One of One

An Interview with Amy Wildstein, Founder & Managing Partner, Suttona Capital


Amy Wildstein

EDITORS' NOTE *Amy Wildstein is Founder and Managing Partner of Suttona Capital, a spin-out fund of Springboard Growth Capital. She launched Suttona Capital in early 2021, leveraging her 25-year career in private equity. Wildstein started her career at the Blackstone Group, working on principal investments and M&A. Subsequently, she joined Morgan Stanley Capital Partners where she evaluated and structured investments for the firm's then $2-billion investment fund, focusing on buyouts and growth equity investments across a range of industries, including consumer, media, and healthcare. She was a founder of Solera Capital, a private equity fund with an all woman team, and Boldcap Ventures, an investment club comprised of all-women investors. Wildstein serves on the boards or in advisory roles for Hint, Fleur du Mal, Havenly, Atlas Crest Investment Corp. V, the Ross School Advisory Board, the Michigan Social Venture Fund, the Springboard Enterprises National Advisory Board, and the New York Fashion Tech Lab Expert Network.*

FIRM BRIEF *Suttona Capital (suttona.com) is the first female-led and female-focused growth equity investor undertaking growth stage funding and true partnership for female leaders of mission-focused and consumer-facing companies. Suttona utilizes a flexible fundraising approach and unique fundless model to invest in high-growth companies with market leadership potential and ESG-friendly business practices. Through initial investments in Series B to Series E rounds, Suttona serves as a strategic partner for its portfolio companies, providing active, valuable support to advance their missions, elevate women leaders, and build iconic brands. Suttona builds on the work of Springboard Growth Capital, co-founded by Amy Wildstein and Kay Koplovitz in 2016,*

What was your vision for creating Suttona Capital?

Our vision was to create and scale an investment business focused on female-founded consumer brands at the growth equity stage. We started out with a tagline that we were "one of one," as the only female-led and female-focused growth equity investor backing consumer brands, and while initially our compliance team told us we could not use this tagline, after doing market research they came back and said they could not find another firm with this focus, and we could use it.

Companies founded by at least one woman have 63 percent better performance than investments with all-male cofounders, yet they receive only 16 percent of venture capital funding. Despite the rise in chatter highlighting the growth potential and financial returns to be made in funding women-led businesses, raising dedicated capital remains a significant barrier to entry for investment funds committed to supporting female founders. To date, there has not been a single billion-dollar fund with a dedicated strategy to back diverse managers. The absence of well-capitalized funds has led to a glaring void in funding for women-led businesses at the growth stages, particularly for rounds of $25 million or more.

While we can't claim to have invented the independent sponsor model, we have adapted it in a way that allows us to overcome inherent structural barriers and take a true leadership role in the funding and support of female-led companies. Our model resolves the usual limitations of smaller women-focused funds while allowing us to leverage our collective operating and investment expertise, expansive networks, and proprietary deal flow. We are unencumbered by an arithmetic check size, and perhaps most importantly, we are defying the conventional wisdom that an independent sponsor model won't scale. In fact, our unique model is the very reason we're able to scale in a way that hasn't yet been done.

I am hopeful that the continued strong performance of women-led businesses and firms like ours will accelerate larger capital raises by brand name firms and new entrants alike.

How do you describe Suttona Capital's mission and purpose?

We invest in consumer brands that we believe will benefit from sponsorship by a female-focused fund. Female founders and executives want more women investors – not just on their cap tables, but as active and engaged strategic partners. Suttona provides growth-stage funding and true partnership to support female leaders.

We recently became certified as "Women-owned" by the Women's Business Enterprise National Council. This allows us to count toward the required 51 percent ownership and control provisions for companies we invest in to help them to qualify and/or to maintain their certification. Typically, companies would lose this designation after raising any meaningful

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institutional capital that would inevitably dilute the founders’ ownership. We don’t know of another growth fund that is certified as “Women-owned” and able to play a similar role.

What have been the keys to Suttona Capital’s growth and leadership, and how do you define the Suttona difference?

All of Suttona’s investments to date are female-founded, but technically we require that the company has a woman in a key role in the C-suite, with an equity stake that is commensurate with her position. We do not see this as a limiting factor, but rather an advantage, core to our differentiated brand and positioning in the market. We are focused on the consumer category, where women in senior management tend to be over-indexed, and where the customer base is often largely female.

Our fundless model overcomes structural barriers, notably a dearth of historical returns data to support investing exclusively in female-founded companies. There is no doubt that a rising tide lifts all boats, and we hope that we can inspire a new generation of funds with diversity mandates to follow our lead.

For each investment we create a separate fund, allowing our Limited Partners (LPs) to opt in or out of a particular deal, while providing them with a high degree of visibility and control in their investments.

Fortunately, we have received the backing of an ever-expanding LP base, and participation has included traditional institutions, family offices, and high-net-worth investors. Our strategy is serving us well. Since our launch in the spring of 2016, we’ve invested in 19 financings, ranging from Series B to Series H, with the majority of rounds sized at over $25 million.

Will you provide an overview of Suttona Capital’s strategy and portfolio?

Our focus is on female-founded companies in the consumer sector; consumer spending represents over two thirds of GDP. More than 85 percent of consumer purchase decisions are made or influenced by women, and the purchasing power of women in the U.S. is over $6.4 trillion annually.

Our investment strategy is focused on high-growth companies with market leadership potential and ESG-friendly business practices. Our strategy capitalizes on macro tailwinds by taking a thematic approach. One example is health and wellness, where a heightened awareness of the importance of healthy living is driving shifts in consumer choice across all major demographic and age groups. Another example is sustainability, where the consumer is increasingly holding brands accountable for corporate social responsibility and where consumer purchases are increasingly aligned with values.

We’ve made 19 investments in seven portfolio companies. We seek to make one or two new investments per year, and we actively partner with our management teams to drive value and share learnings across our portfolio. Our portfolio investments include the RealReal, Mindbody (ClassPass), Hint, Aquis, K18, Fleur du Mal, Daily Harvest, and Havenly.

Will you highlight the Suttona Capital team?

In addition to our lean full-time team, we tap into our incredible advisory board, including Ciarra Pardo, President of LA Fashion Week and former Chief Creative Officer of Fenty and Savage X Fenty; Rachel Zoe, Founder and Co-CEO of Rachel Zoe Inc. and Chairwoman of Rachel Zoe Ventures; Anushka Salinas, President of Rent the Runway; and Chenling Zhang, investor in global luxury group Lanvin Group (LANV) and member of the superadvisory board of Wolford. In addition, we leverage deep relationships with the 890 founders and 5,000 mentors that are part of the Springboard Enterprises and New York Fashion Tech Lab ecosystems.

Did you always know that you had an entrepreneurial spirit and desire to build your own firm?

My first job was at the Blackstone Group in the early ’90s at which time the firm had under a hundred employees worldwide. Seeing the streamlined decision-making, I got the entrepreneurial bug early on. Having spent the first decade of my career in a largely male-dominated field, I recall getting the advice from a male colleague that I should spread my elbows wider to take up more physical space and to raise my voice louder in the investment committee meetings. The advice, of course, was coming from a colleague who was 6’4”, had played football for Harvard, and had a physically imposing presence and deep bellowing voice. Realizing I needed to find some female role models, I have spent the last 20+ years building out my network of female founders and funders. Having identified a white space for investing in women-led companies, I was eager to launch a fund with a disruptive investment model that I felt could address that white space we had identified.

A recent All Raise report showed that female funders are two times more likely to invest in startups with one female founder, and more than three times more likely to invest in a female CEO. Having more women investors is critical to improving the access to capital for women founders. Investing in women-led funds has an ability to significantly move the needle on what types of founders are getting funded and on the types of products and services that are being brought to market.

Do you feel that there are strong opportunities for women to grow and lead in the industry?

Absolutely. The data overwhelmingly shows that diverse teams do better. As an example, a recent McKinsey study showed that companies with more than 30 percent of women executives are more likely to outperform companies below that threshold, with the most substantial differential for outperformance of a whopping 45 percent – separating the most from the least gender-diverse companies. I have two daughters and a son, and I am grateful they are growing up in a time where the importance of having a wider range of visible role models in the media and corporate America is taking center stage. I am a firm believer that you have to see it to be it, and that role models can make an impact in supporting the next generation to chase their dreams and meet their potential.

What advice do you offer to young people interested in pursuing a career in finance?

My advice for young people in finance or really in any field is to find what you’re good at and work as hard as you can to get better at it. As Malcolm Gladwell wrote in the *Outliers*, “ten thousand hours is the magic number of greatness.” My advice is to invest your ten thousand hours to become truly the best at something. I think the idea of finding your passion is overemphasized. An entry-level job is unlikely to provide you with daily fulfillment. In your early career, your goal should be to learn as much as you can and to put the effort into mastering what you’ve learned. Becoming the best in your field is one of the most rewarding things you can do. ●

