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Black Entrepreneurs Urged to Seize the Moment Despite Difficulties

Experts say federal aid for Black founders is lacking, but there are still opportunities for reaching consumers right now



Lauren Maillian heads an incubator for Black and Latina women entrepreneurs called Digitalundivided.

Ai-jen Poo, executive director of the National Domestic Workers Alliance, says investing in and supporting women of color could unleash 'incredible human potential.' Photo: Valerie Macon for Agence France-Presse Getty Images

By Kathryn Dill
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For Black entrepreneurs, now is the moment to pursue the attention of investors and consumers, despite the turmoil from the pandemic, small business advisers say.

“If there was [ever] a time when there was a spotlight and at least heightened conversation around supporting and finding and exploring Black-owned businesses, this is that time,” Lauren Maillian, chief executive of Digitalundivided, an incubator for Black and Latina women entrepreneurs, told an

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online audience Wednesday evening during The Wall Street Journal's Race and Progress at Work forum. "Take advantage of it."

In a wide-ranging conversation via videoconference, panelists explored the opportunities and challenges of the present moment for women of color as part of The Wall Street Journal's Women in the Workplace series of summer events.

Ms. Maillian said that federal aid had fallen short of what entrepreneurs needed to maintain their businesses throughout the pandemic, and said that the Paycheck Protection Program seemed to favor some larger corporations while shutting out some Black and Latina entrepreneurs who lacked the banking relationships necessary to participate. But she said there are several avenues worth exploring, including applying for micro-investments from Digitalundivided and similar organizations focused on funding entrepreneurs of color, as well as crowd equity funding. "If you are questioning your worth, your value in receiving funding, you have nothing to lose," she said. "Write the email, ask for the check."

Jewel Burks Solomon, general partner at Collab Capital, an Atlanta-based investment fund focused on Black founders, noted some people are starting their own businesses because they find themselves shut out of the job market.

"Go for it," she said, adding that it's a good time to find receptive customers and a support system. "There has not been a better time to become an entrepreneur."

Aurora James, the founder of the 15 Percent Pledge, which urges major retailers to commit 15% of their shelf-space to products from Black-owned businesses, said consumers are re-evaluating their purchases amid the renewed racial reckoning that is sweeping many cities across the U.S. Searches for Black-owned businesses on Yelp from May 25 to July 10 increased more than 71 times from the same period the previous year, she said, citing a report from the online local business review site. "People want to know," she said. "We have consumers reaching out every day that are like, 'I'm taking the pledge in my own life,' because people are so activated by it. It's like, check your own consumption. Everyone wants to be a part of the solution right now."

Panelists did note the exceptional challenges of the moment, particularly the uncertainty of child care this fall as some school districts plan mostly remote learning. Entrepreneurs "are now working three jobs: They're child-caring, they're schooling, and they're pivoting their businesses," Ms. Maillian said.

While noting that the pandemic is having a disproportionate economic impact on women of color, Ai-jen Poo, co-founder and executive director of the National Domestic Workers Alliance, said she

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is optimistic that this moment could be a turning point for Black women and other underrepresented minorities in the workforce.

“The amount of human potential that is hindered by the obstacles facing women of color in our economy is actually unquantifiable,” she said. “It’s not just about it being the right thing to do, the equitable thing to do, it’s about the incredible human potential that gets unleashed when you invest in and support women of color to truly participate and lead and to contribute what they have to contribute.”

Lauren Maillian