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RESOURCE GUIDE FOR
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- ♦ Reviewing & Submitting Bids
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- ♦ Contracting Opportunities

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Larry Hogan
Governor



Boyd Rutherford
Lt. Governor



Ellington Churchill
Secretary



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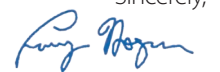
A MESSAGE FROM GOVERNOR LARRY HOGAN

Dear Friends:

I am pleased to present the 2018 edition of the Expanding Opportunities magazine for Maryland's small business community. Small businesses are the job creators and engines of innovation that form the backbone of our economy. Maryland is open for business and this administration remains committed to creating a welcoming climate for small businesses to grow and thrive.

From day one, this administration has been focused on growing the private sector, putting people back to work, and turning our economy around, and we're doing exactly that. Diversity remains one of our greatest strengths. Maryland has the most minority and women owned business in the nation, and our minority business inclusion procurement program has made a \$1.9 billion impact on our statewide economy over the last fiscal year.

Together, we are making Maryland the best place in America to live, raise a family, and start a business. With your help, we can continue changing Maryland for the better.

Sincerely,

Larry Hogan
Governor

A MESSAGE FROM SPECIAL SECRETARY JIMMY RHEE

Dear Friends:

It is my pleasure to serve as the Special Secretary of the Governor's Office of Small, Minority & Women Business Affairs as we celebrate the 40th Anniversary of the Minority Business Enterprise (MBE) Program. This program serves as a national model for minority inclusion programs around the country and is supported by stakeholders across the state.

I am pleased to share the 2018 edition of our annual Expanding Opportunities magazine and I hope you find it to be a valuable resource. No matter where you are in your business cycle, you can be assured that this office will continue our commitment to expanding opportunities for all small businesses, including those owned by minorities and women.

Diversity, entrepreneurship and innovation are invigorating our small business community. This is certainly a great time to be a small business owner in Maryland.

Kind regards,


Jimmy Rhee
Special Secretary



Change in law aims to help small businesses



By Margie Hyslop ♦ Special to The Daily Record

Prime contracting is very attractive to companies working in the public sector. Competition is tough, and winning as a prime isn't easy, particularly if you are a small business. The State of Maryland has changed its laws in order to give small businesses more prime contracting opportunities.

"Maryland makes it a lot easier and a lot more friendly – it seems like a very modern type of program – to get qualified and then to stay qualified. I like the streamlining, they are revamping procurement processes."

Steve Albinak,
owner of Star Computer Supply and SBR participant

Senate Bill (SB) 309/House Bill (HB) 433, which became effective October 1, 2017, expands the Small Business Reserve (SBR) Program from 23 agencies to 70 agencies/departments and increases the set aside from 10 percent to 15 percent, flowing 50 percent more activity through the program

Maryland created this race- and gender-neutral program in 2004; establishing an exclusive environment where small businesses compete against other small businesses. Agencies set SBR goals on a contract-by-contract basis and only registered SBR vendors can receive an award for a contract designated as SBR.

By 2017 the state registry included nearly 6,000 SBR vendors and more than 1,600 SBR vendors won contracts, receiving payments that totaled almost \$389.7 million, said Lisa Mitchell Sennaar, compliance manager for the Small Business Reserve Program.

It took about 10 years to meet the 10-percent goal. To help reach the new 15-percent goal more quickly, the Governor's Office of Small, Minority, & Women Business Affairs has stepped up efforts to register small businesses for the SBR Program and prepare them to compete for state contracts.

The office's website — goMDsmallbiz.maryland.gov — offers information and online resources for small business owners to see if they qualify and find out how to participate in the program.

Through quick links from the office's

homepage, users can get answers, guidance and even find tips on getting their concerns before decision makers. Users can also link directly to Maryland's Procurement Portal, procurement.maryland.gov, to register their business with the state and learn how to use the state's eMaryland Marketplace portal to find information and solicitations and to submit bids.

Longtime computer service and sales professional Steve Albinak signed up with Maryland's SBR Program soon after he started Cockeysville-based Star Computer Supply in 2010.

Through the SBR Program Albinak has worked with about 25 state agencies, getting to know the objectives and needs of the agencies to better serve them.

He sells computers, software and related equipment to agencies and businesses and relies on his knowledge, connections and purchase volume to get customers the best product and price.

He also makes bids in other states, including Virginia, Pennsylvania and California.

But "Maryland definitely has a pretty sophisticated system that is set up for the outreach and everything else that I don't see from other states," Albinak said.

"Maryland makes it a lot easier and a lot more friendly — it seems like a very modern type of program — to get qualified and then to stay qualified," he said. "I like the streamlining, they are revamping procurement processes."

When small businesses compete in set-aside programs that level the playing field, they do win more contracts, small business owners said.

Sometimes Star Computer Supply wins in open competition against large national and international companies, Albinak noted. But there are many cases when big companies cannot beat small ones, he said.

"A large number of people have businesses like mine that are pretty self-contained, high-service, high-touch sorts of businesses" and those appeal to customers who want to talk to someone if they have a problem, he said.

Mitchell Sennaar said she believes more client-centered service will serve Maryland agencies.

"I think little guys work harder and I think the state will be the beneficiary in terms of quality," she said.

To help connect providers and clients, each agency participating in the Small Business Reserve Program must designate a liaison who oversees that agency's contracting and outreach to small companies.

Also, the

Governor's Office of Small, Minority & Women Business Affairs brings agency procurement officers out to meet small business owners at monthly Ready, Set, GROW! workshops.

These free workshops are held around the state to connect small business owners with buyers from state agencies who tell what they plan to buy.

Free one-day technical training classes — on topics from proposal writing and bidding to bookkeeping — are offered at the office's facility in Crownsville on the fourth Tuesday of each month.

User may go to the Governor's Office of Small, Minority & Women Business Affairs home page and register your email address in the GET CONNECTED box to receive notices of all workshops and training events.

Pat and Jack Savage started their government work as a federal contractor. They registered Advanced Government Solutions Inc. with Maryland's SBR Program about four years ago.

Over three years the state has paid their Crofton-based company about \$1.25 million for information technology services, including updating Maryland's firearms licensing system.

They still do federal work, but

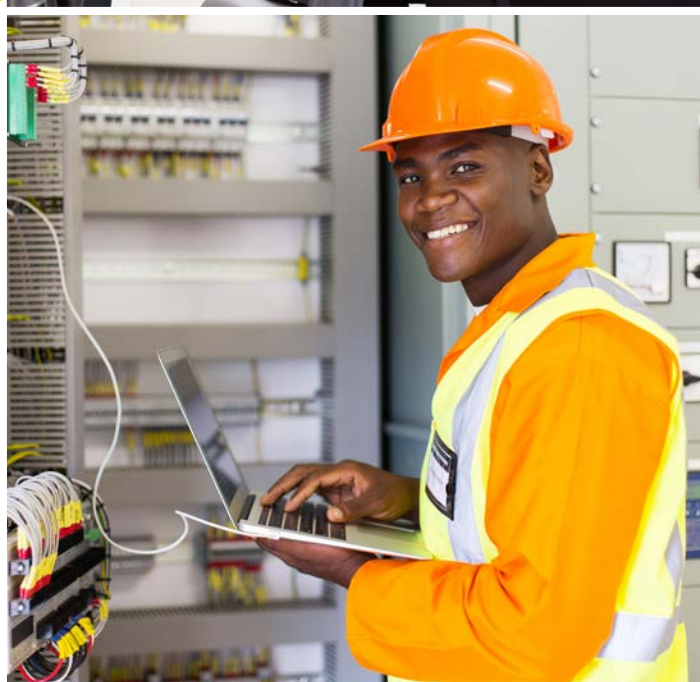
as federal funds were redirected and reduced, Maryland's SBR Program helped propel them into state government work, they said.

With at least four bids in the works, J.D. Clark Professional Services is also looking to Maryland's SBR Program to keep building the Upper Marlboro-based facilities maintenance, renovations and grounds management business.

Owner Tisa J.D. Clark said she particularly likes that the SBR Program offers more opportunities to work as a prime contractor and to have a direct connection to the client. She also likes that it reduces the wait and uncertainties about the payment that small companies

experience when they work as subcontractors.

To win an SBR contract, businesses must register each year. Registration is free.





After early struggles, Aegis Mechanical Corp. building on success

By Pete Pichaske ♦ Special to The Daily Record

On his way to building a successful small business, Barnett Carroll hit more than a few bumps in the road.

The disabled Navy veteran started his company, Baltimore-based Aegis Mechanical Corp., in 2007 - just before the Great Recession hit and the economy tanked.

Also, in a business (HVAC and plumbing construction) where experience, reputation

and relationships are all-important, he started with none of the above.

No surprise, then, that his early years were difficult. During his first five years in business, in fact, Aegis lost about a half-million dollars.

"Things would start to get better, then I'd get hammered again," Carroll said.

But Carroll, 49, never gave up. He found

mentors and made all-important contacts. He studied the business closely, looked for opportunities wherever he could find them.

A break came in 2010, when Aegis was certified as a Minority Business Enterprise (MBE) in Maryland, which gave him access to more subcontracting opportunities.

"That opened up a lot," he said. "I can't say enough about the role of MBE participation



goals set by the state with regard to providing access (to contracts). In the absence of them, it's difficult if not impossible to garner a piece of the pie. ... It's been a bridge, a lifeline. Maybe both."

As his work picked up, Carroll started building that all-important reputation. That, in turn, led to more work and the type of contracts he sought.

"After nibbling on the fringes for years, we finally got enough of a work history and reputation to get into the game," Carroll said. "And it's been smooth sailing since."

Carroll declined to discuss specifics of his company's financial success, noting that Aegis is privately held. But he said: "I sleep a lot better now, and I sleep somewhere different now. Let's just say I went from problems of the third world to problems of the first world."

Delayed dreams are nothing new for Carroll. He joined the Navy one week after graduating from high school in 1986. Six years later, as a Gulf War veteran, he was medically discharged from the Navy, and only then was able to attend college.

After college, he worked for years as a chemist in research and development for Millennium Chemicals, in Hunt Valley, then switched to the production side when he decided that was

where the money was.

Eventually, he took a job as a plant manager in a waste energy plant, which was what he was doing in 2007 when his long-simmering desire to be an entrepreneur bubbled over and he took the plunge.

"I'd managed other people's affairs for years, and I wanted to manage my own," Carroll said. "So I quit a perfectly good job and got into the riskiest thing, other than restaurants, that I could think of."

Aegis specializes in commercial projects, typically contracting for the HVAC part, the plumbing part, or both. Most of its work has been in the Baltimore area, and includes such projects as the Horseshoe Casino garage, the Exelon Tower, and part of MGM National Harbor in Prince George's County. The company also has done a lot of work for Johns Hopkins and several local colleges, Carroll said, and for Baltimore Gas and Electric.

Carroll still has disappointments. He had hoped for a contract for the new FBI building that was being considered for Maryland, but that died when the Trump Administration scrubbed plans to move the FBI headquarters out of Washington. He also failed in his efforts to snare work on the new hospital planned in Prince George's

"I can't say enough about the role of MBE participation goals In the absence of them, it's difficult if not impossible to garner a piece of the pie. ... It's been a bridge, a lifeline. Maybe both."

Barnett Carroll,
owner of Aegis Mechanical Corp.

County.

But his company, as Carroll says, is "in the game" now, and hoping for even bigger and better things. He is seeking state certification for engineering, design and general contracting work, which, he explained, would allow him to get involved in projects earlier, not just as a sub-contractor.

"Right now we're at the bottom of the food chain," he said.

"We're in a fairly comfortable range now," he added. "We stay busy. ... But you have to be out there shaking the bushes."

Photos by Maximilian Franz





CHANGE DRIVERS

Meet the team supporting
small business in Maryland



By Katherine Brzozowski
♦ The Daily Record ♦

On Monday mornings, coffee in hand, the Governor's Office of Small, Minority & Women Business Affairs team meets for their weekly deep dive – chipping away at the race and gender disparity that exists in state procurement in hopes that someday their office won't be necessary to help level the playing field.

Together, this seven-person team, led by Special Secretary Jimmy Rhee, discusses how it can best advocate for small, minority and women-owned businesses and how to provide them with the resources they need to compete in the state procurement arena and connect them to greater economic opportunities.

"There needs to be greater participation, easier participation and more transparency in participation," said Rhee.

The office does this by offering technical training, networking access with state procurement officers and, most importantly, access to their own expertise in the procurement world.

For Lisa Amans, president of BlackSheep Consulting, these resources were invaluable to her in starting up her business this year. Her access to the team humanized a complicated part of government.

"Especially as a small business, doing everything on your own, there are so many restrictions on your time that it becomes more valuable," Amans said. "It's rare that you find people like this."

Fostering Opportunity

This office makes Maryland unique, according to Lisa Sanford, Minority Business Enterprise compliance manager. The team works constantly to increase and manage participation goals for small, minority and women-owned businesses in the state contracting arena.

Unlike other similar socioeconomic programs across the nation, the Governor's

Office of Small, Minority & Women Business Affairs is supported by legislation to enforce these goals for inclusion.

On the back end, laws give the office the "teeth" needed to keep a watchful eye on Maryland's 70 state agencies, ensuring that small businesses are being used and paid on time.

On the front end, the team works on outreach to small businesses to connect them with the tools they need to register for the state procurement programs, build relationships with buyers and compete for contracts.

"Competition is fierce," said Alison Tavik, communications director. "We want our small business community to have the tools they need to compete with confidence."

Prioritizing Education

One of their largest hurdles is that many small businesses don't know that the resources are there.

"Navigating the procurement process takes time and experience," said Eduardo Hayden, small business outreach manager. "We can help make the learning curve a lot easier."

When Amans started her business earlier this year, she was challenged with registering herself as a woman-owned business to take advantage of the state's opportunities.

After finding the Governor's Office of Small, Minority & Women Business Affairs office online, she started attending their outreach events and talking with some of the team members.

"They gave me the trust and confidence that I could get where I wanted to go," Amans said.

As the Small Business Reserve Compliance Manager, Lisa Mitchell Sennaar often helps people navigate eMaryland Marketplace, the state's online procurement system.

"By looking at it as a 'business intelligence tool,' I can show people how to research previous contract awards as well as current open solicitations. It's very powerful

information," Sennaar said.

That level of personal accessibility is the greatest resource the Governor's Office of Small, Minority & Women Business Affairs provides.

"We try to attend as many events as we can. Some on weekends and some in the evenings," said Gerald Stinnett, the team's MBE compliance manager for the state's video lottery terminals.

"By talking to business owners you get a better idea of what they are going through. It's rewarding to be able to bridge the connection to resources and relationships and be a part of their growth," Stinnett said.

Passion drives change

For Rhee, what drives this office is the reason it exists at all – that studies prove disparities exist in Maryland procurement and without their help, these business owners can't take full advantage of the services their taxes pay for.

He encourages his staff, as well as the secretaries and directors across the state, to think differently and to create a legacy of being fair, equal and just.

"You have to run this office with commitment and passion for this space, otherwise you won't be effective," Rhee said.

Especially for multibillion-dollar nascent industries coming to the state – casinos, offshore wind and medical cannabis.

"We recognized a need for diversity early on, said Chantal Kai-Lewis the office's legal and policy advisor. It feels like we are on the right side of history. We all know this agency will be remembered for that."

So how can this little team make a big impact among Maryland's 580,000 small businesses?

"Everyone in this office is professionally and personally impacted by the work we do," said Tavik. "We want to see small businesses succeed."

Howard County, Maryland, Office of Purchasing, Department of County Administration Equal Business Opportunity Program, Dean Hof, Purchasing Administrator

It is the policy of Howard County Government to encourage increased participation by Minority, Women and Disabled Business Enterprises in the procurement of all goods and services through all solicitations by the County.



**Howard County Office of Purchasing, 6751 Columbia Gateway Drive, Ste. 501
Columbia, MD 21046, 410-313-6370 Phone 410-313-6388 Fax
www.howardcountymd.gov/purchasing**

Contact us to find out how your business can benefit from the Equal Business Opportunity Program by getting certified as an EBO vendor.

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The Barbour Group doesn't shy from forging ahead into new territory

By Pete Pichaske ♦ Special to The Daily Record

In the arcane, male-dominated world of surety bonding, Karen Pecora-Barbour has been a pioneer her entire 33-year career.

Surety bonds are legally binding contracts, typically used in construction projects, that ensure obligations will be met between the principal (usually the contractor), the obligee (the person or entity bound by the contract) and the surety (the insurance company guaranteeing that the principal will fulfill the obligations).

Surety bonding has been Pecora-Barbour's specialty and when she started as an underwriter, she was one of the first female surety bond writers in the country.

She worked her way up to being a bond producer, arranging bonds for a surety company, and again was one of the first female producers in the country.

"I was told there are no women bond producers, you're not going to make it," she recalled recently.

In 2002, after 17 years in the business and keen on helping the minority- and women-owned businesses she thought were missing out on too many contracts, she started her own surety bonding and commercial insurance business – again, a rarity for a woman. The Barbour Group is based in Westminster but does business in dozens of states and overseas.

"I wanted to become more of a political

advocate, to push for legal changes," she said. "I thought the regulatory system in Maryland was more geared against small businesses than for small businesses."

Her timing, however, was imperfect. She launched her company the year after the 9/11 attacks, when business for federal contractors, who were most of her clients, dropped dramatically as more funding was put into homeland security. Also, the area's tourism-related construction industry pretty much dried up and insurance rates went through the roof, forcing some of her contractors to fold.

"The first year or two were not so good," Pecora-Barbour recalled. "But after that it went really well.... Until we had the

recession.”

She has coped with the ups and downs in a variety of ways, some creative. Recently, for example, she formed a joint venture with a larger bonding agency in Delaware to cover administrative costs. The change cut her overhead dramatically, at the same time quadrupling her markets.

The Barbour Group does some business in Maryland, bucking what Pecora-Barbour says is a still-strong “good-old-boy” network that dominates the industry. She does a lot of business in Virginia, the District of Columbia and other states, and has bonded projects for the U.S. State Department in nine foreign countries.

In Maryland, her work got a huge boost when she was certified as a women-owned business 15 years ago. She considers all of the secretaries of the Governor’s Office of Small, Minority and Women Business Affairs she’s worked with as friends, she said, and their help has been invaluable.

“They’ve supported me on legislation, and promoted me at their events,” she said. “They’ve helped my brand, given validity and support to what I’ve tried to do.

“...Without them, I wouldn’t have gotten one-tenth the business I’ve gotten in Maryland.”

Pecora-Barbour’s work has earned her numerous awards, including being named small businessperson of the year for the state of Maryland by the Small Business Administration in 2008, and business honors from The Daily Record and Baltimore Sun.

In the past few years, meanwhile, she has expanded her reach by launching a handful of new companies.

One is the BG Network, a team of consultants, many of them retired executives, to assist small businesses. Another is the Alliance for Hispanic Commercial Contractors, which helps the underrepresented Hispanic community with surety bonding, contract negotiations, proposal

writing and more.

She also heads the Party for the Cure, a fundraising group that supports individuals with neuromuscular diseases, such as muscular dystrophy, and their families with cell phones, service dogs, housing renovations and more. This year’s big fundraiser, a gala dinner, raised about \$125,000, she said.

Most recently, Pecora-Barbour launched the National Small Business Party, a national political party designed to help small businesses, which she believes are inadequately represented at the federal level.

Her trend-setting career has been an uneven ride, but Pecora-Barbour has no major regrets.

“I’ve made a lot of good friends along the way, met people from all walks of life, people I don’t think I would’ve met if I didn’t have my own company,” she said. “I’ve had losses, but made money, too. I have one kid through college, the other one almost done. ... It’s not a bad scorecard.”



*Photos by
Maximilian
Franz*

The Resurgent Relevance of Economists



ABOUT THE AUTHOR

Anirban Basu is Chairman & CEO of Sage Policy Group, Inc., headquartered in Baltimore. Known for his personality (and sometimes his sense of humor), he has twice been recognized as one of Maryland's 50 most influential people. Sage is an economic and policy consulting firm that is well-respected for translating econometrics into themes people find compelling.

You didn't listen, and that was smart

Perhaps there was a time when small business operators were wise to relegate the thoughts of economists to the back room. While notions such as supply and demand, product differentiation, and imperfect competition will always be salient, economists rendered themselves largely irrelevant.

This was mostly accomplished through disagreement. While one economist might strongly advocate for tax cuts to stimulate private investment, another would lean vigorously the other way to argue for higher taxes and more investment in education. While one would rail against the damage done by higher minimum wages, the other would yell about income inequality and the need to support lower-income workers.

But it was more than that. Economists also put forth ideas that didn't apply in daily business contexts. Perhaps the most galling pertained to the insistence by economists that people behave rationally. Businesses could see that this isn't true much of the time. Consumers, for instance, have a habit of taking on too much debt, purchasing too many lottery tickets, drinking to excess, smoking abundantly, and otherwise engaging in a myriad of other activities that fail the test of utility maximization.

In the world of investment, economists often embrace the idea of efficient markets. The efficient market hypothesis (EMH) is a theory emerging from financial economics indicating that asset prices fully reflect all available information. There are stronger and weaker forms of the hypothesis, but none of them explain the massive gains generated routinely by certain investors

(e.g. Warren Buffett) or the tendency of markets to produce large-scale bubbles (e.g. dot-coms, 2000s, and perhaps Bitcoin).

With all these caveats, even an economist would be hard-pressed to blame small business owners/operators for paying attention to other sources of information. Add in the fact that economists frequently predict recessions that fail to transpire, pass on predicting those that actually occurred, and miss on forecasts of interest rates, home prices, oil prices, etc., and you have a real argument for locking up economists in the very recesses of one's mind and throwing away the cerebral key.

Better Start Paying Attention!

But we economists are on the move. The behavioral economics revolution that earned Richard Thaler a Nobel Prize has utterly transformed how economists think and how we speak to business operators. We can, for instance, explain why some workers work less when their wages rise. That would have confused most economists a couple of decades ago, now we can explain such things with casual clarity. It comes down to the idea of reference points, which suggest that workers set a particular earnings goal for themselves. Once they reach their target, their incentive to work additional hours dissipates.

We can also better explain why some people are so vehemently risk averse, which undergirds our collective understanding of insurance markets. We have also largely debunked the EMH and many other long-lived simplifications.

In short, my advice is for you to talk to us economists. We might just be able to help.

Maximize Your eMaryland Marketplace Vendor Registration

Maryland agencies utilize an electronic bid board system to post all solicitations valued over \$15,001.

The eMaryland Marketplace platform allows vendors to receive notices and search for procurement opportunities, submit bids electronically, obtain bid results online and register for the Small Business Reserve (SBR) Program. There is no cost to register. eMaryland Marketplace is also used by county and local governments, giving vendors access to these opportunities as well.

Most vendors are able to complete the registration process in less than 30 minutes. This includes enrollment in the SBR, a race- and gender-neutral program where small businesses compete against other small businesses for prime contracts. Only certified SBR vendors can be awarded contracts designated as SBR. During the initial registration process, users will be prompted with the opportunity to complete a certification process. You can modify your profile at a later date to add SBR certification if you choose not to do it at this time.

Remember to keep your profile up-to-date. Failure to update changes in personnel or the addition of new products/services to your profile will impact the accuracy and quality of the email notices you receive.

Visit www.procurement.maryland.gov
and follow these three simple tips for
maximizing your vendor registration in
eMaryland Marketplace.

Utilize the online Quick Reference Guides

New and existing users can save time by following the Quick Reference Guides available online. They offer step-by-step instructions – with screenshots – to help users set up and maintain their account. Visit www.procurement.maryland.gov and select the eMaryland Marketplace Instruction Guides link to access the library of Quick Reference Guides.


Thoughtfully identify the products and/or services your company provides

eMaryland Marketplace sends out information based on the user profile by utilizing National Institute of Governmental Purchasing Codes. Also known as “commodity codes,” this is a universal numbering system used within the government contracting arena. The commodity codes you select are the key to receiving relevant bid solicitation notifications. Limiting your code selection to only a few codes may result in missed opportunities. On the other hand, selecting

codes that are not specific to your business will likely result in receiving an abundance of notifications for products/services your company does not provide. This can become overwhelming and frustrating. Take your time when selecting your codes. Once registered, monitor the notices you receive and contact the Help Desk at 410-767-1492 if you need to make adjustments.

Search for opportunities

You'll automatically receive email notices from eMaryland Marketplace, but it is also a good practice to conduct your own searches. There are several ways to identify opportunities and they are detailed in the Quick Reference Guides – "Identifying Bid Opportunities." Read through and test each method to determine which are best for you. If your customized searches regularly yield results that don't match what's coming to your email box, consider modifying your profile.

A decorative graphic on the right side of the page. It features two interlocking puzzle pieces. The piece on the left is maroon with a white cross-like pattern. The piece on the right is yellow and black with a diagonal checkerboard pattern, representing the Maryland state flag. The puzzle pieces are slightly offset, creating a layered effect.

Harford County GROWS Opportunity

Harford County's Office of Community and Economic Development supports businesses big and small to find and grow opportunities to strengthen our business community. We are proud to support our small, minority, women, and veteran-owned businesses that make Harford County Maryland's New Center of Opportunity!



BARRY GLASSMAN, *Harford County Executive*
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Entrepreneurial spirit is alive and well in Maryland

By Pepper Van Tassell ♦ Special to The Daily Record



Lisa Renshaw didn't grow up dreaming about owning a parking company, but she did dream of owning her own business, and in 1983 a parking garage near Penn Station in Baltimore produced her first key to it.

After she bought the garage, Renshaw decided to sleep there -- it was the only way she could do the work of three people she had to let go to cut expenses. After nearly three years of hard work and one too many frozen coffee mugs, Renshaw said that she almost quit, but decided she had invested too much in the business to give up. About six months later, she bought out her competition. Ten years later, her business hit its stride.

Now, her company, Penn Parking, is the only woman-founded parking company in the nation and operates 50 garages in

Maryland, Washington, D.C., and Virginia, employing 200 people.

Maryland might be the most likely state where one could encounter an entrepreneur like Renshaw. According to a recent study by Paychex, Maryland has more than 41 minority business owners per 100,000 residents, and 17.5 women business owners per 100,000 residents, ranking it first in the nation for its number of minority- and women-owned businesses. In similar reports,

The Kauffman

Foundation ranked Maryland third in the nation for entrepreneurial growth and

WalletHub ranked Maryland the second most-innovative state.

Doris J. Cammack-Spencer, president and CEO at Southern Maryland Minority Chamber of Commerce, said that Maryland is doing better than other states, but that doesn't mean that it can't do better.

"We're seeing growth — it's not overwhelming, but it's growth," she said.

Cammack-Spencer said that her chamber provides its approximately 90 members with access to a number of resources to help them propel their businesses, including working relationships with the state's offices of minority affairs and economic development, and partnerships with local financial institutions. She said that the chamber keeps members aware of trends, including prospects in solar energy, which is gaining interest.

"One of the blessings they have in being a member of our chamber is that we believe in collaboration, we don't believe in doing it ourselves," she said.

Nine states, according to the Paychex study, lacked sufficient access to records for programs that supported women or minority businesses.

Cammack-Spencer said, "I must give the state credit for what it tries to do to provide training to help minority businesses."

Renshaw said that she might have become more successful sooner if she had had access to some of the programs offered for small businesses today.

"It took me so long because I didn't know what I was doing. I might have been able to cut several years off if I had these programs," said Renshaw.

Renshaw said she cheers and prepares entrepreneurs through

lectures when she can, and guides prospective entrepreneurs to appropriate resources whenever appropriate.

"The entrepreneur has to be willing to work really hard and not be prepared for something to fall into their lap," Renshaw said. "I've run into people who think because you are a woman-owned business that success comes easier. If my obstacles had been taken away or if I could magically snap my fingers and take them away, I wouldn't be the same leader for the company that I am now."

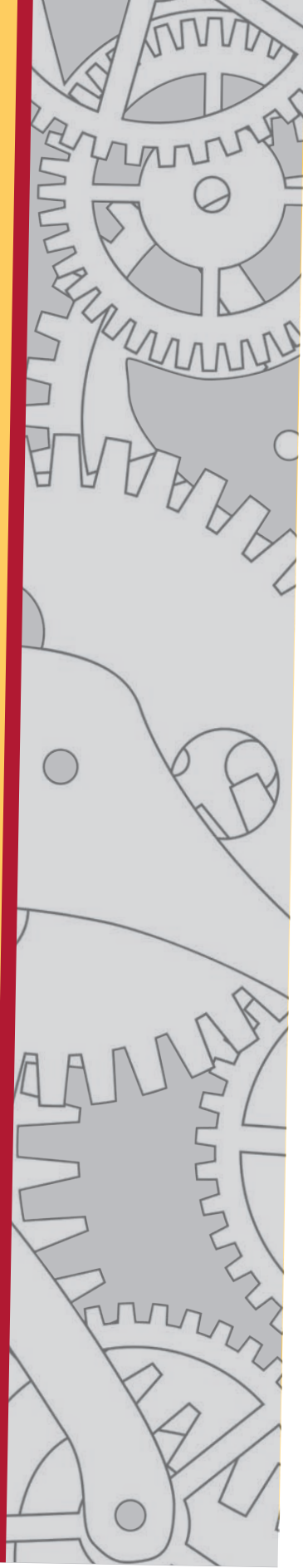
Under the leadership of Cammack-Spencer, who owned her own real estate title company and remains involved in politics following a career that spanned government, the Southern Maryland chamber works differently than most, she said, and has worked to change policy, including proposing legislation that would have improved the state's procurement system, which didn't pass.

"Our chamber does not come to the state to raise hell," she said. "Our chamber wants to work with the state to improve the [minority inclusion] numbers."

She added that all the secretaries at the statehouse know her number, and added that her mission is simple.

"Make the system pure. Make it what it's supposed to be."

Paychex also ranked Maryland's top five cities for business ownership diversity from highest to lowest: Capitol Heights (with 5.3 such owners per 100,000—beating out New York City's average of 4.9), Beltsville, Brentwood, Gambrills and Bowie (with 1.7). For women-owned businesses, Sykesville and Kensington topped the list.





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MINORITY BUSINESS ENTERPRISE PROGRAM TURNS

*By Alison Tavik &
Lisa Mitchell Sennaar*

The Early Years

In 1978 gasoline was 63 cents a gallon, the cell phone was introduced and Harriet Tubman became the first black woman honored on a US postage stamp. In Maryland, the General Assembly authorized the dispensing of generic drugs, itemizing deductions on tax returns and right turn on red.

That was also the same year Maryland legislators concluded underutilization of minority businesses in state contracting was primarily due to past and present discrimination. In response, they passed House Bill, 64 establishing the Minority Business Enterprise (MBE) Program and a small team was charged with the big task of creating a procurement program that would achieve greater inclusion of minorities.

"As a young African-American woman, I saw it as a tremendous opportunity," said Sharon Moore Jackson who joined the team shortly after graduating from business school. "I was like a sponge, taking it all in."

The MBE Program is an economic development tool for small businesses certified as socially and economically disadvantaged. This includes firms owned by African Americans, Hispanic Americans, Asian Americans, Native Americans and women. Minority participation goals are set on a contract-by-contract basis, and only the work of certified MBEs can be counted toward the MBE goal. Housed within the



"This program exemplifies Maryland's commitment to spending its tax dollars in a way that reflects our diversity."

Jimmy Rhee,
Special Secretary of the
Governor's Office of Small, Minority &
Women Business Affairs

state's socioeconomic policies, the MBE Program is implemented through state-funded contracts.

"This program exemplifies Maryland's commitment to spending its tax dollars in a way that reflects our diversity," said Jimmy Rhee, Special Secretary of the Governor's Office of Small, Minority & Women Business Affairs. "Today's MBE Program has a \$1.9 billion economic impact on our statewide economy and is directly responsible for creating jobs within the small business community. It is a great source of pride for Maryland," he said.

For Jackson, the job quickly turned into a passion that would define her entire career

path. She joined the Office of Minority Business Enterprise (housed then under the Department of Economic and Community Development) in 1978 and spent the next 36 years working with the MBE Program. She went on to fill a key leadership role with the Prince George's County Supplier Diversity & Development Division before opening her own firm specializing in supplier diversity consulting.

"Our MBE Program gained real traction in 1983 when the office was transferred to the executive department directly under the governor," Jackson commented. "Maryland quickly became the model for other states that were looking to implement similar programs."

MBE Reform

In response to a 1989 U.S. Supreme Court decision impacting MBE programs across the country, Maryland began conducting a disparity study every five years to determine if discrimination still exists. By that time, the MBE Program was growing roots as legislators and stakeholder groups were championing efforts to strengthen the program and promote greater economic empowerment for minority and women-owned firms.

In 2003, the Commission on MBE Reform delivered 50 recommendations, addressing issues impacting the special needs of the minority business community such as surety bonding, capacity building





and access to capital. To elevate the MBE Program within the agencies, Sharon Pinder, then serving as the Executive Director of the Governor's Office of Minority Affairs, became the first Special Secretary in the governor's cabinet.

The reform measures included creating the Small Business Reserve (SBR) Program as a race and gender neutral companion program to MBE. It provides prime contracting opportunities and helps minority businesses increase capacity.

"The MBE Program had reached a pivotal moment," Pinder said. "We didn't realize we were making history. The efforts that took place in 2003-2007 essentially laid the foundation for Maryland becoming number one in the country for minority and women business ownership today."

The experience had a life-changing impact on Pinder.

"I've made this [supplier diversity] my life's work," remarked Pinder who now serves as President & CEO of the Capital Region Minority Supplier Development Council.

Managing Change

Change has been a consistent feature of Maryland's MBE Program. The goal, which started at 10 percent was increased several times and now stands at 29 percent across 70 state agencies. Subgoals were introduced for African Americans and women in 2001, then expanded to include Asian Americans, Hispanic Americans and



"We didn't realize we were making history. The efforts ... laid the foundation for Maryland becoming number one in the country for minority and women business ownership today."

Sharon Pinder,
then serving as the Executive Director of
the Governor's Office of Minority Affairs

Native Americans. Maryland was the first state to require all contracts with MBE goals to contain liquidated damages, and MBEs who perform as prime contractors may now count a portion of their own work toward the MBE goal.

"There is always going to be change. There are always going to be challenges," said Anthony Robinson, President of the Minority Business Enterprise Legal Defense & Education Fund and well-respected in the business community. Robinson has dedicated his career to advocating for better financial and political access for minority-owned businesses.

"The question for us is, have we created the institutions and organizations to provide the leadership and guidance for our [minority] business community to adapt to those challenges?"

For Secretary Rhee, that question is still being answered today.

Moving Forward

"We're adjusting and changing, and I believe, making progress," said Rhee. "Our MBE Program creates a platform where minority businesses can become competitive and successful, and we will continue to support them in that endeavor."

Under the Hogan administration, Rhee and his team are empowered to continue making changes. The Governor's Office of Small, Minority & Women Business Affairs maintains a robust website of small business resources and hosts free statewide outreach programs connecting vendors to buyers from state agencies and providing free training classes to gain insight on navigating the procurement process and improving managerial competence.

"Maryland is open for business, and Governor Hogan is committed to growing the private sector, creating jobs and improving the statewide economy. Our MBE Program has an important role to play in the mission," said Rhee.



Opportunity Funds: A New Source of Equity Capital for Small Businesses

In 2018, a new incentive for investing in certain designated census tracts was created by the Tax Cuts and Jobs Act. This legislation formally created Opportunity Zones, where qualified equity investments into certain real-estate, equipment and businesses provide meaningful tax incentives to investors. It is estimated that the tax incentive is applicable to over \$6 trillion in investible capital that is currently on the sidelines. While many believe that the investments will focus on the real estate and venture capital sectors, we believe that the incentive has the potential to make significant equity capital available to Maryland's small businesses.

The Harbor Bankshares Corporation is a US Treasury designated Community Development Financial Institution with a 35-year history of providing catalytic capital to small businesses and real estate projects throughout Maryland, Virginia and the District of Columbia. As a seven-time winner of New Markets Tax Credits (a specialized tax incentive to spur job creation and economic development), our work has attracted more than \$2 billion in investment into companies and projects that by definition would not have occurred "but for" our investment.

More familiar is the work of our principal subsidiary, The Harbor Bank of Maryland, a Baltimore-based community bank, whose lending across the entirety of greater Baltimore has been recognized 12 times with the Bank Enterprise Award by the US Treasury. Our experience working in Opportunity Zones with small businesses has provided insight to aid you in considering whether Opportunity

Funds are relevant sources of growth capital for your business:

Equity vs. Debt

Opportunity Fund investments must be made as equity investments into a corporation or partnership. Most small businesses are familiar with borrowing and the relationship with a lender; however, the nature of equity investment can differ as there is often a deeper level of engagement. Debt has traditional uses for acquiring and developing business assets (such as working capital and real estate). Equity has traditional uses for supporting growth-related activity and providing a balance to the debt loads of companies. Often, small businesses haven't had access to patient equity to attain the proper balance or meet growth needs.

Location

Opportunity Zones were selected by individual states. The Tax Cuts and Jobs Act intends for the incentive to be a catalyst to investments in underinvested areas across the United States and its territories. You may currently be located in an Opportunity Zone. Additionally, areas where you would like to grow your business may be located in an Opportunity Zone. In fact, areas like the historical central business districts of Baltimore and Silver Spring are both designated Opportunity Zones. Access to capital should always be a consideration in growth plans for your business.

In the coming months as the awareness of Opportunity Zones grows, we hope that the Maryland small business community takes advantage of the opportunity to consider this previously unavailable capital source.



THE
HARBOR BANK
OF MARYLAND

ABOUT THE AUTHOR

John Lewis has more than 22 years in the financial services industry and serves as the Executive Vice President & Chief Administrative Officer for The Harbor Bank of Maryland. Founded in 1982 The Harbor Bank has seven branch locations, primarily serving the Greater Baltimore Metropolitan, with one branch in Prince George's County and offers checking, savings, time deposits, credit cards, debit card, commercial real estate, personal, home improvement, automobile and other installment and term loans.

After moving to the United States and earning an accounting degree, Taiwan-born Sophia Parker forged a successful career in government contracting. But 11 years ago, at age 50 and her children grown, she was ready for something more fulfilling.

"I felt I could give my clients better service with my own business," said Parker,

who left her job with defense technology industry giant Northrop Grumman to start her own company, DSFederal. "With large companies, there's a lot of red tape and bureaucracy."

On top of that, Parker wanted to do something more socially responsible.

"I was thinking, 'What can I do that will leave a legacy and have a positive impact,'

"Parker said. "Federal contractors are not known for having a social impact vision, but I decided that's what I wanted to do – something that would not just benefit me and my employees but others as well."

Parker accomplishes that in a couple of ways. First, DSFederal, which specializes in data analytics, works only with agencies and projects that "improve human lives,"

Success allows DSFederal to focus on improving human lives

By Pete Pichaske

Special to
The Daily Record



she said. The company does a lot of work for the federal government, but most of it is with agencies like Health and Human Services and the Department of Agriculture.

"We would never do weaponry," Parker said. "We would not go after contracts that would not be in line with our mission or vision."

Second, a portion of her company's profits are funneled into a nonprofit foundation Parker started in 2013, the IDEA Foundation, which helps

*Photos by
Maximilian
Franz*



women and children throughout the world. Among other projects, the foundation has funded a school in Afghanistan, an orphanage in South Africa and hurricane relief efforts in Puerto Rico.

It's a different sort of business model, especially among federal government contractors in the Washington area. But after a slow first couple of years, it's worked.

In 11 years, DSFederal has grown from one employee (Parker) to about 160 and its revenues have soared. Over the years, the Rockville-based company has moved three times, most recently in November 2016 and always to larger quarters.

"The first two years, it was hard for us to get business," Parker said. "But once we got some past performance under our belt, we've become more and more competitive at winning business. We've been growing steadily."

The company has grown so much, in fact, that it recently outgrew the federal Small Business

Administration set-aside program, known as 8(a), that accepts bids on some contracts only from qualified minority-owned businesses and that provided Parker so many opportunities over the past several years.

"We can no longer rely on that certified work," Parker said. "We have to be more strategic, more aligned with the market needs to be able to continually advance."

Her association with the SBA has served Parker well: In 2015, the organization named her Maryland small businessperson of the year and the following year, they named her company a top woman-owned small business.

DSFederal is also certified as a Minority Business Enterprise in Maryland and has taken advantage of that status to win contracts in the past. But because so much of the company's business is with the federal government, that is the focus, Parker said.

She does, however, take advantage of the state-sponsored

conferences and events.

"Networking is always good," she explains. "It's been helpful."

A success at both working for big companies and running her own, Parker has advice for others in the business world.

"Focus on your niche and maintain your reputation," she said. "This (Washington) is a small town, and reputation is everything. So say what you do and do what you say, and over time you'll be known for the type of service you have."

Her own niche has evolved, she said, and now she wants to position her company as a leader in the field of high-end data analytics – "more of the larger, more complex systems integration work."

As for Parker, she has no plans to retire anytime soon. She has a largely youthful staff, and working with them, she said, keeps her young. "I love mentoring young people," she said. "I'm still having a lot of fun."

"I love it," she added of her work. "And I still feel I have a lot to give."



Airline maintenance company AvDyne Services, LLC soars to new heights

During his 21 years as a flight mechanic and engineer in the Air Force and another couple working as a civilian for aviation industry giant Signature, Jerome Hodge had never considered starting his own company.

But when Signature got out of the maintenance business in 1999, it seemed the logical next step. Now, nearly two decades later, his AvDyne Aero Services is a multi-million-dollar company.

Starting a business "wasn't something I'd ever wanted to do, but I guess I was being prepared for that," he said. "Because



here we are 18 years later and we're the largest black-owned company doing this on the East Coast and maybe nationwide. ... And I have an aggressive two-year plan to grow this thing even more – maybe three or four times the size it is now."

AvDyne's growth has already been impressive. When the company opened, it had five mechanics and serviced only airlines at Baltimore/Washington International Thurgood Marshall Airport. Now, the company has some 50 mechanics, operates at BWI, Dulles International and Reagan Washington National airports and does more than \$3 million a year in business.

Although AvDyne has focused on private contracts since it opened, Hodge is now looking for federal contract work at U.S. military bases, where many of the military mechanics are now stationed overseas.

"A lot of work now at military bases, especially the large ones, is now done by contractors," he said. "We've done some of that work at

Dover (Air Force Base, in Delaware) and for the Army, though nothing major yet. But that's a whole other arena for us and we're trying to crack open that nut."

With experts predicting a national shortage of aircraft mechanics, Hodge also plans to open a mechanics training school either this fall or early next year. Hodge's mechanics will be the instructors, and the school will operate in conjunction with an area community college.

"We've been doing this with in-house training for more than 10 years, so I decided to formalize that," Hodge said. He will use part of AvDyne's hanger at BWI for the hands-on classes, Hodge said, and rented space near the airport for other instruction.

Although not yet opened, the school already has a website and a name: The Major Anderson Tuskegee Academy, named after one of the original Tuskegee Airmen, the black military pilots who fought in World War II.

While he had plenty of

experience working on aircraft when he started his company, Hodge had no experience in running a business.

"I was a master sergeant so I understood managing people, that was easy," Hodge said. "But I wasn't a businessman."

Hodge learned the business side of running a company from his original partner, who had business experience. When he felt up to the job himself, Hodge and his wife bought out his partner. He's been running the business ever since, as president and CEO.

"It's been a struggle," he said. "There were some tight times – we were barely keeping the doors open sometimes."

Hodge is more than happy with where he and his business are now, some four decades into the aircraft maintenance business.

"It'd be tough for me to go back to working for someone else," he said. "And I've been doing this stuff for 40 years now. This is what I know, and I think I'm good at it – I know I'm good at it."



*Photos by
Maximilian
Franz*

Local Brewery Taps Neighborhood BusinessWorks Program to Create Modern Maker Collective

By Andy DeVilbiss

As the company's name implies, Union Craft Brewing likes to bring people and things together.

"We chose the name Union for a couple of reasons. It represents the union of the three founders," says co-founder and owner Adam Benesch, referring to the partnership with his two close friends, Kevin Blodger and Jon Zerivitz, that launched Union Craft in 2011. "It also represents the union of the four traditional ingredients needed to brew beer - grain, hops, yeast and water - and how those four pieces come together, sometimes magically, with the end result being the union of people, enjoying good beer and each other's company."

After five years powered by a great product and passionate customers, Union faced a happy dilemma. They had outgrown their facility in the Woodberry neighborhood, the first production brewery opened in Baltimore in more than 30 years. Less than a mile away in the Medfield community, the owners found what seemed to be an ideal location, a 140,000-square-foot warehouse near both the light rail and Interstate 83, but there was an immediate issue. The facility was bigger than what they needed. So, Union

did what their name implies. They started bringing people together, reaching out to like-minded local businesses that were looking to expand, to fill the repurposed warehouse and form Union Collective, a modern-day manufacturing center anchored by Union's brewery and taproom.

Once the vision for Union Collective was clear, Union Craft needed to secure financing to make it happen. That's when they turned to Neighborhood BusinessWorks, a state small business lending program administered by the Maryland Department of Housing and Community Development. Benesch learned about the program from Seawall Development, Union's neighbor at their original location and developer of the new space. Seawall had successfully partnered with the department for numerous revitalization and redevelopment projects during the past decade, particularly in central Baltimore. Through Neighborhood BusinessWorks, Union

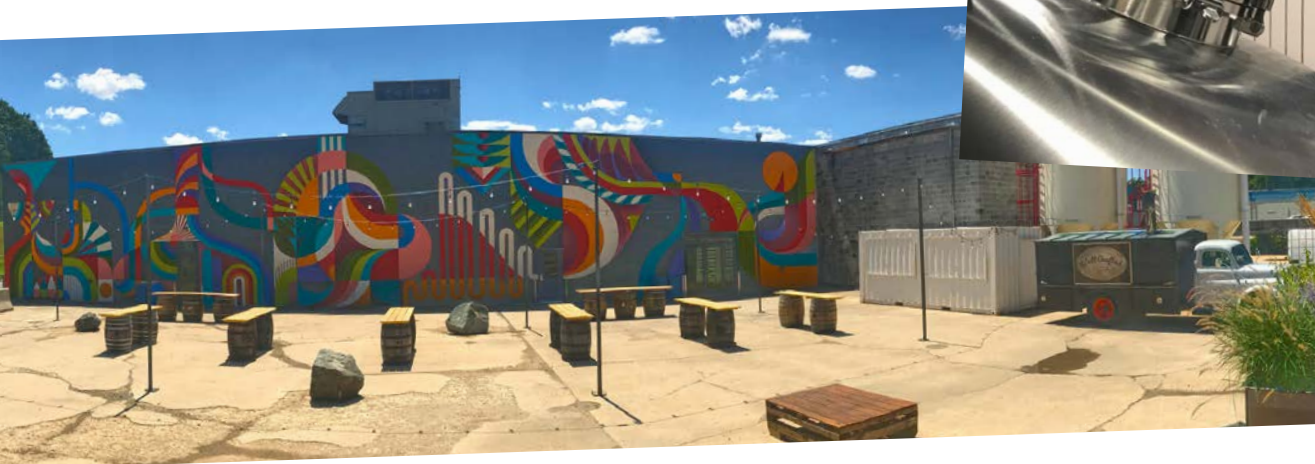
Collective received a \$500,000 loan, but more assistance was needed to support the nearly \$16 million project.

"We knew Union Collective looked to be a huge, transformative project that would benefit Baltimore and Maryland, so we figured out a new way to secure additional capital for its development," says John Maneval, Deputy Director of the department's Community Development Administration.

Using cash reserves from the Maryland Housing Fund, the department provided a loan guarantee that made possible a \$12.5 million loan originated by the Enterprise Community Loan Fund, a Maryland-based community development



Union Craft Brewing co-founder and owner Adam Benesch leads state officials on a tour of the new Union Collective brewery. (Submitted photos)



financial institution with deep lending expertise. "The loan guarantee provided Enterprise and their lending partners, The Reinvestment Fund and The Harbor Bank, with both a safety net to mitigate their investment risk and a seal of approval from the State of Maryland that this was a viable and important project."

The loan guarantee bolstered the investors' confidence in Benesch's vision and was critical in securing the necessary capital to finance Union Collective.

According to David and Laura Alima, married co-owners of the celebrated local ice cream manufacturer the Charmery, joining Union Collective fit perfectly with their need to increase production beyond their current capacity at the Charmery's storefront in Baltimore's Hampden neighborhood. "Moving into Union Collective really defines the next step for our business," says Laura.

"The main point is our production is here," says David, who also serves as the Charmery's master creamer, developing its signature flavors. "That we got this retail front as part of this incredible business community is a total bonus. The fact that all these businesses have made a conscious effort and decision to stay in Baltimore City is a really special thing."

Most businesses in the collective will have production on-site, so visitors can see firsthand how their products are made. All of the Union Collective members share Benesch's vision for reinvigorating manufacturing in Baltimore with a thoughtful, civic-minded approach that supports the local community.

"We're trying to reimagine what manufacturing in an urban setting looks like. It gives Baltimore another beacon of visibility," says Max Lents, co-founder and CEO of the Baltimore Spirit Company, the oldest rye whiskey distillery in the city. "It will have that effect like pouring water on a flat surface. It all spreads out and just does a lot of good in a lot of ways."

It's an optimistic sentiment echoed by other Union Collective members.

"I think the collective attitude about the space just shines in every single way and is really exciting," said Liz Bower, co-owner of Well Crafted Kitchen, a pizza

purveyor known for its 1949 Dodge food truck. The business has already doubled its staff in preparation to make the leap to a brick and mortar location and serve as the food provider within Union's taproom. "To know this warehouse is being repurposed to bring people together, allow businesses to flourish and give jobs to people in the community, there's a lot of energy surrounding the project."

"Union Collective would not exist without Neighborhood BusinessWorks and the additional assistance we received through the state," says Benesch. "It was a bit of a revelation for us to learn that state programs can help get a vision like this off the ground. The team at the department helped us navigate the entire process, and they showed that the State of Maryland is really interested in and engaged with our community. I definitely encourage other business owners to explore the program."

During Governor Larry Hogan's first term, Neighborhood BusinessWorks has provided more than \$45 million for 129 projects statewide, including more than \$34 million and 76 projects in Baltimore. The department is aggressively working to expand its small business lending and Maneval believes the new loan guarantee mechanism developed to secure investment for Union Collective will become a powerful new financing tool to support revitalization and redevelopment throughout Maryland.

"We will certainly continue to explore creative solutions like this loan guarantee," he says. "We figure out how to get deals done and turn great ideas like Union Collective into brick and mortar realities."

For more information about Neighborhood BusinessWorks and other small business assistance, visit: <http://dhcd.maryland.gov/Business/>.



Get To Know Union Collective

Union Collective is a community-minded group of businesses redeveloping an industrial warehouse to create a dynamic new manufacturing hub and tourist destination in Baltimore. Who are they?

Union Craft Brewing: Expanding into a new and larger space, Union's production brewery and gigantic taproom will serve as an anchor for the new collective space.

Baltimore Spirits Company: Concocting new and expressive spirits with traditional old world distilling methods including their flagship whiskey, Baltimore Epoch Rye.

The Charmery: Creators and manufacturers of super-premium ice cream featuring unique flavors and locally-sourced ingredients.

Earth Treks: An indoor rock climbing and fitness center for exercise and entertainment.

Huckle's Gourmet Foods: Crafters of all-natural gourmet hot sauces, condiments and other wonderful foods.

Vent Coffee: Artful and passionate roasters that support socially-conscious coffee growing and importation.

Well Crafted Kitchen: Promoting community and connection by serving locally inspired, wood-fired pizza in the taproom.



Minority Business Enterprise status has helped Greyeyes Supply Company grow

For years, Marsha Greyeyes oversaw a major contract for the federal Environmental Protection Agency's Science Advisory Board, tracking task orders, overseeing budgets, managing contracts and more.

One day, it dawned on her: She could

do the same work on her own, and earn a lot more money.

"I was bidding on projects, managing projects," she said. "I thought, 'I can do this for myself. Why not start my own business?'"

In May 2010, she did exactly that. She

started Greyeyes Supply Company, a full-service construction supply company. Based in Allegany County, Greyeyes Supply provides construction materials – everything from HVAC to roofing to electrical equipment – to builders.

Greyeyes Construction has contracts in



Maryland, Pennsylvania, Virginia and West Virginia, and all of the projects are commercial or government.

For example, the company supplied some \$2.3 million in construction materials for the new Allegany High School, in Cumberland, due to open this fall.

Over the years, Greyeyes Construction's revenues have increased steadily, with gross receipts climbing from \$3,500 in 2012 to nearly \$2 million last year. Greyeyes remains the sole full-time employee.

"I think I've been successful," she said. "I've been blessed. ... We're continuously growing in volume (of work), and have increased our customer base."

She leverages her status as a Minority Business Enterprise (MBE) for a good part of her work in Maryland. (Greyeyes is a full-blooded Navajo.)

"It's really helped me out a significant amount," Greyeyes said.

Although Greyeyes started her company with years of business experience and has benefited from her MBE status, she has faced her share of challenges – and still does.

One challenge, she said, is geographic: Her company is based in Cumberland, but so much construction is in larger population centers, such as Baltimore.

"The economics here are a challenge," she said. "There are more contractors, more jobs in other areas."

Another challenge, she said, comes from the fact that some contractors are suspicious of MBE-certified

businesses. "Sometimes they assume you don't have the experience," she said. "But that's wrong."

Overcoming such bias and challenges, Greyeyes said, comes with the territory.

"Just as in life, there will be challenges," she said. "You just have to work through them. My advice to a person starting a new business is to ensure that you have the education and the knowledge of the industry you want to open a business in and to work hard."

Greyeyes grew up on the Navajo reservation, in the Four Corners area of the American Southwest. She earned her bachelor's in political science, with a minor in business, from Fort Lewis College, in Durango, Col., and her master's in Public Policy and Administration from the University of Colorado.

She still has family in the Southwest and, through her heritage as a full-blooded Navajo, also does some business there. Greyeyes has a Navajo Nation Tribal Gaming License and her company supplies equipment, such as tickets, to the Navajo Nation casinos.

She also has supplied tickets to the Rocky Gap Casino, in Cumberland.

Greyeyes also owns and operates her own consulting firm, Greyeyes Consulting, which does event planning and environmental policy.

In 2012, the company organized the Coastal Peoples Address Climate Change Symposium, held at the Smithsonian's National Museum of the American Indian.



*Photos by
Maximilian
Franz*

How Johns Hopkins and Corporations Are Stepping Up to Create Jobs and Opportunities



Will Kirck, Homewood Photography

HOPKINSLOCAL
BUILD. HIRE. BUY.

ABOUT THE AUTHOR

Kylie Patterson is the Director of Economic Inclusion at Johns Hopkins University. To learn more about Johns Hopkins commitment to local hiring and purchasing, visit www.hopkinslocal.jhu.edu. To learn more about the BLocal initiative, the BLocal BUILD College or more about the partners, visit www.blocalbaltimore.org. To learn more about the Goldman Sachs 10,000 Small Business Program, visit www.10ksbapply.com/Baltimore.

In 2015, Johns Hopkins University and Health System and its corporate and anchor peers felt an urgent need to respond to the unrest in Baltimore following the death of Freddy Grey. The question was: How can the city's organizations and businesses support job and small business development?

This question spurred the birth of two initiatives: HopkinsLocal is Johns Hopkins' commitment to hire locally, purchase locally and use diverse vendors for construction projects. BLocal arose when Johns Hopkins helped convene 27 major businesses, including Baltimore Gas & Electric, which made similar commitments to tackle some of the greatest challenges facing the city and region.

In a short time, HopkinsLocal has increased its spending with local vendors by more than \$20 million and hired more than 600 Baltimore residents into specific positions, from lab technicians to administrative coordinators, over two years. When working with businesses that are not in Baltimore, Hopkins has leveraged its economic power to ensure these firms commit to local hiring, purchasing and other types of investments in the city. Likewise, BLocal experienced early success in its first year, investing \$86 million in the local economy and exceeding its three-year goal of \$69 million.

While spending more locally and encouraging businesses that are not local to commit to local outcomes was a strong first step, there was more work to be done. Recognizing the need for a training program with a broad scope, members of BLocal developed the BLocal BUILD College (BUILD

College), a training program for small, local, minority and/or woman-owned firms in the design and construction industries. Taught by BLocal and BUILD College partners, the program provides training that fosters the development of key competencies and facilitates relationships necessary for sustainable growth. This program is held twice a year and has graduated 66 companies since September 2016.

Shortly after the launch of the BUILD College, Johns Hopkins joined a partnership with Morgan State University and the Community College of Baltimore County. Together they announced the launch of the Goldman Sachs 10,000 Small Businesses Program in Baltimore, sponsored by Goldman Sachs and Bloomberg Philanthropies. This program provides training to small business owners and entrepreneurs to support them in growing their businesses' revenues and number of employees.

Some of Baltimore's largest economic engines are beginning to turn in the same direction. Early results show that this collective work is a catalyst to create new jobs and opportunities in Baltimore City. Through the commitments made under HopkinsLocal and BLocal, more jobs are being filled by local residents and small businesses are able to increase their revenues and create more jobs. The successes of these initiatives only scratch the surface. To support this work, HopkinsLocal and BLocal must continue to identify small businesses to meet their needs and encourage additional corporations and anchors to make similar commitments to local hiring and purchasing.



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PICTURED IN PHOTO:

MMCC staff members exhibiting at The Maryland, DC Minority Company Association event. From left to right: Charles Felton, Director of Purchasing, Live! Casino & Hotel; Rebecca Jackson, Research Education Analyst, MMCC; Jennifer White, Director of Communications, MMCC; Mr. Wayne Frazier President, MWMCA



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