
Finding the Deal...Where's the “sweet spot”???

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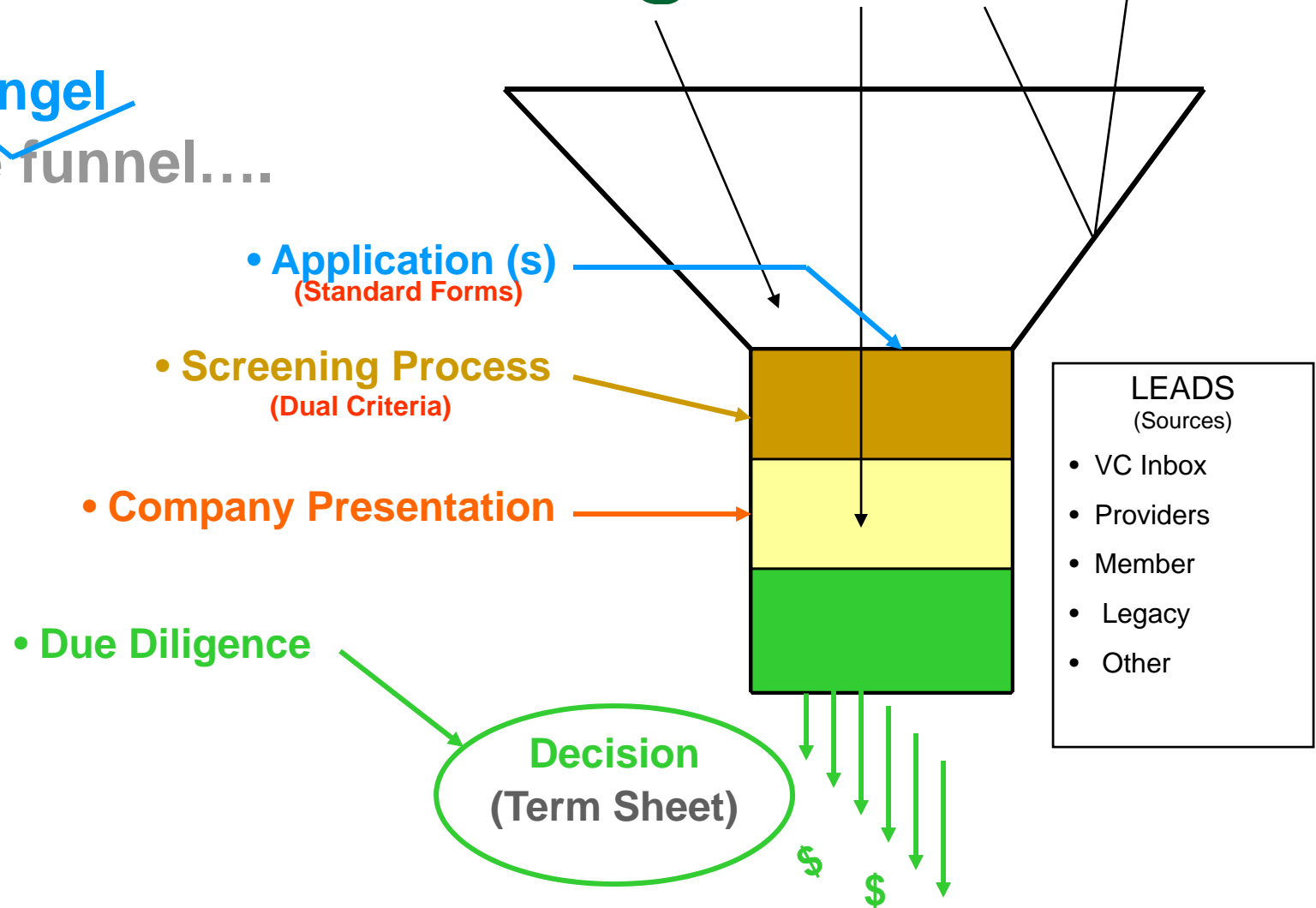
Knowing ourselves.....

- **To fund our best deals we need to know one when we see one!**
- **First - the traditional “funnel” approach**
- **Then- another perspective**
- **Goal- finding a method for finding the “best” deals for ourselves.**

A traditional (Angel) view.....

Angel

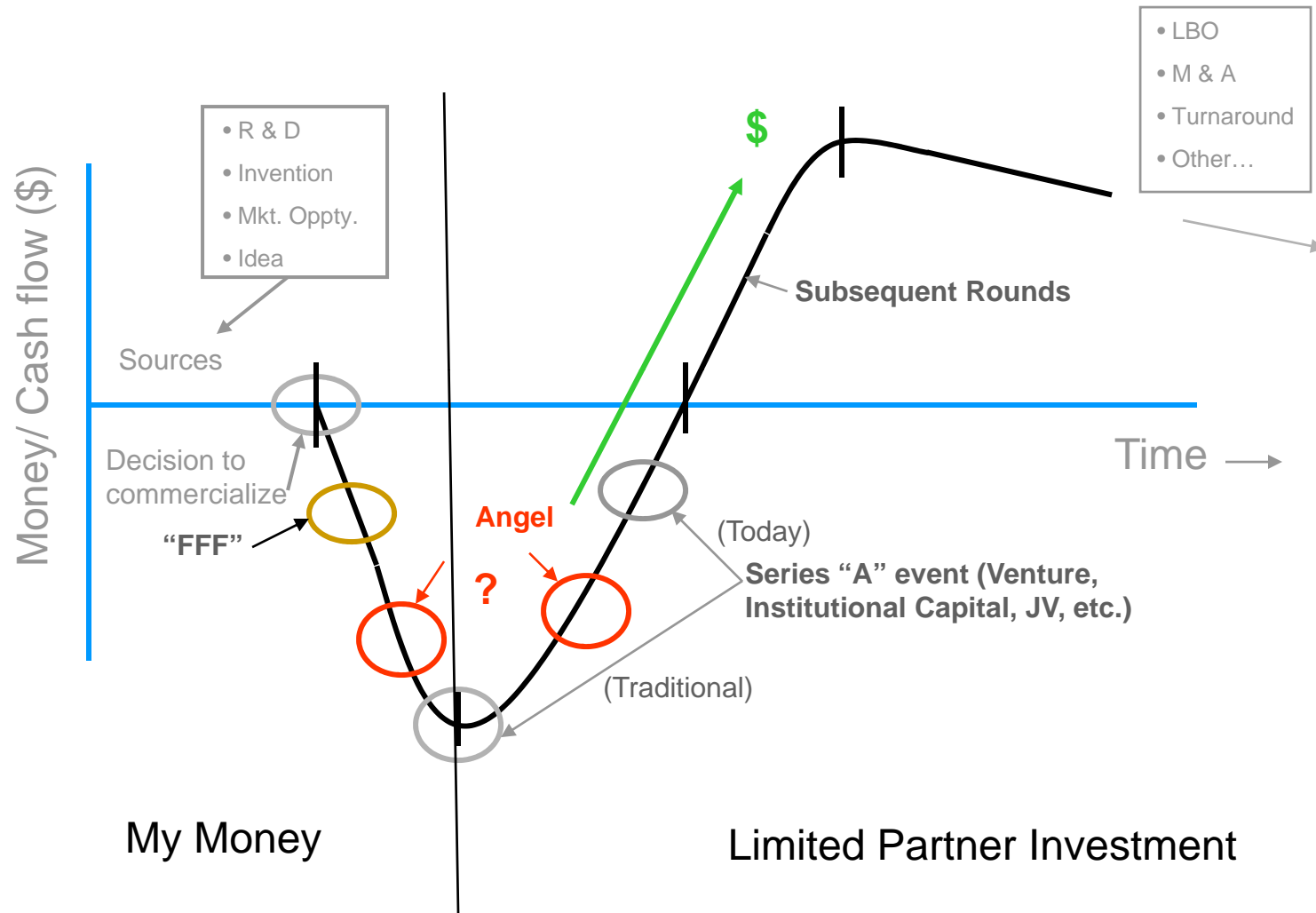
■ The funnel....



Another perspective.....

- To see Angel investment as part of a larger investment “life cycle”.
- This perspective will help us select, position and fund deals more effectively.
- Let’s look at basics.....

Positioning Angel Investment



Positioning Angel Investment...



	Pre-Investment	Early Stage	Series A	Subsequent
Investment	Friends and family, Grants (SBIR, STTR)	Angel, Suppliers, poss. joint ventures	Series "A", Angel re-up, Venture Capital	Banks, mezzanine, investment bankers
Management	Informal	Teams	Management Org. Structure	Committees, Metrics
Governance	Advisors	First Board of Directors, Angel directors	BOD w/ Committees and Outsiders, VC Board	Larger and more formal

An additional caveat on Angels

- Breathtaking growth from Bill Wetzel (VCN) at UNH and the Breakfast Club (30 years ago).
- Twenty Eight visible groups in New England
- Regional (NE Angels)/ National (ACA) (200)

Common Angels	Walnut
Hub angels	Boston Angels
Launchpad	E Coast Angels
Cherrystone	Boynton

Summary...

- Deal Flow (and selection) are important predictors of Angel investment success.
- Understanding an angel group's interests overlays the selection process. Syndication is an option! (i.e.-NE Angels)
- Positioning the deal in the context of subsequent investments is a key determinant of realized value.