

## ABOUT IMPACT AMERICA FUND II

Impact America Fund II is an impact venture capital fund investing in early stage companies that advance the economic agency and participation of low- and moderate-income communities of color in the U.S.

The John D. and Catherine T. MacArthur Foundation's \$7.5 million equity investment will provide capital and support for companies to build and sustain their inclusive vision for growth. MacArthur is joining with fellow investors the Surdna Foundation, W.K. Kellogg Foundation, California Wellness Foundation, Ford Foundation, Cambridge Associates, and Veris Wealth Partners.



Diishan Imira, CEO of Mayvonn (an Impact America Fund II portfolio company), with five of the tens of thousands of hair stylists who power the Mayvonn platform. Photo credit: Mayvonn

## WHY IT MATTERS

Decades of structural racism have created a massive wealth gap for communities of color in the U.S. The economic oppression of these communities threatens the health and economic well-being of not only these marginalized communities but the U.S. as a whole.

Investors chronically undervalue and overlook market opportunities in communities of color. Meanwhile, digital transformation and innovation are rapidly reshaping our economy, but the technology platforms that are the models of the new economy perpetuate the marginalization of communities of color.

*Impact America Fund II is a field partnership of the Catalytic Capital Consortium, which is an investment, learning, and market development initiative launched by the John D. and Catherine T. MacArthur Foundation, in partnership with The Rockefeller Foundation and Omidyar Network. The Consortium informs and inspires the use of catalytic capital globally to help enterprises and funds access the financing they need to innovate, scale, and sustain high-impact strategies that further the UN Sustainable Development Goals.*

*To advance the Catalytic Capital Consortium, MacArthur is investing in a series of funds or intermediaries that demonstrate a powerful use of catalytic capital across sectors and geographies*

## HOW IT WORKS

While Fund II is agnostic about industry and geography, it invests in companies that are solving large-scale problems that keep consumers, workers, and entrepreneurs of color on the sidelines of the modern economy.

As a Black woman-led firm with a team comprised of 100 percent people of color and women, the firm leverages its cultural competence and deep business and technology expertise to identify investment opportunities. Fund II portfolio companies are advancing capital access, skills training, asset and wealth building, and small business infrastructure in industries that range from home health care to small business financing.

For all investments, Fund II employs its "inherent impact" standard: a company's business model and financial success must be directly linked to their potential impact at scale. The founders that Fund II invests in are stakeholder-minded and have lived experience within the systems and communities they seek to address, giving them a competitive advantage and deeper sense of urgency.

Fund II is deploying equity and equity-related investments to 20-25 companies that are transitioning from Seed to Series A, and in some cases to Series B financing. By focusing on this critical stage in a company's life cycle, Fund II serves as a capital and cultural "bridge" and eventually attracts later stage commercial investors.

Fund II is a demonstration of how investors can achieve systemic impact and financial returns. Ultimately, Fund II will provide a scalable blueprint to deploy more capital into under-resourced communities of color and to foster technological innovation that leads to an equitable, just, and inclusive future.