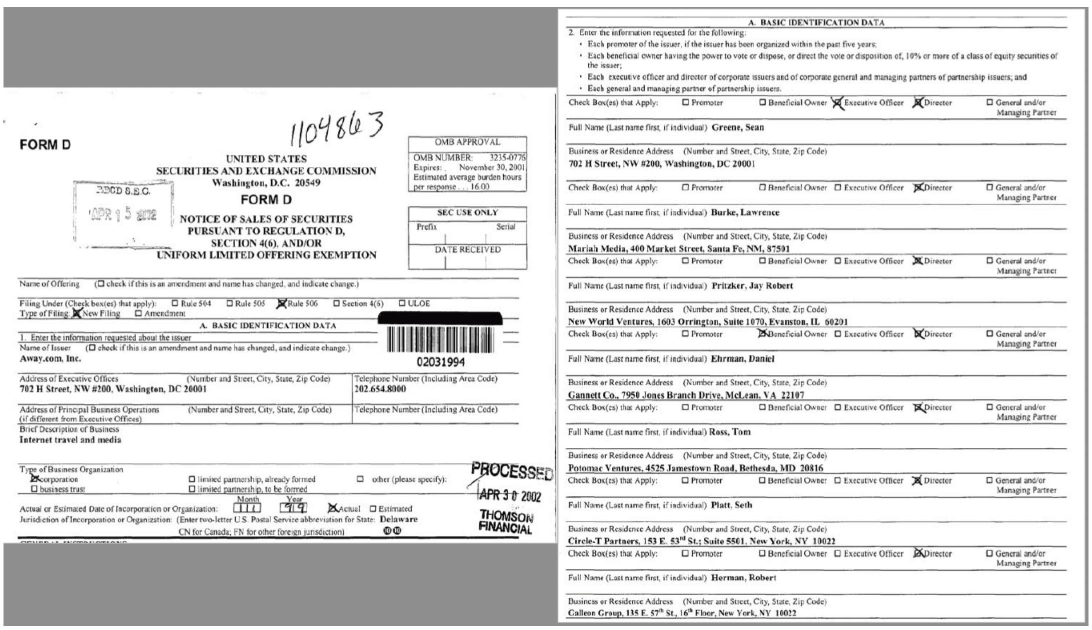
PCRI Company Public Filings Digital Library, Private Capital Research Institute, https://secure.smartroom.com/app/main/#/COI_Library

4 Figures and Tables

4.1 Figures

Figure A1: Example Form D filing: Pre-2008

An example of a pre-2008 Form D filing. It was filed in paper form and scanned by the SEC.



FORM D

1104863

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

RECD S.E.C.
APR 15 2002

FORM D

NOTICE OF SALES OF SECURITIES
PURSUANT TO REGULATION D,
SECTION 4(6), AND/OR
UNIFORM LIMITED OFFERING EXEMPTION

OMB APPROVAL	
OMB NUMBER:	3235-0776
Expires:	November 30, 2001
Estimated average burden hours per response . . . 16.00	

SEC USE ONLY	
Prefix	Serial
DATE RECEIVED	

Name of Offering (☐ check if this is an amendment and name has changed, and indicate change.)

Filing Under (Check box(es) that apply): ☐ Rule 504 ☐ Rule 505 ☒ Rule 506 ☐ Section 4(6) ☐ ULOE
Type of Filing: ☒ New Filing ☐ Amendment

A. BASIC IDENTIFICATION DATA

1. Enter the information requested about the issuer

Name of Issuer (☐ check if this is an amendment and name has changed, and indicate change.)
Away.com, Inc.

02031994

Address of Executive Offices (Number and Street, City, State, Zip Code)
702 H Street, NW #200, Washington, DC 20001
Telephone Number (Including Area Code)
202.654.8000

Address of Principal Business Operations (if different from Executive Offices) (Number and Street, City, State, Zip Code)
Telephone Number (Including Area Code)

Brief Description of Business
Internet travel and media

Type of Business Organization
☒ corporation ☐ limited partnership, already formed ☐ other (please specify):
☐ business trust ☐ limited partnership, to be formed

Actual or Estimated Date of Incorporation or Organization: Month 11 Year 99 ☒ Actual ☐ Estimated
Jurisdiction of Incorporation or Organization: (Enter two-letter U.S. Postal Service abbreviation for State: Delaware
CN for Canada; FN for other foreign jurisdiction) DE

PROCESSED
APR 30 2002
THOMSON FINANCIAL

A. BASIC IDENTIFICATION DATA

2. Enter the information requested for the following:
- Each promoter of the issuer, if the issuer has been organized within the past five years;
- Each beneficial owner having the power to vote or dispose, or direct the vote or disposition of, 10% or more of a class of equity securities of the issuer;
- Each executive officer and director of corporate issuers and of corporate general and managing partners of partnership issuers; and
- Each general and managing partner of partnership issuers.

Check Box(es) that Apply: ☐ Promoter ☐ Beneficial Owner ☒ Executive Officer ☒ Director ☐ General and/or Managing Partner
Full Name (Last name first, if individual) Greene, Sean
Business or Residence Address (Number and Street, City, State, Zip Code)
702 H Street, NW #200, Washington, DC 20001

Check Box(es) that Apply: ☐ Promoter ☐ Beneficial Owner ☐ Executive Officer ☒ Director ☐ General and/or Managing Partner
Full Name (Last name first, if individual) Burke, Lawrence
Business or Residence Address (Number and Street, City, State, Zip Code)
Mariah Media, 400 Market Street, Santa Fe, NM, 87501

Check Box(es) that Apply: ☐ Promoter ☐ Beneficial Owner ☐ Executive Officer ☒ Director ☐ General and/or Managing Partner
Full Name (Last name first, if individual) Pritzker, Jay Robert
Business or Residence Address (Number and Street, City, State, Zip Code)
New World Ventures, 1603 Orrington, Suite 1070, Evanston, IL 60201

Check Box(es) that Apply: ☐ Promoter ☒ Beneficial Owner ☐ Executive Officer ☒ Director ☐ General and/or Managing Partner
Full Name (Last name first, if individual) Ehrman, Daniel
Business or Residence Address (Number and Street, City, State, Zip Code)
Gannett Co., 7950 Jones Branch Drive, McLean, VA 22107

Check Box(es) that Apply: ☐ Promoter ☐ Beneficial Owner ☐ Executive Officer ☒ Director ☐ General and/or Managing Partner
Full Name (Last name first, if individual) Ross, Tom
Business or Residence Address (Number and Street, City, State, Zip Code)
Potomac Ventures, 4525 Jamestown Road, Bethesda, MD 20816

Check Box(es) that Apply: ☐ Promoter ☐ Beneficial Owner ☐ Executive Officer ☒ Director ☐ General and/or Managing Partner
Full Name (Last name first, if individual) Platt, Seth
Business or Residence Address (Number and Street, City, State, Zip Code)
Circle-T Partners, 153 E. 53rd St.; Suite 5501, New York, NY 10022

Check Box(es) that Apply: ☐ Promoter ☐ Beneficial Owner ☐ Executive Officer ☒ Director ☐ General and/or Managing Partner
Full Name (Last name first, if individual) Herman, Robert
Business or Residence Address (Number and Street, City, State, Zip Code)
Galleon Group, 135 E. 57th St., 16th Floor, New York, NY 10022

Figure A2: Example Form D filing: Post-2008

An example of a post-2008 Form D filing. This is a representation of the underlying XML format in an internet browser.

1. Issuer's Identity

CIK (Filer ID Number)	Previous Names	☐ None	Entity Type
0001598674	Providence Mattress Company		☒ Corporation
Name of Issuer			☐ Limited Partnership
Casper Sleep Inc.			☐ Limited Liability Company
Jurisdiction of Incorporation/Organization			☐ General Partnership
DELAWARE			☐ Business Trust
Year of Incorporation/Organization			☐ Other (Specify)

☐ Over Five Years Ago
☒ Within Last Five Years (Specify Year) 2013
☐ Yet to Be Formed

2. Principal Place of Business and Contact Information

Name of Issuer
Casper Sleep Inc.

Street Address 1		Street Address 2	
45 BOND STREET, SECOND FLOOR			
City	State/Province/Country	ZIP/PostalCode	Phone Number of Issuer
NEW YORK	NEW YORK	10012	(713) 269-4861

3. Related Persons

Last Name	First Name	Middle Name
Krim	Philip	
Street Address 1	Street Address 2	
45 Bond Street, Second Floor		
City	State/Province/Country	ZIP/PostalCode
New York	NEW YORK	10012

Relationship: ☒ Executive Officer ☒ Director ☐ Promoter

Clarification of Response (if Necessary):

Last Name	First Name	Middle Name
Parikh	Neil	
Street Address 1	Street Address 2	
45 Bond Street, Second Floor		
City	State/Province/Country	ZIP/PostalCode
New York	NEW YORK	10012

Relationship: ☒ Executive Officer ☒ Director ☐ Promoter

Clarification of Response (if Necessary):

Last Name	First Name	Middle Name
Florence	Tony	
Street Address 1	Street Address 2	
45 Bond Street, Second Floor		
City	State/Province/Country	ZIP/PostalCode
New York	NEW YORK	10012

Relationship: ☐ Executive Officer ☒ Director ☐ Promoter

Figure A3: Form D or CIK likelihood

The raw probability that a startup – one in the "risk set" defined in Section 3.1 – has a CIK and Form D.

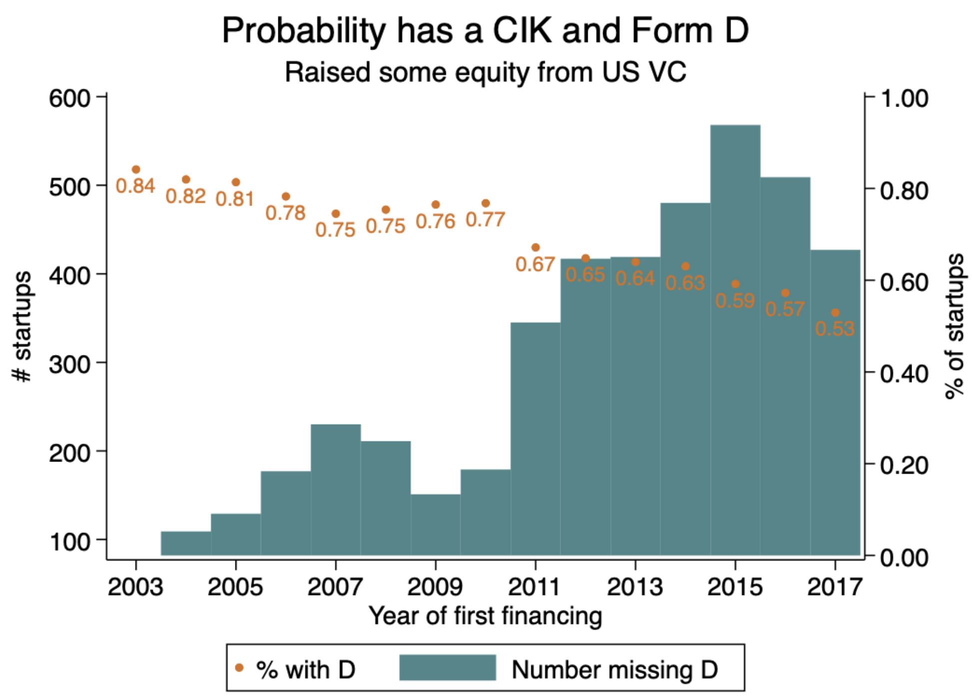


Figure A4: Financings and Form D filings

The figure reports the sample of startups that are in the “risk set” defined in Section 3.1 and have at least one Form D. We then try to match a Form D filing to the known financings in VentureSource using the quarter before and after the financing date reported in VentureSource. The line reports the % of financings in that year for which we found a Form D for the startup in the quarters around the VentureSource financing date.

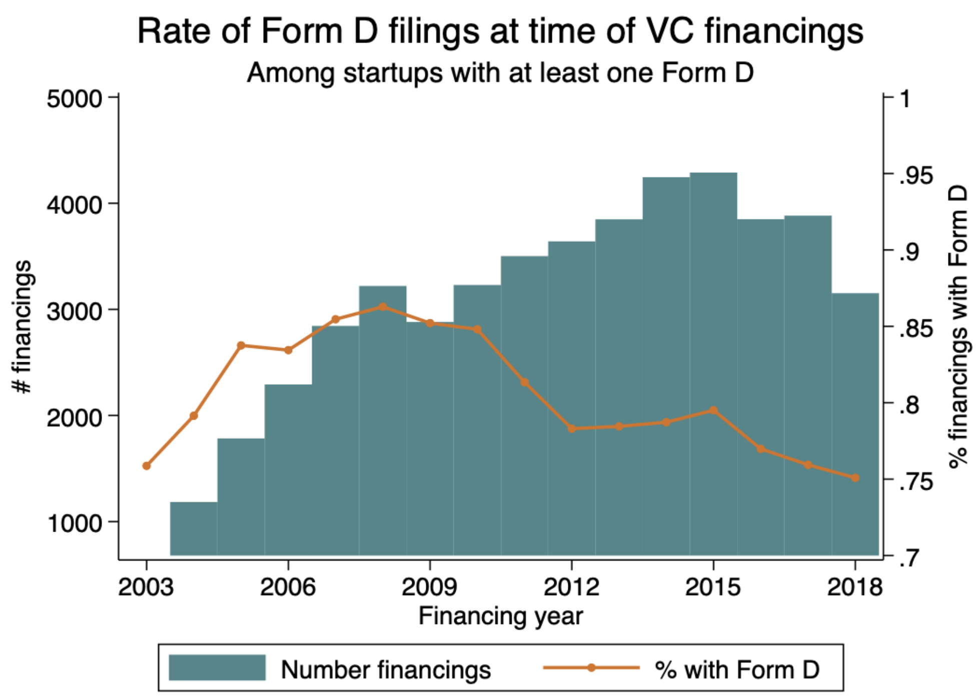


Figure A5: Example Massachusetts annual report: Padlock Therapeutics

An annual report for Padlock Therapeutics found on the Massachusetts Secretary of State website.

Identification Number: 001132711

1. Exact name of the corporation: PADLOCK THERAPEUTICS, INC.

2. Jurisdiction of Incorporation: State: DE Country: USA

3,4. Street address of the corporation registered office in the commonwealth and the name of the registered agent at that office:

Name: MICHAEL GILMAN
No. and Street: 25 FIRST ST., STE 303
City or Town: CAMBRIDGE State: MA Zip: 02141 Country: USA

5. Street address of the corporation's principal office:

No. and Street: 25 FIRST ST., STE 303
City or Town: CAMBRIDGE State: MA Zip: 02141 Country: USA

6. Provide the name and business street address of the officers and of all the directors of the corporation:
(A president, treasurer, secretary and at least one director are required.)

Title	Individual Name First, Middle, Last, Suffix	Address (no PO Box) Address, City or Town, State, Zip Code
PRESIDENT	MICHAEL GILMAN	25 FIRST ST., STE 303 CAMBRIDGE, MA 02141 USA
TREASURER	DAVID NEAFUS	25 FIRST ST., STE 303 CAMBRIDGE, MA 02141 USA
SECRETARY	MICHAEL GILMAN	25 FIRST ST., STE 303 CAMBRIDGE, MA 02141 USA
DIRECTOR	MICHAEL GILMAN	25 FIRST ST., STE 303 CAMBRIDGE, MA 02141 USA
DIRECTOR	BRUCE BOOTH	25 FIRST ST., STE 303 CAMBRIDGE, MA 02141 USA
DIRECTOR	DAVID GRAINGER	25 FIRST ST., STE 303 CAMBRIDGE, MA 02141 USA
DIRECTOR	NILESH KUMAR	25 FIRST ST., STE 303 CAMBRIDGE, MA 02141 USA
DIRECTOR	MARIAN NAKEDA	25 FIRST ST., STE 303 CAMBRIDGE, MA 02141 USA
DIRECTOR	TODD HUFFMAN	25 FIRST ST., STE 303 CAMBRIDGE, MA 02141 USA

Figure A6: Board size and composition differences over the life cycle: MA startups

The figure reports the by-age statistics for the set of MA-headquartered startups with and without Form D filings. Age is defined from the year of the startup's first standard VC financing. "Total board seats" is the count of seats across all types. The sample of startups excludes those that go public because the no-Form-D sample had zero such firms and it is likely firms that file to go public may backfill their Form Ds. Startups are tracked from their first VC financing until (i) exit or (ii) if they are still private, then the end of the sample (2019Q4).

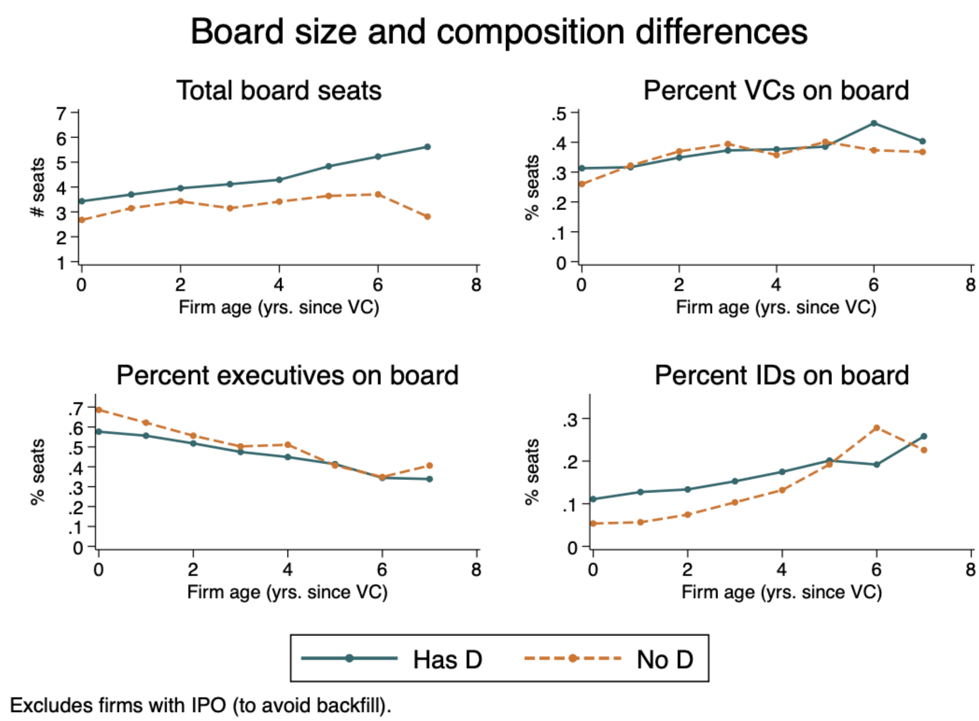


Figure A7: Board of directors section of ANDevices, Inc. Certificate of Incorporation

The figure presents an example section of a Certificate of Incorporation (COI) on May 1st, 2006, that details the shareholder rights to elect directors to the board.

b. **Board of Directors.** The number of directors of the Corporation shall be five (5). For so long as shares of Series A Preferred Stock remain outstanding (i) the holders of a majority of the outstanding shares of Common Stock, voting as a separate class, shall be entitled to elect two (2) members of the Board of Directors at each meeting or pursuant to each consent of the Corporation's stockholders for the election of directors, and to remove from office such directors and to fill any vacancy caused by the resignation, death or removal of such directors; (ii) the holders of a majority of the outstanding shares of Series A Preferred Stock, voting as a separate class, shall be entitled to elect two (2) members of the Board of Directors at each meeting or pursuant to each consent of the Corporation's stockholders for the election of directors, and to remove from office such directors and to fill any vacancy caused by the resignation, death or removal of such directors; and (iii) the holders of a majority of the outstanding shares of Common Stock, Series A Preferred Stock and Series B Preferred Stock , voting together, on an as converted basis, shall be entitled to elect one (1) member of the Board of Directors at each meeting or pursuant to each consent of the Corporation's stockholders for the election of directors, and to remove from office such director and to fill any vacancy caused by the resignation, death or removal of such director.

4.2 Tables

Table A1: Summary statistics: with and without at least one Form D.

The table reports the differences between startups with at least one Form D filing and those with none. The sample of startups are those that satisfy the following conditions that ensure we are tracking VC-backed startups that *should* have triggered a Form D filing:

- Raised capital from a U.S.-based VC firm that has ever taken a board seat in at least one of its portfolio companies in VentureSource
- Has at least one non-debt or grant financing round in [2003,2017]
- Its first round was not one of the rounds listed in footnote 4 of the paper

	Has Form D				No Form D			
	Obs	Mean	Median	Std dev	Obs	Mean	Median	Std dev
Year first VC	9,637	2010.387	2011.000	4.108	4,427	2011.942	2013.000	3.805
First round Series A	9,637	0.591	1.000	0.492	4,427	0.536	1.000	0.499
CA	9,637	0.412	0.000	0.492	4,427	0.568	1.000	0.495
MA	9,637	0.098	0.000	0.297	4,427	0.053	0.000	0.223
Went public (as of 2019Q2)	9,637	0.039	0.000	0.193	4,427	0.010	0.000	0.101
Acquired (as of 2019Q2)	9,637	0.317	0.000	0.465	4,427	0.264	0.000	0.441
Failed (as of 2019Q2)	9,637	0.101	0.000	0.301	4,427	0.110	0.000	0.313
Total capital raised	9,551	43.932	14.900	209.895	3,987	27.497	6.000	119.400
# equity financings	9,637	3.110	3.000	1.789	4,427	2.118	2.000	1.348
Year founded	9,637	2008.900	2009.000	4.584	4,427	2010.635	2012.000	4.510
First round synd. size	9,637	2.197	2.000	1.581	4,427	2.159	2.000	1.636
Has LLC in name	9,637	0.039	0.000	0.194	4,427	0.076	0.000	0.265
Raised some VC equity in sample period	9,637	0.990	1.000	0.101	4,427	0.982	1.000	0.133

Table A2: Board size and composition for MA startups: with and without Form D

The table reports OLS regressions for a variety of firm-age outcome variables concerning the startup's board of directors for MA startups. The key dependent variable is "No Form D", which equals one if the startup never filed a form D, and zero otherwise. "Log size" is the log of board size at each age. The "%" report the percentage of seats held by each director type. The last column considers the subsample of startups that have at least one VC director over its observed life cycle. Standard errors are clustered at the startup-level. We use ***, **, and * to denote significance at the 1%, 5%, and 10% level (two-sided), respectively.

	Log size	% Execs	% VCs	% IDs
	(1)	(2)	(3)	(4)
No Form D	-0.23***	-0.0048	0.064*	-0.059***
	(0.070)	(0.034)	(0.037)	(0.017)
Log first capital raised	0.071***	0.036***	-0.044***	0.0082
	(0.018)	(0.010)	(0.011)	(0.0064)
Log first syndicate size	0.036	0.065***	-0.043*	-0.022
	(0.040)	(0.022)	(0.023)	(0.014)
Has a non-MA investor (ever)	0.044	-0.026	0.017	0.0092
	(0.071)	(0.037)	(0.046)	(0.026)
Log age at first VC	0.071*	0.0087	-0.015	0.0061
	(0.040)	(0.022)	(0.024)	(0.016)
Observations	1555	1555	1555	1555
R^2	0.19	0.11	0.17	0.086
Mean dep. var.		0.35	0.52	0.13
Age FE?	Y	Y	Y	Y
Industry FE?	Y	Y	Y	Y

Table A3: Control by life cycle for MA startups: with and without Form D

The table reports OLS regressions for board control indicators by firm age for the sample of MA startups. The key independent variable is "No Form D", which equals one if the startup never filed a Form D, and zero otherwise. Robust standard errors are reported in parentheses.

	VC control				Entrepreneur control				Shared control			
	Age				Age				Age			
	0	1	2	3	0	1	2	3	0	1	2	3
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
No Form D	0.011	0.013	0.0074	0.023	0.14**	0.11	0.068	0.016	-0.16***	-0.13**	-0.075	-0.039
	(0.050)	(0.057)	(0.068)	(0.089)	(0.061)	(0.070)	(0.079)	(0.092)	(0.052)	(0.057)	(0.065)	(0.078)
Log first capital raised	0.068***	0.060***	0.042**	0.037	-0.12***	-0.088***	-0.082***	-0.040	0.052***	0.028	0.041**	0.0037
	(0.016)	(0.016)	(0.021)	(0.026)	(0.022)	(0.022)	(0.022)	(0.027)	(0.019)	(0.020)	(0.017)	(0.023)
Log first syndicate size	0.11***	0.12***	0.13***	0.11*	-0.030	-0.041	-0.095*	-0.15**	-0.074*	-0.075*	-0.036	0.039
	(0.035)	(0.038)	(0.044)	(0.058)	(0.047)	(0.048)	(0.050)	(0.061)	(0.044)	(0.043)	(0.044)	(0.057)
Has a non-MA investor (ever)	-0.0033	0.0093	-0.0091	-0.10	-0.037	0.026	0.034	0.19	0.042	-0.035	-0.025	-0.087
	(0.060)	(0.071)	(0.080)	(0.13)	(0.077)	(0.082)	(0.088)	(0.12)	(0.068)	(0.070)	(0.080)	(0.11)
Log age at first VC	-0.065	-0.028	-0.032	-0.093	-0.044	0.041	0.021	0.032	0.10**	-0.012	0.011	0.061
	(0.045)	(0.047)	(0.053)	(0.064)	(0.055)	(0.057)	(0.055)	(0.067)	(0.050)	(0.050)	(0.051)	(0.063)
Observations	316	323	301	222	316	323	301	222	316	323	301	222
R^2	0.23	0.18	0.14	0.10	0.18	0.099	0.12	0.11	0.11	0.081	0.065	0.060
Mean dep. var.	0.22	0.25	0.31	0.36	0.51	0.50	0.42	0.36	0.28	0.25	0.27	0.29
Age FE?	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y
Industry FE?	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y
Year FE?	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y

Table A4: Control over the startup life cycle: transition probabilities

Panel A reports the percentage of switches in board control across all startup financing-years regardless of the change in board size. Panel B reports the percentage of switches in board control within the subset of financing-years where there is some change in the size of the board.

		Panel A: All financing years Board control at t		
		E	Shared	VC
Board control at $t-1$	E	64.71%	25.49%	9.80%
	Shared	4.55%	59.09%	36.36%
	VC	0.00%	12.90%	87.10%
		Panel B: Year w/ board size change Board control at t		
		E	Shared	VC
Board control at $t-1$	E	37.04%	44.44%	18.52%
	Shared	9.09%	18.18%	72.73%
	VC	0.00%	18.18%	81.82%

Table A5: Regressions of board control indicators over the startup life cycle: MA startups without Form D

The table is the analog of Table 6 in the paper, but using the set of MA startups that never filed a Form D.

	E control	Shared	VC control	Has ID	E control	Shared	VC control	Has ID
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1 y.o.	-0.20*	0.062	0.13	-0.049				
	(0.10)	(0.099)	(0.098)	(0.086)				
2 y.o.	-0.20*	0.019	0.18	0.064				
	(0.11)	(0.10)	(0.12)	(0.12)				
3 y.o.	-0.091	-0.012	0.10	0.058				
	(0.13)	(0.13)	(0.14)	(0.14)				
4 y.o.	-0.24*	0.20	0.032	0.23				
	(0.13)	(0.16)	(0.15)	(0.16)				
5 y.o.	-0.045	-0.15	0.19	0.28				
	(0.15)	(0.18)	(0.19)	(0.20)				
Round # 2					-0.23**	0.097	0.14	-0.022
					(0.092)	(0.088)	(0.089)	(0.088)
Round # 3					0.052	-0.071	0.019	-0.011
					(0.11)	(0.11)	(0.12)	(0.12)
Round # 4					-0.24**	0.061	0.18	0.29*
					(0.11)	(0.17)	(0.14)	(0.16)
Round # 5+					-0.21	-0.11	0.32*	0.32
					(0.14)	(0.18)	(0.18)	(0.20)
logRaised	-0.13***	0.040*	0.092***	0.052*	-0.13***	0.041*	0.086***	0.048*
	(0.027)	(0.024)	(0.026)	(0.029)	(0.026)	(0.023)	(0.026)	(0.029)
Observations	181	181	181	181	181	181	181	181
R^2	0.38	0.15	0.21	0.17	0.40	0.14	0.22	0.19
Industry FE	Y	Y	Y	Y	Y	Y	Y	Y
Year FE	Y	Y	Y	Y	Y	Y	Y	Y
Location FE	Y	Y	Y	Y	Y	Y	Y	Y

4.3 Robustness figures and tables

Figure A8: Board composition: percentage (No default-to-ID startups)

The figure reports the average and median fraction of board seats held by executives, independent directors, and venture capitalists. The x-axis is the years since first VC equity financing (i.e. when we start tracking startup boards).

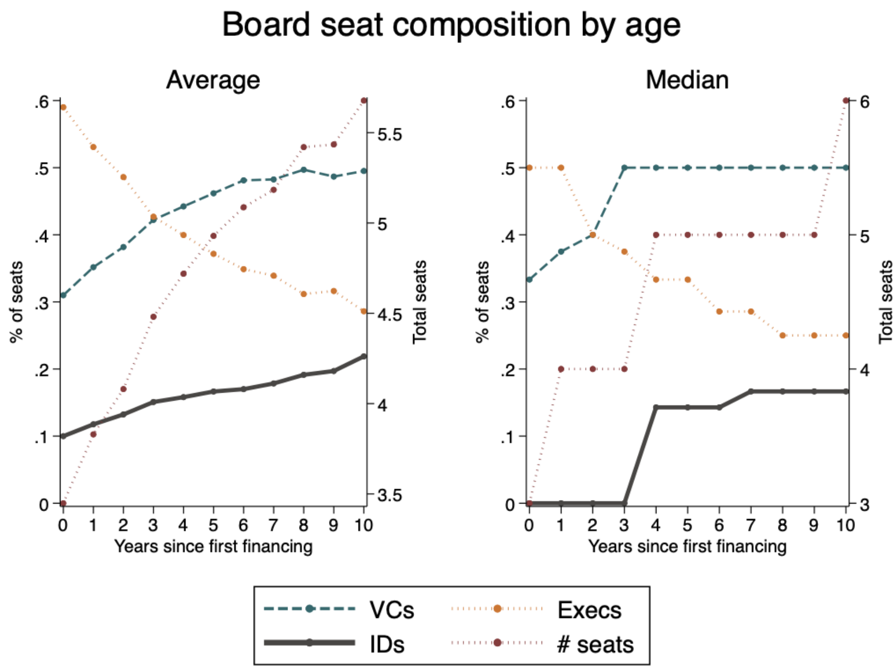


Figure A9: Board composition: percentage (No stale boards)

The figure reports the average and median fraction of board seats held by executives, independent directors, and venture capitalists. The x-axis is the years since first VC equity financing (i.e. when we start tracking startup boards).

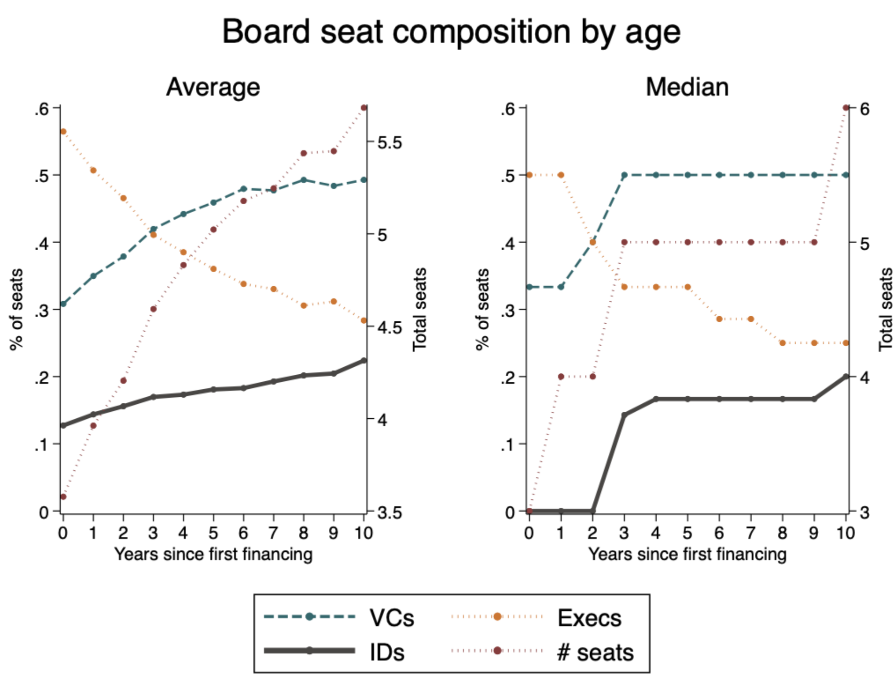


Figure A10: Board control by firm stage: Financing round number and years since first VC (no default-to-ID)

The figure reports the percentage of startups by financing round. “Entrepreneur” is the percentage of startups where executives/entrepreneurs control the board, “VC” is the percentage of startups where investors control the board, and “Shared” is the percentage of startups in which neither VCs nor entrepreneurs control the board.

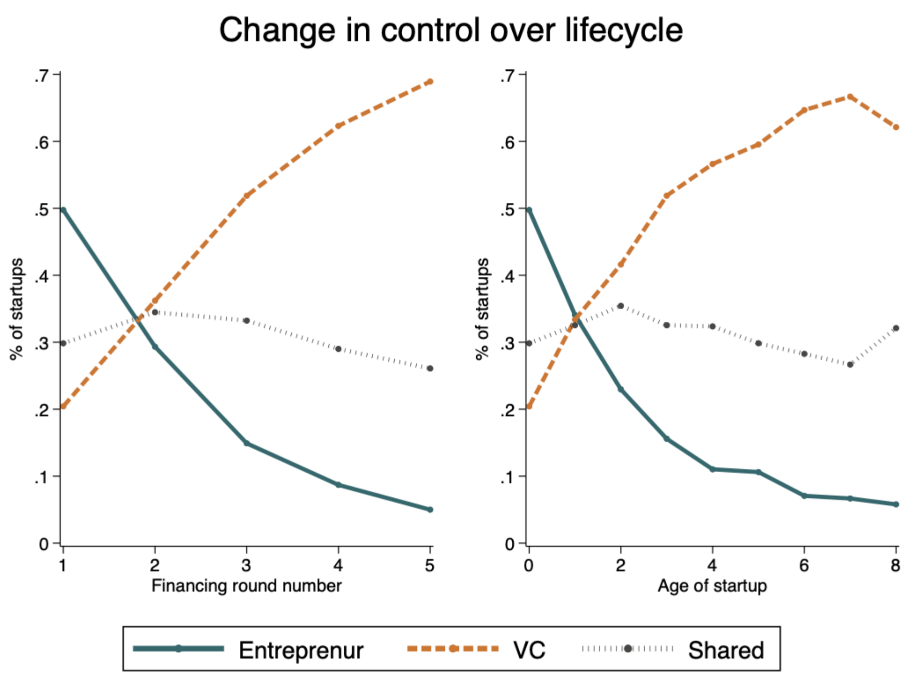


Figure A11: Board control by firm stage: Financing round number and years since first VC (no stale boards)

The figure reports the percentage of startups by financing round. “Entrepreneur” is the percentage of startups where executives/entrepreneurs control the board, “VC” is the percentage of startups where investors control the board, and “Shared” is the percentage of startups in which neither VCs nor entrepreneurs control the board.

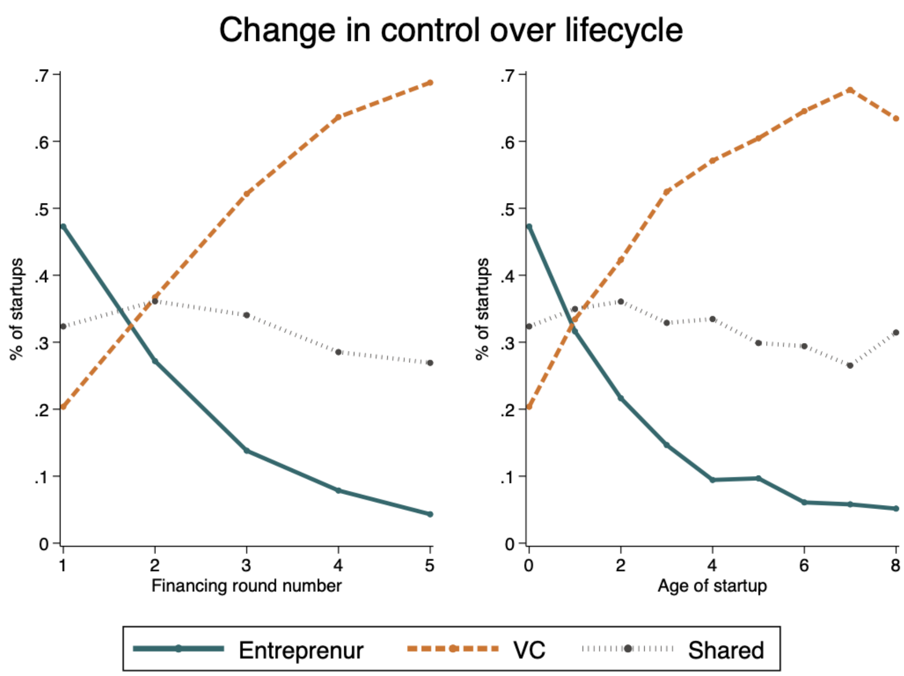


Table A6: Control over the startup life cycle: transition probabilities (no default-to-ID)

Panel A reports the percentage of switches in board control across all startup financing-years regardless of the change in board size. Panel B reports the percentage of switches in board control within the subset of financing-years where there is some change in the size of the board.

		Panel A: All financing years Board control at t		
		E	Shared	VC
Board control at $t-1$	E	58.49%	29.67%	11.84%
	Shared	5.69%	62.89%	31.42%
	VC	1.19%	9.49%	89.33%
		Panel B: Year w/ board size change Board control at t		
		E	Shared	VC
Board control at $t-1$	E	36.72%	46.08%	17.20%
	Shared	8.74%	41.99%	49.27%
	VC	1.75%	14.81%	83.44%

Table A7: Control over the startup life cycle: transition probabilities (no stale boards)

Panel A reports the percentage of switches in board control across all startup financing-years regardless of the change in board size. Panel B reports the percentage of switches in board control within the subset of financing-years where there is some change in the size of the board.

		Panel A: All financing years Board control at t		
		E	Shared	VC
Board control at $t-1$	E	56.20%	31.14%	12.67%
	Shared	5.60%	63.00%	31.40%
	VC	1.24%	9.95%	88.82%
		Panel B: Year w/ board size change Board control at t		
		E	Shared	VC
Board control at $t-1$	E	35.63%	46.49%	17.88%
	Shared	8.27%	44.60%	47.13%
	VC	1.82%	15.07%	83.11%

Table A8: Regressions of board characteristics on bargaining power: robustness test

The table reports regression analysis of startup boards at their first equity financing event. We ask whether the startup board is controlled by the entrepreneur (columns (1) and (5)), whether board control is shared (columns (2) and (6)), whether the board is controlled by the VC (columns (3) and (7)), and whether the board has at least one independent director (columns (4) and (8)). In Panel A, the main controls are proxies for VC bargaining power measured at the year prior to the financing round using average equity stakes acquired by VCs in the industry-year (e.g., a VC investment resulted in the sale of 30% of the as-if-converted shares). "Low VC b.p" is equal to one if the startup raised capital after a year of bottom quartile VC equity stakes in startups in the same industry across the sample period. "High VC b.p." is a dummy for the top quartile (the excluded category is the middle 50%) of VC equity stakes. Columns (5) - (8) further split the sample periods into quintiles of the bargaining power proxy with the excluded category being the middle quintile. Panel B considers an alternative proxy for bargaining power using the total capital raised by VCs in the region from 1990 up to the previous year net of the total capital invested in startups located in that region from 1996 up to that same previous year. This "dry powder" measure captures the amount of capital available to startups. A region is one of the nine Census divisions of the U.S. Because the measures are within industry or region, the variation within is coming entirely from year of first financing, so the analysis excludes year fixed effects. Robust standard errors are reported in parentheses. We use ***, **, and * to denote significance at the 1%, 5%, and 10% level (two-sided), respectively.

	E control	Shared	VC control	Has ID	E control	Shared	VC control	Has ID
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Panel A: Equity stake proxy (no default-to-ID)								
Low VC b.p. (equity)	0.073***	-0.025	-0.048***	-0.023				
	(0.017)	(0.015)	(0.012)	(0.015)				
High VC b.p. (equity)	-0.15***	0.024*	0.13***	0.00073				
	(0.014)	(0.013)	(0.012)	(0.013)				
Lowest VC b.p.					0.068***	-0.054***	-0.014	-0.043**
					(0.022)	(0.020)	(0.015)	(0.020)
Low VC b.p.					0.039*	-0.030	-0.0090	-0.036*
					(0.021)	(0.020)	(0.014)	(0.019)
High VC b.p.					-0.081***	0.0047	0.076***	-0.016
					(0.020)	(0.019)	(0.015)	(0.019)
Highest VC b.p.					-0.18***	0.022	0.16***	-0.014
					(0.018)	(0.017)	(0.014)	(0.017)
Observations	6249	6249	6249	6249	6249	6249	6249	6249
R^2	0.058	0.0064	0.064	0.037	0.066	0.0082	0.069	0.038
Mean dep. var.	0.50	0.30	0.20	0.30	0.50	0.30	0.20	0.30
Panel B: Equity stake proxy (no stale boards)								
Low VC b.p. (equity)	0.076***	-0.023	-0.052***	-0.018				
	(0.016)	(0.015)	(0.011)	(0.016)				
High VC b.p. (equity)	-0.16***	0.037***	0.12***	0.022*				
	(0.013)	(0.013)	(0.011)	(0.013)				
Lowest VC b.p.					0.068***	-0.043**	-0.025	-0.024
					(0.022)	(0.020)	(0.015)	(0.021)
Low VC b.p.					0.049**	-0.024	-0.025*	-0.015
					(0.020)	(0.019)	(0.014)	(0.020)
High VC b.p.					-0.080***	0.016	0.064***	0.0094
					(0.020)	(0.019)	(0.015)	(0.019)
Highest VC b.p.					-0.19***	0.043***	0.14***	0.026
					(0.017)	(0.017)	(0.013)	(0.017)
Observations	6881	6881	6881	6881	6881	6881	6881	6881
R^2	0.059	0.0074	0.061	0.032	0.068	0.0095	0.065	0.033
Mean dep. var.	0.47	0.32	0.20	0.37	0.47	0.32	0.20	0.37
Year FE	N	N	N	N	N	N	N	N
Ind. FE	Y	Y	Y	Y	Y	Y	Y	Y
Location FE	Y	Y	Y	Y	Y	Y	Y	Y