

## WORTHY INVESTMENT

Making a profit and a positive contribution to society needn't be mutually exclusive. We meet five firebrand investors who've helped to fund businesses that make a difference, be it funding envelope-pushing art, balancing the scales for women in business or greening-up city life.



**Laura Callanan**  
Upstart Co-Lab, *New York*

**Investing in:** *Artistic Endeavours*

Investing in our cities doesn't just mean building roads and infrastructure: it can mean enriching the arts scene too. "Creative people solve problems," says Laura Callanan, who founded New York-based non-profit Upstart Co-Lab in 2015. "Impact investing won't be a source of capital for every creative activity but we hope a rising tide will lift all boats."

The arts have long been the remit of philanthropists but Callanan, formerly the senior deputy chairman of the National Endowment for the Arts, sensed that there was an opportunity

that she would both find fulfilling and make returns from. She has now channelled about \$6m into a dozen creative-sector businesses, including ethical fashion lines and affordable housing projects for artists.

Upstart Co-Lab recently collaborated with the Local Initiative Support Corporation and raised \$10m to support creative workspaces in New York. This included a loan for renovations at La Mama, an East Village theatre that gives opportunities – and income – to 1,500 artists every year. "More resources supporting creative people who are socially minded to do their work will, in turn, allow more of that work to happen," says Callanan. — VR

PHOTOGRAPHERS: DANIEL DORRISA

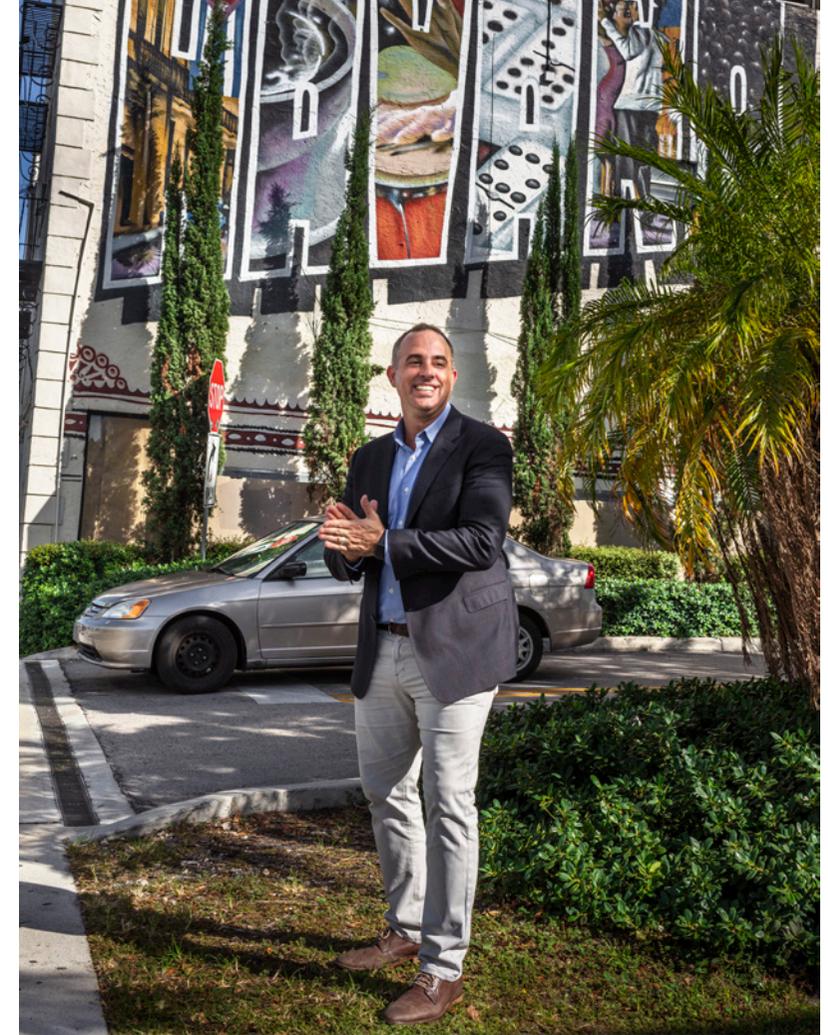
**Bill Fuller**  
Barlington Group and Mad Room Hospitality, *Miami*

**Investing in:** *Charms of the inner city*

Bill Fuller is stood outside a taco joint in the historic Miami neighbourhood of Little Havana and gazing at the shimmering collective of high-rises that make up the city's downtown core. "For me this neighbourhood has much more *sazón* [flavour] than Brickell [the city's financial centre]," says the longtime real estate agent.

It's a sentiment that drives his business. Fuller has owned Taquerias El Mexicano, that taco spot, since 2017. He bought the building, in part, to save its folksy mural of serpents and Aztec deities from ruin. In October he opened the newly renovated upstairs: a Oaxacan sweetshop with a hidden speakeasy-style mezcal bar. His work isn't completely altruistic but his developments all intend to help retain the integrity of the neighbourhood.

Fuller now owns 40 Little Havana buildings, 25 of them in the Calle Ocho commercial corridor. Most are rented out to carefully picked tenants through the Barlington Group that he co-founded. Mad Room Hospitality, his F&B arm, is also invested in running places such as the beautifully restored



1930s restaurant and music venue Ball & Chain, which had been vacant for 12 years. There are also plans to open a Little Havana museum, a hotel and other initiatives. Brickell might provide the lure of fast money but Fuller wants the *cafecito* drinkers and domino players to stay where they are – their character draws millions of visitors per year to Little Havana.

Fuller's approach to investment is personal. Little Havana has long been a haven for exiles from Cuba, where both

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of his parents grew up. As a child Fuller would often visit while seeing his grandmother, who lived nearby. He's chosen to rent to help bring artists into the area, knowing that it can only be made more desirable if investors are willing to play the long game. With little historic protection in Little Havana it's a constant battle but Fuller still believes in using "social impact" to guide his many investments. "If you don't care about that and just the economics then impact investing is not for you." — EJS



**Kshama Fernandes**  
Northern Arc, *Chennai*

**Investing in:** *Offering credit (where credit's due)*

"Most people in the Indian market have a bank account but the bank wouldn't give them a loan," says Kshama Fernandes, CEO and founder of Northern Arc. "They are the 'underbanked'."

Having spent many years specialising in risk management, working with everyone from students to the Indian government to stock exchange regulators, Fernandes knew the capital markets like the back of her hand. She also knew that she wanted to play a more direct role in helping those worse off in the world's second-most

populous country. The next step was "to unleash the power of capital markets in a manner that could be really transformational".

Northern Arc (formerly IFMR Capital), a financial services company based in Chennai, offers modest loans to help Indians raise cash for anything from small-scale farms to commercial vehicles. It provides the financial resources that larger banks won't.

Since 2008, Northern Arc has provided INR559bn (€6.8bn) in financing to some 30 million borrowers across the country. "Our role is to be a bridge between the world of people who have access to money and the world of people who don't," says Fernandes. — VR

**Stephan Ensmann**  
Nomina, *Zürich*

**Investing in:** *Green Energy*

Stephan Ensmann knows power: as a member of the management team at Zürich's Nomina he offers clients investment opportunities in renewable energy. "Usually impact investment is through funds of funds or private equity," he says. "But this is direct investment."

The family office manages and invests in Swiss Solar City, which is part of the country's largest solar power-plant. The model – which uses networks of solar panels and small, localised energy grids – can generate energy at lower prices than gas and nuclear alternatives. Always

**"At the end of the day this works because we have good returns for us and for our clients"**

ambitious, Ensmann has secured funding to increase the plant's production to 30 gigawatt-hours per year in 2020, enough to power a town the size of Davos.

It's a worthy alternative to inefficient centralised energy systems – and it's also good for business. "At the end of the day this works because we have good returns for us and for our clients, otherwise we wouldn't do it," says Ensmann. However, his passion comes from the fact that these models help the transition to green energy — JBR



PHOTOGRAPHERS: ANASTASTIA SHMOYLOVA, ANURAG BANERJEE, IVES BACHMANN, KATE WARREN

**WHAT WE'D INVEST IN**

If we ran an investment fund we would put our money where our mouth is: investing in the things that would make our cities more liveable and boosting bricks-and-mortar retail. Here are five areas we'd want to help. — (M)

**Music venues:** Social anxiety and all-hours working is widespread so there are more reasons than ever to help get city-slickers out, spending and shaking a tailfeather. Boosting the night-time economy is often overlooked but crucial for a modern metropolis.

**Better high streets:** They would include kiosks that sell print (though not ones reliant on chocolate bars and fizzy drinks) and markets that offer a platform for small businesses to thrive. By shopping online we are losing the charm and character of our streets.

**Diverse public transport:** A well-placed ferry route, clever cable car or nifty bus can cut travel times, reduce pressure on other services and even – whisper it – make the journey enjoyable. We all need to commute so let's make it less of a drag.

**Repurposing unused buildings:** That old factory could be torn down to make way for a huge office block or it could become a mixed-use hub for shops, co-working spaces and residents. How about mixing up rents to draw in more diverse tenants? The spillover effect would be greater in the long run.

**Craft apprenticeships:** Not everyone is going to be able to work exclusively online, hunched over their laptop and immersed in their email inbox all day – and not everyone wants to. We'd invest in institutions that can train people to do things with their hands – and everyone would be better off for it.



**Jenny Abramson**  
Rethink Impact, *Washington*

**Investing in:** *Balancing the scales in the workplace*

As the former CEO of a technology firm, Jenny Abramson was struck by how few women were winning investment. "Twenty years earlier my mother had been in a similar field and the [amount] invested in women had actually fallen," she says. She decided something had to be done so in 2016 she started Rethink

**"There's data showing how important it is to make the scales more balanced"**

Impact, a venture-capital firm focused on directing money to female-fronted and gender-diverse firms that use technology for a range of worthwhile causes, whether in the classroom or for the environment.

Since then the firm has pulled together some \$114m (€100m) of funding and made 20 or so investments, which they say have touched the lives of more than 100 million people. Rethink's portfolio currently includes Ellevest – a platform for women to manage their investments – and Aclima, a pollution-mapping company led by a female entrepreneur.

For Abramson, making more money available to female leaders isn't just about addressing historic grievances or scoring points – it's about business. "There's all sorts of data showing how important it is to make the scales more balanced, not just out of fairness but from an economic perspective," she says.

Going forward, Abramson sees a greater appetite for impact investing, particularly as the younger generation starts to inherit. "Two thirds of [US] wealth is expected to be controlled by women by 2030," she says. "We are at this moment of change – it's a really exciting time to be investing in women." — VR