

Testimony before the U.S. House Financial Services Committee
Subcommittee on Investor Protection, Entrepreneurship and Capital Markets

**“Empowering Entrepreneurs: Removing Barriers to Capital Access for Small
Businesses”**

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Chairman Wagner, Ranking Member Sherman, Ranking Member Waters, and members of the Subcommittee, thank you for the opportunity to appear here today.

My name is Deborah Gladney and I'm the CEO and co-founder of Worktorch - a career platform for service workers based in the heartland of Wichita, Kansas. I'm honored to be here today with my sister and cofounder Angela Muhwezi-Hall and be present for such a critical agenda that impacts entrepreneurs like us from across the country.

When we started our company at the peak of the pandemic, we had no idea our company would take us to the places we've been, help the people we have helped or allow us to see the things we have seen. Things such as the extreme disparities in access to resources and capital amongst entrepreneurs.

Last year, startups with all-women founding teams like ours received just 1.9% of all venture dollars. And for black founders, we received just a mere 1%.

As if the odds aren't stacked up against us enough - 75% of all venture capital investments go to just three metro areas. And I can promise you, Wichita isn't one of them.

According to the data - my sister and I - as black women founders in Kansas, should not be here in front of you today.

What made the difference you may ask?

We had our first example of hard work from our parents. They came to this country from Uganda and worked hard to obtain their doctorate degrees all while raising their five children with no support or generational infrastructure built in this country. They were our first example of what it means to be an entrepreneur - to build something out of nothing. To be scrappy and resilient, even if you're told no 100 times a day. To take risks, even if it means leaving what feels comfortable, for the chance at building something big.

Even if it means me walking away from a six-figure salary while 8 months pregnant to build Worktorch. Even if it means my sister leaving an esteemed university in beautiful L.A. to live in

my basement with her husband as we built our company. We did it because we knew building Worktorch not only had the power to change our lives, but the lives of service workers and their families. Everyday, our company helps people find fulfillment in life while being rewarded for what they do.

But without our parents' example, I don't think my sister and I would have made it this far.

When we started Worktorch - we had no connections, or friends and family we could lean on for capital. We cold pitched 379 investors. And received 379 no's. We had to pull money from our own 401Ks to build our product. But with our little money, we created a platform that garnered over 1,000 users in the first few weeks without receiving a dollar from anyone else.

The scrappiness our parents taught us is what got us to the point of eventually becoming the first black women in Kansas to raise over \$1M in venture funding. But we also came to the table with twice as much - often to get twice as less.

It's also hard for us to be proud of the fact that in 2023, we are still seeing a lot of firsts for minority and rural entrepreneurs. Access to capital is literally stunting the ability for many businesses like ours to grow.

And this is why today's proposed bills are so important.

Wouldn't it be great if more people who looked like me could invest in people who look like me? As a nation, we know the benefits of encouraging entrepreneurship across backgrounds: we create jobs, spark innovation and allow America to maintain its position as the most competitive nation on the planet.

It's in our nation's best interest to foster more firsts like my sister and I, and create more seconds, thirds, fourths and beyond... to where we won't even have to count anymore.

It's my hope you'll be on the right side of entrepreneurial history today. Thank you and I look forward to your questions.