

REPORT

Black Founders Summit

BE A PART OF THE SOLUTION



ADVANCING BLACK ENTREPRENEURSHIP in ARKANSAS:

Actionable Insights & Discussions

Hosted by
ReMix Ideas



Virtual Summit Held:
October 22, 2020
9 a.m. - 12 p.m.
blackfounderssummit.com
[#BlackFoundersSummit](https://twitter.com/BlackFoundersSummit)

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Michael Blake Mens Wear, LLC, a Black-owned business located in Maumelle, Arkansas, offers custom suits, shirts, shoes, and tuxedo rentals.

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Black Founders Summit

— BE A PART OF THE SOLUTION —

December 27, 2020

Greetings Fellow Community Members -

2020 has been a challenging and distressing year for all of us.

This year brought with it the COVID-19 pandemic, harrowing police brutality, unrest, high unemployment and lives lost both locally and abroad. To put it plainly, "business as usual" has been dramatically interrupted almost everywhere. Here in the United States, the health crisis and the ensuing economic fallout have disproportionately affected Black lives—both physically and financially. In the business sector, companies of nearly all stripes have endured financial hits, but Black-owned enterprises have suffered the most. In fact, research from the University of California at Santa Cruz found that in April – 41% of Black-owned businesses – 440,000 – had closed due to COVID-19 impacts compared to only 17% of white-owned firms.

Why is this? In short, the virus is new but systemic racism is not. Black entrepreneurs were beset with barriers long before the onslaught of COVID-19. Limited access to capital, weak or non-existent banking relationships and limited safety nets are all too common conditions in the Black entrepreneurial community. And much like the virus' effect on the physical body, such pre-existing conditions can prove fatal to already financially strained and excluded businesses. Recognizing the historical yet persistent injustices impacting Black people across several fronts, it's no surprise that many Black-owned enterprises were among the first casualties of the ailing economy.

Yet, as an optimist, I look for and seize opportunity. The impact of the pandemic and the devastating killing of George Floyd have served as a catalyst to re-galvanize individuals already committed to the ideals and work of social and economic justice. While for others, the events have served as an alarming flashpoint – a clarion call awakening their consciousness and bringing into focus the troubling reality of racism and its disparate impacts. As a result, I believe there is a larger and more diverse coalition of voices coming together now to demand change. The question is, *how can this momentum be optimized in order to advance Black entrepreneurship?*

My hope for the **Black Founders Summit** is to harness this growing alliance and transform it into a *working* unity by creating a space for our community to come together and discuss actionable insights with a goal of establishing a NEW and inclusive ecosystem that advances Black entrepreneurship.

Of course, change is not easy. It will take bold ideas, courage, commitment, and action. But as a growing spectrum of voices – including entrepreneurs, corporate leaders, policy makers, educators and more – have reached out to support Black entrepreneurship initiatives, I am hopeful about what we can achieve together. I am also reminded of a proverb from my native homeland of Africa, it says "*If you want to travel fast, travel alone. If you want to travel far, travel together.*"

Advancing Black entrepreneurship is an ambitious and necessary journey. Thank you for choosing this path. **We will certainly travel farther together!**

Sincerely,

B.L

Benito Lubazibwa
Black Founders Summit, FOUNDER



Benito Lubazibwa

"If you want to travel fast, travel alone.
If you want to travel far, **travel together.**" - African Proverb

OVERVIEW

The **Black Founders Summit [BFS]** convened virtually on Thursday, October 22, 2020, from 9 a.m. to 12 p.m. – bringing together over 90 business leaders, financiers, policymakers, entrepreneurs, educators, artisans and other vital stakeholders throughout the state of Arkansas – all with a common goal: *advancing Black entrepreneurship*.

The BFS opened with a welcome and remarks from elected officials:

Frank Scott, Jr., Mayor of Little Rock, spoke of his support for Black entrepreneurs including plans to develop a comprehensive minority development business program, plans to increase minority spending and efforts to cultivate businesses along the Asher Avenue corridor. Joyce Elliott, Arkansas State Senator spoke candidly about the K-12 education system that exclusively prepares students for the workforce. Sen. Elliott advocates for a more balanced educational model -- one that teaches both the school-to-work and school-to-entrepreneurship model, aptly preparing students for employment and business ownership. **Additionally, (2) initiatives aimed at addressing the financial needs of Black and under-served entrepreneurs were unveiled:**

Southern Bancorp CEO, Darrin Williams, announced the *Little Rock Minority Business Empowerment Fund* established to provide capital to Black and Brown businesses - South of I-630 - in Little Rock. Both Southern Bancorp and Simmons Bank have each pledged \$1 million with hopes to enlist commitments from other financial institutions.

"We have the intentionality of serving businesses of color."

- Darrin Williams, CEO, Southern Bancorp, Inc.

BFS Founder, Benito Lubazibwa, announced the launch of the *Advancing Black Entrepreneurship Fund* - a ReMix Ideas initiative in partnership with the Urban League of Arkansas - to raise and award \$1 million dollars to Black entrepreneurs by November 2021.



Our Process: Collaborative Problem-Solving

Amy Cox, Chair of the Art & Design Department at Harding University, welcomed and introduced participants to the collaborative problem-solving process, a design thinking approach with the following (3) phases:

1. **Diagnosing the Problem** - Sharing your knowledge of the problem.
2. **Analyzing the Problem** - Sharing what you know and don't know about the problem.
3. **Solving the Problem** - Sharing ideas as to how the problem can be solved.

After employing Phases 1& 2, which involved talking through and fully understanding the problem, participants were encouraged to approach Phase 3 from various perspectives. The goal was to generate ideas that can be carried out at an *Individual, Institutional, and Community* level. Following explanation of the 3-phase process, participants were divided in to groups and assembled across (5) breakout rooms to contribute insights and generate solutions for the following focus areas:

1. **Access to Capital for Black-Owned Businesses**
2. **Equity in Purchasing & Procurement**
3. **Arts & The Creative Economy**
4. **Historically Black Colleges & Universities: Educating Future Founders**
5. **Building a More Just & Equitable Entrepreneurial Ecosystem**

Facilitators accompanied each work group and were tasked with guiding participant discussion, capturing feedback and tracking time over a 2-hour breakout period. Afterwards, work groups reconvened to the larger Summit to share insights and actionable recommendations resulting from their discussions. **Next, are the recommendations resulting from this process.**

"Every challenge, great or small, deserves a very well designed solution."

- Amy Cox, Harding University



Real Natural Salon
located in Little Rock, Arkansas, provides solutions women need to maximize their hair to its full potential. In 2015, salon owner, Alisha, launched her proprietary haircare product line, *Real Natural Solutions*. She featured her products on Shop Black Live.



Access to Capital for Black-Owned Businesses



Lindsey's Hospitality House and Bar B Q, located in North Little Rock, Arkansas, offers a variety of homestyle meals, barbecue, banquet room rentals & Lindsey's Famous Bar-B-Que Sauce. Product featured on Shop Black Live.

RECOMMENDATIONS:

- Develop innovative ways to fund Black entrepreneurs
- Provide financial literacy education to Black entrepreneurs
- Cultivate relationships between Black entrepreneurs and financial institutions
- Advocate for Black entrepreneurs to be included when lawmakers and regulators are forming policies that affect the capital markets
- Provide racially conscious technical assistance
- Facilitate the formation of local, Black-focused venture capital firms
- Strengthen Community Development Financial Institutions (CDFIs)
- Conduct research on access to capital and its impact on the racial wealth gap
- Assess how the Community Reinvestment Act (CRA) addresses systemic inequity in credit access for Black communities

Equity in Purchasing & Procurement

Municipal & State
(Arkansas)



Eco-Solutions, owned by a ReMix Ideas Business Academy alum, provides disinfecting services including sanitation for COVID-19.

RECOMMENDATIONS:

- Conduct disparity studies to review participation of minority businesses in cities & state procurement
- Identify challenges minority- owned businesses face doing business with cities & state
- Develop bonding and insurance programs for minority contractors
- Develop access to capital programs, including city/state partnerships with financial institutions to support businesses in securing funds
- Develop Mentor-Protégé Programs
- Provide technical assistance and procurement & bidding training
- Increase the percent of the dollar amount of city/state contracts to Black-owned businesses
- Examine certified women-owned businesses to ensure that no potential of misrepresentation of businesses owners (i.e., change of ownership from husband to wife to get minority contracts)
- Create a sustainable central hub, brokerage or database for minority owned businesses
- Develop accountability standards at the procurement level and vetting of projects concerning performance of minority bidding regulations
- Identify specific resources to focus on the capacity building of Black-owned businesses

Arts & The Creative Economy



Adaja Cooper, showcases her art and shares the inspiration behind her paintings on Shop Black Live.

RECOMMENDATIONS:

- Provide access to capital, resources and opportunities for Black artists & creatives
- Educate leaders, elected officials & the community on the role art plays in social and economic development
- Provide professional development programs tailored to equip artists & creatives with leadership and entrepreneurial skills
- Provide space for artists & creatives to work, connect and collaborate with each other
- Promote creative work and services provided by Black artists

Historically Black Colleges & Universities: Educating Future Founders



In 2020, ReMix Ideas raised \$10,000 for the Arkansas Baptist College entrepreneurial program.

RECOMMENDATIONS:

- Link HBCUs curricula to real-world business experiences
- Develop more project-based learning curricula & incorporate technology in curricula
- Develop Entrepreneurship-in-Residence programs
- Create opportunities for HBCU students to participate in business competitions
- Support students in launching their own businesses
- Provide incubator spaces for student-run businesses
- Provide technical assistance, mentorship & financial literacy education
- Provide access to capital opportunities to student-startups in the form of grants
- Foster interest in entrepreneurship before college (High School)
- Encourage student interest in launching companies in the technology industry
- Engage & integrate student perspectives on ways HBCUs can advance entrepreneurship

Building a More Just & Equitable Entrepreneurial Ecosystem



The Rock It! Lab, a partnership of the library system & ReMix Ideas, is a start-up hub designed to promote entrepreneurship in under-resourced communities.

RECOMMENDATIONS:

- Assess, map and monitor the entrepreneurial ecosystem
- Develop innovative ways to fund Black entrepreneurs
- Work with Black churches and faith-based community to establish credit union
- Advocate for legislation, policies, practices and services to support Black entrepreneurship
- Advocate for Black entrepreneurs to be at the table on issues affecting capital markets
- Establish a network or association designed to promote and protect interests affecting Black entrepreneurs
- Educate stakeholders across various sectors on issues affecting Black entrepreneurship
- Provide entrepreneurial education in K-12 , College and University settings
- Build entrepreneurial talent pipelines
- Develop a Mentorship Program
- Provide racially conscious technical assistance, financial literacy, training and business development services
- Promote the various benefits of supporting Black-owned Businesses
- Build relationships between Black entrepreneurs and financial institutions
- Utilize stories to illustrate the experiences of Black entrepreneurs (showcase successes & reveal struggles)
- Establish mediums for consumers to easily identify Black-owned Businesses
- Establish mechanisms to rate and recognize individuals, corporations and communities for their equitable practices
- Promote resources, services and programs designed to support Black entrepreneurs
- Cultivate the entrepreneurial mindset in Black communities
- Provide platforms for Black entrepreneurs to network, collaborate and learn from each other
- Establish a hub of resources and services for Black entrepreneurs
- Fuel innovation and business creation through pitch competitions

IMPLEMENTATION

Group leaders met and identified (3) action items from each focus area to begin initial implementation in January 2021. Action items were selected based upon feasibility, potential short and long-term impacts. Stakeholders will be invited to participate in the implementation stage which will involve establishing timeframes, key leaders, etc. Other action items may be integrated into the implementation phase as resources permits.

Below are (3) recommendations selected for implementation, per focus area:

Access to Capital

1. Provide financial literacy education for Black entrepreneurs
2. Cultivate relationships between Black entrepreneur and financial institutions
3. Develop innovative ways of funding Black entrepreneurs

Equity in Purchasing & Procurement

1. Advocate for disparity studies to review participation of minority business in procurement (cities & state)
2. Develop Mentor-Protégé programs
3. Build the capacity for Black-owned businesses to better participate and compete in procurement

Arts & The Creative Economy

1. Provide access to capital, resources and opportunities for Black artists & creatives
2. Educate leaders, elected officials & the community on the role art plays in social/economic development
3. Provide professional development programs tailored to equip artists & creatives with leadership and entrepreneurial skills

Historically Black Colleges and Universities: Educating Future Founders

1. Link HBCUs curricula to real-world business experiences
2. Create opportunities for HBCU students to participate in business competitions
3. Provide technical assistance, mentorship & financial literacy education

Building a More Just & Equitable Entrepreneurial Ecosystem

1. Establish a network to advocate for legislation, policies, practices & services to support Black entrepreneurship
2. Strengthen efforts to help Black entrepreneurs access capital
3. Cultivate the entrepreneurial spirit & promote Black entrepreneurship through storytelling

Advancing Black Entrepreneurship

As **BFS** participants and other stakeholders contributed several viable recommendations, some of the feedback resulted in immediate action undertaken by ReMix Ideas, namely the establishment of *Advancing Black Entrepreneurship* – a non profit organization dedicated to building a supportive **ecosystem** for Black entrepreneurs in Arkansas.

The newly formed *Advancing Black Entrepreneurship* will spearhead efforts and work with stakeholders to implement recommendations toward building an inclusive ecosystem.

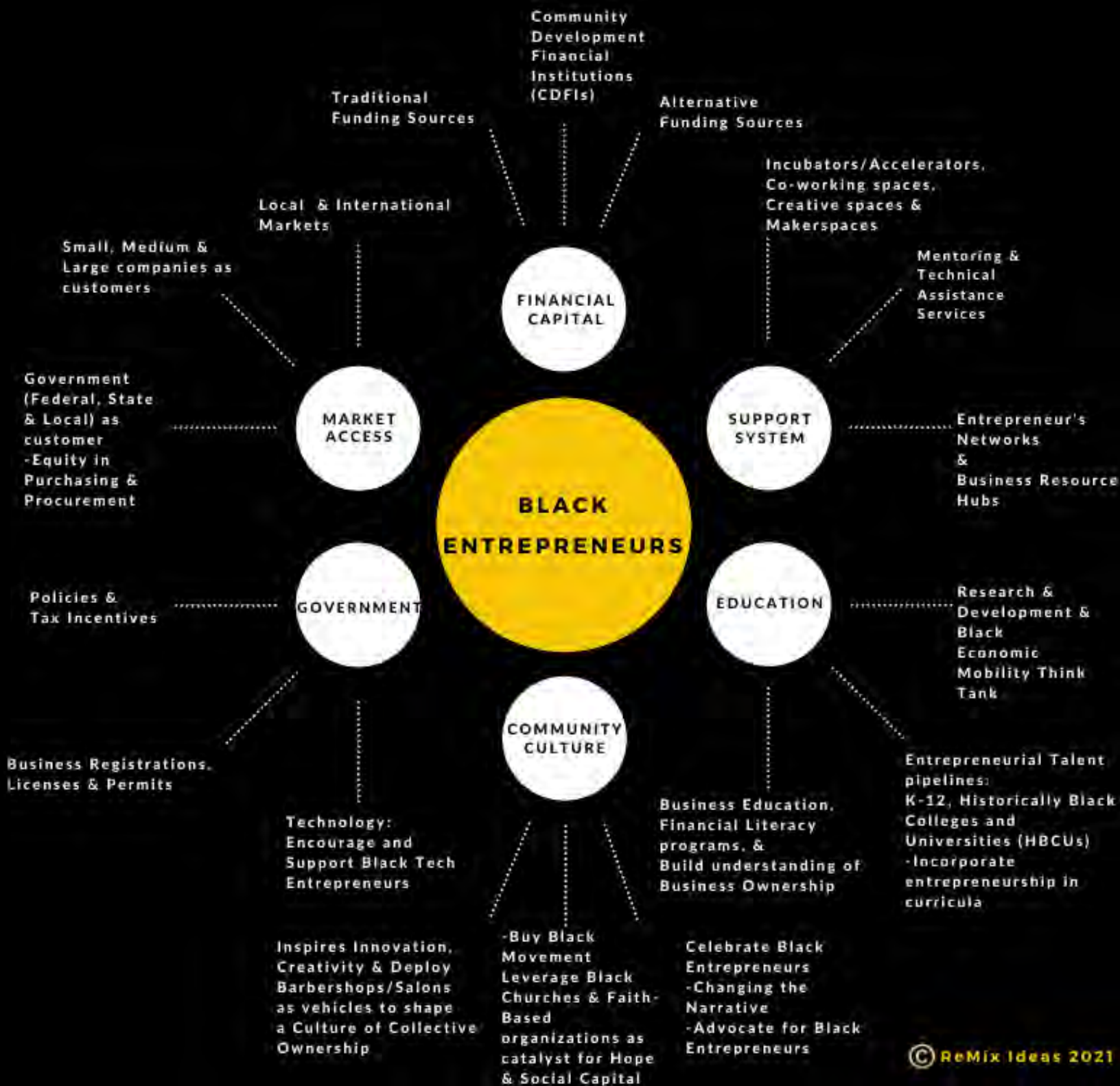
Entrepreneurial Ecosystem System

"a system of interconnected actors, factors and environmental determinants that interact in such a way to support entrepreneurs at each stage in their business cycle."

Figure 1.0 - Benito Lubazibwa

BUILDING AN ECOSYSTEM FOR BLACK-OWNED BUSINESSES

An **Entrepreneurial Ecosystem** is a system of interconnected actors (entrepreneurs, etc.), factors (capital, market access, etc.) and environment determinants (e.g., policies, laws, culture etc.) that interact in such a way to support entrepreneurs at each stage in their business lifecycle.



MOVING FORWARD

This Summit confirmed the desire of many Arkansans to change the current economic system in favor of a more just and equitable one. It will be difficult for Black people to achieve economic mobility not to mention intergenerational wealth through entrepreneurship in the present-day ecosystem where access to capital, knowledge, resources, unfair policies and exclusion from influential networks are the norm. But this moment of disruption and American awakening give us a rare opportunity to reimagine a new economic system that works for ALL.

Moving forward, the recommendations and future insights will be implemented within the broader context of creating an ecosystem that interacts and functions in a way to support the Black business aspirant at every stage of the business cycle. Recognizing the necessity for leadership and commitment to this process, the *Advancing Black Entrepreneurship* organization will work with stakeholders throughout the implementation phase.

Let us travel together as we work toward a common purpose – to build an anti-racist economic system in Arkansas. Let's commit our time, talents, and resources in building an entrepreneurial ecosystem that supports Black-owned businesses. Let's pledge to spend a percentage of our monthly budget at Black-owned businesses.

For further information about this report and how you can be a part of the movement to advance Black entrepreneurship in Arkansas, please contact:

advancingblackentrepreneurship@gmail.com
www.advancingblackentrepreneurship.com

A Special Thank You

A special thank you to the BFS planners, facilitators, Common Future and all that made this event possible.

Design Thinking Expert

Amy Cox, M.F.A - Department of Art and Design, Chair, Harding University

Facilitators

Leah Patterson – Founder of MOVE Makeup

Garbo Hearne - Director of Hearne Fine Art and Chair of the Board for Arkansans for the Arts

Jay Young - Central and East Arkansas Regional Director & Director of Minority Business Development at FORGE, Inc.

Wesley Brown - Founder of Black Consumer News of Arkansas and Publisher of Daily Record

Bruce James - Assistant Business and Economics Professor at Philander Smith College

Dazzmin “Dazz” Murry - Founder/Executive Director Creators’ Village

Technical Support

Reginald Ballard - Educator & Public Servant

Joseph Crew – Founder of Photographer/Videographer/Graphic Designer of Beyond Pristine LLC

Report Developer

Ericka Benedicto, Co-Producer & Stage Manager of Shop Black Live

IN THEIR OWN WORDS...

"The Black Founders Summit provided a unique forum to engage with Black entrepreneurs, policymakers and support organizations seeking to advance minority entrepreneurship in Arkansas. ASBTDC is proud to be part of a collaborative effort to build prosperous communities and will use insights gleaned from the summit in support of minority entrepreneurs and small business owners across the state."

-Laura Fine, State Director, Arkansas Small Business and Technology Development Center

"I thoroughly enjoyed my participation in the Black Founders Summit. This event provided current and future small business entrepreneurs a wide range of wealth and knowledge to be successful and sustainable in the market. Each attendee received information about how to obtain capital from a financial institution and technical assistance from community organizations. I honestly think there should have been a part I, II and III because there was so much information to cover. These types of events are definitely needed in our communities"

-Kimberly M. Lee

Financial Inclusion Officer – Arkansas HOPE Credit Union

"Now is the time to lift up and shine a light on the amazing Black entrepreneurs in Little Rock! I so appreciate ReMix for doing just that with its Black Founders' Summit. It was inspiring to me and to Communities Unlimited's (CU) staff to see so many experts and practitioners supporting and growing Black owned businesses in one place. A special thank you to Benito Lubazibwa, Founder of ReMix for his tireless work supporting Black-owned businesses in our community. CU appreciates his work and partnership over the past three years."

- Ines Polonius, CEO of Communities Unlimited (CU)

"When we discuss the next wave of development of Black businesses and startups in Arkansas, I believe we will look back at the Black Founders Summit as the nexus and foundation that created a movement to empower Black entrepreneurs to build their own ..."

-Wesley Brown, publisher for the Daily Record Inc. and executive editor of BlackConsumerNews.com

"True to form, Remix Ideas delivered an energetic, engaging, and action-focused summit.

The solution-focused, deliberate discussions to grow the ecosystem to support Black-owned businesses were punctuated with tangible investments and clear calls to action. The summit brought momentum, amplification, and growth to our ongoing drive toward equity and access."

- Philip Adams, Executive Director FORGE Community Loan Fund

"I came away from the Black Founders Summit feeling renewed and certain that through our efforts, Black businesses in Arkansas will begin to excel in ways we haven't seen before.

The energy and collective spirit of action throughout the summit is already catalyzing tangible opportunities for Black entrepreneurs and real changes that will create a remarkably different and better ecosystem sooner than later."

-Leah Patterson, CEO of MOVE Makeup & Host of Shop Black Live



Benito Lubazibwa

Black Founders Summit & ReMix Ideas, CEO

Benito Lubazibwa, a native of Tanzania, East Africa, is the Founder and Chief Executive Officer of ReMix Ideas, a business development and support organization with a focus on cultivating Black-business ownership. Established in 2017 and birthed partly from his own experiences, the mission of ReMix Ideas is to build an ecosystem that empowers Black entrepreneurs to start, grow and scale their businesses. Through ReMix, entrepreneurs are provided a range of tools and services including: technical assistance, workshops, mentorship, consulting, and funding.

As an observer of the entrepreneurial landscape, Benito recognized that many Black-business owners need financial social and knowledge capital in order to advance and sustain their enterprises. To that end, in 2019, Benito established the ReMix Ideas Business Academy (RIBA) a 12-week program designed to teach crucial business skills, provide networking spaces and mentorships. RIBA cohorts are also afforded micro-grants and access to lending opportunities. Since its inception, RIBA has matriculated over 30 graduates with several acquiring funding and cultivating new business relationships. In addition to RIBA, Benito has played an integral role in strengthening the library as an entrepreneurial resource. In 2020, the Central Arkansas Library in partnership with ReMix Ideas, launched The Rock It! Lab, a learning and start-up hub located in the main library in downtown Little Rock, that educates and connects under-resourced entrepreneurs by providing working space, technical assistance, workshops, programs and consulting at no cost.

In June 2020, Benito launched Shop Black Live (SBL), a weekly live-stream where viewers hear compelling stories from local Black entrepreneurs as they showcase their products, many of which are available for purchase on the show's website. To date, SBL has spotlighted over (50) local entrepreneurs with plans to grow its efforts. Believing in the strength of collective action, Benito also founded, *Power of Many*, a monthly grant awarded to Black entrepreneurs and primarily funded through cumulative individual giving. He also successfully spearheaded fundraising of \$10,000 for the Arkansas Baptist College Entrepreneurship Program. Also, in 2020, recognizing the complex challenges affecting the Black community, Benito launched the *Freedom Project*—an endeavor tailored to help formerly incarcerated individuals to start and grow their businesses with an added goal of reducing recidivism.

Additionally, Benito is Founder of Africa Day Fest, an annual community festival showcasing African arts, cuisine, and culture. He also founded the Little Rock Night Market, a family-friendly marketplace for startups, entrepreneurs and artisans to sell their wares and test new products. Both events draw thousands of visitors and serve to strengthen the local economy by enabling patrons to "buy local". In October 2020, Benito launched the Black Founders Summit, a space for the community to share actionable insights with the purpose of advancing Black entrepreneurship.

Benito has received several awards for his work toward advancing Black economic development and empowerment. In 2020 he was the recipient of the Advancing Equity Award by the Clinton School of Public Service Center of Community Philanthropy in recognition of the ReMix Ideas Business Academy. He was also honored by the Arkansas Democratic Black Caucus with the 2020 Calvin King Economic Development Award. Most recently, ReMix Ideas was named the Small Business Administration 2020 Entrepreneurial Support Organization of the Year.

Benito is a 2020 Common Future Bridge Fellow, a national program of (8) leaders from the Southern U.S., working toward building more inclusive and resilient economies for their communities. He also serves on the Board of Wesley College in Tanzania. Benito Lubazibwa is a Magna cum Laude honors graduate from the University of Central Arkansas in Conway. He currently lives in Little Rock, Arkansas, with his wife and son.

"If you think you're too small to make a difference, you haven't spent a night with a mosquito." - African Proverb

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