



Q2 2017

# **Angel To Exit**

## **Helping Startups Succeed**

**Welcome to our quarterly update!**

This inaugural version of our quarterly update is the first of an ongoing series of reports on progress of A2E and our portfolio companies.

In this edition we will tell you about several new videos, articles, and supporting operations that have started in 2017 and look forward to upcoming events and opportunities for investors and startups.

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## Our Sponsors

Angel to Exit and this update are sponsored by Management Analytics: Trusted Advisors Since 1977.



## **New on line in Q1 of 2017**

New free online content in 2017 Q1 include videos and articles:

### **Videos**

Out online videos are intended to deliver rapid fire content detailing what you have to know to succeed in starting and running a business. Our key focus is on what angel invested businesses do to succeed.

- “The Pitch” describes different views of the “perfect pitch” and what different views hold on how to pitch to angels.
- “Due Diligence” provides a discussion of what to expect in the DD process and other related parameters
- “How to close the investment sale” is a recording of Bill Sarris describing how he closes investors (2 rounds in the last year).
- New recordings from two presenting companies are also provided in our repository

### **Articles**

Every month Fred tries to write an article on how he screwed something up. We have a pipeline of about 100 years of future articles. The idea is not to prevent others from making the same mistakes – stuff happens – and people make mistakes. The idea is that as you are making one of these mistakes, you might recall what bad things happened to Fred and find a way to stop yourself before it’s too late.

- 2017-01 Focus – describes how many startups lose focus and fail to execute on one successful plan, leading to disaster. Watch as a lack of focus nearly sinks a corporate ship (or two).
- 2017-02 Exaggeration vs. approximation – describes how easy it is to exaggerate and how hard it is to approximate. If this isn’t the best article you ever read, it’s one of them. Give or take...

- 2017-03 The domino effect - discusses how almost every business failure happens, through inadequate cash flow, and details a near fatal domino effect where one bad cash flow collapses others.
- 2017-04 Impatience - something Fred has in abundance. Don't wait to read about all the times Fred has acted too soon instead of waiting, and how he overcomes (or fails to) the frustration of waiting.

## **Guest articles and videos**

We invite all of you to write up your worst business failure, your most insightful advice, or anything else you think our readers might like, and send it in for us to consider providing to startups to help them succeed. Just remember:

- Keep it personal,
- Keep it honest
- Pay it back! Forward?
- Oh - and keep it light.

## **Upcoming events**

### **Goto Angel online**

Our online sessions to support introducing startups to angel investors / advisors will continue on a monthly basis throughout the remainder of 2017. Dates are typically selected 3-4 weeks in advance of presentations and announced via email to angel/advisors and attending startups. If you would like to:

- Become one of our angel/advisor team members, send us an **email**.
- Present your startup, apply through our **Gust application form**.

Angel advisors agree that, if there is mutual interest, they will act as advisory board members for startups in exchange for equity and/or deferred compensation rather than cash, risking their time, applying their expertise, and providing access to their networks to help startups succeed.

## **Monterey Bay Expo Startup Investment Forum**

A2E is happy to announce that we will be hosting part of the Monterey Bay Business Expo Startup Investment Forum. Currently scheduled for Thursday, October 26, this will bring together local startups, incubators, accelerators, educational programs, and angel and venture funding sources to help build and accelerate the startup ecosystem of the region, improve economic vitality, and support existing economic drivers by infusing new approaches, technologies, and vigor.

## **CSU Monterey Bay Startup Challenge**

The startup challenge is underway, and several of our startups and presenters are in it. Our angel/advisors are also mentoring several of the companies. The final pitches and the Otter Tank will be on May 12 all day at the Business and Information Technology building on the CSU-MB campus in Seaside, CA. This year, 91 startups applied, and we are now down to 12 venture, 9 main street, and 6 student companies that got past the qualifying rounds. Past winners (8 years worth) are all still in business, as are about 50% of the companies that qualified. Join us and them!

## **Advisory Boards**

Our advisory board service is designed to help startups succeed.

- We only get paid as and if your startup succeeds.
- We have a well-defined process for helping startups succeed
  - We start with an internal version of due diligence.
  - We introduce you to suitable partners over time.
  - We help plan and control growth and build reputation
  - We bring you to sources of funding and prepare you to succeed

As angel investors ourselves, we know lots of other angels and angel groups. And we know just what works and doesn't. They know we won't bring you if you aren't ready, and we won't.

We currently provide advisory board services and have equity in these companies:

<b>Name</b>	<b>Description</b>
<b>Culinary Culmination</b>	Super-elite private dining experiences. World class executive chefs personally prepare and present fabulous meals with sommelier-selected wine pairings, provided in the most beautiful venues in the world... or in the privacy of your own home.
<b>Intelligent Wireless Networks</b>	IWN's rural internetification provides the critical infrastructure to make AgTech viable and supports on-the-road and in-home Internet for rural living and small and medium-sized municipalities.
<b>Linqto</b>	Automatic rebranding / relabeling of mobile device applications to support order-of-magnitude less expensive customer acquisition and retention for financial institutions.
<b>Power Grow</b>	Building and operating industrial scale greenhouses that are largely self-sustaining, increase yield, and reduce cost and waste.
<b>Surveillance Grid</b>	We create information technology force multipliers for public safety by systems integration of best of breed collection, empowerment, and reporting solutions.
<b>Trovey</b>	We help people get and stay healthy. An application that combines nutrition, fitness, medical, and other info to help make and track wellness choices.
<b>UWoundCare</b>	Reducing the cost and time wasted in wound care while increasing the rate of recovery and decreasing negative outcomes.

For more information on our advisory board services, **sign up** to Go To Angel, or visit **A2E.co**

## Recent Go To Angel Companies

Most of our advisory clients came to us through the Go To Angel process. As they present, we selectively engage with those who have mutual interest in going forward together. But we like to keep track of and help out the other companies that present.

These are companies who presented to Go To Angel recently but in which there is no other existing legal or financial relationship. As context, about one presenting company per month became a portfolio or advisory services company in 2017 Q1.

<b>Name</b>	<b>Description</b>
<b>Urbavore</b>	A home hydroponics platform for growing enough vegetables to support a couple in a 1 sq ft footprint.
<b>Wishyoo</b>	An online greeting card company offering an disruption to paper cards so widely used today.
<b>Smart Implant Systems</b>	A medical device company for recurring treatment of pain by induced heat augmenting existing implants with controlled infrared.
<b>Workinspot</b>	A company leasing office space within existing company areas to replace all the small businesses that use Starbucks as their office.
<b>Plantruth</b>	Social feedback is used to rate insurance plans to help choose your next medical insurance policy.
<b>Rncor</b>	Optimizing medical businesses by reducing the time and cost to properly bill for services rendered.

Other Go To Angel presenters included existing portfolio companies, presenters like Bill Sarris of LinqTo who has been successful at getting funded by angel investors and allowed us to record him to help other startups succeed, and of course live presenters of updates and related matters at our in person Angel to Exit sessions.

For more information, **sign up** to Go To Angel or visit **A2E.co**



## Portfolio Companies

These are companies in which we have current angel investments, either directly, through equity in exchange for services, or through diversified angel investment funds.

<i><b>Name</b></i>	<i><b>Description</b></i>
<b>20/20 GeneSystems</b>	GeneSystems in collaboration with the National Cancer Institute's Laboratory of Pathology is a quick and straightforward technique for the analysis of proteins in tissue samples. While it has been especially useful for cancer tissue, it is useful for any application where proteins are analyzed in tissue where the histologic correlation is needed.
<b>Abom, Inc.</b>	Abom's first line of products is anti-fog active technology that will NOT ALLOW fog to survive in snow goggles and other types of protective eyewear.
<b>Acceleration Systems</b>	Acceleration Systems provides a cloud-based bandwidth optimization and encryption solution that increases efficiency and security.
<b>Alternacard</b>	Alternacard provides debit cards for the underbanked and unbanked Hispanic populations of the Americas. They replace payday lending and check cashing services with direct deposit and support direct transfer of funds to family member cards overseas.
<b>Analyze Corp.</b>	Analyze is a big data analytics company which has developed a cloud based, software-as-service platform for leveraging big consumer data in real time.
<b>Aqueduct Critical Care</b>	Our technology innovation will increase the ease of use and safety when managing patients with external cerebral-spinal fluid drains.

<b><i>Name</i></b>	<b><i>Description</i></b>
<b>Blaze Bioscience</b>	Blaze Bioscience, the Tumor Paint Company®, is developing Tumor Paint technology, a revolutionary advancement in cancer surgery which lights up cancer cells so that surgeons can see them in real time throughout the cancer surgery.
<b>Bouxtie</b>	With the Bouxtie app, select from hundreds of top retail brands and instantly send a digital gift card right from your phone. Personalize your gift card with a thoughtful video, image or message. Redeem instantly, in-store or online.
<b>Building Energy</b>	Interactive, visual benchmarking reveals the energy and water savings opportunities for your buildings. With all of your building data in one place, high and low-performers immediately stand out. Juggling spreadsheets becomes a thing of the past.
<b>CrossTX</b>	At CrossTx our priority is people and creating an exemplary patient experience, which is why our platform focuses on streamlining healthcare communication. By giving care teams the tools to simplify their workflow in an affordable and easily integrated environment we are creating happy patients and a happy care team.
<b>Crowd Mics</b>	Crowd Mics powers audience engagement by turning the audience's phones into wireless microphones. They can also participate with text commenting and live polling. Presenters and moderator can enjoy a boost in audience interaction, but in a simple and controlled way.
<b>CURB, Inc.</b>	Curb designs and sells the most powerful and intelligent integrated hardware/software system for visualizing and managing energy in residential and commercial settings. Customers can easily identify energy usage patterns, control appliances and optimize behavior for cost-savings.
<b>DecisionNext</b>	DecisionNext delivers big-data analytical software in the cloud. Large companies use DecisionNext software to support high-value decisions ranging all the way from purchasing to sales.

<i><b>Name</b></i>	<i><b>Description</b></i>
<b>Embera Neuro Therapeutics, Inc.</b>	Embera NeuroTherapeutics, Inc. is a specialty pharmaceutical company focused on developing treatments for smoking cessation, cocaine dependence and other addictions, for which there are a limited range of effective drug therapies or no approved treatments.
<b>First light Biosciences</b>	First Light Biosciences is developing breakthrough automated medical diagnostic products for rapid, sensitive, and cost-effective detection of Healthcare Associated Infections (HAI). The products address the need for cost-effective and accurate diagnostics to meet the explosive growth in testing.
<b>Hotel Communication Network</b>	HCN is a digital platform for the travel industry established by the installation of tablet computers into hotel rooms for use by the guests, hotels, and groups. Monetization comes from a variety of SaaS and S&S buildouts on the platform, including hotel services and communication to guest, Big Data, sales to guests, ads & more.
<b>Ibis Networks</b>	Ibis Networks is an Enterprise-IOT company that enables large commercial organizations to manage plug-load energy use with its patented, secure, scalable Intelisocket Platform.
<b>iHealth Home</b>	iHealth Home is a unique care management system connecting your care team to the home.
<b>Indow Windows</b>	Indow was launched in November 2010, delivering ease of use and great window insulation performance in an elegant looking form. Our mission is to provide you with comfort and quiet while helping you achieve environmental and financial harmony.
<b>KPI Therapeutics, Inc.</b>	KPI Therapeutics is focused on advancing its lead drug, dalazatide for the treatment of myositis into a Phase 2 clinical trial. This orphan drug opportunity represents a rapid go to market opportunity for a disease with a very high unmet medical need.

<b><i>Name</i></b>	<b><i>Description</i></b>
<b>LumiThera</b>	LumiThera is a developmental stage medical device company applying low-level light treatment (LLLT) fields for ocular diseases and disorders. LumiThera is at the forefront in the development of LLLT treatment protocols for age-related macular degeneration.
<b>Lungpacer</b>	Lungpacer's Mission is to facilitate weaning critically ill patients from mechanical ventilators, in order to substantially reduce the hospital care costs of critically ill patients and help improve the lifespan and quality of life of survivors of mechanical ventilation.
<b>Monitor Mask</b>	Monitor Mask® was founded by a practicing anesthesiologist to reinvent standard respiratory devices for modern practice. Our initial family of products are oxygen face masks that sample the patient's exhaled CO2. They patented, FDA cleared, in production and sales have been established to multiple major hospitals.
<b>OtoNexus Medical Technologies</b>	OtoNexus is developing a ground-breaking, patented, Doppler ultrasound medical device to instantly and accurately diagnose middle ear infections (Otitis Media) in children and adults. 17.6 Million patient visits a year are coded to OM at a cost of more than \$5 Billion/year, yet clinical studies show a 50% error rate in diagnosis.
<b>OtoSense</b>	OtoSense OM2 platform is a powerful solution that adds this powerful source of information to your set of monitoring and diagnostic tools. OtoSense provides a turnkey solution: front end and back end software suite with user-friendly interface, with full project management and engineering support.
<b>Perkville</b>	Perkville is a cloud based customer rewards and referral platform for small and medium sized businesses that drives loyalty, referrals and social media. It has 1,000+ subscribing businesses, 2M+ users and \$1.3M ARR as of March '16.

<b><i>Name</i></b>	<b><i>Description</i></b>
<b>Phytonix Corporation</b>	The patented Phytonix process utilizes flue gas emissions (containing CO <sub>2</sub> ) from a wide variety of industries to produce high-value industrial chemicals at a cost that is materially lower than fossil-based production methods. The Company's first targeted chemical is butanol, which can be sold in relatively small quantities to manufacturer.
<b>Precision Image Analysis</b>	Precision Image Analysis (PIA) provides an innovative remote image post-processing analysis service for use in diagnostic medical studies, including CT and MRI. HIPAA compliant IT architecture enables the customer to upload images, monitor, track, and retrieve analyses remotely.
<b>ReelSonar, Inc.</b>	Stop searching. Start catching. ReelSonar's iBobber and Netfish give anglers the most knowledge and tools in history to help them make the big catch. By combining their expertise in fishing, technology, and data analytics, ReelSonar has completely changed the world's greatest pastime.
<b>Safe H2O</b>	Safe-h2o Inc. is a water diagnostic company focused on providing the best comprehensive multi-pathogen detection technology: enabling water utilities to protect human health, strengthen environmental protection and reduce fatalities and illnesses from waterborne pathogens. We will market our products to: laboratories who offer water quality analyses; water suppliers; water treatment service providers and water authorities with responsibility for managing and monitoring water quality.
<b>Savara Pharmaceuticals</b>	Savara pharmaceuticals is now listed on the NASDAQ as MSTX, a specialty pharmaceutical company focusing on innovative drugs for the treatment of severe life threatening rare respiratory diseases.
<b>Social Standards (was Bartrendr)</b>	Social Standards has created a platform that for the first time gives the industry the entire picture into their full respective market. We provide objective measurements that brands can finally trust, while extracting actionable analytics in forms they are familiar.

<b><i>Name</i></b>	<b><i>Description</i></b>
<b>Tether Technologies</b>	Never risk losing a set of master keys again! Tether Tech. has a deployed patented device that eliminates loss of master keys. It is about to launch an IoT device that replaces passive badge reels with active alerts to prevent loss of ID badges and access cards. At the end of a \$2M raise with \$275k remaining. Pre-Money \$3M.
<b>Textile-Based Delivery, Inc.</b>	Our revolutionary patent pending technology allows for Active ingredient delivery via textiles (socks, t-shirts, pillowcases etc). The garments remain machine washable to the product lifespan.
<b>Tilting Motor Works</b>	Tilting Motor Works offers a breakthrough retrofit for Harley-Davidson motorcycles that offers the stability and safety benefits of 3 wheels while retaining the handling and speed of the original motorcycle. The product resonates with 3 million Harley riders who find conventional trike solutions too embarrassing to embrace.
<b>TranscribeMe!</b>	Leader in Highest Quality, Lowest Cost Transcription.
<b>Transform, Inc.</b>	Transform applies big-data science and technology to help our clients achieve new levels of growth. Our Genome is a predictive computational engine that models the hundreds of factors that define complex business concepts such as Customers, Markets, and Campaigns as Customers, Markets, and Campaigns.
<b>Travel Recon</b>	Travel Recon advances the state of the art in travel alerts for enterprises and their workers in remote locations. They offer real-time localized alerts through corporate coordination and provision safe movement instructions and traveler incident reporting.
<b>Viakoo</b>	When company security video cameras are down, enterprise risk is up. Our data-driven SaaS cloud service enables businesses to manage their on-premises video application infrastructure 24x7 to maximize video uptime and avoid the cost and risk of video downtime.

<b><i>Name</i></b>	<b><i>Description</i></b>
<b>Vispera Bilgi Teknolojileri A.S.</b>	Vispera has been founded with the goal of developing innovative solutions for visual search, retrieval and analytics technologies to solve rational business problems in retail industry.
<b>Woven Orthopedic Technologies</b>	We operate at the core of the intersection between science, technology, and medicine by leveraging advances in smart engineered bio-textiles to design technologies that help provide better care for less cost, to more people around the world.
<b>Zive, Inc.</b>	Zive is the maker of Kiwi for Gmail, which has succeeded in ambitiously turning Gmail into a powerful desktop email client. Kiwi has immediately become the #1 rated email client on Mac, and is now in a rapid growth phase. The Zive Development Platform technology on which Kiwi is based will permit development of many new applications.



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