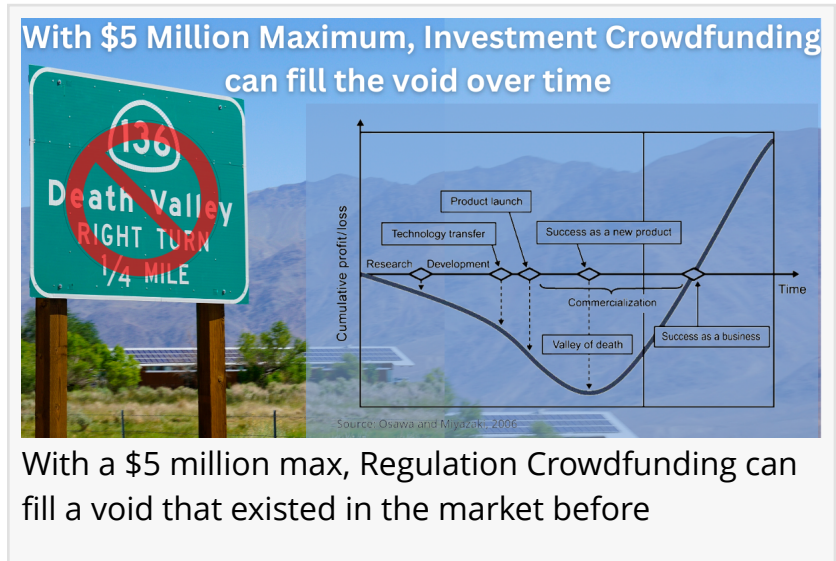


Crowdfund Capital Advisors Announces 'Valley of Death' is Dead in 7th Annual Investment Crowdfunding Report

The average raise since the industry launched has grown to \$365K, expanding beyond where the Valley existed previously; \$25 to \$250K.

DENVER, CO, UNITED STATES, February 7, 2023 /EINPresswire.com/ -- Last week, Crowdfund Capital Advisors (CCA) released its 2022 Investment Crowdfunding [Annual Report](#). This report is the most comprehensive analysis of Investment Crowdfunding to date. Investment Crowdfunding allows any startup or small business to raise up to \$5 million online from their customers, family, friends, or followers. The industry was born out of the 2012 JOBS Act and launched in 2016. The report spans 91 months of activity and covers 6,500 deals from 5,600 Pre-IPO startups and small businesses.



“

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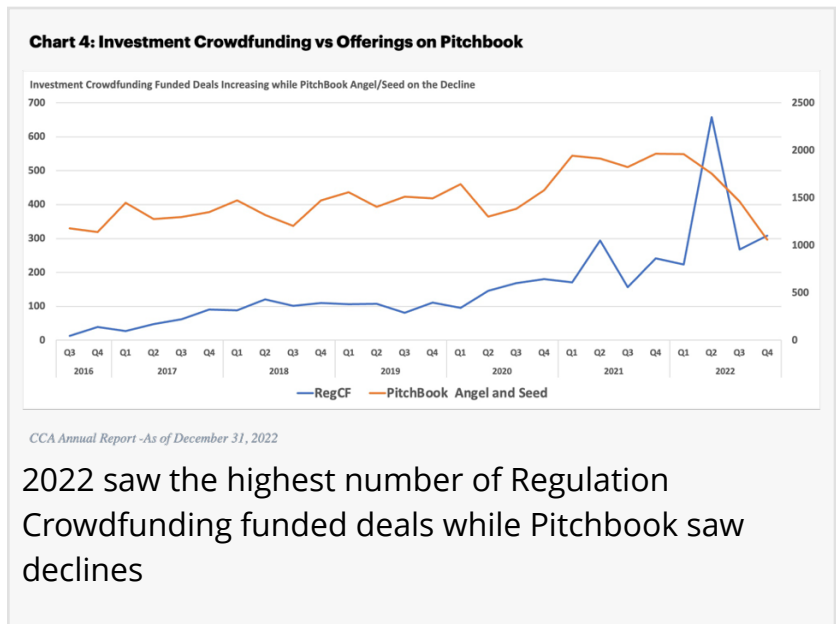
Sherwood Neiss

In 2022 over 320,000 investors deployed nearly half a billion dollars into 1,100 deals. Deal volume hit record levels within Investment Crowdfunding, with women and minority entrepreneurs receiving up to 50% of all the capital committed. Deals were distributed across the United States and into 687 cities including many at-risk and distressed communities.

Unlike data collected by Pitchbook that tracks Angel/Seed declining deals in 2022, Investment Crowdfunding not only saw a spike in funded deals but saw the trend increase. “This may signal that issuers are going online to raise capital from their customers, friends, family, or followers for capital versus going to Angels or VCs,” says Jason Best, Principal at CCA. “Market dynamics shifted in 2022. Angels and VCs began to pull back and focus on their portfolio investments. This forced more sophisticated issuers online for capital. We expect this trend to continue through

2023.”

The data shows that the profile of issuers seeking Investment Crowdfunding capital is shifting as well. The average age of successfully funded issuers expanded past three years, with the vast majority of them being post-revenue. Established companies raised 45% more capital than their startup counterparts and had 20.5% more investors. Average check sizes rose, with the average raise trending higher.



The Valley of Death refers to a crucial early phase of a new venture when work has begun, but a company hasn't generated sufficient revenue to support its growth. "In this case, outside capital is a necessity that either comes from an entrepreneur's savings or access to credit," says Sherwood Neiss, Principal at CCA. "After seven years of experience and the growth in average raises, we can officially announce that the 'Valley of Death' is dead. The average raise since the industry launched has grown to \$365K, expanding beyond where the Valley existed previously; \$25 to \$250K. There has always been this talking point about the Valley of Death and doom and gloom. It should be nice to talk about opportunity and capital now that Investment Crowdfunding has proven itself."

The 105-page report, including 100 charts, tables, graphs, and images, is [available here](#). Scholarships and special discounts are available by emailing sales@theccagroup.com

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