CARASTONE

VENTURE & ANGEL CAPITAL REPORT

2025

LOUISIANA FUNDRAISING ANALYSIS

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FORWARD:

Cara Stone, LLP ("Cara Stone") is pleased to present the Louisiana Venture and Angel Capital Report (the "Report"), tracking venture and angel capital activity in Louisiana from 2011 through 2024.

Since launching the Report in 2014, our goal has been to provide a clear, data-driven view of Louisiana's startup and investment landscape. Over the years, it has become the go-to resource for policymakers, economic development leaders, investors, and entrepreneurs to understand the trends shaping our state's innovative economy. Government agencies use the Report to inform policy decisions, while founders and investors use it to benchmark deal terms, identify opportunities, and track the health of our venture market.

From 2011 through 2024, Louisiana companies completed 401 deals and raised more than $1.56 billion in venture and angel capital. Deal activity peaked in 2022 with 54 transactions, while 2024 set a record for capital raised at $329.6 million—driven by a mix of outsized deals and a broad base of smaller rounds. Average deal size reached a historic high of $7.3M in 2024, while the median deal size declined to $534K, underscoring the diversity of deals across the ecosystem.

Industry trends highlight Louisiana's unique blend of strengths and national alignment. SaaS leads deal volume with 136 transactions (34%), including about 20 AI-driven deals in recent years. Food & beverage (48 deals), healthcare (34), biotech (29), and ag tech + energy (37) round out the top sectors, alongside newer clusters. By capital raised, energy ($561.7M, ~30%) and SaaS ($414.9M, ~22%) dominate, with food & beverage and healthcare each attracting over $160M since 2011.

Structurally, corporations account for 55% of deals and 58% of capital raised across the full period, reflecting national investor preferences. Still, LLCs captured the majority of funding in 2024 ($214M, led by one exceptional deal), showing how outlier transactions can skew short-term patterns even as the long-term trend favors corporations.

Geographically, Greater New Orleans leads with 243 deals and $1.24B raised (68% of statewide capital), cementing its role as Louisiana's startup hub. Baton Rouge (69 deals, $118M) and Acadiana (48 deals, $133M) show steady growth, while North Louisiana (41 deals, $70M) continues to emerge, highlighting expanding entrepreneurial activity outside of traditional hubs.

We believe that Cara Stone is Louisiana's leading venture capital law firm and that Cara Stone has closed more of the state's venture deals and successful exits of VC-backed companies than any other law firm, by far, for 15 years. We've seen headline-making wins, regional momentum, and new entrepreneurial pockets emerge alongside ongoing challenges. By shining a light on the data, our aim is to inspire informed conversations and help drive sustainable, impactful growth.

Whether you're raising your first round, deploying capital, running an accelerator, or shaping policy, this Report offers insights you can use—from deal size and structure to industry and regional activity patterns. If you'd like to discuss the findings or explore how they apply to your work, we'd love to connect. Reach us anytime at hello@carastone.com

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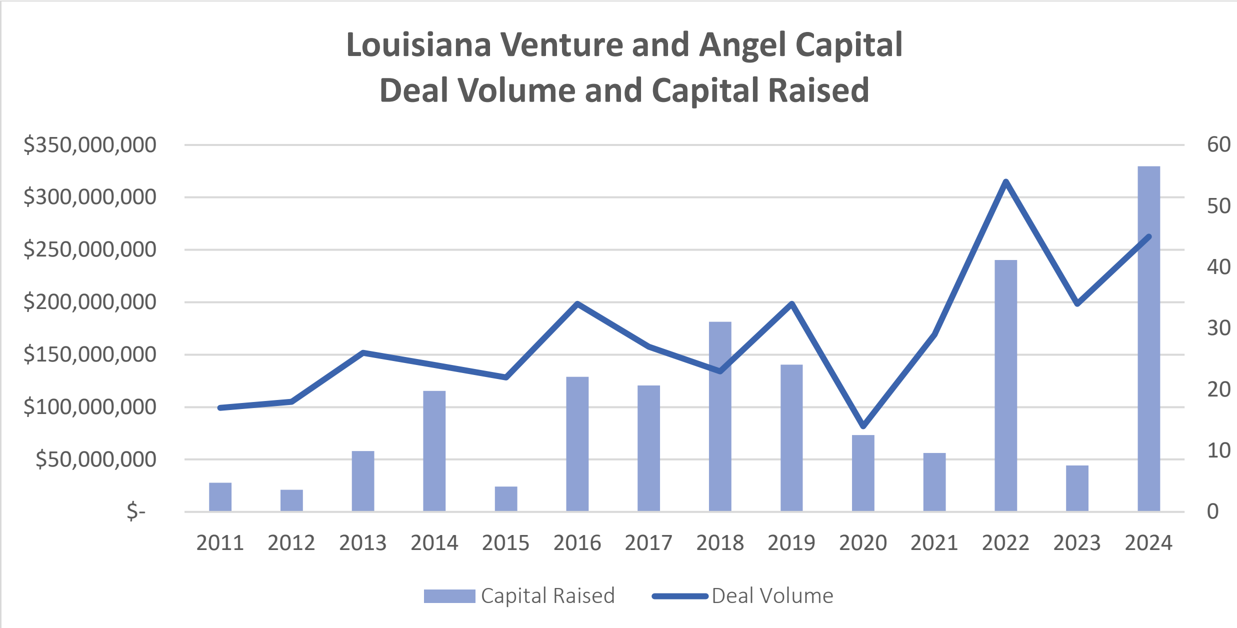


Venture Capital Totals

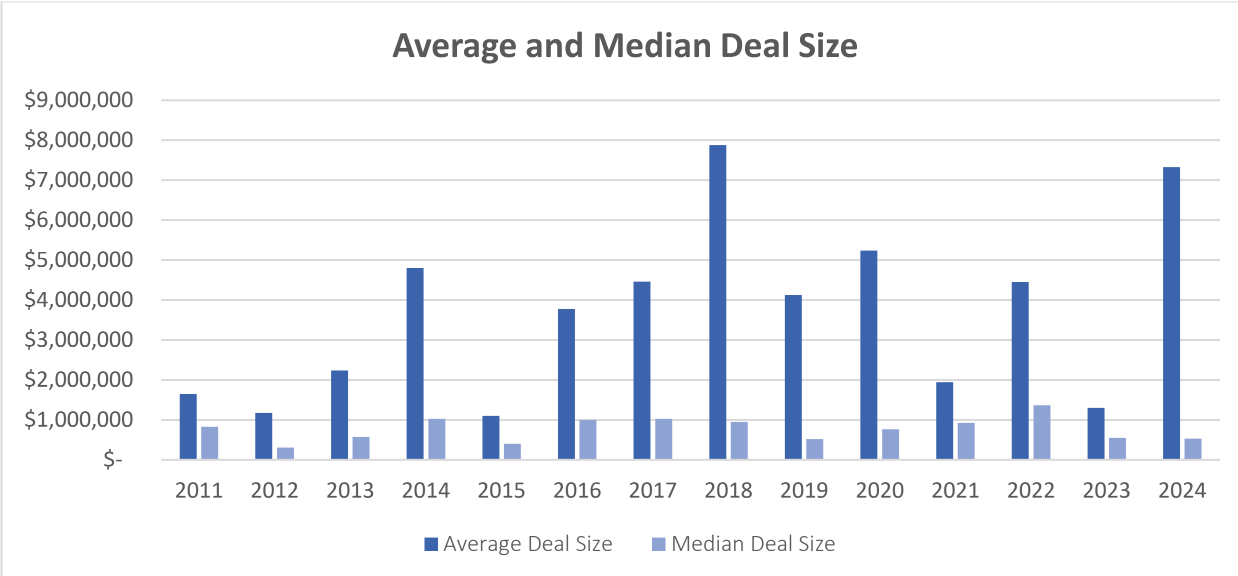
Deal volume (number of deals) and capital raised (total amount of money raised) provide a snapshot of the overall health of an early-stage capital market. Many other studies of venture and angel activity in a market rely only or heavily on self-survey data, which is unreliable and under-inclusive. Many companies do not publicly disclose the total amount of their financing rounds or keep the size of their round's indefinite. For this reason, we believe the amounts we report underestimate the total deal activity each year.

Companies in Louisiana raised $329.6M across 45 deals in 2024, making it the largest funding year in our reporting period and surpassing the previous high in 2022. A small number of very large transactions drove the totals for 2024, but unlike prior spikes, 2024 also saw a healthy number of smaller early-stage deals—an encouraging signal for the ecosystem's breadth. As you'll see in the rest of this report, the balance of large and small transactions paints a more complete picture of the year.

As with the rest of the country, there is a cyclical nature to Louisiana's startup ecosystem. Venture capital deals declined in Louisiana during the Covid-19 pandemic, but 2022 marked a strong rebound, with deal volume climbing to the highest number recorded in our data. The following years have shown more volatility in both deal count and total funding, with the 2024 spike standing out as both record-breaking and unusually diverse in deal size.

Between 2011 and 2024, Louisiana companies have raised over $1.56B across 401 deals. The growth in the state's venture capital ecosystem is evident in the number of exits Louisiana companies see every year and the sustained—though uneven—deal activity occurring in the state.

Key Takeaway: *While 2024 marked a record-breaking $329.6M in Louisiana venture funding, the year was characterized by both a small number of outsized deals and a broad base of smaller transactions—suggesting momentum but also underscoring the importance of nurturing consistent, widespread investment across the state's startup ecosystem.*



Average and Median Deal Size

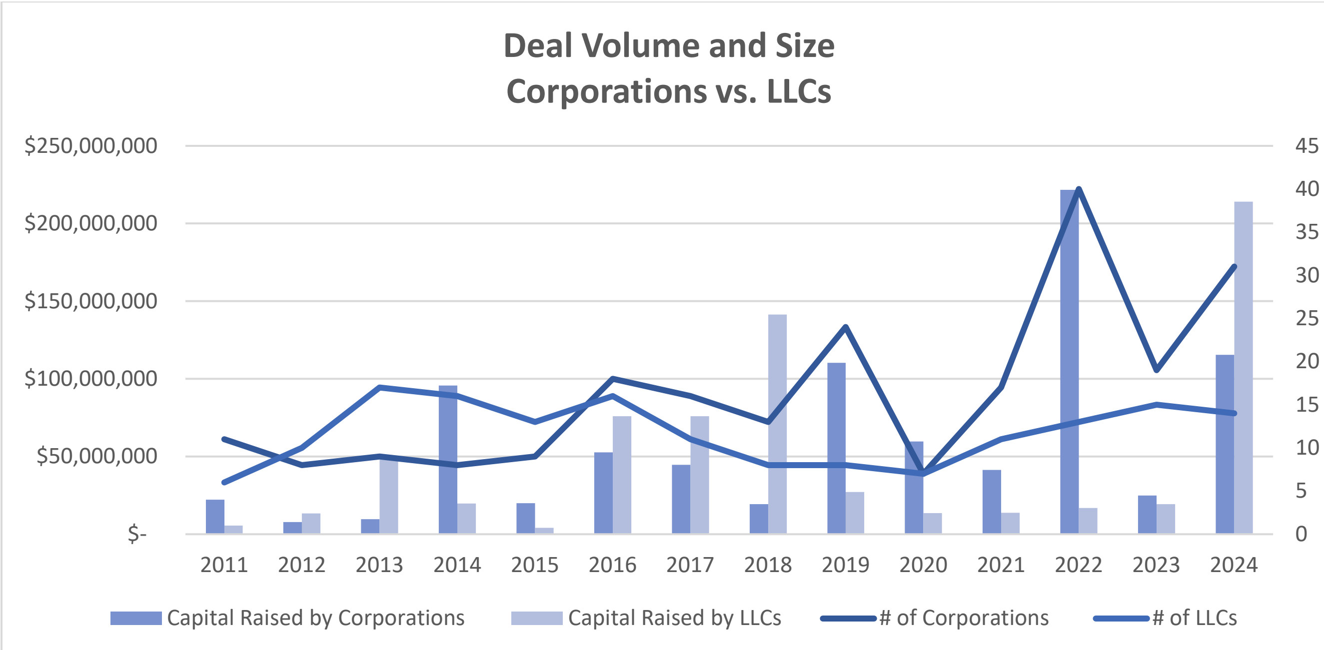
Average and median deal size in any given market provides a key metric for companies and service providers in the angel/VC world. These numbers help inform how much money a company can realistically seek to raise in a market in any given deal. Cara Stone believes that companies can better craft fundraising strategies with this data. Founders can better match capital "asks" to their market with access to this information.

The average deal size in Louisiana was approximately $7.32M in 2024, the highest in our reporting period. This marks a dramatic increase from $1.30M in 2023 and is well above the long-term average of roughly $3.9M (2011–2024). The sharp year-to-year swings highlight the cyclical nature of the ecosystem. In other words, there appears to be a "cohort" effect where several companies receive seed funding in one year and then raise larger, later-stage rounds in subsequent years. This cycle can create the appearance of a "gap" in fundraising between the seed and follow-on years.

In contrast, the median deal size in 2024 was just $534,222, down slightly from $550,251 in 2023 and well below the long-term median of roughly $800K. While the median fluctuates, it consistently shows that half of the fundraising deals in Louisiana are $1M or less. This underscores the reality that, despite record-breaking averages, the "typical" Louisiana deal remains relatively modest in size.

As companies look at their financing strategy (particularly in their early rounds), it's important to consider both the average and median deal sizes in the market. It is rare for a first-time founder to raise millions in an initial round of funding. Instead, companies should develop incremental goals and match their fundraising targets to market realities, recognizing that outlier years like 2024 can skew the averages. While the average deal size is at a record high, the declining median demonstrates that most founders should plan based on the more common deal sizes reflected in the market for first round capital transactions.

Key Takeaway: *Louisiana's record-high $7.32M average deal size in 2024 was driven by a mix of very large deals, but the median deal size fell to just $534K, reminding founders and investors alike that most deals remain well under $1M even in strong years.*



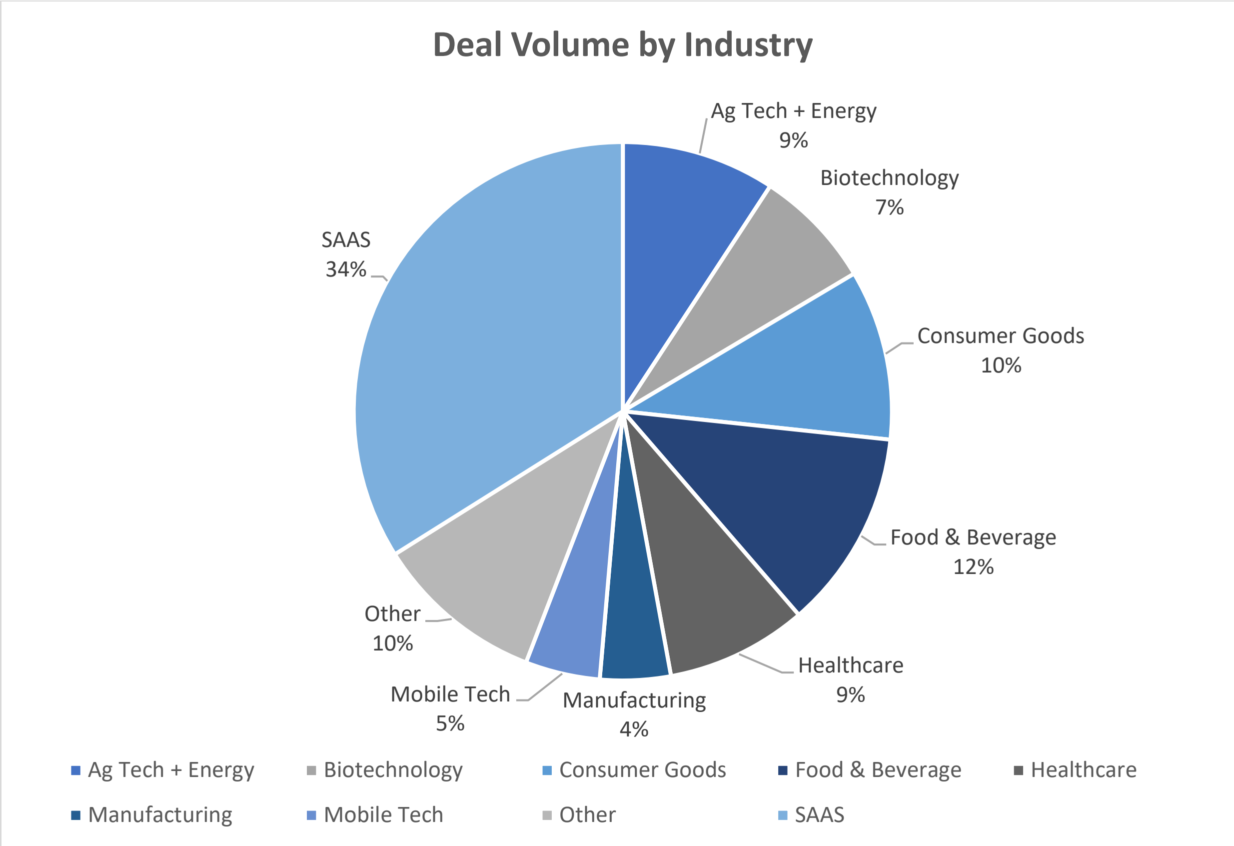
Entity Type

Analysis of investor preferences in any market for corporations vs. LLCs should factor into a company's overall financing strategy. Investors overwhelmingly prefer corporations to LLCs in angel and venture capital deals in most markets.

Despite a national trend showing investor preference for corporations over LLCs, Louisiana has historically seen a significant number of LLCs raise substantial amounts of venture capital. In 2024, corporations accounted for 69% of all deals (31 out of 45) but only 35% of total capital raised—as one outsized LLC transaction once again drove the year's funding totals. Corporations raised $115.5M in 2024, while LLCs captured $214.0M, showing how a single large LLC deal can outweigh the broader trend. In 2023, the distribution looked more balanced, with corporations representing 56% of deals (19 out of 34) and raising $24.9M, compared to $19.3M for LLCs.

Across the full reporting period (2011–2024), corporations have completed 55% of all deals (249 out of 452) and captured 58% of total venture capital raised ($885M out of $1.53B) in Louisiana. This long-term trend shows that the market increasingly understands the benefits of corporations in venture capital, even though exceptional years like 2024 can skew short-term perceptions. The Report has played a role in educating the market and guiding founders toward structures that align with investor expectations.

Key Takeaway: *While 2024 saw LLCs capture most of the capital raised in Louisiana due to one exceptional deal, the long-term trend remains in favor of corporations, which have secured most deals and funding over the past decade-plus.*



Deal Volume by Industry

Deal volume by industry helps companies, investors, and policymakers identify natural clusters to optimize startup ecosystems. Our dataset offers the most comprehensive view of Louisiana's market.

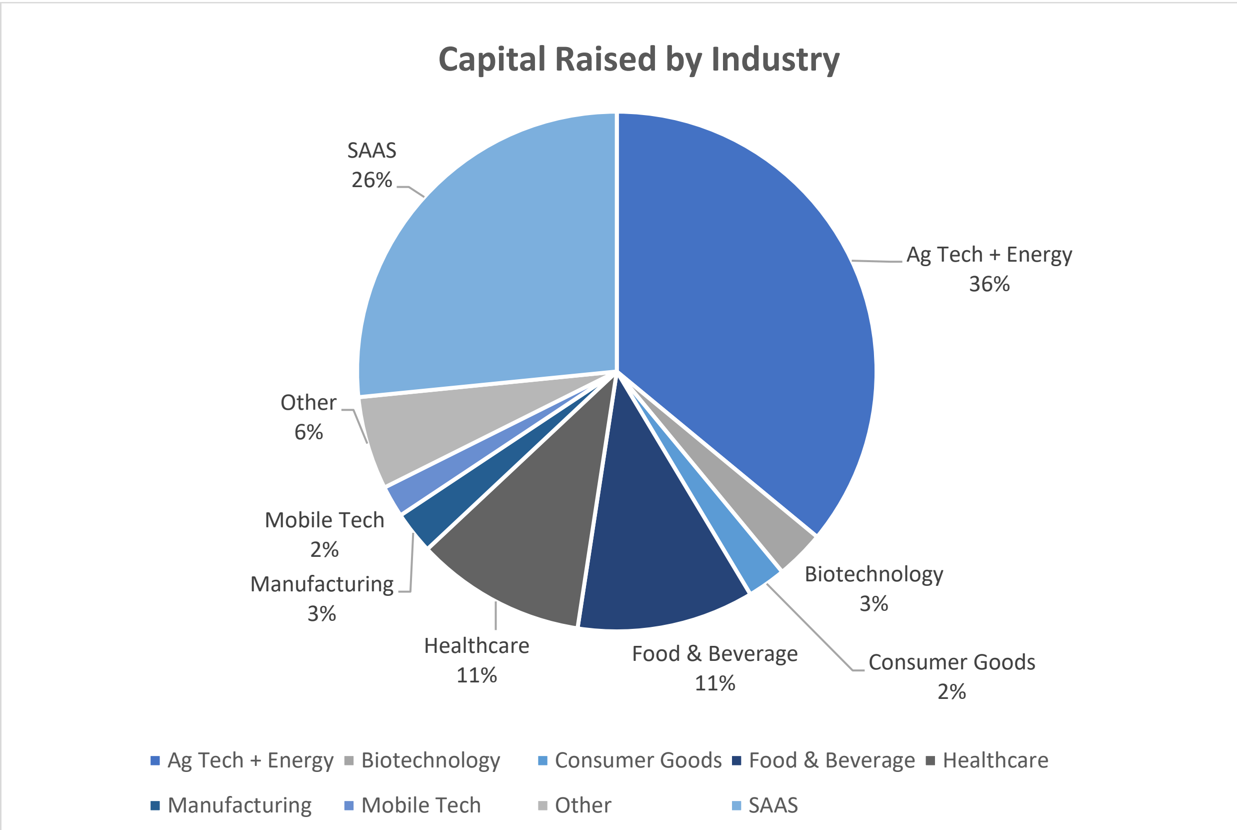
SaaS leads all sectors with 136 deals (34% of total from 2011–2024), reflecting the scalability of software and Louisiana founders' ability to reach broader markets. Within SaaS, roughly 20 deals in the last several years have focused on AI-driven technologies, underscoring a clear shift toward artificial intelligence.

Food and beverage follow with 48 deals (12%), fueled by the state's culinary culture and consumer appeal. Consumer goods (41 deals, 10%) and healthcare (34 deals, 8%) continue to show steady activity, while biotech (29 deals, 7%) has grown with support from Louisiana's research hubs. Ag tech and energy combined represent 37 deals (9%), pointing to strengths in clean energy and industrial innovation. Smaller but important sectors include manufacturing (17 deals) and mobile tech (18 deals), which have had periodic bursts of activity.

Beyond these categories, we've also seen about 23 deals in consumer related businesses, which has emerged as a distinct theme in recent years. Similarly, cannabis-related startups have begun to appear (4–5 deals since 2020), reflecting broader national shifts in regulation and consumer demand.

Overall, Louisiana's startup ecosystem is diverse—blending scalable SaaS and biotech with deep local strengths in food, culture, and energy. The rise of AI-focused startups, entertainment ventures, and cannabis companies highlights how new trends are reshaping the state's entrepreneurial landscape, positioning Louisiana for both local impact and broader market growth.

Key Takeaway: *While SaaS continues to dominate Louisiana's deal activity, the rise of AI-powered startups, property and entertainment ventures, and cannabis companies shows that the state's founders are increasingly reflecting national market trends. These emerging clusters complement Louisiana's traditional strengths in food, energy, and culture, highlighting how local companies are aligning with broader shifts in the U.S. startup landscape.*



Capital Raised by Industry

Capital raised by industry provides critical insights that help companies, investors, and policymakers identify emerging trends and guide ecosystem leaders in crafting policies to improve the efficiency of the early-stage capital market.

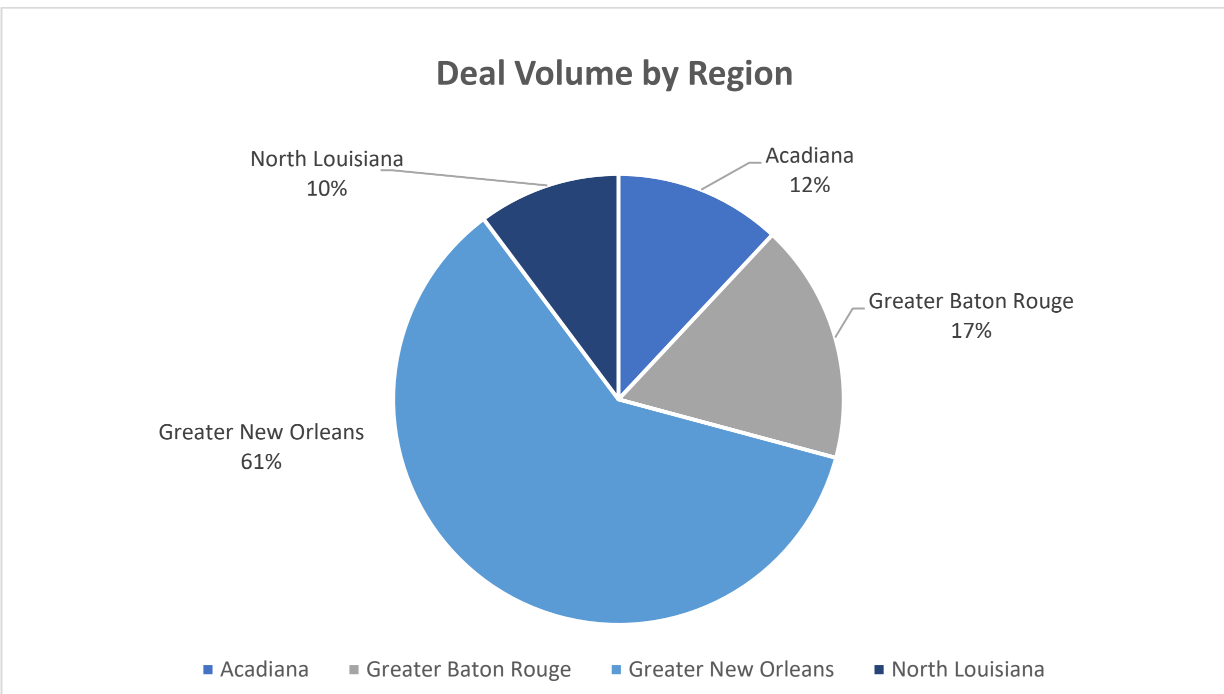
In Louisiana, the energy and ag tech sector has led the number of capital raises, securing approximately $561.7M from 2011 to 2024, representing about 30% of total funding. However, one company has accounted for most of this total deal volume, which brings several challenges. This reflects continued innovation and investment in clean energy, industrial technologies, and agricultural solutions tied to the state's economic base. Those that wish for Louisiana to be a hotbed of more traditional energy industry technology innovation will find scant datapoints to support the view that there is significant deal activity in that category in Louisiana.

The software (SaaS) sector follows with roughly $414.9M (22%), driven by a growing cluster of scalable tech companies that increasingly serve markets beyond Louisiana. This sector has shown consistent growth, with major funding spikes in recent years.

The food and beverage industry has raised about $172M (9%), supported by Louisiana's culinary tradition and the rise of consumer-facing brands. Healthcare ($165M, 9%) and biotechnology ($47M, 3%) have also seen meaningful capital inflows, reflecting stronger commercialization activity linked to local research institutions. Consumer goods ($37M, 2%), manufacturing ($41M, 2%), mobile tech ($31M, 2%), and other industries ($90M, 5%) round out the picture, each contributing niche but important activity.

Looking at capital alongside deal volume highlights key dynamics in the market. SaaS dominates deal flow (34% of all deals) but accounts for only 22% of capital raised, underscoring its many smaller, early-stage rounds. In contrast, energy and ag tech represent just 9% of deals but nearly a third of total capital, reflecting fewer but significantly larger, capital-intensive rounds. Food and beverage has strong deal activity (12%) but a modest 9% of funding, suggesting generally smaller check sizes. Emerging sectors like healthcare and biotech continue to attract growing levels of capital tied to Louisiana's university and hospital research strengths.

Key Takeaway: *Louisiana's startup ecosystem is led by SaaS in terms of deal flow, but capital remains concentrated in larger energy and ag tech deals. At the same time, food, healthcare, and biotech illustrate how the state's founders are increasingly reflecting national investment trends, pairing local strengths with scalable opportunities.*



Deal Volume by Region

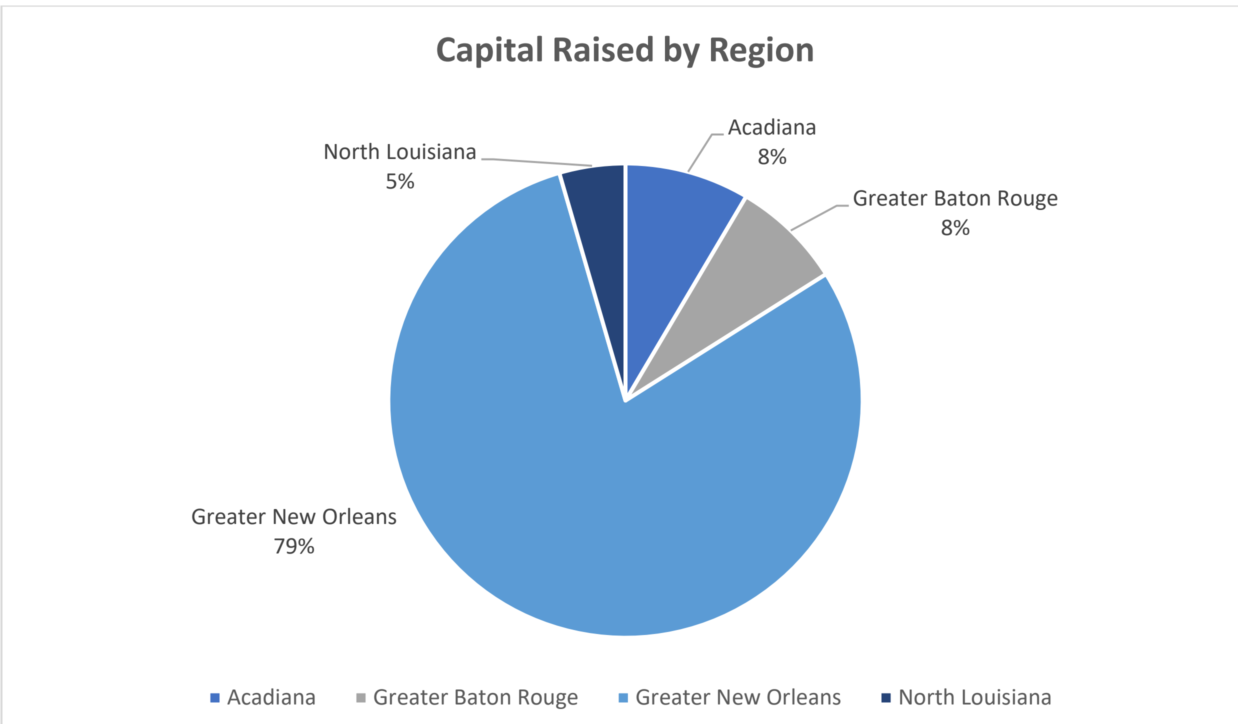
Geographical data guides ecosystem members and leaders to align their efforts, while policymakers can use it to identify systemic regional challenges within private capital markets.

Consistently, the Greater New Orleans area leads deal volume, with 243 deals recorded between 2011 and 2024, maintaining its position as the state's primary startup hub. Following New Orleans, Greater Baton

Rouge ranks second with 69 deals, showing steady activity and noticeable growth in recent years. The Acadiana region accounted for 48 deals, reflecting a growing ecosystem around Lafayette and surrounding cities. North Louisiana contributed 41 deals during the same period, highlighting emerging entrepreneurial activity outside the state's largest metro areas.

In total, companies across Louisiana raised capital in at least 40 different cities, illustrating a statewide diffusion of startup activity. While New Orleans continues to dominate, other regions are steadily gaining momentum—signaling increasing geographic diversity in the state's entrepreneurial landscape.

Key Takeaway: Greater New Orleans continues to anchor Louisiana's startup ecosystem, capturing more than half of all deals since 2011. At the same time, Baton Rouge, Acadiana, and North Louisiana are steadily building momentum, showing that entrepreneurial activity—and access to capital—is becoming more geographically distributed across the state.



Capital Raised by Region

Geographical data guides ecosystem members and leaders to align their efforts, while policymakers can use this information to identify regional disparities and systematic issues within private capital markets.

The Greater New Orleans area continues to dominate capital raised, accounting for roughly $1.24B between 2011 and 2024, about 68% of all venture funding in Louisiana. New Orleans companies consistently lead in funding amounts, including a record $292M raised in 2024 alone. Within this metro area, entrepreneurship is also growing beyond the city core, with emerging ecosystems developing on the

Northshore, in Metairie, and in outer parts of New Orleans, signaling a more geographically diverse startup landscape.

Following New Orleans, Acadiana has captured about $133M (7%) over the same period, boosted by strong inflows in 2016, 2017, and again in 2024. Greater Baton Rouge ranks third with $118M (6%)**,** showing momentum in certain years but overall volatility, particularly in the mid-2010s and again in 2023–2024. North Louisiana accounts for $70M (4%), reflecting smaller but steady investment activity with periodic spikes tied to specific deals.

This distribution highlights Louisiana's entrepreneurial capital as largely concentrated in New Orleans but with growing pockets of activity elsewhere important for policymakers aiming to foster a more balanced statewide startup ecosystem.

Over the past decade, Greater New Orleans has demonstrated steady growth in both deal volume and capital raised. While deal activity peaked in 2019 and 2022 and has since moderated, funding totals remain robust, fueled by multiple large rounds that suggest a maturing ecosystem. Baton Rouge shows fluctuating but generally stable deal volume, with capital raised gaining traction since 2021 before softening again in 2023–2024. Acadiana has experienced gradual growth in both deal activity and capital, with resilient inflows despite recent dips, signaling a steadily emerging ecosystem. In contrast, North Louisiana's startup scene remains nascent, marked by low but steady deal flow and occasional funding spikes.

These trends highlight opportunities for more aligned and strategic efforts to foster entrepreneurship and investment across all regions of Louisiana, beyond its primary metropolitan centers.

Key Takeaway: *While Greater New Orleans dominates startup funding with nearly 70% of statewide capital, regions like Acadiana and Baton Rouge are gaining traction***,** *and North Louisiana is slowly emerging***.** *This underscores both the concentration of capital in New Orleans and the opportunity for policymakers and ecosystem leaders to support a more balanced distribution of investment across the state.*

Angel Capital Market

Since its renewal in 2011, the Angel Investor Tax Credit ("**AITC**") program has incentivized more than $160 million in direct investment reported under the program. In total, the AITC has supported the financing of more than 145 companies across Louisiana, reaching startups in Orleans, East Baton Rouge, Caddo, Lafayette, Jefferson, St. Tammany, and beyond. By reducing risk for early investors, the AITC has helped to correct Louisiana's historic lack of access to seed and angel capital, giving local founders a vital tool to launch and scale their businesses.

The program has not been without challenges. On July 1, 2015, Louisiana enacted across-the-board cuts to its tax credit incentive programs following historic state budget deficits. AITC was both renewed and reduced during this process, with benefits trimmed even as features such as shorter payout periods for investors were introduced. The impact was immediate: applications and awards under AITC dropped by nearly 80% between 2015 and 2021, with deal flow hitting its lowest level since the program's inception.

Recognizing this decline, state leaders strengthened the AITC program with two critical reforms in 2021. First, eligibility was expanded beyond equity financings to include convertible debt and SAFEs, aligning the program with the most common fundraising structures used by early-stage startups nationwide. Second, the credit was increased to 35% for investments in Opportunity Zones and parishes with less than 50,000 residents, offering enhanced incentives to channel capital into underserved and low-income communities. These changes modernized the program and signaled Louisiana's commitment to both entrepreneurs and investors.

The results since 2021 show signs of revitalization. Applications and awards rebounded to their highest levels in nearly a decade, and conversion rates from reservations to awards reached nearly 100% by 2023–2024. Total closings surged to a record $42 million in 2024, the strongest year on record for capital deployed through the program. This rebound suggests that the AITC is once again becoming a key driver of angel activity across the state.

Observers will be watching closely as the program approaches its next renewal. The AITC continues to enjoy broad bipartisan support because it directly benefits companies, investors, and local communities. Still, Louisiana faces a tough budgetary climate. For the sake of Louisiana's businesses and entrepreneurs, it will be critical that policymakers renew and strengthen the AITC program to ensure early-stage companies continue to access the capital they need to grow.

In 2025, the legislature made several changes to the program, including the sunset of the program starting in 2026 and the prohibition of roll-over of any credits left in the program. Further, it opened the program to businesses that were previously disallowed such as professional services and created more favorable treatment for certain specified businesses and locations. These changes will be discussed in forthcoming articles and videos by the Cara Stone team.

Deal Flow Analysis

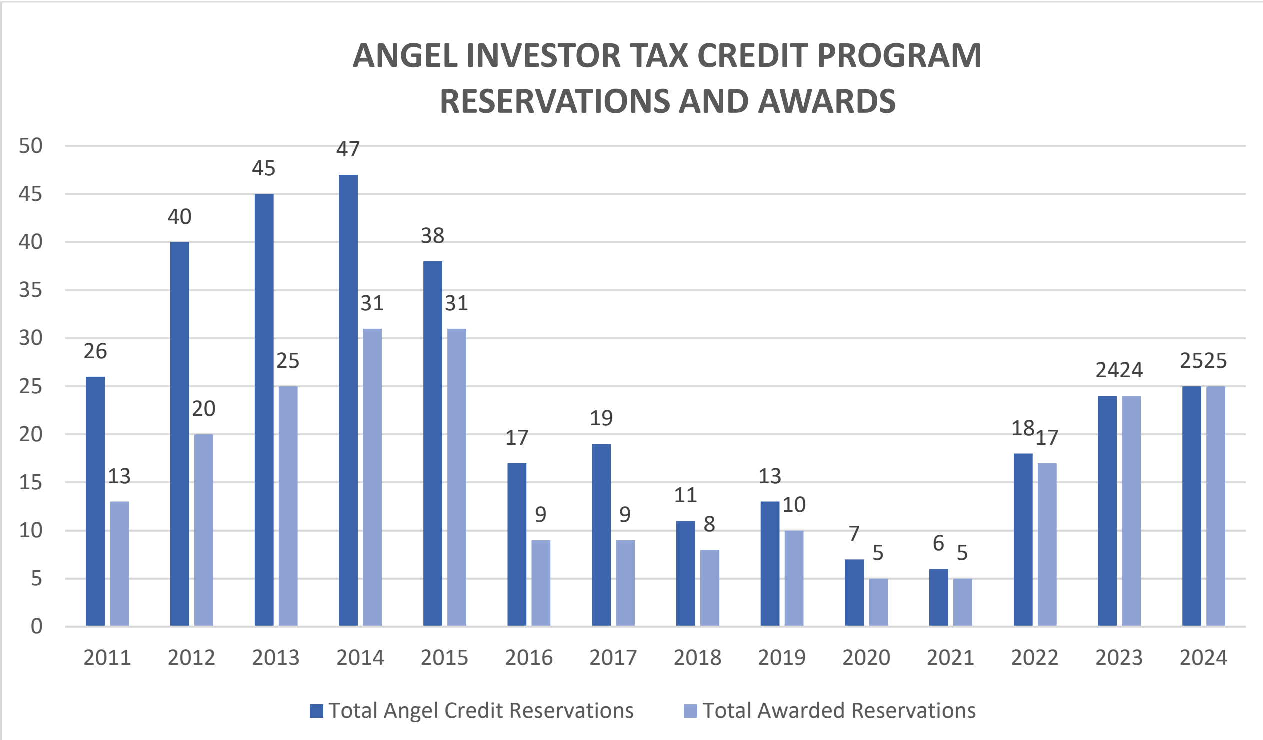


Table 1. Deal Flow – Angel Tax Credits Reservations and Awards

The AITC Program has been a cornerstone of Louisiana's early-stage capital environment since it was first enacted in 2005 and then renewed in 2011. Designed to stimulate angel investing in Louisiana startups, the program provides accredited investors with a refundable state income tax credit for equity investments in qualified Louisiana businesses. Over time, the program has evolved to reflect changes in the startup financing landscape—including the recognition of SAFE and convertible note structures, which have become standard vehicles for early-stage fundraising, and the integration of opportunity zones, which have encouraged investment in designated communities.

From 2011 through 2024, a total of 351 reservations were filed under the AITC program, resulting in 248 awards. Reservations peaked in 2014 with 47 filings and remained relatively strong through 2015, when 31 awards were issued, the highest level recorded to date. Since then, activity has slowed. Reservations dropped sharply to just 17 in 2016 and 19 in 2017, and although the ratio of awards to reservations initially lagged (53% in 2016 and 47% in 2017), the program rebounded in 2018 with a 73% conversion rate. From 2019 onward, the program has demonstrated steady consistency, with awards representing 70% or more of reservations for the past six years, including perfect 100% award rates in both 2023 and 2024 (24 and 25 awards, respectively).

Numerous factors have contributed to the long-term decline in total reservations. The Covid-19 pandemic reduced deal activity in 2020 and 2021, and Louisiana also saw an increase in companies raising larger, later-stage rounds in 2018 and 2019, along with several high-profile exits in 2020–2021. These shifts likely drew some investors away from early-stage deals that traditionally flow through the AITC program. At the same time, the rise of alternative financing tools such as SAFEs and convertible notes—and targeted programs like opportunity zones—reflects the broader evolution of startup funding strategies that have influenced how companies structure their rounds and pursue tax-advantaged capital.

Key Takeaway: *While overall reservations under the AITC program have declined since their mid-2010s peak, the conversion rate of reservations to awards has strengthened significantly, demonstrating improved financing discipline among Louisiana startups and investors. The integration of SAFEs, convertible notes, and opportunity zones into the funding mix shows how the program continues to adapt to modern startup financing practices, even as overall early-stage deal flow remains cyclical.*

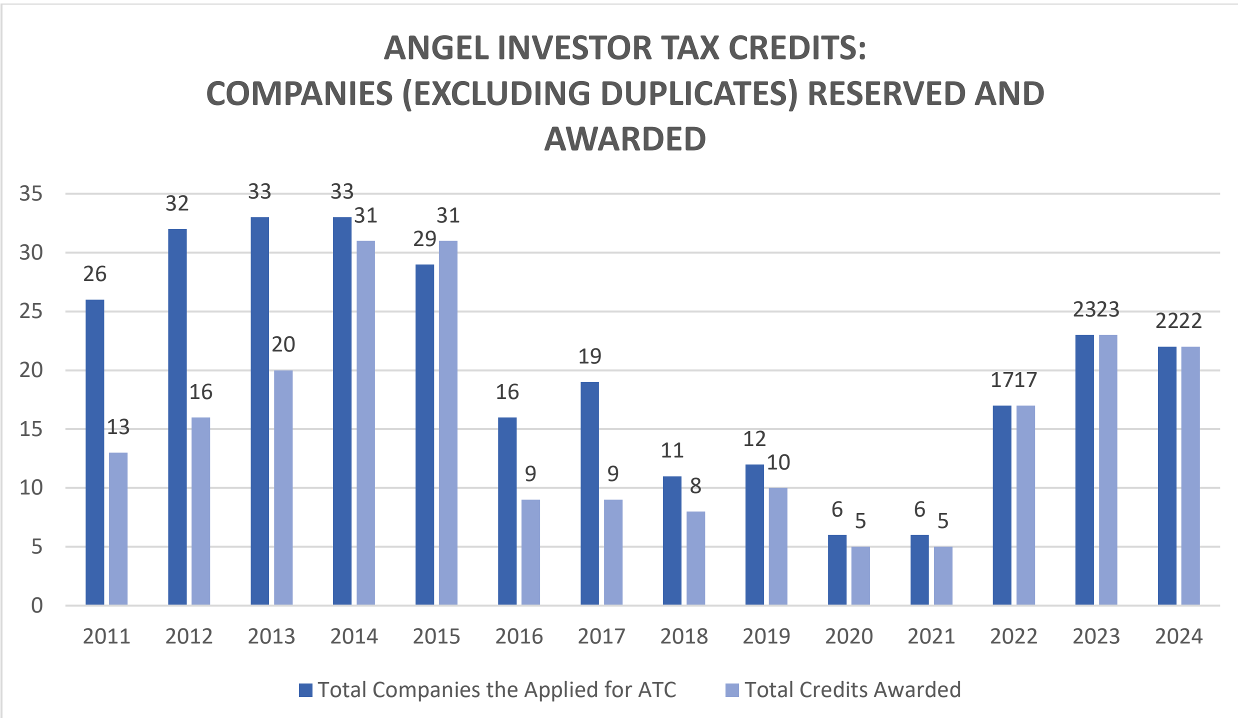


Table 2. Deal Flow—Total Companies Raising Funds

From 2018 to 2019, the number of companies that reserved and were awarded tax credits held steady, with 11–12 applications and 8–10 awards each year. However, activity declined sharply in 2020 and 2021**,** when only 6 companies applied and 5 received awards each year—a 50% drop from 2019. COVID-19 and the natural market cycle likely played a role, but the longer-term trend shows that the 2015 cuts to the AITC program reduced its attractiveness and may have contributed to fewer angel deals overall**.** From 2015 to 2021, applications fell by nearly 80% (29 to 6), and awards dropped by more than 80% (31 to 5)**,** underscoring the severity of the decline.

Encouragingly, the program has shown signs of revitalization since changes went into effect in 2021. Applications and awards climbed back to 17 in 2022, 23 in 2023, and 22 in 2024—levels not seen since before the pandemic. In each of the last three years, the ratio of applications to awards has remained exceptionally strong, with nearly all applicants receiving tax credits**.** This signals that the updated program rules have made the credit more attractive and that both companies and investors are aligning financing strategies with the requirements.

In 2012, when the program saw one of its strongest years with 32 applications, only about 50% of those resulted in awarded credits**.** By contrast, since 2022 the conversion rate has approached 100%**,** showing much more disciplined use of the program and better education of the market. The increase in participating companies over the past three years highlights that the AITC program is not only recovering from its post-2015 decline but is also being actively used as a tool to strengthen Louisiana's early-stage capital ecosystem.

Key Takeaway: *After years of contraction, the AITC program has been revitalized since 2021, with rising company participation and near-perfect conversion of applications to awards. This rebound shows that policy changes are having their intended effect, giving Louisiana startups a stronger platform to access early-stage capital.*

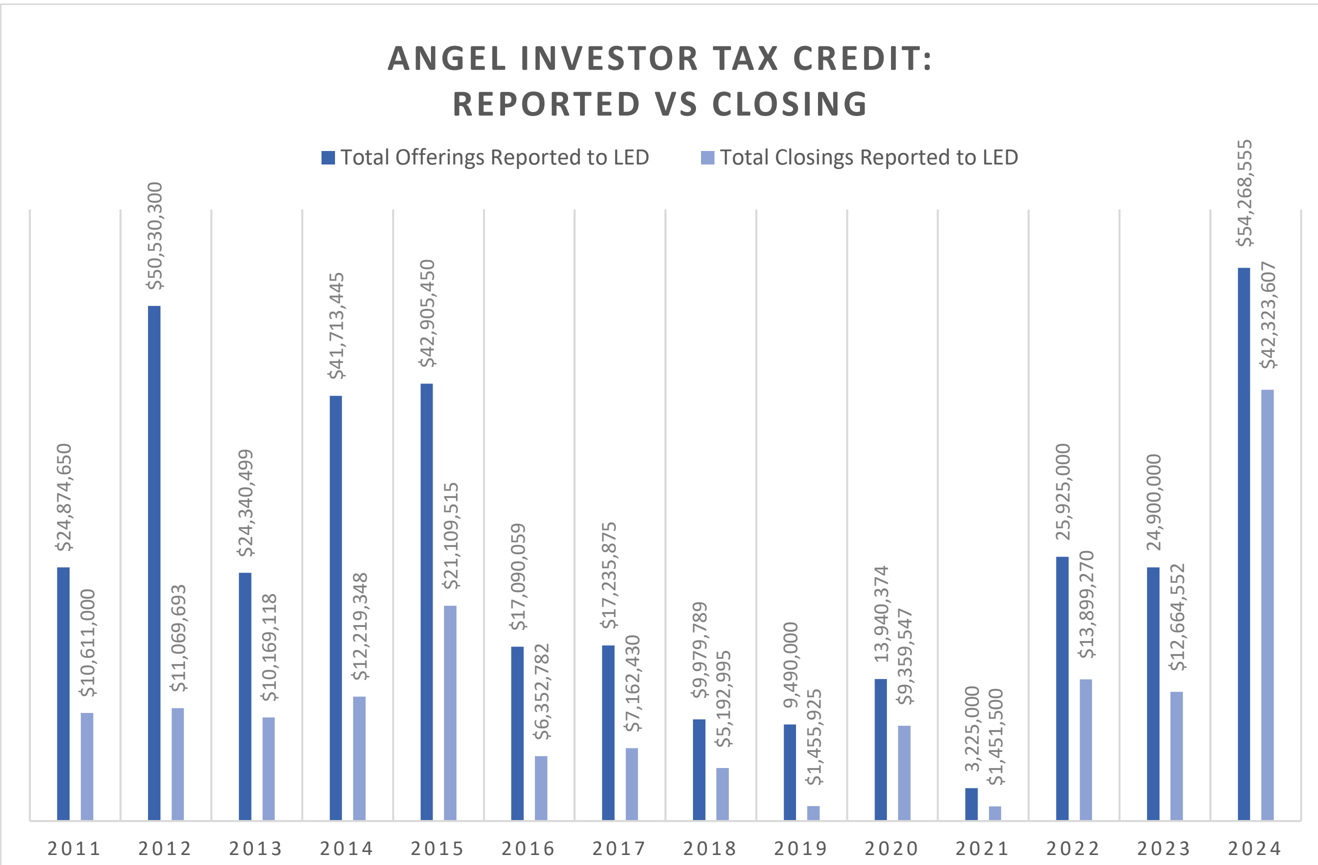


Table 3. Deal Volume - Total Offering and Closing Amounts

The total amount of capital reserved and closed in 2021 marked the lowest level in our reporting period, with only $3.2M in offerings and $1.45M in closings. Observers of the market will need to keep an eye on whether this was an anomaly or part of a longer-term shift. On one hand, the low amount closed in 2021 could indicate that new early-stage companies were beginning their fundraising journeys and would continue to grow into larger rounds. On the other, it may reflect the impacts of COVID-19 and investor hesitancy during that period. The 2021 numbers were almost certainly the result of COVID-19 investor hesitation.

Encouragingly, the trend since then points to a recovery. In 2022, offerings rebounded to $25.9M with $13.9M closed, followed by $24.9M offered and $12.7M closed in 2023. By 2024, offerings surged to a record $54.3M, with closings also hitting a new high of $42.3M, the strongest year on record for capital deployed under the program. These recent years suggest that the AITC program has regained traction, with participants not only reserving larger amounts of capital but also successfully closing those deals.

In earlier years of the program, the conversion rate from reservations to closings was much weaker. For example, in 2012, when offerings reached $50.5M, only about 22% converted to closing. By contrast, since 2015 the ratio has stabilized closer to 40–50%, and in 2024 the conversion was an impressive 78%—a sign that companies and investors are structuring deals more effectively and aligning with program requirements. The Report has helped to educate the market and give both founders and investors better expectations of deal size, conversion rates, and closing amounts.

Deal Size Analysis

Companies and investors may find deal size helpful when considering how to structure financing under the AITC program. If a company seeks an unusually large angel round—well above local norms—it may want to reconsider its strategy. Likewise, angel investors evaluating deals should use this data to understand what "typical" transactions look like.

Historically, companies have consistently sought an average of approximately $1,000,000 in angel capital under the AITC program. The median offering falls between $200,000 and $300,000, which means that most individual rounds are relatively modest. Companies should consider the median as a more realistic benchmark when deciding how to size their financing round, rather than focusing on the occasional outlier year. Further, companies and investors must understand that "seed" deals are usually actually comprised of multiple smaller rounds that all comprise a "seed" or a rolling round that totals $1,000,000 between two different reporting years when being discussed in the media rather than one big round.

Key Takeaway: *While 2021 represented the program's low point, recent years—especially 2024—show a revitalized AITC program, with record offerings and closings and much higher conversion rates. This indicates that the program is functioning more effectively, with companies raising meaningful capital and investors deploying funds at levels not seen before in Louisiana's early-stage market.*

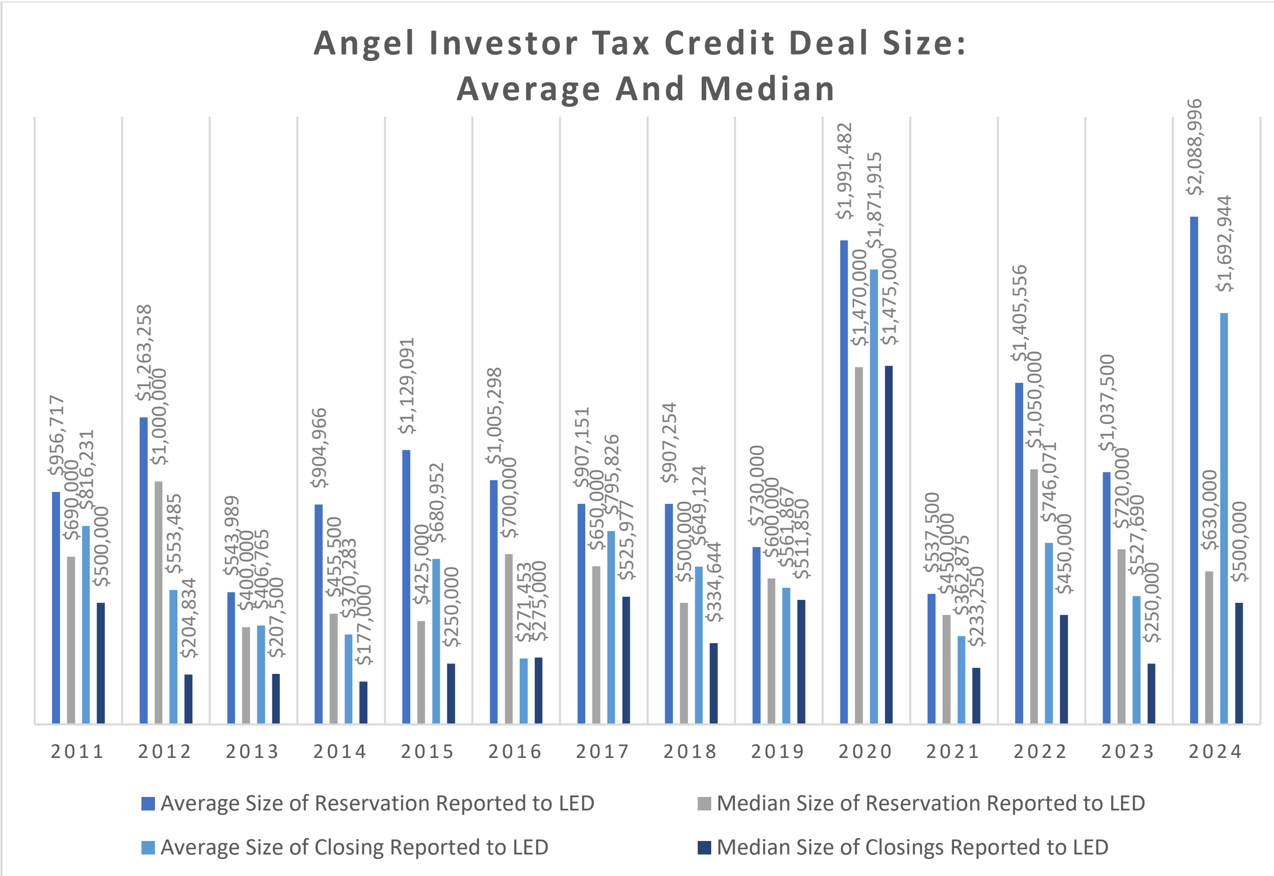


Table 5. Deal Size – Average and Median Deal Size

Companies report how much money they have closed on when they file their proof of investment with LED. This table shows funds that were closed when the company reserved AITC credits. Although this number does not represent the total amount of funding closed in any investment round, it provides a snapshot of closing amounts within 120 days of the tax credit reservation filing.

Between 2011 and 2024, the average closing size at the time of proof of investment ranged from a low of just $271,453 in 2016 to a high of nearly $1.87M in 2020, and again $1.69M in 2024. Excluding those two outlier years, the average deal size has consistently hovered close to the $500K–$800K range, reinforcing that "angel" deals under the AITC program are typically structured well below $1M at the closing stage. By contrast, the median closing amount has remained much more stable, generally between $200,000 and $500,000—with notable spikes in 2020 ($1.47M) and 2022 ($450,000+).

Reservation amounts reported to LED show a slightly different pattern. The average reservation size has trended upward over time, reaching $2.09M in 2024, while the median reservation size has typically been in the $400K–$700K range, peaking at $1.47M in 2020. These figures suggest that while some companies are reserving very large rounds, most transactions fall into a narrower, more consistent band.

This data suggests some lessons for investors and companies structuring deals. Most companies will aim to raise about $1M in total angel funding for a given round, but within 120 days of reserving AITC credits, they can expect to close only $200,000–$300,000 on average. Many companies take six months or longer to complete an entire round, so early-stage founders should budget sufficient time to raise funds needed to commence operations or scale growth. Companies raising subsequent rounds are also well-advised to plan to ensure financing continuity.

Key Takeaway: *The AITC program data shows that while average reservation sizes have grown substantially—topping $2M in 2024—most companies still close modest amounts early in their fundraising cycle, with median closings staying near $250K–$500K. This reinforces that Louisiana's angel market remains grounded in smaller, incremental financings, even as outlier rounds drive higher averages.*

Geographic Distribution

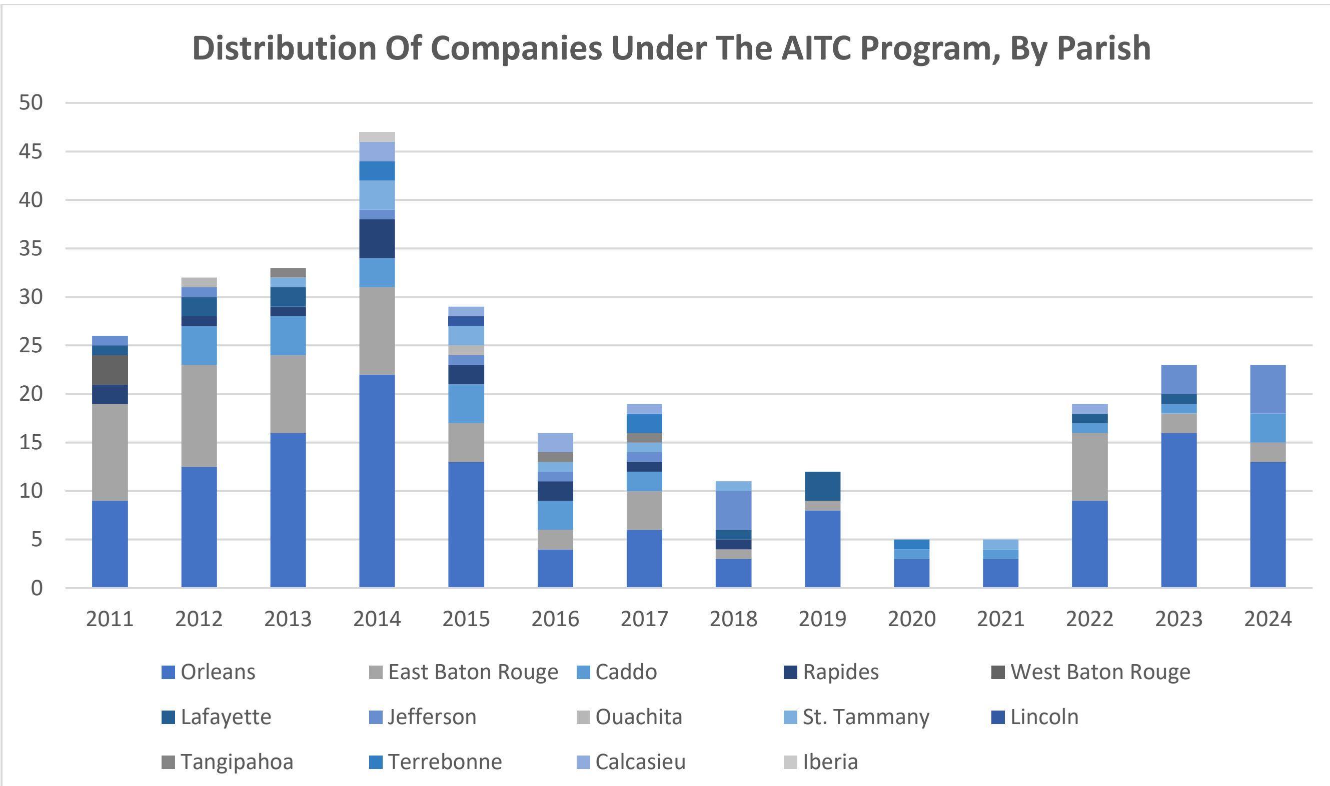


Table 6. Geographic Distribution—Number of Deals, by Parish

The number of companies applying in Orleans and East Baton Rouge has generally moved in parallel, with both showing strong activity early in the reporting period and notable declines after 2015. This suggests that broader factors influencing the AITC Program—such as legislative changes, market cycles, and the availability of alternative incentives—have affected both parishes similarly.

Over the past several years, the geographic distribution of credits has shifted. The extra incentive for investment in opportunity zones may be influencing where companies receive tax credits, particularly outside of the traditional hubs. Still, Orleans Parish remains the clear leader. From 2011 to 2024, Orleans accounted for 138 reservations (roughly one-third of all statewide activity) and more than $113.4M in capital reserved, with $33.8M ultimately closed—representing about 67% of statewide closings.

East Baton Rouge ranks second with 62 reservations and $27.1M in capital reserved, though only $6.7M was closed (13% of statewide totals), suggesting weaker conversion. Caddo follows with $12.0M reserved and $4.2M closed (8% of statewide totals), while Rapides contributed $4.1M reserved and $1.1M closed. Other parishes showing meaningful activity include Jefferson ($2.3M reserved and $2.5M closed, an unusually high 110% ratio due to reporting and timing differences), Lafayette ($3.1M reserved, $904K closed), and St. Tammany ($2.4M reserved, $736K closed). Smaller contributions came from West Baton Rouge, Terrebonne, Calcasieu, Ouachita, and Lincoln.

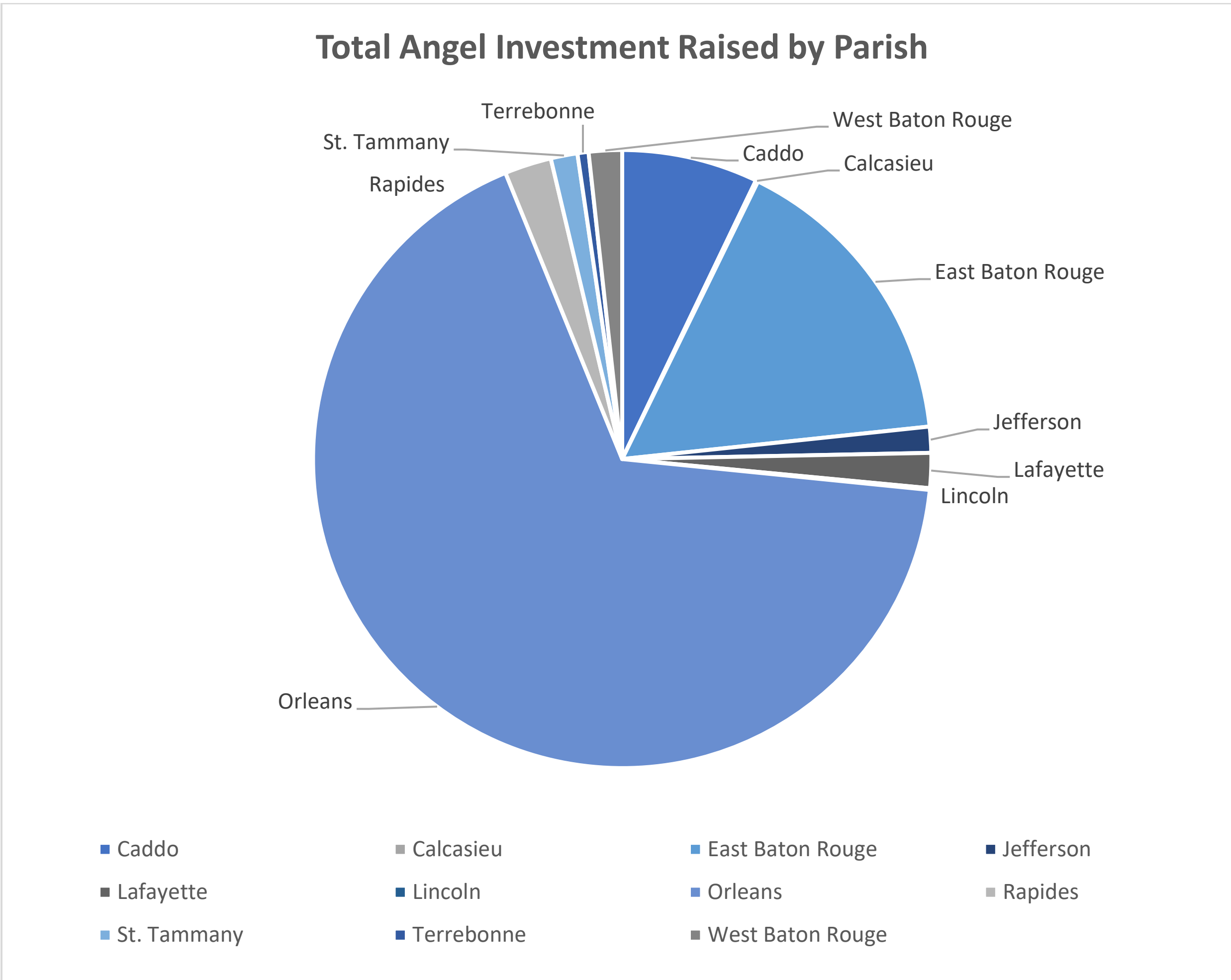


Table 7. Geographic Distribution – Deal Volume by Parish

While most parishes saw declines from 2015 to 2021, the long-term data shows that the program has touched nearly every corner of the state and is on the upswing. Whatever factor contributed to the overall contraction in AITC usage—whether program cuts or broader investment trends—has had a ripple effect across parishes.

The AITC Program remains available statewide for businesses and investors in all parishes. Anecdotal evidence from Cara Stone's work around Louisiana does not suggest zero-sum competition among regions for benefits under the program. On the contrary, investors in multiple corners of the state are actively sharing deals, and companies are increasingly seeking capital from diverse sources across parish lines.

Key Takeaway: *Orleans dominates AITC activity with two-thirds of all closings, but Baton Rouge, Caddo, Jefferson, Lafayette, and St. Tammany illustrate that the program has impact beyond New Orleans. The program shows promise for fostering more geographically distributed early-stage capital across Louisiana.*