



Impact Report

FY April 2019 - March 2020



www.divinc.org

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Our Mission: **EQUITY.**

Our vision is a world that is authentically diverse, equitable and inclusive, where social and economic disparities no longer exist. Our mission is to bridge the gap between underrepresented entrepreneurs and the resources they need to build profitable, high-growth companies. We mobilize communities, execute programs and establish partnerships that foster diverse, equitable, and inclusive cultures.

DivInc transforms the existing entrepreneur tech ecosystem into a more authentically inclusive innovation community. Through our efforts, we inspire, empower and enable underrepresented founders to build successful high growth businesses. We aim to unleash the untapped and hidden innovative talent within our communities and generate an ecosystem mindset shift for generations to come.

DivInc Removes Barriers

5 Cohorts

64 Founders

52% Female Founders

\$3.2M+ in Revenue

225+ Jobs Created

\$14.2M+ Funds Raised

49 Companies

01 From the CEO



The mission and vision of DivInc is about broadening the startup ecosystem by making it more authentically diverse, equitable and inclusive of people of color, women, and all underrepresented entrepreneurs. When we, as a community, do this successfully, we optimize our opportunities for economic GDP growth, help reduce the racial/gender wealth divide, and we drive greater innovation.

"Business equity is the second largest source of wealth, after home equity for American households."

McKinsey & Co reported in 2019* that racial wealth disparities in the United States, will cost the US economy \$1.5T between 2019-2028. A similar report from Project Diane** concluded that if minority women owned businesses were at parity with white women owned businesses they would be able to generate 4M new jobs and \$980B in revenues. These disparities are major contributors to the increasing racial and gender wealth gaps in the US. Minority and women entrepreneurs are building businesses but a small percentage are building business equity.

Business equity is the second largest source of wealth, after home equity for American households. Austin has had one of the strongest economies in the US for the past decade, yet data reveals that not all Central Texans have the same access to economic mobility. DivInc removes barriers for underrepresented entrepreneurs so they can build successful high growth businesses. We drive Austin innovation that is diverse, equitable and inclusive.

DivInc Team



Preston James

Co-Founder | CEO



Monica Morales

VP | Director of Development



Brooke Turner

Program Director



Muhammad Shabazz

Marketing Manager



Bonni Erizo

Business Development Associate

DivInc Board of Directors



Josh Jones-Dilworth

Board Chair



Monique Maley

Vice Chair



Ezinne Udezue

Director



Julie Oliver

Director



Juan Thurman

Director



Kate Williams

Director



Zay Collier

Director



Dan Graham

Director



Blanca Lesmes

Director



Dana Callender

Director | Co-
Founder

02

Serving Underrepresented Entrepreneurs

DIVINC PROGRAMS



Through our 12 week startup accelerator program specifically for underrepresented founders, we help mobilize our community through communication, collaboration and engagement. By understanding the challenges all entities of our ecosystem face, not just our founders, but also investors and our public/private institutions, we are better able to come up with real solutions that remove barriers, create thriving cultures that empower individuals and institutions to maximize innovation and global competitiveness.

"We felt like family in the first three days."

"We had our first 5 corporate customers by demo day!"

As of March 2020, DivInc has helped diverse founders launch 49 companies. We remove barriers by providing access to entrepreneurship best practices, mentorship and social capital network. Through this program, founders gain access to opportunities that they otherwise would not have had. They accomplish in 3 months what may take them one or two years to figure out otherwise. Our work goes beyond just launching companies, DivInc is "family".

**DIVINC ACCELERATOR
PROGRAM**

DIVINC ALUMNI PROGRAM



With 64 incredible founders now having completed the DivInc accelerator, we must continue to support their growth and ensure they thrive as executive leaders.

Our alumni become some of our most valuable mentors and DivInc supporters, too! They're innovators who we want all our following cohorts to learn from.

"DivInc is still the most impactful experience in my entrepreneurial journey."

Programming includes:

- Continuous executive training
- Investor readiness
- CEO forum support
- Access to mentors and business perks
- Business growth coaching

STARTUP SISTAS PROGRAM



Less than 3% of VC funding goes to women-led tech companies, and less than 1% goes to African American and Latinx-led tech companies***

Startup Sistas is the catalyst for creating the most powerful network of women of color in the startup ecosystem. Our purpose is simple. We remove barriers to essential resources and opportunities for women of color entrepreneurs looking to build successful high growth startup companies.

We know the challenges that women of color face as entrepreneurs all too well. We help navigate the ecosystem more effectively, by sharing best practices and dramatically expanding your network with potential investors, talent, partners, influencers and potential customers. Startup Sistas is where we help make things happen for women of color entrepreneurs.



4
Events held every year

420+
**Women of color founders
reached in FY2019**

FY 2019

DivInc Provides Access

80+ Subject Matter Expert Advisors

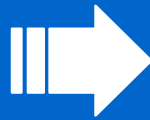
116 Business Workshops

50+ Hours of Executive Coaching

35+ Hours of Pitch Coaching

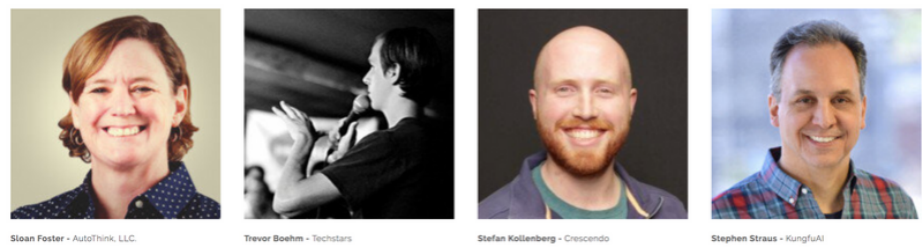
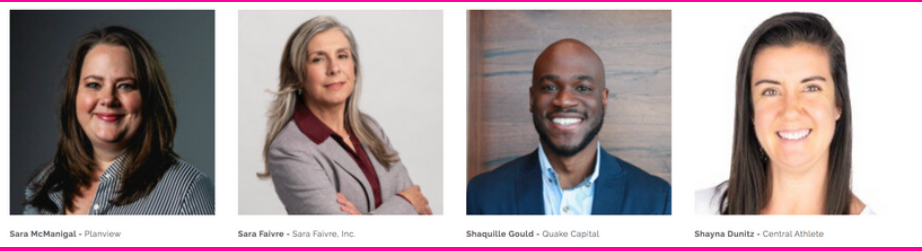
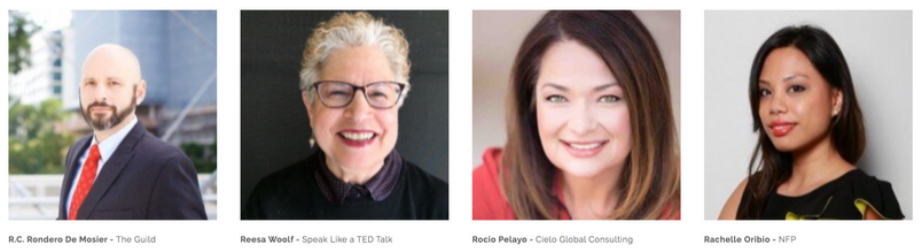
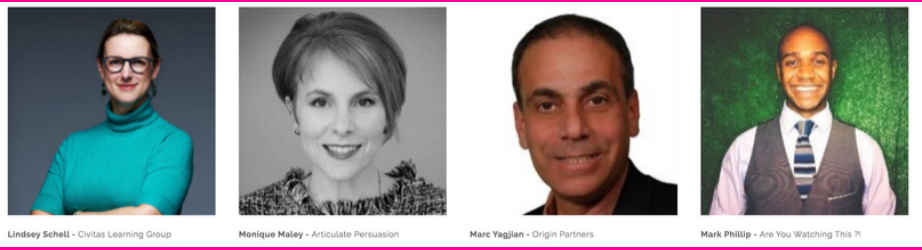
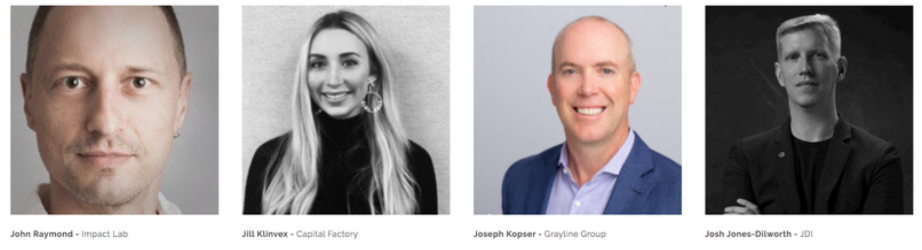
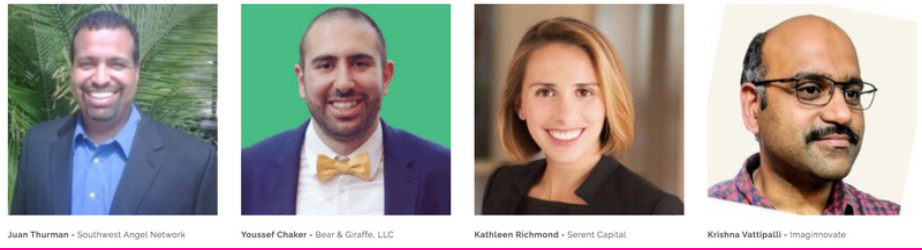
\$100k Value in Technical and
Business Resources

DivInc is a Launchpad for Founders



Techstars
TMCx Accelerator
Rough Tech Ventures
Sputnik ATX
Capital Factory Accelerator
Ignite Fire Pitch Competition
SXSW
iCorp
Mass Challenge
SXSWedu
Austin Startup Week
Maker World Event
Founder's Live
TarmacTX
SKU
Naturally Austin Pitch Slam
LiFT Development Enterprises
Notley Ventures Fellowship

Thank You DivInc Mentors

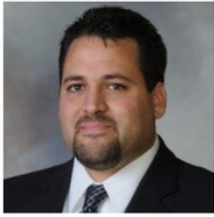


Thank You DivInc Mentors

Thank You Divlnc Mentors



Amos Schwarzbart - Techstars



Anthony Carrano - Dunamis Marketing



Adrianna Cantu - Revealtx



Areej Rable - Backtracks, Inc.



Brittany Solano - JDI



Bob Bridge - Southwest Angel Network



Chris Palmisano - Rocket Dollar



Dana Callender - DISCO



Isiah McPeak - Isiah McPeak Consulting



Bianca Lesmes - BB Imaging & Healthcare



Bijoy Goswami - The Bootstrap



Ada Ryland - Ada Ryland Consulting



Jamie Catanach - Capital Factory



Jenny Krengel - Jenny Krengel, CPC



Jean Ginzburg - JeanGinzburg.com



Jean Anne Booth - UnalWear



Danielle Bardgette - UX With Ease



Harold Hughes - BANDWAGON



Elise Graham Kennedy - Steadfast Media



Frankie Arvelo - Startup Counsel

Thank You Divlnc Mentors

Building Executive Leaders

Serving Underrepresented Founders to Close the Socio-Economic Gap

Whether it's being the founder of their own company or a leader within another company, DivInc programs ensure more women, people of color, and those within traditionally marginalized communities are empowered to effect real change through their leadership.

Short-term, as an ecosystem builder, we're making the innovation economy more diverse, equitable and inclusive. Long-term, we're addressing the national crises of the racial and gender disparity in income, wealth and job creation within our United States. This is an economic imperative for our country!

To be very clear, our mission is not about displacement or replacement of anyone. This is about bringing all people together to experience growth as individuals and as a community. This is a mission of empowerment through collaboration. This is a mission about creating mindset shifts for generations to come. This is about creating a zero barriers community where the socio- economic benefits of diversity, equity and inclusion are realized by everyone.

To this end, DivInc is focused on leveraging systems, networks and organizations to equip the individual, the underrepresented startup entrepreneurs to become new voices of leadership. These are the voices that will help shape our future where we all have equitable access to the resources and opportunities that create prosperity in our communities.

Building Executive Leaders



LAMIK[™]
beauty

Kim Roxie

Kim completed DivInc's program in the summer of 2018. Originally, she started her career running a retail cosmetics store, but decided to shut it down to build her own company, LAMIK Beauty, focused on creating an organic, vegan cosmetic line with natural ingredients specifically for women of color.

Since DivInc, Kim has gone on to be a part of SputnikATX, Texas Venture Labs, the SKU 7 Track program, and more. Kim was named one of Austin's startups to watch in 2019 by Silicon Hills News and one of Houston's 40 under 40 honorees in the Houston Business Journal.

Kim remains a driving force for women in business in Houston and is sought after for speaking and community engagements.

Building Executive Leaders



women@AUSTIN

Jessica Gaffney

Graduate of DivInc cohort 4, Jessica is now CEO & Executive Director of Women@Austin, where she steers the organization's mission to advance women entrepreneurs.

As an advocate for all women, Jessica brings her passion for inclusive and equitable entrepreneurial success to her role.

Jessica has over 15 years of experience in development and marketing in both the for-profit and non-profit sectors. Having also co-founded Pro Mama, a community and resource for mothers to help them find flexible work, Jessica is an executive leader helping other women get and keep a seat at the table.

Building Executive Leaders



Wayne Lopez

Whether they're leading their own company or another company, DivInc alumni are executive leaders who impact change in their cities and the larger global economy.

Since making the decision to close his first company, Wayne Lopez joined a new team to build VerifyData Inc. as their Chief Product Officer & Co-Founder.

Wayne continues to be a sought-after advisor and mentor for startup founders and business professionals.

03

It Takes a Community

DIVINC PARTNERS

We believe that Texas is filled with many great, intelligent, empathetic, progressive, creative and innovative people and organizations who want to do better to build an authentically inclusive community. We have found that many really just don't know what to do, "It's really hard" is what we hear. Absolutely, it is hard! The ONLY way we effect real change is to do it together! We must come to the table together, ready to make real change. It's the only way forward.

This is why DivInc prioritizes our Diversity Partners.

"More people should have access to opportunity and the chance to move up the economic ladder..."

- DivInc sponsor JPMorgan Chase



Photo credit: Michael Hsu Office of Architecture



Corporate Diversity Partners

Thank You DivInc Corporate Diversity Partners



NOTLEY

JPMORGAN
CHASE & CO.



24
FOUNDERS CIRCLE
MEMBERS

\$50,400
FUNDS RAISED

10
NEW DIVERSE
ENTREPRENEURS
SPONSORED

16+
DIVINC ALUMNI
SUPPORTED



DivInc's Founders Circle ensures sustainability for DivInc's programs

DivInc's Founders Circle is a network of individuals passionate and committed to enhancing our innovation ecosystem by removing barriers to essential resources and opportunities for people of color and women entrepreneurs looking to build high growth startup companies. Our Founders Circle of friends are furthering DivInc's mission to empower people of color and women entrepreneurs by providing them with access to education, mentorship, and vital networks.

DivInc's Founders Circle Members help ensure sustainability for DivInc's programming and innovation creating a pathway to socio-economic success for people of color and women entrepreneurs in tech.

> FOUNDERS
CIRCLE

Thank You Founder Circle Members

Lisa & Dan Graham
Liz & Josh Jones-Dilworth
Jonathan Kaplan
William Hurley "Whurley"
Blanca Lesmes
Chris Hyams
David Rubin
Tom Hadfield
Kim & Preston James
Dennis Cavner
Hugh Forrest
Blake Garrett
Kiwi Camara
Allen Gilmer
Jay B. Saucedo
John Thornborrow
David Altounian
Ashwani Dhar

Mark McClain
Monique Maley
Neil Goldman
Julie Oliver
Ezinne Udezue
Wendy Howell



04

Outreach

DIVINC EVENTS



The work we're doing is not just about DivInc. It's about mobilizing the entire Texas startup community. It's about all entities stepping up their game, folks getting "comfortable with being uncomfortable", investors being intentional in expanding their deal flow pool. It's about our institutions acknowledging and remedying their systemic biases to unleash this untapped pipeline of underrepresented, and often underestimated entrepreneurs.

"This is about bringing people together to experience growth as a people and as a community."

6,000+

entrepreneurs, investors,
collaborators, mentors,
and supporters reached



Events



DivInc's culture and community is what sets us apart. We are authentically diverse, and create numerous networking and community engagements throughout the year.

12

Conference Panels



5

Diversity Summits



17+

Community Engagement
Events





CHAMPIONS OF CHANGE AWARDS



Fatima Mann, Founder & Director
Community Advocacy & Healing Project

DivInc's annual signature fundraiser celebrates the unsung heroes who are leading the way for DEI in Austin.

The Champions of Change Awards, recognizes local individuals who not only hold diversity as a core value, they also "walk the walk" to make Austin, TX a truly inclusive community.

Award Categories Include:

- Investor of the Year
- Champion of the Year
- DEI Leader of the Year
- Rising Star of the Year
- Student of the Year
- Non-Profit Leader of the Year
- People's Choice Award



"Talent is universal, but access to opportunity is not... So we spend a lot of time and energy working on the recognition that in order to better serve the world around us, the make up of our company needs to better represent that world."

Chris Hyams, CEO, Indeed



Thank You DivInc Champions of Change Awards Sponsors

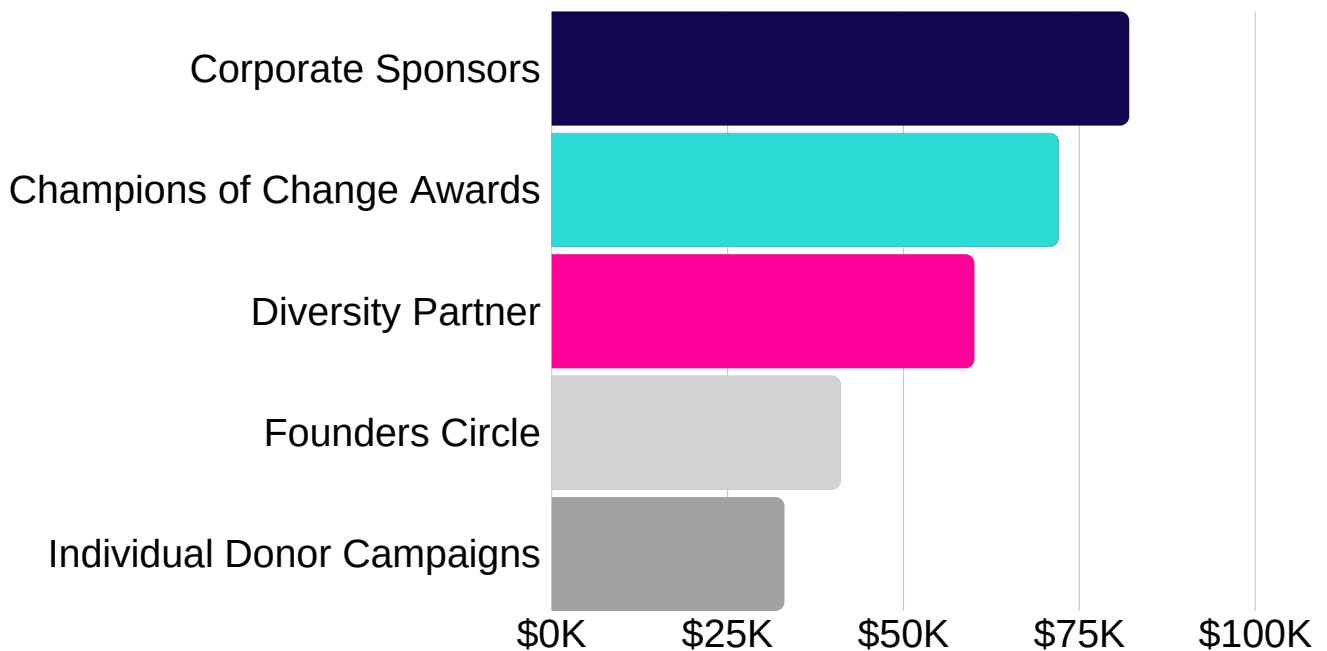


Financial Sustainability 05

PREPARING FOR GROWTH

DivInc achieves financial sustainability through generous contributions from Corporate sponsors, partners, and individual donors. Sponsors and donors support the mission of DivInc by funding DivInc's programs and events.

In FY 2019, DivInc raised \$290,000.



FY 2019 FUNDRAISING

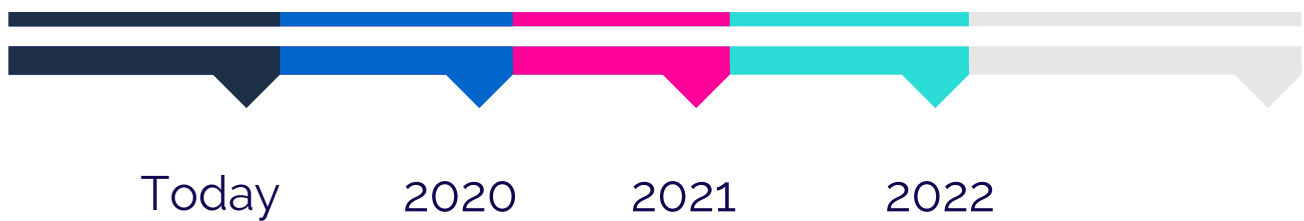
Programs & Events Funded:

- Two 12-Week Accelerator Programs
- Year-Round Alumni Program
- Quarterly Startup Sistas Programming
- Quarterly Community Networking
- Champions of Change Awards

Built to Scale

We go where we're needed most.

1 City	2 Cities	4 Cities	
2 Cohorts	3 Cohorts	4 Cohorts	National
20 Companies	30 Companies	40 Companies	Expansion



We're excited for our next fiscal year (April 2020-March 2021) as it will be a period of continued growth in business and impact within the innovation ecosystem. We'll be enhancing our programming to make it more comprehensive and deliver greater value to our founder participants and our corporate partners. We'll also expand our capacity to serve significantly more early stage underrepresented entrepreneurs throughout the region and nationally through our virtual platform.

We're looking forward to a successful geographic expansion to Houston, TX which started in March of 2020. We plan to be fully ramped up in Houston by Q4 2020. In 3 years, DivInc aims to be an innovation ecosystem partner that is generating a pipeline of 200+ companies per year that are led by underrepresented founders.

THANK YOU

With all your incredible support, this was a banner year for DivInc. I'm so proud of the progress we've made, and the plans that we've laid.

We amplified our impact by supporting even more underrepresented founders. Cohort 5 launched to a packed house; Cohort 6 is off and running. Our Alumni program has evolved into a full-fledged offering, with much more to come.

I'm astonished by how quickly we adapted our Accelerator to fit a virtual-only environment. The soul of the program remains the same. DivInc continues to deliver remarkable outcomes even though we can't be together in-person.

We forged a groundbreaking partnership with Notley Ventures. None of this would be possible without them. Dan, Lisa, and their team have over-delivered on every commitment they made. We're loud and proud members of their portfolio and community.

We grew our donor base, expanded our Corporate Diversity Partner program, and launched our Founders Circle. And we added significantly to our Board of Directors — each of us considers it an honor and a privilege to serve this incredible organization.

DivInc also welcomed two wonderful new team members; the organization is poised for growth. And we celebrated together with the whole community at another, enormously successful edition of our Champions of Change Awards. It's my favorite night of the year. We laugh, we cry, and we get down 'til far too late.

DivInc remains incredibly capital efficient; I've never seen an organization do more with less. The team is laser-focused on hitting our goals and achieving the mission. We are setting up DivInc for the very long haul.

I would be remiss not to acknowledge that our fiscal year ended right as the COVID-19 global pandemic began in the United States. Although DivInc has certainly been affected by the economic crisis, we are unflinching; the mission matters now more than ever.

Economic inequalities and the stratification of access to opportunity have never been so stark. The pandemic is if anything, a magnifying glass. Underrepresented entrepreneurs need our support badly and they need it right now.

Entrepreneurship is the backbone of American business. Startups are how we will create generational wealth in communities that need it most. What kind of victory can we possibly claim if economic recovery in America leaves women and people of color further behind?

Our work must and will continue.

Josh Jones-Dilworth

Josh Jones-Dilworth
DivInc Board Chair



Sources

* McKinsey & Co, "The economic impact of closing the racial wealth gap" | 2019

** Project Diane, "The State of Black Women Founders" | 2018

*** Entrepreneur, "Out of \$85 Billion in VC Funding Last Year, Only 2.2 Percent Went to Female Founders. And Every Year, Women of Color Get Less Than 1 Percent of Total Funding" | 2018



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