

Strive, Adjust & Thrive (SAT) Strategy - to support African Immigrant Beyond COVID.
Notes for the testimony for public hearing for Thrive Montgomery 2050 – June 28, 2021

I. The Need

Maryland's African immigrant-owned businesses(AIOB) have been devastated by COVID-19 and the unequal responsiveness of government to address large businesses needs over small businesses. Mom and pop stores all over Maryland have gone out of businesses or have needed to scale back operations to the point where they are hanging by threads. While many of the local, state, and federal resources sound good on the surface, much of the available assistance is hard to understand, apply for, or use in the types of businesses immigrants are running. As a result, COVID's widespread effects have disproportionately devastated African Immigrants. The disproportionate business relief is compounded by the fact that Black people, a statistic which African immigrants often must officially label themselves as, have seen the highest rate of unemployment claims as a proportion of the total Black population. Undocumented African Immigrants are experiencing even worse.

As such, US-Africa Diaspora Business Collaboration (USADBC) aims to support and empower the African immigrant businesses to thrive beyond COVID. And we have the hope to do it because this is not the first time businesses run by African Immigrants have made the best out of an awful situation. During the 2008 financial crisis, the Ethiopian community entrepreneurs rented low-rate stores in downtown Silver Spring which progressed the downtown area from burgeoning to blossoming. Today, hundreds of Ethiopian restaurants, cafes and professional servicing providers' make-up the core of downtown culinary commerce and community business within one square mile of each other. And that is not including significant other African Immigrant contributions like Mansa Kunda and Koite Grill.

Restaurants owned by African immigrants are only the tip of the iceberg in Maryland. Shola, a job training center focused on information technology, has methodically trained African immigrants and helped them find jobs for their skills over the last ten years. Adarash market, opened in 2014, has since opened four locations in Montgomery County and employs over 50 people. It is important to note that all three types of African immigrant business listed: restaurants, training centers, and markets cater to African immigrants. Since their clientele are unique, likely so too are their marketing strategies, supply chains, and channels with which they receive business-related information. This means that the jobs and businesses lost that were owned by African immigrants may need different approaches to government business stimulus than jobs and businesses lost by other demographics.

But at the moment, we can only speculate based on personal experiences because Maryland business surveys do not breakdown employment to the level of Immigrant or non-immigrant, preferred languages spoken, and communities these businesses tailor to. To learn the demographics, languages, and business models of Maryland's immigrant communities is the first step in providing the already available government resources in a more palatable way to our immigrant community members. Further down the road, these data will allow our government to adjust government support to better meet the needs of African immigrant community members; ultimately leading Maryland to a place where our immigrants and their businesses thrive as frequently as any white-owned business. The USADBC seeks to survey the Montgomery and Prince George's County community as a starting point to understand how our community and government can present stimulus information and tailor future assistance to support the potential of Maryland African immigrants.

II. Strive, Adjust & Thrive (SAT) Strategy

1. Strive: The effort for economic equity in Montgomery County, Maryland.

The Mission of the MoCo Office of Procurement is “to facilitate the use of public funds to effectively procure goods, services, and construction in an inclusive, transparent and equitable manner that best serves County residents, businesses, and the public interest “

Through the years, we have heard from African business who feel the procurement process is difficult to pursue and their attempt to win contract is fruitless. We can speculate that minority-owned immigrant businesses are applying for less and receiving less of the local and state government resources that are helping close the equity gap between minority and white-owned businesses. To achieve economic equity, we need multi-lingual outreach, workshops, and training to expose them to these opportunities. But first, we need to understand what the needs are of minority businesses applying for government assistance. This requires a survey of immigrant businesses.

The first order of business is to create a database of African immigrant-owned businesses (AIOB), specifically, surveying the demographics of those businesses and how their needs vary. To achieve this goal, we conduct a virtual and door-to-door survey to map out the AION, and identify their need & concern. We can start with Montgomery and Prince Georgia Counties and eventually to produce a Statewide report.

We will model our survey and database off a the to "[The Economic Engagement and Potential of the African Immigrant in Minnesota](#)" which identified the business demographics and metrics like pay, revenue, and need. Starting in Montgomery County, our survey can get a snapshot of how survival strategies vary with demographics, and what businesses believe they need to thrive. The [African Economic Development Solutions](#), AEDS (selected USADBC partner) played a key role in leading the effort. I am in active communication with the ED and spoke with him two weeks ago.

Based on our survey results, we will organize online classes to teach immigrants how to use public and low-cost resources we have gathered to help them survive in the post-COVID market. We will translate these resources in whatever language necessary to most effectively reach immigrant business owners.

2. Adjust: COVID business resources and a tool to develop local immigrant businesses

COVID has disproportionately affected immigrants and people of color. The small, self-accounting, non-lawyered-up business, has done whatever they could to get government relief money. But most of the relief money has gone to big companies with on-staff lawyers and accountants. Once minority businesses survive, they can thrive and refocus on competing in the post-COVID market.

Produce (print/online) and Distribute ICB Development Resources Guide. Please [click here to review the Green Book](#), a Resources Guide produced by the DC Government to connect Small Businesses with Local Government Opportunities.

3. Thrive: Local investment

In his book called *Put Your Money Where Your Life is*, Michael Shuman shows how most jobs are created by mom and pop, and because of this we should invest locally. To Shuman's point, we have local examples where 75 women use a professional-grade community kitchen to create and sell their goods. These women are our hope. They are creating new jobs and delivering vibrant experiences to our county by taking advantage of a public community kitchen. We have lined up strategic partners to replicate the community kitchen model, including State Delegate Lorig Charkoudian (who pioneered the community kitchen effort) and IMPACT Silver Spring (who has successfully built multiple cooperative businesses in our county). After our survey and database helps us understand businesses struggling through COVID, we can set-up a resilient community-based economy that thrives by retooling public resources to meet community needs.

III. The post-COVID business landscape we must adjust to: An opportunity to empower African Immigrant Businesses to Thrive Beyond COVID.

During COVID, we have seen digital marketing, digital worktools and digital purchasing accelerate. Less people come to restaurants and more people order their food online (CITATION). Local immigrant-owned taxi businesses are increasingly being outcompeted by Uber and Lyft (CITATION).

The tech trend has both damaged the ability for African immigrant businesses to compete currently and has made it harder for new African immigrant businesses to form. This is because many immigrant open businesses with the financial support of their families and their friends-- many of these businesses have just enough to buy a location and supplies, but not enough to afford an accountant, a lawyer, and digital marketing. Maryland businesses owned by African immigrants largely have relief on word-on-mouth and patronage from the African immigrant community. Simultaneously, studies have shown that government relief most often goes to businesses with accountants and lawyers, who are able to gather the stack of documents necessary to successfully apply for government aid (CITATION). To top it all off, tech giants functioning as middlemen are siphoning large percentages of local profits by making their services necessary. For example, one Silver Spring restaurant owner who still had good sales complained to us that most of their profit was taken by DoorDash, which became a necessary service since many more people prefer to have their food delivered since COVID.

However, the deficit in tech, accountants, and lawyers is another area where African immigrant businesses have a similarly potent opportunity as with the 2009 financial crisis. For example, a local delivery cooperative can maintain similar convenience to doordash, reduce the cost of delivery, and keep revenue local for a restaurant owner struggling to adjust in the post-COVID economy. Additionally, Benefit Corporation for Africa's outreach and training can gather and disseminate information on online marketing, government resources, and connect community-oriented lawyers and accountants to provide their services for monthly fees for free or affordable use of local professionals. An organization, like BFCFA, that is explicitly dedicated to create social good through connecting local financial and marketing services, and to quickly acquire information regarding business aid to struggling immigrant businesses can make it affordable to be competitive post-COVID. To this end, we have already done the work of assembling a local team of experienced organizations who excel at outreach and disseminating public resources in multiple languages, building cooperatives, and financial assistance. We have also partnered with a new truck-driving cooperative to serve as our proof-of-concept.

IV. Snapshot of Immigrant Businesses: To learn is to survive

Thankfully, we are able to follow in the footsteps of Minnesota State, which pioneered a state-wide demographic study focused on immigrant businesses. The results not only taught the Mayors and legislators of Minnesota that immigrants were a greater force of economic growth than born and raised Minnesotans, but it also reinforced the need to provide targeted aid information to immigrant-owned businesses and cater to the needs of immigrants as well. BFCA will model our survey after Minnesota. As such, we will collect countries of origin, languages spoken, immigration status, populations businesses market to, revenue and profit earned, struggles with official paperwork and government, and more.

Everyday Canvassing will carry out the survey to get a snapshot of what African immigrant businesses need in Montgomery and Prince George's county. We intend to use a combination of digital and in-person outreach to business owners and managers. After compiling a similar database to Minnesota, we will proceed to advocate for public resources to be disseminated in such a way the immigrant businesses will have proportionally equivalent access and rates of obtaining public resources. This data will be shared with our partner organizations. Partner organizations like Resolve Cooperative and IMPACT Silver Spring will then help skill and tool new organizations to localize supply chains for immigrants as much as possible.