

# BUSINESS ANGELS

Linking Management Experience  
and Entrepreneurial projects

# What is a Business Angel

- An Individual Investor
- Who invests a part of his money
- In a high potential and Innovative Venture
- And is ready to support the entrepreneur with his own money
- And, for free, his competences, his experience, his networks and his time

# BUSINESS ANGELS :MOTIVATIONS

- Capital Gain , yes but not only
- Diversification
- Co-Entrepreneur
- Help create future leaders
- Create new jobs
- Save taxes.

# BUSINESS ANGELS:

## How much money?

- Invest max 5% of your wealth
- From 10 to 200K€ per year(average 30K€)
- Group Investments in general
- 10 lines minimum
- Board member or equivalent

# BUSINESS ANGELS: When do they Invest

- Early stage or Seed Capital
- From an Idea to one year or 2 years of existence
- When 3F financing and public subsidies are used up
- Equity Gap widening
- 2<sup>nd</sup> fund raising with VCs: key issue for BA

# What do Bas expect from Entrepreneurs

- A highly motivated and closely knit Team
- A clear vision and strategy
- An understanding of where competition is coming from
- IP and barriers to entry
- A reasonable Business Plan with alternative courses of action
- An understanding of what Business Angels can bring to them
- A clear possibility for BA to exit after 5 years

# BUSINESS ANGELS NETWORKS

- Not for Profit Associations
- Syndication ( SCR)
- Combination of both
- Business Angels Funds
- Public Grants and Co-Investments
- 3000 Bas in BAN, vs 40000 in the UK and 400000 in the USA

# Work Processes of BAN

- Deal Flow generation
- Coaching of entrepreneurs
- Preselection ( 250 per year)
- Selection of best cases ( 40 per year)
- Negotiation wth a group of interested investors ( Term Sheet)
- Finalization of a Shareholder agreement ( 15 per year)

# Business Angels: a still not recognized social role

Very often the only way for entrepreneurs to grow and succeed

A cross generation transfer of experience

A way for (young) senior citizens to feel helpful and stay in business life

An alternative investment vehicle to Stock Exchange and Real Estate