

Finding Startup Capital

April 28, 2007

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Chairman

Jumpstart NJ Angel Network

JumpStart
NJ Angel Network

Jumpstart NJ Angel Network

- Formed in 2002 with support from NJTC and NJEDA
- Member organization (40 angels)
- Invest as individuals not from a fund
- Co-invest with VC funds and other angel groups

Jumpstart Deal Activity

- Leading angel group in New Jersey
- Since 2004, Jumpstart members invested \$8.5 million in 25 companies
- In 2007, \$1.4 million invested with increasing level of deal activity

Jumpstart Partners

- NJTC
- Service providers
- Universities
- Angel Capital Association
- Venture funds
- Incubators
- NJEDA
- NJCST
- Established companies
- R&D organizations

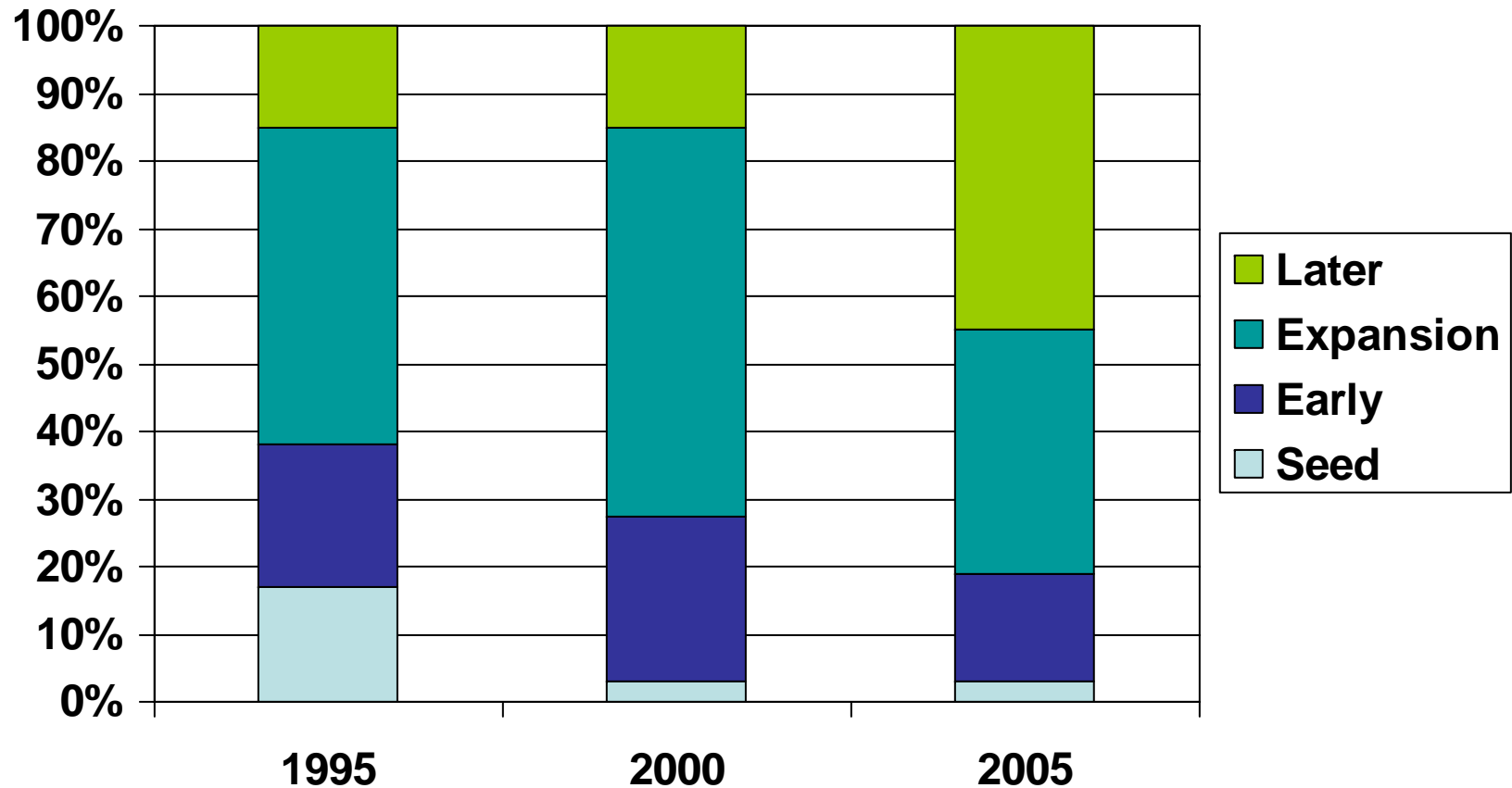
Recent Jumpstart Highlights

- Launched NJEDA Angel Guarantee Program
- Developed lecture series with Princeton University
- Established connection with UMDNJ
- Received national spotlight on CNBC

Sources of Capital

- Concept Stage: Founder, Friends, Family and Fools (the 4F's)
- Early Stage: 4F's and Angels
- Expansion Stage: Angels and VC's
- Later Stage: VC's and Private Equity Funds

Venture Capital by Stage



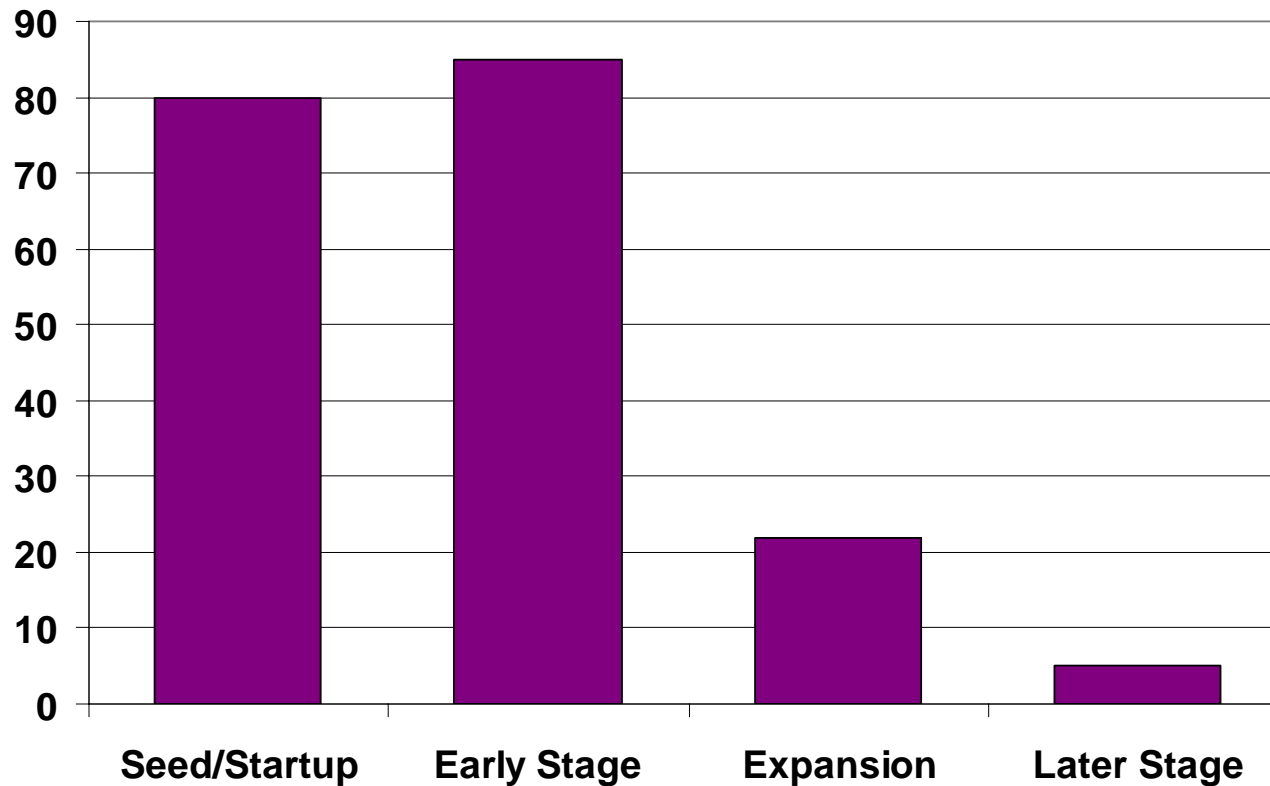
source: Venture Economic/NVCA/Pricewaterhouse Coopers 'Money Tree'

2006 Angel Group Investment Survey

- Investment dollars per round - \$241K
- Investment dollar per angel - \$32K
- Annual deals per group – 7.4
- 72% co-invested with venture capital firms
- 29% had distributions to investors
- Investment up 23% from 2005

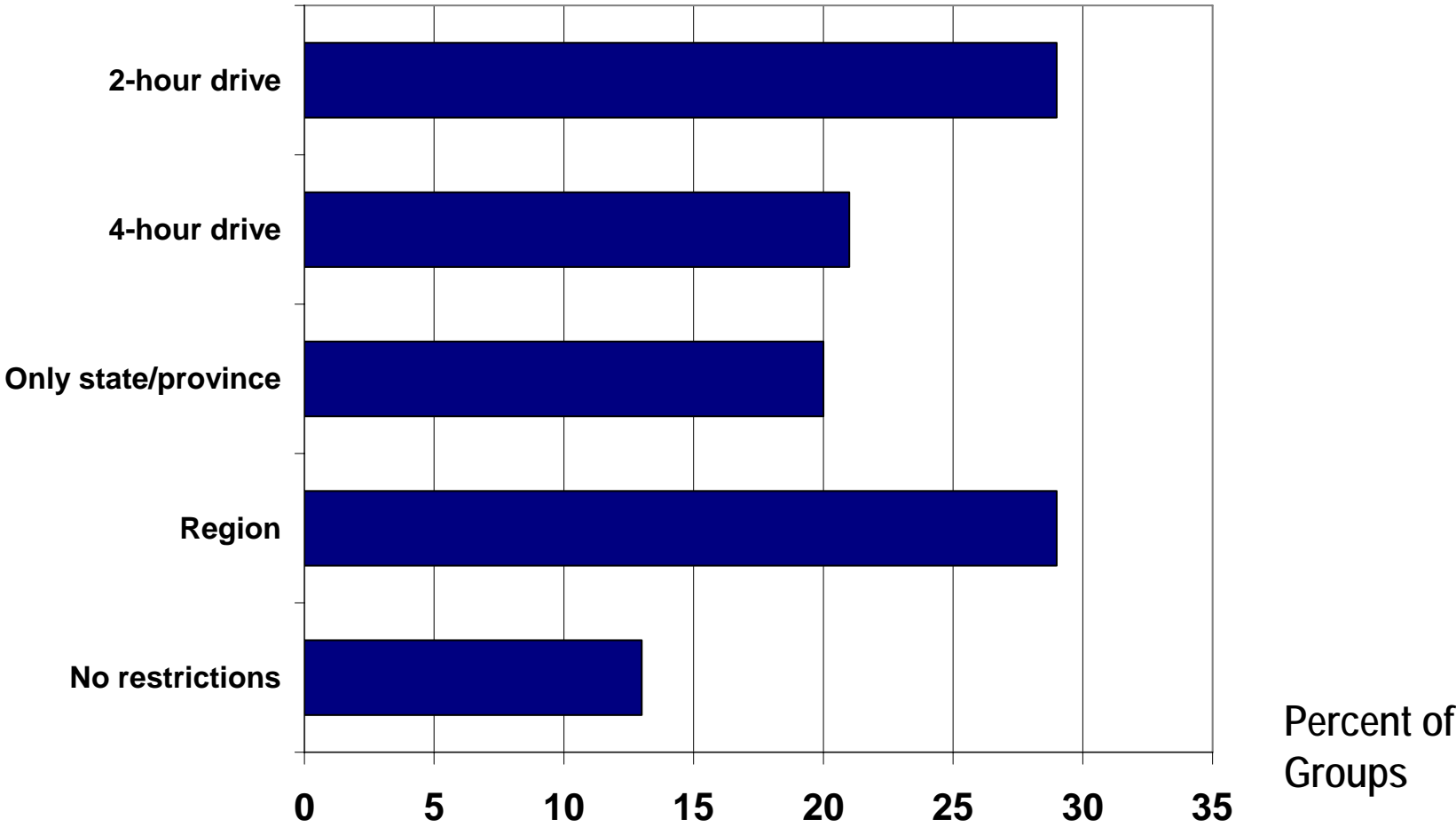
Source: 2007 ACA Angel Group Confidence Survey

2006 Angel Investments



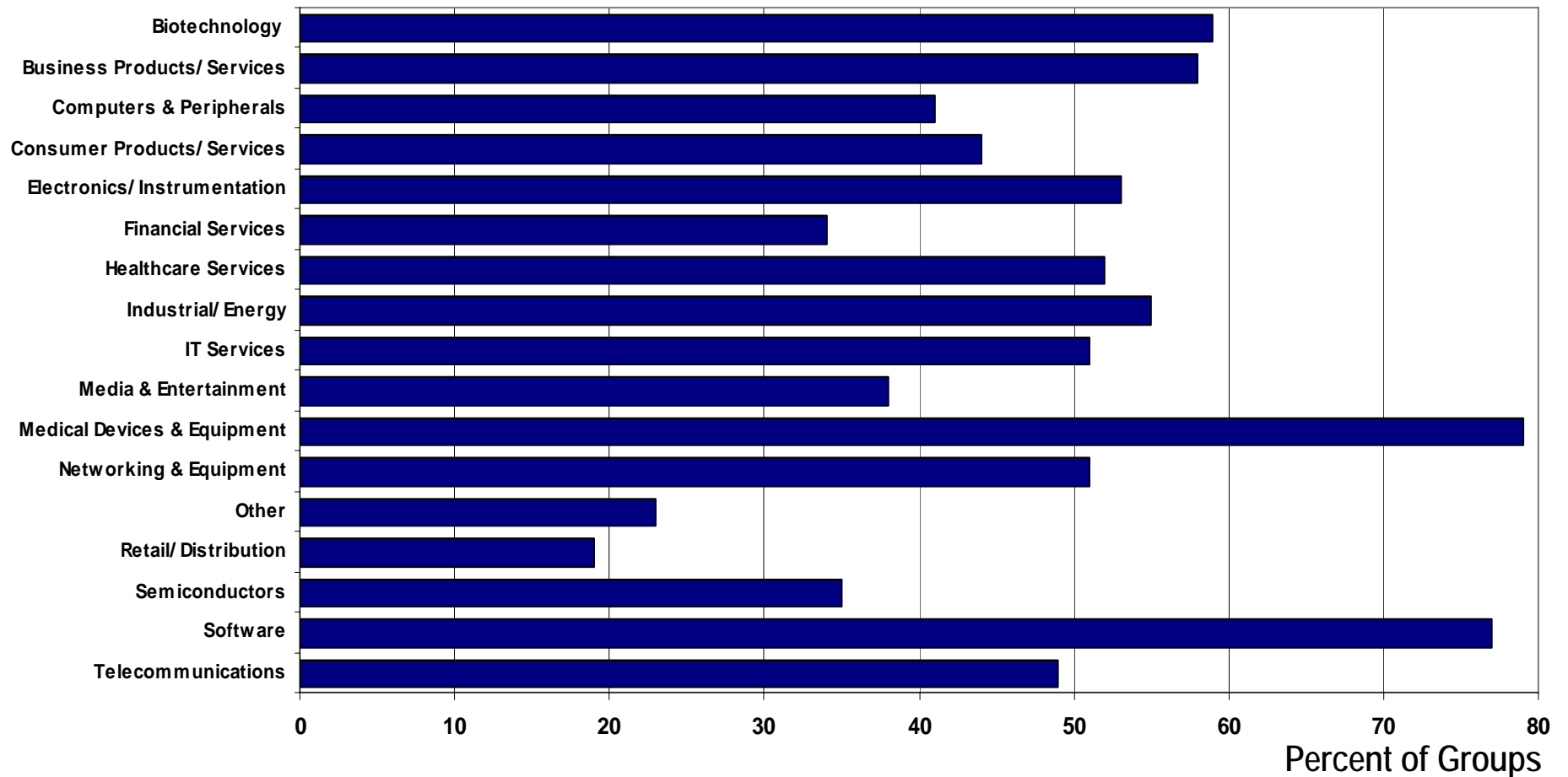
Source: 2007 ACA Angel Group Confidence Survey

Where do Groups Invest?



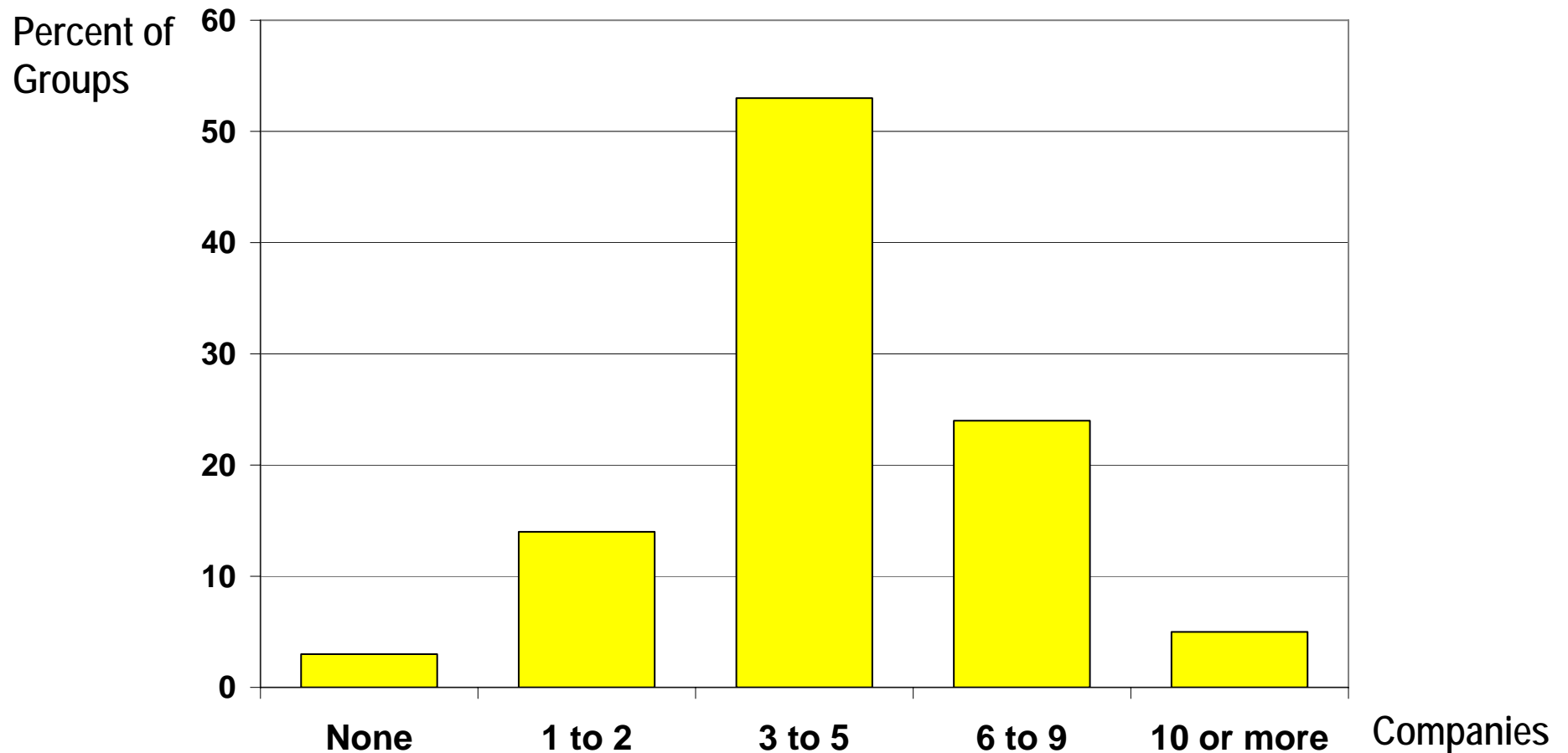
Source: 2007 ACA Angel Group Confidence Survey

Angel Investment Preference



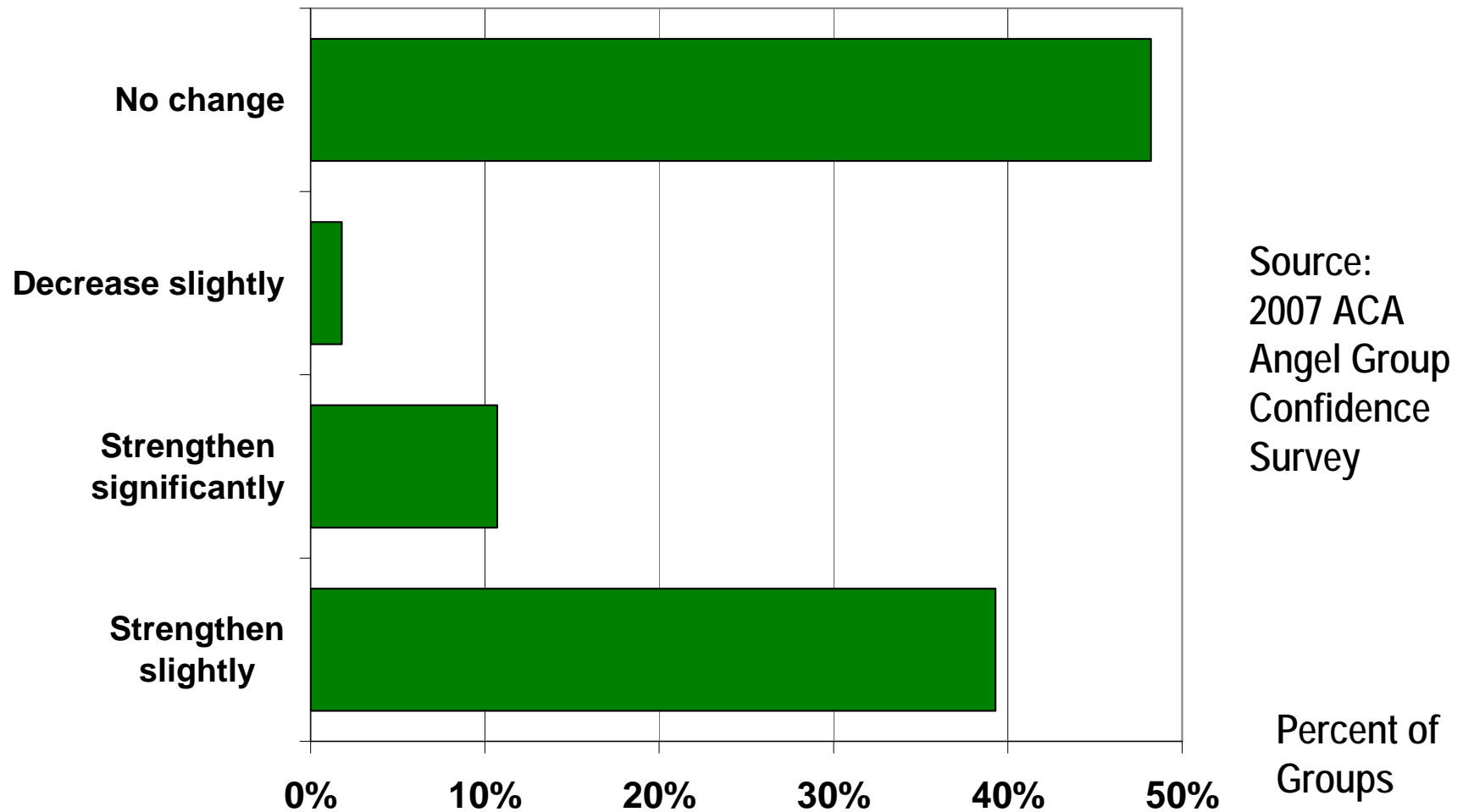
Source: ACA Conf Survey and Membership applications - 86 groups reporting (2006-2007)

2007 Prediction: How Many New Companies Will You Invest In?

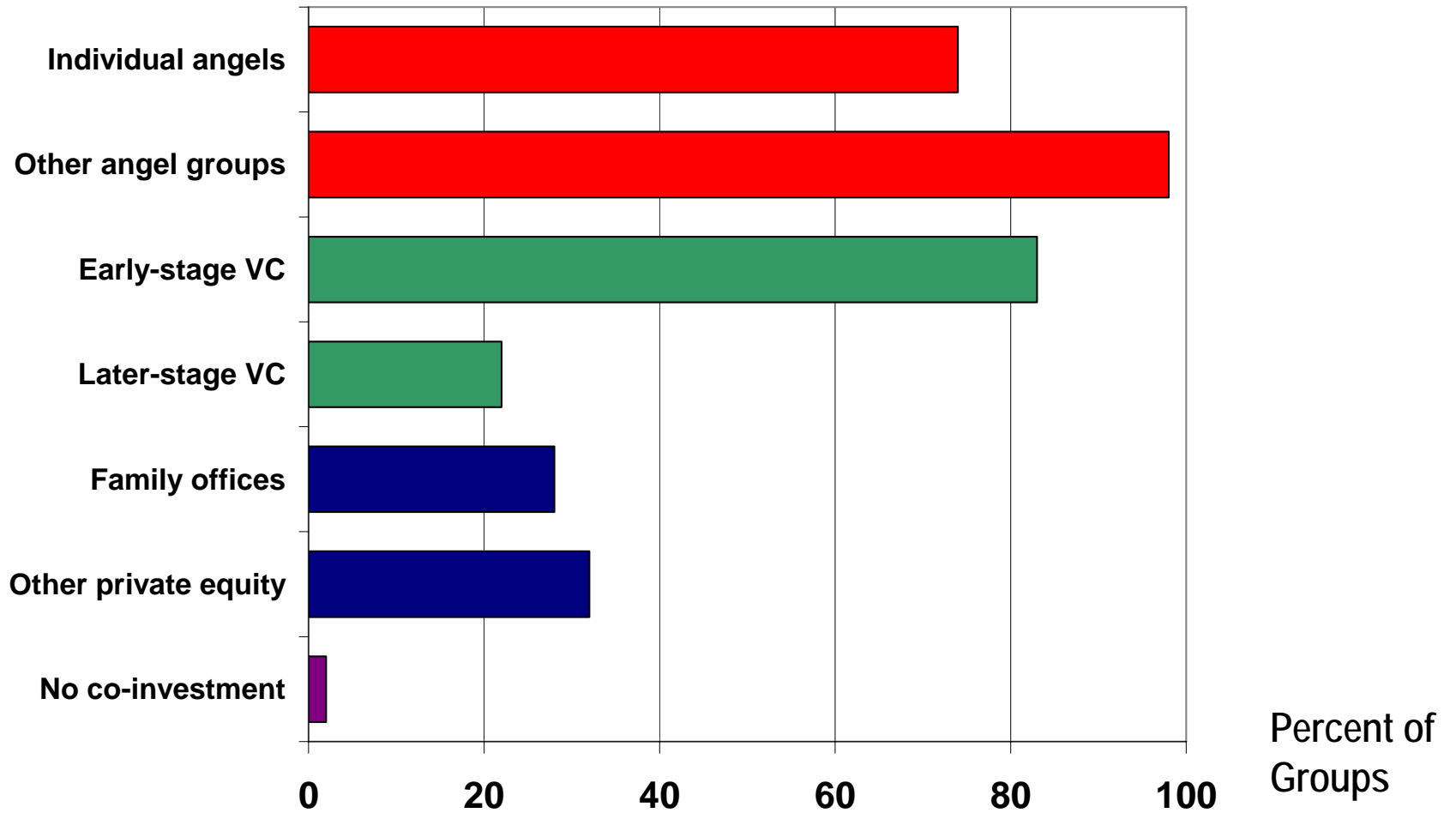


Source: 2007 ACA Angel Group Confidence Survey

2007 Prediction: How Will Conditions for Liquidity Change?

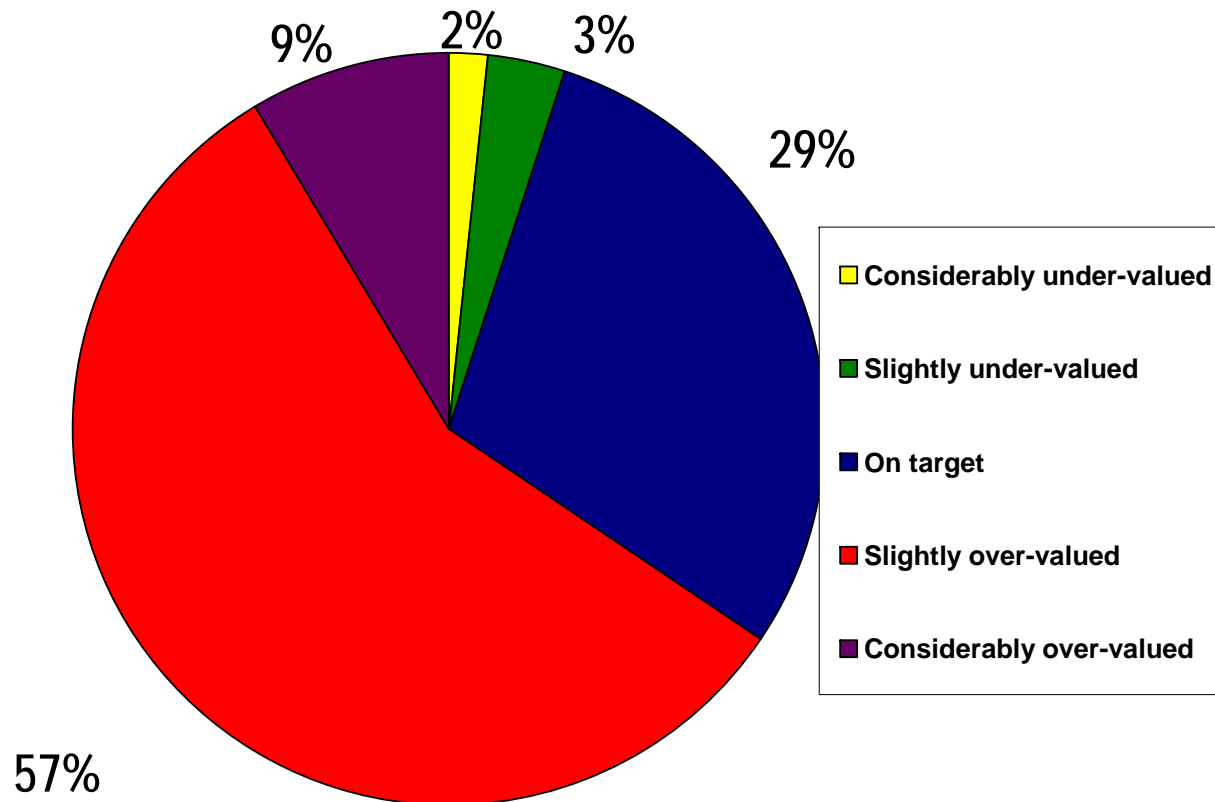


Co-Investment/ Follow-On Preferences



Source: 2007 ACA Angel Group Confidence Survey

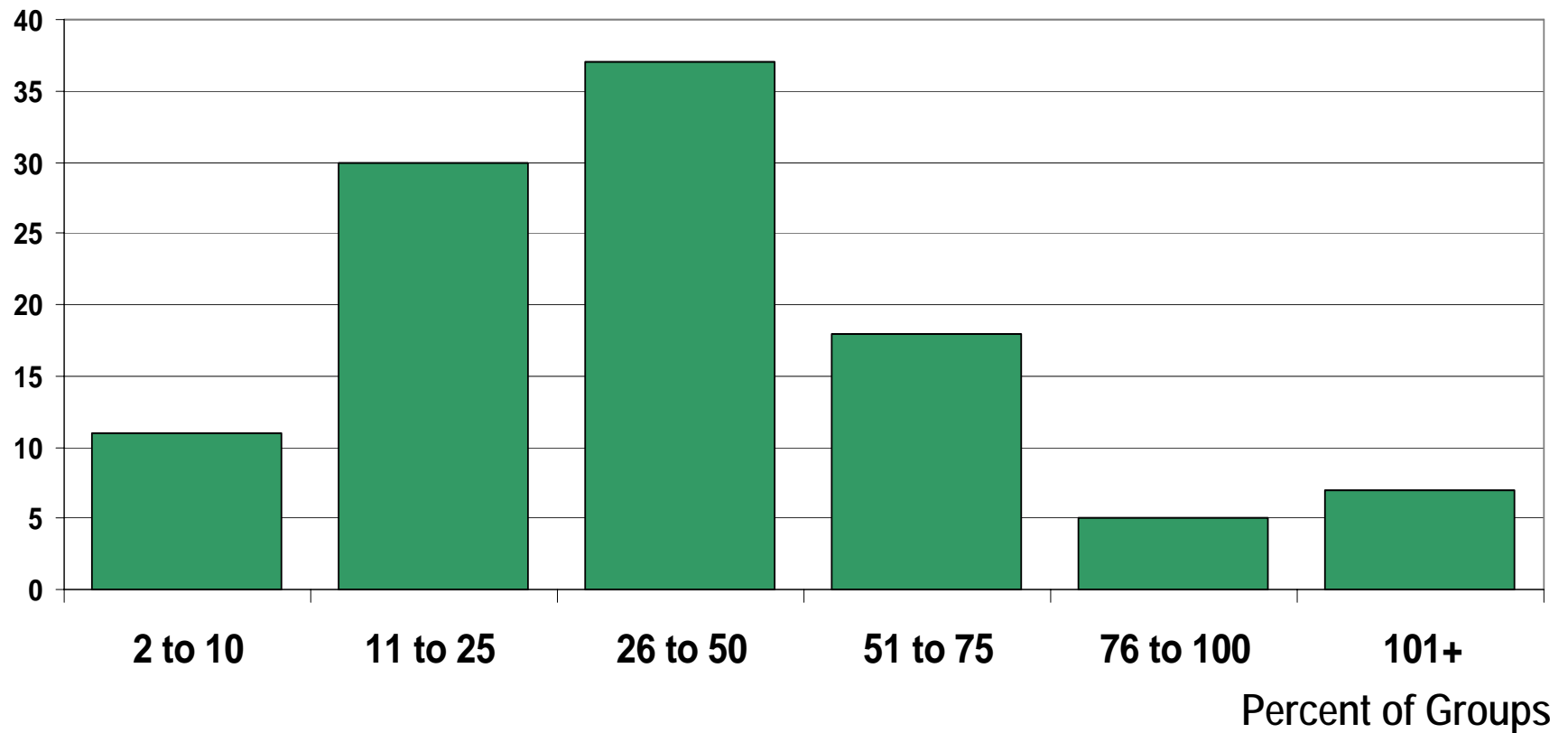
Angel Groups: How Characterize Pre-Money Valuations in Your Region in 2006?



Source: 2007 ACA Angel Group Confidence Survey

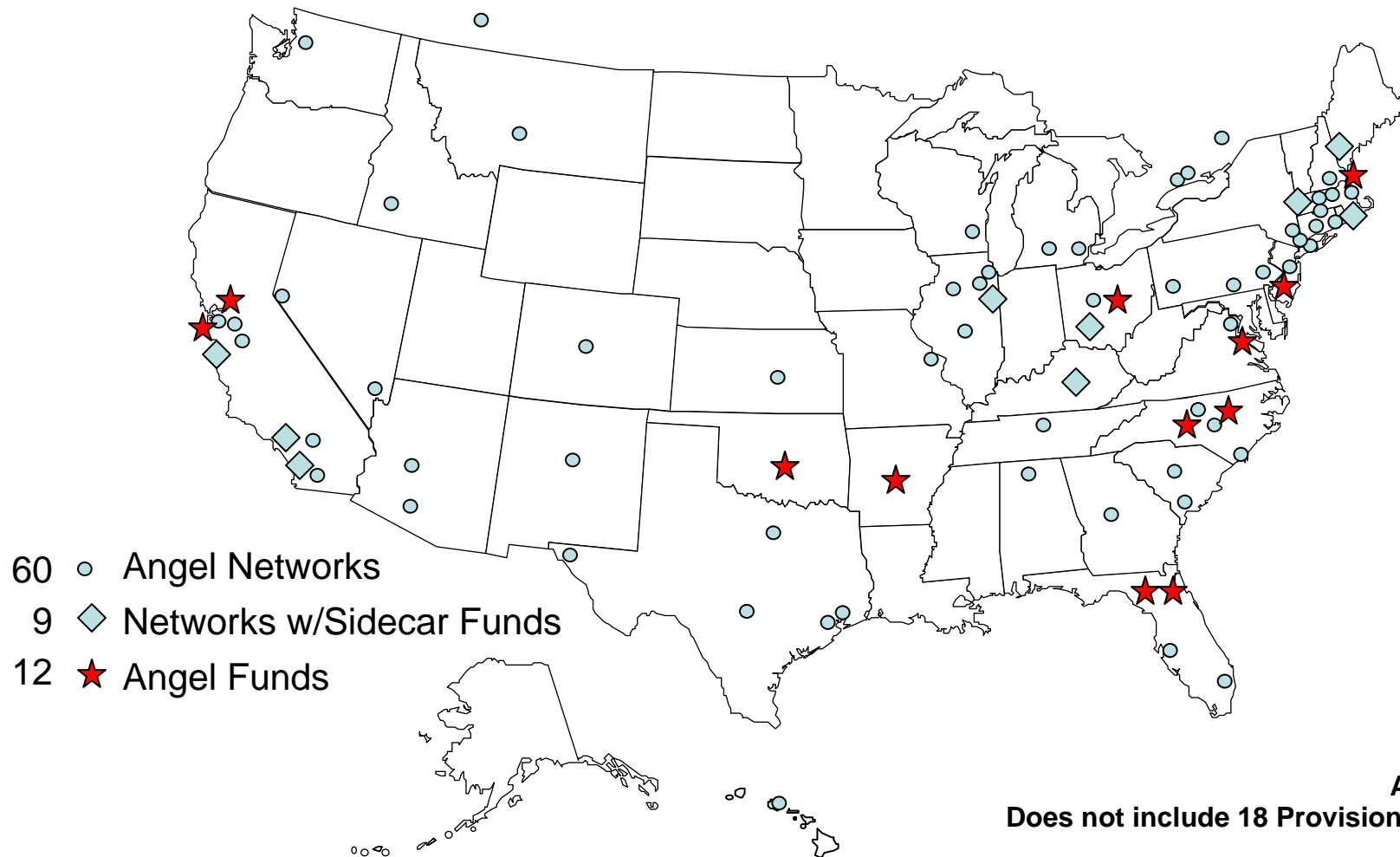
Investors Per Group

Average = 44 Median = 38



Source: ACA Conf survey and membership applications - 116 groups reporting (2006-2007)

ACA Membership: Networks and Funds



Questions?

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