WE ARE ENOUGH
a call to action

Creating LAIA

THE FEASIBILITY OF A WOMEN-FOCUSED INCUBATOR & ACCELERATOR IN LOS ANGELES

March 2019

This research was made possible by JPMorgan Chase & Co. The views and opinions expressed in this report are those of We Are Enough and do not necessarily reflect the views and opinions of JPMorgan Chase & Co. or its affiliates.

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JPMorgan Chase & Co.

Foreword

The lack of capital and support has been a constant refrain heard from female entrepreneurs at every stage of growth. A recent report by JPMorgan Chase and The Initiative for a Competitive Inner City (ICIC) found that women (and minorities) “are not participating in high-tech incubators and accelerators at the same rates as their white, male counterparts.”

After I gave my 2015 TEDx Talk, “Why You Should be Sexist with Your Equity Capital,” I was surprised by how many women entrepreneurs approached and requested to meet with me – each emotionally describing their reactions to what I thought was the unemotional subject of finance and money. The majority of these women were small business owners who articulated stories of the difficulty in growing their businesses, specifically the lack of support and capital. I soon learned that many women had an emotional and insecure relationship with money. But not because of the frequently assumed and stated fallacies that women “aren’t good with” money or “don’t care about” making money – it’s due to the systemic and systematic inequities and barriers that have been a constant for women business owners, especially women of color.

It was with all these women in mind that I had a conversation, a year later, with Antonio Manning, former executive at JPMorgan Chase, about the lack of diversity and inclusion in the Los Angeles tech and venture capital ecosystems. I explained (more like complained) that since I entered venture capital in 1999, the number of women venture capitalists and women receiving venture capital had decreased from 10% to 6% and from 3% to 2.2% respectively even though more women, especially women of color, were entering both these sectors. Also, at 4%, the environment wasn’t much better for women seeking commercial loans, even though research consistently shows that businesses owned or led by women were more successful than those by men.

At the same time, I had agreed to become an Executive in Residence (EIR) at the Los Angeles Cleantech Incubator (LACI) and chair of LACI’s Diversity in Entrepreneurship Advisory Council. Antonio asked me if there was an incubator focused on women. I was silent for an uncomfortably long period of time because 1) the question had never occurred to me and 2) I didn’t know the answer. I later found out that one did not exist in Los Angeles and Antonio suggested that someone should conduct a feasibility study on the potential of a women-focused LA incubator and accelerator, hence this publication of *Creating LAIA: The Feasibility of a Women-Focused Incubator & Accelerator in Los Angeles.*

Creating LAIA is the definition of collaboration - what women do organically. Although it was officially and adroitly written by We Are Enough Executive Director and Co-founder, Delilah Panio, the final product was birthed by many. Along with the women entrepreneurs and women-focused incubator and accelerator leadership listed in the appendix, we have had conversations with or have listened to many female investors and entrepreneurs who have informed the conclusions reached in Creating LAIA. To name a few – Monica Dodi, Kara Nortman, Effie Epstein, Dana Settle, Kesha Cash, Carman Palafox, Noramay Cadena, Adena Smith, Diane Manuel, Ana Quintana, Darya Allen-Attar, Arlan Hamilton, Tara Roth, Erin Shipley, Judy Hackett and Jesse Draper.

We are in an extraordinary time for women. Around the world we are not afraid to use our voices and influence to effect change. Moments of injustice are transforming into movements towards equity – from the Women’s Marches to the record number of women in Congress to #MeToo and TIME’S UP.

There is currently an abundance of capital flowing to and programs created by and for men. BUT women are almost 51% of the Los Angeles and the US populations (just under 50% of the world’s). There is no rational - or frankly sane - reason why these disparities exist when women control $11T and will inherit the majority of the capital in the U.S.

There is enough… WE are enough.

Gray

Tracy Gray is the Founder of We Are Enough and the Founder/Managing Partner of The 22 Fund.

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Introduction

OVERVIEW*

Women entrepreneurs are an untapped economic development resource in most economies, including in Los Angeles County (LA). Women start businesses for many reasons, including necessity, flexibility and market opportunity. In the United States, women are starting businesses at 1.5 times the rate of us men and currently own 40% of all businesses.

Studies have shown that companies that are led by women, have more women on their boards, or include women as decision-makers outperform their competitors in every measure of profitability. Yet women-led businesses are significantly underfinanced; they receive less than 3% of venture capital, just 4% of the value of commercial loans (often with harsher terms), and only 13% of angel investment. The reality is even worse for women of color, who receive less than 1% of venture capital—even though they are the fastest growing demographic among business startups.

The underfinancing of women-led businesses matters. Although business startup and ownership by women has skyrocketed, these companies are not scaling in revenue. 88% of women-owned businesses (WOBs) generate less than $100,000 in revenue, barely getting past the "lifestyle company"** stage and thus contributing minimally to the economy. Limited access to capital and other business resources are a major factor.

Additionally, when women succeed financially, they typically contribute 90% of their income back to their families and community, compared with a 35% contribution by men. If women received the same level of capital as men, millions of jobs would be created, and the gender equity gap could be significantly narrowed. The multiplier effect of women achieving financial success is significant, including: pay equity and positive human resources policies, diverse hiring practices, reduced sexual harassment in the workplace, support of climate change and pro-environment initiatives, and using their success, business platforms and voices to make positive changes in the world.

The question is, what to do about this disparity? How can women access the capital and resources they need to scale their companies, create more jobs, and generate sustainable wealth for themselves, their families and our communities? Helping women increase their revenue would have a significant impact on economic development, job and wealth creation, and the long-term sustainability of these businesses.

While California and LA are known for a significant startup rate and culture, they are not on the top list for "economic clout" and employment vitality for women in business. Yet LA has a large and diverse women entrepreneur base, and this untapped resource could provide significant economic development to the LA region.

Like all startups, WOBs would benefit from access to business resources, mentorship and capital. The modern-day business incubators and accelerators (I&As) have proven to be important tools in the startup ecosystem and, for many industry sectors such as high tech, are critical to growth.

I&As provide early-stage and growth companies with the resources, education and access to capital that can lead to success. Several iterations of these programs have emerged in the US and globally, but very few focus on women. Just 9% of I&As in the US cater to women and typically only to those starting high tech ventures.

This study examines the feasibility of a women-focused I&A in LA and how such a program could benefit women entrepreneurs, particularly underrepresented women of color and women from underserved communities.

The study is divided into five sections:

1. The state of women entrepreneurship in the US in terms of employment, growth rates, profitability, and access to capital.
2. The history, types, categories, business models, and best practices of business acceleration programs.
3. Acceleration programs for women, including limitations and accessibility, and current programs in the US.
4. LA's startup ecosystem, including legacy I&As and acceleration programs targeted at women.
5. Considerations and recommendations for a new I&A in LA, including organization overview, programs, outreach and recruitment, business model, and success metrics.

The study concludes with next steps to develop a business plan to create a women-focused I&A in LA.

* All data in this section is referenced in subsequent sections of the study.
** "A lifestyle business is a business set up and run by its founders primarily with the aim of sustaining a particular level of income and no more; or to provide a foundation from which to enjoy a particular lifestyle." (Wikipedia)

BACKGROUND

In partnership with JPMorgan Chase & Co., the Initiative for a Competitive Inner City (ICIC) recently published "Creating Inclusive High-Tech Incubators and Accelerators: Strategies to Increase Participation Rates of Women and Minority Entrepreneurs."[1] The report provided a comprehensive look at I&As in the US, identified key challenges, and provided strategies to help eliminate the barriers. The findings of the ICIC report served as the foundation for the further investigation of the viability of an I&A specific to women in LA examined herein.

Entrepreneurs solve problems, transform the way we do things, create jobs, spur economic growth and drive prosperity. Yet there is a significant gap between the number of women who start businesses and those who commit to growing them. Women are increasingly harnessing their entrepreneurial spirit and it is critical to encourage and support this behavior, eliminate obstacles, and facilitate growth of their businesses. Unlocking the potential of women-owned businesses represents a powerful opportunity for economic growth.[2]

METHODOLOGY AND SCOPE

This study was conducted through a review of global and US reports and articles on business acceleration programs, a review of services and programs offered by I&As, and interviews with operators of I&As and women-focused business programs, women that have applied to and/or participated in an incubator or accelerator, and gender lens investors. The objective is to provide an overview of existing data and research relevant to the potential creation of a new I&A for women entrepreneurs in LA; it is not meant to be exhaustive or a primary research report.

State of Women-Owned Businesses

THE NUMBERS[3]

Women start businesses for many reasons: to address a market need, to follow a passion, to create flexibility, and out of necessity. "A necessity entrepreneur is an individual who cannot find quality employment or is unemployed and whose only viable employment option is to start a business. These businesses tend to be smaller than those started by opportunity entrepreneurs, which target a market opportunity. Necessity entrepreneurs typically return to the workforce when the economy improves. With the increasing wealth gap, especially among women of color, clearly women need these businesses to supplement their income."[4]

In the last quarter century, the number of WOBs in the US increased a dramatic 31 times, rising from 4.6% of all firms in 1972 to 40% in 2018. Women currently own 12.3 million businesses in the US. Between 2007 and 2018, the number of WOBs surged 58%, while business creation overall increased by only 12%.

In this time, women of color (especially Latinx and African-American women) have been the driving force behind the growth of WOBs. Currently accounting for 47% of all WOBs, businesses owned by women of color employ 2.2 million people and generate $386.6B in revenues.

NUMBER AND GROWTH RATES OF WOBS[5]

Race/Ethnicity	2018 Number of Firms	% Change 2007 and 2018
All women-owned firms	12,280,248	57.60%
All minority-owned	5,824,301	163.20%
African American	2,402,643	163.50%
Asian American	1,072,586	105.10%
Latina	2,142,816	172.00%
Native American/Alaska Native	169,470	75.50%
Native Hawaiian/Pacific Islander	36,787	145.90%
Non-minority	6,455,947	16.00%

Employment
Employment generated by WOBs surged from 230,000 in 1972 to 9.2 million in 2018, a fortyfold increase. In the last 11 years, total employment by WOBs rose 21%, while for all businesses, employment declined 0.8%.

Revenue
Revenue rose from $8.1 billion (representing 0.3% of all firms' revenue) in 1972 to $1.8 trillion (4.3% of total firms' revenue) in 2018 — a significant multiple of 217. In the last 11 years, total revenue of WOBs jumped 46%, compared to the increase in revenue for all businesses of 36%. However, the average annual revenue for WOBs is very low, with 88% of WOBs generating less than $100,000 per year.

Growth in both employment and revenues begins to take off for women-owned businesses when they reach $250,000 in revenues. Supporting businesses on the cusp of crossing this threshold ($100,000 to $249,999) — and those that have crossed it — could accelerate the growth of larger women-owned businesses.[7]

REVENUE GENERATION BY WOBS IN 2018[6]

<$100,000	88%
$100,000-$249,000	5.00%
$250,000-$499,999	2.40%
$500,000-$999,999	1.60%
+$1M	1.70%

PROFITABILITY

Studies have shown that companies led by women, have more women on their boards, or women as decision-makers outperform their competitors in every measure of profitability. First Round Capital examined the performance of 300 of its portfolio companies and almost 600 founders over a ten-year period. "Companies with a female founder performed 63% better than our investments with all-male founding teams," they concluded.[8]

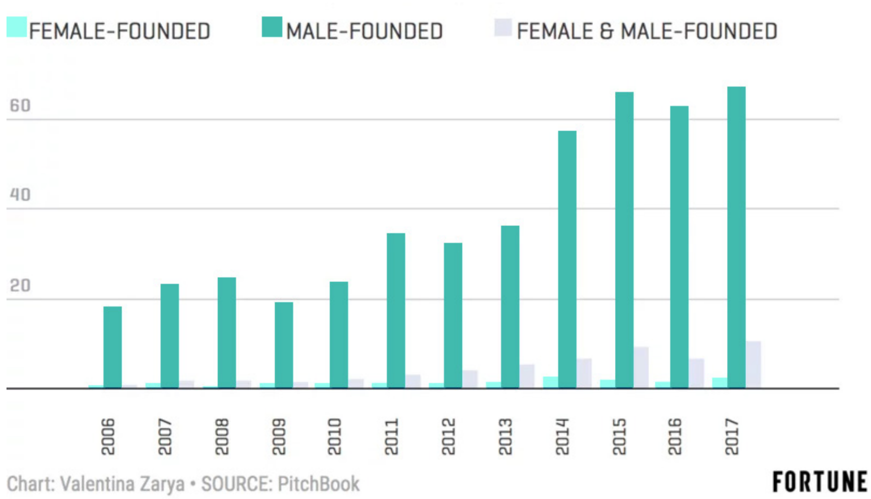
In 2017, TechCrunch released results of a study comparing VC-backed women-led and men-led tech ventures, demonstrating that women-led companies generated 12% higher revenue and 35% greater return on investment (ROI).[9]

ACCESS TO CAPITAL

Despite these impressive results, WOBs are significantly underfinanced. According to a global survey of over 3,000 entrepreneurs, men are almost twice as likely as women to have raised more than $100,000 in capital.[10]

2.2% of Venture Capital[11]
In 2017, companies with all-women teams received just $1.9B of the $85B total invested by venture capitalists, equal to about 2.2%. The statistics are even worse for women of color, who received 0.2% of VC funding.[12] All-male teams received about 79% ($66.9B), and 12% of funds were raised by mixed-gender teams. 7% was raised by teams whose gender makeup PitchBook was unable to confirm.

TOTAL VALUE OF VC DEALS BY GENDER ($B)

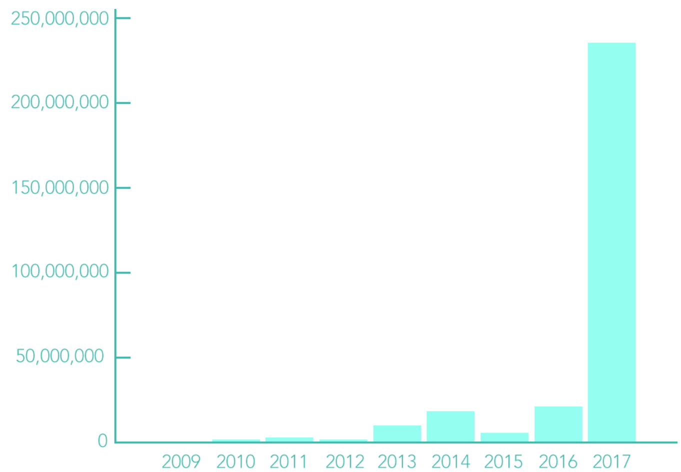


Source: "Female Founders Got 2% of Venture Capital Dollars in 2017." Valentina Zarya, January 31, 2018.

Even when women do receive venture capital, the deal size is typically much lower than their male counterparts receive. In 2017, the 10 largest deals closed by men ranged from $500M to $3B. The 10 largest deals closed by women were all under $165M.

Since 2009, black women–led startups have raised $289M in venture/angel funding, with a significant portion of that raised in 2017. This represents .0006% of the $424.7 billion in total tech venture funding raised since 2009.[13]

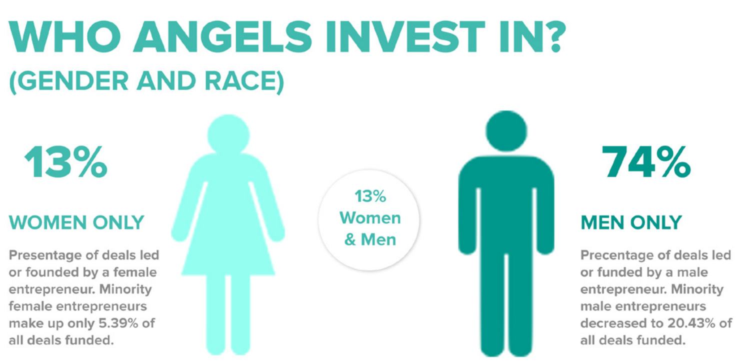
AMOUNT RAISED BY BLACK WOMEN–LED STARTUPS BY YEAR



Source: "Project Diane." Digital Undivided.

4.4% of Commercial Loans Value[14]
According to a 2014 Senate Committee report on the 21st Century Barriers to Women Entrepreneurship, "women-owned small businesses receive 16 percent of all conventional small business loans — and only 4.4 percent of the total dollar amount of all loans given. That's $1 of every $23 in small business loans." Last year, the average funded business loan for women-owned firms was $57,097, compared with $103,604 to men-owned firms.[15]

13% of Angel Investment[16]
Angel investment (funding from one or more high net-worth individuals) is a critical source of startup capital, as it is typically required for companies to launch and generate early revenue. Businesses with women as sole founders represented just 13% of angel-funded deals in 2017. Female founder teams that included male founders represented another 13%, improving the trend for companies with females on the founding team from 17% of deals in 2016 to 25.7% in 2017. Minority female founder participation also increased from roughly 1% to 5.5%.



Source: "Halo Report: Annual Report on Angel Investment," Angel Resource Institute, 2017.

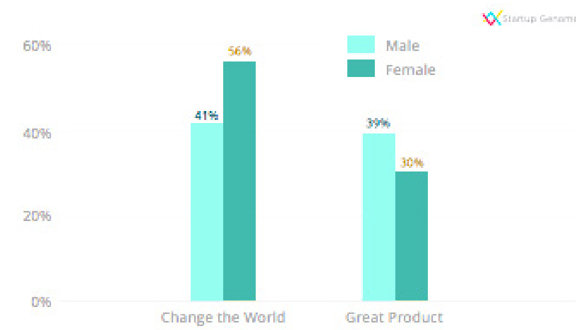
WHY IT MATTERS

While four out of every ten businesses in the US are now women-owned, these businesses employ only 8% of the total private sector workforce and contribute just 4.3% of total revenues. Several factors likely contribute to these numbers, including "owner's inexperience, insufficient capital, inadequate networks or the desire for flexibility and/or work-life balance, resulting in smaller firms with limited prospects for growth."[17]

But when women succeed financially, the money can have a profound positive impact:

- When women work, they typically invest 90 percent of their income back into their families, compared with 35 percent for men.[18]
- If women entrepreneurs were funded to the same degree as their male counterparts, 6 million jobs would be created in five years.[19]
- Closing the gender gap in the labor market would raise US GDP by 5%. The gender equity gap was valued at $784.2B to the US economy for 2013.[20]
- Women are 1.17 times more likely than men to create social ventures rather than economic ventures only, and 1.23 times more likely to pursue environmental ventures than economic-focused ventures.[21]
- When asked their motivation for their startup, 56% of women founders said they are trying to "change the world" through their startups, compared to 41% of male founders.[22]

MORE WOMEN FOUNDERS SAY THEY WANT TO CHANGE THE WORLD
Share of Founders Saying What Their Primary Motivation or Mission is



Source: "Global Startup Ecosystem Report 2018." Startup Genome.

The multiplier effect of women achieving financial success is significant, including:

- Ensuring pay equity and positive HR policies, diverse hiring practices, and reduced sexual harassment in the workplace.
- Support of climate change and pro-environment initiatives.
- Women using their success, business platforms and voices to make positive changes in the world.

Given these trends and potential impact, helping women entrepreneurs to start and scale successful companies is critical to the US economy. In particular, maximizing the contributions of women of color "is key to a stronger and healthier economy overall, job creation in local communities and upward economic mobility for women of color and their families."[23]

The necessary support for WOBs can come in many forms, but should address the key business needs for company startup and growth, including access to mentors, resources, talent and capital. The next section examines business acceleration programs, specifically I&As, as possible success drivers for business creation and sustainability.

Entrepreneurship should not be a privilege of the few. Indeed, one of the most powerful things about entrepreneurship is its universality. All communities, cities, and states can become "ecosystems" of entrepreneurial innovation to generate new businesses and jobs. They can all connect ingredients to create environments that spawn businesses in new, impactful ways... The key to building successful ecosystems is a culture that connects people and enables them to share unique experiences, skills, and insights in collaborative ways... That's why diversity is so vital. Diversity leads to the serendipitous interactions that invigorate ecosystems... That beautiful mixing of backgrounds, knowledge, and perspectives—it's what feeds the dynamism of entrepreneurial communities everywhere.[24]

Business Acceleration Programs

HISTORY OF ACCELERATION PROGRAMS

The development of I&As has largely been driven by governments wanting to stimulate economic development, by universities seeking to commercialize technologies developed by their students, and by private investors wanting to accelerate and participate earlier in high potential ROIs. Many entrepreneurs, especially in tech sectors, consider I&As essential to launching a successful startup and particularly to attract funding.

Modern-day accelerators are recent innovations and have only been around for the last 13 years. In 2005, Y Combinator (San Francisco, CA) launched. It was followed closely by Techstars (Boulder, CO) in 2006.

According to Kauffman Foundation, shortly thereafter, several other stakeholders decided to follow their approach of a limited duration program for cohorts of early-stage entrepreneurs, with the aim to facilitate connections with potential investors. Growth in US-based accelerators really took off after 2008. They grew from 16 programs that year to 27 in 2009, and to 49 in 2010, before eventually reaching 170 programs in 2014 and holding mostly steady. All told, the number of American accelerators increased an average of 50 percent each year between 2008 and 2014.[25]

ACCELERATORS: THE NUMBERS (2016)[26]

	Globally	US & Canada
Accelerators	579	178
Startups	11,305	3,269
Total Investments	$206M	$107M

Y Combinator created a new model for funding early stage startups.

Twice a year we invest a small amount of money ($150k) in a large number of startups. The startups move to Silicon Valley for 3 months, during which we work intensively with them to get the company into the best possible shape and refine their pitch to investors. Each cycle culminates in Demo Day, when the startups present their companies to a carefully selected, invite-only audience.

But YC doesn't end on Demo Day. We and the YC alumni network continue to help founders for the life of their company, and beyond.[27]

Today, these accelerators have become very competitive and in many sectors a necessity to attract top talent and investors.

On average, members of the Global Accelerator Network (GAN) receive 450 applications and accept only 2.1% of them,[28] creating an exclusivity that is often a badge of honor for many accelerators but a barrier to diverse entrepreneurs.

TYPES OF ACCELERATION PROGRAMS

There are many types of business acceleration programs and these models continue to evolve throughout startup communities around the world. While business I&As are the most common and popular, there are also other types of organizations that make up the entrepreneurial ecosystem and provide support to startups, including startup studios and co-working spaces. Components of these models should be considered in designing a new business acceleration program.

Accelerators

Accelerators typically take a group of companies, or a cohort, through a specific business-building process over a defined period of time, culminating in a pitch event or demo day. Accelerators also generally make seed stage investments in each participating company in exchange for equity; most incubators do not make this type of financial commitment.[29]

The most well-known accelerators offer an 8-12 week intensive program and require the companies' founder(s) to physically relocate to the host city for the duration of the program. Each model varies. Y Combinator requires each accepted "batch" of companies to move to Silicon Valley and provides access to office hours every two weeks and a weekly dinner. Techstars is a "mentorship-driven" accelerator program.

There are new hybrid models emerging that include required time (typically one to two weeks) in the host city plus virtual programming for the rest of the program.

The greatest benefit of accelerators is the focused and compressed time on the business idea, typically to refine the product or service, market opportunity, and pitch to investors. Some programs incentivize the company to get to a minimal viable product (MVP) to beta test with early customers. The benefit to the founder(s) is access to high level mentors and experts and introductions to potential co-founders and investors.

Examples:

- Founder Institute (https://fi.co/) (180 cities globally): The world's premier pre-seed startup accelerator offers a 14-week in-person accelerator program in 60 countries. Since 2009, Founder Institute has helped over 3,300 companies raise over $700M and build some of the world's fastest growing companies. Based in Silicon Valley with chapters across 60 countries, the Founder Institute's mission is to "Globalize Silicon Valley" and empower talented and motivated people to build impactful companies that create one million jobs.

- Y Combinator (YC) (https://www.ycombinator.com/) (Silicon Valley): Since 2005, YC has funded over 1,900 startups, including Airbnb and Dropbox. Currently invests $150,000 for a 7% equity position in the company.

- Techstars (https://www.techstars.com/) (20+ cities): Each year, over 300 companies are selected for a three-month mentorship-driven accelerator. Techstars invests $120,000 and provides hands-on mentorship and access to the Techstars Network for life.

- 500 Startups (https://500.co/) (San Francisco & Mexico City): The 500 Seed Program is four months with an investment of $150k in exchange for 6% and a $37,500 participation fee.

- Creative Startups (http://www.creativestartups.org/) (global): Based in Santa Fe, New Mexico, Creative Startups targets creative entrepreneurs with licensed accelerators in the US, Middle East and Asia.

Incubators

Incubators typically provide companies with programs, services and work space for varying lengths of time, based on company needs and incubator graduation policies.[30] They tend to provide support for longer time frames than accelerators. Some incubators are located in an actual physical space designed for consistent, in-person training, support and networking. Others operate on an off-site or virtual basis, remotely serving start-up businesses independent of geographic location.[31]

Incubators often have an application criteria and process, as well as a focus on an industry sector or geographic region. Companies benefit from access to multi-disciplined expertise, potential investors, supportive environments, and affordable work space. Some incubators take an equity stake for services provided or make a cash investment, but as mentioned earlier, most do not.

Examples:

- Los Angeles Cleantech Incubator (LACI) (https://laincubator.org/) (LA): LACI is a private non-profit organization creating an inclusive green economy by unlocking innovation (through working with startups to accelerate the commercialization of clean technologies), transforming markets (through partnerships in transportation, energy and sustainable cities), and enhancing communities (through workforce development, pilots and other programs). Founded as an economic development initiative by the City of Los Angeles and its Department of Water & Power (LADWP), LACI is recognized as one of the most innovative business incubators in the world by UBI Global. LACI currently has no formal graduation policy/period and is stage agnostic.

- Next Round (https://www.futurelabs.nyc/programs/next-round/) (New York): A 1-2 year incubator program for high tech startups in Artificial Intelligence (AI), Augmented Reality (AR), Cloud Computing, Data & Analytics, Digital Media, Machine Learning, Video, Virtual Reality (VR).

Startup Studios

Startup studios create new companies based on business ideas of the studio's management team. Through their own research and market assessment, the studio comes up with a new idea, builds a team around it, incubates the company, provides the seed funding, and if successful, spins it out.

Examples:

- IdeaLab (https://www.idealab.com/) (LA): Founded in 1996, IdeaLab is one of the longest running technology studios/incubators and has created +150 companies with more than 45 IPOs and acquisitions.

- Analytics Ventures (https://www.analytics-ventures.com/) (San Diego): A front-to-end venture studio that provides a proven execution framework for AI-driven companies.

Co-working Spaces

Co-working spaces provide shared working environments for entrepreneurs and other independent professionals or remote workers and in some cases offer a range of other types of business development support.[32] Shared office spaces have existed for many decades. Founded in 1989 in Belgium, Regus is the world's largest provider of flexible workspace solutions, with almost 3000 business centers in 120 countries. But new models are capitalizing on the entrepreneurship trend by offering individual offices and open "cool" work spaces, plus educational programs, networking events, and peer sharing.

One of the main goals of co-working spaces is to create a community of like-minded peers and to combat the loneliness of being an entrepreneur and working from home. This often leads to meaningful productivity and connections. Another significant benefit of co-working is the lease flexibility and reduced costs compared to traditional office space.

Examples:

- WeWork (https://www.wework.com/) (global): Since its first location in New York City in 2010, WeWork has exploded as the co-working space and brand for startups. It has 212 locations in 50 cities in 18 countries and continues to expand.

- Impact Hub (https://impacthub.net/) (global): A global network of 100 locations focused on businesses addressing the United Nation's Sustainable Development Goals.

- Neuehouse (http://neuehouse.com/) (NY and LA): Provides private member workspaces catering to creatives and entrepreneurs.

- The Assemblage (https://www.theassemblage.com/) (NY): A unique co-working, co-living (studio and one-bedroom apartments available for flexible and extended stay booking), and community space in New York City "for those who believe in doing well by doing good."

- The Riveter (https://www.theriveter.co/) (Seattle, LA and Austin): "Women-forward" co-working spaces with six locations and plans to expand to several cities in the next five years.

- Quilt (https://www.wearequilt.com/) (LA, San Francisco, New York): A new offering in the sharing economy, offers co-working and educational programs to women in people's homes. The hosts receive a percentage of the fees.

CATEGORIES OF INCUBATORS AND ACCELERATORS

I&As can be categorized in several ways, including by ownership, sector focus, geographic location, and demographic focus.

Ownership and Funding

The ownership structure and funding sources of I&As vary, although a majority (60%) of North American accelerators are non-profit organizations. "Not-for-profit accelerators support industries that provide a specific public benefit, such as Healthtech and Edtech. Others aim to boost entrepreneurship in their communities. They may also focus on providing new opportunities for minority groups or look to create jobs and boost economic activity in a given region. These programs and the organizations operating them may be either privately or publicly funded. Generally, these programs do not take equity and instead offer free support."[33]

Regardless of ownership, I&As can receive funding from various sources, including private companies and individuals, government, universities, non-profit foundations, and corporations. The following section details these sources and provides examples of each.

Private For-Profit: To identify and invest in high growth early-stage companies for a monetary return on investment. Investment typically comes from taking an equity stake in the companies. Venture capitalists looking for their next investments often look to accelerators, as the companies in these programs have been pre-vetted and, in theory, are further along in their development and sophistication.

Examples: Y Combinator, Techstars, 500 Startups

Governments: Create I&As to develop a sector expertise and for economic development, including job creation and reducing reliance on social assistance programs.

Examples:

- LACI (https://laincubator.org/) (LA): A private non-profit organization, founded as an economic development initiative by the City of Los Angeles and its Department of Water & Power (LADWP).
- Future Labs (https://www.futurelabs.nyc/) (NYC): A network of I&As started as a partnership between New York University Tandon School of Engineering (NYU Tandon), the City of New York, the New York State Energy Research and Development Authority (NYSERDA), and the New York Economic Development Corporation.

Universities: Create I&As for tech transfer and commercialization of technologies developed internally. "While the programs and their client startups benefit from the ready availability of talent, research, and infrastructure, the universities gain manifold extracurricular education, research commercialization, and application opportunities."[34]

Examples: "The Top Five World Top Business Incubators Managed by Universities" (directly operated by one or more universities):[35]

- The SETsquared Partnership (http://www.setsquared.co.uk/) (United Kingdom): The enterprise collaboration between five leading research-intensive universities: Bath, Bristol, Exeter, Southampton and Surrey. Established in 2003 and funded by the Higher Education Innovation Fund (HEIF), the Partnership is a focus for enterprise activity and new business creation for the five university partners.
- The DMZ at Ryerson University (https://dmz.ryerson.ca/) (Canada): A world leading accelerator for tech startups in Canada. They help startups build great businesses by connecting them with customers, capital, experts and a community of entrepreneurs and influencers. This creates an environment where they can focus on scaling their business.
- PoliHub – Startup District & Incubator (http://www.polihub.it/en/) (Italy): Created by the Polytechnic University of Milan to host and foster young high-tech businesses able to transform scientific research into industrial applications. PoliHub's mission is to support highly innovative startups with scalable business models to foster cross-fertilization between the academy, the various startups and companies focused on innovation.
- University of Toronto (UofT) Entrepreneurship (http://entrepreneurs.utoronto.ca/) (Canada): In the past five years, the university has fostered the development of more than 150 companies, making it Canada's number one engine for research-based startups. UofT also submits a US patent application at a rate greater than one per week with the help of its Innovations & Partnerships Office (IPO).
- Incubadora de Alto Impacto del Tecnológico de Monterrey, Campus León (TEC LEAN) (http://www.itesm.mx/wps/wcm/connect/Campus/LEO/Leon/Incubadora+de+empresas/Incubadora+de+Empresas/)

(Mexico): A platform that supports entrepreneurs in the creation, development and consolidation of companies, providing resources and benefits for the community. It provides entrepreneurs with access to office space, face-to-face training and consultancy, physical monitoring by a tutor throughout the entire project development process, as well as the necessary business links and connection with funding sources.

Corporations: Develop new technologies that complement existing business and increase competitiveness. Corporate accelerators can provide entrepreneurs with invaluable resources, such as financing, industry expertise, and lab space. But there can be disadvantages to the startup, as they can be precluded from working with competitors, and corporations may not have the risk tolerance to scale an early-stage company. In the UK, over half of accelerator program are sponsored or funded by corporations.[36] In many cases, corporate accelerators can be the best of both worlds. They are a medium in which entrepreneurs are encouraged to innovate and improve and also a space that gives corporations the opportunity to improve themselves.[37]

Examples:

- Google's Launchpad Accelerator (https://developers.google.com/programs/launchpad/accelerators/) (San Francisco & global): A global acceleration program that helps startups build and scale products by matching them with Google's people, network and advanced technologies. In addition to their regional accelerators, initiatives include events, mentorship opportunities, and trainings.
- Disney Accelerator (https://disneyaccelerator.com/) (LA): Helping today's technology innovators turn their ideas for new media and entertainment experiences into reality. Select companies gain access to the range of creative expertise and resources of The Walt Disney Company to help them develop their innovative new entertainment experiences and products.
- The Bridge by Coca-Cola (http://thebridgebycocacola.com/) (global): A unique Commercialization Program for startups, acting as a bridge between the entrepreneurial community and major global markets. The program lasts seven months and provides tangible commercial guidance by providing in-depth marketing training, access to experienced business mentors and connection to Coca-Cola, Turner and Mercedes-Benz business sponsors.

Sector Focus

Accelerators are often focused on one industry sector to provide very relevant content, education, mentorship and access to the most likely aligned investors. They can also be focused on exporting. For example, the International Business Accelerator (IBA) in LA offers programs for local companies looking to export their product/service.

EXAMPLES OF SECTOR-FOCUSED ACCELERATORS

Accelerator	Sector Focus	Location
Creative Startups (http://www.creativestartups.org/)	Creative Services	Global
Fashion Technology Accelerator (https://www.ftaccelerator.it/)	Fashion Tech	Silicon Valley, CA
Cedars-Sinai Accelerator Powered by TechStars (http://www.techstarscedarssinaiaccelerator.com/)	Healthcare	Los Angeles, CA
IMPACT Smart Growth Manufacturing (http://www.impact-accelerator.com/smart-manufacturing/)	Manufacturing	London, UK
Sephora Accelerate (https://www.sephorastands.com/accelerate/)	Beauty Products	San Francisco, CA
ConstrucTech (https://www.virginstartup.org/constructech)	Construction	London, UK
AgTech Accelerator (https://www.agtechaccelerator.com/)	Agriculture Tech	Durham, NC
International Business Accelerator (https://www.iba.io/)	Exporting	Los Angeles, CA

Geographic Focus
Regional I&As are typically founded by city governments for economic impact on their municipality. Some accelerators help companies from other countries expand to a new location, such as the French Accelerator (https://fabb.la/) in LA and the IBA for all international companies expanding to the US.

Demographic Focus
There are increasing numbers of I&As focused on one demographic group. More and more are being created just for women, such as the Women's Startup Lab in Palo Alto and Digital Undivided, an accelerator in Atlanta for black and Latinx tech startup founders. See Section 4 "Acceleration Programs for Women" for details about these and other programs for women.

CORE COMPONENTS

I&As tend to have similar core components that include:

- Business Expertise: Provided through set curriculum, educational programs, and mentorship (formal/ad hoc; volunteer/paid). Topics covered typically include: business models, financial models, customer acquisition, product development, marketing and sales, and investor pitches.
- Talent: Access to co-founders, employees and outsourced resources.
- Investor Readiness: Pitch development, practice and feedback.
- Demo Day: Introduction to potential investors, acquirers and customers.
- Investment: Direct investment by the I&A and introductions to co-investors and follow-on capital providers.
- Business Services: Access to discounted/free services, including legal, accounting, financial modeling, marketing, tech and business products.
- Office Space: Discounted/free office or co-working space.
- Community: Includes peer sharing and networking.

BUSINESS MODELS

The business model for I&As addresses how revenue is generated for the organization. There are several types of models employed by I&As.

Equity and Investment Model
In this model, the I&A provides a small amount of seed money in the company—typically ranging from $25,000 to $50,000—in exchange for equity, usually between 5% and 10%. The intention is that when the startup has an exit (i.e., is acquired or current investors are bought out by larger investors), the proceeds would help fund the I&A's operations. This model was first established by Y Combinator in 2005 and has been adopted by many I&As globally.

	Invests Cash	Takes Equity
US & Canada	64%	66%
Europe	49%	53%
Latin America	76%	66%
Asia & Oceania	65%	66%
Middle East	42%	42%

Range of Equity by Global Accelerators	
Equity free	41%
1% to 3%	7%
4% to 6%	22%
7% to 10%	18%
Over 10%	4%
Undisclosed	7%

Source: "Global Accelerator Report 2016." GUST.

However, this model is becoming increasingly rare, as the low number of exits has proven insufficient to provide funding back to the accelerator. "Consequently, many accelerators around the world no longer rely on generating revenue from exits. Globally, 59.4% of accelerators take equity in startups and 32.7% predict that they will generate revenue from exits in the future – a significant shift from last year... 64% of accelerators in the US and Canada invest cash in their startups, and 66% take equity."[38]

Corporations

An increasing source of revenue for accelerators are corporations that provide funding to I&As that are in alignment with their business development goals. "The relationships between accelerators and corporations have grown in strength and frequency. 52.1% of accelerators are at least partially funded by a corporation, and 67.2% aim to generate future revenue from services sold to corporations. Corporate revenue generated by accelerators came from two main sources in 2016: corporate partnerships, generally in the form of a white-labeled or jointly-run acceleration program created by the accelerator on behalf of the corporation, and corporate sponsorship packages sold by accelerators."[39]

Other Revenue Sources

"Accelerators have relied on, and continue to explore, new models of revenue generation. 90.4% of accelerators plan to increase their revenue in the medium to long term by incorporating alternative revenue models in addition to exits."[40] Other revenue sources for accelerators include:

- Proceeds from revenue-share agreements
- Accelerator admissions and program fees
- Hosted events (conferences, workshops, networking events)
- Online education programs
- Mentorship programs
- Office and co-working space rentals
- Event space rentals

While many startup success stories like Facebook did not involve accelerators, most entrepreneurs now consider them part of the startup and scale journey. This has driven demand for the launch of hundreds of accelerator programs around the world, prompting us to question how differences across accelerator programs influence startup performance.[42]

SUCCESS METRICS

Based on the rapid growth of I&As across the US and around the world, the assumption is that they are successful in helping early-stage companies grow and scale. But is this true? Do these acceleration programs impact startup performance? And if so, what is the impact and is it measurable? Statistically, 50% of small businesses fail after five years in business.[41] Does this change if the company has gone through an accelerator?

Success metrics of I&As typically include reporting on:

- Companies that have raised capital and the amount of funding received.
- Companies that are still active (especially after five years).
- Companies that have had a successful exit (acquisition or gone public).
- Positive changes in revenue and number of employees.

The Global Accelerator Learning Initiative (GALI) (https://www.galidata.org/) was created in 2016 to determine the effectiveness of accelerators around the world. GALI and the Aspen Network of Development Entrepreneurs recently completed its first major research report, "What's Working in Startup Acceleration: Insights from Fifteen Village Capital Programs." The study compares the performance of ventures that were accelerated against those that applied, but were not accepted, based on one-year changes in revenue, employees and investment. "Overall, the study found that businesses that went through an accelerator raised almost eight times the investment money than non-accelerated businesses."[43]

KEY FEATURES THAT IMPACTED PROGRAM PERFORMANCE[44]

- **Program performance depends less on the size of applicant pools and more on their composition;**
- **Programs that spend less time on finance, accounting and business plan development perform better than the others;**
- **Programs that allow more time for entrepreneurs to work on their own tend to experience better performance; and**
- **Organizational partners that are willing to engage with entrepreneurs and to work on program content are more valuable than those that simply contribute to the program's brand or credibility.**

UBI Global published the World Benchmark Report 17/18: "Impact and Performance of University-Linked Business Incubators and Accelerators,"[45] based on original data from 259 business incubators and accelerators, thus providing the most comprehensive comparative study of university-linked incubation programs worldwide. The following results and recommendations should be considered for the development of any I&A, including those not linked to a university.

The study uses 21 key performance indicators to compare the absolute impact and relative performance of 259 participating incubation programs from around the world in the categories: Value for Ecosystem, Value for Client Startups, and Value for Incubation Program[46]

VALUE FOR ECOSYSTEM	VALUE FOR CLIENT STARTUPS	VALUE FOR INCUBATION PROGRAM
Assesses the economic impact and performance of the incubation programs and their client and alumni startups as well as the programs' success in retaining human capital and startups in the ecosystem. • In 2016 alone, the 259 benchmarked programs accepted over 10,000 new client startups. • Their current client and recent alumni startups have over 72,000 employees on the payroll today. • Over the past 5 years, these same ventures generated over $3.2 billion in sales revenue.	*Assesses the number and efficiency of services provided by the programs as well as their function as a facilitator of community and network building.* • The 259 programs have a combined fulltime equivalent workforce of just over 2,000 employees. • Almost 3,000 coaches, over 10,000 mentors, and an additional 10,000 volunteers provide the programs' client startups with knowledge, guidance, and support. • Over the past 5 years, just over 25,000 successfully incubated ventures raised a combined total of over $4.7 billion.	*Assesses the programs' success in attracting deal flow and third-party support as well as their capacity to create viable companies.* • With an average 5-year survival rate of 59 percent, the programs' clients outperform non-incubated startups by 15 percentage points. • In 2016, the programs received a total of over 40,000 in-state 9,000 supra-regional and 3,000 international applications – implying that there were 5 applications made for every available spot. • Companies and organizations have provided the programs with over $32 million in financial sponsorships in 2016 alone.

The study identified several challenges that can impact the performance of I&As:[47]

- Ill-fitting business models or organizational setups
- Insufficient diversification of revenue streams
- Unsatisfactory or unsystematic governmental support
- Deficient exposure to potential client startups
- Empty client startup pipelines or insufficient deal flow
- Lack of partners or sponsors
- Inability to recruit or train qualified staff
- Unsatisfactory stakeholder engagement
- Uncompetitive service offerings

The top-performing I&As were impacted by several positive factors :[48]

- Availability of sufficient financial means and diversified sources of revenue
- Highly trained and specialized staff
- Experienced mentors, coaches, and volunteers
- Potent partners, sponsors and investors
- High-quality client startups

The study also summarized the best practices and key characteristics of top-performing programs:[49]

- **Performance tracking and assessment: Top-performing programs routinely and systematically measure a core set of key performance indicators. The generated data is used to adjust business models and service offerings to market demands and to attract partners, sponsors, investors, and client startups.**

- **Government and university support: The vast majority of top-performing programs are either intrinsic elements or intended beneficiaries of consistent, long-term public policy frameworks that ensure a base level of funding, thus optimizing planning security, multiplier effects, and return on investment.**

- **Cultivation of partnership and sponsorship agreements: Top-performing programs cultivate strategic relationships with peer incubation programs, industry associations, investor networks, and corporate partners and sponsors to stay informed on best-practices, provide their client startups the best possible services, as well as access to capital and tools, while also diversifying their revenue streams.**

- **Fostering of a genuine culture of innovation: Top-performing programs invest in the development of their surrounding innovation ecosystems. They allocate substantial time and resources to the establishment of extensive feeder systems, the maintenance of active alumni networks, the attraction of volunteers, and the creation of an overall socio-economic climate that is conducive to entrepreneurship and innovation.**

Acceleration Programs For Women

LIMITATIONS AND ACCESSIBILITY

If I&As have a positive impact on startups development, growth and access to capital, is this true for all entrepreneurs, particularly for women and minorities? The ICIC report estimates that women- and minority-owned businesses represent, respectively, 14% and 19% of all businesses participating in a high-tech accelerator.[50]

According to one female founder interviewed by Forbes, "After researching the number of female-led companies accepted into accelerator programs, it was clear that the odds were definitely not in our favor. In our view, our time would be better spent acquiring customers than courting accelerators and investors."[51]

The ICIC report identified the barriers for women and minorities in high-tech I&As, as well as proposed strategies to increase their level of participation.

Barriers for Women and Minorities in High-Tech Incubators and Accelerators:[52]

1. Ineffective **recruitment** by high-tech incubators and accelerators may be the biggest cause of the relatively low participation rates of women and minority entrepreneurs.
2. The inherent bias against women and minority entrepreneurs in the **application and selection process** is another important barrier.
3. The "one-size-fits-all" **design** of many incubator and accelerator programs may fail to address the specific needs of women and minority entrepreneurs and unintentionally make the programs less attractive for these entrepreneurs.
4. The macho, exclusive **culture** often associated with high tech, and especially with high-tech accelerators, may be the biggest deterrent to women and minority entrepreneurs.

Strategies to Increase Participation Rates of Women and Minority Entrepreneurs in High-Tech Incubators and Accelerators:

1. Expand recruitment networks through diverse leaders and partners.
2. Create diverse selection communities and adjust the selection process.
3. Intentionally design programs for women and minority entrepreneurs.
4. Create an inclusive culture.

WOMEN-FOCUSED INCUBATORS AND ACCELERATORS

Given the recent growth in women entrepreneurship in the last few years, it is not surprising that several new business acceleration organizations targeted at women have also emerged. They recognize the opportunity to create programs and spaces tailored to the unique needs of women and the kinds of companies women typically start, which are not necessarily the high-tech startups that most I&As serve. Programs based on traditional, hybrid and new models are popping up across the country, addressing the fact that women often do not have access to the required expertise and capital within their own networks.

Current examples of women-focused I&As of varying program types are outlined below. As they are tailored to women, these programs are addressing some of the current barriers of traditional I&As. In addition, some are focused on attracting more diverse founders and companies.

Based on available data, most of these women-focused I&As do not appear to have a sector or growth stage requirement and are open to all WOBs. This is important as women often do not start the high tech / high growth startups that are the focus of traditional I&As. “While women-owned firms accounted for 35.8 percent of all U.S. firms [2012 data], they constituted the majority of firms in the health care and social assistance sector (62.5 percent), the educational services sector (54.2 percent), and the other services sector (51.8 percent).”[53]

However, it is unclear how successful women-focused I&As are at attracting and truly helping diverse WOBs and if their models are working to scale companies beyond the $100,000 revenue mark. Further examination of these programs, their recruitment tactics, inclusivity and success rates is recommended in the development of the programming for a women-focused I&A in LA.

WOMEN-FOCUSED ACCELERATION PROGRAMS IN THE US*

Accelerator	Location	Year Founded	Program & Length	Other Features
Ad Astra Ventures (https://adastra.ventures/)	San Diego, CA	2018	Accelerator Program (12 Weeks)	Mentors, events, demo day, capital connections, ongoing membership, office space during program, networking, $20,000 convertible note to all companies who graduate
Aviatra Accelerators (formerly Bad Girl Ventures) (https://aviatraaccelerators.org/)	3 Locations in Kentucky & Ohio	2010	Explore Accelerator Program for early-stage companies (9 Weeks) Launch Accelerator Program for current business owners (10 Weeks) Grow Workshops for all business owners (ongoing)	Mentors, coaches, capital connections, networking
Digital Undivided (https://www.digitalundivided.com/)	Atlanta, GA Newark, NJ	2013	BIG Incubator Program for high growth Black and Latinx women (30 Weeks)	START Business Model Canvas ideation weekend, Confident Founders Program, demo day, mentorship, networking
E&Y Entrepreneurial Winning Women (https://www.ey.com/en_gl/entrepreneurship/winning-women)	700 Locations	2008	Customized Leadership Program (12 months)	Expand knowledge, identify potential partners, strategic alliances, customers and suppliers, one-to-one guidance and support, increase national and regional visibility
FourthWave (https://fourthwave.io/)	Sacramento, CA	2017	Accelerator Program (6 Months)	Mentors, coaches, gap analysis & solutions, capital connections, data tracking & analysis of progress, networking
Hera Labs (https://www.heralabs.com/)	San Diego, CA	2012	Launch Intensive to start a business (12 Weeks) Scale Intensive to grow an existing business (12 Weeks) Business Strategy Sessions to build a 12-month roadmap (one-time sessions) Virtual Accelerator to launch or scale a business (work at own pace)	Mentors, coaches, capital connections, networking
MergeLane (https://www.mergelane.com/)	Denver, CO	2015	The Funderator (7 Days)	Mentor feedback, conscious leadership training

Project Entrepreneur Accelerator (http://projectentrepreneur.org/)	New York, NY	2015	Accelerator Program (5 Weeks)	Digital hub, multi-city events, a venture competition, networking
Springboard Enterprises (https://sb.co/)	Washington, DC New York, NY	2000	Health Innovation Hub: Life Sciences Track and Digital Health Track (4 Months) Tech Innovation Hub (4 Months) New York Fashion Tach Lab (4 Months)	Capital connections, networking, events
Tory Burch Foundation (http://www.toryburchfoundation.org/)	New York, NY	2009	Education Program (3 Months)	Capital Program (loans through Bank of America Community Lenders), Fellows Program (community, mentors and networking)
Women Empowered for Entrepreneurial Excellence (WEEE) (http://www.weeeincubator.org/)	McKees Rock, PA	2012	Incubator Program (Ongoing) JumpStart Program (36 Hours)	Office space, business development services and workshops, financial counseling, coaching, marketing services
Women in Entrepreneurship at Youngstown Business Incubator (https://ybi.org/we/)	Youngstown, OH	2016	WE Create for development of a business idea (Phase I – 5 Weeks) WE Launch for fundamentals of owning and operating a business (Phase II – 10 Weeks) WE Grow for marketing strategy and tools to grow a business (Phase III – 4 Weeks)	Co-working space, workshops, mentors, networking, commercialization of products, funding resources, marketing strategy, empowerment sessions
Women Innovating Now (WIN) Lab (http://www.thewinlab.org/)	Boston, MA Miami, FL	2013	WIN Lab (6 Months)	Coaching, networking, peer support and learning
Women's Small Business Accelerator (https://www.wsbaohio.org/)	Columbus, OH	2012	The Inspired Entrepreneur for early-stage businesses (20 Weeks)	Power Circles (monthly), Mentor Match (6-12 months)
Women's Startup Lab (https://womenstartuplab.com/)	Menlo Park, CA	2013	Startup Lab (12 Months virtual with a 2-Week immersion)	Coaching calls, 3-Day Alumni Reunion, ongoing access to Hito House residence, free services from partners (web services, email marketing, SMTP and more), investor events and workshops

**Note: This list provides examples only and is not meant to be exhaustive. The information is high level based on available data primarily gathered though company websites.*

OTHER PROGRAMS FOR WOMEN-OWNED BUSINESSES

Programs providing business support include:

- **Women's Business Centers (WBC)** (https://www.sba.gov/tools/local-assistance/wbc): Funded by the U.S. Small Business Administration, "WBCs represent a national network of over 100 educational centers throughout the United States and its territories, which are designed to assist women in starting and growing small businesses. WBCs seek to 'level the playing field' for women entrepreneurs, who still face unique obstacles in the business world."

- **SheWorx** (https://www.sheworx.com/accelerator/): The SheWorx "Fast-Track Fundraising Bootcamp" is a 10-week intensive online program of a curated group of women entrepreneurs designed to take the guesswork out of the fundraising process.

- **Founders First Capital Partners** (https://foundersfirstcapitalpartners.com/): Provides revenue-based financing and business acceleration support to underserved markets, with a focus on businesses led by women, ethnic minorities, military veterans, or businesses located in low- to moderate-income areas.

- **Co-Working Spaces For Women** An increasing number of women-focused co-working spaces have also launched in the recent years. These organizations focus on developing a unique community for WOBs and space that often includes wellness programs and nursing rooms. They also typically provide some educational training and events but are not formal I&As:

  - The Riveter (https://www.theriveter.co/): Three locations in Seattle, two in LA, one in Austin, and plans to expand across the country.

  - Hera Hub (https://herahub.com/): Three locations in the San Diego area, as well as in Washington, DC, Phoenix, and Sweden, with locations in Irvine and Atlanta coming soon.

  - The Wing (https://www.the-wing.com/): Three locations in New York, as well as in Washington, DC and San Francisco; West Hollywood coming soon.

  - Quilt (https://www.wearequilt.com/): A membership-based community that leverages the shared economy by offering co-working and education programs for women in private homes and office spaces.

Los Angeles Market Analysis

MARKET OVERVIEW

A thriving entrepreneurship ecosystem in a city has a significant multiplier effect, including job creation, poverty and homelessness alleviation, wealth generation, and a reduction in the reliance on social assistance programs.

Entrepreneurs and the businesses they start are at the very core of the American economy. Startups and growing firms create most net new jobs in America, provide opportunities for workers to advance up the economic ladder, and drive innovation forward.[54]

LOS ANGELES COUNTY[55]

Total employer establishments, 2016	269,489
Total employment, 2016	3,871,716
Total annual payroll, 2016 ($1,000)	212,488,786
Total employment, percentage change, 2015-2016	-3.40%
Total non-employer establishments, 2016	1,046,426
All firms, 2012	1,146,701
Men-owned firms, 2012	601,676
Women-owned firms, 2012	439,513
Minority-owned firms, 2012	631,218
Non minority-owned firms, 2012	481,643
Veteran-owned firms, 2012	69,608
Non veteran-owned firms, 2012	1,044,750

If Los Angeles County were a nation, its economy would be the 19th largest in the world. It is home to more than 244,000 businesses, with more minority- and women-owned businesses than any other county in the nation. It is the nation's top international trade center and manufacturing center. Los Angeles County's 37 departments and $24.2 billion budget provide extensive business opportunities to the private sector, both in contracts for goods and services." (2018)[56]

According to the Kauffman Foundation, LA ranked 3rd among major American cities for startup activity in 2016 and 2017, after Miami and Austin.

METRO RANKINGS--STARTUP ACTIVITY INDEX[57]

Rank 2017	Index 2017	City (Main)	Metropolitan Area	Rank 2016	Change in Rank	Rate of New Entrepreneurs	Oppertunity Share of New Entrepreneurs	Startup Density
1	4.47	Miami	Miami-Fort Lauderdale-Pompano Beach	2	1	0.56%	81.09%	107.8
2	3.95	Austin	Austin-Round Rock-San Marcos	1	-1	0.51%	84.73%	104.5
3	3.92	LA	Los Angeles-Long Beach-Santa Ana	3	0	0.56%	80.03%	92.3
4	3.19	San Diego	San Diego-Carlsbad-San Marcos	11	7	0.49%	82.54%	95.9
5	2.78	Las Vegas	Las Vegas-Paradise	5	0	0.42%	81.93%	120.7

While the startup activity is high in LA, the city does not rank as positively for companies moving beyond startup to growth stages, ranking 31st for "growth entrepreneurship." The Kauffman Index of Growth Entrepreneurship considers three components: rate of startup growth; share of scaleups; and high-growth company density.

The 2017 results for LA[58] are outlined below.

- Rate of Startup Growth - **LA = 54.1%** → On average, companies in LA grew 54.1% percent between the time of their founding and their fifth year of operation.
  Measures the average percentage growth of a cohort of new employer firms from the year they were founded through their first five years of operation by comparing the average employment size of all startups founded in a given year to the average employment size of the surviving companies in their fifth year of operation.

- Share of Scaleups - **LA = 1.27%** → Approximately 1,270 out of every 100,000 companies ten years old and younger started small and became medium-sized or larger businesses, defined as firms with at least 50 employees.
  Measures the prevalence of companies that start small and become medium-sized businesses or larger by their tenth year of operation.

- High-Growth Company Density - **LA = 90.6** → For every 100,000 employer businesses, there were just 90.6 high-growth firms.
  Measures the prevalence of high-growth companies. High-growth companies are defined here as private businesses with at least $2 million in annual revenue and 20 percent annualized revenue growth over a three-year period.

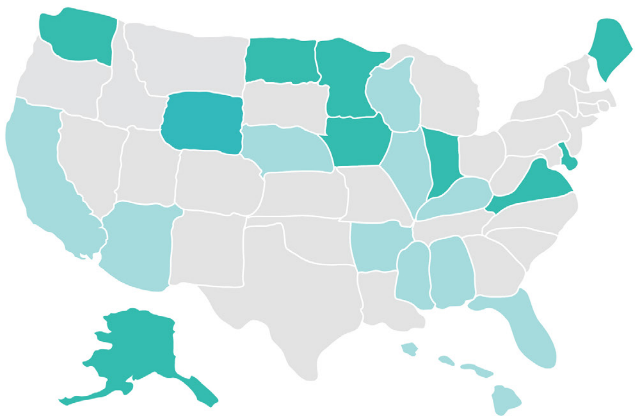
WOMEN-OWNED BUSINESSES IN LA

In the 2012 US Economic Census, LA County had 439,513 women-owned firms, more than any other county, and the majority of firms overall were minority-owned (55%).[59] The growth rate of WOBs in LA from 2007 to 2012 was 40.8%, compared to 11.9% by male-owned firms. Although these are encouraging growth numbers, the average revenues per LA WOB was just $142,378, and 90.5% were sole entrepreneurs with no paid employees.[60]

Combined with the national numbers of 88% of WOBs earning less than $100,000 in annual revenue, it can be assumed that LA WOBs are also generating similarly low revenue numbers. This also suggests that many LA women likely start their own business out of necessity and that these businesses are not necessarily thriving or contributing significantly to the economy through wealth and job creation.

Also, California ranks among the 10 states that have the "lowest employment vitality" for WOBs. "Employment vitality is a combined measurement by state of the employment growth rate of women-owned businesses and the average number of employees per women-owned business. This metric takes into account employment growth rates and average number of employees which controls for the size of states and metropolitan areas."[61]

THE TEN STATES WHICH WOMEN-OWNED BUSINESSES HAVE THE HIGHEST AND LOWEST EMPLOYMENT VITALITY, 2007-2018



Highest Employment Vitality
Minnesota, Maine, North Dakota, Iowa, Delaware, Virginia, Alaska, Indiana, Washington, Wyoming

Lowest Employment Vitality
Mississippi, Arkansas, Michigan, Florida Arizona, Illiniois, Nebraska, Hawaii, Alabama, California, Kentucky

(11 states included due to ties)

Source: "The 2018 State of Women-Owned Businesses." Page 13.

This fact indicates a significant need for new resources and programming to increase the employment vitality and overall economic impact for LA and the WOBS in this region.

LA INCUBATORS AND ACCELERATORS

While Northern California's "Silicon Valley" is internationally known as the epicenter for tech startup development and funding, LA has evolved as a significant rival, earning it the "Silicon Beach" moniker. LA has a large technical labor force, and is home to a significant startup community and culture.

Los Angeles is the second most populous city in the US and boasts the third largest startup ecosystem of the country behind Silicon Valley and New York. With more engineering graduates than any other US metro region, the ecosystem has a deep talent pool to draw from. Los Angeles also offers world-leading vertical expertise in select areas, and saw some impressive startup exits in 2017. The ecosystem is currently home to 13 unicorn companies.[62]

Every year, universities in LA produce more engineering graduates than any other county in California—including in Silicon Valley. LA is the content capital of the world. Startup Genome recently ranked LA #3 startup ecosystems in the world. LA is set up to have a vibrant technology economy.[63]

Stemming from the leverage of Hollywood as a digital media and content hub, LA is becoming a technology center and has attracted large presences from such tech giants as Google, Twitter and YouTube. LA is also home to diverse industries, including consumer brands, social media companies, aerospace startups and a growing virtual and agumented reality sector.

Not surprisingly, many I&As, co-working spaces, and other related resources have been launched to provide a variety of business services to startups and drive the city's innovation ecosystem. The chart below highlights many of these current organizations. Based on research sources, the current participation levels of women in these programs was not available.

LOS ANGELES INCUBATORS AND ACCELERATORS*[64]

NAME	LOCATION	TYPE
Amplify LA	Venice	Accelerator
Disney Accelerator	Los Angeles	Accelerator
Founder Institute	Los Angeles	Pre-Seed Accelerator
Grid 110	Los Angeles	Accelerator
Hub101 (Cal Lutheran)	Westlake Village	Incubator
Expert Dojo	Santa Monica	Incubator/Accelerator
IdeaLab	Pasadena	Startup Studio/Incubator
LA Cleantech Incubator	Downtown LA	Incubator
Make In LA	Chatsworth	Accelerator
Mucker Labs	Santa Monica	Accelerator
Quake LA	Santa Monica	Accelerator
SAM Precelerator	Santa Monica	Pre-Seed Accelerator
Scale LA	Los Angeles	Incubator
Science Inc.	Santa Monica	Startup Studio/Incubator
Startup UCLA Summer Accelerator Program	Westwood	Accelerator
Techstars LA	Los Angeles	Accelerator
Techstars Cedars-Sinai Accelerator	Los Angeles	Accelerator
TYLT LAB	Santa Monica	Accelerator
Viterbi Startup Garage (USC)	Marina del Rey	Accelerator

**Note: This list is not exhaustive. The information is based on available data on company websites.*

WOMEN-FOCUSED BUSINESS PROGRAMS IN LA

Despite the healthy number of business acceleration programs and resources in LA, there are minimal resources that specifically serve women entrepreneurs, particularly women of color. There are a variety of organizations and programs that target WOBs, including three Women's Business Centers (funded by the SBA), several co-working spaces, and groups that host networking and educational events. However, there is no formal acceleration program with a physical space that is comparable with those provided by legacy I&As.

Of the current I&As in LA, most appear to have low female participation rates, and even lower rates for women of color. This assessment is based on multiple interviews with WOBs, experiences with I&As and anectodal evidence. A lack of robust data on the businesses supported by I&As prevents us from quantifying the precise participation rates of women and minority entrepreneurs in these organizations.

One challenge for women and minorities is that many I&As state that they prefer to have a "warm intro" to increase their chances of being accepted. As one well-known accelerator says on their application webpage, "We encourage everyone to find a mutual connection to refer you to Amplify."[65] The reality is that many women and people of color often do not have these connections or are not part of these networks and are therefore excluded from the opportunity to participate.

Another challenge is that these programs typically serve high-tech, high-growth companies. Assuming that LA follows a similar pattern to the national WOB data, these types of businesses are a small percentage of startups created by women in LA. A unique I&A has the opportunity to serve all WOBs in LA and help increase their chances of revenue growth and job creation.

Below is an overview of the primary organizations that currently target WOBs in LA.

LA ORGANIZATIONS THAT TARGET WOBS

Organization	Location	Program
Fourth Wave (https://fourthwave.io/)	Virtual	**Accelerator** for high potential women-led technology businesses with programs executed in partnership with Mayoral offices in target cities. Currently in Sacramento and launching in LA in 2019. Program includes: small cohorts of 5-10 female-led businesses, matching with mentors and leadership coaches, gap analysis & solutions, facilitated access to capital, and data tracking & analysis of progress.
Women Founders Network (http://womenfoundersnetwork.com/)	Virtual with Pitch Competition on West Side of LA	**Annual pitch competition** for ten selected WOBs to win $35,000 plus in-kind services. Program includes mentorship on business strategy, financials and pitching.
Asia Pacific Islander Small Business Program (http://www.apisbp.org/womens-business-center.html)	Located in API SBP's five partner agencies	**Women's Business Center** that assists the development of small and micro women-led businesses with a particular focus on the Chinese, Korean, Japanese, Thai and Filipino business communities, especially those of low income immigrants. Provides business counseling but no funding.
PACE Women's Business Center (http://pacelabdc.org/about-pace-wbc/)	Los Angeles	**Women's Business Center** that serves women who live throughout LA County, especially those who have been historically underrepresented, excluded and/or are economically disadvantaged. Services include: business development training, mentoring, and technical assistance programs with trained, experienced business counselors for both start-up and established businesses. Provides funding through loan packaging and micro-loan programs, including the Community Development Financial Institution (CDFI), PACE Finance Corporation, and the SBA Microloan Intermediary Loan Fund.
VEDC Women's Business Center (https://lawbc.org/)	Van Nuys	**Women's Business Center** that promotes the creation and growth of businesses by women and minority entrepreneurs. Provides small business resources, education, consulting, and business loans from $1,000 to $2 million.
The Riveter (https://www.theriveter.co/)	Brentwood, Marina del Rey, third LA location to be announced	**Co-working space**, membership, app, and education and networking events.
The Jane Club (https://www.thejaneclubla.com/)	Larchmont	**Co-working space** targeted at professional and entrepreneur moms that includes childcare services onsite.
Quilt (https://www.wearequilt.com/)	Various	**Co-working space** and workshops for women in women's private homes, facilitated through a virtual community.

Other Programs

There are also several networking and virtual communities that provide content and events for WOBs and professional women.

Examples:

- **Equallet** (https://equallet.com/): Online community of WOBs with some local events to meet investors and resources.

- **Ellevate** (https://www.ellevatenetwork.com/chapters/58-us-los-angeles): LA chapter of global community of professional women that includes membership and networking events.

- **Venturize** (https://venturize.org/): National organization providing information on and access to business loans, hosts a "Women in Business Leadership Series in LA."

- **National Association of Women Business Owners (NAWBO)** (https://www.nawbo.org/los-angeles): LA chapter of the national association for WOBs, providing access to resources, mentorship, events and advocacy.

- **The Yellow Co** (https://yellowco.co/): Membership, annual conference, and a retreat targeted at millennial women who are looking to "do good in the world."

LAIA Considerations and Recommendations

Based on the information gathered for this study, there is clearly a gap and opportunity to provide incubator and accelerator services for WOBs in LA. Based on the number of LA-based WOBs and the potential to facilitate their growth beyond the $100,000 annual revenue mark, it is reasonable to believe that these companies and the LA economy would benefit from a women-focused I&A. Therefore, it is recommended that a new women-focused LA Incubator & Accelerator (LAIA - pronounced lay-uh) be developed to support WOBs in the LA region.

The following section outlines the key considerations and recommendations that should be factored into the development of LAIA:

- Objectives, Vision and Mission
- Target Market
- Location
- Recruitment
- Culture
- Service Offerings
- Access to Capital
- Application and Selection
- Acceleration Programming
- Organization Design
- Business Model
- Success Metrics

Each of these areas should be further researched during the next stage, which is recommended to be the development of a full business plan.

OBJECTIVES, VISION AND MISSION

To ensure the success of LAIA, it is imperative to clearly understand and define its core objectives, long-term vision and mission statement. According to "The Creation of Business Incubators in Supporting Economic Developments,"[66] business incubators can be used for one or more of the following three economic development purposes:

- **New Business Formation:** New business formation is the most common economic development focus of business incubators, as they focus on supporting entrepreneurs from practical business concept development to launching a product. The purpose is to nurture businesses until a business becomes stable enough to operate without the day-to-day support of an incubator.

- **Business Stabilization:** Business incubators can be used to help existing small–to–medium size (SMEs) enterprises that have become unstable. The purpose of these programs is to provide business support services and guidance to help stabilize the business and reduce the chance of failure.

- **Business Expansion:** Business incubators can also help existing SMEs to expand. These programs provide services to help business owners improve operational efficiency, identify and access new markets, expand production capabilities, hire and manage labor, and secure capital. The purpose of these programs is typically to help businesses that employ 1-5 employees to expand to 10-20 employees.

These objectives should be considered in relation to the program design, the potential economic impact for LA, and the long-term sustainability of LAIA. Ideally, a combination of all three should be included to address the growing number of startup WOBs in LA, as well as currently operating businesses that are looking to stabilize and/or scale. This is especially important to help companies grow beyond $100,000 in revenue, directly impacting job creation and contributing to the local economy.

CREATING LAIA

Recommendation:
Create a hybrid organization that offers the benefits of both an incubator and an accelerator, and provides funding to WOBs. High-performing incubation programs allow more time for entrepreneurs to work on their own, rather than spending the majority of their time meeting program milestone requirements. Yet to avoid entrepreneurs getting too comfortable or moving too slowly, an acceleration program should be layered over incubation to create urgency.

Vision:
All WOBs in LA have access to expertise and resources that address the unique needs of women and their communities to start and grow businesses that are financially viable and sustainable, regardless of industry, development stage or demographic (age, race, location, finances).

Mission:
To provide accessible and effective business acceleration programs and services to all WOBs in LA.

TARGET MARKET

Challenge: Provide services to WOBs of varying sectors, development stage, needs, and demographics.

Success Factor: Create a hybrid of incubation and acceleration with physical and virtual programming.

The 435,000+ WOBs in LA represent several target markets in terms of type, sector and stage of company. One of the greatest motivators of a new women-focused I&A is to meet the needs of all WOBs, not just the high growth tech startups that most I&As currently serve. To ensure that all female entrepreneurs have equal access to services and the capital to reach their potential, LAIA's client base should strive to include the diversity of potential women business owners. This includes women operating informal or home-based businesses and older, college educated women entrepreneurs who may have been displaced from corporate America, yet have sound business concepts or innovations. Likewise, this includes mothers who are returning to the workforce, as well as teen and pre-teen girls interested in entrepreneurship.

- **Type of Company:** Industry, stage and sector agnostic, i.e. solopreneur, services, brick & mortar, high-growth/ tech, B2C/B2B, e-commerce, consumer packaged goods (CPG), manufacturing, cleantech.
- **Sectors:** Service, tech, manufacturing, CPG, e-commerce, beauty, fashion, biotech, adtech, fintech, edtech.
- **Stage of Company:** Idea, prototype/minimal viable product, launch, scale, exporting.
- **Other Considerations:** Age, race, ethnicity, sexual diversity, location, income, immigration status.

LOCATION

Challenge: LA's expansive geography and traffic.

Success Factor: Create a hybrid of physical, roaming and virtual programming.

One of the greatest challenges in LA for any new business program is the size of LA County and the impact of high traffic. Most business programs and events tend to be based on the westside or downtown. To be inclusive, it is recommended that LAIA have both physical and virtual options to address this reality. Ideally, there will be one primary location where companies are required to come together on a regular basis, as well as roaming programs to other parts of the county that can operate out of current spaces (e.g. The Riveter or WBCs), and virtual programming accessible from work or home.

RECRUITMENT

Challenge: Deficient outreach and marketing that does not attract diverse WOBs.

Success Factor: Ensure outreach is inclusive and intentional for all target markets and expand recruitment networks through diverse leaders and partners.

Recruitment and outreach are areas with significant opportunity to be more inclusive than current programs. The research has shown that most I&As do not intentionally market to diverse communities and entrepreneurs. They are often reactive, relying on word of mouth awareness rather than proactively reaching out to diverse entrepreneurs. Crafting an outreach process with language, messaging, and images that are relevant, inclusive, and welcoming to diverse targets is critical to connecting with all communities. In addition, a "warm introduction" should not be required or preferred for consideration in any program application.

To successfully increase a pipeline of diverse WOBs, it is recommended that LAIA partner with local women's, LGBTQ+ and minority community organizations such as:

- National and local women business organizations (NAWBO, SheEO, Broad Circle)
- Traditional and ethnic chambers of commerce (Greater Los Angeles African American Chamber of Commerce, US Hispanic Chamber of Commerce)
- Ethnic business groups (Asian Business Association, Black Cooperative Investment Fund)
- Women's STEAM organizations (CSUN Women in Science & Engineering, Black Girls Code, Latinas in Tech)
- Ethnic and female alumni associations and university clubs
- Community Development Financial Institutions
- Veterans organizations

CULTURE

Challenge: Macho, highly competitive, exclusive culture.

Success Factor: Foster a genuine innovative culture specific to women.

To be successful in achieving its mission, LAIA must have a culture of inclusivity that is welcoming to all women. This is a major complaint of current I&As that have a "bro" culture and are not appealing to women. This inclusivity does not just relate to gender, but also to race and the type of companies that are welcomed. There is a danger in creating a new program that is appealing just to white women in technology or CPG.

If an organization's marketing materials and messaging do not display any women or minorities or perpetuate the perception of a culture that does not resonate with women and minorities, this will reinforce a feeling that they do not belong.[67]

Some areas to consider in establishing an inclusive culture include:

- Collaboration and partnership versus competition
- Encouragement of honesty and fostering a safe space to discuss the reality of entrepreneurship versus unrealistic expectations and language such as "crushing it"
- Timing of programming conducive to moms (day versus evening)
- Environment that is supportive versus adversarial
- Appreciation for all types of businesses and not just the high tech potential "unicorns"
- Application and selection processes that are respectful and do not require a warm introduction
- Inclusive images and language on all marketing materials and in all virtual and physical locations

SERVICE OFFERINGS

Challenge: Ill-fitting business models or organizational setups; limited or ineffective service offerings.

Success Factor: Varied services provided through innovative programming, partnerships and business model.

LAIA will need to address the needs typical of most entrepreneurs looking to thrive and succeed, including education, mentorship, motivation, capital, working space, resources, and talent. While this can be achieved through typical services and products offered by most I&As, new and innovative offerings should be created to fit the new program design. Moreover, some legacy services and programming may not be relevant to LAIA. For example, the traditional "pitch event" is not necessarily the ideal way for WOBs to present their businesses and attract funding.

Below is a extensive but not exhaustive list of services to consider in the development of LAIA.

Business Expertise and Resources

- Set curriculum (see “Acceleration Programming” section below) and programs for various stages of businesses and business needs (launch, scale, expand, raise capital)
- Workshops, “lunch and learns”
- Online resources, including templates, checklists, online courses (free and paid)
- Mentorship programs with local and global mentors and conducted in-person or virtually
- Networking events
- Peer-to-peer sharing (natural and organized)

Business Services (free, discounted, referred by LAIA)

- Business coaches
- Business plans, pitch decks and financial models
- Legal and intellectual property
- Accounting
- Digital media and traditional marketing (public relations, agency)
- Tech services (i.e., email marketing, web hosting, etc.)
- Group health insurance

Access to Talent (co-founders, CTOs, employees, outsourced resources, interns)

- Direct introductions
- Networking events
- Online directory and matching

Office Space and Amenities

- Dedicated offices, workspace, floating desk (flexible options)
- Conference rooms, phone booths
- Studio for podcast and video production
- Reception services
- Event space
- Kitchen
- Product demo space
- Bulletin board/Promotional display
- Wellness space (yoga, meditation, resting)
- Nursing room
- Daycare
- Office supplies, printing, etc.
- Mail and package shipping/receiving
- Healthy food options

Wellness and Motivation

- Workshops, classes
- Space for nursing, resting, thinking, creativity
- Online resources/directory
- Personal counseling

Community

- Membership
- Events
- Online network/app

ACCESS TO CAPITAL

Challenge: Women and particularly women of color have minimal access to capital, especially in the early stages.

Success Factor: Provide meaningful access to relevant capital.

It is recommended that LAIA create a fund for the “friends and family” and “angel” investment rounds. It should be a hybrid fund that provides equity and debt options. There is the potential to partner with organizations such as The Opportunity Fund, local banks, and corporations to develop an innovative financing tool.

Access to capital can come through other services provided by LAIA such as:

- Direct introduction
- Demo days / Pitch events (innovative format)
- Online directory/matching

APPLICATION AND SELECTION

Challenge: Implicit biases in the application and selection process due to lack of diversity on the selection committee.

Success Factor: Create a diverse selection committee and adjust the selection process.

The application and selection process should consider these factors:

- Eligibility requirements
- Application process should be measured and not overly onerous
- Selection process and committee (should look like the target applicants)
- Selection rate should be more inclusive than typical accelerators

ACCELERATION PROGRAMMING

Challenge: Most programs offer a "one-size-fits-all" program design that does not meet the needs of most WOBs.

Success Factor: Intentionally design programs for women and minority entrepreneurs.

It is recommended that LAIA have a variety of set acceleration programs to meet the diverse needs of the target markets. Key considerations include program design, program delivery, and the application and selection process. There are existing organizations with programming and content that can be licensed or accessed through partnerships, so as to not reinvent the wheel.

Program Design: Programs to meet the needs of businesses that are startup, scaling and expanding, sustaining and are inclusive of all WOBs and the companies they are creating.

Considerations:
- Fully programmed, partial, self-paced
- Size of cohort
- Time length of program
- Physical requirement and/or virtual programming

Program Delivery: Create new programs or license from existing programs, such as:
- Women's Startup Lab
- Fourth Wave
- HeraLabs

ORGANIZATION DESIGN

Challenges: Unsatisfactory or unsystematic governmental support (local, state and federal) and lack of private sector partners or sponsors.

Success Factor: Develop long-term and consistent partners with corporations, governments and/or universities.

Ownership Structure: Recommend a non-profit model to alleviate the revenue pressures and to allow for inclusion of companies that may not exit or where fees are a barrier to participation. Ideally, it would be independent of government(s) to avoid the politics that can occur with new administrations and the restrictions that can exist when government is an owner.

Management & Operations: Consider a hybrid of paid and unpaid experts, advisors, and mentors in addition to permanent management and staff, which should be comprised of:
- Board of Directors
- Advisory Board
- Management Team
- Employees
- Mentors
- Interns
- Volunteers

Partners: Recommend exploring partnerships for physical space, program development and delivery, and technology needs. These partners may include:
- Current I&As (local, national)
- Corporations
- Colleges and universities

BUSINESS MODEL

Challenge: Insufficient diversification of funding sources and revenue streams.

Success Factor: Diverse sources, including long term/ multi-year grants, equity and/or revenue share, private/ corporate donations, government tax credits/incentives.

One of the key considerations is the financial viability of a new acceleration organization. Below are recommendations for funding and revenue streams, as well as an overview of potential costs.

Funding: Consider various funding sources, such as:
- Government: Federal (SBA WBC), State, Local
  - Growth Accelerator Fund Program: The federal government has provided support and funding through the U.S. Small Business Administration (SBA) for accelerators via this program
  - Women's Business Center through the SBA
  - Opportunity Zone investments
- Private donations from high net-worth individuals and family offices
- Corporate grants
- Foundations
- Board of Directors/Advisory Board (give or get requirements)

Revenue Streams: There are several revenue streams to consider:
- Equity in and/or revenue share with companies

- Membership fees
- Anchor tenant leases (bank, law firm, etc.)
- Office/desk/space rental
- Application fees (ensure they are not barriers to participation)
- Program fees (in conjunction with need-based scholarships)
- Event/workshop fees

Expenses: Primary costs are space and people
- Startup costs - remediation, renovation, infrastructure
- Ongoing operational costs - labor, lease, insurance, utilities, amenities, services

SUCCESS METRICS

Challenge: Developing metrics that adequately measure impact.

Success Factor: Performance tracking and assessment.

The potential success metrics of LAIA should include:
- Number of companies that have raised third party capital and the total amount of funding raised
- Companies still active after five years
- Number of successful exits (acquisition or initial public offering)
- Positive changes in revenue, number of employees, investment
- Diversity of company management, employees, board and capitalization table

Additional critical success metrics will be the economic impacts to LA County. These metrics should include:
- Number of WOBs impacted annually
- Job and wealth creation
- Capital invested in LA
- Percentage of WOBs in LA completing a LAIA program (physical and virtual)
- Number of clients growing revenue from <$100,000 revenue to $250,000+
- Job creation per $100,000 increase in revenue

NEXT STEP

The recommended next step following this feasibility study is the development of a formal business plan for the creation of LAIA that considers the factors outlined above. "Creating LAIA" should serve as a foundation of the value proposition and references for the business plan. Additional research on current best practices and challenges is recommended, specifically on the creation of rigorous funding models and innovative programming. Ultimately, LAIA must meet the primary objective of creating an inclusive I&A for all WOBs in LA and contributing the desired economic impact to LA County.

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- WeWork: https://www.wework.com/
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- Y Combinator: https://www.ycombinator.com/
- Youngstown Women's Program: https://ybi.org/we/

Primary Research:

- Nancy Pearlman, Fourth Wave
- Amy Nelson, The Riveter
- Arie Horie, Women's Startup Lab
- Melinda Epler, Catalyst
- Alice Loy, Creative Startups
- Stella McShera, Equallet
- Natalie Byrne, Perpetual Lending Fund
- Christina Topacio, Jig & Saw
- Heidi Hubbling, Stubbs Alderton Precelerator
- Carrie Norton, Consultant
- Sonya Blake, Mayor Eric Garcetti's Office
- Sky Kelly, Avisare
- Halina Avery, Durfee Foundation
- Michael McClune, International Business Accelerator

2018 Events/Conferences:

- Accelerator Demo Days (Techstars LA, SAM Precelerator, International Business Accelerator, etc.)
- SheEO US Summit (San Francisco, February)
- International Business Innovation Association (INBIA) (Dallas, April)
- SOCAP - Impact Investing Conference (San Francisco, October)
- Women Founders Network Annual Fast Pitch Competition (LA, October)
- Gender Smart Summit (London, November)

Endnotes

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