



## ANGEL CAPITAL ASSOCIATION

### 2017 ACA Summit San Francisco Marriott Marquis

Wednesday, April 26

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2:00-2:45      **Orientation for New Summit Attendees**

ACA SUMMIT BEGINS

3:00-4:00      **Opening Keynote – Investing through the Generations**

***The Draper Family (Bill, Tim, Jesse, Adam, and Billy)***

Famed VC Tim Draper is joined by his father Bill and adult children Jesse, Adam, and Billy to talk about how they got started in equity investing, how they invest together, the changes they see in investing now and in the future, and the best practices that angels should continue. Inc doesn't call them "Venture Capital's Royal Family" for nothing!

4:00-4:30      **Innovation Showcase – Part 1**

Fast pitches by interesting companies. Provide your feedback on each startup via the "Showcase" module in the Summit mobile app.

4:30-5:00      **Keynote – Investing in Healthcare's Transformation at the Intersection of Generating Top-Tier Returns and Maximizing Impact**

***Dave Chase, Co-founder, Health Rosetta Institute and Executive Producer, The Big Heist***

5:00-5:30      **Innovation Showcase – Part 2**

Fast pitches by interesting companies. Provide your feedback on each startup via the "Showcase" module in the Summit mobile app.

5:30-5:45      **The American Angel – Report on the Demographics and Investment Activity of US Angels**

***Marianne Hudson, Angel Capital Association***

A lot is known about angels in aggregate, but very little is known about the individuals who support startups in private. ACA has partnered with Wharton Entrepreneurship to put a "face" on angels, if you will. This first-ever US study has surprising information on who angels are and it also provides new insights on how we became angels, why we invest, how much we invest individually, and much more.

5:45-7:30      **Cocktail Reception**

Network with new colleagues and old friends, and give "Venture Bucks" to Innovation Showcase companies you like.

7:00 pm on      Affinity Dinners (off-site)

## Thursday, April 27

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7:00-7:50

### Breakfast Briefings

#### **Section 1202 Qualified Small Business Stock Demystified**

Who doesn't want to get up early and discuss the tax code? When the topic is a 100% exemption from paying capital gains tax, it might be worth setting that alarm. Join Gary Kocher and Francisco Olmedo from K&L Gates Seattle office who will explain the Section 1202 Qualified Small Business Stock rules. They will discuss the nuts and bolts of the requirements, talk about the future for this powerful incentive and discuss the work of ACA in Washington, DC to support and improve it in the face of the current tax reform agenda. As an added bonus, you will go leave the session with very useful sample language that can be used in your investment documents going forward that will help you be in a position to capitalize on this capital gains exclusion.

#### **Info Session on Impact Investing**

Are you an impact investor or want to learn more about impact investing? Join us for a discussion on how we can align our values with our investment strategy and do well by investing in companies doing good. Hear from investors from the Next Wave Impact Fund, Investors Circle, and Toniic about how they seek both financial and social returns from the companies that they invest in. Grab the breakfast provided and join us in Salon 13 to learn more. We will also be having two impact companies present to impact investors in Salon 13 on Friday afternoon, immediately following the ACA closing luncheon. Come to the breakfast and find out who the two companies are that were selected!

7:15-8:00

Continental Breakfast

8:00-8:15

**2016 Halo Report – Troy Knauss, Angel Resource Institute**

8:15-8:30

**Keynote - Ahead of the Curve: Opportunities for Investing in Science and Technology**

***Swati Chaturvedi, Propel(x)***

Angels need to know about the three big themes that Propel(x) sees coming up in the next decade: investments in Artificial Intelligence, Cleantech (next generation) and the intersection of computing and biology.

8:30-9:30

**Fireside Chat – How Angels and VCs are Working in the New Washington, DC**

***Doyle Bartlett (Eris Group) and Bobby Franklin (National Venture Capital Association)***

**Update on NIH and Life Science Funding – Jodi Black, National Institutes of Health**

9:30-9:45

Break

9:45-10:30

### Concurrent Sessions

#### **How to Think About Investing Up Front – the Importance of Portfolio Strategy**

***Dave Berkus, Tech Coast Angels***

***Victoria Barnard, Women's Capital Connection/Rising Tide Fund***

***Lauren Flanagan, BELLE Capital USA***

***Peter Jungen, New York Angels and EBAN***

It's not just how much of your liquid wealth to pour into angel investing. It is how to deploy angel investments over time and in successive rounds, how to assess risk, how to measure success, and how to set expectations – all toward creating a strategy for success. Using the theme, "Angel investing ain't as easy as it looks," this session's panelists will examine winning angel investment strategies and the logic driving them.

#### **The Unique Job of Running an Angel Group or Platform**

***Michael Kindrat-Pratt, Ohio TechAngel Funds***

There may only be 100 of us worldwide, but we're all here at the ACA Summit! We are the leaders of angel groups and platforms – the “no job is too small” individuals that make groups, funds, and platforms tick. Come join your fellow career angel group and platform leaders for an audience-wide discussion on the high-octane industry of angel investing in your day-to-day jobs, answering questions like: What are the compensation models? What skills should you be developing? Does leading an angel group help or hurt your career options? What kinds of things have angel group and platform leaders done when they have moved on from their groups?

### **New Opportunities for Science-Based Investments**

*Swati Chaturvedi, Propel(x)*

*Paul Campbell, Schneider Electric*

*Lindy Fishburne, Breakout Labs*

*Ruth Shuman, National Science Foundation*

Science based companies like Genentech, Tesla and SpaceX have changed the world - and generated big returns. Leading investors discuss trends that are making science-based startups more attractive for investors. They will also cover how to access quality science-based deals, what to look for when conducting diligence and the trends driving shorter timelines for science-based companies and increasing paths to exits. Thanks to the Internet, investors now can be a part of life changing innovations like never before, and this panel will arm angel investors to take full advantage of the science century.

### **Investing in Growing Markets: Veterans, LGBTQ and People of Color**

*Marlon Nichols, Cross Culture Ventures*

*Paul Grossinger, Gaingels*

*Lorine Pendleton, Portfolia/Pipeline Angels*

*Bow Rodgers, Vet-Tech and Individual Member*

Huge, and often missed, investing opportunities exist with companies led by military veterans, people of color or LGBTQ or that are focused in these communities. This session explores how to tap into new communities for deal flow and return; how to expand our angel networks and groups beyond the more traditional investors and companies. Successful examples such as MayVenn luxury hair extensions (with Andreesen Horowitz), GAYGPS, will include both angel investors, entrepreneurs and VCs who are following on.

### **After the Check – Tactics to Boost Your Returns**

*John Huston, Ohio TechAngel Funds*

*James DeCarlo, Greenberg Traurig*

Most angels love the “thrill of the hunt” and doing deep due diligence on the “next cool thing.” The steps we take after we invest, however, often affect our returns more than our initial deal scrubbing. This session covers specific tactics angels who are not sitting around the board table can employ during the holding period. Discussion topics will include: goad angel directors to maintain “exit tension;” control CEOs’ salary to keep focused on the exit payday; and use a follow-on investment template to astutely allocate your dry powder.

### **Workshop for Showcase Companies – The Ins and Outs of Term Sheets**

*David Gitlin, Greenberg Traurig*

*Beth Cohen, Greenberg Traurig*

The term sheet is one of the most important documents to an entrepreneur. Which terms are most important? How do they affect you? What are the best ways to negotiate for good results?

10:30-11:00      Networking Break

11:00-11:45      Concurrent Sessions

### **Sources of Follow-on Rounds, Liquidity and Exits for Angel Group Portfolio Companies**

*Kenneth Gatz, ProSeeder Technologies*

*David Mes, Arc Venture Partners*

*Charlene Yu Vaughn, The Algonquin Group*

*Ian Westberg, Perkins Coie Investor Services*

Join an open and detailed discussion with market participants and advisors to investors and companies on accessing new capital sources for follow-on rounds. The session also focuses on gaining partial liquidity for risk mitigation and properly preparing for and structuring exits from individual companies and complete angel group portfolios

### **How Angel Groups Stay Relevant in 2017**

*Peter Adams, Rockies Venture Club/ RVC Angels*

*Peter Jungen, New York Angels/EBAN*

Angel groups have evolved rapidly over the past ten years to accommodate the retreat of venture capital from early stage investing. What will tomorrow's angel groups need in order to keep themselves relevant amidst rapid change? We'll consider how the "wisdom of crowds" works to help groups make good decisions and how new models of platform investing, technology enhanced angel groups, education programs, compensation for due diligence and lead angel roles and other trends will change the future of angel capital investing.

### **Digital Health – What's Your Investment Strategy?**

*Don Ross, Life Science Angels*

*Lynne Chou O'Keefe, Kleiner Perkins Caufield & Byers*

*David Feygin, Boston Scientific*

*Sanjay Shah, Dignity Health (invited)*

Digital health is one of the hottest domains, but it's also crowded with new startups. How do you separate the contenders from the pretenders? Please join us for an in-depth discussion with digital health thought leaders. These savvy luminaries will share their criteria for investment, identify which solutions are adopted by customers, and describe what metrics drive digital health exits. Use this opportunity to hone your digital health investment strategies.

### **Hybrid Models for Angel Groups: Venture, Angel, Other or Both?**

*Lisa Frusztajer, Pipeline Angels/ Rising Tide Fund*

*Trish Costello, Portfolia*

As early stage investing evolves, the lines are blurring between angel investor groups, venture capital partnerships and hybrid models. What are the different models out there and the differences among them? Is one model a path to increased professionalization of early stage investing? Better for entrepreneurs? What is the impact on returns, members, deal flow, terms, etc. from pursuing various approaches?

### **Structured Exit – How to Structure Angel Investments to Ensure Returns, Independent of the Company's Exit**

*Gwen Edwards, Golden Seeds*

*BJ Lackland, Lighter Capital*

*Christina Lampe-Onnerud, Cadenza Innovation*

*Ian Sobieski, Band of Angels*

Many experienced angels are quietly seeking ways to add more risk mitigation to their portfolio. Structured Exits represent one such set of tools, and we'll address some of the ways that are possible. Options include revenue based loans with a defined cap, potentially with warrants and dividend structures; annuities as a percent of revenue based on amount of equity invested; and exercisable redemption clauses at a defined multiple for some or all the investment, based on time and/or revenue attained.

### **Workshop for Showcase Companies: Intellectual Property and Patents**

James DeCarlo, Greenberg Traurig

Chinh Pham, Greenberg Traurig

A strong patent portfolio can help start-ups attract investors. During this workshop, Greenberg Traurig IP attorneys will offer practical guidance on what startup enterprises need to know about developing, protecting and monetizing their IP assets. They will address: protecting your ideas; patents, trademarks, copyright, trade secret basics; IP strategic planning; patenting in the new world of patent eligibility; and, preparing for the new examining practices coming at the PTO.

11:45-Noon

Break

Noon-2:00

**Lunch with Keynote Speaker and Awards**

**Keynote – The Crèche of Innovation: A Warp-Speed History of Silicon Valley**

***Dr. Morton Grosser***

**Presentation of the Luis Villalobos and Hans Severiens Awards**

2:00-2:15

Break

2:15-3:00

**Concurrent Sessions**

**Valuation 101**

***Kevin Learned, Boise Angel Alliance***

***Manthi Nguyen, Nextwave, Sierra Angels, Sand Hill Angels***

***Rachel Scheinbein, Rising Tide Fund***

Valuation of deals is perplexing, subjective and can be a guessing game. For the new angels, the terms can be confusing. Entrepreneurs often don't understand the angels' perspective and may be coached to ask for unreasonable terms. Come learn the vocabulary, how valuation may affect returns, and how to use a valuation calculator from three experienced angels.

**Collaboration Across Groups – Critical Mass Matters in Deal Flow, Due Diligence and Community**

***John Selep, InSync Angel Network/ Sacramento Angels***

***Gwen Edwards, InSync Angel Network/ Golden Seeds***

***Claire England, Alliance of Texas Angel Networks/ Central Texas Angel Network***

***Richard Sudek, Angel Syndication Network/ Tech Coast Angels***

With new financing platforms increasingly competing for investor and entrepreneur attention, angel groups can continue to be a preferred investment vehicle by collaborating to increase their collective wallet and attract great deals. Hear representatives from several multi-group networks share best practices and experiences expanding deal-flow and syndicating deals, sharing expertise and due-diligence across groups, and building strong communities among their investors. When it comes to attracting the best deals, critical mass matters.

**The Next Big Thing in Tech – VR, IoT, Deep Learning...**

***Michael Aratow, MD, Angel Investor and San Mateo Medical Center***

***Chinh Pham, Greenberg Traurig***

***Bill Reichert, Garage Technology Ventures***

***Andy Schuetz, Berkeley Angel Network***

The hottest technology trends in the last two years are virtual reality/ augmented reality (VR/AR), IoT and Artificial Intelligence (aka Deep Learning). They have led to billion dollar valuations in their respective fields. Is this performance sustainable? The panel will explore future trends and investment opportunities in each category.

**The Latest Market Data on Cannabis-Related Industries**

***Troy Dayton, The ArcView Group***

**The Impact of Women Angels – How and Who They Invest In and How They Add Value**

***Amy Millman, Springboard Enterprises***

***Trish Costello, Portfolia***

***Silvia Mah, Hera Angels***

***Bonny Moellenbrock, Investors' Circle***

Female angel investors are investing in products that are making more impact, serving different customer segments, and truly bringing to market products and services that affect positive economic change within families and communities. There are a rising tide of new female angel investors and groups in the United States that need to be highlighted and applauded. Understand the trends of what women are investing in,

why they are investing, what new investing vehicles are being used to promote gender diversity, and what is the future for female angel investors.

**Being an Effective Board Member**

*Marcia Dawood, Golden Seeds/ BlueTree / Next Wave*

*Meredith Haviland, Foley Hoag*

*Mary Jo Potter, Keiretsu Forum*

Becoming a member of the Board of Directors for even the smallest of companies can be a very large responsibility. What are the main objectives, fiduciary obligations and potential liabilities of a board rep? Join us to hear from some industry experts (including an attorney) about best practices and what to look out for as you navigate sometimes treacherous waters.

3:00-3:15 Break

3:15-4:15 **Ten Hot Topic Roundtables**

A favorite of many ACA members, these roundtables are interactive discussions among everyone in the room, designed to let everyone share their questions, ideas, and experiences. Join the discussion that most interests you.

**Angel/Venture Funds – Selecting the Best Structures and Models**

**Blockchain and What It Means for Angels**

**Convertible Notes – to Do or Not to Do?**

**Does Investing in Follow-on Rounds Produce Better Returns?**

**Helping Companies Scale-Up**

**Investing in Women-Led Companies – What’s Different?**

**Post Investment Best Practices**

**Syndicating Deals Across Borders**

**Valuation Trends**

**Your Patent and IP Questions Answers by a Top IP Attorney**

4:15-4:30 Break

4:30-5:30 End the Day

**ACA Annual Meeting – Vote on New Board of Directors Slate**

**Non-Dilutive Capital – Ruth Shuman, National Science Foundation**

**Keynote – Getting to an Angel-Backed \$1B Exit (and What’s New)**

**Cindy Whitehead, The Pink Ceiling**

5:30-7:00 **Reception in Honor of Award Winners and Finalists**

7:00 on Affinity Dinners (off-site)

## Friday, April 28

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7:15-8:00 Continental Breakfast

### **Info Session on Impact Investing**

Are you an impact investor or want to learn more about impact investing? Join us for a discussion on how we can align our values with our investment strategy and do well by investing in companies doing good. Hear from investors from the Next Wave Impact Fund, Investors Circle, and Tonic about how they seek both financial and social returns from the companies that they invest in. Grab the breakfast provided and join us in Salon 13 to learn more. We will also be having two impact companies present to impact investors in Salon 13 on Friday afternoon, immediately following the ACA closing luncheon. Come to the breakfast and find out who the two companies are that were selected!

8:00-8:45 Concurrent Sessions

### **Due Diligence – What’s Needed Now and What’s Next?**

*Bill Halama, Frontier Angels/ Tech Coast Angels*

*Pat LaPointe, Frontier Angels/ Alliance of Angels*

Due Diligence is one of the most important things angels can do and can also be one of the most painful. Two experienced angels who are members of multiple angel groups share their thoughts on process, procedure and outcomes of the DD process. Bill Halama will share his experience and templates on Process and Procedure as well as Phase I DD Issues. Pat LaPointe will look ahead to the emerging DD needs and share his unique “Red Team/Blue Team” approach. You will leave with some great ideas on how to make the DD process work for you and your group to make better investments.

### **Recruiting, Retaining and Engaging Member Angels**

*Karen Grant, Angel One Investor Network*

*Monique Adams, 757 Angels*

*Juliana Garaizar, Houston Angel Network*

*Jess Joss, York Angel Investors*

*Robbie Paul, ICE Angels*

*Louis Saint-Jacques, Anges Quebec*

*Rick Timmins, Central Texas Angel Network*

A perennial challenge for angel group leaders is membership - as in bringing in new members, keeping good angels as members, and getting them engaged in leading deals or committee work. This group is up to the challenge! Hear about the most effective tactics and tools for recruiting new member, innovative activities to retain members, and ideas to get the most support for member angels (while keeping them happy too).

### **Silicon Valley to Medical Alley: Industry Trends in Healthcare IT and Beyond**

*Barb Stinnett, Sofia Angel Fund*

*Anne DeGheest, HealthTech Capital*

*Dr. David Liang, Stanford University and StartX Accelerator*

*Marti Nyman, United Healthcare*

With the uncertain environment for all healthcare stakeholders created by rapidly changing technologies, evolving business models for providers and insurers, rising consumer costs, and changing revenue sources, what should angels be expecting and/ or looking for in this disrupted environment? Are there opportunities available? This distinguished panel of technologists, investors, service providers, and insurance representations will attempt to provide perspectives on these issues.

### **What Model of Online Investing Works for You?**

*Kiki Tidwell, Element 8*

*David Little, FastTrack.vc*

*Representative, Propel(x)*

### **Growing Your Portfolio**

*Suse Reynolds, Angel Association New Zealand*

*Marcel van den Assum, Angel Association New Zealand*

Join this advanced audience discussion about different approaches to developing a portfolio of angel backed ventures and actively managing that portfolio for returns. We'll start with key considerations when building and managing a portfolio and explore various types of portfolios from large to small, funds to singles, etc. as angels look at how to work toward beating the odds.

8:45-9:00

Break

9:00-9:45

**Concurrent Sessions**

### **Understanding Capital Models**

*Ron Weissman, Band of Angels*

Meet Jane, a new angel. Jane loves a startup's product and vision. As a "story" investor, watch Jane's investment crater due to less sexy factors like follow-on financing risks. Capital-related risks play a significant role in angel returns. Down rounds! Pay to play! VC cram downs! 1:500 dilution! These capital model risks exist in good times and are magnified in tough times. What are the key capital model risks? How should Jane evaluate startup capital requirements when so much is unknown about early stage companies? How can she better manage capital risks over the life of her investment? What's the difference between a startup's capital model and an investor's capital model? What tools are available to evaluate these kinds of risks? What can we learn from real-life examples of positive and negative capital risk management on angel returns?

### **Refreshing Your Angel Group: How a Strategy Shift Can Set the Stage for Future Growth**

*Sue Baggott, Queen City Angels and Next Wave Fund*

*Steve Baggott, Queen City Angels*

*Tony Shipley, Queen City Angels*

Learn how one established angel group got clear on its strengths, weaknesses and opportunities, then developed and implemented fresh strategies for diversity, speed, brand image, and approachability to drive its future growth. This session's highly interactive approach is designed to stimulate thinking and provide actionable tools and models for helping address your angel group's challenges and opportunities.

### **Investing in Cures**

*Kelly McVeary, Hypatia Group*

*Loretta McCarthy, Golden Seeds*

*Allan May, Life Science Angels*

*Matthew Kerby, Life Science Angels*

*Darren Cooke, Life Science Angels*

Have you ever wondered about questions like: Can angels help find cures for our worst diseases?; What are some of the angel-backed ventures bringing new medicines and new diagnostics to market?, or What if I don't have a background in science...should I invest? Join us to hear about real world companies making a difference and how angels can play an integral role.

### **Can You Money Ball Your Angel Investments?**

*Barbara Clarke, Astia Angels/ Pipeline Angels/ Portfolia*

Moneyball created a new way to look at baseball. Instead of the gut instincts of scouts, the Oakland A's turned to quantitative analysis. Big Data is now a cliché term for analytics, but we have seen how quantitative financial analysis in the public markets has gone from boutique financial services firms to widespread adoption. Can it work for angel investing? We will identify opportunities to apply quantitative analysis to the investment process. What metrics help in evaluating teams? What data shows traction and what is noise? When should you trust your gut and when do you need outside validation?

### **New Tax Breaks for America's Innovation Economy**

*Jeff Haskett, Clarus Solutions*

Angels know how significantly dilution affects our returns so we encourage our portfolio companies to take full advantage of non-dilutive sources of capital, of which tax breaks lead the list. Recent changes in the

federal tax code sections affecting angels will be reviewed, with an emphasis will on updated R&D credits in which startups with revenues under \$5 million to take up to \$259,000 in tax credit against their annual payroll taxes.

9:45-10:00 Break

10:00-11:00 **Keynote Fireside Chat with Mitch Kapor and Freada Kapor Klein, Kapor Capital**

11:00-11:15 Break

11:15-Noon **Concurrent Sessions**

**Structuring Deals**

*Angela Jackson, Portland Seed Fund*

*David Gitlin, Greenberg Traurig*

*Boris Mann, Open Angel (and NACO Common Docs project)*

**Build a Strong Ecosystem to Grow Your Group or Platform**

*Kathie Priebe, Sierra Angels/ Golden Seeds*

*Kevin Moore, SeedStep Angels and Oklahoma Angel Fund*

*Parker MacDonell, Rev1 Ventures*

*Jim Sacherman, University of Nevada-Reno Innevation Center*

Whether you're a VC, angel group, or platform, strengthening the local entrepreneurial ecosystem is vital to improving outcomes for both startups and investors. Come hear what others have done to build strong corporate, community, and university relationships with their startup and investor community, and learn what you can do in your own local ecosystem to promote startup and investor success, and thereby grow your investor group or platform.

**Trumping Healthcare – How Does President Trump Change Life Science Investing?**

*David Ford, California Health Information Partnership*

*Shawn Dastmalchi, Ark.one Health and Berkeley Angel Network*

The early days of the Trump Administration have seen more discussion about healthcare than almost any other policy area – ACA/Obamacare repeal, FDA reform, pharmaceutical pricing, etc. This panel will bring together thought leaders from diverse viewpoints – policy leaders, investors, and entrepreneurs – to discuss how these whirlwind changes will affect life science investing in 2017 and beyond.

**Collaborative Impact Investing**

*Alexandra LaForge, Investors' Circle*

Investing with others can be a benefit to due diligence, deal negotiation, and portfolio management – and it can be fun! Impact investing is a hot topic, but how can you tell if your perspectives on impact and return are aligned with potential co-investors? This interactive session will help investors identify their investment interests and needs as well as what to look for in productive investment partnerships. We will explore impact and return expectations, capital constraints, and portfolio strategies through an "Investor Alignment Toolkit" and stories from individual investors and sample investments.

**Strategies to Combat Excessive Valuations**

*Christopher Mirabile, Launchpad Venture Group*

*Meredith Haviland, Foley Hoag*

Experienced angels are always looking for strategies and deal terms that might be used to combat the excessive valuations currently plaguing angels. Join us for a discussion of some strategies that have worked along with an interactive audience discussion and Q&A to source additional ideas.

12:00-1:30

**Closing Lunch**

**Keynote – The Resource Efficiency Revolution: How It's Changing the Global Economy**

*Steve Westly, The Westly Group*

Steve Westly outlines how new technologies and business models are enabling companies like Tesla, Uber and AirBnB to create some of the best investment opportunities in the market today. Mr. Westly has a unique background. After helping take eBay public in 1998, he was elected Controller and CFO of the State of California in 2002 where he served on the boards of CalPERS and CalSTRS. He then founded one of the larger sustainability venture firms in the United States, where he was an investor and board member of Tesla Motors. He and his partners have had 10 IPOs. He also served on the faculty on the Stanford Graduate School of Business for 5 years.