



2021

NEW ORLEANS  
STARTUP FUND

IMPACT  
REPORT

PRESENTED BY



W.K.  
KELLOGG  
FOUNDATION



# Investing in promising companies. Growing the regional economy.

**LIKE EVERYWHERE**, the New Orleans economy faced many difficult challenges in the unprecedented year that was 2020. Startups and small businesses were among those hardest hit by the pandemic and the resulting economic crisis with which the world is still struggling. But even in the midst of tough conditions, our portfolio companies have shown ingenuity and resilience. Certainly, some companies have been hit hard, but we're happy to be able to tell you many thrived in spite of it all.

So, in a time when it's most needed, we're happy to share this good news with you here. In 2020, NOSF portfolio companies continued to shine. As of 2020, they have:

**Raised over \$155M in venture capital**

**Support 460 jobs**

**Generated \$40M in revenue in 2020 alone**

Uncharted waters and unforeseen economic conditions are always especially difficult on emerging companies but these results show our startups are navigating the tough conditions and continuing to deliver on NOSF's vision of creating jobs and delivering a substantial and quantifiable positive economic impact in the 10-parish Greater New Orleans area.

As a non-profit evergreen fund, NOSF reinvests all of our returns to expand the number of successful, growing businesses in our region.

In addition, through the PowerMoves.NOLA initiative last year, we provided expert resources to minority startups to help them navigate the challenges of the pandemic, including regular information on how to leverage federal relief packages as well as a video seminar on how to use bankruptcy as a strategy to help struggling businesses survive—and even thrive.

Just how effective is the Startup Fund in helping early-stage startups become venture ready? We're proud to say that as of last year—even with all the hardships—for every \$1 we invested in our portfolio companies, in aggregate, they were able to raise \$56 in follow-on capital.

We can probably all agree that 2020 will likely not be remembered fondly, but we're happy to say we're still growing local businesses and making our community stronger for the better times to come. Thank you for helping us make that possible, no matter the obstacles!

## **Matt Wisdom**

CHAIR OF THE BOARD OF DIRECTORS  
NEW ORLEANS STARTUP FUND

## **Leslie Jacobs**

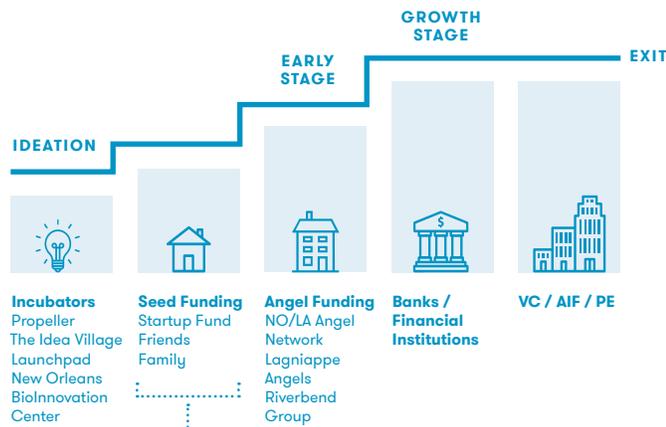
FOUNDER  
NEW ORLEANS STARTUP FUND

## **Jimmy Roussel**

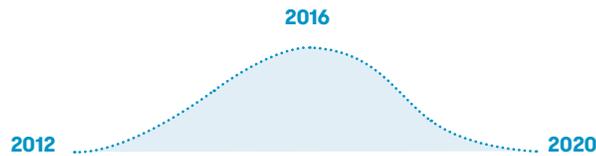
CEO  
NEW ORLEANS STARTUP FUND

# A Strategy for Growth

**THE STARTUP FUND'S** mission is to create jobs and economic prosperity for Greater New Orleans by providing seed capital and business assistance to early-stage firms that demonstrate significant growth potential.

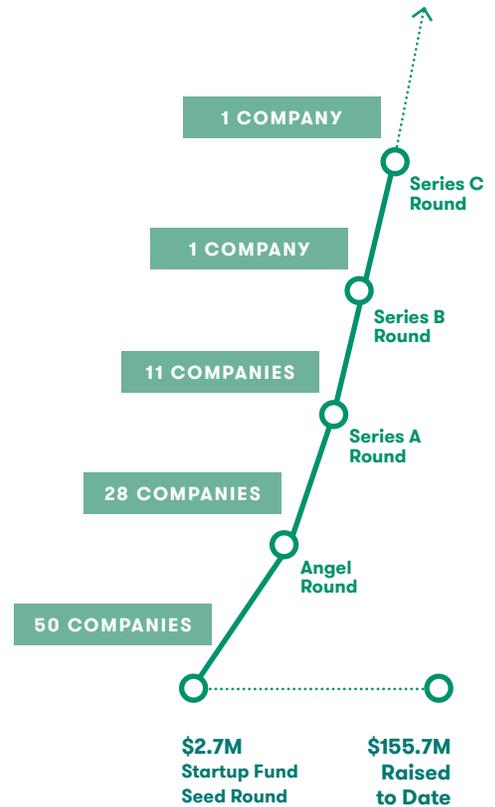


The Startup Fund helps New Orleans entrepreneurs bridge the difficult gap between the ideation stage and the growth stage of their business.



## Funds Deployed Over Time

The typical lifecycle of a startup includes an 8-10 year period where early stage investments mature for an exit. The Startup Fund is 2-5 years into its investments with the majority of its companies, which are growing, on average, at a rapid rate.



Our Companies are out-performing the national average, which says less than half, 48%, manage to raise a second round of funding – and that every round sees fewer companies advance toward new infusions of capital.\* We're bucking that trend, with 60% of Startup Fund companies (including factoring in the brand new ones) going on to raise additional rounds of funding.

\*Source: CB Insights 2018



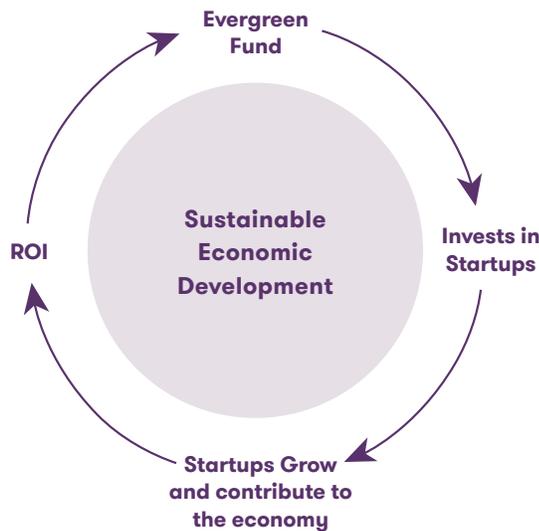
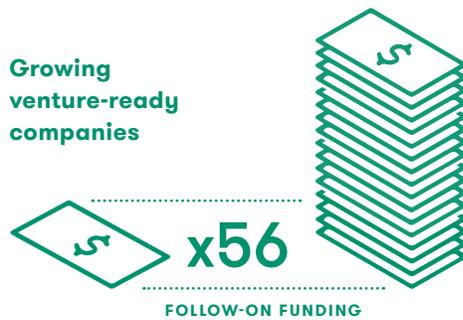
## Startup Spotlight: Levelset

When the pandemic hit the construction industry, a sector already notorious for slow payment, many contractors turned to Levelset to protect their businesses and get the money they earned. The company has continued to grow, expanding to 225 employees, raising \$48M in funds, and planning to hire 150 more employees in 2021.

*Levelset helps contractors and suppliers get payment under control, facilitating smooth payments and successful projects.*

# Preparing Venture-Ready Companies

**THE STARTUP FUND'S** has invested \$2.7 million in companies that have gone on, in aggregate, to raise more than \$155 million in follow-on funding. That's a multiplier of 56, and it's a primary marker of the Fund's success.



**We're helping companies launch and scale - and do it right here in New Orleans.**

Of the **50** companies the Fund invested in, **33** remain active in our portfolio. We've made 3 exits and 1 partial exit, and only 13 companies have shut down.

**460**  
JOBS  
CREATED



Many of our companies are already profitable, generating more than **\$40M** in revenue in 2020

**\$40M**  
2020  
REVENUE

The Startup Fund's investments in New Orleans companies, while still early on, are already yielding compelling returns and out-performing national averages. We're raising another round to invest in more startups and generate returns to make the fund sustainable.



## Startup Spotlight: AxoSim

In 2020, AxoSim celebrated the completion of an additional fund-raising round, which included the first local investment in the region from the Benson Capital Fund backed by New Orleans Saints owner Gayle Benson, as well as Jefferson Capital Partners. The funds enabled a focus on growth and scalability, with the streamlining of operational capacities to expand capacity for their global pharmaceutical clients and addition of six new team members.

# Portfolio of Investments



**AxoSim** produces “Nerve on a Chip” technology



**Be Well Nutrition** makes the healthy protein drink Iconic



**BioAesthetics** provides Nipple Areola Complexes for breast reconstruction surgeries



**Bioceptive** is the developer of an intrauterine device inserter



**Block Lawncare** provides on-demand lawn care through a mobile app



**Brown Girl Media** is a new media company for women of color



**Culture Connect** builds mobile apps for museums



**Cyber Reef Solutions** provides VPN’s for IoT devices



**Don't Get Mad Get Paid** helps mothers collect child support arrears



**Ecosweet** makes zero calorie NON-GMO natural sweeteners



**Freshcane Inc** makes Bhoomi cane water



**Gilded** is an accounting platform for cryptocurrency



**Golden Leaf Energy** makes lubricants for coil tubing units in drilling operations



**Instafunds** helps provide financial services to the underbanked



**Juicebox** coaches provide sex and relationship advice online

**Kiku** helps parents manage kids’ carpools for sports events



**Kickboard** is a solution that tracks students’ performances



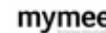
**Levelset** makes notices, mechanics liens, & lien waivers easy



**Lifecity** makes social and environmental impact profitable for business



**Mobilequbes** provides portable cell phone battery packs via branded kiosks



**Mymee** uses data and analytics to overcome autoimmune issues via diet and exercise



**Pet Krewe, LLC** is a pet costume company



**Quarrio** is an artificial intelligence platform for Salesforce



**Resilia** helps nonprofit organizations manage compliance



**SampleChain** provides insight on the quality and suitability of survey respondents



**Scandy** is a mobile 3D scanning solution for smartphones



**Servato** manages battery efficiencies in cell towers and data centers



**Smart Coos** helps students learn a second language



**Smartpak** makes a six pack carrier with an integrated Koozie™



**STEMNOLA** is growing future innovators, creators, and entrepreneurs



**Stop & Block** provides access to single serve sunscreen



**Tray Away** is making room service better through rapid removal of room service trays



**Vizzit** is an app for self-guided experiences



**Welcome To College** helps universities connect with prospective students

# A Strategy for Inclusion and Social Impact

**IN 2020, THE STARTUP FUND, THROUGH ITS POWERMOVES.NOLA INITIATIVE,** helped entrepreneurs of color navigate the challenges of the pandemic by providing resources and expertise on how to tap into federal relief programs as well as strategies for surviving and thriving through the economic crisis. PowerMoves.NOLA's minority-owned businesses programs are made possible with funding provided by the W.K. Kellogg Foundation, the RosaMary Foundation, and other generous sponsors.

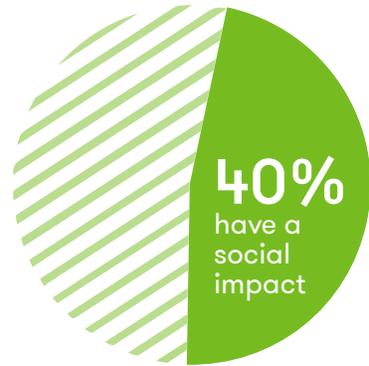
## Cultivating an Inclusive Ecosystem



While just some 1% of American venture capital-backed founders are black, **46%** of Startup Fund companies are minority-owned.



While nationally, female founders' share of venture capital funding shrank to 2.2% in 2020, **32%** of Startup Fund companies are woman-owned.



## Investing in Impact

The Startup Fund serves as the investment arm for Propeller, a nonprofit incubator that grows and supports entrepreneurs to tackle social and environmental disparities.



Resilia



## Startup Spotlight: Resilia

Resilia recently concluded its most ambitious and successful year: under the leadership of CEO and Founder Sevetri Wilson, the SaaS company raised more than \$10 million in venture capital, making history for the Louisiana tech ecosystem and Black-woman owned software companies. Resilia was named a Rising Star of the Forbes Cloud 100 in September 2020, and greatly expanded its software platform to serve hundreds on nonprofits with critical resources.

# What Starts in New Orleans Stays in New Orleans

*The Startup Fund not only filled a void, but created a whole new ecosystem*

**NEW ORLEANS IS A DIVERSE,** vibrant and creative mecca for people throughout the world. The rich tapestry that exists here inspires and captivates. It's true in the city's music, its cuisine and culture – but also in the ideas that inspire new businesses and even new industries. For many years, the only missing ingredient was the funding to get these great ideas off the ground and on their way to success. There simply wasn't an established investor network in the region ready to provide seed capital to new businesses.

The Startup Fund stepped in and filled this need. Over the past decade, an entirely new and vibrant startup ecosystem has been created here with tangible results for the regional economy. Companies like Levelset, Kickboard, and Resilia are now widely recognized names in the area and beyond. Still, it wasn't that long ago, they were just ideas. We're proud to have helped these impressive organizations get the start they needed right here at home – raising substantial capital and adding hundreds of high-paying jobs to the local ecosystem.

We're proud to say that we've had so many successes that the Fund is well on its way to becoming a long-term, self-sustaining engine for burgeoning local companies and their employees. To date, the Startup Fund has invested in 50 companies, achieving a leverage ratio of 56 times the capital invested. We're also very proud of the fact the NOSF boasts diversity and inclusion statistics that place it among the best in the entire country. We thank you for your continued support and look forward to the many successes that lie ahead.



## Startup Spotlight: STEM NOLA

In 2020, STEM NOLA pivoted during the pandemic, engaging nearly 18,000 children in 47 states and 5 countries through its virtual hands-on, inquiry-based STEM workshops and activities. That same year, it was awarded 24 grants, totaling nearly \$5 million dollars to continue the mission and expand the footprint of STEM NOLA. Since 2014, it has exposed, inspired and engaged more than 65,000 children and 15,000 families.

# Programs



## The Fund

Established in 2010, the nonprofit evergreen fund accelerates the growth of early-stage, innovative businesses into venture-ready companies.



## PowerMoves.NOLA

An initiative of the Startup Fund made possible with funding from the W.K. Kellogg Foundation, PowerMoves.NOLA is positioning New Orleans as a hub for minority entrepreneurship through its support of local businesses. Since its inception in 2014, the program has helped more than 200 entrepreneurs of color, providing strategic guidance and connecting them with investors, advisors, and peers.



## Startup Spotlight: CultureConnect

In 2020, CultureConnect was acquired by Axiell, the cultural sector's leading software and services provider serving 11,300 customers in 58 countries. With roots in New Orleans, the female-founded company enjoyed a strong exit after growing their award-winning technology platform that empowers cultural institutions to easily create beautiful and dynamic digital experiences that broaden audience engagement onsite and online.



## Startup Spotlight: Bioaesthetics

BioAesthetics closed its \$5M Series A funding in December 2020 to accelerate the commercialization of its inaugural product-- a nipple reconstruction graft. The BioAesthetics NACgraft™ biologic matrix is a decellularized skin allograft of the human nipple-areolar complex (NAC) intended to replace the NAC when lost due to mastectomy or other procedure. A clinical study of the NAC-graft will be performed at Stanford Medicine beginning in 2021.



# NEW ORLEANS RANKS

**#1** in the South for Economic Development Wins for the Decade

**#2** for Women in Tech  
#7 for Tech Growth

**#3** for Young Entrepreneurs  
#4 Most Entrepreneurial Metro in U.S.  
#7 for African-Americans in Tech



### Startup Spotlight: Pet Krewe

Pet Krewe enjoyed continued success with many people adopting pets and celebrating holidays, like Halloween, at home during the pandemic. The company’s revenue increased 170% from 2019 to 2020, and its 2021 Q1 revenue is already up 521% compared to Q1 in 2020.

#### SPONSORS:



#### PARTNERS:

