

REGIONAL / NATIONAL

Amazon to Invest \$150 Million in Funds That Provide Underrepresented Entrepreneurs with Access to Capital

In addition to providing capital, the new Amazon Catalytic Capital initiative will also offer mentorship and business opportunities to startups led by Black, Latino, Indigenous, women, and LGBTQIA+ founders. Initial fund investments include Collide Capital, Elevate Future Fund, Share Ventures, and TechStars Rising Stars.

(Black PR Wire) SEATTLE--(BUSINESS WIRE)-- Amazon (NASDAQ: AMZN) today announced Amazon Catalytic Capital, a new initiative to invest \$150 million in venture capital (VC) funds, accelerators, incubators, and venture studios that provide funding to entrepreneurs from underrepresented backgrounds, primarily at the pre-seed/seed stage of venture capital funding. The company will invest in funds that focus on Black, Latino, Indigenous, women, and LGBTQIA+ founders. Amazon expects to support more than 10 funds and over 200 companies through the next year.

“We’ve seen incredibly innovative ideas from underrepresented entrepreneurs—from companies offering inclusive health services for women, to startups helping companies mitigate climate impact for underserved communities—and we’re convinced that an inclusive investment strategy leads to better returns and innovation. We want to ensure that these companies and their founders have the same access to capital as anyone else,” said Peter Krawiec, Amazon’s senior vice president of worldwide corporate development. “We hope that our investment will be catalytic—sparking a force-multi-

plying effect by inspiring others to invest in these companies, fostering inclusion and innovation, positively impacting communities, and creating generational wealth and financial return.”

In addition to capital, the companies in the funds’ portfolios will receive mentorship from Amazon executives and gain access to resources to support their business and technical strategy. Amazon teams will also work with the startups to identify partnership and product collaboration opportunities that could accelerate their growth. Historically, underrepresented founders have had less access to startup venture capital and greater difficulties in securing funding to bring ideas to fruition. Studies consistently show that Black, Latino, women, and LGBTQIA+ startup founders are underrepresented across the total number of funded startups. According to PitchBook, women founders received 2% of U.S. venture capital funding in 2021.

Similarly, Black-founded and Latino-founded startups attracted only 1% and 2% of U.S. venture capital funding respectively last year as reported by Crunchbase News. Research shows that these inequities create a negative ripple effect for underrepresented entrepreneurs, including reduced access to networks, mentors, and sponsors. Despite these challenges, diverse and inclusive teams are 75% more likely to see ideas become products and 70% more likely to serve new categories.

Through this initiative, Amazon has invested in the following funds:

- Collide Capital — Collide Capital is a Black-owned seed and pre-seed

venture capital fund led by two founders under the age of 35: Aaron Samuels, who co-founded AfroTech, and Brian Hollins, who is a founding Board Member of BLCK VC. To date, Collide Capital has backed over 40 companies, of which 80%+ are led by Black, Latino, and/or female founders.

- Elevate Future Fund — Elevate Future Fund, which is overseen by Energy Impact Partners (EIP), focuses on increasing funding to underrepresented founders working on solutions to accelerate the transition to a more sustainable and clean energy future. It will also make investments in companies that are led by underrepresented entrepreneurs, are empowering diverse talent, and/or are creating economic opportunity for distressed or disadvantaged communities. Elevate will also collaborate closely with Amazon’s Climate Pledge Fund, which invests in emerging climate technology companies.
- Share Ventures — Share Ventures is a Los Angeles-based venture fund and venture foundry focused on human performance. Share focuses on solving problems by creating and investing in innovative companies that unlock human potential, in categories including health tech, future of work, people tech, fintech, transportation, and purpose tech (companies facilitating impact and change).
- Techstars Rising Stars Fund — With its first investments in 2022, the Rising Stars Fund is a pre seed venture capital fund investing in underrepresented founders of color in the U.S. The fund is part of the Techstars investment business that provides access to capital, one-

on-one mentorship, and customized programming for early-stage entrepreneurs.

Investors from the VC funds supported by Amazon have supported hundreds of underrepresented startup founders. With Amazon’s investments, these VC funds expect to back hundreds more companies and, in turn, help create more jobs and unlock economic growth in historically underserved communities.

“We are focused on addressing financial inclusion across the globe, and Collide Capital has been an investor in us from the early days. Collide has helped us to shape our vision and opened up access to future rounds of funding,” said the founder and CEO of fintech startup EMTECH, Carmelle Cadet.

“EMTECH discovered a unique value proposition in rebuilding central banking infrastructure for the Web3 era. As a Black woman-founded tech company, having Collide getting excited about our vision was critical to our journey. We are better with them as partners, and I am excited to see how Amazon is supporting them to help even more entrepreneurs like me.”

“Our collaboration with the team at Amazon was born out of our shared passion for innovation in key areas that improve the human experience at scale. We are aligned with Amazon’s customer obsession and grateful to be learning and collaborating with them to build a portfolio of game changing companies,” said Hamet Watt, managing partner at Share Ventures.

Amazon Catalytic Capital is the lat-

See Amazon Page 10

The Supreme Court is back in session, with new controversial cases that stand to change many Americans’ lives – here’s what to expect



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Following a dramatic year of controversial rulings, the Supreme Court began hearing new cases on Oct. 3, 2022, with a full agenda.

The court overturned abortion rights and expanded gun rights in June 2022 as the new conservative supermajority began to exert its influence.

Some of the court’s most important upcoming cases focus on the future of affirmative action, equal treatment of LGBTQ people, and the control of election laws. The court will hear the cases in the fall and then likely issue rulings in spring 2023.

As a close observer of the court, I think this term’s rulings will continue to reject the court’s previous liberal decisions and instead reflect a conservative interpretation of the historical meaning of the Constitution. At least three of those upcoming rulings are likely to profoundly influence people’s everyday lives in the United States.

Affirmative action
College admissions and scholarships can alter the trajectory of a life.
College administrators want diverse student populations but are less clear about which categories – including race, ethnicity, gender, sexual identity and wealth – should influence admission and financial aid decisions. When it comes down to the specifics of which people are underrepresented in higher education, and which are overrepresented, the questions become thorny.

Many different groups feel that they are being mistreated when their specific circumstances and histories are taken into account.

The Supreme Court will hear two

lawsuits on Oct. 31, 2022, brought by the anti-affirmative action organization Students for Fair Admissions. This group argues that Harvard and other schools blatantly discriminate against Asian students. But the claim is a proxy for all other preferences grounded in identity, including those in favor of Black applicants and those disadvantaging whites.

The two cases – one against Harvard and the other against the University of North Carolina – address private as well as public institutions.

Nine states currently have laws that ban affirmative action in college admissions. The extent and focus of existing diversity policies vary widely.

Universities justifying their diversity policies argue that the 14th Amendment and its guarantee of “equal protection of the laws” encourage giving an advantage to historically oppressed groups.

The opponents of affirmative action argue that the 14th Amendment was meant to uphold racial neutrality, meaning all individuals should be treated the same, regardless of race. In this view, the Constitution forbids considering race in almost any decisions that influence individual advancement.

The core conflict is whether the equal protection clause protects equality or equity.

If it is equality – the same treatment of all races, regardless – this supports the argument that universities may not give preferences to applicants of one race over another.

If the 14th Amendment is found to guarantee equity – or trying to create equal outcomes for all by favoring historically disadvantaged groups – this supports the argument that affirmative action policies are constitutionally sound, and perhaps even required in public institutions.

The current court, with a conserva-

tive majority, almost certainly favors the argument that the equal protection clause endorses equality, not equity.

In a 2007 ruling on public high schools, for example, Chief Justice John Roberts wrote that “the way to stop discrimination on the basis of race is to stop discriminating on the basis of race.”

LGBTQ equality versus religious liberty

Another major case, 303 Creative v. Elenis, asks the court whether state law can compel a private business to serve LGBTQ clients – or whether the First Amendment protects business owners who violate those laws on religious grounds.

The controversy focuses on a website designer who wants to expand her business to offer personal wedding sites – but not for same-sex couples, as required by Colorado’s nondiscrimination laws.

The case comes close to addressing the long-standing conflict between a person’s free exercise of religion, guaranteed by the First Amendment, and a state’s power to enforce the equal treatment of all citizens.

But the question presented in this case focuses on the website designer’s free speech and artistic expression, rather than the religious motivation at the heart of the conflict.

The court’s recent history of supporting religious liberty suggests that the website designer will prevail.

Who controls election laws

The third major case this term – Moore v. Harper – is about the control of election law and what is known as the independent state legislature theory.

The somewhat arcane question is whether only the U.S. Constitution controls state legislatures’ decisions regarding federal elections rules within their states or whether state constitutions and courts

can also oversee the election laws that apply to national elections.

In this case, the court will rule on whether the North Carolina Supreme Court can strike down and replace the Legislature’s congressional map, which the state court found was gerrymandered in violation of the North Carolina Constitution.

In an atmosphere of political distrust and accusations of election fraud, the court will determine who controls federal election law within each state.

The constitutional text on this question is admittedly unclear.

Supporters of the independent state legislature theory argue that because the Constitution states that congressional election rules “shall be prescribed in each State by the Legislature thereof,” this power applies solely to state legislatures.

This interpretation means that election rules are not constrained by state constitutions, which often have additional protections of “free and equal” elections, enforced by state courts. Instead, only the U.S. Constitution could constrain state legislatures – and only federal courts, including the Supreme Court, could review these decisions.

Critics of the independent state legislature theory argue that even though the U.S. Constitution tasks state legislatures with overseeing election law, ordinary checks and balances that constrain those legislatures still apply. This would mean that other state officials and state courts maintain their usual role in limiting the power of the legislature, which was not meant to be fully independent.

Concerns about independent state legislatures are partly driven by two fears. One is that if legislatures are truly independent, they may impose discriminatory laws that benefit their party – often Republicans at the state level.

The other fear is that Republican legislatures may attempt to alter the final slate of electors in the 2024 presidential election if former President Donald Trump runs and loses the popular vote in states with GOP legislatures.

This case is partially about trust – whether Americans trust state legislatures or state courts to oversee legitimate elections. And trust among the American public is in short supply.

The year at the court

The outcomes of this term’s cases will deeply influence American lives and values, especially for college applicants, LGBTQ citizens and people with strong religious beliefs.

The state legislature case is the most difficult to understand, and also perhaps the most influential, because it reflects the broader decline of trust in elections and the growing suspicions of fraud along many dimensions. I believe that this case – however resolved – will lower perceptions of the legitimacy of many future election outcomes.