



African Diaspora Network Impact & Innovation Virtual Forum 2020

Unleash the Exponential Potential of Communities Through Black Business Patronage and Investment

June 24, 2020 | 8:00 AM PST, 11:00 AM EST, 3:00 PM GMT

Special thanks to our moderator & panelists!



Context Setter:
Innocent Shumba,
Partner, Ernst & Young,
San Jose



Moderator:
Hugh Molotsi,
Founder & CEO,
Ujama



Jacqueline B. Copeland,
Ph.D., Founder, Black
Philanthropy Month,
Founder and CEO,
The WISE Fund



Danny Allen,
Vice President,
Strategic Partnerships
Global Diversity &
Inclusion Office, SAP



Sanna Gaspard, Ph.D.,
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Invention Ambassador,
Business Consultant

African Diaspora Network Impact & Innovation Virtual Forum 2020

**Unleash the Exponential Potential of Communities Through
Black Business Patronage and Investment**

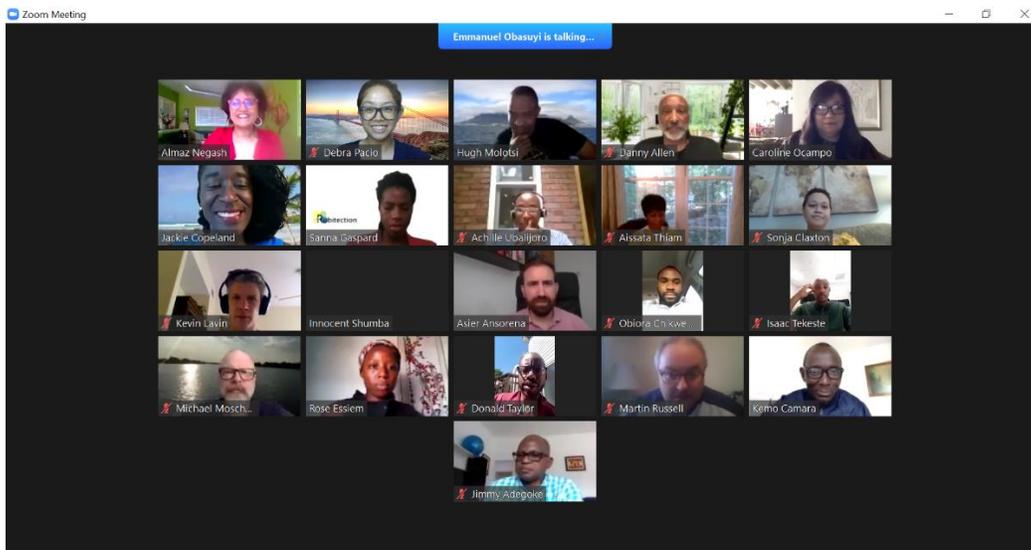
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SUMMARY

On June 24, African Diaspora Networked hosted the Impact & Innovation Virtual Forum: ***“Unleash the Exponential Potential of Communities Through Black Business Patronage and Investment.”*** The session, registered at capacity, brought together Africans, Diasporans, and friends of Africa to address fundamental disparities among African-American communities, with a focus on investment and employment in pursuit of social and economic justice.

Almaz Negash, founder and executive director of African Diaspora Network, framed the conversation with the organization’s mission of uplifting the continent of Africa and the communities in which we live, stating that, “The Diaspora cannot do good for Africa unless the communities in which we live are doing well.” Innocent Shumba of Ernest & Young provided context by recognizing the sacrifices of African-Americans that paved the way of African immigrants and many others, including the passage of civil rights in the United States. The panel dove into a deep discussion exploring tangible ways of supporting and catalyzing Black-owned business ventures and leadership. Topics ranged from addressing key gaps, such as early stage funding and building the right team, to next steps ranging from supporting Black Philanthropy Month and identifying and cultivating models for more accessible funding.

With an emphasis on hope and action, Mr. Hugh Molotsi, the moderator, the panelists and participants addressed key questions leading toward strategies on how community members can build bridges to collectively and sustainably increase investment and patronage of Black entrepreneurs.



EVENT DESCRIPTION

African Diaspora Network is committed to bringing together our global community to uplift the continent of Africa and the communities in which we live. We are delighted to host the June Impact & Innovation Forum on the exponential potential of Black business patronage and investment opportunities.

This historic year is marked by an ongoing global health crisis that has devastated nations worldwide and laid bare long-standing social and economic injustices. In the United States alone, COVID-19 has disproportionately impacted African-Americans, with (92.3 deaths per 100,000 population compared to 42.5 for whites, [according to CDC](#)). The effects of the pandemic have only worsened conditions: Black individuals are overrepresented on frontline and essential worker roles, leaving them vulnerable to the virus as well as shifting economic conditions. Social movements led by the Black community across the United States are demanding justice in the face of police brutality, compounded by racism, economic inequities, and social injustices built over the last 400 years.

In this watershed moment, we have the opportunity to highlight Black resilience and excellence. African-American communities have been pioneers in starting their own businesses. They have a vision of creating generational wealth for their families by building thriving businesses and banks. Black communities are integral to American entrepreneurial culture, and throughout history, have built enterprises from the ground up and pool resources to build. From J.B. Stradford, the largest Black-owned luxury hotel of its time, to the first female self-made millionaire Madam C.J. Walker, to Oprah Winfrey, an American media executive and philanthropist. We recognize the achievements of Black Entrepreneurship that paved the way for African and other immigrants.

According to the U.S. Census Bureau, the United States is home to about 2.5 million Black-owned businesses. Black Americans command [\\$1.3 trillion in annual buying power](#). However, lack of access to capital and the need for a strong, supportive business network have created a gap in investment and profits, particularly in Silicon Valley. A report by Rate My Investor revealed that between 2013 and 2017, [77% of venture-backed founders were white, whereas only 1% of venture-backed founders were black](#). In this pivotal period of systemic change, how do we, the Black and non-Black community, intentionally patronage and support Black businesses so that they can thrive?

This session seeks to explore ways of addressing the fundamental disparities among the African-American and African communities, with a focus on investment capital, employment, and entrepreneurship, in pursuit of social and economic justice. Join us as we envision opportunities to expand the entrepreneurial ecosystem to enable targeted and intentional investments for Black-owned neighborhood businesses.

KEY QUESTIONS

- What historic successes can serve as models to help Black-owned enterprises thrive?
- How do we support and amplify local, regional, national, and global Black-owned businesses?
- What challenges and opportunities do we have to provide support, from investment to mentorship?
- What ongoing projects, programs, and strategies have boosted profit margins, revenue, and outcomes among African-American entrepreneurs?
- How does the United States' current historic period catalyze momentum for African-American business?

PANELISTS

- Danny Allen, SAP, Global Diversity and Inclusion, Diverse Talent Pipeline, Ecosystem building
- Sanna Gaspard, CEO of Rubitection, Biotech, Working on device for skin health
- Innocent Shumba, Partner E&Y, Board member for ADN
- Jacqueline Bouvier Copeland, CEO founder of WISE Fund, formerly COO of Anita Borg Institute, funding equity movement, on black and indigenous women, renewable energy space
- Hugh Molotsi, CEO Ujama



NEXT STEPS

Support Black-led businesses and organizations.

1. To continue dialogue with fellow members, join the [African Diaspora Network ONLINE PLATFORM](#) and [Give at ADN](#).
2. **Participate in [Black Philanthropy Month](#) this August.** The Virtual Summit has a U.S.-focused day on August 1st and continent-wide African-focused organized days on August 4th and 5th mostly out of Lagos, Jo'Burg and Nairobi, that is engaging several African women business leaders.
3. **Join [Ujama](#) where communities connect, collaborate, and conduct commerce.** Their connection platform helps people help one another. Ujama promotes more joy and fewer logistics through the power of community, friendship and teamwork. The organization's name comes from the Swahili word *ujamaa* which means extended family. [Download their free mobile app](#).
4. Learn more about [Rubitect Assessment System](#) a company founded by **Dr. Sanna Gaspard** to empower any caregiver or healthcare professional with confidence in their early bedsore assessment.
5. **SAP Diversity & Inclusion Program** Learn more at <https://www.sap.com/corporate/en/company/diversity.html>
6. **Ernst & Young Diversity and Inclusion Program** – Learn more at https://www.ey.com/en_us/diversity-inclusiveness

Additional Resources:

- We Buy Black: <https://webuyblack.com>
- US Black Chambers: <https://usblackchambers.org>
- Model Companies: <https://www.goodr.co/>

Highlights

Welcome by Almaz

- Special convening - reminiscent of the times we are in
- Hope & action to help our community toward peace and equity

- Diaspora cannot do good for Africa unless the community in which we live are doing well
- What we do today in Silicon Valley matters to what we can contribute to the continent
- We are not doing very well - we have a long way to go to do good
- We must do the best we can to support one another
- Wonderful opportunities simply for those who sacrificed - grateful to African Americans who paved the way for a better life in the United States
- Cannot do good for the Diaspora, unless we do good for the community! At the end of the day, it's about humanity.

Introductions of Speakers by Hugh

Panel Discussion

- Key gaps for Black entrepreneurs and minority entrepreneurs in general:
 - Access to early stage funding,
 - the right people to build partnerships, and
 - building one's team
- What are the strategies people can use to overcome those hurdles?
 - Government grants (can't grow without money)
- Social capital - conferences to build social networks
 - Networking at the right events - what are the investors specific to your field? Who are the top people? Annual conferences - JP Morgan Health Conference, CES, etc.
 - Strategic Networking
- Building one's team - partnering with universities, new graduates, and contract out high-level industry skills you may need

Context by Innocent Shumba

- Our commitment to bringing Africans, African Diasporans, and friends of Africa together
- One of the most pressing topics: fundamental disparities among African-American communities with a focus on investment, employment, in pursuit of social and economic justice
- One must understand the sacrifices that African-Americans, our forefathers, have made to pave the way for African immigrants and others
- We must understand the history of slavery - millions of Africans came here against their will in the slave trade
 - Some fought in the army for the wars of the freedom of this nation
 - As a result of their sacrifice, we all enjoy the benefits of the civil rights act, 13th amendment, 14th amendment, 15th amendment

- Regardless of your color or race, these are a few of the things that African Americans have made
- Black people continue to see little, if any improvements of our lifestyles
 - White people paid when slaves emancipated
 - Black people not given money to start - negative impact upon people
- Black-owned people, even in normal times, are more exposed to financial issues
- COVID-19 has significantly impacted Black-owned businesses, deaths of African-American communities (occupations, health care insurance, and communities we live)
- The injustices have caused most of us
- Today we call upon you to use your seat at the table to advocate for the advancement of Black-owned businesses
- Walk the talk
- Can we all follow the example of Alex Ohanian?
- A month from today, a year from today, how would you answer the question of what you would do?
- Join ADN today, and let's seize this moment
- For you venture capitalist investors, I encourage you to invest in Black-owned businesses
- Focus on capital investment, economic and social justice...
- Understand sacrifices of African Americans, understand history of slavery, slaves worked hard to support the economy and went to war, women breastfed master's children...appreciate sacrifices. Today, we enjoy the benefits...civil rights leaders fought to improve the economics and social status. Freed slaves were given no money to start with...some victims of lynching—negatively impacting Black people.
- Black owned businesses don't have enough reserves, as seen during this time. Examples: health care coverage, neighborhoods—putting us in disadvantage OR in danger from people who are meant to protect us.
- Walk the talk...Use your power for investment into black owned businesses. For investors, invest in black owned businesses."



Opening Remarks + Panel Discussion

- Key gaps: 1) Early stage funding...get to positive revenue. 2) Access to social network. Who you know, not what you know. Shorten 6 months to 2-3 months...assist with negotiations for minority funders. 3) Building one's team. Finding the right people to recruit can be difficult and can make and break a company.
 - Try to get into an accelerator
 - Get a grant; conferences; business plan competitions (get access to high level people)
 - Partnering with universities
 - Friends and family network
 - Strategic networking (not just networking, but being at the right space to find the right people w/large corporations and investors)
- If you look at the intersection between the corporate environment and those businesses, we think of accelerators - we align them with what our needs are.
 - By having those businesses grow, it actually grows the entire operation for any of the businesses in the ecosystem
 - What's good for the ecosystem is good for the company
 - Diverse hiring helps local communities

- For those in leading roles in corporations, it's about giving voice to individuals and allowing their stories to come forth
- Advocating for businesses in the area
- EY and SAP put together a Black executive roundtable
- Also need to bring in people who don't look like us, at the end of the day, we are all human
- It's important to voice your qualifications, your concerns, and be an advocate for others
- We should forget Black nonprofits
- Cheryl Dorsey - Echoing Green - nonprofits led by Black owners have less revenue and fewer unrestricted access than Black counterparts
- How can our community better support Black nonprofits?
 - Black businesses and nonprofits were struggling before COVID and the pandemic downturn
 - Black nonprofits only receive 8% of funding from their white peers
 - Black startups only receive 1% of VC funding
 - Black women-led startups - less than 1%
 - Black people in the U.S. have a 23 billion dollar philanthropy economy - that's how much money Africans and African-Americans give - that giving increases during recessions; people tend to give more as opposed to giving less
 - (See HBR's latest: A VC's Guide to Investing in Black Founders"
 - Now we have an ecosystem of Black investors, VCs, donors - a big push this August for Black philanthropy month, regardless of the funding you give, how are you going to pull it and others
 - The WISE Fund is a social innovation fund that is supporting Black and brown innovators working in the renewable energy space; they have a hard time getting funding, regardless of their level of giving and investment to promote the development of African descent people, wherever they are
 - We have to recognize that we have been here before; we have to learn from the mistakes of the past and recognize that the window of time is not that large
 - I.e, 1960s - affirmative action programs; some unintended groups benefited more than African Americans
 - Need to be conscious of anti-Blackness in America
 - Policies and behaviors designed; institutionally rooted to inhibit the development and achievement of African Americans
 - Money is a tool, but we have to dismantle the white supremacist attitude that people with darker skin are fundamentally inferior

- Euphemisms, i.e. unconscious bias; base concept, but that is one of the issues that prevents very talented Black people who on paper have the same merits from getting equal treatment and funding
 - We have to go into this period with eyes wide open; need to work on discriminatory behaviors
 - Being an advocate also requires being an anti-racism advocate
- We've been here before - James Brown, "I don't want no one to give me nothing, open up the door again"
 - It takes a mindset change - what's different is how many people who aren't of the African diaspora who are participating in these protests
 - The way to make this one different is for us to change OUR behavior, and for us to patronize OUR businesses. That they don't just have the patronage, but the investment
 - There's a number of Black venture funds, and there are a number that are participating in the investment of Black businesses
 - We need to look at those as an opportunity
 - As an angel investor, risk of losing more than gain, but you vote with your dollars
 - If you don't have people patronizing you, you are not going to stay in business
 - COVID-19, has lost over 400,00 Black businesses in the United States; there is a little over 2.6 million Black businesses in the United States
 - Were not ready for this remote work scenario
 - We have a lot of talent; can donate that talent so that people know who those businesses are so that we can get their patronage
 - Comes down to changing our behavior to invest in these businesses
 - Can invest in a promising Black-owned businesses
 - Change our own behavior first
- It's important that, our allies in the Black community as a whole takes a step back at the fundamental problem going on
 - It's framed as racism (that people who are non-White are inferior) - need to shift our thinking - we need to understand that racism is driven by greed and power (not truly about race) - race is just the vehicle by which it's implemented so that it's sustainable, long-term
 - Group implementing pressing policies is to maintain power and economic dominance, because that also leads to power
 - Not an issue of race, but an issue of power and greed - once we understand that, our strategies shift
 - As a minority group, we don't have much power, but can create our own opportunities
 - Educate, support, and mentor people to teach them the path

- Transference of power and wealth - white people who have accumulated power and wealth
- Don't really have that going on in the Black community - learning the soft and hard skills to get into places we wouldn't have gone before
- We need to start coagulating the resources we currently have so that they have a larger and wider impact
- Can start disseminating access and information as a group
- Need to strategize and come together to organize
- We put things in place and people can join as they want
- Unconscious bias is a euphemism - may be provocative: the most insidious thing is the unconscious bias we have for our own community
 - We may not have a lot of power, but have a lot of power as a community
 - We could be supporting one another more
 - Belief in action and going to scale - unfortunately, there is a level of competition among Black nonprofits and innovators and businesses
 - How can we create a Black investment pool? For our nonprofits and businesses
 - Frankly, if social justice organizations (youth orgs, nonprofits, etc.) were better funded, would they have had more hope and opportunities
 - It is really time to get beyond business as usual. It's obvious that it's not working
 - Regardless of our boundaries and mission - we need a collective giving and investment mechanism
 - Informational resources - how many people on this call have heard about Rubitection? Ujama? Let's start with Black Philanthropy Month and say, whatever your community giving portfolio is, you'll have at least 10 Black nonprofits and businesses that you and your family and company invest in
 - Without that, people will tear down communities that are not supporting them and oppressing them
 - We have the money but we are not focusing it strategically
 - Need to keep money focused on the community
 - The dollar disappears from Black hands to other folks faster than in other communities
 - Need to do better with spending within ourselves
 - Education is the big differentiator and the core focus - depending on what fits for you and your investment profile
 - Not a matter of being racist, but being a matter of our survival (Greenwood, Tulsa)
 - It was about doing business with one another - we've got to increase that
 - Grants applications harder than VC funding - puts the work on you

- Intersection of Black, Latino owned businesses...try to put them into accelerators and into SAP system especially for minority and women owned businesses (diversity piece). Diverse leadership pipeline bring in more diversity/diverse executives. Grows businesses and improves ecosystem.
 - Give voice for those businesses; alignment
- Ecosystem: Black businesses and non-profits were struggling before Covid. Will need a "marshall plan" to stabilize. Black non-profits only receive 5%; 1% for businesses; 2% for women owned.
 - People tend to give more during difficult times. Come together on August 1 to come up with an active plan. There is now an eco-system of Black VC's etc. How are you going to pool it, accelerate Africa and its diaspora, move communities forward. Now have corporations interested (such as Apple and Target talking about racial justice).
 - Look for business investment.
 - We have been here before. Not much time in our window. Child of the 60's so saw affirmative action programs...there is anti-blackness (some institutionally). Must dismantle white supremacy (some unconscious). Can be censored as a Black business person. Being an advocate requires you to be an anti-racism advocate
- Takes a mindset change on our behalf. A lot of non Blacks active in protests. Patronize our businesses. Make sure they have the investment
 - As an angel investor, lost more money than made money. Vote with your dollars. Give businesses an opportunity to thrive.
 - With COVID, lost over 400K Black businesses. Weren't ready for remote business scenario. Need to get patronage up. We need to change our behavior.
 - Framed as racism...shift strategy. Racism driven by greed and power and not the color of skin. Group maintaining oppressive policies are working to maintain the power.
 - As a minority group, don't have much power and need to patronize our own businesses.
 - Participate in businesses that allow them to give back.
 - Need to navigate system; allow for apprenticeships
 - "It's not about race. It's about power."
 - Economic dominance: time to conglomerate; risk lower for everyone; time to coagulate and disseminate information; create our own opportunities.
- How do we overcome and support each other?
 - There is a level of competition among Black businesses; need to come together. Sanna mentioned coming together as a conglomerate.

- For businesses and non-profits (wonder if funding was equal, would communities have had more hope; encouraged a more inclusive environment; equal funding would have given more opportunities) / Need a funding mechanism.
- Start with Black Philanthropy Month. Need to pull together strategically this August. We can work to stop the cycle.
- Money disappears from Black community. Education is the big differentiator. Increase that spend in the community.
 - Accelerators give you the wherewithal. But then you're looking for grants/contractual arrangements. People want to hear your ideas. Graduating from accelerators helps but need to move from subsistence to contracts.
 - Good time to get into businesses that require certification. Needs to have a governance and accountability side. Whether for philanthropic or investment, needs a Black marketplace or supplier diversity...need to support businesses after accelerators
- Need to create a funding criteria.
 - Nonprofits (vendor dollars kept within the community); alternative ways for philanthropy; get strategic and systemic with ideas to move forward.
 - Organize and have criteria in place, but make sure it doesn't take 2-3 years.
 - Example be quick like a sticker to put in front of businesses
 - Black investment have higher criteria; sometimes easier to go to standard lenders (don't become an onerous process)
 - Tend to be risk adverse; risk tolerance is lower at 100K level
- Conversations foundations need to have on funding Black businesses (can fund early stage businesses)
 - Philanthropy can be used for early stage businesses, not just nonprofits.
 - Trying to have an inclusive conversation for accessible funding; short turnaround models developed during covid; get resources to organizations quickly?
- How can groups better support each other? How do we work together as a community?
 - Communications is the core to any change and any understanding
 - Sharing in a smaller settings (examples: ADN webinar, executive sharing); lower the veil of differences (OWN: Black Girls show - talking about colorism)
 - Patronizing each other's businesses will come natural
- Openness and honesty of what's really going on. Black Immigrants don't all have the depth of knowledge of the history of African Americans and lack the empathy. While African Americans don't have the understanding of Black Immigrants. Honesty will free people to support vs. working in competition with each other. Difference is just the experience.

- Black Immigrants have not experienced the same kind of oppression. "We all came from the same place." -- One side not open to reaching out and the other not accepting.
- At the end of the day, we need to patronize each other.
 - Usually...Black Immigrants providing / African Americans consuming
- Good opportunity to get over stereotypical assumptions; need to build on Black self help (banks, wall street, millions of people with history of investment and philanthropy--entire ecosystem of self-help)
 - Scale Black innovation and self help (Black Philanthropy Month have 20million people involved)
 - Self empowerment has always existed--undermined but still exists.
- Look for funders supporting minorities, people of color or diverse people on board (will email 2 groups on her short list)
 - Investing in companies hoping that they will be big hits; still about money; accelerators are good to be in
- Why are other groups taking opportunity of Black fought causes?
 - Movements have needed allies; sometimes has to include the people who have to change; must engage allies with structural power in social change effort; align with people with the same principles to change behavior
 - Have diversity within our own community; women; gender; reach out and be as inclusive as possible
 - Black people don't have people to complain to; allies needed who have power (Blacks 13%); can only change systemic power if we infiltrate or burn everything down; align with people who have power; gives our movement more ears and more power; recruit people
 - Must stay focused and keep focused
- Issue is fear of looking biased in one direction or another; conscious hiring people in positions of power; align with goals
 - Observed that many Black-led teams are not that diverse...
 - Perception of Black people around the world is "slavery" (positions of oppression); in 2020, we need to elevate the marketing and branding of Africa (lack of prosperity and innovation...continues image of oppression); people thinking of this and not saying this.
 - Don't hear about millionaires in Africa giving funding around the world; can't point to anyone/anything in Africa as points of success
 - Question: How Africa is marketed globally? (ADN can address)
- There are companies and organizations working on the branding.
- Global Marketplace and Local Perspective
 - Directory needed to meet marketplace...

- Need a way to identify businesses (stickers, business slogans, one central place vs. regional); collectively we can be more powerful

Closing

- We are not powerless; collective buying power; plus diversity in our own communities
- "We came from the continent, with the hope and faith that all will work out. Bringing people together through ADN. What I've seen is hope...Take responsibility for each other and be at the table and demand the change. Be part of the solution. How do we channel this energy to make a difference. None of us have the answer...collectively we have the power. Changing narrative of Africa--proud of what ADN has done to have Africa be seen as a co-investor. Build trust and relationship. At some point, we have to take one another at face value...We cannot do it alone. We need to bring friends of Africa together. Give people an opportunity to decide where they want to invest. Blessed to have a new generation (my son and daughter)--one human community. This is not the end of it all. It's the beginning."
- What is our call to action from this talk? People protesting from other communities.
- Join Black and Giving Beyond Summit

For Follow-Up Action Plans for Minority Entrepreneurs

- FREE CLASS - How to Finance a Black Women-owned Business in 2020.
<https://www.udemy.com/course/blackwomenbusinessfinancing/>
- How to submit a government grants:
 - <https://www.niaid.nih.gov/grants-contracts/sample-applications>
 - <https://grants.nih.gov/grants/how-to-apply-application-guide/video/index.htm>
 - https://grants.nih.gov/grants/planning_application.htm
- Investor and matching search site -
https://vcmatchapp.com/?_ga=2.109841549.902939073.1592934315-1990657667.1592196530
- Starting a business by sba - <https://www.sba.gov/business-guide/10-steps-start-your-business/>
- To setup meetings with top executives for startup -
https://docs.google.com/spreadsheets/d/1KG8DYK1_V5rYE0QGLm5F_r-87HGKeeBTKr31DZgftp0/edit#gid=0
- SBA resources:
 - <https://www.sba.gov/offices/headquarters/iga>
 - <https://www.sba.gov/business-guide/10-steps-start-your-business/>

- Investment for
 - <https://newmediaventures.org/>
- Investor and entrepreneur deal-matching
 - <https://medium.com/@lolitataub/enabling-access-to-investors-capital-through-our-startup-investor-matching-tool-3017913c72c3>
 - <https://rockhealth.com/about/>
 - LISC.org/lowes
 - [List of resources - https://techcrunch.com/2020/06/02/diverse-startups-and-investors-matter/](https://techcrunch.com/2020/06/02/diverse-startups-and-investors-matter/)

Recommended Articles

- The 2% Solution: Inside Billionaire Robert Smith’s Bold Plan to Funnel Billions to America’s Black-Owned Businesses: <https://www.forbes.com/sites/nathanvardi/2020/06/19/the-2-solution-inside-billionaire-robert-smiths-bold-plan-to-funnel-billions-to-americas-black-owned-businesses/#1b681f874bc3>
- 35 Women Moving Africa Forward: <https://www-nbcwashington-com.cdn.ampproject.org/c/s/www.nbcwashington.com/news/national-international/women-moving-africa-forward/2320064/?amp>

Thank you,

The African Diaspora Network Team