

The Next Big Thing

The Top 50 Venture-Backed Companies

March 9, 2010 – The Wall Street Journal ‘The Next Big Thing’ rankings were calculated based on how each company scored in the following components: the track record of success for the venture-capital investors who sit on the company’s board (Board Ranking); the amount of capital raised by the company over the last three years, in comparison to its peers (Total Equity Ranking); the track record of success for the company’s founders and chief executive (Executive Ranking); and the recent growth in the value of the company (Valuation Ranking). As a last component, Dow Jones venture-capital reporters and editors also reviewed and ranked the companies. Overall rank is based on a weighted combination of all five components.

Ranking	Company	Location	Industry	Equity Ranking*	Executive Ranking**	Valuation Ranking***	Board Ranking****	Description
1	Pacific Biosciences Inc.	Menlo Park, Calif.	Health Care	19	10	32	38	High-speed DNA sequencing instruments, which are high-tech machines that can determine the order of the nucleotide bases--adenine, guanine, cytosine and thymine--in a DNA molecule
2	Fusion-io Inc.	Salt Lake City	Information Technology	38	28	12	19	Flash-memory drives (the same technology in digital cameras and iPods) that allow servers to handle as much as 10 times the data of traditional storage systems
3	HomeAway Inc.	Austin, Texas	Consumer Services	6	30	47	13	Online service for vacation rentals
4	Zynga Inc.	San Francisco	Consumer Services	13	8	46	41	Online social games
5	Solyndra Inc.	Fremont, Calif.	Energy and Utilities	4	32	48	11	Cylindrical solar panels for the commercial rooftop market
6	Azul Systems Inc.	Mountain View, Calif.	Information Technology	45	12	49	3	Specialized network appliances that large organizations can use to boost the performance of applications written in Java, a popular programming language
7	Complete Genomics Inc.	Mountain View, Calif.	Health Care	36	25	16	20	DNA-sequencing service
8	Fisker Automotive Inc.	Irvine, Calif.	Consumer Goods	12	32	2	50	Environmentally friendly sports cars
9	Xirrus Inc.	Thousand Oaks, Calif.	Information Technology	35	17	34	12	Large-scale indoor Wi-Fi networks
10	nGenera Corp.	Austin, Tex.	Information Technology	23	5	30	47	Software that helps large companies collaborate and communicate with employees, customers and partners
11	Portola Pharmaceuticals Inc.	South San Francisco, Calif.	Health Care	20	15	44	21	New treatments in cardiovascular medicine
12	NeuroPace Inc.	Mountain View, Calif.	Health Care	47	6	45	8	Implantable device and system to treat neurological disorders
13	Glam Media Inc.	Brisbane, Calif.	Consumer Services	15	21	36	26	Vertical media company connects brand advertisers to target audiences online
14	Ventana Health Services Inc.	San Francisco	Health Care	46	18	5	31	Technology that helps consumers determine out-of-pocket medical costs before receiving care
15	Suniva Inc.	Norcross, Ga.	Energy and Utilities	24	24	14	35	Crystalline silicon solar cells
16	Workday Inc.	Pleasanton, Calif.	Business and Financial Services	14	23	22	42	On-demand software for managing large companies' back-office tasks
17	Fanfare Group Inc.	Mountain View, Calif.	Information Technology	44	4	38	14	Software that helps networking gear makers automate quality testing of their products
18	ParAccel Inc.	Cupertino, Calif.	Information Technology	37	19	10	34	Database software that's designed to aid analysis of trends within businesses
19	Gilt Groupe Inc.	New York	Consumer Services	18	32	1	48	Invitation-only Web site for online sample sales
20	Silver Peak Systems Inc.	Santa Clara, Calif.	Information Technology	42	11	41	5	Appliances that speed the movement of data between datacenters operated by large, far-flung corporations
21	Xanodyne Pharmaceuticals Inc.	Newport, KY	Health Care	17	32	29	10	Medications tailored to women's health and pain management
22	HuffingtonPost.com Inc.	New York	Consumer Services	39	2	28	39	News and opinion Web site, with a collective blog of nearly 4,000 contributors
23	Pandora Media Inc.	Oakland, Calif.	Consumer Services	27	20	15	36	Technology for personalized Internet radio
24	Small Bone Innovations Inc.	New York	Health Care	2	32	18	43	Orthopedic products and technologies for small bones and joints
25	RecycleBank LLC	New York	Business and Financial Services	7	32	33	15	Partnerships with cities to boost recycling
26	Metaweb Technologies Inc.	San Francisco	Information Technology	32	3	42	29	Freebase, an open database of online information drawn from open data sets like Wikipedia and community input
27	Satiety Inc.	Palo Alto, Calif.	Health Care	31	32	21	7	Medical technologies for less invasive treatment of obesity
28	GroundWork Open Source Inc.	San Francisco	Information Technology	50	9	7	28	Open-source IT management and network monitoring software
29	Boston Power Inc.	Westborough, Mass.	Information Technology	9	32	26	25	Next-generation lithium-ion batteries
30	DriveCam Inc.	San Diego	Information Technology	29	29	19	18	A video and audio recorder service for improving driving and preventing crashes in corporate fleets
31	CVRx Inc.	Minneapolis	Health Care	3	32	39	17	Implantable device to treat hypertension
32	Chegg Inc.	Santa Clara, Calif.	Consumer Services	11	32	25	24	Textbook rental service
33	Oceana Therapeutics Inc.	Edison, N.J.	Health Care	34	26	4	45	Marketer of drugs targeting medical niches
34	Schooner Information Technology Inc.	Sunnyvale, Calif.	Information Technology	40	31	3	23	Appliances that speed up certain popular datacenter applications
35	Vidyo Inc.	Hackensack, N.J.	Information Technology	33	32	27	4	HD-quality video-conferencing applications and services used via personal computers
36	Soasta Inc.	Mountain View, Calif.	Information Technology	48	1	24	40	Cloud-based software-testing services to Web-application developers
37	Slide	San Francisco	Consumer Services	10	14	43	37	Applications and virtual communities where people can showcase creativity on social-networking sites
38	Adchemy Inc.	Redwood City, CA	Business and Financial Services	25	16	17	44	Technology aimed at helping marketers serve more relevant and effective online ads
39	Etsy	Brooklyn, NY	Consumer Services	16	32	35	6	Online marketplace to buy and sell handmade goods
40	PhotoThera	Carlsbad, Calif.	Health Care	30	32	13	16	Laser therapy for ischemic stroke
41	Force10 Networks Inc.	San Jose, Calif.	Information Technology	43	32	50	1	Ethernet switches and routers and related networking products for Internet and communications companies
42	Zoosk Inc.	San Francisco	Consumer Services	26	32	6	22	Social network dating application and service
43	Akorn Networks	Littleton, Mass.	Information Technology	41	27	23	9	Software for managing virtualized servers and the entire network environment inside large datacenters
44	Casabi Inc.	Campbell, Calif.	Information Technology	49	7	8	33	Carriers with digital and mobile services for consumer customers
45	Service-Now.com Inc.	Solana Beach, Calif.	Business and Financial Services	21	32	11	27	Software as a cloud service that allows large companies to manage employees' IT requests
46	iCrossing	Scottsdale, Ariz.	Business and Financial Services	5	22	40	32	Digital-marketing services
47	SmartDrive Systems Inc.	San Diego	Business and Financial Services	8	32	20	30	Driver risk-management systems and services for large vehicle fleets
48	eMeter Inc.	San Mateo, Calif.	Information Technology	28	13	9	49	Smart-grid management software for utility companies
49	RockYou	Redwood City, Calif.	Consumer Services	1	32	31	46	Applications, virtual goods and games for social networks
50	Acceleron Pharma Inc.	Cambridge, Mass.	Health Care	22	32	37	2	Drugs to treat musculoskeletal, metabolic and cancer-related diseases

*Equity raised: The total amount of capital raised by the company over the three years ended Nov. 30, 2009, compared to the median amount raised by their industry peers in the same period.

**Executive Ranking: The previous liquidity success for a company's founders and chief executive, based on the number of mergers and acquisitions, and the sum of total market capitalization for initial public offerings.

***Valuation Ranking: The absolute percentage change in valuation over the 12 months ended Nov. 30, 2009, which includes the use of statistically derived values.

****Board Ranking: The previous liquidity success of the venture-capital investors who sit on the company's board, based on the number of mergers and acquisitions, and the sum of total market capitalization for initial public offerings.