



ANGEL CAPITAL ASSOCIATION

For Immediate Release

COVID-19 Survey Results: Angel Investors Ready to Rebuild the Economy

Kansas City, MO (May 18, 2020) – A peak pandemic April survey of leading angel investors revealed strong continued commitment to creating jobs via investment in start-ups. The result of “*Impacts of the COVID-19 Pandemic on Angel Groups and Portfolio Companies*” were announced at the Angel Capital Association’s (ACA) annual Summit, ACA 2020 - The Summit of Angel Investing. More than 50 major angel investing groups, representing thousands of active investors and hundreds of their portfolio companies around the US, responded. Findings included:

- Overall angel groups (71%) plan on continuing to invest although level of investment may decline
- Over 60% were still interested in funding a new startup company; only 32% said their interest has diminished
- Support for additional investment in their portfolio companies was very strong at 81%
- 86% of the portfolio companies applied for CARES Act Funding and more reaching out to their investors for guidance and support
- 88% of portfolio companies see potential growth opportunities during the crisis

Early-stage financing from angel investors is critical to the success of high-growth startups. Recent estimates suggest that annual U.S. angel investment activity may total as much as \$24 billion each year, contributing to the growth and success of more than 64,000 startups in every region of the country. Startups, in turn, create jobs in local economies. In fact, the US [Bureau of Labor Statistics](#) estimates that startups created in just one year led to a gain of 1.7 million jobs.

“The entire world has been turned upside down with the COVID-19 pandemic, and communities around the globe are exploring strategies for creating new jobs and boosting economic growth despite a downturn in most forecasts,” said ACA CEO Patrick Gouhin. “Angels aren’t afraid to take educated risks, and they are passionate about developing fresh entrepreneurial talent through their startup investments. Communities with strong ties between their startup ecosystems and groups of angel investors will rebound faster and more meaningfully from this crisis.”

Demonstrating their commitment to fueling job growth via investment in start-ups, more than 300 leading angel investors from the US and across the globe attended the ACA’s virtual Summit. The sessions addressed both the timely and timeless issues that support early stage investing and drive economic development, including:

- A virtual fireside chat with Martha Miller, Office of the Advocate for Small Business Capital Formation, U.S. Securities and Exchange Commission, discussing COVID-19’s impact on raising capital, crowdfunding, and strategies to bridge networks
- Three thought-provoking keynotes from globally recognized experts: *A Different Shade of Green: Opportunities in Cannabis Investing* with industry pioneer Lindy Snider; *One World, Many Opportunities* with Jonathan Ortmans, Founder & President of the Global Entrepreneurship Network (GEN); and *A Data Driven Model to Cure Walking Dead* with TrueSpace Founder Charles Fred

“The impacts of the pandemic on the investment community are significant, but angels tend to see these downturns as potential opportunities. When the stakes are high, angel investors shine,” said Tony Shipley Chairman of the ACA.

Continuing its program to support the start-up ecosystem, ACA is also debuting the new virtual ACA Angel University, delivering practical tips and lessons learned to improve angel investors skills in comprehensive, easy-to-access virtual workshops held between May 18 and June 10. Learn more on the ACA website: events.angelcapitalassociation.org/2020summit/ACAAngelUniversity

About the Angel Capital Association (ACA)

The [Angel Capital Association](http://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 <http://www.angelcapitalassociation.org>/or at @ACAAngelCapital