IEEE Entrepreneurs' Network

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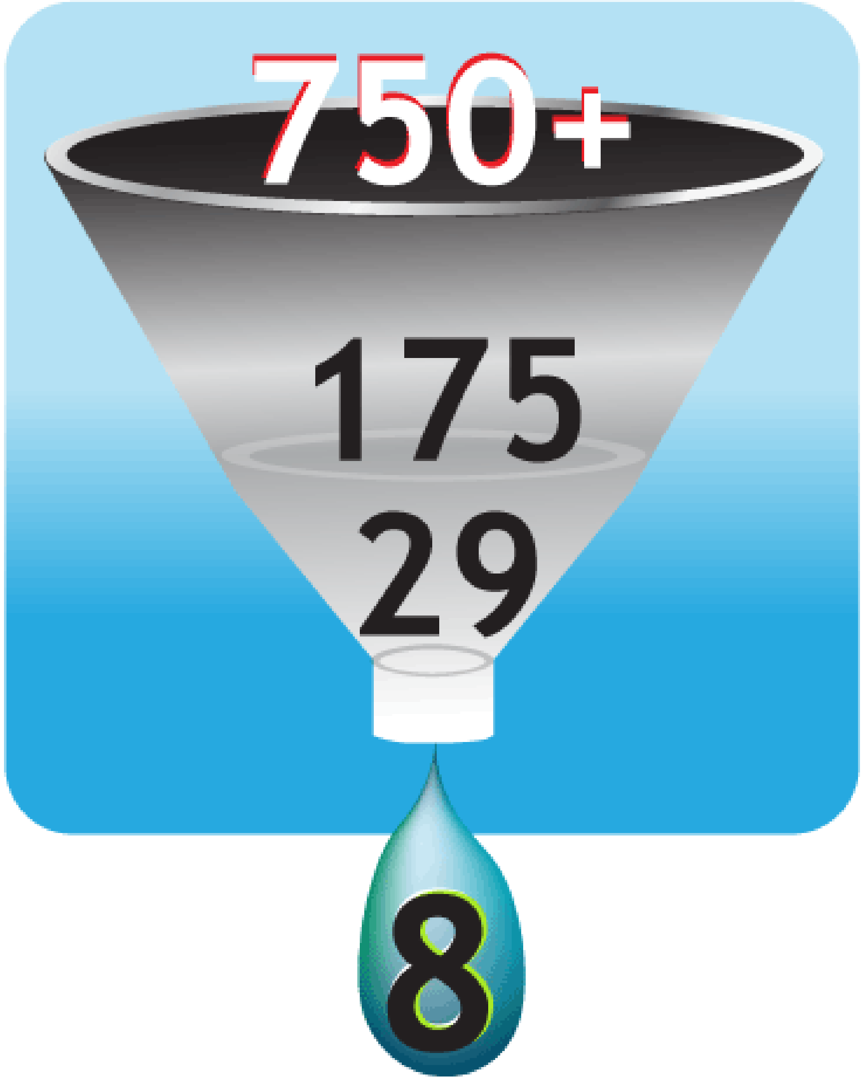
Launchpad 2014 Activity

Applications

Scouted Candidates

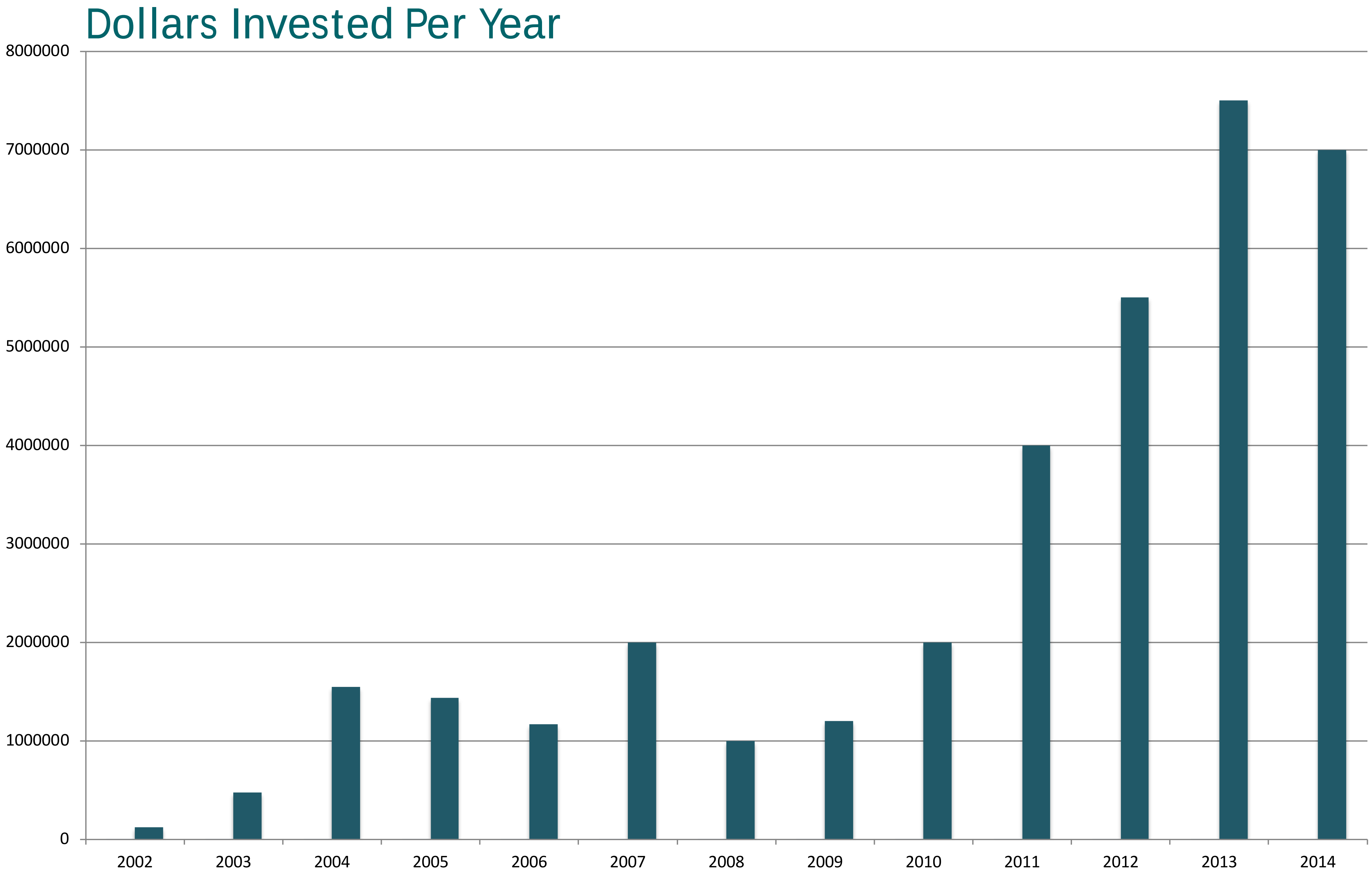
Candidate presentations



New Companies Funded

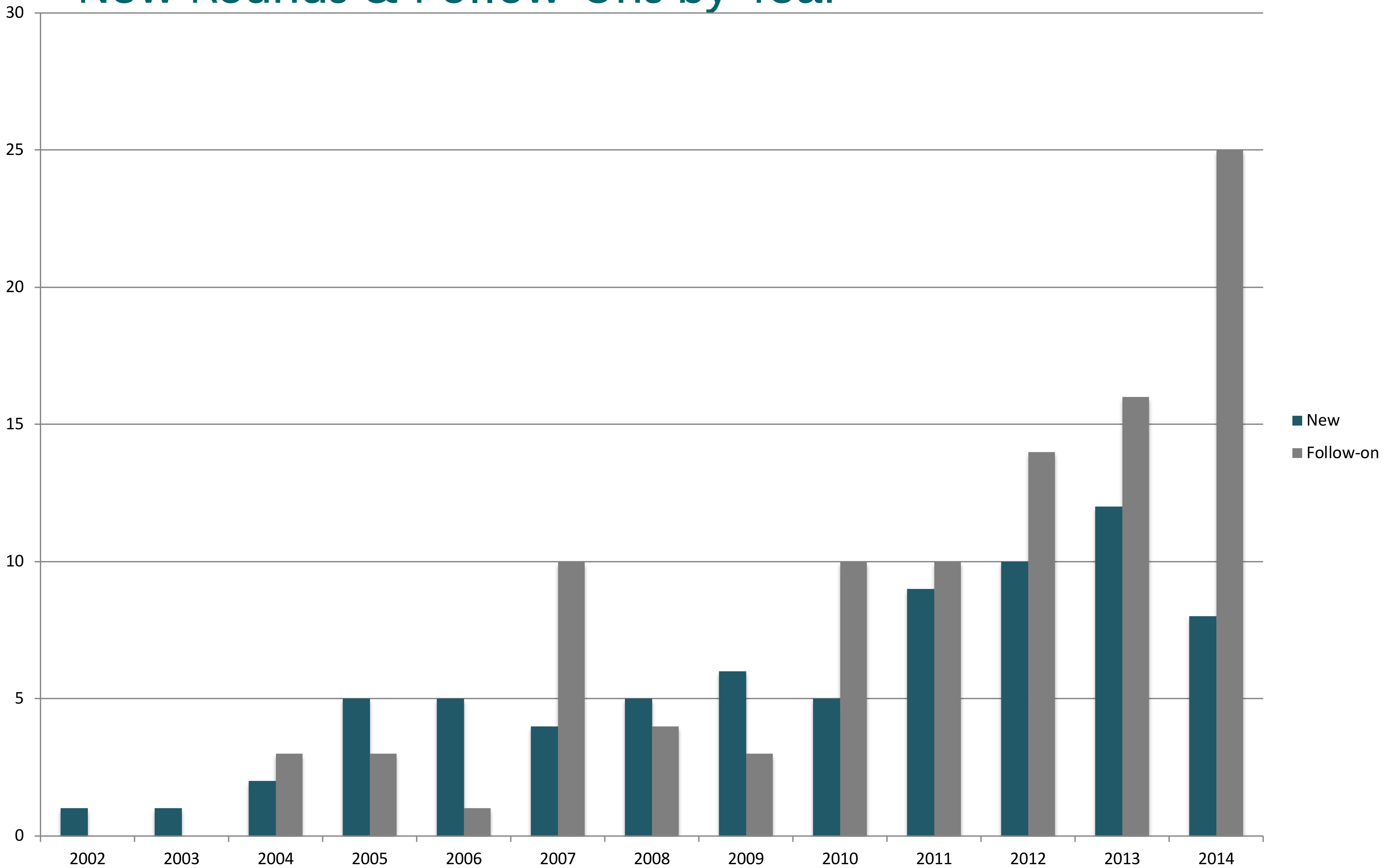
2014 Investment = $7 m 8 New +25 Follow-on

Activity - Historical



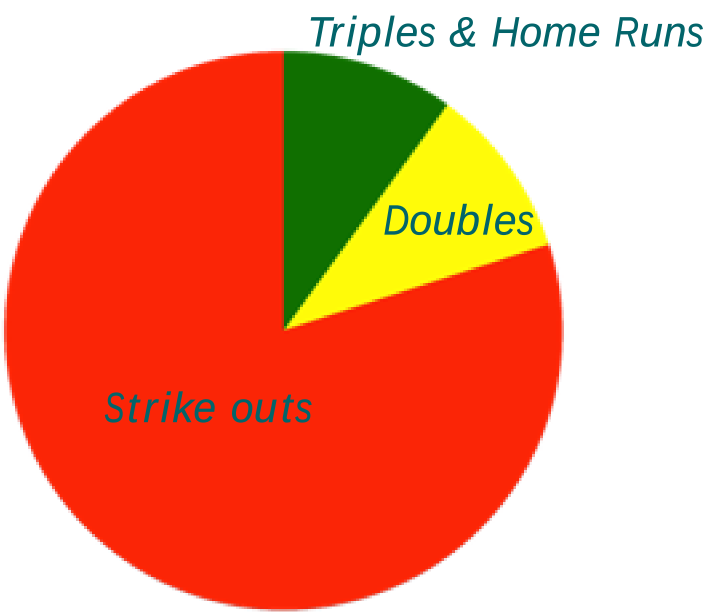
Activity - Historical

New Rounds & Follow-Ons by Year

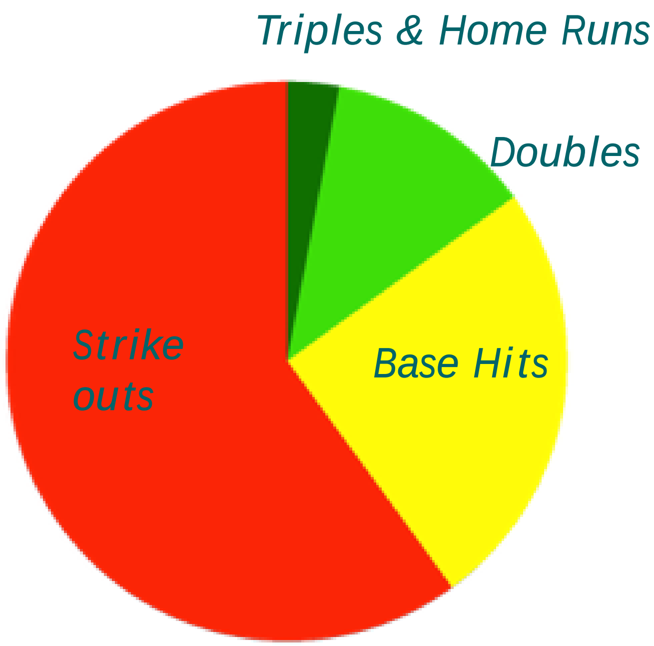


Portfolio Models

VC Model
Go Big or Go Home



Angel Model
Base Hits and Runs



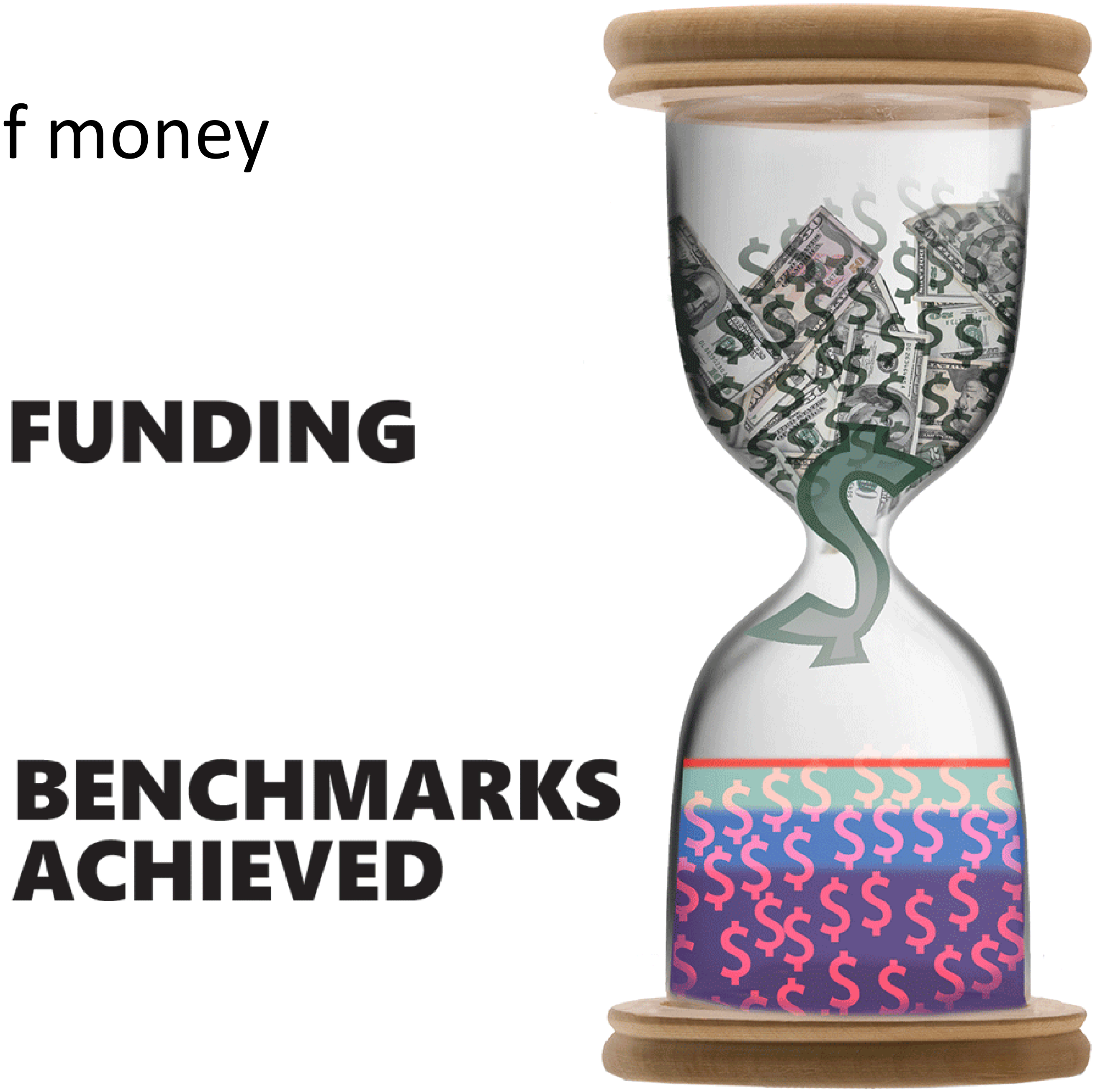
In either case, most investments fail. Minority of investments provide the majority of return. Unlike VCs, angels try to preserve capital and get on base by being careful about capital-intensive all-or-nothing bets.

Unicorns

- Differentiated technology
- Technology proven and development complete
- Addresses unfulfilled market need
- Initial sales with clear path to sales growth
- Seasoned team with balanced skill set
- Strong board and advisor set
- Capital efficient

Why startups fail?

- #1 Run out of money



Why startups fail?

- #2 Technology isn't ready
  - Needs retooling
  - Misses price point
  - CTO leaves
  - Whoops: competitor with equivalent or better
    - Or over lapping patent

Why startups fail?

- #3 Market doesn’t respond.
  - Longer sales cycle
  - Insufficient economic advantage
  - Inability to differentiate vs. current solutions
  - Surprise competitor
  - Market apathy

Why companies fail?

- #4 Inability to sell
  - Wrong sales team
  - Misdirected campaign strategy
  - Failure to build channel partners

Why companies fail?

- #5 Leadership mistakes
  - Overly optimistic
  - Slow to respond to market feedback
  - Mis-spend precious capital
  - Hire wrong people
  - Inability to evangelize product

Founder Guidance

- Be ready to validate technology.
- Debut go to market plan with market savvy advisors before engaging with Angels.
- Be alert to utilizing angels' operational expertise.
- Know what you can actually deliver and then execute fiercely to meet those benchmarks
- Be conscious and alert to path to exit.