Issuance of Founders' Equity: What's the Right Slice of Pie?

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The formation of an emerging company contains many subtle and challenging issues and decisions. No issue, however, is more daunting than the pragmatic allocation of equity among founders, team members and advisors. The decisions become more problematic if certain team members, although critical to the early stages of the enterprise, are not committed to the company for the full journey. Advisors who only plan to be involved peripherally also present unique problems. Professors and other members of academia who do not plan to be involved on a full-time basis frequently believe that they should be compensated with equity as if full-time team members, or rewarded for their past contributions.

Come hear a panel of experts discuss the unique challenges and issues surrounding the allocation of equity for early-stage companies, including:

- What are the crucial decisions that have to be made at the beginning of the enterprise?
- How does a company correct mistakes of the past and re-allocate equity among the genuine contributors?
- What are the conventional methods of equity compensation at the time of genesis of the enterprise?
- How may the equity become reallocated or altered when angel or institutional investors arrive?
- Can founders participate in new equity awards after outside investment arrives?

Moderated by:
John Hession, Member, Morse

Panelists:
Abi Barrow, Director, *University of Massachusetts, Office of Technology Commercialization and Ventures (OTCV), @AbiBarrow*
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