



Zebras vs. Unicorns

Money and Power in the Valley

March 15, 2020
via Crowdcast

Aniyia Williams | Astrid Scholz | Jennifer Brandel | Mara Zepeda

Zebras Unite

We believe that everyone has an equal right to imagine and create the future. We catalyze community, capital, and culture for people building businesses that are better for the world.

Join our global online community of 5,000+ people with 45 chapters on 6 continents.

Zebras Co-Founders



Aniyia



Astrid



Jenn



Mara



The New York Times

***More Start-Ups Have an
Unfamiliar Message for
Venture Capitalists: Get Lost***

What are zebras?

Zebra companies are a different breed of company.

They balance profit and purpose, champion democracy, and put a premium on an equitable distribution of power and resources.

They prioritize quality over quantity, creation over consumption, sustainable growth over quick exits, and shared prosperity over shareholder profit.



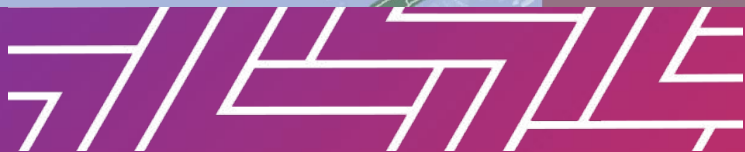


CULTURE

Zebras fix what unicorns break.



@zebras_unite #altSXSW





UNICORN

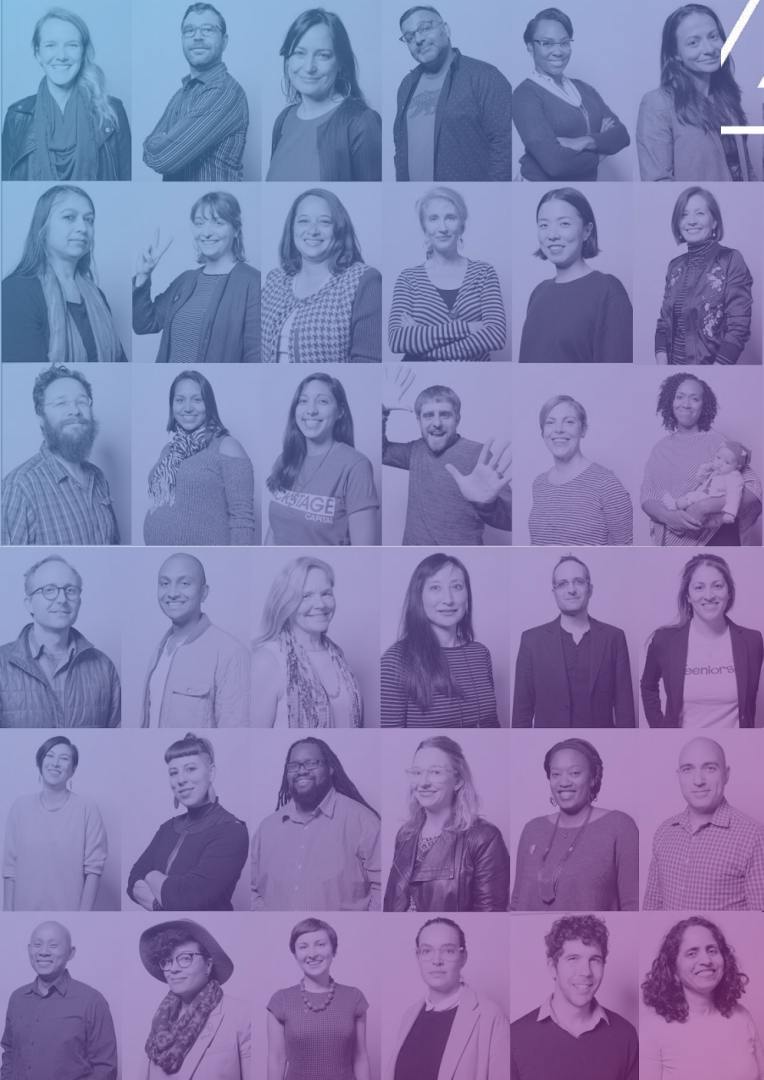
- Exponential Growth
- Exits & Liquidity Events
- Zero Sum / Winners & Losers
- Competition
- Hoarding
- Always wants more
- Shareholders gain
- User pays with attention
- Hockey stick growth
- Quantity



ZEBRA

- Sustainable Growth
- Profits and Healthy Revenues
- Win-Win
- Collaboration
- Sharing
- Satisfied with "enough"
- Customers & Communities gain
- User pays for value
- Regenerative growth
- Quality





COMMUNITY

**Zebras, we are
stronger together.**



@zebras_unite #altSXSW



@zebras_unite #altSXSW

Zebras Community Survey

- Zebras are looking for options beyond equity for financing early stage ventures
- Zebras are looking for corporate forms aligned with their business model, practices, and values
- “Older” zebras are looking for ways to realign their ownership structures and cap tables with their purpose and values





Search Zebras Unite

Home

Discovery

Members

About

Topics

Events

Professions

Groups

Zebras Unite

ONLINE NOW



Zebras Unite



Dazzle on! The online hub of the Zebras Unite movement.



+ Share what's on your mind...

SHOWING PERSONAL FEED

SORTED BY LAST ACTIVITY



Featured SEE MORE



NEW

SEP 15

JOIN at zebrasunite.com!



Joe Murphy



M.

Zebras Cooperative

- Zebras Unite is becoming a cooperative!
- Founders, investors, and others form the entity that grows the capital, community and culture we all deserve
- Building it together, we participate in the value we create for the world (“nonprofit” limits our opportunity to scale)





CAPITAL

**Purpose and profit
can co-exist.**



@zebras_unite #altSXSW

The Facts

VC returns haven't significantly outperformed the public market since the late 1990s, and since 1997, less cash has been returned to investors than has been invested in VC.

[Source: Kauffman Foundation](#)

We're all familiar with venture-backed "unicorn" startups and the disruption they're designed for. And recently, we've seen that it can have dire consequences for democracy, society, communities, workers' rights and families.



@zebras_unite #altSXSW

The Facts

Limited Partners
(foundations, endowments,
and state pension funds)
invest too much capital in
underperforming venture
capital funds on frequently
misaligned terms.

[Source: Kauffman Foundation](#)

There's a .00006% chance of building a startup into a billion dollar company.

And much like the companies they invest in, the VC world produces a few winning firms and a ton of losers.



@zebras_unite #altSXSU

The Facts

In the United States, only 18% of businesses ever access a bank loan.

The \$30,000 in average funds needed to start a firm does not appeal to the majority of banks', as it's hard to make loans that are less than \$100K profitable.

Source: Kauffman Foundation

With 81% of funding coming through personal net worth, family wealth, or connections to networks, it's not a mystery why today's makeup of entrepreneurs is overwhelmingly white, older, and male.



@zebras_unite #altSXSW

Sources of Capital

VIA VILLAGE CAPITAL / ZEBRAS WORKSHOP AT SEED CONFERENCE

Grants

Debt

Mezzanine

Equity

Grants

Loan Loss Guarantees

Asset-Based Lending

Leasing

Trade Financing

Cash-Flow Lending

Working Capital

Unsecured/Junior Loans

SHARE

Revenue-Based Investing

Profit Share / Demand
Dividend

Redeemable Equity

SAFE

Convertible Notes

Shares

Low Risk

Lower Risk

Higher Risk

High Risk

**From the Collaborative for Frontier Finance, The Missing Middle: Segmenting Enterprises to Better Understand Their Financial Needs, 2018*



@zebras_unite

#altSXSXW

Inclusive Capital

REVENUE-BASED

Capital which is repaid up to 3-5X from the revenue of a growing business, often an equity buy-back

GEOGRAPHY-BASED

A vehicle focused on multiple asset classes across a specific geography (ex: opportunity funds)

FELLOWSHIPS

No-strings-attached (or very few strings attached) funds that give founders a living stipend

CHARACTER-BASED LOANS

Take no equity and offer founder-friendly terms around payment schedule, forgiveness, and/or leniency





Contact Us

WEBSITE

zebrasunite.com

TWITTER

[@zebras_unite](https://twitter.com/zebras_unite)

EMAIL

hello@zebrasunite.com