

# 2022 Annual Report

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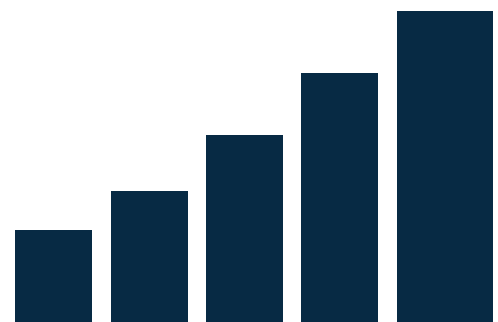
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# About SLAA



## Mission

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## Vision

**The St. Louis Arch Angels is a network of accredited investors who fund early-stage businesses across the St. Louis region.**

**Our members have opportunities to attain outstanding financial returns while helping new ventures prosper and achieve market leadership. They invest their money, time, expertise, and experience.**

**Each year, we host 10 meetings at which our members connect with entrepreneurs and consider investing in their companies.**

**Founded in 2005 and organized as a 501(c)(6) corporation, the St. Louis Arch Angels is governed by a board of directors and guided by its bylaws and rules of membership.**

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**Since inception, the Arch Angels have been vital to the success of the St. Louis Startup Ecosystem by providing seed and early investment to startups in the range of \$50,000 to \$1,000,000, an investment need that is often underserved by institutional venture capital firms.**

**Because of this, our network is an important element to the region's capacity to finance innovation emerging from entrepreneurs, universities, and technology incubators.**

# Letter From the Chairman

## Chairman



## Message

I am pleased to present our 2022 annual report. Over this past year, our organization once again played a significant leadership role in the St. Louis Startup Ecosystem.

During 2022, our members made \$3.8M in investments in 20 companies. Of these investments, \$1.9M were in 13 new startups that our organization saw for the first time in 2022, and \$1.9M were in seven startups that were already Arch Angel portfolio companies. This brings our cumulative investment to \$108,924,394 million and our active portfolio to 133 companies.

2022 was a challenging year for startups across the country. The number of startups contacting the Arch Angels requesting an opportunity to pitch were up close to 100% over past years. In part, this was due to a redirection of venture capital monies to previous startups that had gone through IPOs in the past and were now considered significant bargains which caused startups to seek more angel investment dollars. This was the result of recessionary pressures and the Federal Reserve's interest rate increases. But this increase in interest is also the result of the very strong reputation the Arch Angels have earned over many years as a source of capital and as mentors for startups. Our membership invested in several startups that are outside of St. Louis but still in our Midwest region. The expansion of investing into a broader swath of the Midwest region is important for St. Louis. We have many examples in our portfolio of companies originally based outside of St. Louis moving to St. Louis after receiving investment and mentoring from Arch Angel members.

While continued investment is an important measure of our success, we also look to the results of our investments. Over the past two years, we have seen several of our portfolio companies exit. These exits have been exciting and have provided a return that confirms our investment strategy and competency. In addition, these exits have provided our members more capital for investment in new startups.

I am excited about what I am seeing shape up for the Arch Angels in 2023. We continue to attract very investable and interesting deals from the local area and more broadly the region and I see some possible exits shaping up that are very exciting. I look forward with great anticipation to another stellar year for the St. Louis Arch Angels and our St. Louis Startup Ecosystem.

Very truly yours,  
Brian J Kinman, Chairman and CEO  
St. Louis Arch Angels

# 2022 Impact



# Meet Our Board



## **BRIAN KINMAN**

CHAIRMAN OF THE BOARD & CEO

Brian is a retired Partner with the Accounting Firm, PwC. During his 38 years in public accounting, he served various national and global leadership roles in the firm where he created and ran practices focused on the identification and management of enterprise risk for Firm clients.

Since retiring from PwC Brian has become a full-time investor. Brian is responsible for all aspects of the Arch Angel operations including deal identification, member recruitment and retention, deal tool development and overseeing ongoing relationships with investees. In his role he also serves as a coach and mentor for numerous startups looking to pitch to the Arch Angels and as a coach, mentor, board advisor and / or board member for several of the companies he has invested in personally.

Brian is a 1975 graduate of St. Louis University and is a former member of SLU's graduate school faculty. Brian is a retired CPA licensed in the State of Missouri.



## **CHRIS DALTON**

VICE CHAIRMAN

Chris Dalton is President and Chief Operating Officer of Intoximeters, a global supplier of law enforcement grade breath alcohol and drug testing equipment.

He was previously the Vice President of Sales & Marketing at Handy & Harman, a New York based, Fortune 500 manufacturer and refiner of precious metals. Prior to that he was President of Hauser & Miller a St. Louis based precious metals refiner.

# Meet Our Board



## **MARIE CARLIE**

### TREASURER

Marie Carlie is currently retired and enjoying more time with family and traveling. Marie was a Tax Partner with BDO LLP (formerly Stone Carlie) from 2004 through 2022. Prior to that, Marie was a Tax Manager with EY and Tax Partner with Sciarabba Walker from 1984 - 2002.

Marie's career focused on assisting emerging growth companies as well as a broad range of clients from start-ups to public companies navigate their financial and tax positions.



## **MARY BRICE**

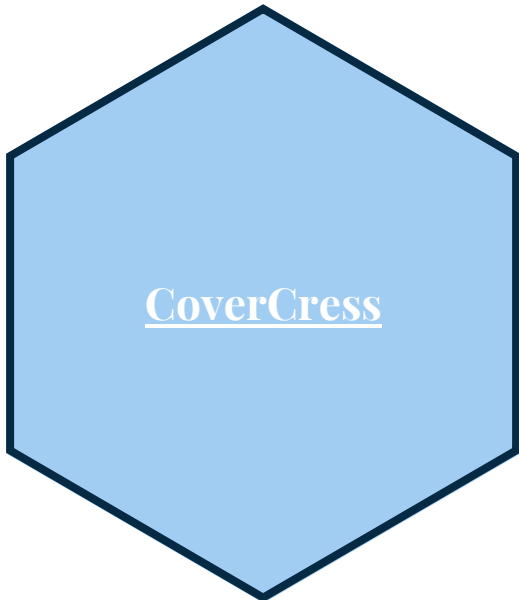
### SECRETARY

Mary Brice, PhD, MBA, works for Saint Louis University, helping faculty researchers commercialize their innovations. She previously served as the Executive Director of the Innovation Mentoring Teams program at SLU, an affiliate of the MIT-designed Venture Mentoring Service. Prior to that, Mary served for three years as the Board Chair for that program before leading its merger with SLU in 2019.

Mary specializes in marketing for startup ventures and has mentored over 100 startups through SLU and other entrepreneurship support programs. She earned her MBA with a concentration in marketing from the Goizueta Business School at Emory University in Atlanta. She has extensive experience in launching new products as a product manager in consumer-packaged goods at Reckitt-Benckiser and at Pillsbury/General Mills.

She served as the Director of the Graduate Business Program at Hamline University and as an adjunct faculty member in the graduate school of business at the University of St. Thomas.

# Exits in 2022



CoverCress

CoverCress Inc. is a scientifically advanced, forward-thinking company focused on developing a climate-smart agricultural product that contributes to the reduction of greenhouse gas emissions through both sequestration and mitigation. In 2013, CCI was born out of ambition and the need to pursue a renewable and sustainable energy source for fuel and feed. The St. Louis Arch Angels were approached for investment in 2015 and over the years had 24 angels participate.



Kogent Surgical is a legacy innovator Medical Device manufacturer specializing in Electrosurgery, Surgical Site Illumination and Microsurgical Instrumentation. Our experienced team has over 40 years of design, manufacturing and quality control of microsurgical instrumentation.

With a full line of advanced disposable Non-Stick Bipolar Forceps, Disposable Lighted Suction, and Titanium Micro-Surgery Instruments, Kogent™ is dedicated to providing market-leading products to help Microsurgeons across the globe better care for their patients.



Kogent Surgical





# New Deals



## Aegis

Aegis is a St. Louis based company that delivers digital technology solutions that improve the quality, access, cost, and efficiency of health care. They deliver solutions in virtual care and remote patient monitoring to health care providers. Aegis was a result of BioGenerator, a St. Louis-based organization that invests in bioscience startups. They are led by Stephen Von Rump who is an experienced founder and CEO.

**Company Website:** [aegisdigitalhealth.com](http://aegisdigitalhealth.com)

**2022 Investment:** \$150,000

**Initial Investment Year:** 2022



## CADEX

Cadex has developed, Alibrex®, a blood-based, real-time therapy monitoring tool for patients with stage IV solid tumor cancers. Alibrex allows physicians to determine if a treatment is not responding within 12 days instead of the current 90-day timeline utilizing radiological images. The patient benefits from reduced toxicity from ineffective therapies and may be transitioned to another treatment while still healthy enough to tolerate and benefit from a change. Cadex is led by Bill Haack who has 20+ successful years in life science industry. The company is based in Redwood City, California.

**Company Website:** [cadexgenomics.com](http://cadexgenomics.com)

**2022 Investment:** \$50,000

**Initial Investment Year:** 2022



## DropCap

DropCap is a rights management company targeted at publishers to make foreign rights licensing easier and more profitable. This Wisconsin based company has four founders with decades of experience in book publishing and foreign rights licensing that created a proprietary rights management software to assist publishers in marketing, monetization, and management of their foreign rights. DropCap also offers a RightsRank algorithm which connects titles of interest with specific buyers touting an average ROI of 8,700% for their publishers. They offer similar support opportunities for independent authors and have an exclusive agreement with Independent Book Publishers Association (IBPA) for global translation rights sales. DropCap has access to over 3,000 buyers representing 120 countries and 180 languages.

**Company Website:** [dropecap.com](http://dropecap.com)

**2022 Investment:** \$75,000

**Initial Investment Year:** 2022



## Endomedix

Endomedix has developed a hydrogel technology within the medical device market. At the core of Endomedix's technology is a biocompatible, biodegradable, environmentally responsive hydrogel with a number of biomedical applications. PlexiClot™ is their first product which is a hemostat product targeted for brain and spinal surgery. They plan to build on this patented platform to offer new products to be marketed by Endomedix or products they do not wish to market will be offered for license or acquisition. Endomedix is led by Richard Russo, a MedTech veteran with large and start-up companies. They are based in Montclair, New Jersey.

**Company Website:** [endomedix.com](http://endomedix.com)

**2022 Investment:** \$25,000

**Initial Investment Year:** 2022

# New Deals



## Innovaprep

Innovaprep offers a wide variety of sample preparation technologies used in pharmaceutical, beverage, drinking and wastewater, biosurveillance, animal health and research applications. According to their website, sample preparation typically consumes 70% of the cycle time from collection to result. With Innovaprep's innovative technologies dramatically reduces sample time to result. They promote faster, easier and more effective testing products. Innovaprep has 51 pending and awarded patents and manufacture their products in Drexel, MO. Both the CEO, Dave Alburty, and CTO, Andy Page, have extensive backgrounds in aerosol studies in environmental and biodefense applications.

**Company Website:** [innovaprep.com](http://innovaprep.com)

**2022 Investment:** \$310,000

**Initial Investment Year:** 2022



## Kinetic Blu Design

Kinetic Blu is a company that has developed technology to take architectural designs and develop a Revit design with a schedule of manufacture specifications. Then construction procurement works with the Kinetic Blu schedule to purchase specified items. They are leveraging cloud-based artificial intelligence to create instant model creation for architects. Co-founders are the inventor, Jon Anunson who is an architect from the largest AEC firm, capital raiser, David Sassano who is an experienced leader in launch companies, and the first customer/architect, Jim Horman. Based in Grand Rapids, MI.

**Company Website:** [Kineticblu.com](http://Kineticblu.com)

**2022 Investment:** \$50,000

**Initial Investment Year:** 2022



## Lapovations

Lapovations is a medical device company focused on technologies supporting laparoscopic surgical procedures. Their entry product, AbGrab® uses suction to lift the abdominal wall in the beginning of the procedure when the instruments are inserted. Currently, instruments used to lift the abdominal area cause pinching and piercing of surrounding skin.

AbGrab uses suction, eliminating additional tissue damage surrounding the insertion area. The company is based in Fayetteville, AR and is led by Jared Greer with 20+ years of medical experience in major medical device and pharmaceutical areas.

**Company Website:** [lapovations.com](http://lapovations.com)

**2022 Investment:** \$25,000

**Initial Investment Year:** 2022



## Lineus

Lineus Medical has a product to help protect IV lines and eliminate restarts (another puncture for the patient). Their SafeBreak technology automatically separates when harmful force is placed on an IV line. It has valves that seal both sides of the line, preventing leaking of medication or blood from the IV tubing. Lineus also offers a similar product for the veterinary market and a dual lumen product so that blood draws can also be accomplished without additional punctures to the patient. According to Lineus Medical's website, 46% of IV's fail before they reach the end of their intended placement. Lineus is based in Fayetteville, AR with an experienced executive team led by Vance Clement who is experienced in building start-up device companies.

**Company Website:** [lineusmed.com](http://lineusmed.com)

**2022 Investment:** \$100,000

**Initial Investment Year:** 2022

# New Deals

## Peptyde Bio

Peptyde Bio is an Agtech startup launched by the Danforth Technology Company, a subsidiary of The Donald Danforth Plant Science Center that facilitates start-ups developed by Danforth Center scientists. Fungal diseases account for 10-15% annual crop losses worldwide. Current chemical alternatives are toxic, expensive and are losing efficacy because of fungal resistance. Peptyde Bio has created a natural, bio-fungal technology based on antimicrobial peptides (AMPs) which are environmentally friendly, less expensive and effective. They have a deep and experienced R&D team accompanied by 15+ patents issued or filed.

**Company Website:** [peptydebio.com](http://peptydebio.com)

**2022 Investment:** \$575,000

**Initial Investment Year:** 2022

## Resistance Bio

resistanceBio is a California-based biopharmaceutical company that has developed technologies to identify and provide treatment to drug-resistant cancers. The company's ResCu system, which builds cancer treatment resistance systems to predict how multiple cancer types will respond to approved or novel treatments. It discovers and overcomes clinical treatment resistance pre-clinically. resistanceBio also offers Resistance Suppressing Therapy (ReST) which consists of a novel class of multi-targeted oncology treatments. resistanceBio is led by two PhD experts in treatment resistance, Nick Goldner and Chris Bulow. The company is based in San Carlos, California.

**Company Website:** [resistance.bio](http://resistance.bio)

**2022 Investment:** \$265,000

**Initial Investment Year:** 2022

## Solis Agrosiences

Solis Agrosiences offers research and technology services to solve global food and climate challenges. Solis is a one-of-a-kind company providing product design and R&D services to help plant science companies and researchers accelerate the pace of scientific discovery and commercialization. They offer these services on a fee-for-service model so customers do not relinquish intellectual property rights. Solis is led by agricultural executives Martha Schlicher and Mary Fernandes and biotech startup entrepreneurs David Smoller, Tom Cohen and Charlie Bolten. The company is based in St. Louis, Missouri.

**Company Website:** [solisagrosiences.com](http://solisagrosiences.com)

**2022 Investment:** \$100,000

**Initial Investment Year:** 2022

## SOMAVAC

SOMAVAC Medical Solutions creates solutions for the management of post-surgical fluid accumulation and the prevention of seroma (fluid build-up) which can contribute to infection. Alternative fluid management systems are manual, requiring the patient or caregiver to extract and drain fluid manually through bulbs attached to clothing by safety pins. The SOMOVAC system is an automated, discrete system that extracts fluids regularly for faster, better outcomes in breast reconstruction and mastectomy procedures. Somavac is led by co-founders Esra Roan and Josh Herwig. The company is based in Memphis, TN.

**Company Website:** [somavac.com](http://somavac.com)

**2022 Investment:** \$105,000

**Initial Investment Year:** 2022

## Specially

Specially is a yet-to-be created software development company creating a platform for knowledge about special needs children targeted for parents and caregivers. Information like education, healthcare services, insurance, financial resources and planning are key areas of focus. The company is based in Austin, Texas.

**Company Website:** Inactive

**2022 Investment:** \$25,000

**Initial Investment Year:** 2022

# Returning Deals



[Avocado](#)

Avocado is a St. Louis based company founded in 2017 and continues to be led by CEO Brian Handrigan. Avocado empowers advertisers, publishers and media companies with its data-as-a-service platform that instantly generates, integrates, analyzes, and activates data to deliver unprecedented results, maximizing customer campaigns and advertising dollar ROI across all screens. In the summer of 2022, Avocado reported they have added members to their team at every level and plan to add 100 new positions in the next three years. At the end of 2021, the company made two acquisitions. The first acquisition focused on the 47 VEIL interactive television patents that support the ecosystem of ad and content verification across channels and platforms. The second acquisition of Kantar BVS (Broadcast Verification Services), a leading industry ad verification solution, allowed for vertical integration of IP and key first party ad detection services.

**Company Website:** [myadvocado.com](http://myadvocado.com)



[Cultivation  
Capital  
Geospatial  
Fund](#)

Cultivation Capital is a St. Louis based venture capital fund that began in 2012. They focus mostly on life sciences, health tech, software, IT, agriculture and food technology. In 2021, the company supported 6 acquisitions, 2 mergers, 1 equity recapitalization and 1 equity exit. In 2022, the Cultivation had 5 acquisitions and 1 merger. Cultivation Capital's tech fund topped \$70 million last year. Cultivation Capital has expanded their St. Louis offices to include Greenville, SC; Philadelphia, PA and Chicago, IL.

**Company Website:** [cultivationcapital.com](http://cultivationcapital.com)



[IDEATE](#)

Ideate Medical is a medical device company operated out of St. Louis and Montreal that is changing how endoscopes are cleaned in between uses. Instead of just disinfecting endoscopes like hospitals have done in past, Ideate has invented the Steriscope sterilizer in order to ensure clean, healthy, and safe endoscopes for future use. Ideate continues to conduct testing and verification required for FDA 510K submission planned in late spring. The team is led by William Wong and Robert Mosher, two longtime experts in the medical device space.

**Company Website:** [ideatemedical.com](http://ideatemedical.com)



[Impetus Ag](#)

Impetus Ag is a St. Louis based agriculture company working to develop novel customized control for emerging pests, enhancing the durability of products already in the development pipeline and reviving efficacy for products that have less than ideal efficacy and/or pest spectrum. The company expects to be able to help the farming industry increase the food supply by lowering the amount of crops damaged by insects each year. Impetus is led by CEO, Martha Schlicher, who has over 30 years of experience in the industry.

**Company Website:** [impetusag.com](http://impetusag.com)

# Returning Deals



[Moleculera](#)

Moleculera Labs provides next-generation antibody tests that detect whether an autoimmune reaction is causing neurologic or psychiatric symptoms. They have developed the Cunningham Panel™ which assists physicians in diagnosing autoimmune neurologic and psychiatric disorders so that they may be treated. These disorders include OCD, depression, anxiety disorders, chronic fatigue, and autism spectrum disorder, among others. Moleculera Labs is based in Oklahoma City, OK with co-founders based at the University of Oklahoma. Co-founder and CEO, Craig Shimasaki PhD, MBA, and co-founder and COO, Madeline Cunningham PhD, are research experts in this field.

**Company Website:** [moleculeralabs.com](http://moleculeralabs.com)



[SwipeSum](#)

SwipeSum is an operator of an online marketplace intended for credit card processing. The company's marketplace lets merchants set up an auction in which credit-card processors bid for their business as well as connects with a network of providers and payment methods around the world, enabling clients to find cost-effective credit card processing systems. The company was founded in 2016, based in St. Louis and is run by co-founders Michael and Stephen Seaman.

**Company Website:** [swipesum.com](http://swipesum.com)



[Transactly](#)

Transactly is a technology company used by agents and brokerages to manage real estate transactions online. It allows buyers or sellers to connect with local real estate agents using its technology and services. Once signed up, agents and buyers/sellers can communicate and manage their home purchase or sale via the online platform. Bryan Bowles with an extensive background in real estate is the founder and CEO based in St. Charles, MO.

**Company Website:** [transactly.com](http://transactly.com)

**Cumulative Investment:**

**\$108,924,394M**

**133 Portfolio Companies**

# Pitch Your Company



## The Process

The St. Louis Arch Angels connects entrepreneurs with a diverse group of potential investors through structured presentations that facilitate efficient investment decisions.

If you're interested in being considered for an opportunity to present to our members for possible funding, here's what to expect.

### **Application Process**

St. Louis Arch Angels-1.jpg

All businesses seeking Arch Angel funding must submit an application that is by invitation only. Many companies use their networks as an introduction to the Arch Angels, while some just call and ask for the introduction.

### **Pre-Screening**

After a company completes an application, the due diligence team reviews the submission and follows up with additional questions. Once you have submitted all of the requested information, we'll consider whether the opportunity is ready to present to the screening committee.

### **Screening Meeting**

The screening committee meets in advance of each member meeting, providing an opportunity for entrepreneurs to pitch to a small group of members. If invited to present to this group, you'll have 10 minutes to make a formal presentation followed by 10-15 minutes of Q & A. The Screening Committee decides whether and when an applicant will move forward to the full member meeting.

### **Member Meeting**

If you're invited to present to the full group, you'll have another 10 minutes to present your pitch, followed by Q & A from members.

### **Due Diligence Process**

If your presentation generates sufficient interest during the member meeting, a member will be assigned to lead the due diligence process to analyze the investment opportunity, including any potential concerns that might influence final investment decisions. All subsequent due diligence meeting will be coordinated by our Arch Angel Administrative Team.

### **Term Sheet Negotiation & Investment**

Once members have identified the amounts they plan to invest in the opportunity, the interested members as a team will finalize the term sheet with you.

If you're interested in being reviewed for an opportunity to present to our members for funding consideration, please contact Brian Kinman at [bkinman902@gmail.com](mailto:bkinman902@gmail.com).



# Contact Us



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abbey.martinez2022@gmail.com



<https://www.stlouisarchangels.com/>



**We invest in the future of St. Louis.**