INNER CITY CAPITAL CONNECTIONS

ICCC 2022
IMPACT
OVERVIEW

OPEN FOR
BUSINESS
IMPACT MATTERS

Between its inaugural cohort in 2005 and 2022, ICCC has trained more than 6,700 businesses in underserved communities across the United States and Canada. This impact overview is a testament to the resilience, ingenuity and entrepreneurial spirit of these business owners as they emerged through the COVID-19 pandemic and fully re-opened for business.

While business owners overcame the challenges presented by the COVID-19 pandemic, they were soon faced with a number of other hurdles ranging from workforce shortages to inflation to supply chain disruptions in 2022. Nonetheless, our small business owners, who continue to serve as beacons in their communities, remained open, hired from their local communities, and innovated new pathways forward. This report illustrates how ICCC alumni have continued to create lasting impact while navigating one of the most difficult economic climates in many years.

Throughout the last year, we have witnessed ICCC alumni and current participants double down on their ability to pivot, innovate and serve their communities. We are incredibly proud of their strength and resilience as they’ve overcome obstacles to inspire their peers and fellow entrepreneurs.

ALL ALUMNI ACHIEVEMENTS
(2005 - 2021)

- 26,124 JOBS CREATED
- 141% AVERAGE REVENUE GROWTH
- $2.4B TOTAL CAPITAL RAISED

ALUMNI PROFILE (2005-2021)

- 5,847 BUSINESSES TRAINED
- 13 YEARS MEDIAN AGE OF BUSINESS
- $1.1M AVERAGE REVENUE
- 52% WOMEN-OWNED
- 69% BIPOC-OWNED
- 4% VETERAN-OWNED
- 2% LGBTQIA-OWNED

Number of unique businesses trained. Over 10% of alumni participated in more than one year.
PROFILE OF 2022 PARTICIPANTS

- 865 businesses trained
- 10 years average age of business
- $550K average revenue
- 60% of 2022 firms owned by BIPOC women
- 15% of 2022 participants are alumni from past years
- 5 average full-time employees
- 85% BIPOC-owned

RACIAL AND ETHNIC BREAKDOWN OF FIRMS

- 58% Black and/or African American
- 14% Hispanic/Latinx
- 13% White/Caucasian
- 8% Asian
- 3% Mixed/Multiple ethnic groups
- 2% Native Hawaiian/Pacific Islander
- 1% Declined to answer
- 2% Native American/Alaska Native

WOMEN-OWNED FIRMS

- Percentage of women-owned firms within racial and ethnicity breakdown

- 62% Black/African American
- 68% White/Caucasian
- 50% Hispanic/Latinx
- 48% Asian
- 57% Mixed/Multiple ethnic groups
- 85% Native Hawaiian/Pacific Islander
- 67% Native American/Alaska Native

50% of 2022 firms are owned by BIPOC women
REVENUE GROWTH SINCE FIRST YEAR OF PARTICIPATION

- All Alumni: 141%
- Women-Owned: 147%
- BIPOC-Owned: 147%
- Black-Owned: 159%
- Veteran-Owned: 256%
- LGBTQIA-Owned: 180%

REVENUE GROWTH BY COMPANY SIZE

*Company size measured as revenue at the time of application

REVENUE GROWTH SINCE FIRST YEAR OF PARTICIPATION

- <$500K: 166%
- $500K-$1M: 95%
- $1M-$5M: 84%
- >$5M: 83%

45% of alumni lost revenue because of COVID-19

87% of alumni are optimistic about the future
The health crisis hit certain industries the hardest, from restaurants, event and support services, and wellness centers that faced almost immediate shutdowns, to construction and retail companies who were more agile in pivoting to alternative delivery methods. In 2020, as a result of the pandemic, ICCC alumni reported a net loss of 400 jobs, 60% reported a loss in revenue, and 18% temporarily closed their business.

We’re proud to share that in 2021, our alumni created 1,400 net new jobs, raised $59M in capital, and increased their revenues on average by 137%. We also saw that the industries hit hardest in 2020 rebounded in 2021, with wellness and personal care businesses increasing their revenues by 46%, retail companies by 114%, and restaurant and food services by 130%.

While uncertainty looms about the economic health of 2023, 87% of our alumni remain highly optimistic about their opportunities in 2023, and we continue to be amazed by their resilience and determination to recover, rebuild, and stay open for business!
**CAPITAL RAISED**

- **CAPITAL RAISED BY ALL ALUMNI (2005-2021)**
  - $2.4B TOTAL CAPITAL RAISED
  - $709M TOTAL EQUITY RAISED
  - $1.68B TOTAL DEBT RAISED

- **CAPITAL RAISED BY ALL ALUMNI DURING 2021**
  - $49M TOTAL DEBT RAISED
  - $10M TOTAL EQUITY RAISED
  - $59M TOTAL CAPITAL RAISED

- **CAPITAL RAISED BY BIPOC-OWNED & WOMEN-OWNED FIRMS**
  - $1.7B RAISED BY BIPOC-OWNED FIRMS
  - $845M RAISED BY WOMEN-OWNED FIRMS
  - $553M RAISED BY BIPOC-WOMEN-OWNED FIRMS

- **CAPITAL RAISED POST PARTICIPATION**
  - 53% OF ALUMNI SUCCESSFULLY RAISED CAPITAL LESS THAN 1 YEAR AFTER PARTICIPATING
  - 72% OF ALUMNI SUCCESSFULLY RAISED CAPITAL WITHIN 2 YEARS AFTER PARTICIPATING
**HEALTH CRISIS FUNDING**

**TYPES OF FINANCIAL ASSISTANCE ACCESSED**

*Some businesses surveyed obtained multiple forms of funding since the start of the pandemic*

<table>
<thead>
<tr>
<th>Financial Assistance</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Paycheck Protection Program (PPP)</td>
<td>74%</td>
</tr>
<tr>
<td>SBA Economic Injury Disaster Loan</td>
<td>49%</td>
</tr>
<tr>
<td>SBA EIDL Advance</td>
<td>43%</td>
</tr>
<tr>
<td>SBA Express Bridge Loan</td>
<td>2%</td>
</tr>
<tr>
<td>SBA Debt Relief</td>
<td>7%</td>
</tr>
<tr>
<td>State Government Grant or Loan</td>
<td>32%</td>
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<tr>
<td>Local Government Grant or Loan</td>
<td>34%</td>
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<tr>
<td>Community Foundation Grant</td>
<td>18%</td>
</tr>
<tr>
<td>Other Private Grant or Loan</td>
<td>25%</td>
</tr>
</tbody>
</table>

**IMPACT ON CAPITAL RAISED**

While our alumni were successful in receiving emergency financial assistance (93% who applied for funding were successful), we recognize the inequities BIPOC- and women-owned businesses face when accessing capital. Of the businesses who successfully received emergency capital, 72% were BIPOC-owned firms and 62% were women-owned firms.

In addition, we’re proud that of the $2.4B capital raised by our alumni, 71% of capital raised was by BIPOC-owned firms, and 23% was raised by BIPOC-women-owned firms. As ICCC continues to expand and enhance its coaching offerings, we’ve seen the impact of the connections made, with over 80% of alumni reporting building connections to capital providers and coaches, as well as over 70% of alumni raising capital within two years of participation.

**CONNECTIONS PARTICIPANTS HAVE MADE VIA ICCC**

*Participants created 1 or more different types of connections*

- Fellow Participants: 67%
- Coaches: 55%
- Capital Providers: 27%
- Professors: 10%
- Procurement Officers: 13%
- Supplier Diversity Officers: 14%
ABOUT US

INITIATIVE FOR A COMPETITIVE INNER CITY (ICIC)

Established in 1994 by Harvard Business School Professor Dr. Michael E. Porter, ICIC is a national nonprofit that drives inclusive economic prosperity in under-resourced communities through innovative research and programs to create jobs, income, and wealth for local residents.

INNER CITY CAPITAL CONNECTIONS (ICCC) PROGRAM

ICCC launched in 2005 with a founding grant from Bank of America to help small- and medium-sized businesses in under-resourced communities build capacity for sustainable long-term growth. Since that time, the program has grown dramatically, and in 2022 served 865 small business owners in 22 cohorts across the U.S. and Canada, including one Latinx cohort conducted entirely in Spanish.

2022 PROGRAM FOCUS

While the ICCC program pivoted to a fully virtual learning model in 2020 & 2021, the program returned to host two in-person cohorts in 2022. The 2022 curriculum continued to prioritize long-term business recovery strategies, as well as offered additional learning opportunities including a three-day Procurement Summit and increased peer-to-peer learning.

2022 ICIC-WIDE IMPACT REPORT

ICIC published an organization-wide Impact Report that showcases the impact of our work in 2022, including across our seven Urban Business Initiatives (UBIs) and Research. To access ICIC's 2022 Impact Report, visit: reports.icic.org.