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Oregon-Wide Women Entrepreneurs Create XXcelerate Fund

Business leaders combine forces across the state to build a loan pool to help other women start businesses.

Portland, Ore. – A group of local women entrepreneurs, investors, and lenders has created the XXcelerate Fund to build profitable Oregon-based businesses. The fund will address the critical and entrenched capital shortfall facing women entrepreneurs. It is designed as a local, evergreen resource for women and will use capacity-building funding from the Portland Development Commission.

XXcelerate Fund creators conducted an initial survey of women business founders in Portland and discovered an overwhelming need for this kind of program. Key among the findings are that 40 percent of founders identify as underrepresented/people of color, most have been denied traditional funding sources, and yet nearly all have been through an incubator, accelerator, or previous business training.

“There is a crisis in access to capital and entrepreneurial support for women in the state of Oregon and nationwide,” said Robin Klemm, PH.D., Board Member and Executive Director, XXcelerate Fund. “And this gap is happening at a time when we see continuing proof points of the effectiveness of women business leaders.”

"In conversations with women entrepreneurs in Oregon, I have heard clearly how Oregon cannot achieve its fullest potential to increase high-skill, high-wage jobs without extending equal opportunities to capital for women entrepreneurs," said Oregon Senator Ron Wyden. "Despite women entrepreneurs running 30 percent of small businesses, they get less than five percent of the total value of all conventional business loans. Tapping Oregonians' creativity and grit to come together and find solutions is exactly the type of thinking we need today and every day."

The fund has three goals, each aligned with the founders' vision and needs. Each recipient will be supported in reaching one or more of these goals:

- Traditional Bank Financing
- Venture Capital
- Profitability and Financial Independence

A 2016 study by Oppenheimer Funds found that women start new businesses at twice the rate of men. Additionally, First Round Capital analyzed a decade's worth of data from 300 of its portfolio companies and learned that startup teams with at least one female founder performed 63 percent better than all-male teams.

“We are proud to support this innovative, grassroots funding solution created by some of Portland’s most dynamic women founders to provide a new path forward for female entrepreneurs,” said Kimberly Branam, Executive Director, Portland Development Commission.

The XXcelerate Fund is seeking two types of capital: loan funds and grants through government entities, foundations, commercial investment, and individuals. Capital will be fully deployed within five years.

Organizations and individual philanthropists that want to support the fund can find details on the website at www.xxceleratefund.com.

The first recipient will be named later in 2017 when the fund reaches its initial \$500,000.

About XXcelerate Fund:

Women entrepreneurs in Portland have joined together to build a new “on-ramp” for women entrepreneurs and to directly address the gender gap in existing funding methods. The founding board includes: Robin Klemm as Executive Director, Judith M. Hutchison as Lending Director, as well as entrepreneurs: Paige Hendrix Buckner, Genevieve LeMarchal, Astrid Scholz and Mara Zepeda. Jill Nelson, founder and CEO of Ruby Receptionists, is the fund’s Education and Mentorship Advisor.

The fund’s leadership is forging partnerships with experienced professionals, government bodies and grant-making organizations and documenting the process to refine and replicate it in other urban centers across the U.S. and beyond.

The XXcelerate Fund will incorporate as an Oregon based 501(c)(3) non-profit organization through which it will conduct its programmatic work, provide wraparound services to the participating entrepreneurs, and operate the XXcelerate Fund through a subsidiary LLC.

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