

# **More for Mission: The Campaign for Mission Investing**

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# What is Mission Investing?


*Seeking opportunities to align a foundation's financial investments with the mission of the organization, while maintaining long-term targeted financial returns.*

Comes in various labels:

- Program Related Investments (PRIs)
- Mission Related Investments (MRIs)
- Sustainable Screens on Public Equities
- Shareholder Advocacy



## Mission Investing Opportunities

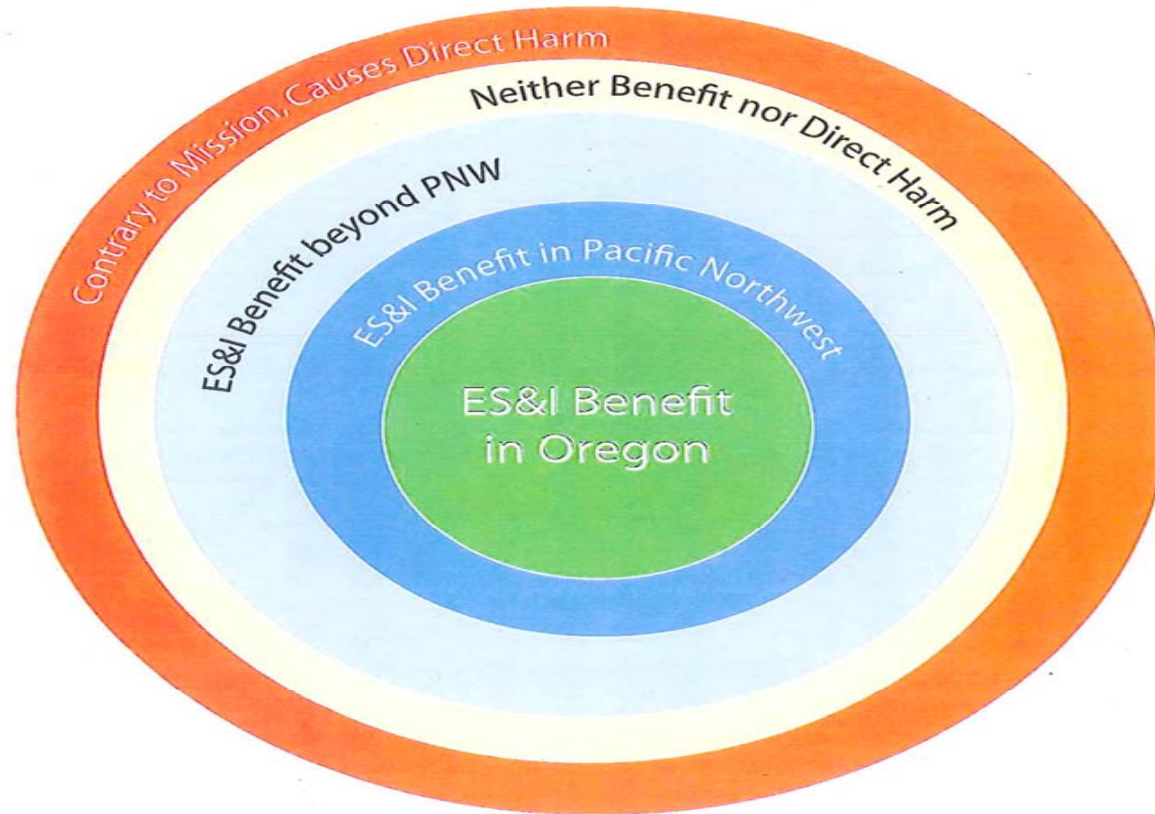
- **Below-market PRIs:** can support activities such as affordable housing, enterprise development, child care/community facilities, and land conservation.
  - **Guarantees:** can enhance access to capital by lowering the actual or perceived risk of lending by conventional lenders.
  - **Market-rate investments:** deposits in community development financial institutions, fixed-income community development bond funds, US-Global emerging equity funds, sustainable screens on public equities, private equity investments in funds producing a financial, social, and environmental return.
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# Mission Investing at MMT

- 1984 - Ad-hoc PRIs
- 1993 - MMT first MRI-VC investing in sustainable companies in Pacific Northwest
- 2002 - Reviewed Trust mission and all programs...including investment strategy
- 2002 - Launched PRI program
- 2005 - Set on course to increase impact through MRIs
- 2007 - Trustees commit to developing comprehensive MRI plan --- Co-launched More for Mission Campaign & engagement of Cambridge Investment Advisors MRI team
- FY 2008 - 7.5% of total assets = MRIs

**MMT's Mission-Related Market Rate  
Investment Strategy**  
"Maximizing Impact"



E = Environmental S = Social I = Economic Impact



## Cash: an easy point of first entry

- Meyer Memorial Trust invested \$1 million in certificates of deposit through a CDARS (Certificate of Deposit Account Registry Service) program using Albina Community Bank in Portland.
- The program provides more deposits to Albina, which in turn allows this local bank to provide more capital in our own community while providing appropriate safety for our deposits.



## Mission Investing in Practice at MMT

- Nth Power, "cleantech" VC
- Endeavour, a buyout firm investing in regional middle market companies
- OVP, VC investing in life sciences and internet sectors
- Voyager, a VC investing in digital media and wireless technology



## Goals of Venture Capital Mission Investments at MMT

### Financial Return:

- Obtain market rate returns within a 10-to-12-year time horizon  
As of year-end 2008 returns on exited investments were 19.9%

### Economic and Social Impact:

- Keep companies in the Pacific Northwest
- Help create new companies in growth business areas that improve the economic social & economic vitality of the region





# Barriers to Mission Investing

- Board risk aversion, perception of fiduciary duty, no guiding mission investing policy
- Traditional view that foundation seeks to outperform market with 95% and create high impact through grants
- Investment Team and Program Team working in silos
- Gatekeepers' unfamiliarity with investment intermediaries and concept of mission investing
- Lack of robust manager selection





## Goals of the More for Mission Campaign

- The five year goal is to generate an increase in investments totaling 2% of foundation endowments—approximately \$10 billion in new commitments to mission investing.
- Create a network of foundations committed to advancing mission investing. As of June 2009, 40 foundation CEOs have signed on to the Campaign representing approximately \$27 billion in assets.
- Foster a robust mission investment environment.