

CONSCIOUS VENTURE LAB RESILIENT CITIES INVESTMENT CHALLENGE

Towards more resilient and inclusive cities.



An Investment Challenge to Create More Resilient Cities

The **Conscious Venture Lab**, an accelerator for mission-driven entrepreneurs was established in 2013. Our mission: to build businesses that matter. We work with passionate entrepreneurs who are seeking to use business as a force for creating a more just and equitable world. Based on our significant work with the 2017 Laudato Si Investment Challenge inspired by his holiness Pope Francis, we're launching the **Resilient Cities Investment Challenge** - a multi-year accelerator focused on helping entrepreneurs operating at the intersection of profit and purpose – and intended to create real and lasting change in challenged cities across the US and around the world. Our goal is to fundamentally explore how business can be a tool to elevate humanity and how work can be a tool to create our best selves. We believe these are keys to human development as well as financial performance.

Society at a Crossroads

In today's society, massive market forces are changing the fundamental make-up of our economy. A desire for more meaning and purpose in life is influencing our priorities - and, how we think about the companies we want to work for, buy from, partner with, allow into our communities and invest in - with an eye towards how they engage all of their stakeholders, not just their shareholders. More of us are beginning to care both about the societal value of the product or service the company produces, and, about the way the company conducts itself in the world. This emergence of what we call the P2 economySM (Purpose2Profit) means that organizational purpose and creating value for society, is emerging as a potent competitive advantage and becoming the new driver of profit.

Simultaneously it is increasingly clear that the growing levels of economic instability and income inequality in cities around the world is unsustainable. The prosperity we see in many innovation ecosystems remains far too concentrated, leaving communities plagued by a lack of economic opportunity. Those excluded are being robbed of the dignity of work, and the resultant pockets of poverty are robbing society of ideas, critical human resources and broad based prosperity.

By working with, in and for underserved communities we aim to plant the seeds for a system of capitalism that creates a more just, joyous, spiritually and financially prosperous society. By fostering entrepreneurship in these communities and partnering with organizations that understand the true nature of their challenges, we believe we can have a profound impact. Creating the conditions for vitality where they may have been absent before.

The Challenge - Year 1: Inspired by His Holiness Pope Francis

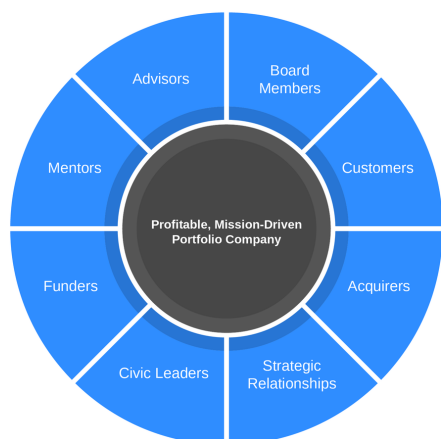
The pilot of the **Resilient Cities Investment Challenge** is a 16-week accelerator that will launch in West Baltimore in the spring of 2018. It is slated to run for 4 cohorts (2 years). The first edition has chosen **Transforming the Inner City** as a general theme. Based significantly on issues highlighted in the Pope's encyclical *Laudato Si*, and the UN Sustainable Development Goal 11, Sustainable Cities and Communities. The challenge categories will focus on opportunities in:

**URBAN RESILIENCE
POVERTY ALLEVIATION
HEALTHCARE
SMART INFRASTRUCTURE**

**EDUCATION
INCLUSIVE ECONOMICS
THE ENVIRONMENT**

Innovation in acceleration and venture capital

The Conscious Venture Lab accelerator is powered by SHIFT Ventures, an innovation on the practice of venture capital. In SHIFT Ventures, We bring together the innovation ecosystem and venture investing expertise of the Conscious Venture Lab, with the 16-year legacy and subject matter expertise of our management-consulting group, SHIFT Consulting. With **30 in-house, world-class business consultants** – working with companies like Microsoft and Stanley Black and Decker - and partnerships with industry luminaries from around the world, our goal is to increase the likelihood that our portfolio companies will succeed. **We deliver an entire eco-system of funding, training, board and advisor participation, customers, strategic relationships and “scale-to-exit” support.**



Investment

The **Resilient Cities Investment Challenge**, is currently accepting limited partners with a goal of USD \$7MM. The clear and stated ambition is to produce a return on investment, impact and involvement. As an investor you enjoy privileged access to the most cutting-edge ideas from a great number of early-stage, high-impact startups. Funds will be used to execute the Conscious Venture Lab Investment Challenge and make investments into participating companies. Operating funds will be used to execute the program and boost the value of the participating companies.

Partnerships and alliances

To ensure its success, the **Resilient Cities Investment Challenge** will engage with community members, local, national and international influencers focused on inclusive entrepreneurship. Among the last category ranks Right Now! from The Netherlands. The purpose of Right Now! is to unlock impact-oriented solidarity, knowledge, ideas, experience and financial vigor between entrepreneurs and investors, aligned with the inspiration and mission of Pope Francis' encyclical letter *Laudato Si*: On Care for Our Common Home. Other current partners include:

- Laudato Si Investment Challenge 2017
- The Darden School of Business: University of Virginia
- The Sellinger School of Business: Loyola University Maryland
- Plank Industries/Sagamore Ventures
- The Baltimore Development Corporation
- Conscious Capitalism, New York City
- Innovation Villages, West Baltimore

Our Team

Jeff Cherry: Managing General Partner: SHIFT Ventures, Executive Director, Conscious Venture Lab. A serial entrepreneur who has started seven companies with three successful exits. He is an Inc. 500 CEO (1997). He was the founder and managing partner of Concinnity Advisors, a \$600MM RIA and the first public equity fund focused on investing in stakeholder focused companies.

Joe Mechlinski: General Partner: Shift Ventures; CEO of Shift Consulting. A New York Times best selling author for his book Grow Regardless he has a 16 year history of guiding businesses to grow in any type of economic environment. Sought world-wide for his expertise by companies as diverse as Microsoft, Booz Allen Hamilton and Stanley Black and Decker.

Resilient Cities Investment Challenge: At a glance

Investor Value Proposition

- Return on investment AND return on impact: Investments aligned with purpose and returns metrics
- Our investment model and thesis allows us to create impact without concessionary returns
- The accelerator model improves the return profile of early stage venture
- We help investors support new models of economic development in underserved communities and “second tier” cities

Competitive Advantages

- Connection to our proven accelerator program
- Well-developed Eco-system of funding, training, board and advisor participation, customers, strategic relationships and “scale-to-exit” support
- A unique venture fund model built to leverage societal and market shifts
- Experienced leadership team with fund expertise, operational expertise and entrepreneurial history
- A network of thousands of eager mentors, consultants and supporters focused on the success of our portfolio companies

Fund Specifics

- Execution: Funds will be invested through the Conscious Venture Fund I
- Funds Required for the Challenge: \$7MM
- Stages: Pre-revenue, Seed and growth stage investments
- Company investments: \$100k first round for 8% equity with follow-on investments up to \$250,000
- Up to \$2MM of committed capital will be used to cover fund management and accelerator operating expenses.
- Total return model: 20% carried interest payable only after all committed capital, including management and accelerator expenses are returned.
- Minimum LP investment: \$250,000