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of genuineness on the owner's belief – the clinic prevailed at the summary judgment stage. The clinic was able to avoid the expense, distraction, and risk associated with a trial, and the potential penalties that would follow if a breach of the agreement was found.

Lessons for Employers

Subtle distinctions in the language used in employment agreements can make all the difference when a terminated employee challenges his or her “for cause” discharge. Employers that seek to maximize their flexibility in making discharge decisions, and to strengthen their protection in defending those decisions, should strive to craft their agreements in such a way that ties “for cause” provisions to what the employer subjectively believes constitutes cause, and not leave such a critical determination to be made by a court or jury. If such language is used, the question becomes whether the employer genuinely believed that cause to terminate the employment existed, not whether the employer's decision was objectively reasonable or sound.

Drafting this subtle distinction into future employment agreements can provide employers with the edge they need when it comes to defending claims that an employment agreement has been breached. Although inserting such pro-employer language seems desirable, doing so might not be appropriate or attainable in every instance, however. Consequently, it is always advisable to involve your lawyer when you are contemplating, negotiating, and drafting an employment agreement.

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Wisconsin Angel Network Establishes Initiative to Track Angel Financing Through Entrepreneurial Firms' Lead Attorney

By Joseph W. Boucher and Joe Kremer

In 2004, the reported total for angel capital investments in Wisconsin was a very low \$2 million. Many attorneys who work with early-stage firms know the actual number is much larger. However, until now, there has been no method available to attorneys who lead their clients' early-stage financing rounds to report their successes.

A new initiative launched by the Wisconsin Angel Network will provide a voluntary, quarterly reporting process for lead attorneys within the state's law firms.

As a part of Governor Doyle's “Grow Wisconsin” initiative, the Wisconsin Angel Network (WAN) was formed by the independent, nonprofit Wisconsin Technology Council. WAN's mission is to build angel financing capacity throughout Wisconsin in order to increase the number and amount of seed and early-stage equity investments in Wisconsin companies.

Angel financing is defined as capital raised for a private company from private investors, and is generally used as seed or early-stage financing to start or grow an entrepreneurial firm.

To help achieve its mission, WAN is developing methods to track angel investing within Wisconsin. By tracking and reporting Wisconsin angel investments, WAN is increasing awareness of the significant impact angel investors have on the state's economy.

Because most angel financing occurs very early in an entrepreneurial firm's formation, it accounts for a significant amount of economic development. According to the Center for Venture Research at the University of New Hampshire, angel investing accounted for a total investment of \$22.5 billion in 48,000 entrepreneurial ventures, creating 141,200 new jobs.

WAN has created a simple MS Excel™ based form that law firms and individual attorneys can use to report, quarterly, angel financing deals. In order to avoid double reporting, only the lead attorney for the company that received the funding is asked to report the financing round.

The form can be downloaded from the WAN Web site at www.wisconsinangelnetwork.com/metrics_reporting, or an electronic or hard copy can be requested by sending an email to info@wisconsinangelnetwork.com. The submission and client permission forms were drafted with the assistance of Attorney Boucher, of Neider and Boucher, S.C., attorneys from Foley & Lardner LLP, and Michael Best & Friedrich LLP.

Any questions can be referred to Joe Kremer, director, Wisconsin Angel Network, (608) 442-7557 x 23 or jkremer@wisconsinangelnetwork.com.



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