



SBIR Transition:
The Funding Continuum ... Some Thoughts

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Venture Capital on the Continuum

▶ VENTURE CAPITAL ▶ Rapid Scaling



▶ ANGEL ▶ Proof of Concept



▶ CROWDFUNDING ▶ Market Traction



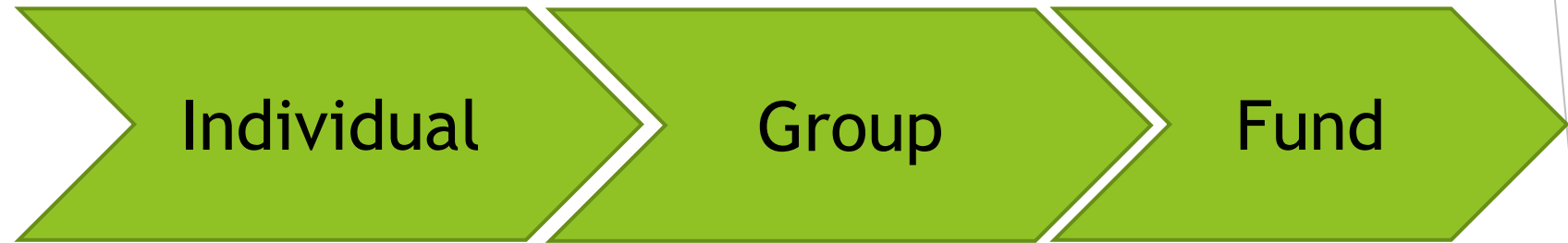
▶ FRIENDS and FAMILY ▶ Out of the Garage



▶ GRANTS ▶ Science Project



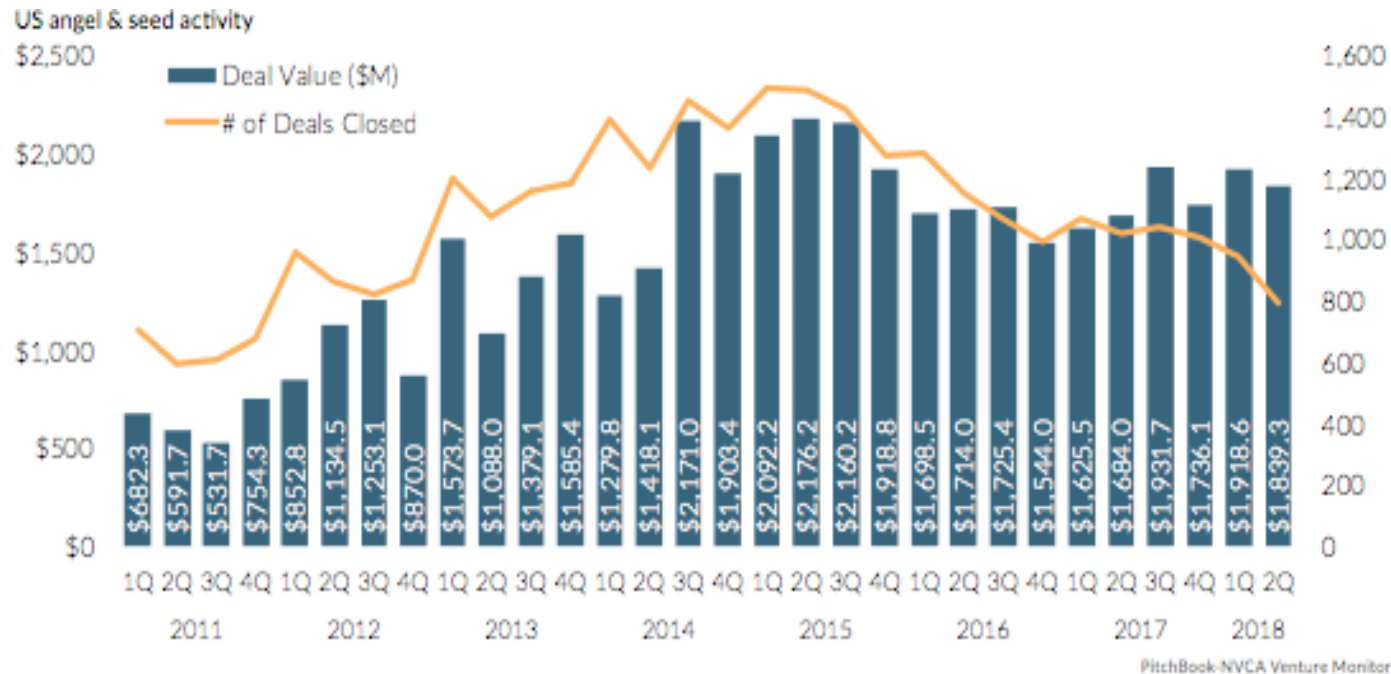
Typical Spectrum of Angel/Early Stage Investing



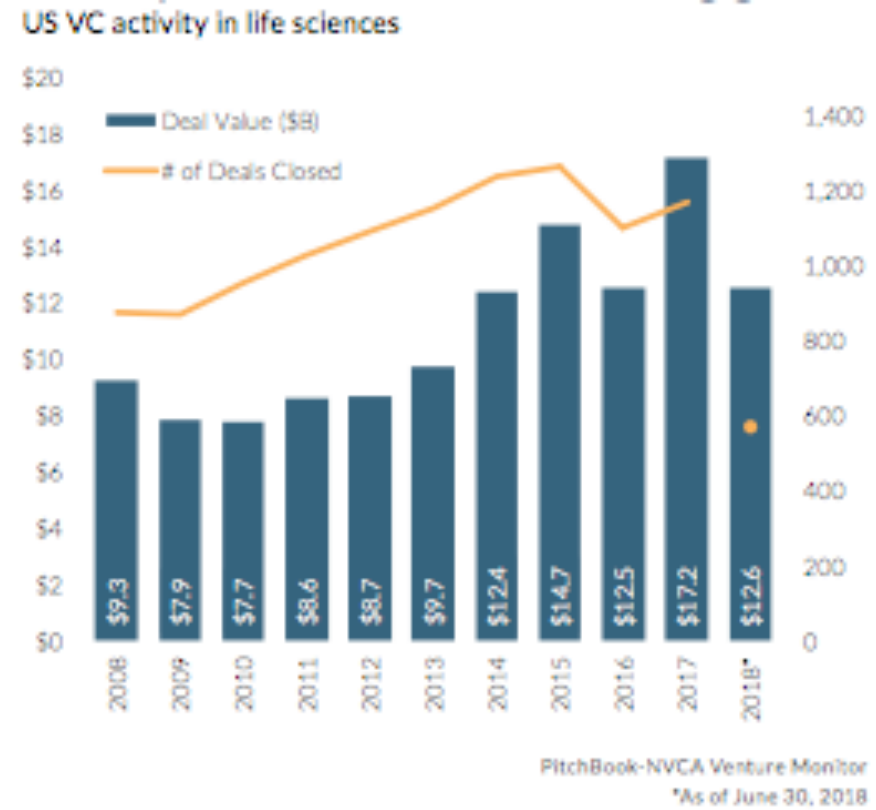
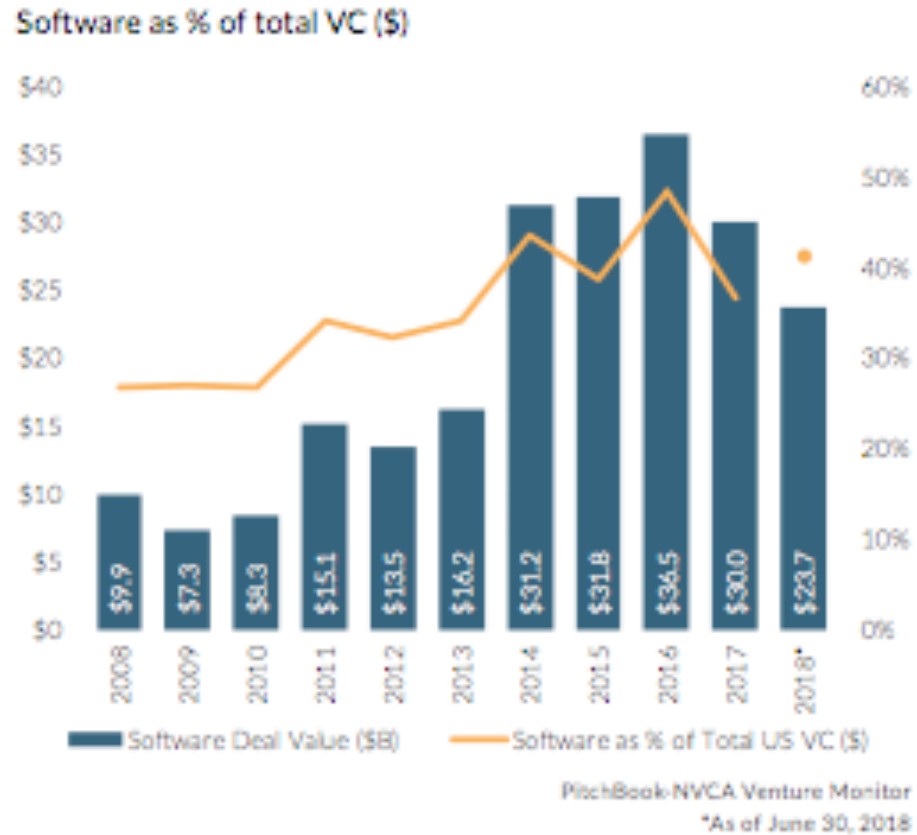
	Individual	Group	Fund
Investment Vehicle	Direct every deal	Volunteer managed partnership entity each deal	One managed fund across all deals
Due Diligence	Self	Pooled volunteer efforts	Professional Fund Managers
Deal Process	Direct	Pass the hat/vote	Investment Committee
Portfolio Approach	DIY	DIY with peer	Ensured

Seed and Early Stage Landscape

- ▶ Activity recently trending down from historical highs
- ▶ Initial investment and valuations both increasing



Overview of Sectors



FAN Fund

- ▶ The natural evolution of a successful “pass the hat” model
- ▶ Professionally managed & committed micro-VC fund
- ▶ Investing in opportunities with the following characteristics
 - ▶ Growth-oriented **technology and life science “lite”** sectors in **Florida**
 - ▶ Committed team with demonstrated experience
 - ▶ Large, growing, and understood market
 - ▶ Demonstrated GTM strategy with early traction
 - ▶ Multiple exit paths within reasonable timeline
 - ▶ Supportive of a hands-on investment approach
- ▶ Fund 1 Typical investment size \$200K-\$500K, Fund 2 3x this level
 - ▶ Plus additional LP co-investment potential
 - ▶ In round sizes of \$500K-\$1,500K
 - ▶ Collaborating with eco-system partners



Questions and Answers

Seed and Early Stage Landscape (2016)

- ▶ Activity recently trending down from historical highs
- ▶ Valuations gradually increasing

US VC activity

