



EPFL alumni start-up support club

Presentation, Lausanne, April 8 2009

<http://www.epfl.ch/a3/angels>
<http://wiki.epfl.ch/a3-angels>

Agenda

8 Avril 2009, Lausanne

19:00 Welcome

–A3

A3 Angels

–Claude Florin, A3

19: 30 Presentations

–Osmosys

–MadeinLocal.com

–Alliance

21: 30 Fin



The opportunity to support technology startups with alumni of EPF-Lausanne

Objective

- Attract qualified A3 members using reasonable selection criteria
- Invest in projects having growth potential within EPFL environment
 - Pooled or individual investment models
 - Significant contributions for early stage : seed money + networking
 - Facilitate access to other financing by Angel clubs and VCs
- Attract senior mentors to complement existing coaches .
 - Free consulting
 - Project improvement, reserve force
- Build sustainable organization
 - Appoint officers
 - Attract investors and mentors A3
 - Evaluate and improve (metrics and feedback)
 - Complement A3 services (young alumni award, 0% loans)

A³ Angels within EPFL environment

250 Laboratories



Coaching

Education

>10'000 on campus

>25'000 with University

Incubator

90→150 on site

Networking

>14'000 alumni in 110 countries

- Sections : CH, F, USA, P, China...

Events

- Alumni day (Mondial)
- Innovation days

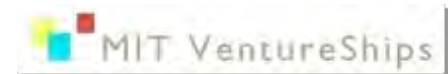
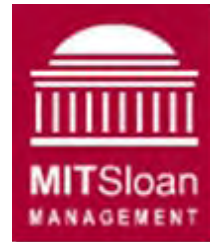
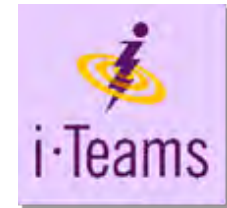
~60 alumni in synergy with other players
Alumni bring different skills and experiences

Source : PSE, A3



Can US experience be adapted by alumni of EPF-Lausanne ?

MIT Entrepreneurial Ecosystem



MIT Entrepreneurial impact

- 25,800 active companies founded by MIT alumni
- Employ about 3.3 million people
- Generate annual world sales of \$2 trillion
- Equivalent of the 11th-largest economy in the world.

Jobs	Percent of Companies	Median Employees	Median Sales (Millions)	Estimated Total Employees	Estimated Total Sales (Millions)
More than 10,000	0.3%	15,000	1,523	1,339,361	1,389,075
1,000–10,000	1.8%	1,927	308	1,043,932	235,532
Others (Employment known)	97.9%	39	11	900,001	226,671
Total	100.0%	155	3	3,283,294	1,851,278

Source : Edward B. Roberts and Charles Eesley, MIT Sloan , February 2009

MIT Venture Mentoring Service Goals



- Connecting Academia and Business
- Creating more successful ventures and entrepreneurs
- Moving MIT developed technology into practice
- Helping / educating the MIT Community - helping people, not ideas

Jerome Smith, Co-Director, vmsoutreach@mit.edu

MIT Venture Mentoring Service Goals



- VMS is based on the belief that:
a venture is more likely to thrive when an idea, a good business plan and an entrepreneur are matched with proven skills and experience.
- Highly qualified mentors find it compelling and rewarding.
- Both mentors and entrepreneurs benefit.
- Mentoring works best when un-biased and no strings attached.

Jerome Smith, Co-Director, vmsoutreach@mit.edu

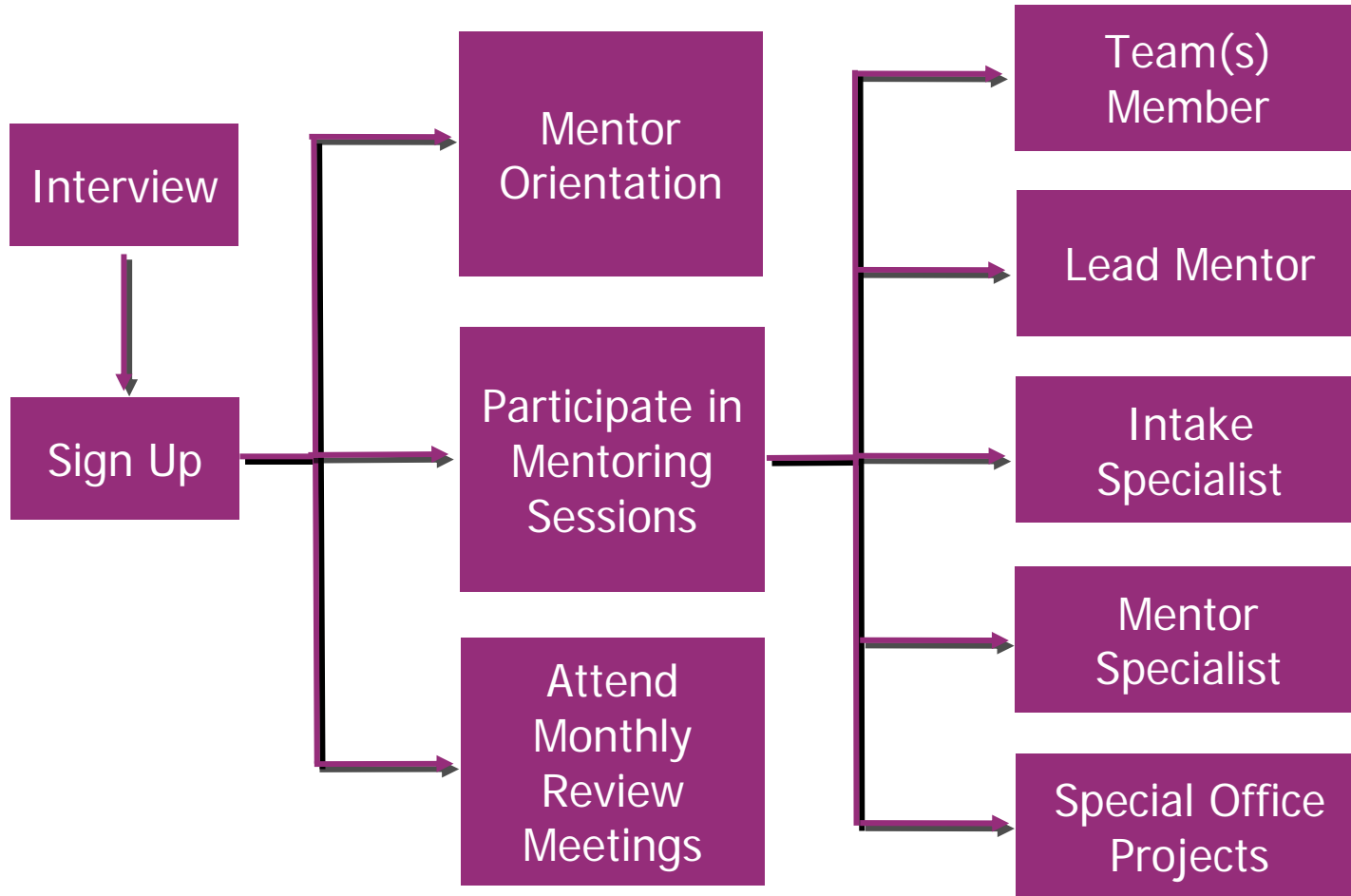
MIT Venture Mentoring Service Expectations



- Mentors
 - 1-2 days of mentoring each month (minimum)
 - Attend Monthly Review Meetings
 - Discretion and confidentiality
 - Adherence to guidelines
 - Role
 - Listen
 - Advise
 - Suggest
 - Anticipate
 - Troubleshoot
 - Supply Contacts
 - Role Model
- Entrepreneurs
 - Serious about learning, making progress
 - Prepared – do homework and submit agenda + materials
 - Keep in regular communication – be responsive
 - Give us the whole story
 - Don't come to us purely for \$\$\$ or connections

Jerome Smith, Co-Director, vmsoutreach@mit.edu

MIT Venture Mentoring Service Process



A man with grey hair, wearing a light blue button-down shirt, is shown in the foreground from the chest up. He has a thoughtful expression, with his hand resting on his chin. The background is a large-scale construction site at night. A multi-story building is under construction, its steel framework illuminated by warm lights. Scaffolding and structural beams are visible against the dark sky. The overall scene suggests a professional or industrial setting.

Who are
A3 Angels ?

Who are A³ Angels ?

Members	A ³ Senior Angel	A ³ Micro Angel
Profile	<ul style="list-style-type: none"> ✓ < 20 Successful entrepreneurs ✓ Senior managers active or retired 	<ul style="list-style-type: none"> ✓ >30 members ✓ 40+ years old ✓ Active professionals >
Contribution	<ul style="list-style-type: none"> ✓ Mentoring ✓ Individual investments > 50KCHF ✓ Sweat 	<ul style="list-style-type: none"> ✓ > 20 CHF x 3 year pooled seed ✓ Reserve employees ✓ Active business development network
Motivation	<ul style="list-style-type: none"> ✓ Mentoring ✓ Relationships ✓ Technologies ✓ Interest in region 	<ul style="list-style-type: none"> ✓ Sharing expertise ✓ Long-term money ✓ Entrepreneurs interest ✓ Interest in technology

Who are A³ alumni : role models

ventureideas

The I&C GSA Entrepreneurship Pizza Talk series
Interested in Start-ups: join us to learn from successful entrepreneurs
EPFL – INM202 at 12h
Pizza will be served starting at 12h

Friday October, 3rd
 **Jochen Mundinger**, founder and CEO Routerank
Selling your start-up idea

Friday October, 10th
 **Vincent Schickel**, founder and CEO Predigia
The day of a start-up CEO

Friday October, 24th: Panel on Entrepreneurship
Life after PhD: the entrepreneurial call

L'Innovation Network • Le Collège du Management de la Technologie • EPFL

ventureideas@EPFL

Can a world-class high tech start-up be built in Europe? Learn from the most successful entrepreneurs.

With

 **Aart de Geus**
Chairman of the Board and CEO of Synovate
Building a world leader in EDA

 **Pierre Fazan**
Co-founder and CTO of Innovative Silicon
Developing the next revolution in memory

 **Oscar Buset**
President of Kinatons

March 30th, 2005
from 13h30 to 17h00, S100
 Registrations: www.venturelab.ch/fr/v

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ventureideas

The I&C GSA Entrepreneurship pizza talk series
Interested in Start-ups: join us to learn from successful entrepreneurs
EPFL – INM202 at 12h

Wednesday November, 29th

 **Mark Bürki**, co-founder of Swissquote
 **Paolo Buzzi**, co-founder of Swissquote
 How engineers built the future
 Tomorrow, the story of Swissquote

Wednesday December, 6th

 **Pedro Bados**, founder and CTO of iStockphoto
 From my EPFL diploma: the way and experiences to build a company

December 8th: Entrepreneurship workshop

Your turn
 Do the first steps to launch your project
 Learn how to pitch and get feedback

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ventureideas

ventureideas@EPFL

Participez à l'innovation en marche, découvrez les idées du futur.

Avec

 **Pierre Chappaz**
Fondateur de Kelkoo
vendue à Yahoo, \$500M

 **Eric Favre**
Inventeur de Nespresso
Fondateur et CEO de Monodor
et de nombreux innovateurs, inventeurs

Le 24 novembre 2005 de 14h à 18h
Auditoire SG1, EPFL
 Inscriptions: www.venturelab.ch/fr/ideas.asp

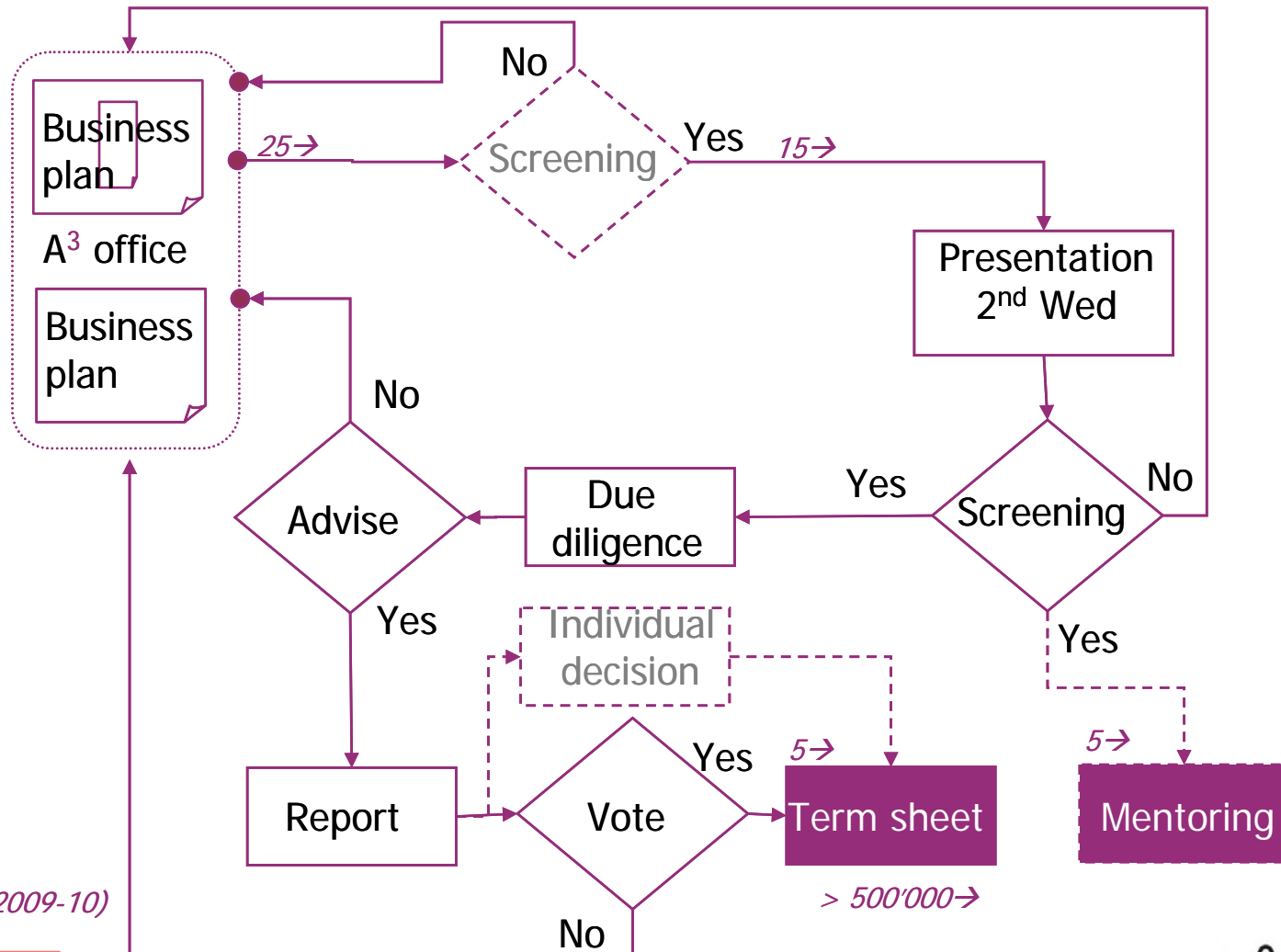
L'Innovation Network de l'EPFL
 Le Collège du Management de la Technologie
 Venturelab, une initiative de la CTI, Agence pour la promotion de l'innovation

Source : Herve Lebre, EPFL



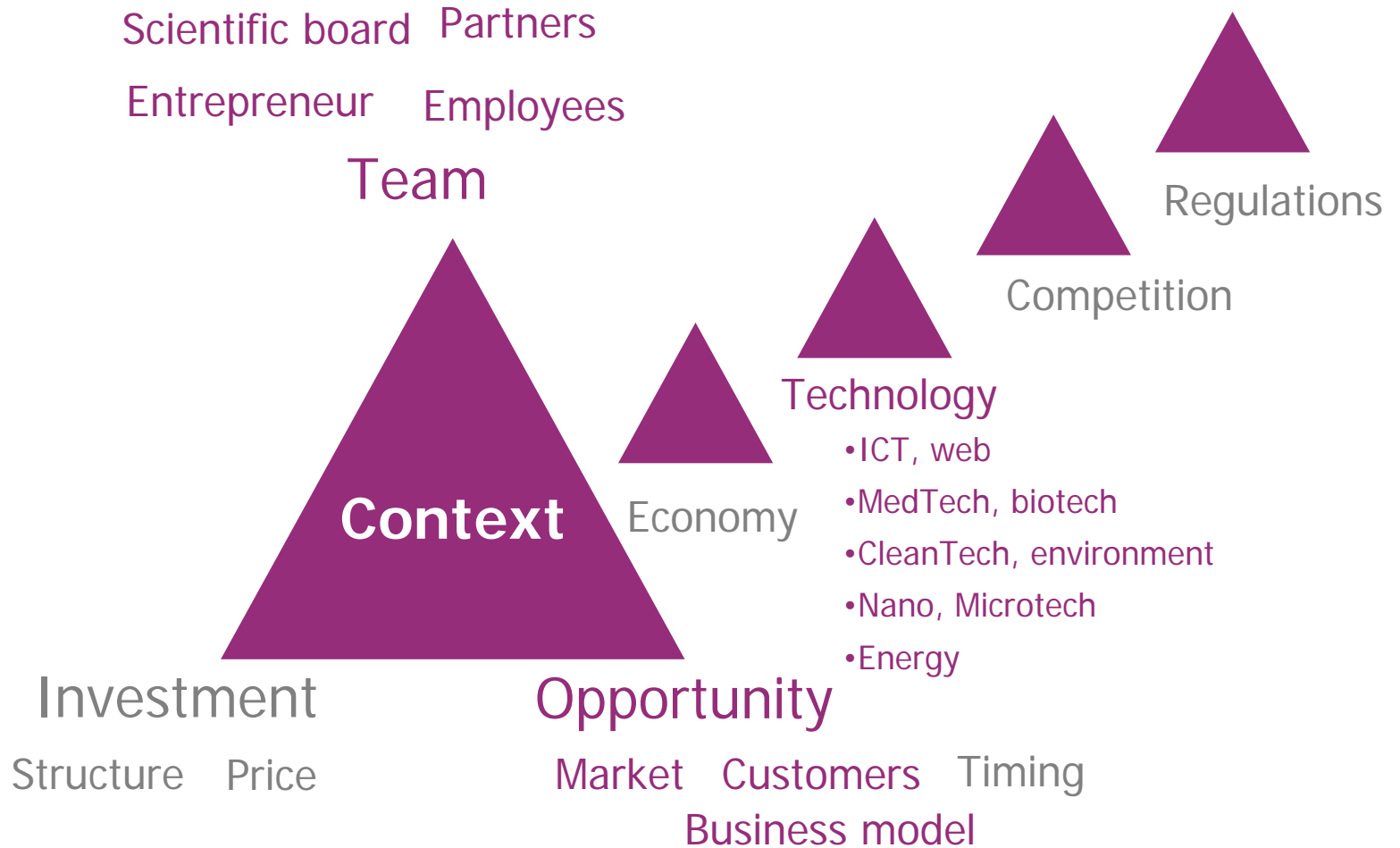
Contribute pieces to the coaching
and financing programs

A³ Angels decision process



(→ objective 2009-10)

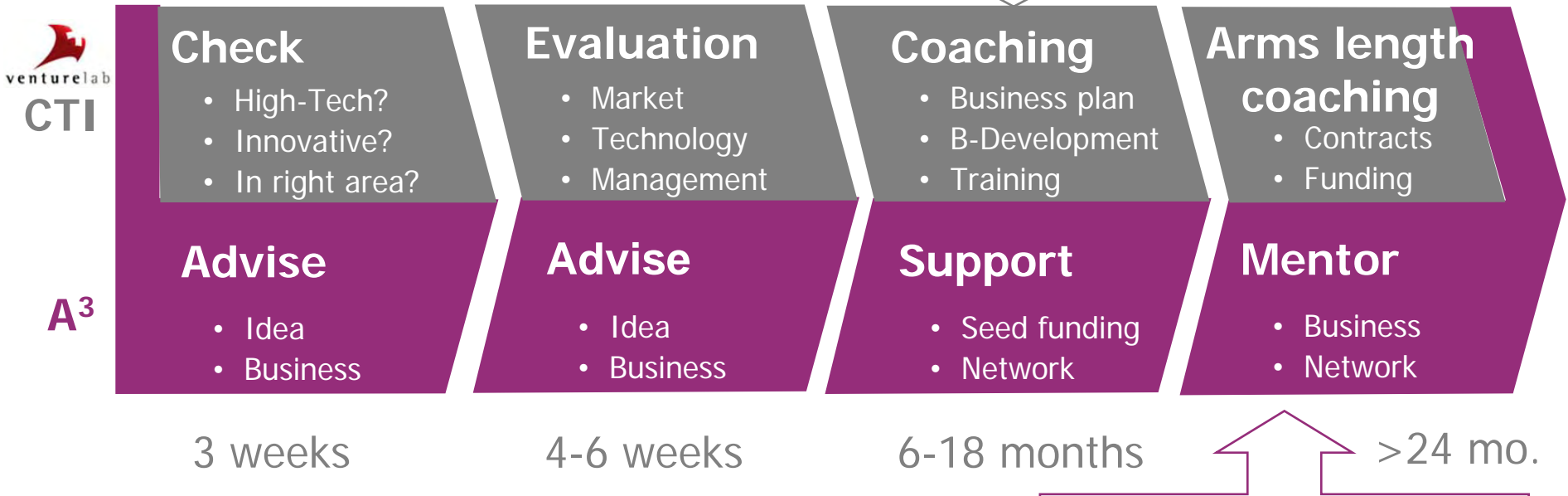
A³ Angels decision process



Source : William Sahlman, Harvard Business School

A3 Angels mentors : work with CTI coaches

> 40 CTI professional coaches with entrepreneurial experience



A3 volunteer mentors with professional experience

Source : CTI + A3

How did we start A3 Angels at EPFL ?



Work plan

Activités de gestion prévues en 2009

Commentaires	Responsabilité		
	Responsable	Participe	Assiste
Administration			
Réunions des membres			
Agenda			
Invitations			
Suivi inscriptions			
Logistique			
Préparation documents			
Minutes et votes			
Autres réunions			
Calendrier			
Agenda			
Invitations			
Confirmations			
Suivi des actions			
Divers			
Documents de travail			
Annuaire			
Rapports			

S.E.C.A
Société Privée Equity & Capital Finance Association
Société Privée d'Investissement de l'Association des Diplômés de l'EPFL

Term Sheet

Financement par souscription (SFC) / Souscription

Capital
Investissement
Act de Absten
Annuel Absten
Prix par Akte
Bouton

Angelsoft | Investors | Entrepreneurs | Industry | LOGIN

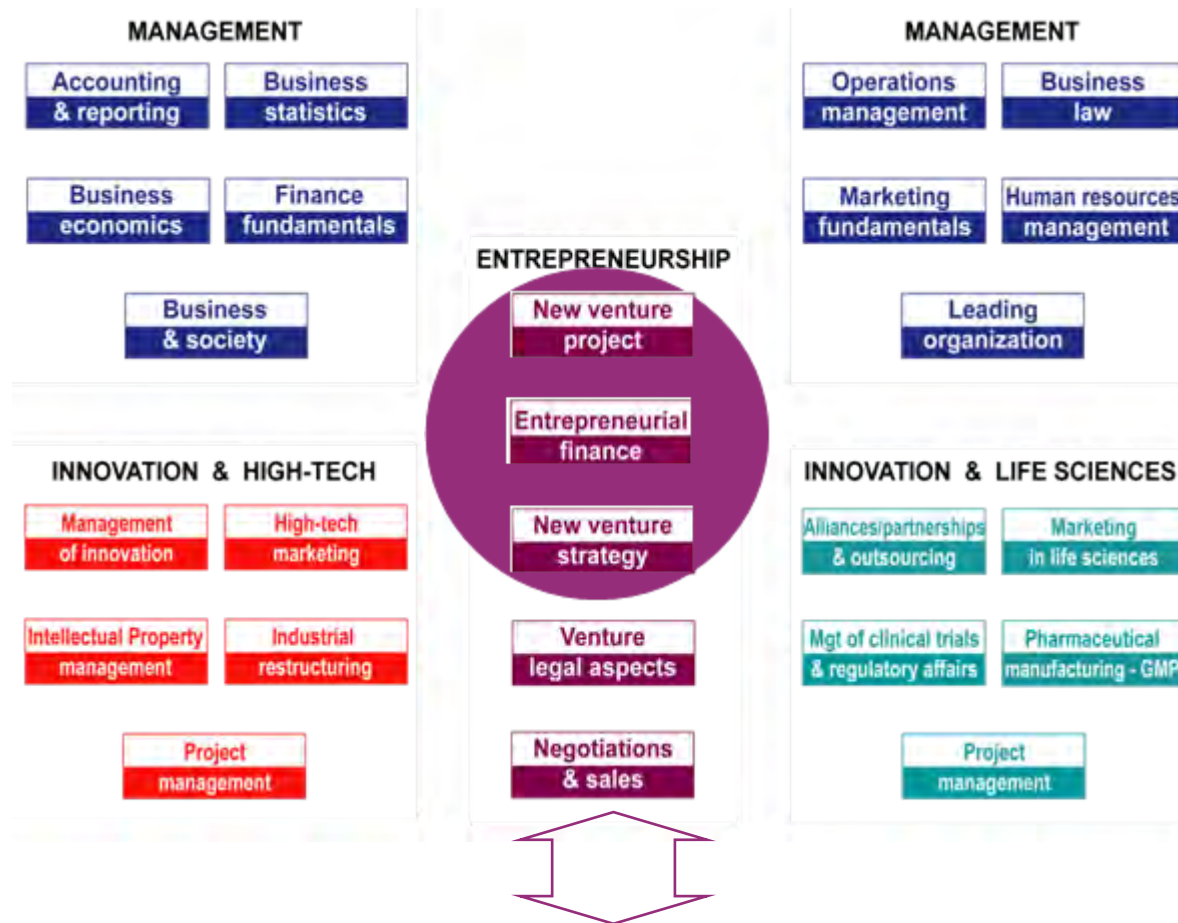
Investors: Group Tools

GROUP DEALS | GROUP DOCUMENTS | GROUP MESSAGES | GROUP EVENTS | GROUP MEMBERS

OPENdeals

- Administration
- Investment (Term sheet and trust admin)
- Members
- Mentoring service
- IT (deal collaborative platform of www.angelsoft.net)

A3 Angels and EPFL collaboration



Source : Prof. Jean Micol, MoT

Formations 5 Juin – préférences ?

- Les étapes de l'investissement du Business Angel
 - Comment identifier les projets ?
 - Comment évaluer les projets et les risques ?
 - Valorisation : aspects juridiques et fiscaux
- Les relations Business Angel / entrepreneur
 - Programmes de mentoring
- Aspects financiers, juridiques et fiscaux
 - Capital et pouvoir de décision
 - Contrat d'actionnaires : objectifs et principaux éléments
 - Modes de sortie : durée, valeur, conditions, méthode

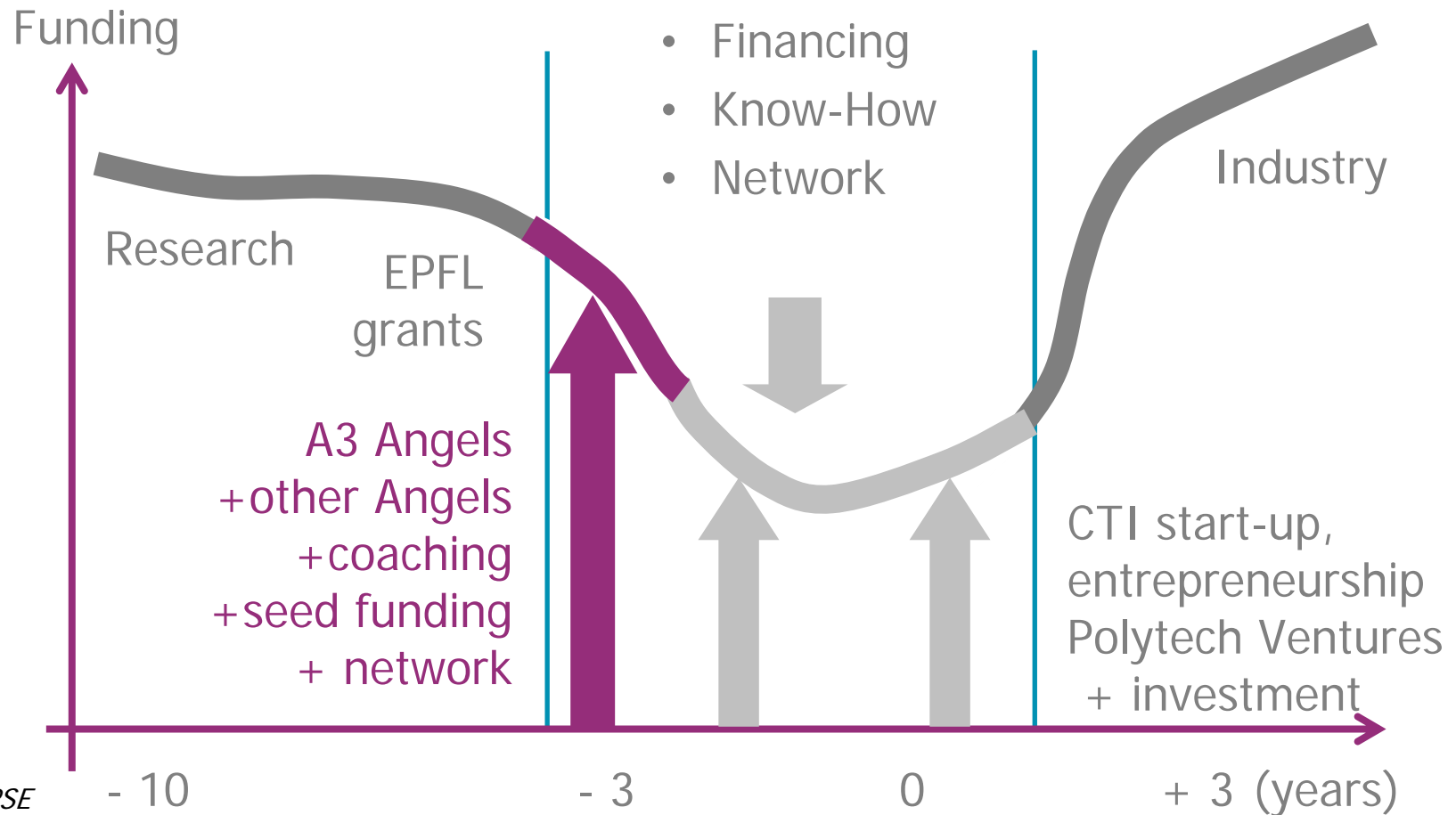
How can we finance projects ?

Retraits

CHF 50/100/200
EUR 100

Dispo uniquement avec carte client UBS

A3 Angels investment and mentoring value



Source : PSE

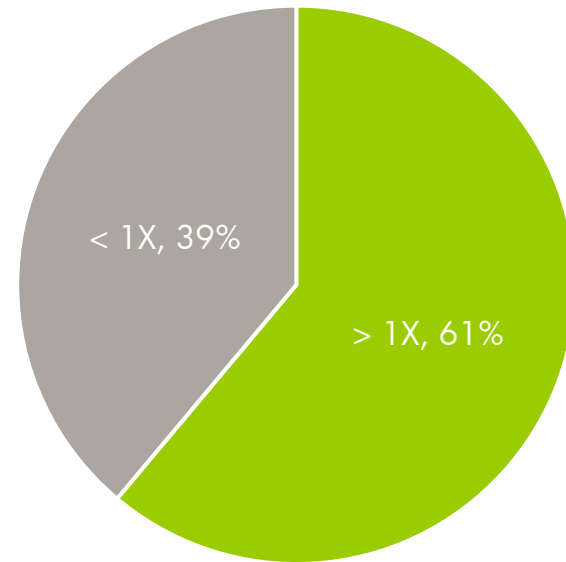
Saying No

- Try to add value at every meeting
- Don't use more than 2-3 hours of the entrepreneur's time or 2 weeks of yours
- Say no fast, over email before you meet
- Say no at the meeting; when in doubt, say no
- Only invest in people you're excited about
- Swings you don't make don't count against you

Source : Naval Ravikant twitter.com/venturehacks- entrepreneur (Epinions, Vast) investor (Twitter)

For investors : spread 40%-60% risks

Projects	Category	Probability
1-2	Highflier (IPO) Star (trade sale) Successful exit	10-20%
3-4	Lifestyle company Survival mode	30-40%
5-6	Bankruptcy Failure Winding down	50-60%



Source : JP Vuilleumier / CTI Invest 2008

Source : Kauffman Foundation Nov 2007, N= 86
angel groups = 539 individual angel investors.

Return on investments (1-9) is 3.7X (26% IRR over 5 Years)

Portfolio Co.	Multiple	5-Year IRR
1	0.0	0%
2	0.0	0%
3	0.0	0%
4	1.3	5%
5	1.3	5%

Portfolio Co.	Multiple	5-Year IRR
6	1.6	10%
7	1.6	10%
8	7.6	50%
9	20.0	82%
10	Unknown	Unknown

Source: *Becoming an investor-ready entrepreneur* - <http://www.sbtcd.org>
Troy Knauss, Piedmont Angel Network, tknauss@panfunds.com

Readings

- Mark Van Osnabrugge, Robert Robinson, Harvard Business School : Angel Investing, 2000
- David Amis, Howard Stevenson, Winning Angels: The 7 Fundamentals of Early Stage Investing, Financial Times Series
- Guy Kawasaki: The Art of the Start, 2004
- Herve Lebret: What we may still learn from Silicon Valley, 2007



Let's team-up to win together