

Foundations join the crowd to invest in creative startups through Honeycomb Credit

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Creative Economy



Photo credit: Honeycomb Credit

ImpactAlpha, Apr. 27 – More than 80% of the businesses that have raised capital through Honeycomb’s loan crowdfunding platform are local creative businesses such as cafés, breweries, and fashion brands. About half of the companies on the platform were previously unable to access credit.

Honeycomb and **Upstart Co-Lab** have pledges of \$600,000 from foundations that will join crowdfunders in financing creative businesses in food, fashion and design. The Loan Participation Fund expands “what’s possible in the world of impact investing,” says Upstart’s **Laura Callanan**, and brings “much-needed financing to businesses in creative industries.”

The fund allows foundations “to write large checks but allocate the money to small businesses,” adds Honeycomb’s **George Cook**.

Atlanta-based **Souls Grown Deep** and the White Plains-based **A.L. Mailman Family Foundation** will invest in Black-owned businesses in nine southern states. Capital from the **Jessie Ball duPont Fund** will be directed toward entrepreneurs in seven Northeast Florida counties, with a focus on borrowers who are low-income, women or people of color. Nonprofit **FJC** will administer the Loan Participation Fund.