

Bay Area women explore angel investing

San Francisco Business Times - June 22, 2007

About 100 women gathered in San Francisco June 21 to discuss how entrepreneurs can attract angel investors or become angel investors.

The lack of women angel investors has been receiving more attention as investors band together in groups to boost deal flow and collaborate on due diligence.

Women possess more than half the nation's wealth but account for less than 8 percent of the angel investment community, according to a Kaufmann Foundation report.

Several women attending the San Francisco event were looking to expand their investment horizons after building their own companies or investing on their own.

"I'm exploring the personality and character of Bay Area angel groups," said one prospective angel investor attending the event held by the Keiretsu Forum, which says 15 percent of its 500 members are women.

In a panel discussion, women entrepreneurs were advised to find a mentor in the angel group that could generate feedback and offer guidance before pitching angels for capital.

They were also advised to attend an angel group meeting to observe other entrepreneurs' presentations and the questions they received.

"The process was really helpful, especially aspects of the due diligence," Tamara Monosoff, founder and CEO of Mom Inventors Inc. of Walnut Creek, said of her capital-raising efforts at the Keiretsu Forum.

Linda Jenkinson, founder and CEO of San Francisco-based Les Concierges, said the 55 angels investing in her company offered access to their professional networks and extensive experience in addition to the money.

Prospective angels were advised of federal regulatory requirements for accredited investors that require angels to have a net worth of \$1 million or annual income of \$200,000 per individual or \$300,000 per couple to participate in most angel investments.

Women moving into the angel arena were advised that typical angel investments are for \$50,000 to \$100,000. Minimum angel investments typically start at \$25,000.

Given the high-risk of financing startups, many financial advisers consider angel investments to be part of a 10 percent to 15 percent allocation of one's portfolio to alternative investments, depending on an investor's circumstances and risk tolerance.