

## From the Chairman

It is my pleasure to present the first edition of *EVPA NEWS*, the new quarterly EVPA newsletter. *EVPA NEWS* is targeted at members and those foundations, service providers, and other parties who are interested in developing venture philanthropy in Europe.

When the five founders of the EVPA began our initial discussions regarding an association roughly 15 months ago in Brussels, we had modest expectations. On 14th January 2004 we had our first organisational meeting in London, attended by 17 individuals. This resulted in a decision to proceed with the formation of the EVPA and the drafting of a three-year implementation plan.

I am pleased to say that the reception from all corners of the philanthropic world has been exceptionally positive. We have attracted formal endorsement from the European Venture Capital Association (900 member firms from 25 countries); secured founding sponsorship from 3i, Barclays Private Equity, KPMG; received an enthusiastic welcome from the European Foundation Centre, which we have joined as an Associate Member; and, last but not least, identified a large number of potential members for the EVPA throughout Europe, as evidenced by the attendance at our 1st December Conference in Amsterdam (see article below).

While we have begun with a very promising start, we are not naïve regarding the many challenges

ahead and the numerous tasks which must be completed in order to have a successful organisation. We have been very fortunate to attract some high-quality assistance in implementing our plans, of whom I particularly want to mention Rob John, Susan Mackenzie, Paola Grenier, Maggie Hill, and the *pro bono* legal support from SJ Berwin.

We are also looking for participation from other individuals and organisations interested in the promotion of venture philanthropy in Europe. Please contact us if you would like to learn more. Additionally, we welcome suggestions from readers regarding how this newsletter can be improved or ideas for future articles.

A membership organisation is only effective if its members are successful. Venture philanthropy is a relatively new concept in Europe, and each of our members has its own challenges. We look forward to working with all of our members, both individually and collectively, in the promotion and development of venture philanthropy in Europe.

*Doug Miller*

Mark your diary!  
EVPA 2005 Annual Conference  
15<sup>th</sup> June 2005 in central London

## EVPA is open for membership

The EVPA has received its charitable status in the UK and is open to both full and associate members. Benefits of membership are:

- Networking opportunities with other members throughout Europe.
- Learning opportunities through conferences, research projects, and working parties on issues in venture philanthropy.

For more information about membership, visit our website [www.evpa.eu.com](http://www.evpa.eu.com) or contact us at [info@evpa.eu.com](mailto:info@evpa.eu.com)

In future issues of *EVPA NEWS* we will feature profiles of our member organisations.

## First EVPA conference is well received

EVPA held its first networking conference on 1<sup>st</sup> December in Amsterdam hosted by Kempen & Co, attended by fifty six people from ten countries. The event featured several speakers as well as a panel discussion. Conference presenters were Loek van den Boog, founder of Net4Kids; Sevdalina Rukanova, International Affairs Co-ordinator for the European Foundation Centre; and Heiner Baumann, Chief Knowledge and Learning Officer for New Profit Inc. The panel discussed key issues raised by the audience, including charity investment criteria and performance indicators.

---

Panelists were David Gold, Peter Scholten, Pascal Vinarnic, Deirdre Mortell, Luciano Balbao, and Heiner Baumann.

During the conference, EVPA launched its first research initiative into the state of venture philanthropy in Europe (see separate article for further details), led by Paola Grenier and Rob John. Finally, Chairman Doug Miller wrapped up the day with the EVPA development plan and goals for 2005. These include the formation of several working parties that will target topical issues for venture philanthropists, such as social impact and performance assessment, corporate governance best practice, and funding and fundraising. More details on the working parties will follow in the next issue of *EVPA NEWS*.



Conference attendees with Chairman Doug Miller

---

### EVPA launches research into venture philanthropy in Europe

The EVPA has launched a research project to identify the opportunities and obstacles facing venture philanthropy in Europe. This work will

attempt to scope and understand European venture philanthropy as it is developing. The report, to be published for the 2005 EVPA Annual Conference in London on 15<sup>th</sup> June, is hoped to raise awareness of the role and contribution of venture philanthropy, as well as sharing experiences and practices. The report will also include an overview of the level and type of venture philanthropy in Europe, a selection of case studies, and analysis of the support, opportunities and obstacles that exist for the development of venture philanthropy in Europe.

EVPA welcomes any information, experiences or contacts that would contribute to the research. If you would like to know more about the project, please contact either Rob John ([rob.john@oba.co.uk](mailto:rob.john@oba.co.uk)) or Paula Grenier ([p.m.grenier@lse.ac.uk](mailto:p.m.grenier@lse.ac.uk))

---

### EVPA to present at EFC events

EVPA will present at two European Foundation Centre (EFC) events in 2005. First, EVPA will jointly chair a panel session at the EFC Annual Conference in Budapest, 4<sup>th</sup> - 6<sup>th</sup> June, which is expected to be attended by over 200 foundations from Europe and internationally. The panel, co-chaired by the EFC Social Investment Group, will cover social investment and venture philanthropy in Europe. Look out for more details in the next issue of *EVPA NEWS*. On 30<sup>th</sup> September, Rob John will lead a professional development seminar on venture philanthropy at an EFC Roundtable session in Brussels. EFC Roundtables are designed to promote good practice and to encourage one-to-one discussions with staff at different grant-making organisations. For more information, contact André Deridder at [efc@efc.be](mailto:efc@efc.be)

The EFC is a membership organisation that aims to “promote the work of foundations and corporate funders in Europe and the world”. The Social Investment Group, one of the EFC’s issue-focused funder networks, seeks to gain a better understanding of foundations’ needs, motivations, strategies and the added value they can provide in the area of social investment; and to develop knowledge and tools to support foundations’ work. For more information, visit [www.efc.be](http://www.efc.be)

---

### Report from Venture Philanthropy Summit Stanford University, 30 September 2004



This overwhelmingly North American event was an excellent networking opportunity for the handful of Europeans who attended (half the European delegates were representing EVPA!). The meeting brought together practitioners and researchers from across the US, with the Bay Area and the eastern seaboard well represented. There were also representatives from Japan and Australia.

In the opening goldfish bowl session ten practitioners gave their views on critical issues facing venture philanthropy today. Lee Davis of NESST counselled against the push for scale by reminding us that sometimes “small is beautiful”. There was an exploration of the practice of taking places on the boards of supported ventures. *Robin*

*Hood Foundation* felt that this complicated relationships and preferred an indirect approach to strengthening investee boards. *NewSchools Venture Fund* experimented with board places but later dropped the idea, and *REDF* had found that board places were “very messy”. Only *New Profit Inc* from Boston was strongly in favour of taking board places; indeed, Vanessa Kirsch told the conference her investees expected board representation.

There was a lively debate on how long it took for nonprofit investments to reach fiscal sustainability and how VP investors managed exit. Sterling Speirn from *Peninsula Community Foundation* was positive about the role of Government funding. He felt that VP was about showcasing high performance nonprofits: letting Government see the best models and then using public finance for growth and national replication. There was a call for publicising examples of ‘syndication deals’ in VP. Vanessa Kirsch said that she had experience with well aligned co-investors, although “individuals are more collaborative than Foundations”.

In the second session Jed Emerson interviewed Paul Brest of *Hewlett Foundation* and Peter Hero of the *Silicon Valley Community Foundation* on the intersection of traditional and venture philanthropy. Jed was typically forthright, suggesting that the ‘failure’ of traditional approaches has led to new ways of better supporting grantees; and that, while Foundations were full of innovations and innovative people, “many ought to lose their jobs”. Peter Hero recognised that VP was still evolving - “building the aeroplane as we fly it”. We were reminded that it was John D Rockefeller in 1969 who coined the phrase ‘venture philanthropy’ to describe his approach to seed-funding non-profits. Although VP

may later have been seen by some as a ‘Bay Area fad’ of the dot com boom, its origins go back to the heart of traditional philanthropy.

Much of the afternoon was given to break-out sessions on four topics - Donor/Investee Relations, Measurement & Evaluation, Exit Strategies and Creating Systems Change. Delegates were faced with the impossible task of choosing just one topic. Donor/Investee Relations was an honest and enlightening look at the way social entrepreneurs work with venture philanthropists. JB Schramm (founder of *College Summit*) and Vanessa Kirsch (founder of *New Profit Inc*) explored what makes their relationship tick. *College Summit*’s mission is to get 200,000 young people from poor backgrounds into college and end poverty in the family line. *New Profit Inc* was founded to scale up high-potential nonprofits in the educational sector, working with *Monitor Company*, a management consultancy that provides *pro bono* support. The relationship took a long time to blossom - three years pre-engagement with an unplanned investor team change in the middle of business planning. *College Summit* realised that the team lacked the exact skills needed and was bold enough to ask for a change. *New Profit* took much longer than expected to raise sufficient capital, and this strained the relationship. That said, the partnership is now excellent and *College Summit* is flying off the blocks.

The closing sessions reflected on the day and expressed hope that any future summit would enjoy more participants from outside the US. From an EVPA perspective, we were well received; both by US venture philanthropy groups, who readily shared their experiences with us, and US foundations, who were interested in our future plans.

by Rob John

## Skoll Centre for Social Entrepreneurship seeks to create global forum

Oxford University’s Saïd Business School has created a new resource centre for social entrepreneurship with the formation in November 2003 of the Skoll Centre for Social Entrepreneurship. The Centre aims to provide a global forum for debate, to become a leading international research and resource centre, and to bring new people to the field through the first MBA programme in Europe that integrates social entrepreneurship learning into its core curriculum.

According to Director Rowena Young, the Skoll Centre seeks to “mainstream social entrepreneurship into the business community”. For example, the Centre will address financing, a key issue for social entrepreneurs, through its forum of social entrepreneurs and investors and through bespoke training courses.

### How EVPA members can engage with the Skoll Centre Network

- **Join** the Centre’s network of social entrepreneurs and investors. **Attend** the World Forum, to be held 30 Mar-1 Apr 2005 at Oxford.
- **Sponsor projects**: Propose investee organisations for MBA consulting projects. Students consider project proposals in March 2005 for work commencing in July.
- **Initiate research**: Propose or sponsor academic research in social entrepreneurship.
- **Recommend scholars**: MBA Skoll scholars receive a full cost stipend covering tuition and fees to pursue social ventures.

---

Social enterprises need a range of finance options to grow to scale, as financing needs differ between organisations, as well as within the same organisation over time. The Centre hopes to, through its network, encourage more joint funding of and sharing of risk in social investment. The EVPA, she noted, “can help lead and influence a wider range of financiers of social entrepreneurs.” For more information, contact the Skoll Centre: [www.sbs.ox.ac.uk/html/faculty\\_skoll\\_main.asp](http://www.sbs.ox.ac.uk/html/faculty_skoll_main.asp)

---

### New Philanthropy Capital appoints new chief executive

New Philanthropy Capital (NPC) has named Nigel Harris as its new chief executive. Since joining NPC in 2002, Nigel has been involved in research, marketing and sales strategy, and most recently was Head of Advisory, where he worked with both funders and charities. Prior to joining NPC, Nigel was a consultant to Tearfund, an international relief and development fund, and previously worked as an investment banker at Schroders for twelve years.

NPC, which was established to both create new sources of funding for the charitable sector and to improve the effectiveness of funding, is entering a new phase as the organisation expands its network of charities, donors and funders. Nigel succeeds Bernard Mercer, who stepped down to pursue environmental issues. Bernard is also an Editorial Board member of the *PhilanthropyUK Newsletter*.

Reports recently published by NPC include:

- *Side by side - Young people in divided communities*: Researches ways that voluntary organisations are working to help develop

successful, vibrant and conflict-free multicultural neighbourhoods.

- *The hidden assassin - Cancer in the UK*: Researches the opportunities for philanthropy within cancer research, treatment, palliative care and support.
- *Local action changing lives - Community organisations tackling poverty and social exclusion*: Analyses the way community organisations are tackling deprivation in the UK.

For more information, contact NPC at 0207 401 8080, or visit [www.philanthropycapital.org](http://www.philanthropycapital.org)

---

### NEWS IN BRIEF

---

**EVPA member featured in the *Guardian***: In the 10<sup>th</sup> November issue of the *Guardian*, a UK quality daily newspaper, Judith Brodie, chief executive of London-based Impetus Trust, discussed Impetus’ venture philanthropy model and its first investment, a UK charity supporting people with learning disabilities. The article can be viewed at:

<http://society.guardian.co.uk/conferences/caf/story/0,10589,1346975,00.html>

---

**King Baudouin Foundation launches new online giving tool**: The Foundation, based in Brussels, has launched a new cross-border, online giving tool, [www.givingineurope.org](http://www.givingineurope.org), for European donors and charities. This interactive databank provides information for donors, intermediaries and beneficiaries on the legal and fiscal aspects involved in cross-border giving, taking into account the home country of donor and beneficiary, as well as the country where the assets are located.

For more information, please contact Ludwig Forrest at [forrest.l@kbs-frb.be](mailto:forrest.l@kbs-frb.be) or visit [www.givingineurope.org](http://www.givingineurope.org)

---

**NYU Stern Launches Business School Venture Philanthropy Fund**: In April 2004 New York University Stern School of Business launched The Stewart Satter Program in Social Entrepreneurship, a multi-faceted initiative. The Stewart Satter Social Entrepreneurship Fund is a venture philanthropy fund that will evaluate project proposals based on their measurable return on investment, both financial and social. The fund will also support academic research, as well as provide start-up assistance to promising Stern-affiliated social entrepreneurs. An Advisory Board comprising practitioners and faculty will award grants annually to support new projects. For more information, visit <http://w4.stern.nyu.edu/berkley>

---

**Market Intelligence Unit for Social Enterprises seeks investors**: Social Firms UK (SFUK) and the Development Trusts Association (DTA) are planning to set up the first market intelligence unit for social enterprises in the UK, and are seeking investors and partners to participate in the initiative. The unit aims to provide a resource for social enterprises to identify new business opportunities, to analyse the feasibility of business ideas against market and industry trends, and to facilitate exchange and networking with inventors and innovation agents. For further information, please contact [gerold.schwarz@sepgb.co.uk](mailto:gerold.schwarz@sepgb.co.uk)

---

**Executive Program in Philanthropy at Stanford Graduate School of Business, California, 31 July - 5 August 2005**. The programme is designed to

---

develop the “leadership capabilities of foundation executives while providing strategic frameworks to improve grant-making effectiveness and foster social innovation.” For more information, visit [www.gsb.stanford.edu/exed](http://www.gsb.stanford.edu/exed)

---

## RECOMMENDED RESOURCES

---

**Alliance Extra**, a newly revamped, free online newsletter, is a useful source of news and developments in philanthropy and grant-making. It is the new online resource for the journal Alliance (“for information and ideas about philanthropy and social investment across the world”) and published simultaneously with the print edition. Alliance Extra contains resource materials, supplementary material relating to items in the print magazine,

and “some other articles we simply didn’t have room for in the magazine.” For more information, visit [www.allavida.org/alliance/allianceextra.html](http://www.allavida.org/alliance/allianceextra.html)

**Stanford Social Innovation Review**, published quarterly by the Stanford Graduate School of Business, aims to “present the best ideas in non-profit management, philanthropy and corporate citizenship...find out what works and what doesn’t...and how to strengthen your social impact.” For details and a sample copy, visit [www.ssireview.com](http://www.ssireview.com)

**High-Engagement Philanthropy**: A new report, jointly produced by Venture Philanthropy Partners and Community Wealth Ventures, takes an in-depth look at how some high-engagement philanthropists and non-profit leaders are tackling the capacity challenges faced by organisations and

raises some provocative questions about the way the non-profit sector is funded and supported. The report can be viewed at [www.vppartners.org/report2004.html](http://www.vppartners.org/report2004.html)

---

**EVPA NEWS** will appear quarterly. If you have comments or article suggestions, please contact Susan Mackenzie, *EVPA NEWS* Editor, at [susan@susanmackenzie.com](mailto:susan@susanmackenzie.com)

The European Venture Philanthropy Association is registered in the UK as a Charity, Registration No. 1105785