

TECHLAUNCH

®

Financing the Growth of Your Business

Seton Hall University - Entrepreneurial class

Mr. Tom Basilo

September 25, 2014

Presented by:

Mario Casabona

Founder and General Partner

My Background



- Immigrant
- Electronic Engineer - FDU
- 25+ Yrs. Career in Defense Electronics Industry
- Patents – 6 US and 6 International.
- **1982 Founder of Electro-Radiation Inc.**
- **2004 sold ERI to Honeywell**
- **2007 Founder of Casabona Ventures**
- **2009-12 Chrmn. Jumpstart NJ Angel Network**
- **2012 Founder of TechLaunch**
- Currently Angel Investor and Business Coach

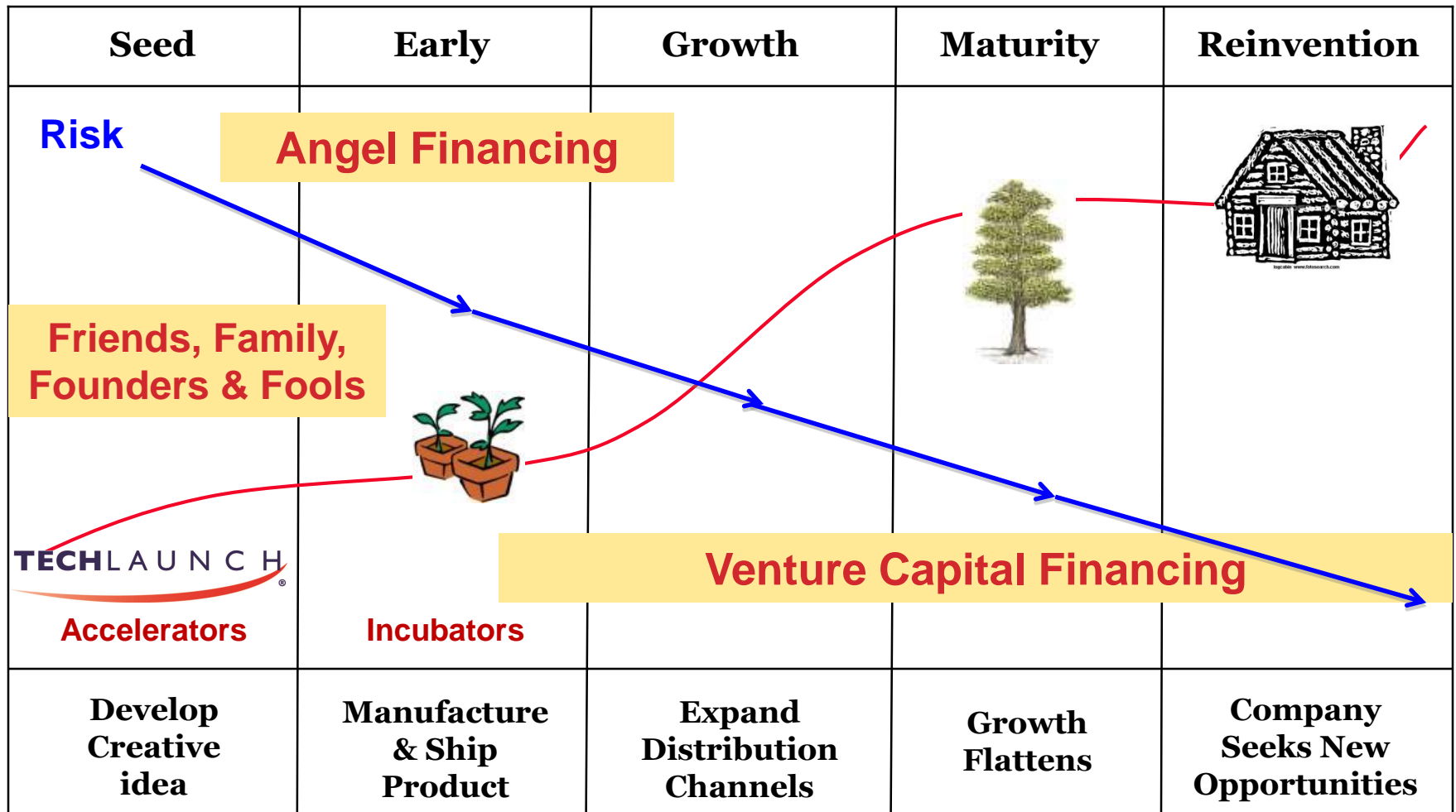
My Portfolio Companies (>2007)



Oil Exploration Company

Oil Drilling Equipment

Equity Funding Eco-System



Types of Financing



- **Equity**
 - Investment for shares in Company
 - 4 F's, Angel and/or VC Fund
 - Dilutive
 - Faster growth rate
- **Loan**
 - Bank or Private Individual
 - Collateralized
 - Non-Dilutive
 - Great source of Capital for Growth
 - Medium growth rate
- **Bootstrapping**
 - Non-Dilutive
 - Life Style Type of Business
 - Use of Cash Flow for Growth capital
 - Slower growth rate

Types of Equity Investors



- **Seed - The 4 F's (<\$150K)**
 - Highest Risk
 - Founders, Friends, Family and Fools
 - Tech/Business Accelerators – like TechLaunch
- **Early - Angel Investors (<\$2Million)**
 - Passive investors (provide money only)
 - Value-added investors bringing operational and entrepreneurial experience
 - Ideal angel investors (brings BOTH Money and experience)
 - Angel Groups – like Jumpstart NJ Angel Network
- **Growth - Venture Funds (institutional) (>\$1Million)**
 - Much less active than before at early stages
 - Provide Growth Capital at Lower Risk Point
 - Provide Strong Management Team for Exits

Tech/Business Accelerator Objectives

- Created to Accelerate the Commercialization of Technology.
- Shortens the 4 F's Phase.
- Identify and vet most promising idea, technology and team.
- Provides seed capital for equity
- Influences creation of Team
- Provides 16 week business boot-camp to de-risk early stage obstacles.
- Provide a venue for entrepreneurs to show case technology and find funding.

16 Week Program Activities



Access to Mentors (>130)



Typical Angel Investor Criteria

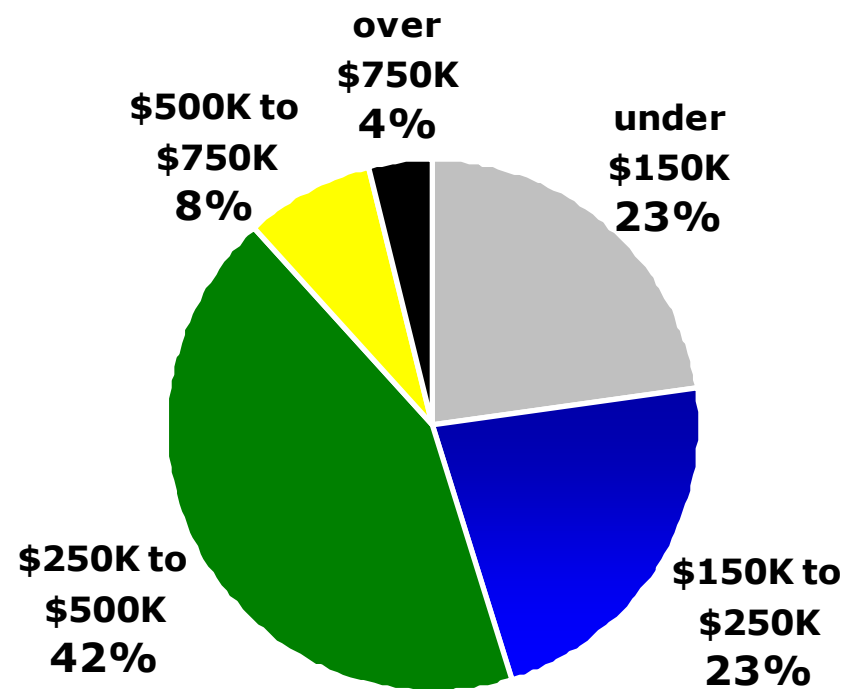
- Early Stage with Traction and/or Pre-revenue
- Identified Market Need
- Sound Business Plan
- Strong and Experienced Management Team
- Completed Proof of Concept
- IP Strategy for Sustainable Advantage
- Reasonable Valuation
- Realistic Exit Strategy
- Identified Funding Needs Subsequent Rounds
- Geographic location is important

Typical Angel Group Investment Size

67% of Angel Groups Invest \$150K to \$500K per Deal

- 265,000 Angels according to Center for Venture research
- Investment surprisingly broad
- Average deal size increasing
- Syndication needed among groups to fill rounds entrepreneurs need

Angel Group Investment Size



Source: ACA Confidence Survey, 2012

Introduction To Investors

Entrepreneur



**Introduction by
Initial Investor,
Banker, VC,
Professor,
Accounting or
Law Firm,
Internet, etc.**

**ONE Page
Executive Summary**



**10 – 15 Minute
Presentation**

Contact Information



Mario M. Casabona
mario@TechLaunch.com

TechLaunch, LLC
855 Valley Road, Suite 204
Clifton, NJ 07013

877-776-5850
www.TechLaunch.com