

Houston Angel Network

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NEWS RELEASE

FOR IMMEDIATE RELEASE:

June 1, 2010

HOUSTON – Despite one of the worst economic climates in decades, the Houston Angel Network (HAN), a non-profit organization that provides its members a forum in which to evaluate promising early-stage Texas-based investment opportunities, cashed in on three profitable start-ups in 2009.

- BMC Software acquired privately held Phurnace Software, a leading developer of automation software which significantly reduces the cost, complexity and risk to deploy and configure Java-based applications on physical, virtual and cloud environments. HAN members who were limited partners in the DFJ Mercury fund or who invested directly in the deal profited from this sale
- HAN investors participated in the initial formation round of CSIdentity, an Austin-based security and ID theft prevention firm, in 2007. CSIdentity announced earlier this year a \$35 million investment from the well-known private equity firm Investcorp. This investment resulted in a handsome dividend payment to HAN members.
- In early 2009, HAN members provided the original seed capital to Sweet Leaf Tea, an Austin-based maker of organic, all-natural, home-style beverages that has experienced significant growth. By May 2009, Nestlé Waters North America, Inc. made a \$15.6 million investment in the company. Said HAN member Ben Mayberry, “HAN was privileged to be part of the vision Sweet Leaf is executing.”

“The Houston Angel Network has shown that its members can make money in early stage venture investing,” said 2009 HAN President Andrew Clark. HAN members invested in a number of new deals in 2009. While the economic climate is still challenging, HAN members are seeing a strong deal flow, and more attractive terms for the deals in which they invest. In 2010, HAN will focus on increasing syndication of deals with other networks, and growing the membership of the group.

The Houston Angel Network is the largest and most active angel network in Texas: Since inception, our members have invested more than \$27M in 54 deals since its inception in 2001. In 2009, HAN members invested \$1,995,000 in new and follow-on fundraising rounds.

The typical HAN member is an SEC-accredited investor seriously interested in providing capital to early stage Texas companies. HAN consists of veteran angel investors as well as those who have just recently become involved in angel investing – prior experience in early stage investing is not a prerequisite.

For more information regarding membership or for an application to join, please contact Managing Director, Kala Marathi, at [**kmarathi@houstonangelnetwork.org**](mailto:kmarathi@houstonangelnetwork.org) or 832-476-9291.

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