The NC Rural Center’s NCInvest Invests Historical $32 Million In 10 Venture Capital Funds

This investment is funded by the SSBCI and designated for investments in NC-based entrepreneurs with 54% of those funds earmarked for investments in SEDI.

The NC Rural Center

NCInvest

RALEIGH, NC, UNITED STATES, March 1, 2024 /EINPresswire.com/ -- The NC Rural Center announced today that it has invested $32 million in 10 venture capital funds from across the United States, through its NCInvest initiative. NCInvest is funded by the State Small Business Credit Initiative (SSBCI), a $10 billion venture capital and debt lending initiative managed by the U.S. Department of the Treasury (Treasury). The $32 million is designated for investments in North Carolina-based entrepreneurs, with at least 54% of those funds earmarked for investments in venture-backable startups and founders who qualify under the guidelines for Socially and Economically Disadvantaged Individuals (SEDI) as defined by the Department of Treasury.

"Core to the mission of the Rural Center across 37 years is a focused dedication to improving capital access for small businesses and startups across the capital spectrum. An entrepreneur can only grow their dream if they can find the capital they need to fuel it. Today's announcement of $32 million invested in 10 venture capital funds has the potential to produce a transformational impact on the ability of socially and economically disadvantaged entrepreneurs to secure capital in an expanding North Carolina venture capital ecosystem,” shared Patrick Woodie, President & CEO, the NC Rural Center.

The Rural Center carefully hand-picked venture funds with SEDI representation at the leadership level and a proven track record in supporting founders and business owners who come from traditionally under-represented groups in entrepreneurship and business ownership. The following 10 venture partners have been selected for this first phase of investment:

- North Carolina-based IDEA Fund

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- North Carolina-based LeVert Ventures
- North Carolina-based Resilient Ventures
- North Carolina-based RevTech Labs
- California-based Nex Cubed HBCU Founders Fund
- California-based Symphonic Capital
- Florida-based Third Sphere
- New York-based Wocstar Capital
- Maryland-based Latimer Ventures
- Washington, D.C.-based 100KM Ventures

"While providing access to capital for founders who have historically received less than 1% of venture capital funding is at the core of NCInvest, the initiative is also designed to empower the investors committed to supporting those entrepreneurs with catalytic investments," explained Rodney Sampson, Venture Capital Fund of Funds manager for the NC Rural Center. "The SEDI representation within the VC funds we have chosen to partner with is unprecedented, and we look forward to working with each of them to build a more equitable, diverse and inclusive startup ecosystem in North Carolina and beyond."

The 10 participating venture funds have committed to investing over $90 million in North Carolina startups.

"AI Squared aims to transform the AI landscape, and our efforts are now significantly enhanced by NCInvest's support and the exciting investment opportunities it presents. This partnership catalyzes AI Squared's growth and demonstrates the transformative power of strategic investment and visionary backing, elevating us from a promising startup to a trailblazer," said Benjamin Harvey, AI Squared CEO. "We're honored to contribute to and thrive in North Carolina, a state that champions the transformative potential of technology to support limitless possibilities for innovation and societal benefit.

"Investing in the right company can be extremely difficult particularly if that company is in the wrong geographic environment. North Carolina and NCInvest understand that founders need the time and resources to develop their unique approach. I sincerely hope that more investors see the amazing entrepreneurial opportunities North Carolina has to offer," expressed Luke Cooper, Founder and Chairman of Latimer Ventures.

According to Armeer Kenchen, the Executive Director of the North Carolina SSBCI program, the money for this venture capital investment comes out of the $202 million award that the Rural Center received. "The other funding is used to support our two credit enhancement programs," explained Kenchen. "We're using that capital for our Loan Participation Program and our Capital Access Program, which allows us to partner with banks and CDFIs to lower the amount of risk they face when making loans. By derisking loans, banks are able to make loans that wouldn't otherwise meet their underwriting criteria. This expands the availability of capital while also creating thousands of new jobs in the state."

About NCInvest

Launched in 2023, NCInvest is a venture capital program designed to promote small business investing with existing investors that are integrated into the larger realm of economic development activity, which enables and promotes the growth of small businesses. These investors and entrepreneurial ecosystems go beyond public dollars and are vital to the sustainability of individual communities and the state. NCInvest is designed to create equity investment opportunities for startups throughout the state. By working with fund managers to infuse this capital into the marketplace, we are creating more jobs and enhancing the economic development opportunities in the communities where they operate. Learn more about NCInvest at https://www.ncruralcenter.org/lending/ssbci/vc/.

About The North Carolina Rural Center

The Rural Center has worked since 1987 to develop, promote, and implement sound economic strategies to improve the quality of life of rural North Carolinians. The North Carolina Rural Center serves the state's 78 rural counties, with a special focus on people with low-to-moderate incomes and communities with limited resources. The NC Rural Center operates three small business capital programs under SSBCI, the Loan Participation Program, the Capital Access Program, and the NC Venture Capital Program. These three programs work with community banks, Community Development Financial Institutions, and investment fund managers in all of North Carolina's counties. To learn more about how the NC Rural Center supports business owners and startups in North Carolina through these programs visit www.ncruralcenter.org.

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