



FOR IMMEDIATE RELEASE

Minority Wealth Commission Announces \$250,000,000 FVLCRUM Fund to Focus on Wealth Creation for Minority Businesses

Clearinghouse CDFI helps create new private equity fund to concentrate on the growth and global competitiveness of minority businesses

WASHINGTON, D.C. – July 15, 2020 – The Minority Wealth Commission—a bi-partisan National Commission of diverse leaders representing a cross section of capital funding, procurement/contracting, economic development, and corporate/nonprofit leadership focused on minority businesses—announced today the launch of the FVLCRUM Fund. The fund, with initial capital commitments of over \$50 million, will raise a total of \$250,000,000 to invest as a combination of equity and debt capital into proven, high-growth enterprises operated by people of color.

Clearinghouse CDFI—a national community development financial institution with a strong history of lending in communities of color—will help create and manage the FVLCRUM Fund. The fund brings together an exceptional team of private equity professionals with an established track record of investing in middle market minority owned businesses delivering strong investment returns. FVLCRUM Fund will make a sustainable and measurable impact towards closing the nation’s racial wealth gap by building wealth and business success for minorities.

“For too long minority businesses and communities have been disproportionately excluded from creating sustainable wealth,” said Henry Childs II, Executive Director of the Minority Wealth Commission and former National Director of the U.S Department of Commerce’s Minority Business Development Agency. “Lack of investment, ownership, and wealth in minority communities stifles income potential, school systems, job outlook, and business opportunities. Minority businesses represent less than 1.3% of the overall assets under management by the investment industry. It is time for us to address the racial wealth gap, invest in minority businesses and to take full advantage of the value, innovation, and competitiveness they bring to our overall economy.”

According to [a study by the W.K. Kellogg Foundation on Racial Equity](#), the U.S. stands to realize an \$8 trillion gain in GDP just by closing the U.S. racial equity gap. This is more than the current GDP of every country in the world except the U.S. and China.

The Minority Wealth Commission has three key objectives: (1) to raise a series of minority wealth investment funds targeted toward creating wealth in minority communities, (2) to reduce the startup capital gap for entrepreneurs of color, and (3) to increase Assets Under Management (AUM) for diverse fund managers and increase the number of diverse fund managers in the industry.

“The United States Hispanic Chamber of Commerce (USHCC) joins the Minority Wealth Commission in recognizing and highlighting the importance of creating wealth in our minority business community,” said Ramiro A. Cavazos, President and CEO of the U.S. Hispanic Chamber of Commerce. “As we know, there are 8 million minority-owned small businesses that form the backbone of our American economy. We must create real change to transform our minority entrepreneurs by investing in our businesses through increased corporate procurement, federal contracting, access to capital, and private equity, in order to prioritize more businesses for our African-American, Hispanic, Asian, and more minority entrepreneurs.”

To facilitate investment in minority communities, the Minority Wealth Commission is focused on strategies that stimulate economic opportunity and mobility, encourage entrepreneurship, expand quality educational opportunities, and ultimately eradicate the racial wealth gap. The MWC is leading an effort to level-set capital

investment parity for minority businesses and next-generation entrepreneurs of color that can expand our economy and impact our communities.

“Closing the RACIAL WEALTH GAP is an overriding issue of the NATION,” said Marc Morial, President of the National Urban League. “Lifting a generation of BLACK entrepreneurs by linking them to capital, connections, and contracts is a viable wealth gap closing strategy.”

“This fund represents transformative opportunities for minority-owned businesses, many disproportionately struggling from the devastating impacts of the pandemic,” said Delores Brown—Chairperson of the Clearinghouse CDFI Community Advisory Board—who also runs a nonprofit in South Los Angeles. “There is much work to be done to build a more equitable society. We hope to inspire other organizations and investors to take action.”

The Minority Wealth Commission and FVLCRUM Fund have already established a broad base of institutional and community partners dedicated to fundamental change for wealth creation in communities of color. This includes the National Urban League, the U.S. Hispanic Chamber of Commerce, and the U.S. Black Chambers, Inc., among several other organizations throughout the U.S.

To find out more about the Minority Wealth Commission and the FVLCRUM Fund contact henrychilds@minoritywealthcommission.com or wealth@FVLCRUM.com or visit www.fvlcrum.com.

About Minority Wealth Commission

The Minority Wealth Commission (MWC) was created in 2020 to fundamentally alter the socioeconomic trajectory of minority communities by identifying and building sustainable paths to wealth creation. Founded by Henry Childs II, former MBDA National Director, the MWC is a National Commission that aims to close, and eventually eradicate, the racial wealth gap in America. The Commission will align economic growth and development policies among member organizations to connect resources, catalyze solutions, and build meaningful lives. MWC seeks to pool resources and invest in unrealized and under-invested opportunities arising in communities of color.

About Henry Childs II

Henry Childs II is the founder and CEO of the Minority Wealth Commission. Prior to founding the Commission, Childs was the National Director for the U.S. Department of Commerce Minority Business Development Agency (MBDA). In his tenure as the 17th Director of the agency he implemented several key growth initiatives to get minority firms to size and scale. Prior to his MBDA appointment, Childs held positions as a Senior Advisor for the Economic Development Administration (EDA) and served as a Policy Advisor to the White House Office of Public Liaison. He worked closely with the White House Office of American Innovation on economic issues related to urban and underserved communities. Childs holds a Juris Doctorate from Saint Louis University School of Law and a graduate certificate in International and Comparative Law.

About Clearinghouse Community Development Financial Institution (Clearinghouse CDFI)

Clearinghouse CDFI addresses unmet credit needs throughout the U.S. and in Indian Country through direct lending, equity investments, and financial assistance. For over 23 years, Clearinghouse CDFI has helped bridge the gap between conventional lending standards and the needs of low-income, distressed, and communities of color. Clearinghouse CDFI is also a B Corp—a certification received from the nonprofit B Lab. B Corps are companies who meet rigorous standards of social and environmental performance, transparency, and accountability, and use business as a force for good. More information is available at: www.ccdfi.com.

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