



Newsletter

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Introduction

September 11, 2009

Coordinator

Ian Patrick Sobieski

SIG Group Leaders

Paul Quadros—LS/Biotech
Dean Sirovica—Energy
Bob Kyle—Telecom/Security
Ron Weissman—Software
Jan Jannink—Internet

Full Screening Committee

Chris Meyer
Wally Buch
David Overhauser
Daniel Joensen
Rock Clapper
Gene Shklar

Life Science Committee

Rivka Sherman-Gold
Mike Bates
Art Reidel
Wally Buch
Denis Coleman
Paul Quadros

Membership Committee

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

Dinner Details

Date: Wed., Sept. 16th, 2009

Place: Los Altos Golf and Country Club

Time: 6:15 - 9:00 pm

RSVP: 650.321.0854
rsvp@bandangels.com

As you may know, the Band is a charter member of the Angel Capital Association and I serve as its Vice Chairman. This association is made up of more than 100 angel groups from around the country. We have been working for awhile now on an initiative to provide D&O insurance to angel members and I am pleased to announce that such a program is now available.

This program provides D&O coverage for individual investments in private companies where you serve on the board. This includes investments in private companies made outside of the Band of Angels. There are two options for individual angel coverage:

- \$500K limit of liability per person, for annual premium of \$1,000 (\$10,000 deductible)
- \$1M limit of liability per person, for annual premium of \$1,700 (\$10,000 deductible)

The coverage is provided via Krauter & Company and The Hartford. Although the coverage is for individuals there is a minimum premium requirement of \$5,000 to put the plan in force. Hence we need either 5 members electing for the \$1,000 per year program or 3 members choosing the \$1700 program. Please let me know if this is of interest to you and I will arrange for putting together the coverage for us.

Thanks to Ron Weissman and Mark Schar, we had an informative Software SIG meeting at Ming's this past Tuesday with Peter Bershatsky, Director Corporate Development at Intuit. The goal was to better understand how Intuit buys. There is no way to summarize the long conversation but Mark Schar put together three simple takeaways:

1. If you want to sell a company you have to learn about the acquiring company's needs. Surprisingly, most companies will be transparent about their needs and open to dialogue. So reach out to them and ask (just as we did with Peter)!
2. Partnerships are good ways to "date" potential acquirers. Successful partnerships often lead to the bigger company offering to buy the smaller one.
3. Don't be so afraid of "giving away the secrets." Big companies have institutional reasons why they can't do something and this is a powerful barrier to theft of ideas.

Peter has also graciously offered to sit down one-on-one with us again and go thru in detail what Intuit is looking to buy in the next 2-3 years; if you are interested in participating in this meeting, please let me know. And, thanks to David Scacco we are going to have a similar meeting soon with David Lawee, Google VP of Corporate Development!

Finally, Intuit is putting together a day of "speed dates" between individual private companies and the GMs of their business units. The event is by invite-only, but all are welcome to apply. Brad Smith and Scott Cook will both be speaking to the group, and are enthusiastic backers of the event. If any company you are associated with could benefit from this event, please visit www.intuitcollaboratory.com, or let me know and I will connect you with Peter.

Don't forget the golf outing! Dave Deacon and Brian Frenzel are putting together another Band social event at The Ranch Golf Club in San Jose on October 3rd.

- Ian