



### Angel Group Information Package

## 2016 Report on Angel Investing Activity in Canada

### About the Report on Angel Investing Activity in Canada

The National Angel Capital Organization (NACO) conducts research into the Canadian Angel Community for the purpose of analyzing trends in Angel investments, tracking investment performance, and identifying investor best practices, and reports on the results of this research to its stakeholders. The primary function of this research is to report on aggregate data on Angel activity in Canada, which highlights trends and provides the Angel community with a benchmark of performance for comparison with their peers nationally and internationally. The results of this survey are compiled into a report that is released in the spring each year.

NACO also uses the results of the survey to assist in the formulation of evidence-based policy actions to support the needs of our Angel investment community and the companies they invest in. To ensure NACO is reporting on the most accurate data possible, NACO has the objective of working closely with the Angel group managers to collect detailed data on each investment and exit made by participating Angel groups. Since 2010, NACO has captured information on 995 investments that placed over \$400 million from Canadian Angels.

This report can have a powerful impact to the Angel community. Since 2013, NACO has been collecting information at the company level with the goal of working with Industry Canada and Statistics Canada for the purpose of additional detailed analysis, such as to measure the performance of Canada's risk capital markets. NACO is in a unique position to capture and track company progress over time. This allows for studies that can have a positive impact on the development of future programming that will benefit Canadian Angel and start-up communities.

We are very thankful for the time and care Angel group managers continue to put into providing accurate survey data on their membership and activities. All survey responses are treated with strict confidentiality. For the purposes of the report, collected information will only be shared with those who have a reasonable need for the purpose of analyzing and reporting on the data. We also ensure that all publicly reported information that is collected or derived from this survey does not reveal the identity of the participating group or investors.



### **Data Points Collected on your Angel Group**

Below are the data points NACO collects on an annual basis related to Angel group characteristics:

- Year of establishment
- Legal structure
- Number of employees
- Membership types and fee amounts
- Number of members
- Number of active members in the past 12 months
- Funding sources
- Geographic focus
- Sector focus
- Number of meetings held in the past 12 months
- Number of group chapters
- Number of firms discussed per meeting
- Number of firms invested in since inception
- Total dollar amount invested since inception
- Number of active portfolio companies
- Number of business plans received in the past 12 months
- Location of the applicants in the past 12 months
- Number of firms that presented to your group in the past 12 months
- Number of opportunities selected for formal due diligence in the past 12 months
- Number of investments made in the past 12 months
- Total dollar amount invested in the past 12 months
- Number of companies invested in in the past 12 months

### **Data Points Collected on your Members' Portfolio Companies**

Below are the data points NACO collects on each company invested in:

- Company name
- Company business number
- Company legal or incorporation address
- Company headquarters
- Company website and contact
- Company sector focus
- Pre/Post-revenue at investment



- Number of employees at investment
- Number of employees created by investment
- Pre-money valuation

### **Data Points Collected on your Members' Investments**

Below are the data points NACO collects on each investment made groups over the past 12 months:

- Whether the investment is new or follow-on
- Amount invested by the group
- Number of members that invested
- Structure of the deal (e.g. equity, debt)
- Investment closing date
- Whether the deal was syndicated with other parties
- Type and number of syndicate partners
- Total round size
- Types of government programs leveraged in the investment

### **Data Points Collected on your Members' Exits**

Below are the data points NACO collects on each exit that has occurred over the past 12 months:

- Method of Exit
- Year of original investment
- Number of rounds made by the group
- Total amount invested
- Return on investment
- Number of employees at exit



### **The Role of the Angel Group Manager**

As the data provider for this project, we want to be sure that the Angel group managers know when they will be called on for participation. Below are the points of contact between NACO and the participating Angel group managers:

**January 2017:** Data collection will begin in the New Year for the 2016 calendar year. NACO will collect the *Angel group characteristic data* and the *investment data* listed above and investment information through the online survey tool.

**February 2017:** Follow up interviews will be conducted with each Angel group manager once all data is collected through the survey tool. The purpose of these interviews is to clarify the data given, dig deeper into the data, and discuss best practices of the Angel group.

The *2016 Report on Angel Investing Activity in Canada* will be released to the public in the Spring of 2017.

### **Your Participation Benefits the Angel Community – Thank You**

Without the participation of the Canadian Angel group managers, it would not be possible to release the *Report on Angel Investing Activity in Canada*. This report strives to bring visibility to the Angel community in Canada and enables NACO to deliver to our stakeholders a picture of how the Canadian Angel investing landscape is evolving. Smart investing requires more than just timely information, it requires Angel intelligence. With each passing year, the participant pool grows and we look forward to creating another report with you.

For further inquiries, please do not hesitate to contact Elena Dudarenko at [edudarenko@nacocanada.com](mailto:edudarenko@nacocanada.com) or (416) 581-0009 Ext 2.