2019 - 2021

triennial report
In the last three years, while navigating the dual pandemic of COVID-19 and racial injustice, BCIF has experienced significant growth. In the wake of the murders of George Floyd, Breonna Taylor, Ahmaud Arbery, and countless others, we’ve received an outpouring of contributions intended for the collective strengthening of Black America.

Now is the time for action.

In 2022 and beyond, we are laser focused on supporting our loan recipients by helping them increase their gross revenues, build assets, create more jobs, and strengthen their capacity to access mainstream capital. We are exponentially increasing the amount of funds BCIF deploys into the Black business community. We are moving closer to realizing our vision of being a catalytic force to propel an economic empowerment movement throughout L.A. County and Southern California.

We thank all of you who have given your time, talent, and treasure to bring BCIF to this point. The bandwagon has been built. The time for closing the racial wealth gap was, is, and remains, now.

In solidarity,

Robert Lewis
President & Board Chair, BCIF
“Advancing racial justice and economic equity are two sides of the same coin! I’m grateful and excited to participate in a movement called BCIF that provides an ecosystem to achieve both sides in our quest to realize a reparative and restorative beloved community.”

Reverend Kelvin Sauls
Board Member, BCIF

“The BCIF loan has helped Tickleberry Place greatly by providing funds for animation content and a means to build our following during the completion of acquiring new partners and investments that will accelerate the company’s goal for reaching major distribution.”

Lauren McElroy
Founder & CEO, Tickleberry Place

“[BCIF] being thoughtful and asking if there was anything we needed meant everything as an entrepreneur who was now in survival mode and pressing through to make it through such an unprecedented time.”

Candace Mitchell Harris
Co-Founder & CEO, MYAVANA

“I enjoyed every moment working with BCIF, as I felt like I was making an impact, all while getting great insight into the world of finance and learning how valuable connections can be.”

Kwame Thornhill
Intern, BCIF
the future is Black and funded
Our Mission
Based on the spirit of cooperative economics, BCIF is a 501(c)3 community-based organization that provides microloans to the Black community through pooled dollars and raises awareness of the importance of economic empowerment, equity, and wealth building, with a specific focus on communities in the Southern California region.

Our Vision
To provide a dedicated, reliable, and perpetual source of capital to create assets and build wealth for and within the Black community, while serving as a catalytic force for building a critical mass movement of change based on economic imperatives.

BCIF in Action
- We strive to be a trusted and valued partner within the ecosystem of efforts that proactively address the racial wealth gap.
- We say “yes” to lending capital to emerging Black-owned businesses when banks say “no.”
- We provide and/or facilitate technical assistance in areas that help propel Black businesses forward.

We help our loan recipients increase their annual gross revenues, increase the number of jobs they provide, and strengthen their readiness for accessing capital.
opportunity and obstacles for **Black entrepreneurs**

There are more than 2.58 million Black-owned businesses in the United States, generating more than $150 billion in annual revenue and more than 3.56 million U.S. jobs. Additionally, the median net worth for Black business owners is 12 times higher than Black non-business owners—and not because they started out wealthier. Based on the *The Tapestry of Black Business Ownership* study by the Association for Enterprise Opportunity (AEO), Black business owners grew their wealth more, and grew it faster.

Black households in the United States possess on average about one-tenth the median net worth of White households. This wealth gap is perpetuated by a cycle of little-to-no intergenerational wealth transfer among Black Americans to their children, especially U.S.-born Blacks. Starting a sustainable and healthy business is a viable and critical pathway to breaking the cycle of low wealth.

Equally important is the fact that Black businesses tend to hire from the community, creating jobs for neighborhood residents. Therefore, opportunities for Black entrepreneurs to succeed are critical for economic empowerment in Black communities where currently there is virtually zero liquid wealth, coupled with higher-than-average unemployment rates.

Black-owned businesses in America lag behind other firms in the United States and have done so for decades. There are fewer Black business owners than one might expect given the population size. The businesses that do exist have fewer employees than non-minority firms and revenues are much smaller for Black-owned firms, even when comparing within the same industries. This is the result of the interplay between three major, persistent barriers that impede the establishment and growth of Black-owned firms: the Wealth Gap, the Credit Gap, and the Trust Gap.

*By removing or minimizing these barriers, there is a significant opportunity for helping Black business owners, the Black community, and the overall economy.*
dismantling barriers and unleashing the power of microloans

The concentration of Black businesses in low-revenue sectors hampers the potential of current Black-owned firms to grow, which, if unleashed, could result in full employment for Black Americans. According to data from AEO, if Black-owned businesses were able to reach employment parity with all privately held U.S. firms, close to 600,000 new jobs would be created and $55 billion would be added to the economy.

By offering innovative credit products, providing powerful technical support, and designing pathways for owners to establish more firms in high-revenue sectors, Black-owned firms could grow revenues and supply new jobs in their local communities. But connecting aspiring and current Black business owners to these supports and inspiring participation in them will require addressing a third hurdle: the Trust Gap.

The experience of discrimination, bias, continued disappointment, and persisting wealth and credit barriers manifest in a wariness—of banks, of other institutions, of potential would-be mentors and consultants—that cannot be denied or ignored. Any outreach strategy must incorporate goals to rebuild that trust and establish renewed connections.

All of these factors combined means that aspiring Black entrepreneurs experience a much tougher road to start-up, business stabilization, and success. Not surprisingly, sectors with low barriers to entry are therefore more often selected by Black entrepreneurs compared to non-minority owners, and these sectors tend to produce the smallest revenues.

The establishment, stability, and success of businesses are correlated with adequate start-up funding. If family and friends are in a similar wealth situation to the average aspiring Black entrepreneur, they must turn to commercial lenders. But without assets for collateral or proven success in running a business, banks will not readily lend to aspiring entrepreneurs, especially those requesting very small loans, which banks typically cannot underwrite profitably.

Adding to the challenge of being credit-worthy is the likelihood that low wealth has resulted in insufficient cushion against income volatility, leading to missed bill payments and other actions that can damage credit scores. Overall, approximately 20% of Black households are un-banked versus just 4% for White and Hispanic households. For all these and other reasons, most aspiring Black entrepreneurs face a serious lack of access to credit. They may in turn be vulnerable to risky and even predatory financial products as a result. A cycle emerges where this Credit Gap continually perpetuates the aforementioned Wealth Gap.

Microloans bridge three major gaps in the Black entrepreneurial experience:

**wealth**
Black households in the United States possess on average about one-tenth the median net worth of White households. If family and friends are in a similar wealth situation to the average aspiring Black entrepreneur, they must turn to commercial lenders.

**credit**
Without assets for collateral or proven success, banks won’t readily lend to aspiring entrepreneurs. For Black business owners, insufficient income cushion can lead to missed bill payments and other actions that can damage credit.

**trust**
The experience of discrimination, bias, continued disappointment, and persisting wealth and credit barriers manifest in a wariness—of banks, of other institutions, of potential would-be mentors and consultants—that cannot be denied or ignored.

Unleashing the potential of Black-owned business could result in:

- **12x**
  higher median net worth among Black business owners vs. Black non-business owners—and not because they started wealthier*

- **600k**
  new jobs created if Black-owned businesses reached employment parity with all privately held U.S. firms*

- **$555 bn**
  added to the economy if Black-owned businesses reached employment parity with all privately held U.S. firms*

microloans make change possible on a macro scale
About MYAVANA

Every woman’s hair is one-of-a-kind and requires an individual approach to daily maintenance. MYAVANA uses AI technology to provide women with style, product, and tool recommendations based on their unique hair type. The scientists behind the brand help clients discover the best way to reach their hair goals when they submit a sample and send in the kit for analysis. Regardless of where they are in their journey, the healthy hair experts at MYAVANA reintroduce clients to their strands and outline their path to hair heaven.

What has been your experience as a BCIF entrepreneur?

“This was one of the first times that I really saw action from a place of true authenticity... I applied to BCIF to receive funding to launch our new mobile app and we were able to successfully do that along with bringing on some celebrity ambassadors.”

Candace Mitchell Harris
Co-Founder & CEO, MYAVANA
About Aqua Equity

Started in 2019, Aqua Equity is a Black-owned, environmentally conscious premium water company packaged in 100% aluminum. They give 10% of the proceeds to under-resourced urban communities, beginning with Watts, CA. Aqua Equity exists to help close the social equity gaps and demonstrate that a company can make a difference and make money. At the core of the business, Aqua Equity is a bottled water manufacturing and distribution company that focuses on corporate B2B sales and partnerships.

How did the capital investment from BCIF impact your business?

“BCIF has been a tremendous help to Aqua Equity and provided much-needed working capital that has helped move our business forward when traditional banks and lenders shut us out.”

Ryan Morgan
Founder & CEO, Aqua Equity
funding for
the culture
offering direct access to capital

Our goal is to be a long-standing, trusted, and valued partner within the ecosystem of efforts that proactively addresses the racial wealth gap by helping our funded Black-owned businesses maintain or increase their annual gross revenues, maintain or increase the number of jobs they provide, and strengthen their readiness for accessing capital.

BCIF Distribution Goal

Deploying 24 - 36 microloans per year, ranging between $5,000 - 20,000, from a fund of $500,000 raised annually.

Desired Outcomes

- 70% of our funded Black-owned businesses maintain or increase their annual gross revenues
- 50% of our funded Black-owned businesses maintain or increase their number of jobs
- 60% of Black-owned businesses receiving technical assistance and training through our organization demonstrate loan readiness as evidenced by number of loan approvals, strengthened business competencies, and current financials.
our financial profile

$590,000
2019 - 2021 Income

$100,000
Microloans Deployed or Approved

$135,000
2019 - 2021 Expenses

9 microloans
2017 - 2022

$455,000
2019 - 2021 Revenue

$510,000
2022 Funding Available
apply for a zero-interest loan

BCIF provides microloans through pooled dollars from individuals and companies who are passionate about Black economic empowerment. We provide affordable, zero-interest, low-fee loan alternatives to traditional lenders. All earnings from interest repayments are reinvested into the fund to grow and sustain the pool for long-term usage in the Black community.

Loans range between $5,000 – 20,000. Monthly repayment schedule with zero interest rate and 25% forgivable option.

Borrower Eligibility

- Reside or operate in Los Angeles, Riverside, San Bernardino, or Orange Counties
- Strong potential for positive impact on the economic trajectory of the Black community
- Evidence substantiating that a microloan will help yield a financial return and future asset building
- Must demonstrate the need and a capacity to repay; stellar credit history is not required
- Annual gross business revenues of less than $500,000 (including start-ups) and household income of less than $200,000 for individuals
- Experienced, entrepreneurial, and/or innovative leadership
donate to the movement

If you believe economic empowerment is the primary path toward change, we invite you to join the movement. Make a tax-deductible donation of any amount to become part of the BCIF community.

**BCIF Fundraising Goal**

Raising $500,000 annually in order to deploy 24 - 36 microloans, ranging between $5,000 - 20,000. A fund of this size could result in a net of $1.2 million being generated in Southern California’s Black community, a 145% growth rate on BCIF’s investment.

**Be part of the solution.**

To make a donation at any contribution level, contact info@bcifund.org, call (310) 904-6336, or visit bcifund.org

**Become a BCIF member for even greater impact and benefits.**

- $1,000 minimum donation
- One-time or automatic monthly contributions for 12 consecutive months

**Membership Includes**

- 10% off BCIF events
- 10% off products and services from BCIF-funded businesses
- Input on loan awards
- Tax deduction on donations
“We continue to do the work to narrow the racial wealth gap that detrimentally impacts the Black community.”

Robert Lewis
President & Board Chair, BCIF
BCIF Founded: October 2016
501(c)3 Exemption: May 2017
Lending Paused Due to COVID-19 and Paycheck Protection Program (PPP) Begins: April 2020
Durfee Grant Received: March 2021
Executive Director Hired: July 2021
Official Launch Event and First Loan Application Received: April 2017
First Loan Deployed: September 2017
George Floyd Murder Sparks Racial Reckoning: May 2020
LA84 Foundation Award Received and Paycheck Protection Program (PPP) Ends: May 2021
Lending Resumed: December 2021
six years of action and special events

Nina Shaw
January 11, 2018
An phenomenal discussion with one of the world’s most prominent entertainment attorneys.

Issa Rae
August 22, 2019
An exclusive chat with one of the hottest entertainment personalities around today.

Jacqui Pitman
October 17, 2018
An intimate conversation with one of Black Hollywood’s leading Executive Producers and Casting Directors.

Angela Rye
July 30, 2020
A Zoom-based roundtable with one of Black America’s leading unapologetic voices for change.

Drop the next name in our series.

As we navigate the world reshaped by COVID-19, we’re looking for our next in-person or Zoom-based Salon Series event. Contact info@bcifund.org with your suggestions.
Barbara Bickham
Board Member
CTO and VC Fund Manager with extensive experience in tech, entrepreneurship, and fundraising.

Carron Brown
Board Member
Marketing & advertising change agent with over 18 years of experience working with top brands such as WarnerMedia.

Marvin Boateng
Board Member
Director of Lending for the Economic Development Collaborative, Ventura County (EDCVC).

Tim Dodd
Board Member
Co-Founder and CEO of Sweet Flower, Southern California’s largest independent cannabis retailer.

Damon Haley
Board Member
Seasoned strategic and creative thought partner with more than 25 years experience in sports and entertainment.

Joe Huser
Board Member
Attorney serving emerging companies, private businesses and family offices throughout Southern California.

Michael Raeford
Board Member
More than 20 years experience in internet company management, beginning his career as an investment analyst.

Tiana Sanchez
Board Member
CEO and Founder of TSI, LLC, a firm preparing leaders for next-level results in employee engagement.

Robert Lewis
President & Chair
Nearly 25 years of experience working in philanthropy and the nonprofit human and social services sector.

Rev. Kelvin Sauls
Board Member
Faith-based community activist and international social and economic justice advocate.

Melanie Mack
Vice President & Secretary
More than 20 years of experience in fund development and private event management.

Joe Huse
Board Member
Attorney serving emerging companies, private businesses and family offices throughout Southern California.
in gratitude and solidarity

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CA Community Foundation/Facebook Target
The Reissa Foundation
Network for Good
Super Bowl LVI Legacy Award/LA84 Foundation/Play Equity Fund
Ever Loved Inc’s Fund
Boston Community Foundation
Morgan Stanley Gift Fund on behalf of the Global Impact Funding Trust

BCIF 2021
Triennial Report Partners

Season
Black Cooperative Investment Fund

Founded in 2016 and launched in January 2017, the Black Cooperative Investment Fund (BCIF) is a 501(c)3, community-based organization rooted in cooperative economics that provides microloans to the Black community through pooled dollars and raises awareness about the importance of economic empowerment, equity, and wealth-building for the Black community.

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bcifund.org