

Greater New England Minority Supplier Development Council

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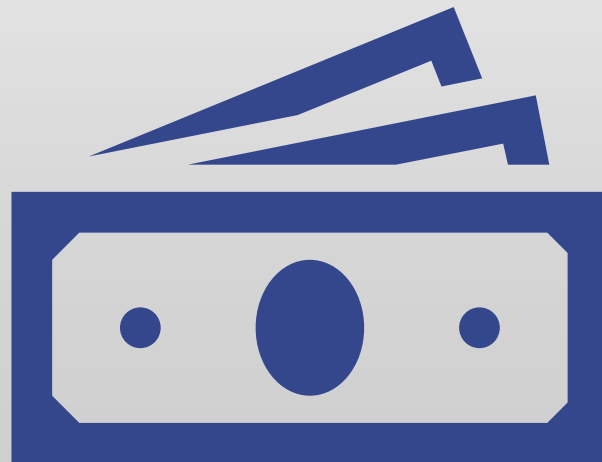
Greater New England¹
Minority Supplier
Development Council

WHY IS MINORITY BUSINESS DEVELOPMENT IMPORTANT?



WHY IS MINORITY BUSINESS DEVELOPMENT IMPORTANT?

The RACIAL WEALTH GAP



WHY IS MINORITY BUSINESS DEVELOPMENT IMPORTANT?

Net Worth	Median	
WHITE	\$ 188,200	<i>100%</i>
BLACK	\$ 24,100	<i>13%</i>
HISPANIC	\$ 36,100	<i>19%</i>

Source: Federal Reserve Board: 2019 Survey of Consumer Finances



WHY IS MINORITY BUSINESS DEVELOPMENT IMPORTANT?

WEALTH (OR THE LACK THEREOF) AFFECTS:

- **The quality of healthcare you receive.**
- **Where you live.**
- **The type of schools your children can attend.**

WHY IS MINORITY BUSINESS DEVELOPMENT IMPORTANT?

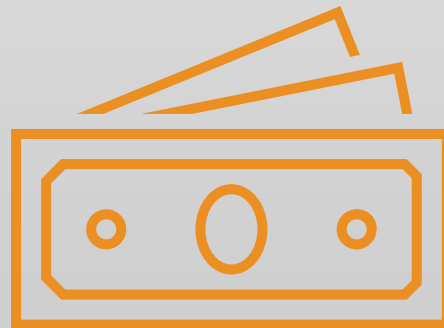
WEALTH (OR THE LACK THEREOF) AFFECTS:

- Whether you can afford to buy a home.
- The type of career you can have.
- Whether you can afford to start and grow a business.

WHY IS MINORITY BUSINESS DEVELOPMENT IMPORTANT?

WEALTH (OR THE LACK THEREOF) AFFECTS:

- **The spending power of your family.**



WHY IS MINORITY BUSINESS DEVELOPMENT IMPORTANT?

- **McKinsey notes that the Racial Wealth Gap constrains the US economy as a whole:**

“It is estimated that its dampening effect on consumption and investment will cost the US economy between \$1 trillion and \$1.5 trillion between 2019 and 2028—4 to 6 percent of the projected GDP in 2028”

WHY IS MINORITY BUSINESS DEVELOPMENT IMPORTANT?

- In 2021 the Massachusetts Taxpayers Foundation released a report that concludes that Massachusetts could grow its economy by **\$25 Billion over five years by closing the “Racial Wealth” gap in Black and Latino communities.**
- The report focuses on the Racial Divide in: **wages; housing; investments; and wealth.**

WHY IS MINORITY BUSINESS DEVELOPMENT IMPORTANT?

Minority Business Development is an effective lever to reduce the Racial Wealth Gap in America and make communities stronger.

Why?



WHY IS MINORITY BUSINESS DEVELOPMENT IMPORTANT?

Minority Businesses:

- **Generate economic output**
- **Create and maintain jobs (especially with people of color)**



WHY IS MINORITY BUSINESS DEVELOPMENT IMPORTANT?

Minority Businesses:

- Generate tax revenue
- Their owners constitute a cadre of “Servant Leaders”



WHY IS MINORITY BUSINESS DEVELOPMENT IMPORTANT?

SNAPSHOT: NATION'S MINORITY BUSINESSES WITH PAID EMPLOYEES:

OF FIRMS

1,048,323

GROSS REVENUES

\$1,481,618,918

OF PAID EMPLOYEES

9,432,081

WHY IS MINORITY BUSINESS DEVELOPMENT IMPORTANT?

NEW ENGLAND MBEs WITH PAID EMPLOYEES

	MASSACHUSETTS	CONNECTICUT	NEW HAMPSHIRE	RHODE ISLAND	MAINE	VERMONT	NEW ENGLAND
# OF FIRMS							
Hispanic	3,457	2,067	361	-	313	-	6,198
Asian	10,970	5,960	931	938	-	307	19,106
Black/African American	2,052	-	-	168	-	-	2,220
Indian/Alaska Native	211	-	17	34	32	-	294
Native Hawaiiin & Other Pacific Islander	141	18	-	-	-	-	159
Total	16,831	8,045	1,309	1,140	345	307	27,977

# OF EMPLOYEES	133,962	64,131	14,703	12,595	15,000	3,136	243,527
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WHY IS MINORITY BUSINESS DEVELOPMENT IMPORTANT?

ECONOMIC IMPACT OF GNEMSDC MBES (2019): NEW ENGLAND VS. COMMONWEALTH

	TOTAL: NEW ENGLAND REGION	MASSACHUSETTS
GDP CONTRIBUTION	\$4.3 Billion	\$2.6 Billion
INCOMES SUPPORTED	\$1.9 Billion	\$1.2 Billion
TOTAL JOBS SUPPORTED	32,789	21,514
JOBS AT OUR CERTIFIED MBES	19,691 (65% are People of Color)	13,518

WHY IS MINORITY BUSINESS DEVELOPMENT IMPORTANT?

SNAPSHOT: ECONOMIC IMPACT OF NMSDC CERTIFIED MBEs

# Certified MBEs	15 Thousand
Economic Output	\$396 Billion
Tax Revenue	\$130 Billion
Jobs Supported	1.75 Million Jobs
Annual Revenue of Certified MBEs	\$261 Billion
Jobs at Certified MBES	865 Thousand
Minority Firms at Certified MBES	70%
Wages Earned at Certified MBES	\$72 Billion

HOW GNEMSDC SUPPORTS MINORITY BUSINESS DEVELOPMENT



HOW GNEMSDC SUPPORTS MINORITY BUSINESS DEVELOPMENT

- **GNEMSDC** is a 47 year old organization, that is part of a National Network that includes:
 - **National Minority Supplier Development Council,**
 - **23 Regional Councils**
 - **2,000 corporate members and**
 - **15,000 businesses certified as being minority owned and controlled (“MBEs”).**

HOW GNEMSDC SUPPORTS MINORITY BUSINESS DEVELOPMENT

A National Network of Corporate Members and Certified Minority Owned Businesses Is Important Because Supply Chains Do Not Recognize Geographic Boundaries.



HOW GNEMSDC SUPPORTS MINORITY BUSINESS DEVELOPMENT

Supply Chains Do Not Recognize Geographic Boundaries:

- **Vendors, including Minority Business Enterprises, may be physically located in Massachusetts but sell their goods and services across the country and internationally.**
- **Vendors, including Minority Business Enterprises, may be physically located outside of Massachusetts, but sell a substantial amount of their goods and services in the Commonwealth.**

HOW GNEMSDC SUPPORTS MINORITY BUSINESS DEVELOPMENT

Supply Chains Do Not Recognize Geographic Boundaries:

- **A Corporation based in Massachusetts may coordinate the purchase of goods and services nationally, and may purchase goods and services primarily outside of the Commonwealth.**
- **A Corporation based outside of Massachusetts may coordinate the purchase of goods and services from vendors located in Massachusetts.**

HOW GNEMSDC SUPPORTS MINORITY BUSINESS DEVELOPMENT

GNEMSDC operates from offices in **Boston, MA** and **New Haven, CT** and we do 4 things:

CERTIFY



CONNECT:

Corporations and MBEs
Corporate to Corporate
MBE to MBE



DEVELOP



ADVOCATE



HOW GNEMSDC SUPPORTS MINORITY BUSINESS DEVELOPMENT

CERTIFY

HOW GNEMSDC SUPPORTS MINORITY BUSINESS DEVELOPMENT

CERTIFY

- **At December 31, 2021, GNEMSDC had 262 MBEs**
- **Those MBEs had \$2.3 Billion in Aggregate Revenue**
- **Those MBEs had over 32 Thousand Employees
(60% were People of Color)**

HOW GNEMSDC SUPPORTS MINORITY BUSINESS DEVELOPMENT

CERTIFY

GNEMSDC also **“Cross-Certifies”** MBEs on behalf of the Commonwealth of Massachusetts.



HOW GNEMSDC SUPPORTS MINORITY BUSINESS DEVELOPMENT

CERTIFIED MBES BY STATE

As of 12/31/21

State	# of MBEs	% of Total	Aggregate Revenue: \$Amount	% of Total
CT	88	34%	\$ 351,938,073	16%
MA	150	57%	\$ 1,590,499,574	69%
ME	3	1%	\$ 44,668,867	2%
NH	9	3%	\$ 258,576,462	11%
RI	11	4%	\$ 22,958,066	1%
VT	1	0%	\$ 2,598,725	1%
Total	262	100%	\$ 2,271,239,767	100%

HOW GNEMSDC SUPPORTS MINORITY BUSINESS DEVELOPMENT

GNEMSDC CERTIFIED MBEs BY ETHNIC BACKGROUND

AS OF 12/31/2021

Ethnic Group	# of MBEs	% of Total	ANNUAL REVENUES	
			Amount	% of Total
Asian Indian	66	25%	\$458,142,795	20%
Asian Pacific	48	18%	\$615,970,901	27%
Black	82	31%	\$348,042,460	15%
Hispanic	64	24%	\$746,036,759	33%
Native American	2	1%	\$103,046,853	5%
Total	262	100%	\$2,271,239,768	100%

HOW GNEMSDC SUPPORTS MINORITY BUSINESS DEVELOPMENT

Certified MBEs by Category (As of 12/31/2021)					
MBE CATEGORY	NUMBER OF MBES		ANNUAL REVENUE		AVERAGE REVENUE
	#	% of Total	\$Amount	% of Total	\$Amount
Category 1 <i>(<\$1 Million)</i>	122	47%	\$23,635,126	1%	\$193,731
Category 2 <i>(\$1 Million--\$10 Million)</i>	93	35%	\$276,905,120	12%	\$2,977,474
Category 3 <i>(\$10 Million--\$50 Million)</i>	36	14%	\$638,009,232	28%	\$17,722,479
Category 4 <i>(>\$50 Million)</i>	11	4%	\$1,332,690,290	59%	\$121,153,663
TOTAL	262	100%	\$2,271,239,768	100%	\$8,668,854

CONNECT

HOW GNEMSDC SUPPORTS MINORITY BUSINESS DEVELOPMENT

CONNECT

CORPORATE TO MBE:

- **Power Networking (Virtual Matchmakers)**
- **How to Do Business with Webinars**
- **Targeted Introductions**

CORPORATE TO CORPORATE:

- **Corporate Roundtables**
- **Industry Groups**

MBE to MBE:

- **MBEIC**
- **Targeted Introductions**
- **Minority Business Development Forum (In partnership with The Boston Red Sox)**
- **Power Networking (Virtual Matchmakers/Multi-Council)**

HOW GNEMSDC SUPPORTS MINORITY BUSINESS DEVELOPMENT

CONNECT

INDUSTRIES OF OUR CORPORATE MEMBERS:

- Insurance
- Banking
- E-Commerce
- Defense
- Financial Services
- Gaming
- Health Care
- Higher Education
- Biotech/Pharma/Medical Devices
- Retail
- Utilities

HOW GNEMSDC SUPPORTS MINORITY BUSINESS DEVELOPMENT

GNEMSDC'S LOCAL CORPORATE MEMBERS

[Amica Insurance](#)

[Associated General Contractors of MA](#)

[Associated Industries of Massachusetts \(AIM\)](#)

[Babson College](#)

[BAE Systems](#)

[Baystate Health](#)

[Bentley University](#)

[Berkshire Bank](#)

[Berkshire Health Systems](#)

[Blue Cross Blue Shield of Massachusetts](#)

[Blue Cross Blue Shield of RI](#)

[Boston Children's Hospital](#)

[Boston Planning & Development Agency \(BPDA\)](#)

[Brandeis University](#)

[Bridgewater State University](#)

[Cerevel](#)

[City of Boston](#)

[College of the Holy Cross](#)

[Community Health Network of CT](#)

[CommonWealth Purchasing Group](#)

[Connecticut Lottery Corporation](#)

[Diversified Automotive](#)

[Eastern Bank](#)

[East Boston Neighborhood Health Center](#)

[Eversource Energy](#)

[Federal Home Loan Bank Of Boston](#)

[Federal Reserve Bank of Boston](#)

[Fev Tutor](#)

[Greater New Haven Chamber of Commerce](#)

[Greylock Federal Credit Union](#)

[Hartford Healthcare](#)

[Harvard University](#)

[John Hancock Life Insurance Company](#)

[Keolis Commuter Services](#)

[Massachusetts Biotechnology Council](#)

[Mass General Brigham](#)

[Massachusetts Higher Education Consortium](#)

[Massachusetts Growth Capital Corporation](#)

[Massachusetts Port Authority](#)

[MFS Investment Management](#)

[MSI Global Talent Solutions](#)

[Natixis Investment Managers](#)

[Northeastern University](#)

[Otis](#)

[People's United Bank](#)

[Pioneer Valley Transit Authority](#)

[Prospect Waterbury Hospital](#)

[Purdue Pharma](#)

[Putnam Investments](#)

[Reed Exhibitions](#)

[Rhode Island Commerce Corporation](#)

[Rockland Trust](#)

[Sonalysts, Inc.](#)

[Takeda Pharmaceutical Co.](#)

[The Travelers Companies, Inc.](#)

[The Trustees of Reservations](#)

[Tuck School of Business at Dartmouth College](#)

[Tufts University](#)

[University of Connecticut](#)

[University of Massachusetts](#)

[Wayside Publishing](#)

[Wellesley College](#)

[WGBH Educational Foundation](#)

[Wynn Resorts](#)

[Yale New Haven Health System](#)

[Yale University](#)

HOW GNEMSDC SUPPORTS MINORITY BUSINESS DEVELOPMENT

GNEMSDC'S NATIONAL CORPORATE MEMBERS

[Abt Associates](#)

[Alkermes](#)

[American Tower](#)

[Arbella Service Company](#)

[Avangrid](#)

[Bain & Company](#)

[Bank of America Corporation](#)

[Boston Consulting Group](#)

[Boston Properties](#)

[Boston Scientific Corporation](#)

[Bowdoin College](#)

[Charter Communications](#)

[Cigna Corporation](#)

[Citizens Bank](#)

[Collins Aerospace – A Division of Raytheon Technologies](#)

[Comcast NBC Universal](#)

[CVS Health Corporation](#)

[DentaQuest](#)

[Fidelity Investments](#)

[General Electric Company](#)

[Groom Construction](#)

[Haartz Corporation, The](#)

[Harman International](#)

[Houghton Mifflin Harcourt](#)

[Hubbell Incorporated](#)

[IDEO](#)

[Iron Mountain](#)

[JP Morgan Chase](#)

[Lapine](#)

[Legrand](#)

[Liberty Mutual](#)

[MassMutual](#)

[MGM Resorts International](#)

[Morgan Stanley](#)

[National Grid USA](#)

[Parexel International](#)

[Peapod Digital Labs](#)

[Pratt and Whitney – A Division of Raytheon Technologies](#)

[Pfizer, Inc.](#)

[Pitney-Bowes, Inc.](#)

[Raytheon Technologies](#)

[Realogy Corporation](#)

[Sedgwick Claims Management Services, Inc.](#)

[Stanley Black & Decker](#)

[Staples, Inc.](#)

[State Street Corporation](#)

[Sun Life Financial](#)

[Synchrony](#)

[The Hartford](#)

[Thermo Fisher Scientific Inc.](#)

[TJX Companies, Inc., The](#)

[Turner Construction Company](#)

[Unispace](#)

[United Rentals, Inc.](#)

[Vistra](#)

[Walt Disney Company, The](#)

[W.B. Mason Company](#)

HOW GNEMSDC SUPPORT MINORITY BUSINESS DEVELOPMENT

MBE DEVELOPMENT

HOWGNEMSDC SUPPORTS MINORITY BUSINESS DEVELOPMENT

MBE DEVELOPMENT

NO COST TO MBEs

- **Business Development**
- **Capacity Building**

HOW GNEMSDC SUPPORTS MINORITY BUSINESS DEVELOPMENT
MBE DEVELOPMENT

Capacity Building

ACCESS TO “FINANCIAL CAPITAL”:

Senior Debt---Lines of Credit; Term Loans

Mezzanine Capital

Equity Capital

“INTELLECTUAL CAPITAL”:

ONE ON ONE CONSULTING/SUBJECT MATTER TRAINING:

Financial Management

Strategic Planning

Marketing

Process Improvement/Operations



HOW GNEMSDC SUPPORTS MINORITY BUSINESS DEVELOPMENT

MBE DEVELOPMENT BY GNEMSDC

NO COST TO MBEs

- **Business Development:** Targeted assistance to MBEs in obtaining contracts from buyers in the private sector and the public sector: Federal; State & Local Government.
- **Capacity Building:** One on One Consulting & Subject Matter Training—Financial Management; Marketing; Strategic Planning; Process Improvement.

HOW GNEMSDC SUPPORTS MINORITY BUSINESS DEVELOPMENT

GNEMSDC:

- **Annual Sponsorships from GNEMSDC Corporate Members and MBES:** Annual sponsorships represent 30% of GNEMSDC Revenue and 60% of every sponsorship dollar is allocated directly to MBE Development.
- **Massachusetts Clean Energy Center (\$500,000 grant/3 years):** Provide “Capacity Building” and “Business Development” services to Climate Critical MBEs.
- **Massachusetts Growth Capital Corporation (\$100,000 grant):** Provide “Capacity Building” services for MBEs in Massachusetts seeking financing.

HOW GNEMSDC SUPPORTS MINORITY BUSINESS DEVELOPMENT

Minority Business Development Agency

Massachusetts MBDA Business Center (5 Year/\$2 Million Grant): Provide “Capacity Building” and “Business Development” services to minority owned businesses throughout New England with at least \$500 thousand in revenue.

Covid 19 Project (1 Year/\$525,726 grant): Provide “Capacity Building” and “Business Development” services to minority owned businesses throughout New England with less than \$500 thousand in revenue to assist them in preventing, preparing for, and responding to the Covid 19 pandemic.

Supplemental Funding for Increased Services for MBE Readiness for Federal Infrastructure Contracting Opportunities (1 Year/\$105,000 grant): Provide “Capacity Building” and “Business Development” services to minority owned businesses throughout New England to support and prepare MBEs to win contracts stemming from the Infrastructure Investment and Jobs Act, and other large scale Federal investments, that are deployed at the state and local levels.

ADVOCATE

ECONOMIC/COMMUNITY BUILDING IMPACT	GNEMSDC ECONOMIC IMPACT STUDY (2019)	NMSDC ECONOMIC IMPACT STUDY (2014)
Economic Output	\$4.3 Billion	\$400 Billion
Create & Maintain Jobs	32 Thousand (Direct, Indirect, Induced)	2.2 Million
	20 Thousand Direct (65% are People of Color)	
Tax Revenue	Not Applicable	\$49 Billion
Servant Leadership	Examples: Anthony Samuels (DRB) Donna Latson Gittens	Examples: Robert Smith (Vistra Equity)



Greater New England
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Development Council

THANK YOU!

Together... We Continue to Rise!

phurst@gnemsdc.org