

BUSINESS

THE STATE OF BLACK BUSINESS

Those who fail to master capitalism face bleak future

By Harry C. Alford

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Special to Sentinel-Voice

According to the 1992 census data, there are over 640,000 Black owned businesses producing over \$32 billion in annual sales. This represents about one percent of the total output. The growth rate of 46 percent (1992 VS 1987) is the slowest amongst all ethnic groups.

Last year was the biggest economic growth period in the history of this nation. However, according to *Black Enterprise Magazine*, the BE 100 companies suffered a 9 percent loss in sales during 1997.

The Selig Center for Business at the University of Georgia states that Black citizens have, after taxes, consumable dollars of over \$500 billion annually. This is 7.6 percent of the total. In other words, if we had our fair share (14 percent) it would total over a trillion dollars. But it does not really matter when over 98 percent of our dollars are spent outside of our communities.

We could have over \$100 trillion and it still would go immediately out of the community and benefit other groups' net worth. We are, in effect, consumer slaves.

Consumer slaves indeed! Our net worth at the end of slavery in 1865 was approximately 1.2 percent of the total. Today, 138 years later, our net worth is approximately 7.5 percent of the total. Take away our home equity and it will not equate to five percent. Yes, we are spinning our wheels and much of this comes from a misunderstanding of capitalism - the economic system this nation was founded on and thrives on.

A fine example of this ignorance happened nearly 20 years ago. The Honorable Parren J. Mitchell and the National Association of Black Manufacturers called a meeting between 300 Black business owners and the Congressional Black Caucus. Each business owner was required to bring \$1,000 to contribute to a fund that would start an initiative to incubate Black capitalism. Congresswoman Shirley Chisholm

exclaimed, "I don't care about Black business, all I'm concerned with is jobs." Then came Congresswoman Cardiss Collins who said, "You are all a bunch of Republicans anyway!" The meeting was disrupted and the initiative never formed. Subsequently, the National Association of Black Manufacturers folded.

Today, the field is still in disarray and is certainly not level. Mack Davis, Detroit entrepreneur, tells me that his "Pineway" furniture polish is so good that once he got it on the shelves of K-Mart stores, it began outselling "Pinesol". K-Mart's reaction: It suddenly discontinued "Pineway."

Isian Odum, a South Carolina entrepreneur, informed his franchiser, Car Quest, that he had landed a big contract with Westinghouse and sales were going to suddenly and consistently increase. Car Quest's response: The next day it gave notice that his franchise agreement would be canceled.

Dr. Ted Adams has a patent on the most effective fire suppressant in the world: Pyrocap.

However, very few fire departments and agencies will buy it even though it is less expensive than the competition. In the words of a Southern California procurement agent, "I would rather see women and children burn than to buy products from a Black company."

What about ourselves? We have a self-hatred that keeps us from supporting our own businesses; an ignorance that forbids us from understanding that the key to economic sufficiency is a controlled economic infrastructure that keeps our precious dollars circulating in our community; and a jealousy taught during slavery that still exists today. An example is the fact that the publishers of *Ebony* magazine refused to mention the name of the great Reginald Lewis, owner of Beatrice International, in their magazine until after his death. The greatest Black entrepreneur was not given recognition because he was considered "too successful."

As we approach the third millennium we,
(See Capitalism, Page 15)

DOWN TO BUSINESS

Value of black celebrity status increasingly on decline

By John William Templeton
Special to Sentinel-Voice

Luck is when preparation meets opportunity.

While pondering how to frame a column on the declining value of Black celebrity, I looked ahead in the supermarket checkout line one recent Saturday morning to see comedian Chris Rock on the cover of *Vanity Fair* dressed as a minstrel.

There isn't much more to say about that than to invite you to look at it for yourself. Just don't buy a copy. No reason they should profit from this outrage.

In my 1995 book "Black Monday: the Aftermath of the Million Man March," I suggested that we were headed for a replay of the end of the 19th century, when Blacks went from being the most popular jockeys, boxers, ragtime musicians and cyclists to an absolute ban on Blacks in major league sports or on major stages by 1910. There were no

laws to carry out that ban, just tight monopoly control of the leagues and venues.

At the turn of the century, "the most famous colored man in the world" was minstrel artist Bert Williams. Williams was a Stanford University engineering student who began performing on San Francisco stages for tuition and became the epitome of the blackface comedy act with partner George Walker. After Walker's death, Williams became the first Black performer with the Ziegfield Follies.

When Williams died suddenly in the 1920s, the *Crisis* wrote that he had died of a broken heart, pained with the knowledge that he could dine with the crowned heads of Europe, but couldn't even present himself as a real person in the United States. Just before his death, Williams was about to make a major break with Ziegfield and launch his own jazz recording label. Had he

carried through, it might have changed the shape of American music. Instead, the literature, art, blues and jazz fell out of the control of the Blacks who spawned it.

Today our athletes and entertainers brag about million-dollar deals, living large in imported cars, huge homes and the most stylish gear.

But a clear trend is beginning to emerge. Nike decided to slash its roster of basketball players who endorse its products, and rival Reebok let Los Angeles Laker center Shaquille O'Neal's shoe contract lapse. The National Basketball Association decided to lock out its players after its most successful season ever because the athletes are making too much money. The basketball player Michael Jordan has a salary cap, but the CEO Michael Jordan (CBS) can make as much as he wants although Air Jordan's \$10 billion economic impact exceeds that of CBS.

Major league baseball ignored the appeals of Henry "Hank" Aaron, the home-run record holder and an experienced clubhouse executive, and Frank

Robinson, the only MVP in both leagues and the first Black big league manager, to name one of them as the new commissioner, particularly in the 50th anniversary of Jackie

Robinson's integration of major league baseball. Yet the owners made the acting commissioner permanent, although he didn't want the
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Forum geared for small business entrepreneurs

Special to Sentinel-Voice

A Small Business Administration sponsored forum Aug. 6 will provide a wealth of information and contacts to "anyone thinking about starting or expanding a small business."

Sponsored by the U.S. Small Business Administration, the Small Business Resource Forum will run from 5:30 to 8 p.m. in the Recital Lecture Hall at the Community College of Southern Nevada's Cheyenne campus, 3200 E. Cheyenne Ave.

Speakers from the National Association of Women Business Owners and the American Indian, Asian, Latin, Urban, Las Vegas and North Las Vegas Chambers of Commerce will make brief presentations about their services. Representatives from local banks will talk about

small business lending programs.

Specific questions can be addressed to representatives from the Nevada Small Business Development Center and the Service Corps of Retired Executives (SCORE), a national volunteer organization that has advised thousands of new business owners. These groups and other participants will operate informational booths.

"Nearly every public agency and numerous private organizations that assist small businesses will be available to answer questions and provide information," said John Scott, district director of the Las Vegas SBA office.

For more information, contact Lisa or Ed at the SBA, 388-6611. Those interested in attending should RSVP by July 30.

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