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netwerk
vlaanderen

Met steun van de
Vlaamse overheid



Business Angels Network Flanders



Deloitte.

NOSTALGIE
What a feeling!

metro

MANAGER
Regionale Zakenmagazines

Business Angels Network BAN Vlaanderen vzw

The platform where capital seeking entrepreneurs and private investors meet.





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Overview presentation

1. BAN Vlaanderen vzw : history
2. Regional presence
3. Core tasks
4. Business Angel profile
5. More than just money !
6. Equity Gap : the need for BA-financing
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11. Which sectors?
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13. First leverage : BA+ loan Participatiefonds
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1. History

From 1997 until 2003, four independent Flemish BAN's :

- Limburg BAN vzw
- Bizzbees bvba
- Vlerick BAN vzw
- Flanders Business Network vzw

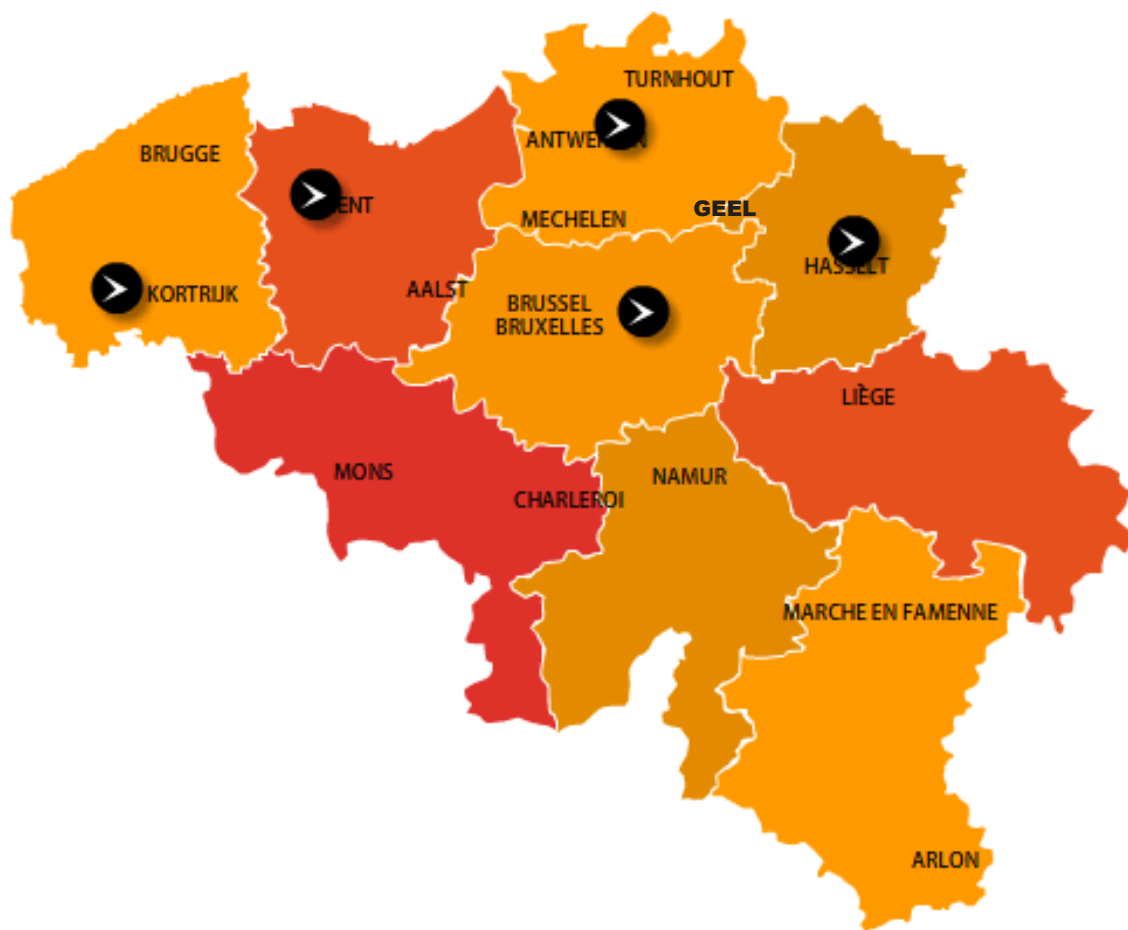
January 2004 : foundation of BAN Vlaanderen vzw
by merging the 4 existing Flemish networks.





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2. Regional presence



3. Core tasks

- making entrepreneurs and candidate business angels aware of business angels financing
- informing, training, educating and preparing the entrepreneurs and business angels
- Establishing contact between entrepreneurs and business angels (the actual ‘matching’)
- Bringing business angels together for syndication



4. Business Angel profile

- Wealthy entrepreneurs, executives, families, relevant VC's
- Investments usually between € 25.000 and € 250.000
- Dispose of extensive networks and specific knowledge
- Passionate about entrepreneurship and investing
- Offer strategic vision and act as mentor
- Invest preferably locally
- Searching for chemistry with the entrepreneur



5. More than just money!

The unique aspect of Business Angels

The two “wings”:

1. Capital
2. Relevant knowhow

> Key Success Factors for business growth



6. 'Equity Gap': The need for BA-financing

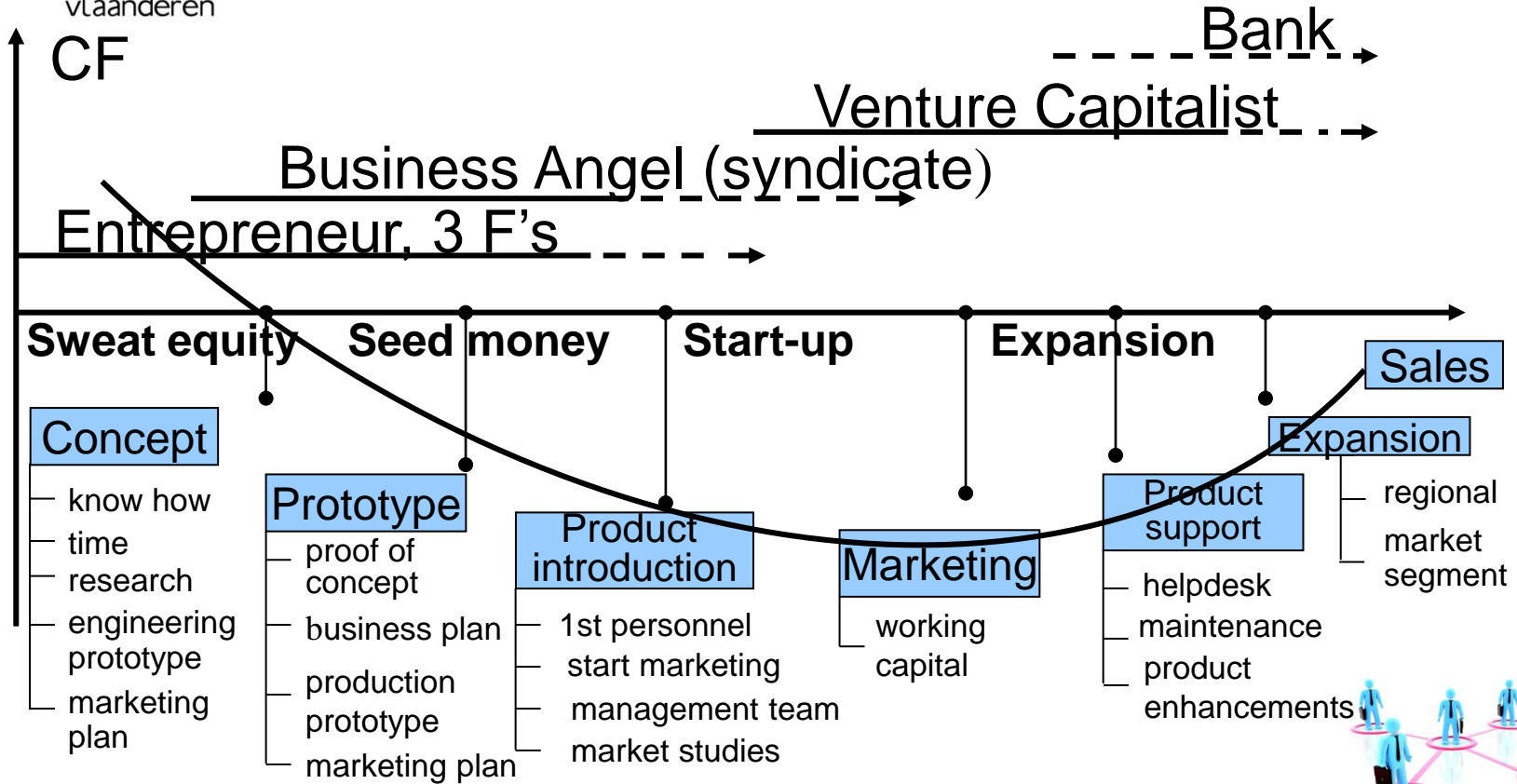
- Banks : do not provide venture capital and demand guarantees
- VC & PE-funds : mainly interested in larger projects
- Conclusion : the need for Business Angel financing in start-up fase or growth fase





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7. Choice of funding sources



8. BAN Vlaanderen vzw in figures

- Investment pool of +/- 175 business angels
- Inflow of approximately 500 files per year
- Launch of +/- 100 projects per year
- Organisation of +/- 20 matching events per year
- Realisation of appr. 25/30 investment deals per year



9. Procedure

First analysis investment proposition and business plan



Agreement on further procedure



Educate entrepreneurs concerning BA-financing



Draw up anonymous file with core details of the project



Informing business angels of the project via newsletter



Matching events



Feasibility and profitability assessment (by investor)



Negotiations and deal making take place autonomously
between entrepreneur and investor (dealmaking support possible on demand)



10. Added value for the entrepreneur

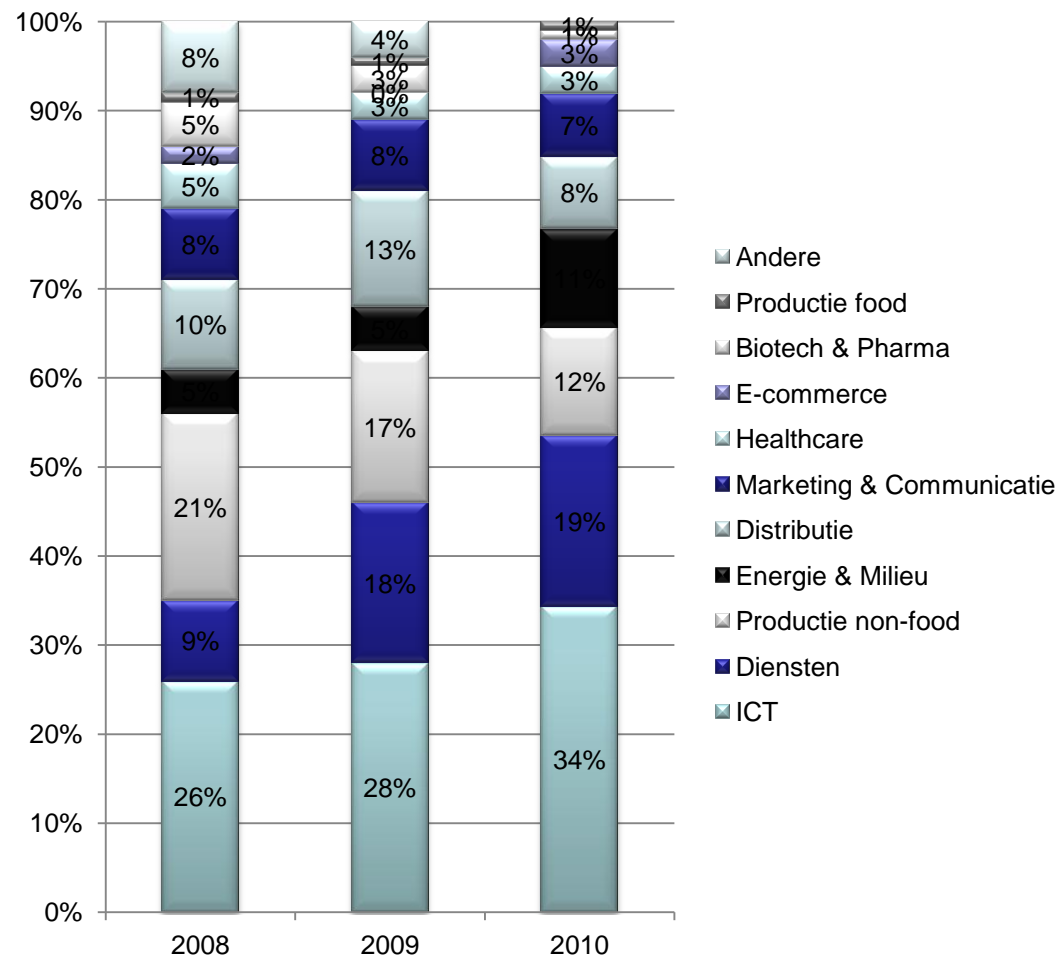
- ✓ Contacts with experienced (ex-) entrepreneurs
- ✓ More chances in finding “smart money”
- ✓ Lower search costs
- ✓ Feedback from the network team and from the business angels
- ✓ Education sessions
- ✓ Alternative financing source
- ✓ Discrete approach





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11. Which sectors ?



All economic sectors

except
retail, horeca,
pure real-estate projects





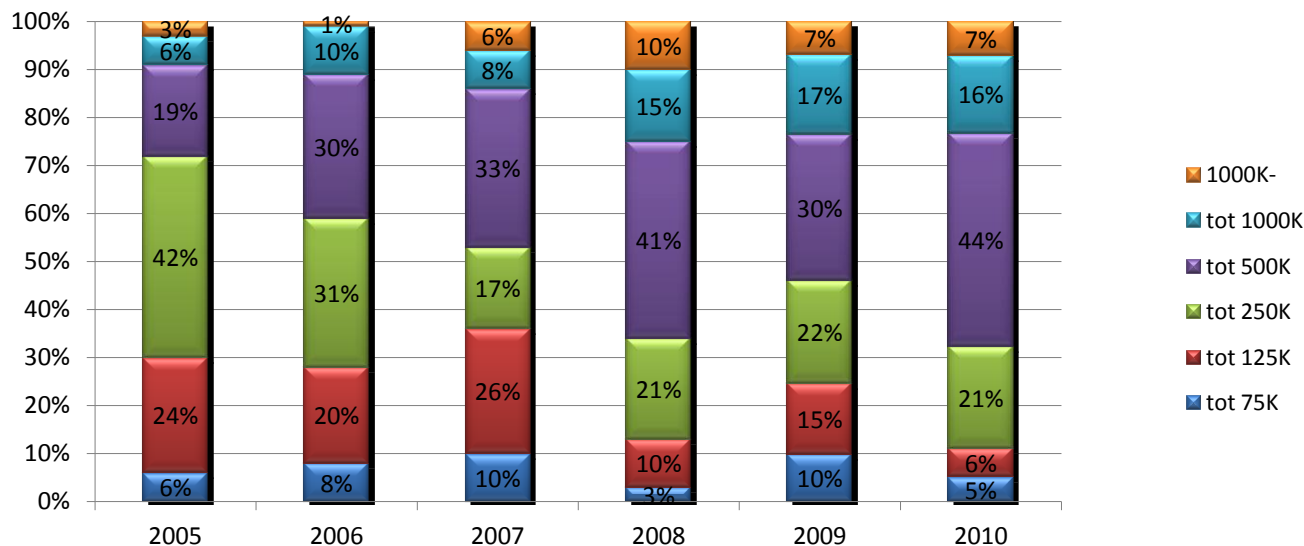
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12. Which amounts?

Median amount requested in 2010 : € 500.000

Median amount invested in 2010 : € 110.000

Evolution amounts requested



13. First leverage: BA+ loan Participatiefonds

- Subordinated loan
- Max. 125.000 € and dependent of BA-investment
- Duration 5 / 7 / 10 years, with exemption from capital repayment of at least 1 year
- Low and fixed interest rates
- Request via BAN Vlaanderen



14. Second leverage: ARK Angels Fund - Concept

- Flemish venture capital fund
- At the initiative of BAN Vlaanderen
- Founded in Arkimedes scheme (ARKIV-statute)
- With capital OF Flemish Business Angels
- As co-investment FOR Flemish Business Angels
- Supported by a differentiated network of capabilities among its managers and members

“SIDE-CAR” Fund



15. Ark Angels Fund: Investment objectives

- Initial investments
 - Approx. 10 investments per year
 - An average of 100-200 k€ per project
 - Total investment of +/- € 5 million over 3 years
- Follow-up investments
Available investment volume + / - € 2 million
- Investment fund of and for Business Angels
Good investment project = good corporate file + good BA
- Co-investment
 - Up to twice the investment amount BA
 - Pari passu with BA
- BA as board member





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16. Ark Angels Fund: Portfolio



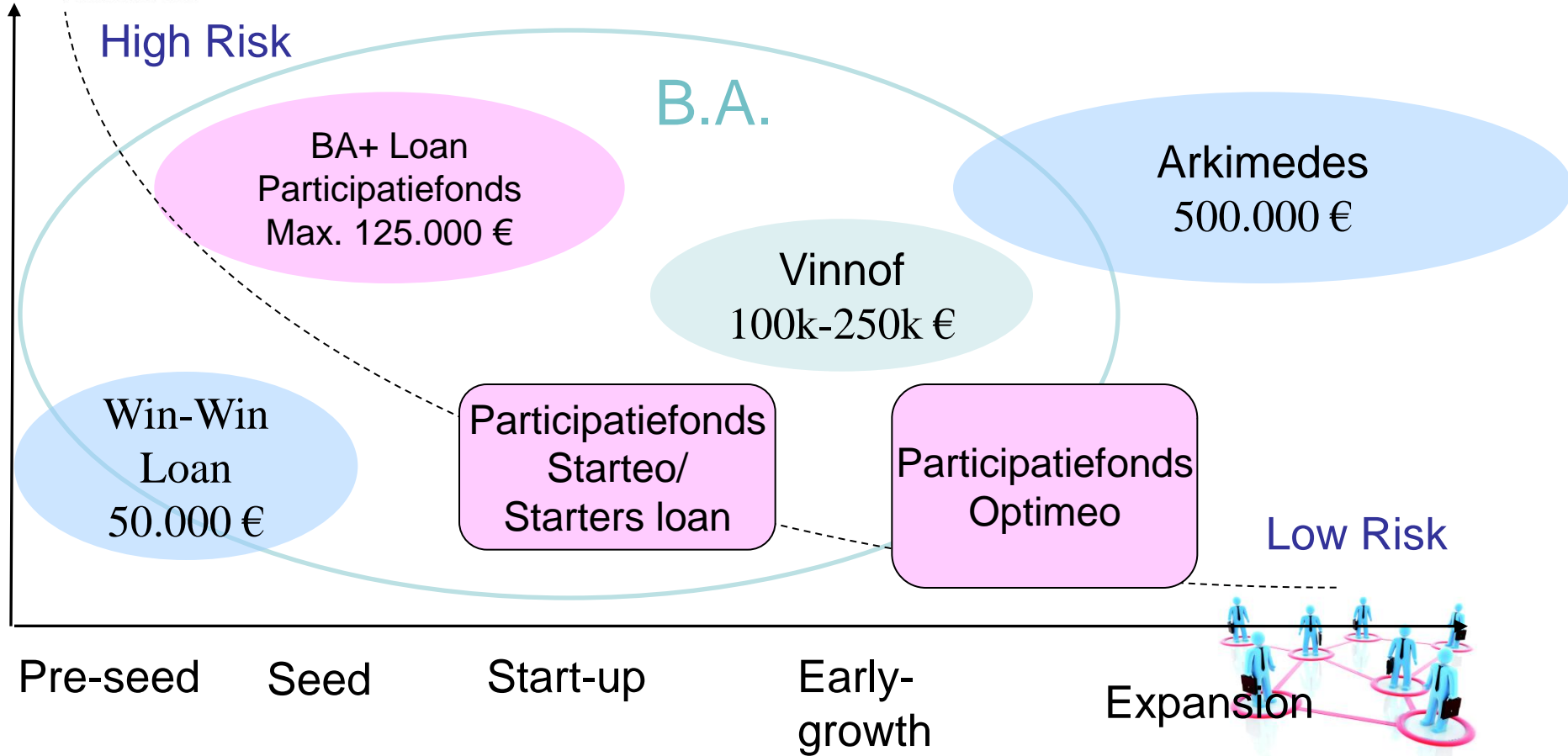
LEUVEN
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17. Synergy: Government actions



Conclusion: great "leverage" through joint funding for BA & entrepreneur

- Example: investment demand 750 k €

Contribution Business Angel (s)	125 k €
Contribution Ark Angels Fund	250 k €
BA + loan	125 k €
Bank funding	250 k €

➔ Nowadays, Business Angels can create a significant leverage with a 'limited' amount of money in the financing of an enterprise project.



18. COMBIFIN (combined financing)

- Project of BAN Vlaanderen to grant companies easier access to capital
- Project supported by the Flemish Government until the end of 2010
- Bringing capital seeking companies in contact with the various financial channels, through panel sessions
 - equity
 - debt
 - grants
- Panel members: Business Angels, VC's, corporate bankers, government initiatives, grant experts, ...
- www.combifin.be



18. Groeigazelle.be

- Project supported by Flemish government
- Project in collaboration with Concentra
- Duration: October 2010 until April 2012
- Region: Antwerp – Limburg



Fases:

- Communication fase
 - Testimonials: 2 x 7
 - Recruiting
- Guidance fase
 - 2 x 15
- Assurance and Communication
 - book



Target:

Through a number of potential role models,
attract growing gazelle companies and
support them in their critical growth fase
through BA-coaches.



19. Bizidee

- Business plan contest for candidate-starters
- About 500 participants / year
- Contest + coaching + networking +
- Access to financing



19. Conclusion

BAN Vlaanderen vzw :

- Flemish player with regional access
- Supplier of venture capital and knowhow
- Smooth and discrete procedure
- Leverage towards other financing sources
- Wide scope





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Contact

Reginald Vossen
CEO BAN Vlaanderen vzw
Managing Director ARK Angels Fund

Hendrik Van Veldekesingel 150/7
3500 HASSELT

Mail: r.vossen@ban.be

Website: www.ban.be

