

ISSUE 02 / SUMMER '24

RUNWAY

M A G A Z I N E

THE GROUNDED ISSUE



THE

GROUNDED

ISSUE

THE GROUNDED ISSUE



A grounding playlist just for you

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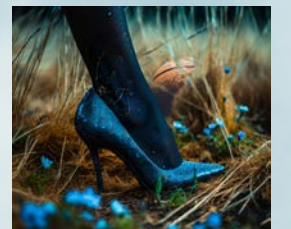
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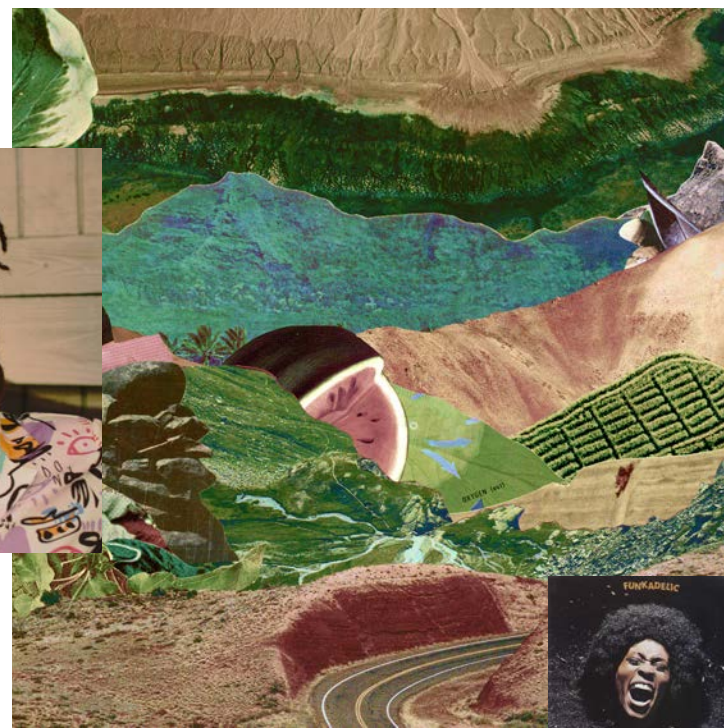


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Letter from the Editor



On the 1971 cover of Parliament Funkadelic's studio album, *Maggot Brain*, a young Black woman with a beautiful, voluminous afro seemingly emerges from the soil. Wearing every emotion on her face all at once and mouth fully extended, she belts. I can hear her. She's grounding.

The truth is, being grounded requires getting cozy with the muck and the mire. Being grounded, seeking anchoring, and all the areas in between aren't easy, nor finite. In fact, grounding can feel as messy as it does peaceful. It isn't always the picturesque "breathe in, breathe out".

We've aimed to capture the spectrum of what it means to be grounded between the pages of our second, biennial issue of *RUNWAY Magazine*. Reflected here are the stories of entrepreneur pivots, developing

funds, and the rich learnings we've cultivated through five full years of organizing. For the first time, we delved into uncharted waters interviewing a powerful entrepreneur couple outside the RUNWAY portfolio as our Fund Director, Nina Robinson, sat down with Red Bay Coffee to discuss their journey and grounding practices. At times, we even tapped into generative AI tools to further explore the discomforts of grounding in an ever-evolving landscape. Of course, we explore our impact over the last two years of supporting a portfolio of Black and Brown businesses in the height of a global pandemic. And, while grounding is the backdrop, Black joy and Black imagination are celebrated throughout the entire issue.

This issue is dedicated to the vastness of groundedness – what it means, what it looks like, the absence of it, and all the spaces in between. As we contend with the daily demands of our lives, perhaps we can begin to recognize groundedness as a spectrum, made up of ephemeral moments – of joy, of peace, of chaos – rather than a destination. We invite you to expand your own spectrum on *grounding*, alongside us.

Part of our ethos at RUNWAY is to be in regular practice with reimagining and embodying the change we want to see in the world. I hope this issue cultivates a bit of awe, as moments of awe and collective joy are essential for our nervous systems. Changing norms, habits, and beliefs can disrupt our collective nervous system, but grounding allows us to continue shifting the culture and the practices required to build an economy that truly loves Black people.

JAMICA EL
EDITOR-IN-CHIEF
CREATIVE DIRECTOR, RUNWAY

RUNWAY MAGAZINE

EDITORIAL

EDITOR-IN-CHIEF *Jamica El*
EDITOR + CONTRIBUTOR *Sarah Joy Chung*
CONTRIBUTOR *dana fitcbett*

PRODUCTION

CREATIVE DIRECTION *Jamica El*
ART DIRECTOR / DESIGNER *Megan Totah*
COLLAGE ART *Eduardo Taylor*

RUNWAY TEAM

CEO + FOUNDER *Jessica Norwood*
FUND DIRECTOR *Nina Robinson*
CHIEF INVESTOR RELATIONS OFFICER *Alicia DeLia*
DEVELOPMENT DIRECTOR *Olayinka Osibodu*
PORTFOLIO DIRECTOR *Laurika Harris-Kaye*
DIRECTOR OF PEOPLE + CULTURE *Aisha Blackman*
COMMUNITY EXPERIENCE MANAGER *Melody Short*
EXECUTIVE ADMINISTRATOR *Tomme Faust*
TRAINING + EDUCATION DIRECTOR *Naima McQueen*
UNDERWRITING MANAGER *Leila Tamari*
STRATEGIC DIRECTOR *Konda Mason*
STRATEGIC ADVISOR *Rani Langer-Croager*
CREATIVE DIRECTOR *Jamica El*

PHOTOGRAPHY

Valerie Anselme
Laila Harrison
Raquel Jones
Kirk Jordan
Bethanie Hines
Aaron Joseph

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INVESTING IN BLACK POWER

by
Jessica Norwood

FORGERY IN PROGRESS.

I had never heard that term before the murder of George Floyd. The tragic incident surrounding a counterfeit \$20 bill continues to haunt me—yet another one of the countless incidents that reveal the glaring issues of racial injustice and the destructive influence and power businesses can wield. This influence takes a dark turn when—as in the case of George Floyd—business owners weaponize the police against their customers without justifiable cause. The infamous Starbucks incident of 2018 is another example of innocent Black customers facing unwarranted police intervention, exposing the intersection of corporate power and systemic racism.

In the wake of George Floyd's death, Harvard Business Review brought to light a disconcerting gap between corporate promises to address systemic racism and tangible actions. The reluctance of some corporations to acknowledge their complicity in perpetuating racial inequity reflects a systemic failure to comprehend the intricate dynamics of power at play. It is a reluctance born out of an often-unstated preference for maintaining the status quo, prioritizing the comfort of the dominant group over genuine efforts to dismantle racial inequities and improve the quality of life for Black people and other oppressed groups.

From discriminatory lending practices to exclusionary policies, the business world is a battleground where systemic racism has been playing out for generations. It is essential to recognize that the legacies of redlining, unequal access to education, and limited opportunities persist, and they are still maintained by corporations. These ongoing legacies create formidable barriers for Black entrepreneurs seeking to build and wield economic power. If we are to ever make any meaningful change, we have to start by investing in the power-building of Black founders.

Understanding power within the context of equity is about supporting communities most affected by structural inequities—the founders, the workers, and the consumers using the business. The Praxis Project's articulation of power building calls for “democratic structures to set agendas, shift public discourse, influence decision-makers, and cultivate ongoing relationships of mutual accountability,” and underscores the role of power building in addressing the root causes of inequities: disenfranchisement. As Dr. Martin Luther King, Jr. eloquently expressed, “Power properly understood is nothing but the ability to achieve purpose.” Those who possess disproportionate systemic power, wealth, institutional knowledge, and resources dictate our political, social, and economic environment. The practice of focusing investments on people, ideas, and

funds who are most impacted by racial inequality aims to correct this power imbalance, empowering those on the receiving end of such investments to set their own agendas and drive self-determined outcomes.

A closer examination of political prioritization reveals a bias that favors white-led companies, resulting in policies that disproportionately serve their interests. RUNWAY sees this as a clear motivator to activate Black business owners as essential voices in conversations shaping change. With a seat at the decision-making table, Black business owners stand as a potent counterforce against pre-existing biased prioritization. If we listen to Black voices as we reshape our political discourse and policy formulation, policies such as those surrounding “forgery in progress” could be more equitable, rooted in a deep understanding of diverse perspectives.

The envisioned impact of political empowerment among Black business owners extends beyond mere rhetoric. The work has to be multifaceted and far-reaching, fostering equitable taxation and redistricting plans that authentically capture the community’s voice and transcend the narrow interests of white-led corporations. We get to see the proof of this concept in The Real People’s Fund, a subsid-

iary fund under RUNWAY management, where the collaborating team is actively engaging in legislative issues in the City of Oakland. Their impact is tangible, ranging from initiatives combating gentrification to investments in companies that authentically align with their values of community self-determination like cooperation, mutual respect for all life, and power to the people.

“THE REAL PEOPLE’S FUND IN OAKLAND STANDS AS COMPELLING EVIDENCE OF THE TRANSFORMATIVE IMPACT OF BUILDING THE POWER OF BLACK BUSINESSES THROUGH INVESTMENT, SHOWCASING THE REAL POSSIBILITY OF RESHAPING COMMUNITIES AND COMBATING RACIAL DISCRIMINATION.”

The Real People’s Fund brought small business owners to city council meetings to inform a budget that included more small business spending; more money for arts and culture; safety grants; and multilingual business assistance. Understanding the impact of government surveillance, they

also fought back against funding for more security cameras for business corridors.

The success of The Real People’s Fund in Oakland stands as compelling evidence of the transformative impact of building the power of Black businesses through investment, showcasing the real possibility of reshaping communities and combating racial discrimination. However, a broader call still echoes through the aftermath of George Floyd’s murder—an urgent demand for corporations and investors to fulfill their pledges to Black businesses and actively contribute to dismantling systemic racism.

The corporate landscape made a wave of pledges towards racial justice initiatives following George Floyd’s tragic death—promises that, in totality, amounted to hundreds of billions. Yet, the reality is that a substantial portion of these commitments remains unfulfilled. Congresswoman Ayanna Pressley (MA-07), a member of the House Financial Services Committee, is holding the financial industry accountable. In letters addressed to the CEOs of the five largest banks in America—JPMorgan Chase, Bank of America, U.S. Bank, Wells Fargo, and Citibank—Rep. Pressley outlined the glaring racial disparities perpetuated by these institutions. Her call for a detailed update

on the racial equity commitments made following George Floyd’s murder underscores the imperative for corporate giants to use their financial power to rectify historical wrongs and contribute to healing communities harmed by systemic inequities.

In the realm of impact investing, companies such as Tesla have garnered praise for commendable strides in environmental sustainability. However, a closer examination reveals a troubling blind spot where incidents of violence against Black employees have gone largely unnoticed. Recent reports, including those highlighted by The New York Times in September 2023, delve into discrimination against Black workers at Tesla and expose shareholders’ hand in maintaining racial injustice—all while patting themselves on the backs for environmental impact, as if the ways we treat other human beings is somehow separate from our environment.

The juxtaposition of Tesla’s environmental accolades with reports of anti-Black discrimination underscores the necessity for investors to evaluate their investments on the basis of power building. An evaluation that incorporates power building would go beyond ESG (environmental, social, and governance) and would highlight the inadequacy of solely focusing on environmental sustainability with-

out addressing internal practices that perpetuate racial disparities. The imperative is clear—a comprehensive evaluation that considers the many dimensions of power is essential if corporations are to truly embody values of equity and justice.

As momentum gains around the 2024 presidential election, we have an opportunity to champion and prioritize a path to dismantling systemic racism. Investing in Black business power sets a precedent, demonstrating the potential for transformative change. However, we have to continue to emphasize that the onus for transformation does not lie on individual entrepreneurs, but on corporations and investors to actively contribute to the broader movement towards racial justice with every investment and policy decision. The change we need requires a commitment to transparency, accountability, and an unwavering dedication to rectifying historical wrongs. It is a call to move beyond rhetoric and pledges, towards tangible actions that not only dismantle systemic biases but also usher in a future where the dreams of all—irrespective of race—are realized. [▲](#)



PLANTING SEEDS OF TRANSFORMATION WITH THE

by RUNWAY's Fund Design Circle



IT TAKES AN ECOSYSTEM TO BRIDGE THE WEALTH GAP

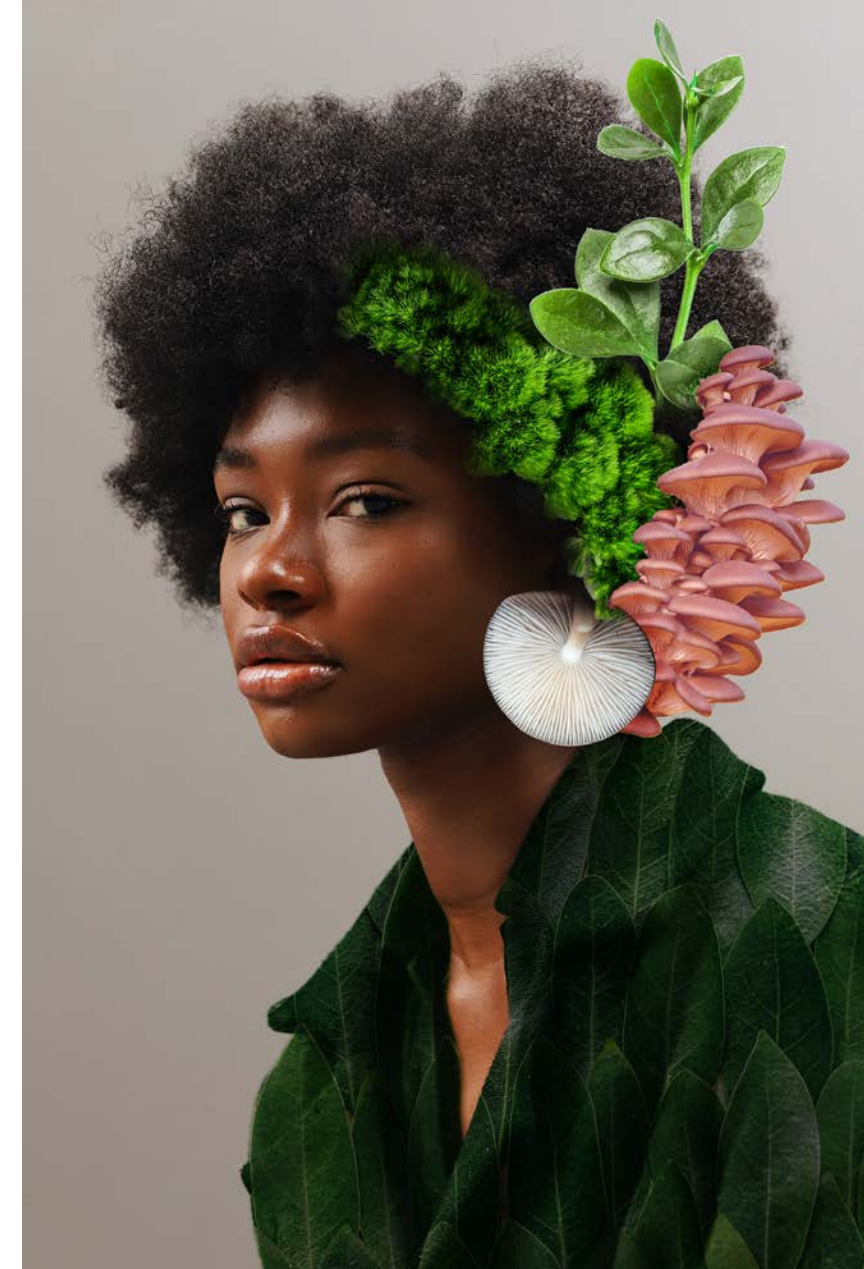


In the summer of 2016, in a room full of investors, social entrepreneurs, foundation and nonprofit leaders, policy leaders, and educators, RUNWAY announced a bold vision to partner with organizations to provide friends and family-style funding to entrepreneurs serving Black communities. This is a type of funding that most Black entrepreneurs don't have access to due to the massive racial wealth gap in this country. Because this type of funding symbolizes the trust, confidence, and love that Black communities are most often denied, we have grown to affectionately call this type of funding believe-in-you money.

RUNWAY's approach is built on a transparent, trust-based underwriting process, placing the decision-making power about creditworthiness in the hands of local community leaders as well as business advisors. By pairing fair capital with holistic and rigorous business education through our national partnership with Uptima Business Cooperative, we have cultivated and nurtured a thriving community of 50+ entrepreneurs.

We believe justice-centered financial innovation and self-determination are key levers to economic resilience for healthy and whole Black communities. By co-creating new models of financing that are entrepreneur-centric, we build a bridge between investors and the Black community that repairs the conditions that uphold the racial wealth gap. Since our launch, RUNWAY has shared our philosophy and practices with CDFIs, Community Banks, and community-led projects throughout the country, and have directed over \$10M in investments for Black-owned businesses.

When the COVID-19 pandemic hit in 2020, RUNWAY's national growth plans to expand from Oakland into Boston were halted. We turned to our community of



entrepreneurs to listen to their needs and meet them where they were. Before expanding our operations, it became clear that the imminent need was to support our existing entrepreneur portfolio with loan deferments, business advising, and a Universal Basic Income pilot program that provided no-strings-attached grant funding to business owners. As we emerged

from the height of the pandemic and reflected on our learnings, we knew that these financial solutions couldn't be reserved for just our West and East Coast hubs. All across the nation, data supports the rapid development of Black businesses, yet they continue to have the least access to business funding. A clear path was being illuminated for RUNWAY's next steps.

Over the last two years, RUNWAY has been in deep conversation with local community partners, small businesses, and foundational funders who share RUNWAY's values and want to see our approach to capital and lending become available nationwide. This process informed our decision to expand into Chicago and Alabama, two geographies where RUNWAY's founder and team have deep roots.

Combining our learnings from the last five years with feedback from communities in the South and Midwest, we were determined that we must get to the root of the matter: we cannot address the racial wealth gap without a radical and restorative approach that provides a stark contrast to the extractive financial practices institutions have defaulted to for far too long.

In response to what we've learned firsthand and heard from entrepreneurs in these new-to-RUNWAY regions, we dreamed up a \$50M evergreen integrated capital fund: The ROOTED Fund. Powered by creativity, innovation, and joy, the fund is named for our commitment to dismantling the root issues of structural inequities that happen inside of finance and transforming systems and infrastructure that were nev-

er designed for us. With this fund, we carry forward the spirit of our ancestors to invest in diverse entrepreneurs in restorative and regenerative ways so that they may build intergenerational wealth and thrive.

The ROOTED Fund will leverage our believe-in-you money style of investing, delivered through our community-led and trust-based underwriting principles and paired with holistic business advising through Uptima Entrepreneur Cooperative. The fund will expand our ability to direct capital towards creative entrepreneurs who share our values grounded in Just Transition and building community wealth with and for diverse communities.

We know that funding economically disadvantaged businesses alone will not address inequality. Solving these entrenched problems requires long-term systems change work. Individual and collective healing; political education; intentional powerbuilding and policy development strategy; collaboration across the financial ecosystem; and long-term commitments towards restorative finance are all equally necessary in order to truly address and close the racial wealth gap for good. [▲](#)



INVESTING IN ARTISTS, CREATIVES, AND ENTREPRENEURS IS A COMMITMENT TO BUILDING COMMUNITY WEALTH.

we asked our contributors...

WHAT DOES IT MEAN TO BE GROUNDED?



Jamica El

ALL PRONOUNS - CREATIVE DIRECTOR, RUNWAY

The sky helps me ground. The movement of the clouds remind me that our day is made up of passing moments and the glow of the stars reconnects me with ancestors and source. To be grounded is to be present with source even in moments of chaos.



AB (Aisha Blackman)

SHE / HER - DIRECTOR OF PEOPLE & CULTURE, RUNWAY

To me, being grounded entails a deep conviction about understanding one's identity and the way one presents themselves in the world. It involves possessing confidence while navigating and engaging in one's life's purpose. Being grounded is acknowledging that there is a purpose beyond oneself – it's about recognizing the greater significance of what you're connected to.



Tomme Faust

THEY / SHE - EXECUTIVE ADMINISTRATOR, RUNWAY

Grounded to me is about our connection to each other and our promise to our ancestors, descendants and current community that become our source and our reminder of who we are and whose we are.



Nina Sol Robinson

SHE / HER - FUND DIRECTOR, RUNWAY

To be grounded is to be in tune with myself, my community, my ancestors and all living ecosystems around me. To breathe deeply, to sing loudly, to dance wildly, and move with love and intention.





WHAT WOULD
IT LOOK LIKE
IF THE
ECONOMY

How

BLACK
PEOPLE?

by dana fitchett

The health of soil has a direct impact on the vitality of any plant that grows in it. If the soil is rich and nourishing, so will be the fruit. Jessica Norwood, RUNWAY founder and author of the recently released groundbreaking book, *Believe-in-You Money*, has deep roots in Africatown, Alabama—a historic community on the northside of Mobile. Irish American colonizer Timothy Meaher illegally smuggled 110 enslaved Africans on the *Clotilda* in 1860, over 50 years after the ban on the trans-Atlantic slave trade, and landed them in what would become Africatown. Following Emancipation, over 30 of these folks were able to band together and establish their own community, grounded in the cultural traditions of their homeland. Despite being unjustly stripped of their land and their people, they built their own church, graveyard, and even their own public school, all within the first 20 years of arriving. As Jessica writes in *Believe-in-You Money*,

Africatown is an American story like no other...Sylviane Diouf, author of the award-winning Dreams of Africa in Alabama, notes that Africatown was "the first [town] continuously controlled by Blacks, the only one run by Africans."

Even as Africatown invites an international conversation about reparations and the restoration of people and land and well-being, the reality is that the people are not well...Despite the health disparities, the economic exclusion, and the full-out theft of human life, Africatown continues to lift its voice, reflecting the resounding power of its ancestral legacy. Africatown will not be silenced. In Africatown, the relationship between colonization and the slave trade and the power and wealth they created is still palpable today.

If you know anything about RUNWAY's mission or our founder's life work, it's simple to see how the soil Jessica grew up in shaped her path. In the context of such potent history, she was raised by Black worldmaking entrepreneurs who inspired in her a passion to pick up on the legacy of her ancestors. She's since followed the lead of her predecessors, grounding her work in African cultural values and a commitment to serving Black communities. This critical grounding is evident in all of RUNWAY's work, and especially in Jessica's book, the concept at the center of it, and even the ways she's activating the book in community.

Believe-in-You Money outlines a strategy of leveraging

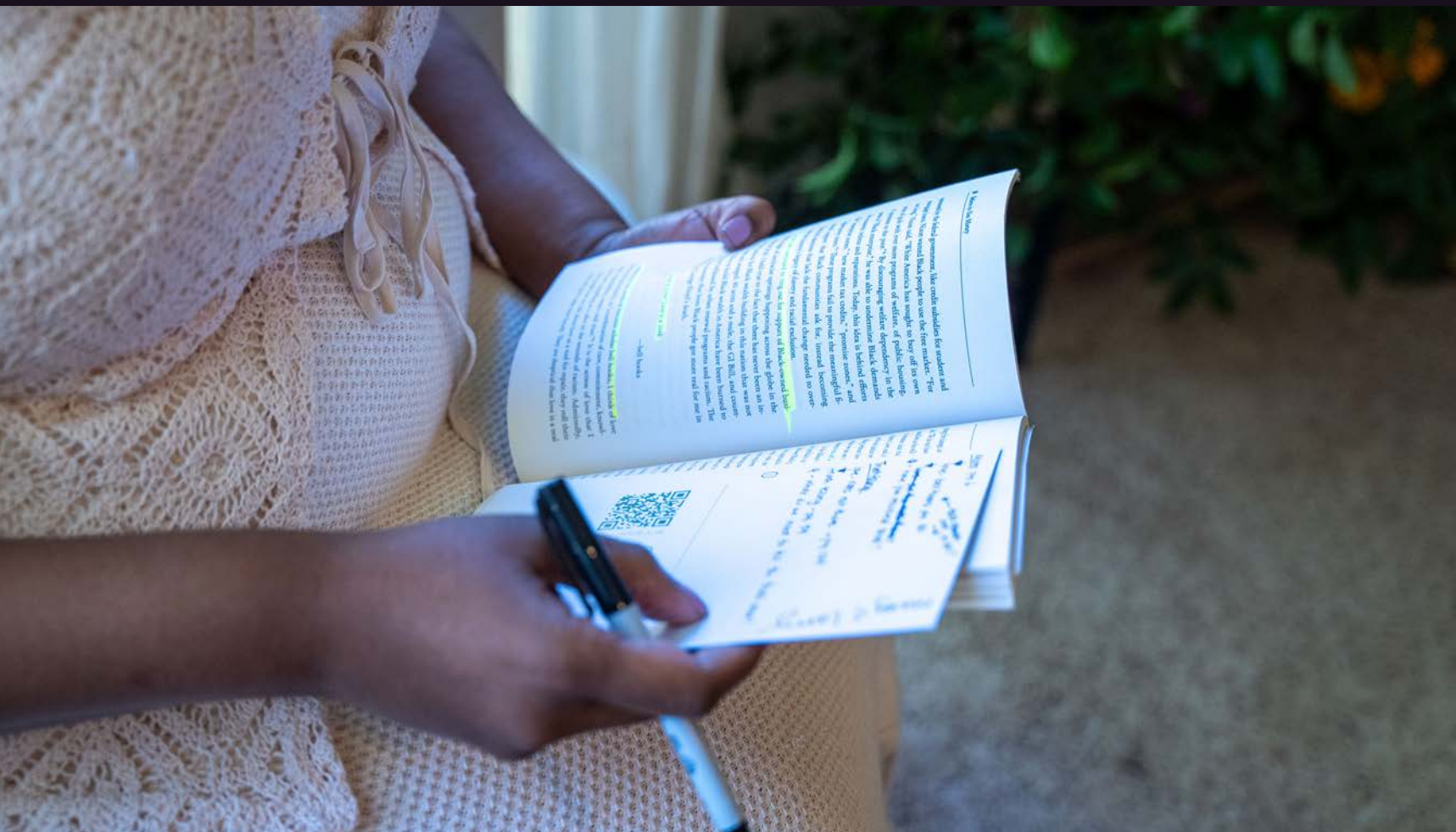




non-extractive business capital in service of repairing racial injustice and closing the racial wealth gap for good. The anti-Blackness embedded in our financial system and culture at-large often make it impossible for Black entrepreneurs to access the same kind of “friends-and-family” money that white and wealthy people tend to receive as they’re starting their businesses—those precious early dollars that communicate an investor believes in an entrepreneur and their ideas, without imposition or reservation. Believe-in-you money is patient, flexible, and antiracist, and with it, Jessica expands the definition

of investor. As she so clearly articulates in the book, “People who invest their time, their talents, and their money into creating a more just world are all investing in different ways. From my perspective, anyone who uses their resources to create a world that loves Black people is an antiracist investor.”

In the weeks before and after the release of the book in October, Jessica traveled around the country and internationally, proactively actuating her sprawling communities around the powerful messages, invitations, and imperatives in Believe-in-You Money.



On each stop of her book tour and with the book itself, Jessica is creating space for cultivating honest conversations on a crucial topic that we often shy away from: money!

“At the core of what I’m aspiring to do with the book,” she shares, “in the midst of a crisis of imagination, is to remind us that all the things that have been built can be built again. And they can be built in a way that’s more inclusive and more loving and more just.” She’s inviting us all to take responsibility for collectively dreaming, visioning, and working toward an answer to her central question: What would it look like if the economy loved Black people? And people all over are embracing her invitation to dream big, imagining together the possibilities for new practices, new structures, and a renewed sense of faith that we all have a role to play in calling in an economy that repairs harm and invests in Black joy and creativity.

So, what better place to kick off the tour than at the first convening of the Assembly of Black Possibilities, where our comrades at The Boston Ujima Project brought together working-class folks, Black and Indigenous communities, other people of color, and solidarity economy practitioners to inform and work toward a future of cooperative economics.

On the heels of her time in Boston, Jessica headed to Atlanta, widely regarded as a Black Mecca where Black busi-

nesses thrive, but where we still see a continuously worsening wealth gap, even within the Black community. “A lot of what we talked about in Atlanta,” she says, “was the crucial differences in approaching wealth-building through an Afro-Indigenous lens of holistic wellbeing versus through a purely capitalistic lens.” These conversations drew from the thread throughout the book that lifts up the importance of measuring community wealth instead of simply and narrowly looking at metrics of individual wealth.

During her visit to Palm Springs, Jessica—and everyone in attendance—witnessed a beautiful living example of what believe-in-you money is all about when a Black woman shared her personal connection to this work. After learning about the book, she purchased several copies to gift to other Black women who had previously given her believe-in-you money—a very full-circle moment.

In the Dominican Republic, Jessica attended a conference with a group made up of people with an abundance of capital, an experience that starkly contrasted the lived experience of many Black folks in the region. “People reminded me,” she reflects, “that in order to imagine an economy that loves Black people, we’d have to be talking about and noticing that we’re here at this conference and we’re not addressing or doing anything in relation to support the Haitian people.”

When she brought the book to Birmingham, attendees took the conversation in the direction of community wellbeing. Responses to Jessica’s central question included more connectivity among neighbors as an indicator of an economy that loved Black people—an alternative to the extractive, exclusive, and disconnecting ways we see real estate happening in historically Black communities—and the need to marry community wealth with community health rather than simply focusing on economic

development in isolation. “It was an aha moment for me,” Jessica says. “If we want an economy that loves Black people, then how are we also investing in our healing, emotional intelligence, and wellbeing so our wealth feels and shows up much broader than just an economic and financial term. We have to start to define what wealth means for us, versus measuring ourselves against a system that does not really love and support us.”

Jessica’s stop in Houston was hosted by a Black-owned bookstore, Kindred Stories. When she asked folks why they made it out to the event, they shared that they wanted to support their local Black businesses, which demonstrated the intimate connections between residents and Black entrepreneurs. “It wasn’t lost on me,” Jessica offers, “that we were just one block away from Emancipation Avenue and Emancipation Park, and in the region where Juneteenth originated,” elevating the link between cooperative economics and freedom for and among Black people.

On what she refers to as a life-changing visit to bring the book to Ghana, she visited a cave in the Northern part of the country where Africans hid to avoid being taken captive by enslavers. “While we were in the cave,” she recounts, “my friend scooped up and shuffled some dirt around in his hand. And there were gold pieces there. And so this region that’s called the Gold Coast is full of natural resources, full of gold and other things that are clearly economically valuable.” But the lived experience of Black people in the region is not reflective of the wealth that their land naturally possesses. “I listened to these Ghanaian businesswomen talk about how they don’t get access to the capital that they need, and the room was also filled with Black American women who had moved to Ghana to develop their businesses. And they too were looking for the capital that they needed. So they—and we—are wealthy, yet we don’t get to expe-



rience or benefit from that wealth under our current extractive economic system.”

Freedom was the most salient theme recurring throughout Jessica’s book tour. “Freedom came up in every single place,” she points out. “And yes, it was financial freedom, but it was also bigger than that. It was this idea that freedom meant being able to move unencumbered, freedom of your time, freedom to pursue the things that matter to you. To have the freedom to have agency about yourself, to move your body and be able to move to places where you can thrive. Freedom is really the thing that people want.” And in order to get to a place of expansive freedom for Black folks, we have to first truly repair the harm that’s been done.

“As I toured along the coast in Ghana,” Jessica says with a sense of contemplation, “and walked through and put my hands alongside that door of no return, I felt a deep understanding that there is no way forward other than reparations, other than reparative capital, other than talking about these ideas on the pages of Believe-in-You Money.” [▲](#)

Reflections on *Alabama*

with Photography by Raquel Jones, Kirk Jordan and members of our trip delegation

“Alabama is not just a place on the map; it’s a chapter in the story of black resilience, where the ink of progress was written with the blood, sweat, and tears of my people.”

- Maya Angelou



May, 2023

Mobile, Gee's Bend, and Montgomery, AL

Our journey through Alabama was abounding in experiences that felt like songs for the soul.

A strong sense of place comes from understanding the stories written in the land, and we were blessed to be able to unearth some of those stories. We met with local Black entrepreneurs and artists, community leaders, impact investors, land stewards, and activists as we immersed ourselves in thoughtful conversations around race, power, land, wealth, and spirit. We explored questions like, "How are investments in Black creatives integral to building power in community?" and "What new narratives do we want to develop around wealth, Blackness, and culture?" We shared profound experiences like being guided through Africatown, a community founded by descendants of some of the enslaved people aboard the Clotilda, the ship that carried 110 enslaved Africans into Alabama's Mobile

Bay in the autumn of 1860. Echoes of our ancestors' whispers washed over us as we peered into the bay. The community wrapped its arms around us, and we felt held as we broke bread together and exchanged visions for liberated futures. We moved and swayed; we laughed and prayed. Experiencing the richness of Alabama's history, art, people, and community deepened the understanding that our roots connect us to the past, but they also anchor us in the present so that we may shape a better tomorrow. ▲



"I was inspired by the vision, grit, and creativity of artists and entrepreneurs who are building evermore in spite of the historic and ongoing harms of enslavement, segregation, and anti-Blackness. It became clearer to me how local economies are grounded and sustained by creative entrepreneurship and placemaking."

– Jocelyn Wong, Director of Capacity Building
KATALY Foundation



Rani Langer-Croager

**SHE / HER - FOUNDER & CO-CEO,
UPTIMA ENTREPRENEUR COOPERATIVE**

To me, it's being present and connected to time, place, and people around me. Being grounded is the core of the work we do with entrepreneurs at Uptima. When we're grounded as business advisors, we can help others dream and realize their visions.



Leila XX

**SHE / HER - UNDERWRITING MANAGER,
RUNWAY**

When I'm grounded, I feel anchored in my purpose and values. I show up authentically with presence and loving kindness. I'm in harmony with the greater good.



Melody Joy Short

**SHE / HER - COMMUNITY EXPERIENCE
MANAGER, RUNWAY**

To be grounded is to have a strong connection to the present moment and one's innerself, to be stable and in alignment.



Eduardo Taylor

HE / HIM - CONTRIBUTOR

Grounded, to me, means being tethered to the global pulse and rhythm of Mother Earth, receiving her guidance and direction. While we dream and imagine our radical futures, we remain connected to the earth to remember our roots and where we came from, staying grounded.

we asked our contributors...

WHAT DOES IT MEAN TO BE GROUNDED?







by Jamica El

THE FEELING IS MUTUAL:

How RUNWAY and Uptima Get Down

*An interview with Uptima Entrepreneur Cooperative
Co-CEOs Rani Langer-Croager and Sherina McKinley*

RUNWAY's programs of building Black community wealth through early-stage funding and innovative financial products in Oakland and Boston have been fortified by our integral partnership with Uptima Entrepreneur Cooperative. Uptima is a business support organization that was founded with the intention to level the playing field for Black and other entrepreneurs of color. As we embark on our national expansion with this key partner, we asked Uptima to share the story of coming together in partnership around our mutual investment in Black entrepreneurs, from their perspective.

JAMICA: JESSICA TALKS ABOUT THE SIGNIFICANCE OF BELIEVE-IN-YOU MONEY. WHAT HAS IT LOOKED LIKE FOR RUNWAY AND UPTIMA TO BELIEVE IN EACH OTHER?

RANI LANGER-CROAGER: Uptima started from the grassroots of community. I partnered with my dear friend Konda Mason to embed entrepreneurship programs at Impact Hub Oakland. The first Uptima cohort—predominantly Black women entrepreneurs—came to us through word of mouth. Someone met me at the Hub, then told their friends about what I was up to, who in turn told their friends, and so on.... When I asked these early adopters why they chose Uptima, I got consistent responses along the lines of, “Because Uptima was started by you, a woman of color who spent years in investment banking. We knew it would be legit and help us grow our businesses.” These Black women were the first to believe in me and the Uptima vision.

Once that first cohort was established, we spent a year together, meeting every week to work through business strategy, business plans, financial forecasting, and—most importantly—repairing relationships with money as a prerequisite to clear the way for business funding and growth.

Yet, even after a year's worth of focused work to solidify businesses and plans, no one in our community was willing to fund them. It was the same old runaround of requiring certain credit scores, a certain level of historical cash flow, or a certain amount of collateral. I knew something had to be done. “I wish I had a fund at Uptima so I could fund all of them,” I said to Konda.

JAMICA: SO, WOULD YOU SAY UPTIMA AND RUNWAY'S PARTNERSHIP BEGAN WHEN RUNWAY BEGAN?

RANI LANGER-CROAGER: Pretty much! On the eve of my wedding, Konda called me into her office and

said, “You know that fund you've been wanting for Uptima? I think I have a solution.” She told me about Jessica Norwood and her vision for RUNWAY, and that there may be potential to pilot RUNWAY along with Self-Help Federal Credit Union in Oakland.

When I came back from my honeymoon, it was on. I was all in. And how could I not be? I had the incredible opportunity to leverage my background in investment banking combined with my learnings from Uptima to co-design a fund that could move the needle for Black entrepreneurs, starting with the Black women who believed in my vision for my own business. How amazing is that?

As Konda and I set out to work on the pilot of RUNWAY, Jessica was away from work, caring for her mother who had fallen ill. Even though life circumstances made it so that I didn't meet Jessica until the announcement of the RUNWAY pilot, I knew that this was the right work to pursue. Konda and I were determined to make

And so it is:
our partnership
is rooted in
mutual belief
in one another.

sure Jessica's vision was carried out, and Jessica trusted us to hold it down while she attended to the most important person in her world. And so it is: our partnership is rooted in mutual belief in one another.

JAMICA: DO THE ORGANIZATIONS WORK TO IN-



FORM ONE ANOTHER? IF SO, I'D LOVE TO HEAR MORE ABOUT HOW RUNWAY AND UPTIMA INFORM EACH OTHER'S WORK.

SHERINA MCKINLEY: Not too long after starting the pilot in Oakland, RUNWAY was presented with the opportunity to launch another pilot program in Boston. Jessica, Konda, and Rani came to town to work on the pilot and begin building partnerships to support the entrepreneur pipeline. They came to the food incubator where I worked, and my boss asked me to join the meeting.

In the meeting, I heard about the partnership between RUNWAY and Uptima—uniquely committed to rigorous and holistic education and mentorship, restorative loan terms, trust-based underwriting, and post-capital support. What struck me the most was that this was not another program pushing Black entrepreneurs through; Uptima and RUNWAY set out to really take the time to make sure that Black entrepreneurs understand the numbers and finances. No one else does this level of work and it's hurting us.

Initially, I joined RUNWAY and Uptima in a joint position, supporting the pipeline of entrepreneurs for education and lending, underwriting loans, and providing post-capital support. Through my position, we learned how crucial it is for Uptima to start by first building trusting relationships in the community, and providing robust education and advising to support entrepreneurs in preparing to receive capital.

This essentially embraces the RUNWAY funding. On the front end, we help entrepreneurs believe in themselves by developing their plans, getting more comfortable with their numbers, and understanding how they can repay financing in a way that works for their businesses. On the back end, our holistic business support helps entrepreneurs use money to grow their businesses while mitigating any risks should entrepreneurs run into any financial challenges.

JAMICA: BOTH OF THE ORGANIZATIONS ARE EXPANDING. WHAT DOES IT MEAN FOR RUNWAY AND UPTIMA TO EXPAND TOGETHER?

RANI LANGER-CROAGER: Through our initial pilots, we learned there is a need for our RUNWAY and Uptima partnership across geographies. ROOTED, a 10-year, \$50M initiative to invest in Southern Black entrepreneurship, creativity, and innovation, is one way we're responding to this need. This new initiative is the embodiment of our collective commitment to support creative and social entrepreneurs across the South and areas along the path of the Great Migration.

Together, this offering taps into Uptima's education and advising to provide a holistic and deep level of support to entrepreneurs. We'll collaborate with them on their business plans, financial projections, and capital planning in preparation for going through RUNWAY's trust-based underwriting process and receiving restorative funding.

And because we recognize that receipt of funding alone is not sufficient as a guarantee for business growth, we provide ongoing advice and community after folks receive funding so that we can help our entrepreneurs expand their networks; build their operating capacity; implement their business plans; and access additional funding and other resources. Our intention is to create a closed-loop system that centers Black entrepreneurs and our robust belief in what's possible when we work together. [▲](#)

Our intention is to create a closed-loop system that centers Black entrepreneurs and our robust belief in what's possible when we work together.



BUILDING A PLANE IN *Motion*

by RUNWAY's Operation's Circle

We've been building the plane while flying it, as the saying goes.

You've probably heard this metaphor before; chances are, you've had a similar experience. Working to dismantle harmful systems that center the characteristics of white supremacy culture—like scarcity, competition, urgency, burnout, and individualism—often requires us to assess how we move through and within this world, especially when we don't subscribe to these ways of operating.

So, what happens when you're building a new kind of plane for a newly discovered destination? What happens when you aspire to create a blueprint that hasn't

existed before? This shift in practice requires us to lean into our speculative imagination, thinking beyond the boundaries of what we know to shape a future that meets our needs. Speculative imagination pushes us toward new possibilities; it asks us to be inquisitive, iterative, and imaginative while still living within and navigating the systems we want to change. It also requires patience, deep collaboration, and getting comfortable with the muddiness that can show up when you're future-building in the name of Black liberation. Here are the ways in which we, as an organization, are embodying the changes we want to see in the world:

A WORKER SELF-DIRECTED STRUCTURE

At RUNWAY, we've adopted a worker self-directed model. By employing an organizational structure that celebrates autonomy, collaboration, accountability, leadership rotation, shared decision-making power, and skill diversity, we're able to expand our boundaries and sense of possibility.

We want to acknowledge that our organization is less than ten years young. As we've transitioned from a group of consultants working in collaboration to a formal team of employees, our culture has also transitioned. Additionally, as a collective, we spent three years in a pandemic—balancing our commitment to entrepreneurs alongside our own experiences—and we're still making sense of all that we navigated in that time.

In this context, we understand worker self-directed as a framework in which everyone on our team leans into their leadership and expertise, where all team members have the power to influence programming, the conditions of their workplace, their own career paths, and the direction of the organization as a whole. We root ourselves in democratically participating in decision-making and the cultivation of our organization.

In practice, this rooting looks like our circle model – an open invitation for team members to join the various governing bodies of our organization such as administration, operations, programming, fundraising, etc. Each person can be a part of any circle and is required to participate in multiple circles, allowing for the various perspectives, connections, and levels of expertise to show up across the organization. This practice allows us to intertwine ideas better and eliminate silos.

NOURISHING THE INQUISITIVE

As individuals—and as an organization—living and working within oppressive systems like capitalism, patriarchy, and white supremacy, we are regularly

contending with the meaning of power and its impact. To explore power together, we began with a deep inquisition around our existing decision-making practices and asked one another how power shows up in our work, how we wield it individually, and how power connects to decision-making. Noticing connective tissue between decision-making and survival, we honored past experiences and decisions relating to workplaces, society, government, and even personal relationships.

We've grappled with these questions through ongoing conversations and resources from others doing similar work. Exploring our decision-making process allowed us to arrive at the crux of our inquisition: What is needed to move forward with decision-making that doesn't include you as a touch point?

The true power lies in our ability to be with one another while nourishing these questions together. We don't always land on the answer but the practice of doing the work together is truly powerful.

ITERATION AND IMAGINATION

After asking ourselves the hard questions and making sense of our answers, we try different methods which require a willingness to pause and adapt. It also requires an understanding that it will take a lot of learning to arrive at the solution that best fits.

We give space to dream and build worker power. To be imaginative at RUNWAY, we lean back into our four core values – re-imagination, repair, restoration, and resilience. We're intentional about moving away from competitive and individualistic tropes and instead emphasizing abundance and the collective. Creating a more just future requires the spaciousness to imagine what it could look like.

ACTIVATING LOVING ACCOUNTABILITY

At RUNWAY, we want to look at accountability as a tool of love; a reframing of intervention and support. As a team of people with lived experiences from our intersecting and marginalized identities, we know accountability has historically been associated with consequence and punishment. For many of us, it is also attached to racial and gender trauma – particularly in the workplace. So, this re-engagement with accountability as a tool of love, investment, and power can, at times, feel like a game of tug-of-war.

Building accountability into the culture of our still-growing organization is complex. During our 2021 winter retreat, we named out loud what accountability looks like to us in the realm of our work (see Figure 1, notes 1-7).

Since then, we've grown our work in communities while also growing our team, which brings in new energies and different questions. Our culture is not stagnant; we're a dynamic organization working to ensure our progress and processes are, too. This year we explored some of the following themes about our culture as a worker self-directed organization (see Figure 1, notes 8-12).

At RUNWAY, when we say we're building the plane while flying, we mean to say we're leaning into our speculative imagination; acting on our vision in real time, and working toward the world that we want to live in, even when there's no clear blueprint for how to get there. The plane keeps moving, and collectively, we'll keep working on the plane so that others can fly with us—no assembly required. ▲

Figure 1: Sticky notes from our internal brainstorming sessions on accountability, decision making, and feedback. (Items have been reproduced for print purposes.)



We're collecting resources to help us expand our thinking in this area. If you'd like to join us on the journey, check out what we're reading as of print by scanning the QR code or visit www.bit.ly/runwaymagrefs



REAL Funds for REAL People

HOW RUNWAY IS ACCELERATING IMPACT IN THE BAY AREA WITH THE REAL PEOPLE'S FUND *by RUNWAY's Portfolio Management Circle*

As a financial innovation firm, RUNWAY is constantly testing, iterating on, and learning from our work. We do this not only to meet the needs of the moment—which are always changing—but also because this is how we grow and evolve as individuals and as an organization along our journey to close the racial wealth gap.

In 2016, we kicked off our partnership with Self Help Federal Credit Union in the Bay Area and later expanded into Boston. The early relationships we built gave us a place to develop and test our approach to non-extractive and relationship-based finance. During this time, we also honed our partnership with Uptima Entrepreneur Cooperative, which allowed us to offer entrepreneurs holistic and culturally sensitive business advising, wraparound services, and a supportive community to navigate the ups and downs of entrepreneurship.

Even with the success of these impactful pilot programs, we knew that future iterations of our work needed to push the envelope even further. As entrepreneurs continued to grow and repay their initial \$20,000 loans, we saw the need for follow-on funding. We yearned for more flexibility and control over

the options for entrepreneurs who were experiencing hardship, particularly in the face of ongoing macro-economic challenges like inflation and supply chain instability.

We've always known that our goal of closing the racial wealth gap requires building community power in addition to community wealth. This includes the power to control and make decisions about how capital flows within a community, as well as the power to influence the local political landscape and external conditions affecting small businesses. We've also been asking ourselves how we can actually shift and redistribute these types of power. Enter the REAL People's Fund.

The REAL People's Fund

The REAL People's Fund (or RPF) is a \$10M community-powered fund and entrepreneurship program that provides BIPOC entrepreneurs in the San Francisco East Bay with non-extractive capital, holistic business support, and opportunities to build political power. The fund emerged from a community planning process in 2016, when a powerful network of local grassroots organizations came together to discuss barriers to economic opportunities for East Bay BIPOC com-



munities. Through this convergence, the vision of a democratically governed, community-controlled, integrated source of capital that would empower BIPOC entrepreneurs was forged. RUNWAY later joined as a key partner in the fund design process, later joining as a board member. RPF has leveraged RUNWAY's approach to reparative finance, portfolio management, products and services design, and finally, RUNWAY's integration of business support services through Uptima.

As partners within the RPF collaborative, RUNWAY and Uptima have incorporated our experience with reparative finance and business support into the fund's activities. In turn, this partnership has provided a vehicle for follow-on capital to entrepreneurs, and has served as a fertile testing ground as we continue to expand our offerings; hone our approach to relationship-based finance; and deepen into our values of building community power, along with community wealth. Here are some of the wins we've experienced and some of the lessons we've learned through this work so far.

Expanded Capital Offerings:

At its core, RUNWAY's work is about restoration and repair. We know that it will take many forms of capital to repair the harms done by the conventional financial system, which is why the REAL People's Fund is structured as an integrated capital fund, meaning that it both takes in and puts out multiple types of capital. As of fall 2023, RUNWAY was supportive in helping the fund to raise a total of \$7.56M in debt commitments out of the \$10M target and over \$3.5M of grant capital to support fund operations, wraparound business support, political organizing work, and resources for the community organizations that govern the fund.

RPF leveraged the products and processes of RUNWAY's Friends-and-Family programs in the form of

\$20,000 loans. RUNWAY worked with RPF to expand the offerings to meet the needs of a wider range of entrepreneurs by designing a suite of funds ranging from \$20,000 to \$350,000. We're proud to say that some of the RPF's first investments have served as follow-on capital to entrepreneurs who previously received loans through RUNWAY's Friends-and-Family partnerships, extending the web of support for this group of business owners. As of fall 2023, a total of seven businesses have received a total of \$865,000 in loan funding through RPF's non-extractive terms.

We also collaborated with RPF to pilot a profit-share equity product as an alternative to typical private equity, or venture capital, funding. This model allows scaling companies to keep a majority of their cash in the businesses by first paying suppliers, employees, and other expenses – keeping a percentage of profits in reserve for a rainy day – while paying back their investors using their remaining profits. Investors receive a moderate fixed return and the repayment timeline is variable. When the company is doing well, investors receive more and get repaid faster, whereas when times are tough, investors ride that wave with the company as well. Investors receive less during challenging stretches and wait longer to recoup their investment.

This product also has a share repurchasing mechanism that allows the funded businesses to maintain the majority of its ownership over the long term. Through this innovative structure, RPF has deployed a total of \$1.2M across four businesses. By leveraging our deep relationships with investors and bringing new products to market, RUNWAY and RPF are shifting the culture of finance and pushing the envelope of what patient, flexible, and non-extractive capital can look like in the context of equity investment.

In addition to loans and equity, RPF also offers grants to entrepreneurs in its program that can be used for a range of things, including testing business pivots,

supporting capital readiness, and building capacity, or helping them weather the storms of our current economic reality. To date, RPF has given out a total of \$60,000 in no-strings-attached grants to eleven entrepreneurs. The fund is also building out a menu of flexible loan work through options for entrepreneurs experiencing economic hardship and seeking temporary relief from their regular payments.

Deepened Business Support:

In addition to all of these expanded capital offerings, RPF has deepened its business support and wrap-around services based on feedback from RUNWAY's pilot programs. As a part of RUNWAY's initial programs, all businesses participated in ongoing 1:1 advising through Uptima after receiving their loan. Over time, however, a greater need for in-depth training and advising for businesses prior to receiving capital became clear. As such, RPF formally integrated Uptima's pre-capital training and advising into its program in addition to continuing the post-capital advising. This allows Uptima to build a trusting relationship with the entrepreneurs early on – learning their mindset, how they approach challenges, in order to support them sooner in developing a strong growth strategy evidenced in their business plan and financial projections. This same approach is being incorporated into our forthcoming, RUNWAY ROOTED Fund.

Reinforced Community Power:

RPF is a demonstration of what's possible when we ground our work in community. The fund brings together a team of grassroots organizers, entrepreneurs, innovators, and financial activists—all with the goal of building greater community wealth and power through entrepreneurship. As a partner and board member of the fund, RUNWAY has gotten to experi-



ence firsthand the joys and challenges that come with democratic governance. The majority of the RPF board is not made up of financial professionals, but rather grassroots organizers with deep knowledge about the history, culture, and political workings of their local communities. These same board members also serve on the fund's mission screening committee and credit committee, which make decisions about which businesses receive funding. The RUNWAY ROOTED Fund will use similar governance models. In doing so, we are putting the power back into the hands of community leaders to steer the strategy and direction of the fund, as well as, make decisions about how capital flows within their own communities. This work has far-reaching ripple effects as community members who sit on the Board gain a better understanding of financial systems and markets, as well as the hard skills of how to analyze financial statements and budgets, all of which can be brought back into their organizing work both inside and outside the fund.

Finally, RPF has an explicit goal to strengthen the leadership and political engagement of local entrepreneurs. The fund collectively organizes to provide political education training and resources in order to shift power away from harmful, inequitable systems and instead invest in the complex work of long-term



social, economic, and political change that benefits marginalized communities. RPF joined the coalition of groups that organized to pass Measure T in Oakland, which created a more equitable business tax structure that requires larger corporations to pay their fair share. But it didn't stop there. The fund conducted a series of listening and brainstorming sessions with entrepreneurs to ask how they thought the city should use the additional revenue generated from this new tax structure. Then, during the 2023 budget cycle, RPF advocated (alongside many co-conspirators) for a budget that aligned with small business priorities resulting in (1) \$600K funding to save Oakland arts and culture, (2) \$400k grant funding for small business facade and tenant improvements, (3) \$200K funding for special events and activation in the city's downtown plaza, (4) newly secured staffing for new multilingual business support, and (5) staffing to support and coordinate neighborhood special events and pop-ups for small businesses.

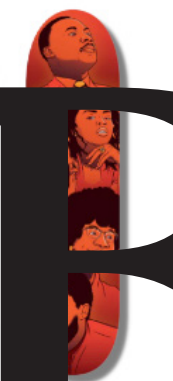
This work, led by the grassroots organizers who sit on the RPF Board, is a case study in small business political organizing, and the ways that the creation of community wealth and community power go hand-in-hand.

As we continue to practice, learn, and grow from our partnership with the REAL People's Fund, RUNWAY is bringing these lessons to bear as we prepare to launch this transformative work in new regions across the country. First stop: Chicago. Followed by the U.S. South, the focal area of RUNWAY's ROOTED Fund. ▲

The creation of community wealth and community power go hand-in-hand.

SH

We've shifted our annual holiday Gift Guide to a year-round Shopping Guide that highlights our entrepreneur community all year long. We're plainly calling it, Shop Black 365 – a bold invitation to support all entrepreneurs of color when it matters most, every single day. Remove this guide, place it atop your copy table and invite others to do the same.



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RUNWAY



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Spotlighting:

Red Bay Coffee

Building, raising, and serving in-community

An Interview with Keba Konte and Rachel Konte by Nina Robinson. Photography by Bethanie Hines

RUNWAY'S Fund Manager, Nina Robinson, sat down with founders of Red Bay Coffee, Keba and Rachel Konte, to hear more about their paths as artists and entrepreneurs; how they've approached raising values-aligned money; and their ability to stay balanced on their business growth journey.

NINA: HOW DID YOU GET STARTED AS ARTIST-ENTREPRENEURS?

KEBA: It started with Guerrilla Cafe. The idea came about in 2005, when Rachel was working full time for Levi's, and I was working full time as a photographer and visual artist. I liked making coffee, cooking food, and hosting people. Rachel liked making space and creating space. Launching the cafe gave us the space to tap into things that we already enjoyed, although there was a whole gulf of information and experience that we did not have, did not see coming, and did not know about.

RACHEL: I went to the design school in Copenhagen, and knew right away that I did not want to have my own little design studio. I wanted to work for a big corporation, and I pursued that from day one, working for Levi Strauss. Entrepreneurship was not part of anything I wanted. Then after maybe 10 years of being in the corporate world, I started burning out from the whole experience. That's when I first thought, "Oh, it could be so nice to have my own little store," or just to work for myself. When we started Guerrilla Cafe, I got to dabble in entrepreneurship while still having the security of corporate.

KEBA: I thought a cafe would be a great place to sell artwork, and that was my intention with Guerrilla Cafe. But once we got in there, the first big hurdle was, okay, being an artist and photographer is a business, but having a brick and mortar with regular hours and people, that's a different kind of commitment. We made a lot of mistakes along the way, but we had some cheap rent, so we could afford some mistakes.

RACHEL: One of the best pieces of advice that we got was to not be scared of having the





longest lease, as long as we could get the lowest rent. And that's exactly what we got: a 20-year lease with very, very low rent.

We knew we had a very small space, only 12 tables. And we knew Smokey Joe's had been there since the 60s or something, so there were lots of old timers who were skeptical about who was going to go in there. We had to come up with a new concept, and if we could only do a few things, those things had to be really high quality. Keba had the art background; our business partner at the time, Andrea, had food and service experience; and I came from brand building. And I think we pulled it off.

KEBA: And the property got more and more valuable. The neighborhood started to come up, and when we were looking to sell, the business itself didn't have that much to offer, but the location and the low rent that we locked in were seriously valuable. Some years into running Guerrilla Cafe, we're learning specialty coffee and learning about roasting through the companies that we're working with, including Blue Bottle. At that time, nobody really knew the brand except for a friend who was like, "This is gonna be the next big thing." We were tight on money and didn't necessarily feel like we were in the position to take a risk, but we decided to. And it turned out to be a fantastic choice because—even though I didn't know it at the time—we were the first coffee shop to ever serve Blue Bottle coffee. So we're running Guerrilla Cafe, and people are coming looking for Blue Bottle. We're getting that crowd, learning how to make latte art, visiting Blue Bottle's roastery, and I'm getting a little antsy because we're not making a lot of money, and we got to split the profit between the three of us. But it was popping! It was a popping environment.

RACHEL: I remember that's when we started looking to expand.

KEBA: Yes, and then we finally got an opportunity in San Francisco, but Andrea didn't want to take it because it required significant investment and a build out. So I did it and I dragged Rachel along with me.

NINA: CAN YOU TALK A BIT ABOUT MONEY YOU RECEIVED FROM YOUR FAMILY AND FRIENDS?

KEBA: A family friend of Raquel's from Denmark just loved her and so did his family. I don't remember all the details, but I remember him letting us know that if we ever needed some cash, he was there. So we got some money from him, and my parents chipped in, and we might've also got some little community bank loan, \$50,000 or something.

RACHEL: I only remember it as Keba starting to get really into the coffee, being more of a coffee snob. And he ran into an Ethiopian woman who was roasting in her store, and I think that's when it sparked. He started to experiment at home, and we also realized at that time, like he said, that part of the business—buying coffee—is expensive, especially if you want really good, high quality coffee. So if you have a product but you don't have a bunch of money, you need to streamline and be efficient, so you figure out how to produce it yourself.

KEBA: Chasing Lions Cafe is what we made of the opportunity that came up in San Francisco. The first lesson I learned from Guerrilla Cafe was not to have any shifts. I knew I needed to be freed up to be able to manage the new spot, to just start working on the business instead of in the business. But because we couldn't get the roaster there, I had to learn how to roast, so I started taking classes.

RACHEL: That's when we got another investor for a little roaster. And Keba was like, can we just do it here in a basement dojo area? So we created that space.

KEBA: And we got \$20,000 from that next investor. \$10,000 was a check. and the other \$10,000 was his credit card that we could buy green coffee with, and we would draw that down. I think we gave him 5% or something. But I got into business with someone who was more formal and really wanted to do a whole business plan, and we went to all these courses and workshops and the Small Business Association. So we were going through a lot more structure, which was not my strong suit, but I went along, learned a lot, and applied it towards the next thing. But that whole time, I'm still starting to roast and watching YouTube videos to learn. Then in 2014, we launched Red Bay Coffee.

RACHEL: In our basement.

KEBA: In the basement! And about a year later, we did



our Kickstarter.

RACHEL: And for two years we were in our house with the employees. Shout out to Kori Chen! (Alkali Rye co-founder)

NINA: CAN YOU TALK ABOUT THE SIGNIFICANCE OF RAISING MONEY FROM COMMUNITY? DO YOU FEEL LIKE THAT WAS A MILESTONE IN TERMS OF YOUR JOURNEY?

KEBA: I've always been a big advocate for crowdfunding. It's like a built-in marketing campaign because everything you do, you're going to let everybody know. It's also very humbling because you gotta call people you haven't talked to for a long time and ask them for something, and they don't owe you nothing. But when it works, you really get a vote of confidence from the community. All those people who chipped in \$5 or \$10 or more, they're now invested in the company and they want to see you succeed. And when you open up anything, they're going to support you.

NINA: THERE'S ALSO SOMETHING VERY AFRICAN AND INDIGENOUS ABOUT RAISING MONEY THROUGH A COMMUNITY COLLECTIVELY, FROM EVERYONE.

KEBA: I mean, it really was revolutionary because now, all of a sudden, people who could not qualify for a business loan for whatever number of reasons or could not attract institutional investors for whatever reason, those same people with just an idea and a good pitch and a community could raise \$10, \$20, or even a hundred thousand dollars. I always recommend it, especially for anyone raising money at that stage, just beginning to finance a business, because also you're not getting yourself in debt. You're not giving away your equity.

NINA: HOW DO YOU DETERMINE WHAT IS THE RIGHT TYPE OF CAPITAL FOR YOUR BUSINESS?

KEBA: It's a long learning process. I mean, there's some high-level rules of thumb, and many of them have to do with goals. Do you want to have a business where you make enough to live your life and pay your bills and be in a community doing your thing? If that's the case, you're probably not trying to raise venture capital money. But if you're trying to be the next big thing that's all over the country and you just want to really go for it, then you're raising more.

So the goals dictate the type of money. And it also depends on your own personal values. If you want to keep all the equity for you and your family, you might take painful debt just to not give up any equity. If you're the type of person that says, "Look, we're trying to make a lot of money and grow this company big. I don't mind sharing the equity because we're going to need people that know stuff and I'll take a smaller piece of a really big pie." So it kind of depends on your personality type and your values.

NINA: ONE THING THAT STANDS OUT ABOUT RED BAY IS THAT IT'S VERY VALUES DRIVEN. CAN YOU TALK ABOUT HOW YOU'VE BEEN ABLE TO MAINTAIN YOUR PERSONAL VALUES AS THE BUSINESS HAS GROWN? HAS THAT BEEN A CHALLENGE?

RACHEL: A lot of people would be like, "Why are you opening a coffee company? There's so many coffee companies." When we walked into it, as a Black-owned company, it was because we felt there was something missing within the world of specialty coffee—coffees from Africa. We didn't want to just sell coffee and then give 10% of sales back to something. It's actually built in. Equity is built into the way we created our company, and I think that makes it much easier to stay true to it than having to pull that little percentage aside and figure out who you're going to give it to feel good or have other people feel good, as opposed to if you build it into the way you hire people and into the way you see the world within your company. Of course there's times where we have to manage cost versus some-

thing else, or to be like, oh, maybe we skewed here and we should've skewed here. Those adjustments always happen, but I don't feel it's been a super big challenge.

KEBA: Really it's been a benefit. It's been a way for us to distinguish ourselves. When we got started in 2014, that was not necessarily the case, but it made sense in Oakland—the perfect place to have a Black-owned business and some values of inclusion and sort of hiring returning citizens and formerly incarcerated folks or other people who are denied job opportunities. Our values made sense in our community, but really on a bigger scale, this way of working was not a thing. And in 2014, there were no Black-owned coffee brands.

Fast forward to COVID and more importantly, the Black Lives Matter summer. And all of a sudden supporting small Black businesses became really important. We were ready and well positioned. So in terms of values, of course, you always want to do more for your employees. And then there's the reality of the financial constraints of what you can afford and staying in business. I don't know if that compromises our values necessarily; it's more the reality of what we can afford.

RACHEL: We've got our B Corp certification with a 98% score, and that holds us accountable too, because there's always times we're like, "That cost too much." But then we're like, "Well, we are a B Corp, so we have to figure out how to do it." Sometimes it just takes more work and sometimes the commitment to just do that little extra work. But I think that's what some companies don't want to do because sometimes you look at other companies that don't need to have a story, and don't need to think too much about stuff. We feel more personally obligated to have more substance than that. We could also just not care, but that wouldn't feel right.

NINA: DID Y'ALL HAVE AN INTENTION ON STARTING A BUSINESS TOGETHER AS PARTNERS, AS HUSBAND/WIFE?

RACHEL: Basically, if you know me and Keba, you know we will scout any building in Oakland and start imagining what it could be. So we've had a lot of different ideas.

KEBA: I wasn't like a hardcore plan and strategy and intention, but we were definitely putting it in the universe. We were like, "Oh, we could do this, and we could do this." Guerrilla Cafe was like that. It was very collaborative. Later on, Rachel would start her own businesses. Of course, I would support, and I would start some things and she would support.

RACHEL: The same month I opened Owl N Wood in 2012, Keba opened Chasing Lions Cafe. Keba would help me with my interior, and I would help him with the graphic art, the logo, and the design. So we always collaborated, even when we had separate things.

NINA: I love it. Well, thank y'all for being just so inspiring without even maybe even realizing how inspiring you are and just leading with love because we feel it, we taste it, and we appreciate it. [▲](#)



we asked our contributors...

WHAT DOES IT MEAN TO BE GROUNDED?



Dana E. Fitchett

SHE / THEY - CONTRIBUTOR

For me, to be grounded means living and working in ways that are aligned with my values and my spirit; cultivating relationships that exist in harmony with my purpose; and being of service to my communities while remaining centered in my authenticity.



Olayinka Osibodu

SHE / HER - DEVELOPMENTAL DIRECTOR, RUNWAY

Grounded means to be at rest from within, rest that feels like inner voice and heart beat matches the stream of spring water and fresh breeze on a summer day.



Megan Totah

SHE / HER - ART DIRECTOR & DESIGNER

I often ask myself this question and have found that feeling grounded means my breathing is calm and my mind is free of noise. Being able to ground myself is often a challenge, but it's the moments when I give myself the space to find peace and remember that, at the end of the day, my mental and physical wellbeing is a top priority, that the energy in my body shifts. Much like a swell of the ocean, feeling grounded comes in waves.



Sarah Joy Chung

SHE / THEY - CONTRIBUTOR

To be grounded is to be home—at home in your body and at home in your mind. It is an ongoing exercise that requires trust, patience, and presence. “Grounded” is not a fixed state; rather, it is a fluid response that adapts as circumstances change and as personal needs evolve.



Small Steps of Resilience

PIVOTING AS AN ENTREPRENEUR

by Sarah Joy Chung

“My definition of a pivot is that you’re moving steadfastly in one direction—you’ve got all the information, you’ve got all the tools, and you are certain that is the direction. And then you get this mind-blowing new information that changes your course,” Maya Kante begins.

“The power of being an entrepreneur building a new company is that you’re agile and you can change direction quickly—faster than more established companies might because they already have inertia, momentum. When the world changes or when information changes, they can’t shift as quickly as you can,” adds Bosko Kante.

We checked in with ElectroSpit and HiiiWAV founders, Bosko and Maya Kante, and the conversation was like witnessing two players balling: Maya dribbling down, slicing through with origin stories of ElectroSpit and HiiiWAV. Then a bounce pass to Bosko, who’d make

a cut and lay it up—sharing tales of how all the pivots they took with ElectroSpit were about matching their vision with the right resources in order to actualize their purpose with HiiiWAV.

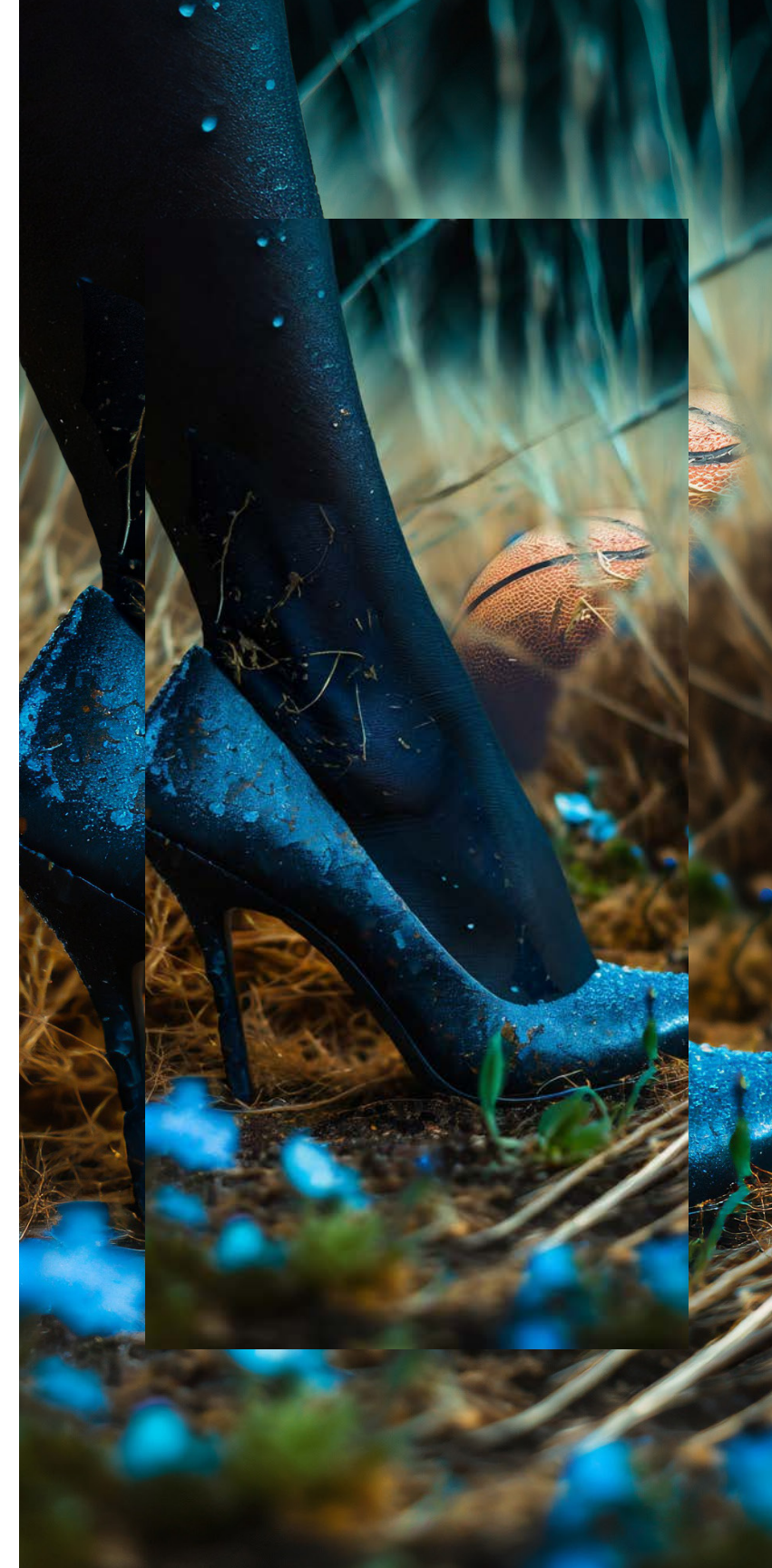
In basketball, they say that as long as the pivot foot stays planted in its original position, a player can do just about anything. Rooting into your pivot foot gives you the leverage to side-step, initiate your next move, and make a brilliant play.

As a music producer back in 2013 experiencing a collapsing industry, Bosko was looking for a new revenue stream. With his mechanical engineering background, Bosko built the world’s first tubeless wearable talkbox production tool and founded ElectroSpit with the idea that this hardware would be sold to other musicians and producers.

“Our first idea was to have a band and the ElectroSpit product would be a marketing tool for the band” shares Maya. But, early on in their Zoo Labs residency, a Bay Area entrepreneurial training and grants program for BIPOC musicians, they came to realize that it would be better for the business to produce the music as a marketing tool for the product. “So that was our first pivot. And it took a lot for me to pivot in that moment because we felt so steadfast on the idea we first had with ElectroSpit, right? It took me a couple of days to really get on board with that idea. During that process, I realized, okay, that’s what this whole thing is about. It’s about being able to be nimble and move quickly and turn in the direction that makes the most sense for us as a team while being in service to the community—and ultimately getting to the bag!” she laughs.

Then in 2019, after completing the incubator program with Zoo Labs and receiving funding through RUNWAY, Bosko and Maya launched plans to start manufacturing the talkboxes and scaling up. Momentum was building. ElectroSpit was able to secure a free space to manufacture through Zoo Labs, so they got to work. They had just won first place for Georgia Tech’s Musical Competition Award, and sales were picking up.

As they were preparing for next steps, the pandemic hit and everything came to a halt. But, Maya and Bosko were not ready to take the bench. Bosko attended a RUNWAY Entrepreneur Success Circle and was able to hear from other local entrepreneurs who shared challenges, wins, and methods for finding success in the midst of the pandemic. With these success circles, Bosko and Maya not only experienced being in community with other Black entrepreneurs, they witnessed how RUNWAY showed up for their entrepreneur community with programs like the Universal Basic Income pilot and saw RUNWAY truly lead with their values. “That was just super inspirational,” says Bosko. “It made me ask myself, ‘what can I do to support my community—the Black community?’ And the answer was HiiiWAV, which was our vision for a Black music entrepreneurship incubator.” Bosko and Maya launched HiiiWAV shortly thereafter, and now run the organization to help Black artists create and grow product-based businesses that leverage their influence to generate substantial revenue that doesn’t rely on gigs or streaming. The entrepreneurial ecosystem that Bosko and Maya have been a part of has inspired them to create their own visionary microcosm in the world of music and business.



There is no denying that entrepreneurship is tough—especially for Black entrepreneurs who are often denied follow-on capital or support when experiencing a business pivot. Black entrepreneurs are 30% more likely to experience a lack of capital and valuable networks that provide funding, hands-on education, or mentorship through business shifts.

When Black founders are not supported with the capital, advising, and community they need and deserve, it can feel like planting seeds in infertile soil. Then, challenges like resource drain, burnout, income instability, hiring hardships, and operational fissures can start taking root.

Uncertainty in a rapidly changing world is something entrepreneurs find themselves experiencing frequently. Do we flow with the changing currents or go against them? Poet, activist, and author of *Emergent Strategy*, adrienne maree brown, often talks about how small, intentional actions and adaptations can lead to transformative change, much like how complex systems in nature adapt and evolve. They share that “Many of us have been socialized to understand that constant growth, violent competition, and critical mass are the ways to create change. But emergence shows us that adaptation and evolution depend more upon critical, deep, and authentic connections.” If we applied that to entrepreneurship, what kinds of practices and connections



would help us adapt, evolve, and thrive?

The path to enduring success is rarely linear. A reorientation is typically a response to something that may not be working at the moment, and creative business pivots can be transformative.

When we witness our own entrepreneur community intentionally and thoughtfully adapting to meet changing operational needs; or shifting to stabilize during uncertain times like with COVID-19; or re-focusing their business strategies to better suit a changing market, emerging trends, or the evolving needs of their community, they are actually cutting their chances of failure by conserving resources while continuing to learn more about customers, business partners, and new technologies.

We also see this with RUNWAY entrepreneur Aaron Joseph of Identafire, a full-service graphic design and web design firm. Some years into building his creative firm, Aaron recognized a need for a new service offering for his client base. “When a small business is first starting out, it makes sense to use no/low-code web solutions as they figure out how best to reach customers and set up business infrastructure. At a certain point they inevitably need more than a DIY, one-size-fits all service like Squarespace. That’s where

we come in!” says Aaron. In visioning what else was on the horizon for Identafire, Aaron has started to build a business plan for an art skill-sharing cooperative. Aaron continues to receive advising from Uptima to focus on stabilizing and growing Identafire in order to make growth plans with the co-op a success.

When we invest in businesses like these with restorative capital and holistic business support, we are investing in community wellbeing and helping build more dynamic, resilient economic ecosystems. We see our community of entrepreneurs orient their businesses around questions like, “What are the root problems in my community?” And “What can I do to create deeply rooted solutions to help address these problems?” That thinking comes from a place of healing and care. Sometimes, though, dreams of social entrepreneurship are punctured by the realities of being a Black business owner in this country.

On average, it costs Black entrepreneurs \$5,000 more to start a business than their non-Black peers (\$21,000 versus \$16,000). When Black entrepreneurs seek funding, 37% have difficulty accessing new capital and financing, especially if they’ve experienced a business pivot. And on average, 45% have to dip into their personal savings to keep their businesses afloat. If capital is the food a business needs to sustain itself and grow, then community and trust-based relationships are water. What would be possible if Black entrepreneurs received the same grace as their white counterparts as they moved through business growth, challenges, pivots, and other impacts?

Big shifts and business pivots require a series of small steps. Isn’t that how progress and transformation get their footing? Just a series of small steps. If we were to shift into a mindset in which business hardships or setbacks could be generative, these small steps would serve as building blocks for growth and innovation, like what we’re seeing with HiiiWAV. When we witness businesses in our entrepreneur ecosystem put so much intention into orienting their businesses around community care, it beckons our call for reciprocity.



This call for reciprocity is often reflected back to us like with Bosko and Maya’s story. As HiiiWAV has come into fruition as a creative incubator focused on helping Black artist-entrepreneurs build lasting businesses, Bosko and Maya have been leading with the question, “How can we return this sense of spaciousness that has been given to us to grow our vision?” In Bosko and Maya’s case, that spaciousness came in the form of a physical space when

they jumped at the chance to host RUNWAY founder Jessica Norwood’s book launch for *Believe-In-You Money* at HiiiWAV’s headquarters.

It’s been a full-circle journey for RUNWAY entrepreneurs to be able to share the spectrum of experiences their business has taken them on in partnership with RUNWAY, Uptima, and other community organizations supporting business owners of color. We invite you to journey with us too, and take part in shaping the beautiful stories of Black entrepreneurship, Black imagination, and Black resilience. ▲

RUNWAY'S

Ripples

CRAM

*"You have to act as if it
were possible to radically
transform the world.
And you have to do it all
the time." – Angela Davis*

EXPLORING IMPACT AT RUNWAY

As we close on five years since the launch of RUNWAY and while in the throes of a rapidly changing world, we're re-evaluating how we measure our impact. We recognize that closing the racial wealth gap will require tremendous amounts of systemic change and we believe every day we are progressing towards healing and transformation. Through more expansive and holistic definitions, measurements, and aspirations of individual, generational, and community wealth we're guided toward our vision of an economy that loves Black people.

This year we're framing our work in a concentric model that centers RUNWAY's internal culture—acknowledging that the work begins at home, because the way we work matters just as much as the outcomes we're striving for. The impact of our internal culture has ripple effects on how the ecosystem and culture of finance exist altogether.

RUNWAY'S INTERNAL ORGANIZATIONAL STRUCTURE

When we published the inaugural issue of RUNWAY Magazine, amidst the height of the COVID-19 pandemic in late 2020, we grounded in the theme of Nourishment. They say the real work begins on the inside, so we also turned inward to nourish our organization and determine the resources needed to heal and thrive as a team.

TIME SPENT — As a fully remote team, we realized that prioritizing physical time together and time off are crucial for our ability to sustain a cohesive team. Twice this past year, we had the chance to travel together as a team; allowing moments for us to learn together and deepen our kinship with one another in the communities we co-conspire with. As a Black womxn-led team, we also know research shows we're less likely to utilize paid time off so we push ourselves to adopt a culture of

pause, stillness, and rest. RUNWAY creates a container for us to adopt such a culture and to co-create work structures that acknowledge our humanity and celebrate our wins.

STRATEGIC PLANNING — For us, strategizing includes deep visioning and leaning into each other's brilliance. We carve out three intentional, multi-day sessions throughout our year to scope out overarching strategies and check in with one another on the individual pieces we hold. Taking this time to dream, vision, and plan together nurtures our ability to move with meaning and stay grounded in our mission and values.

CAPACITY BUILDING — Capacity building is an act of love because it requires honoring the village needed to do the work of closing the racial wealth gap. Greater capacity is required to deliver on our growing work with integrity. We've made a number of recent hires that expand team capacity, diversify our thinking, and help position us for future growth.

IMPACT ON ENTREPRENEURS IN OUR PORTFOLIO

We're proud of the fact that even in a volatile and unpredictable economic environment, we've continued to provide both emotional and technical business support to a portfolio made up almost entirely of Black-owned businesses. We strive to always consider and attend to the whole personhood of each entrepreneur, rather than thinking about the person as a proxy for the business they run.

The pandemic gave us plenty of opportunities to live into this goal in real time. Early on in the pandemic, we quickly pivoted to fundraise capital, allowing us to position ourselves as a source of immediate support for the entrepreneurs we work with.

Since then, some businesses have not only bounced back, but have also gained more media opportuni-

ties, awards, clients, and some have even exceeded their average business revenues from pre-pandemic levels. And while this is affirming and inspiring, we're even more excited to introduce measures of health and well-being for our portfolio, because we believe the old adage, "health is wealth," is essential to entrepreneurial sustainability. We've always worked closely with the entrepreneurs in our portfolio to learn how we can best support their dynamic and shifting needs. Some of the ways this care manifests is in our annual day-long entrepreneur retreats where we hold space for our entrepreneurs to dream while centering wellness education and practices. Another, is through our entrepreneur community calls, where we tackle challenges and celebrate as a community.

"I am looking forward to (me and my staff) being able to take a break, to take a breather. We have been going hard for so long."

All of these structures support us in countering what can often be the isolating nature of entrepreneurship. Moving forward, we'll be formally tracking entrepreneur wellbeing as a key metric, while we continue to imagine ways to support entrepreneurs' nervous systems as a part of the RUNWAY equation for holistic business support.

IMPACT ON CULTURE OF COMPANIES IN OUR PORTFOLIO

Like many of you, we've been observing the key challenges of an economy in recovery while navigating the ongoing wreckage of a global pandemic. The cry to support Black businesses has gone from being regularly and visibly promoted in the mainstream to fading into the background. All while the global economy continues to be volatile, with the cost of goods and services steadily increasing and no significant increase in worker wages. But our portfolio of businesses continues to impress us with their demonstrated

commitment to doing business differently despite the challenges.

For example, we've seen many companies in our portfolio taking up a believe-in-you money approach, in-



spired both by Jessica's book and our RUNWAY Entrepreneur Believe-in-You Money Circles. We also see entrepreneurs exercising discipline around funding opportunities, taking the time to recognize that not all capital is good capital, particularly if it's not aligned with the current needs and limitations of the company.

THE NUMBERS

OUR 2021 +2022 IMPACT

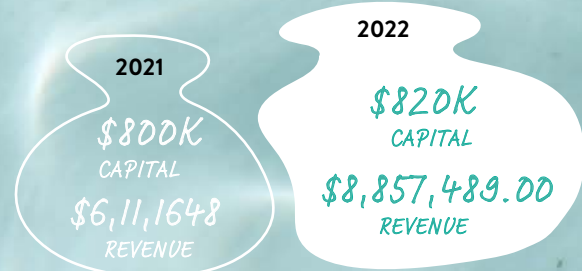
ENTREPRENEURS PAYING THEMSELVES

53%

Over 50% of RUNWAY's entrepreneurs report an ability to sustain themselves financially on income from their businesses, and nearly a third increased the amount of money they paid themselves from 2021 to 2022.



CAPITAL RECEIVED AND REVENUE GENERATED

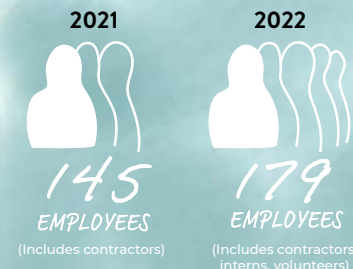


We've helped entrepreneurs receive an additional \$2,065,000 of investment capital and \$50K of integrated capital grants through our partnership with the REAL People's Fund; a \$10M community-powered fund we co-designed alongside ten local grassroots organizations and funding partners.

WHO WE'VE BEEN SUPPORTING



PEOPLE EMPLOYED THROUGH RUNWAY ENTREPRENEURS



HOURS ADVISING ENTREPRENEURS



* RUNWAY's impact data is based on our own internal research and reporting across a portfolio of 43 entrepreneurs, of which, 34 were able to participate in at the time of publication.

BEYOND THE NUMBERS

"In the few weeks that I've been here, I've never felt more inspired and free in my vision and expertise as a Black woman, and a human. Working at RUNWAY has been a huge exhale since day one and I can't wait to see what day fifty, one hundred, and one thousand has in store."

"There is no other organization like you all. It's not just funding, y'all provide resources. I really appreciate that you care about our wellness. I love the opportunities to be able to advocate for ourselves politically via powerbuilding. I'm amazed by the UBI during COVID. I want to be a part of the Runway community for as long as I can."

"We're proud to be a continued partner of RUNWAY and have been innovating around portfolio management practices through this collaboration. We've instituted a new deferment policy in addition to other process improvements, that center the needs of Black entrepreneurs who face economic or social disadvantage, especially during this time of ongoing economic instability."

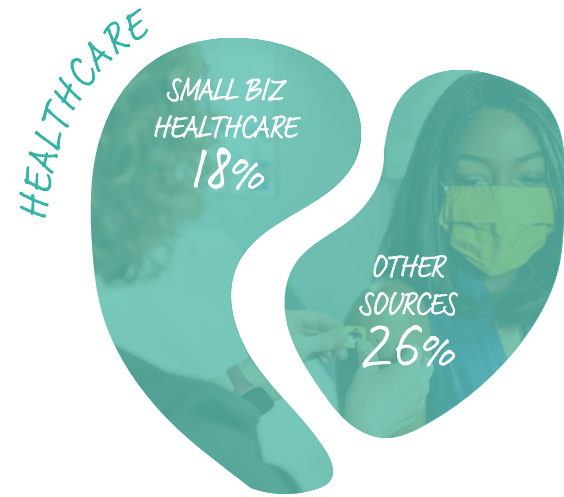
- Self Help Federal Credit Union

"We're proud to have supported the REAL People's Fund with both debt and grant capital. This project has been one of our first integrated capital investments, and it required our staff and investment committee to stretch and learn about why it's so important to provide multiple types of funding, especially to projects that are serving and led by marginalized communities. A key goal of our Innovation Fund is to support new models like RPF that shift power and decision-making practices and help us reimagine philanthropy's relationship to community." - The California Wellness Foundation



Valuing qualitative data, we asked our community how RUNWAY's culture, work, and partnership has impacted them.

“We had Shark Tank and Trader Joe’s approach us and we said no - because the terms of these agreements, as well as demand, did not meet our capacity as entrepreneurs.”



In 2022, RUNWAY supported over \$820,000 in capital to majority Black businesses. The average annual business revenue grew from \$180,000 in 2021 to \$260,000 in 2022, a 45% increase. A key indicator of wealth creation for business owners is the amount of retained earnings or income they are able to receive. Since bootstrapping and not paying oneself is a typical practice for the majority of early-stage entrepreneurs, we view this metric as another way of gauging the wellness of businesses. Over 50% of the entrepreneurs in RUNWAY’s community report an ability to sustain themselves financially on income from their businesses, and nearly one-third increased the amount of money they paid themselves from 2021 to 2022. This is something to celebrate!

The average number of employees per business dropped from 1.7 in 2021 to 1.5 in 2022. However, in 2022, RUNWAY businesses had more non-employees supporting their work than employees—with 21 interns and 41 volunteers—outnumbering the 46 employees across the RUNWAY portfolio. There’s a complex story

behind these numbers. Some businesses have struggled during the pandemic, and some have closed their doors. Others have made the difficult decision to scale back their operations due to the current economic environment, which might look like downsizing their workforce, cutting back hours, or slowing their growth. Other businesses have had to contend with a difficult and competitive hiring market and the challenges of building a team. In other cases, it was family members stepping up and getting involved in the business as unpaid workers.

“It’s been hard to balance my business with being a full-time single mom...I need funding up front. It would allow me to hire a team, attend trade shows, and to pay for a full-time marketing team.”

One thing is very clear: In order to nurture and sustain truly healthy workplaces and lifestyles, RUNWAY entrepreneurs continue to need easier access to more flexible, patient, trust-based capital. Only by accessing more robust financial investments will entrepreneurs be able to run thriving businesses while also maintaining a sense of balance and wellness in their personal lives. The Nap Bishop, Tricia Hersey, talks about rest as resistance from oppressive economic systems, and we have witnessed firsthand the way grind culture, and trying to do more with less, is exhausting so many of our businesses. RUNWAY entrepreneurs need more believe-in-you money!

IMPACT ON THE GREATER FINANCIAL CULTURAL LANDSCAPE

Over the last two years, RUNWAY has continued serving Black entrepreneurs in Oakland and Boston while also working alongside 10 local grassroots organizations and funding partners to co-design a \$10M democratically governed fund called The REAL People’s Fund (RPF). To power the fund, we leveraged RUNWAY’s friends-and-family products, reparative under-

writing, portfolio management processes, and team. It has been a deeply collaborative and powerful learning experience in practicing distributed power and decision making in service to BIPOC entrepreneurs in the East Bay. RPF provided much needed follow-on capital to existing RUNWAY entrepreneurs and provided opportunities to deepen our powerbuilding and community wealth building strategies towards our work nationally.

In RPF’s first year, nearly \$1M was deployed to BIPOC entrepreneurs, 75% of whom were Black RUNWAY entrepreneurs; additionally, 75% were women-led businesses. In partnership with Uptima Entrepreneur Cooperative, 240 hours of pre-capital support were delivered to RPF pipeline and portfolio companies. In 2022, RPF engaged 125 entrepreneurs and worker-owners in building political power, through the passage of Measure T, a Progressive Business Tax for the city of Oakland that created a more equitable tax structure for small businesses. The Measure passed in November 2022 with 70% of the vote, and has generated over \$20 million in critical revenue for Oakland’s general fund. Read more about the RPF work in the feature, REAL Funds for REAL People, page 44.

We love being able to integrate our learnings from working with the entrepreneurial community and activate them in deep partnerships where right relationship matters. In fact, a part of our mission is to shift the culture of the economy through our work with financial partners, funders, and investors. Here are a couple of places we’re seeing this impact land:

THE LANGUAGE OF FINANCE — With the launch of Jessica’s book, Believe-in-You Money, and an increasing acknowledgement of the massive racialized rift in access to capital, we’re seeing shifts in the landscape with the language of ‘believe-in-you money’ and ‘friends-and-family’ capital being more widely adopted. Aligning our words with our vision of liberation is

a crucial first step to calling in the future we imagine.

PROCESS IMPROVEMENTS — We also see funders shifting their internal policies by engaging practices like loan deferment, payment deferment, and improved borrower communications. Our partners at Self Help Federal Credit Union report making changes as a result of our ongoing collaboration.

LOOKING AHEAD

As we continue to forge ahead and celebrate the ripple effect of impact that our work is creating, we urge our peers across the financial ecosystem to move in the direction of sharing wealth with fewer restrictions and conditions. Black businesses are in need of reparative capital, not only in response to the last few years, but also in response to generations of structural oppression.

Even with the believe-in-you money style of capital we’re able to invest, our entrepreneurs have financial needs that exceed our investment capacity. And whereas investment capital opportunities exist, there is neither sufficient flexible, non-extractive investment capital nor is there nearly enough grant funding for wraparound support that tends to businesses as well as the people leading them.

It is with reparative capital that helps small businesses and Black communities truly heal. In a moment of transformation across the globe, we invite all people working in finance to prioritize right relationship in their transactions—to center humanity, generosity, flexibility, and collective wellbeing over the greed and individualism that’s been at the helm for far too long. Fund, invest, and partner with us on this journey to restore healing, build community wealth, and create more opportunities for Black businesses to thrive. ▲

we asked our contributors...

WHAT DOES IT MEAN TO BE GROUNDED?



Laurika Harris-Kaye

SHE / THEY - PORTFOLIO DIRECTOR, RUNWAY

Being grounded means being connected to myself, the earth, and all living beings. It means solidity without rigidity. A sense of strength and purpose while still being open to change and whatever is arising in the moment.



Jessica Norwood

SHE / HER - FOUNDER & CEO, RUNWAY

I feel most grounded when I am near the ocean. Sometimes I imagine my ancestors fleeing terror and finding peace, even if for a second, in the ocean. Mostly, I think of my people spending the day at the beach, relaxing. Both thoughts make me thankful for my life.



Naima McQueen

SHE / HER - TRAINING & EDUCATION DIRECTOR, RUNWAY

To be grounded means to be at home in myself; to be still and fully present without my thoughts escaping to what has been or what will be. I can breathe deeply, freely.





The COVID-19 pandemic gave rise to one of the sharpest economic downturns in the history of the U.S., but it also brought new clarity to questions around business flexibility and survival. Nearly four years after the first shelter-in-place orders were mandated, the world has seemingly settled back into some semblance of normalcy—into a “post-COVID” world. But, for small business owners of color, the economic impacts of COVID have cast a long shadow, and racial inequities reared their ugly heads once again.

A 2022 report released by the Federal Reserve tells a familiar story: Black-owned businesses faced more financial and operational challenges than their white-owned counterparts during COVID, and were often less successful at obtaining the funding needed to weather the storm of the pandemic. Equally troubling was the fact that whether seeking pandemic-related funding such as Paycheck Protection Program (PPP) loans, more traditional loans, or lines of credit from lenders, firms owned by people of color continued to report lower approval rates than their white-owned counterparts.

Another lamentable truth was that Black-owned businesses were less likely to apply for pandemic-related financial assistance, despite needing the funding, simply because they expected to be turned down for financing.

We’ve been reminded yet again of the racialized inequities that exist inside of the financial system. If you’ve been paying attention, this shouldn’t come as a surprise. So, what do we do about it? How do we reimagine possibilities and get creative?

It wasn’t long ago when business owners and workers were being deemed “essential” or “non-essential” and managing ways to keep doors open, while also trying to frantically navigate all of the

layered threats and uncertainties of COVID in their personal lives. It became abundantly clear how much we were in need of community.

As Black entrepreneurs were pivoting to figure out ways to keep their businesses flexible and viable, we realized we also had to pivot our thinking around capital. How did we need to shift in order to meet the needs of our community in this moment? Deferments on existing loans was a no-brainer. And after listening deeply to what the immediate, most pressing needs were, direct cash assistance was a near-consensus. We decided to provide a no-strings-attached 6-month Universal Basic Income (UBI) for our entrepreneur community in response to what we were hearing. The pilot allowed us to hypothesize whether this type of supplemental income could be curative for the racial wealth gap—a wealth gap that had continued to widen during COVID. Recipients received an up-front direct cash infusion of \$2,000 in addition to monthly stipends of \$1,000 for six months, and free ongoing business and marketing consultancy services. Out of the 30 Black-owned businesses in our inaugural UBI program consortium, not a single one had to close up shop due to the pandemic shutdowns.

In Oakland, California, where a significant portion of our entrepreneurs are, we’ve been able to observe the correlation between macro impacts of COVID-19 like supply chain instability, inflation, and hiring and retention challenges with the micro impacts of local safety concerns and the hurdles that come with operating a physical shop in a downtown area.

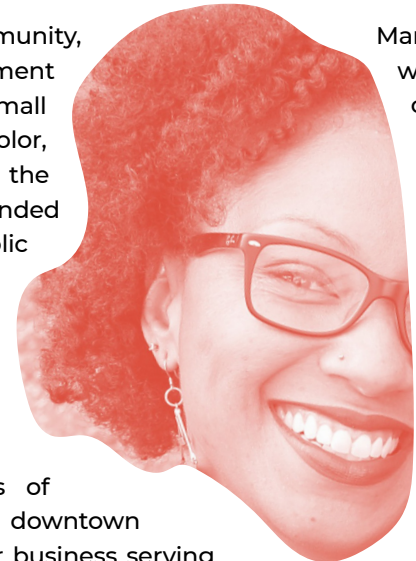
Inequitable economic growth coupled with global inflation has led to a significant rise in rents for residents, entrepreneurs, and nonprofits, fueling the threat of displacement.



For Oakland’s small business community, the threat of commercial displacement may loom most threateningly for small businesses owned by people of color, which constitute almost 50% of the city’s total businesses.” The compounded impacts of rent hikes, increased public safety issues, and a rise in break-ins and theft in many Oakland business corridors has been enough to lead some business owners to close up shop.

For Ariana Marbley, her Esscents of Flowers brick and mortar shop in downtown Oakland was a space to operate her business serving corporate and wedding clients, but it also acted as a community meeting space for folks to gather and build connection. But, due to low foot traffic—partially because of safety concerns and car break-ins—Ariana ultimately decided to close the physical shop.

Supply chain disruptions have also been a notoriously challenging issue following the pandemic. Oakland’s The Healing Place Apothecary founded by Nubian Flunder was not exempt from experiencing these supply chain pains in trying to secure materials for product packaging. “The manufacturing and supply chain issues meant that I had products constantly out of stock, and switching suppliers all of the time [led] to price changes. I end up eating the cost because I want to keep my prices the same for customers,” shares Nubian. “Often in the past, you could find a single supplier and stick with them for years. Now, having a reliable source for raw goods and materials means having to shop around for them since items are consistently out of stock.”



Many small business owners are also struggling with hiring and retaining the right talent. As costs have gone up due to inflation, the amount that constitutes a “living wage” has also gone up. Business owners want to be able to provide good pay and limit employee turnover, but higher labor costs can reduce profits, especially for small business owners who oftentimes end up not paying themselves in order to stay clear of being too deep in the red.

Moreover, many investors are tightening their purse strings and slowing down on investments they view as “risky.” This is both true for investors in our network, and the larger investing community. Many of our Black-owned businesses have struggled to access follow-on capital since the beginning, but even those who may have been able to access additional capital in the past are finding it harder to do so now. With funding criteria from more traditional small business lenders becoming more stringent, our entrepreneurs are having to rethink certain aspects of their business models, downsize their plans, and complete small tests of potential pivots. Our partners at Uptima have been focusing on helping entrepreneurs cultivate foresight to develop solid contingency plans and understand how the economic climate will continue to affect their business. “We provide entrepreneurs with support in developing solid practices for improving their business resilience by getting into a regular habit of reviewing their business performance, evaluating what’s working and what’s not, and identifying opportunities to shore





up their business model to grow and sustain their operations,” shares Uptima Program Director, Sherina McKinley.

Entrepreneurship and business ownership—particularly of community-based businesses—are crucial ways to develop community wealth, for both business owners and the people they employ. Healthy Black-owned businesses could be a critical component for closing the racial wealth gap. Black business owners already face disproportionate economic, market, sociocultural, and institutional barriers. The COVID-19 crisis has further stressed Black-owned businesses and has caused the racial wealth gap to widen.

Small businesses help create thriving communities and local economies. The lasting impacts of COVID on small business owners of color have made it clear that simply providing capital for Black entrepreneurs is not enough to ensure business sustainability. There also needs to be more opportunities to build political power to create safer communities so business owners can keep their doors open. What other types of capital, services for small businesses, or holistic resources can be made available to support not just entrepreneurs, but the communities they serve? Dream with us. This is the practice and the praxis of reimagining an economy that believes in everyone. [▲](#)

**DREAM WITH US. THIS IS
THE PRACTICE AND THE
PRAXIS OF REIMAGINING
AN ECONOMY THAT
BELIEVES IN EVERYONE.**



RUNWAY

is a financial innovation firm

wholeheartedly committed to dismantling systemic barriers and creatively reimagining the financial policies and practices that hold these barriers in place - all in the name of Black liberation.

We work with financial institutions and communities to design funds and create practices rooted in love. While it sounds ironic to reference love and financial institutions in the same sentence, it's not only possible, it's also true. RUNWAY is a community of practice for financial institutions, investors, and philanthropic organizations who desire to show up differently and a community of support for entrepreneurs. Bringing methodologies of character-based underwriting, untraditional assessment of capital readiness, and community led lending, RUNWAY signals the love of friends and family.

The true crux of RUNWAY is an invite. An invitation for entrepreneurs to feel the love and confidence of what it means to have the financial support that they need. It's an invitation for investors and philanthropists to approach capital in a far less extractive way. An invitation for the financial institutions to authentically connect to Black-owned businesses. And, it's an invitation for local communities to utilize RUNWAY's infrastructure and methodologies to develop community-based funds that mirror the realities of their own investment needs and desires.

The seed for RUNWAY was born in 2016 in the aftermath of Hurricane Katrina, one of the many moments of our era that shone a bright and clear light on the anti-Blackness embedded in our economic system. Amidst reports that the gap between Black and white wealth holders was over \$100k wide, the commitment to transforming financial practices to build wealth in Black communities became even more urgent.

Since then, RUNWAY has been developing and co-creating funds, helping financial institutions shift policies, and building the infrastructure that reflects the equitable world Black entrepreneurs need. At the onset of the pandemic RUNWAY met with their community of entrepreneurs to ask what support was needed during what became this generation's unprecedented time of uncertainty. The answer? A financial headrest. RUNWAY launched a six-month pilot of universal basic income and loan deferment. The organization's actions resulted in a 100% survival rate for its businesses, which is a testament to its dedication to providing innovative solutions that work.

What we referred to back then as "Friends and Fam-



ily"-style capital, we now more often call "Believe-in-You Money"—also the title of Jessica's groundbreaking book, released in October 2023. Unlike conventional capital that's too often extractive, predatory, and inflexible, we help move trust-based and patient capital to businesses in Black communities. We contribute to the cultivation of Black wealth by pairing that with holistic business support, innovative financial products, and partnerships.

Our past, current, and upcoming work is grounded in our four core values: reimagination, resilience, restoration, and repair. Our mission is to build reimagined financial practices that advance resiliency for Black businesses and the communities they serve. We're working to close the racial wealth gap for good so that Black entrepreneurs can truly thrive in an economic system that centers equity and justice.

To achieve this systemic transformation, we must get to the root of the matter. We recently launched a 10-year initiative investing restorative, integrated capital (i.e. the combination of grant, investment, and support) for creative businesses in Black communities in

the US South: ROOTED. The South's violent history of free, exploitative labor is what built this nation's economy. It is where racism and systemic oppression still have currency, and it is exactly where transformative financial practices need to be taking root. Black artists and innovators are the leading exporters of culture and creativity around the world. Inspired by emerging creative, business, and community leaders in the region, we have a unique opportunity to return to our roots and repair some of the harm caused by transforming the way businesses receive funding and the way we demonstrate belief in one another.

The road ahead takes believe-in-you money, nationwide, expanding our reach far beyond the East and West coasts and into the heart and soul of this country.

WE HOPE YOU'LL JOIN US IN RE-IMAGINING AN ECONOMY THAT LOVES BLACK PEOPLE IN WHATEVER WAYS YOU CAN. ▲



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