



Newsletter

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Dinner Details

Date: Wed., May 17, 2006

Place: Los Altos Golf and Country Club

Time: 6:15—9:00 pm

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Introduction

Back in 2004 the Angel Capital Association, the Kauffman Foundation supported professional association of angel groups, established the Hans Severiens Award for Outstanding Contributions to the Field of Angel Investing. This award was intended to honor an individual, but not necessarily an angel, who made manifest Hans' generousness in giving of his time to help the development of the category of angel investing. At this year's annual meeting, held April 27th in New York City, the 2nd annual award was given to Professor Jeffrey Sohl of the University of New Hampshire. As Director of the Center for Venture Research at the Whittemore School of Business and Economics at the University of New Hampshire, Professor Sohl conducts research on the angel and venture capital market, analyzing trends in the market and providing timely analysis of market conditions to entrepreneurs, investors and public policy makers. A copy of the press release is on our website. The award was handed out in the Harvard Club, under an elephant head reputedly shot by Theodore Roosevelt, a spot Hans and Fred Hoar would visit whenever they were in New York.

Continuing with activities on the east coast, I was privileged to be asked to testify to the House Committee on Small Business on May 10th concerning two bills being considered by Congress. One of these bills will probably worry members, as it establishes an office of Angel Investment at the SBA with a mandate to create a "Federal Network of Angel Investors" and to bestow grants to angel groups that satisfy, as yet unclear, standards established by that office. Despite its seemingly beneficial intent, reading the bill makes one worry about the danger of government perturbing the developing angel marketplace with good intentions gone wrong. The second bill is simply a tax credit; giving angel investors a credit equal to 25% of their investment (up to \$250,000) in qualified small businesses. The testimony of the five invited witnesses was interesting and thorough and will be available to the public (a copy will be on our website shortly). Most of the comments, including mine, were more supportive of the second bill than the first and generally cautioned that Congress should tread carefully.

This month's member talk will be given by Stewart Sonnenfeldt. Stewart was a VP with WebEx through their IPO. Given the challenges posed to our transportation system by terrorism and smaller and smaller coach seats, it is interesting that on-line conferencing tools have not replaced face to face meetings. Stewart will explore why this is and what it might take for this to occur someday.

Invitations to our summer party have gone out; if you have not received yours please let Marilynne know. Bear in mind we are trying a new, easier to reach, location this year! If you go to the winery, no one will be there except other people who did not read the invitation closely!

- Ian