



# Letter from the Chair

Over the past couple of years, we have outlined a bold vision and strategic plan to grow the aggregate annual revenues of minority businesses in the region by \$1 billion and subsequently create an incremental 3,500 jobs by year-end 2022.

This bold vision and plan have galvanized regional and national stakeholders desiring to partner with us to not only accomplish something transformational for Greater Cincinnati, but something that might truly inform and transform this work across the nation.

Our four key pillars to achieve these bold goals, which are to grow our existing portfolio firms, build a robust pipeline, attract larger-scale minority firms to the region, and create new minority firms via acquisition of mainstream businesses, have each enjoyed major developments over the past year, and have collectively served to further elevate and position the Minority Business Accelerator as a national best practice.

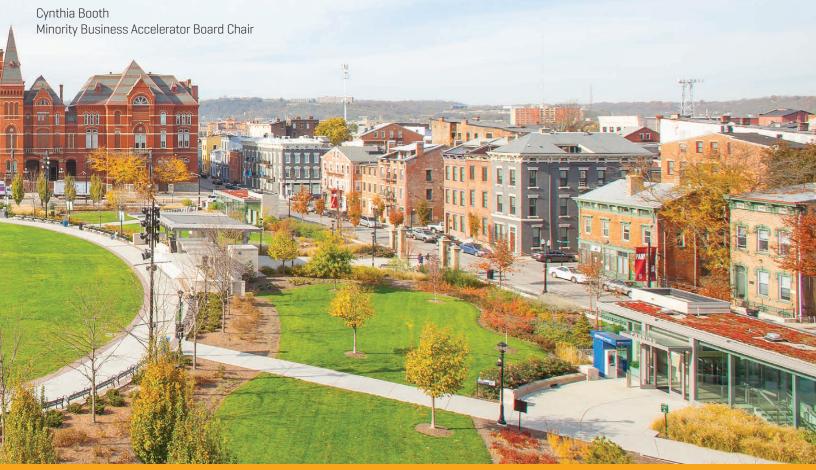
Importantly, our bold plan and vision follow over a decade of exceptional work in the region to build larger-scale minority-owned businesses, which was perhaps best captured in a LendingTree.com report released early in 2019 that recognized Cincinnati among the top 10 metropolitan areas in the country where minority entrepreneurs are finding success. Moreover, certain categories of that very same report, namely the percentage of minority-owned businesses in operation for more than the six years, as well as the percentage of minority businesses with annual revenues greater than \$500K, rank Cincinnati as number one in the nation.

As impressive and confirming as the LendingTree.com report was in positively reflecting the great work that has been underway in our region, the Accelerator and our broader region received an even greater credibility stamp in 2019, when the Ewing Marion Kauffman Foundation awarded a significant national grant to the Accelerator for the full execution of our business plan.

This grant will fund the development of an operational "playbook" to inform the potential replication of our model in chambers of commerce across the country. The Accelerator was selected from over 775 national applicants, building upon a previous national grant from the Surdna Foundation awarded in 2018, which also identified our work as a national best practice.

Throughout this report, we will share evidence and examples of the great work underway in each of our four strategic pillars, as well as the tangible results and ever-evolving pipeline of activities that have us well on our way to achieving our bold goals. A huge thanks goes to our Goal Setter partners and our expansive network of minority businesses for the incredible work and commitment that is demonstrated daily to achieve these results. As we build on these impressive statistics and continue to execute against our strategic plan, we are more confident than ever that the Greater Cincinnati Region can absolutely be declared the national epicenter for minority business development.

Join us!



# The Accelerator by the Numbers

**Portfolio Companies** 

emerging MBEs identified as high growth from pipeline efforts since 2018

Million

of new business secured in 2019

Over **3,500** total jobs created to date

in the nation for % MBEs in business

> 6 years - LendingTree.com

B

national media stories

on Accelerator over 2018-19

of Portfolio reported sales of Portfolio reported sal increase over prior year

of Portfolio Firms generate annual revenues of more than of \$50 Million

targeted prospects for

in the nation for % MBEs with sales

> \$500K - LendingTree.com

Million

fully deployed capital through the L. Ross Love GrowthBridge Fund

> Million average company

Over \$100 Million

in new credit commitments

Over Million

secured for endowment fund

☐ Million secured in new grant support since

\$20 Million

minimum company size of all targeted prospects for business attraction

## Core Fundamentals

The Minority Business Accelerator has been the flagship minority business and economic inclusion initiative of the Cincinnati USA Regional Chamber for the past 15 years. True to its founding mission in 2003, the Minority Business Accelerator ("Accelerator") remains committed to growing sizeable African-American and Hispanic-owned and operated businesses as a critical economic catalyst to addressing lingering economic disparities in these specific populations and stimulating the broader economic region as a whole. To assist and support these large-scale minority firms, the Accelerator's process primarily involves three fundamental steps illustrated below:

#### Comprehensive Business Assessment

Business needs assessment and gap analysis rooted in comprehensive review of company financial statements, business plan, etc.

#### **Growth Plan Development**

Based upon results of business needs assessment and desired growth objectives, a growth plan is mutually developed inclusive of new business development opportunities (incremental sales revenues) and accompanying capital and resource requirements. The growth plan may also include inorganic growth strategies for those businesses seeking to grow via strategic business acquisitions.

#### **Plan Execution**

The client and Accelerator agree upon weekly to monthly milestones and next steps rooted in securing new customer relationships required capital and other critical resources (systems, equipment, staff, etc.) to support the incremental new business and expansion plans.

## Governance

The Accelerator is governed by a dynamic group of seasoned C-level corporate and business executives, as well as minority business leaders that work closely with the Accelerator team to help shape the vision and sustainability of our work. Advisory Board Members consist of the following:

Cynthia Booth, COBCO Enterprises | Bob Castellini, Castellini Management Company | Calvin Buford, Dinsmore & Shohl David Foxx, d.e. Foxx & Associates, Inc. | Richard Lofgren, UC Health | Michael McCuen, KeyBank | Tim Massa, The Kroger Co. Jill Meyer, Cincinnati USA Regional Chamber | Darrin Redus, Sr., Cincinnati USA Regional Chamber | Scott Robertson, RCF Group



# Our Four Strategic Pllars

## **Bold Goal & Vision**

Grow minority business spending by \$1 Billion and create 3,500 net new jobs by 2022

### Pillar #1

Grow Existing Portfolio Firms

Increase average size from \$25M to \$50M in part through enhanced partnerships with mid-cap and largecap corporate partners

## Pillar #2

Build a Robust Pipeline

Identify 50 high growth MBEs by 2022 (10 annually) through partnership with Cincinnati Minority Business Collaborative (CMBC)

### Pillar #3

Attract Larger-Scale MBEs to the Region

Partnership with
REDI Cincinnati
targeting out-ofregion MBEs of scale
in gaps where the
region lacks existing
minority firms

## Pillar #4

Create New MBES via Acquisition of Mainstream

"Non-minority"
businesses with no
succession plan and
operating in growth
industries

### Pillar #1

#### **Grow Existing Portfolio Firms**

Growing our existing larger-scale minority firms (referred to as Portfolio Companies) remains the core work of the Accelerator since its inception in 2003. This work is rooted in a comprehensive annual business assessment (inclusive of financial, operational, marketing, business development, etc.), which further informs the creation and execution of an annual growth plan.

This growth plan becomes the road map by which we customize our support for each respective portfolio firm. Each plan also includes a set of new business prospects (typically from the Accelerator's network of corporate partners referred to as Goal Setters), by which the Accelerator and portfolio firm work closely together to ensure sufficient resources and scale exist to execute against any new business developed.

#### **Portfolio Companies**

Business Assessments S.W.O.T Analysis Capital Readiness Capacity Building/Client Readiness Strategic Introductions

## The Accelerator

#### **Goal Setters**

Identifying Spend Goals/Opportunities Leveraging "Business Case" for Inclusion Strategic Sourcing/Partnering Needs Optimization of new/existing MBE vendors Industry Verticals with little/no MBE Spend

#### Pillar #2

#### Build a Robust Pipeline (Partnering with the Cincinnati Minority Business Collaborative)



In addition to optimizing the growth of its existing portfolio companies, the Accelerator is also committed to growing a robust pipeline of larger-scale MBEs in the Greater Cincinnati region. This pipeline-building work is conducted through a highly unique and structured community collaboration known as the Cincinnati Minority Business Collaborative [CMBC].

In existence since 2011, the CMBC is a collaborative effort of local business development organizations invested in minority business growth. A new platform and process was created and launched in the fourth quarter of 2017 to identify 10 emerging minority businesses annually (or 50 over the next five years) with significant growth potential. Over 20 such businesses have been identified to date.

In addition to the Accelerator, current members of the CMBC include:













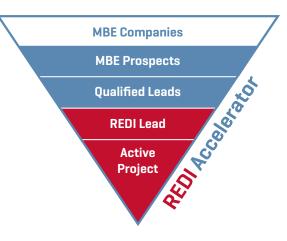




## Pillar #3

#### Attract Larger-Scale MBEs to the Region (Partnership with REDI Cincinnati)

To complement our existing efforts to grow locally-based minority-owned businesses, a unique collaboration has been established with REDI Cincinnati to also attract larger-scale minority businesses to the region in industry and sector gaps where we lack an existing presence of MBEs. The goal of this work is to identify new business opportunities in the region for targeted prospects to incentivize business expansion to Greater Cincinnati. Approximately 200 prospects have been identified to date, with each representing annual revenues greater than \$20 million.



## Pillar #4

#### Create new Minority-Owned Business via Acquisition of Mainstream Firms

Beyond growing our existing base of minority-owned businesses and the business attraction work identified in Pillar #3, the Accelerator is also actively engaged in the creation of new minority businesses through the acquisition of mainstream companies of scale. This work is primarily focused on targeting "non-minority" owned firms with no identified succession plan, as well as businesses operating in growth industries such as the manufacturing sector where significant gaps remain for minority entrepreneurs. The Accelerator has established a goal of closing on at least three acquisitions in the coming year, and has recently been connected to over 35 live buy/sell transactions.



#### **Connect to Deal Flow**

Partner with area banks, CPAs, LPAs, and centers of influence to understand landscape of mainstream businesses with no succession plan and/or near-term interest in a liquidity event.

#### **Identify and Connect Potential Diverse Buyers**

As potential buying opportunities are uncovered, the Accelerator identifies potential diverse buyers from within the region first, and then outside of the region, which also aides in attracting new talent to the market.

#### Manage and Guide Transaction

Once a potential buyer is identified, the Accelerator will work with all parties involved to manage the process on through to a successful close.

## The Accelerator Team



#### **Darrin Redus**

Darrin Redus, Sr. serves as vice president and executive director of the Minority Business Accelerator and regional economic inclusion efforts. A national thought leader for inclusive entrepreneurship and growing larger-scale diverse businesses, Darrin is a seasoned business executive and successful entrepreneur. Prior to his work at the Chamber, Darrin served as President and CEO for MainStreet Inclusion Advisors, a national consulting firm developing diverse technology-based businesses and networks.



#### Micah Dickson

Micah Dickson is a senior business advisor at the Cincinnati Regional Chamber's Minority Business Accelerator. Dickson has almost a decade of experience in banking and financial analysis. He was a business banker at Fifth Third Bancorp, advising businesses that generate \$2MM-\$20MM in revenue from 2017-2019. Dickson was also a financial analyst at Fifth Third Bank from 2015 to 2017, and an accounting analyst at Fifth Third Bank from 2012 to 2015. In both roles, he was responsible for the analysis of both revenue and expense drivers to find growth opportunities for the bank. Dickson serves on several local boards and committees dedicated to economic development in Cincinnati.



#### **Thomas Fernandez**

Thomas Fernandez is a senior business advisor in the Cincinnati USA Regional Chamber's Minority Business Accelerator. Fernandez received his B.S. in Industrial Management from Carnegie Mellon University. In addition, he served at Procter & Gamble in purchasing, human resources and acquisitions and divestitures in the U.S. and the U.K. Fernandez started then sold two franchise businesses. He co-founded the Last Mile Food Rescue and the Society of Asian Scientists and Engineers (SASE) and serves on the Boards of the Last Mile Food Rescue, SASE and City Gospel Mission.



#### Patrick C. Griffis

Patrick C. Griffis brings an extensive background to the Cincinnati USA Regional Chamber's Minority Business Accelerator, where he works as a senior business advisor. Griffis has served nearly two decades of federal service with over 12 years in senior leadership positions within the U.S. Government, including the Pentagon's Office of the Secretary of Defense, Federal Aviation Administration, U.S. Environmental Protection Agency and the Department of Homeland Security, where he was responsible for overseeing and administering billions of dollars in program spending with small and mid-sized companies across the country.



#### Jenell N. Hubbard

Jenell N. Hubbard serves as a senior business advisor at the Cincinnati USA Regional Chamber's Minority Business Accelerator. As an experienced, innovative professional, Jenell has demonstrated a keen ability to analyze data, apply creative solutions and execute complex business investment strategies. She developed these skills through her long-term career as a commercial real estate lending professional, securities broker and investment advisory portfolio manager. In addition to serving as a thought leader for the financial sector, Jenell utilizes her insights to communicate complex strategies resulting in consistently high net returns to her portfolio of clients.



# Sustainability

The Accelerator has operated since inception primarily through the generous support of our donors and strategic partners. Our principal supporters over the most recent period consist of the following:



















# J. Phillip Holloman Endowment Fund



Launched in December of 2018, the Cincinnati USA Regional Chamber and the Minority Business Accelerator have established the J. Phillip Holloman Endowment Fund to bolster the ongoing rise of the Cincinnati region as the national epicenter for economic inclusion and minority business growth.

An initial goal of \$5 million was established for the endowment, of which \$2.5 million in commitments have been secured. Once fully funded, the endowment fund will provide critical long-term funding to support the Accelerator on the ongoing execution of its mission.

#### About J. Phillip Holloman

J. Phillip Holloman, the retired President & COO of Cintas, served his employer and the entire Cincinnati community in innumerable ways by helping to build, support, and grow MBEs during his tenure. He invested his time, his talent, and his treasure over many years to help build the Minority Business Accelerator into a national model for creating sustainable, large scale MBEs in the Cincinnati Region. Mr. Holloman served as Chair of the Leadership Council for the Accelerator from 2015–2017.

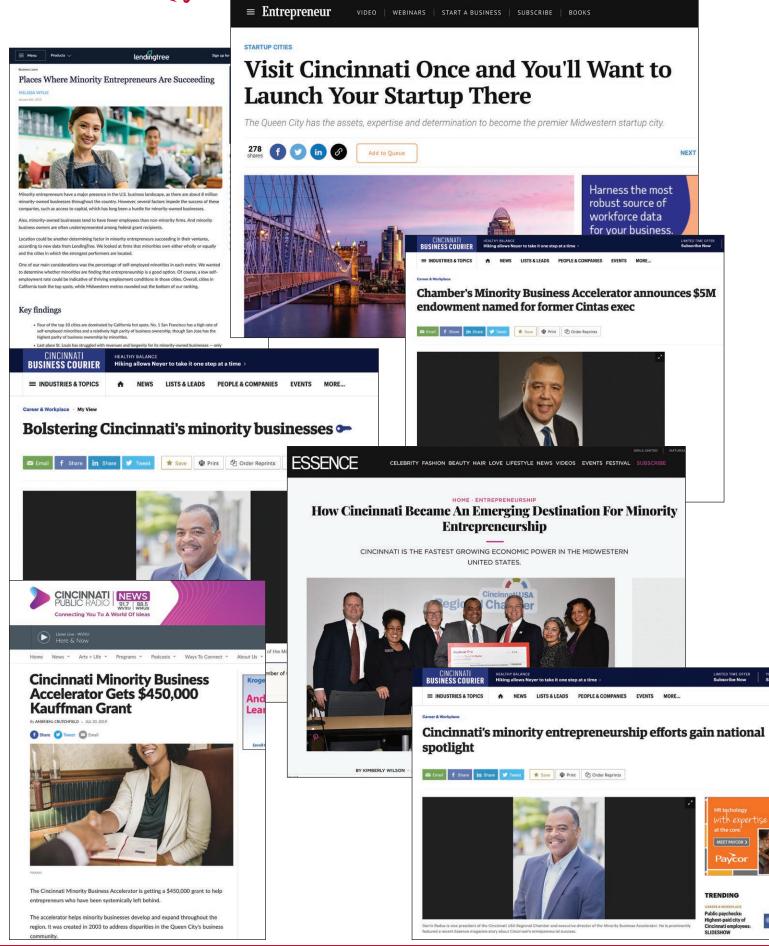
Mr. Holloman is a founding member of Cintas' Diversity Committee and received the Excalibur Award, the company's highest recognition reserved for business executives who demonstrate excellence during their tenure.

In 2009, he was recognized in Black Enterprise magazine as one of the "100 Most Powerful Executives in Corporate America." He received an honorary Doctorate of Humane Letters from Wilberforce University; was a 2010 Cincinnati "Men of Honor, A Salute to African American Men" award recipient and received the Merlin Pope, Jr. Diversity Leadership Award in 2012. Mr. Holloman was also named a University of Cincinnati Kautz Alumni Master in 2012.

Mr. Holloman has served as a member of the Board of Directors for Rockwell Automation; the Business School Advisory Board for Florida A&M University

and on the Advisory Boards for the Business School and the College of Engineering and Applied Sciences for the University of Cincinnati; the Urban League of Greater Cincinnati; the Executive Committee of the Board of Directors of the Cincinnati Center City Development Corporation (3CDC); the University of Cincinnati Foundation's Diversity and Inclusion Advisory Council; and on the Advisory Board of the Middletown, Ohio Teen Mentoring Program.

National Recognition



Culminating in a \$450,000 national grant from the Ewing Marion Kauffman Foundation in August of 2019, and a subsequent article in media giant Essence Magazine that followed, 2019 marked the full emergence of the Minority Business Accelerator as a national model and best practice for growing larger-scale minority business enterprises. This recognition, further acknowledged by LendingTree.com and Entrepreneur Magazine, is not only a tremendous win for our work, but an extraordinary accomplishment for the region.

10 Places where Minority Entrepreneurs are Succeeding						
Rank	Metro	Final Score	% of Minorities Who Are Self- Employed	Minority Business Ownership Parity Index	% of Minority Owned Businesses That Have \$500K+ Revenues	% of Minority Owned Businesses in Operation for 6+ Years
1	San Francisco	83.9	4.30%	68	42.60%	56.70%
2	San Jose, Calif.	83.2	3.80%	73	42.60%	56.60%
3	Washington, D.C.	78.8	4.00%	68	39.90%	55.80%
4	Los Angeles	78.7	4.20%	61	42.40%	56.70%
5	Seattle	78.5	4.60%	69	36.30%	53.20%
6	Portland, Ore.	75.9	4.40%	61	38.80%	55.50%
7	Sacramento, Calif.	74.5	3.00%	65	41.80%	60.00%
8	Pittsburgh	70	3.70%	52	39.40%	61.00%
9	Atlanta	69.8	4.80%	55	37.40%	49.70%
10	Cincinnati	68.8	3.10%	50	43.30%	62.30%

## Key component to:

- ✓ Destination City
- ✓ Talent Attraction & Retention
- ✓ Corporate Relocations
- ✓ Attracting Conventions



# Accelerator Champions



**Evans Nwankwo** CEO and President of Megen

## **Pace Setter Award**



For the second consecutive year, Megen has earned the Pace Setter Award. The company continues to grow significantly and has become one of the region's largest minority-owned firms. Megen is responsible for several Cincinnati landmarks, including the National Underground Railroad Freedom Center, the Great American Ball Park, Washington Park, Fountain Square and the newly renovated Fifth Third Arena. Megen further added to its impressive track record with a breakthrough joint venture in 2019 with Parks Electric (formerly Parks OV Electric), another minority-owned business within the Accelerator's portfolio, to create a vertically integrated construction enterprise that adds significant capability and capacity to both companies. The venture also represents the type of innovative growth model that can inform similar joint ventures for MBEs in creating more competitive and scalable operations.



**Anthony Muñoz** Owner of Muñoz Brandz

## **Community Impact Award**



Muñoz Brandz is owned and operated by Anthony Muñoz, former Cincinnati Bengal and NFL Hall of Fame inductee. The company is built on the core principles of honesty, integrity, determination, and persistence. Its practice of innovation and best in class customer service to provide top quality corporate apparel and leading promotional products, combined with its commitment to support a triple bottom line consisting of generating sustainable profits, impacting environmental issues and supporting social causes, has made it a true pillar in the community.

Committed to nurturing the growth of all Tri-State youth and especially vulnerable, at-risk populations, the Anthony Muñoz Foundation has created unique opportunities that appeal to students of all ages, educational, cultural and economic backgrounds. Through deploying a life-changing college scholarship fund program, three high school education and recognition programs, three empowering football camps, and the Whiz Kids tutoring program, the Anthony Muñoz Foundation is making a tangible difference in the lives of youth across the Tri-State.

**Gerald Sparkman** CEO of d.e. Foxx & Associates, Inc.

## **Innovator of the Year**



Versatex, part of the d.e. Foxx group of companies, offers technology driven solutions delivered by an experienced team of professionals dedicated to providing its clients with spend analytics technology, strategic procurement and vendor management expertise. Versatex leverages its leading-edge technology to deliver optimized goods and services, sourcing, management, payment and performance. Its solutions have been used by leading Fortune 500 companies across multiple sectors including healthcare, higher education, consumer packaged goods, pharmaceutical, food, manufacturing, entertainment and government. Versatex provides a unique combination of robust supply chain management tools and systems that can be used and viewed privately by each of its respective clients, yet de-identified and aggregated to provide unique insight into data analysis, vendor utilization, trends, buying patterns, etc. This innovative and breakthrough level of detail further creates an extraordinary opportunity to drive greater levels of inclusion within and throughout the supply chains of major corporations nationwide.



**Tillie Hidalgo Lima** CEO of Best Upon Request

## **Capacity to Excel Award**

## BESTUPQNREQUEST®

One of the keys to a successful business is the willingness and discipline to continue to explore opportunities to take the business to the next level, even while enjoying a period of success. This principle certainly embodies the team at Best Upon Request who, despite successive years of double-digit growth, national expansion and extraordinary recognition, conducted a robust and comprehensive assessment of its operation internally and externally to learn from both its successes and challenges to optimally position the company for even greater levels of success in the future. The company is committed to continuous improvement to deliver increasingly competitive and innovative solutions in collaboration with its corporate clientele, through a highly scalable business model. On the heels of its wildly successful Maternity Concierge program in partnership with Fifth Third Bank, which was featured on more than 30 media sources nationwide including the TODAY show, the Wall Street Journal, Forbes, and Fast Company, Best Upon Request has leveraged this unique product offering across a multitude of industry verticals that has the business poised for exponential growth.



**Beth Robinson** CEO of Uptown Consortium

## **Goal Setter of the Year**



Uptown Consortium has made comprehensive economic inclusion a priority in its development initiatives. The WEB Ventures team, the Consortium's economic inclusion consultants, are focused on ensuring inclusion in all aspects of the development and operating process of the Uptown Innovation Corridor, including construction contracts, employment, developers, and investors. The WEB Ventures team was essential in recruiting the principals of Queen City Hills, LLC to the Uptown Innovation Corridor. Queen City Hills, LLC is an ownership group comprised of prominent local executives with extensive business and real estate investment experience. In October 2018, they signed a letter of intent with Uptown Consortium to develop the southwest corner of the Uptown Innovation Corridor. The selection of a minority-owned development team is a key component of the economic inclusion model that UCI has prioritized in the Uptown Innovation Corridor.

# Letter from the Executive Director



As this report hopefully reflects, the Greater Cincinnati Region has much to be proud of with the success and momentum of the Minority Business Accelerator and its network of partners. The Accelerator is unlike any other minority business-building effort in the nation. With the largest portfolio of sizeable African-American and Hispanic-owned businesses in the country, it provides a level of consulting and wrap-around resources and leadership that is unmatched.

The Accelerator team members — former bankers, corporate supply chain experts, and leaders in inclusion and issues unique to minority businesses — work alongside the Accelerator's portfolio and pipeline firms to position them for and to seek out growth opportunities, either organically through increased business, by utilizing financial

tools new to their structure, or through mergers, acquisitions, or joint ventures.

Simultaneously, the Accelerator team works with corporate Goal Setters, companies that set minority spend goals and commit to partnering with the Accelerator to meet those goals. Preferably, those goals are met by existing portfolio and pipeline companies. When that is not an option, the Accelerator seeks to attract larger-scale minority business enterprises to the region to further meet growth objectives, or leverage these spend goals from our Goal Setters to inform potential acquisitions of mainstream businesses in the region with no identified succession plan, which might become viable minority-owned firms.

The Cincinnati Region is positioned better than ever before to provide opportunities and success for minority businesses. Our region is home to the most sophisticated minority business-building platform in the country. This is good for our entire community; it is good for minority businesses; it is good for our economy across the board. It makes a bold statement about the possibilities that exist for everyone in our region.

As a key partner and stakeholder in our region, you play a vital role in growing our local economy. The Accelerator is helping the Cincinnati region win through unparalleled creation and growth of minority businesses, and through the ongoing development of a thriving and inclusive entrepreneurial ecosystem.

We invite you to help us keep winning and to enable continued growth and economic advancement in the years ahead.

#### Darrin Redus

Vice President and Executive Director of the Minority Business Accelerator



**Goal Setters** 

3CDC

Al. Neyer ArtsWave

Castellini Company

CH2M

Christ Hospital Cincinnati Bell

Cincinnati Children's Hospital Medical Center

Cincinnati Reds Cincinnati State

0' ' '''

Cincinnati USA Convention and Visitors Bureau Cincinnati USA Regional Chamber

Cintas

City Gospel Mission

Dinsmore & Shohl

Duke Energy

Emcor (Viox Services)
Ethicon Endo Surgery

Fidelity

Fifth Third Bank
First Financial Bank

Kroger Macy's Mercy Health

Messer

Metro/Sorta Miami University

Northern Kentucky University

PNC Bank

Port of Greater Cincinnati

Procter & Gamble

Red Cross

Skanska

Toyota

Turner Construction Co.

UC Health
United Way

University of Cincinnati

Uptown Consortium

Urban League

U.S. Bank
Xavier University

**Portfolio Firms** 

Abel Building Systems

Apex Environmental Services
Aunty's Homemade Food

Best Upon Request

Business Technical Services

C. J. Hughes & Sons Plumbing

Che International Group

ConnXus, Inc.

Diversified Facility Solutions

Diversitech

**DNK Architects** 

Eastern Personnel Services

Elevar Design Goup

Environmental & Safety Solutions

Foxx Construction (d.e. Foxx Company)

**GT Industrial Supply** 

Hightowers Petroleum Co. Hi-Mark Construction

Hughes & Sons Plumbing

HYUR Staffing

Jostin Construction
Journey Steel

Kanu Investments

Kurense, LLC

Megen Construction

Moore Air

Muñoz Brandz

MRO Express

OCG Telecom

Onebridge

Orchestrate Technologies

Pathfinder/MPI Management Consultants

RCF Group

Surefire Innovations

Sure Mechanical TechSoft Systems

Trio Enterprises

TriVersity Construction Co.

Versatex

Vivian Llambi & Associates

World Pac Paper

XLC Services (d.e. Foxx Company)

