



## Angel Group Investing Heats Up

### *Halo Report Reveals Angel Group Investments and Valuations Climbing in 2014*

Kansas City, MO, Santa Clara, CA, New York City, August 6, 2014 – [The Angel Resource Institute \(ARI\)](#), [Silicon Valley Bank \(SVB\)](#) and [CB Insights](#) released the Q1 2014 [Halo Report](#) today, a national survey of angel group investment activity. The report finds median round sizes increased to \$980K per deal, and pre-money valuations rose to \$2.7 million in the quarter. Investments in Internet-related companies jumped significantly, while dollars invested in mobile and healthcare companies dropped.

[Infographic](#).

“Opportunities are great for startups seeking funding today,” said Rob Wiltbank, Vice Chairman of Research, Angel Resource Institute. “An increase in high-profile liquidity events is driving new investments by angel groups and all types of investors, which in turn will lead to the formation of new companies and continue to feed the cycle.”

#### **Halo Report Q1 2014 Highlights:**

##### **Round Sizes Reach Five Quarter High**

Median angel round sizes were up to \$980K, an increase over the prior quarter and the prior year. When angel groups co-invest with other types of investors however, the median round size dropped slightly to \$1.65 million from \$1.8 million in Q4 2013.

##### **Valuations Rise**

Median pre-money valuations rose to \$2.7 million, after several steady quarters at \$2.5 million.

##### **Angel Investor Forum and Robin Hood Ventures Join Most Active Angel Groups**

In Q1, Angel Investor Forum and Robin Hood Ventures joined the top 10 angel groups in number of deals for the first time. The ten most active angel groups in total, based on total deals, completed in Q1 were (alphabetic order): Alliance of Angels, Angel Investor Forum, Central Texas Angel Network, Desert Angels, Houston Angel Network, Launchpad Venture Group, Robin Hood Ventures, Sand Hill Angels, Tech Coast Angels and Wisconsin Investment Partners.

##### **3 in 4 Angel Groups Invest Close to Home**

Seventy-five percent of deals were completed in the angel groups’ home state in Q1, remaining reasonably consistent over prior quarters.

##### **Great Lakes Region Rivals California in Q1**

While Texas had a slower quarter with a drop in total deals and total dollars, the Great Lakes region had a spike. In Q1, angel groups in the Great Lakes invested more dollars than any other US region, including California, and closed 17% of all the deals, tying California for the lead.

##### **Internet Draws Most, Mobile and Healthcare Investments Drop**

Together, Internet, healthcare and mobile companies comprised 71.5% of all deals while Internet companies received the largest percentage of investment dollars. More than 46% of angel group investments went to Internet companies and healthcare investments took a dip over the prior quarter.

The Halo Report includes aggregate analysis of investment activity by angels and angel groups and highlights trends in round sizes, location and industry preferences. The data is collected via survey and aggregation of public data using CB Insights innovative data analyses. The Q1 2014 Halo Report data is based on 170 deals totaling \$228 million in total rounds including co-investors. The transaction details are available in the [CB Insights subscription database](#) for users to review and analyze themselves. Academics may also access some of the data through ARI.

Angel groups and individual angel investors interested in including their data in the Halo Report should contact JJ Knight of the Angel Resource Institute for details. She can be reached at 910-523-5503 and [jj@angelresource.org](mailto:jj@angelresource.org).

The **Angel Resource Institute** (ARI) is a charitable organization devoted to education, mentoring and research in the field of angel investing, a growing driver of our entrepreneurial economy. ARI was founded by the Ewing Marion Kauffman Foundation. The programs of ARI include educational workshops and seminars, research projects and reports, and information about angel investing for the general public. ARI is affiliated with the Angel Capital Association, the professional association of angel groups in North America. More information is available at [www.angelresourceinstitute.org](http://www.angelresourceinstitute.org).

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**CB Insights** is a National Science Foundation-backed data-as-a-service firm that collects information on private companies and their investors and acquirers. CB Insights data and technology is used by firms to make better marketing, procurement, lending, acquisition and equity investment decisions and to gather data-driven market and competitive intelligence. The firm's data is regularly cited by leading media publications including the *New York Times*, *Forbes*, *Bloomberg BusinessWeek* and *Fast Company* among others. For more information, visit <http://www.cbinsights.com>.

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**Contacts:**

JJ Knight  
Halo Report Coordinator  
Angel Resource Institute  
910.523.5503  
[jj@angelresource.org](mailto:jj@angelresource.org)

Carrie Merritt  
Silicon Valley Bank  
503-574-3705  
[cmerritt@svb.com](mailto:cmerritt@svb.com)  
@SVBCarrie

Anand Sanwal  
CEO and Co-Founder  
CB Insights  
212-292-3148  
[asanwal@cbinsights.com](mailto:asanwal@cbinsights.com)