

3Q23 U.S. Diverse Fundraising Insights



Harlem Capital



Introduction

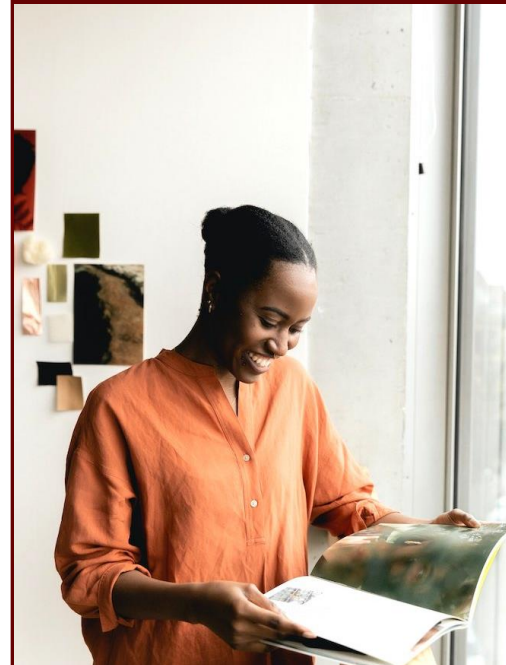
This is our 3Q23 U.S. Diverse Fundraising Insights Report, which tracks the number and dollar volume of capital raised by diverse founders across funding stages.

We utilized Crunchbase's new Diversity Spotlight data as the source for our insights.

In this report, we define 'diverse' as Black, Latino, Asian, Middle Eastern and women founders.

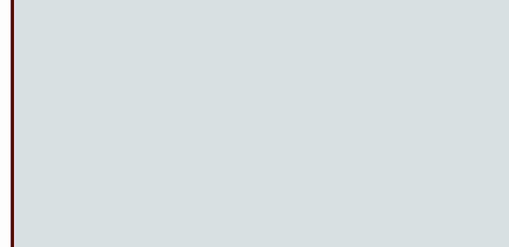
Check out the full list of 3Q23 Diverse Fundraises [here](#).

**Note: we include both diverse-founded & diverse-led deals.*



Key Findings

- 1) 3Q23 saw 227 diverse fundraises totaling \$3.1 billion of capital raised
- 2) Black & Latino founders made up 26% of the number of 3Q23 diverse deals, and 26% of diverse deal volume
- 3) Women founders made up 77% of the number of 3Q23 diverse deals, and 69% of diverse deal volume
- 4) The dollar volume of diverse fundraises declined 10% from 3Q22 to 3Q23, with Black & Latino fundraising volume declining by 73%
- 5) 3Q23 saw a decrease in the number of fundraises across all stages YoY

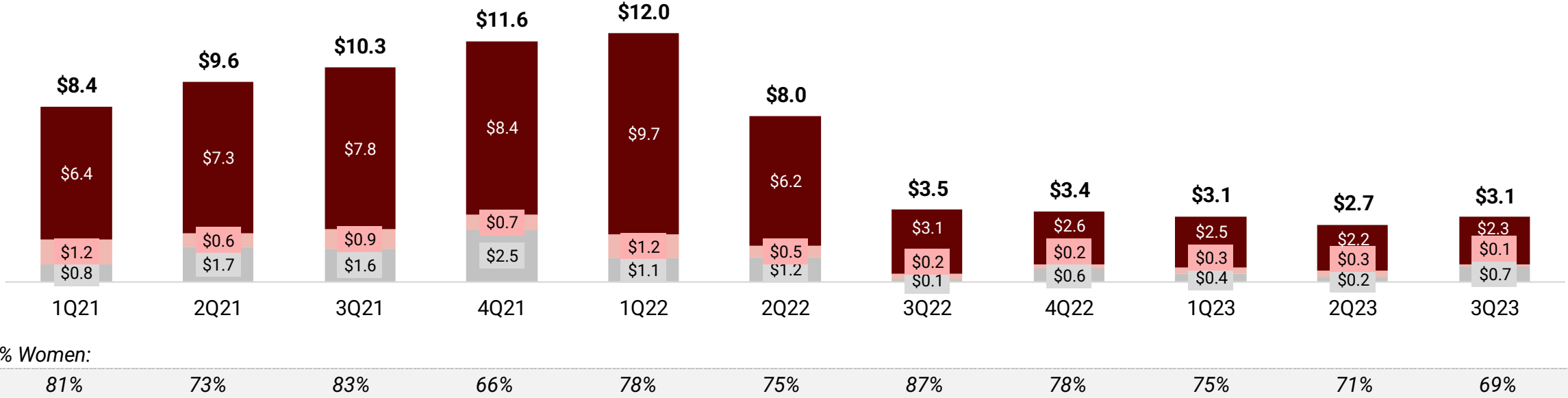


U.S. Diverse Fundraising Insights

3Q23 diverse fundraising volume is in line with previous quarters. Latino-founded fundraising volume increased, while Black-founded fundraising volume decreased from 2Q23 to 3Q23, with women fundraises as a % of total also decreasing QoQ

U.S. DIVERSE FUNDRAISING VOLUME BY QUARTER

(\$ in billions)



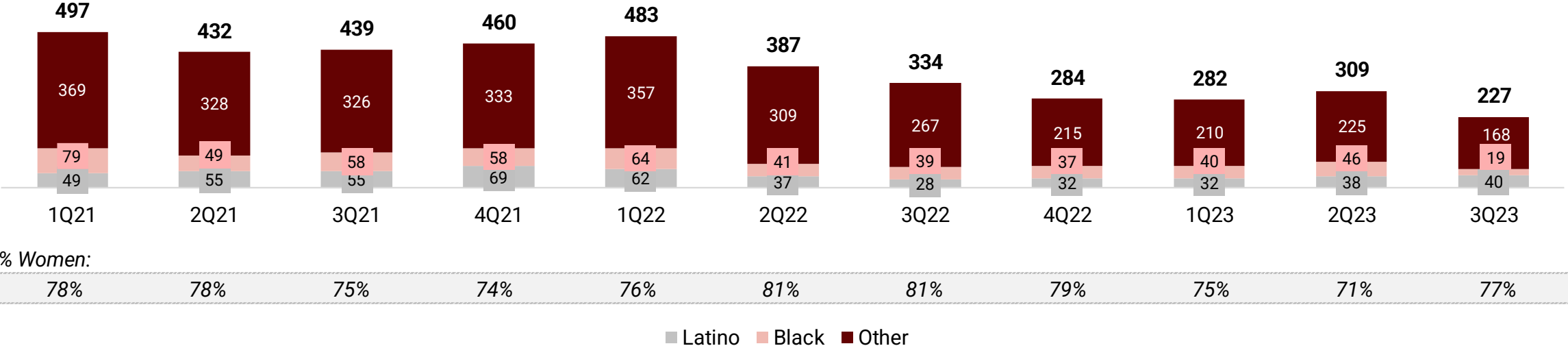
Legend: Latino (grey), Black (pink), Other (dark red)



U.S. Diverse Fundraising Insights (cont.)

3Q23 had a slight decline in number of rounds from the previous two quarters. Latino-founded fundraises increased slightly from last quarter while Black-founded fundraises decreased significantly. Women fundraises as a % of total increased QoQ

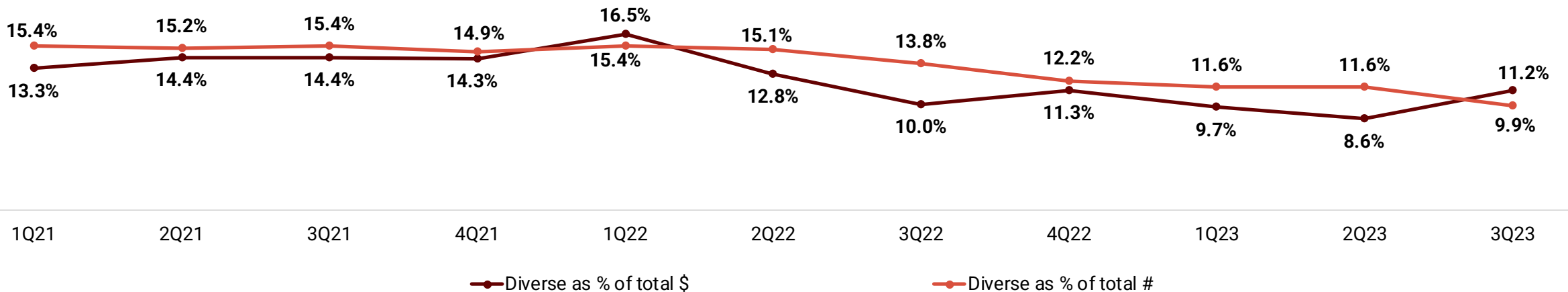
U.S. NUMBER OF DIVERSE FUNDRAISES BY QUARTER



U.S. Diverse Fundraising Insights (cont.)

In 2020, diverse fundraises generally made up a larger portion of the number of total deals than the dollar volume of deals. In 2021, this converged, showing that diverse founders received the same capital per round as their non-diverse counterparts. 1Q22 was the first quarter since 4Q20 where the % of dollar volume of deals surpassed the % of number of deals for diverse founders and now 3Q23 is exhibiting similar traits

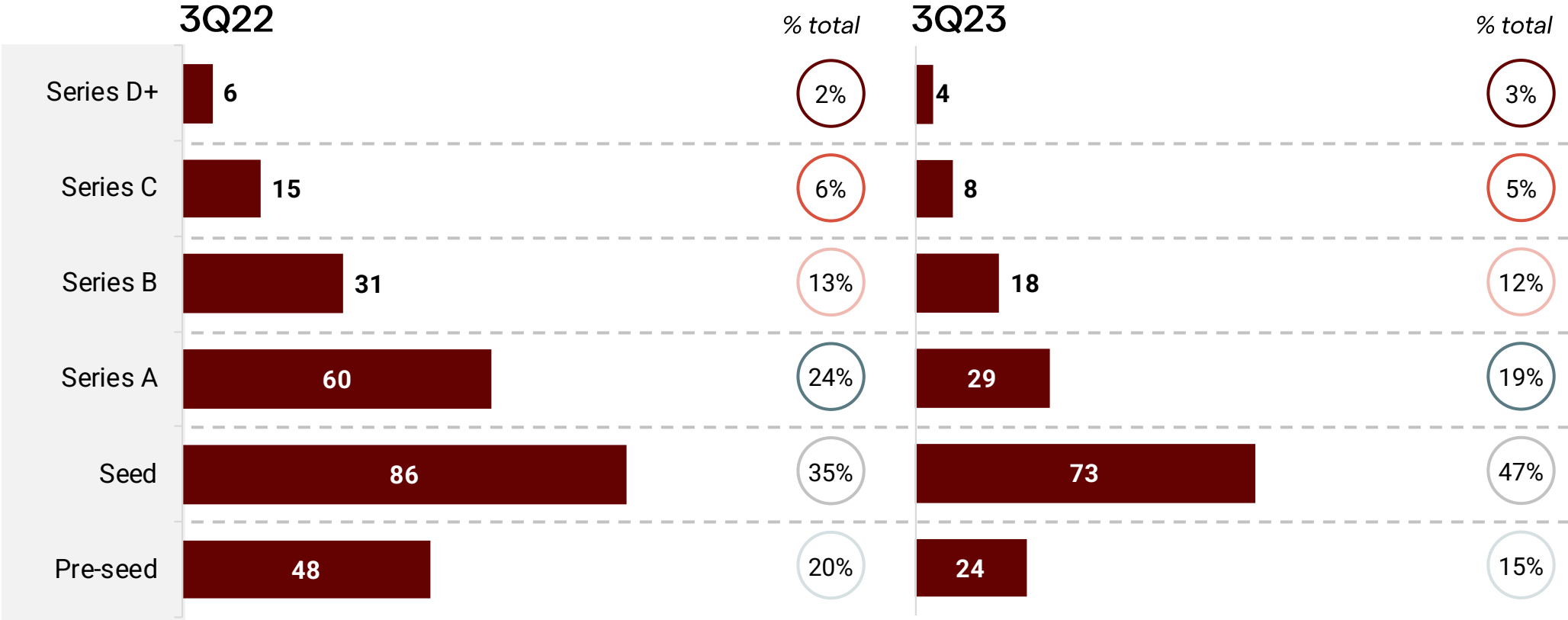
U.S. DIVERSE FUNDRAISES VS. TOTAL FUNDRAISES



U.S. Diverse Fundraising Insights (cont.)

3Q23 saw a decrease in the number of fundraises across all stages YoY

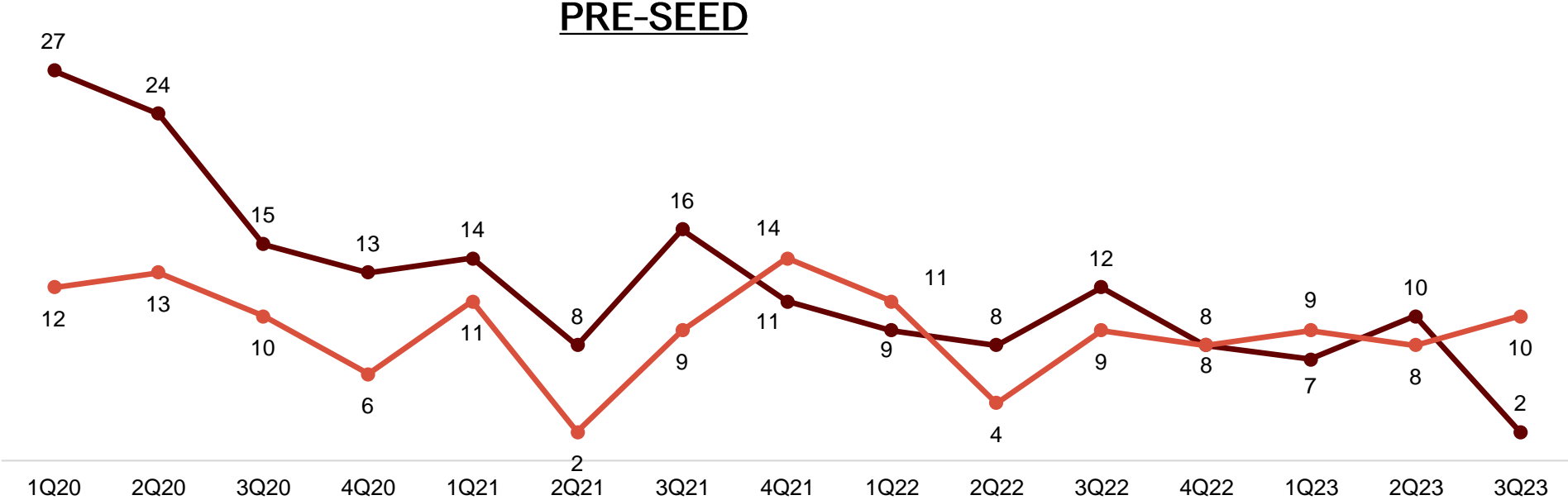
NUMBER OF DIVERSE FUNDRAISES BY ROUND



U.S. Diverse Fundraising Insights (cont.)

Black-founded fundraises saw a decrease at the pre-seed stage, while Latino-founded fundraises saw an increase

NUMBER OF BLACK & LATINO FUNDRAISES BY ROUND



Black % of Total	2.4%	2.7%	1.3%	1.3%	1.3%	0.9%	1.8%	1.1%	0.9%	1.0%	1.5%	1.0%	0.8%	1.2%	0.2%
Latino % of Total	1.1%	1.5%	0.9%	0.6%	1.0%	0.2%	1.0%	1.4%	1.1%	0.5%	1.2%	1.0%	1.0%	0.9%	1.2%

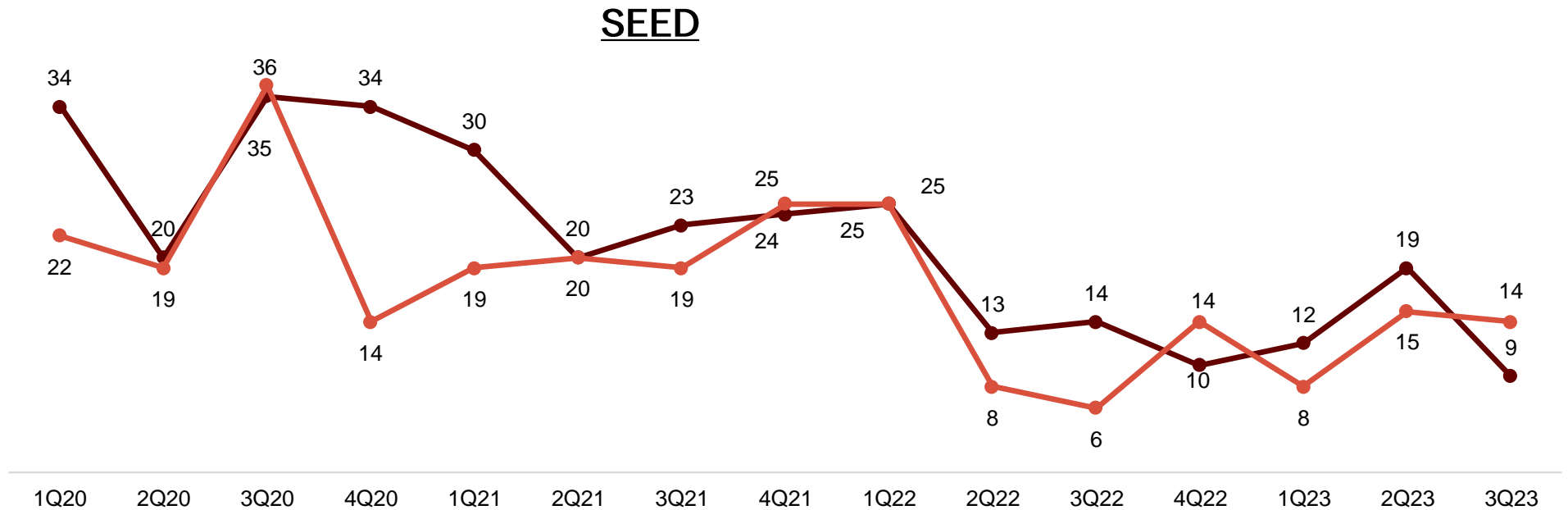


● Black ● Latino

U.S. Diverse Fundraising Insights (cont.)

Both Black- & Latino-founded fundraises saw a decrease at the seed stage

NUMBER OF BLACK & LATINO FUNDRAISES BY ROUND



<i>Black % of Total</i>	3.1%	2.2%	3.1%	3.5%	2.7%	2.1%	2.5%	2.3%	2.5%	1.6%	1.8%	1.2%	1.4%	2.2%	1.1%
<i>Latino % of Total</i>	2.0%	2.1%	3.2%	1.4%	1.7%	2.1%	2.1%	2.4%	2.5%	1.0%	0.8%	1.7%	0.9%	1.8%	1.6%

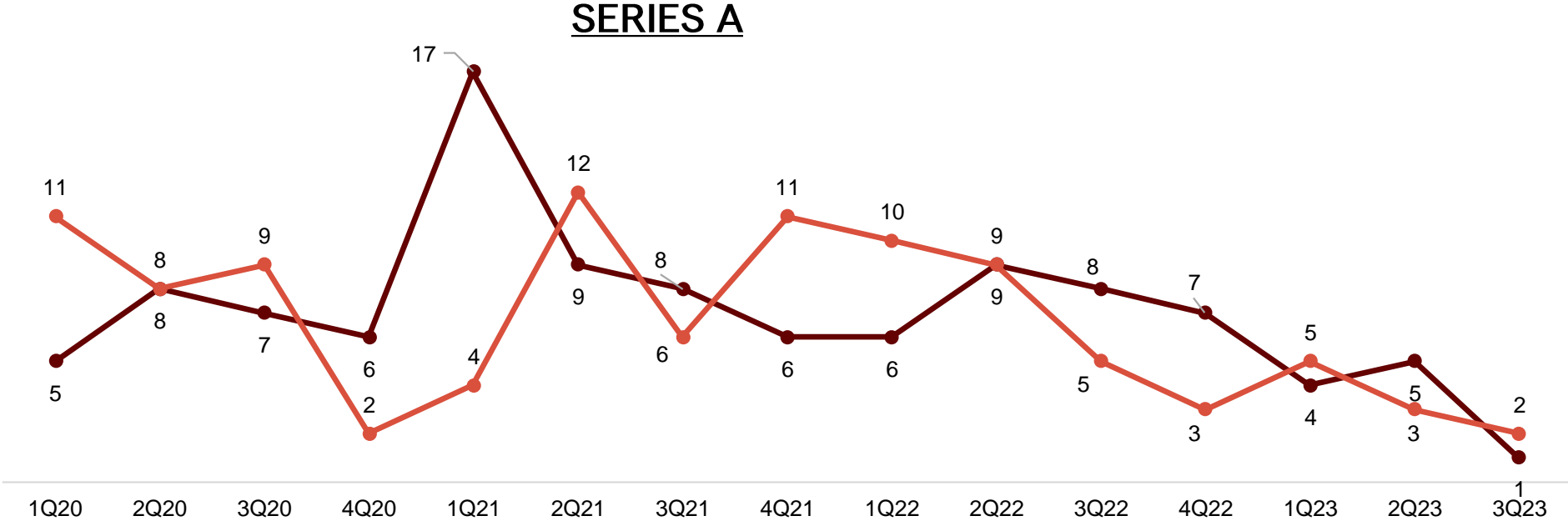
● Black ● Latino



U.S. Diverse Fundraising Insights (cont.)

Both Black- & Latino-founded fundraises saw a decrease at the Series A stage

NUMBER OF BLACK & LATINO FUNDRAISES BY ROUND



<i>Black % of Total</i>	1.3%	2.2%	2.0%	1.6%	3.7%	1.7%	1.7%	1.1%	1.2%	2.0%	2.2%	2.2%	1.3%	1.8%	0.4%
<i>Latino % of Total</i>	2.8%	2.2%	2.5%	0.5%	0.9%	2.3%	1.3%	2.1%	1.9%	2.0%	1.4%	0.9%	1.6%	1.1%	0.8%

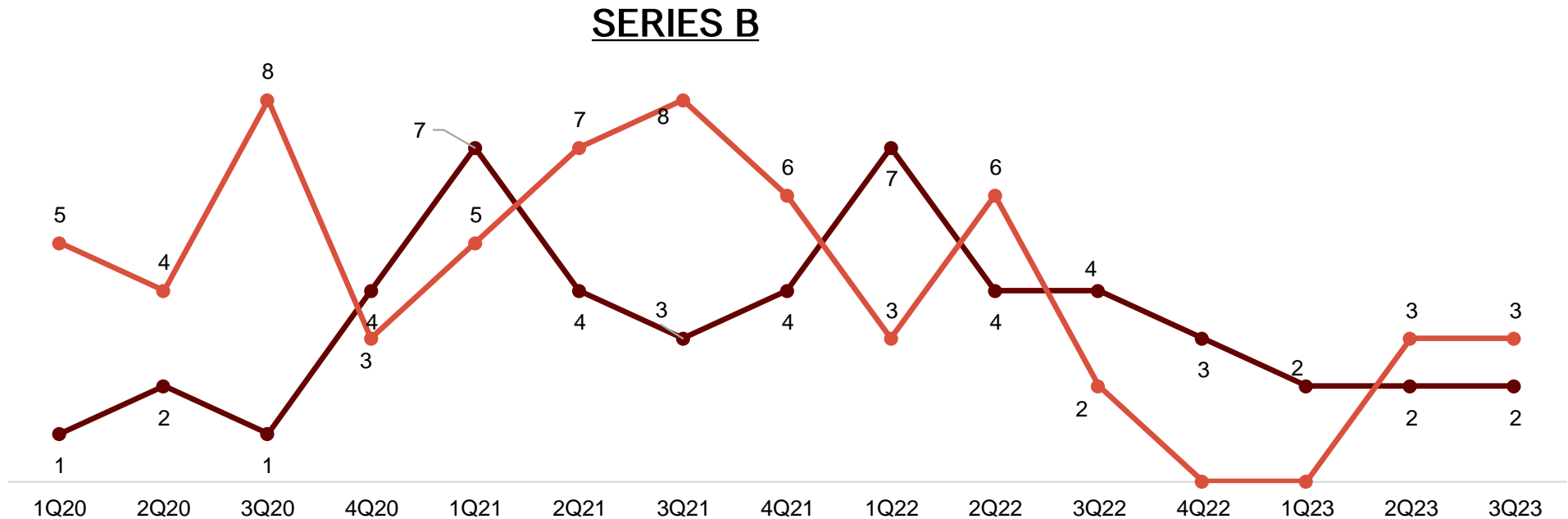
● Black ● Latino



U.S. Diverse Fundraising Insights (cont.)

Latino-founded fundraises saw an increase at the Series B stage, while Black-founded fundraises remained flat

NUMBER OF BLACK & LATINO FUNDRAISES BY ROUND



<i>Black % of Total</i>	0.5%	1.1%	0.6%	2.1%	2.8%	1.4%	1.0%	1.3%	2.4%	1.6%	2.3%	1.8%	1.5%	1.4%	1.5%
<i>Latino % of Total</i>	2.4%	2.1%	4.6%	1.6%	2.0%	2.4%	2.7%	1.9%	1.0%	2.3%	1.2%	0.0%	0.0%	2.2%	2.3%

● Black ● Latino

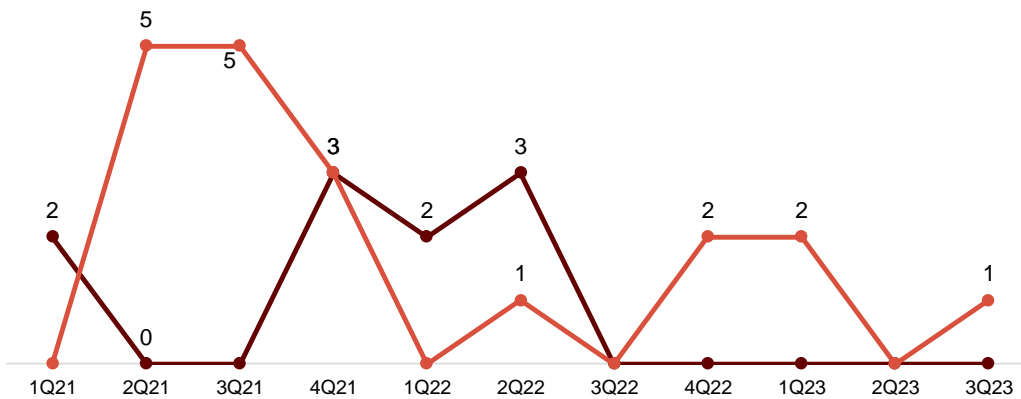


U.S. Diverse Fundraising Insights (cont.)

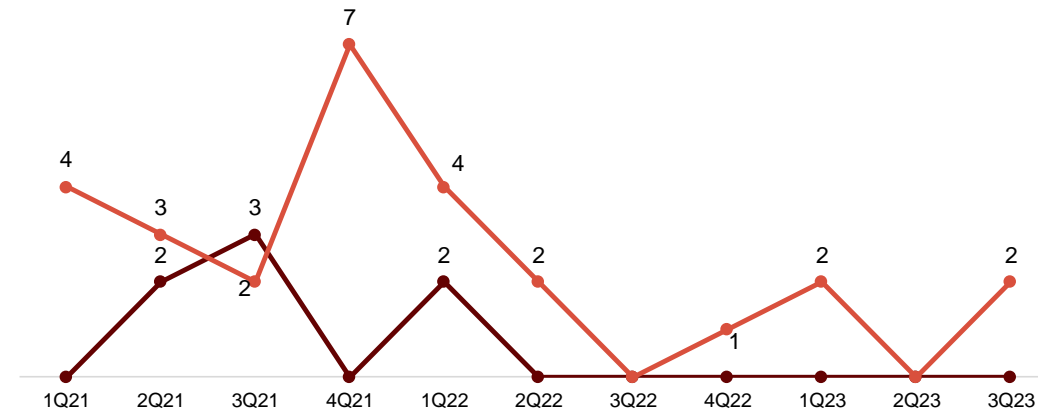
Latino-founded fundraises saw an increase at the Series C & D+ stages, while Black-founded fundraises remained flat at zero

NUMBER OF BLACK & LATINO FUNDRAISES BY ROUND

SERIES C



SERIES D+



Black % of Total	1.4%	0.0%	0.0%	2.2%	1.5%	3.1%	0.0%	0.0%	0.0%	0.0%	0.0%
Latino % of Total	0.0%	3.5%	3.3%	2.2%	0.0%	1.0%	0.0%	3.1%	3.9%	0.0%	2.1%

Black % of Total	0.0%	0.3%	0.4%	0.0%	0.2%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Latino % of Total	0.5%	0.4%	0.3%	0.9%	0.5%	0.3%	0.0%	0.2%	0.3%	0.0%	0.3%



Let's change the face of entrepreneurship, together.

[List of 3Q23 Diverse Fundraises](#)