

STRATEGIC POSITIONING PLATFORM

BACKGROUND

Originally named San Diego Angels Inc (SDAI) when founded in 2001, the entity changed its name to Tech Coast Angles - San Diego (TCA - SD) after joining the Tech Coast Angels (TCA) network. Now in 2022, TCA is limiting geographical reach of each of its chapters. Not only does TCA - SD have 22% (and growing) of its members outside of San Diego, its culture and vision is evolving away from TCA (and many angel groups), prompting a decoupling and, therefore, a new entity, name, and brand for SDAI.

MARKET ASSESSMENT

Market Trends

- More mega VCs and smaller VCs are moving upstream into what has traditionally been considered angel territory
- Increase in crowd funding (CF) from both accredited and non-accredited investors
- Increase in angel syndicates and SPVs
- More virtual operations without loss of fidelity
- Wider geographic scope for investing
- Intense competition for the best deals
- Increasing valuations
- References:
 - Assure CEO [podcast](#) with Ashok Kamal, TCA-SD Executive Director
 - ACA Trends [report](#)

INTERNAL ASSESSMENT

Activities

- Source deals
- Review deals
- Structure deals
- Facilitate investment
- Networking
- Learning
- FUN!

Performance

SDAI's operational and financial (internal and investing) performance is at an all-time high and industry leading position

Reputation

SDAI's reputation is highly regarded and recognized by peers both locally and nationally

Strengths

- Large membership
- Experienced members
 - Deep bench of knowledge
 - Professional management
 - Investment performance
- Engaged members
 - Source deals
 - Lead and conduct due diligence
- Specialization
 - Hard tech
 - Life science
- Culture
 - Progressive culture that embraces and adopts new technology
 - Inspiring culture
 - Social community in addition to investing group

Future State

- Grow and engage members
 - Have the largest (500+), most diverse angel community across the country
 - Only Active investors (multiple classes)
 - Big group impact but small group activity
- Raise larger funds - \$15M+ annual fund assets under management
- Invest in technology – world-class tech stack supporting 100% virtual syndicate
- Expand deal sourcing
 - National outlook with local roots
 - Pre-seed to growth stage
- Expand partnerships
 - Acquire/expand funds through top angel groups and syndicates
 - Early adopters signaling potential
 - Co-invest with other micro fund leaders
- Generate 3x+ ROI
- Build reputation as the best angel investors in the world
- Host fun events (online and offline)

STAKEHOLDERS

Members Seeking to Invest

- Successful entrepreneur (30s - 50s)
- Successful executive (40s - 60s)
- Retired executive (60s - 80s)
- Practicing professional e.g. clinician, attorney (40s - 60s)
- Family office (millennial)
- Professional investor e.g. VC, foundation, CVC, research group (30s - 60s)

Entrepreneurs/CEOs Seeking Funding

SDAI is focused on early-ish stage funding with an eye on the best San Diego companies with an eye for the best funding opportunities we can access.

Partners

- Investors: Co-Investors e.g. VCs, other angel groups, regional funds, family offices
- Entrepreneurs: Community organizations (accelerators/incubators, universities, nonprofits promoting startups)

Sponsors

- Big Corporations (Customers/partners, acquirers, sponsors)

ECOSYSTEM /COMPETITION

Traditional Angel Groups

Newer organizations are faster moving and creating structural and cultural tension between traditional groups (e.g. ACA) and their established practices of small checks, long process, unfriendly investors, lack of diversity, hyperlocal, social-oriented, and aversion to technology.

Emerging Groups

Newer, emerging groups have hybrid structures that are part angel group, part syndicate, part fund, and part social network. Some groups have a thesis (e.g. diversity, vertical, stage) and some groups are agnostic. Examples include:

Gaingels

Gaingels is a leading LGBTQIA+/Allies investment syndicate, and one of the largest and most active private investors in North America dedicated to supporting diversity in leadership at all levels within the venture capital ecosystem. Gaingels co-invests with select venture capital leads in companies resolved on building diverse and inclusive teams. We seek to drive top returns while influencing the ecosystem and representing the LGBTQ community, its allies, and a diverse group of investors within the capital stack of its portfolio companies. <https://gaingels.com>

Backstage Capital

Less than 10% of all venture capital deals go to Women, People of Color, and LGBT founders. Other VCs may see this as a pipeline problem. For years, we have seen it as the biggest opportunity in investment. Backstage Capital has invested in more than 180 companies led by underrepresented founders. Investing in underestimated founders is more than good business sense, it's a deeply held conviction that what we all do together will change the world. <https://backstagecapital.com/>

AngelList

AngelList has grown from a platform that connects angel investors with startups to an end-to-end suite of tools, working on everything from fund operations to founder cap table management. AngelList brings venture online with private, professional fundraising tools for top quality startups and investors. AngelList offers venture fund and SPV management in a box– we handle fund formation, capital calls, legal and tax documents, and other back-office services. Investors on the platform can lead individual syndicates (SPVs) or rolling funds (multi-asset SPVs) with typical fees of 1% for AngelList, 2% for per year for lead management and 20% for lead carry. <https://www.angelist.com/>

NextGen Venture Partners

Network Driven Venture Capital. We provide entrepreneurs with valuable connectivity for sales, hiring, and financing introductions, as well as on-demand advice. Our 1,500+ Venture Partners are top entrepreneurs and executives committed to supporting the entrepreneurs we back. Our funds typically invest \$1M - \$2M in early stage companies and \$3M - \$5M in growth stage companies.

<https://nextgenvp.com>

Interlock Capital

Invest with Community. This is not your typical startup fund. Our community of founders, investors, and subject matter experts FIND, EVALUATE, FUND, and SUPPORT the best companies. This increases our odds of success and you can invest with us, regardless of your budget. Become a Venture Partner

<https://interlock.capital>

LAUNCH

A message from LAUNCH founder and author of the book, "ANGEL," Jason Calacanis - Welcome founders, investors & curious others! Our mission at LAUNCH is to support founders and inspire innovation. We do this through a series of free events, podcasts, books, research products, and by investing millions of dollars a year into promising, early-stage startups. To date, we've invested in over 200 startups, seven of which have gone on to achieve valuations over a billion dollars: Uber, Thumbtack, Datastax, Wealthfront, Robinhood Desktop Metal, & Calm. We invest in 50 startups per year through a series of private funds, the LAUNCH Accelerator and our public angel syndicate. Our check sizes range from \$25,000 to \$1.5m. <https://launch.co>

Golden Seeds

We are a discerning group of investors, seeking and funding high-potential, women-led businesses. And creating lasting impact. Our investment thesis rests on extensive research with a compelling conclusion: gender diverse teams produce better return on equity. By seeking companies where women hold leadership positions and own substantial equity, we fund companies likely to have diverse perspectives that will contribute to ultimate success. Golden Seeds members – today over 300 strong – along with its venture funds, have invested over \$150 million in over 200 exciting women-led companies ... and counting. Headquartered in New York City, Golden Seeds has chapters in Arizona, Atlanta, Boston, Dallas, Houston, New Jersey, New York and Silicon Valley– and active members throughout the country.

<https://goldenseeds.com>

Astia

Today's most impactful high-growth companies are led by inclusive teams with women leaders. And yet, 3% of Venture Capital invests in women-led companies. As a global organization, we invest, advise, and partner to level the investment playing field. Inclusive teams outperform. With this as our thesis and call to action, Astia is comprised of a full spectrum of investment vehicles to fuel growth: Astia Fund, Astia Angels, and Astia Edge. We are powered by an unmatched network of Astia Advisors who enable our work, ensure access for inclusive teams and devote themselves to the success of our companies. We support entrepreneurs with big ideas that will move the world forward, and we can't wait to hear yours! <https://www.astia.org>

Spark Growth Ventures

Propelling early stage technology startups across the globe. Headquartered in San Diego, California with over 500 community members worldwide, Spark Growth Ventures works closely with startups throughout the world. We believe that our founders can be best supported by their fellow founders and operators. Thus, SGV is bringing together a community of established and credible investors, operators, industry experts, and thought leaders to work across the full life-cycle of our investments alongside our founders. We offer a thoughtful mindset along with deep experience, dedicated work-ethic and a global network to empower startups to realize their full potential. <https://www.sparkgv.com>

Stella

Stella provides a powerful conSTELLation of services, connecting womxn founders and funders to the right resources—at the right time—in their journeys. From ideation to funding to exit, womxn founders and the funders who champion them look to Stella for its inclusive community, curriculum, access to capital events, annual summit, advisory services, and funding opportunities in network. Let's connect the stars, together. <https://www.stellaangels.org> <https://www.stellalabs.org/>

Case Study: NextGen Venture Partners (NGVP)

- Born out of frustration with Launchpad Ventures (Boston-based ACA group)
- Acquired by Brown Advisory
- Professional management (9 FT remote team across country)
- Multiple \$10M+ funds
- \$1M - \$2M investment rounds
- 1,000+ global members
- Native tech platform for operations

SDAI POSITIONING

Mission

To be the BEST place for the BEST companies to raise their angel funding.

Core Values (*adapted and augmented from the [member guide](#)*)

We hope to foster a culture that is friendly, productive and fun for all stakeholders.

- Participation
- Community
- Empathy
- Fairness
- Investment

Investment Thesis

- Hybrid angel/venture/fund of early-ish stage companies, geo-agnostic but roots in San Diego
- Allow members who care about certain themes (diversity, impact, stage, mentorship, industry) to champion their initiatives and support them in their efforts (assuming they don't conflict with the Member Code or organizational rules)
- Do not push agendas to the majority that do not appeal to the majority i.e., *manage to the majority*

“We invest \$500K total on average in early-ish stage companies (Seed+ sweet spot), as the Lead investor or syndicate partner, primarily in US-based tech and biotech startups that have formidable founders, are highly differentiated, and present a good value to investors.”

Differentiation

A much more member-centric, member-driven and member-managed organization with respect to money, deals, decisions, relationships, etc.

Value Proposition

Make money while supporting innovation and having fun with amazing people

- ROI
- Business networking
- Paying it forward
- Social networking
- Education