

# Interview with a Capital Provider: Bonny Moellenbrock, SJF



Bonny Moellenbrock is the Executive Director of SJF Advisory Services (SJFAS), a nonprofit organization that provides assistance to and increases access to capital for entrepreneurial businesses, in order to expand their positive community economic development and environmental outcomes. SJFAS is an important partner of Green For All's Capital Access Program.

Ms. Moellenbrock has a great deal of entrepreneurial, venture capital, sustainable business, and nonprofit management experience. In her role at SJFAS, she provides strategic leadership; plans and manages SJFAS' technical assistance programs, services, and events; and develops the organization's resources and partnerships. As a result, she has had tremendous exposure to the growth of green business in the U.S., and certainly has plenty of helpful insights into entrepreneurship in the green economy.

## **What are some of the most common mistakes that you see green entrepreneurs make?**

Believing the environmental innovation, benefit or service will sell itself, or that their enthusiasm and passion for the environmental mission alone is enough to attract customers. Many spend too much time on the environmental technology or problem, overlooking the fact that the product or service will simply not sell unless it meets a customer need and makes financial sense.

Similarly, with entrepreneurs who are trying to raise financial capital for their business, their investor "pitch" often spends too much time on the environmental benefits or exciting technology, and not enough time on the business model, markets and road to sustainable revenue and profits.

## **What are some of the biggest problems facing small green entrepreneurs today, and how would you suggest they overcome those problems?**

A lot of our assistance work focuses around financing, so we are very aware of the difficulty green entrepreneurs – and all entrepreneurs – are having accessing credit for their businesses. In such circumstances, focusing on business fundamentals – operating as efficiently as possible, carefully managing cash – is critical. These challenges can create business discipline, and even creative new business ideas, that will benefit the company over the long run. And companies that survive such challenging times tend to be very well-positioned when the economy improves.

## **What are some of the most exciting trends you're seeing in entrepreneurship that may have an impact on the green-collar economy, especially within low-income communities?**

I think the accelerating adoption of green building technology and the growth of energy-efficiency

programs are increasing the opportunities for green entrepreneurs in these communities. At another level, there is increasing interest in social entrepreneurship – from business schools to investors – and business innovations that address the needs of our communities. Efforts to build the infrastructure of the social entrepreneurship and ‘impact investing’ sectors, and to increase the availability of capital to positive impact enterprises, will together help the growth of the green-collar economy over the long term.

**How has the small business credit crunch affected SJFAS, particularly over the past 12-18 months? Are you seeing more people turn to organizations like yours for assistance?**

Definitely. We’ve have seen quite an increase in green companies looking for capital and resources. Fortunately, our grant support has been growing as the interest in the green economy has grown.

**Is there an archetype for the companies that SJFAS is assisting, in terms of management, geography, age, revenue, or sector? How are companies selected to receive help?**

Our focus is on the “green gazelles” – the growth-oriented private companies that the SBA refers to as “high impact firms” that drive our economy’s employment and revenue growth. Companies often call looking for financial capital, and we assist those who may not be a good match for our affiliated venture fund, but can benefit from additional feedback and referrals. We target our assistance to companies in underserved areas.

**How often do the companies SJFAS assists receive capital from SJF’s fund? From other sources?**

We assist over 250 companies per year, but SJF Ventures only invests in four companies, on average, per year.

**Tell us about the Cleantech Mentorship Program. How are companies selected to participate in that Program? Do you anticipate that graduates of this program may obtain financing from the fund?**

We are very excited about the ten entrepreneurs recently selected to participate in our inaugural Cleantech Mentorship Program. Companies were selected based on the viability and growth potential of their business model, market size and need for their product or service, experience of the entrepreneur and/or management team, and ability to benefit from the program. Our goal is to accelerate their growth through the program content, mentorship relationship, and networking opportunities. The program itself is not a specific road to financing from SJF Ventures, but we certainly aim to enhance their ability to raise growth capital in general.

**Can you describe a success story? What ultimately defines success for SJFAS?**

Our vision is “thriving, socially responsible, market-building, environmentally responsible businesses that contribute to the alleviation of poverty, restoration of our ecosystem and creation of meaningful economic opportunities for all citizens.” groSolar is an example of a company we assisted that is doing just that. We provided technical assistance to the company prior to investment by SJF Ventures, then after investment helped the company implement a broad-based stock option plan, so that all employees, including entry-level employees, would benefit upon exit. The company now has over 150 employees with great benefits and workplace culture, and is one of the nation’s largest solar integration firms. And they recently partnered with 1 Block Off the Grid (1BOG) to provide on-the job training opportunities for Solar Richmond green-collar job training graduates.

**What area of SJFAS's work makes you the most proud?**

In addition to providing assistance, we work to “convene and connect” all the different players that must work together to create a greener economy – entrepreneurs, investors, economic developers,

2/5/2010

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**community leaders. This is a challenging, yet critical role, so I'm particularly proud of our convenings, such as the SJF Summit on the New Green Economy, that bring a diverse crowd together and generate new partnerships and ideas. I also think this is the most fun!**