



INCLUSIVE ANGELS

Why a generation of founders needs you

Amy Newton

[Newton's Theory](#)



A funding gap in the UK & Globally



“ £5.6bn of venture capital invested in 2017 in the UK,

89% went to all-male founder teams.

This means Britain is missing out on a huge pool of talent.

[Diversity VC, SBB, BVCA](#)

At individual company level

'Companies in the top-quartile for gender **diversity** on executive teams

were **21%** more likely to outperform on **profitability**'

1,000 companies over 12 countries

[Delivering through Diversity](#), McKinsey 2018

At private equity portfolio level

“ To maximise returns,
seek out companies with
gender diversity

Calvert Impact Capital

Financial performance higher
with +33% diverse board
and senior management.

Sales +18%

RoE 8.6% v 4.4%

Portfolio study covered 11 years of data, 160 companies, representing \$23bn
in assets.

At the VC level

In the VC world, female led businesses show returns of **20%** more revenue with **50%** less money invested.

Yet, male entrepreneurs are **86%** more likely to be funded.



[Untapped Unicorns](#), Barclays 2017

At start up level

For every \$1 of funding,
female entrepreneurs generated **\$0.78** in
revenue
compared to,
male entrepreneurs **\$0.31** in revenue

5 years of data, 1500 start-ups, 42% with at least one female
founder

[BCG & MassChallenge](#), 2018

Insights & no blame, I'm biased too

I was so surprised at my own bias, I researched where they
came from



At the business plan review stage

The **same** business plan with
a female founder name,
'less competent
&
less investable'
than the same plan with a male name

“highly innovative
business plans,
bucked this trend ”

[Santa Barbara University Study](#)

At the pitch Q & A stage

‘Male and female entrepreneurs
get asked,
different questions,
and it affects how much
funding they get’

Recorded 5 years of TechCrunch pitch
and Q&A
[Dana Kanze,](#)
2018

“Women and men
investors ask female
entrepreneurs the same
questions men do.”

Reframing questions

"How do you intend to acquire customers?"



\$16.8m
Average raised

"What does your customer retention look like?"



\$2.3m
Average raised

In the post-pitch discussions

Post-pitch discussions **unwittingly**
lean on stereotype myths of gender and
entrepreneurs.

Counter to the facts of
actual business performance.

[VC Gender Constructions versus Venturing
Performance Facts 2017 & 2018](#)

An under-estimation of the market
women represent

nVision

An early detection method for ovarian cancer.
Originally dismissed by investors as
'niche' and 'a women's issue'.

Exit value \$275m



A last quote ...

'given the dearth of investment dollars chasing these ***talented entrepreneurs*** of colour and women, there is tremendous untapped potential for ***extraordinary returns***'

Carla Harris, MD, Morgan Stanley
