



# ANGEL CAPITAL ASSOCIATION 2014 ACA Summit

## *Angel Impact: Entrepreneurial and Economic Success*

### Agenda

#### **Wednesday, March 26 – Pre-Summit programs (*separate registration needed*)**

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**7:00 am – 7:30 pm**    **Registration**

*Columbia Hall*

**8:00 – 4:15 pm**

*Location*

**Angel Investing Overview Seminar**

***Presented by Angel Resource Institute***

***Susan Preston, CalCEF Clean Energy Fund & ARI Lead Instructor***

Are you new to angel investing or looking to "tune-up" your investment skills? Or are you interested in finding an education program that will help recruit business angels to your angel organization or economic development initiative? This program is for both of you. This full-day seminar provides an overview of the angel investing process, including the details of finding, evaluating, and structuring deals and developing angel-entrepreneur relationships that lead to success. The highly interactive program provides attendees with practical information on best practices in angel investing through a balance of expert presentations, panel discussions, and small group case studies. A faculty of experienced angel investors, serial entrepreneurs, and expert service providers delivers the seminar. Originally developed by angels and the Ewing Marion Kauffman Foundation, this seminar receives the highest marks of satisfaction by attendees. More than a few sophisticated angels have said that they wished they had taken it earlier so that they would have saved hundreds or thousands of dollars.

**8:00 – 12:00 pm**

*Location*

**Early Exits Seminar**

***Presented by Angel Resource Institute***

***Robert Okabe, RPX Group & ARI Lead Instructor***

Early Exits presents a strategy for start-up investors and entrepreneurs to build new ventures, prove business models and exit companies in two to three years without the need for multi-million dollar investments. This workshop is based on the book by Basil Peters, *Early Exits*.

**8:00 – 5:30 pm**

*Location*

**ACA International Exchange Workshop**

***Presented by John May and Wendee Wolfson, New Dominion Angels***

This popular program is an exchange of ideas and experiences among angel groups from North America, Europe, Latin America, Pacific Rim, and MENA Region, and has led to collaboration among angels worldwide. It also gathers international angels together prior to the rest of the ACA Summit for a more intimate networking experience and discussion of the challenges that we all face in creating active and sustainable investing groups. The angel community has always focused on collaborative assistance to other angels, whether within their states, regions, countries, continents. Key topics in the 2014 International Exchange include: how to bring portfolio companies into the U.S. for raising investment capital, expanding commerce, and find exit opportunities; notable new successes in mature angel markets around the globe and how they manage ongoing challenges; and support by multilateral agencies for the development of angel groups in emerging market countries with the imminent release by the World Bank of their

infoDev group's new manual, *International Guide for Creating Angel Investor Networks*, which will be available for our participants. Later in the evening, workshop participants are welcome to join a special International Dinner at the Canadian Embassy, along with a bus tour of the city. Separate registration is required.

**12:00 – 1:00 pm**

*Location*

**Lunch for Pre-Summit Attendees**

**12:30 – 4:30 pm**

*Location*

**Innovation Showcase**

***Presented by Dell***

Meet some of the best and brightest emerging companies from around the world and hear perspectives from your fellow angels. You'll hear presentations from a select group of exciting early stage companies divided into technology and market sectors: Internet/IT, Life Sciences, CleanTech, and Consumer Products. Entrepreneurs and innovators will each make brief presentations to the audience. A panel of sector-focused angels will provide feedback with additional Q&A from the audience. This is a great opportunity for angels to learn about cutting edge companies and also to hear sector-specific perspectives from leading angel investors. All Summit attendees are welcome to attend the Innovation Showcase at no cost - please register in advance for our planning.

**1:00 – 4:15 pm**

*Location*

**Valuation of Early Stage Companies**

***Presented by Angel Resource Institute***

***Bill Payne, Frontier Angels, Vegas Valley Angels & ARI Lead Instructor***

Back by popular demand this workshop presents several key methodologies that experienced angel investors have found as fundamental approaches to properly valuing early stage companies. Methods taught include Risk Factor Summation, Venture Capital and Scorecard. The seminar also presents the importance of portfolio strategies and the role of portfolio returns in the valuation process.

**1:00 – 4:15 pm**

*Location*

**Education and Demo of New Gust Platform**

***Presented by Gust***

**4:30 – 5:30 pm**

*Location*

**ACA Annual Members Meeting**

***David Verrill, ACA Chair***

***Marianne Hudson, ACA Executive Director***

***Parker MacDonell, ACA Secretary/ Treasurer***

Annual business meeting and public policy update is open to members and affiliates of the association. Vote on new Board members, hear about new services and benefits, and get insights on ACA's public policy work with the SEC and legislators.

**5:30 – 7:30 pm**

*Location*

**Opening Reception**

Join old friends and new colleagues to network and enjoy.

**7:00 pm on**

*Multiple Locations*

**Affinity Dinners**

ACA will provide a list of local venues for dinner. Dinner costs and arrangements outside hotel are on your own.

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**Thursday, March 27**

**7:00 – 8:30 am**

*Location*

**Registration and Continental Breakfast**

- 7:00 – 8:30 am**  
*Location*      **Breakfast Briefing - New Summit Attendee**
- 7:00 – 8:30 am**  
*Location*      **Breakfast Briefing**  
*Presented by Wilson Sonsini Goodrich & Rosati*
- 7:00 – 8:30 am**  
*Location*      **Breakfast Briefing**  
*Presented by Pittsburgh Life Sciences Greenhouse*
- 7:00 – 8:30 am**  
*Location*      **Breakfast Briefing -**  
*Presented by National Institutes of Health NHLBI*
- 8:30 – 10:15 am**  
*Location*      **Opening Session**
- The Latest Trends and Data in Early-Stage Investing**  
*Rob Wiltbank, Angel Resource Institute*  
The Halo Report numbers for all of 2013 are out today. Hear Rob's analysis of angel group investing from last year and also new data of interest to all Summit attendees.
- New Federal Legislation to Build Angel Investment**  
*US Sen. Chris Murphy, of Connecticut*
- Summit Premier Sponsor Keynote**  
*Alex Mittal, FundersClub*
- Members of Congress – Angel Investing and Startups are Key to Our Economy**  
*Former Sen. Don Riegle, APCO Worldwide*
- 10:15 – 10:30 am**  
*Location*      **Break/Move to Sessions**
- 10:30 – 11:15 am**  
*Location*      **Changing Early-Stage Landscape – Issues and Actions for Angels**  
*Jean Peters, Golden Seeds*  
*Ken Gatz, Proseeder*  
*Paul Singh, Dashboard.io*  
Is angel investing leading innovation or ripe for disruption? What are the best funding sources for startups -- angel groups, online portals and syndicates, or non-equity funding? Hear from some of the most prolific innovators in the angel space including: Paul Singh, founder of Dashboard.io in Washington, DC and former partner in 500 Startups' and, Ken Gatz, founder and CEO of Proseeder Technologies, a customizable platform for private deal management and reporting.
- 10:30 – 11:15 am**  
*Location*      **Best Practices in Due Diligence**  
*Dick Reeves, Huntsville Angel Network*  
There is a wide range of diligence models in use among organized angels today. This panel will discuss the breadth, depth, pros, and cons of these models, and will touch on a few of the tools available to make the process more reliable.
- 10:30 – 11:15 am**  
*Location*      **What is the Future of Angel Groups?**  
*David Verrill, Moderator, Hub Angel Investment Group & ACA Chair*  
*Dan Mindus, NextGen Angels*  
*Alex Mittal, FundersClub*  
*Peggy Wallace, Golden Seeds*  
Some have prognosticated that the end of (VCs and) angel groups is upon us with the advent of crowdfunding. The fact is that the number of angel groups has grown steadily in the US over the past decade, more than tripling. Groups are organizing against many affinities - Golden Seeds

supports startups where women are on the executive team; Mass Medical Angels support only life science companies; NextGen angels are focused on members under 40 years old; Hub Angels is structured as a fund. Clearly there are myriad shapes, sizes, and areas of focus for angel groups - each with a value proposition that appeals to different sets of angel investors. But what new structures and areas of focus will there be in the future? Will we see virtual angel groups on platforms? Will there be less of an "invest locally" approach? In this session we will discuss and debate the merit of today's angel groups, and the shape of those to come.

**10:30 – 11:15 am**

*Location*

**Cleantech Investing as Part of Your Portfolio**

***Judy Giordan, Venture Well***

***Gail Greenwald, Clean Energy Venture Group***

***Curtis Gunn, Desert Angels***

***Byron McCann, Element 8 Angels***

Cleantech investing means a lot of things to a lot of people, and it remains a mystery to others. This session will focus on providing a description of today's cleantech investment landscape and opportunities for investors incorporate this industry segment in their portfolio.

**10:30 – 11:15 am**

*Location*

**New Angels – Important Tips for Starting Your Journey**

***Bill Payne, Vegas Valley Angels and Frontier Angels***

New to angel investing? Bring those burning questions for discussion by experienced angel leaders. Is valuation important? Can I invest my 401K funds in angel deals? Is convertible debt as good as equity? To what extent do angels engage with newly funded companies? The audience will determine the topics to be addressed.

**11:15 – 11:30 am**

*Location*

**Break/Move to Sessions**

**11:30 – 12:15 pm**

*Location*

**The New SEC Regulations: Practical Interpretation and Guidance for Angel Group Management Activities**

***Mike Eckert, ACA Policy Chair and NO/LA Angel Network***

***William Carleton, McNaul Ebel Nawrot & Helgren***

***Peter Rosenblum, Foley Hoag***

***Robert Rosenblum, K&L Gates***

Leaders of angel groups continue to deal with confusion, uncertainty and misunderstanding as related to the recently passed SEC regulations about General Solicitation. The questions "what should my group be doing or not be doing?", "which rule is effective and when did it become effective?", "which is not effective?", "what kind of guidance should my group be providing to entrepreneurs, startups, accelerators/incubators, colleges and universities about General Solicitation and Reg D/Form D?," "what is and what is not General Solicitation?," "has anything really changed?," and "how do I protect my group, its members and the companies presenting to it?" are pervasive. The objective of this session is to provide further guidance and where possible clarity such that ACA members and member groups can make continued informed decisions about these issues in their day to day real world activities, and be key sources of knowledge about these in their respective markets.

**11:30 – 12:15 pm**

*Location*

**The Latest in Term Sheets and Deal Terms**

***Jim Hunt, Blu Venture Investors***

***Meredith Haviland, Foley Hoag***

***Mark Fitzgerald, Wilson Sonsini Goodrich & Rosati***

**11:30 – 12:15 pm**

*Location*

**Attracting New (and Young) Investors to Groups**

***Dan Mindus, CIT Gap Fund and NextGen Angels***

The core activities of every angel group – capital aggregation, shared due diligence, and educational and networking opportunities – depend on having active and engaged members. This

panel of representatives from some of the most successful angel groups will share best practices for how angel groups can attract, engage, and retain investing members.

**11:30 – 12:15 pm**

*Location*

### **Investing in IT and Internet**

***Catherine Mott, BlueTree Allied Angels***

The landscape for investing in IT is tumultuous. There are new funding sources like crowdfunding that are pouring money into start-ups indiscriminately. In addition, according to CB Insights, between 2010 -2013, 79% of all internet deals went belly-up, and 27% of the mobile start-ups failed. Are there nuggets still to be found in this sector? This panel will explore how to find potential IT investment opportunities that can lead to success in our portfolios.

**11:30 – 12:15 pm**

*Location*

### **Co-Investment Funds**

***Nelson Gray, LINC Scotland***

***Paulo Andrez, EBAN - European Business Angel and Early Stage Investors Network***

***Kerry Sharp, Scottish Enterprise***

***Chris Twiss, New Zealand Venture Investment Fund***

Governments around the world are increasingly relying on business angels to help deliver economic development and growth, rather than trying to pick winners themselves. Co-investment funds provide angels with greater fire power, so they can support more companies for longer, spreading their risk and reducing the need for VC follow on rounds. Now operating at national, regional and city levels co-funds can also be structured to give angels the incentive to keep investing when tax breaks are inappropriate (or a hard sell to government), to support angel groups and to encourage syndication. Hear from angels how they have benefited, and from government why they do it. Take away some practical examples and real data to help lobby for similar funds to help you.

**12:30 – 2:15 pm**

*Location*

### **Lunch with Keynote Speakers**

***Michael Chasen, Founder of Blackboard and CEO of SocialRadar – Journey from Angel Backing to IPO***

Michael Chasen founded education tech company BlackBoard with some angel backing, took it through venture capital and through an IPO. He was the youngest CEO of a publicly traded company for several years before leaving to start his next entrepreneurial venture, SocialRadar. Hear his perspective on this journey and how angels can continue to support innovative high growth companies like those he founded.

**2:30 – 3:15 pm**

*Location*

### **Brave New World or Same Old Story - the Opportunities and Challenges of Syndicating through Accredited Platforms**

***Matt Dunbar, Upstate Carolina Angel Network***

***Ryan Feit, SeedInvest***

***Kevin Laws, Angellist (invited)***

***Alex Mittal, FundersClub***

In this session, we'll cover a broad range of topics related to syndicating deals via online platforms for accredited investors. How do the platforms work? How do I syndicate a deal? What are the risks? What are the secrets of a successful syndication? Join representatives from several platforms and investor groups as we explore the key issues in this emerging and evolving territory for angels.

**2:30 – 3:15 pm**

*Location*

### **Investing in the Right Teams**

***Parker MacDonell, Ohio TechAngels***

***Baybars Altuntas, EBAN and Business Angels Association of Turkey***

***Tom Walker, Tech Columbus***

Angel investors often default to "picking the jockey and not the horse" when making decisions about where to invest. The issue is more complex than a simple binary choice; hear a panel of successful angels compare their strategies for evaluating ABC teams and making decisions.

**2:30 – 3:15 pm**

*Location*

**Too Much, Too Little, Too Tired (*Dealing with Investor Fatigue*)**

***Jim Connor, Sand Hill Angels***

***Manthi Nguyen, Sand Hill Angels***

Yes, this Angel Investor business is harder than it looks and regardless of the great social and networking opportunities, around years 4 to 6, we have to take a look at our focus and our returns and ask the question, "what do I do now?" Some let fatigue bore in and distract them, some hang in there for a couple of more years and then fade away, a few re-invent their focus, use their domain expertise and expanded contacts to move into the most important phase of angel investing. This session will address managing the expectations of angel investors, sharing the realities of diversification among sectors over an intermediate to long term horizon. The panel will speak about what you can do to keep your irons hot the fire, continually molding and grow them to fit an exit opportunity.

**2:30 – 3:15 pm**

*Location*

**After Obamacare – Opportunities and Challenges for Healthcare Investing**

***Tom Barker, Foley Hoag***

***Stephen Thau, Morrison & Foerster***

Description

**2:30 – 3:15 pm**

*Location*

**A Look at Exit Alternatives: Recent Marketplace Innovations that Give Shareholders Pre-IPO Liquidity**

***Dick Reeves, Angel Investor Management Group***

***Nelson Griggs, NASDAQ***

***Tim Ryan, OTC Markets***

Recent changes in the financial markets have created opportunities for smaller companies to create liquidity events for their shareholders than ever before. These experts explore the market forces creating disruption in the traditional IPO process and also the pros and cons of going public in this quickly changing landscape.

**3:15 – 3:45 pm**

*Location*

**Networking Break**

**3:45 – 4:30 pm**

**Nine Hot Topic Roundtables**

Back by popular demand, these interactive discussions cover a variety of interesting new and old topics:

*Location*

**4:30 – 4:45 pm**

*Location*

**Break/Move to Sessions**

**4:45 – 5:45 pm**

*Location*

**Keynote Speaker and Awards –**

***Bill Payne, presenting the Hans Severiens Award***

***Dave Berkus, presenting the Luis Villalobos Award***

Description

**5:45 – 7:30 pm**

*1776 Campus*

**Reception in Honor of Award Winners**

Honor the award winners and network with your colleagues.

**7:00 pm on**

*Multiple Locations*

**Affinity Dinners**

ACA will provide a list of local venues for dinner. Dinner costs and arrangements outside hotel are on your own.

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**Friday, March 28**

**7:30 – 8:30 am**

**Registration and Continental Breakfast**

Location

**7:00 – 8:30 am**

Location

**Breakfast Briefing**  
*Presented by FundersClub*  
*Alex Mittal, FundersClub*

**7:00 – 8:30 am**

Location

**Breakfast Briefing - Reasonable Steps to Verify - A Deep Dive on the Accredited Investor Verification Process**  
*Presented by K&L Gates*  
*Gary Kocher and Kevin Gruben, K&L Gates*

This Breakfast Briefing will explore in detail how Companies will comply with the SEC's new verification requirements for offerings that involve general solicitation under Rule 506(c) and what it means for angel investors. Gary Kocher and Kevin Gruben of K&L Gates will discuss the ACA's position paper on implications of membership in an Established Angel Group and other "principles based" approaches to the verification process.

**7:00 – 8:30 am**

Location

**Breakfast Briefing -**  
*Presented by*

**7:00 – 8:30 am**

Location

**Breakfast Briefing -**  
*Presented by*

**8:30 – 9:15 am**

Location

**The Impact of Angel Investing**  
*Ross Finlay, First Angel Network Association*  
*Donna Harris, 1776 DC*

This session examines the important role angel investors play in the entrepreneurial and innovation ecosystems. Participants will receive new tools and information that will help them explain to potential members, sponsors, service providers, politicians and economic development professionals why they need to support this asset class.

**8:30 – 9:15 am**

Location

**Corporate Acquirers – How to Engage, Deal Sizes, Common Errors, What Breaks Deals**  
*Frank Ball, New Dominion Angels*  
*Steve Baggott, Procter & Gamble*  
*Peter Rosenblum, Foley Hoag*  
*John Thompson, IBM*

In this session you will hear from and be able to engage in dialogue with major corporate leaders in the M&A space to see what they are looking for in the companies they acquire, what the process is like from initial meeting through closing, and what can get in the way.

**8:30 – 9:15 am**

Location

**Angel Success Factors – Would I Walk Down the Aisle Again?**  
*Dave Berkus, Tech Coast Angels*

One of the world's most recognized angel investors, former Inc. 500 CEO and prolific author, Dave Berkus, tells great stories about real businesses he's been involved with that have either succeeded wildly or crashed and burned, each leading to important lessons for entrepreneurs, managers and investors. After some of the companies absorbed tens of millions of post-angel money and failed, Dave began to see common elements in the investment and management process that led to multiple successes and failures. He'll tell about "the every three million dollar crisis," and "Noses in- finger out," "Complexity kills companies," among other lessons to help angel investors make better decisions and avoid investment failures.

**8:30 – 9:15 am**

Location

**Future of Medical Care – A Look at Patient Care and Cyber Security Issues**  
*Tyson Kamikawa, Harvard Medical School*  
*Introduction by Valerie Gaydos, Angel Venture Forum*

As new technologies evolve, the medical workforce becomes more mobile and efficient by moving away from paper processes and relying more heavily on the use of computers. The rise in the use of administrative and clinical technologies creates and increase in potential security risks. Health care organizations now account for one third of all security breaches reported across all industry segments worldwide. Cyber risks in Personal Healthcare Information (PHI) is strong and real and is amongst the industries area which have seen the greatest increase in incidents. Among the reasons are that covered entities, business associates and individual victims are far slower to identify data thefts than organizations in other sectors.

**8:30 – 9:15 am**

*Location*

### **Impact Investing – Partnering Angels with Foundations**

**Mark Skinner, Regional Innovation Acceleration Network & SSTI**

**Bob Coy, CincyTech**

**Cynthia Muller, Arabella Advisors**

Across the country, foundations asset managers are increasing their engagement in seed/equity funding, seeking both good returns and societal benefit -- which can include increasing risk capital availability in a region. We'll discuss the challenges and opportunities with an expert adviser to foundations while drawing on the real experiences an early stage fund manager has had with foundations as investment partners.

**9:15 – 9:30 am**

### **Break/Move to Sessions**

**9:30 – 10:15 am**

*Location*

### **Unaccredited Crowdfunding: The Beginning of the End, or the End of the Beginning?**

**Christopher Mirabile, Launchpad Venture Group**

Join us for an interactive discussion about the proposed rules for unaccredited crowdfunding and what this will mean for today's experienced angel investors. What are your concerns? Do you see this as a good thing or a bad thing? Can we all get along on one big happy cap table, or will these be different kinds of deals from the ones we normally do? Will fraud and chaos ensue, or is this an opportunity for more quality deals to bubble up? Is this a disaster waiting to happen or the beginning of the next phase of angel investing? Come get educated and learn what you can do to be prepared for the new rules expected this year.

**9:30 – 10:15 am**

*Location*

### **Taking Some Chips Off the Table (Creatively Finding Liquidity within a Startup Portfolio)**

**Jim Connor, Sand Hill Angels**

**Manthi Nguyen, Sand Hill Angels**

It is now 3-5 years after you started building your early stage portfolio, the portfolio has unrealized returns, when the projected exits take place. There is always the long term risk of illiquidity or no exit, new sources of intermediate liquidity are developing in the marketplace, including sun-setting provisions on the first right of refusal. This session will address the opportunities to sell all or part of a position, ranging from VC's focusing on purchasing early stage preferred shares to liquidity platforms such as Second Market and Shares Post.

**9:30 – 10:15 am**

*Location*

### **Post Investment Monitoring – Building Portfolio Company Success**

**Zach Lawrence, Ohio TechAngels**

**Raymond Luk, Hockeystick & Anges Quebec**

**Rachel Qualls, Venture360**

**Mark Rainosek, FD Venture Farm**

Once you make an investment, an angel's work really starts. We know from research that the deals that are most successful are those in which the angels support and monitor their portfolio companies and their teams. Hear about tools and best practices to get the reports and information angels need and how best to analyze data for keeping those companies focused on the best opportunities for success.

**9:30 – 10:15 am**

### **Education Technology – What's Next**

- Location*                    **Jean Hammond, Hub Angels, Launchpad Venture Group and Golden Seeds**  
Education and corporate training industries are moving from physical to digital from local to global. Both the investment rates and the acquisition rates are rising fast. Now angels need to find (and support) the companies that can penetrate complex rapidly changing buyer environments.
- 9:30 – 10:15 am**            **Alternative Investing – Latest in “Safe” and Royalty Investing**  
*Location*                    **Jim Eakin, Sand Hill Angels**  
**Christopher Mirabile, Launchpad Venture Group**  
**Rob Wiltbank, Angel Resource Institute**  
Innovations in investment vehicles and terms are part of our changing early-stage landscape. Join a discussion about some of these innovations, including the new “safe” (simple agreement for future equity) financing documents announced by Y Combinator earlier this year and what is new with royalty or revenue investment.
- 10:15 – 10:45 am**            **Networking Break**  
*Location*
- 10:45 – 11:45 am**            **Accelerators – Friend or Foe**  
*Location*                    **Bow Rodgers, Plug & Play Angels**  
**John Harthorne, MassChallenge**  
Accelerators can be a great source of deal flow or clutter the investable landscape for Angel Investors. This session will identify smart ways to work with accelerators to give your portfolio selection process a positive edge.
- 10:45 – 11:45 am**            **Driving Lucrative Exits from the Boardroom**  
*Location*                    **John Huston, Ohio TechAngel Funds**  
Post investment, angels largely rely on their representative in the boardroom to keep their investees headed toward a lucrative exit. This session covers blending the lean start-up and capital efficiency disciplines into an actionable game plan.
- 10:45 – 11:45 am**            **Investing in the Next Google – At Your Local University**  
*Location*                    **Jamie Rhodes, Central Texas Angel Network and Alliance of Texas Angel Networks**  
**Steve Flaim, Tech Coast Angels**  
**Katherine O’Neill, Jumpstart New Jersey Angels**  
**Theresa Sedlack, Innovation Park at Notre Dame**  
**Tony Stanco, NCET2**  
Join this roundtable discussion on the pitfalls and payoffs of finding, developing and funding startups based on university technologies!
- 10:45 – 11:45 am**            **Successful Exit Case Study – Cool Companies from DC**  
*Location*                    **John May, New Dominion Angels**  
**Duke Chung, Parature**  
**Todd Walrath, RealPage Senior Living**  
**John Wyatt, Citigal Inc.**  
Listen to three local entrepreneurs discuss their recent successful exits – benefiting founders, early investors and institutional investors – with insights about three different ways of handling the role of the Board, pre-closing planning, valuation negotiations, and post-closing impact on employees and leadership.
- 12:00 – 1:30 pm**            **Lunch With Keynote Speaker**  
*Location*                    **Keith Higgins, Securities and Exchange Commission (invited)**