

# **Current Trends and Public Policy Issues in Angel Investing**

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# Public Policy

Strategy

**Facilitate** the development of an  
early stage market

VS.

**Direct** involvement

# General Concept

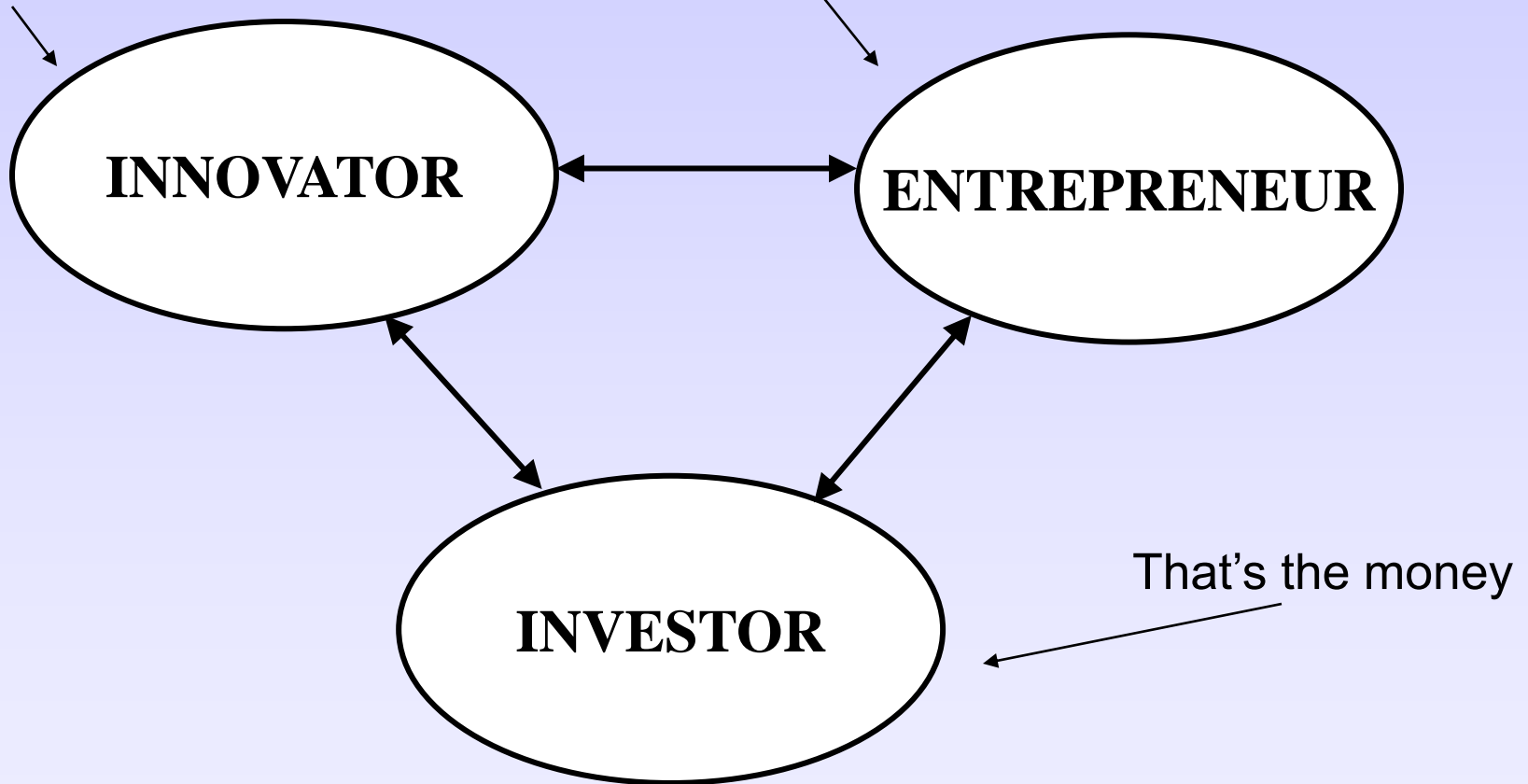
Public policy should be

- Directed to early stage
- Sustainable over time
- Meet market needs
  - address the issues that exist

# Systemic Approach

That's the scientist

That's the business guy/gal



# Public Policy Initiatives

## Country/Province Level Initiatives

- Direct investment programs

# Direct investment programs

- allocation of public funds
  - government seed venture funds
  - primary goal: job creation, economic growth
- secondary goal: financial return

competing or complimenting  
measures of effectiveness

# Public Policy Initiatives

## Country/Province Level Initiatives

- Direct investment programs
- Tax Incentives

# Tax Incentives

- front end tax credits
- back end capital gains reduction
- loss percentage guarantee – insurance?

different types

type vs. economic geography

measures of effectiveness



# Public Policy Initiatives

## Country/Province Level Initiatives

- Direct investment programs
- Tax Incentives
- Indirect facilitating approaches

# Indirect facilitating approaches

- business development/coaching for entrepreneurs
- screening for angels
- venture forums

high potential

difficult to measure effectiveness

long term vs. short term politics

# Public Policy Initiatives

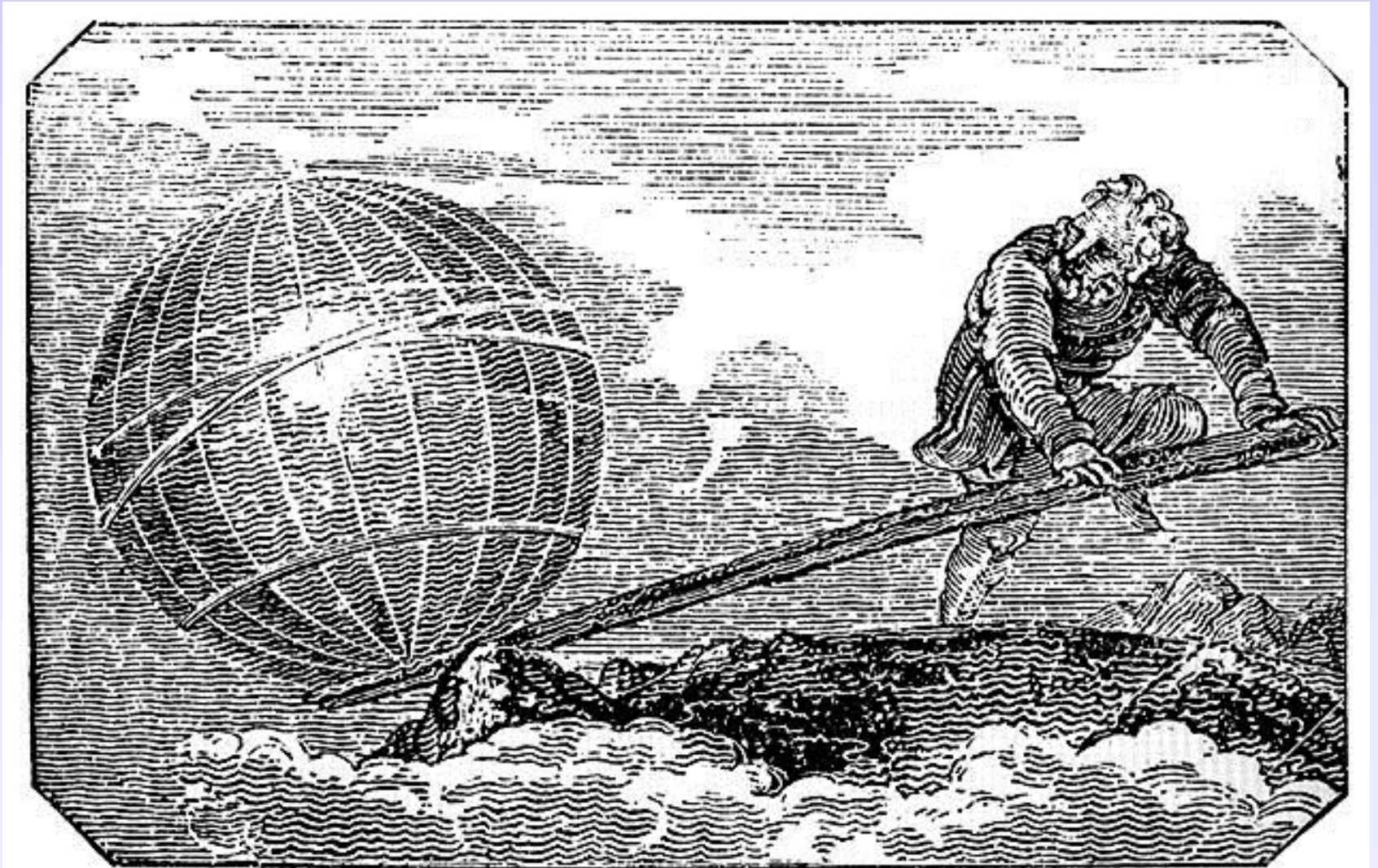
## Country/Province Level Initiatives

- Direct investment programs
- Tax incentives
- Indirect facilitating approaches

## An Alternative Approach

- Archimedes fund

Give me a lever long enough and a place to stand and I will move the earth



# Archimedes Fund

a \$10 million pool of private/public sector capital for angels to draw from to complete a deal

- 3 to 1 match

angel complimentary fund

self sustaining

immune to changing political landscape

# Public Policy Initiatives

## Country/Province Level Initiatives

- Direct investment programs
- Tax incentives
- Indirect facilitating approaches
- Archimedes fund