

VANTEC  
Vancouver Angel  
Technology Network

W U T I F

**NEW MEDIA BC**

July 10, 2007

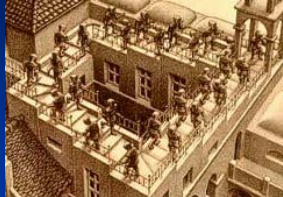
Mike Volker  
VANTEC Angel Network  
WUTIF Angel Fund

<http://www.wutif.ca>

## The Paradox


- More and more Ideas
- More and more \$\$\$

But no investments!  
WHY?



Read May 18th T-Net Columns by Brent & Mike!!  
[Mike says there's 10X more capital than VC capital]

WHY?



- Entrepreneurs chasing wrong ball (eg VCs)
- VCs moving downstream
- Angels (accredited & non-accredited) have A.D.D.
- Securities restrictions (limited to millionaires)

## Early Stage vs Startup?

- Early stage:  
Team  
Products  
Business Plan  
Customers  
VCs – maybe
- Start Up:  
one or two people  
ideas and/or IP  
VCs – forget it!



[See [www.garage.com](http://www.garage.com)]

## Why Entrepreneurs like Angels

- ☞ The *best* way to get the funding process started
- ☞ If they can't get interest in this level, they won't go far with anyone else
- ☞ Angels are a magnet for Venture Capital (really?!)
- ☞ Angels make excellent mentors & coaches
- ☞ Angel money is true risk capital... and it's becoming more ubiquitous
- ☞ Been there, done that – angels are entrepreneurs  
*It's not just about the money!*

## Angels: Where on Earth are they?

Sorry! There's no "list"

Get a friend...

a mentor

a coach

an advocate

(this is the "key" to the angel network)



There is no shortage of venues!!

(they're everywhere! they're everywhere!)

Good people/deals will always get funded!

VANTEC  
Vancouver Angel  
Technology Network

Formed April, 1999. No Formal Structure.

- 500+ "members" (no formal membership or fees)
- 40+ attendees per meeting
- Meet first Tuesday morning monthly except August
- 4-8 deals entertained/meeting; 300+ so far
- 50% of companies get funded
- "Angel Sponsors" do screening (mentoring is key)

## Angel's BS Bingo:

|   |                              |                          |                       |                                 |
|---|------------------------------|--------------------------|-----------------------|---------------------------------|
| Domain Expertise                        | ProActive Management         | Unique Proposition       | Low Burn Rate         | Best of Breed                   |
| Enabling Technology                     | Empowered Team               | Ground Floor Opportunity | First To Market       | Platform Technology             |
| Market Driven                           | World Class Products         | <u>PROFITS</u>           | Competitive Advantage | Renowned Board                  |
| Proprietary Technology (no competitors) | Revolutionary Business Model | IP Portfolio             | Favorable Valuation   | Liquidity Event (Exit Strategy) |
| Revenue Traction                        | NASDAQ IPO                   | Mezzanine Round          | Defensible Strategy   | Visionary                       |

mikevolker.com

## Success Snapshots

- 85% of PRESENTERS still in business
- Several Acquisitions:
  - Active State (very 1<sup>st</sup> presenter): U\$23M
  - QImaging (2<sup>nd</sup> presenter): U\$12M
  - Brightside Tech: U\$28M
- Some IPOs & RTOs:
  - Aspreva Pharma 60X in 2 years!! Now \$750M Mkt Cap
  - Plutonic Power 10X in 2 years!! Now \$300M Mkt Cap



**WUTIF Capital (VCC) Inc.**  
western universities  
technology innovation fund

<http://www.wutif.ca>

....promising futures

## WUTIF Capital (VCC) Inc. (An Angel "Sidecar" Fund)

- Specially Incorporated (in BC)  
*Small Business Venture Capital Act as a "Venture Capital Corporation"*
- 30% REFUNDABLE (Cash-back) Tax Credit
- RRSP (Retirement Plan) eligible
- Must invest in "eligible BC small businesses"
- Note to Angels: Direct Investment in a Company also qualifies for the Tax Credit

## WUTIF Capital (VCC) Inc...

- Buy a Part of BC's Tech Sector!
- Co-invest with angel investors
- Shares valued at \$11.75 (offered at \$11.25)
- Net Cost after BC Tax Credit = \$7.88
- Charitable feature



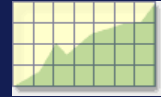
**WUTIF -  
An "Angel Fund" for  
Start Up Tech Firms  
(+\$4m raised to date)**



WUTIF invests in technology Companies that....

1. pass the people test
2. pass the tech test
3. are co-funded by angels
4. are valued <\$2.5million (typically)
5. require <<\$1million to cash flow or milestone

**WUTIF Capital (VCC) Inc**



- An "Angel Fund" that invests in tech startups
- Investors: >100 angel investors
- Investments: 34 companies, \$100K (avg) per Co.
- Capital: >\$4M to date (founded late 2003)
- The most active, participatory Fund in Canada
- The only Fund with long term warrants
- Tax assisted: VCC credits, RRSP eligible, Charitable credit feature

**\$3.7m Invested in 34 companies:**

|  |           |
|--|-----------|
| Paradigm Environmental Technologies                        | \$227,500 |
| Visighor Corp (formerly Imagis Tech Inc) (VIS.TSXV)        | \$100,000 |
| Recombo Inc  | \$150,052 |
| Actenum Corp   | \$175,000 |
| Sirius Genomics Inc  | \$175,000 |
| Slebar Energy Inc  | \$100,000 |
| Vectis Technologies Inc                                    | \$100,000 |
| Healthpricer Interactive Ltd (formerly One Person Health S | \$101,000 |
| Brightside Technologies (formerly Sunnybrook Tech)         | \$174,900 |
| The Silver Recycling Company (TSR.H.TSXV) formerly Cog     | \$72,000  |
| MetroBridge Networks Corp                                  | \$149,500 |
| Zymeworks Inc  | \$152,500 |
| Wellichem Biotech Inc (WBI.TSXV)                           | \$75,000  |
| Backbone Systems & Networks Corporation                    | \$94,440  |
| Neltura Technology Inc (EGO Communications)                | \$100,000 |
| Aprio Inc  | \$105,000 |
| Sensific Technologies Inc                                  | \$100,000 |
| Traction Technologies Inc                                  | \$100,000 |
| Urigen Holdings Inc  | \$100,000 |
| Time Search Inc  | \$100,000 |
| Rfind Systems Inc  | \$125,002 |
| Ostara Nutrient Recovery Technologies Inc                  | \$100,000 |
| iCa Therapeutics Inc                                       | \$100,000 |
| Sutus Inc  | \$100,000 |
| Aquatic Informatics Inc                                    | \$50,000  |
| Clearvision Technologies Inc                               | \$100,000 |
| Aquaasure Bath Products Inc                                | \$50,000  |
| Plutonic Power Corp (PCC.TSXV)                             | \$136,500 |
| General Fusion Inc   | \$50,000  |
| Medical Ventures Corp (MEV.TSXV)                           | \$50,000  |
| WaveTeq Communications Inc                                 | \$105,000 |
| Switch Materials Inc                                       | \$100,000 |
| 0777154 BC Ltd (dba "Synergy")                             | \$100,000 |
| Clevert Solutions Inc                                      | \$100,000 |

VANTEC  
Vancouver Angel  
Technology Network

W U T I F

Thanks!

Mike Volker

(mike@volker.org)

VANTEC Angel Network  
WUTIF Angel Fund

<http://www.wutif.ca>