



Jeff Larsen stands in the meeting room at the National Angel Summit in Halifax on Thursday, hoping to promote his business Second Source Power. (PETER PARSONS / Staff)

Crisis or not, these angels will still invest

Networking group holding summit in Halifax

By **BILL POWER**
Business Reporter

People with hot business ideas grab some business cards and get busy when a bunch of wealthy investors hit town.

Even with the international economy in the Dumpster, the atmosphere was electric Thursday at the first gathering in Halifax of the National Angel Organization.

It is a networking group for wealthy people looking for innovative and fulfilling ways to make more money from enterprises in need of cash.

"Obviously the current economic crisis is on everybody's mind," said W. Daniel Mothersill, president of the national organization, based in Toronto.

"However, there is lots of excitement among angel investors about the potential for commercialization of Canadian innovations."

He and about 160 successful entrepreneurs hud-

ANGEL INVESTORS

- On average, they achieve a 27 per cent internal rate of return.
 - They participate in deals ranging from \$25,000 to \$300,000.
 - They invest about \$3.5 billion a year in Canada.
 - They support about 30,000 companies.
 - They like companies with owners under 40.
- Source: www.angelinvestor.ca

dled to consider effective ways of getting small businesses with potential on the path toward success.

Brian Lowe, director of the First Angel Network based in Halifax, said it is anybody's guess what shape international equity markets will be in when the dust from the credit crunch clears.

"Some angels might like local opportunities even more because their blue chip stocks are taking such a beating," he said.

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Members of Angel organizations, mostly from across Canada and the United States, were gathering to compare notes and consider the potential for investments.

Dartmouth entrepreneur Jeff Larsen was at the event with a pocketful of business cards to promote **Second Source Power**.

Mr. Larsen is chief operating officer of the fledgling business, which brings a range of alternative energy products under one roof and also manufactures a small wind turbine capable of providing electricity for about 15 average homes.

"We'd like to advance development of our wind turbine and pursue a range of smaller markets.

"And we'd like to expand to more locations the concept of our existing showroom that allows consumers interested in alternative energy to actually handle the products they are interested

in and discuss them with technicians."

Mr. Larsen said he was at the event looking to network with people interested in discussing the future of his well-established and well-positioned enterprise.

"Angel investors are often interested in bringing innovations to market. We're offering a different entry point, with a company with a proven track record."

Kelowna entrepreneur Ed Alfke, founder of **Rent-a-Wreck** and an angel investor, said a \$25,000 investment can easily mushroom to a value of about \$250,000 over about five to seven years when the right elements come together.

"You're investing longer and your return should be 10 times or greater on your investment because angel investing should have that kind of return potential," said Mr. Alfke, who is CEO of **Signalink Technologies Inc.**, in Kelowna.

The 2008 National Angel Summit continues today with various sessions covering the technicalities of investing and the increasing potential for investment networks.

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