



The Empowerment Experiment

MISSION STATEMENT

The mission of The Empowerment Experiment Foundation (EEF) is to promote and facilitate economic opportunity, business diversity and inclusion, and economic opportunity, equality and empowerment for the struggling, underserved Black community. The overall goal is to cure racial divides in the American economy. EEF is committed to the dedicated study and facilitation of economic development in underserved Black communities via self-help economics/conscious consumerism/ buying Black, financial literacy, targeted entrepreneurship, and substantive business diversity and inclusion. EEF is the only nonprofit, charitable organization wholly focused on researching, studying, tracking and promoting increased economic and entrepreneurial success in the Black community caused by the concentrated spending with, and engagement and inclusion of, Black-owned businesses.

EEF also seeks to support 1) a new and inclusive dialogue on race and the economy, 2) more education and awareness of the history and importance of Black entrepreneurship in American history and in modern times of racial unrest, and 3) the introduction of innovative opportunities and vehicles to help all Americans seek and support Black owned businesses.

NEEDS STATEMENT

The under-discussed and under-studied issue of economic and retail leakage in the Black community fosters a racially divided economy where Black consumers are unable to economically sustain their struggling neighborhoods with their close to \$1.5 trillion in buying power, and Black businesses are not able to attract and sustain consumer demand or corporate and government contracts. In addition, the racial wealth gap widens due to the lack of financial security, solidarity, acumen, and awareness of existing Black owned businesses that can recycle and grow Black wealth and jobs; and the lack of a public, widely known initiative, organization, and infrastructure to expose and address economic inequality and enable business

opportunity and success for Black Americans. These avoidable and solvable economic and financial disparities and circumstances result in disproportionate and worsening poverty, unemployment, under-funded school systems, depleted tax-bases, crime, racial strife, and a lack of communal pride and local role models for at-risk youth. These issues and problems hurt the American economy and damage race relations.

EEF works to fill these research, education, programming, and structural voids. We believe the most viable way to drive this progression toward a more racially inclusive economy and empower the Black community is to 1) research, study and teach the history and value of Black owned businesses in America; 2) study and track Black buying power, economic leakage in Black communities, and public and private spending and engagement of Black owned businesses; and 3) promote, facilitate, drive and track self-help economics and substantive business diversity and inclusion.

BACKGROUND

EEF is the offspring of the highly publicized, historic social initiative, The Empowerment Experiment (EE). During calendar year 2009, the Anderson family made a personal pledge to find and support Black owned businesses. It was called The Empowerment Experiment. For an entire year, they lived off Black owned businesses and professionals, and bought only Black-made products. The Andersons took this stand publicly in love and support of their community. EE dominated headlines, generating more national media coverage of business and economic disparities and the social crises that result in the Black community, than any other figure, program or movement in history. The Anderson family's journey also resulted in a landmark Kellogg study and Maggie Anderson's critically acclaimed book, "Our Black Year". *Publisher's Weekly* said of her call to action to support black-owned businesses and black professionals... "A dynamite subject!" And *Library Journal* proclaimed, EE, the Kellogg study and Maggie's book "exposed the disproportionate difficulty that the African American community faces in successfully starting, growing, and maintaining viable businesses and inspired a new national dialogue about economic empowerment in the Black community." The experiment and resultant book generated phenomenal media coverage, touched millions, and injected the issue and impact of economic and retail leakage and the racial wealth gap into the national dialogue. Since the historic experiment, Maggie Anderson, a sought-after speaker and lecturer, uses her platform to not only share the disparities plaguing Black businesses and neighborhoods, but to teach possibilities and inspire solutions. Due to EE, and the movement and conversation Maggie Anderson inspires, EEF is now poised to make tangible impacts on underserved Black communities, while improving the national economy and race relations in general.

RESEARCH AND ADVOCACY

In partnership with Northwestern University's Kellogg Graduate School of Management's Levy Entrepreneurship Center, EEF conducted a scientific research study based on the Anderson's yearlong experiment. The study sought to prove that supporting Black businesses does in fact lead to improved quality of life in underserved Black communities -- while measuring the economic impact of self-help economics/conscious consumerism. Northwestern's Research Department performed research, statistical modeling, and regression analyses to predict the economic impact of self-help economics on an exponentially

larger scale. There are millions of Black middle-class families – less directly impacted by the health, crime, education and economic crises that plague many economically deprived minority communities – who have the ability and desire to do more to support the economic growth in the Black community. The Kellogg study proved that if they were to incrementally increase their spending with Black businesses and professionals (as well as the mainstream entities that partner with them) by merely 7%, close to one million American jobs could be created. The findings of this study have been disseminated nationally via a series of forums facilitated by the highly successful and publicized EEF speaking and book tours (“Our Black Year”, which chronicles the Anderson’s yearlong journey was co-authored by Pulitzer Prize winning research journalist, Ted Gregory, of the *Chicago Tribune*). Consumers and corporations alike are asking for a forum and program to drive, document, study and track that incremental spend Kellogg proved is needed to create the million jobs. Now, EEF wants to create the research, programming, curricula and events that could lead to those needed jobs.

EEF seeks to fund innovative research and projects that identify and promote Black owned businesses, track spending with these businesses, and the impacts of that increased spending on curing wealth, home and business ownership, and employment gaps. All EEF research and programming will focus on solutions to economic inequality and the social crises and structural, systemic racism it fosters - specifically increased self-help economics/ conscious consumerism and substantive business diversity and inclusion.

To that end, EEF will study, help create, and support those efforts that actively 1) promote, facilitate, implement, drive and track actual self-help economics efforts of consumers, investors, businesses and sponsors seeking to strategically allocate their spend and buying power to empower underserved minority communities; and 2) the actual Black owned business recruitment, development, inclusion and retention efforts of corporations, universities, government entities and other organizations (e.g. churches and nonprofits).

UPCOMING PROJECTS

- **Next Phase of Data Collection and Research** - EEF will continue to conduct research on the potency of self-help economics in struggling Black communities and evaluate associated corporate sponsorship, partnering, diversity programming, as well as public policies, programs and projects. On an ongoing basis, EEF will arrive at and support creative, viable, intellectually sound, politically and commercially relevant solutions and insights that can be immediately activated by Black entrepreneurs, firms, and professionals, and the people, businesses and other entities that want to support them.

Research data will be gathered during the lecture circuit/speaking tours and by information deposited into our website database (see “EE Website Renovations and Technology” description below). The aforesaid research will be primary and revolutionary in nature. Therefore, it must be gathered directly from consumers, business owners, and other public and private institutions involved in Maggie’s speaking engagements. We aim to demonstrate the value and power of conscious consumerism and self-help economics and financial literacy on countering social crises, closing the racial wealth gap, and creating a

more inclusive economy and job growth. We want to further the statistical modeling that Kellogg started with the Anderson case study, on a broader scale and across several markets, and with real-life data.

Via the speaking tour, we will conduct surveys to gather research from consumers, corporations and business owners about conscious consumerism, supplier diversity, financial literacy and minority entrepreneurship. These events will require organization, promotion and marketing, and other expenses related to putting events on (e.g., renting space, food and beverages costs, and paying for the event speakers). Furthermore, EEF require funding to maintain administrative and research staff, finance office supplies and support the maintenance of computers and other technology.

- **The Empowerment Tour and Campaign** - In 2015, EEF coordinated and facilitated the highly anticipated “Closing the Racial Wealth Gap” Empowerment Tour (“Empowerment Tour”) in twenty (20) cities across America. The Empowerment Tour and the Town Halls were an expansion and evolution of Maggie Anderson’s lecture circuit and book tour that has touched served millions since the release of her book in 2012. The tour has four stated goals: 1) driving unrivaled Black business growth and supplier diversity; 2) change the economic consciousness of consumers, mainstream executives in Corporate America about the importance of Black owned businesses in America; 3) create jobs and role models in Black underserved neighborhoods with quality Black-owned businesses and the mainstream partners that enable them; and 4) creating and preserving data, transparency, dialogue and knowledge about the importance of Black owned businesses, where Black buying power is and what it does, the impact of conscious consumerism and substantive business diversity.

The Empowerment Tour launched from historic Birmingham, Alabama in February 2015 and concluded August 8, 2017. New York Life’s African American Marketing Unit funded the tour. EEF seeks to renew and continue the successful tour, and thus needs sponsorship/funding.

- **The Empowerment Planning Guide/ Financial Literacy Curricula** - The Empowerment Tour will provide needed education and tools to underserved African-American communities that have been disproportionately impacted by a lack of exposure to the financial, investment, and estate planning strategies and a culture or campaign to support Black owned businesses that leads to community empowerment in all other ethnic groups. Tour attendees receive an “Empowerment Planning Guide”. It is a what-to-do, how-to, and where-to-go, which includes a list of professionals, organizations, businesses, as well as local members of the EEF empowerment team they can engage. It also includes financial literacy basics, strategies, products and contact info for local financial professionals who can help them employ them. Leveraging Maggie’s platform, and her vast and influential network local, regional, and national community, professional, civic, faith, media, university/academic and corporate partners, the Empowerment Tour’s outreach programs are also designed to further develop, implement, disseminate a comprehensive financial literacy curriculum, along with other local, national, and Internet- and mobile-based economic empowerment resources...as we will use data and funding collected via the tour to augment the research, curricula, and resources.

- **Maggie's List** – Maggie Anderson, EEF's Founder, has an inimitable story and is most equipped and proficient at delivering inspiration and intelligence that raise consciousness and motivate action. But those she inspires need a reliable and innovative resource to help them do it after she is gone. There are directories, but they are NOT 1) representative of the diversity of Black-owned businesses; 2) marketed properly or well-known; 3) able to connect consumers to Black professionals, agents, franchisees associated with mainstream brands, or vendors with products on the shelves of mass retailers; 4) focused on showcasing top quality businesses; or 5) corporate friendly. Maggie's List can address the needs of conscious consumers, committed corporate partners, and the unsung quality business owners and professionals. And it will be a powerful tool in growing this inclusive empowerment movement. Maggie's List will be highly marketed and promoted, and will track and showcase the incremental spend empowering the community and identify where the spend is going. It will be promoted and grown via The Empowerment Tour. Maggie's List will take money to develop, maintain and market. EEF owns the www.MaggiesList.com domain and is raising money for Maggie's List.
- **EEF Website Renovations/ Technology** - In order to accommodate increasing participation in The Empowerment Tour and the heightened demand for Maggie's List, our events, research, Empowerment Planning Guide, we need to purchase technology and enhance our now antiquated website. With adequate capital we intend to develop an interactive database and user-interface for registrants (our data points) to manage their empowerment accounts (pledges and progress). We want to track and showcase progress toward our business and job growth goals.
- **Public Policy Initiatives** - Building on the results and notoriety of EE, we are developing a national agenda to economically empower the Black community and close the racial wealth gap. The agenda, driven by EEF's ongoing programming, partnering and research, will be shaped in collaboration with legislators, business leaders, professional and civic groups that have been at the forefront of introducing entrepreneurship and economic development legislation and advocacy programs. Most of Maggie Anderson's empowerment research and ideas are outlined in her essay for the 2014 *State of Black America* published by the National Urban League. The acclaimed essay outlines research, policies and partnerships that could hasten and improve EEF's economic empowerment mission and projects. EEF seeks support and input from brands and corporations with commitments to financial and economic empowerment, and business diversity and inclusion.

For more information about The Empowerment Experiment Foundation, please write to us at:

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