

The Family Business:

A Cornerstone of the African-American Entrepreneurial Tradition



Presented by: **Black Family Preservation Group, Inc.**



Saving African-American Families From Extinction

Introduction

About the Presenter: Sharon Brooks Hodge

About the Organization: Black Family Preservation Group, Inc.



Abstract

For more than 250 years the family business has been a cornerstone of the black entrepreneurial tradition by providing job security, economic stability and opportunities for social progress.

Whether the era was characterized by Jim Crow, Civil Rights, disco, hip-hop, a brand new millennium, or global recession, family businesses have been a gateway to the middle class for African Americans.

About This Session

We're going to look at the evolution of the black family business from **Colonialism** to the **Antebellum** and **Reconstruction** eras, then the **20th** and **21st** centuries.

For each of these time periods we'll discuss:

- **Statistics and Trends**
- **Obstacles and Challenges**
- **Notable Examples**

Colonial America



The 1600s

- Statistics
- Obstacles
- Notable Examples

Colonial America

- The first family businesses were launched when former indentured servants amassed property in land and chattel, either through purchasing them along with their freedom, or through inheritance by wills of their former masters.
- As early as the mid-17th century a class of Negro property owners had come into existence. They achieved a status of moderate economic importance.

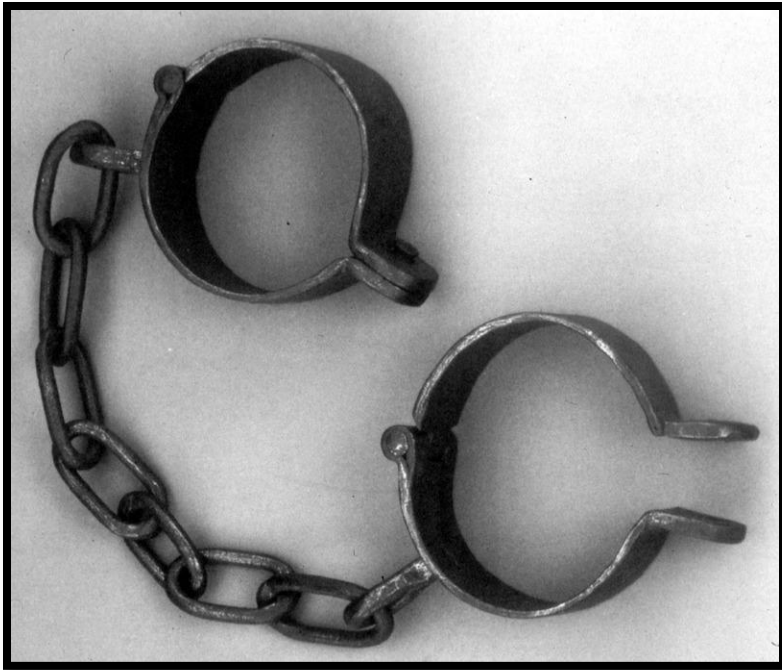
Colonial America

In 1625, there were only 23 black people living in the colony of Virginia. By the 1650s this figure had increased to 300 black freemen and black servants.

According to historian Luther P. Jackson, between 1670 and 1680 the Negro population had increased from 2,000 to 3,000.

Colonial America

- Personal Freedom



- Family Dynamics

\$1200
TO
1250 DOLLARS!
FOR NEGROES!!

THE undersigned wishes to purchase a large lot of NEGROES for the New Orleans market. I will pay \$1200 to \$1250 for No. 1 young men, and \$850 to \$1000 for No. 1 young women. In fact I will pay more for likely

NEGROES.

Than any other trader in Kentucky. My office is adjoining the Broadway Hotel, on Broadway, Lexington, Ky., where I or my Agent can always be found.

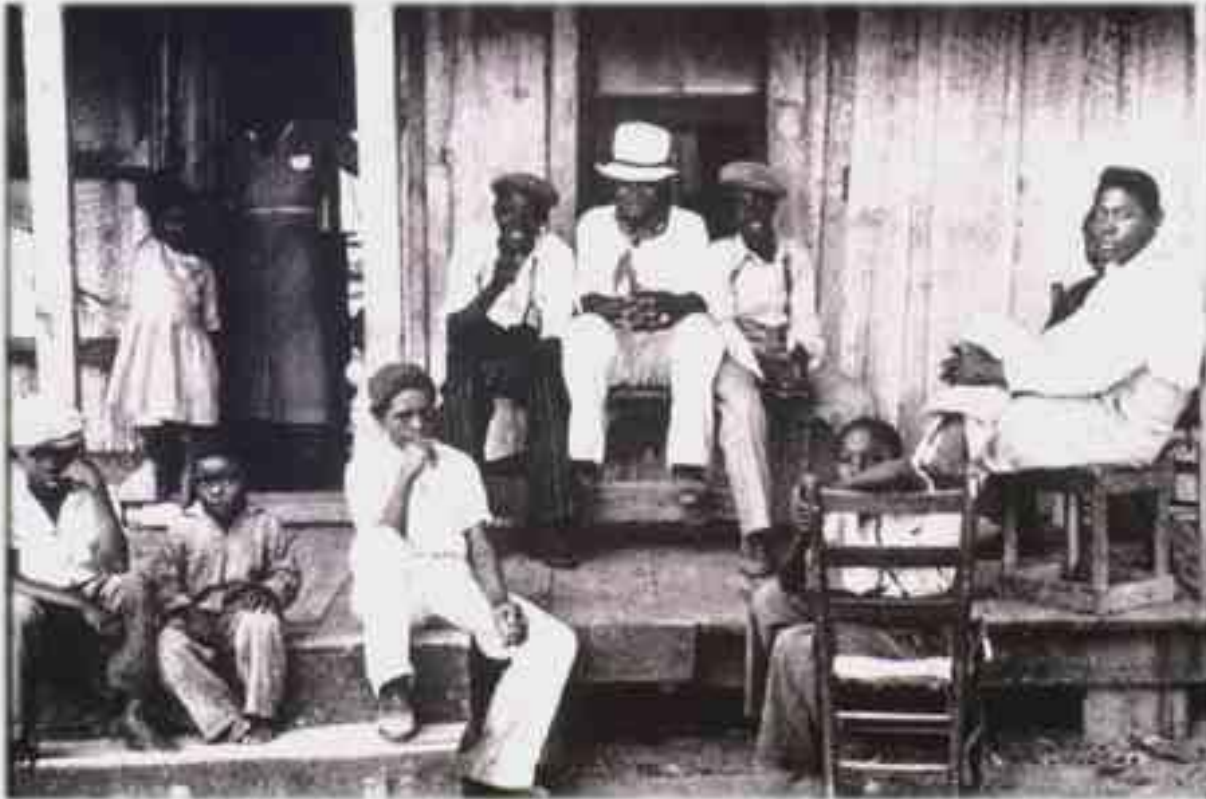
WM. F. TALBOTT.
LEXINGTON, JULY 2, 1852.

The advertisement is a rectangular poster with a black border. At the top left, there is a woodcut-style illustration of a man carrying a large pack on his back and a dog walking beside him. To the right of the illustration, the text is arranged in a bold, hierarchical manner. The price '\$1200' is the largest, followed by 'TO' and '1250 DOLLARS!' in a slightly smaller font, and 'FOR NEGROES!!' in a similar font. Below this, a paragraph of smaller text describes the terms of the purchase. The word 'NEGROES.' is printed in a very large, bold, serif font. At the bottom, there is a final paragraph of text and the name 'WM. F. TALBOTT.' followed by the date 'LEXINGTON, JULY 2, 1852.'

Antonio, a Negro ...

- **Captured** by slave traders in Angola;
- **Became** one of the original 20 Africans brought to this land in 1620;
- **Sold** to a white planter named Bennet;
- **Married** the only woman on the plantation;
- **Fathered** four children;
- **Purchased** his family's freedom;
- **By the 1650s** their estate had grown to 250 acres;
- **Employed** four whites and one black in their livestock business.

Antebellum



The years prior to
the Civil War

- Statistics
- Obstacles
- Notable Examples

Reconstruction and the end of 19th Century

Recovering from slavery

1865 to 1877

- Statistics
- Obstacles
- Notable Examples



Engraved according to act of Congress in the year 1875 by Turner & Lane in the Office of the Librarian of Congress at Washington

ROBERT C. DE LANGE, M.C. OF CAROLINA JEFFERSON H. LONG, M.C. OF GEORGIA
U.S. SENATOR H. R. REVELS OF MISSISSIPPI BENJ. S. TURNER, M.C. OF ALABAMA JOSIAH T. WALLS, M.C. OF FLORIDA JOSEPH H. RAINEY, M.C. OF CAROLINA H. BROWN ELLIOTT, M.C. OF CAROLINA

THE FIRST COLORED SENATOR AND REPRESENTATIVES.

In the 41st and 42nd Congress of the United States.

NEW YORK: PUBLISHED BY CURRIER & IVEY, 231 NASSAU STREET.

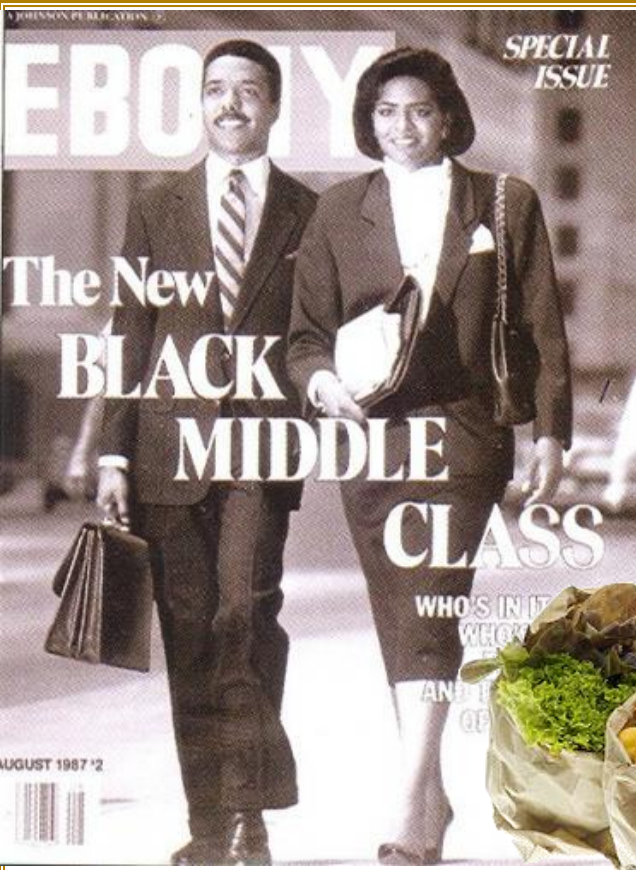
703802

C. R. Patterson & Sons



Fred Patterson sits in the Patterson car in front of C.R. Patterson & Sons, a car manufacturing company.

20th Century



- Statistics
- Obstacles
- Notable Examples

Sweet Potato Pie Company

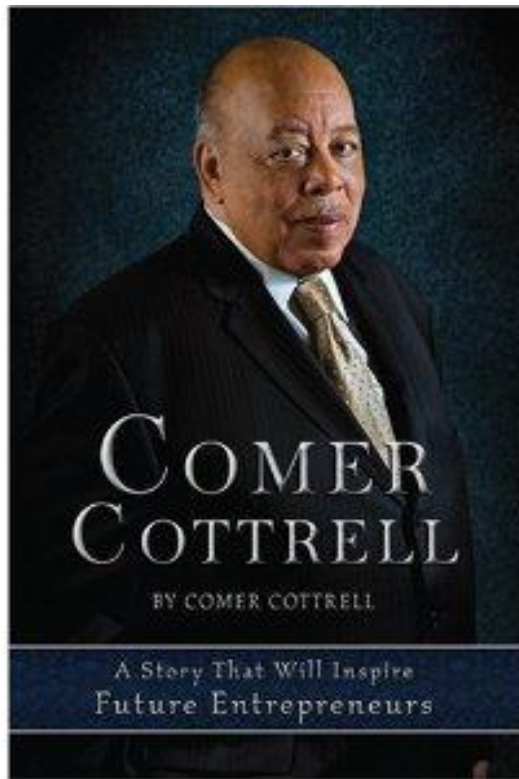


Edgar Ramsey left a full-time job as a manager with the Xerox Corporation to start a family business.

The Ramseys' experience is a common one in the establishment phase of family businesses as resources — money, time, and energy — are stretched to the limit.

Pro-Line Corporation

Comer Cottrell



In 1970 he and his brother co-founded Pro-Line Corporation, one of the “big four” in black hair care products manufacturing.

Pro-Line became one of the largest black businesses in the nation, with more than \$100 million in annual receipts and markets in 43 countries.

21st Century



- Statistics
- Obstacles
- Notable Examples

Legacies for the future?

Daunting Statistics

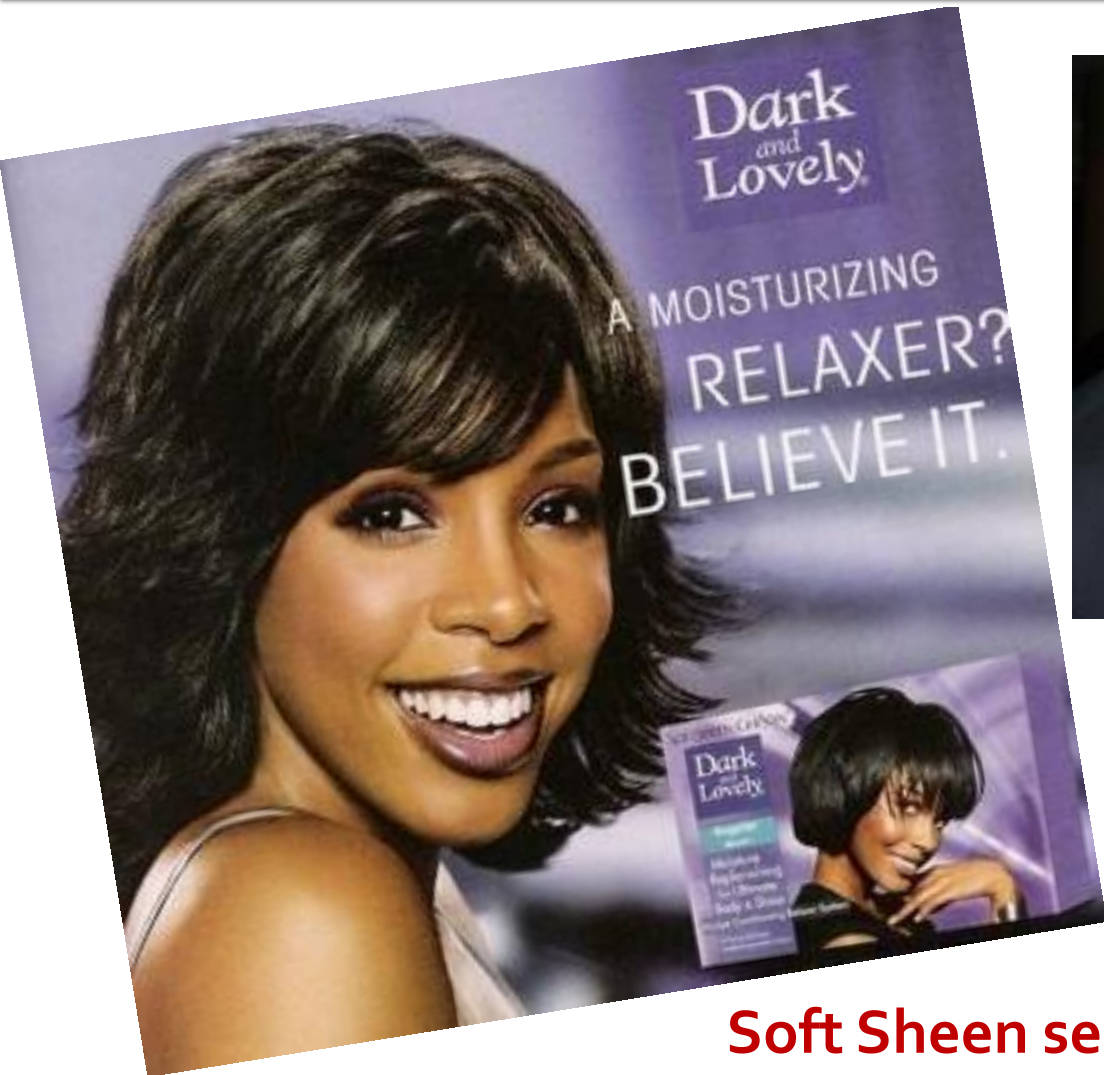
Only one in three family firms survives two generations; only one in six survives three generations.

The 21st Century Challenge

"The challenge is not starting a family business, but being able to pass it on from generation to generation."

John Sibley Butler, professor of management
and chairman of sociology
at the University of Texas at Austin.

Cashing in or Selling Out?



**Bob and Sheila Johnson
Sold BET**

Soft Sheen sells its ethnic line to L'Oreal

C. H. James & Company



Charles H. James III

- 4th Generation CEO
- Leads the 112-year-old family business
- Feeding America as a wholesale food distributor





www.BLACKfamilies.org