



ANGEL CAPITAL ASSOCIATION

For Immediate Release

Angel Capital Association's Angel Funders Report 2021 Reveals Strong Startup Support, Despite Pandemic

Kansas City, MO, October 28, 2021 – The Angel Capital Association (ACA) released its [Angel Funders Report 2021](#) yesterday, a deep dive into angel investment trends. During a year of economic and social turmoil, angel investors supported entrepreneurs and startups with capital and mentorship, guiding them through one of the most challenging business climates in recent history. In 2020, angels invested more dollars in more companies than ever before. At a time when venture capitalists and others moved to later stage deals, angels reconfirmed their commitment to providing essential early money to start-ups. Such money is critical; each angel dollar invested generates another \$6 dollars from other investors. In 2020, companies backed by angels raised over \$4 Billion.

Angels also aggressively attacked social inequity issues, increasing the diversity of the companies they backed. Women-led companies now represent almost 30% of all deals and closed a major funding gap by raising 93 cents for each dollar raised by men (75 cents in 2019). Even more dramatically, Black founders represented 15% of all initial investments, up from less than 2% in 2019.

“ACA and its members have always known that angel investing is not for the faint of heart. It’s an asset class built for risk takers, innovators, and people with experience-based intuition about what it takes to be successful,” said ACA CEO Patrick Gouhin. “In 2020, ACA’s members continued to risk personal capital to jumpstart businesses and ignite economies. We can credit this resilience to the nature of angel investors, who take calculated risks to support innovation and growth, fueling the engine of our regional and national economies.”

The Angel Funders Report is based on direct investment data solicited from ACA member groups. ACA collects data directly from a variety of angel investors, including leading North American groups, powering the report with current, first-hand information, which is often hard to collect from traditional sources. ACA angel investing experts analyze and enhance the data with their knowledge of trends and best practices, developing a comprehensive insider’s view to share with the broader investment community.

Other key findings in this year’s report include:

- Angel investors increased their investments in both initial rounds and follow-on rounds, filling key gaps as many VCs moved to later stage investments.
- ACA member groups invested approximately \$650 million in 2020. On average, angel groups invested a total of \$4.7 million per group, an increase of 15% from 2019.
- Individual angels spread their investments among more companies in 2020, investing in an average of 19 companies vs. 14 companies in 2019.

In 2018, ACA launched the Angel Funders Report to provide definitive information on the state of angel investing. The initiative helps early-stage investors make better investment decisions; and helps the business community better understand angel investing’s impact on new business formation, job growth,

and economic prosperity. The report also gives entrepreneurs a deeper understanding of how and why angels invest, helping them raise capital and build strong investor relationships.

About the Angel Capital Association (ACA)

The Angel Capital Association (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 angelcapitalassociation.org

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