

On the Move with Peter Liu

The WI Harper founder, who's helped setup venture infrastructure in Taiwan and China, sees a correction ahead, not a bubble

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Contributor

In 1995, having made a fortune in U.S. tech investments and having planted the seeds of venture capital in Taiwan and then China, **Peter Liu** retired.

The decision was a bit rash.

Liu, then 47, quickly resumed his life's work, betting on early stage ventures destined for bigger things.

"I decided to take an early retirement in 1995, but it only lasted two weeks," he says, chuckling about his brief misadventure. "It didn't last very long."

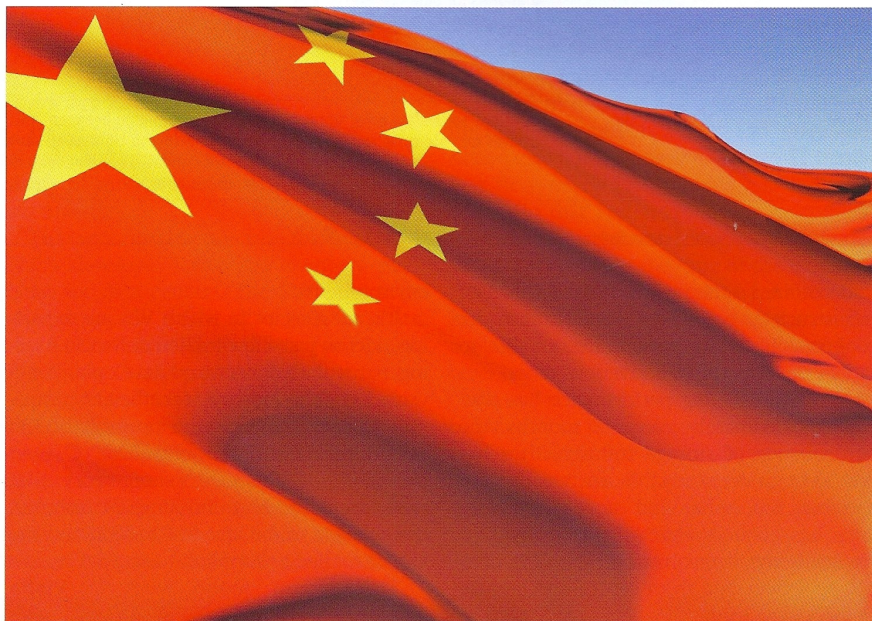
He returned to the firm he had founded, the **WI Harper Group**, where he's still going strong 16 years later.

These days, Liu and his 26 managing directors, partners, investment professionals and venture partners at WI Harper manage more than \$750 million spread across seven funds, specializing in investments ranging in size from \$1 million to \$15 million. The firm invests in tech, clean-tech and health care, and lists 53 companies in the firm's portfolio on its website, with 23 located in the United States; 20 in China; and 10 in Taiwan.

"I like to invest in fast-growing businesses that are profitable with products already in the key markets, and in Chinese and Taiwanese companies looking to expand overseas, especially into the U.S. market, or U.S. businesses ready to expand into China and Taiwan," Liu says.

His more recent investments include such high-profile consumer-oriented companies as VoIP consumer device maker **ooma Inc.** and flat-panel TV maker **Vizio Inc.**

Rebecca Fannin, a national magazine columnist and author of the 2008 book "Silicon Dragon: How the Chinese Are Winning the Tech Race," says she runs into Liu at numerous investor and tech-related gatherings when she's in China. In her book, Fannin writes about Liu and his



\$500,000 investment in **Maxthon**, which has become one of the most popular browsers in the exploding China market (**Skype** investor **Morten Lund** also participated). Later investors include **Charles Rivers Ventures** and **Google Inc.**

Fannin writes that Liu was the first to see the potential in the nascent Web browser for the Chinese market.

"Everybody knows Peter," she says. "You see him at many events. He's very well connected, because he has been around so long."

WI Harper's focus on the Mandarin-speaking world is a natural for Liu, who says he has personally invested in more than 100 ventures in China over the past two decades. Liu was born in Beijing in 1949, the year before the Communists took over the country after a bloody civil war. His father, a military officer on the losing side of the conflict, fled to Taiwan with his family. Liu immigrated to San Francisco Bay Area in the late 1960s, where he attended **UC Berkeley**.

After **IBM Corp.**'s launch of the desktop PC in the 1980s, Liu began investing in small businesses that made monitors and other peripherals.

"That business was particularly successful," he says.

In 1987, Liu co-founded **Walden International**, and established WI Harper as an advisory service arm to the firm. In 1996, he went out on his own with the firm and raised \$40 million for its first fund.

"He's a very high-energy guy, and I love him dearly, almost like an older brother," says **Lip-Bu Tan**, chairman of San Francisco-based Walden International.

He adds that he admires Liu as much for his character as for his acumen as a businessman.

"He has a big heart, a very kind heart. He's one-of-a-kind, a wonderful man, as well as a savvy investor," says Lip-Bu, who adds that Liu helped him put a fund together for Taiwan, which he says was not easy, "because there was no venture capital in Taiwan at that time. Liu then helped him put together his first fund for China, too."

"When he left to start his own firm, I suggested he take the name WI Harper, because I thought it would help him because of our name recognition," Lip-Bu says. "I think he's done a marvelous job, and we've remained very close friends over the years."

In the 1980s, the Taiwanese government asked Liu's help in establishing a