

August 9, 2023

Senate Committee on Small Business and Entrepreneurship  
428A Russell Senate Office Building  
Washington, D.C., 20510

Dear Chairman Cardin, Chairwomen Ernst, and members of the Senate Committee on Small Business and Entrepreneurship,

Thank you for the work the committee is doing to address barriers to entrepreneurship for women, and in particular, for holding a recent hearing on the matter. My name is Kathryn Rose, I am the founder and CEO of Framingham, Massachusetts-based startup, wiseHer, Inc, the parent company home of two online platforms (getWise and channelWise) that offers affordable access to vetted experts that meet 1:1 with members to provide answers to critical business and career questions. As a woman founder in a male-dominated industry, I am not a stranger to the significant challenges women face in launching and growing tech startups. And it is clear, without action from policymakers, equity in the innovation ecosystem will be challenging to achieve.

I was drawn to owning a business and the startup ecosystem in part out of necessity—similar to many women business owners. I worked on Wall Street for a number of years, but after the mortgage market melted down, I lost my job and was eight-and-a-half months pregnant and at the same time, my mother had a brain aneurysm that left her paraplegic. In three months time I had no job, a brand new baby, and had to help take care of my mother. A traditional full-time job simply wasn't possible for me, entrepreneurship provided the flexibility I needed at the time. I began by freelancing in the search engine optimization space and eventually found myself consulting on building women's small businesses. By that point in my self-employment, I had amassed a robust professional network and was constantly being asked to help make professional connections for others. I decided to lean into that and create an expert advice network where people can pay a nominal fee to speak to subject matter experts for practical advice, on demand called getWise and later added a "sister" network in the technology channel niche called channelWise.

But building the platform and getting the funding I needed wasn't simple or straightforward. I initially spent a year fundraising, talking to more than 100 investors, only to receive three term sheets. But unfortunately, as worries about the economy mounted and venture capital deals dried up, the valuation of my company was cut in half. I knew we needed to be able to turn to other sources for funding, but, as it turns out, it's not just venture capital that is challenging for women founders to access. We looked to government grants, but without robust resources and the ability to hire a grant writer—an expense many underrepresented founders, including women, cannot afford—applying for government grants is so time intensive, it is simply out of reach for many. And loans aren't any easier. There are options out there, but there are so many hoops you have to jump through, and women business owners often receive less favorable loan terms, that they aren't always an option.

Simply put, raising capital as a woman founder often feels impossible. Every meeting seemed like an excuse not to invest. I've been told in the past that I needed to find a co-founder, even though my company is already revenue generating, or get into an accelerator which take an incredible amount of time to apply for, nevermind IF you are lucky enough to get chosen. I've also been told I'm too "seasoned" (old) and my numbers consistently questioned even though they were provided with signed contracts and real-time access to financials. And we as women are routinely told that we have to play the "long game", but if you are a woman, the game seems rigged against you—we shouldn't have to work within a system that isn't designed to be inclusive and supportive of us. And if you don't have an Ivy League degree and pre-existing deep startup experience, you're at an even greater disadvantage. Moreover, even though there are government programs with the stated goal of supporting women business owners, it feels like those funds never truly get into the hands of those who need them the most. The funds go to "programs," the same programs (like courses and "mentoring") and agencies that they have been going to for decades, and the needle hasn't moved. For example, [a decade ago](#) there were approximately 10 million women owned businesses—90 percent of them solopreneurs and 88 percent less than \$100,000 in revenue. Fast forward to today there are more than 13 million women owned businesses but the same statistics apply. We haven't been given the funding to fuel the businesses therefore we don't have more successful businesses, just more women starting businesses.

It's important women founders have the support of policymakers so that access to capital becomes more equitable. Government loan and grant processes need to be streamlined, and women and diverse populations need to be represented amongst those awarding grants and loans. It would also be helpful to have some sort of a mechanism for feedback. When we apply for grants but are turned down, we basically receive a form letter. We don't know where we are going wrong and how we can improve our applications for future success. If the government wants people from diverse backgrounds to apply for grants and programs, it needs to supply not just clear guidelines, but feedback after the fact. When we do get access to funding, as during the pandemic millions and millions of dollars went to small businesses, but the criteria was nearly impossible for women to meet—since most women businesses are solopreneurs, we didn't meet the "employee" requirements, or the funds could only be used very narrowly and could not be used on things like childcare which is critical for women as we still shoulder more of the childcare responsibilities.

Thank you again for holding a hearing on women's entrepreneurship and highlighting barriers that women business owners face. Women founders serve as beacons of innovation throughout our startup ecosystem, but we are consistently forced to do more with less. I look forward to hearing about the committee's future efforts to support women entrepreneurs.