

# CASE STUDY

SOSV

**750+** NUMBER OF PORTFOLIO COMPANIES

**\$525+** MILLION ASSETS UNDER MANAGEMENT

**150+** NEW STARTUPS INVESTED IN PER YEAR

## SITUATION

SOSV is a multi-stage venture capital firm that invests through their global accelerator programs with a focus on hardware/connected devices, life sciences, cross-border internet and food innovation. The firm provides support to talented entrepreneurs with more than just capital, but an unparalleled network of engineers, designers, scientists and accountants to foster growth.

Founded in 2008 by industry veteran Sean O'Sullivan, the firm manages over \$525 million in assets from offices in Shanghai, Shenzhen, London, Cork, New York, San Francisco, and Princeton, New Jersey.

In 2014, the firm began fund raising for SOSV III, with the goal of expanding the firm's client base to include outside capital for the first time. As interest with institutional investors began to develop, the firm soon realized that their operational makeup - particularly in LP reporting - was going to have to improve dramatically.

Like many GPs, SOSV used a combination of MS Excel along with a small business accounting package to handle fund accounting and reporting. As SOSV continued to grow, they found their use of spreadsheets wasn't able to keep up. At the same time, they realized that using Excel for LP reporting was not going to be sufficient with institutional investors now coming onboard.

Brian Murphy, Financial Controller with SOSV, recalls, "We knew that more sophisticated LPs were going to require more sophisticated reporting. Moving away from an Excel-based reporting structure was going to be required."



# SOSV

**BRIAN MURPHY**

Financial Controller,  
SOSV

*"Given Allvue's long history in helping GPs with their reporting needs, it was clear they know what LPs are looking for."*

## ABOUT SOSV

SOSV manages six accelerator programs that provide both financial and human capital, with an ecosystem that includes:

- A highly selective co-location program with peer access
- Site support staff of biomedical PhDs, electrical engineers, designers, etc., to accelerate product development
- Access to over 800 global mentors
- An alumni community of over 1,500 founders

[www.sosv.com](http://www.sosv.com)

## SOLUTION

With the final close of SOSV Fund III nearing the end of 2015, the firm began to explore other options for their back office systems. With an eye on cost-effectiveness, SOSV initially looked to a large ERP database provider to build a customized solution. During the process, however, it became clear that the undertaking was going to be neither cost-effective, nor give them the functionality they were going to need.

SOSV then embarked on a comprehensive search for a third-party provider that had specific operational experience with venture capital firms. An important part of SOSV's due diligence process involved speaking with the actual clients of the various platforms under consideration. SOSV's reference checks in their evaluation of Allvue Systems revealed a solution that was highly regarded by the firm's VC clients, giving SOSV confidence that Allvue was going to be the right decision for them.

As an accelerator fund, SOSV had a number of requirements that required special consideration during implementation. Most notably is the fact that SOSV invests in over 150 companies per year, with various transaction types including equity, convertible notes and ACEs. Terms for each transaction - including anti-dilution, liquidation preferences, warrants, etc. - needed to be captured.

Allvue's CRM solution, with its highly customizable abilities, provided SOSV the functionality to address these needs. Another consideration was how SOSV was structured around their six accelerator programs, in addition to the underlying portfolio companies. This structure introduced a more complex level of reporting which Allvue was able to address during implementation. "Allvue invested the end resources that were needed to make sure the implementation went smoothly," added Murphy.

## BENEFITS

SOSV is committed to providing their investors with the transparency they need and want. This often includes commentary about the markets SOSV is investing in, along with portfolio company updates and the quantitative data that comes with having invested in over 750 companies. Leveraging Allvue's CRM and Investor Portal solutions has allowed SOSV to achieve the information scale the needed.

"It was very important to us that we provide our LPs with the highest level of professional reports possible. Given Allvue's history in helping GPs with their reporting needs, it was clear they know what LPs are looking for. That experience has been a huge benefit to us in making sure our investors have the information they need," says Murphy.

## ABOUT ALLVUE

Allvue offers a suite of solutions for private capital fund managers, administrators and family offices, including Fund/Corporate Accounting, CRM, Portfolio Monitoring, Business Intelligence and Investor Portals. Built within a Microsoft-based framework, these solutions are available as an integrated end-to-end suite or as independently licensed applications. Over \$2.5 trillion of assets are managed using the Allvue platform.

## SCHEDULE A DEMO

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