

VCs Support Local, National Innovation

Local Investments Total \$71.5M;
30% Decline From 2020

By AUDREY KEMP

Venture capital firms with operations in Orange County decreased their local investments last year by about 30%.

The largest 13 firms here had 19 area investments totaling \$71.5 million, down from \$101.6 million in 2020, according to the Business Journal's annual alphabetized directory of venture capital firms.

For the second year in a row, **Toba Capital** of Newport Beach significantly outpaced the rest of its competitors, committing \$40 million in local investments. In 2020, it invested \$52 million in just one Orange County company alone.

Vinny Smith created Toba in 2012 after selling Quest Software in Aliso Viejo to computer maker **Dell Inc.** (NYSE: DELL) for \$2.8 billion. Smith received about \$800 million in the sale.

Toba makes seed-and late-round investments in software companies, including in recent years Tustin-based fintech **Happy Money** (see story, page 3) and Irvine-based security software maker **Netwrix Inc.** The size of rounds it participates range from as low as \$500,000 to \$75 million.

OC's Biggest Patrons

Other notable supporters of the local ecosystem: **Cambridge Companies SPG**, also of Newport Beach, invested \$20 million

into four OC companies in 2021—up nearly 150% from the previous year.

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The firm, co-founded by siblings **Filipp Chebotarev** and **Polina Chebotareva** in 2010, invests in real estate and various consumer packaged goods concepts, from health food company **Tosi Foods** of Anaheim to vegan frozen treat brand **Modern Pop** of Laguna Beach.

Since 2016, Cambridge has invested roughly \$150 million in over 30 consumer brands, according to Forbes.

In August, the firm led Santa Cruz-based beverage company **Lifeaid**'s \$20 million Series C. The company creates “healthy alternatives” to sodas and energy drinks,”



Laguna Beach's Modern Pop counts Cambridge Companies SPG as an investor

designed to boost performance for people pursuing active lifestyles.

Adventus Ventures of Irvine also upped its local investment to \$6 million in 2021, from \$5 million in 2020.

Established in 2017 by entrepreneur and **Tech Coast Angels** member **Shawn Moaddeb**, Adventus Ventures is a medical device company incubator and seed-stage investor.

Adventus' portfolio includes medical device makers **Alleivion Therapeutics**, **Pressao Medical** and **Vascular Health Inc.**, all of which are based in Irvine.

Okapi Venture Capital of Ladera Ranch, founded in 2005, invests in emerging businesses in the information technology and life science sectors.

The firm invested \$4.1 million into five

local companies in 2021, down from \$10 million local investments in 2020. **Marc Averitt**, Okapi's managing director and co-founder, previously worked as an attorney for Silicon Valley-based Sun Microsystems, which was acquired by **Oracle** in 2009, and Santa Clara chipmaker giant **Intel Corp.** (Nasdaq: INTC).

Averitt described 2021 as “a great year,” with a number of its portfolio companies experiencing record growth despite the pandemic.

Last September, Okapi led a \$2 million round for Irvine-based billing and payments software developer **Chargezoom**.

“We are excited to be working with Chargezoom and haven't seen a startup gain this much traction so early in a very long time,” he told the Business Journal, noting his two decades of experience investing in startups.

Investor Predictions

Averitt said the remote work model introduced during the pandemic is here to stay. It's also why investing in the most merited concepts, no matter their locale, is important.

Notably, fintech unicorn **Happy Money** of Tustin moved out of its new headquarters, and opted for a remote-only, distributed workforce in 2020.

“We feel more and more companies are going ‘remote-only’ or switching to a hybrid model, and we expect that trend to accelerate based on the data we have seen,” he said. “We also feel Orange County continues to be a great place to live and to raise a family, so it will become even easier to work from Orange County if your company is located elsewhere.” ■

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MARC AVERITT
Managing Director
Okapi Venture Capital



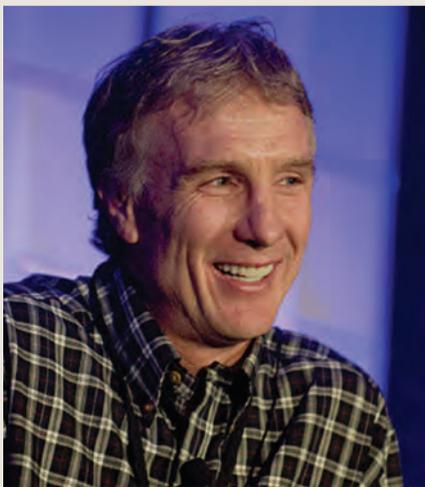
RAY CHAN
Managing Director
K5 Venture Partners



FILIPP CHEBOTAREV
Co-Founder, Partner and COO
Cambridge Companies SPG



SAURBH RANJAN
CEO and Managing Partner
CerraCap Ventures



VINNY SMITH
Founder
Toba Capital

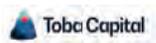


JEFFREY K. WEINHUFF
Managing Partner
Visionary Ventures Fund LLC

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▶ NEXT WEEK'S LIST *2021 Top Home Sales*

LISTED ALPHABETICALLY

Company •Address	Company logo	Size of investments handled	Preferred funding stage(s)	Dollar amount invested in OC companies 2021 (millions) •Dollar amount invested in OC companies 2020 (millions)	Funds under management companywide (millions) •No. of deals in 2021 •No. of deals outside OC in 2021	OC partners •yearly % change	OC employees •yearly % change	Partial list of preferred industries	Notable recent investments	Top local official(s) •Title •Phone	
Adventus Ventures 18001 Cowan, Ste. L Irvine 92614-6801 Headquarters: Irvine Website: adventusvc.com Email: shawnm@adventusvc.com		\$6 million	Seed stage	\$6M \$5M	\$30M 2 1	3 0%	12 50%	Medical devices and smart wearable therapeutics devices	Alleveon Therapeutics, Pressao Medical, Vascular Health	Shawn Moaddeb founder/chairman (949) 562-3371	
Ankona Capital 120 Newport Center Drive Newport Beach 92660-6916 Headquarters: Newport Beach Website: ankona.com Email: newth@ankona.com		\$5 million to \$15 million	Series B	\$0 \$0	\$310M 0 6	3 50%	4 300%	SaaS	VideoAmp, Lawmatics, Propel, Order, Canopy, Cordial	Newth Morris/Jared Smith/ Josh Harmsen managing directors (949) 799-0002	
Cambridge Companies SPG 660 Newport Center Drive, Ste. 710 Newport Beach 92660-8026 Headquarters: Las Vegas Website: cambridgespg.com Email: info@cambridgespg.com		\$100,000 to \$20 million	Series A, B, C, D and secondaries	\$20M \$8M	\$300M 4 8	4 0%	18 0%	Clean label consumer products across food, beverage, personal care, and beauty	Lifeaid Beverage Co., Once Upon a Farm, Vive Organics, Tosi Superbites, Coconut Cult, Snow Teeth Whitening, Prive Revaux	Filipp Chebotarev co-founder/partner/COO (888) 615-6166	
CerraCap Ventures 650 Town Center Drive, Ste. 1870 Costa Mesa 92626-7021 Headquarters: Costa Mesa Website: cerracap.com Email: na@cerracap.com		\$2 million to \$4 million	Early stage/seed, Series A	\$1M \$2.5M	\$225M 2 6	4 33%	9 50%	Artificial intelligence, health tech, cybersecurity, fintech	wnd	Saurabh Ranjan/Saurabh Suri/Nikki Arora managing partner, CEO/ managing partner, CIO/ partner, CMO (949) 309-8598	
Ergo Capital 1621 Alton Parkway, Ste. 250 Irvine 92606-4876 Headquarters: Toronto Website: ergocapital.com Email: info@ergocapital.com		\$50,000 to \$2 million	Seed, bridge, Series A, growth	\$0 \$0	wnd 0 2	1 0%	1 0%	Tech and consumer products	wnd	Peter Polydor CEO (416) 616-8100	
Flying L Partners LLC 2424 S.E. Bristol St., Ste. 250 Newport Beach 92660-0761 Headquarters: Newport Beach Website: flyinglpartners.com Email: info@flyinglpartners.com		\$5 million to \$25 million	Clinical stage	\$0 ⁽¹⁾ \$5.5M	wnd 0 ⁽¹⁾ 0 ⁽¹⁾	4 ⁽¹⁾ NA	1 ⁽¹⁾ NA	Ophthalmology	TearClear Inc., Tarsus Pharmaceuticals Inc.	William J. Link managing partner	
K5 Venture Partners 4343 Von Karman Ave., Ste. 150 Newport Beach 92660-1200 Headquarters: Newport Beach Website: k5ventures.com Email: info@k5launch.com		\$50,000 to \$300,000	Pre-Series A	\$350,000 \$450,000	\$24M 1 5	3 0%	2 0%	Artificial intelligence, medical devices, robotics, quantum computing	Jetty, Alleveon Therapeutics, Carta, Phaidra	Ray Chan managing director	
Lotus Domaine 4533 MacArthur Blvd., Ste. 5068 Newport Beach 92660-2059 Headquarters: Newport Beach Website: lotusdomaine.com Email: ir@lotusdomaine.com		Up to \$20 million	Growth capital/buyout	\$0 ⁽¹⁾ \$0	\$50M ⁽¹⁾ 0 ⁽¹⁾ 0 ⁽¹⁾	4 ⁽¹⁾ NA	5 ⁽¹⁾ NA	Enterprise software	wnd	Christian Mack founding partner (949) 565-3002	
Miramar Digital Ventures 2101 E. Coast Highway, Ste. 300 Corona del Mar 92625-1900 Headquarters: Corona del Mar Website: miramarvp.com Email: info@miramarvp.com		\$250,000 to \$5 million	Seed, early stage	\$0 ⁽¹⁾ \$1.4M	\$100M ⁽¹⁾ 0 ⁽¹⁾ 1 ⁽¹⁾	1 ⁽¹⁾ NA	0 ⁽¹⁾ NA	Data science and artificial intelligence	Syntiant, Netrise	Bruce Hallett managing partner (949) 760-4450	
Okapi Venture Capital 555 Corporate Drive, Ste. 200 Ladera Ranch 92694-2176 Headquarters: Ladera Ranch Website: okapivc.com Email: averitt@okapivc.com		\$500,000 to \$3 million	Pre-Series A	\$4.1M \$10M	\$129.7M 5 9	6 0%	0 NA	Technology	ChargeZoom	Marc Averitt managing director (949) 715-5555	
RX3 Growth Partners 31473 Rancho Viejo Road, Ste. 101 San Juan Capistrano 92675-1862 Headquarters: San Juan Capistrano Website: rx3growthpartners.com Email: nate@rx3growthpartners.com		\$5 million to \$7 million	Series A+	\$0 ⁽¹⁾ \$4.5M	\$50M ⁽¹⁾ 0 ⁽¹⁾ 0 ⁽¹⁾	3 0%	6 20%	Consumer goods	Orgain, Hydrow, Therabody	Nate Raabe/Byron Roth/ Aaron Rodgers Managing Partner/Partner/ Partner (949) 720-7190	
Toba Capital 4675 MacArthur Court, Ste. 1500 Newport Beach 92660-1879 Headquarters: Newport Beach Website: tobacapital.com Email: hello@tobacapital.com		\$500,000 to \$75 million	Early stage through Series B	\$40M \$52M	\$1.4B 5 23	6 20%	9 80%	Technology, consumer goods, healthcare, climate tech, energy and other	Perimeter 81, Boulevard Labs, TAVA Health, M1 Holdings, Small Door, Brella Space Corp, Hyperproof, Luxury Presence	Vinny Smith founder	
Visionary Ventures 65 Enterprise Aliso Viejo 92656-2705 Headquarters: Aliso Viejo Website: visionaryvc.com Email: info@visionaryvc.com		\$5 million to \$10 million	Series A+	\$0 \$12.2M	\$165M 0 2	3 0%	5 67%	Ophthalmology, medical aesthetics	Sydnexis, a pharma company tackling childhood myopia (San Diego); HubbleTx, a gene therapy company addressing inherited retinal diseases (Boston)	Jeffrey K. Weinhuff/Garrett E. Hamontree managing partner/principal (949) 330-6576	

Abbreviations: wnd: would not disclose; NA: not applicable
Note: To the best of our knowledge, this information is accurate as of press time. While every effort is made to ensure the accuracy and thoroughness of the list, omissions and typographical errors sometimes occur. Unless otherwise noted, the information on this list was provided by the companies themselves. List may not be reprinted without permission of the editor. Photos show the first

top official listed.
(1) Business Journal estimate