New Majority Capital Fund: Leveraging Innovative Finance to Scale Inclusive Entrepreneurship

RPCK
Rastegar Panchal

Working with the NMC team, we designed and built an impact investment firm focused on closing persistent wealth gaps in the US by increasing the number of underrepresented business owners through entrepreneurship via acquisition (ETA).

Many in the "silver tsunami" of retiring baby-boomers are local small business owners who do not have exit options. There's a parallel explosion of entrepreneurial talent among young people coming from underrepresented communities. We aim to facilitate hundreds of successful small business transfers, generating intergenerational wealth building opportunities, creating/sustaining thousands of jobs, and bridging historically remote communities - age, geographical and racial.

We anticipate that the 3 key NMC innovations are replicable and can help solve multiple challenges:

1. ETA as a social justice and access tool facilitates successful business ownership among underrepresented groups and helps to leapfrog structural challenges.
2. Self-liquidating equity structures help solve for exit/investment return challenges that are otherwise common in venture equity investments.
3. A tandem for-profit fund/non-profit foundation structure allows for community development initiatives.

We think that NMC's trajectory can be similar to that of other highly successful entrepreneurship accelerators like Techstars – with the potential to create more impact and bring communities together through mentorship and shared success.

Click here for more info on NMCF

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THE APPROACH

New Majority Capital (NMC)

01 IDENTIFY AND RECRUIT
02 PREPARE
03 MATCH AND ACQUIRE
04 FINANCE
05 SUPPORT

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THE RESULTS

New Majority Capital (NMC)

01 Facilitated 20 new acquisitions
02 Mobilized $76 million in capital
03 Supported 330 employees
04 Generated a projected $45 million in wealth

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