



NACO Canadian Co-Investment Summit Meeting Template

1.0 Overview

The First Canadian Co-investment Summit, hosted by the National Angel Capital Organization on Wednesday, November 19th, 2008 in Toronto, was a resounding success! The Summit was oversubscribed, with over 150 Angel investors attending and 25 Angel-investee companies (from a selection of over 40 that applied) pitching for second-round investment.

The purpose of this event, the second of which will take place Friday May 22nd, 2009, was to:

- Syndicate/co-invest existing portfolio companies between Angel groups and individual Angels;
- Introduce 'virgin angels' to the type of investments they could expect to see and invest in as part of an Angel groups;
- Help Angel groups raise their profile and attract new members from among the individual Angel investors who attended;
- Officially launch newly formed Angel groups such as the Ryerson Angel Network;
- Recognize those Angel investee companies who have achieved significant growth since the Angel investment through the awards program;
- Build knowledge about each individual group (members, deal type, sector, stage, capital, etc.), and building trust between us.

The National Angel Capital Organization was the primary driver of this meeting and coordinated the process.

2.0 Canadian Context

The First Canadian Co-Investment Summit was motivated by necessity as the Canadian Venture Capital community experienced a drastic decline in investments in 2008, plummeting 36% to the lowest level of investment since 1996. Exacerbating this problem is the fact that much of the capital that was invested was invested at later stages.

As such, out of necessity Angel investee companies have had to pursue co-investment to raise sufficient second-round financing. The NACO Co-Investment Summits have been created to facilitate this process.

3.0 Co-Investment Summit Development Process

3.1 Co-Investment Committee

The Co-Investment Committee was established, selecting Angel group managers and stakeholders from regions across Canada to:

- Establish the date of the Co-Investment Summit;
- Solicit Angel syndication opportunities from their respective groups and regions;

- Engage the participation of Angel investors from their respective regions and groups;
- Promote the Co-Investment Summit in their respective regions and groups to engage the participation of Angel investors and Angel community stakeholders;
- Review and select the 25 investment opportunities that would be presented at the Summit.

All Co-Investment Summit operations (i.e. logistics, coordination, marketing, etc.) were undertaken by NACO.

3.2 Venue

3.2.1 *Venue Layout*

NACO undertook the organization of all venue logistics. The University of Toronto Faculty Club was selected as the venue for its intimate atmosphere and ambiance. NACO rented the entire facility for the event. The venue included:

- Large main presentation room (main level) – Capacity: 135 guests comfortably
- Reception/networking room (main level) – Capacity: 50 guests comfortably
- 2 large investee presentation booth/deal making rooms (upper level) - Capacity: 50 guests comfortably
- Small additional space was established for audio-visual and lighting setup.

3.2.2 *Meals and Reception*

All meals (light breakfast and buffet lunch) were served in the reception/networking room. Guests were encouraged to dine in the main presentation room which was set in rounds of 8 per table.

Coffee, tea, and snacks were served in the reception/networking room throughout the afternoon.

The closing reception was held in the reception/networking room, serving approximately 125 attendees.

3.3 Agenda

NACO and the Co-Investment Committee were responsible for setting the agenda and managing the presentation timetable. For details of the timetable, please see Appendix A. This agenda allowed for:

- Co-Investment Opportunities - 20 co-investment opportunities to present for 10 minutes each
- Fast Five Opportunities - 5 'up-and-coming' companies presented for 5 minutes each at the end of the day.

There was no official Q&A during the company presentations, though if the company finished their pitch under time, questions were allowed. Investors were encouraged to speak to the companies throughout the day.

3.4 Registration

Registration was handled by NACO through two systems for the two different participant types, companies and Angels.

- Company Registration - Companies registered to present using the Angelsoft system. Their opportunity was either submitted directly to NACO through Angelsoft, or was co-invested to NACO by the sponsoring Angel group through Angelsoft, as depicted in Appendix B.
- Angel Registration – Angels were encouraged to register for the Co-Investment Summit via an event registration page, established on Eventbrite. Registrants on this system were carefully screened to ensure that all were indeed Angel investors. An example of this site can be found at our May 22nd Co-Investment registration site: <http://2009coinsummit.eventbrite.com/>

3.5 Sponsorship

The first Co-Investment Summit was supported primarily by the Province of Ontario and NACO National Sponsors. The benefits that they were provided included:

- Event Banners;
- Handouts at the event;
- Recognition in the delegate materials; and
- Two tickets to attend the event.

NACO solicited all support for the Summit.

3.6 Marketing Materials and Methods

Marketing materials and methods for the First Canadian Co-Investment Summit included:

- **Postcards** – These were handed out at all appropriate venues to solicit the participation of both Angels and companies. (Appendix C)
- **One-Page Information Sheet** – This was included in a number of publications. It was also used as a hand-out at relevant events, including the NACO's National Summit in Halifax. (Appendix D)
- **E-Mail Template** – A template e-mail was commissioned for the event. (Appendix E) All e-mail communication used the same style. E-mail was used to notify companies and Angels about the event as well as to send out reminders for participants to register.
 - E-mail notification was sent out 2 months before the Co-Investment Summit
 - Reminder e-mails were sent out at regular 2-week intervals for the 6 weeks prior to the Summit.
- **Media Advisory** – A media advisory was sent out one week prior to the Summit. This resulted in coverage by two major media outlets in Toronto.
- **Direct Contact** – NACO and Angel group managers were each responsible for reaching out to their respective memberships to alert them of the Summit and solicit both their participation and the application of their investee companies. Angel group managers were furnished with all of the above materials to aid them in this.

3.7 Keynote Speakers

The keynote speakers were engaged by NACO. These included:

- Bob Delaney, Parliamentary Assistant to the Minister Of Research And Innovation
- Dr. David Naylor, President, University of Toronto
- Dr. Alan Shepard, Provost, Ryerson University
- Carissa Reiniger, President, Women Entrepreneurs of Canada

No honoraria were paid to the speakers.

4.0 Co-Investment Opportunity Screening, Notification and Presentation

Co-Investment opportunity screening was conducted by the NACO Co-Investment Committee, co-chaired by Matey Nedkov, Director of both NACO and the Maple Leaf Angels (Toronto), and W. Daniel Mothersill, President of NACO.

The committee reviewed over 40 applications, submitted via Angelsoft, from qualified co-investment opportunities. NACO circulated the Angelsoft deal sheets to Co-Investment Committee 48 hours prior to the meeting to give them enough time to review them. Opportunities were selected based on their Angelsoft executive summary and comments from their lead investors, provided to members of the co-investment committee.

The selection of 25 companies, including 5 presenting in the 'fast five' category, was completed over two meetings. Five additional companies were selected for a waiting list should the selected companies be unable to attend for whatever reason.

4.1 Notification Process and Materials

NACO was responsible for notifying all companies selected to present and wait-listed. These companies were informed that they must, by 7 days before the Summit:

- Complete/Update their Angelsoft Deal Sheet;
- Register as a presenting company along with their Angel champion; and
- Submit their final slide deck.

Due to venue capacity restrictions only the CEO of each company and their respective Angel champions were able to attend.

NACO also informed those companies not selected to present and provided feedback to them as to why they were not selected. Appropriate companies that were not selected were invited to apply to present at the next Summit.

4.2 Company Presentations

All of the Co-investment Opportunities were required to have an Angel champion to speak for 1 to 2 minutes about the opportunity and discuss:

- Why they invested;
- What were the terms of the investment; and
- What milestones were reached since their investment.

All companies were provided break-out space to field questions, present product demonstrations, and initiate investment discussions if applicable.

5.0 Day of the Summit

On the day of the Summit, all companies and sponsors were provided a table to set out their materials. All delegates received a Delegate Package which included a welcome notice, agenda, and the Angelsoft deal sheets for all presenting companies.

At the suggestion of Ed Alfke, a Director of NACO, all Angel participants were also furnished with follow-up forms (Appendix F). Angels used these forms to note interest in any of the investments that they saw the pitch for. Following the Summit NACO ensured that all companies were notified that particular Angels were interested in their opportunity. Of course, all Angels were encouraged to meet with companies they were interested in during the event.

Matey Nedkov, Co-Investment Committee co-chair, acted as Master of Ceremonies. Responsibilities included:

- Introducing speakers;
- Introducing presenting companies;
- Advising participants of breaks and meals; and
- Ensuring presenting companies were kept on schedule.

6.0 Commentary

The First Canadian Co-Investment Summit was a success, attracting over 150 Angel participants and presenting 25 of the best Canadian Angel-backed companies. That said, there are always lessons that can be learned. From this first experience, these lessons include:

- 25 companies was too many for one day;
- A full day, 8 am to 6pm, was too long for participants;
- Q&A after each presentation was vital to facilitating further conversation between Angels and investee companies;
- On-stage introductions of CEOs and/or matchmaking through the day would help break barriers between local Angel attendees and out-of-province presenters;
- Other organizations should be collaborated with in the delivery of the Co-Investment Summits to:
 - Make the summits more sustainable from a cost perspective; and
 - Increase outreach to new, untapped networks; and
 - Increase the participation of Angels not aligned with any particular Angel group.

7.0 Questions and Comments

If you have any questions or comments about this document, please feel free to contact us directly:

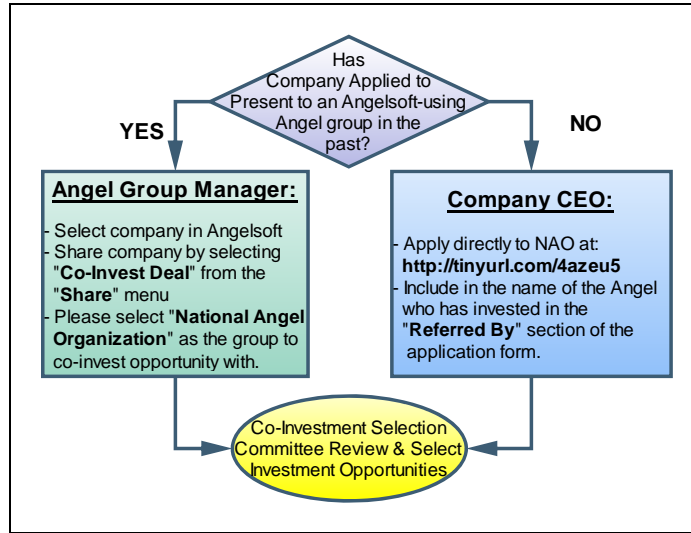
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8.0 Appendix A: Agenda

Time	Agenda	Location	Time	Agenda	Location
8:00 AM - 4:00 PM	Registration	Main Lounge	1:00 PM	Segment Three Introductions Well.ca Angel presenter: Rob Kolurbash Company presenter: Ali Asarfa Comagulation Inc. o/s Ambersafe Angel presenter: John Kingston Company presenter: Judee Sibbill Signalink Technologies Inc. Angel presenter: Ed Allike Company presenter: Ed Allike Streamlogics Inc. Angel presenter: Probel Lala Company presenter: Shaun Micher PSI Engineering Angel presenter: Andrew Wilkes Company presenter: John Panunto Home Stars Directory Inc. Angel presenter: Paul Maastland Company presenter: Brian Sharwood HousAll Systems Corporation Angel presenter: Michelle Scarborough Company presenter: Miles Kennedy	Main Dining Room
8:00 AM - 9:00 AM	Breakfast Reception				
8:00 AM - 4:00 PM	Deals & Demos: Company Showcase Area	Upper Dining & Card Rooms			
9:00 AM	Opening Remarks with W. Daniel Mothersill, President, NACO & Malay Nedkov, Chair, Co-Investment Summit Welcome from Bob Delaney, Parliamentary Assistant to the Minister Of Research And Innovation	Main Dining Room			
9:20 AM	Opening Address with Dr. David Naylor President, University of Toronto				
9:35 AM	Company Presentations moderated by Malay Nedkov, Chair, Co-Investment Summit Segment One Introductions PCA Services Inc. Angel presenter: Henry Vohovec Company presenter: Don Waugh Open Ocean Systems Inc. Angel presenter: Ross Finlay Company presenter: Andrew Storey Amika Mobile Corporation Presenter: Dr. Sue Abu-Hakima				
10:10 AM	Morning Break Deal & Demos	Main Lounge, Upper Dining & Card Rooms	2:15 PM	Afternoon Break Deal & Demos	Main Lounge, Upper Dining & Card Rooms
10:35 AM	Segment Two Introductions Picomole Instruments Inc. Angel presenter: Marc Sievers Company presenter: John Cormier VanFox Inc. Angel presenter: Lantz Anthony Company presenter: Christopher Procyshyn Platform Corporation Angel presenter: John Connolly Company presenter: Don Stewart SpeechBobbie Inc. Angel presenter: Dr. James Norrie Company presenter: Ryan Chong	Main Dining Room	2:30 PM	Segment Four Introductions Sciense Inc. Angel presenter: Peter Day Company presenter: Blair Poetschke Spartan Bioscience Inc. Angel presenter: Andy Langer Company presenter: Dr. Paul Lem Sempa Power Systems Angel presenter: Kalli Maloof Company presenter: Ron Ditz Viroforce Systems Inc. Angel presenter: Michelle Scarborough Company presenter: Nigel Boast Siamons International Presenter: Brian Bacik Esotera Secure Storage Solutions (formerly known as dataSentinel) Angel presenter: Paul Anlie Company presenter: Tom Chalker	Main Dining Room
11:25 AM	Remarks by Dr. Alan Shepard, Provost Ryerson University		3:35 PM	Fast Five Pitches Heliosentis Technologies Inc. with Thomas Ducef ition with Alec Saunders Loyalty Match Inc. with Brad Bell Nology Corporation with Jason Thern Surface to Surface Waste Management Holdings Inc. with Dr. Scott Gray	
11:40 AM	Ryerson Angel Network		4:05 PM	NACO presents Top 10 Canadian Angel Capital Top 5 Ontario Angel Capital	
11:45 AM	Women Entrepreneurs of Canada Carissa Reiniger, President		4:25 PM	Closing Remarks	
12:00 PM	Lunch	Main Lounge & Dining Rm	4:30 PM - 6:00 PM	Post-summit Reception	Main Lounge

9.0 Appendix B: Co-Investment Company Registration Process



10.0 Appendix C: Co-Investment Summit Post-Card



National Angel Organization™
2008 Co-investment Summit
Bridging the Funding Gap
 University of Toronto Faculty Club
 41 Willcocks Street, Toronto
November 19th, 2008
 8 a.m. to 6 p.m.



Angel & Private Equity Investors!
 Join us for a **complimentary** full-day session that will present the fastest-growing high-potential companies in Ontario and Canada.
Follow-on financing is sought by all presenting companies, in which Angels have invested or finalized a term-sheet for already.

To register, please visit:
coinvestsummit.eventbrite.com

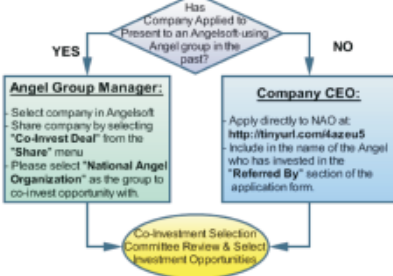
Invest in the Best of the Best!


National Angel Organization™
2008 Co-investment Summit
Bridging the Funding Gap
 University of Toronto Faculty Club
 41 Willcocks Street, Toronto
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Who Will Participate

- Individual Angel Investors
- Angel group managers and members
- Private Equity managers and limited partners
- Companies funded by Angels or with a Term Sheet published
- Other Angel community stakeholders

How Companies Participate



How Investors Participate
 Register at coinvestsummit.eventbrite.com,
 or contact the National Angel Organization.

For more details, contact: Paul Connor, Event Co-ordinator
 416.581.0009, pconnor@angelinvestor.ca
 NAO, 257 Adelaide Street West, Suite 600
 Toronto, ON M5H 1X9
www.angelinvestor.ca

Breakfast, lunch and refreshments will be served.
 Join us and boost Canadian Angel investments!

11.0 Appendix D: One-Page Co-Investment Summit Flyer/Insert



National
Angel
Organization™

NAO Co-investment Summit Bridging the Funding Gap

To bridge the widening funding gap faced by seed- and early-stage enterprises in Canada, the National Angel Organization (NAO) is pleased to host Canada's first **NAO Co-investment Summit**.

This **complimentary** event will enable Canada's fastest-growing, high-potential companies to present their opportunities to Angels, Angel groups and private equity firms interested in diversifying their portfolios.

[click here for more details](#) >



Who should attend:

- Individual Angel Investors
- Angel group managers & members
- Private Equity managers & limited partners
- Companies funded by Angels or with a term sheet
- Other Angel community stakeholders

Join us.

November 19, 2008
8 am - 6 pm

University of Toronto
Faculty Club
41 Willcocks Street
Toronto, ON

For more information about the Co-investment Summit, please visit http://www.angelinvestor.ca/Co_investment_Summit.asp or contact pconnor@angelinvestor.ca.

12.0 Appendix E: E-mail Template



NACO Co-investment Summit Bridging the Funding Gap

Register Now - Space Is Limited!
November 19th, 2008 • 8 am to 6 pm
University of Toronto Faculty Club
41 Willcocks Street, Toronto

Angel and Private Equity Investors

Some space remains but its filling up fast for our **First Canadian Co-investment Summit**. This is a complimentary full-day event presenting some of the fastest-growing high-potential companies in Canada.

Follow-on investment opportunities of proven potential have been lined up for you, in which Angel investors have already given their vote of confidence.

Register now* to reserve your chance to invest in the best of the best.



*Note: You must be an accredited Angel Investor or presenting company CEO to participate.



Who Will Participate

- Individual Angel investors
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- Private Equity managers and limited partners
- Companies funded by Angels or with a Term Sheet published

For more details, contact: Paul Connor, Event Coordinator at 416-581-0009 email pconnor@angelinvestor.ca or visit www.angelinvestor.ca/Co_investment_Summit.asp

Breakfast, lunch and a cocktail reception will be provided.

