Haas Impact Investing Network creates a “Spark” at Wharton Competition

By Bari Wien, MBA ’15

Last week, Leigh Madeira (MBA ’15) and I traveled to Wharton on behalf of the Energy & Environment team of the Haas Impact Investing Network (HIIN) to present an investment opportunity in a nationwide MBA Impact Investing challenge. Team members Danielle Reed, Leo Moraes, and Megan Bradfield (all MBA ’15) were crucial in our preparations and supported us in spirit from exotic locations all over the world. After months of diligence on our favorite startup in the Energy & Environment space, we presented Spark: a company committed to helping organizations become more energy efficient through an innovative community investment model.

The competition was hosted by Bridges Ventures, a UK-based Impact Investing firm, who is sponsoring an MBA Impact Investing Network & Training (MIINT) program in the US. Now in its second year, there are currently 10 business schools in the network. Bridges and MIINT provided formal training over a six month period on social impact investing with such topics as deal sourcing, due diligence, valuation, and structuring deals. The schools put their training into action by analyzing early stage impactful companies and making investment recommendations. For the competition at Wharton in March, each school sent one team to present their top investment opportunity to a panel of impact investors who assessed the company on both impact and financial terms. The winning team earned a $50,000 investment in the company on behalf of Bridges.

Led by MBA ’14s Tammy Guo and Maya Tobias, Haas formed three teams internally to focus on different areas of social impact: Energy & Environment, Healthcare, and Education. The three teams worked separately to find, research, and analyze early stage companies. Our experience involved speaking with entrepreneurs, incubators, and other investors; researching markets and industry trends, projecting financials, and valuing early stage companies. It was a unique opportunity to engage in the entire investing process from start to finish with real world companies! In February, we held an internal competition to choose the team that would go to Wharton. A panel of Haas faculty and alumni in the impact investing space simulated an investment committee and assessed the companies presented. After much debate, they chose Spark of the Energy & Environment team to move to the next round.

At Wharton, Spark was well-received for democratizing finance through crowdfunding to supply affordable capital for small and medium energy efficiency projects. The judges noted ours as “best presentation!” While we didn’t take home the top prize, we were lucky enough to learn about the winning investment opportunity from Kellogg: Jail Education Systems (JES), which is pioneering a tablet-based education system for inmates to reduce recidivism. We were impressed by their impact potential and look forward to following their progress, especially with their new $50,000 investment from Bridges.

All in all it was a successful weekend in chilly Philly, where we learned firsthand how impact investors think about investments along both impact and financial lines, schmoozed with 12 impact investor judges and ~40 MBAs from across the country, and gained great exposure for Spark. We were pleased and proud to represent Haas at such an exciting event!