



# Newsletter

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### Coordinator

Ian Patrick Sobieski

### Full Screening Committee

Steve Herrick  
Wally Buch  
David Deacon  
Michael Geilhufe  
Jim Papp  
Gene Shklar  
Peter Redford

### Life Science Committee

Rivka Sherman-Gold  
Bob Constantino  
David Deacon  
Art Reidel  
Wally Buch  
Denis Coleman

### Membership Committee

Mike Bateman  
David Burwen  
Brian Frenzel  
Martin Lefebvre  
Art Reidel  
Stephen Taylor

### Dinner Details

**Date:** Wed., January 16, 2008

**Place:** Los Altos Golf and Country Club

**Time:** 6:15 - 9:00 pm

**RSVP:** 650.321.0854  
rsvp@bandangels.com

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## Introduction

Happy New Year! The Band ended 2007 with the best attended Christmas party in its history. More than 200 people turned out at the Circus Club to celebrate our fellowship and activity in each others' company. The final numbers for 2007 are these: the Band completed 11 new financings with a total of \$4.3M. Two of these were small financings of less than \$50k; excluding these our average investment in a new deal was \$478k. We made meaningful investments in 6 follow-on financings, totaling another \$2.2M, bringing the total investment by the Band in 2007 to \$6.5M.

We had two 5x M&A exits in 2007 and a handful of excellent up-rounds. But still, exits are few and IPOs fewer. Talk of recession in 2008 bodes ill for many; but our valuations remain low, competition at the seed stage is virtually non-existent, and we continue to have many angels wishing to join the Band. Today we have 123 members and the Membership Committee continues to selectively interview new applicants. Attendance at our monthly Screening Committee is usually double the 6 permanent committee members and was standing room only in October. And the conviviality of the holiday party underscores the strength of the Band. Our Band is beginning its 14<sup>th</sup> year, and we are looking forward to a great 2008.

We continue this year with our tradition of beginning each dinner meeting with a member talk. Increasingly these will be given by recently joined members, thus giving the Band the opportunity to hear, in person, the background of our new member as well as learn about some subject of general interest. The speaking schedule for the next six months reflects this:

<i>Eric Tilenius</i>	<i>February 20th</i>
<i>Craig London</i>	<i>March 19th</i>
<i>Sarath Boyapati</i>	<i>April 16th</i>
<i>Rock Clapper</i>	<i>May 21st</i>
<i>Mike Bates</i>	<i>June 18th</i>

But, this month's talk is an exception. We've been working with other angel groups to come up with a common policy on bridge notes; a financing instrument that is popular with entrepreneurs but which has real pitfalls for angel investors. Many of you know my antipathy toward bridge notes, but Tom Lefevre is a top class angel (and founder of Intuit) and has done some serious thinking on the issue, and we thought everyone would enjoy getting his perspective.

Finally, some of you received a \$20 bill in the mail. Our October 2007 dinner had an almost inedible chicken entrée that was an embarrassment to us and to the Los Altos Golf and Country Club. It is worth underscoring that the Band makes no profit on these dinners. The \$100 we charge covers the cost of the dinner, comping the companies attending, and entirely goes to the club. We feel that we should get a first class meal for this price and so does the LAGCC. They graciously offered to refund part of the dinner expense and we passed it straight along to you. They have a new chef and a new commitment to substantially improving the meals without any increase in cost. We appreciate this and I am sure you do too. So again, Happy New Year!

- Ian