

Clingman: Black chambers necessary to build wealth

BY COURTNEY GAILLARD
THE CHRONICLE

James Clingman Jr. was right at home Friday evening as he spoke to a roomful of black business owners at the Black Business Street Festival reception. After greeting the audience with a jovial "hey" — a Southern salutation Clingman is all too familiar with — he reminisced about Winston-Salem, which he considers "home."

"After 42 years, almost to the day, I was sent down here," Clingman said about Winston-Salem, which is also home to several of his relatives, one of whom is Lafayette Jones of Segmented Marketing Services. Several of Clingman's relatives were present to hear him speak at the reception, which was presented by the Winston-Salem Black Chamber of Commerce.

Clingman — a nationally known columnist, author and economic speaker — spent his teenage years in Winston-Salem attending Paisley High School before returning to his hometown, Cincinnati, where he founded the Greater Cincinnati African-

American Chamber of Commerce. He writes an economic column that appears in The Chronicle and some other African-American newspapers and is the author of the book "Economic Empowerment or Economic Enslavement — We Have a Choice."

"The Winston-Salem Black Chamber of Commerce, chambers of commerce, especially those that are black, are very, very close and dear to my heart," said Clingman, who has helped start 12 black chambers of commerce around the country.

Glory, fame and recognition are not the reasons Clingman got in the business of starting black chambers of commerce. Instead, he did so because he says they are "very necessary and vital" to the economic success of an entire city.

For example, 50 percent of Cincinnati's population is black, and that, says Clingman, was the reason for creating a separate chamber of commerce, especially since no other business organization was advocating for the economically ambitious people of color in the town.



James Clingman speaks at Ivy Arms Friday.

Photo by Courtney Gaillard

"Business runs this country, in case anybody's been sleeping under a rock for the past 50 years. It's all about business. Business

runs this country," Clingman said. "Sharing the Wealth" is more than just the theme for the local black chamber of commerce.

Clingman said, because it is the whole purpose behind any black chamber and teaching consumers to invest in black businesses and teaching black businesses to be better business owners.

There's "\$600 billion dollars a year in the aggregate in the so-called black community," said Clingman, who pointed out that figure in relation to the \$83,000 average annual revenues of black-owned businesses, which indicates that blacks are not supporting blacks in the economic community. Black chambers of commerce, said Clingman, are "the avenue to change that."

Black businesses do not exceed \$100 billion in this country, where the total economy totals \$3 trillion. Clingman said, "That's not even a blimp on the radar screen."

Clingman also teaches entrepreneurship in the University of Cincinnati's department of African-American studies, where he encourages his students to adopt the motto of "Do what you say you're going to do." According to Clingman, black entrepreneurs who adhere to that same simple philosophy would add to

their business relationships with fellow business owners and consumers.

"Not only do (black chambers) advocate for black-owned businesses for our constituency, but we also inform, educate and we create that much-needed bridge between consumers and businesses," Clingman said.

Blacks would do better economically if they were to model their business relationships after a family, where black owners and consumers are interdependent and unconditionally support one another by continually putting dollars back into each other's business ventures, Clingman said.

"A family, that is what we are supposed to be doing, so that we can help one another out," Clingman said.

Business owner or not, Clingman invites all blacks to become members of the local black chamber because of the "legacy here in Winston-Salem that should still be here" decades from now.

Clingman recently started an entrepreneurial high school in Cincinnati with the help of Microsoft's Bill Gates, who has helped fund the school.

Black chamber

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Fulton said integration in the 1960s and urban renewal in the 1970s made what was once an oasis for black businesses a virtual desert.

Fulton and other members of the nine-month-old Winston-Salem Black Chamber of Commerce believe that a black business revolution is right around the corner, a movement members believe will be spurred, in no small part, by their efforts.

The Black Business Street Fair was the chamber's coming-out party. More than two dozen black business owners set up displays along Highland — which was partially shut down for the event — to hawk everything from financial consulting services and insurance policies to African-inspired clothing and soul food.

"We have to reaffirm that there was once a heyday for black businesses in Winston-Salem, and that is where we are headed," said Miriam McCarter, co-owner of Special Occasions book and gift store and president of the WSBCC. "We have to be able to duplicate that (heyday)."

The street festival was the culmination of a busy weekend for the black chamber. A film detailing the history of black businesses in the city was shown at a Friday evening reception in which James Clingman, a nationally-known black economics expert, was the keynote speaker.

The black chamber, which McCarter says is open to people

of all races, strives to provide networking opportunities for black business owners and, by doing so, promote socioeconomic improvements in the minority communities. During its short existence, the WSBCC has drawn about 60 members, McCarter said.

McCarter put the wheels in motion to start the WSBCC early this year when word surfaced that the Greater Winston-Salem Chamber of Commerce was doing away with its East Area Council, a wing of the chamber for black business owners, in order to create a new group that would focus on bringing in more Hispanic-owned and Asian-owned businesses. Several members of the East Area Council left the Greater Winston-Salem Chamber of Commerce because of the move. There was so much fallout, in fact, that Winston-Salem Chamber president, Gayle Anderson, decided to keep the EAC as is.

McCarter insists that it is merely a coincidence that the black chamber was launched at the same time that many blacks were on the outs with the city's chamber of commerce. McCarter says she doesn't know how many black chamber members are also EAC members, but she believes there is room for both organizations to co-exist.

Most members of the Black Chamber of Commerce have never been members of a business networking group before, McCarter said.

"That has been very, very encouraging, that we have been

able to draw people who have never been a part of anything like this," she said.

Lorenzo Shepard is one of those members. He has owned and operated Shepard's Heating and Air for the last seven years but didn't have an inclination to belong to a networking organization until one of his customers, McCarter, invited him to attend a black chamber meeting.

"I came to take a look and found that it is something we need as black businesses," Shepard said. "The benefit for me has been meeting people and telling them what I do."

Theldora Williams was a longtime member of the East Area Council until the fallout. Williams, who owns TES Engraving & Sign Co., is now on the board of directors of the WSBCC.

She likes the black chamber because she says it brings black businesses of every level to the same table. In that regard, she said, the WSBCC has an advantage over the East Area Council.

"We solely promote African-American entrepreneurship. We don't get in a mixed bag, so we are not forgotten," Williams said. "Some people might not be on the level where they can



Miriam McCarter introduces Lorenzo Shepard to Raymond Oliver during the street festival.

Photos by Kevin Wilby

afford to be a member of the other chamber, but they can afford this."

The street fair took up only a relatively small portion of Highland Avenue. McCarter and other members are confident that there will be enough black chamber

members next year to shut down all of Highland.

McCarter, who freely admits that running a burgeoning business networking group is not something she is trained to do, says one day she hopes the black chamber will be so large and

influential that the group will require professional full-time employees and its very own headquarters.

"That's my goal: to work myself out of the leadership because I won't be able to lead," she said.

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CHANGE IS GOOD FOR BUSINESS

J.L. Wilson used his skills in math to pursue a career in engineering, while attending Tuskegee University to obtain a bachelor's degree in mechanical engineering. After college, he landed a job at Exxon in New Orleans and climbed the professional ladder quickly, but got stuck on a rung.

It was his ability to readjust his steps and his career path that steered him in a direction that would later allow him to launch Wilco Financial Group Inc. in 1987, a firm that provides a full range of personal and business insurance, and financial-consulting services.

Instead of leaving Exxon, Wilson stayed with the company until he was offered a healthy severance package and then he used those benefits to obtain a master of business administration degree from Loyola University.

Exxon provided an outplacement company to assist those downsized in securing a new job. Wilson began to explore the insurance and financial services arena and selected a large financial institution because of its "premier training program for new associates."

When he lost business to a broker who could provide various services to one of his clients, he got a wakeup call.

In order to be a one-stop firm, Wilson knew he would have to set up an independent company that could offer clients a kaleidoscope of services, such as employee-benefit and tax-saving plans, business and personal insurance planning, investment and estate tax conservation planning.

"It is easier to serve the needs of your client than to go out and find a new client," says Wilson, a native of Union Springs, Ala.

The independent broker arrangement has worked out well for Wilson who says he can call up an estimated 95 percent of the insurance industry and get a contract.

His clients are more than happy with the personal one-on-one service he provides.

"He gives personalized service that we appreciate because sometimes in larger corporations, you get lost in the shuffle," says Beverly Mosby, human resources manager for Williams, Russell & Johnson, an Atlanta-based engineering and architectural firm that contracted Wilco to handle a 401K plan in excess of \$6 million.

His first major client, Alice Houston of Louisville, Ky., says

she enjoyed working with Wilco because the company was competitive and dedicated. Wilco scored a major coup with Houston's transportation company, Active Transportation Co., when it purchased a larger transportation company and grew from 500 employees to more than 1,000 needing to be insured.

Although Wilco competed against another company to get the contract, Wilson's accurate analysis of the company's insurance needs secured him the contract. But, he lost most of the contract when the company divested.

Because of his company's major losses — sales of \$20 million in the year 2000 to \$16 million in 2001, to an estimated \$12 million for 2002 — Wilson is repositioning his company for new clients.

"This is a transition year because I'm working on my [Chartered Financial Consultant] and [Chartered Life Underwriter] designations, which will allow me to pursue more wealthy business owners who are interested in succession planning," says Wilson, who is 60 percent complete with the certifications. "I want to go to the next level with that type of company and do succession planning to make sure the owner transfers that business to the next generation without estate taxes eating it up or getting destroyed through inheritance."

Wilson explains he wants this to be a major part of his business because as African Americans begin to acquire wealth, there needs to be more African-American finance professionals who can help them manage their wealth.

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Robbie Cross, right, owner of NyRobi Fashions and Gifts, talks with potential customers about her products.

PUBLIC HEARING

Come to a public hearing about the new strategic business plan for CenterPoint Human Services. The reorganization of the NC behavioral health services system will have a significant effect on CenterPoint Human Services, its clients and its service providers. You can see a draft of the Strategic Local Business Plan at your local library or at www.cphs.org.

When: Thursday, October 10 at 7:00 P.M.
Where: CenterPoint Human Services
Main Auditorium
725 N. Highland Avenue
Winston-Salem, NC

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