

Report From SEC Small Business Advocate Details Capital Raising During Past Year

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Washington D.C., Dec. 9, 2021 — The Securities and Exchange Commission’s Office of the Advocate for Small Business Capital Formation today issued its 2021 Annual Report that details how entrepreneurs and investors are building companies together from startups to small public companies.

“The past year has been a banner year for capital raising in the aggregate; however, that headline only tells part of the story,” said Martha Legg Miller, Director of the SEC’s Office of the Advocate for Small Business Capital Formation. “For every headline on a successful founder’s seed round or IPO, there are countless entrepreneurs who are struggling. Our report examines the challenges of navigating the inside baseball world of capital raising, bridging founders’ personal networks to sophisticated investors, building first-time funds in the middle of the country, or determining which exit path to pursue, and our team proposes solutions to each of these issues.”

The [SEC’s Office of the Advocate for Small Business Capital Formation](#) was created as an independent office in January 2019 pursuant to Congressional legislation to advance the interests of small businesses and their investors, both within the SEC and in the capital markets.

The [2021 Annual Report](#) is a comprehensive resource on the dynamics of capital raising in communities across the country. It highlights the office’s advocacy work during fiscal year 2021, shares policy recommendations, and provides data on small business capital formation in the following categories:

- Small and emerging businesses
- Mature and later-stage businesses
- Small public companies
- Women-owned businesses and investors
- Minority-owned businesses and investors
- Natural disaster areas
- Rural communities

The report also presents a summary of activities by the Small Business Capital Formation Advisory Committee during this past fiscal year.

The SEC’s Office of the Advocate for Small Business Capital Formation will host its third annual “[Capital Call](#)” on January 19. It will be a virtual public event, and participants can ask questions about the report and share perspectives on capital raising.

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