

# The Entrepreneurs Angell

To realize the full potential of waking dreams, company creators need more than experience. Many, if not most, need an angel on their shoulder.

Or, in this case, an Angell.

Chief Executive Officer of eponymous, San Francisco-based Angell Investments (angellinvestments.io), Jonathon Angell and his team are well versed in identifying companies with great potential yet in need of expert hand-holding as they seek to connect to the financial backing they need.

As Angell puts it, "In Silicon Valley, investors are still eager to back the next great idea, but the opportunity, the value, needs to be right there in front



Jonathon Angell

*Jonathon Angell's firm champions entrepreneurs and their passion projects, helping them fashion a financial backbone to attract investors.*

of them. This is about communicating with the company's founders, really getting what they're doing and also understanding where they want to go. When somebody is so passionate, they often get so wrapped-up in that passion that they're not able to think outside it. Even companies driven by smart, creative people with amazing ideas often don't know how to begin to present themselves—or even know what they're really worth."

That's what makes Angell's part of the process both exciting and challenging. "We are driven by genuine enthusiasm for a creator's passion and potential," he says. "It's our job to ensure that investors understand that as well."

Seeking a mesh of unique investment opportunities paired with uncommon ideas is also part of the recipe. "We'll look at things like, 'What is your technology and what makes you different from competitors? And we'll look, like everybody else, at the investment angles and total addressable markets and opportunities to ensure a good return on capital. But the real area our team is interested in

is the quality of those entrepreneurs."

Current examples of quality entrepreneurship include Deep Isolation, Inc. (headquartered in Berkeley), which is working to remove thousands of tons of nuclear waste from the biosphere. According to the company's data, one out of every three residents lives within 50 miles of a nuclear waste storage site in the U.S. alone.

"When I first started working with them as their first CFO, there was a real disconnect to capital. They needed a better way of connecting their story to the finance community; they kept sounding the alarm about nuclear waste without using their forecasting and business planning to tell the story of how their business model offers a solution coupled with rock-solid return on capital," Angell explains. "They have various Nobel Prize winners on their team and six of the eight members of President Obama's Blue-Ribbon Commission on America's Nuclear Future – both of which, of course, drew our attention. But what really makes the difference is that they're trying to solve a problem –

which is not just an addressable market but something that greatly impacts humans."

Demonstrating its diversity across sectors, past work with a budding video game company offers a further look at the Angell approach. "Typically, I like more B-to-B engagements, but this was one where I could understand things like customer acquisition costs and the long-term value of what they were trying to do," Angell clarifies, himself a former exec in the video game space. "We helped them tell their story, looking at competitors within their industry and showing how their potential was much, much higher than where they were. This story appealed to the investing community."

An ongoing project in the artificial intelligence/machine learning (AI/ML) realm offers another example. "We're working with a wonderful CEO whose successful technology is now in NASA's jet propulsion lab. Her company is just about to go on the Australian Exchange, and she's created an AI that allows the disabled to live the best lives possible, including streamlining eating and other essential routines so they can be more independent."

The technology will help the U.S. return to the moon and explore Mars when the NASA Perseverance Rover lands later this year, Angell says.

But – as the above examples illustrate – don't think Angell flies in on whimsical wings. "We look for battle-tested entrepreneurs. We generally don't deal with people who are in their first campaign, and we're not in the business of taking retainers."

As he and his team offer left-brain direction to right-brained entrepreneurs, Angell describes his angle as, ultimately, the business of people, not cash.

"Viewing ourselves in terms of our relationships, much more than money, is a core differentiator," he says. "Of course, we have to charge for services – we all have bills to pay, but, look, if you're up at 3 or 4 a.m. every day working across time zones, and money is your sole motivator – most people can't keep that up for 20 years."

"It's hard to keep getting excited about projects if all you see are dollar signs. We're looking at the long term; we dig deep into what the entrepreneur is doing. We'll have many, many conversations before we can confirm we have something to offer

a client. Because of that model, if we don't truly think we can get the customer where they want to go, it's probably not going to be the right deal for either party. Our team focuses on finding the entrepreneurs we can help and celebrating their successes with them."

**A**ngell Investments exists "because of entrepreneurs," he says, reflecting that his fascination stems from having grown up with his family living in more than a handful of Latin American countries. "That enabled me to get to understand differences in people and to see humanity up close in different parts of the world. I've seen so many different types of entrepreneurs now. And their passion. That burning ember. Our organization finds these people trying to solve huge societal problems irresistible; we're attracted to them like moths around a flame."

For this Angell, true profit comes from working with teams with a unique dream and fashioning the financial backbone to achieve a working reality. With pure vision, the reward will come so long as a strong business is there as well.

Amid the pandemic, though Angell hasn't seen a core change in the way technology entrepreneurs raise capital, he has noticed a distinct need for established companies to find operating flexibility while better leveraging their brands.

"We're at an historically formative time now, when the blinds are coming off and people are reimagining the ways they can be successful," he says. "And while so very many things have changed during the pandemic, the fundamentals of entrepreneurship have not."

"It's possible to reap great rewards and opportunities from the changes to our society but a lot of businesses are still realizing they need to get outside their comfort zone. When the waters start rising, companies need to decide if they're tall enough to withstand the flood or if they need to find a flotation device. It's our job to help them find it." — By Judd Spicer, California Business Journal

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