

EXECUTIVE SUMMARY
SLANG
(RG-Q0084)

Although coverage of higher education has deeply grown in the Latin America and the Caribbean (“LAC”) region, this growth does not necessarily imply that current education systems are able to prepare the workforce with the skills required for a dynamic and competitive job market. This so-called “skill gap” - of various types - represents a great challenge for the region, limiting its potential to increase competitiveness and achieve inclusive economic growth and development. English proficiency is one of these skills. The poor and vulnerable population generally lacks English skills, limiting their insertion to the labor market, their work trajectory, and therefore, their economic and social mobility.

LAC is a region that faces an increasing level of re-skilling and up-skilling challenge because of the rapid rate of change of work imparted by the speed of technological adoptions and new industries. A solution is needed that can lead students to have access to a more efficient professional level of English, linked to their respective disciplines and at an affordable cost.

To tackle this problem, this Project aims to support a Colombian start-up, Slang, a Machine Learning based Educational Technology (“EdTech”) company that brings specialized professional English training for low-to-middle income workers (“blue-collar workers”), unemployed population, and students in LAC.

Unlike most digital education companies that either provide 1) high-cost, personalized, labor-intensive live learning, or 2) low-cost, generalized list of courses and content, Slang presents a unique competitive advantage by offering an affordable, significantly differentiated product for an ever-increasing market demand (professional English) and a proprietary technology that allows automatic hyper-personalization per learner career path – all at a significantly lower price than its competitors. Slang reaches its students via institutional clients like mid-size enterprises/corporates, educational institutions, and government entities, who are looking to upskill or reskill their body of workers and/or students.

Slang is raising a US\$5,000,000 Series A round at a US\$20,000,000 pre-money valuation. The proceeds will be allocated primarily to the product development and the sales strategy, IDB Lab’s contribution of US\$1,000,000 will provide financing towards the Company’s product development and business expansion in the region. By doing so, IDB Lab’s participation is expected to boost the Company’s finances while private investors continue to view the post-pandemic market with uncertainty, and to generate confidence in other investors. With this financing round, by 2025, the Company is expected to impact 3 million learners and reach 3,345 clients in LAC.