



ANGEL CAPITAL ASSOCIATION

For Immediate Release

Angel Capital Association Members Drive Almost \$2 Billion in Start-Up Investments: 2019 Angel Funders Report

Kansas City, MO, September 10, 2019 – Angel investors are the life blood that nourishes startups before VCs step in. In fact, angels provide 90% of early equity capital. Yet there are few detailed, verified data reports available on angel investments. The Angel Capital Association, the world's largest angel investor association, is working to change this. The 2019 Angel Funders Report is the largest source of verified angel investment data available. This report is part of the ACA Data Initiative designed to build a comprehensive and actionable database to help angels make smarter investments.

The 2019 report analyses data on over 1,150 deals representing investments valued at \$228M from 68 major angel groups. With access to the leading angel groups in North America, the database is rapidly growing. The goal is to have over 200 groups reporting in the next twelve months.

The 2019 Angel Funders Report data provides insight to how angels invest and the impact they provide to economic development and startup companies:

- Angels are a vital source of early stage capital, often the first funding raised by a company. Angels also continue to invest in later stages, 50% of investments are follow-ons across all stages.
- The \$228M invested by ACA member angels fueled total investment of \$1.8B. The multiplier is driven by syndication with other angel groups, individual angels, VC firms and other private equity investors.
- 70% of seed round investments are less than \$250K.
- Angels invest across a wide variety of industry verticals. Health and biotech attracted 27% of angel dollars in 2018. Investments in artificial intelligence startups are on the rise, up to 4% of all deals this year.
- Angels invest nationwide, not just in Silicon Valley and Boston, the traditional VC strongholds.
- Angels also invest in more diverse company leadership teams. Though the majority of angel-backed founders and CEOs are male, the number of female-led companies receiving angel capital has grown steadily over the years, currently at 21%,-- a much higher rate than VC investments.
- Angels investors recognize that the best returns require patience and usually occur more than five years from the initial investment.

The Angel Capital Association, the leading angel investor association in the world with over 14,000 members and 250+ angel groups, is working to fuel the success of the accredited angel

investor community through data reporting, advocacy, education and connection building. To drive these initiatives, longtime association management expert, Patrick Gouhin joined ACA as CEO in May. His leadership skills and experience will take ACA to the next stage of its lifecycle by executing new initiatives that will benefit members and further ACA's vision.

As Pat puts it, "The angel investing community has a critical need for meaningful and accurate data and through ACA's Data Analytics effort, which includes the release of the Angel Funders Report, we are beginning to provide this information. Analyzing timely and relevant data is a strategic imperative of ACA and over time will lead to new investments and growth that can enhance the startup community and improve returns for our members. The economy needs this data."

Angel investments are a significant source of economic development and job growth. While VC investments attract a great deal of attention, many high-growth superstars were originally funded by angels, including Pinterest, Facebook, Carbonite, Google, Zipcar and Clarisonic. To continue to grow angel investment, better data and more analysis is needed. That is why ACA has launched the Angel Funders Report. The Angel Funders Report is the only official report from ACA for angel investment data in North America. Quality and accuracy are verified by collecting information directly from our member groups and then validated through the efforts of our data partner, Hockeystick, ensuring the most reliable information in the market today.

This report delivers the knowledge and key findings for angels and accredited investors to make smart investments based on experience and fact. Over time the impact and insights of these reports will grow.

Access the full report at <https://www.angelcapitalassociation.org/angel-funders-report/>. The 2019 Angel Funders Report is the second in an ongoing series from the Angel Capital Association developed to provide in-depth data on angel investment activities.

About the Angel Capital Association (ACA)

The [Angel Capital Association](https://www.angelcapitalassociation.org/) (ACA) is the professional association of angel investors across North America and offers education, best practices, data, public policy advocacy, and significant benefits and resources to its membership of more than 14,000 accredited investors, who invest individually or through its 250+ angel groups, accredited platforms, and family offices.

Visit www.angelcapitalassociation.org or at [@ACAAngelCapital](https://twitter.com/ACAAngelCapital)

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