THE TOP 20 INVESTORS IN SILICON VALLEY

WHEN IT COMES TO INVESTING IN STARTUPS, THESE MEN AND WOMEN ARE THE MOST POWERFUL PLAYERS IN TECH'S MOST IMPORTANT TOWN.

BY BENJAMIN REEVES

BUT THE MODERN CHAPTER of San Francisco’s rise as a financial center started after WWII, when federal funding and university talent created a fertile environment for science and engineering research. Beginning in the 1950s, new companies such as Hewlett-Packard needed financing to grow. “Microwave manufacturing is expensive,” Malone says, “and the East Coast banks didn’t understand what these guys were doing.” By the ’60s, Bay Area tech firms “didn’t even think about going east when they needed money.”

San Francisco is now wedded to Silicon Valley, of course. The major VC firms are strung out along Sand Hill Road in Menlo Park. Some of the most important of the Valley’s investors—Marc Andreesen, John Doerr—are well-known names from coast to coast. But many, operating largely under the radar of the East Coast financial press, are not. Here, then, are the 20 most influential men and women in Bay Area finance.

WHY HE’S IMPORTANT: The co-founder of Netscape, Andreesen has a background steeped in technology. Andreesen founded software company Opsware and then sold it to HP before launching his eponymous VC firm in 2009. The firm’s capitalization exploded, and it has had major exits on investments such as Skype, which was sold to Microsoft in 2011 for $8.5 billion. Andreesen has personally invested in dozens of companies. He also wrote the “1/1/1” pledge in 2009, which worked like a venture capitalist’s equivalent of the Giving Pledge. It meant that Andreesen would set aside one percent of his personal wealth to give away, one percent of his time to charity and one in 10 of his company stock to investors. It’s a big deal. Andreesen is considered by many to be the smartest person in the Valley.

WHAT HE SAYS: Andreesen takes a no-nonsense approach. On his blog, he has warned startups against “confusing the conference circuit—especially the party scene—with actual work. This also creates a toxic culture on multiple fronts by encouraging alcohol/drugs and valuing so-called ‘ballers,’ over other important, less ‘loud’ contributors.”

WHY HE’S IMPORTANT: Billionaire Benioff’s family has lived in San Francisco for four generations. His company, Salesforce, is best known for its customer relationship management software, but Benioff has personally invested in dozens of companies. He also wrote the “1/1/1” pledge whereby participating companies (including Salesforce) give one percent of their equity, profits and time to charity.

WHAT HE SAYS: “We said we were always going to be about giving back,” Benioff told the Wall Street Journal in 2014. “Maybe that’s because I’m from San Francisco, but I know that’s important and I think some of those new entrepreneurs need to be just reminded of that.”

WHY HE’S IMPORTANT: Conway has invested in and advised a who’s who of tech firms, including Facebook, Google, Square, Twitter and Dropbox. He was also a founder and managing partner of Angel Investors LP funds and SV Angel, his current home base, which works like a venture capital firm but invests in a greater volume of companies. Conway is known to be a vociferous advocate for his investments. “I couldn’t care less who is mad at me as long as the entrepreneur comes out ahead,” he explained to Fortune in 2012.

WHAT HE SAYS: In a 2007 TED talk about green investing, Doerr described how he tackles tough problems. “My partners at Kleiner and I were compulsive networkers, and so when we see a big problem or an opportunity like avian flu or personalized medicine, we just get together the smartest people we know.”

WHY HE’S IMPORTANT: Founded in 1980, Doerr has been the guiding hand behind one of Silicon Valley’s most lauded venture capital firms, and he backed tech giants including Google, Symantec, Amazon, Twitter and Intuit. President Obama appointed Doerr to his Economic Recovery Advisory Board in 2009.

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In 1972, Bill Hambrecht cofounds the second of San Francisco’s quartet of boutique investment banks known as the “four horsemen,” which provides financial support to tech firms through the 1990s. Hambrecht & Quist helps fund some of the industry’s biggest names including Apple, Adobe and Netscape. The first of the four, horsemen, and also the first investment bank took in the U.S., was Alex Brown & Sons, founded in Baltimore in 1800.

In 1974, American businessman and investor Tommie Davis of Davis & Rock starts the Mayfield Fund in the Central Valley, making many investments in Silicon Valley. The Mayfield Fund’s focus is early-stage tech companies, which will include Atari, the arcade game company that kick-started the modern era of home gaming.

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Entrepreneurs to star in reality television

Draper may be angling for the return of “viral marketing,” as Larry Page, Sergey Brin and Eric Schmidt of Google. The ventures he sponsors will collectively create over 200,000 jobs.

Alexandra “Sasha” Johnson
Managing Director of SV Capital
Silicon Valley, California

Her current political tensions between the U.S. and Russia, Johnson is bullish on business between the two. “Entrepreneurs will continue to do what they do and investors will continue to work with them,” she says.

Mary Meeker
Partner, Kleiner Perkins Caufield & Byers
Silicon Valley, California

One of Google’s first employees, Mayer received enormous attention for becoming CEO of Yahoo in 2012—attention that hasn’t relented as she struggles to turn the company around. Mayer is also one of the Bay Area’s top angel investors, having put her own money into Twitter, Square and online investing platform Wealthfront.

Claudia Fan Munce
Manager of SV Capital Group
Silicon Valley, California

Why he’s important: With early investments in companies like Twitter, Foursquare and Uber, Ravikant is a fixer for angel investors and entrepreneurs. AngelList, an online marketplace for startups and angel investors, automates and accelerates the discovery process. AngelList offers opportunities to invest in startup and enterprise funds, which allow investors to play the odds and bet on 100 companies at the same time.

Why she’s important: One of the priests of Silicon Valley and was instrumental in sponsoring legislation that funded expansion of and greater public access to the net, including the High-Performance Computing and Communications Act of 1991, which created the National Information Infrastructure, dubbed the “information superhighway.” After he was VP, Gore became a partner at Kleiner Perkins Caufield & Byers, the venture capital firm that helped fund Google, AOL and iFund.

Robert F. Smith
Founder, Chairman and CEO, Vista Equity Partners
Silicon Valley, California

Mary Meeker
Partner, Kleiner Perkins Caufield & Byers
Silicon Valley, California

What she says: “If you can find something you’re really passionate about, whether you’re a man or a woman comes a lot less into play.” Mayer told CNN a few months before joining Yahoo. “Passion is a gender-neutralizing force.”