

Minority suppliers offered business opportunities through NMSDC

by Corey Hall

To resolve problems magnified by the 1968 riots, the Chicago Urban League co-founded the National Minority Supplier Diversity Council, Inc. (NMSDC).

Since 1972, the NMSDC has attempted to provide economic opportunities for minorities of color. In 2001, the most recent year such figures are available, NMSDC suppliers provided \$63 billion in goods and services to the organization's corporate membership, according to Harriet Michel, Council president since 1988, who also provided the preceding facts.

"I would like to see that number increase to \$70 billion, but we don't set targets because we're not the ones giving the contracts," she said. "We can just continue to grow our membership and harangue them (the corporations) to do what's right by minority businesses."

Although the federal government defined minorities as Black people when the Council began, the organization has never been exclusively Black by design, she said.

"As other people became designated as a protected class, they were included into our organization," she said. "We are probably the most inclusive minority business organization around. That makes us even more attractive to corporate America."

Michel discussed the Council's past progress and forward motion before its recently held annual conference, which took place Sunday through Wednesday at McCormick Place. The conference allowed thousands of procurement officers and minority suppliers an opportunity to do business.

The conference's most important event, Michel said, was Monday's trade fair.

"It was our largest ever; we had more than 700 booths," she said. "We had more than 7,000 people walking through there. Just about any corporation one wanted to see was present. When I first came here (as president 15 years ago), we had 150 booths for a conference, so this represents a huge increase."

"Where's the staying power?"

As president, Michel said, she has seen many programs started for people who want to go into business, but very few that help them stay in and

advance their businesses.

"The question for us then becomes, 'Do you want 100,000 little businesses who are fragile?' or 'Do you want 25,000 large minority businesses that can really deal in their communities?'" Michel said. "We need to worry about those businesses that get large and try to get them larger.

have joined the NMSDC. This is substantial, Michel said, because each company brings its own suppliers. This represents tremendous purchasing potential for minority firms.

Corporate America, Michel added, realizes that tomorrow's customer is a person of color. As an example, she noted that Wal-Mart, having reached its

firms did approximately \$71 million with other minority firms last year."

For Vincent C. Ragland, president/CEO, PLANS, LLC and Money Page columnist for the Citizen Newspapers, membership in the Council has helped businesses make valuable connections.

"There is just an abundance

economic endeavor, not a publicity program, for minority businesses and corporations.

Another challenge involves the Council's international expansion to such places as South Africa and Brazil.

"What we're trying to do in those places is create trading partners for our minority suppliers," she said. "If we have an NMSDC-like organization there, they can begin to develop those indigenous businesses. I believe that my international program at NMSDC is going to be my legacy, more than anything else."

"Because this past year has been so difficult for the economy nationally, our goals were to make sure that minority businesses didn't fall behind. We were consistently reminding corporations of their commitment to supplier diversity so that they wouldn't reduce their dollars," Michel said.

Note: The Council may be contacted through the Internet at nmsdcus.org. The phone number for its Illinois chapter is (312) 263-0105.



Harriet Michel, president of the National Minority Supplier Development Council, discusses convention details. Listening on are Vincent Ragland (left), president/CEO of PLANS, LLC, and Carl McFerren, CEO of Aerospace Management.

When you lose a \$100 million minority business, especially a Black business, it takes a long time before you get somebody else up to that level.

"Still, even with all the challenges in the marketplace today," Michel continued, "I feel there's no better time to be a minority entrepreneur than now. My message to minority entrepreneurs is: 'We really have to be prepared. If people are prepared and pursuing excellence, there are opportunities out here.'"

Carl McFerren, an NMSDC member, also attended the discussion. McFerren, chief executive officer for Aerospace Management Systems, LLC, talked about how the Council has benefited him.

"Seeing this organization from the (various chapters) is what I've always wanted to do. You learn so much that way," he said. "Having interfaced with several Fortune 500 companies has been very beneficial. I've learned that building good business contacts takes time. Now I'm ready to put what I've learned into action."

In the past year, 40 corporations from the Fortune 1000

maximum presence in rural America, is now looking to expand in urban areas, where future growth exists.

NMSDC's biggest supporters have been General Motors, Chrysler and Ford. All three companies will spend approximately \$9 billion in supplier diversity programs this year.

"Those companies understand the value of people of color buying their vehicles," Michel said. "All retailers, especially because of global competition, cannot afford to write any minority community off."

Michel also discussed Corporate Plus, a program currently open to 60 corporations. Exclusive by design, Corporate Plus features two firms (one Black, one Hispanic) that gross more than one billion dollars.

While some suppliers have argued that these enterprises do not need further assistance, Michel disagreed.

"These firms are now competing with major white firms. We've got to help them get even stronger so that they can compete better," she said. "We also require that these elite firms have a minority supplier diversity program. These 60

of information out here," said Ragland, who also attended the discussion. "This organization serves as the umbrella that brings all these corporations together."

When asked what remains NMSDC's biggest challenge, Michel discussed the constant battle to be viewed as an eco-



Michel, who started at the NMSDC as president in 1988, believes that the Council's presence in foreign countries will be her legacy.