Local resource networks pave way for minority entrepreneurs written by Newspack Team | December 25, 2016



This story is part of our #CvilleCurious project. You ask the questions, you vote on the questions you're most curious about, and we answer. To ask your question, visit the CvilleCurious page. This question came from Marijean Oldham.

DeVaughn Anderson's mobile car-stereo installation business did not get off to a roaring start. After taking some classes at National Business College, Anderson, a father of three, left his steady gig at Crutchfield and struck out on his own.

His little storefront in Scottsville closed, though, thanks to tough financing, a failed partnership and, Anderson said, his own inexperience. To compound those hurdles, he had no network from which to draw knowledge or encouragement.

For minority business owners like Anderson, who is African-American, making a fledgling venture survive long enough to flourish — difficult enough with plenty of capital and a ready-made network — can be exponentially tougher because of systemic social barriers, fewer educational opportunities and limited options when bank financing falls through.

"They will tell you, 'Well, ask family, ask friends,' but for a lot of people, that isn't realistic," Anderson said. "Like people I know, we're paycheck to paycheck. We're trying to start a business to get off that paycheck-to-paycheck lifestyle."

The Virginia Department of Minority Business Enterprise classifies more than 280 businesses with Charlottesville addresses as small or women- or minority-owned. Another four qualify under the federal disadvantaged business enterprise guideline.

Thanks to help he got from the nonprofit Community Investment Collaborative, Anderson is approaching his third year running All About Car Audio from a small office on Earhart Street.

But without the help of the CIC, Anderson said, he would still be installing stereos at Crutchfield — a good job, but not his dream.

"The biggest thing with CIC is their networking, getting you in contact with like-minded people to help you do things, kind of having a roadmap," he said. "Being able to talk to those people, having a support group with those people," he continued.

The Community Investment Collaborative, which also offers classes, workshops and micro-loans, is not the only resource in town for minority entrepreneurs.

The Charlottesville Regional Chamber of Commerce's Business Diversity Council seeks to increase the number and strength of local minority business enterprises.

The Forward/Adelante Business Alliance and the Black Professional Network exist to strengthen the business networks for Hispanic and African-American professionals and business owners, respectively.

"We basically connect minority, in particular Hispanic, businesses to other businesses, services and customers," said Alexander Urpí, vice president of the Forward/Adelante. "The goal is to help other Hispanics like ourselves — we are all volunteers who own our own businesses — to help connect them to customers and services and each other."

CIC's mission, said President Stephen Davis, is to make sure poor and under-capitalized business ventures get a leg up.

"The big barriers are the challenges that CIC was conceived to face," he said. "Most of our clients are under-resourced entrepreneurs; 75 percent of our clients live in households below the median income for the area, 30 percent below the poverty level."

For Quinton Harrell, vice president of the Black Professional Network, networks are important, but his organization is also faced with changing the mindset of its members.

Often, BPN members are not thinking big enough, Harrell said.

"It is very difficult when you are operating in a society where there is not a multitude of examples of African-Americans getting funding for ideas," Harrell said. "So, sometimes your own belief system can get in the way, where you seek small funding when you may have a big idea."

Harrell, who with his wife owns A Taste of Home Southern Cuisine, a catering business and food truck, said he has started and owned four businesses.

"I would like to think that I can serve as an example to a certain degree, just by the businesses that I have started in the area," he said. "I also encourage them to plug into the network, because there are other examples."

The Black Professional Network came under scrutiny recently when blogger Jason Kessler wrote that the organization, founded in 2014 as a nonprofit, has not filed a Form 990, or income tax return, with the IRS.

Harrell called the omission an "oversight," and said the network is working to fix it. The organization has raised less than \$4,000 since it opened, he said.

For Anderson, even with lots of help, his business would be nothing without a loyal customer base.

"I have been really lucky, because I have a great group of customers," he said. "If I had to start out again without the customers, I don't know if I would be here."

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