Gray Plant Mooty Publishes the First Installment of the Seed Capital reVIEW

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The first installment of Gray Plant Mooty's Seed Capital reVIEW, a report analyzing seed capital being raised by companies in Minnesota, has now been released. The report, written by members of our Entrepreneurial Services Group, is a response to inquiries that we frequently get from clients. As legal advisors to companies and investors involved in early stage financings, we are regularly asked to assess whether proposed deal terms are standard or typical or, more colloquially, "market." We are pleased to share the results gathered for our first installment, reflective of seed financings completed during the second half of 2013.

For the first installment of this report, we analyzed survey responses submitted by 126 separate respondents, the majority of whom were individual angel investors or represented angel group. The sample encompassed a broad range of industries, with a particular concentration in the medical/healthcare and technology industries. Revenue generating companies were more likely to report pre-money valuations in excess of $5 million, and approximately 68% of respondents reported offerings structured using equity securities, with debt securities comprising the remainder. We plan to release our survey for the first half of 2014 in July, and expect to publish our next report this fall.

The *Minneapolis-St. Paul Business Journal* included our Seed Capital reVIEW in a recent TechFlash feature. You can find that article here.

To view the latest Seed Capital reVIEW in its entirety, please click here.