

BUSINESS

BUSINESS EXCHANGE

Black-owned businesses at crossroads?

Real Estate Perspective

By Loretta Arrington Hall



Is the price right?

Special to Sentinel-Voice

A home may be a bargain at its full asking price. Or it might not be worth even 50 percent of its asking price. When buying a home, please remember the asking price is the seller's dream price, it's what the seller would like to receive. To make an intelligent purchase offer and avoid overpaying, you need to know the true market value of the house.

Before making a purchase offer, ask the real estate agent to prepare a written comparative market analysis (CMA). This is the same form that was given to the seller at the time the house was listed for sale. It gives recent sale prices of comparable nearby homes as well as asking prices of other similar neighborhood homes currently listed for sale.

By adding or subtracting value for the pros and cons of the home under consideration, you and the agent can arrive at a reasonable purchase price offer.

Another benefit of using this method is it gives the realty agent written evidence to show the seller to justify your purchase offer. This is especially important if the asking price is vastly higher than your purchase offer. Then the agent can enthusiastically present your offer, knowing it is based on the home's true market value rather than its asking price.

As always, please contact a licensed real estate professional for all your real estate needs or write to me, Loretta Arrington Hall, c/o Real Estate Perspective, Las Vegas Sentinel-Voice Newspaper, 900 E. Charleston Blvd., Las Vegas, NV 89104. Voice Mail: (702) 457-4623, Fax (702) 457-0114.

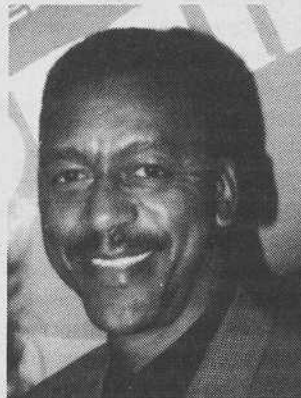
By William Reed
Special to Sentinel-Voice

Think about this, for a dog on a dog-sled team not being in first place means that the view is always the same. This axiom applies accurately to the position most African-Americans find themselves in America's competitive and dog-eat-dog society — always looking at the hindend of others in education, politics and economics. We all know we're at the bottom of the nation's economic ladder, but instead of bartering between us we bicker, back bite and never change positions in the race for the American Dream.

Nowhere are African-Americans more collectively impotent than in business and economics. Lumped all together, black businesses generate less than two percent of America's Gross National Product (GNP) and employ a little over one percent of the population. The majority of African-Americans who've gained greater economic clout in the past 30 years did so via jobs supplied by white entrepreneurs. Although African-Americans command a \$400 billion worth of annual consumer clout, black-owned businesses are mostly nonexistent, with 98 percent of our dollars going into the hands of entrepreneurs of other groups. Now, one of the

nation's leading African-American businessmen is saying that black-owned companies must either combine with each other or take on white partners to survive or grow.

"You cannot get big anymore by being 100 percent black-owned anything," Robert Johnson, the founder, chairman and chief executive of BET Holdings Inc., told attendees of a conference on



JOHNSON

diversity and capital markets sponsored by the New York Society of Security Analysts. Johnson says most black-owned companies grew in a segregated environment and sold products and services primarily to consumers in the black community. The newer black-owned companies grew in the days of affirmative action and set-asides. "Those days are gone. Black businesses are reaching a crossroads in

defining what a black business is," says Johnson, who started Black Entertainment Television, America's only national black-owned cable channel, a little over 15 years ago.

Over the past 15 years Bob Johnson has become the world's most dominate voice in Black Media and a millionaire many times over. A listee in the 1982 Booker T. Washington Edition of *Who's Who in Black Corporate America*, Johnson's publicly-traded company was recently lauded by *Black Enterprise Magazine* as its Company of the Year. A multimedia company whose holdings include the BET cable channel, BET Holdings recently entered into a joint venture with Maryland's Chevy Chase Bank to market Visa cards and other financial services to blacks across the nation. Other joint ventures include a deal with G-III to market a line of BET-branded sportswear and



REED

International and Loewen Group — buying up funeral homes nationwide. "In 20 years anybody black will be buried by one of these two white companies," quips Johnson.

What black-owned businesses lack for the most part, states Johnson, is clout and access to capital. "The only way black business is going to grow is through alliances with white companies — where black companies bring their expertise, and white companies bring their expertise and capital," Johnson says. As far as any conglomeration of black-owned companies

"You cannot get big anymore by being 100 percent black-owned anything"

— Robert Johnson, CEO BET Holdings Inc.

accessories, a plan with Hilton Hotels Corp. to operate a Las Vegas hotel and casino, a deal with Walt Disney Co. to open a second BET Soundstage restaurant in Orlando. In most instances, BET Holdings owns 51 percent of the stock, but allows the joint partner to operate the facility. BET Holdings also holds a minority stake in Washington, D.C.'s cable provider company and *Emerge Magazine*.

Black-owned media properties are the worst off, says Johnson, predicting that such radio and television stations will decline or die altogether without consolidating or taking on strategic partners, possibly white. Also targeted for extinction, says Johnson, are black car dealerships and funeral homes, with two huge publicly held companies — Service Corp.

merging to take over first place in any America's industries, Johnson said, "No one will ever bring an antitrust charge against black companies. They won't come together."

Many black business people will probably say that "Bob Johnson has been around white people so long that he is starting to sound and act like one." Be that as it may, he makes a compelling argument in suggesting that more large black companies pool their resources and form alliances with other black firms in an attempt to become more competitive in America's free-market system. With over \$200 million in assets, it's also about time to see Johnson as the lead investor in some blacks-with-blacks ventures.

William Reed is publisher of *Who's Who in Black Corporate America*.

ATTENTION! ATTENTION!
Robert Swift
New Location
The Headmasters
Full Service Barber Shop
1351 W. OWENS
(between MLK Blvd. & "J" St.)
For Appointment Call 647-4848

We've Got A Handle On Your Trash Disposal Needs

Precision Waste Management For Home Or Business

For home, business or construction, Silver State can handle your waste management needs. Use the right disposal receptacles for the job and save time, money and effort. Monthly rentals available.

- Mobile Toilet** — White and receptacle for construction jobs. Replaces 25-gallon trash cans. Only \$300 per month. Call 735-5151.
- Container Rentals** — Four sizes for residential, industrial or commercial use. Holds up to 1000 20-gallon cans of refuse. From \$12.50 to \$49.50 per month. Call 735-5151.
- Drop Box** — For the really big jobs. Used for cleanup, construction sites or business refuse. May be used permanently. Four sizes available: 20, 38 and 60 cubic yards. Costs only \$6.92 per cubic yard. Call 392-1900.

Silver State Disposal Service, Inc.
770 East Sahara Ave., Las Vegas NV 89104

A COMMITMENT TO YOUR FINANCIAL GOALS

The investment resources you need — the personal service you deserve. Call today.

A.G. Edwards
INVESTMENTS SINCE 1887
3930 Howard Hughes Parkway
Suite #180
Las Vegas, Nevada 89109
(702) 733-9430

FRED T. SNYDER
Member SIPC
1994 A.G. Edwards & Sons, Inc. 3825
IM-280-0485