University of Michigan Ross School of Business Student-led Social Venture Fund Invests in Mytonomy

Student-led fund participates in seed funding for high-growth edtech start up

Ann Arbor, Mich. – April 17, 2013 – The Samuel Zell & Robert H. Lurie Institute for Entrepreneurial Studies at the University of Michigan’s Stephen M. Ross School of Business today announced that its Social Venture Fund, the nation’s first student-led impact investing fund, has participated in a seed stage round of financing in Mytonomy, Inc., a video storytelling platform for college and career advising. The Fund joined lead investor NewSchools Venture Fund and Kapor Capital in the deal. This marks the student-led fund’s third investment and second in the education sector.

The Social Venture Fund makes early-stage investments of up to $100,000 in sustainable, innovative, for-profit organizations that deliver financial returns and place the generation of a significant social impact at the heart of their mission. It is managed by Gautam Kaul, Professor of Finance at the Ross School of Business and by 42 students who have wide-ranging experience in fields that include technology, investment and education. To date, the Social Venture Fund is the only university impact investing fund with active investments. Along with the Wolverine Venture Fund and Frankel Commercialization Fund, the Social Venture Fund completes the Ross’ trifecta of student-led venture funds, managed by the Zell Lurie Institute and which effectively immerses students in experiencing all aspects of venture capital investing.

A team of eight students led by Aamer Ali, MBA ’14, and Dan Rosen, MBA ’14, sourced the deal and conducted in-depth due diligence on the company. “Mytonomy addresses a key need in the education market and has social impact embedded into its business model, making it an ideal company for the Social Venture Fund to consider,” said Rosen. “In analyzing the opportunity more closely, we were impressed with Mytonomy’s initial traction and customer satisfaction, as well as the notable team, advisors and other investors. We are pleased to participate in this round with well-established players and deepen the Fund’s portfolio of promising edtech startups.”

Mytonomy aims to address the disparity in high school guidance counseling services through a video-based social network, with a special focus on First Generation college students and students studying STEM (Science, Technology, Engineering and Math) fields. With an average caseload of 470:1, college guidance counselors are stretched beyond optimal capacity. Mytonomy helps bridge gaps in capacity by delivering complementary “video support” at scale and at low cost. The company’s video library, which already contains more than 2600 testimonials in both English and Spanish, enables high school and college students to watch videos from near-peers, getting advice on topics related to succeeding in high school, the college application process, and specific colleges, majors, and careers, all with their always-free student accounts.

In addition to the financial investment from the Social Venture Fund, Mytonomy will engage directly with the Fund and Ross on capacity building initiatives, such as high-impact consulting projects, research on the efficacy of its intervention, or development of curriculum related to STEM careers. The Fund will also have the option to participate in future rounds.

“We are pleased to partner with a respected roster of investors to deliver much-needed college knowledge, and to expose students to the careers of the future, especially those communities that are under-represented in the tech industry,” said Vinay Bhargava, Mytonomy CEO and co-founder. “We’re particularly excited to engage directly with the Social Venture Fund to tap Ross’ cross-disciplinary business students as well as those from the School of Education and College of Engineering to further our mission.”

About the Samuel Zell & Robert H. Lurie Institute for Entrepreneurial Studies
The Institute and its Center for Venture Capital and Private Equity Finance, at the University of Michigan Stephen M. Ross School of Business, bring together a potent mix of knowledge, experience and opportunities from the front lines of entrepreneurship and alternative investments. The student learning
experience is further enhanced through internships, entrepreneurial clubs and events that serve to provide viable networks and engage the business community. The School’s three student-led investment funds, with over $6.5M under management, immerse students in the business assessment and investment process. Founding Board Members include Samuel Zell, Chairman of Equity Group Investments, and Eugene Applebaum, Founder of Arbor Drugs, Inc. For more information, visit the Institute at www.zli.bus.umich.edu.

About Ross
The Stephen M. Ross School of Business at the University of Michigan is a vibrant and distinctive learning community grounded in the principle that business can be an extraordinary vehicle for positive change in today’s dynamic global economy. At the Ross School of Business, our mission is to develop leaders who make a positive difference in the world. Through thought and action, members of the Ross community drive change and innovation that improves business and society.

The Ross School is consistently ranked among the world’s leading business schools. Academic degree programs include the Full-time MBA, Part-time MBA (Evening and Weekend formats), Executive MBA, Global MBA, Master of Accounting, Master of Supply Chain Management, Master of Entrepreneurship, BBA, and PhD. In addition, the school delivers non-degree, open-enrollment and custom executive education programs targeting general management, leadership development, and strategic human resource management.

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