

Organization Highlights

- Timeframe/years for the organization highlights: 1995 - 2019
- Began managing its own capital in 2002
- Jobs created or retained: 13,978
- Businesses financed: 254
- Currently manages \$183 million

Contact

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Formed in 1995, the Community Development Venture Capital Alliance (CDVCA) is a nonprofit, 501(c)(3) organization, certified by the Department of the Treasury as both a CDFI and a CDE. CDVCA’s mission is to promote the availability and use of startup and growth capital to businesses that create good jobs, productive wealth, and entrepreneurial capacity that advance the livelihood of low-income people and the economies of distressed communities.

CDVCA is a network of community development venture capital funds, offering education and peer learning opportunities, identifying and promoting best practices, providing fund formation and management services, and advocating for a positive public policy environment. CDVCA began managing its own capital in 2002, and currently manages \$183 million for investors ranging from the Ford Foundation, to the Appalachian Regional Commission, to the Puerto Rican disability insurance fund, to GE Capital, Goldman Sachs, and Bank of America. CDVCA is also the managing general partner of two specialized funds-of-funds: the Innovate NY Fund, which is fully invested in eight, early-stage developmental venture capital funds across New York state, and the Puerto Rico

Fund for Growth, a fund focused on spurring economic growth and high-quality employment in Puerto Rico.

In addition, CDVCA operates direct business investment funds in Arkansas, Florida, Illinois, Kentucky, Nebraska, and Mississippi, as well as a national fund. CDVCA has long-standing and deep expertise in using market-based capital to achieve not only strong financial returns for investors but also exceptional and measurable social impact for communities.

Ryla Teleservices in Georgia

When CDVCA first met Mark Wilson, the African-American founder and president of Ryla, the company was an inbound call center in Kennesaw, Georgia, with 21 employees. By the time CDVCA made its first equity investment in 2005, it had grown to 151 employees. CDVCA was attracted to Mark not only because he had the makings of a great entrepreneur, but also because job quality was integral to his business model. He had large banners in his call centers that read “The Best Job You’ll Ever Have.” In an industry notorious for white-collar sweatshops, he offered above-industry wages, paid for 100 percent of medical insurance, and treated his employees with respect. Salaries were higher, but turnover was low, which made service quality for customers superior.



CDVCA made five more rounds of equity investments and helped attract additional financing. From a virtual startup when CDVCA first partnered with Mark, the company was ultimately sold for \$95 million. Most importantly, at exit, Ryla had 3,500 mostly lower-income African American employees. Within a year, employment at the Ryla facilities grew to over 6,000. Mark ran the unit for a while, but left to found a workforce solutions company and, more recently, started a cloud-based successor to Ryla.

Project Highlights

- Median Income Compared to Area Median Income (AMI): 84.67%
- Unemployment Rate: 11.8%
- Poverty Rate: 16.4%
- Jobs created or retained: 3,500

The long-term impact of backing a terrific entrepreneur like Mark years ago has been the creation of thousands of good jobs at three businesses over the decades.