



*Angel***HQ**

Giving business wings

Monitoring Angel Investments

Presentation to
Wellington Project Quality Assurance Forum

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28 November 2016

Characteristics of early stage startups

- High risk (and reward)
- Wide variety of innovative ideas (projects)
- Variable founder capability (project lead/team)
- Directional change is normal, often dramatic (Pivots)
- Attrition is normal – few projects provide high returns
- Unlikely to be able to apply standard methodology.
- Use toolkit, experience, and individual risk tolerance
- Test of success -- continued interest in funding

**Individuals make decision to fund - as part of team
Portfolio Approach**

Defining Angel Investment



**Founder/
Family/ Friends**

Seed/Angels

**Venture
Capital**

**Private
Equity**

Extreme risk

Conceptual

Small scale

Emotional

Independent/single deals

High risk

Established

Larger scale

Professional

Pooled/portfolio

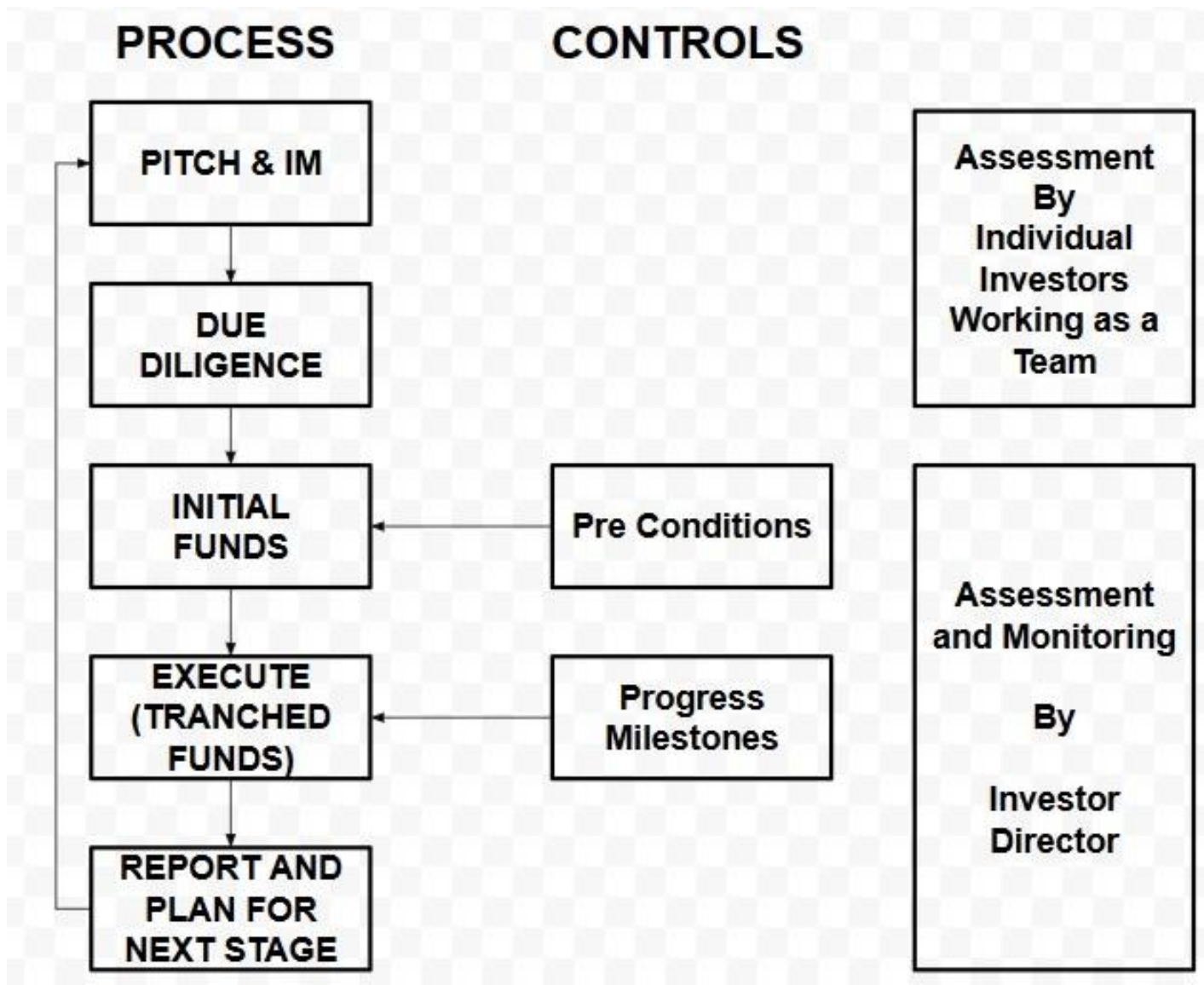
Private Equity Continuum

Government Agency Support



What do Angels look for?

- **ROI** – terrific potential for strong margins and growth with a viable exit opportunity (Benefits)
- **Market** – sufficient, identifiable, willing and reachable customers (Problem and Need)
- **Great people** – that deliver with the help and assistance of the investor (Project Team)
- **Protected** – difficult to compete with or replicate (Is solution unique and better ?)
- **A “good deal”** – a realistic valuation
- **Fit** – with investor’s experience, portfolio and ethical boundaries



Q & A and Discussion

- Potential topics
 - Agile Projects & Result 9 Initiatives
 - QA process approach
 - Stage Gates
 - Annual Budgeting Process
 - Project Business Case Process