

Band of Angels

Newsletter

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Volume 10, Issue 4

May 7, 2004

Coordinator

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Dinner Details

Date: Wed. , May 12, 2004

Place: Los Altos Golf and Country Club

Time: Cocktails & Hors d'oeuvres at 6:15, Dinner & Presentations at 7:30

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Introduction

Continuing the positive momentum of March's trifecta, the April dinner meeting scored a solid double. Six Band members attended a follow-up meeting for MP3 broadcaster Serenade on May 5th, and more than 14 Band members are committed (as of press time) to attending the May 10th follow-up for eye-drug maker, Chakshu. We haven't had this many angels at a follow-up meeting since 22 members came to the Sendmail luncheon in 1998! While no one expects Chakshu to generate the \$3.5M of investment Sendmail did, this level of attendance is certainly a positive sign for the Band and the Valley.

The big positive Valley news is, of course, the announcement of the Google IPO. Since every other periodical seems to find it necessary to comment on Google, the Band Newsletter will too. However, with so much written, the only observation we can supply is an odd one. According to their S-1 filing, Google is raising \$2,718,281,828 in their initial offering. Please note that the value of the base of the natural logarithm, e , is 2.718281828—this is not a joke, check out the S-1 yourself! We all hope Google goes well but it does make you wonder!

Those attending the last two dinner meetings may have noticed some small changes. We have put all the presentations on one computer and purchased our own LCD projector, thus allowing the presenters to segue seamlessly. This, and starting promptly at 7.30pm, enabled us to end the April dinner at 9pm—a goal we will keep for all future dinners. Ending earlier made for a very nice post-dinner time; with about half the group lingering for 30 minutes to talk with the companies and among themselves. We started promptly at 7.30pm and were thus able, while still ending at 9pm, to have our member Dan Seligson speak about his career at Intel, the false promise of X-Ray Lithography, and the future of large displays. Having a member speak on an area of interest, to be informative while also introducing themselves to members who do not know them well, will be a regular feature of future meetings. This month, our long time member Art Reidel will give a short talk on himself and provide "*Current Perspectives on Semiconductor and EDA Investment Opportunities*". At the June Meeting, Brian Frenzel will describe "*10 Lessons Learned as an Angel Life Science Investor*". These small changes are all ideas that came from the membership; thank you and please keep the feedback, both good and bad, coming.

Another change going on behind these scenes is how the Band manages its deal flow. We receive more than 50 unsolicited plans a month and only recently have started reviewing these in a meaningful way. Six months ago a Deal Screening Committee was formed to consider these opportunities, alongside sponsored deals, for presentation. Vapore, which we funded in January with \$500k and Serenade, which presented last month, started as unsolicited deals. Our process is still being built but these two companies clearly benefited from it. The Deal Screening