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## CHICAGO ANNOUNCES GOAL OF \$5M NON-DILUTIVE GRANT FUND, ONE OF THE LARGEST IN U.S. FOR EARLY-STAGE BLACK AND LATINX TECH FOUNDERS

*P33 launches 'TechRise' initiative, with partners Verizon and local incubator, 1871, to address the inequitable distribution of capital for early-stage founders*

**CHICAGO – February 25, 2021** – [P33](#), a nonprofit focused on making the Chicagoland region an inclusive global tech leader, announces the launch of [TechRise](#). In partnership with [Verizon](#) and [1871](#), the initiative's goal is to deploy \$5 million in non-dilutive grant funding - one of the largest in the U.S. for early-stage Black and Latinx tech founders. Black and Latinx founders face larger barriers to entry when starting a new business due to a lack of access to capital and connections in the startup community. Chicago is one of the most racially distributed cities in the country, and still only 1.9% of venture capital goes to founders of color.

Co-Founder & Chairman of P33 and Founder & Chairman of PSP Partners, Penny Pritzker, emphasizes that P33 was founded to intentionally build a tech hub that works for all communities. "By increasing funding to Black and Latinx entrepreneurs, Chicago can ultimately help narrow the wealth gap for our community, generate thousands of tech-related jobs for Black and Latinx citizens, and trigger millions in additional funding for diverse founded businesses," said Pritzker.

Leading the initiative is Desiree Vargas Wrigley, one of only two Latinas in Chicago to have raised over \$1 million in venture capital funding for her previous startups, Pearachute and GiveForward. "Most tech founders can go to friends and family for early funding," states Vargas Wrigley, Executive Director of TechRise and former Shark Tank contestant. "In the case of Black and Latinx tech founders, our networks have so little wealth that we either never start our businesses or we are too underfunded to move beyond the idea stage."

TechRise aims to help diverse tech founders where they need it most, helping them access capital, community and connections:

1. **Capital - Pre-Seed Fund:** Starting this spring, the grant money will be distributed through a series of pitch competitions awarding \$10K-\$50K non-dilutive grants to Black and Latinx idea to seed stage tech founders from all regions of our city.
2. **Community - TechRise.co:** An online community to help diverse founders find funding, peers, training, and mentorship to launch and grow thriving tech-enabled businesses.
3. **Connections - Incubators and Training:** Access a wide network of tailored education and support from peers, mentors, and industry experts, starting with 1871's BLK•Tech and LatinX programs.

A key principle of this initiative is breaking down silos and fragmentation that currently exist in Chicago's tech ecosystem. TechRise is a multi-stakeholder initiative that brings together Chicago's strong set of resources including 1871, named the #1 private business incubator in the world. "Increasing access to funding and the necessary networks of connections are two keys to creating a stronger, more equitable tech environment. This partnership is an important step toward that goal, and we're proud to work together with P33 and Verizon as allies in inclusive innovation," says 1871 CEO Betsy Ziegler.

Additional TechRise partners are pivotal in building the scaffolding to help take these founders from idea stage to exit. All pitch competition participants will be provided resources both pre- and post-competition including support in drafting their pitch and introductions to mentorship programs with help from partners like the Tech Equity Working Group from [GET Cities](#) and [Beta Boom](#)'s New Pattern initiative. "The disparities in funding are not isolated to Chicago. In the United States, only 1.8% of venture-backed founders are Latinx and 1% are Black. We desire a future that is inclusive and where we all prosper, which is why Verizon is engaging with TechRise to create a more diverse tech ecosystem focused on bridging the inequities in funding for Latinx and Black startups," states Nia Mathis, VP of State and Local Government Affairs at Verizon, a founding partner whose Citizen Verizon responsible-business plan aligns with this initiative. Verizon views this as a pilot, which it aims to expand to additional cities.

P33, Verizon, and 1871 are co-hosting a virtual event on Wednesday, March 10, 2021 to continue the narrative around these challenges. Hear from Chicago founders themselves, as well as venture capitalists and government leaders, including P33 Co-Founder and Chairman, Penny Pritzker. Learn more and register at <http://bit.ly/techriseevent>.

#### **About P33**

P33 is a privately funded non-profit focused on driving inclusive, global tech and innovation leadership for Chicagoland. P33's work is anchored in deep research and driven by a need to unlock the potential of the digital age to solve some of the toughest problems facing Chicago, such as equitable access to digital careers, talent retention, deep science commercialization and gaps in our growth stage startup ecosystem. Officially launched in 2019, P33 is co-chaired by Penny Pritzker, former Secretary of Commerce and founder and chairman of PSP Partners; Chris Gladwin, CEO and Co-founder of Ocient and Cleversafe; and Kelly Welsh, President of the Civic Committee of The Commercial Club of Chicago.

#### **About Verizon**

Verizon Communications Inc. (NYSE, Nasdaq: VZ) was formed on June 30, 2000 and is one of the world's leading providers of technology, communications, information and entertainment products and services. Headquartered in New York City and with a presence around the world, Verizon generated revenues of \$128.3 billion in 2020. The company offers data, video and voice services and solutions on its award-winning networks and platforms, delivering on customers' demand for mobility, reliable network connectivity, security and control.

#### **About 1871**

[1871](#) is Chicago's technology hub and the #1 ranked private business incubator in the world. It exists to inspire, equip, and support early stage, growth stage and corporate innovators in building extraordinary businesses. 1871 is home to ~450 technology startups, ~400+ growth stage companies, and ~1,500 members, and is supported by an entire ecosystem focused on accelerating their growth and creating jobs in the Chicagoland area. The member experience includes virtual and in person access to workshops, events, mentorship, and more. The nonprofit organization has 350 mentors available to its members, alongside access to more than 100 partner corporations, universities, education programs, accelerators, venture funds and others. Since its inception in 2012, more than 650 alumni companies are currently still active, have created over 11,000 jobs, and have raised more than \$1.65 billion in follow-on capital.

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