

# Upstart Co-Lab's Member Community: \$1B Of Impact Investing Capacity For The 'Creative Economy'

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When it comes to impact investing, the arts and culture don't get a lot of love.

For Laura Callanan, that's a huge missed opportunity to invest in artists and enterprises with the capacity to find creative ways to address societal problems. So five years ago, she launched Upstart Co-Lab, with support from Rockefeller Philanthropy Advisors, aimed at

connecting impact investors to the creative economy. “We believe creative people solve problems,” says Callanan, formerly senior deputy chairman of the National Endowment for the Arts.

Recently Callanan took that effort a step further with the launch of Member Community, a coalition of 10 organizations, foundations and individuals focused on impact investing in the cultural sphere. With a \$1 billion of impact investing capacity, the aim is to stimulate local economies and create jobs by supporting creative economy enterprises.

While there’s no one definition of what comprises the creative economy, Upstart relies on 145 codes from the North American Industry Classification System, which are used by U.S. federal statistical agencies to classify business establishments. Industries range from retail bakeries to wood office furniture and doll manufacturing. So pretty diverse. Upstart’s focus is on ethical fashion, sustainable food and social impact media, among other areas.

### **Beyond Arts and Culture**

Callanan got the idea for Upstart when she came to a realization: Almost none of the impact investors out there funded creative economy businesses. That, she saw, was partly due to terminology. Creative economy businesses tended to be placed under the “arts and culture” umbrella, thereby limiting their appeal.

With that in mind, she also needed a model for building support for investments in a broader group of enterprises. One possible area was gender lens investing, which had quickly been adopted by a growing number of investors. Callanan decided to reach out to advocates of that approach. “I wondered if we could borrow from their particular recipe to make the case,” she says.

After that, Callanan started doing research, bringing together impact investors to explore the area, while also working with such partners as community development group [Local Initiatives Support Corp.](#) (LISC), which launched a \$6.2 private-debt million [New York City Inclusive Creative Economy Fund.](#)

Then about a year ago, Callanan decided she needed to do more. With the help of several impact investing gurus, she set out, she says, “to figure out what would bring more jet fuel to this effort.” Her idea: to put together “a small community of arts lovers, artists and arts institutions who want to help make this space with us,” she says. That turned into Member Community.

While she’s not asking for members to start investing right away, “We’re putting them in a position where they can decide to pull the trigger and make their own decisions,” Callanan says. The three-year effort includes such foundations and individuals as [Creative Capital](#), which funds artists, and angel and impact investor Lorrie Meyercord. Members also have access to more than 150 investment opportunities. “Some folks will be in learning mode for the first couple of years,” she says.