



LaunchNY

INVEST LOCAL



FOR IMMEDIATE RELEASE
Marnie LaVigne, President & CEO
716-881-7576
mlavigne@launchny.org

LAUNCH NY RECEIVES \$300,000 INVESTMENT FROM JPMORGAN CHASE FOR INCLUSIVE ENTREPRENEURSHIP

Founder's Go Big program helps disadvantaged entrepreneurs secure next phase funding

Buffalo, N.Y., February 4, 2020 – Launch NY, the 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, received a \$300,000 investment from JPMorgan Chase to support Launch NY's new Founders Go Big program, which expands access to mentorship and equity capital for underserved, underrepresented entrepreneurs by supporting them to build high-growth potential businesses, create more jobs and strengthen the local economy.

The goal of the Founders Go Big program is multi-pronged: build outreach tools and tailored mentorship capabilities to attract and serve underrepresented entrepreneurs, and provide access to a "Starter Funding Pool" that is set aside to provide \$5,000 to \$20,000 in initial funding as means to support completion of a business milestone before having to compete with other more resourced startups for larger amounts of investment capital from investors. Operating the most active seed fund in New York State, Launch NY is pairing this seed investment with its proven mentorship program to accelerate underrepresented founders' ability to grow a high-impact company, defined as \$10 million or more in annual revenues by five to seven years, despite lacking access to resources.

The pilot of Founders Go Big is focused on minority and female entrepreneurs in low income areas with options to expand post-pilot to disabled, veteran, and other low income entrepreneurs who face the same barriers accessing vital support with the objective of creating and supporting future role models. For [example](#), according to CB Insights and Crunchbase less than three percent of African American and Latino founders and 17 percent of women founders receive venture funding. Although, citing a 2015 [study](#) by McKinsey & Company, companies that are in the top quartile for diversity have a better chance of receiving above average financial returns. The funding is designed to invest in eligible companies using the structure of Launch NY's nonprofit Seed Fund, where all returns come back to the fund and support investments in future startups in what is known as an "evergreen cycle." Therefore, profits from the Founders Go Big investments will be recycled back into the fund to help more companies down the road.

"Launch NY is grateful to JPMorgan Chase for recognizing the importance of inclusive entrepreneurship. Today 39 percent of the companies Launch NY serves are minority and/or women led, but we know we can do even more to be sure our entire community is participating in the economic renaissance happening through entrepreneurship," said Marnie LaVigne, Ph.D., President and CEO of Launch NY. "Launch NY is seeking additional funders who want to support Founders Go Big as the first program in the region dedicated to helping those less likely to receive venture funding to compete

on a level playing field having made significant progress in product development, sales, and other business milestones through our tailored coaching and funding.”

After completing the pilot program, Launch NY will author a white paper summarizing its findings and provide best practice recommendations for future investments.

“At JPMorgan Chase we are focused on inclusive economic growth,” said Jeanique Riche-Druses, Vice President in Global Philanthropy at JPMorgan Chase. “We recognize that there are entrepreneurs out there with much promise but with limited access to the resources they need to grow their businesses. That is why we are glad to support Launch NY as they develop methods to connect low-wealth entrepreneurs to equity investments that position them to successfully compete for the follow on investments needed to take their businesses to scale.”

This is the second time JPMorgan Chase has stepped up to support Launch NY’s powerful venture development organization approach. The first award was made to four Buffalo-based Community Development Financial Institutions (CDFIs) who provide an array of debt and equity financing to businesses in low income areas in Western New York. The award included launch of a portal, www.capitalconnectny.org, in April 2019, providing startups and small businesses of all kinds a single point of entry to access technical assistance and financing to grow their businesses. The unique collaboration includes regional CDFIs, Launch NY, Excelsior Growth Fund, Westminster Economic Development Initiative, and PathStone Enterprise Center.

“Our free support helps founders get ready for investment from us and others. The Launch NY engagement has helped create a natural bridge to other funders that may have been inaccessible to the entrepreneur without this kind of support,” said LaVigne. “Our nonprofit model has meant that we can offer robust, tailored, pro bono resources that solve the same kinds of challenges all startups face, but also directly tackle the concerns of underrepresented entrepreneurs.”

JPMorgan Chase invests more than \$200 million annually in communities as part of its corporate philanthropy initiative.

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

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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) nonprofit 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, including 39% women and/or minority-led have created more than 3,725 jobs, and attracted over \$644 million in co-investment and follow-on capital. Launch NY's 48 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.

About JPMorgan Chase

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