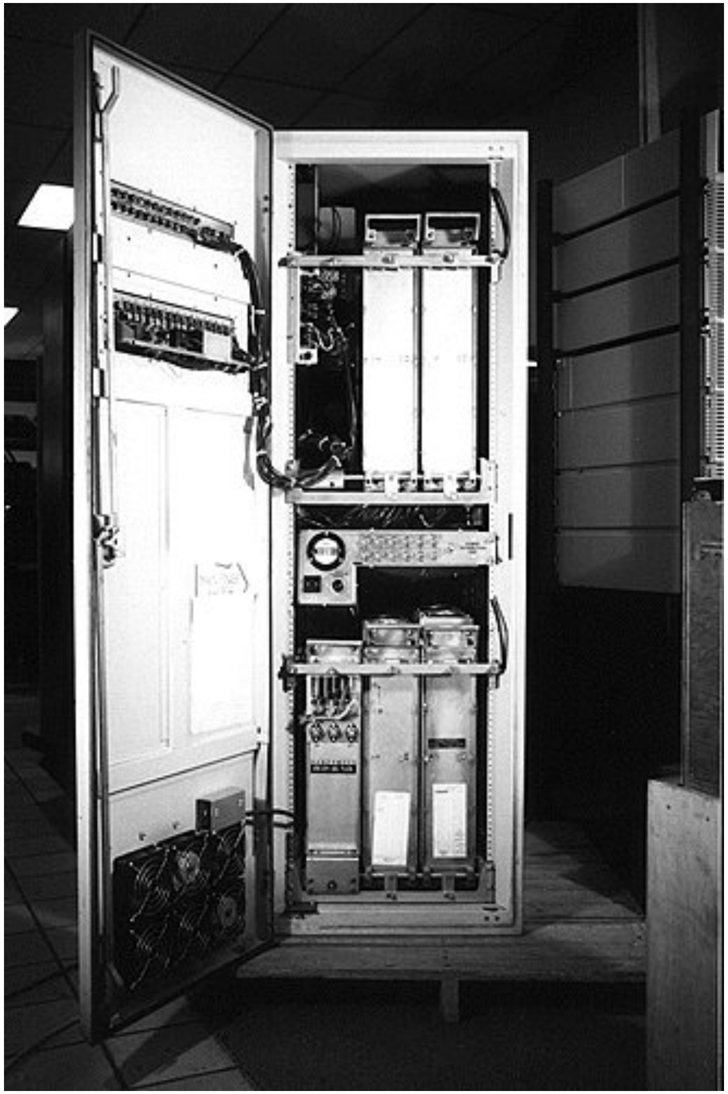

Open Networking

A Venture Capital View

NEA®

- Greg Papadopoulos
  Venture Partner, NEA

Quintessential Tech Disruption

- Huge existing global market with fat margins and high intrinsic demand
- Relatively vertically-integrated & mature architectures
- Accessible and open interfaces
- Manifold customer pain points and op-expenses

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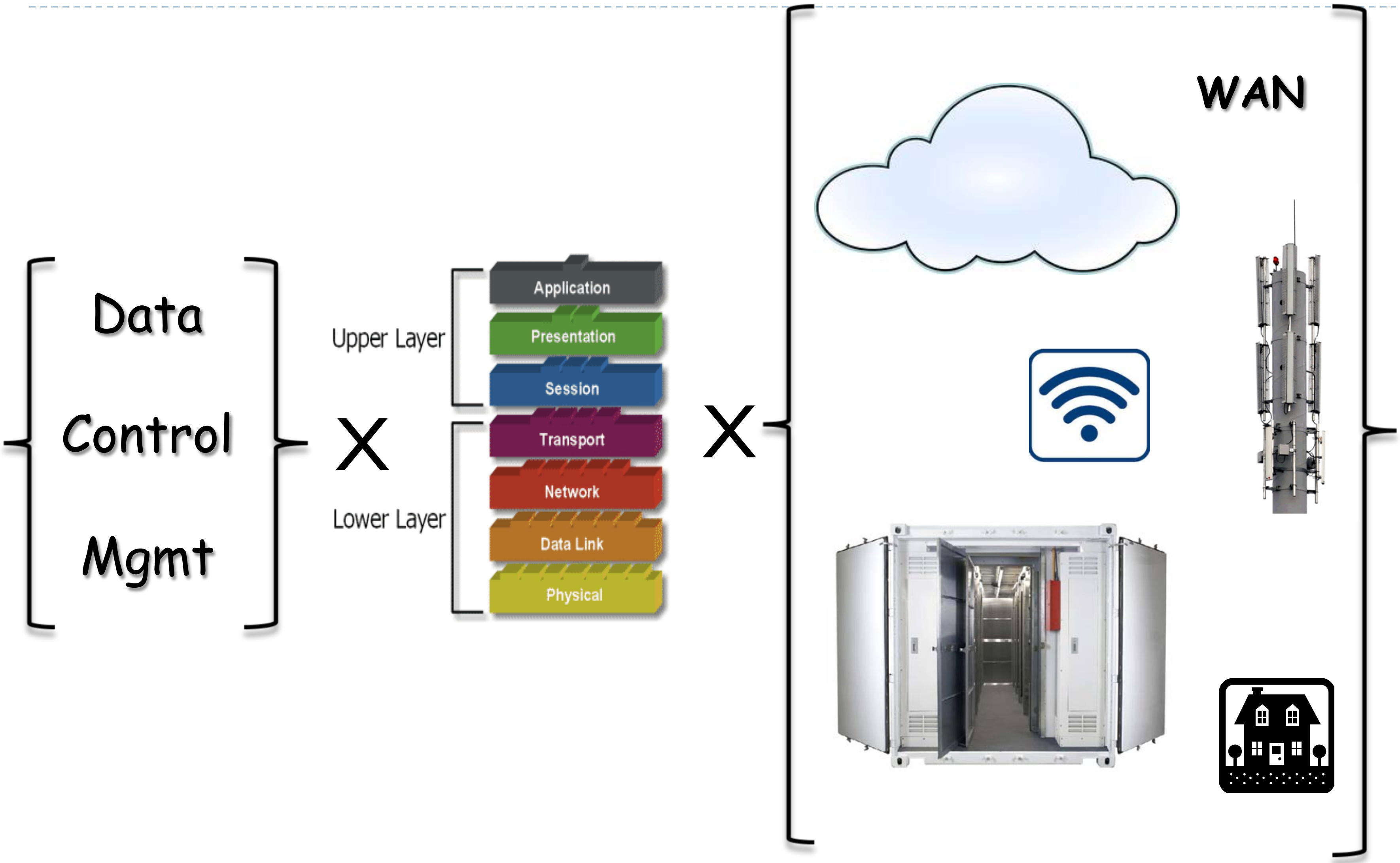
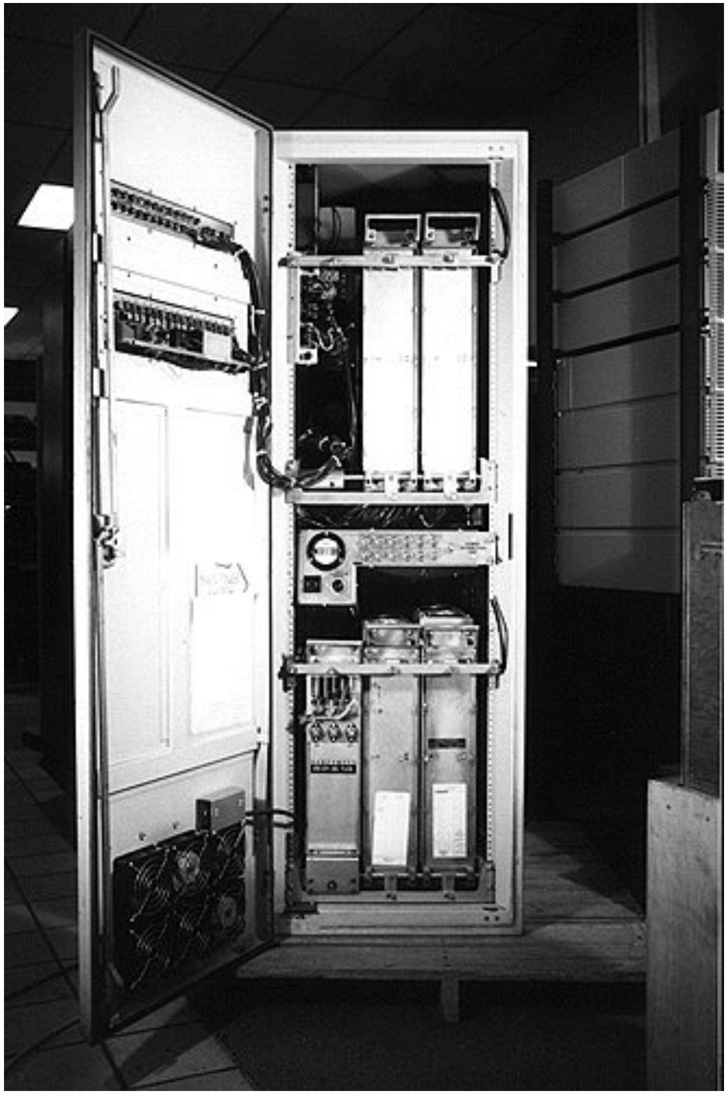
- Manifold customer pain points and op-expenses
- Emergence of hugely disruptive components and frameworks:
  - Merchant SW Chips
  - OpenFlow API
  - SDN Organizing Principles
  - Very cheap, general-purpose threads (i.e., multicore)
- Much innovation cast as software (read: capital efficient)

Investment Map



Long Term Factors

- Distillation of Network O/S's into a couple of significant distributions?
- Nurturing of Developer-centric communities and ecosystems
- Emergence and customer acceptance of network apps
- Relative value of control, management and data plane functions



This is a great time to venture invest in open networking!

gregp@nea.com

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