



New Inclusive Creative Economy Strategy to demonstrate that the U.S. creative economy can deliver market rate returns alongside positive social impact

The impact investing initiative takes a portfolio approach, investing in the creative industries through funds and companies to secure blended value

New York, NY, April 23, 2024 - Upstart Co-Lab, a sponsored project of nonprofit Rockefeller Philanthropy Advisors, announced today the first dedicated impact investment portfolio for the U.S. creative economy. The Inclusive Creative Economy Strategy launches with nearly \$15 million committed, including program related investments from foundations, recoverable grants from donor advised funds, and mission related investments from endowed arts organizations—plus general operating grants to Upstart in lieu of management fees. The U.S. [creative economy was most recently valued at over \\$1 trillion](#) by the National Endowment for the Arts—even before considering film, fashion, video games, beauty, food, and other key commercial creative industries. Upstart’s pipeline of qualified investment opportunities currently requires \$100 million in growth capital.

The Inclusive Creative Economy Strategy (the Strategy) is funded by 14 committed investors, including The Andy Warhol Foundation for the Visual Arts, the Bonfils-Stanton Foundation, Ford Foundation, the Jess Jacobs Fund at the Amalgamated Foundation, the Marguerite Casey Foundation, Michael Quattrone, the Skoll Foundation, the Snap Foundation, the Souls Grown Deep Foundation, The Toledo Museum of Art, The Visions Fund at The Philadelphia Foundation founded by The Halloran Trust, and the Woodcock Foundation.

Upstart Co-Lab receives philanthropic support to manage the Strategy and related field-building activities from 19 donors, including the Bonfils-Stanton Foundation, Ford Foundation, Good Chaos, the Innisburg Charitable Foundation, the Marguerite Casey Foundation, the Marian B. and Jacob K. Javits Foundation, the Marrazzo Family Foundation, the Pritzker Pucker Family Foundation, The Rockefeller Foundation, the Skoll Foundation, the Snap Foundation, the Souls Grown Deep Foundation, the Target Foundation, the TomKat II Foundation, and The Visions Fund at The Philadelphia Foundation founded by The Halloran Trust.

In its 2023 global [“Art & Finance Report.”](#) Deloitte notes the “lack of impact investment in art and culture as the sector is largely ignored by the investment community,” and credits Upstart Co-Lab as a leader working at the intersection of impact investing and the creative economy. According to Deloitte, “...over the last decade, fund managers

have increasingly been engaging with and introducing investment vehicles that scale up creative ventures and unlock the power of cultural industries to innovate and generate social impact.

Internationally, there are impact investment funds solely focused on the creative economy, including: Nesta's Arts and Culture Finance Fund (the United Kingdom), HEVA Fund (Kenya), Mirabaud Patrimoine Vivant (France), and Trê (Brazil).

U.S. investors have been important leaders in the growth of impact investing over the past two decades, leveraging capital to achieve financial returns and make meaningful improvements in fields like renewable energy and affordable housing. To date, however, the U.S. has not had a national impact investing vehicle focused on creativity and culture despite being the largest global creative service exporter, according to the United Nations Conference on Trade and Development.

Upstart's Strategy provides an opportunity to rectify this, make money for investors, and achieve positive outcomes for women, BIPOC individuals, and other entrepreneurs and workers who are often overlooked and under-estimated in the overall economy but well-represented and able to succeed in the creative industries. Because the creative economy values merit and originality it can help to build a more inclusive economic future. In the U.S., 38% of BIPOC-owned businesses and up to 35% of women-owned businesses are in the creative industries.

"Society can't thrive without culture, and Upstart Co-Lab's innovative approach to investing in cultural assets will foster flourishing and inclusive growth," said Ford Foundation Director of Mission Investments Roy Swan. "By demonstrating that putting more money to work in the creative economy can generate both attractive financial returns and positive social impact, this initiative can help break new ground for impact investing and build a more equitable and vibrant creative landscape in the U.S."

The Strategy's portfolio investment approach includes both emerging funds and early-stage companies, targets market rate returns, and aims to achieve five impact goals. The Strategy will provide access to capital for BIPOC and women entrepreneurs; create quality jobs for BIPOC individuals, women, and people in low-income communities; foster vibrant communities; support sustainable creative lives and pathways to a creative middle class; and build an inclusive, creative economy anchored in openness and experimentation, diversity and inclusion, and tradition and innovation.

"Creativity and culture are not just about beauty and entertainment," said Laura Callanan, founding partner of Upstart Co-Lab and the former senior deputy chair of the National Endowment for the Arts. "Creative industries like fashion, food and film employ people, build wealth in communities, and share stories and traditions that foster critical connections. At Upstart, we believe impact investing in the creative economy will contribute to the kind of economic prosperity that democracy depends upon."

Upstart is implementing the Strategy within [ImpactAssets](#), an impact investment firm that has been a field trailblazer for more than a decade. Through ImpactAssets, donor advised funds, foundations, and other institutions can use philanthropic assets to make impact investments centered around a specific theme – in this case, the creative economy.

Upstart anticipates its demonstration portfolio will incentivize impact fund managers and wealth advisors to prioritize creative industry investment opportunities. As a nonprofit committed to field building, Upstart will be radically generous with and candid about its experience, publishing an annual report on financial and impact results to build sector knowledge and facilitate co-investment. At the same time, Upstart’s complementary influence strategy will engage a new cohort of investors, helping these artists, art patrons, museums, endowed cultural institutions, and arts-funding foundations recognize how impact investing can support their values and priorities.

“Investors committed to meaningful change will recognize Upstart Co-Lab’s Inclusive Creative Economy Strategy as a reconciliation fund—a way to build new kinds of communities that truly work for everyone,” said Clara Miller, Upstart Co-Lab investment committee member, president emerita of the Heron Foundation, and founder of the Nonprofit Finance Fund.

ABOUT UPSTART CO-LAB

Since its creation in 2016, Upstart Co-Lab has connected capital with creative people who make a profit and a difference. Over the past eight years, Upstart has mobilized more than \$45 million of grants and impact investing capital in alignment with its mission; demonstrated how the creative industries can offer investors a market rate return, an innovative edge, and deep people-focused impact, which specifically benefits BIPOC and women entrepreneurs and supports comprehensive community development; and made the case for U.S. cultural institutions and museums to utilize their \$64 billion endowments for mission-related and values-aligned investing.

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