

Role of Investors in Entrepreneurial Ecosystem

Lessons from Silicon Valley

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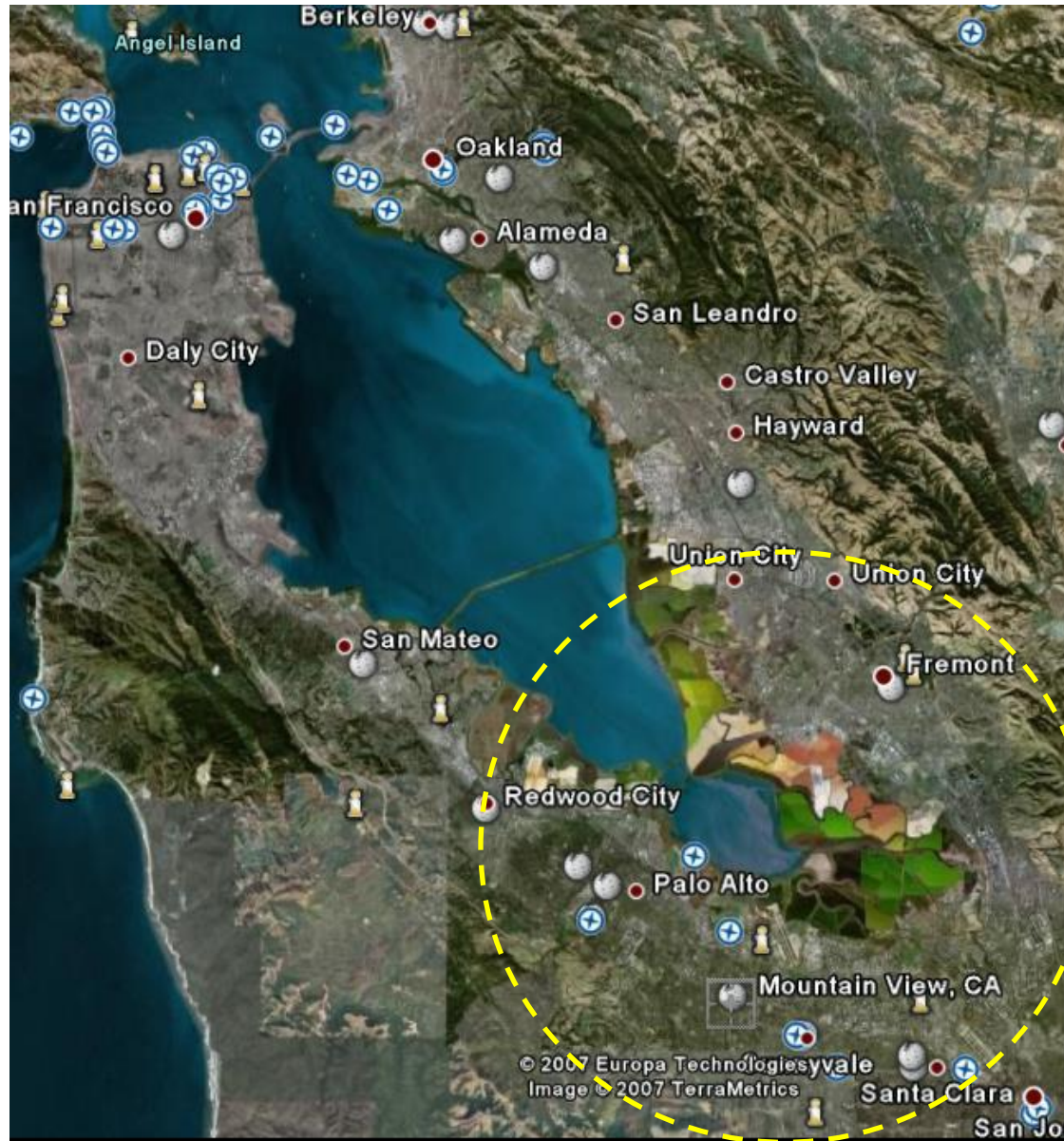
www.Startup-Advisor.com



CET

Center for Entrepreneurship & Technology

San Francisco Bay Area & Silicon Valley



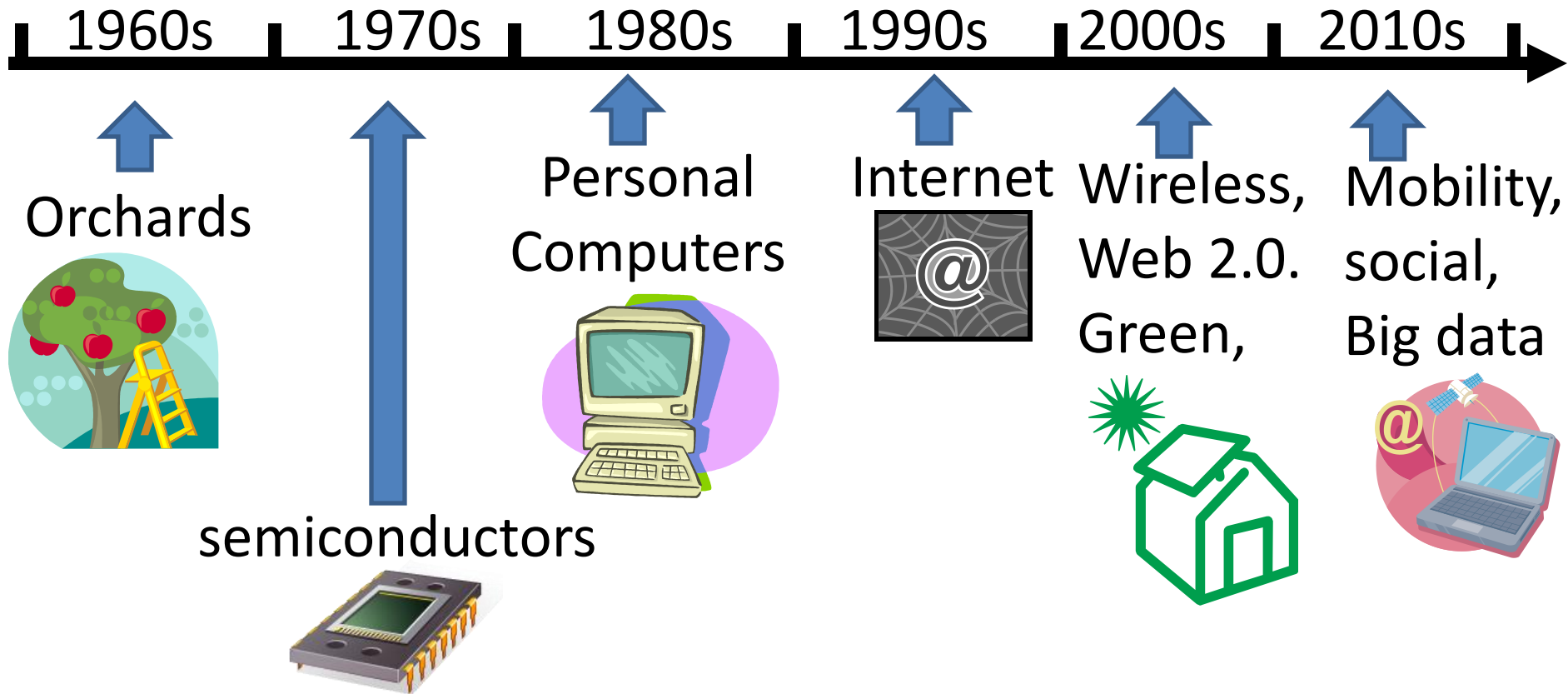
Thousands of Great Companies



Silicon Valley Asia Business Center: "Now, doing business in Silicon Valley is as easy as ABC!"

SiliconValleyABC.com

History of the Valley



Attitude of Collaboration

- Good ideas emerge as people interact, discuss & refine concepts



Shared Reward

- Divide rewards generously



Protection of IP

- Strong protection of IP (intellectual Property) encourages innovation



Critical Mass



- Engineers
- Lawyers
- Marketing & sales people
- Experienced managers
- **Investors**

Failure Celebrated!

- Culture values people who failed in a venture!
 - *Some one else has paid tuition for their learning!*

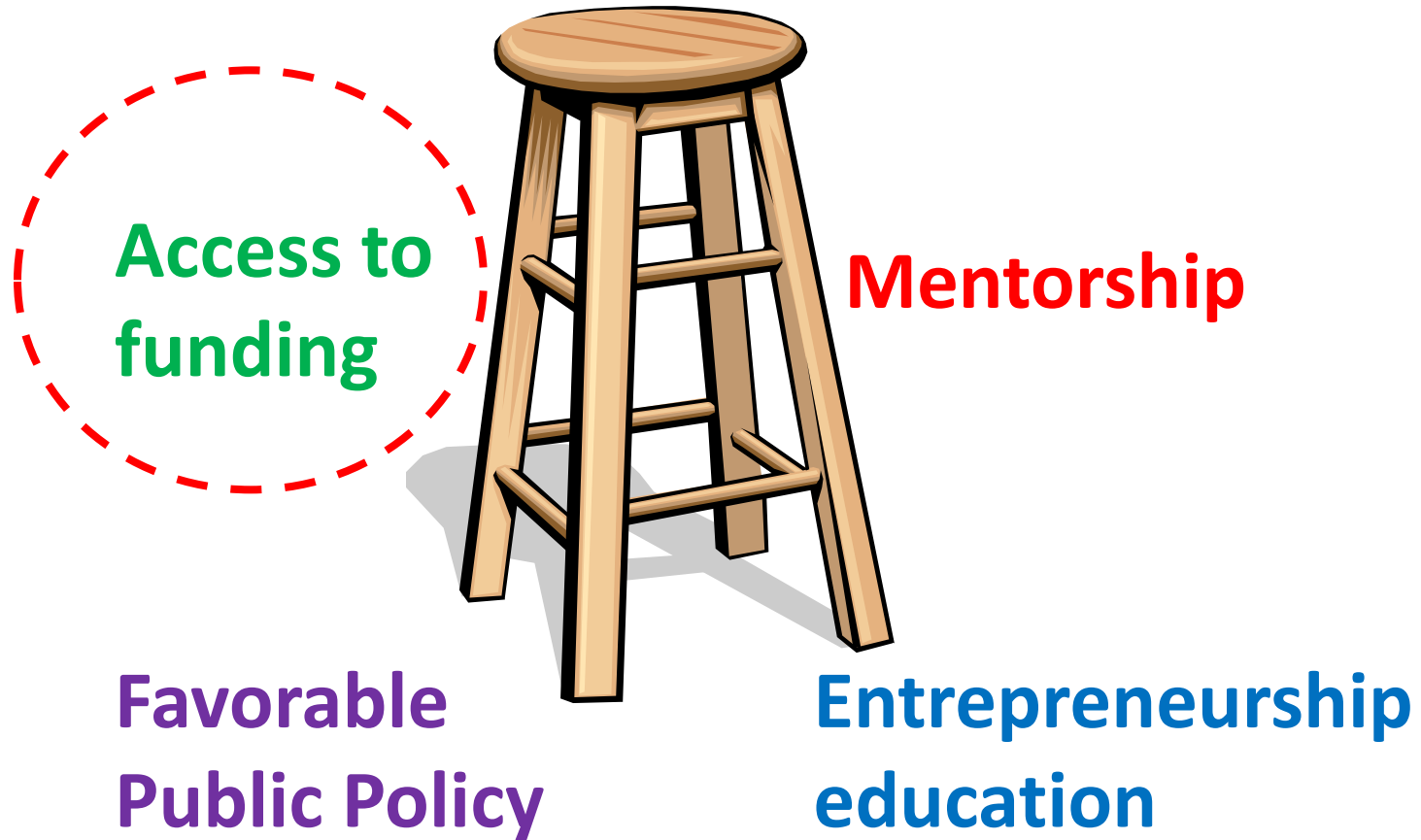


Culture of Innovation & Entrepreneurship

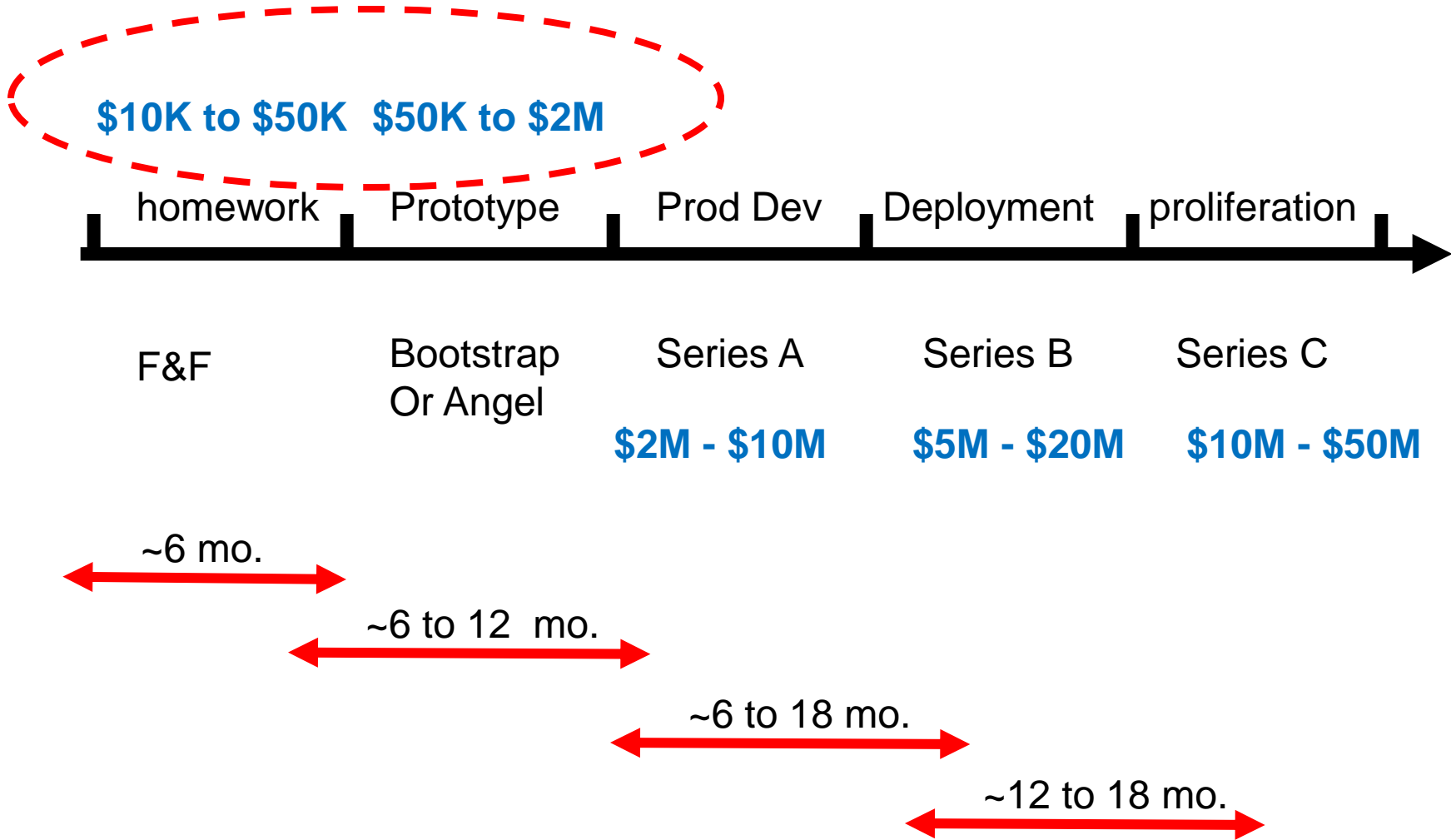
1. Collaboration
2. Shared reward
3. Protection of intellectual property
4. Critical mass of talent & infrastructure
5. Culture of accepting failure

How Do You Create a Silicon valley in Turkiye?

Eco-system of Entrepreneurship & Innovation



Funding Needs



Raising Capital is Hard!

- Sources:

- Friends, family and fools
- Angels
- Venture capitalists
- Strategic investors

You!

**Domain,
You**

**Traction,
Exit!**

**Channels,
products,
technology**

Angel Investing

- People who can afford to put a portion of their wealth in startup companies
 - For superior returns
 - For staying engaged in the domain they love with doing heavy lifting!
 - Portfolio approach
 - 6 to 10 investments with diversity

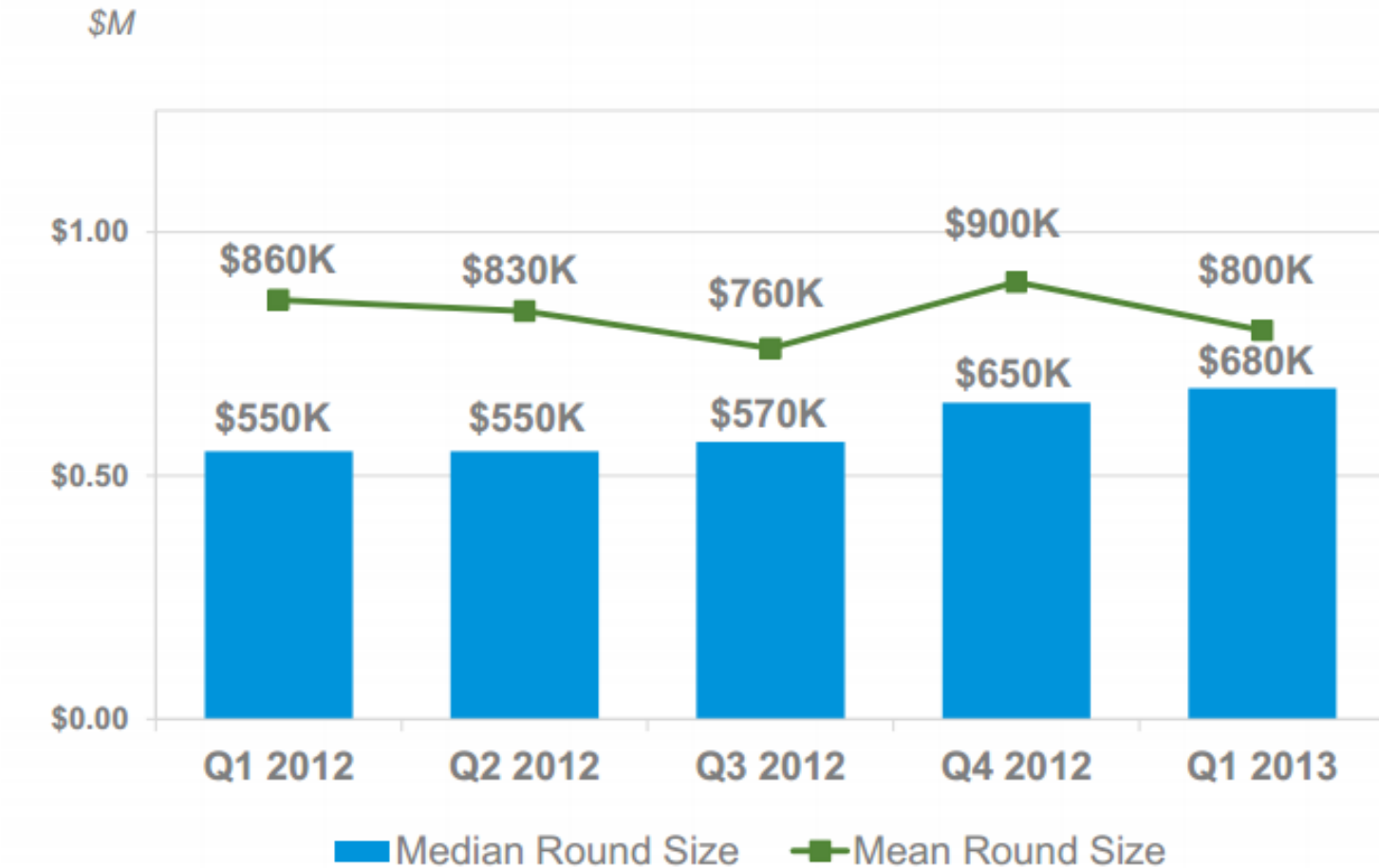
Angel Investment is Hot!

- VCs invest \$20B a year in ~3,000 deals per year
- Angels are investing between \$20B and \$30B in ~30K deals per year → **10x bigger than VCs**
- ~2/3rd of all IPOs never took VC money (only Angels invested)

Becoming an Angel Investor

1. Deal flow
2. Screening for good deals
3. Due diligence process
4. Term sheet – offer to invest
5. Closing (legal issuance of shares)
6. Role of an Angel investor
7. Exit – helping company achieve liquidity

Median Angel Round ~\$680K



Source Halo Report 2013

Median Valuation \$2.5M



Source Halo Report 2013

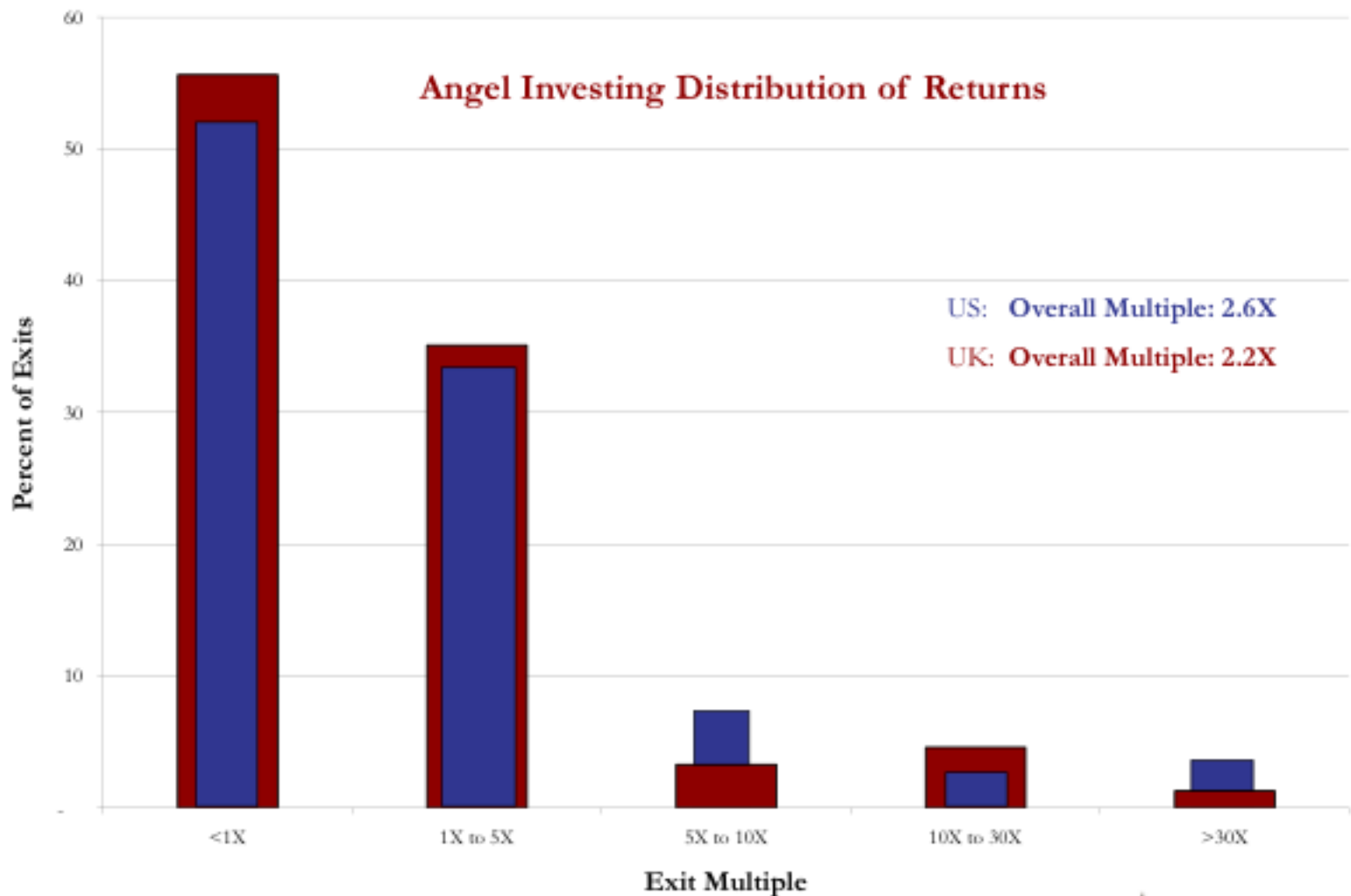
Angel Investment Pays

- <http://www.angelcapitalassociation.org/>



ANGEL CAPITAL ASSOCIATION

Angel Investment is Lucrative: 2.6X



Rise of Angel Groups

- Dividing the work of evaluating and monitoring investments
 - Standardized processes & term sheets
 - Better deal flow - quality and quantity
 - Diversify your angel portfolio, reducing risk

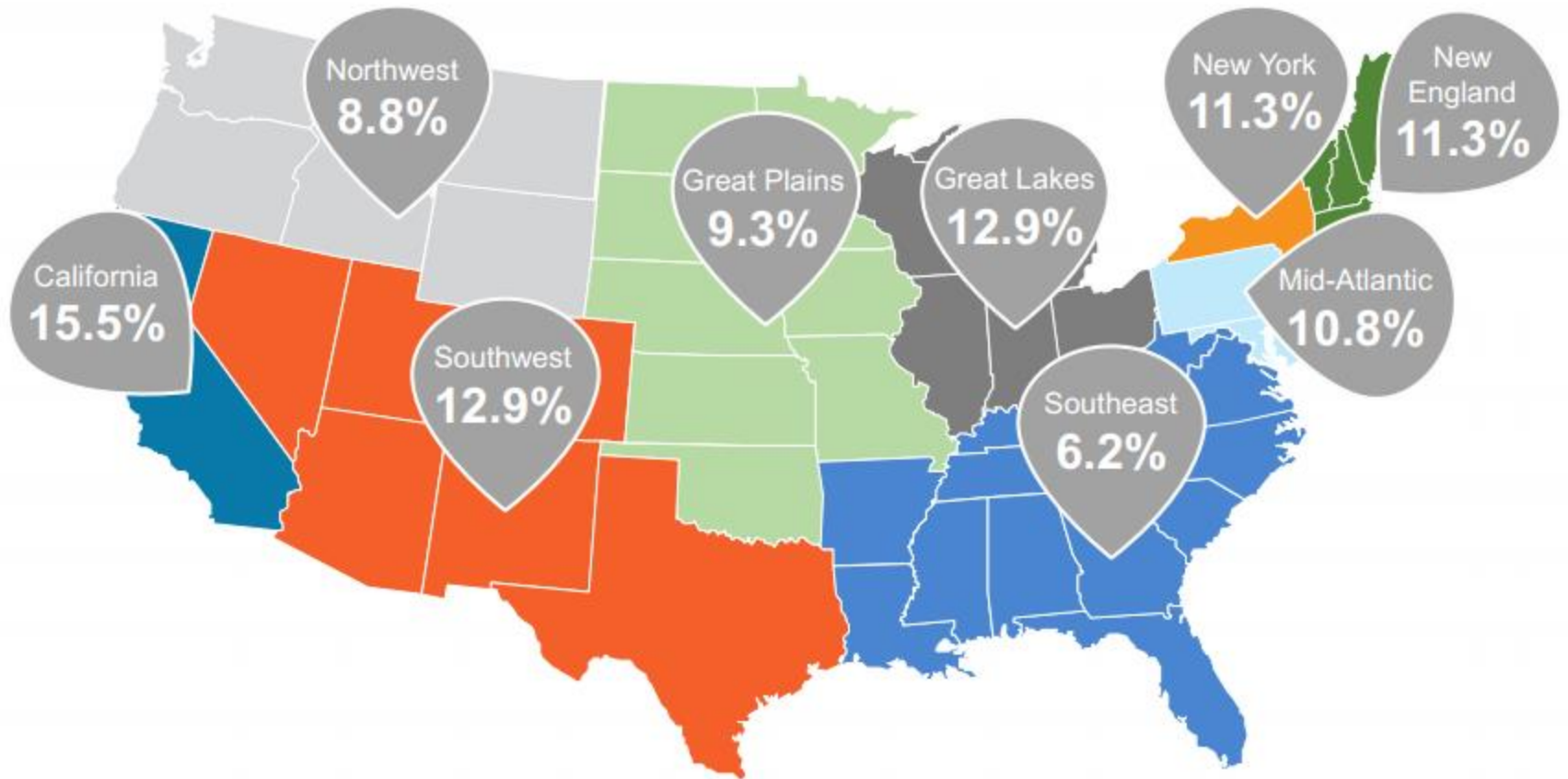
Rise of Angel Groups

- Angel groups
 - The Angel's Forum <http://www.angelsforum.com/>
 - The Band www.bandangels.com
 - Sand Hill Angels <http://www.sandhillangels.com>
 - Keiretsu Forum <http://www.keiretsuforum.com>

Angel Groups

- Stay current on new ideas, technology, trends
 - Networking with a successful peer group
 - Build your investment skills
 - Support your community by mentoring entrepreneurs
- Individual angels may remain anonymous
 - Pooling capital to raise sufficient money
 - Connections to venture capital firms

Angel Group Deals Distributed



Most Active Angel Groups



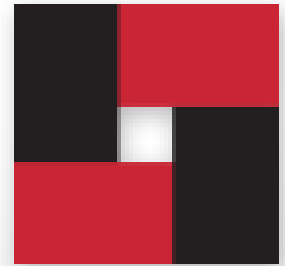
Southern CA

Each of the noted groups has invested in at least 5 deals in past 12 months.

To Become An Angel Investor

- Start a chapter of Keiretsu Forum
 - 26 chapters, 1000 members, 3 continents
- <http://www.keiretsuforum.com.tr>
- You get:
 - Deal flow, method, forms, network , education

KEIRETSU



FORUM

[Daha fazla bilgi için](#)

Keiretsu Forum İstanbul
Kadın Melek Yatırımcıları Bir Araya Getirdi

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Yaklaşan Etkinlikler : Forum Toplantısı *28 Mayıs 2014 / 09:00 - 12:00*

Yaklaşan Etkinlikler

28 Mayıs 2014 Forum Toplantısı

Devamı için

11 Haziran 2014 Girişim Tarama Toplantısı

Devamı için

25 Haziran 2014 Forum Toplantısı

Devamı için

16 Temmuz 2014 Girişim Tarama Toplantısı

Devamı için

23 Temmuz 2014 Forum Toplantısı

Devamı için

Hepsini Gör

Uluslararası Ağ



Barcelona Beijing Boise East Bay Istanbul
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North Bay Orange County Paris Philadelphia Pittsburgh
Portland San Diego San Francisco San Sebastian
Seattle Shanghai Silicon Valley Spokane-Inland Toronto
Tel Aviv Vancouver Washington D.C. Waterloo
Westlake Village

Hepsini Gör

Son Haberler

Keiretsu Forum İstanbul Platin Dergisi`nde

Devamı için

Keiretsu Angel Capital Forum, Borsa İstanbul`un sponsorluğunda

Devamı için

5.Teknoloji ve Arge Günleri

Devamı için

E-Ticaret sektörü 3 Ekim`de İstanbul E-Ticaret Zirvesi`nde buluşuyor

Devamı için

Hepsini Gör

Sponsorlarımız



Destekleyici Kurumlar



The Process of Angel Investing

- Educate yourself
- Set aside a portion of your money (~10%)
 - That you can afford to lose
- Select a thesis/premise/method
- Meet a lot of entrepreneurs
 - Get to know them & their business
 - if chemistry is right, invest small chunks if you can see how follow on money will follow
- Build a portfolio of companies
- Use convertible debt or agree on valuation

**Aydın Koç**

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Keliretsu Forum İstanbul
Yönetim Kurulu Başkan Vekili
Uzman TV
Kuruçu Yönetici

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Başkan

**Bülent Akgerman**

Keliretsu Forum İstanbul
Ortak
AKG Grup
CEO

**Erol Bilecik**

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Kuruçu

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Genel Müdür

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Summary

- Investors play a huge role in the entrepreneurial ecosystem
- A popular & just way to make money since early days of civilization
- Fun, frustrating, lucrative, never-boring!