Barriers facing Black-owned businesses in the Milwaukee Region

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Diamond Discs International
Unique Challenges to Black Owned Businesses

Current National & Local Benchmarks

For the third year in a row, Milwaukee and Racine are among the worst cities in the United States for African Americans.

Milwaukee - largest racial disparities in income, health, and other socioeconomic measures in the country.

The typical black household in Milwaukee earns just $29,928 a year, 43.8% of the median income of $66,097 among white households.

Milwaukee-Waukesha-West Allis, WI
Black population: 257,895 (16.4%)
Black median income: $28,928 (43.8% of white income)
Unemployment: 13.9% (black); 3.9% (white)
Homeownership rate: 27.8% (black); 68.2% (white)

The Supplier Diversity Imperative

By Ugo Nwagbaraocha
## Current National & Local Benchmarks

<table>
<thead>
<tr>
<th>Comparable Metro</th>
<th>Minority owned employer firms (number)</th>
<th>Minority population</th>
<th>Min. owned firms per 100,000 min. population</th>
</tr>
</thead>
<tbody>
<tr>
<td>San Jose</td>
<td>15,060</td>
<td>1,242,839</td>
<td>1,211.7</td>
</tr>
<tr>
<td>Portland</td>
<td>6,053</td>
<td>556,735</td>
<td>1,087.2</td>
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<tr>
<td>Orlando</td>
<td>9,359</td>
<td>1,077,455</td>
<td>868.6</td>
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<tr>
<td>Baltimore</td>
<td>8,772</td>
<td>1,124,038</td>
<td>780.4</td>
</tr>
<tr>
<td>Chicago</td>
<td>33,075</td>
<td>4,339,180</td>
<td>762.2</td>
</tr>
<tr>
<td>St. Louis</td>
<td>5,301</td>
<td>708,760</td>
<td>747.9</td>
</tr>
<tr>
<td>Raleigh</td>
<td>3,111</td>
<td>439,836</td>
<td>707.3</td>
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<tr>
<td>Pittsburgh</td>
<td>2,116</td>
<td>315,401</td>
<td>670.9</td>
</tr>
<tr>
<td>Salt Lake City</td>
<td>1,881</td>
<td>291,370</td>
<td>645.6</td>
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<tr>
<td>San Antonio</td>
<td>9,188</td>
<td>1,443,323</td>
<td>636.6</td>
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<tr>
<td>Minneapolis-St. Paul</td>
<td>4,728</td>
<td>747,630</td>
<td>632.4</td>
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<tr>
<td>Kansas City</td>
<td>3,341</td>
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<tr>
<td>Nashville</td>
<td>2,809</td>
<td>449,657</td>
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<tr>
<td>Cincinnati</td>
<td>2,443</td>
<td>402,781</td>
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<td>Buffalo</td>
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<tr>
<td>Charlotte</td>
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<td>Columbus</td>
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<td>469,570</td>
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<tr>
<td>Detroit</td>
<td>7,847</td>
<td>1,395,550</td>
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<tr>
<td>Milwaukee</td>
<td>2,725</td>
<td>496,847</td>
<td>548.5</td>
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<tr>
<td>Indianapolis</td>
<td>2,669</td>
<td>487,475</td>
<td>547.5</td>
</tr>
<tr>
<td>Cleveland</td>
<td>3,237</td>
<td>592,588</td>
<td>546.2</td>
</tr>
</tbody>
</table>

Metro Milwaukee Ranks 24 out of 26 for Minority Owned Businesses.

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National Bureau of Economic Research 41% of Black-owned businesses closed at least temporarily during the pandemic.

Nwagbaraocha says PPP was “inherently designed to not focus on diverse-owned businesses,” since there were no guidelines or requirements calling on banks to prioritize small businesses –

Only about 12% of Black- and Latinx-owned businesses had their PPP applications approved, according to a survey from equal-rights organizations; a separate Census survey found small businesses’ overall approval rate at 38%.

“Even the healthiest Black firms were financially disadvantaged at the onset of COVID-19.”

“These historical denials of access to capital and security have “caused that wealth building to not occur” in many Black communities,”
What is Supplier Diversity?

Supplier Diversity refers to the proactive business programs that promote the purchasing of goods and services from previously underrepresented communities. These suppliers may include minority-owned, women owned, veteran owned, LGBT-owned, service disabled veteran owned, disabled-owned, and Small Business Administration (SBA)-defined small business concerns.

“On average supplier diversity programs add $3.6 million to the bottom line for every $1 million in procurement operation costs. A recent report shows that minority-owned business contribute $400 billion to the nation’s economy and over 2.2 million jobs.

“(Supplier Diversity) efforts to create economic opportunity, - is a core tenet for improving conditions for health and equity in our communities,”

The Supplier Diversity Imperative

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Impact of Supplier Diversity

Increased ROI to Major Corporations
More Competitive Value
Offering in Niche Segmented Markets
Increases Specialized Market Job Creation
-Lowers Unemployment Rate
Community Investment
-Lowers Crime
Increased Tax Base in Local Communities

April 2017 - Diamond Discs International to purchase a 21,366-square-foot building located at 9300 W. Heather Ave., for its growing company.

Nearly 1.9 million of the 2 million Black-owned businesses do not have paid employees. If each of these were able to hire just one or two employees, experts say that would be a huge solution to Black unemployment.

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• Corporation Engagement
• Supplier Diversity
  • Supplier Diversity Module (TBC)
  • Green Bay Packers Mentor Protégé
  • Golden Shovel, Marketplace,
  • NAMC-WI, EDBC
• Industry Based Regional Development
  • The Water Council, Haribo, Foxconn, Etc.
  • Long Term Investment Opportunities for Diverse Businesses
  • Annual Review of Diverse Business Expansion - Growth
• Golden Shovel, Marketplace, NAMC-WI, EDBC
Supplier Diversity is a tool for economic development
Strengthened and improves the health, safety and economic viability of consumer and future employee base
Creation of Wealth and Investment and ownership in local and inner city communities