
Angel Investing 101
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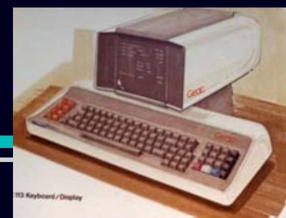
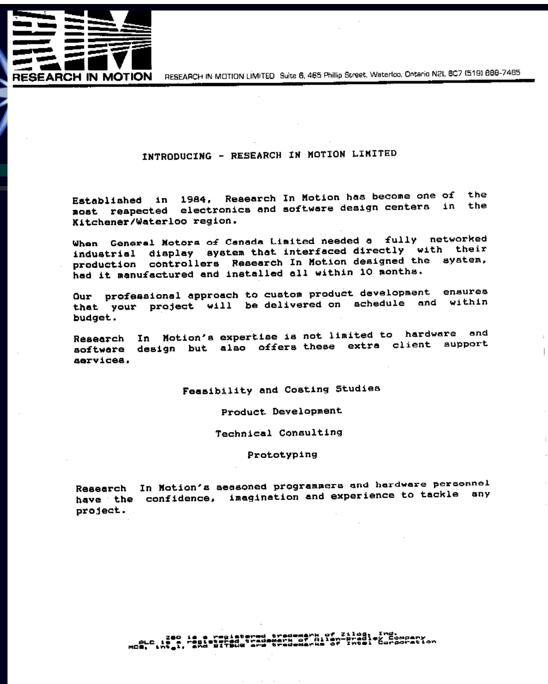
Innovation is *the* key to growth
R&D (Knowledge)
Markets
Consumers
Entrepreneurs
Talent:
Universities
R&D Orgs
VCs
Angels
$
Entrepreneurs are the Champions of Innovation
Angels are the Champions of Entrepreneurship

Opportunity strikes



From "Budgie" to Blackberry


RESEARCH IN MOTION

RESEARCH IN MOTION LIMITED Suite 6, 465 Phillip Street, Waterloo, Ontario N2L 6C7 (519) 888-7465

INTRODUCING - RESEARCH IN MOTION LIMITED

Established in 1984, Research In Motion has become one of the most respected electronics and software design centers in the Kitchener/Waterloo region.

When General Motors of Canada Limited needed a fully networked industrial display system that interfaced directly with their production controllers Research In Motion designed the system, had it manufactured and installed all within 10 months.

Our professional approach to custom product development ensures that your project will be delivered on schedule and within budget.

Research In Motion's expertise is not limited to hardware and software design but also offers these extra client support services.

Feasibility and Costing Studies

Product Development

Technical Consulting

Prototyping

Research In Motion's seasoned programmers and hardware personnel have the confidence, imagination and experience to tackle any project.

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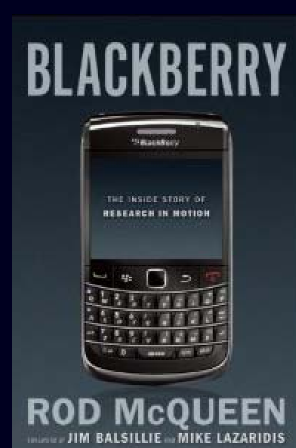


What's An Angel?

ANGEL:

a term borrowed from Broadway
(successful "stars" helping "starlets")

3 key (ideally) characteristics of Angels:

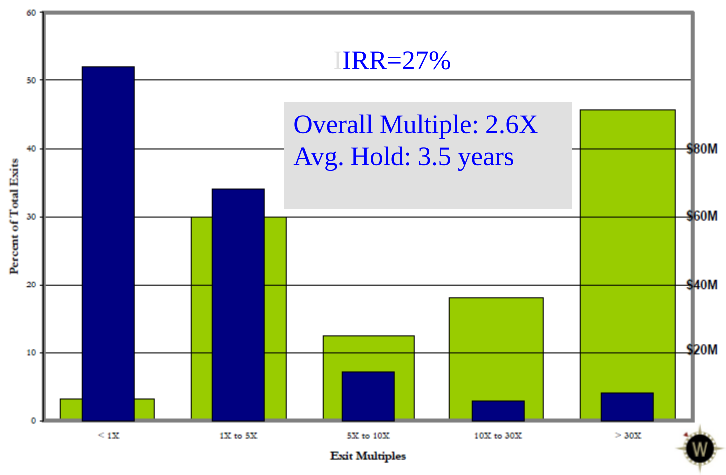
1. Been there, done that (entrepreneur, CEO)
2. *Invests Own Capital, $25K-$1M+ (no agents, no OPM)
   (* essential criterion)
3. Keen to mentor or coach

Angel Types

	Cherubs	Angels	Archangels
$$:	little	modest	tons
Time:	some	lots	others
Style:	pooling	co-investing	VC

Angel Investing 101

Distribution of Returns by Venture Investment



Study by Rob Wiltbank, Willamette Univ.

But....

40% of angels lost 100% of their money

and

EXITS are a major issue

How to beat the odds....

invest in a large number of deals

and/or

pool capital with others (e.g. Angel funds)

and

co-invest with others

And secrets to successful investing...

Can’t always pick winners;

Can avoid the losers

Term Sheet-Shareholder agreement is key

Entrepreneur: 3I’s: Integrity, Intensity, Immediacy

Company: 3G’s: Goodness, Greatness, Greed

The Angel Network (VANTEC.ca)

How it Works:

-founded 1999

-it *is* a network

-by angels and for angels (many volunteers)

-monthly meetings: 5-10 brief presentations

-hosted by the university

-business sponsors (KPMG, PwC, etc)

SFU

(*Note*: infotech & cleantech subgroups)

Impact

- 100 companies per year get heard
- 50% get investors
- Since 1999, 500 companies received:
  average of $1M/company (median $300K)

WUTIF Angel Fund (wutif.ca)

(Western Universities Technology Innovation Fund)

- Started in 2003
- *any* tech startup can apply
- >60 investments: $100K average/company
- >100 investors
- 30% tax credits
- Hold period – min 5 years
- Performance fee based

(*Note*: biotech , infotech & cleantech subgroups)

GreenAngel Energy Fund

(greenangelenergy.ca)

- Started in 2009
- >6 investments ($350K/company)
- >500 investors
- Publicly traded on TSX Venture Exchange
- No minimum; no hold

(*Note*: biotech , infotech & cleantech subgroups)

The Future?

- Traditional VC disappearing
- More angels appearing
- New Angel Funds – private & public
- Promote entrepreneurship & risk taking
- A new asset class

The University's Role

SFU

- Community Engagement
  Our Motto is `Thinking of The World`
- Organize and manage the angel network
- Host & invest in angel funds
- Seminars, workshops for angels
  (Angel investing 101)
- Seminars, workshops for entrepreneurs
- Incubators, labs etc for entrepreneurs & students

Bottom Line

- Universities can play a critical facilitative role
- Universities contribute to economic growth
- Nice to create linkages; better to create companies
- Tax credits (or grants) to angels are very effective
- Matchmaking is key: connections and mentors
- ANGELS ARE THE MAIN HOPE FOR ENTREPRENEURS – forget about banks & VCs

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Recent Surveys & Stats now available on this site
(e.g. Harvard Business Review: Angels in B.C.)