CPA Practice Advisor

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Netscape founder Marc Andreessen, one of Silicon Valley's most influential venture capitalists, is tired of all the chatter about a social-media bubble. In fact, he claimed Wednesday in a talk in New York City that the nation is in a "tech depression," with stock investors punishing market leaders like Apple and Google.

Andreessen, who co-founded Netscape and more recently launched venture firm Andreessen Horowitz, said at The New York Times Dealbook conference that if there was such a bubble, "it was a bubble that was limited to four companies," according to Reuters.

Andreessen didn't name the companies, and his firm didn't immediately respond to a message from this newspaper seeking clarification. But a year ago the valley was abuzz that Groupon, Zynga and Facebook — into all of which Andreessen's firm put money — would see their initial public offerings soar. That, in turn, sparked high-flying valuations for other private companies that came back to earth

once those IPOs flopped.

"The public right now hates technology," Andreessen griped. He said technology stocks are undervalued compared with other sectors and that some pundits believe longtime tech leaders are "doomed."

Other experts aren't so sure.

“I’d be depressed, too, if I was stuck on HP’s board,” valley futurist Paul Saffo quipped

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McNamee of Menlo Park’s Elevation Partners — like Andreessen’s firm, an investor in Skype and Facebook — told Bloomberg News on Wednesday that Microsoft, Yahoo (YHOO) and Google aren’t doing enough to innovate.

At the same time, McNamee pronounced himself “flabbergasted by the way the markets value stocks,” noting that Apple and those other behemoths are “selling at a huge discount to the S&P 500.”

Brian Marshall, who heads the technology team at investment research firm ISI Group, said he also agrees with Andreessen — to a point.

“Sentiment on tech is horrible now,” Marshall said via email. But, he added, that makes him feel bullish for 2013, when he sees the tech industry delivering better financial results and creating room for depressed stocks to soar.

Lise Buyer, a consultant in Woodside who advises companies on the IPO process, said she’s had plenty of clients kicking the tires on going public. “Marc is as smart as they come, but in this case he must be looking at a subset of the data,” she said.

While she acknowledged that investors are particularly cautious right now with the fiscal cliff and possible tax hikes looming, she said less-risky stocks like those of cloud computing companies — which make money by locking customers into recurring subscriptions — are trading at solid prices compared with their earnings.

“It doesn’t look like a desert to me,” Buyer said.

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