

Press Notice

July 2021

Mayor of London's fund to commit £20M to support underrepresented entrepreneurs

The Mayor of London, Sadiq Khan, announced today that the Greater London Investment Fund (GLIF) will seek to commit at least £20 million of its capital to businesses led by female, ethnic minority or disabled entrepreneurs. The commitment represents 20% of the total £100 million fund, and will help to address the barriers faced by underrepresented entrepreneurs in accessing finance.

The GLIF, which is managed by Funding London, was launched by the Mayor in May 2019 and is now starting to make tangible impacts. It has invested a total of £26 million in 65 London-based startups through both its loan funds (managed by The FSE Group) and equity fund (managed by MMC Ventures), leading to the creation of 422 jobs. Underrepresented founders are involved in over one-third of businesses receiving investment.

The plan to commit £20 million came after a roundtable discussion organised by Funding London and the Greater London Authority earlier this year. A group of 30 attendees from private and public sectors discussed issues around the disparities in accessing finance for underrepresented entrepreneurs.

Businesses led by underrepresented entrepreneurs in the GLIF portfolio include:

Redsift, a leading provider of vital cybersecurity offering a purpose-built suite of solutions that work to block outbound phishing attacks, analyse the security of inbound communication for company-wide email threats, and monitor and safeguard valuable customer data. In the past year, the company achieved a 90% increase in U.S. customer revenue.

Hēdoïne, founded by Alexandra Tymann and Anna Rauch, created the world's first luxury female essentials tights that do not ladder or run, whilst maintaining comfort, style, and an environmentally friendly production process.

Qualis Flow is an environmental management platform that tracks, monitors, and predicts environmental risks in construction projects. Founded in 2018 by Brittany Harris and Jade Cohen, Qflow was recently selected as one of the winners of the Zero Waste Awards.

Whirli is the first toy sharing subscription service. Founded by Nigel Phan in 2018, Whirli uses a tech platform that now tracks over 50,000 toys circulating between households.

Rajesh Agrawal, Deputy Mayor of London for Business, said:

“Entrepreneurs from underrepresented groups face significant barriers in accessing finance. I am proud that the Greater London Investment Fund is committing £20 million to businesses led by these founders. I have no doubt that this brilliant measure will help to reduce the barriers these entrepreneurs face and to unlock their potential.”

Maggie Rodriguez-Piza, CEO of Funding London, said:

“The latest reports from the British Business Bank, Extend Ventures and Cornerstone Partners continue to show accessing finance is an issue for underrepresented founders. We are, therefore, delighted GLIF's board has agreed to commit £20M of GLIF's capital to support underrepresented entrepreneurs.”

We recognise more needs to be done to close the funding gap and are excited to have taken another step in the right direction.”

ENDS

Notes:

Greater London Investment Fund (GLIF) operates as a £100 million fund managed by Funding London. It supports economic growth by providing loan and equity finance for London’s SMEs, through its investments in three sub-funds. MMC Ventures manage the equity sub-fund, and The FSE Group manage the two loan sub-funds. The GLIF and its sub-funds were launched in May 2019 by the Mayor of London. It is funded by the European Investment Bank, European Regional Development Fund, ReLondon and Funding London. For more information, please visit <https://glif.co/>

Funding London aims to bridge the London funding gap and enable real opportunities for sustainable growth in early and growth-stage companies. Returns generated from our funds are ploughed directly back into the London ecosystem, making investment available to the next generation. For more information, please visit <https://fundinglondon.co.uk/>

European Regional Development Fund (ERDF), GLIF will receive up to £35 million from the England European Regional Development Fund (ERDF) as part of the European Structural and Investment Funds Growth Programme 2014-2020 which are expected to close in 2023-4. In London, the Greater London Authority is the Intermediate Body responsible for ERDF. Established by the European Union, the ERDF helps local areas stimulate their economic development by investing in projects which will support innovation, businesses, create jobs and local community regeneration.

MMC Ventures, for more information, please visit: <https://mmc.vc/funds/institutional/mmc-greater-london-fund>

The FSE Group, for more information, please visit: <https://www.thefsegroup.com/fund/greater-london-investment-fund-glif/>

British Business Bank: Alone together: Entrepreneurship and diversity in the UK, for more information, please visit: <https://www.british-business-bank.co.uk/research-alone-together/>

Extend Ventures: Diversity Beyond Gender, for more information, please visit: <https://www.extend.vc/diversity-beyond-gender>

The Cornerstone Report: Access To Venture Capital, for more information, please visit: <https://report.cornerstone-partners.co.uk/>

Redsift, for more information, please visit: <https://redsift.com/>

Hedoine, for more information, please visit: <https://hedoine.com/>

Qualis Flow, for more information, please visit: <https://qualisflow.com/>

Whirli, for more information, please visit: <https://whirli.com/>