

Band of Angels

Newsletter

275 Middlefield Road, Menlo Park, CA 94025
T: 650.321.0854 F: 650.321.1968
www.bandangels.com

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Coordinator

Ian Patrick Sobieski

Deal Manager

Nicola Foreman

Office Manager

Tonia Boeye

Dinner Details

Date: Wed., June 16, 2004

Place: Los Altos Golf and Country Club

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

RSVP: 650.321.0854 or tonia.boeye@bandangels.com

Inside this Issue

Introduction	1
Company Updates	2
Dinner Program	2
Band Calendar	5
Other Valley Events	5

Introduction

The May dinner had the highest attendance in more than two years! Forty-three people attended, which was the most since fifty came in March of 2002. June, July and August are traditionally our lowest attendance months, so we'll keep expectations low, but it was still another small, welcome, and positive sign for the Band and the Valley.

In this same vein of "small signs", the Band completed three financings last month. The drug company Asilomar (March, 2004 Dinner) received \$150k from Band members, closing out their Series A. TXE Systems (March, 2004 Dinner), the software development platform maker, closed on an \$850k Series A with investments from the Band totaling \$175k. A company presenting just last month, Larian, had a luncheon with nine people in attendance and closed \$650k on Monday, June 7th, with three Band members and the Fund participating. Similarly, SoundID garnered enough interest for a follow-up luncheon and has soft-circles from several angels willing to co-invest with the VCs leading the deal.

At last month's meeting we heard Art Reidel tell us about his career in the Valley and provide a view on the semiconductor industry. This month our long time member Brian Frenzel will tell us about "*Some Lessons Learned as a Life Science Angel Investor*". We generally endeavor to have one of the three deals that present each month either be a medical device or biotech company. Its inaccurate to pigeon hole the Band as being in any one sector. While semiconductors make up 25% of the Band's investments, medical device and biotech deals make up a healthy 17%. And 3 of our 6 IPOs were medical/biotech related! Brian will tell us how to do even better!

The deal review process described at the beginning of last month's meeting is in full swing. There are two different committees, a "Pre-Screening" committee reviews, via email, the business plans of the many deals we receive each month and selects the best 6 to 10. A "Screening Committee" then personally meets with 6 of these and recommends 3 for presentation at the Band Dinner. This month the Pre-Screening Committee reviewed 26 deals and recommended 9 to the Screening Committee, which met and selected 4 for presentation. One of these required further due-diligence before scheduling, and the remaining 3 are on this month's agenda! Bear in mind, that sponsored deals still get huge preference in this system; but this gives us a way to incorporate referrals from VCs and good deals that don't yet have Band sponsors. Thanks to the dozen Band members who have volunteered to serve on the Pre-Screening Committee, and to members Enzo Toressi, CJ Koomen, Charlie Marshall, Wally Buch, Denis Coleman and Antonio Salerno who have agreed to a 6 month commitment to serve on the Screening Committee.