

# SoftBank opens new revenue streams via inclusion

## Catherine Lenson, Managing Partner and Chief People Officer, SoftBank Investment Advisers

### Video transcript

**Catherine Lenson** [00:00:18] We were struggling to engage with underrepresented founders, including nonwhite, female, LGBTQ and people with disabilities. Historically, these founders have received a disproportionately low proportion of invested capital. This issue was heightened for us as vision from one investment criteria required a minimum check size of \$100 million, meaning we wouldn't typically meet these founders organically until they'd successfully raised numerous rounds before us.

**Catherine Lenson** [00:00:44] What's more, the investment world is changing. Entrepreneurs, especially the most recent generation of founders, are discerning about the investors on their cap tables. We see this in the questions they're asking investors about their social purpose credentials.

**Catherine Lenson** [00:01:03] There are two layers to this gap. One is moral and social. One is more commercial. Firstly, think about basic fairness. No one should be blocked from bringing great ideas to the market.

Without the full participation of entrepreneurs from all backgrounds, we limit the amount of innovation in the world. The other was that we were finding ourselves missing out on exciting emerging sectors, whether that's technology specifically aimed at women or minority users, or so of the climate and sustainability related innovations. Being at the forefront of innovation in sectors like these has implications for the success of our portfolios.

**Catherine Lenson** [00:01:43] Starting in 2019, SoftBank created and launched our Emerge Accelerator, first in the US and latterly in Europe to better support early stage founders. However, the murder of George Floyd and subsequent racial injustice protests in 2020 gave us cause to reflect. We worked hand-in-hand with the black advisors on our advisory team, who highlighted the issue of over-mentoring and underfunding. This, combined with the fantastic potential we saw with that first Emerge cohort, meant that we quickly pivoted to a funded model, and we invested in 13 amazing founders with whom we're still partnering today.