



# LaunchNY

INVEST LOCAL



## FOR IMMEDIATE RELEASE

Celine Keefe, Marketing Director

716-988-0680 – ext. 404

[ckeefe@launchny.org](mailto:ckeefe@launchny.org)

### **CDFI FUND AWARDS LAUNCH NY \$225K IN FUNDING FOR 3<sup>RD</sup> CONSECUTIVE YEAR**

*Federal grant will go toward supporting investment startups through perpetual nonprofit Seed Fund*

Buffalo, N.Y., November 27, 2019 – For the third year in a row, Launch New York (Launch NY), Upstate New York's first and only venture development organization to provide pro bono mentoring and capital access to high-growth startups across the 27 westernmost counties of the state, is [receiving support from the U.S. Department of the Treasury's Community Development Financial Institutions \(CDFI\) Fund](#).

This year's \$225,000 CDFI Fund award to Launch NY, one of 284 in the country and reaching a total of \$188.7 million, is allocated for Launch NY's nonprofit Seed Fund. The Seed Fund is designed to support investments in startups in what is known as an "evergreen cycle," which recycles returns to the fund to continue providing capital to new ventures in the future. It's fueled by grants and donations, and provides \$25,000 to \$100,000 in investment capital to companies who meet Launch NY's criteria.

Last year Launch NY received \$168,000 from the CDFI Fund, and in 2017 it received the prestigious CDFI Certification from U.S. Department of the Treasury. It's a designation given by the CDFI Fund to specialized organizations that deliver financial solutions in economically underserved areas.

Launch NY [currently has 45 Seed Fund companies](#), with more than 73 percent of them located in low-income and economically-distressed communities. In total they've created over 200 jobs in the region, and 42 percent are minority and/or women-led.

"Since 2016, Launch NY has invested over \$2.2 million in 45 of Upstate New York's most promising startups," said Dr. Marnie LaVigne, Launch NY's President and CEO. "We have seen our portfolio companies create over 200 jobs and attract more than \$25.9 million in co-investment and follow-on capital. With over 73% of our portfolio companies located in low income and economically distressed communities and over 40% in women and/or minority led companies, it is gratifying to see that we're achieving our mission of inclusive economic prosperity where it is needed most."

Recipients of the Seed Fund include high-growth potential companies who have worked with Launch NY's mentors, known as Entrepreneurs-in-Residence, in order to prepare for Launch NY's rigorous investment process that not only helps entrepreneurs achieve key milestones in their business, but also to position them for follow-on funding from other investors.

Congressman Brian Higgins (NY-26) said, "Transitioning great ideas into a successful business can be a complicated and isolating process. Launch NY provides the leadership, support and tools to put innovative startups on a growth trajectory. This award continues Launch NY's successful model of delivering quality jobs and economic opportunity for the region."

“I am so pleased that Launch NY has received this significant award which will help foster the growth and expansion of Rochester’s entrepreneurial ecosystem,” said Congressman Joe Morelle of NY’s 25<sup>th</sup> district. “Launch NY has been a critical tool to help start-up ventures in our community and across the state access resources they need to thrive. I am grateful for their dedicated efforts to strengthening our business economy and wish them continued success in the future.”

“By helping local businessmen and women get started and providing crucial mentorship, the work done by Launch NY has helped revitalize economies across Upstate New York. New York is home to some of the hardest working entrepreneurs in the country and this grant money will help businesses get off the ground and create good-paying jobs for members of the community,” said Congressman Anthony Brindisi of New York’s 22<sup>nd</sup> district.

“We were thrilled to support Launch NY’s Seed Fund in receiving this CDFI Fund award,” said Rep. Tom Reed, Congressman of the NY-23<sup>rd</sup> district. “These funds will go toward getting new and emerging businesses off the ground. We care about helping small businesses flourish and will always work to help them succeed.”

“I was proud to support this funding opportunity for Launch NY through the Community Development Financial Institutions Fund,” said Rep. John Katko, Congressman of the NY-24<sup>th</sup> district. “This award will enable Launch NY to provide high-growth startups in Central New York with access to capital, mentoring services, and additional critical resources with a specific focus on spurring economic growth in economically distressed areas. With an eager workforce, proximity to several international airports, and access to many universities, colleges, and technical training facilities, Central New York is ripe for investment. I am confident this award will have a significant impact on the economic growth in our region.”

In 2019, Launch NY premiered its Invest Local Financing Programs, designed to work in tandem to maximize investment potential. Launch NY’s for profit Limited Partner Fund invests alongside Launch NY’s nonprofit fund in seed stage startups building the new economy, while targeting industry standard financial returns for investors. The Invest Local financing programs offer donation and returns-based investment opportunities for accredited investors looking to make an impact on the Upstate New York entrepreneurial ecosystem and help transform the regional economy.

“The CDFI dollars are critical in helping us attract private investors to support these companies as well. In fact, we’ve had over 130 co-investors to date bringing twelve times our funding into startups in our backyard. With our new Invest Local Financing Programs, including LP Fund, Investor Network, and Opportunity Funds, we’re creating incredible leverage on the CDFI Fund support and growing access to capital to support startups in unprecedented ways,” said Marnie LaVigne, Ph.D. President and CEO of Launch NY.

For investors who want to learn how they can #InvestLocal in the hundreds of innovative startups, Launch NY offers half hour webinars at various times throughout the month; those interested can [sign up here](#).

For more information about Launch NY, its programs and other entrepreneurial opportunities, visit its newly-redesigned website at [www.launchny.org](http://www.launchny.org), and follow Launch NY on its Facebook, Twitter and LinkedIn pages.

###

**About Launch New York:**

The mission of Launch New York, Inc. (Launch NY), the only U.S. Treasury-designated Community Development Financial Institution (CDFI) directly providing venture funding to businesses in New York State, is to identify, support and invest in high-growth, high-impact companies that can transform the local economy, and catalyze the entrepreneurial culture in the 27 counties comprising the western half of Upstate New York. Launch NY is a 501(c)(3) non-profit venture development organization that promotes economic development through best practices, including high-quality pro bono business mentoring, while operating the most active seed fund in New York State that provides access to early stage seed capital as part of an array of Invest Local financing programs designed to facilitate funding for investment-ready companies which have the promise to drive significant economic impact and jobs for our region.

Launch NY is headquartered in Buffalo and has co-locations with partner organizations in Binghamton, Ithaca, Rochester and Syracuse. It has served over 1,000 companies more than two dozen experienced local entrepreneurs-in-residence and its National Mentor Network of 2,000 industry, business and investment experts. Launch NY client companies have created more than 3,725 jobs, and attracted over \$644 million in co-investment and follow-on capital. Launch NY's 45 Portfolio Companies have created over 200 jobs with 35% of portfolio companies being women-led and 22% minority-led, attracting over \$25 million in co-investment and follow-on capital. Launch NY also leads the premier Emerging Cleantech Opportunity (ECO) Incubator, as one of six designated clean energy incubators sponsored by the New York State Energy Research and Development Authority.