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NATIONAL BLACK CHURCH INITIATIVE

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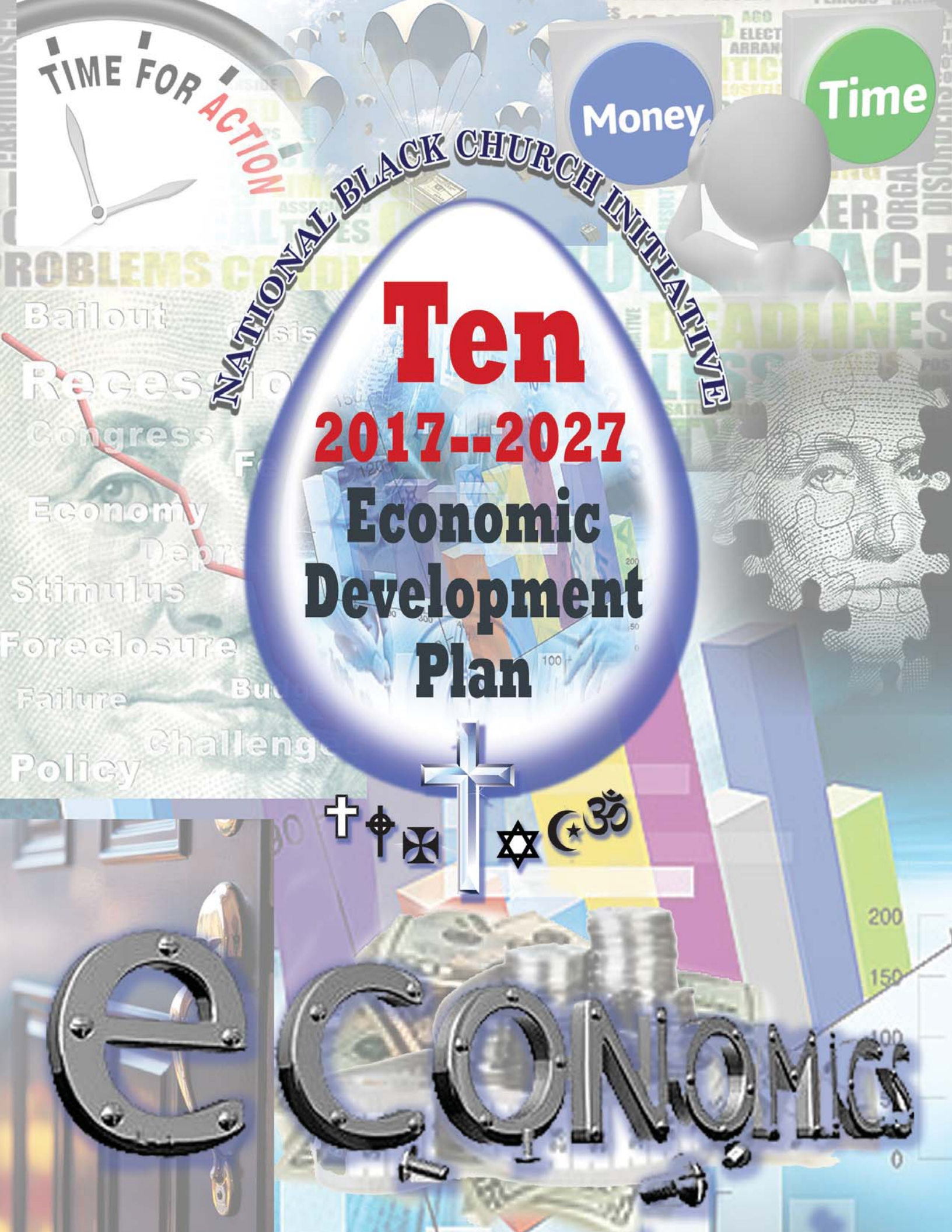
2017--2027

Economic Development Plan



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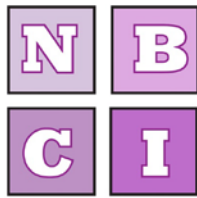
ECONOMICS





The National Black Church Initiative Ten Year Economic Development Program





***Business
Adventures***

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Through:

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African Methodist Episcopal Zion Church
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Full Gospel Baptist Church Fellowship International
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Greater Mount Calvary Holy Church
American Baptist Churches
Berean Missionary Baptist Church
The Potter's House



Dear Brothers and Sisters in Christ,

We are enormously happy with all joy from our Lord and Savior Jesus Christ to present the National Black Church Initiative 10-Year Economic Development Plan. This plan took many years to come into view. The genesis of the plan started during a conversation that we had over four years ago with some of our member churches who raised the issue that the denomination leadership should be in control of the economies of our churches.

As a National Association of Churches, we did not feel at the time that it was our mission to offer churches a comprehensive economic plan because they had their own financial framework for their denominations. However, that framework as one can see, is only as robust as the economy and when the economy weakens the financial framework of those denominations also weaken.

Religious leaders have to understand how public policy effects and governs those economies. When the President of the United States wants to spend a trillion dollars on infrastructure, this is a big deal. The Black Church should be ready to engage the administration on any level to bring economically sound principles to their congregations and their communities. This infrastructure program represents many great opportunities to interface with the federal, state and local government on bridge building, road

building and other projects but most importantly, it will promote local jobs in those communities and all communities in the United States of America where these opportunities are present. We are talking about tens of thousands of jobs for our young men and young women. This is why the Black Church must be at the table when these public policy economic issues are discussed.

The infrastructure represents a one trillion dollar infusion into the American economy and we can contrast that against the reportedly 10-25 billion dollars of Church income that the Black Church collects on an annual basis. This economic initiative, by NBCI will for the first time provide some concrete economic numbers concerning the Black Church.

During the last recession, at least 5,000 churches closed their doors for various reasons, including lack of membership, lack of tithes, lack of leadership, the expense of maintaining an old (in some cases 20-80 year) building, and the general understanding of running a Church enterprise under the archaic rules from the NRA and IRS. As 5,000 churches went away, 5,000 churches also started up; granted these were small churches but nonetheless churches that preach the Gospel of Christ. The last recession taught many of us new lessons in economics, either from our personal household or our businesses, for sustaining a House of Worship in a weak economy.

This reason was most compelling as to why we thought we should offer the Black Church some suggestions in building an economic engine that can withstand the weathers of the economy. One economist interviewed by ABC News cited the 5-7 Year cycle of recessions that has occurred in this country since the 1930's but, this is also biblical. The Bible speaks eloquently about 7 years of famine and 7 years of prosperity, but neither the Church nor society has learned how to prepare for those 7 lean years. So, giving the Black Church some direction on how to deal with a cyclical economy became imperative to NBCI. The last recession also spoke of the need to have:

- 1) A relevant plan that reflects the evolution of technology
- 2) The ability to control the economies of our churches in what is also known as a *Faith-based Market Economy*
- 3) The ability to create an environmentally friendly market for our Church members like the promotion of solar energy

Given these 3 major principles, 7 years ago we began to explore how to create an online radio station that would broadcast our critical and central message of the Salvation of Christ and how to survive in an ever-evolving economy on an educational level. A perfect example is Rev. Jessie Jackson's *Wall Street Project* that has been going on for some 20 years now. Despite the nature of the economy one gets to participate in real time the latest technology and the ups and downs of that economy; and if one is successful, he or she will see more ups than downs.

Also, we have determined the need to develop an online store for our 15.7 million members and beyond whereby they can shop for any objects that reflects their religious and secular cultural needs. These ideals are two examples that reflect the Churches' ability to control their own economies thus recycling those funds back into the Mission of the Church.

It is imperative that those who would engage the Black Church should understand that the Black Church has a comprehensive plan to engage every single segment of our *Faith-based Market Economy*. Here are some major characteristics of this 10-Year Economic Development Plan:

- The reestablishment of the National Black Church Initiative Economic Advisory Board consisting of a representative from each of the denominations.
- The National Black Church Initiative will produce for the very first time in Church history a handbook on church construction which constitutes the largest single expenditure of the Black Church and underscores the nature of its wealth and leveraging

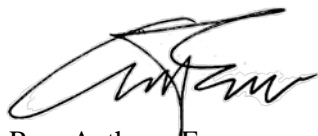
- Developing a Savings culture in the Church. We want to raise African American Savings rates by 40% over the next ten years.
- Teaching African Americans the necessity of having five different channels of income.
- Conducting a fifty state income and savings data analysis of African Americans annually with comparative data from the National Urban League state of Black America
- A call for an annual report on the progress of this plan
- A report on African American psychological spending habits
- The critical need to be a budget conscious Church. We want our members to understand that it is critical to follow a budget.
- Creating a comprehensive survey and report on what African Americans spend their money on concerning goods and services. This report should be conducted every two years.
- This plan also calls for a comprehensive data study on Black home ownership and a setting of ownership goals every five years. We want to increase African American home ownership by 60%. It is around 30% now, we are committed to increasing that home ownership rate an additional 25% by working with banks, the National Realtors Association and other affinity groups. This also calls for a bold strategy.
- The creation of a statistical databank spelling out specifically the percentage of Black ownership, how many Blacks own cars, computers, have life insurance, credit cards and other economic data will be critical in helping our partners engage us in the near future.
- The development of a tax handbook for our members on things you could be doing to lessen your Tax and maximize your Savings
- The creation of five major retirement seminars in each of the five faith commands with the goal of helping African American individuals over 40, understand the dynamics around retirement.

Our plan is based upon these relevant principles. The online radio station and the online store we found can only survive within the structure of a rapid *Faith-based Market Economy* which would have an enormous impact on its membership and those outside who would want to trade with the Church. We are not going to isolate ourselves from the rest of the economy, but rather we will harness the *Faith-based Market Economy* to reap the benefits from both worlds. We will use those funds to participate in the general economy and take advantage of any emerging economies outside their realm of relevance. The Church and its congregants will continue to be relevant because one is able to participate and not only look from the inside out.

This is our goal going forward.

(See our plan and references)

Sincerely, your humble servant in Christ.



Rev. Anthony Evans
President

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The National Black Church Initiative 10-Year Economic Development Plan:

A Fresh Economic Start For The Black Church

Introduction

The National Black Church Initiative (NBCI) is a coalition of 34,000 African American and Latino churches working to eradicate racial disparities in healthcare, technology, education, housing, and the environment. NBCI's mission is to provide critical wellness information to all of its members, congregants, churches and the public. Our methodology is utilizing faith and sound health science.

NBCI's purpose is to partner with major organizations and officials whose main mission is to reduce racial disparities in the variety of areas cited above. NBCI offers faith-based, out-of-the box and cutting edge solutions to stubborn economic and social issues. NBCI's programs are governed by credible statistical analysis, science based strategies and techniques, and methods that work. Visit our website at www.naltblackchurch.com.

NBCI's 34,000 member churches is a less than a third of the 150,000 African American Churches throughout the country. Our program is open to all African American Churches and also those Latino Churches who use our Churches as a base of worship before they are able to build their own individual church. Part of our overall plan is to grow our membership to 80,000 Black Churches. This is part of our strategy for the next 10 years and will add to our economic base to sustain this initiative.

Over the years we have sought to understand the financial economic needs of our congregations. And there are many. What we have also found out, to our astonishment that the technical institutions legally and morally responsible for providing technical support and assistance, banks, credit unions, investment houses (JP Morgan, Chase, Wells Fargo, SunTrust, Bank of America), etc... Have fallen historically short in providing the type of necessary services and assistance to the Black community. Federal and State regulators have done little over the past 40 years to rectify the situation. Therefore, the Black Church and other likeminded institutions in the Black community are forced to use precious resources to create financial assistance apparatus to help its millions of congregants with accurate, actionable, scientific-based financial and wealth education to empower them to make critical decisions regarding the areas of financial literacy, wealth creation and advisors, savings, mortgage, retirement, business decisions, and inheritance. Our approach is to use a **faith-based market economy** which will help us to control the economic opportunities within our corporations.

Financial Literacy

The National Black Church Initiative has a comprehensive Financial Literacy Program that provides its members the critical points of financial literacy. This program outlines 3 core concepts: *the basics of budgeting, savings, and debt reduction for the Black community*; this program also provides information on critical statistic areas and financial racial disparities. NBCI estimates of the 150,000 churches, more than 42% of our congregants need basic lessons in budgeting, debt reduction, and savings.

The African American community has two crises: many African Americans live from paycheck to paycheck, and, more critically, they tend to spend more than they earn. These crises were exasperated from the last financial housing crisis, and African Americans lost disproportionately more than any other ethnic group in the country. NBCI's Financial Literacy Program will address these crises and shed some light on changes and solutions for all its members, congregants, churches and the public.

The first core of the NBCI Financial Literacy Program is having our members make and maintain a budget.

One of the greatest exercises that we organized in the fall of 2014 in Chicago was having 3 congregations make a budget and record all their expenses in one month. The challenge was to stay in a monthly budget, and many participants found out, much to their astonishment, that they were spending 15-20% more than their monthly budget. This exercise was an eye-opening experience and needs to be duplicated throughout NBCI's network to educate our members on their current financial situation.

The second core of the NBCI Financial Literacy Program is having our members save one year salary over the next 7 years to establish adequate savings within our community.

Recently reported in the Wall Street Journal under the headlines "Stingy Banks Pull In More Depositors," was that Bank of America is not paying the highest rates in terms of savings. Yet they are getting the clear majority of the savings depositors. Why? The availability of banks in African American communities is a major factor. The article points out that Ally Bank (1%), Goldman Sachs (0.72%), Wells Fargo (0.16%), JP Morgan (0.16%), and others are paying much more compound interest than Bank of America; however, Bank of America gets most of the depositors.

Given this extraordinary analysis, the National Black Church Initiative strongly believes if the Financial Literacy Program is funded, NBCI will engage millions of parishioners in an analysis of their monthly income in our congregations. NBCI's approach is educating the Black Community on savings, compound interest, and the relationship to budgeting through an initiative, Making a Budget and Not Living Beyond It. NBCI believes that if Wells Fargo funds our initiative, to the tune of \$250,000.00, millions of depositors may be directed to Wells Fargo because Wells Fargo pays them more money for their deposits and is our strategic partner.

Finally, the third core in our Financial Literacy Program is the adoption of Pastor DeForest B Soaries Jr.'s debt reduction principles in his book, *dFree: Breaking Free from Financial Slavery*¹.

Today, dFree™ has liberated thousands of people from financial slavery. "The issue of consumer debt is destroying the country," says Pastor DeForest. "The Bible calls debt slavery. The borrower is slave to the lender. So anything we submit ourselves to is bondage."

¹Pastor DeForest B Soaries Jr, *dfree: Financial Freedom Movement*, <http://mydfree.org/>

Pastor DeForest speaks from experience. He got his first credit card at 18. He was broke at age 33 when he married. Although he had a good job, Pastor DeForest carried balances on 4 credit cards. For 15 years, he lived a life of payments, interest and penalties.

Over the years, he found steps to get started:

1. Admit the problem. Credit card debt continues to threaten the financial stability of many low-and middle-income families, hampering their ability to save and move up the economic ladder. Live within your means and eliminate the use of credit cards.

2. Address the mess. We are living in the midst of constant marketing. Practice delayed gratification. Examine the psychology of your spending habits. Make a list of all your income sources and a list of all your debts.

3. Adjust the attitude. Compile a written list of everything you spend money on. You will see exactly where your money goes. (The Christian Broadcasting Network, 2003)

In summary, the 3 areas that characterize NBCI Financial Literacy Program are as follows:

- 1) **Budgeting** — making and maintaining a budget.
- 2) **Savings** — developing sufficient savings; that is, saving one year salary over the next 7 years
- 3) **Debt reduction** — adopting the debt reduction principles in Pastor DeForest B Soaries Jr.'s book, dFree: Breaking Free from Financial Slavery

Savings

The following documents on savings spell out the core principles of financial literacy in greater detail:

Here is the NBCI Financial Literacy Program which consists of 4 basic principles, budgeting, debt reduction, savings and staying within your budget. If we can get all of our members to reduce debt and stay within their budget then they can realize how to handle their money we estimate of the 150,000 churches more than 42% of our congregants need this basic lesson in terms of budgeting, savings, debt reduction and balancing their monthly expenses.

It was recently reported in the Wall Street Journal under the headlines “Stingy Banks Pull In More Depositors”, the gist of the article is clear that the central argument of the article is that Bank of America is not paying the highest rates in terms of savings but somehow they are getting the vast majority of the savings depositors the question is why? It largely has to do with availability of banks in African American communities. The article goes on to point out that Ally Bank (100%), Goldman Sachs (0.72%), Wells Fargo(0.16%), JP Morgan (0.16%) and others are paying much more in terms of compound interest than Bank of America but still Bank of America gets the majority of the depositors. (Rachel Louise Ensign, 2017)

Given this extraordinary analysis the National Black Church Initiative strongly believes if our Financial Literacy Program is funded and we simply engage our millions of parishioners in an analysis of their monthly income in our congregations; NBCI believes that if Wells Fargo would simply fund out initiative, Making a Budget and Not Living Beyond It at the tune of \$250,000.00, there can be millions of depositors directed to Wells

Fargo simply because Wells Fargo pays them more money for their deposits.

Our whole ideal here is getting them to understand What is Compound Interest and its Benefits to Their Budget.

Mortgages

During the mortgage crisis, the National Black Church Initiative clearly understood for the first time the crisis in our congregation and the strength of mortgages in becoming strong home owners. This revelation is why we have been an advocate for home ownership throughout our tenure. The National Black Church Initiative Community Built Program highlights our commitment to this cause.

National Black Church Initiative Community Built Program

The National Black Church Initiative (NBCI) has been a champion of the African American faith community since the housing crisis hit hard in 2008, most notably through its work on the groundbreaking program, Community Built. To continue impacting lives through NBCI's Community Built Program, leadership is seeking grants to extend the life of this critical community outreach module. With appropriate funds, NBCI will be able to build upon its strong foundation of education, outreach, and assistance. This grant will service the following four cities: Baltimore, Chicago, Atlanta, and Miami.

The African American community's plight during the housing crisis was largely ignored until 2004, when NBCI stepped in to fill the gaps in educational and resource assistance through Community Built. Since that time, we have helped scores of minority home owners, churches and families rebuild in the midst of recovering from predatory lending schemes that catalyzed the Great Recession. Today, we continue to encounter over 4 million households who are in foreclosure and millions more who are beginning the process. The NBCI Community Built model is needed more now than ever before.

Securing funds for Community Built will help guarantee the continued community success realized over the past 10 years and allow the program to bolster its programmatic focus in both financial literacy education and technical assistance, two areas struggling for resources.

More resources on this program can be found at: <http://naltblackchurch.com/finance/housing.html>

Ten Steps To Saving Your Home



Step 1 - Make an assessment of their housing situation

Step 2 - Contact your lender and ask if you qualify for a modified mortgage

Step 3 - National Black Church Initiative Foreclosure Prevention Guide

Step 4 - Federal Government assistance program

Step 5 - President Obama's Housing Initiative

Step 6 - Fannie Mae and their programs to assist Homeowners

Step 7 - HUD Department of Housing and Urban Development

Step 8 - Mortgage Bankers Association

Step 9 - Federal Deposit Insurance Corporation

Step 10 - Housing Scams: How to file a complaint if you suspect housing fraud

Financial Literacy VS Wealth Building

Three years ago, the National Black Church Initiative sent letters to all major investment housing and banks requesting a partnership in wealth building. One of the most critical single issues of African American wealth is the lack of knowledge and understanding of wealth building strategies. The wealth gap is also caused in part by the advantages given to White Americans that are not given to African Americans. In an unusual way, the African American community has been the miracle story of this country; former slaves built colleges, universities, and businesses, and they became home owners.

However, the last mortgage crisis clearly underscored the need for financial literacy and wealth building classes in the African American community. In the African American community, the need is not wealth building vs financial literacy; we need both skills for different segments of our population. Those who do not have businesses and homes need information regarding financial literacy, and those who have businesses and homes and other tangible assets need information regarding wealth building.

Another central problem and issue is that African Americans who have done the right things, saved their money, lived within their means and received a measure of wealth have not receive the same wealth advice through certified financial planners or wealth advisors at the same rate as their white counterparts. This mistreatment also contributes to the wealth gap.

African Americans tend to be more optimistic than any other group about financial futures and wealth building, but the community critically lacks substantial financial and wealth building resources. According to Prudential Finance in a 2015-2016 survey, “Our ‘2015-2016 African American Financial Experience’ study found that African Americans demonstrate continued optimism about their current financial situation and growing affluence. Yet gaps in long-term retirement planning, including not taking advantage of financial and investment tools, may hinder the ability to build long-term wealth.” (The Prudential Insurance Company of America, 2016)

Most African Americans report a greater sense of advancement and optimism about their financial situations, compared to the general population. More than half of African Americans surveyed say they are better off than they were five years ago and feel better off than their parents were at their age.

There is also widespread optimism that financial gains will continue to build, with 58 percent of African Americans indicating they expect the next generation of their family will have a better financial situation than their own, compared to only 46 percent of the general population.

Most African Americans (52 percent) feel very well prepared to make smart financial decisions, while only 40 percent of the general population describe themselves that way. However, among African Americans who express high levels of confidence about their financial decision-making and money management skills, significantly more respondents describe themselves as savers rather than investors, indicating there is a need to increase knowledge of and access to investments.

The three areas that held us back from building substantial wealth in this country are:

- Institutional racism
- Lack of wealth information
- Inability to generate intergenerational wealth

Retirement planning

The same Prudential Finance study reveals that “maintaining one's lifestyle in retirement and not becoming a financial burden to others emerged as two new financial priorities. This year's study also examined two vital subsets of the African American community: caregivers and veterans.” (The Prudential Insurance Company of America, 2016)

Across the board, survey respondents most often cited having enough money to maintain their current lifestyle in retirement as a top financial priority. Among African Americans who are offered an employer-sponsored retirement plan, three quarters (74 percent) contribute to it. While this is a substantial majority, it is significantly lower than the 85 percent of general population who report contributing to their company plans. Additionally, surveyed African Americans were less likely to cite owning financial and insurance products, many of which could help create the retirement income they've prioritized.

Not becoming a financial burden to loved ones surfaced as a top-three priority for survey takers, an interesting priority given that one in five survey participants reported being a caregiver for a loved one. Nearly two-thirds of caregiver respondents in both groups say they provide some or all financial support to those they are caring for, and a quarter provides all of the support for their loved ones. However, African American respondents report investing significantly more time in their caregiving commitments, spending on average 20.7 hours a week on caregiving tasks compared to 14.6 hours among the general population.

Although 71 percent of African American veterans surveyed feel very well prepared to make financial decisions and have a positive outlook on their financial situation, only 38 percent use a veteran service organization as a financial resource, and family continues to rank as a top source of financial information. This signifies that additional opportunities exist for informing veterans about the use of financial education opportunities and encouraging their participation.

The study, conducted by GfK, is based on a spring 2015 poll of 1,043 Americans who identify as African American or Black and 556 general population Americans on a broad range of financial topics. All participants are age 25-70. Among the respondents, 149 identify themselves as veterans of the U.S. military, 214 are caregivers for another person (such as a spouse, parent, elderly or ill relative, special needs child, etc.), and 216 have a household income of \$150,000 or more. The overall margin of sampling error is +/- 3% for African Americans and +/- 4% for the general population.”

What separates the optimism as opposed to the stark reality of the numbers is that African Americans are far more optimistic of their future despite where the numbers say they actually are. (The Nielsen Company, 2016)

²National Black Church Initiative Foreclosure Prevention Guide 2007 Rev. Anthony Evans.

This is one of the areas in which the financial community has failed African Americans in terms of planning for financial retirement. We are looking to team up with likeminded retirement experts to talk about employing at least ten strategies among those individuals in our congregations who are at least 5 - 10 years from retirement. We will be holding five major seminars on retirement in the second half of 2017 onto 2018. We have been speaking to Bloomberg Financial News who may be sponsoring those critical seminars. We are at the middle stage of those negotiations.

Wealth Disparity



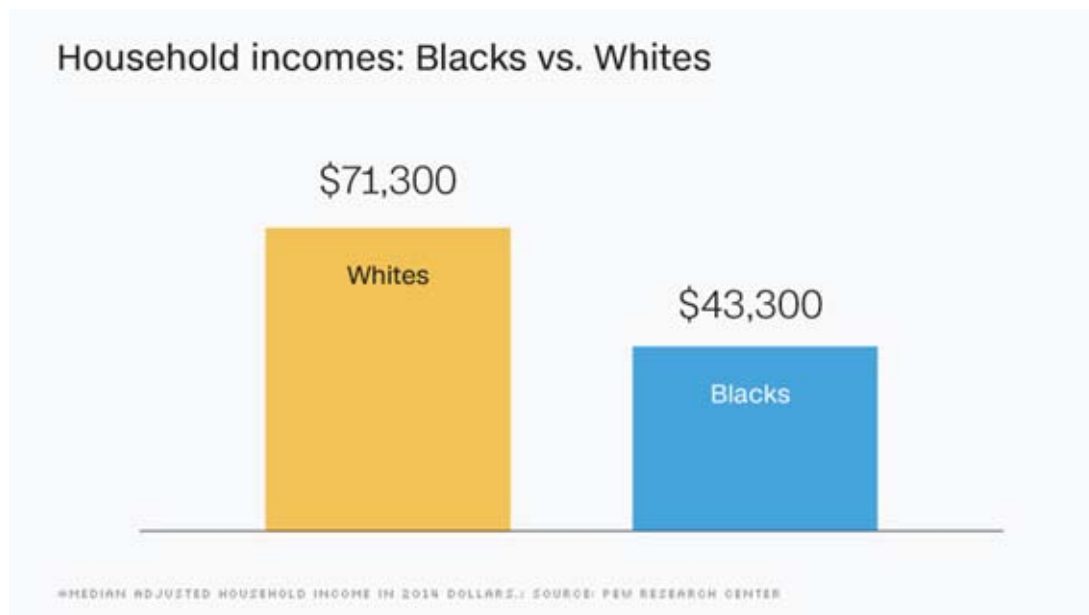
Wealth Disparity

Blacks in the United States continue to lag far behind whites in key areas of economic well-being like: wealth, income and homeownership, a new report from the Pew Research Center finds.

While these trends have been consistent for decades, what's particularly notable is that these disparities between blacks and whites persist regardless of the level of education they attain, said Juliana Horowitz, an associate director of research at Pew.

"Even when we only look at people with bachelor's degrees, we still see these gaps," Horowitz said.

Take income. In 2014, the median household income for whites was \$71,300 compared to \$43,300 for blacks. But for college-educated whites, the median household income was \$106,600, significantly higher than the \$82,300 for households headed by college-educated blacks, ***the report found.***



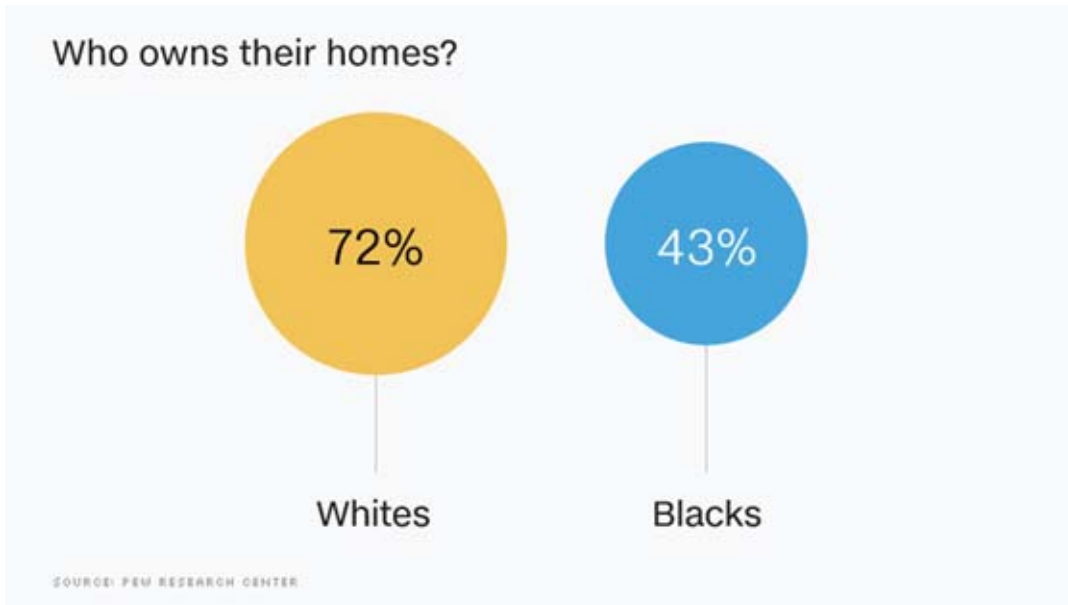
These differences are magnified when looking at overall wealth, which considers the value of assets like homes, retirement savings, and income minus any debt owed against those assets.

The report found that in 2013, white households in the U.S. had a median wealth of \$144,200 --almost 13 times the median wealth of black households at \$11,200. But here again is an example where the gap is not significantly narrowed by education or home ownership. White households headed by someone with a college degree have a median wealth of \$301,300 compared to college-educated black households, which have a median wealth of \$26,300. One of the biggest ways to amass wealth, especially for people of color, is to own a home. However, the homeownership rates for blacks is just 43% compared to 72% for whites according to the Pew Research Center.

Homes owned by blacks also tend to appreciate less in value than those owned by whites, particularly if they are in black communities that experienced high rates of foreclosure. Historically, *neighborhood segregation and "redlining"* -- the practice of not investing in or

providing financial or other services for communities with high percentages of black residents -- have exacerbated this trend. Blacks were also targeted with subprime loans during the housing boom and, as a result, lost a tremendous amount of wealth after the market crashed.

Systematic racism and prevailing discrimination



Even though the poverty gap between blacks and whites has narrowed, Pew found that Blacks were still at least twice as likely as whites to live in poverty or be unemployed. And while 23% of blacks said they sought food from a food bank or pantry in the past 12 months, just 8% of whites said they did so.

More than two-thirds of blacks surveyed (70%) said racial discrimination was a major reason why some blacks have a hard time getting ahead in the U.S. More specifically, 60% said they felt like they were treated unfairly compared to whites when applying for a loan or a mortgage and 53% said they were treated unfairly at work.

Perhaps the most telling statistic is that 43% of blacks said they felt that the country would not make the necessary changes needed to give blacks racial equity in all areas of American life. That's compared to 11% of whites who felt that way. (Vega, 2016)

In an article titled “**Black Wealth Hardly Exists**, Even When You Include NBA, NFL And Rap Stars,” Antonio Moore states this issue eloquently, “*I don’t care if Odell Beckham Jr. scores another NFL touchdown this year while wearing the rapper Drake’s OVO cleats. I don’t care if Stephen Curry gets along with Kevin Durant this NBA season.*

And I really don’t care what LeBron James thinks about Hillary Clinton and the election. What I do care about deeply: why we have so little black wealth in America. African Americans today own little if any of America’s land, produce little if any of the country’s resources, and possess negligible amounts of this nation’s immense wealth. Yet African Americans still project an aspiration based on a blind faith in the American Dream.

We see the fallout from Chicago to Baltimore, as police march into rioting black communities starved of resources. #BlackLivesMatter. But no leading public figures are talking, in a substantively consistent way, about the state of black life as the economic catastrophe it has become. We're not hearing anything from President Barack Obama or the Congressional Black Caucus — and definitely not from Hillary Clinton or Donald Trump.

Not even black families themselves are dealing with the hard financial realities of our times. The National Association of Real Estate Brokers **2016 report**³, *The State of Housing in Black America*, put the current home ownership rate for blacks at a 20-year low of 41.7 percent, a lower home ownership rate than during the Great Depression of the 1930s.

In fact, if you deduct the family car and other depreciating assets from net worth, half of all black American households hold less **than \$1,700** in wealth. The net worth of the median white family remains near \$100,000, using the same method of accounting.

Yet African Americans dream on. Even the white poor have more money than most black families. Princeton University sociologist Dalton Conley **has found** that white families living near the poverty line have a net worth exceeding \$10,000.

A recent study by the Institute for Policy Studies and the Corporation For Economic Development notes that it **would take 228 years** for the average black family to amass the same level of wealth the average white family holds today. This gap will never close if America stays on its current economic path. **According to the Institute on Assets and Social Policy**, for each dollar of increase in average income that African American households saw between 1984 and 2009 just \$0.69 in additional wealth was generated, compared with the same dollar in increased income creating an additional \$5.19 in wealth for a similarly situated white household.

Earlier this year I had the opportunity to have an in-depth discussion with African American media mogul Byron Allen, an exchange that **can be heard** on my YouTube channel. Allen is reportedly worth in excess of a billion dollars. He characterizes the current situation facing black families quite simply as **“economic genocide”** and has **brought lawsuits against the telecom giants** Charter and Comcast for avoiding doing business with fully black-owned media companies.

Why can't more people get honest about the absence of black wealth in our society? I believe that a **decadent veil of black celebrity** is masking the massive amount of black poverty. African Americans see **Jay Z purchasing Tidal** for \$56 million and not the millions of black American families that have lost **half of their wealth** over the last several years.

For a generation, African Americans have been confusing celebrity exceptionalism with economic progress. Quotes from wealthy African American celebrities on overcoming the odds fill vision boards on bedroom walls and seem more important **than real economic struggles**. **Meanwhile, a middle white** America overexposed to a few million-dollar NBA stars has become apathetic about the actual plight of black Americans. We must remember that the empathy of the white middle class counted among Dr. Martin Luther King Jr.'s greatest tools in his battle for equality and civil rights. Now apathy has set in.

³The National Association of Real Estate Brokers, <http://newamericamedia.org/2016/09/report-african-americans-have-been-locked-out-of-home-ownership.php>

“African Americans have been confusing celebrity exceptionalism with economic progress.”

The actual numbers give no cause for this apathy. African American celebrities make up a tiny share of the overall population of over 40 million black people. And celebrity entertainers and athletes, Thomas Piketty notes in his acclaimed *Capital in the Twenty First Century*, “make up less than 5 percent” of America’s richest 0.1 percent.

Most of the wealthy come from the ranks of corporate “super managers,” and African Americans make up just **1 percent of S&P 500 CEOs and just 2.6 percent** of those holding posts within striking distance of corporate chief executive suites.

Just last week Forbes released its **annual report on the 400 richest people** in the United States. The all-white top 25 on the 2016 Forbes 400 have a combined net worth of over \$900 billion, over 37 percent of the total \$2.4 trillion in wealth held by all 400. Wealth in America is simply not diverse, and that reality remains true no matter how many times we are shown **Lebron James in his mansion in feel-good commercials**. For every singular sports phenome, we have countless white wealth holders making money that black Americans are locked out of accessing.

Whites, ironically, even make up the bulk of the less than 5 percent of entertainers in the top 0.1 percent of earners.

More numbers: Data recently released by the Federal Reserve Survey of Consumer Finances and researchers at Brandeis University show that less than 1 percent of black families have over \$1.4 million in net worth. Nearly 10 percent of white families hold the same amount of wealth.

**BLACK AND WHITE FAMILIES
BY NET WORTH PERCENTILE**

Blacks Percentile	Net Worth Percentile	Whites Percentile	Net Worth Percentile
1	-\$114,179	1	-\$78,200
5	-\$24,700	4	-\$21,000
10	-\$5,180	7	-\$5,500
25	\$150	11	\$40
50	\$15,570	24	\$16,000
75	\$97,750	46	\$97,200
90	\$234,300	63	\$237,100
95	\$356,900	72	\$358,450
99	\$1,440,100	91	\$1,381,800

Source Survey of Consumer Finances,
Brandeis Research

Created by Antonio Moore

In raw numbers, well over 8 million white homes rate as millionaires, while less than a few hundred thousand black families can claim the same million-dollar status. In addition, a mere **several thousand black families** can claim to be within the top 1 percent of earners. We now live in a time when the five largest white landowners in America **own more agricultural land** than all of black America, with all white families together owning 98 percent of the land. **Our top 10 percent of white households own nearly everything,** as

*the think tank Demos reports, with the next tier of white households holding most of the remaining wealth. **In fact, the \$2.4 trillion held by the Forbes 400 amounts to more than the combined wealth of all 41 million black Americans.***

This is the truth about the amount of wealth held by the progeny of American slavery. Blacks live in the wealthiest country the world has ever known. But most African Americans have little if any personal wealth to show for it.” (Moore, 2016)

This article crystalizes why we wrote the financial institutions: because of the inequity of resources and advice.

Given the issues that we have spelled out in the above narrative, retirement becomes the crisis game, not just for Black Americans but for Americans in general. We have no permanent solution towards retirement other than the institutional advice that has been given throughout the years. But, because of the downturn in the economy in the last recession, retirement is the key to making sure you can maintain your wealth at the end of your life which should be transferable.

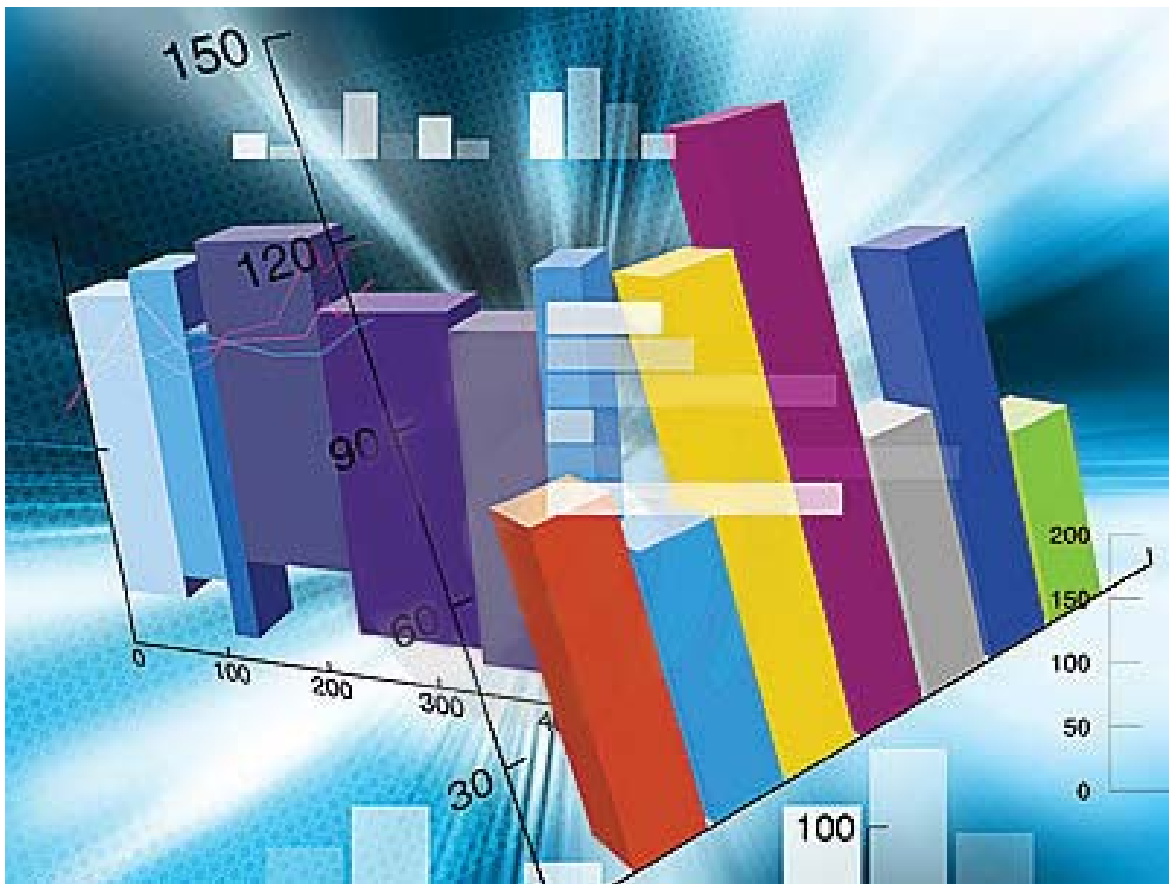
We plan to organize 5 major retirement seminars along with Bloomberg News. We are still working on the details in helping families to deal with retirement, but the key to retirement in terms of the National Black Church Initiative’s Economic Development plans lies within our Money Booklet.

We have sought to engage the investment houses on these 3 particular topics concerning retirement:

- 1) How to pass on Legacy Access within the Tax Code**
- 2) Wealth Building Beyond Financial Literacy**
- 3) Retirement: If I am behind what I need to do**

⁴http://www.huffingtonpost.com/antonio-moore/black-wealth-is-nonexiste_b_12347196.html

The National Black Church Initiative Financial Strategies Over The Next Ten Years



The Black Church And Public Policy Issues

The Black Church clearly understands that the financial public policy of this country will directly impact its wealth as individuals and collectively. This is why companies spend tens of millions of dollars on lobbying the congress so that they can have an economic advantage for their clients or for their business over and against everyone else. Our democracy is an economic free-for-all and this economy and country make no distinction between public and private sectors when it comes down to how public policy is going to affect their wealth positioning.

Therefore, this is why it is imperative that the Black Church have a position on this current administration's economic approach pertaining to four critical areas:

1) The Budget

President Trump has unveiled his budget. In most instances it is a typical Republican budget, slashing social programs, increasing defense programs and lessening regulations. For small and mid-sized African American businesses that are trying to grow, this budget that the President has unveiled may be helpful but generally the African American community has been suspicious of the Republicans and warm to the Democrats but, the problem is that the economic growth of the country's economy does not particularly care whether you are Black or white or a Democrat or a Republican. It does care whether or not you have the means to position yourself favorably to whatever wind the economy is blowing.

Since African Americans are so heavily dependent upon Government assistance, this budget that has been unveiled may have a negative and adverse effect but we are hoping to provide education and technical assistance to our 75,000 small business and connect them to the appropriate resources in this budget that promote businesses. However, the congress will ultimately decide the outlays of this budget in which they will probably spare entitlement programs, give leeway to the President on regulations and increase the defense budget by slashing the department, not at the rate that the President has proposed but at a compromising rate of 50%.

2) The Capitalization of Repatriating Corporate Profits

It has been reported that the American businesses have something in the neighborhood of 2.7 – 3.7 trillion dollars of profits that are sitting in banks outside of the country. The reason for this is because we have an arcane tax system that taxes corporate profits at 35%. Since corporations do not wish to pay such high rates on their profits they design schemes to leave those profits out of the reach of the US Government. President Trump on the other hand recognizes the importance of the recapitalization those profits can offer in helping to revitalizing the economy. Especially in the area of small business loans and economic revitalization areas that constitute enterprising zones which we alluded to in NBCI's strategy of creating economic development projects in 25 economic zones in the country.

The Black Church is in favor of President Trump's plan to cut those corporate taxes to 10% so that those profits can be repatriated in US banks thus giving African American businesses a chance to solve one of the greatest issues in terms of growth, and that is the

lack of capital. Simply, we see this opportunity as companies make available capital to small businesses. That, and technical assistance have been the factors concerning African American business growth. We need that money back in America for us to have a chance to persuade corporations to invest in our communities and our businesses.

3) President Trump's Tax Plan

The reason why everything is so unfair in America is because the tax plan has been historically unfair and unequal especially to those at the bottom tier of the economic ladder by favoring the rich. The lower, middle working class seem to pay the highest percentage of taxes with the least amount of money largely because we have no opportunity to write off anything other than our children. Corporations on the other hand can write off all of their losses and maintain their profit base. So can the rich, because our tax system favored those who have businesses and make economic investments into the economy.

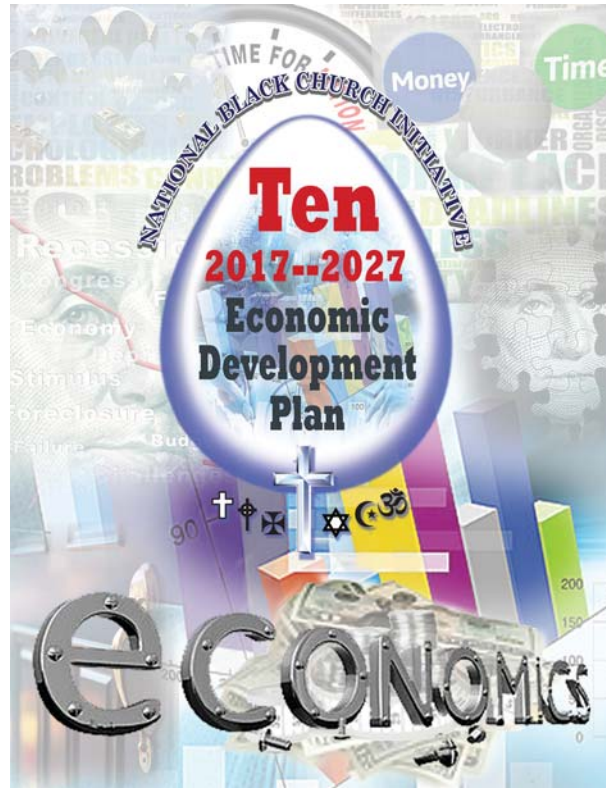
Of course the Black Church needs to advocate for a tax plan that creates an even field and a tax plan that favors those who are business owners in adding to both the wealth of this country and the wealth of our neighborhoods.

4) New Health Care Plan

One of the biggest expenses in our personal economies or business economies is health care. Since the congress has overturned Obamacare we are searching for a new plan. Instead of sitting back and wishing that the congress would come up with a fair plan the National Black Church Initiative is working on its own plan and we plan to offer it to the congress during this critical period of debate. We plan to utilize strong political muscles for senators to understand the importance of health care to our community. We will not allow this time, for congress to solely write the health care bill for America. They have failed twice and we do believe we have something significant and creative to offer around the essential components of health care and health care financing.

These public policy issues as stated above will have direct impact on the issue of wealth in the Black community. This is why we plan to employ the political muscle of 34,000 African American Churches so that we can be heard on the critical economic issues of today by influencing public economic policies.

The Black Church Answers



The following is the National Black Church Initiative's strategy to the perplexing financial issues that are holding back the African American community. This 10-Year Plan consists of both practical financial moves, community public pressure and forcing regulators to enforce the regulations on the book and taking a whole new look at the advantages of structural programs that have always existed like utilizing apprenticeship for wealth building. We discussed in depth how we plan to utilize jobs as a means of wealth building in the areas pointed out above. So jobs become the first financial leg of NBCI's strategy.

- 1) The National Black Church Initiative Job Strategies
- 2) Practical Financial Moves
- 3) Community Advocacy
- 4) Forcing Regulators To Regulate
- 5) The Money Course
- 6) The Money Booklet
- 7) Church Wealth Leveraging
- 8) NBCI 25 Targeted Cities For Economic Development Utilizing Economic Development Enterprising Zones
- 9) Faith-Based Market Economy
- 10) How We Plan To Financial Our Plan

1) **The National Black Church Initiative Job Strategies**

The National Black Church Initiative considers one of its main tasks to work with all our congregations to attract jobs to the African American community. We were enormously instrumental during the downturn of the 2004 mortgage crisis, helping to employ African Americans where Americans were losing jobs on an average of 800,000 a month. We transformed our web page, contacted area clergy, and offered them educational mortgage assistance and job attainment. As a result we have one of the most efficient job search engines out there for African American parishioners. Given that unemployment has drastically been reduced to 4.4%, we have realized over the years that even when the economy seems optimistic with those numbers, African Americans with college degrees still struggle for jobs largely due to institutional racism.

This issue is why we have taken a three-pronged approach to jobs: Apprenticeship, Partnership (Wells Fargo) and the Four Core Industries.

I. Apprenticeship

One of the most effective and overlooked avenues towards a well-paying job, that would include both health insurance and retirement contributions, is an apprenticeship; this path is especially fruitful for those High School graduates who have 1 or 2 years of college because of mounting difficulties that have prevented them from attaining a degree. There are 553,000 apprenticeships in this country covering some 1,000 occupations, and NBCI's approach is expose this viable route to economic survivability to our congregants between the ages of 15-25. Our goal here is to use the apprenticeship route for African American male students who have gotten in trouble with the law for the first time and need to devise a different economic avenue towards economic stability.

We have been in discussion with the Department of Labor for 2 ½ years, and we have been successful in placing over 4,000 African American students; 60% are African American males and 40% are African American females. We are also encouraging students secured within a company to pursue their initial degree and an advanced degree after finishing in their given apprenticeship. The apprenticeship route works especially for young IT entrepreneurs and IT works because of the political shortage of IT professionals and the environment for foreign IT workers. This is an area in which the Black Church will exploit on behalf of its children and certainly on the behalf of African American males. Our success largely hits towards pulling together different non-profits in our congregation like the Black Student Fund to lend technical support to identify those African Americans in states like Chicago, Philadelphia, Houston and Atlanta where we have over 8,500 faith-based communities. We are working with both large and small companies in construction, IT, retail, etc...

According to Financial Times reporter Jon Faust, *"The recent US jobs data underscore a striking fault line running through the economic expansion in America. The jobs recovery for white workers appears to be substantially complete; among African-Americans it has only recently gained real momentum."*

Over the past 12 months, the white unemployment rate was unchanged at a healthy 4.4 per cent. In contrast, the unemployment picture for African-Americans a year ago looked bleak,

with the jobless rate at 9.2 per cent. The past year saw a welcome drop in the jobless rate, and about half a million African-Americans joined or rejoined the labor force. Nonetheless, with the African-American jobless rate still at 8.3 per cent, there is much room for progress.

The African-American employment data have painted a gloomier picture than those for whites throughout the crisis and recovery. The white unemployment rate peaked at 9.2 per cent in 2009, while for African-Americans it touched 16.8 per cent — it took six years to bring it back down to where the white unemployment rate had peaked.

The gap between the black and white unemployment rates was fluctuating by around 4 percentage points in mid-2007 before the financial crisis. The crisis saw this gap swell to more than 6 percentage points in 2009, and only recently did the recovery make real progress closing that 6 percentage-point gap.

The possible reasons for the stark disparity in the jobs picture for African-Americans and whites include myriad socio-economic factors, ranging from differences in education and job-finding networks, to racial bias. Apportioning the blame among these factors is as difficult — and as politically sensitive — as any of the major race issues facing America.”

II. Jobs: Four Core Industries

Given our online apprenticeship and job bank and the partnership with institutions like Wells Fargo we have developed a robust job program for the important point of helping Black families build wealth. This is one of the most creative and innovative approaches to job creation to date and this includes but is not limited to focusing on four core industries.

1) Finance

The financial industry will always be an essential part of any economy; we must always be in a position in the African American community to participate in a robust way in the financial industry because it is the key to building and sustaining wealth. We need front line as well as back line workers in the banking stock and equity industry but we also need qualified financial advisors, qualified financial planners and wealth advisors.

2) Information Technology

Information Technology is the bedrock of our modern economy and one must be prepared, either as a consumer, a business owner or a worker, to deal with this essential technology that has virtually become the governance of our lives. You cannot even escape technology in the Church. We must play a role not only as consumers but also as workers and business owners.

3) Services

The IT industry and the Banking industry create the structure for the service industry, even though African Americans are well represented in this sector of the economy we still lag behind in the mid and upper-management positions. We must grow our percentage in the management areas of these businesses: Hotels, Airlines, Fast Foods, and other key service sectors.

4) Business Formation

Our whole focus in this 10-Year plan is to service the 70,000 businesses that are represented in our congregation. Our focus is to produce entrepreneurs, individuals who own their own business, hire and contribute substantially to the economic base of this country.

2) Practical Financial Moves

It is very clear that African Americans who have education, a great job or a business can overcome some of the deep institutional neglect and racism that has perpetuated the African American community for the past 50 years. The African American community cannot wait on the goodness of this country to recognize that they are citizens who deserve the same access to wealth, information and education as their white counterparts, even

though the law of the land says it should be so. It is critical that the Black Church create new avenues of getting this population in a wealth building mode consisting of the following actions being created for them:

- *Wealth Financial Information* - Utilizing the internet and university style class room structures to teach the essence of money, management and investment utilizing African American financial professionals to do so. This is why the National Black Church Initiative has created the Money Course.
- *Wealth Evaluation Tools* - There are thousands of financial video tapes and books on the market to help anyone who wants to build wealth. The crisis is you do not know what you know until someone instructs you properly to understand the complexity of finance as being a citizen of this country. In other words one can pick up the best financial book there is, but if you are unable to read and understand it, it would make no sense to you. This is why the National Black Church Initiative has created the Money Booklet.
- *Home Ownership* – Home ownership is the key to financial wealth and institutional wealth for one’s family. African Americans need to understand this and be taught in a very specific way how to attain home ownership, even when the odds are opposed to you building wealth.
- *Stock Market and Investment* – The Money Course, in utilizing the Money Booklet will teach African Americans both with and without college degrees, how to handle money for the first time in our history. How to invest it, the difference between a stock and a bond and how to read company financial sheets and most importantly, the most strategic ways to invest ones money. We will not give any advice but what we will do is provide critical education.
- *Entrepreneurship* – Owning your own business is directly participating into the wealth game of this country. There is no way you can become rich working for someone else unless your parent owns the company or you are a white male who has been given every privilege in the world. For the vast majority of African Americans and the vast majority of articles we have quoted in this plan we must have a plan for wealth building or else we will never gain wealth in our lifetime nor have the ability to pass it on to the next generation.

3) Community Advocacy

The Black Church will utilize its enormous power in the next ten years to strategically pressure federal, state, private, and county organizations and officials to include their membership in any business creation going forward. We will utilize this power that has been demonstrated over the years through our faith-based communities to be a part of every economic development program and project in every state, city and county that has a significant African Americana population, (see NBCI setup – to be attached). We will no longer sit on the sidelines while massive public institutions are being created (the billion-dollar stadium in Atlanta, the 1.6 billion dollar casino in Prince George’s County) and other large major projects without African American businesses being a part of its development.

We will issue annual scores on banks, businesses and cities, on whether or not they are friendly towards Black businesses and that will trigger our social, religious and fraternal conventions who will decide whether or not to spend their money in that city. The metric of this score card has been completed and will be implemented in 2017 leading to the 2018 actions.

Going forward in 25 key communities, we will strengthen our existing economic foundations in those cities utilizing the Black Church and Black businesses and other legal pressure going forward. We will not elect any more African Americans or white politicians to any job in those cities unless they have a very clear economic development improvement program as part of their platform. The days are over of broken promises to the Black community over our economic life. We may never make an even playing field between Black and white wealth but we will never stop trying to do so.

We have begun to evaluate economic strategic plans of each of the 25 cities which will be listed below and begun to educate African American church leaders and business owners on those plans. Five years ago we begun this process questioning city planning leaders, city leaders, cities of commerce, companies who planned to move to those areas to take advantage of economic zones and other tax payer sponsored programs that African American businesses must be a part of any growth going forward. In some cases we would be partnering with the cities or the counties and even the federal government. In other situations, we would be opposed to them largely because they would be closing out African Americans to economic developments of public service projects.

One can say that we have started late and that this should have started 25 years ago. And in large measure it did. But we were unaware of the deeply entrenched selfish racism and the buddy system that exists in these cities to the point that many African Americans who were able to participate either took the crumbs that were given or refused to fight and organize against this entrenched business structure that only seems to always benefit white upper crust Americans, giving the crumbs to women and minority entrepreneurs. We desperately want to be a part of the solution and not a part of the problem, and want to always create community as opposed to creating adversaries and controversy in communities around the issue of racism. In most cases though, we have no other choice because white businesses feel that they should have it all and give African Americans just enough to satisfy the law.

The intense public pressure that we will bring to bear in those communities will always be approached with a spirit of cooperation before any significant public or legal fight takes place. We are encouraging African Americans to join their local chamber of commerce and other likeminded business oriented organization or to create their own organization in their community to defend their constitutional business and rights going forward to ensure there is an even playing field going forward for Blacks and whites.

4) Forcing Regulators To Regulate

After 8 years of the Obama Administration and given the facts of new regulation because of the wholesale unethical violation of banks and other institutions regarding mortgages, the National Black Church Initiative understood the use of forcing regulators to regulate their industry to fairly apply the rules of their industry so that everyone who is an American citizen and pays taxes is able to participate in the economic development projects of their

country. Regulators are supposed to keep the playing field fair, this is not what they have done. Regulators have taken 3 approaches in the past 15 years.

- 1) The regulators have become an extension of big business to protect big business and to make sure that medium sized businesses, African American, women, Latino businesses do not get the same fair share as the established white businesses have gotten over the years. They have done this only for one reason, of the revolving door to being regulators of businesses that they were paid to regulate.
- 2) Many regulators have completely ignored the complaints of minority groups in the practices of big businesses/white businesses in their institutional and historic advantage over most of us who fail to understand how the game is played even when the regulation is clearly spelled out on the books.
- 3) The regulators have become too overwhelmed by the magnitude of the work and are forced to create an environment where nothing is getting done other than the regulator creating a sense of fairness when there is not fair application that exists. According to a paper entitled 'Financial Crisis: a perfect storm or regulatory failure,' by Leon Courville, he notes the analysis and conclusions of the Financial Crisis Inquiry Commission, "The Commission was established as part of the Fraud Enforcement and Recovery Act and its members were appointed by both parties in the US Congress. In its own words, 'The Commission concluded that this crisis was avoidable. It found widespread failures in financial regulation; dramatic breakdowns in corporate governance; excessive borrowing and risk-taking by households and Wall-Street; policy makers who were ill prepared for the crisis; and systemic breaches in accountability and ethics at all levels.'"

5) The Money Booklet

NBCI Money Course – NBCI's Finance 101 course makes money management easy to understand, broken down in an adjustable time frame spanning from six months to up to three years. These Money Courses will cover NBCI's Spending Program fundamental principles and give students the tools they need to feel confident and financially literate. Minorities, especially African Americans and Latinos, will be encouraged to enroll. Over the course students will be given an NBCI Money Booklet alongside other relatable and accessible course texts.

NBCI introduced its Online Money Course and Money Booklet Program. NBCI's Money Course is a take on Finance 101. Its curriculum seeks to make money management easy to understand, and break course material down into adjustable time frames spanning from either six months to up to three years. These courses cover fundamental principles and give students the tools they need to feel confident and financially literate. Minorities, especially African Americans and Latinos, will be encouraged to enroll. Over the course students are given an NBCI Money Booklet alongside other relatable and accessible course texts.



LESSON 1

Setting priorities

Here's help for the first -- and often the hardest -- step in achieving your financial goals: deciding which goals to pursue.

LESSON 2

Making a budget

How to bring your spending under control, so that you get the most out of every dollar.

LESSON 3

Basics of banking and saving

Here's how to get the best banking services at the best price, either online or off.

LESSON 4

Basics of investing

An introduction to making money in stocks, bonds and mutual funds.

LESSON 5

Investing in stocks

The market can be a great place to turn savings into wealth -- or to lose your shirt. Here are some fundamentals of investing wisely.

LESSON 6

Investing in mutual funds

It's a mutual-fund jungle out there. Here's how to create a simple portfolio that works.

LESSON 7

Investing in bonds

Bonds can provide a steady and reasonably secure income, while adding ballast to your portfolio--but only if you really understand what you're buying.

LESSON 8

Buying a home

Owning your home is part of the American Dream, but if you're not prepared, buying it can be a nightmare. Here are some fundamentals for buyers and sellers.

LESSON 9

Controlling debt

You've got to know when to hold debt--and when to fold it. This lesson shows you how to accomplish your financial goals by making debt work for you.

LESSON 10

Employee stock options

More companies are handing out stock options, and to a much broader group of employees. This lesson gives you vital information on how to handle ESO's.

LESSON 11

Saving for college

It's not rocket science, just common sense. By starting early and investing regularly, your children may have a wider choice of colleges, and paying the bill won't hurt as much.

LESSON 12

Kids and money

Up until they start earning a living, and sometimes well beyond that, kids are apt to spend money like it grows on trees. This lesson will help you put your children on the road to handling money responsibly.

LESSON 13

Planning for retirement

Achieving a comfortable retirement in the 21st Century requires a new approach to retirement planning.



LESSON 14

Asset allocation

The single most important thing an investor can do is practice asset allocation.

Here's how.

LESSON 15

Hiring financial help

What to keep in mind when seeking professionals to handle your financial planning, stock trading, insurance coverage and tax returns.

LESSON 16

Health insurance

Whether your employer provides you with a group medical plan or you need to buy coverage on the individual market, understanding how health insurance works is the best way to get your money's worth.

LESSON 17

Buying a car

Buying a car is like no other shopping experience. The choices seem to be endless. This lesson helps you sort through your options.

LESSON 18

Taxes

Among the long list of necessary evils we must encounter throughout our lives, perhaps the most constant -- taxes -- is also the least understood. But the whole process isn't nearly as baffling as you may think.

LESSON 19

Home insurance

Homeowners' insurance can be a nightmare. It's costly, confusing, and unrewarding -- until you have to use it. Here, you'll learn how to purchase peace of mind now and later.

LESSON 20

Life insurance

Life insurance is critical to financial planning. It's a necessity for anyone with dependents who would be affected financially by your demise. Yet life insurance is one of the hardest financial products to understand and it's sold by agents who are sometimes more concerned with their commissions than your needs. This Money 101 lesson is all about a better way to buy life insurance.

LESSON 21

Estate planning

Americans are in the midst of one of greatest inter-generational transfers of wealth in history, yet few of us have done any planning for it. Here's how to start.

LESSON 22

Auto insurance

Auto insurance can be a nightmare. It's costly, confusing, and unrewarding -- until you need it. Here's how to purchase peace of mind now and later.

LESSON 23

401(k)s

It's the most important tool you've got for retirement. Here's how to make the most of it.

NBCI Money Book – The NBCI Money Booklet is both unique and effective in that it knows its audience. A thoughtful and comprehensive layout allows individuals and families to get a complete picture of their assets and liabilities in an easy-to-read, unintimidating format. Having their financial scorecard at their fingertips will give users a sense of control over their finances and encourage smart money decisions. NBCI's Money Booklet will consist of information including but not limited to – salaries, tax status, insurance, stocks, retirement and other relevant financial data.

The idea here is very simple, this is a removable booklet that you can take pages into and out of because of the changing financial picture. The value of the Money Booklet is that it gives you a total summary of your wealth and viability thereof including whether or not you can buy a house, how much you can save for retirement, what is an actual retirement plan. All of these entities will be in one portfolio, the value will also be shown in how to qualify for credit cards, mortgagers, student loans etc... instead of a banker asking you to pull together these documents you will already have them at your fingertips. The Money Book is a proprietary project of the National Black Church Initiative and will only be shown to partners serious about coming together with us. It will however be given freely as part of the NBCI Money Course. This is a critical tool that we plan to use consistently.

Over the past 5 years we have successfully been able to take over 30,000 of our members over the Money Book. This is a small amount compared to the millions that we need to purchase and fill out in its entirety, the Money Book. The Money Book tells you exactly where you are and how to grow you wealth making either the NBCI Money Course or it also tells you most importantly when you need a wealth advisor. We will talk more about the Money Book in a face to face discussion moving forward in a partnership setting. The reason why we are so gung-ho about promoting African American businesses and getting jobs for our congregants is because we want them to be able to list their assets and liabilities so they know where they are and how far they have yet to go. For instance some of our members still need to adopt our strategy of how to save a one year salary over seven years, the Money Book will tell them that because the information will be accessible before their very eyes. This is good for families and especially family businesses so they will know how to bring more income into that family.

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6) 70,000 Small Businesses within NBCI's 34,000 Churches

Twelve years ago we did a survey of the number of small businesses in our churches that have no more than 2 employees. These are legal businesses who are providing a critical service or product to members of our congregations and to the public. As mentioned, we understand the importance of owning a business in order to maintain and create wealth. Three years ago we sent out a technical assistant document that asked small businesses to check out the areas they need support in, technical assistance, how to obtain a building, marketing, how to gain capital, how to evaluate employees, how to utilize the internet and other critical areas of concern for small businesses. It came back that many of these businesses needed a lot of work given the economic state of African Americans. Again federal, state and county officials do little to assist this tremendous opportunity that we have seen in the National Black Church Initiative.

NBCI view these 70,000 businesses as the key to survival for not only the Black Church but its entire community. We have a golden opportunity to create a revolutionary spirit of business ownership in our community which we plan to do.

In calendar year 2017-2018 the National Black Church Initiative will sponsor 12 major small business seminars in our churches throughout the country. These seminars will bring together critical elements of the community and offer these businesses technical assistant advice in the area of capital formation, obtaining a building, how to advertise their product, how to file their taxes, how to attract their customers, how to sustain a customer base, how to use social media and how to choose a bank.

The past 8 years we were not able to work successfully with the Obama Administration because of the state of the economy, the limited resource and man power that the government actually has and given the fact of Dodd Frank regulatory laws many of our businesses felt hamstrung in addition to the requirements of offering your employee health insurance also made the growth of our businesses stagnant while under Obamacare. Now that the Trump administration will release regulations and produce a pro-business growth we may have a chance to launch this initiative with a presence in all of the communities cited below.

A year ago we wrote all of these communities and told them of this initiative and as tax payers we asked them to provide critical assistance to these 70,000 small businesses. One of the most critical things that we have been doing for the past 12 years is that we have reconstituted our list of businesses through our 34,000 churches in a report that is being sent out in the first quarter of 2018.

There we should have an accurate account of our businesses, what they are, what they are selling and how they are selling. In one of the areas of reducing crime in areas utilizing businesses is that our businesses do not need all of the employment requirements may be a ready spot to help our incarcerated citizens receive a second chance through employment with them.

We are in the process of working out the details on how our small business can employ our ex-felons, and we are working along with state, city and county officials in these economic development zones of how these businesses can get a tax break by employing those individuals thus easing the financial and regulatory burden to that small business. This is a critical part of our major economic development plan.

7) Church Wealth Leveraging

One of the most innovative ideas that we have come up with in recent years is to begin to start leveraging the value of our churches in our economic development evaluation. This is a new step for the Black Church and a critical one where we tell investors of the economic commitment that we have made to those communities through the values of our faith-based communities by our property investment and other construction projects that we have on the way.

- 1) What this does, we believe, is it gives some sort of economic commitment to that area
- 2) It gives the economic partners some kind of economic evaluation of the value on the investment that the Church has made to that geographic area.
- 3) It underscores in a very powerful way the type of economic creation and leveraging that can be done in that community if there is a single focus on development, job creation, business creation and of course growing a ready-made employee base. In other words, this leveraging looks at the Church itself as a corporation with all the components necessary for power partnerships moving forward.

Faith communities have built billions of dollars in school related buildings and retirement style hood sponsored senior housing. African American Churches have created and purchased billions of dollars in properties around the country especially in the identified economic enterprising zones that are listed below.

The National Black Church Initiative along with Howard University and Tougaloo College in Mississippi is launching a creative process over the next 5 years. We are going to list the wealth of the African American churches, evaluating the economic impact of its congregation based on census tracks around zip codes. We are going to learn for the first time what exactly is the investment of a particular African American Church in each zip code. We plan to do this all over the country over NBCI's 34,000 churches and in the 150,000 Black Churches around the country wherever they are located but especially in the 25 economic enterprise zones.

This wealth evaluation, we hope will lead to new forms of economic leveraging in our community to engage into larger projects and also to be a part, as indicated above, of public projects such as bringing a new stadium to a particular zip code. There is no reason why the Church's economic development end should not be able to participate in large and small public works projects. As we indicated we have already started to engage African American communities, especially large African American Churches on how to leverage their existing economic facilities in other public work projects. The data gathered from this particular project will be so valuable for assessing our economic strength moving

forward that we hope it will create a new and exciting economic development institute utilizing the data moving forward and participating in unique projects around the country.

So let us be clear on 3 points:

- 1) We are going to list for the very first time all economic development assets of the Black Church, not only in the 25 identifiable economic empowerment zones set forth in this strategic plan but for the entire country.
- 2) Out of this report, we hope to create an economic investment Sovereign Fund exclusively created for the purpose of serving as an investment arm of the Black Church in participating in public work projects in the cities we have identified and others in some sort of meaningful economic ways. We have yet to determine the structure of that entity and its functions but that entity will have enough skill set like construction, IT, travel, catering, real estate, etc.... to really have a significant impact on their particular zip code going forward. A lot of new opportunities will come out of NBCI's new economic leveraging and approach.
- 3) We hope that this will lead to other expansive type businesses that will service NBCI's coalition of churches and the balance of the 150,000. For instance, the National Black Church Initiative by the end of 2017 is crafting a new economic department that will mask all of the Black Church's travel and convention activities in the form of a travel agency, a convention department and transportation entity to assist African American church goers in carrying out their religious tenants in all types of religious gatherings around the country and abroad.
- 4) We also hope to compete for the first time in buying media properties, largely because of our mandate to spread our ethical teachings. Radios and television stations are the type of goals that need to be set forth. We have been talking with the National Association of Broadcasters (NAB) and several of our members have graduated from their media buying course.

Some of these actions have been attempted before without much success largely because it was the ideal of a single person or a single church. What we are saying is something quite different, unique and exciting. We are going to leverage all of these church entities so we can create for the very first time an economic entity. We will utilize this new economic strength in the area of public service investment, attaining media companies, creating travel and conventioning entities to accommodate over 10-25,000,000 religious participants in their annual religious pilgrimage to convention seminars and holy land visits. This is one of many entities we hope to come to bear in the first five years.

8) NBCI 25 Targeted Cities For Economic Development Utilizing Economic Development Enterprising Zones

Detroit The list below are cities where significant African American religious presences exist. In many of these cities there are economic disaster zones that perpetuate a negative social and moral disposition and cause crime and human degradation. Some of the evils as a result of the sociology are killings, rapes, overdosing, homelessness, social despair, food deserts and other crippling social diseases that attacks the human spirit and dull the senses when they hear the call for ethical living. NBCI plans to do something quite

innovative and unique utilizing the new leverage economic approach described above to help revitalize these communities and give them a sense of hope and purpose by bringing in businesses and jobs and creating communities with ethical teachings for families.

Simply stated, we are going to utilize the economic designation of these communities and begin to transform them utilizing the economic leveraging spelled out above and taking advantage of every federal, county, city, state and private economic assistance to make this happen. We are going to be able to use business and individuals in those areas and in our churches to benefit the most from the economic transformation by utilizing the economic enterprising zone guidelines.

In some places this plan has already started. We plan to also list the assets of the Black Church and the successful economic projects that the Black Church has been engaged in, in the past 25 years. Most importantly we all also list the economic visions and plans in each of those areas and others that the Black Church has on the drawing board moving forward in the next 10-25 years. This is really the most exciting part of our economic development program.

The 25 areas are:

Tallahassee, Florida, Miami, Florida, West Palm Beach, Florida, Fort Lauderdale, Florida, Atlanta, Georgia, Savannah, Georgia, Baton Rouge, New Orleans, Birmingham, Alabama, Montgomery, Alabama, Little Rock, Arkansas, Memphis, Tennessee, Nashville, Tennessee, Chattanooga, Tennessee, Louisville, Kentucky, Lexington, Kentucky, Jackson, Mississippi, Richmond, Virginia, Alexandria, Virginia, Norfolk, Virginia, Washington, DC, New York City, New York, Albany, New York, Chicago, Illinois, Flint, Michigan, and Detroit, Michigan.

9) Faith-Based Market Economy

This particular strategy is so exciting. The faith-based market economy is a strategy that we have attempted to employ to control some of the market economy within our congregation. Just imagine for instance that everyone in our congregation who uses bottled water or get their taxes prepared and those who travel in our congregations. What we hope to do is control these economies and how we plan to do that is in a very creative way. Three years ago we attempted to employ the faith-based market economy approach concerning bottled water. We teamed up with a water distributor to provide bottled water for individuals and congregations.

Water program

This was a simple concept, since our members brought bottled water why shouldn't they buy the same water from their church. Therefore we were able to receive a profit from an item that everyone uses and everyone needs. Our marketing program approach was fairly simple. Since we lived under a terrorist alert most of the time, we wanted to encourage our members to buy and store water in case there was a natural or manmade disaster either caused by the terrorists or not, so that in the midst of a crisis they would have a sufficient amount water. We teamed up with Femur to create a marketing plan based around this as a creative ideal. We launched this as a test marketing assessment which was very successful and now we are coming back with a bigger launch than before. We recognize that we need a bigger sponsor to provide us with bottled water because the individual that we had in the past did not have a wherewithal to deliver a million metric tons of water

within 30 days.

Again we are crunching the numbers concerning this program and will be hiring before the end of 2018 a program developer to run this particular program. (See Page 54.)

Tax Preparers

Recently we were approached by an African American tax preparation company to partner with them concerning having our members getting their taxes prepared by a member of the congregation. We thought that this was such an incredible idea. Here is how it would work NBCI would identify over 100 individuals who wanted to start their own business and provide training for these individuals to set up their business through NBCI church network. Once they have qualified through state and local regulations as a qualified tax preparer we would work with them in terms of providing technical assistance with marketing and endorsing their business and also providing them with a ready base clientele list from our churches. This is a classic example of the technical support that we have been offering for years to our 70,000 businesses but we haven't had much success in attracting resources wither from the federal or private sector to help with this bold initiative. Now that we have someone who will fund the project we are very happy to see this particular initiative produce 100 business owners who in turn will save our congregations tens of millions of dollars through either tax earned credit or other legally ethical strategy being employed on their behalf.

Travel Agency

Recently we approached Southwest with a deal and we asked Southwest to become the official airlines for the National Black Church Initiative's 15.7 million members. We told Southwest that our members had a particular need of travel to their seminars, conventions, vacations and other religious outings throughout the year. And, what we would want in return of course was lower fares, more amenities and a contribution to the National Black Church Initiative. Southwest eventually, after two months called us back significant was the fact that they called and never wrote a word and they said that they do not have a program in place to become anyone's official airlines. In addition they were apprehensive of associating the Southwest name with any religious organization.

We were polite in saying that we understood their rationale but we were also extremely disappointed. They also proceeded to say that what we should do is to take all of our business to a travel agency that they have sanctioned and based on the number of travel destinations and passengers based upon a year's statistical data, they would, through that particular travel agent provide some moderate amenities. After a discussion with our Economic Development advisory Board we began to laugh at them and immediately we sought to add travel as a part of our faith-based market economy strategy. So, as of 2018 the National Black Church Initiative will be in the travel business and attempt to control the economics of our own faith-based communities.

These areas in which we have pointed out and which will expand over the years based upon our success, may put the Church in a collision course with private industry as we siphon off tens of millions of dollars back into our churches and as we become a force within the industries cited above. These faith-based market economy strategies will also serve as the

impetus of financing this ten year initiative going forward.

10) How We Plan To Finance Our Plan

In the beginning of 2015 we began to lay the foundation on how to finance this initiative. Our strategy calls for a broad appeal in financing such an ambitious agenda as we build the structure to launch different portions of this financial plan. As noted, we plan to grow our church membership base from 34,000 to 80,000 churches.

We have begun to research and engage city, county, federal and state officials. We have already sent letters to the department of commerce, the department of housing and urban development, and the small business administration about this new initiative. The preliminary word from these departments is a very positive engagement, but we have yet to offer them any specifics going forward. We are paying two individuals to begin to map out for us an economic assistance plan and grant management plan, do the research and provide the financial profile necessary to qualify for those grants going forward. We have some preliminary numbers that this endeavor will take over \$250,000 for the first 8 months. We also plan to engage foundations, banks, credit unions, members of Silicon Valley, and other economic avenues to fulfill some of the preliminary issues surrounding the implementation of this plan and its sustainability.

Two weeks ago we received the final word from the last Black Religious Convention of the person nominated to the new Black Church Economic Advisory Board. We have asked the nomination Presidents to nominate an individual from their denomination who will serve on the first NBCI National Economic Advisory Board that we may hear directly from each of the denominations their concerns, aspirations, and vision for economic development for not only the 25 cities but also others that this plan can engage into.

This economic development board will play a major role in setting up guidelines, verifying critical numbers, identifying Church property that we can leverage, helping us create an internal job program for our members, and helping us to fulfill our skill registry role that will categorically list all of the talent both employed and unemployed in our congregations. We hope to have this web based skill oriented registry up and running by September 2018. The whole purpose of this is to allow those 70,000 businesses that exist within our congregation to start looking within our congregations to individuals who may be members of a different denomination and also engage other employers who have demonstrated a sense of partnership in the National Black Church Initiative Economic Development Plan – like Wells Fargo.

We plan not to leave any stone unturned to fulfill this plan's objectives. We are now working on a very detailed year by year analysis of what we need to incur to fulfill this plan. We will relay our year by year analysis by the second quarter of 2018 to give our partners and clergy an economic vision of where we are going and how we plan to get there.

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**The National Black Church Initiative
Corporate Capability Statement
And
Church Composition
Based Upon Geography**



The National Black Church Initiative Corporate Capability Statement

NBCI Faith Community Financial Profile

No. of NBCI Churches	34,000
Estimated income of NBCI Non-Mega Church Congregants	\$15,000 - \$5 million
Estimated income per Church	\$250k - \$65 million
Estimated income of NBCI Churches	\$20 - \$45 billion
No. of Mega-Churches	105
No. of Small businesses in NBCI member Churches	70,000
Average size of Mega-Churches	8,500 – 20,000 people
Estimated income of Mega-Church Congregants	\$40,000 - \$100 million
Estimated income per Church	\$6 - \$70 million
Average size of NBCI Churches	250 people
Percent of African American Ministers with M. Div Degrees	6%
Percent of Congregants that Saves	12%
No. of Churches who have Credit Union	3500 – 7500
No. of Churches who have separate Economic Development Corp.	4,675
No. of Congregants who own their cars	83%
Percentage of Congregants who are financially secure	35%
No. of Congregants who own their home	30 – 52%
No. of Congregants who invest in the stock market	13%
No. of Congregants who have purchased financial products	15%

NBCI has the capability of reaching African American and Latino target populations with health literature and information per zip code anywhere in the United States where there are black churches

NBCI has the capability to recruit African America and Latino populations for clinical trails

NBCI has the capability to reach not only its 34,000 African American churches but also the balance of the 150,000 African American churches in the country. **(We are about four months away from compiling a comprehensive directory of all black churches in the country)**

NBCI has the capability of reaching all of its 34,000 churches by e-mail

NBCI has the capability to conduct health surveys

NBCI has more than 856,000 e-mails of its membership

NBCI is building a very strong online social media presence through Facebook, Twitter and Instagram

NBCI has the capability to create and develop effective online health e-mail blasts to its membership and the general public

NBCI is publishing a quarterly 11-page health oriented newspaper as a means of reaching its targeted population at a minimum of 100,000 copies up to 500,000 copies starting in September of 2014

NBCI health team has the capability to conduct newspaper, radio and television interviews for health promotion campaigns

NBCI has produced over 80 YouTube videos

NBCI has extensive graphic and publishing capabilities

NBCI has the ability to produce, edit and distribute health sermons to all of its churches

NBCI has the ability to disseminate, through a close working relationship with 10,000

National Black Religious Broadcasters, health promotion awareness campaigns over the radio and internet

NBCI has the capability to publish health editorial articles through 247 black newspapers

NBCI serves as a guest columnist for those 247 black newspapers

**THE NATIONAL BLACK CHURCH INITIATIVE
DEMOGRAPHIC AND STATISTICAL COMPOSITION**

1 of 4

Faith Command	No. of Churches	Age Range	Gender %		Race %	
			Male	Female	Black	Hispanic
A SOUTHEAST FAITH COMMAND <i>Atlanta, GA</i>						
Florida						
Tallahassee	268	30-75	36	64	100	
Miami	280	42-80 34-80	35	65	100	
West Palm Beach	12	45-80	39	61	100	
Fort Lauderdale	58		35	65	100	
Georgia						
B Atlanta	2,560	28-85	45	55	100	
Savannah	99	39-85	34	66	100	
Louisiana						
Baton Rouge	600	45-85	34	66	100	
New Orleans	356	46-85	35	65	100	
Alabama						
C Birmingham	780	28-85	45	55	100	
Montgomery	656	32-85	45	55	100	
Arkansas						
Little Rock	86	35-85	40	60	100	
Tennessee						
Memphis	860	28-85	45	55	100	
D Nashville	906	28-85	45	55	100	
Chattanooga	458	28-85	45	55	100	
Kentucky						
Louisville	362	33-85	38	62	100	
Lexington	198	35-85	38	62	100	
Mississippi						
Jackson	1,807	24-85	41	59	100	

**THE NATIONAL BLACK CHURCH INITIATIVE
DEMOGRAPHIC AND STATISTICAL COMPOSITION**

2 of 4

Faith Command	No. of Churches	Age Range	Gender %		Race %	
			Male	Female	Black	Hispanic
E						
North Carolina						
Charlotte	450	25-85	45	55	100	
Winston Salem	346	25-85	45	55	100	
Raleigh	462	25-85	45	55	100	
Durham	241	25-85	45	55	100	
Greensbroro	250	25-85	45	55	100	
South Carolina						
F Columbia	838	29-85	45	55	100	
Charleston	99	39-85	34	66	100	
Washington, DC						
Washington, DC	1609	45-85	40	60	100	
Virginia						
Richmond	780	28-85	45	55	100	
Northern-Virginia	656	32-85	45	55	100	
NORTHERN FAITH COMMAND						
A New York						
New York						
New York City	2,680	47-85	32	68	99	1
Albany	156	38-85	50	50	100	
New Jersey						
B Newark	680	45-85	31	69	100	
Trenton	692	45-85	31	69	100	
Pennsylvania						
C Philidelphia	1,001	38-85	35	65	100	
Pittsburgh	500	43-85	35	65	100	

16,830

**THE NATIONAL BLACK CHURCH INITIATIVE
DEMOGRAPHIC AND STATISTICAL COMPOSITION**

3 of 4

Faith Command	No. of Churches	Age Range	Gender %		Race %	
			Male	Female	Black	Hispanic
Maryland						
D Baltimore Prince Georges County	1,008	28-85	45	55	100	
	985	28-85	45	55	100	
Massachusetts						
Boston	400	47-85	32	68	100	
Connecticut						
Hartford	200	38-85	38	62	100	
New Haven	200	39-85	38	62	100	
MIDWEST FAITH COMMAND						
A Chicago						
Ohio						
B Columbus Cleveland Dayton Cincinnati	162	47-85	32	68	100	
	289	47-85	32	68	100	
	316	47-85	32	68	100	
	186	47-85	32	68	100	
Illinois						
C Chicago	800	27-85	40	60	100	
Kansas						
Kansas City Topeka	89	38-85	38	62	100	
	69	38-85	38	62	100	
Wisconsin						
D Milwaukee	58	38-85	38	62	100	
Michigan						
E Detroit	969	38-85	38	62	100	

8,502

**THE NATIONAL BLACK CHURCH INITIATIVE
DEMOGRAPHIC AND STATISTICAL COMPOSITION**

4 of 4

Faith Command	No. of Churches	Age Range	Gender %		Race %	
			Male	Female	Black	Hispanic
Indiana						
Indiannapolis	109	38-85	38	62	100	
SOUTHWEST FAITH COMMAND						
A Dallas						
Texas						
B Dallas	956	26-85	48	52	96	4
B Houston	1,206	26-85	48	52	96	4
B Forth Worth	603	26-85	48	52	98	2
B San Antonio	500	26-85	48	52	95	5
WEST FAITH COMMAND						
A Oakland						
California						
Oakland	1,356	41-85	33	67	100	
Los Angeles	700	41-85	33	67	100	
San Francisco	300	48-85	32	68	100	

34,000

ATTACHMENTS



WHY DON'T MORE ADVISORS LOOK LIKE LAZETTA BRAXTON?

HOW TO ADDRESS THE INDUSTRY'S RACE PROBLEM.

BY CHARLES PAIKERT

PHOTOGRAPH BY BRAD TRENT

“MORE BLACK FAMILIES ARE ENTERING THE ECONOMIC MAINSTREAM, HAVE MORE INCOME AND ARE SAVING FOR COLLEGE AND RETIREMENT.... THEY NEED ADVICE AND [THE FINANCIAL SERVICES INDUSTRY] IS PASSING UP MILLIONS OF DOLLARS BY NOT REACHING OUT TO THEM.” -Rev. Anthony Evans, Leader of 34,000 churches

Newly minted financial planning assistant Airionne Givens didn't have a lot of money when she was growing up in St. Louis. And she saw plenty of other African-American families who struggled with college costs, retirement saving and other financial challenges.

Until Givens went to college, she had never heard of, or knew about, financial planning. But once she did, she was hooked. "I wanted to help people who were in the same predicament as the people I knew, and I saw that this was a way I could do that," Givens says.

Givens and four other African-American students (out of 30 financial planning majors) graduated from the University of Missouri in the spring. Now, as part of the Advisors Ahead residency program, she is working at Paragon Wealth Advisors, an Ameriprise firm in Seattle.

She's thrilled to get started in the business, but wishes she could confide in another African-American advisor who could help her successfully navigate her new world. "I don't know any African-American advisors," she says, "There aren't any role models right now."

Indeed, for African-Americans, the financial advisory profession can be a very very lonely place to be.

Take a look around almost any conference for financial advisors — odds are there won't be more than a handful of African-Americans. And walk into an office of a typical independent RIA or wealth management firm, and chances are there won't be any black advisors at all.

What statistics do exist are bleak. According to the U.S. Census Bureau, minorities — including Hispanic and Asian Americans — make up about 8% of financial service employees, which includes all manner of jobs in all types of financial service businesses.



'It's a Tough Business'

African-American advisors, few in number, continue to struggle with cultural and wealth barriers.

In a 2011 report on workforce diversity, SIFMA surveyed 18 large financial services firms and found that 8% of brokers or financial advisors at those firms were "people of color." (Of all firms owned by African-Americans, finance and insurance businesses account for just 2.2%, according to the most recent statistics from the U.S. Department of Commerce.)

And at independent financial advisory firms, African-Americans most likely make up just 1% to 2% of all advisors, according to industry executives interviewed by Financial Planning. "If it's even 1%, I'd be surprised," says Lazetta Braxton, founder of Financial Fountains, an RIA based in Baltimore. She's also president of the 13-year-old Association of African American Financial Advisors, a regional organization that has national aspirations but just three dozen members.

'NOT GOOD ENOUGH'

"The financial services industry as a whole has not done a good enough job of recruiting, training and retaining African-American financial advisors," says Paul Reilly, chief executive of Raymond James Financial. "Raymond James is not an exception, but we are committed to making improvements."

Indeed, Raymond James was one of the few firms that was even willing to discuss the matter.

When Financial Planning contacted the top five independent B-Ds on its FP50 list and the top five independent firms on its RIA Leaders rankings, seeking either comments or details about any African-American advisors or diversity programs they might have, Raymond James was the only firm to respond. (LPL Financial, Ameriprise Financial, Commonwealth Financial Network and Wells Fargo Financial Network all declined, as did RIAs Oxford Financial Group, Rockefeller, Shepherd Kaplan, Summit Rock Advisors and Creative Planning.)

The sluggish progress of African-Americans is all the more striking when compared with the industry's full-court press to recruit and retain women, who now make up approximately 25% to 30% of advisors, according to industry sources.

"Diversity follows wealth," says Eleanor Blayney, the CFP Board consumer advocate and author of the board's recent report on women in the planning profession. "The current interest in female advisors is an outgrowth of the industry's obsession with women clients now that it's clear that women are earning, inheriting and controlling money."

NO CANDIDATES?

Independent advisors who did agree to be interviewed pointed to the scarcity of African-American advisors as candidates for available positions.

'DIVERSITY FOLLOWS WEALTH. THE CURRENT INTEREST IN FEMALE ADVISORS IS AN OUTGROWTH OF THE INDUSTRY'S OBSESSION WITH WOMEN CLIENTS NOW THAT IT'S CLEAR THAT WOMEN ARE EARNING, INHERITING AND CONTROLLING MONEY.'



PHOTOGRAPH BY ERIC MILLETTE

"THE HISTORICAL LACK OF WEALTH AMONG BLACKS IS A MAJOR FACTOR," SAYS FRANK PARÉ, PRINCIPAL OF THE PF WEALTH MANAGEMENT GROUP IN OAKLAND, CALIF.

"In all the years that we have put out ads for different advisor positions, we've only interviewed [a few] African-American applicants," says Tom Orecchio, principal at Modera Wealth Management in Westwood, N.J., and former NAPFA chairman.

One applicant was offered a position, but decided to take a job at a wirehouse instead, he says. Modera currently has no African-American advisors.

In the 25-plus years since Greycourt, the Pittsburgh-based \$9 billion wealth management firm focusing on ultrahigh-net-worth clients, opened its doors, no African-Americans have even applied for a job, says its chairman, Greg Curtis: "That's how bad it is."

"It would be great" to have an African-American as one of the firm's dozen client-facing advisors, Curtis says. But working with "a bunch of rich white people" — a reference to Greycourt's existing clientele — may not be particularly appealing to a young African-American, he speculates.

While Greycourt clients have asked to work with women advisors, there has been no similar demand for African-American advisors, Curtis reports. Nor does he see the situation changing "any time soon."

ROOT CAUSES

At its root, the discrepancy appears to be grounded in one regrettable but stark economic reality: Historically, black Americans have earned less money and have less wealth than white Americans.

While the situation has improved in recent decades, the income gap is still considerable: Based on median earnings of people over age 25 who are employed full-time, compiled by the U.S. Bureau of Labor Statistics, the average annual income of African-Americans is \$34,424, some 20% less than their white counterparts.

"The historical lack of wealth among blacks is a major factor," says Frank Par?, an African-American who is principal of PF Wealth Management Group in Oakland, Calif. "Even as incomes for blacks have risen, there's still a disparity between income and wealth. People have been concerned with paying their bills and buying a house and there hasn't been much exposure to or education about financial advisors, which is a relatively new industry to begin with."

Another issue may be the disaggregated nature of the industry. "RIAs don't have the same pressure [to diversify] on them as the big firms with shareholders who feel an obligation to be diverse," says Danny Sarch, a veteran of executive searches and president of Leitner Sarch Consultants in White Plains, N.Y.

"What makes the situation worse is that there's no training pipeline for the independents," Sarch adds. "They're just poaching from each other, and the supply is limited and homogenous."

Cultural issues may be another problem, suggests William Pitney, an African-American CFP and financial coach who is founder and CEO of FocusYou, based in the San Francisco Bay Area. "It was never something that was even talked about," Pitney says.

Even blacks who have been able to succeed professionally are often "uncomfortable" talking about and investing money, Pitney suggests. "If you come from a family where that was the case," he asks, "why would you go into an industry that's all about money?" Relative disparities in income and wealth are also perceived as a disadvantage — and



A Familiar Face

A financial planner's determination to serve her community.

THE NEXT GENERATION

Perhaps the most encouraging sign for increased diversity in the industry can be found at colleges offering financial planning degrees that are targeting minorities, industry observers say.

"Young people want to change the world, and minorities want to change what happened to them and their family," says veteran advisor Deena Katz, an associate professor at Texas Tech University's Personal Financial Planning

disincentive — for African-Americans who want to become advisors.

"At some point, you need to have a book of business," says Braxton, who has served on the FPA's diversity committee. "When you're building that business, you're naturally going to turn to people you know, whether it's friends, family, classmates or people in the same social network. But if you're approaching African-Americans, you have a smaller base to work from."

CHANGING DEMOGRAPHICS

Still, the country's demographics are changing. Non-whites currently make up over one-third of the U.S. population and are expected to account for about 40% by 2025, according to the U.S. Census Bureau.

The African-American market for financial services is also growing. Despite a lingering "wealth gap" compared with white Americans, median weekly earnings for black Americans over 25 years old have

risen 33% in the past 14 years, according to the U.S. Bureau of Labor Statistics. The African-American market is estimated to have close to \$1 trillion in spending power and 9 million African-American baby boomers are expected to retire within 20 years.

As is true elsewhere in the high-net-worth market, business ownership accounts for a significant chunk of African-American wealth. There were 1.9 million African-American owned firms in the U.S. as of 2010 — the most recent year for which the U.S. Department of Commerce's Minority Business Development Agency provides statistics — averaging \$912,000 in annual receipts.

'RIAS DON'T HAVE THE SAME PRESSURE [TO DIVERSIFY] ON THEM AS THE BIG FIRMS WITH SHAREHOLDERS WHO FEEL AN OBLIGATION TO BE DIVERSE.'

In Ohio alone, there are over 50,000 black-owned businesses, according to Jacqueline Williams, chief of the Minority Business Development Division at Ohio's Development Services Agency. Earlier this year, the agency hosted a Black Enterprise Conference that drew over 1,000 attendees.

Yet in the 12 months that she's held the job, Williams says, she has met only one African-American financial advisor. "I don't see them and I don't hear about them," she says. "It's very puzzling, because I certainly believe there's an unmet need for that service in the African-American community. There's clearly a market among business owners, who are looking for someone they can trust and help grow their business."

More generally, African-American families are underserved by financial advisors, according to the Rev. Anthony Evans, president of the National Black Church Initiative, which is working with 34,000 black churches across the country to provide financial literacy educational programs.

program. "If we present financial planning as a way to do that, it's a very attractive way to appeal to them."

That kind of idealism — as well as seeing the opportunity to make a good living — resonates among young minority students, says Duncan Williams, professor of financial planning at William Paterson University in Wayne, N.J. — where, he says, just over half of the school's financial planning students are minorities.

William Paterson is getting the word out by inviting academic advisors from local high schools and community colleges to the school for lunches to hear about the program. And the effort is paying off: In the last 12 months, the financial planning program has received approximately 400 job announcements for its students, Williams says.

"People in the industry realize that what they see here is what America looks like, and that we have a good story to tell," he says.

Other financial planning programs, such as the master's programs at Texas Tech and the University of Georgia, are also emphasizing recruiting minority students. A number of historically black colleges, such as Delaware State and Prairie View A&M in Texas, are also beefing up their financial planning programs.

"I'm optimistic, because more African-American students are beginning to see financial planning as relevant," says Nandita Das, associate professor of finance at Delaware State. "They see that blacks are comfortable talking about finances to people like themselves, and they see this as a niche they can fill."

— Charles Paikert

"We're seeing a huge need for financial planners," Rev. Evans says. "More black families are entering the economic mainstream, have more income and are saving for college and retirement. ... They need advice and [the financial services industry] is passing up millions of dollars by not reaching out to them."

GROWTH CHALLENGE

Many believe the profound lack of diversity among advisors will be a major handicap in an industry already grappling with an aging — and predominantly male — workforce.

"If we want to continue to grow, we need to have a diverse workforce that mirrors the population," says Diahann Lassus, principal of the wealth management firm Lassus Wherley, which is recruiting job candidates from William Paterson University's financial planning program, where half the students are minorities. [See sidebar on this page.]

"We're planners, after all," says Lassus, whose firm has offices in Bonita Springs, Fla., and New Providence, N.J. "When we look down the road, we see a different client base than what we have now. That's the reality of the world."

Yet concrete programs to increase the number of African-American advisors at independent firms have been scattershot at best.

Raymond James has made one of the industry's more substantial efforts, partnering with Inroads, a nonprofit organization that works with minority youth. The firm has hired Inroads interns to work in its corporate offices and is launching a program with the organization to hire students to work in Raymond James branch offices and ultimately encourage them to enter its advisor training program.

The company has also established an African Heritage Network employee support group that identifies "high potential associates" for advisor training and mentoring.

"I know these are just small steps," Reilly says, "but I'm passionate about making headway on our efforts. We'll continue to review ways to increase our entry-level pipeline as well as opportunities for experienced professionals, because we believe a diverse advisor population makes good business sense."

Edward Jones' BRIDGE diversity program for its employee advisors is also often cited as exemplary for its emphasis on formal one-on-one mentoring relationships.

For now, however, there are few support groups and conferences for independent



PHOTOGRAPH BY BRAD TRENT

"IF THERE IS NO PASSION FOR DIVERSITY, IT DOESN'T GET DONE," SAYS LAZETTA BRAXTON, FOUNDER OF FINANCIAL FOUNTAINS IN BALTIMORE. "YOU NEED PEOPLE OF NON-COLOR TO BE ADVOCATES."



REV. ANTHONY EVANS
LEADER OF 34,000 CHURCHES

SPARKING INTEREST AT BLACK SCHOOLS

A financial planning program for students at three historically black institutions in Atlanta got a jumpstart from a U.S. Department of Agriculture grant. The classes are held at Clark Atlanta University, but are also open to students at Spellman and Morehouse colleges.

African-American advisors. Although the Association of African American Financial Advisors has national aspirations, it currently is primarily a regional organization in the Baltimore-Washington area. And while the American College of Financial Services hosts an annual Conference of African-American Financial Professionals, most of the attendees work for insurance companies.

NAPFA, too, is "very early on in conversations" about diversity initiatives, and is "gathering data to show that a career as a financial advisor can be viable," says Geof Brown, the association's chief executive.

"The industry understands that this is a conversation that needs to take place," says Brown, who himself is African-American, adding that NAPFA hopes to partner with custodians and academic graduate programs. "We need to see what we can do to broaden access and knowledge about the profession."

FIXING THE PROBLEM

What else can be done to increase the numbers of African-American financial advisors?

"Three things are critical: awareness, exposure and opportunity," says Trudy Turner, who has been an advisor with Robertson, Grieger & Thoele, a \$3 billion firm in Dallas, since 2005.

"As a profession, financial planning is not even on the radar in a large part of the African-American community," adds Turner, who is now director of financial planning for the firm, and has been named one of the top financial planners in Dallas by D magazine for the past 12 years. "There need to be role models, and they need to be out there so people can see them."

Introducing young African-Americans to financial planning has to start in the schools, says Derek Klock, associate professor at Virginia Tech's financial planning program. "You have to get advisors into the high schools where the black students are," he says.

Marc Turner, an African-American advisor who owns his own business, Renaissance Advisory Group in suburban Philadelphia, has been doing exactly that. He teaches city high school students about the stock market and financial literacy, and he says he is encouraged by what he sees.

"Those young people are seeing someone like me working in the financial markets and owning my own business, and they feel they have a chance — they want to emulate that," Turner says. "The message is pretty clear: If I can do it, you can too."

Scholarships, internships, mentoring programs and increased recruiting are all seen as vitally important to increase the number of African-American advisors. Indeed, mentoring is the "critical missing element" in increasing the industry's racial

"We found that students who were accounting, finance or business majors like having more options," says Crystal Hudson, an assistant professor at the university's school of business who also is the program director. Students can either minor in financial planning or take a dual-concentration within a broader finance major.

"They see that they can take these tools and help themselves as well as the community," she says.

Thanks to a separate USDA grant for higher education, Atlanta university students are helping city residents do their tax returns and learn more about personal finance. That program began at the University of Georgia, where Hudson got her Ph.D in financial planning; the program has a history of community engagement, says associate professor Lance Palmer.

"We've done over 1,000 tax returns as well as financial counseling," Palmer says. "It's a very tangible activity where we serve an underserved population. About 40% of the volunteers are African-American students, and it's really appealing to them because they see how they can make a difference."

— Charles Paikert

IN SEARCH OF TRUE DIVERSITY

While the industry focuses on female planners, where's the push to attract advisors of color?

By Marc Turner

Over the last several months, I have noticed an effort from various custodians and industry publications to bring awareness to the lack of women advisors.

Unfortunately, the lack of women advisors in the investment industry does not come as a surprise to me at all — actually, I was



diversity, says FPA president Janet Stanzak; she says the association is considering launching a mentoring match program.

The FPA's Diversity and Inclusion Initiative also sponsors diversity scholarships to help advisors attend the association's annual retreat and conference. This year, one award went to an advisor who works with lower-income clients. But the association does not have scholarships specifically for minority students, and no other new projects are being planned, says Stanzak, who is also principal and owner of RIA Financial Empowerment, based in Bloomington, Minn.

The Association of African American Financial Advisors tries to give out one or two scholarships a year, but they are dependent on the association's budget and outside contributions; the last scholarship was awarded in 2012.

POTENTIAL CAREER PATH

Advisory firms need to step up, prominent industry figures say.

"We should be doing more to create summer internships for minorities at the high school level so that they can begin thinking about this industry as a career path," says Mark Tiberghien, chief executive officer of Pershing Advisor Solutions.

To recruit talent, advisors need to get into minority neighborhoods outside their usual comfort zone, says Kate Healy, head of institutional marketing at TD Ameritrade Institutional.

"Advisors have to look at people for their potential and not just their experience," Healy says. "If we look for experience, we're just going to keep getting the same people."

Braxton says that successful recruiting begins with advocacy inside firms. "There are certainly not enough recruiting efforts out there," she says. "It has to be intentional. If there is no passion for diversity, it doesn't get done. You need people of non-color to be advocates."

At the very least, internal support within wealth management firms is critical for success, say African-American advisors.

"The firm has to believe in you — that's key," Trudy Turner says. "I think money is color blind and that in most circumstances people are looking for competency and not at skin color," she adds. "I was good at what I did and I had the support of senior management — and that made all the difference."

Charles Paikert is a senior editor of Financial Planning. Follow him on Twitter at @paikert.

pleasantly surprised to hear that 23% of CFPs across the industry were women. And I am thrilled to see this problem addressed within our industry.

Yet as much as I truly understand and sympathize with women investment advisors, I also must address and continue to bring light to an even more ridiculously underrepresented segment of advisors in the marketplace: African-American investment advisors. I am saddened that very little mention has been made of our minuscule representation within the industry.

I run a 100% minority-owned RIA in Pennsylvania. I started the firm several years ago with my own financing, and my wife and I manage and operate it.

The firm now has approximately \$50 million in assets under management. While I recognize some people would consider that a boutique-sized firm, our smaller size allows us to participate in several local charities with both our money and our time.

From my own informal personal survey — which comes from my many years of attending investment industry seminars, conferences, associations and webinars — I have found very little diversity in the industry, if any. Over the years, I have been extremely disappointed to see how few advisors who look like me there are attending these functions.

Even though this remains a source of frustration, I remain steadfast in trying to share my own story with young students, in an effort to enable them to see people of all races doing what they are passionate about.

I want to be able to create opportunities for others within the industry, and to spread the understanding that it's imperative to give back to our community.

In a perfect world, advisors would look more like the many different faces they serve on a daily basis. In the meantime, however, I welcome the chance to be a representative of that small segment of advisors that do not quite look like the rest.

Perhaps sharing stories of diverse advisors will give young people examples of careers in our industry — and of successful professionals whom they can emulate.

Marc Turner is founder and managing director of Renaissance Advisory Group in Bryn Mawr, Pa.

NBCI faith Community financial Profile



- No. of NBCI Member Churches 34,000
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- Estimated income of NBCI Non-Mega Church Congregants \$15,000 – \$10 million
- Estimated income per church \$250k – \$100 million
- Estimated income of NBCI churches \$20 - \$45 billion
- No. of Mega-Churches 105
- No. of Small businesses in NBCI member churches 70,000
- Average size of Mega-Churches 8,500 - 20,000 people
- Estimated income of Mega Church Congregants \$40,000 – \$10 million
- Estimated income per church \$6 – \$70 million
- Average size of NBCI Churches 250 people
- Percent of African American Ministers with M. Diva Degrees 6%
- Percent of congregants that Saves 12%
- No. of churches who have credit Union 3500-7500
- No. of churches who have separate Economic Development Corp. 4,675
- No. of Congregants who own their cars 83%
- Percentage of Congregants who are finically secure 35%
- No. of Congregants who own their home 30-52%
- No. of congregants who invest in the stock market 13%
- No. of congregants who have purchased financial products 15%



Strategy on Wealth Building

The National Black Church Initiative (NBCI), a faith-based coalition of 34,000 churches comprised of 15 denominations and 15.7 million African Americans, has taken great care over the last three years to evaluate our members' understanding of financial literacy issues including stock markets, wealth building strategies and investment techniques. To date, we have conducted two major surveys across a broad spectrum of 50,000 members to evaluate their knowledge of financial topic and participation in critical wealth-building activities. The details of our Financial Literacy Program are as follows:

NBCI Comprehensive Financial Literacy Program

- Conducting a six-month forensic budget analysis for an exact map of each penny moving into and out of the participant's bank account.
- Emphasizing savings, cutting out needless spending. This is when our members will join NBCI Program: *Saving One Year's Salary over the Next 7 Years*.
- Using the *NBCI Money Booklet* to organize finance. The goal here is to have all financial numbers in one booklet accompanied by important financial papers. This booklet is in its final draft and going through a rigorous evaluation process.
- Engaging in *NBCI Online Money Course*.
- Seeking out Wealth Professionals from well-known and respectable financial institutions for assistance on how to manage and grow wealth.
- NBCI Financial Strategy in Helping Our Children Prepare for the Future.

NBCI Financial Data Survey Capacity

NBCI's incredibly expansive membership base represents every major segment of the African American community, across all ages, locations, incomes, sexual orientations and genders. We have worked to cull meaningful population data from this cross-section of 15.7 million congregants. To that end, NBCI periodically conducts congregational surveys around finance, wealth building and financial strategies and techniques. This has guided and shaped the NBCI Comprehensive Financial Literacy Program.

Based on our findings, we learned that the church has a specific role to play in fostering financial education and identifying credible financial institutions that will help the black community maintain, and in some respects achieve, wealth. Nearly 50,000 couples have sought out the church's assistance for help finding credible financial assistance.¹

During the early days of the Recession, in the first major survey of our membership, we found that African American middle class families were spending 30% over their budgets. We also were able to understand why this Recession had such a deep and abiding impact on Black economic development. African American housing was up 49% at the height of the housing boom. Some housing experts cannot agree how steep of a fall of those statistics experienced given the fact that there are still 4 million homes in foreclosure. Some housing experts say it is down to around 30% while others say it has recently hit 43%.

Below are questions from our first survey:

1. Are you male or female? Churchgoer, yes or no? Age?
2. Do you have a bank account? Do you have a mortgage?
3. Are you underwater in a mortgage?
4. Do you have retirement savings? Do you have a regular savings account?
5. Do you own stocks? Where do you get your information concerning how to pick stocks?
6. Do you have sufficient insurance? Health? Auto? Life?
7. Do you have substantial credit card debt? Ten Thousand? Fifteen Thousand? Twenty Thousand? Thirty Thousand?
8. Do you have an emergency fund? How long would that emergency fund last you? Six months? Twelve months? Twenty-Four? Thirty-six?
9. Are you looking for a house?
10. Have you ever consulted with a professional financial planner or wealth manager?

NBCI Saving Program

NBCI has created a program entitled *The National Black Church Initiative Wants Every Black Family in America to SAVE: 1 Year of your Annual Salary over the Next 7 Years and the Twelve Rules for Financial Health*. Through this program, we require every employed person in each family, to save 1 year of their salary over the next 7 years.

NBCI Online Money Course and Money Booklet Program

NBCI introduced its *Online Money Course and Money Booklet Program*. NBCI's Money Course is a take on Finance 101. Its curriculum seeks to make money management easy to understand, and break course material down into adjustable time frames spanning from either six months to up to three years. These courses cover fundamental principles and give students the tools they need to feel confident and financially literate. Minorities, especially African Americans and

Latinos, will be encouraged to enroll. Over the course students are given an NBCI Money Booklet alongside other relatable and accessible course texts. Our inaugural class will begin in the fall of 2014.

The NBCI Money Booklet has a thoughtful and comprehensive layout, allowing individuals and families to get a complete picture of their assets and liabilities in an easy-to-read, unintimidating format. Having their financial scorecard at their fingertips will give users a sense of control over their money and encourages smart financial decisions. NBCI's Money Booklet will consist of information including but not limited to – salaries, tax status, insurance, stocks and other relevant financial data.



To further assist our constituents NBCI created a partnership with TrustEgg, Inc. Through this ground-breaking strategic initiative both organizations work together through grassroots efforts to engage as much of the black faith community as possible, carrying the message that early financial planning delivers great rewards and creating over one million accounts for families and children. The partnership will engage families across America to start saving with TrustEgg to help ensure a bright future for all of their children. This collaboration will leverage TrustEgg's financial resources to help bridge the socioeconomic divide affecting the black faith community, adding to the 125,000 families NBCI has already educated on financial literacy issues.

NBCI Community Built Program

We also found one of the reasons African American homeowners, especially those who signed subprime no-doc loans, did not have sufficient reserves to cover the mortgage before it was readjusted to a higher rate. Budgeting was the main culprit – mainly the fact that most did not have one and their monthly income was fluid. Given these factors, it is clear these homeowners did not have a chance of surviving the economic crisis. As a result of this statistical survey analysis, we created a game plan to strengthen the wealth-based education of our 15.7 million congregants.

NBCI as a community leader received over 7,000 calls from distraught pastors and congregation members pleading for mortgage assistance from either the church or NBCI directly. Responding to this outcry, we proactively partnered with the housing industry through Fannie Mae and the Mortgage Bankers Association to help launch a national foreclosure prevention educational program. NBCI showcased one of the first foreclosure prevention guides - *The National Black Church Initiative Foreclosure Prevention Guide – Help for Homeowners Facing Financial Hardship*. NBCI worked as a partner with the Homeownership Preservation Foundation Hope Program, launching the trailblazing, first-of-its kind African American foreclosure assistance program.

After our joint launch NBCI's regional offices, called Faith-Commands, worked tirelessly to advocate and educate across our membership base and beyond. We held over 3,700 educational housing sessions and participated in over 1,700 housing workshops with lenders including every

major bank. As a result, NBCI helped over 250,000 families and individuals receive critical information on how to save their homes and their families.

NBCI distributed over 700,000 copies of *The National Black Church Initiative Foreclosure Prevention Guide – Help for Homeowners Facing Financial Hardship* with the help of various lenders and Fannie Mae.

As the housing crisis continued NBCI learned the root cause of problems facing African Americans in our community and refocused our efforts. We learned through our outreach that homeowners, especially African Americans, were not communicating with their lenders and were not adequately educated enough to handle their finances.

In order to dive deeper into the problem, we sent a directive to our pastors and bishops to survey their congregations and to make sure that those distressed homeowners were in touch with their lenders no matter the situation. NBCI also focused programmatic efforts on connecting people to federal and state resources available to homes hit by the crisis.²

Partners Benefits

We are prepared to offer our wealth-building partners the following opportunities. All of these markets need careful development.

1. Help provide financial advice to our 350,000 – 500,000 African American couples who have strongly expressed a desire to understand what it means to have a financial advisor and how to grow wealth.
2. We would allow our wealth partners an opportunity to help shape our congregational-based financial surveys for the purpose of understanding our membership's approach to finances and achieving actionable data.
3. An opportunity to help NBCI interpret that data for the purpose of creating profitable financial products for our wealth-building membership sector.
4. An opportunity to help shape the educational approach to NBCI's membership through our money course and money booklet.
5. An opportunity to impact and service the various mortgage needs of our 15.7 million members

² National Black Church Initiative Homeowners Workout Seminar. November 6th, 2010

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- No. of congregants who invest in the stock market 13%
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The Prudential 2013 Study Prudential 2013 Study: African American Financial Experience

Financial Progress the African American community is a growing economic force fueled by an increasingly powerful middle class.

Middle Class and Affluent Continue to Grow

Approximately 4 in 10 surveyed have an annual household income of \$75,000 or more, and nearly 25% earn six figures.

- About one-third (35%) of African Americans surveyed have \$50,000 or more in financial assets, including savings, investments, and employer-sponsored retirement accounts.
- Personal Progress Made in Difficult Economic Times.
 - Despite feelings that the U.S. economic downturn is still ongoing, primarily due to high unemployment, half of African Americans feel better off financially than a year ago, while only 19% feel worse.
- More Confidence and Preparedness than General Population
 - Forty-six percent of African Americans compared with 35% of the general population feel very well prepared to make financial decisions.
 - Compared with the general population, African Americans feel significantly more confident (42% v. 30%) and optimistic (30% v. 21%) when making decisions about their money. Consistent with this confidence, African Americans feel less uncertain (22% v. 31%), anxious (18% v. 28%), and intimidated (5% v. 10%) about financial decisions

Financial Challenges

The emerging middle class shares many of the financial challenges of the larger community, including debt reduction, supporting more family members on a single income, and achieving retirement security.

- Reducing Debt
 - African Americans are significantly more likely to have some type of debt (94%) compared with the general population (82%). Credit card debt, student loan debt, and personal loans are all significantly higher in the African American community.
 - Non-mortgage debt, particularly student loan debt, is significantly higher than the general population. College-educated African Americans report student loan debt at a ratio of nearly 2:1 compared with all college-educated Americans.
 - One in four African Americans has felt anxiety or depression as a result of debt.
- Supporting Family Members
 - African Americans are more likely to live in female-headed households. Two-thirds of African American women surveyed are working compared with 58% of women in the general population. African American women are less likely than the general population to have a spouse or partner present (60% v. 74%), and thus more likely to carry the financial responsibilities of the household on a single income.
 - Multi-generational households—with parents, adult children, and grandparents—are more common among African Americans. Moreover, African American families are also particularly likely to provide support for extended families regardless of whether they live under the same roof. About six in ten African Americans provide financial support to

someone else. They are significantly more likely than the general population to financially support parents and other relatives.

- The so-called “sandwich generation”—those supporting both younger and older family members—is especially prominent in the African American community. One-third of African Americans are financially supporting children under 18 or grandchildren, and 9% are supporting parents or grandparents—both higher than the general population (25% and 4%, respectively).
- Achieving Retirement Security
 - One in five African Americans say that concern about their ability to retire keeps them up at night, and one in four is worried about the future of Social Security.
 - On average, African Americans expect to—and do—retire earlier than the general population, despite lower retirement savings. One in four non-retired African Americans expect to retire before age 60, compared to one in five of the general population. The expectation of an earlier retirement aligns with the experience of the current retirees surveyed; the average retirement age for African Americans (56) is significantly lower than for the general population (59).
 - Nearly half of African Americans have a workplace retirement plan, such as a 401(k), and eight in 10 eligible to contribute are doing so. Yet, many continue to contribute less than their employer match or take loans from their plan.

“The African American Financial Experience” survey was conducted March 7 - 19, 2013. We surveyed 1,153 Americans who identify as African American or Black and 471 general population Americans on a broad range of financial topics. All participants met the following criteria:

- Age 25 - 70
- Household income of \$25,000 or more
- Some involvement in household financial decisions

The findings are representative of the population described above, subject to a margin of sampling error of +/- 5% for African Americans and +/- 6% for the general population.

Now is the time to achieve your GOLD over the next Seven Years.

How much does a cup of coffee cost?

The tall (small) is \$1.75; The medium (grande) is \$1.96; and the large (venti) is \$2.07

How much does a pack of cigarettes cost?

In the US, between \$4 and \$6 dollars depending where you buy them. But many states tax the sale of cigarettes heavily.

How much does your lunch cost?

If you can save a little from each of these 3 things, look what you can save in a year. WOW!

SALARY	PER YEAR	PER MONTH	PER WEEK	PER DAY
\$5,000	\$714	\$60	\$14	\$1.96
\$10,000	\$1,429	\$119	\$27	\$3.91
\$15,000	\$2,143	\$179	\$41	\$5.87
\$20,000	\$2,857	\$238	\$55	\$7.83
\$25,000	\$3,571	\$298	\$69	\$9.78
\$30,000	\$4,286	\$357	\$82	\$11.74
\$35,000	\$5,000	\$417	\$96	\$13.70
\$40,000	\$5,714	\$476	\$110	\$15.66
\$45,000	\$6,429	\$536	\$124	\$17.61
\$50,000	\$7,143	\$595	\$137	\$19.57
\$55,000	\$7,857	\$655	\$151	\$21.53
\$60,000	\$8,571	\$714	\$165	\$23.48
\$65,000	\$9,286	\$774	\$179	\$25.44
\$70,000	\$10,000	\$833	\$192	\$27.90
\$75,000	\$10,714	\$893	\$206	\$29.35
\$80,000	\$11,429	\$952	\$220	\$31.31
\$85,000	\$12,143	\$1,012	\$234	\$33.27
\$90,000	\$12,857	\$1,071	\$247	\$35.23
\$95,000	\$13,571	\$1,131	\$261	\$37.18
\$100,000	\$14,286	\$1,190	\$275	\$39.14
\$125,000	\$17,857	\$1,488	\$343	\$48.92
\$150,000	\$21,429	\$1,786	\$412	\$58.71
\$200,000	\$28,571	\$2,381	\$549	\$78.28
\$250,000	\$35,714	\$2,976	\$687	\$97.85
\$300,000	\$42,857	\$3,571	\$824	\$117.42
\$350,000	\$50,000	\$4,167	\$962	\$136.99

Black churches have become financial planning educators

BY SAVITA IYER-AHRESTANI
MARCH 6, 2014 • REPRINTS



The National Black Church Initiative (NBCI) foresaw the mortgage crisis that hit the U.S. in 2008 a number of years before anyone even suspected such a cataclysmic event would happen.

Within the African-American community, at any rate.

As far back as 2004, “our pastors were calling us up, concerned at the number of people buying houses and asking for dedications [a church blessing],” says Reverend Anthony Evans, NBCI’s president. “They did not recall many of these individuals having steady and consistent employment and that set off a red flag.”

But in 2004, there wasn’t even a hint of the crisis to come, and convincing any official entity of that eventuality, as the NBCI tried to do, was next to impossible. So the NBCI went ahead on its own, Evans says, initiating a concerted financial literacy and education program that today remains a focus for the organization and aims to rebuild and increase the savings rate of **African Americans across the country**.

Once 2008 hit, of course, most of America was badly affected by the mortgage crisis and its after-effects, but because the African-American community is usually “three years behind every boom and bust,” the effects of the crisis have been even deeper and more protracted, Evans says. More importantly, they have impacted the capabilities of the church, to which many – even those in the higher-income brackets who were its key financial supporters – have turned to and continue to look toward for help.

Given that the church is the main pillar of the Black community (“the pastor is the spiritual leader of the church – he comes to grandma’s bed when she dies and visits Little Timothy in jail... nothing happens in an African-American church without the pastor’s sanction,” Evans says), it has to be financially sound in order to provide support to its congregation, so a major part of

the **ongoing financial literacy** and education program is aimed at fortifying the church's finances first.

However, "we also want our congregation to know that the church is *not* the lender of last resort," Evans says, so the program also hopes to be able to impart the basics of proper financial planning, from day-to-day budgeting to saving, to church members. Not only will these people **become more financially astute** and able to fend for themselves better, but as their savings increase, they will be in a position to give back to the church, which will then be able to extend a helping hand to the neediest members of its congregation, Evans says.

Thus far, NBCI has successfully educated 125,000 families on the important facets of proper financial planning, Evans says, through classroom-style financial literacy classes and other grassroots approaches. The church also asks all its members to save one year of their salary over the next seven years and it has applied for a grant to kick off an online, faith-based financial education course that can be completed in anywhere from six months to three years.

"Our program remains in effect over the next 10 years as a way to establish budgetary discipline in the church and in families that attend our church," he says. "We want to improve church members' overall credit rating and we also want to deal with the unemployment in the African-American community. We have to be able to find jobs for the middle-class members of our congregation that are unemployed but are the backbone of our church budget."

To that end, one of the fastest growing sectors looking to employ African-Americans and other minorities is the financial planning industry. Firms like Wells Fargo and others are keen to hire more minorities and are making a concerted effort to recruit African Americans, Evans says.

He firmly believes that over the next decade, there will be a significant increase, to the tune of 6% to 7%, in the domestic savings of the African-American community, and that this will pique the interest of the financial services industry.

To ensure that happens, the NBCI will shortly be conducting its own survey of the financial health of its community members.

"Ours will be a microscopic study of where every dollar goes in the black community," Evans says.

To date, he says, the availability of data that allows the financial services industry to assess the financial condition of the Black community is limited, "so we want to be able to document the exact rate at which the savings rate is going to increase over the next several years, to allow the financial industry to measure deposits based on geography and other factors."

Evans has been president of NBCI since 1992 and continues to work on behalf of social and economic justice issues. He leads a coalition of 34,000 churches across the country.

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Kids count: Black church group challenges its members to open trusts for their children

trustegg

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The National Black Church Initiative has partnered with online trust platform TrustEgg.

BYPHYLLIS FURMAN

NEW YORK DAILY NEWS

Thursday, June 19, 2014, 4:49 PM

Mission: get African American parents focused on saving up for their kids.

Leaders of the National Black Church Initiative (NBCI), a coalition of 34,000 churches, gathered at the Canaan Baptist Church of Christ in Harlem on Thursday to kick off an ambitious program to advance the financial stability of their community.

The group has partnered with TrustEgg, an online trust platform, and is urging its 15.7 million church members to open up TrustEgg accounts for their children. The goal is 1 million accounts.

"This will be a wonderful opportunity to focus our parents on putting aside money for their kids," NBCI's president, Rev. Anthony Evans, told the Daily News.

The event organizers chose to launch on Juneteenth, the June 19th holiday commemorating the abolition of slavery.

The TrustEgg partnership is NBCI's second large scale effort to rally its members and promote financial health in the wake of the financial crisis.

In 2010, the group asked its members to put away one year's worth of salary over seven years. Now NBCI is shifting its focus to creating early savers.

While African Americans have made financial strides since the recession, they still face serious challenges.

This will be a wonderful opportunity to focus our parents on putting aside money for their kids.

According to Prudential's 2013 African American Financial Experience study, Blacks are significantly more likely to have some type of debt (94%) compared with the general population (82%).

"The Black community has suffered disproportionately in mortgage crisis," Evans said.

The partnership with NBCI represents a growth opportunity for TrustEgg, a San Diego-based tech startup.

The company allows parents to set up trusts online. There is no fee and there are no minimums. Parents can invite others to deposit money directly into the account.

There is an annual cost of .89%. The money is invested in Vanguard funds. Account values could go up, or down, depending upon the performance of the funds.

As part of the partnership, TrustEgg has agreed to fund some of NBCI's financial literacy efforts.

"We really expect a million accounts," TrustEgg CEO Jeff Brice told the News. "We will help them all along the way."

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May 19, 2014
For Immediate Release

NBCI and TrustEgg Partnership Takes Off

Collaboration Promises One Million Savings Accounts to Secure Children's Future

Washington, DC – The National Black Church Initiative (NBCI), a faith-based coalition of 34,000 churches comprised of 15 denominations and 15.7 million African Americans, announced on May 19th, 2014 a ground-breaking strategic partnership to offer TrustEgg's expertise and resources to NBCI's nationwide membership base, helping **one million** children start savings accounts. This collaboration will leverage TrustEgg's financial resources to help bridge the socioeconomic divide affecting the black faith community, adding to the 125,000 families NBCI has already educated on financial literacy issues.

TrustEgg was officially launched in 2013, when Jeff Brice brought his vision of an easy-to-use savings solution for his niece's future to life, one that could be shared with the entire family. With the impact of social media TrustEgg's reach flourished, and Brice had created a revolutionary child savings product, leveraging the power of social networks such as Facebook and Twitter.

"This is a wonderful addition to NBCI's portfolio of financial wellness plans. Combining TrustEgg's expertise and tools with our 15.7 million-strong membership base opens new doors for the African American community" said Rev. Anthony Evans, NBCI President. "As a leader in housing and financial issues for the Black Church, we are in a strong position to convey the importance of savings, and TrustEgg's tools finally present this important resource in a way that speaks our congregants' language. We are thrilled to see the benefits this partnership will undoubtedly create."

African American families save substantially less over the course of their lives, risking the financial health of their children and themselves. According to the Brookings Institution, the median financial assets of African American households age 70 or older is about \$300 in financial assets compared to \$13,000 held by the median retired household nationwide.

Jeff Brice, CEO of TrustEgg has great hope for the partnership, saying “The NBCI child savings account initiative is going to show every family in the U.S. that saving for their children's future is both easy and important. TrustEgg as a tool to empower anyone independent of background and current wealth status, and we are excited to see this partnership change the national savings rate, helping start one million families on the path to financial security.”

Over the next few months, both organizations will work together through grassroots efforts to engage as much of the black faith community as possible, carrying the message that early financial planning delivers great rewards and creating over one million accounts for families and children. Following an upcoming launch event on June 19th, 2014 at the historic [Canaan Baptist Church](#) in Harlem, New York the partnership will engage families across America to start saving with TrustEgg to help ensure a bright future for all of their children.

About NBCI

The National Black Church Initiative (NBCI) is a coalition of 34,000 African American and Latino churches working to eradicate racial disparities in healthcare, technology, education, housing, and the environment. NBCI’s mission is to provide critical wellness information to all of its members, congregants, churches and the public. The National Black Church Initiative’s methodology is utilizing faith and sound health science. The National Black Church Initiative's purpose is to partner with major organizations and officials whose main mission is to reduce racial disparities in the variety of areas cited above. NBCI offers faith-based, out-of-the-box and cutting edge solutions to stubborn economic and social issues. NBCI’s programs are governed by credible statistical analysis, science based strategies and techniques, and methods that work.

Website www.naltblackchurch.com.

About TrustEgg

TrustEgg is the simplest way to save for a child's future. TrustEgg enables anyone to create a Trust for their child in minutes for free with no minimums. The Trust can then be shared with friends and family. TrustEgg is a better savings option for the 70+ million children in the U.S.

Website <https://www.trustegg.com>

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THE NATIONAL BLACK CHURCH INITIATIVE LAUNCHES A HISTORIC SAVINGS PROGRAM FOR THE BLACK COMMUNITY

Savings program will affect every Black family in America

The National Black Church Initiative, a coalition of the 34,000 African American churches, is launching its Savings for Life Program. This is an ambitious, bold and historic move on behalf of the Black Church. The Black Church believes it has no alternative given the devastating economic times in which we have witnessed the destruction of Black families, Black communities and Black economic structures. We feel that we have to gain the upper hand on these economic times and that calls for a biblically based savings initiative. In the Old Testament it discusses seven good years of harvest and seven bad years of harvest. During the good years of harvest God urged the people of Israel to store grain because there would be bad years. One can easily understand that this represents the ebb and flow of life and cycles; it is a natural order. Nothing in this world goes up and continues to go up forever. It is against nature and it does not make sense. Given the economic principles that you cannot have continuous growth you have to prepare yourself, your family and your community for the years where there is no growth at all. We are experiencing these times now.

In the past 20 years we have witnessed an economic diminishment of Black wealth largely stemming from the fact that there is a lack of capital available. Banks have traditionally refused to invest in the African American community and when they do it is less than ten percent than what the white community receives. If the Black community has hundreds of billions of dollars in these banks, they will have no other choice but to invest in African American communities. It is incumbent on the Black church's community to devise a new and bold plan and this new plan comes in light of a devastating economic downturn. This collapse was so devastating it nearly bankrupted the country, but one principle shined brightly in the gloom of this crisis: those who have prepared by storing up grain during the seven years of harvest could withstand this particular seven years of drought. The National Black Church Initiative has concluded through great deliberation and prayer over the last year that we must never allow our congregants to suffer through such devastating economic times when they were not the root cause of the problem. Therefore, we have decided to launch the Savings for Life Program.

This program urges every Black family in America to start saving upwards 20 percent of their salary per year over the next seven years. This will be done so that they may have at least one year of savings in the bank after 5-7 years. This would allow those families to withstand the economic downturns of this capitalist economy and allow them to pay their mortgage, take care of their bills, provide food and shelter for their loved ones and also prepare for any emergency, including a terrorist attack. The motivation for this program comes out of this economic crisis, but was crystallized during the Katrina disaster where poor African American families were wading through the waters of Jordan in the streets of New Orleans and did not even have \$200 in the bank to take a bus to safer grounds. This was shameful, maddening and spoke to the soul of the Black community and the Black church. The church's mission, role and job is to protect the poor and to spread the gospel. The best way the church can do this is to prepare the poor and this is why we are announcing this progressive savings program that has never been heard of or attempted and can only have positive results for not only the individuals who are saving, but also for our nation's economy.

We also will urge Black families to make strategic purchases during these times. These would be big ticket, energy saving items like cars or refrigerator or something that will last the family a long time. An economic crisis is often made an ever greater hardship when there is a family emergency like the car breaking down, the icebox shutting down, the roof leaking or an accident occurring. To avoid these things the Black Church will be offering financial literacy, advocating to African American churches across the country, teaching them how to reduce spending, how to plan for these "small" family crises and how to continue their savings programs and goals.

The purpose of strategic buying is to take advantage of government or privately sponsored programs that are going to give the family a significant discount in the purchase of large items like discussed previously. For instance this is an excellent time to buy a car or a house because of the government based incentives. This saves the family anywhere between ten and 20 percent depending on the nature of the program, like the Cash for Clunkers program. The government is now offering homeowners \$8,000 off the cost of their new home; you can also get an \$8,000 for buying a new car. One can see the savings in these two items and there are also savings on purchasing energy efficient windows, appliances and other goods. What we are urging families to do is do away with frivolous spending and immediately cut their debt in half or eliminate it over the seven year period.

A comprehensive, computer-based program on NBCI's Savings for Life program can be found on NBCI's website (www.naltblackchurch.com). We will offer all those interested in saving an economic health checklist of their situation and also offer 100 tips on savings, 100 tips how to curb frivolous spending and 100 tips on how to reduce debt. All this information will be at their fingertips.

You Can Save the Smart Way

by Laura Rowley
Monday, March 1, 2010

The annual "America Saves Week," an event organized by more than a hundred organizations to encourage consumers to sock money away, wrapped up at the end of February. It's not having a huge effect, at least according to the latest numbers -- the January personal savings rate fell to 3.3 percent from 4.2 percent in December, the lowest rate in 15 months, the Commerce Department reported this week.

If savings behavior isn't changing, consumer attitudes may be. A recent Gallup poll found 62 percent of Americans say they enjoy saving more than spending, while 35 percent reported the reverse. Back in 2006, respondents were split about 50-50 on the question. Moreover, 57 percent say they are spending less money in recent months than they used to, up from 50 percent last July. Among the newly frugal, 38 percent say this spending pattern is the "new normal," while 19 percent say the budget cuts are temporary.

The poll didn't examine how people are saving, but the latte-by-latte route is being challenged by some. "If you look at the things you spend the most money on, that's where you can save the most money," says Elisabeth Leamy, author of the new book "Save Big" and a "Good Morning America" consumer correspondent.

Leamy offers a hundred ways to save thousands of dollars on five top costs -- homes, cars, credit, food and health care. She argues that it's easier to squeeze money out of the big stuff than to pinch pennies. "I would rather focus ferociously on getting rid of junk closing costs when I buy a house or do the research every few years when I need to buy a car, than scrimping and struggling to save every day," she says.

The book offers step-by-step instructions to minimize closing costs on a house, negotiate the price of uncovered medical procedures and save on auto insurance, among other tips. Some suggestions are straightforward. You can save \$9 a month by keeping your tires properly inflated, or save tens of thousands by buying a used car and paying cash rather than financing. (Been there, [done that](#), it works; the only exception was the Kia we bought during the [Cash for Clunkers](#) program.)

Wiser Use

For consumers whose finances aren't particularly complicated, Leamy is a big advocate of pre-paying your mortgage. For example, suppose you take out a \$200,000 mortgage for 30 years at 6.5 percent interest. The monthly payment is \$1,264.14. Let's say you can afford to round up your monthly payment to \$1,300, paying an extra \$35.86 a month. You'll save \$23,900 over the life of the loan.

But for me, this is the trickiest part of personal finance. There are multiple goals crying out for that extra \$35.86 -- a fund for emergencies, college, retirement and those little expenses that make life worthwhile right now (like a vacation to Florida, especially if you lived on the East Coast this winter).

If you carry credit card debt, the best use of that \$35.86 is paying down those cards as quickly as possible, because the high interest rate is dismantling your road to riches brick by brick. Three simple steps: 1) Take five minutes to call each card company and see if they'll lower your interest rate. 2) Make all your minimum payments on time and in full and shovel the extra \$35.86 toward the highest interest-rate card. 3) When it's paid off, shift that minimum payment plus the extra \$35.86 to the next card, and keep rolling until you are free of credit card debt. (Watch out for [debt pay-down scams](#) that charge you for that same advice.)

Next, I would allocate that \$35.86 toward an emergency fund equal to three months' living expenses in a savings account. Personally, I keep my emergency fund in my checking account, because I get 3.5 percent interest on deposits up to \$30,000 if I use my debit card 10 times a month. I know I can only spend the amount above my emergency fund "base." This works remarkably well if you're disciplined. (Rule of thumb: If you've had more than one [overdraft charge](#) this year, don't try this, because you don't have enough control of your finances to make it work.) First [get a budget](#).

Now, let's assume you're free of revolving debt and have managed to save three months' living expenses. The next place I'd put the \$35.86 is in a retirement account. If it grows at 5 percent for 40 years, you're looking at \$32,864 (assuming a 2 percent rate of inflation). Click [here](#) for a method to compare the value of an extra mortgage payment to a 401(k) contribution.

Can We Have It All?

Frankly, I think you could make a good argument for splitting the \$35.86 between a retirement fund and a vacation fund, because the days are long, life is short and all you take with you are memories.

Unless, of course, you have kids; then maybe you put one-third of the \$35.86 to retirement, one-third to vacations and one-third to college. For instance, I used to make an extra mortgage payment but eventually allocated the money to my kids' 529 college savings plans. Why? Inflation on college tuition is running 7 percent. My returns over the last three years averaged 3 percent. The only way to reach our goal is to save more (and practice jump shots, on the outside chance the kids could ride a sports scholarship through college like their dad.)

Old-fashioned American optimism (and clever advertising) suggests we can have it all. Doing the math often demonstrates otherwise. At a certain point it comes down to making choices about the big things we want in life and setting goals to reach them, and then, as Leamy puts it, "buckle down and do the work."

It would be wonderful if America Saves Week inspires someone to skip a \$3 latte and save the cash -- but even better if it gets people to think about what they really value, and use their money accordingly.

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FOR IMMEDIATE RELEASE

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NATIONAL BLACK CHURCH INITIATIVE, MORTGAGE BANKERS ASSOCIATION AND FANNIE MAE RELEASE FORECLOSURE PREVENTION GUIDE

Washington, DC (April 8,, 2008) -- In response to the ongoing troubles in the housing market, the National Black Church Initiative and thirteen historic African American denominations have come together with industry and government to create a helpful guide to assist families while they are going through foreclosure and to help others avoid it altogether.

The guide was released today at a news conference held at Asbury United Methodist Church in Washington, DC.

"We are enormously proud of the leadership of the Black Church, the Mortgage Bankers Association and Fannie Mae Corporation for helping us create what we believe is a critical tool to help families avoid foreclosure," said The Rev. Anthony Evans, President of the National Black Church Initiative. "I cannot emphasize enough our gratitude to our ministers and the housing industry for helping us create this needed pamphlet. I must express that we have faith in this economy that it will bottom out and the great sunshine of hope will shine once again and restore the necessary confidence in the housing industry. We truly believe this."

This user-friendly booklet is designed to provide congregants and the public with critical and helpful information on how to keep their home. The booklet will consist of a list of government-based agencies and private lenders that can assist at risk borrowers. This step-by-step guide will also help them to identify resources in the housing industry that have been created for the explicit purpose of assisting homeowners who are touched by the current difficulties. The booklet contains websites, phone numbers, lists of individuals and institutions that can help borrowers navigate through this housing turbulence.

Rev. Mark McCleary, Chair of NBCI's Minister Alliance, who alerted Rev. Evans and the leadership about the effect the current difficulties are having on congregants said, "This Foreclosure Prevention Pamphlet is providential--'rain in dew season'. As the ominous clouds of recession loom over our people, many of whom are low to moderate income and home foreclosures rise, this tool will help them with the psychological and emotional stress that they have been experiencing.

The collaboration of NBCI (President Anthony Evans spearheading) Mortgage Bankers Association and Fannie Mae Corporation is not to be taken lightly. This pamphlet seeks to provide valuable education and encouragement to many who feel threatened by homelessness and hopelessness. This practical tool can assist families planning their work and working their plan to keep their homes and families together. This is not an individualistic venture, but a societal responsibility taken seriously by three community stakeholders. Truly this reverberates with the truth that we are our brother's keeper."

We are very pleased to partner with the NBCI and Fannie Mae to develop and distribute this information," said Erick Gustafson, Senior Vice President at the Mortgage Bankers Association. "With the increase in the number of borrowers having difficulty making their mortgage payments, it is crucial they understand that there is help available. Lenders want to work with at risk borrowers to avoid foreclosure and have a wide variety of loss mitigation programs available to help keep borrowers in their homes. If you having trouble paying your mortgage, call your lender or one of the counselors listed in this booklet."

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About NBCI

The National Black Church Initiative (NBCI), a coalition of 16,000 African-American and Latino member churches works to eradicate racial disparities in healthcare. In addition to our member churches, we have 18,000 sister churches. NBCI is a faith-based health organization dedicated to providing critical wellness information and preventive health screening to all of its members. The African-American community ranks first in eleven different health risk categories. NBCI's purpose is to partner with national health officials to provide health education, reduce racial health disparities, and increase access to quality healthcare.

About MBA

The Mortgage Bankers Association (MBA) is the national association representing the real estate finance industry, an industry that employs more than 400,000 people in virtually every community in the country. Headquartered in Washington, D.C., the association works to ensure the continued strength of the nation's residential and commercial real estate markets; to expand homeownership and extend access to affordable housing to all Americans. MBA promotes fair and ethical lending practices and fosters professional excellence among real estate finance employees through a wide range of educational programs and a variety of publications. Its membership of over 3,000 companies includes all elements of real estate finance: mortgage companies, mortgage brokers, commercial banks, thrifts, Wall Street conduits, life insurance companies and others in the mortgage lending field. For additional information, visit MBA's Web site: www.mortgagebankers.org.

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February 2, 2015
For Immediate Release

NBCI Joins With Cedisus to Offer Churches and Families Emergency Water Supplies *Partnership will improve disaster preparedness, well-being*

Washington, DC – The National Black Church Initiative (NBCI), a faith-based coalition of 34,000 churches comprised of 15 denominations and 15.7 million African Americans, announced plans to partner with Cedisus, LLC to help bring access to emergency water supplies to its congregants and churches so members can be more prepared in disaster events, in addition to improving overall health.

“Community preparedness in our churches is critical to the well-being and health security of African Americans” said Rev. Anthony Evans, NBCI President. “We are excited to partner with Cedisus to bring their great resources and know-how to our member congregations and are confident that both organizations will help to educate and prepare our membership base for what the future may hold.”

African American communities are disproportionately vulnerable to natural disasters, and are significantly less likely to be prepared than their white counterparts. Blacks were the least likely to stockpile emergency supplies according to a study led by the University of Colorado. During Hurricane Katrina, disaster unpreparedness displaced 300,000 African Americans who faced a double threat from a lack of clean drinking water.

“Preparedness is key to avoiding more tragedy after a natural disaster occurs. Our goal in partnering with NBCI is to help communities lessen the blow when that tragedy strikes” said Jerry Clark, Principle at Cedisus. “As a minority business enterprise it gives us pride not only to help with preparedness, but also in educating minority communities on how important water and hydrating are to everyday life.”

The partnership plans to bring education and resources to NBCI's membership base in the coming months. The partnership will be a critical part of NBCI's Health Emergency Declaration (HED) Program, which works to eliminate health disparities plaguing African Americans across the county.

About NBCI

The National Black Church Initiative (NBCI) is a coalition of 34,000 African American and Latino churches working to eradicate racial disparities in healthcare, technology, education, housing, and the environment. NBCI's mission is to provide critical wellness information to all of its members, congregants, churches and the public. The National Black Church Initiative's methodology is utilizing faith and sound health science.

NBCI partners with major organizations and officials whose main mission is to reduce racial disparities in a variety of areas. NBCI offers faith-based, out-of-the-box and cutting edge solutions to stubborn economic and social issues.

Visit www.naltblackchurch.com/health/cedisus.html for more information.

About Cedisus

Cedisus is a minority owned business enterprise out of the mid-west. The company prides itself on having high quality and reliable supply chain relationships throughout the U.S. and abroad. Principle Jerry Clark is a Certified Purchasing Manager (C.P.M.) via the Institute for Supply Management, a DDI Certified Facilitator from Development Dimensions International and former Chairman of the Board of Directors for the Evansville Housing Authority. Mr. Clark is a recipient of the President's Award for Contribution to Economic Development from the Evansville, IN Branch of the NAACP, and a recipient of the Special Recognition For Outstanding Volunteer Services award from the Indiana Minority Supplier Development Council. Visit www.Cedisus.com for more information.



The
**AFRICAN
AMERICAN
FINANCIAL
EXPERIENCE**
2015-16 Prudential Research



Foreword

It has been four years since Prudential released the findings of our first *African American Financial Experience* survey, and results from the 2015 study show continued confidence, optimism, advancement and growing affluence for this community.

This year, we've enhanced the study to capture the unique needs of two vital subsets of this community — the caregivers who provide physical and financial support to loved ones, and the veterans who have transitioned to civilian life. What we found is compelling data about African Americans who are dedicated to service, to others and to our country.

The study builds on the findings of the 2011 and 2013 *African American Financial Experience* surveys and reflects similar trends around reducing debt, accessing financial advice, and retirement preparedness. The survey validated the universal need for trusting relationships, sound financial guidance and relevant financial education for all Americans. Beyond that, the study highlights those factors that are particularly important in shaping the financial experience of many African Americans including family-oriented financial priorities, participation in employer-sponsored retirement plans, a greater focus on saving vs. investing, and the influence of faith-based institutions on financial education.

With this knowledge comes increased opportunity for members of the financial services industry to be even more present in the community, and to provide important financial education to help close the knowledge gap that we know is a key driver for action. Since this community, like the rest of the general U.S. population, still does not tend to seek out financial professionals to help them meet their goals, Prudential and industry partners should continue to step in and help close the knowledge gap for individuals.

We hope the findings of this latest study serve to move this conversation forward.



A handwritten signature in black ink, appearing to read 'Steve Pelletier'.

Steve Pelletier
Executive Vice
President and
Chief Operating Officer,
U.S. Businesses



A handwritten signature in black ink, appearing to read 'Sharon Taylor'.

Sharon C. Taylor
Senior Vice President
Human Resources

About the Research

Methodology

GfK surveyed 1,043 Americans who identify as African American or Black and 566 general population Americans on a broad range of financial topics from March 25 to April 9, 2015. All participants were age 25 to 70 years. Among the African American respondents, 149 identify themselves as veterans of the United States military, 214 are caregivers for another person (such as a spouse, parent, elderly or ill relative, special needs child, etc.), and 216 have a household income of \$150,000 or more.

The findings are representative of the population described above, subject to a margin of sampling error of +/- 3% for African Americans and +/- 4% for the general population.

Sample Source

Our primary sample source was the GfK KnowledgePanel, which uses address-based sampling covering 98% of the U.S. population. Sampled non-Internet households are supplied with a netbook and free Internet service to ensure broad coverage.

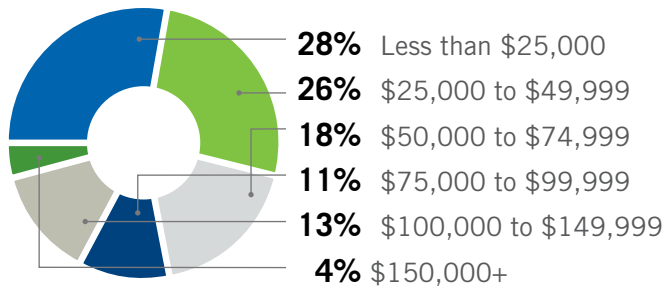
A small portion of respondents earning \$150,000 or more in annual household income came from online research panels where consumers opt in to take surveys. Results were calibrated for differences in sampling method and weighted according to the U.S. Census.

Notes

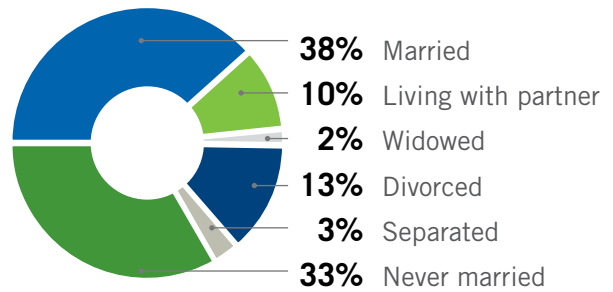
In this report, we use the term “African American” to describe respondents who identify as African American or Black. Six percent of African American respondents identify as of Caribbean descent. The term “caregiver” is used to describe someone who is responsible for taking care of another person (such as a spouse, parent, elderly relative, special needs child or other family member with special needs, family member with illness, or someone outside of their family), and is engaged in care-related activities for this person (such as taking them to the doctor, making medical decisions, or providing financial support).

All results shown are weighted and are percentages unless otherwise labeled. Percentages may not add to 100 due to rounding.

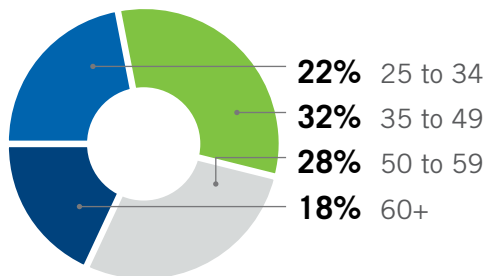
Household Income



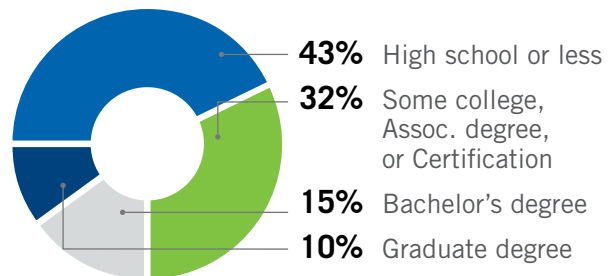
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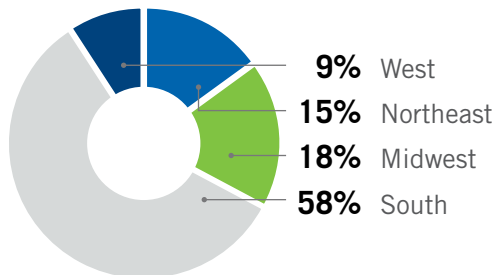
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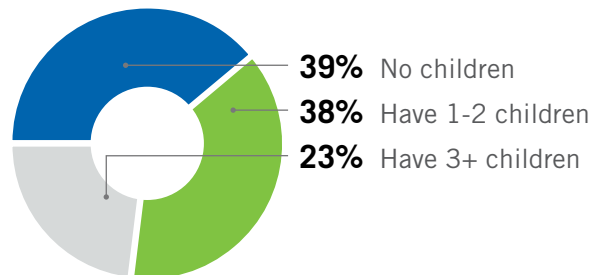
Education



Region



Children in Household



The African American Financial Experience

The 2015-2016 *African American Financial Experience* study focuses on the financial improvement and confidence in the African American community. At the same time, it examines some Americans' continuing financial challenges like long-term financial planning, personal debt and how to increase engagement with financial professionals.

- **Positive Assessments for the Past, Present and Future**
A majority of African Americans surveyed say their overall financial situation is better than that of their parents when they were their age, that their own financial situation is better now than it was five years ago, and that they believe the next generation of their family will have a better financial situation than their own.
- **High Levels of Confidence in Financial Matters**
More than half of African Americans in this research consider themselves very well-prepared to make wise financial decisions. Furthermore, a majority gives themselves a letter grade of "A" or "B" for their knowledge of managing household expenses and budgets, managing money, managing debt, and life insurance protection. However, a much higher percentage of well-prepared respondents describe themselves as savers, rather than investors, suggesting an opportunity to expand their options for investments.
- **Employer-Sponsored Retirement Plans: Equal Rates of Access, but Lower Participation by African Americans**
Among respondents who are employed (not including those who are self-employed), about three-quarters are offered an employer-sponsored retirement plan by their workplace; the figures are consistent for African Americans and the U.S. general population. However, while a solid majority of African Americans participate in these plans when offered, the percentage doing so is significantly lower than the general population. This difference is primarily seen in the lower- to middle-household income brackets.
- **Paying Down Personal Debt Is a Top Financial Priority**
A large majority of respondents report having at least one type of debt, with the most common being credit card debt. About half consider reducing their personal debt to be an important financial priority in their life right now.
- **Low Rates of Engagement With Financial Professionals, but Clear Ways to Foster Relationships**
A majority of African Americans surveyed have received outreach by a financial professional, yet only small percentages currently work with one. Just over one in ten African Americans surveyed currently work with a financial professional, and the most common reasons cited for not having such a relationship include a sense that they don't have enough assets, or that they simply prefer to manage their money on their own. Universal methods of outreach are important to both African Americans and the U.S. general populations, such as helping them take concrete steps toward financial security, while approaches supported by community leaders or faith-based organizations resonate within the African American community.
- **Caregiving Responsibilities Can Include Substantial Time and Financial Commitments**
One-fifth of African Americans surveyed are caregivers for another person, consistent with the U.S. general population. On average, African American caregivers spend more than 20 hours per week on caregiving tasks. Nearly two-thirds of African American caregivers provide some or all financial support to those they are caring for.
- **Veterans' Financial Education Increases During Civilian Life**
Just over a third of African American veterans in this survey agree that they received a good education about financial topics while in military service. However, only about one-half believe that they received good information about how to handle finances when leaving the service or transitioning to civilian life. This appears to be an area for improvement for the military services and an opportunity for financial firms to build trust by providing assistance and knowledge.

The African American Financial Experience Today

Economic Improvement

Continuing the trend from 2013, the majority of African Americans surveyed see improvement regarding their own financial situation, and they anticipate continued improvement in future generations of their family.

Past

Fifty-four percent of African American respondents say that their overall financial situation is significantly or somewhat better than that of their parents when they were their age.

Present

It is clear that an improving economy is having a positive impact on the current financial outlook of all Americans. In terms of their own current financial situation, 56% of African Americans surveyed feel significantly or somewhat better off now compared to five years ago. This positive outlook appears to be increasing. In our 2013 survey of financial decision makers with a household income of \$25,000 or more,¹ less than half (44%) of African American respondents believed that they were financially better off at that point compared to their situation five years prior; two years later among a comparable population in 2015, more than three in five (61%) feel this way. This trend occurs in the general population as well, though to a slightly lesser extent – 47% felt financially better off in the 2013 study, increasing to only 55% in 2015.

Future

The future also appears bright. When asked about their outlook for the next generation of their family, nearly three in five (58%) African American respondents believe that their family's financial situation will be significantly or somewhat better than their own. Notably, less than half (46%) of respondents in the U.S. general population share this positive view.

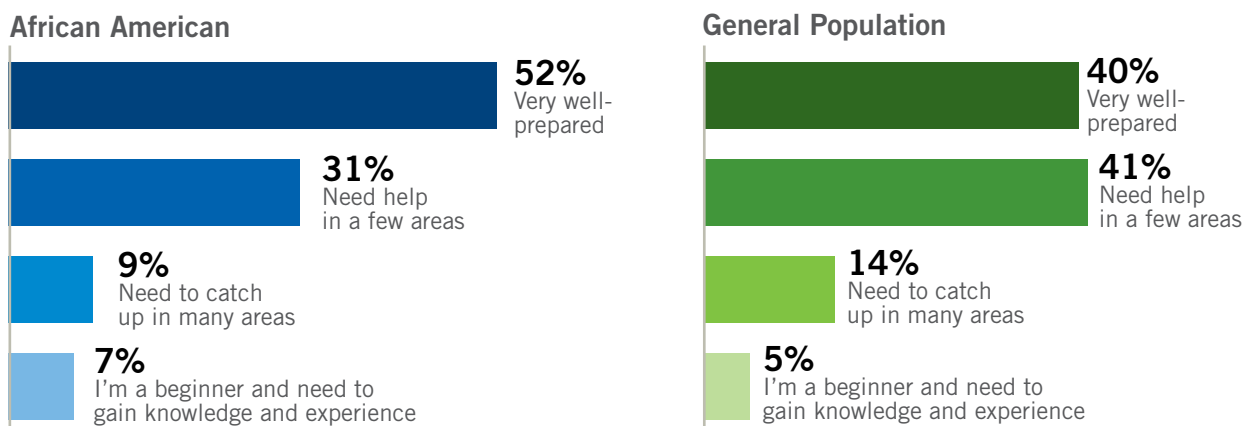
Financial decisions

Confidence and Preparedness

African Americans' confidence is fairly strong in terms of preparedness for making financial decisions. A slim majority (52%) of African Americans surveyed consider themselves to be very well-prepared to make wise financial decisions. By contrast, only two in five (40%) respondents in the U.S. general population describe themselves in this way. While confidence is strong, there still is room for improvement, as 48% of African-Americans – and 60% of general population respondents – surveyed consider themselves not very well-prepared to make financial decisions.

This positive self-assessment appears to be increasing over time among African Americans. In the 2013 *African American Financial Experience* survey referenced earlier, 45% of African American financial decision makers with a household income of \$25,000 or more² described themselves as very well-prepared to make wise financial decisions; by 2015 that percentage had risen to 51%.

Level of Preparedness to Make Wise Financial Decisions (Percentage among all respondents)

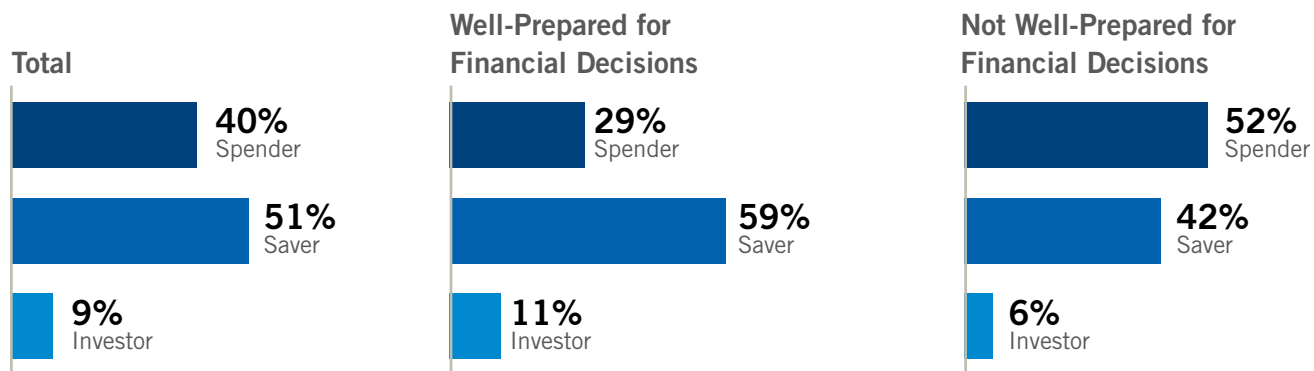


1 Prudential 2013 *African American Financial Experience* survey. The full screening criteria in the 2013 survey include: United States resident, aged 25-70 years, with a household income of \$25,000 or more, and having at least some involvement in their household's financial decisions.

2 Ibid.

Approach to Money Among African Americans

(Percentage among all respondents)



Knowledge of Financial Topics

Many in the African American community show confidence in their knowledge of managing money and household expenses. When asked to give themselves a letter grade to describe their knowledge of various financial topics, a majority of African Americans surveyed give themselves a grade of “A” or “B” for their knowledge of managing household expenses and budgets (71%), managing money (62%), managing debt (55%), and life insurance protection (55%).

However, fewer African American respondents award themselves high grades on their knowledge of other topics such as investing (31%), planning for wealth transfer or leaving money to the next generation (33%), and saving or investing for a child’s education (36%). In fact, approximately one in five give themselves a failing grade of “F” for those topics, presenting a potential learning opportunity for those rating themselves lower in these areas.

Financial Situation and Preparedness

Perceptions of financial preparedness and one’s own financial well-being go hand-in-hand. Among African Americans surveyed, 59% of those who consider themselves financially very well-prepared report that their own financial situation is better than their parents’ when they were their age; by comparison, 56% of those who feel they need limited financial help, 43% who need extensive help, and just 24% of financial beginners say this.

“My parents don’t really know a lot about that stuff. ...They took care of me and helped me to become the person I am today, but as far as operating in that [financial] realm, they’re not very knowledgeable.”

– African American man living in New York

Moreover, 63% of those who are financially very well-prepared report that their own current financial situation is better than it was five years ago, while 54% of those who need limited financial help, 39% who need extensive help, and 33% of financial beginners feel this way.

Preparedness and Median Assets

Greater feelings of financial preparedness are related to household assets (including savings, investments, and employer-sponsored retirement accounts such as a 401(k), 403(b) or 457, but excluding the value of a primary home or private business ownership). The study found that African Americans who consider themselves very well-prepared have \$31,600 in median total household financial assets (excluding primary home or business ownership). In contrast, African Americans who say they need limited financial help have a median of \$22,800, those needing more extensive help have a median of \$9,600, and the median for financial beginners is \$4,600 in household financial assets.

Spender, Saver or Investor?

Among African Americans surveyed who consider themselves very well-prepared to make wise financial decisions, a majority (59%) consider themselves a saver. Twenty-nine percent call themselves a spender, and only 11% view themselves an investor. The relatively low percentage of self-described investors among this group suggests that opportunities exist for encouraging financially very well-prepared African Americans to consider how investments may support their long-term goals.

In contrast, among African Americans surveyed who do not consider themselves very well-prepared to make financial decisions, a majority describe themselves a spender (52%), while 42% are savers and just 6% are investors.

QUOTES FROM THE QUALITATIVE RESEARCH

“... I do know that just saving money is not going to be able to allow you to reach your retirement goals like you want to.”

– African American man living in Atlanta

“I want to be able to teach [my children] enough about finances so that they, unlike I did when I was young, make wise decisions about their finances. Like have savings and make investments. I want them to understand really what an asset is, real assets. I’m trying to teach them now.”

– African American woman living in Chicago

Employer-Sponsored Retirement Plans

Employer-sponsored retirement plans – such as a 401(k), 403(b) or 457 – are offered at similar rates to African American employees and those in the U.S. general population, although there is slightly lower participation among African Americans at lower household income brackets.

Availability

Among those surveyed, employer-sponsored retirement plans are offered to African Americans and general population employees at an equal rate. In both groups, 74% report that their employer offers this type of benefit; similarly, 51% of employees in both of these groups report that matching contributions are available as part of this plan. Compared with our 2013 study however, a lower percentage of African American employees with a household income of at least \$25,000 are being offered employer-sponsored retirement plans in 2015. Among African American respondents in the aforementioned 2013 study,³ 85% had access to this type of retirement plan, while that figure drops to 78% in 2015. Similarly, there is also a decrease among the general population, though to a lesser extent – 82% of employees in 2013 having access to these plans, but only 78% in 2015.

As may be expected, the availability of these benefits trends upward with income level. Although a strong majority of African American employees with annual household incomes of less than \$50,000 report that they are offered this benefit (66%), this percentage is directionally lower than those in the \$50,000 to less than \$100,000 bracket (77%), and significantly lower than those in the \$100,000 or higher bracket (87%).

Relatively similar availability rates are seen between African Americans and the general population across most household income levels. Interestingly, however, among African Americans earning less than \$25,000, 53% report that their employer offers this type of benefit, compared to only 30% of those in the U.S. general population at that same income level.

³ Prudential 2013 *African American Financial Experience* survey. The full screening criteria in the 2013 survey include: United States resident, aged 25-70 years, with a household income of \$25,000 or more, and having at least some involvement in their household's financial decisions.

Participation

The survey uncovered that among African Americans who are offered an employer-sponsored retirement plan, three-quarters (74%) currently contribute a percentage of their salary to it. Although this is a substantial majority, it is significantly lower than the participation rate of employees in the U.S. general population, where 85% contribute when this benefit is offered.

The biggest participation gap appears to occur among employees with household incomes of less than \$75,000. Less than seven in ten (68%) African American employees and more than eight in ten (85%) employees in the U.S. general population report that they participate in these plans when it is offered by their employer. However, among those with a household income of \$75,000 or more, these differences virtually disappear and participation balances out. Within this income bracket, 83% of African

American employees and 86% of employees in the general population contribute to this type of plan when offered.

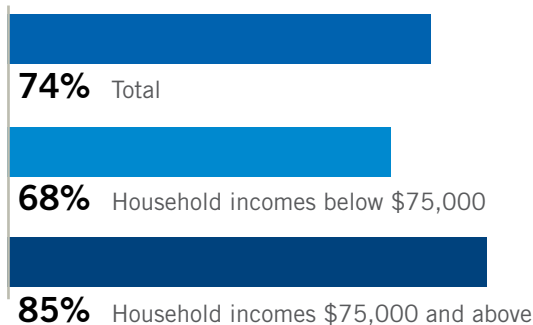
As may be expected, participation increases with household income. As shown by this survey, 63% of African American employees with a household income of less than \$50,000 contribute to this type of account when it is offered, compared with 79% of those earning \$50,000 to less than \$100,000, 83% of those earning \$100,000 to less than \$150,000, and 92% of those earning \$150,000 or more.

Among African American employees surveyed who are offered an employer-sponsored retirement account but either contribute less than the employer match or do not contribute at all, the top reason for not contributing is that they feel their income isn't high enough (43%).

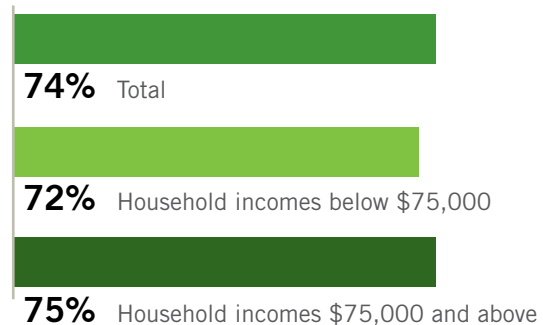
Availability of Employer-Sponsored Retirement Accounts Among Employees

(Percentage offered benefit)

African American



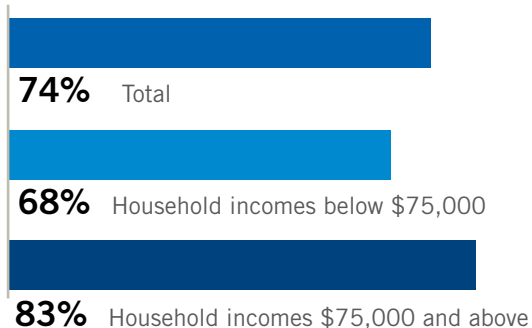
General Population



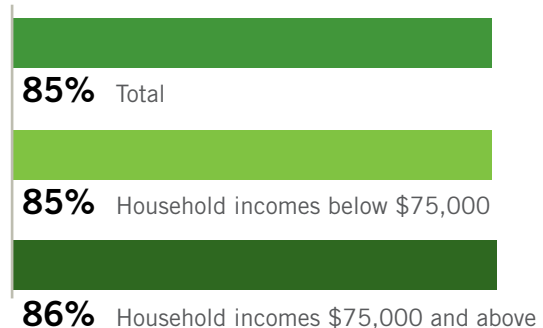
Participation in Employer-Sponsored Retirement Accounts When Offered

(Percentage offered benefit)

African American



General Population



The Impact of Personal Debt

Reducing personal debt is a top priority for African Americans and the general population alike.

Top priorities – Retirement Income and Debt

Personal debt continues to be an American challenge, with reduction being a top priority among many survey respondents. About half of all respondents surveyed – African Americans (50%) and the U.S. general population (49%) – consider reducing their personal debt to be an important financial priority in their life right now. For African Americans, “reducing my personal debt” (50%) ranks a very close second behind “having enough money to maintain my lifestyle throughout retirement” in terms of important financial priorities (51%). The same priority order is seen among the U.S. general population, although with a wider gap – 49% vs. 59%, respectively.

“To be debt-free for me is to be stress-free.”

– African American woman, veteran, living in Atlanta

“I want to know that there is always going to be a roof over my head, food on the table. I want to be able to function in life and not be held prisoner by some type of financial emergency. And having money for retirement, I don’t want to be working forever, and I want to be able to enjoy my golden years comfortably.”

– African American woman, caregiver, living in Chicago

Types of debt

Approximately eight in ten African American (79%) and U.S. general population (81%) respondents have at least some type of personal debt. Not surprisingly, credit card debt is the most common, with nearly half (49%) in each group reporting this.

Among those with a college education or higher, nearly five in ten African American (47%) and three in ten general population (30%) respondents have student loan debt. Overall, this translates to 22% of all African Americans and 16% of U.S. general population respondents surveyed.

Other Effects

Debt can impact the ability to achieve other financial goals, especially long-term planning. Among African American employees surveyed who are offered an employer-sponsored retirement account but contribute less than the employer match or do not contribute at all, 40% say that paying down debt is a higher priority for them than making retirement contributions.

Relationships With Financial Professionals

Engagement with financial professionals is relatively low among African Americans, but opportunities exist to engage further with the community and there are clear ways to foster relationships.

Increasing Engagement With Financial Professionals

Among those surveyed, 39% of African Americans and 46% in the U.S. general population report that they have been contacted or reached out to by a financial professional, yet engagement still remains low, with 14% of African Americans and 26% of the U.S. general population currently working with this resource. The top reason cited for not using a financial professional (among those who do not currently have a financial professional) is the feeling that they don’t have enough assets to need an advisor’s help. More than three in ten African American (31%) and U.S. general population respondents (35%) mention this as a reason. Additionally, preferring to do it on their own, with 27% of African Americans and 29% in the U.S. general population and concerns that financial professional fees may be too high are also barriers to engagement, as 22% of African Americans and 31% of U.S. general population respondents feel this way.

These factors might help to explain why overall only 14% of African Americans and 26% of the U.S. general population report that they currently work with a financial

professional. Engagement doubles for African Americans with a household income of \$75,000 or more. Among those with an annual household income of \$75,000 or more, 28% of African Americans and 36% of the U.S. general population surveyed say that they currently work with a financial professional. Furthermore, when asked how likely they are to start working with a financial professional in the next 12 months, only 15% of African Americans with a household income of \$75,000 or more who do not currently have a financial professional rate their likelihood as an 8-10 on a scale of 0 to 10 (with 0 being “not at all likely” and 10 being “extremely likely”); among the general population in this household income range, only 8% report this level of likelihood.

Not surprisingly, those at higher household incomes report higher engagement. One-third of African Americans earning \$100,000 to \$149,999 and 35% of those earning \$150,000 or more work with a financial professional, a rate which closely mirrors the U.S. general population.

At the upper income ranges, percentages are closely in line with the general population, although among those in the \$25,000 to \$49,999 household income range, a significantly higher percentage of general population respondents work with a financial professional (15%) compared to those in the African American community (6%).

Building Trust

Generally, more than eight in ten African American respondents would favor a financial professional who can help them take concrete steps toward financial security, give their client information that is appropriate for their level of financial experience and knowledge, and treat them with respect. Uniquely, African Americans surveyed are more likely than their U.S. general population counterparts to want to engage with a financial professional if they offer information through social media (48% vs. 39% general population) or is supported by a community leader or a faith-based organization (61% vs. 43% general population).

“A lot of the commercials I see are geared towards what they consider to be your average person. But the thing is, there are a lot of people like me who don’t have that much by the time they get to middle age. [The commercials] could come out and say things like ... ‘so you’ve reached whatever age – and you don’t really have a retirement plan. Don’t panic – you can still do something.’”

“I don’t have generational wealth. I may not have the best credit. It would be good to know that a financial services company will help me when I’m just starting out. That they would look at my profession and whatever factors to determine what will work for me as an individual right now.”

– African American man living in Atlanta

Generational Differences Within the African American Community and the U.S. General Population

Millennials

Thirty-six percent of African American Millennials surveyed currently contribute to an employer-sponsored retirement plan such as a 401(k), compared with 44% of Millennials in the U.S. general population. In addition, they are less likely than their general population counterparts to own any financial products, as 67% of African American Millennials and 84% of Millennials in the U.S. general population cite having at least one financial product in their household.

Despite this, nearly one-third (31%) of African American Millennials surveyed also report that they do not plan to work in retirement, compared with just 15% of their general population counterparts. This confidence gap could potentially put some at risk of not being able to reach their retirement goals if they do not begin saving early enough. This group is less likely to see fees as a barrier to working with a financial professional, with 24% of African American and 41% of general population Millennials citing this as a reason for not using this resource, so opportunities may exist to provide wealth-building and retirement saving strategies.

Generation X

Nearly half (49%) of African Americans in Generation X say that their financial situation is better than it was five years ago, compared with 58% of Millennial and 60% of Boomer African Americans. Meanwhile, this generation is less likely than their Millennial counterparts to receive financial support from anyone, as 31% of African American Millennials and only 19% in Generation X report receiving such assistance. Twenty-three percent of African American Boomers receive assistance from anyone.

Among African Americans who have an employer-sponsored retirement plan such as a 401(k), this generation is more open to discussing their entire retirement picture with a financial professional. Forty-three percent of Generation X, compared with 26% of Millennials and 30% of Boomers in this survey express this sentiment.

Boomers

Like their counterparts in the U.S. general population (69%), having enough money to maintain their lifestyle throughout retirement is a top priority for African American Boomers (63%). However, this group tends to use fewer investment vehicles to fund their retirement, with African American Boomers reporting an average of 2.6 different investment vehicles compared to an average of 3.0 for their general population counterparts. In addition, African American Boomers (29%) are less likely than their peers in the general population (39%) to contribute to an employer-sponsored retirement plan such as a 401(k). However, among those who are offered retirement plans through their employer, they are more likely to increase their contributions in the next year (40% of African American Boomers vs. 22% of Boomers in the general population).

One-third (34%) of African American Boomers give 401(k) and 403(b) providers high ratings for trustworthiness in helping them meet their financial goals (a score of 8-10 on a 10-point scale), compared to just 20% of Boomers in the U.S. general population. This presents a possible opportunity to further engage with this group.

In this year's study, we examined two important groups in our community — those who devote their time and finances to support loved ones in their role as a caregiver, and prior military service members (veterans) who dedicated a portion of their life to serve our country. Both of these groups shed light on information gaps, educational opportunities and future planning needs.

The Role of Caregivers

Many African American caregivers view their caring for others as a long-term commitment, and also cite spending more time on caregiving activities and investing more in the person they are caring for.

Providing care for loved ones, especially among or across generations, is prevalent among all Americans. Approximately 20% of all surveyed report that they are caregivers for someone else such as a spouse, parent, elderly relative, or child with special needs, requiring them to take responsibility for activities such as taking them to the doctor, making medical decisions, or providing financial support.

Investments of Time and Money

On average, African American caregivers surveyed spend 20.7 hours a week on caregiving tasks, compared to 14.6 hours among caregivers in the U.S. general population. Nearly a quarter (24%) of African American caregivers

spend more than 40 hours per week on these efforts, a significantly higher percentage compared to caregivers in the U.S. general population (9%).

Among African American caregivers surveyed, more than half (56%) anticipate that they will be a caregiver for ten years or more. This percentage is significantly higher than among caregivers in the U.S. general population (37%).

However, equally among African American and U.S. general population caregivers, nearly two-thirds of caregivers surveyed in the African American community (63%) and U.S. general population (62%) provide some or all financial support to those they are caring for; a quarter provide all of the financial support for their loved ones (25% African American, 27% general population).



The Financial Experiences of Veterans

Among veterans, the transition to civilian life appears to bring an increased exposure to financial topics. Opportunities exist for informing veterans about the use of financial education opportunities and encouraging their participation.

Education About Financial Topics

Although only 32% of African American veterans surveyed agree that they received a good education about financial topics while in military service, nearly four in ten (39%) agree that they received good information about how to handle finances when leaving the service and transitioning to civilian life. Among veterans in the U.S. general population, these percentages are 29% and 30%, respectively.

Saving During Military Service

Approximately an equal percentage of African American (24%) and U.S. general population (25%) veterans surveyed contributed money to a savings or investment account during their time of military service.

Access to Benefits and Financial Training

The majority of African American (52%) and U.S. general population (55%) veterans surveyed agree that they have access to valuable financial benefits as a veteran. Yet, only 34% of African American veterans, and 19% of veterans in the U.S. general population, report that they have ever used training on finances provided during their time in the military.

Outlook on Financial Situation

In some ways, African American veterans tend to have a more positive outlook on their financial situation than non-veterans.

Preparedness for Financial Decisions

Confidence in financial preparedness is even prevalent among African American veterans, who cite a greater optimism than non-veterans. Among African American veterans, more than seven in ten (71%) veterans feel very well-prepared to make financial decisions, a significantly higher percentage than their non-veteran counterparts (51%).

Improvement from the Prior Generation

Among those surveyed, 63% of African American veterans, compared to 53% of African American non-veterans, say they are significantly or somewhat better off financially than their parents when they were their age.

Weathering a Job Loss

More than four in ten African American veterans (42%) believe they could maintain their current lifestyle for more than a year without help from others in the event of a job loss, compared with just 28% of African American non-veterans.

Sources of Financial Information for Civilians and Veterans

African American veterans seek out the same sources of information about financial or retirement products and services at similar rates as non-veterans.

Family consistently ranks as a top source of financial information among surveyed African Americans. While African American veterans surveyed indicate that the Veteran Service Organization is a resource they use (38%), family and civilian financial professionals follow closely at 37% each. Among veterans in the U.S. general population, the top sources are financial professionals and employer-sponsored resources, both reported by 40% of this group. Thirty-two percent generally use family as a source, while 20% use the Veterans Service Organization.

African American veterans and non-veterans are statistically similar in their use of financial information sources, with one exception: their employer or employer-based resources. Thirty-eight percent of non-veterans surveyed use this resource, compared to just 23% of veterans.

Veterans' Agreement With Statements About Their Military Experience

(Percentage who Strongly/Somewhat Agree)

As a veteran, I have access to a lot of valuable financial benefits

52% African American

55% General Population

I received good information about how to handle finances when leaving the service/transitioning to civilian life.

39% African American

30% General Population

I have used training on finances provided by the VA.

34% African American

19% General Population

I don't feel prepared to handle money outside of military life.

6% African American

13% General Population



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CommunityBuilt Program

Wasted wealth continues to plague the African American community in the wake of the U.S. housing crisis. Our communities disproportionately experienced home loss, affecting nearly 2.5 million families in just three years. This rate is nearly twice the rate of white communities. Adding to that, our average loss of wealth staggers to nearly 30 percent per household.

CommunityBuilt's Goals The Circle of Support:

- 1. Work with city leaders, key housing experts and community stakeholders to make foreclosed homes available to middle class families.**
- 2. Provide those families with financial literacy classes and emphasize the "mortgage first" principle. Continue to mentor these families over the next 10 years.**
- 3. Each family served in turn promises to commit 2 years of volunteer service towards the goals of CommunityBuilt.**



**Working in 17
communities across
the country**

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 Savannah
 Prince Georges County
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 Dallas
 Houston
 Ft. Worth
 Los Angeles

National Black Church Initiative

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Contact:
Rev. Anthony Evans
202-744-0184

July 28, 2011
For Immediate Release

The National Black Church Initiative Proudly Implements Innovative Financial Literacy Initiative

*NBCI Wants Every Family to Save
One Year's Salary Over the Next 7 Years*

Washington DC – The National Black Church Initiative (NBCI), a faith-based coalition of 34,000 churches comprised of 15 denominations and 15.7 million African Americans, is proud to announce our critical Financial Literacy Initiative. This Savings for Life Program is an ambitious, bold, and historic move on behalf of the Black Church. Given the devastating economic times, during which we have witnessed the destruction of black families, communities and economic structures, NBCI realized the time is now to create an actionable, effective program to improve the financial futures of African Americans.

At the core of this program is Rev. DeForest B. Soaries' book *dFree: Breaking Free from Financial Slavery*. Drawing on his years of experience as a pastor, public policy maker, and community leader, Rev. Soaries shares vital keys to debt-free living in this groundbreaking, life-changing new approach. "The idea that we would be voluntary slaves is offensive to all of our sensibilities," says Soaries, "But when we continue to spend what we don't have, charge what we don't need, and borrow more than we can repay, then we must call the problem what it is: slavery."

Rev. Anthony Evans, President of NBCI says, "We are blessed to utilize the wise words of Rev. Soaries to educate African Americans on the importance of saving. It is essential that our congregants conduct a thorough, intensive analysis of their budgets to examine ways to reduce their spending by 50% over the course of the next year. Additionally, it is essential that African Americans actively and aggressively plan saving strategies to save one year's salary over the course of the next seven years – thereby instituting a necessary safety net to protect individuals, families and our children's future."

According to the 2009 Consumer Financial Literacy Survey 54% of African Americans, significantly more than their white counterparts, strongly agree that they could use answers to everyday financial questions from a professional. This study also found that African American adults were less likely than Caucasian adults to have learned personal finance information from school – underscoring the need for adult financial literacy education. The Jump Start Survey by Operation Hope underscores this data – African American students are, on average, only about 80% as financially literate as their white student counterparts.

Based on this data and what we've observed from our years of community service our mission is clear – the African American community, who currently suffers at a disparate rate during this historic recession, requires immediate, intensive financial literacy education. With that in mind, we have created an important program to begin the dialogue within our congregations on the importance of financial stability. The objective is to highlight the importance of careful family budgeting and financial planning, saving, and retirement – to reverse the negative impact that financial illiteracy has wrought within the African American community.

About NBCI

The National Black Church Initiative (NBCI) is a coalition of 34,000 African American and Latino churches working to eradicate racial disparities in healthcare, technology, education, housing, and the environment. NBCI's mission is to provide critical wellness information to all of its members, congregants, churches and the public. NBCI offers faith-based, out-of-the-box and cutting edge solutions to stubborn economic and social issues. NBCI's programs are governed by credible statistical analysis, science based strategies and techniques, and methods that work. Visit our website at www.naltblackchurch.com. The Baby Fund is online at <http://www.babyfund.info/>.



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“Bringing people together to serve humanity”

A DETAILED STRATEGY OF ACTIVITIES FOR A PUBLIC CAMPAIGN OF ADVOCACY LEAD BY THE NATIONAL BLACK CHURCH INITIATIVE IN FAVOR OF THE WWW.NBCIMARKETPLACE.ORG

Mission

The National Black Church Initiative (NBCI) is a coalition of 34,000 African American and Latino churches working to eradicate racial disparities in healthcare, technology, education, housing, and the environment. NBCI’s mission is to provide critical wellness information to all of its members, congregants, churches and the public. Our methodology is utilizing faith and sound health science.

NBCI’s purpose is to partner with major organizations and officials whose main mission is to reduce racial disparities in the variety of areas cited above. NBCI offers faith-based, out-of-the-box and cutting edge solutions to stubborn economic and social issues. NBCI’s programs are governed by credible statistical analysis, science based strategies and techniques, and methods that work. Visit our website at www.naltblackchurch.com. \



Rev. Anthony Evans

President of the National Black Church Initiative (NBCI)
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202-744-0184

Rev. Anthony Evans has fought tirelessly to reduce health disparities, foreclosure, homelessness and black on black crime as well as promote financial literacy and help to preserve environmental justice across the country.

While still a college student, Rev. Evans mobilized local colleges in Vermont to donate \$15,000 to the investigation of the Atlanta child killings in the early eighties. A native of Savanna, Ga., Rev. Evans earned a Bachelor's degree in Religion in 1981 from Middlebury College, Vermont. Rev. Evans was ordained in 1982 and went on to earn a Master's in Divinity in 1988 from Howard University School of Divinity.

He became NBCI's president in 1992 and continues to work on behalf of social and economic justice issues. He leads a coalition of 34,000 churches across the country fighting against health disparities, promoting financial literacy, protecting babies from abuse and neglect, and helping to preserve the environment. In 1989, Rev. Evans publicly showed the ferventness of his convictions when he was arrested during a protest in front of the South African embassy until the end of minority rule and the freeing of Nelson Mandela. He helped continue that protest for nearly two years.

In 2005 in the wake of Hurricane Katrina, Rev. Evans and the NBCI mobilized over 15,000 volunteers to serve in the disaster relief effort. These volunteers came from NBCI member and sister churches. The volunteers came from many ethnic backgrounds, illustrating NBCI's policy of an interfaith and interracial approach to solving social problems. NBCI churches, along with other minority churches across the country, helped to raise more than \$1 billion in cash and social services.

In July 2006, Rev. Evans participated in a massive protest outside the Sudanese embassy to denounce the country's role in the genocide of its African citizens. In 2010 Rev. Evans organized a group of young hip hop artists and traditional black church leaders to launch an intensive initiative to aid Haiti and Haitians. He committed NBCI for seven years to work through Lott Carey Foreign Mission Convention to aid in the reconstruction of Haiti, especially in the areas of housing, parenthood, economic development and civil society.

Rev. Evans is now launching three significant programs that will affect millions of African Americans over the next seven years: NBCI's Health Emergency Declaration, NBCI's Financial Literacy Initiative, and NBCI's Educational Initiative.

Rev. Evans has a clear understanding of how public policy affects and determines the impact of these issues in which the black church fights for and against. He is determined to preserve the moral authority of the black church's voice in the public square.

Brief History of NBCI

In 1991 a group of African American ministers in Washington, D.C., from various religious denominations in the metropolitan got together and launched the DC Black Church Initiative. They formed a coalition to address racial disparities in healthcare and responded to an urgent need at the time for expanded human and social services in the District of Columbia. The Black church has historically filled the role of forming the moral conscience of its people and the entire American society, providing guidance on issues of race relations, fairness, peace and justice. The Black church is steadfast in its refusal to be a part of a society bent on undermining or not fully reporting the enormous contributions and achievements of the Black people.

In the African American tradition, church pastors have the authority of prophets and the ability to galvanize their communities and move them to action. NBCI remains committed to utilize the full power of the Black church to continually create the “beloved community,” as the Rev. Martin Luther King said.

Under the leadership of a founding minister and president, Rev. Anthony Evans (see bio), NBCI uses a powerful national network 34,000 African American and Latino churches to eradicate racial discrepancies in healthcare, education and housing. NBCI also works to preserve the environment.

The NBCI network is actively engaged in multiple programs and activities. In 2008 the Board of directors decided that NBCI should take leadership in broad areas of its mission. This is why it has spent two years researching our next steps and in 2010 will be kicking off many major initiatives as listed below:

NBCI Health Emergency Declaration (HED)

The National Black Church Initiative Health Emergency Declaration (HED) is a comprehensive approach to tackling the tragic state of health in the Black community. Through the establishment of 35 health prevention communities, HED plans to educate communities across the country and promote preventive healthcare. Because of the Black Church’s leading role in the Black community, HED will have a greater and lasting impact on the African American community and seriously help to decrease the health disparities that are so prevalent within it.

NBCI Financial Literacy Initiative

The National Black Church Initiative launches the most progressive savings plan in the nation’s history, asking African American families to save one year’s salary over the next seven years with its Savings for Life Program. During the good years of harvest God urged the people of Israel to store grain because there would be bad years. Given the economic principles that you cannot have continuous growth, you have to prepare yourself, your family and your community for the years where there is no growth at all. We are experiencing these times now.

NBCI Housing Literacy Program

The National Black Church Initiative teamed with national mortgage and housing organizations to provide congregants and the public with information on how to keep their home. The first initiative product was the NBCI Foreclosure Prevention Guide, to help identify resources for the explicit purpose of assisting homeowners facing financial difficulties. The program has grown to include the Ten Easy Steps to Help Stop Foreclosure guide to help homeowners navigate the housing crisis, and information for those intending to be first time homebuyers.

NBCI Small Business Enterprise

Within the faith based community there are more than 50,000 small businesses, the engine of our nation's economic life. NBCI's objective is clear; we plan to organize them, educate them and empower them by providing informative material and seminars free of charge. NBCI will emphasize the traditional routes of government assisted small business programs, but we will also introduce these small businesses to creative financing, targeted marketing, how to sustain and maintain cash flow, and how to create an effective business plan that is implementable.

The Baby Fund

The Baby Fund is a response to the rising tide of abuse, neglect, and death among infants and young children in our society. The Fund will be both a source of assistance and advocacy to meet the needs of children who have little or no voices of their own. The universal Church has a moral obligation to protect children. The philosophical and theological underpinnings of the Fund can be understood by all faith communities, noting the supreme value placed upon children in scripture when God said, "Suffer the little children to come unto me, and forbid them not: for such is the kingdom of God."

NBCI Education Initiative

The National Black Church Initiative has devised an Education Initiative, and already have 250,000 volunteers working to drastically cut the dropout rate among young African American males and to increase graduation rates of males and females at the collegiate level, especially at historically black colleges and high school level across America. We hope to also focus on high school dropout rates among the weakest communities like Cleveland, New York, Detroit and Baltimore.

NBCI Digital Divide Initiative

Far too often minority communities lack the ability to get online and when they are online they do not have the income or ability to access the Internet in the same beneficial way that others do. NBCI is committed to helping organizations, churches and all others bring broadband

Internet access into African American and Latino communities. We will work with the Internet and cable industry to achieve these tasks, and do not believe that there should be a constant line in the sand over these issues. The Internet should not be a racial dividing line in America.

NBCI Civil Society Initiative

A civil society lifts everyone to the same level of humanity, and forces people to deal with each other's humanity. Our ultimate goal is to erase human prejudice, discrimination, hatred and especially violence. This project compels the Black Church to go against the grain, and not be afraid to speak to the most powerful institution or individual. It will also require the Black Church to correct any level of ignorance and engage into conversation in order to transfer hate filled language into words of healing and dialog.

NBCI Environment Initiative

In the spring of 2010 NBCI will launch a comprehensive environmental initiative that will deal with environmental justice issues.

The NBCI Market Place

Here is a list of items we need to be successful in this online store.

Every church will have an account number so that they can get credit for each of the purchase from members of that church so that we can send a rebate check to the church each year.

Each of the denomination will have an identifiable number or code to identify them in the volume of the purchases that they will get credit for.

Each denomination in order to qualify to get rebates at the end of the year must agree to do marketing year round throughout their conventions, special programs, websites and any other publications concerning promotion of NBCI shopping website.

We must have an online marketing strategy that we can identify a group of women in each of the churches who will help us to drive volume and purchases for either that church, that region or that denomination.

There must be a large church section

It must consist of purchasing church buildings, pews, robes, vans (used and new) and all other church related items.

It also must be broken down by states. If this does not exist online already, NBCI staff will create it and we will become the middle man on these items.

We must have substantive online suppliers that can compete against Amazon.

The price point must be competitive with Walmart and Ross.

There must be an extensive women section consisting of everything she needs from head to toes. This includes but is not limited to:

- Wigs
- Jewelry
- Hair Care
- Clothing (for children, teens, college students and adults)
- Electronic Games
- Cellphones (old and new)
- TV Appliances
- Automobiles
- Shoes
- Purses
- Cosmetics
- Incentives (\$500 a week)
- Health and Life Insurance
- Mortgages

We need a section on black universities and colleges where we can offer them an opportunity to utilize our platform to sell their school gear and merchandise.

We also need to be able to offer NBCI 70,000 small businesses within it's congregations the opportunity join the platform for free for the first 2 years therefore getting a base of over 100,00 people shopping instantaneously.

We need to offer an opportunity for a fee, to let independent black entrepreneurs from different regions of the country to utilize our platform as well bringing hopefully another 200,000-300,00 shoppers daily. This will truly be a one stop platform.

There must also be an extensive men's section consisting of everything he needs from head to toes.

We will be driving potentially over 20 million shoppers on a daily basis

We will set up laptops in our churches to offer tutorials on how to shop online.

We will offer giveaways, coupons that can be cashed in online. All of our vendors must be able to participate in online discount coupons.

We should be able to give away \$500 a week in terms of incentives

These are some but not all of the suggestions that we will bring to this new online venture.

We have to cover three price points: Low, Moderate and High.

Comprehensive Marketing Strategy

FEBRUARY

- NBCI will write a strong Press Release endorsing umcmarket with 10 robust reasons to support the www.umcmarket.org (The PR will emphasize the benefits of all faith-based communities participating [umcmarket.org](http://www.umcmarket.org).)
- Create a YouTube video of the Press Release
- Send the PR to 2,700 NBCI media list and general media, major blog (black and white) and major news shows
- Place NBCI Press Release and www.umcmarket.org on major black websites, Facebook, Twitter and 20 additional popular social media. We will start off with sending out 100,000 email blast a week.
- We will work with your web person to create a website to handle the traffic of the social media of www.umcmarket.org and also place critical documents that was created for general use in a downloadable form.
- ***NBCI will also utilize cable access channels in every city in America ---here where we will send out our YouTube and video blog too. There are about 100 of these channels. We can reach up to 5 million of NBCI members.***
- NBCI will turn this PR into a letter that will be sent to the 15 major Black Religious Leaders emphasizing the economic benefits to the African American community
- NBCI will identify, educate and reach out to 2,500 Bishops of all faith to form the www.umcmarket.org Religious Circle (We will utilize 25 of them as spokesperson)
- We will utilize this as the base for the letter to President Obama sign by 500 powerful black, white and Latino religious leaders
- We also utilize PR will also be the base for both the Op-ed and the Open letter for the Black, Latino and general media
- NBCI will utilize the basis of this press release and letters to create three pieces of critical literature.
- Our church insert (5x8) fact sheet that will give a 10 bullet points on why church members should support the www.umcmarket.org Project. This fact sheet will be for religious audiences.
- We will then create a one page flyer (8 1/2x11) utilizing a powerful visual image of supporting the www.umcmarket.org with the 10 bullet points on the back. (This will be used as an email blast online.)
- The four page full color NBCI Health Note will serve as the intellectual essay utilizing picture, graphics, statistics and powerful arguments on the benefits and the positive reasons why one can logically support the www.umcmarket.org (This piece will be written for the general public)

MARCH

- The month of February will be spent organizing our faith commands in 25 key cities towards the success of www.umcmarket.org project.
- Create a relationship with all like-minded groups who are working towards the success of the www.umcmarket.org project
- NBCI will activate its 34,000 church-based volunteer force which will be utilized for the successful campaign of the www.umcmarket.org project.
- We will begin to structurally integrate NBCI forces along with affinity organizations based upon the geography of those 25 key cities circle.
- NBCI will be bringing together four levels of organizations in the African American community:
 - Religious: Black, conservative white and Latino churches
 - Professionals i.e. black scientific and engineering professionals
 - Local, social and civic organizations in those 25 key cities (NBCI has a data bank of over 5,000 small social and civic organizations connected to its 5 faith command structure)
 - Civil Rights and Activists Organizations
- The key point here is to organize and educate the forces around the country on the benefits of the www.umcmarket.org, thus empowering them and what it means to their community and to their country. This is when we will call upon www.umcmarket.org to provide technical assistance and education.
- From the basis of organizing these 25 cities, thus utilizing these different entities, we will fuel three specific actions:
 - An online petition that supports the www.umcmarket.org (this will be connected to Facebook, twitter and the other 20 social media sites.
 - We will create www.umcmarket.org support circles in each of the identified 25 cities. (We will work with our parties to identify those key cities.)
 - NBCI will send authorized video tape which is running on YouTube to the hundreds of cable access channels.
- The production of literature which is cited in the month of January

APRIL

- NBCI will begin to organize the black and key Latino media by identifying the key individuals/commentators that we will need to help translate our message (the ten talking points)
- NBCI will organize the 500 black newspaper related entities.
- NBCI will organize the 1,500 online blog websites.
- NBCI will reach out to the black environmental justice organizations to discuss points of agreement and differences.
- NBCI will bring together our 25 www.umcmarket.org circle leaders to discuss strategy.
- NBCI will send authorized video tape which is running on YouTube to the hundreds of cable access channels.
- We will increase our email blasts to 200,000 to a more targeted audience.
- We will distribute that literature utilizing NBCI 34,000 church-based volunteer corps.

MAY

- As President of NBCI, I also serve as Chairman of the National Black Religious Broadcasters which is a coalition of 10,000 black broadcasters.
- NBCI will direct, educate and implement a program for these 10,000 broadcasters to alert and motivate their listening audiences to go to www.umcmarket.org
- NBCI will meet with its 15 major black denominational leaders on the www.umcmarket.org to talk about economic development issues.
- NBCI will send letters to the 1,500 mega churches in favor of the www.umcmarket.org.
- NBCI will send authorized video tape which is running on You Tube to the hundreds of cable access channels.



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The National black Church Initiative Corporate Capability Statement

NBCI Faith Community Financial Profile

No. of NBCI Churches	34,000
Estimated income of NBCI Non-Mega Church Congregants	\$15,000 – \$5 million
Estimated income per church	\$250k – \$65 million
Estimated income of NBCI churches	\$20 - \$45 billion
No. of Mega-Churches	105
No. of Small businesses in NBCI member churches	70,000
Average size of Mega-Churches	8,500 - 20,000 people
Estimated income of Mega Church Congregants	\$40,000 – \$10 million
Estimated income per church	\$6 – \$70 million
Average size of NBCI Churches	250 people
Percent of African American Ministers with M. Div Degrees	6%
Percent of congregants that Saves	12%
No. of churches who have credit Union	3500-7500
No. of churches who have separate Economic Development Corp.	4,675
No. of Congregants who own their cars	83%
Percentage of Congregants who are finically secure	35%
No. of Congregants who own their home	30-52%
No. of congregants who invest in the stock market	13%
No. of congregants who have purchased financial products	15%

NBCI Corporate Capability Statement

NBCI has the capability of reaching African American and Latino target populations with health

literature and information per zip code anywhere in the United States where there are black churches

NBCI has the capability to recruit African American and Latino populations for clinical trials

NBCI has the capability to reach not only its 34,000 African American churches but also the balance of the 150,000 African American churches in the country. **(We are about four months away from compiling a comprehensive directory of all black churches in the country)**

NBCI has the capability of reaching all of its 34,000 churches by e-mail

NBCI has the capability to conduct health surveys

NBCI has more than 856,000 e-mails of its membership

NBCI is building a very strong online social media presence through Facebook, Twitter and Instagram

NBCI has the capability to create and develop effective online health e-mail blasts to its membership and the general public

NBCI is publishing a quarterly 11-page health oriented newspaper as a means of reaching its targeted population at a minimum of 100,000 copies up to 500,000 copies starting in September of 2014

NBCI health team has the capability to conduct newspaper, radio and television interviews for health promotion campaigns

NBCI has produced over 80 YouTube videos

NBCI has extensive graphic and publishing capabilities

NBCI has the ability to produce, edit and distribute health sermons to all of its churches

NBCI has the ability to disseminate, through a close working relationship with 10,000 National Black Religious Broadcasters, health promotion awareness campaigns over the radio and internet

NBCI has the capability to publish health editorial articles through 247 black newspapers

NBCI serves as a guest columnist for those 247 black newspapers

Technical Support

The overall need of this project will rely on strong technical support. We are going to need 6 people to provide technical know how to move the ball forward. They are the administrative support in charge of keeping the accounts and churches in line. He or she will need an assistant as well then we need an internet marketer who will come up with interesting ideas, create email blasts and help get special products move. This person will also be responsible for the research to find out what our customers need. Then we need two web designers who can design and update the entire site constantly. They also may need a part time person as well. You cannot do this project with fewer than 6 people.

Budget

National Black Church Initiative	\$250,000
NBCI will provide all the marketing and outreach to its 34,000 member churches and the balance of the 150,000 black churches. <i>We will also require a per-sales percentage which is the real objective and the strong motivation behind why we would allow our members to participate.</i>	
Administrative Assistant (Full-Time)	\$55,000
Administrative Assistant (Part-Time)	\$25,000
Web Designer (2)	\$110,000
Internet Marketing	\$55,000
Total	\$530,000

***This cost illustrates the building of the site not the maintenance of it. Once the site is up this is what we need to maintain the site.**

NBCI can cut a deal with Howard University engineering department to build that platform for no less than \$300,000 - \$500,000

Final Total	\$1,525,000
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African-American's Buying Power Projected to be \$1.1 Trillion By 2015

Group is the second largest racial minority in the country

by C. Daniel Baker

African-American's Buying Power Projected to be \$1.1 Trillion By 2015. There are 43 million African Americans in the United States, 13.7 percent of the total population, the second largest racial minority in the country. The median age is 32 and 47 percent are under 35 years of age.
Nov 28, 2013



There are 43 million African Americans in the United States, 13.7 percent of the total population, the second largest racial minority in the country. The median age is 32 and 47 percent are under 35 years of age.

Even with these impressive numbers and buying power most mainstream advertisers are not inclusive, do not include African Americans in media and marketing plans and have underestimated the market size.

The Nielsen Company study entitled “African-American Consumers: Still Vital, Still Growing,” which was commissioned by the National Newspaper Publishers Association, shows the underrepresented potential and spending power of the African American community.

The report's findings, which will be presented at the June conference of the National Association of Black Accountants Conference in Nashville, Tennessee, found that the African American population is an economic force to be reckoned with, with a projected buying power of \$1.1 trillion by 2015.

Also worth noting, the population of African-American consumers growth outpaces the rest of the population by 30 percent. Additionally, the demographic is younger, more educated and has higher incomes than commonly believed.

According to the study: between 2000 and 2009, the number of African Americans attending some college or earning degrees has grown: 45 percent of men; 54 percent of women. Households earning \$75,000 or more grew by more than 60 percent, faster than the rest of the population. African American's average income nationwide is \$47,290.

So what does this all mean in business terms? It means African Americans wield tremendous buying power. The Nielsen study showed numerous shopping trends, mostly for household, health and beauty, travel, smart phones and child related items.

"The Nielsen report is very encouraging because it shows the African American population is a tremendous financial asset to this country's economic recovery," says Calvin Harris, Jr. , President & CEO of the National Association of Black Accountants.

The Black Elite: A Look Inside Black America's Widening Wealth Gap

Wealthiest blacks distinguishing themselves from all others

by Stacey Tisdale

As high earning black households make income gains faster than other groups, it's interesting to note the wealth dynamics taking place within the black community and the widening wealth gap between the 'black elite,' and other African Americans.

A study by Credit Suisse Research, and The Heller School for Social Policy and Management at Brandeis University found that:

- The top 10% of African Americans accounted for 67% of wealth held by all African Americans
- Compare that to the top 10% of white Americans who account for 51% of that group's wealth

The study also found that the top 5% of African Americans—those with a median net worth of \$739,000, are pulling away from blacks and other groups and are also:

- 47 times greater than the median wealth for all African Americans
- 6 times greater than the median for white households

Top earners in the black community also distinguish themselves when it comes to education. “Higher income and higher net worth African American families have been still able and willing to invest in education to a higher extent than the equivalent segments of the white American population,” say study researchers.

In fact:

- Almost 69% of the top 5% of African Americans have a higher education degree
- That compares to 36% for the African American population as a whole
- And 41% for the white American population

“With generally fewer inheritances, and less extensive family wealth, the top 5% of African Americans have relied on better education as a way to achieve financial security,” they add. Researchers also find the ‘household make-up’ of wealthy black families to be different from other groups.

- 64% of the top 5% of African Americans are married or live with a partner
- 39% for the African American population as a whole live with a partner or are married
- 19% of the top 5% of African American households are headed by women
- 43% of all African American households are headed by women

The study also found that higher wealth households among blacks and whites are less likely to have children living at home.

THE NATIONAL BLACK CHURCH INITIATIVE DEMOGRAPHIC AND STATISTICAL COMPOSITION

Faith Command	No. of Churches	Age Range	Gender %		Race %	
			Male	Female	Black	Hispanic
SOUTHEAST FAITH COMMAND <i>Atlanta, GA</i>						
A						
Florida						
Tallahassee	268	30-75	36%	64%	100	
Miami	280	42-80	35	65	100	
West Palm Beach	12	34-80	39	61	100	
Fort Lauderdale	58	45-80	35	65	100	
Georgia						
Atlanta	2,580	28-85	45	55	100	
Savannah	99	39-85	34	66	100	
B						
Louisiana						
Baton Rouge	600	45-85	34	66	100	
New Orleans	356	48-85	35	65	100	
Alabama						
Birmingham	780	28-85	45	55	100	
Montgomery	656	32-85	45	55	100	
C						
Arkansas						
Little Rock	88	35-85	40	60	100	
Tennessee						
Memphis	880	28-85	45	55	100	
Nashville	906	28-85	45	55	100	
Chattanooga	458	28-85	45	55	100	
D						
Kentucky						
Louisville	362	33-85	38	62	100	
Lexington	198	35-85	38	62	100	
Mississippi						
Jackson	1,807	24-85	41	59	100	

Faith Command	No. of Churches	Age Range	Gender %		Race %	
			Male	Female	Black	Hispanic
E						
North Carolina						
Charlotte	450	25-85	45	55	100	
Winston Salem	346	25-85	45	55	100	
Raleigh	462	25-85	45	55	100	
Durham	241	25-85	45	55	100	
Greensboro	250	25-85	45	55	100	
South Carolina						
Columbia	838	29-85	40	60	100	
Charleston	682	29-85	40	60	100	
F						
Washington, DC	1,609	45-85	40	60	100	
Virginia						
Richmond	606	35-85	45	55	100	
Northern-Virginia	1,000	35-85	33	67	100	
NORTHEAST FAITH COMMAND						
<i>New York</i>						
A						
New York						
New York City	2,680	47-85	32	68	99	1
Albany	156	38-85	50	50	100	
New Jersey						
Newark	680	45-85	31	69	100	
Trenton	692	45-85	31	69	100	
B						
Pennsylvania						
Philadelphia	1,001	38-85	35	65	100	
Pittsburgh	500	43-85	35	65	100	
C						

16,830

Faith Command	No. of Churches	Age Range	Gender %		Race %	
			Male	Female	Black	Hispanic
Maryland						
Baltimore	1,008	28-85	45	55	100	
Prince George's County	985	28-85	45	55	100	
D						
Massachusetts						
Boston	400	47-85	32	68	100	
Connecticut						
Hartford	200	38-85	38	62	100	
New Haven	200	38-85	38	62	100	
MIDWEST FAITH COMMAND						
Chicago						
A						
Ohio						
Columbus	162	47-85	32	68	100	
Cleveland	289	47-85	32	68	100	
Dayton	316	47-85	32	68	100	
Cincinnati	186	47-85	32	68	100	
B						
Illinois						
Chicago	800	27-85	40	60	100	
C						
Kansas						
Kansas City	89	38-85	38	62	100	
Topeka	69	38-85	38	62	100	
Wisconsin						
Milwaukee	58	38-85	38	62	100	
D						
Michigan						
Detroit	969	38-85	38	62	100	
E						

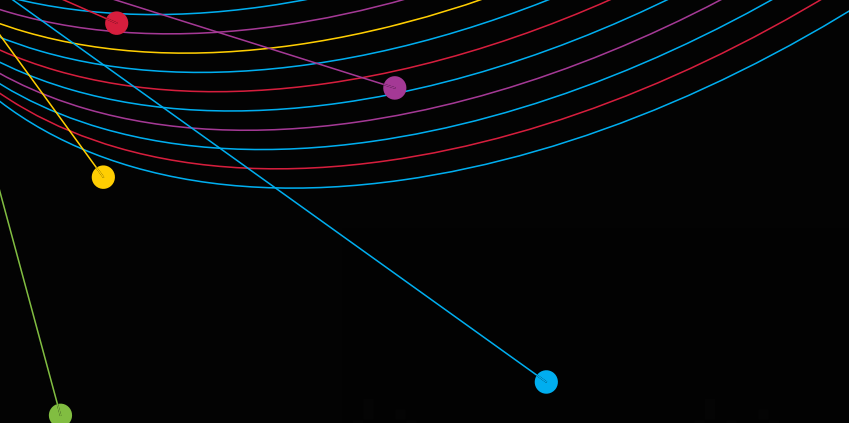
Faith Command	No. of Churches	Age Range	Gender %		Race %		
			Male	Female	Black	Hispanic	
Indiana							
Indianapolis	109	38-85	38	62	100		
SOUTHWEST FAITH COMMAND							
<i>Dallas</i>							
A							
Texas							
Dallas	958	28-85	48	52	98	4	
Houston	1,206	28-85	48	52	98	4	
B							
Forth Worth	603	28-85	48	52	98	2	
San Antonio	500	28-85	48	52	95	5	
WEST FAITH COMMAND							
<i>Oakland</i>							
A							
California							
Oakland	1,356	41-85	33	67	100		
Los Angeles	700	41-85	33	67	94	6	
San Francisco	300	48-85	32	68	94	6	

3,047

3,265

2,356

34,000



YOUNG, CONNECTED AND BLACK

**AFRICAN-AMERICAN MILLENNIALS ARE
DRIVING SOCIAL CHANGE AND
LEADING DIGITAL ADVANCEMENT**

2016 REPORT



nielsen
.....

AN UNCOMMON SENSE
OF THE CONSUMER™

FOREWORD

“Young, Connected and Black” continues a dialogue started in the 2015 Diverse Intelligence Series report—“Increasingly Affluent, Educated and Diverse, African-American Consumers: The Untold Story.” This latest report highlights African-Americans’ economic and cultural gains and continues to shine a spotlight on how African-American Millennials are forging ahead in their use of technology and social media to raise awareness and evoke a national discussion on civic and political issues. African-American Millennials are expanding the use of mobile devices (particularly smartphones with a 91% penetration rate for all African-Americans), expanding their shopping carts with fresh foods and contributing to the diversification of mainstream primetime television viewership—forging a significant increase in advertising dollars focused on African-American audiences.

African-Americans are also making impressive gains in high school and college achievement. Fully 89% of African-American Millennials ages 25–34 completed high school, compared to 77% of those who are ages 55 and older, and 21% of Black Millennials ages 25–34 have an associate's degree or higher versus 17% of those 55 and older.

A rise in educational advancement leads to increased buying power. In 2015, African-Americans controlled almost \$1.2 trillion in buying power, 8.6% of the nation’s total—a 21% increase over 2010, according to the Selig Center for Economic Growth. African-American household income growth remains steady. The share of African-American households with an income under \$25,000 declined from 43% in 2004 to 37% in 2014, while the share of households with annual incomes over \$100,000 increased from 7% in 2004 to 12% in 2014.

African-Americans are optimistic about America’s future, and they are catalysts of change. As African-Americans, particularly younger Millennials, continue to develop and expand their influence on mainstream America, companies are making changes to reach this culture-rich group with unique, captivating campaigns, as well as products and services that meet their needs.

Since 2011, Nielsen has provided a comprehensive annual report focused on African-Americans’ unique media consumption and purchasing habits along with relevant community topics that change year to year. This report is a collaboration with Nielsen’s External African-American Advisory Council and its sub-committee members: Eugene Campbell (co-chair), Reverend Jacques DeGraff, Adonis Hoffman (co-chair) and Deborah Gray-Young. We are grateful for their support and involvement throughout.



Cheryl Grace
Senior Vice President
U.S. Strategic Community Alliances
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Chief Content Officer

EXECUTIVE SUMMARY

African-Americans are exuberant and reflective—optimistic about present-day advances in income, education, entrepreneurship and healthcare, and determined to forge a better future as influential leaders and catalysts of social awareness against discrimination and social injustice. With incomes steadily rising at a rate that outpaces that of the general population, African-Americans' buying power is expected to grow 21.6% between now and 2020, by which time it will reach just over \$1.4 trillion, according to the Selig Center for Economic Growth.

Led by tech-savvy Millennials, who regard and use technology and social media as extensions of their identity, African-Americans are adept at using and leveraging digital platforms to communicate with each other and the world around them.

African-American consumers are focused on eating well and looking good, over-indexing across a wide variety of product categories, ranging from beauty products to fresh foods and ingredients that reflect their proud heritage and cultural traditions. Given the combination of African-Americans' penchant for fresh foods and a need for meals on-the-go, there is a clear opportunity for innovation and new-product development in the convenient-healthy eating space.

Black advancement is a multi-generational affair, powered by a civil rights legacy that guides and inspires older African-Americans even as younger Blacks solidify and expand their role as cultural influencers in a pan-cultural American mainstream.

Capital gains. African-Americans have shown strong income growth over the last decade. The percentage of Black households with annual incomes over \$100,000 increased from 7% in 2004 to 12% in 2014, and the percentage increase in the number of African-American households making \$50,000 or more per year has been greater for African-Americans than it has for the nation as a whole, with the number of Black households with incomes between \$50,000 and \$75,000 increasing 18% between 2004 and 2014, compared to 2% for the total U.S. The share of those households with an income under \$25,000 declined from 43% in 2004 to 37% of the total African-American population in 2014.

Viral empowered persuaders. Technology and social media is transforming and elevating the way in which African-Americans use their mobile devices. African-Americans are the second-largest multicultural group with regard to smartphone ownership, with 91% of Blacks owning smartphones (compared to 94% of Asian-Americans, and 90% of Hispanics).* The use of social media for community-based activism brought national awareness to issues affecting the Black community, and African-Americans, especially Millennials, are leading the charge to bring about institutional change. The #BlackLivesMatter, #BankBlack, and #OscarsSoWhite social media movements, all of which sparked national conversations, are just three viral examples of how savvy applications of social media and technology are increasingly able to focus national attention on issues of social, civic and political importance.

Valuing the beauty within. Personal image is highly valued and is regarded with an immense sense of pride in the African-American community. African-American Millennials have higher buying rates (per household) for hair care products and personal soap and bath products than their Millennial counterparts. African-Americans 35 and older also over-indexed (per household) against their counterparts for purchasing these items, as well as men's toiletries.

Cooking with tradition and a need for speed. African-American shopping norms show that these households over-index for cooking from scratch and using fresh foods, and the majority agree they usually plan meals ahead of time, cook meals frequently, and prefer cooking with fresh foods. African-American households also are filling their pantries with the spices and ingredients of regional dishes that reflect their roots, over-indexing on a variety of pork and poultry cuts, seafood, greens, cabbage, green beans, and dried vegetables and grains. But busy lives and a need for convenience and speed show that there is a clear opportunity for innovation and new product development in the convenient-healthy eating space.

Optimism about the future. In 2012, for the first time in American history, African-Americans had the highest rate of voter registration and turnout of all races, surpassing non-Hispanic Whites in election turnout at 66% versus 64%. And while the majority of African-Americans are optimistic that the country is headed in the right direction, there is an ongoing need in their communities for more affordable housing, healthcare, childcare and higher education.

*Source: Nielsen Mobile Insights, April 11, 2016–June 30, 2016. Mobile device penetration among mobile subscribers 13+.
Note: For the purposes of this report, African-American and Black are used interchangeably.

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SECTION I

AFRICAN-AMERICAN DEMOGRAPHIC GAINS

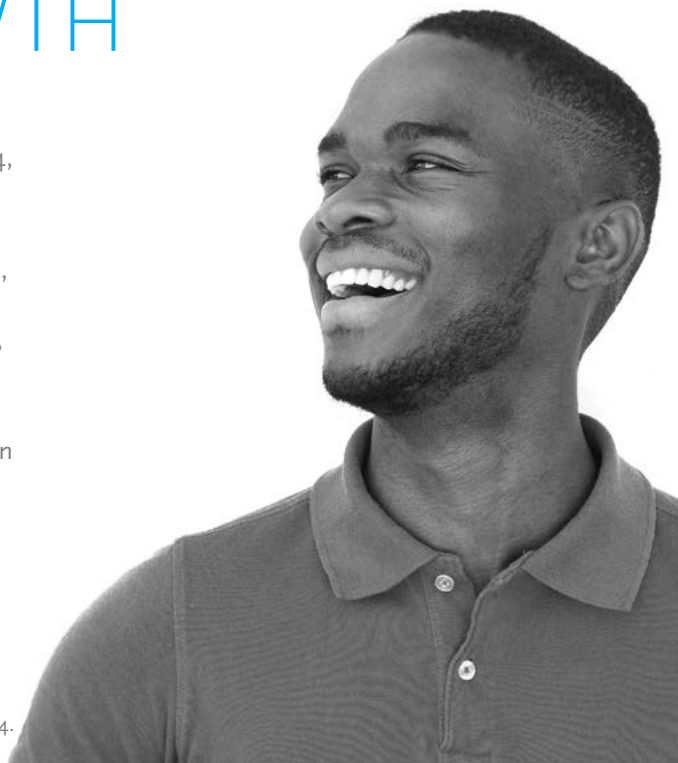
POPULATION GROWTH

African-Americans continue to represent a significant percentage of growth in the U.S. population. Having grown 21% between 2004 and 2014, the U.S. Black population is currently at 46.3 million* (14% of the total U.S. population), according to the most recent U.S. Census information. Ninety-one percent of U.S. African-Americans were native-born as of 2014, but the foreign-born population, primarily from Jamaica, Haiti, and other African and Caribbean countries is growing rapidly, having increased 40% between 2004 and 2014.

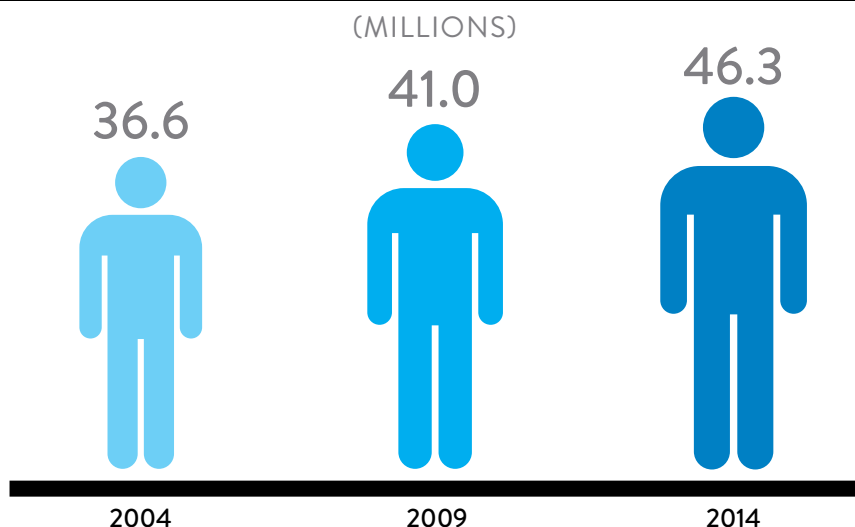
The U.S. is increasingly diverse and younger, which has largely been driven by Millennials, those born between 1982 and 2000, according to the U.S. Census. There are 83.1 million Millennials currently in the U.S. and of which African-American Millennials comprise 14% (about 11.5 million).** African-American Millennials comprise 25% (about 11.4 million) of the total Black population.

* Source: U.S. Census 2014 ACS 1-year PUMS Data tabulated by EthniFacts.

**Note: In this report, unless otherwise noted, Millennials are between the ages of 18 and 34.



U.S. AFRICAN-AMERICAN POPULATION



Source: U.S. Census Bureau, 2004, 2009, and 2014 American Community Survey; Black race plus Black race in combination with any other race.

AFRICAN-AMERICAN
MILLENNIALS COMPRISE

14%

OF THE TOTAL U.S.

MILLENNIAL
POPULATION



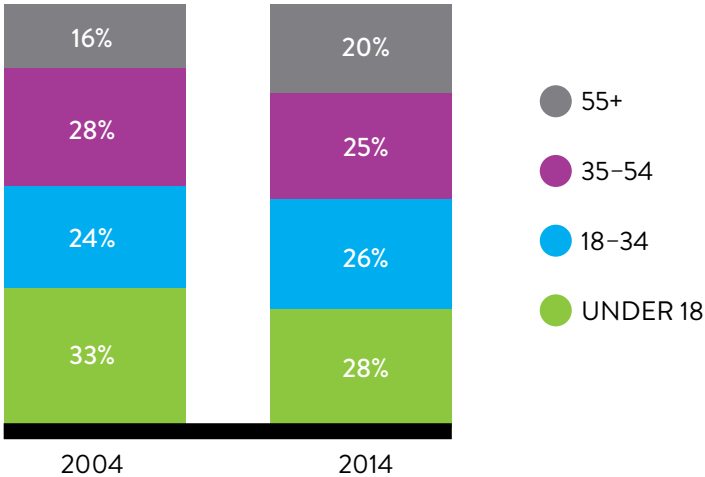
A GENERATIONAL SHIFT

Although African-Americans are a relatively young population, with a median age of 33.4 versus 40.4 for Whites and 36.5 for Asians, the African-American population is aging, even as the U.S. is getting younger. While the number of African-Americans under 18 increased by 5% between 2004 and 2014, minors represented 33% of the total Black population in 2004, but only 28% in 2014. Meanwhile, the number of African-Americans ages 18–34 and 35–54 grew in number by 33% and 10%, respectively, but maintained relatively steady shares of the total Black population. The 55 and older age group grew by 55%, increasing from 16% of the total African-American population to 20% during the same time period.

As the African-American population ages, distinct differences can be seen among the generations, from shopping behaviors to media usage and voting participation, which will be discussed throughout the report.



AGING AFRICAN-AMERICAN POPULATION



Source: U.S. Census Bureau, 2004, and 2014 American Community Survey; Black race plus Black race in combination with any other race. Percentages may not add to 100% due to rounding.

EDUCATIONAL ADVANCEMENT

Educational progress continues when it comes to high school and college achievement, with African-American women making the most gains. Based on the most recent Census data, the high school dropout rate for the total African-American population declined from 21% in 2004 to 16% in 2014. In 2014, as previously reported in last year's report, 70.9% of African-American recent high school graduates enrolled in college, dramatically up from 59.3% in 2013, exceeding the college enrollment rate of Whites (67.3%), according to U.S. Bureau of Labor Statistics.

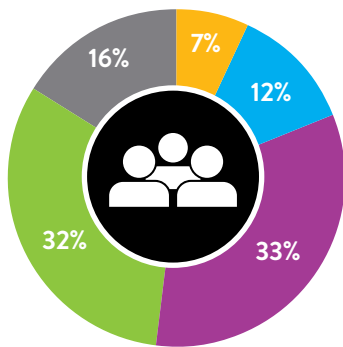
Of the degrees awarded in the U.S. from 2012 to 2013, Blacks received 10% of the bachelor's degrees, 12% of the master's degrees, and 7% of the doctorates. Black women outpaced their male counterparts, receiving 65% of the bachelor's degrees, 70% of the master's degrees, and 64% of the doctorate degrees awarded to Blacks.



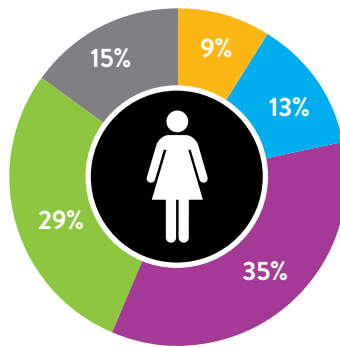
AFRICAN-AMERICAN WOMEN EXCEL IN HIGHER EDUCATION

AFRICAN-AMERICAN EDUCATIONAL ATTAINMENT BY GENDER, 2014

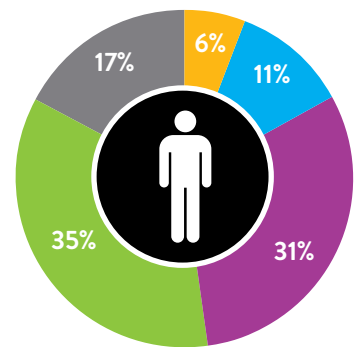
- MASTER'S DEGREE OR HIGHER
- BACHELOR'S DEGREE
- SOME COLLEGE OR ASSOCIATE'S DEGREE
- HIGH SCHOOL DIPLOMA OR GED
- LESS THAN HIGH SCHOOL DEGREE



TOTAL AFRICAN-AMERICAN



AFRICAN-AMERICAN FEMALE

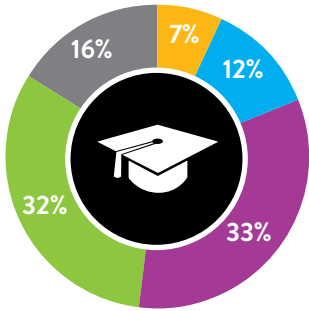


AFRICAN-AMERICAN MALE

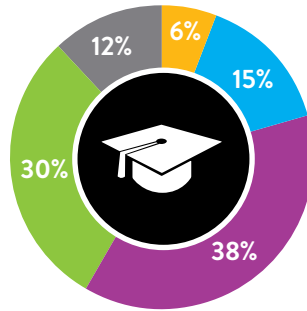
Source: U.S. Census Bureau, 2014 American Community Survey; African-Americans 25+.

AFRICAN-AMERICAN EDUCATIONAL ATTAINMENT BY AGE, 2014

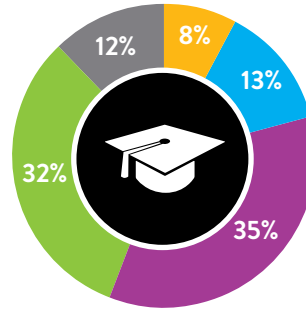
- MASTERS DEGREE OR HIGHER
- BACHELOR'S DEGREE
- SOME COLLEGE OR ASSOCIATE'S DEGREE
- HIGH SCHOOL DIPLOMA OR GED
- LESS THAN HIGH SCHOOL DEGREE



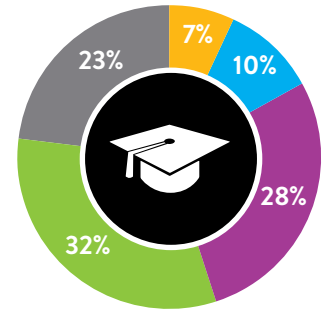
TOTAL



25-34



35-54



55 & OLDER

Source: U.S. Census Bureau, 2014 American Community Survey; African-Americans 25+.

When looking at Black education attainment by age group, today's Millennials are outpacing older generations by impressive margins. Fully, 89% of Black Millennials ages 25–34 completed high school, compared to 77% of those 55 and older. Furthermore, 21% of Black Millennials ages 25–34 have an associate's degree or higher, versus 17% of those who are 55 and older. Further, the higher education attainment levels for Black Millennials may see a sharp increase over the next few years, because 29% of African-Americans 18–34 say they intend to go back to school for a degree or certification in the next 12 months.

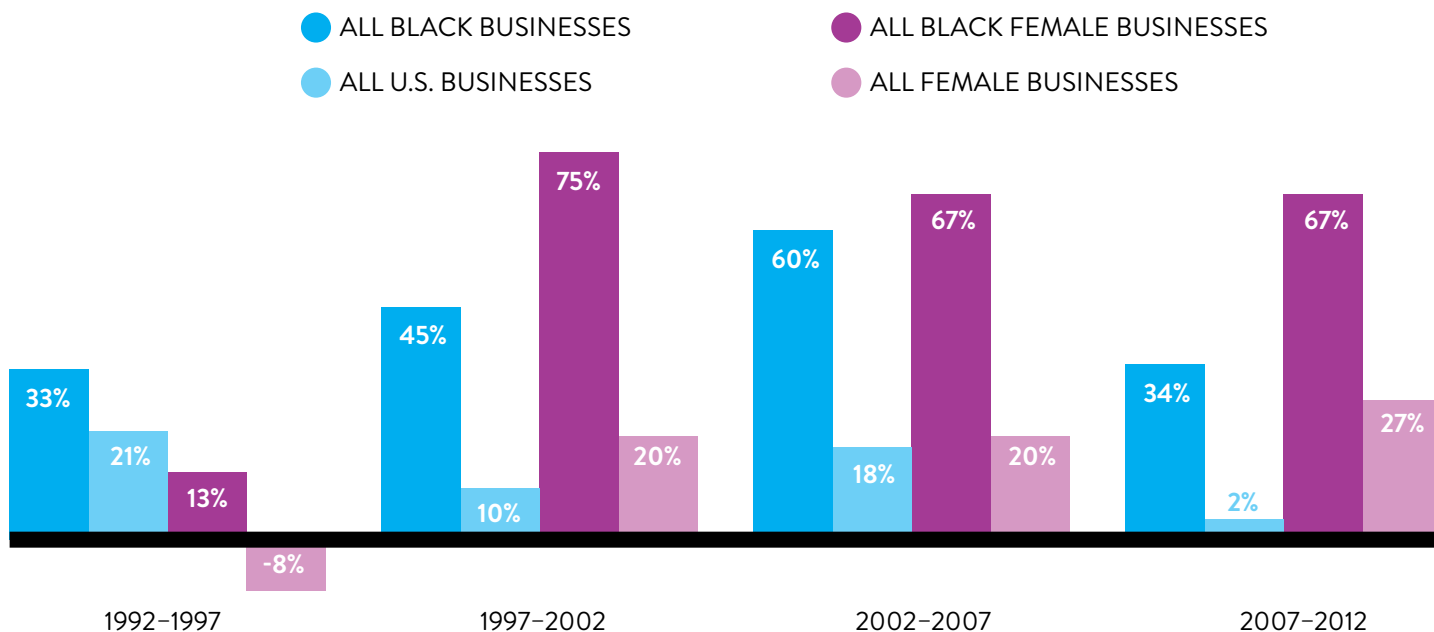


INCREASING ENTREPRENEURSHIP



African-American entrepreneurship, particularly in new businesses founded and led by Black women, has grown substantially over the last few decades. In the most recent U.S. Census Survey of Business Owners, released in 2015, data shows that in the five-year period between 2007 and 2012, the number of majority Black-owned businesses grew 34%. Between 2002 and 2012, the number of businesses grew 116%. At almost 2.6 million individual businesses, with over \$150 billion in sales, Black businesses represent 9% of all U.S. businesses. Female-owned businesses were the majority of Black businesses in 2012; at over 1.5 million businesses, they represent 59% of all Black businesses and 15% of all female-owned businesses. Black female-owned businesses have grown 67% since 2007 and 178% since 2002.

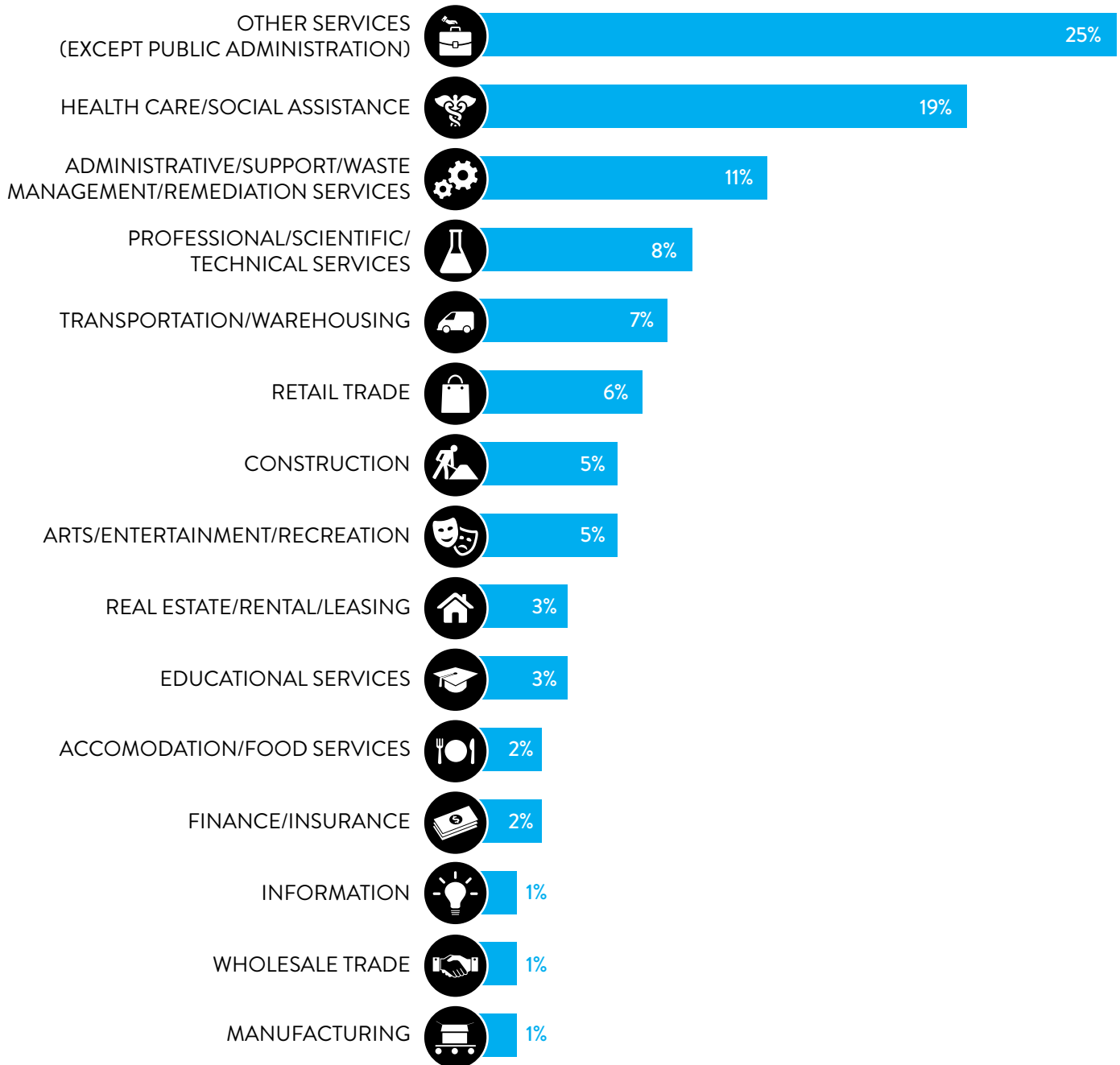
GROWTH IN NUMBER OF BLACK-OWNED BUSINESSES



Source: U.S. Census Bureau, 2004, 2009, and 2014 American Community Survey; Black race.

Aside from “non-specified other” services, which account for 25% of all Black-owned businesses, the industries with the most Black-owned businesses are healthcare and social assistance (19% of all Black-owned businesses), and administration, waste management and remediation services (11% of all Black-owned businesses).

AFRICAN-AMERICAN FIRMS BY INDUSTRY



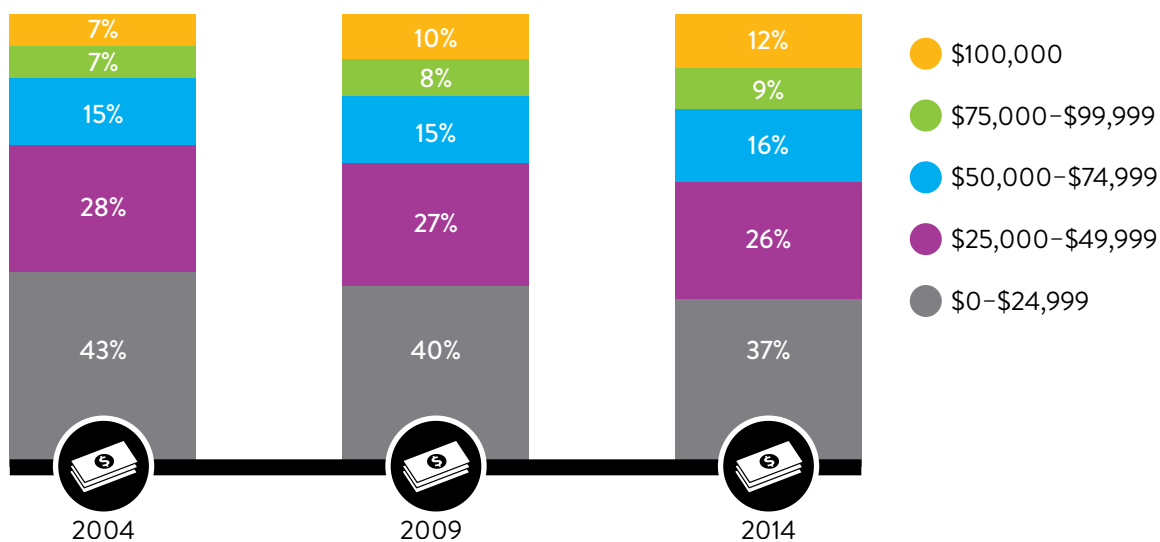
Source: U.S. Census Bureau, Survey of Business Owners, majority-Black-owned businesses, 2012 (information released in 2015).

HOUSEHOLD INCOME

African-Americans have shown steady and at times significant income growth in certain brackets over the last decade: The share of those households with an income under \$25,000 declined from 43% in 2004 to 37% of the total African-American population in 2014. For the \$25,000-\$50,000 bracket, the decline was from 28% to 26%. Meanwhile, the share of households with annual incomes from \$50,000-\$75,000 and \$75,000-\$100,000 increased from 15% to 16% and from 7% to 9%, respectively. The share of households with annual incomes over \$100,000 increased from 7% to 12%. These figures are not inflation-adjusted, but comparisons with the broader population clarify the picture. The percentage increase in the number of African-American households making \$50,000 or more per year has been greater for African-Americans than it has been for the nation as a whole. From 2004 to 2014, the number of Black households with annual incomes between \$50,000 and \$75,000 increased 18%, compared with 2% for the total U.S. During the same period, the number of Black households earning between \$75,000 and \$100,000 per year increased 35%, compared to 16% for the total U.S., and the number of Black households earning \$100,000 or more increased 95%, compared to 66% for the total U.S. Meanwhile, the number of Black households in the up to \$25,000 income bracket decreased 4% as compared to an 11% decrease for the nation, and the number in the \$25,000 to \$50,000 income bracket increased by 3%, as compared to a decrease of 9% for the nation as a whole.

U.S. BLACK HOUSEHOLD INCOME

(NOT ADJUSTED FOR INFLATION)



Source: U.S. Census Bureau, 2004, 2009, and 2014 American Community Survey; Black race.

AFRICAN-AMERICANS ARE MAKING ECONOMIC GAINS AND REACHING HIGHER



African-Americans are a relatively young population; however, they are aging with the under-18 share of the population decreasing and the share who are 55+ increasing. The total Black population is currently at 46.3 million (14% of the total U.S. population), with an increasing degree of population growth coming from older adults and those who are foreign born.



Progress continues in African-American educational advancement and entrepreneurship, with Black women leading the way. In education, high school dropout rates continue to decline and college enrollment rates are increasing. Black women have outpaced their male counterparts in terms of both the percentage of degrees awarded to African-Americans and level of educational attainment.



African-American entrepreneurship, particularly in businesses founded and led by Black women, has grown substantially over the last few decades. At almost 2.6 million individual businesses, Black businesses represent 9% of all U.S. firms, with female-owned businesses being the majority (59%) of Black firms.



African-Americans have also shown income growth over the last decade: The share of households with incomes under \$25,000 declined, the share of households with incomes over \$100,000 increased. Additionally, the percentage increase in the number of African-American households making \$50,000 or more per year has been greater for African-Americans than it has been for the nation as a whole. All of these advancements are contributing to increased Black buying power, as well as to a more sophisticated, savvy and largely female-driven African-American market.

SECTION II

VIRAL EMPOWERED PERSUADERS

The rising visibility and influence of Black consumers is making a profound and far-reaching impact when it comes to social media usage, television programming diversification, sports-viewing, technology adoption, and social activism.



A VIRAL VANGUARD

Led by tech-savvy Millennials who regard and use technology and social media almost as extensions of their personal identity, African-Americans have become adept at using digital platforms and apps to communicate with each other and the world around them. Although Black Millennials under-index for the percentage of leisure time spent on social networking sites (8%), they over-index for the actual number of hours spent. Fifty-five percent of Black Millennials say they spend an hour or more daily on social networking sites, which is 11% higher than the total Millennial population. Additionally, 29% of Black Millennials say they spend three or more hours daily on social networking sites, an amount that is 44% higher than that of the total Millennial population.



AFRICAN-AMERICANS SAY THEY SPEND MORE HOURS PER DAY ON SOCIAL NETWORKING SITES THAN THE TOTAL POPULATION

SELF-REPORTED DAILY TIME SPENT

	 1+ HOURS	 3+ HOURS
AFRICAN-AMERICAN MILLENNIALS (18-34)	55%	29%
TOTAL POPULATION (18-34)	49%	20%
INDEX	111	144
AFRICAN-AMERICANS 35+	28%	10%
TOTAL POPULATION 35+	26%	8%
INDEX	108	133

Source: Nielsen Scarborough USA+ 2015 Release 2, August 2014–October 2015.

Reflecting the importance that African-Americans place on mobile technology across all aspects of their lives, 64% of Black Millennials agree that they expect the quality of video on their mobile phone to be as good as that on their TV (21% higher than the total Millennial population).

Sixty-four percent of Black Millennials agree they like to keep their personal internet pages updated.* Facebook, YouTube and Twitter are the most common social networking sites with strong Black membership among all ages. Black Millennials and older generations over-index in membership against their total population counterparts for Twitter, Google+ and WhatsApp, while those aged 35 and older have more member profiles on YouTube, Instagram, SnapChat, and Tumblr, compared to their total population counterparts.**

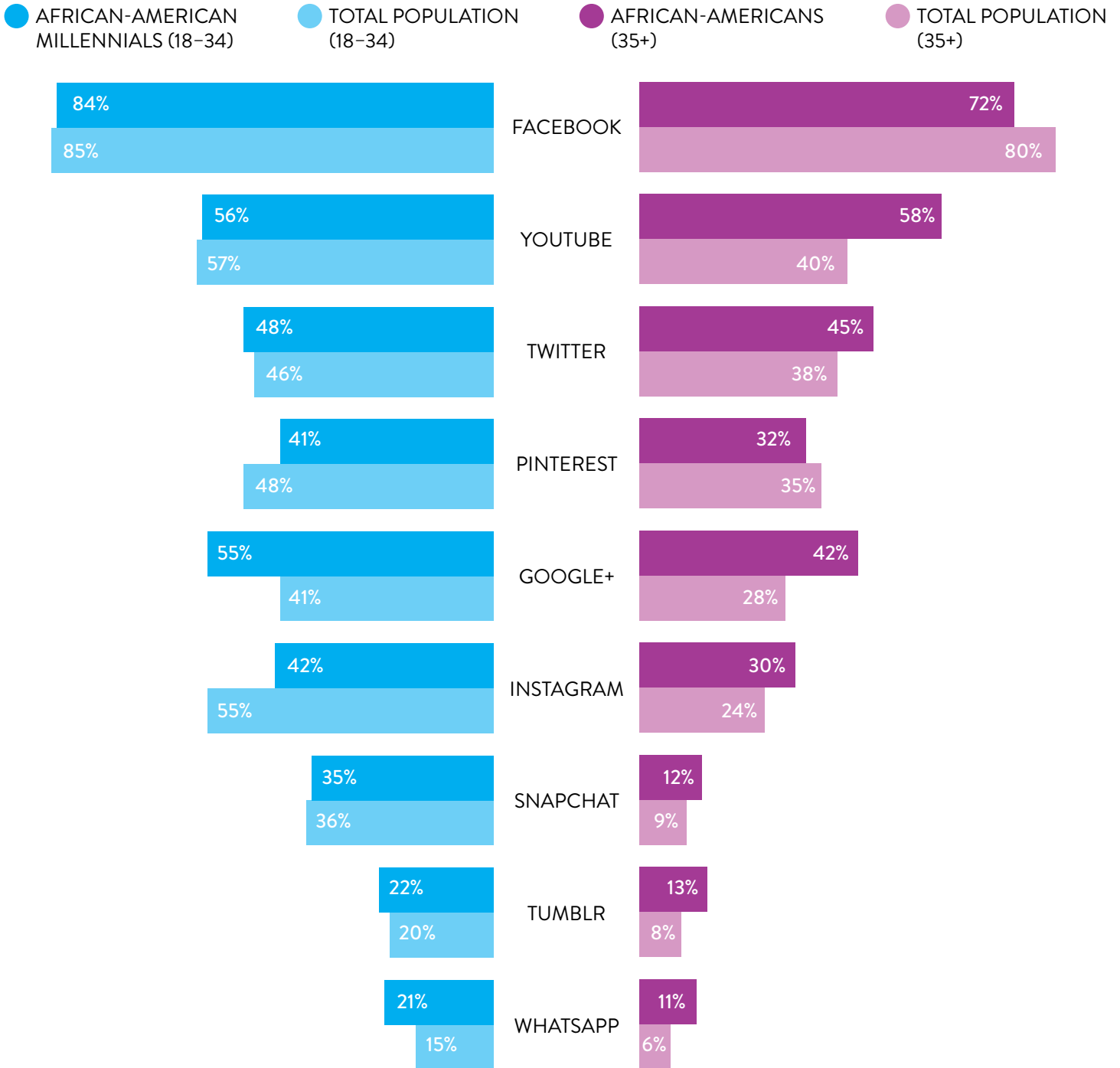
55%
OF BLACK
MILLENNIALS SAY
THEY SPEND
AN HOUR OR
MORE DAILY
ON SOCIAL
NETWORKING SITES



* Source: Nielsen Scarborough USA+ 2015 Release 2 (August 2014–October 2015).

** Source: Nielsen 360° Gaming Report, 2015.

SOCIAL NETWORKING SITE MEMBERSHIP



Source: Nielsen 360° Gaming Report, 2015.

SOCIAL MEDIA IS DRIVING CHANGE

In addition to interacting on social media for maintaining relationships with colleagues, family, and friends, or for engaging with products and celebrities, African-Americans, particularly Millennials, have elevated the platform to a usage level far beyond just communicating, entertainment and shopping. They are using social media to raise awareness of the situation of the Black community in American society. The grassroots #BlackLivesMatter movement, which began in 2012, has since become an ideological and political organization, with the goal of raising the national consciousness of social justice issues facing the Black community.

The hashtag #OscarsSoWhite is another example of social media driving change in the media industry. In response to the lack of diversity in actor nominations in nearly all categories in the 2015 Oscar nominations, the hashtag was born. The Academy of Motion Picture Arts and Sciences, the Oscars' governing body, responded. The most recent invitee list to the academy's class of 2016 reflects a step toward increased diversity among its membership. Of the 683 actors, directors, producers and executives invited in 2016, 46% were women, compared to 25% previously, and 41% were people of color, compared to 8% previously, demonstrating the power of social media to drive awareness and evoke change.

62%
OF AFRICAN-AMERICAN
MILLENNIALS SAY THEY
WOULD RECOMMEND
A FINANCIAL PRODUCT
OR SERVICE IF THEY
LIKE IT



SOCIAL SPOTLIGHT

In the wake of social-issue protests earlier this year, hip-hop artist Killer Mike offered an economic solution to help the Black community. A hashtag – #bankblack – laid the foundation for a plan encouraging at least one million African-Americans to deposit \$100 in Black-owned banks in America. MTV News and BET News hosted a joint town hall to address the issues and also offer possible solutions. Citizen's Trust, an Atlanta-based bank, experienced an increase in deposits, as 8,000 people opened new accounts for a total of about \$800,000 in deposits. The CEO of the bank tweeted Killer Mike to thank him for his contributions to beginning the dialogue that shifted the focus from disappointment to empowerment. There were 23 Black-owned banks as of March 31, according to the U.S. Federal Reserve. According to Nielsen Scarborough, African-Americans of all ages say they will recommend a financial product or service to someone else, and regularly read financial publications.*

*Source: Nielsen Scarborough USA+ 2015 Release 2 (August 2014–October 2015).

MOBILE TRENDSETTERS

CLOSING THE (MOBILE) DIGITAL DIVIDE

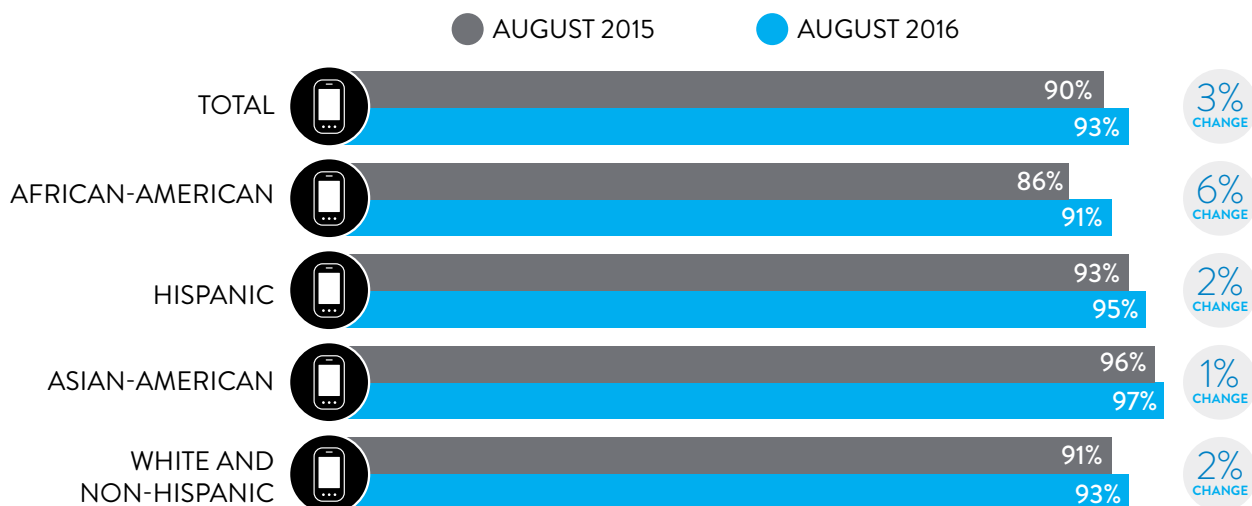
The digital divide for multicultural consumers with regard to mobile internet access has been closing rapidly in recent years, and in 2015, African-Americans are leading the way: 91% of African-Americans say they access the internet via a smartphone or broadband, up from 86% the year prior—outpacing other racial/ethnic groups by six percent. African-Americans are not only showing the largest increase in mobile internet access, but they are the second-largest multicultural group for mobile device ownership, with 91% owning smartphones (compared to 94% of Asian-Americans, and 90% of Hispanics).*

That said, penetration is lower for both computer and tablet ownership among African-Americans. Forty-five percent of African-Americans own desktop or laptop computers (compared to 79% of Whites), and 38% of African-Americans own tablets (compared to 47% of Whites). As noted, mobile devices (particularly smartphones) have been the catalysts in bringing a heightened awareness of social issues via social media, highlighting the devices' importance to African-Americans. Recognizing that importance, marketers looking to connect with African-Americans, particularly Millennials, must include mobile as an essential element in their strategic plans.

*Source: Nielsen Mobile Insights, April 11, 2016–June 30, 2016. Mobile device penetration among mobile subscribers 13+.

MOBILE INTERNET USE ON THE RISE AMONG AFRICAN-AMERICANS

INTERNET PENETRATION AMONG TV HOUSEHOLDS WITH ONE OR MORE SMARTPHONE OR HIGH SPEED INTERNET CONNECTION



Source: Nielsen National People Meter (NPM), based on average scaled installed August 15, 2016 versus August 15, 2015 among households with one or more smartphone or high speed internet connection.

On a self-reported basis, African-Americans of all ages are more likely than their counterparts to agree that they are among the first of their friends and colleagues to try new technology. The majority are fascinated by new technology, enjoy learning about technology from others and will typically recommend a technology or electronics product they like to people they know.

AFRICAN-AMERICAN MILLENNIALS ARE TECH TRAILBLAZERS

PERCENT WHO SAY THEY COMPLETELY AGREE OR SOMEWHAT AGREE











AFRICAN-AMERICAN MILLENNIALS (18-34)	TOTAL MILLENNIALS (18-34)	INDEX	AFRICAN-AMERICANS (35+)	TOTAL POPULATION (35+)	INDEX
I AM AMONG THE FIRST OF MY FRIENDS AND COLLEAGUES TO TRY NEW TECHNOLOGY PRODUCTS					
41%	33%	125	29%	24%	119
I ENJOY LEARNING ABOUT TECHNOLOGY OR ELECTRONIC PRODUCTS FROM OTHERS					
68%	65%	105	57%	54%	105
I GIVE OTHERS ADVICE WHEN THEY ARE LOOKING TO BUY TECHNOLOGY OR ELECTRONICS PRODUCTS					
52%	49%	106	37%	32%	115
I OFTEN TAKE THE OPPORTUNITY TO DISCUSS MY KNOWLEDGE OF TECHNOLOGY OR ELECTRONIC PRODUCTS WITH OTHERS					
49%	41%	120	36%	29%	125
I WANT OTHERS TO SAY "WOW" WHEN THEY SEE MY ELECTRONICS					
43%	33%	131	28%	19%	145
I'M FASCINATED BY NEW TECHNOLOGY					
70%	67%	105	58%	54%	108
WHEN I FIND A TECHNOLOGY OR ELECTRONICS PRODUCT I LIKE, I TYPICALLY RECOMMEND IT TO PEOPLE I KNOW					
68%	68%	100	51%	53%	96

Source: Nielsen Scarborough USA+ 2015 Release 2 (August 2014–October 2015).

VIGOROUS VIDEO CONTENT CONSUMERS

African-Americans are vigorous viewers of television and video, particularly live TV, with Millennial Blacks spending almost 33 hours per week watching live plus time-shifted TV, a rate 61% higher than their total market counterparts and African-Americans 35 to 49 spending 48 hours per week, a rate 49% higher than their total market counterparts. The same holds true for watching video on PCs and smartphones, which Black Millennials watch at rates 48% and 23% higher, respectively, than their total market counterparts, and African-Americans ages 35 to 49 watch at rates 45% and 32% higher, respectively.

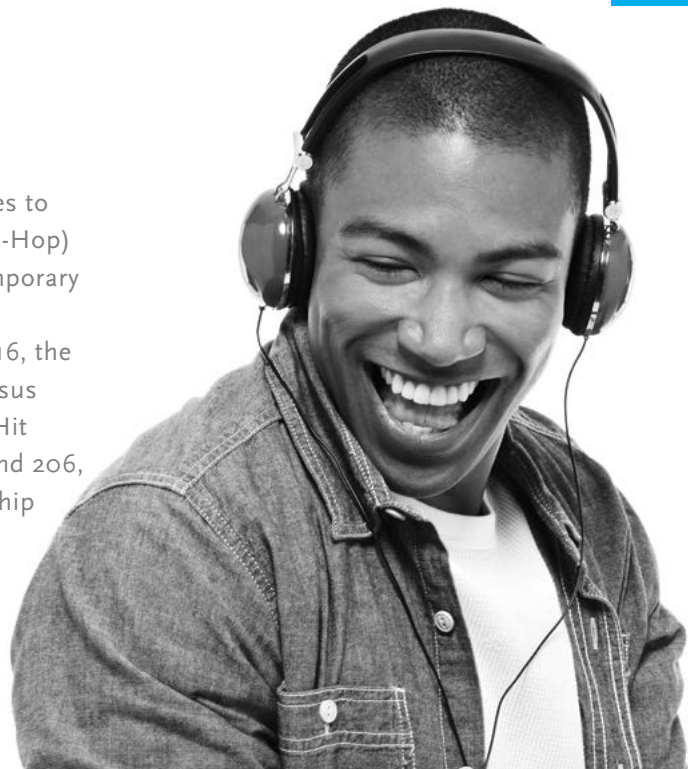
AFRICAN-AMERICANS' WEEKLY TIME SPENT ON DEVICES, BY AGE

	AFRICAN-AMERICAN MILLENNIALS (18-34)	TOTAL MILLENNIALS (18-34)	INDEX	AFRICAN-AMERICANS (35-49)	TOTAL POPULATION (35-49)	INDEX
 LIVE + DVR/TIME-SHIFTED TV	32:51	20:24	161	47:58	32:07	149
 DVR/TIME-SHIFTED TV	2:25	2:22	102	4:20	4:22	99
 AM/FM RADIO	11:00	10:54	101	14:00	13:40	102
 DVD/BLU-RAY DEVICE	0:59	0:59	100	1:10	1:05	108
 GAME CONSOLE	3:33	3:44	95	1:22	1:30	91
 MULTIMEDIA DEVICE	1:54	2:19	82	1:31	1:44	88
 INTERNET ON A PC	8:29	6:28	131	9:10	8:20	110
 VIDEO ON A PC	3:47	2:33	148	3:12	2:12	145
 APP/WEB ON A SMARTPHONE	13:28	14:23	94	14:56	14:34	103
 VIDEO ON A SMARTPHONE	0:50	0:41	123	0:34	0:25	132

Sources: Nielsen Live+DVR/Time-shifted TV, DVR/Time-shifted TV, DVD/Blu-Ray Device, Game Consoles, Multimedia Devices December 28, 2015–March 27, 2016 via Nielsen NPOWER/National Panel; Radio, March 26, 2015–March 23, 2016 via RADAR 129; PC, January 1, 2016–March 31, 2016 via Nielsen Netview and Nielsen VideoCensus; Mobile, January 1, 2016–March 31, 2016 via Nielsen Electronic Mobile Measurement.

RADIO

African-American adults have different preferences when it comes to AM/FM radio. Black Millennials favor Urban Contemporary (Hip-Hop) while African-Americans 35 and older prefer Urban Adult Contemporary (R&B). Worthy of call out is the multi-year growth of the Urban Contemporary format among both demo groups. From 2012–2016, the number of Urban Contemporary stations increased 23% (178 versus 219, respectively) while the number of Rhythmic Contemporary Hit radio stations decreased 3% during the same time period (213 and 206, respectively). Radio stations playing hip-hop have seen listenership increase at the expense of more “pop” oriented formats like Rhythmic Contemporary Hit radio.



RADIO LISTENERSHIP AMONG AFRICAN-AMERICANS, BY AGE

SHARE OF TOTAL LISTENING

AFRICAN-AMERICAN MILLENNIALS (18–34)	Q2 2012	Q2 2013	Q2 2014	Q2 2015	Q2 2016
URBAN ADULT CONTEMPORARY	21.8%	21.1%	22.0%	21.0%	21.1%
URBAN CONTEMPORARY	30.6%	32.3%	32.1%	33.7%	33.3%
RHYTHMIC CONTEMPORARY HIT RADIO	15.6%	14.2%	12.5%	11.1%	10.4%
URBAN OLDIES	0.3%	0.6%	0.8%	0.6%	0.8%
COMBINED TOTAL	68.4%	68.3%	67.4%	66.5%	65.6%

AFRICAN-AMERICANS (35+)	Q2 2012	Q2 2013	Q2 2014	Q2 2015	Q2 2016
URBAN ADULT CONTEMPORARY	36.9%	36.8%	36.6%	35.2%	35.1%
URBAN CONTEMPORARY	12.1%	12.2%	12.7%	13.8%	14.5%
RHYTHMIC CONTEMPORARY HIT RADIO	5.6%	5.3%	5.1%	5.4%	5.1%
URBAN OLDIES	0.8%	1.5%	2.0%	1.4%	1.5%
COMBINED TOTAL	55.4%	55.9%	56.4%	55.8%	56.2%

Source: Nielsen National Respondent Data from Spring 2012–2016.

TV

AFRICAN-AMERICANS ARE MOVING AHEAD IN CREATING AND ACTING, AS WELL AS WATCHING

When it comes to leisure activities, watching TV and movies is the primary way that African-Americans claim they spend their time, with Millennial Blacks over-indexing their total market counterparts by 20%.

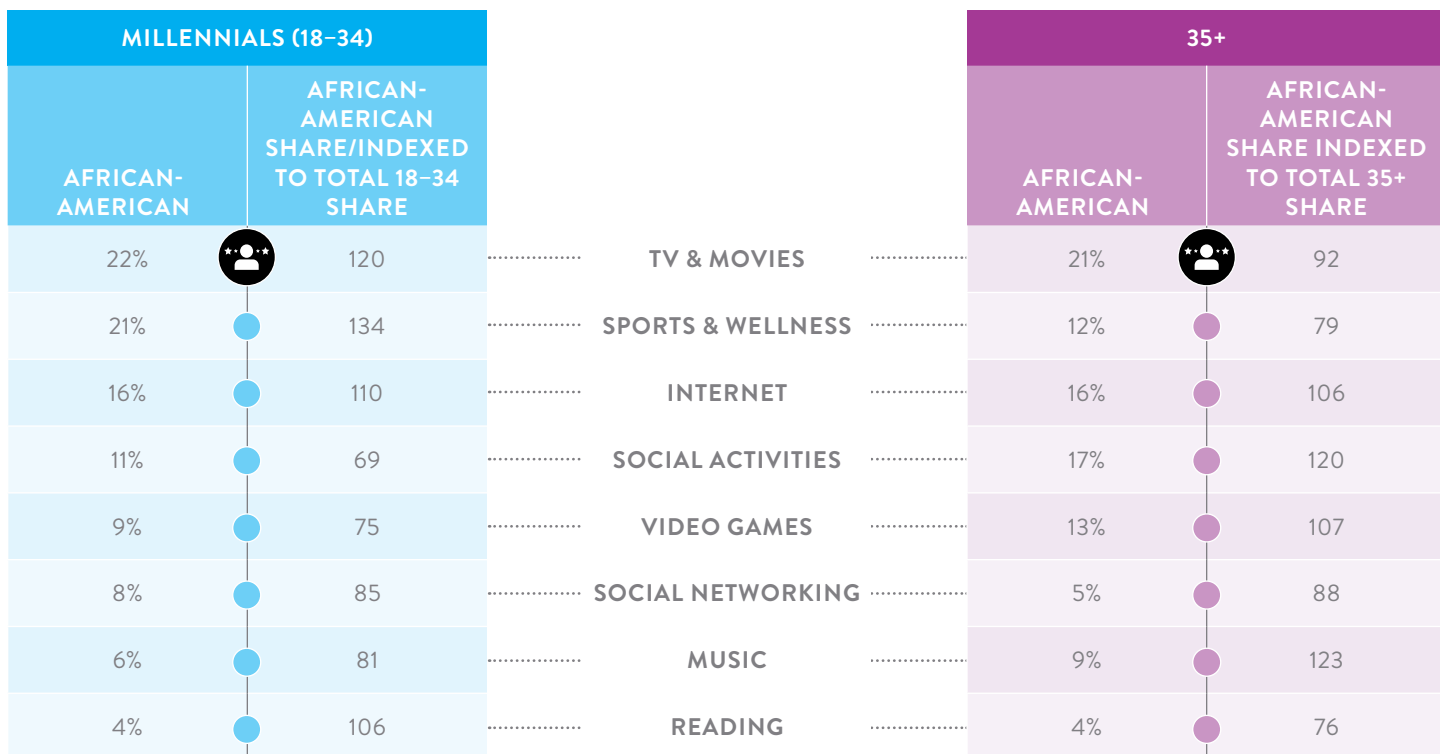
Overall, Black viewers are helping to elevate up-and-coming Black celebrities and programs, which are at the forefront of a trend towards diversity in television, movies and other media forms. In fact, 62% of Black Millennials agree that they feel really good about seeing celebrities in the media who share their ethnic background.*

*Source: Nielsen Scarborough USA+ 2015 Release 2 (August 2014–October 2015).

62%

OF BLACK MILLENNIALS AGREE THAT THEY FEEL REALLY GOOD ABOUT SEEING CELEBRITIES IN THE MEDIA WHO SHARE THEIR ETHNIC BACKGROUND.

SHARE OF WEEKLY LEISURE TIME ACTIVITIES BY ACTIVITY AMONG AFRICAN-AMERICANS, BY AGE

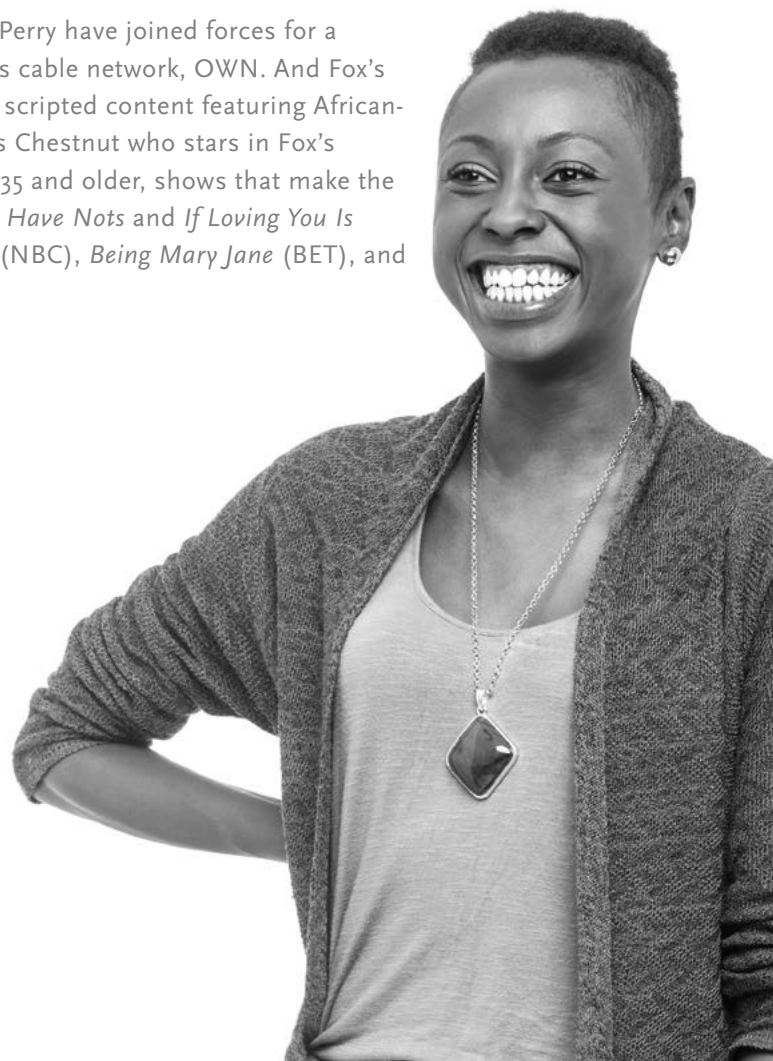


Source: Nielsen 360° Gaming Report, 2015.

Four of the top network TV shows among African-American Millennials—*Empire* (Fox), *Scandal* (ABC), *Love & Hip-Hop Atlanta 5* (VH1), and *How to Get Away With Murder* (ABC)—all have Black creators, co-creators, or executive producers, as well as predominantly Black casts and/or leading Black characters. *Empire*'s leading stars, Terrence Howard and Taraji P. Henson, are on their way to becoming household names across all demographic viewing audiences and 35% of the show's viewers are non-African-American. Even further exemplifying the growing mainstream audience appeal of these shows, 68% of *Scandal*'s viewers and 76% of *Black-ish*'s viewers are non-African-American.

All but one of the top 10 shows among African-Americans, for both Millennials and those 35 and older, are shows where African-Americans significantly over-index against the total population. The one exception is *The Walking Dead* (AMC), which ranks as the eighth most popular show for Black Millennial viewers, but actually under-indexes for Black audiences. While *Empire*, *Scandal*, *How to Get Away With Murder*, and *Love and Hip Hop Atlanta* (VH1) are in the top 10 shows among Black Millennials and older generations, *The Walking Dead*, and the other series installments of the *Love and Hip Hop* reality show franchise, as well as various series installments of *Black Ink Crew* (VH1) are also popular shows.

Industry titans Oprah Winfrey and Tyler Perry have joined forces for a portfolio of scripted content on Winfrey's cable network, OWN. And Fox's *Empire* success effectively greenlit other scripted content featuring African-American lead characters such as Morris Chestnut who stars in Fox's sophomore series *Rosewood*. For Blacks 35 and older, shows that make the top 10 list are OWN's *The Haves and the Have Nots* and *If Loving You Is Wrong*, *Rosewood* (FOX), *Little Big Shots* (NBC), *Being Mary Jane* (BET), and *Real Housewives of Atlanta* (BRAVO).



TOP TV PROGRAMS AMONG AFRICAN-AMERICAN VIEWERS, BY AGE

PROGRAMS	NETWORK	AFRICAN-AMERICAN MILLENNIALS (18-34) AVERAGE AUDIENCE RATING	AFRICAN-AMERICAN MILLENNIALS (18-34) VIEWERS (000)
EMPIRE	FOX	25.6	2,572
LOVE & HIP HOP ATLANTA 5	VH1	11.5	1,157
LOVE & HIP HOP HOLLYWOOD 2	VH1	10.8	1,091
LOVE & HIP HOP 6	VH1	10.7	1,077
BLACK INK CREW 3	VH1	9.4	950
BLACK INK CREW 4	VH1	8.9	895
BLACK INK CREW CHICAGO	VH1	7.9	795
THE WALKING DEAD	AMC	7.2	728
HOW TO GET AWAY WITH MURDER	ABC	7.0	710
SCANDAL	ABC	6.7	678

Read as: The average audience rating for *Empire* was 25.6% of African-Americans, 18-34.

Source: Nielsen NPOWER, Persons 18-34, Persons 35-99, Broadcast and Cable, Live +7 Days, TV with Digital, TV with Video On Demand (VOD), September 21, 2015-June 26, 2016, does not include syndicated programs, specials, sports or programs with less than four telecasts.

PROGRAMS	NETWORK	AFRICAN-AMERICANS (35+) AVERAGE AUDIENCE RATING	AFRICAN-AMERICANS (35+) VIEWERS (000)
EMPIRE	FOX	32.4	6,378
SCANDAL	ABC	13.2	2,607
HOW TO GET AWAY WITH MURDER	ABC	12.7	2,502
THE HAVES AND THE HAVE NOTS	OWN	11.6	2,295
ROSEWOOD	FOX	11.0	2,165
IF LOVING YOU IS WRONG	OWN	10.0	1,969
LITTLE BIG SHOTS	NBC	7.9	1,566
BEING MARY JANE 3	BET	7.9	1,557
REAL HOUSEWIVES OF ATLANTA 8	BRAVO	7.5	1,491
LOVE & HIP-HOP ATLANTA 5	VH1	7.0	1,384

Read as: The average audience rating for *Empire* was 32.4% of African-Americans, 35+.

Source: Nielsen NPOWER, Persons 18-34, Persons 35-99, Broadcast and Cable, Live +7 Days, TV with Digital, TV with Video On Demand (VOD), September 21, 2015-June 26, 2016, does not include syndicated programs, specials, sports or programs with less than four telecasts.

Sports programs, specifically Super Bowl 50 (CBS) and the NBA Finals game series (ABC), along with an *Empire* holiday special, dominated the top 10 sports and specials for both African-American Millennials and African-Americans 35 and over. There is little difference between the age groups when it comes to top specials, with eight of the 10 being the same.

TOP SPORTS AND OTHER SPECIALS AMONG AFRICAN-AMERICAN VIEWERS, BY AGE

PROGRAM	NETWORK	AFRICAN-AMERICAN MILLENNIALS (18-34) AVERAGE AUDIENCE RATING	AFRICAN-AMERICAN MILLENNIALS (18-34) VIEWERS ('000)
SUPER BOWL 50	CBS	32.0	3,218
EMPIRE (HOLIDAY SPECIAL)	FOX	22.3	2,242
NBA FINALS (GAME 7)	ABC	17.2	1,732
NFC CHAMPIONSHIP (NFL)	FOX	15.7	1,581
NBA FINALS (GAME 5)	ABC	15.6	1,573
NBA FINALS (GAME 6)	ABC	14.3	1,444
NBA FINALS (GAME 1)	ABC	14.0	1,406
NBA FINALS (GAME 2)	ABC	13.0	1,309
AFC CHAMPIONSHIP (NFL)	CBS	13.0	1,308
NBA FINALS (GAME 3)	ABC	12.5	1,264

Read as: The average audience rating for Super Bowl 50 was 32% of African-Americans, 18-34.

Source: Nielsen NPOWER, September 21, 2015-June 26, 2015, Season to Date. Broadcast and Cable. Live+7. Excluding Repeats. Including only Specials with one telecast and a rating of 1.0 or higher. Excluding telecasts with less than 10 minutes duration.

PROGRAM	NETWORK	AFRICAN-AMERICANS (35+) AVERAGE AUDIENCE RATING	AFRICAN-AMERICANS (35+) VIEWERS ('000)
SUPER BOWL 50	CBS	41.5	8,162
EMPIRE (HOLIDAY SPECIAL)	FOX	27.7	5,459
NBA FINALS (GAME 7)	ABC	25.4	5,004
NFC CHAMPIONSHIP (NFL)	FOX	23.9	4,703
AFC CHAMPIONSHIP (NFL)	CBS	23.0	4,520
THE WIZ LIVE!	NBC	22.9	4,511
NBA FINALS (GAME 5)	ABC	20.6	4,058
NBA FINALS (GAME 6)	ABC	20.2	3,987
NFC PLAYOFF GAME (NFL)	FOX	19.0	3,740
NBA FINALS (GAME 1)	ABC	18.8	3,702

Read as: The average audience rating for Super Bowl 50 was 41.5% of African-Americans, 35+.

Source: Nielsen NPOWER, Persons 18-34, Persons 35-99, Broadcast, Live +7 Days, TV with Digital, TV with Video On Demand (VOD), September 21, 2015-June 26, 2016, does not include syndicated programs.

MORE DIVERSE CONTENT DRIVES INCREASED AD SPEND

TV captured the largest share of Black advertising spend in 2015, which is up 11% versus 2011. In fact, in the four-year period between 2011 and 2015, broadcast TV ad spend focused on Black audiences increased 255% and syndicated TV ad spending increased 55%. The reason? In the most recent broadcast seasons, specifically 2014-2015 and 2015-2016, broadcast TV drew a larger number of Black viewers due to increased diversity of primetime programs on mainstream networks that featured predominantly Black casts and/or leading Black actors. Dramas such as *Empire*, *Rosewood*, *Scandal*, *How to Get Away with Murder*; sitcoms like *Black-ish* and specials like *The Wiz LIVE!* have contributed to a significant shift in ad dollars reaching Black audiences, further evidence of the wide reach of Black cultural influence.

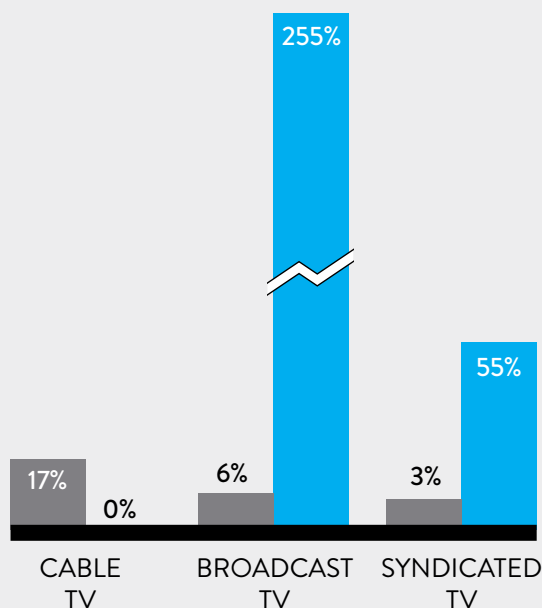
Advertising spend focused on Black audiences (ad dollars placed on programming that has greater than 50% Black viewers) through syndicated and broadcast TV, increased slightly in 2015 versus 2014, and slightly decreased for spot radio and cable TV during the same time period. Cable TV represents the largest share of dollars in spend focused on Black audiences at \$1.3 billion in 2015. And in light of the recent broadcast TV ad dollar boost toward Black audiences, cable TV still offers niche, audience-segmented programming for African-American viewers of all ages.

BETWEEN 2011 AND 2015, BROADCAST
TV AD SPEND FOCUSED ON
BLACK AUDIENCES INCREASED

255%

AD SPEND CHANGE 2011-2015

- TOTAL AD SPEND CHANGE
- AD SPEND FOCUSED ON BLACK AUDIENCES



Source: Nielsen Ad Intel; January 1, 2011–December 31, 2015.

DEFINITIONS OF AFRICAN-AMERICAN COVERAGE

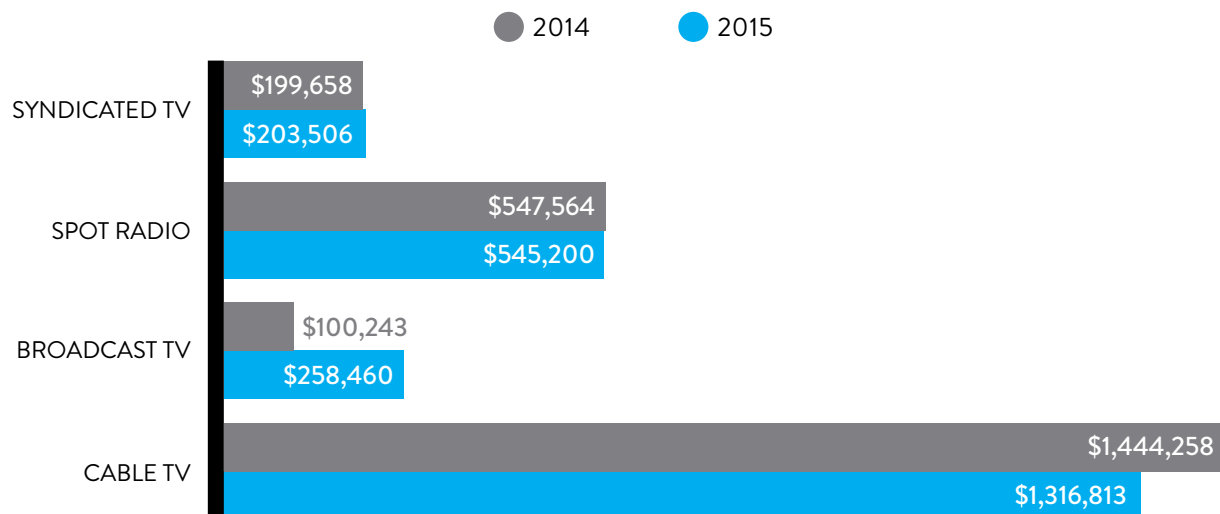
Broadcast: Ads placed on programs aired on TV networks such as CBS, ABC, NBC, FOX, The CW, etc. where the composite African-American viewing audience is greater than 50% compared to the total viewing audience.

Cable: Ads placed on programs aired on TV networks such as Bounce TV, BET, Centric, TV One, Up, OWN, VH1, etc. where the composite African-American viewing audience is greater than 50% compared to the total viewing audience.

Syndicated TV: Ads placed on programs where the composite African-American viewing audience is greater than 50% compared to the total viewing audience.

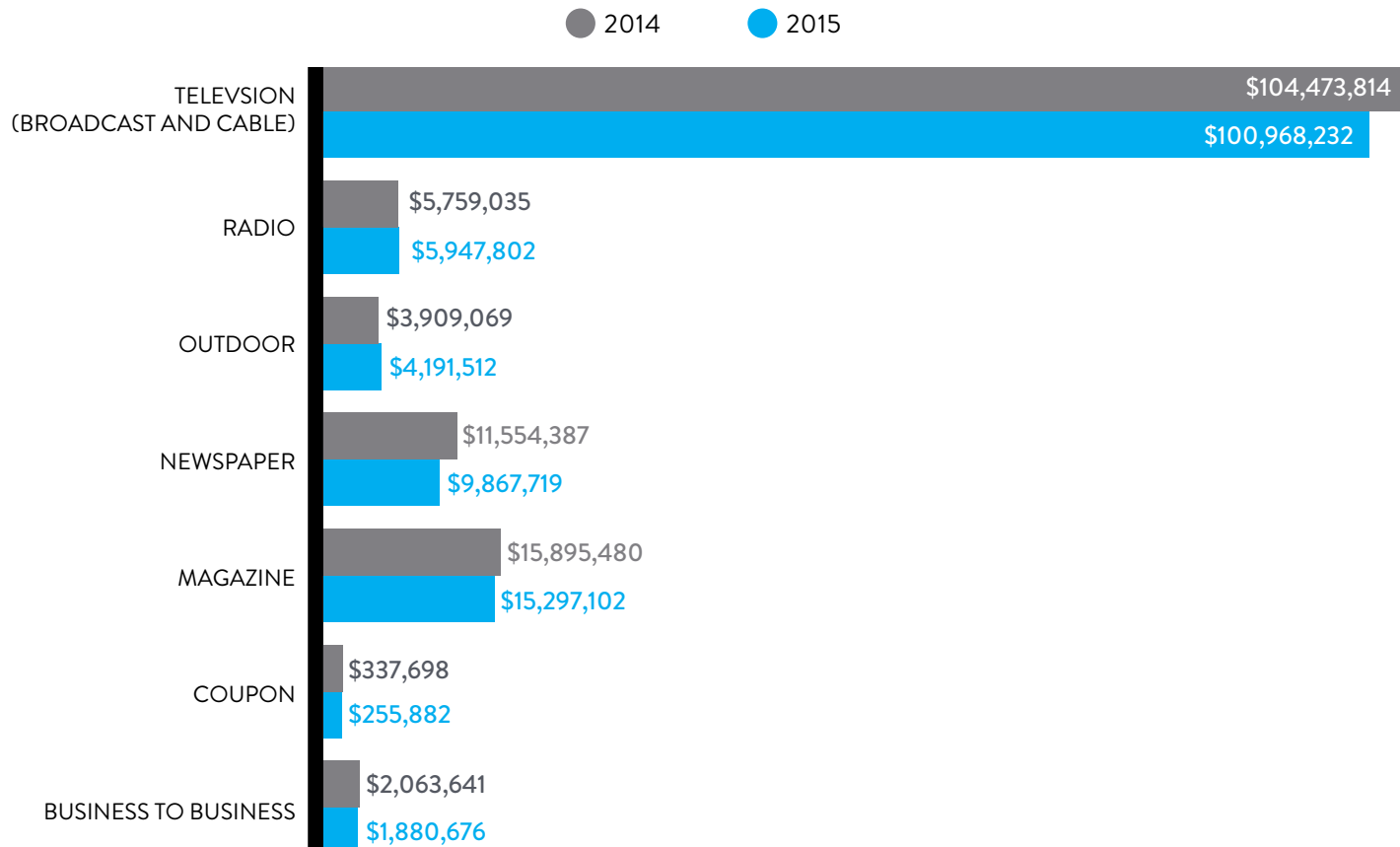
Spot radio: Ads placed on local radio stations which have African-American targeted formats such as urban, gospel, smooth jazz, Black talk/news, etc.

AD SPEND FOCUSED ON BLACK AUDIENCES – DOLLARS (000)



Source: Nielsen Ad Intel; January 1, 2014–December 31, 2015.

TOTAL MEDIA AD SPEND - DOLLARS (000)



Source: Nielsen Ad Intel; January 1, 2014–December 31, 2015.

GAMING ATTITUDES ARE COMPETITIVE

African-American Millennials claim to spend 9% of their leisure time on video games, versus 12% for the total Millennial population, while African-Americans 35 and older spend 13% of their leisure time on video games. Although some African-Americans spend less of their free time on video games, they are often early adopters and influencers among gamers. African-Americans of all ages over-index against their total population counterparts for agreeing that they are the first to buy the newest games or gaming systems, that their friends ask their opinion about video games, and that all of their friends are gamers. Interestingly, they are more social gamers: African-Americans under-index for playing single player games and over-index for playing video games for the competition. With increased internet access and a large representation on multiple social media networks, Black gamers connect and play games with others who are not necessarily living in the same household.

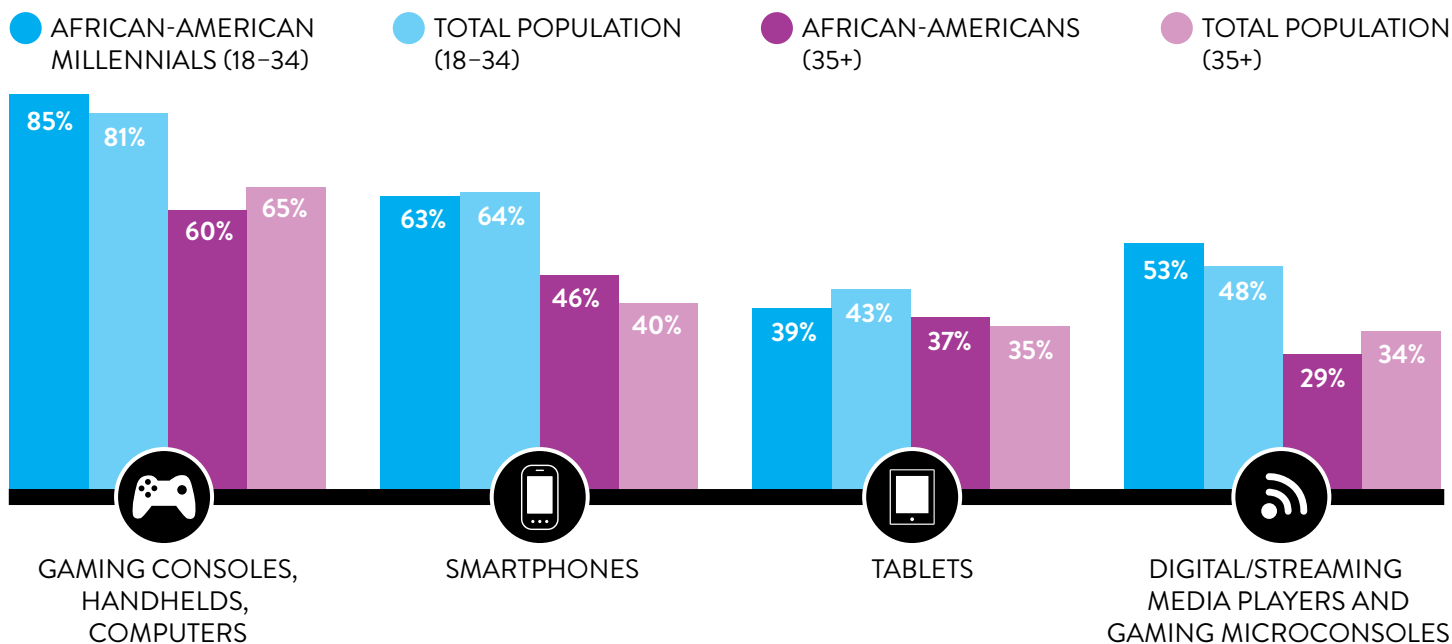
AFRICAN-AMERICAN MILLENNIALS ARE ACTIVE GAMERS

PERCENT WHO SAY THEY COMPLETELY AGREE OR SOMEWHAT AGREE

AFRICAN-AMERICAN MILLENNIALS (18-34)	TOTAL MILLENNIALS (18-34)	TOTAL AFRICAN-AMERICAN (35-49)	TOTAL POPULATION (35-49)
MY FRIENDS OFTEN ASK FOR MY OPINION ABOUT VIDEO GAMES			
42%	34%	11%	11%
I PLAY VIDEO GAMES FOR THE COMPETITION			
39%	33%	21%	17%
ALL OF MY FRIENDS ARE GAMERS			
34%	28%	15%	11%
I AM THE FIRST TO BUY THE NEWEST GAMES OR GAMING SYSTEMS			
29%	22%	11%	9%

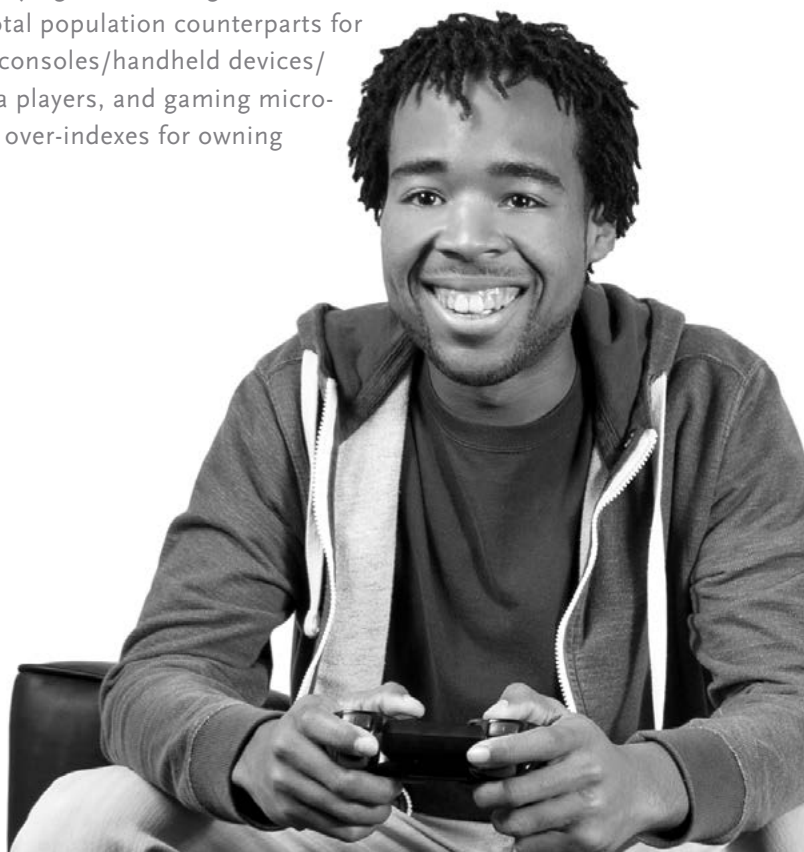
Source: Nielsen 360° Gaming Report, 2015.

VIDEO GAME DEVICE OWNERSHIP



Source: Nielsen 360° Gaming Report, 2015.

African-Americans of all ages are most likely to own gaming consoles, handheld devices, or computers for playing their video games. Black Millennials over-index against their total population counterparts for net (collective) ownership of gaming consoles/handheld devices/computers/digital or streaming media players, and gaming microconsoles. The 35-and-older age group over-indexes for owning smartphones to play video games.



AFRICAN-AMERICANS ARE TECHNOLOGY TRAILBLAZERS AND CATALYSTS OF SOCIAL AWARENESS



Trend-setting Black consumers are influencing the U.S. mainstream in profound and far-reaching ways when it comes to social media usage, television programming diversification, sports-viewing, technology adoption and social activism. Led by tech-savvy Millennials, African-Americans have become adept at using digital platforms and apps to communicate, and to leverage social media to increase the national consciousness with regard to issues affecting the Black community and to effect change.



African-Americans outpace Whites in both smartphone ownership and mobile internet access, but there is a gap in penetration for both computers and tablets. Since African-Americans, particularly Millennials, over-index for learning about technology and electronic products from others, discussing and giving others advice about technology, and recommending technology products to people they know, campaigns using brand ambassadors should be considered when developing growth strategies.



African-Americans are vigorous viewers of television and video, with both Millennial and those 35 and older over-indexing against their total market counterparts. Watching TV and movies are the primary way that Blacks claim they spend their leisure time. These Black viewers are helping to popularize Black celebrities and programs, which are at the forefront of an overall trend toward diversity in television, movies, and other media forms. Four of the current top network TV shows, several of which are watched predominantly by non-Blacks, have Black creators, co-creators, or executive producers, as well as predominantly Black casts or leading Black characters.



TV captured the largest share of Black advertising spend in 2015, which was up 11% versus 2011. Between 2011 and 2015, broadcast TV ad spend focused on Black audiences increased 255% and syndicated TV increased 55%. The diversification of TV programming is affecting advertising spend, as popular lead Black talent, Black show producers and creators as well as Black culture-influenced storylines on mainstream media are reaching larger audiences.

SECTION III

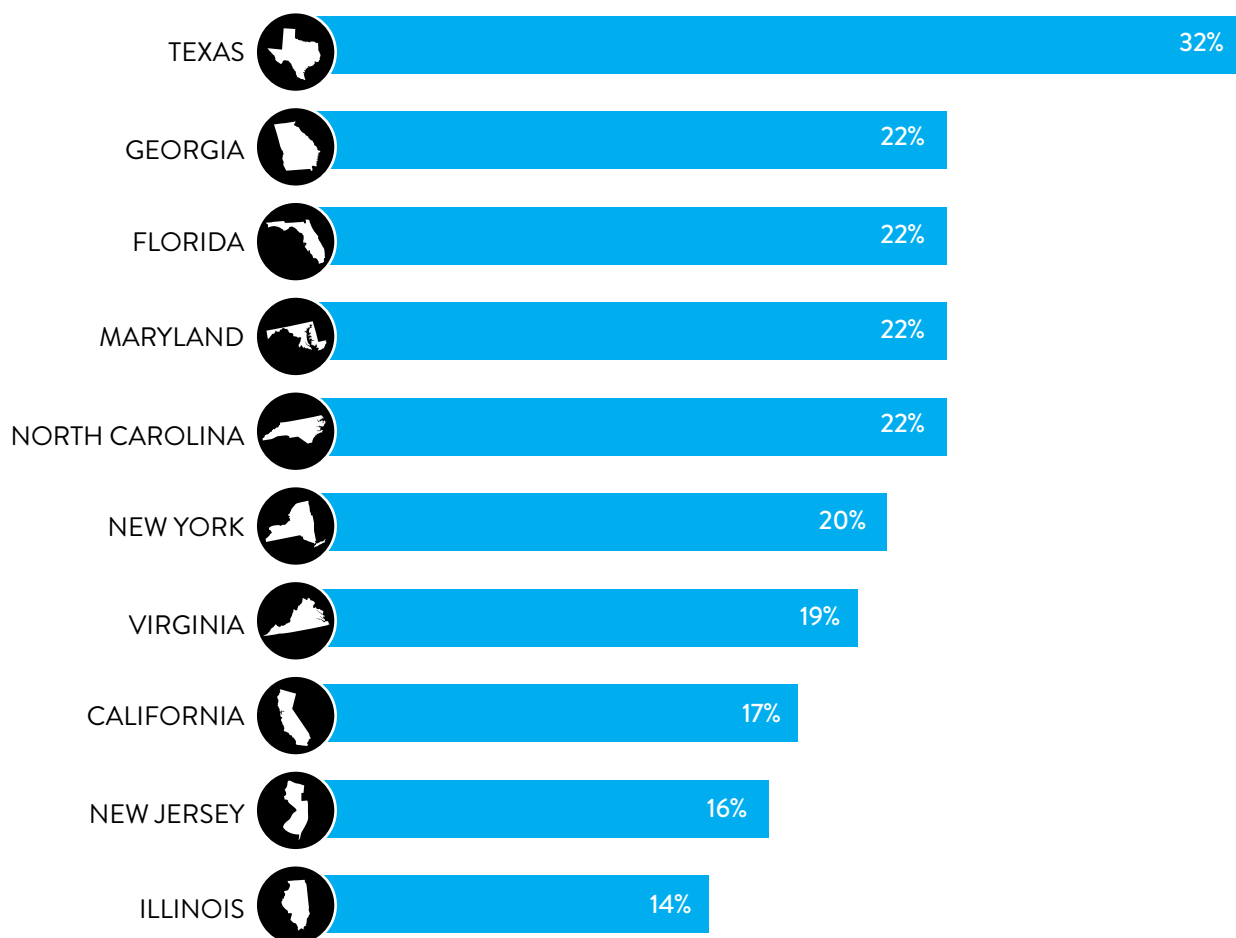
CONSUMPTION GAINS OUTPACE THE
TOTAL POPULATIONBUYING POWER
GAINS AND STATE
DISTRIBUTION

In 2015, African-Americans controlled \$1.2 trillion in buying power, 8.6% of the nation's total, and a 21% increase over 2010, according to the Selig Center for Economic Growth. Black buying power is expected to grow 21.6% between 2015 and 2020 (compared with 20.3% growth for the total U.S.), and to reach just over \$1.4 trillion by 2020. The gains in Black buying power reflect not only African-Americans' population growth, but also their increasing education and entrepreneurship, as well as their advancing into their peak earning years.



The states with the largest African-American buying power in 2015 were New York (\$109 billion), Texas (\$106 billion), California (\$84 billion), Georgia (\$81 billion), Florida (\$80 billion), Maryland (\$69 billion), North Carolina (\$55 billion), Virginia (\$49 billion), Illinois (\$49 billion) and New Jersey (\$42 billion), also according to Selig. These 10 states represent 62% of African-American buying power. The same states, with the exception of Georgia and Maryland, ranked (by buying power) among the top markets for all consumers. With the African-American market spread widely throughout the U.S., it is an attractive customer segment nationwide. Tremendous opportunities for geo-targeted campaigns over the next few years are especially promising in Texas, the state with the second-largest Black buying power and the highest projected growth rate of the top 10 states, at 32%.

AFRICAN-AMERICAN BUYING POWER PROJECTED GROWTH RATE—TOP 10 STATES, 2015-2020



Source: Selig Center for Economic Growth, Terry College of Business, University of Georgia, 2015.

FEELING PROUD, LOOKING GOOD AND SPENDING MORE

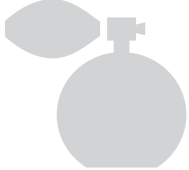
Personal image is highly valued and is regarded with an immense sense of pride in the African-American community. Consumer product companies have long been aware of the dedicated consumption of personal healthcare items by Black consumers. African-Americans of all ages show higher buying rates than non-African-Americans for women's fragrances, grooming aids, personal soap and bath needs, deodorant, sanitary protection, family planning, and feminine hygiene. African-Americans ages 35 and older also over-index on men's toiletries and baby needs, while those ages 18–34 also over-index on oral hygiene, skin-care preparations and hair care.

The long history of personal care spending has led many consumer products companies to offer highly-developed lines of popular African-American cosmetic, fragrance, and hair-care products that cater to the wants and needs of African-American men and women. While the wide array of product offerings for these items result in African-Americans having a lower index than the total non-African-American market on general skin care preparation and hair-care product categories (87 index and 91 index, respectively), they spend a higher percent of dollars in the booming African-American health and beauty aid categories.



AFRICAN-AMERICANS OVER-INDEX ON PERSONAL CARE SPENDING

PERSONAL CARE ITEMS INDEX – CATEGORY BUYING RATE (DOLLARS)



	AFRICAN-AMERICAN MILLENNIALS (18–34) INDEXED TO NON-AFRICAN-AMERICANS (18–34)	AFRICAN-AMERICANS (35+) INDEXED TO NON-AFRICAN-AMERICANS (35+)	AFRICAN-AMERICANS INDEXED TO NON-AFRICAN-AMERICANS
WOMEN'S FRAGRANCES	115	115	110
GROOMING AIDS	113	105	105
PERSONAL SOAP AND BATH NEEDS	146	145	143
DEODORANT	110	105	107
MEN'S TOILETRIES	98	121	128
ORAL HYGIENE	107	98	101
SANITARY PROTECTION	117	101	103
SKIN CARE PREPARATIONS	109	84	87
HAIR CARE	116	85	91
FEMININE HYGIENE	116	103	102
ETHNIC HEALTH AND BEAUTY AIDS	158	175	153

Read as: African-American Millennials, 18–34, spend 15% more on women's fragrances than their non-African-American counterparts.

Source: Nielsen Homescan, 52 weeks ending December 26, 2015.

Not surprisingly, African-Americans show a 53% higher item buying rate than non-African-Americans in this category, while older African-Americans index even higher than Millennials versus their non-African-American peers (75% higher for those 35+ versus 58% higher for 18–34 year olds). This may indicate a more pan-cultural attitude among younger African-Americans influenced by the increasing availability of alternative beauty regimens, and by consumer products companies' expanded offerings in their major product lines devoted to diverse skin tones and needs. At the same time, manufacturers of African-American health and beauty aids are also extending the consumer reach and appeal of this product category – beyond African-American consumers.



COOKING FROM SCRATCH IS VALUED, BUT SPEED AND EFFICIENCY ARE KEY


Traditional cultural recipes have been adapted over time, but their primary components have endured and are still reflected in the grocery-buying habits of African-Americans today: These shoppers buy meat (particularly a variety of pork and poultry cuts), seafood, greens, cabbage, and green beans, at a higher rate than non-African-Americans. Black Millennials and older Black generations have similar purchasing patterns for fresh food items, however, there are a few items that stand out for the younger shoppers when compared to total African-Americans. Black Millennials buy 56% more fresh green beans and 8% more fresh chicken than total African-American shoppers.

AFRICAN-AMERICANS OF ALL AGES HAVE SIMILAR PURCHASING PATTERNS FOR FRESH FOOD ITEMS



YOUNGER AND OLDER AFRICAN-AMERICANS HAVE SIMILAR FRESH FOOD TASTES

ITEM BUYING RATE (DOLLARS)



	AFRICAN-AMERICAN MILLENNIALS (18-34) INDEXED TO NON-AFRICAN- AMERICANS (18-34)	AFRICAN-AMERICANS (35+) INDEXED TO NON-AFRICAN- AMERICANS (35+)	TOTAL AFRICAN-AMERICANS INDEXED TO NON-AFRICAN- AMERICANS
TOTAL PERISHABLES	89	102	100
TOTAL FRESH VEGETABLES	99	100	85
FRESH GREEN BEANS	156	90	116
FRESH CABBAGE	90	101	117
FRESH GREENS	94	101	123
TOTAL FRESH MEAT	86	103	108
TOTAL FRESH BEEF	91	102	81
TOTAL FRESH PORK	76	104	122
TOTAL FRESH MEAT OTHER THAN BEEF OR PORK	105	99	114
TOTAL FRESH POULTRY	101	100	125
TOTAL FRESH CHICKEN	108	99	119
TOTAL FRESH TURKEY	87	102	118
FRESH SEAFOOD	81	103	117

Read as: African-American Millennials buy 56% more fresh green beans than the total non-African-American Millennial population.

Source: Homescan Total Shopper View, 52 weeks ending December 26, 2015.

In terms of item buying rate, African-American Millennials and older Black generations over-index against non-African-Americans on additional items used in “from-scratch” cooking such as: shortening and oil; spices, seasonings, and extract; sugar and sugar substitutes; syrups and molasses; baking mixes; unprepared frozen meat and seafood, and dry vegetables and grains.

African-Americans also buy baby food, frozen vegetables, bottled water, and both refrigerated and shelf-stable drinks and juices at a higher rate than non-African-Americans. Also, African-American Millennials buy cookies and ice cream cones at a higher rate than their non-African-American counterparts, perhaps indicating a higher presence of young children in the home or just a preference for sweets.

A GLANCE INSIDE AFRICAN-AMERICANS' SHOPPING CARTS



CATEGORY BUYING RATE INDEX (DOLLARS)

	AFRICAN-AMERICAN MILLENNIALS (18-34) INDEXED TO NON-AFRICAN-AMERICANS (18-34)	AFRICAN-AMERICANS (35+) INDEXED TO NON-AFRICAN-AMERICANS (35+)	TOTAL AFRICAN-AMERICANS INDEXED TO NON-AFRICAN-AMERICANS
BABY FOOD	128	134	133
CANNED SEAFOOD	117	107	106
SHORTENING/OIL	131	125	126
SPICES/SEASONING/EXTRACT	118	135	130
SUGAR/SUGAR SUBSTITUTES	123	115	118
BAKING MIXES	109	87	93
DRY VEGETABLES & GRAINS	134	134	131
SHELF STABLE JUICES AND DRINKS	136	127	132
BOTTLED WATER	119	114	119
REFRIGERATED JUICES AND DRINKS	144	122	121
PACKAGED MEAT DEPARTMENT	98	108	107
TABLE SYRUPS/MOLASSES	136	98	106
COOKIES/ICE CREAM CONES	109	85	90
FROZEN FOOD DEPARTMENT	106	94	93
PREPARED FROZEN FOODS	105	92	91
UNPREPARED FROZEN MEAT AND SEAFOOD	151	139	137
FROZEN VEGETABLES	112	114	113

Read as: African-American Millennials spend 28% more on baby food than their non-African-American counterparts.

Source: Nielsen Homescan 52 weeks ending December 26, 2015. Categories chosen because of highest index.

African-American Millennials and those 35 and older have similar attitudes towards cooking and dining. Almost three-quarters of both age groups say that during a given week, they frequently cook meals. Both groups also plan their dinners ahead of time and like to cook with fresh ingredients.

Busy African-Americans, however, are on the go and also need convenient meal solutions. More than half of African-American Millennials agree that frozen dinners are a convenient alternative for a meal, and that they often eat meals on the run. In fact, like most Millennials (91%), 92% of African-American Millennials say they have visited a quick-service restaurant in the past 30 days. This tendency towards expedience and convenience explains why African-Americans over-index against non-African-Americans for unprepared frozen meat and seafood and frozen vegetables.* Combining African-Americans' desire for fresh foods and a need for speed, there is a clear opportunity for innovation and new product development in the convenient healthy eating space.

*Source: Nielsen Homescan 52 weeks ending December 26, 2015.

ATTITUDES TOWARD COOKING AND DINING

PERCENT WHO SAY THEY COMPLETELY AGREE OR SOMEWHAT AGREE

AFRICAN-AMERICAN MILLENNIALS (18-34)	AFRICAN-AMERICAN MILLENNIALS (18-34) INDEXED TO TOTAL POPULATION (18-34)	AFRICAN-AMERICANS (35+)	AFRICAN-AMERICANS (35+) INDEXED TO TOTAL POPULATION (35+)
DINNERS IN MY HOME ARE USUALLY PLANNED AHEAD OF TIME			
65%	103	62%	97
DURING A GIVEN WEEK, I COOK MEALS FREQUENTLY			
72%	98	72%	98
PREFER COOKING WITH FRESH FOOD RATHER THAN CANNED OR FROZEN			
72%	95	75%	97
FROZEN DINNERS ARE A CONVENIENT ALTERNATIVE FOR A MEAL			
54%	105	50%	107
OFTEN, I EAT MY MEALS ON THE RUN			
58%	116	44%	117

Source: Nielsen Scarborough USA+ 2015 Release 2 (August 2014–October 2015).

HIGH-FREQUENCY SHOPPING CHANNELS

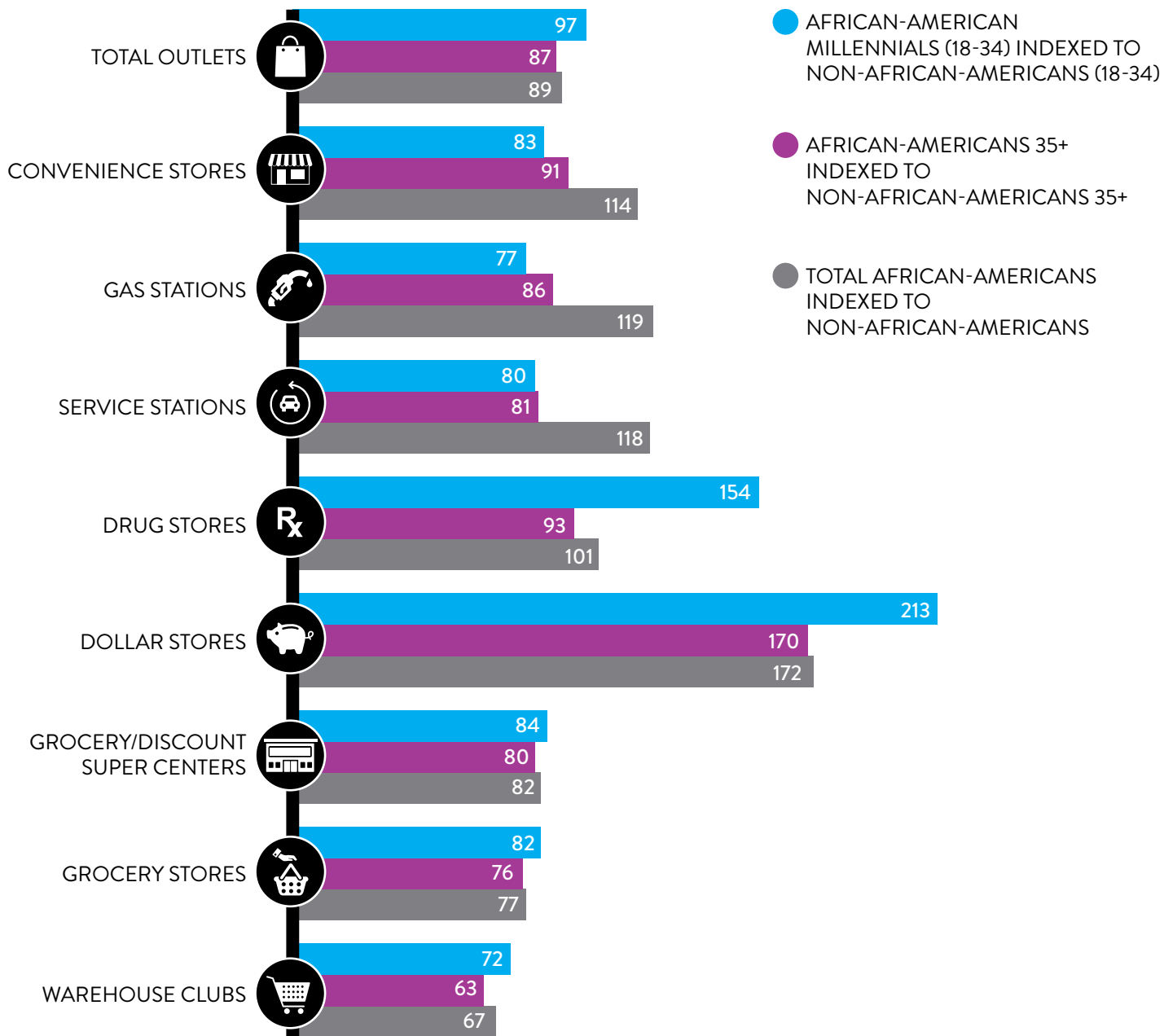
When it comes to how African-Americans shop, those ages 35 and older shop 23% more frequently than their younger counterparts, while Black Millennials have a 14% higher purchase size (dollar volume) than older consumers. As Millennials spend more but make less trips to the store, they may be looking for shopping experiences that streamline their busy life styles.

Convenience and price often dominate African-Americans' shopping decisions, so it is no surprise that while they under-index for the amount spent in stores overall, they collectively over-index against the total population for shopping at convenience stores, gas and service stations, and dollar stores. This is not always about preference, as in many African-American neighborhoods, these are the closest store options available. Black Millennials also over-index against their total population counterparts for shopping at drug stores and dollar stores at a significant rate (54% more and 113% more, respectively).



AFRICAN-AMERICAN SHOPPING CHANNEL FREQUENCY

TOTAL BASKET RING DOLLAR INDEX PER SHOPPER AT A RETAILER



Source: Nielsen Homescan, 52 weeks ending December 26, 2015.

PURCHASE INFLUENCERS

African-Americans of all ages agree that media advertising across platforms provides them with meaningful or useful information. When looking for information about bargains, most African-Americans think TV provides the most meaningful information, and their secondary sources show the distinction among the age groups. After TV, African-American Millennials turn to the internet for information about bargains, while African-Americans age 35 or older turn to newspapers.

Compared to their total population counterparts, both African-American Millennials and African-Americans 35 or older are more likely to agree that advertising on mobile phones provides useful information about bargains.

ADVERTISING PROVIDES USEFUL INFORMATION ABOUT BARGAINS

PERCENT WHO SAY THEY COMPLETELY AGREE OR SOMEWHAT AGREE

AFRICAN-AMERICAN MILLENNIALS (18-34)	AFRICAN-AMERICAN MILLENNIALS (18-34) INDEXED TO TOTAL POPULATION (18-34)	AFRICAN-AMERICANS (35+)	AFRICAN-AMERICANS (35+) INDEXED TO TOTAL POPULATION (35+)
ADVERTISING IN MAGAZINES			
39%	122	41%	113
ADVERTISING IN NEWSPAPERS			
39%	102	53%	98
ADVERTISING ON MOBILE PHONES			
33%	142	24%	162
ADVERTISING ON RADIO			
40%	114	39%	116
ADVERTISING ON INTERNET			
43%	110	36%	117
ADVERTISING ON TV			
48%	120	55%	124

Source: Nielsen Scarborough USA+ 2015 Release 2 (August 2014–October 2015).

Sixty-two percent of African-Americans say they buy based on quality, not price, 77% say that when they find a brand they like, they stick to it, and 66% say that if a product is made by a company they trust, they'll buy it even if it is slightly more expensive. But price is still a deciding factor in many African-Americans' purchasing decisions. More than half (53%) say they will gladly switch brands to use a coupon and 62% agree that if generic brands are on sale, they will purchase store brands or private labels over their usual name-brand. Seventy percent agree that generic or store brand products are as effective as brand-name products, which is an attitudinal shift from what has been reported in previous reports. Brands should be aware of this new reality for African-American shoppers and should no longer rely too heavily on historical notions of brand loyalty.

Relative to the total market, both groups over-index for agreeing that their purchases are influenced by a variety of other factors (other than price), including celebrity endorsement, what's hot, what their parents bought, what their friends and neighbors approve of, what image it conveys and name brands.



FACTORS THAT INFLUENCE WHAT AFRICAN-AMERICANS BUY

PERCENT WHO SAY THEY COMPLETELY AGREE OR SOMEWHAT AGREE

AFRICAN-AMERICAN MILLENNIALS (18-34)	AFRICAN-AMERICAN MILLENNIALS (18-34) INDEXED TO TOTAL POPULATION (18-34)	AFRICAN-AMERICANS (35+)	AFRICAN-AMERICANS 35+ INDEXED TO TOTAL POPULATION (35+)
A CELEBRITY ENDORSEMENT MAY INFLUENCE ME TO CONSIDER OR BUY A PRODUCT			
41%	147	29%	159
I AM INFLUENCED BY WHAT'S HOT AND WHAT'S NOT			
49%	129	37%	135
I BUY BRANDS THAT REFLECT MY STYLE			
64%	100	62%	102
I BUY THE BRANDS I GREW UP WITH, THE ONES MY PARENTS USED			
58%	113	53%	114
I EXPECT THE BRANDS I BUY TO SUPPORT SOCIAL CAUSES			
38%	104	41%	114
I PREFER TO BUY THINGS MY FRIENDS OR NEIGHBORS WOULD APPROVE OF			
38%	113	28%	122
I WOULD PAY EXTRA FOR A PRODUCT THAT IS CONSISTENT WITH THE IMAGE I WANT TO CONVEY			
52%	114	48%	124
I ONLY BUY FOOD ITEMS THAT ARE NAME-BRAND, NOT GENERIC BRANDS			
47%	136	37%	127

Source: Nielsen Scarborough USA+ 2015 Release 2 (August 2014–October 2015).

Black Millennials can also be critical brand advocates and influencers, as 45% agree that they like to share their opinions about products and services by posting reviews and ratings online (24% higher than total Millennials). Understanding the unique needs of African-American consumers and their ability to help influence the success of a brand should be a critical part of any marketing strategy.

AFRICAN-AMERICANS EXPAND THEIR WALLETS IN NEW AND TRADITIONAL WAYS

- 

With the African-American market spread widely throughout the U.S., controlling almost \$1.2 trillion in buying power, and growing at a higher rate than the total U.S., it is in a number of ways an attractive customer segment nationwide. Gains in Black buying power reflect not only African-Americans' population growth, but also their increasing education and entrepreneurship, as well as their advancing into their peak earning years, all of which contribute to growing anticipated incomes.
- 

The long history of high personal care spending by African-Americans has led to unique product offerings, such that sales are divided between mainstream beauty products and beauty products designed specifically for the African-American market. Millennial African-Americans appear to be expanding their beauty regimen items beyond African-American specific beauty products, as consumer products' companies are broadening their general market product offerings to address the wants and needs of a more diverse population. This shift has led to an effort to include ethnic health and beauty aids in the mainstream beauty aisle, as opposed to a physical separation in stores.
- 

Millennial African-Americans and those 35 and older have similar attitudes towards cooking and dining, with both groups over-indexing for fresh traditional cultural foods items, and items used when cooking from scratch. However, although the majority of African-Americans agree that they usually plan meals ahead of time, frequently cook meals, and prefer cooking with fresh foods, they still search for convenience and often eat meals on the run. Combining African-Americans' desire for fresh foods and a clear need for convenience suggests a clear opportunity for innovation and new product development in the convenient healthy-eating space.
- 

Convenience, location and price tend to dominate African-Americans' shopping channel decisions, which is why they over-index for shopping at both the higher-priced but location-driven convenience stores and gas and service stations, as well as at the price-driven dollar stores. Millennial African-Americans spend more per trip but make fewer trips to the store than African-Americans 35 and older. Grocery stores, discount super-centers, and warehouse clubs have an opportunity for growth in this market if they can offer convenient alternatives to the smaller stores.
- 

In general, African-Americans are more receptive to information via any form of media than the total population. However, African-Americans find that advertising on TV provides the most meaningful or useful information, while penetration of mobile phones offer an opportunity for digital connections.
- 

Though the majority of African-Americans claim to be brand-loyal, quality-based shoppers, price, sales, and coupons are still deciding factors for most. African-Americans over-index for other factors influencing purchase decisions including celebrity endorsement, what's hot, what reflects their personal style, what their parents bought, supporting social causes, what their friends and neighbors approve of, and the image conveyed. Since Black Millennials over-index for sharing their opinions about products and services by posting reviews and ratings online, there is an opportunity to leverage these brand advocates to influence others.

SECTION IV

REACHING HIGHER—BUILDING ON RECENT GAINS

BUILDING ON THE
LEGACY OF AMERICA'S
FIRST AFRICAN-
AMERICAN
PRESIDENCY

As eight years of Barack Obama's historic presidency come to a close, African-Americans are invested in continuing to pursue economic and political gains, as well as advancing equality and rallying awareness about social justice issues. African-American Millennials, in particular, have been leaders in leveraging social media, mobile, and live video streaming to take control of the social issues narrative and to rally growing support through grassroots efforts from many who are witnessing their concerns and grievances with much more immediacy than before. This utilization of technology to effect social and civic change is a manifestation of growing, grassroots political involvement in the African-American community.

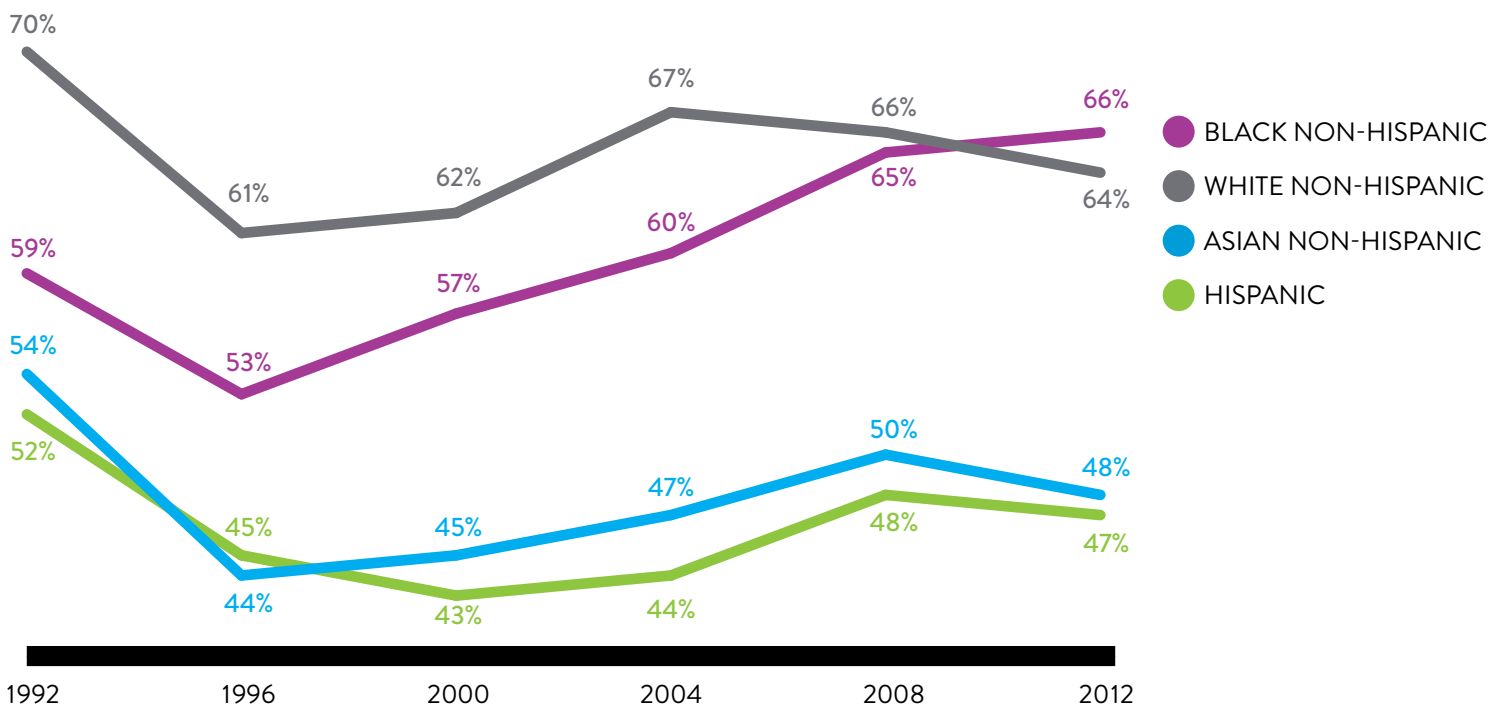
In 2012, for the first time in American history, African-Americans had the highest rate of voter registration and election turn out of all races, surpassing non-Hispanic Whites in election turnout at 66% versus 64%. Just under 29 million African-Americans over the age of 18 are eligible to vote; they represent 13% of U.S. eligible voters and are growing at a rate of 3.7% every two years.

Black voter turnout has steadily increased over the last three decades, and because the right to vote was so hard-won, many in the Black community view not voting as irresponsible.



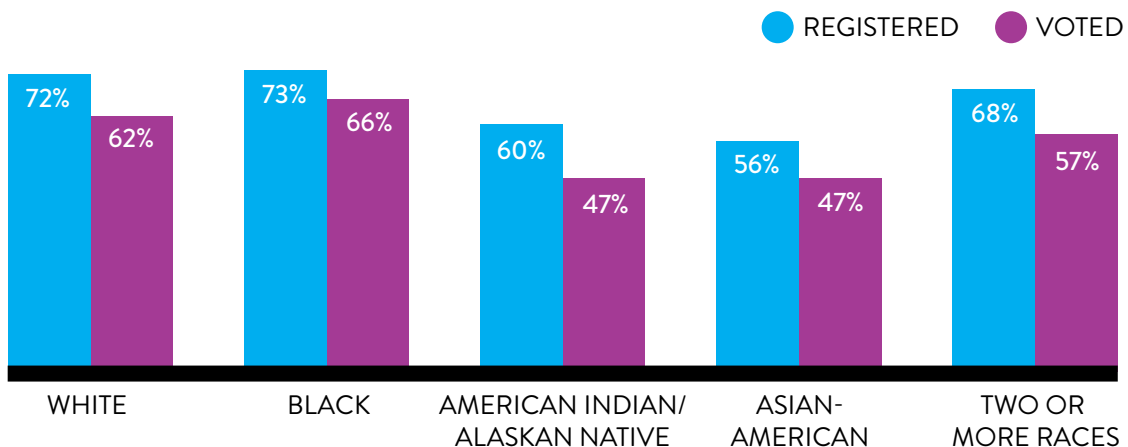
PERCENT OF CITIZENS WHO VOTED IN PRESIDENTIAL ELECTIONS, 1992 - 2012

IN 2012, FOR THE FIRST TIME IN AMERICAN HISTORY, AFRICAN-AMERICANS HAD THE **HIGHEST RATE OF VOTER REGISTRATION** AND ELECTION TURN OUT OF ALL RACES



Source: U.S. Census: Historical Reported Voting Rates, Table A-1. Hispanic includes those of all races who identify as Hispanic.

2012 ELIGIBLE VOTERS, BY RACE

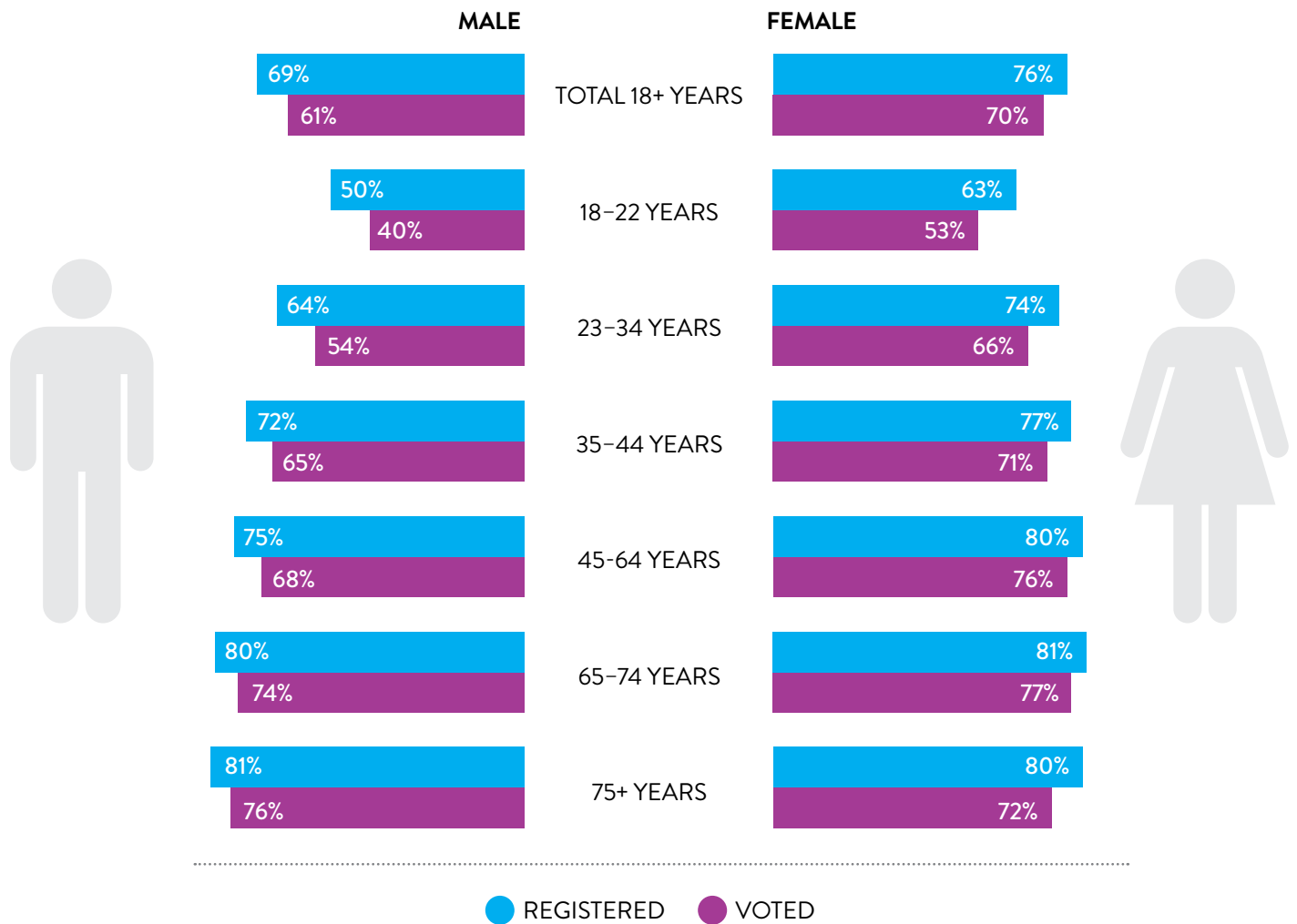


Source: U.S. Census Bureau, 2012 American Community Survey, 1-year estimates.

ELIGIBLE VOTERS

In 2014, 55% of eligible Black voters were female, and for every age group, there were significantly more Black females eligible to vote than males. Black females were also more likely to register (76%) and to vote (70%) in the 2012 presidential election than were Black males (69% and 61%, respectively). For both genders, the older the age group (up to age 75), the more likely the person was to register and to vote. In total, 73% of eligible African-Americans registered to vote in 2012 and 66% voted, representing the highest rates of registration and voter turn-out of all the races.

ELIGIBLE AFRICAN-AMERICAN VOTERS, 2012

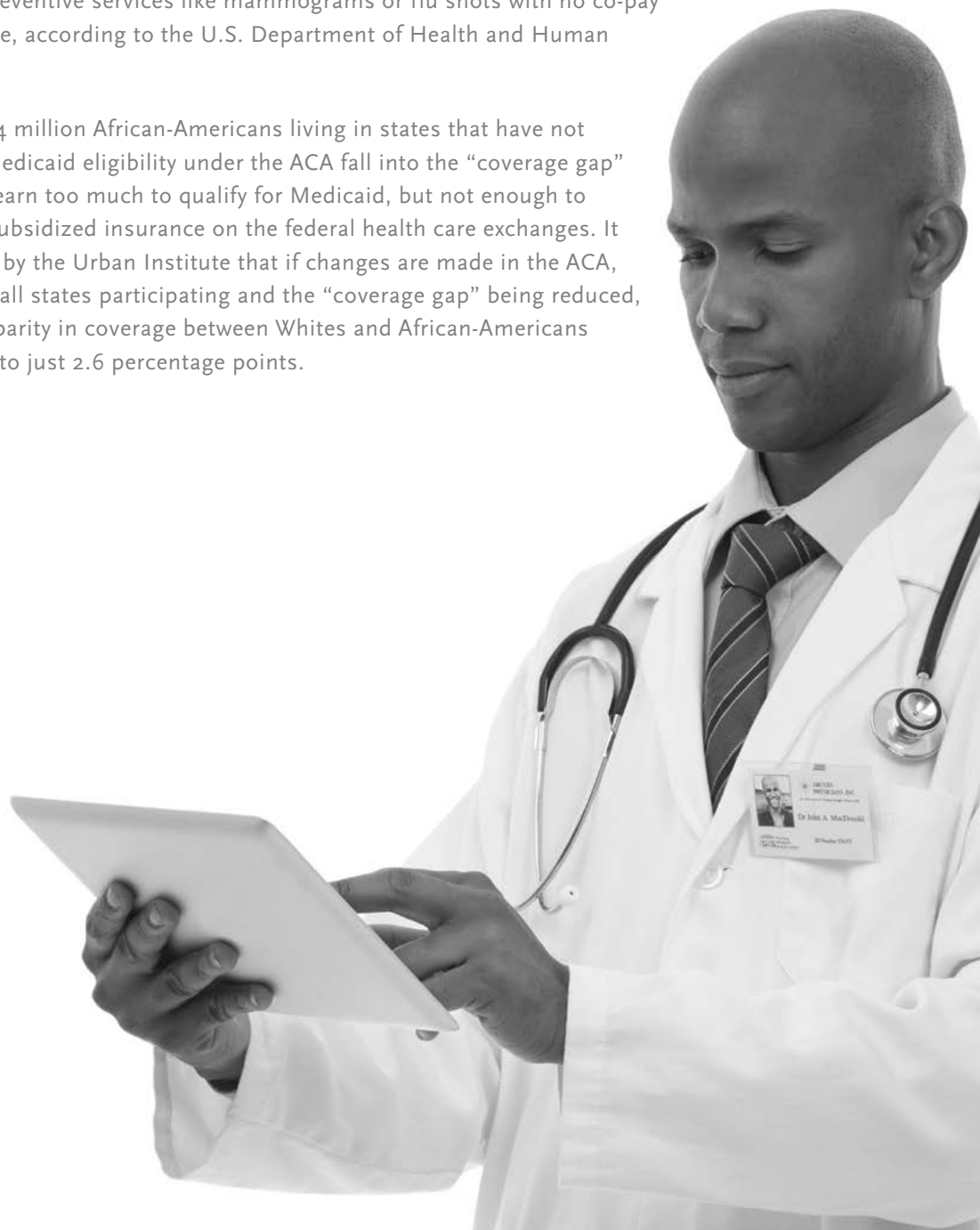


Source: U.S. Census Bureau, 2012 American Community Survey, 1-year estimates.

HEALTHCARE GAINS

One of the undeniable legacies of the last eight years is the increase in insurance coverage for the Black community: 2.3 million African-Americans (ages 18–64) gained health insurance coverage through the Affordable Care Act (ACA), lowering the uninsured rate among African-Americans by 9.2 percentage points, from 22.4% in the first quarter of 2012 to 13.2% in the first quarter of 2015. Additionally, more than 500,000 African-American young adults between the ages of 19 and 26 who would otherwise have presumably gone uninsured gained coverage under their parents' plan prior to 2012, and 7.8 million African-Americans with private insurance gained access to preventive services like mammograms or flu shots with no co-pay or deductible, according to the U.S. Department of Health and Human Services.

However, 1.4 million African-Americans living in states that have not expanded Medicaid eligibility under the ACA fall into the “coverage gap” where they earn too much to qualify for Medicaid, but not enough to qualify for subsidized insurance on the federal health care exchanges. It is projected by the Urban Institute that if changes are made in the ACA, resulting in all states participating and the “coverage gap” being reduced, that the disparity in coverage between Whites and African-Americans would drop to just 2.6 percentage points.



OPTIMISM ABOUT THE FUTURE

According to a March 2016 Harris Poll Survey, despite what many perceive as a growing lack of faith in the system as a whole, African-Americans are more optimistic than any other segment about the future of the country: 49% of African-Americans say the country is headed in the right direction versus only 45% of Hispanics, 42% of Asian-Americans and 23% of Whites.

While there is optimism about the future, many feel there is still more work to be done. According to a July 2016 Harris Poll Survey, significant percentages of African-Americans say there is a need in their communities for more affordable housing (53%), affordable quality healthcare (52%), affordable childcare (42%), affordable college (42%) and affordable healthy food (39%).

Nevertheless African-Americans, particularly young African-Americans, over-index for being aspirational: 67% of all African-Americans and 74% of Black Millennials agree that they often find themselves in a leadership position (13% and 14% higher than the total population, respectively) and 41% of all African-Americans and 48% of Black Millennials agree that they strive for a high social status (35% and 21% higher than the total population, respectively).

This optimism translates to the workplace, as 60% of all African-Americans and 73% of Black Millennials say their goal is to make it to the top of their profession (36% and 23% higher than the total population, respectively). With increasing opportunities, societal-leading civic participation, and expanding power of the wallet, African-Americans, particularly the empowered Millennial generation, will continue to shape American society in new and progressive ways for many years to come.

AFRICAN-AMERICANS ARE ASPIRATIONAL ABOUT THE FUTURE



African-American voter turnout has steadily increased over the last three decades and in 2012, African-Americans had the highest rates of both voter registration and voter turn-out of any racial or minority group surpassing non-Hispanic White voters. They are an important demographic with a powerful and influential voice to effect change.



African-Americans show the most optimistic and upward aspiration of all racial groups, but there remains ongoing concerns about employment, the remaining healthcare coverage gap, racial discrimination and social injustices, affordable education, childcare and housing.



To effectively reach African-American consumers, a multi-media approach is necessary as older African-Americans engage more heavily with TV and radio, while Black Millennials are also connected through social media, mobile, and live video streaming.

CONCLUSION

African-Americans are a unique and vital multicultural consumer group in the U.S. With rich, deeply rooted traditions, Black consumers have been the drivers of mainstream cultural influence in a myriad of industries. The Diverse Intelligence report series on African-American consumers has highlighted the impact of this influential consumer segment and strives to assist advertisers and manufacturers alike to understand how to effectively market their products and services to African-American consumers.

As business executives look for opportunities to grow their businesses and gain market share, it is critical to measure and evaluate the opportunities. As the population of the U.S. becomes more ethnically diverse, the complexity of the effort has grown. To help close the gap and give insight with regard to how to address the needs of the growing diverse base, Nielsen has provided these reports to better illustrate the unique qualities of the African-American community, the business opportunities that exist, and the best methods for a productive and successful connection.

These reports have not only highlighted the unique media consumption and purchasing habits of African-Americans, but they have also covered important issues that reflect the fabric of the African-American community. By exploring African-American consumers holistically, these reports serve a compass for detailed campaigns to better reach and engage them in ways that are memorable and impactful.

METHODOLOGIES

Insights used in this report were sourced from the following Nielsen analytical tools and solutions. All tools offer their own representative levels of consumer insights and behavior across African-American, non-Hispanic White and/or total population respondents (based on data collection, survey/panel design and/or fusion approaches).

Homescan Panel Data: The Homescan national panel consists of a randomly dispersed sample of households that is intended to be representative of, and projectable to, the Total U.S. market. Panel members use handheld scanners to record items with a UPC code purchased from any outlet. For Nielsen Total Homescan Shopper View, panelists scan from a code book for fresh items rather than a UPC Code. Data for this report is based on Homescan panel data from the following period: 52 weeks ending, December 26, 2015.

Nielsen Scarborough USA+ 2014 Release 2, GfK/MRI Attitudinal Insights Module August 2014–October 2015: (Base: Age of respondent summaries: Adults 18+ – Projected 242,977,984, Respondents: 203,921) By integrating 400+ attitudinal statements and segmentations with Nielsen Scarborough's syndicated data set, this analysis reflects consumer psychographics in the studied categories.

Nielsen NPOWER: Audience estimates based on a nationally representative panel of people whose televisions are metered with a device called the National People Meter (NPM), which passively detects exposures to codes embedded in content. A comprehensive questionnaire is also collected of the panel.

Nielsen 360 Gaming Report, 2015

Data collection:

Annual data for the Nielsen 360° Gaming Report is collected via consumer online surveys in Q1 of each year* using Nielsen's proprietary, high-quality ePanel in the United States. (*Previous survey methodology fielded two waves, Q4 and Q1 to capture pre and post holiday metrics.)

Groups Sampled:

Teens/adults Age 13+: 2000+ interviews among 50% male/50% female sample.

Representativity:

Post-survey, raw data is weighted to ensure representation of the U.S. general population based on U.S. Census data.

The Harris Poll

This Harris Poll was conducted online, in English, within the U.S. March 16–31, 2016 among 2,236 adults and in July 14–27, 2016 among 2,463 adults. Figures for age, sex, race/ethnicity, education, region and household income were weighted where necessary to bring them into line with their actual proportions in the population. Propensity score weighting was also used to adjust for respondents' propensity to be online.

All sample surveys and polls, whether or not they use probability sampling, are subject to multiple sources of error which are most often not possible to quantify or estimate, including sampling error, coverage error associated with nonresponse, error associated with question wording and response options, and post-survey weighting and adjustments. Therefore, The Harris Poll avoids the words “margin of error” as they are misleading. All that can be calculated are different possible sampling errors with different probabilities for pure, unweighted, random samples with 100% response rates. These are only theoretical because no published polls come close to this ideal.

Respondents for this survey were selected from among those who have agreed to participate in Harris Poll surveys. The data have been weighted to reflect the composition of the adult population. Because the sample is based on those who agreed to participate in our panel, no estimates of theoretical sampling error can be calculated.

Nielsen Ad Intel

Nielsen Ad Intel is a comprehensive source of advertising intelligence that can track the full range of competitive advertising activity. It monitors the media landscape—across 18 different media types and throughout all 210 Nielsen Designated Market Areas (DMAs).

Media coverage includes the following:

- Network TV
- Syndication TV
- National Cable TV
- Spanish-Language Network TV
- Spanish-Language Cable TV
- Spot TV
- Spot Radio
- Network Radio
- National Consumer Magazines
- Local Magazines*
- National Newspapers
- Local Newspapers
- Local Sunday Supplements
- National Sunday Supplements
- Outdoor
- Coupons*
- Internet

*Exclusive media type

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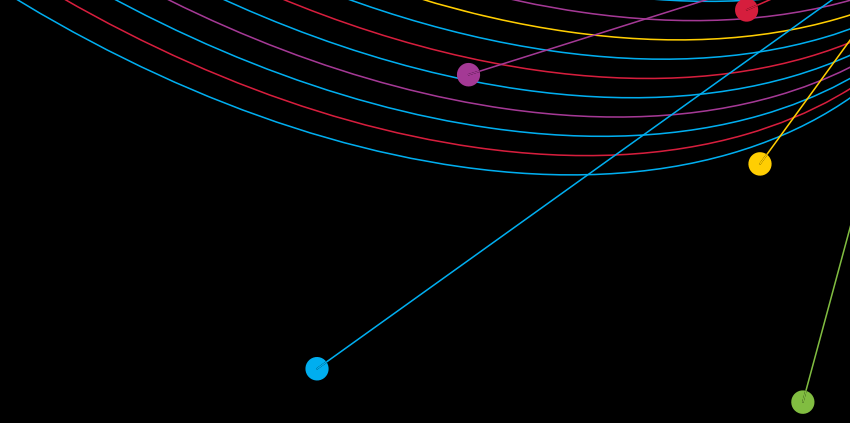
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ABOUT NIELSEN

Nielsen Holdings plc (NYSE: NLSN) is a global performance management company that provides a comprehensive understanding of what consumers watch and buy. Nielsen's Watch segment provides media and advertising clients with Total Audience measurement services for all devices on which content—video, audio and text—is consumed. The Buy segment offers consumer packaged goods manufacturers and retailers the industry's only global view of retail performance measurement. By integrating information from its Watch and Buy segments and other data sources, Nielsen also provides its clients with analytics that help improve performance. Nielsen, an S&P 500 company, has operations in over 100 countries, covering more than 90% of the world's population.

For more information, visit www.nielsen.com.

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nielsen
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AN UNCOMMON SENSE
OF THE CONSUMER™



National Black Church Initiative Online Weekly Broadcast Proposal

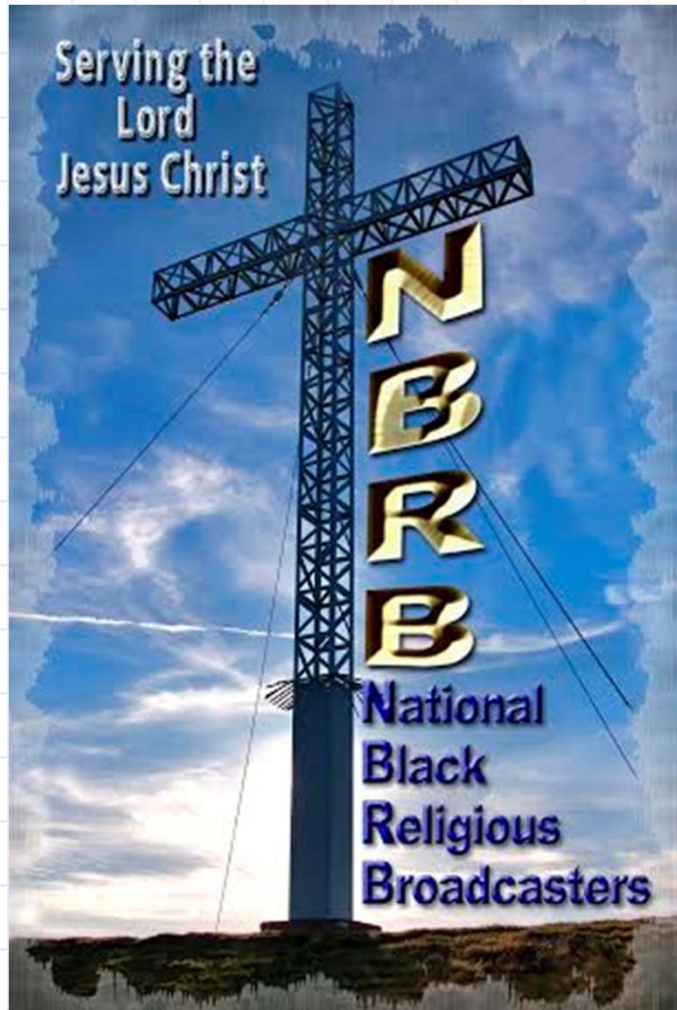


About The National Black Church Initiative (NBCI)



The National Black Church Initiative (NBCI) is a coalition of 34,000 African American and Latino churches working to eradicate racial disparities in healthcare, technology, education, housing, and the environment.

NBCI's mission is to provide critical wellness information to all of its members, congregants, churches and the public. The National Black Church Initiative's methodology is utilizing faith and sound health science.



The **National Black Religious Broadcasters (NBRB)** is a national coalition of over 10,000 black religious broadcasters throughout the country who utilize broadcast and cable television, the internet and radio to host their ministries and spread the gospel according to our Lord and Savior, Jesus Christ.

www.natblackchurch.com

We are proposing to produce a weekly broadcast quality Black church online news program.



❖ The weekly online broadcast platform will be uplinked to potentially 150,000 African American church websites.

❖ The broadcast will have its own website and be connected to all major social media (list) and will have a 24 hour update of news.



- ❖ The online broadcast will focus on “pure” church news. It will not be a replica of the National news.
- ❖ We hope to cover issues of why young African Americans do not attend church and what the Black church is doing about it, and what are the implications of not having young people in congregations.

www.naltblackchurch.com

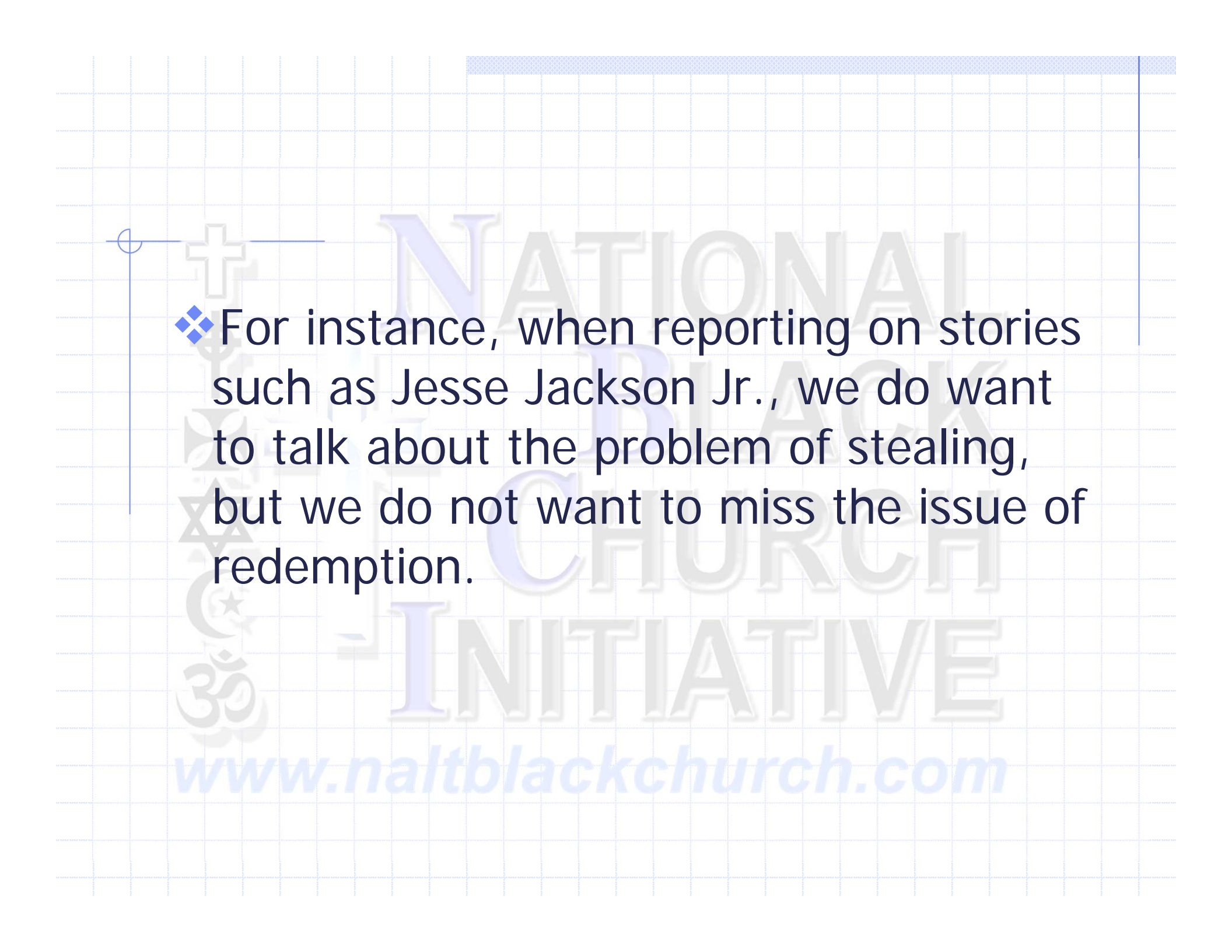
❖ The online broadcast will be biblically centered and we will discuss all information from a Christian biblical perspective.

❖ We will discuss biblical and theological debates that one group claims to have the authentic word of the Gospel.



www.naltblackchurch.com

- ❖ The advertisers who sponsor the broadcasts can not and will not contradict the basic Christian message.
- ❖ It goes without saying we will have no liquor, cigarette or gambling ads, or any other inappropriate advertisers like wine, but a company that produces communion based wine we would accept.

- 
- ❖ For instance, when reporting on stories such as Jesse Jackson Jr., we do want to talk about the problem of stealing, but we do not want to miss the issue of redemption.

www.naltblackchurch.com

- ❖ Every broadcast will be started with prayer and scripture.
- ❖ We plan to utilize video of Pastors and members praying and reading the scripture.



- ❖ We will not shy away from controversial issues like the reality show “The LA Preachers”.



- ❖ We will utilize the broadcast to initiate measurement of viewer response.

For instance, “Do you believe this show “LA Preachers” is having a negative or positive impact on the Gospel.

- ❖ We will cover the ins and outs of Gospel music, both the artists, the music and controversial issues.



❖ We will also cover the behavior of ministers and Christian laity that amount to criminality that makes news.

For instance, Pastor Jenkins of Friendship Church in Chicago who created the song "God is Awesome"

www.naltblackchurch.com



✦ We will cover church anniversaries, Pastor anniversaries and major church outings, church conventions and conferences.

www.naltblackchurch.com

- ❖ Every broadcast we will give away incentives to keep viewers glued to this broadcast. Cars, vacations, etc.
- ❖ We will also put the broadcast logo on cups, trinkets and other items to advertise the broadcast.



❖ We will also utilize on our website the Black Church Consumer Index Survey (BCCIS)

This program surveys NBCI's 15.7 million members on issues related to NBCI programming.

- ❖ This is a scientific application capturing hard data on the views of African-American congregants.
- ❖ We will survey our congregant's emotional state of mind, their psychological state as well as their mental approach in making critical purchasing decisions.
- ❖ It will also expose their predisposition or any biases and knowledge base they possess when they make up their minds to make purchases.

www.nationalblackchurch.com

❖ Our host of the weekly broadcast will be fully compensated with salary, sponsors clothes and jewelry and other items for the host's hard work in developing a Christian personality around this broadcast.

❖ If we have individuals who want our host to wear their jewelry or clothing we will permit our host to receive them, and give those individuals credit on the broadcast as well as the credit roll at the end of the broadcast.

- ◆ The broadcast will have no celebrity interviews who are not Christian. Therefore, no one can hawk their product or service if they do not have a church, do not have a Pastor or are living a lifestyle contrary to the Christian faith.
- The same goes for sports celebrities. We want to encourage people like Tony Dungy, NFL coach to talk about his Christian faith.



- ◆ We hope to gain sponsor ship from the National Association of Broadcasters, Comcast, Time Warner and all major cable systems, corporate sponsors and private companies.

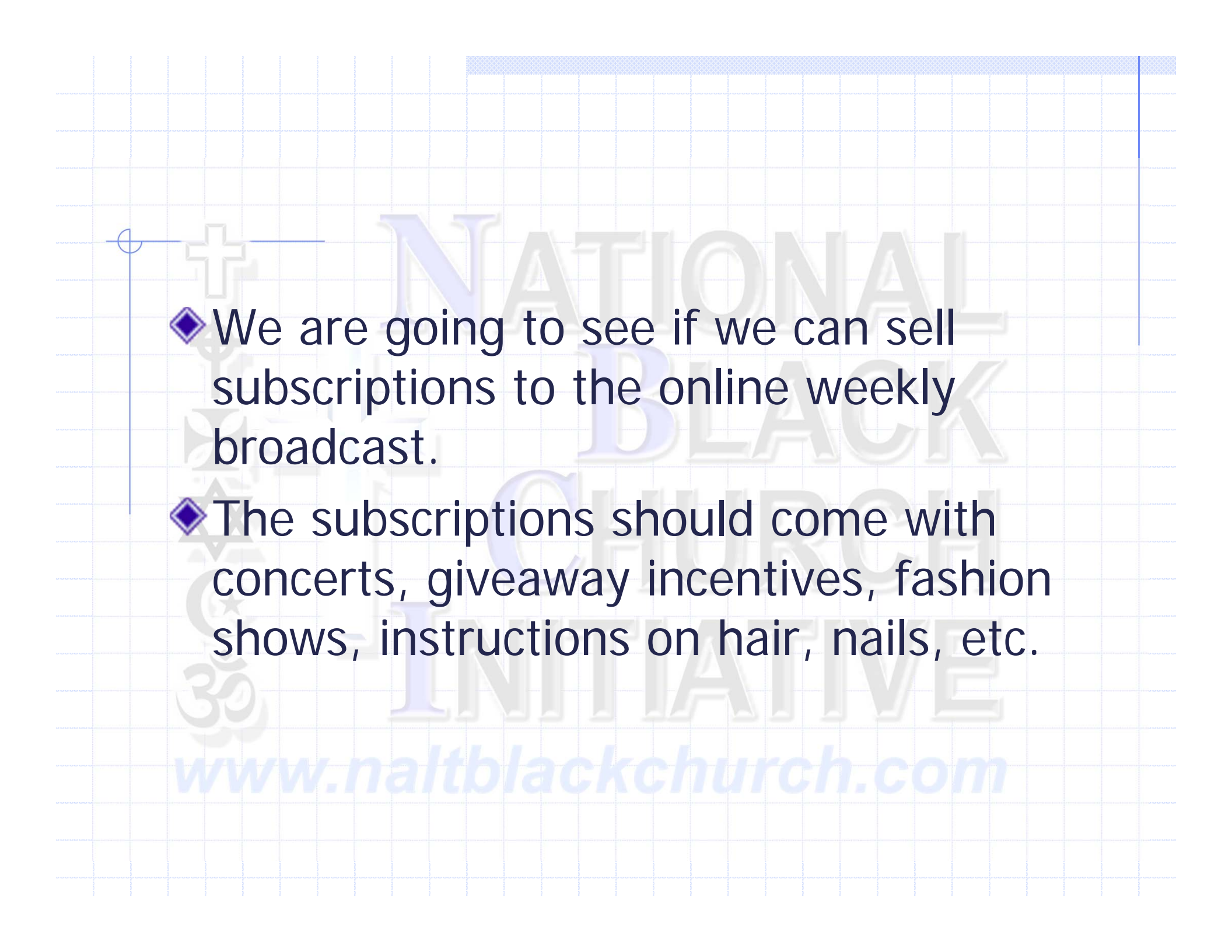


at&t

CABLEVISION

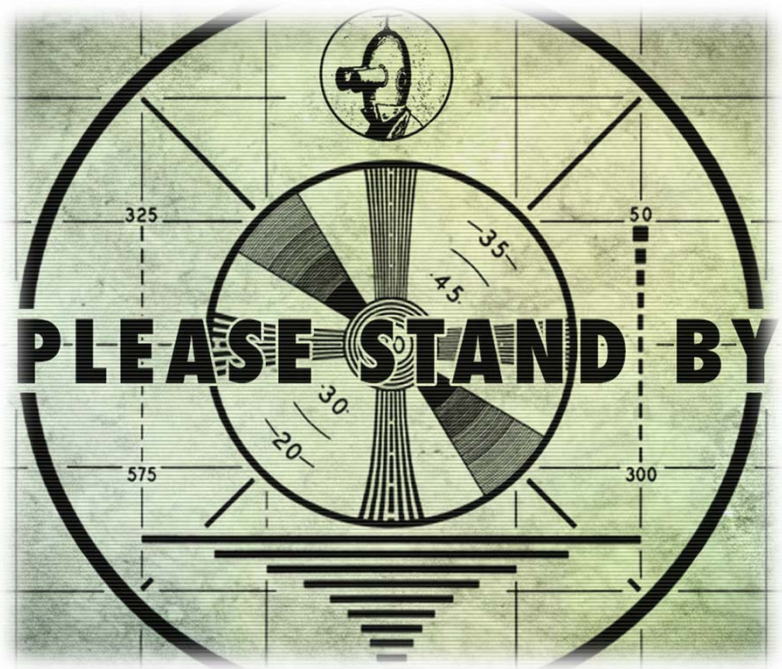


www.mtblackchurch.com

- 
- ◆ We are going to see if we can sell subscriptions to the online weekly broadcast.
 - ◆ The subscriptions should come with concerts, giveaway incentives, fashion shows, instructions on hair, nails, etc.

www.naltblackchurch.com

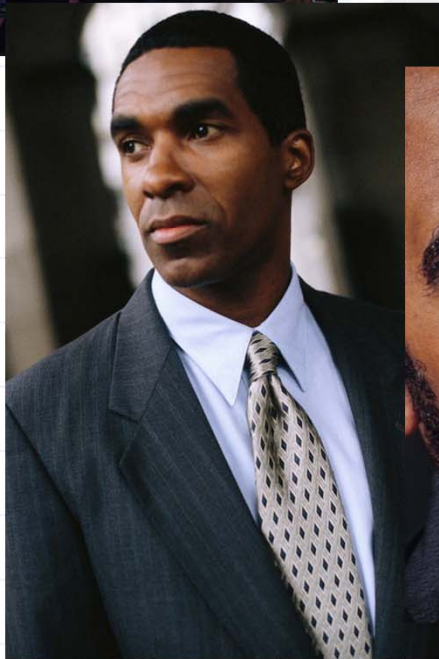
- ◆ We will have through this broadcast the ability to create infomercials for churches and Christian businesses as well as regular commercials as well
- ◆ This will be an important source of revenue.



www.naltblack.com



◆ For men, it should have instructions on how to dress, colognes, dating tips for Christian men and how to sustain a Godly marriage.



Online Black Church Magazine



An online Black church news magazine to accompany both the weekly online TV/radio broadcast and the online radio broadcast

We will create an online Black church news magazine that will be published monthly.

www.naltblackchurch.com

NBCI Online Radio Simulcast

- ❖ We will simulcast both the online weekly broadcast as well as the online weekly radio program
- ❖ In other words, our members will be able to listen to the weekly online program via their smartphone
- ❖ This means we will create simultaneously an online radio program

National Black Church Initiative

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THE NATIONAL BLACK CHURCH INITIATIVE IS HOLLERING FROM THE TOP OF THEIR LUNGS, “IT IS TIME TO GET OUR ECONOMIC LIFE TOGETHER THROUGH STRONG FINANCIAL LITERACY”

This recession has been an economic tsunami and Katrina combined for the Black community

The Black community must save its money over the next five years

Over the past three years the Black community has experienced what amounts to an economic tsunami. Hundreds of billions of dollars have left the Black community through the foreclosure crisis, the devaluing of existing homes owned by African Americans, the devaluing of African American retirement plans and 401Ks and the loss of employment and business opportunities. The root of these bad economic times can be laid at the door of Wall Street. Wall Street helped nurture and flame the appetite of greed. This was the most grievous demonstration of lying, cheating and stealing we have ever seen and they had little to any regard for those African Americans that they pleaded with to invest in the stock market. This is a devastating breach of trust and it cannot be understated.

It is important to point out, however, that African Americans are not solely the victims in this crisis, but also the perpetrators. There were many African American business people, especially in Real Estate, who took advantage of young, Black, single and married couples by introducing them to subprime mortgages without a full and comprehensive explanation as to the downsides of such an investment. These realtors knew that someone making \$50,000 a year could not afford a \$300,000-\$400,000 house. There was consistent trickery, lying and pure greed. However, because African Americans do not own the large mortgage companies they became the target of an industry bent on maximizing its profit under the banner of helping to improve Black homeownership. The problem with this is that the opportunity for Black homeownership was built on quicksand. This cannot be forgiven in any way.

The industry would have us believe that this recession or downturn in the economy is nothing new; that this is just a natural part of the ebb and flow of the economy, but in no way is this true for the Black community. When you add up the costs in terms of the loss of homes, the loss of income, the loss of a job, the loss of investment, and the cost of a broken family this clearly was a monumental loss in terms of the billions of dollars within the Black community. We can no

longer argue that the Black community is worth 300-400 billion dollars because this no longer true after this recession.

Recently, I picked up a copy of *Black Enterprise*, and on the cover, like on every cover of the magazine, they have a happy, smiling Black family. I was surprised to see that *Black Enterprise* had approached this crisis from strictly a marketing perspective and had not sounded an alarm that the Black community had not only be robbed, but financially gutted. I would question if the Black family that they put on the cover of the magazine is smiling today, knowing full well that the family might have lost their jobs, house, money in their 401K or that their marriage may be faltering. NBCI cannot believe in any way that this is a normal ebb and flow of the economy. This has been a human and natural disaster for the Black community. It has been an economic Katrina for the entire Black population.

We do not know to date how much money the Black community has lost, because as it is now we are still going through this crisis. This crisis started for African Americans around 2006, and here we are five months before 2010 and African Americans are still reeling through this crisis. One can imagine the tens of billions of dollars the Black community has lost. Therefore, it is simple arithmetic; if we no longer have those billions of dollars we can no longer demand respect from our white counterparts and the gap between Black and White on every level has widened by at least 25 percent. There does not exist sufficient numbers to illustrate how deadly this economic recession has been to the Black community.

It is enormously surprising, but not unexpected that the Congressional Black Caucus and those who look out for the political and financial interest of the Black community are not talking about the necessity of this crisis as a true emergency. This is an economic emergency for the Black community and we need to hear our leaders and those who are experts in our community talk about this and the manner in which this crisis has devastated our community, and called into question the very structure of this community. We must also hear what they will be doing to safeguard the Black community against another crisis. They have yet to offer any kind of comprehensive reform that will minimize the effect on the Black community during future recessions. Where is the Black Caucus' reform package of legislation?

Even though we have an African American President in the White House, the unemployment rates of African American males in the inner city are at 50 percent. This economic crisis has threatened the existence of the Black community. When you have 50 percent of the Black male population unemployed, that can only lead to catastrophe for the Black family. This is on top of the fact that the Black family is already in crisis given the devastating divorce rates.

This is why the National Black Church Initiative is hollering from the top of their lungs that we desperately need to change our economic behavior. The very first thing we need to do is cut down on spending in every single area of our economic lives and build what we are calling an economic check-up list that consists of savings, cutting spending, getting a lawyer, creating a business and having an economic recovery plan over the next five years. It is clear that even under President Barrack Obama the Black community will not be getting a bailout.

Comprehensive Financial Literacy Program

This outline details the National Black Church Initiative's (NBCI) Comprehensive Financial Literacy Program, which will provide critical education and outreach to help its 34,000 churches and 15.7 million members. NBCI's groundbreaking program will give African American families the confidence and tools they need to navigate their finances and manage their money. Every African American – and their family – deserves sound financial education.



While these are challenges for all Americans, the study brings to light unique characteristics of the African American community. The findings show the African American financial experience is defined by clear family-oriented financial priorities, solid participation in employer retirement savings plans, a focus on protection-oriented financial products, the significant role of faith-based institutions in financial education and optimism for the future.¹

¹Charles Lowrey and Sharon Taylor, *The African American Financial Experience*, 2013-14 Prudential Research

Twelve Steps to Financial Independence

1 NBCI User Friendly One Stop Financial Assistance Website

As a result of the recession and dire need for financial literacy resources, NBCI plans to revamp portions of its website into a user-friendly, step-by-step guide for African American and Latino families and individuals. This online tool will provide access to critical financial tools provided by key government and finance industry partners. NBCI's online tool will be a one shop stop for families who find it difficult to navigate other websites. Our information will be updated, relevant and include easy-to-understand, culturally relevant language. For instance, if a family is looking for information on home mortgage modification offered by the federal government, we supply all relevant links from government agencies, alongside easily accessible, annotated descriptions.

2 Saving One Year's Salary Over The Next Seven Years

NBCI wants every African American family to save one year's salary over the next seven years. Sound budgeting practices and early savings will help prevent irreversible damage like we saw during the most recent recession, much like the most recent recession. NBCI's founding principle is that each family should have enough savings to sustain their family for one year, housed in a safe, high-yield account such as CD. 12 Critical Rules underpin the NBCI

Make a Budget	Pay Yourself	Save Your Money	Start Emergency Funds
Pay Your Mortgage	Get a Lawyer	Start Home Business	Get a Second Job
Set Allowance for Children	Get a Credit Report	Make a Will	Be Wary of Loaning to Family & Friends



Twelve Steps to Financial Independence

3 Helping Members Find Adequate Employment

Unemployment in the black community is most stubborn market indicator to tackle, and has consistently and tragically slowed African Americans' economic recovery. Sources pinpoint African American unemployment rates at anywhere from 11 to 13 percent. NBCI is working hard to reduce these numbers by partnering with a number of industry leaders. To date, we have made a self-sustaining, aggregated job search engine site within its own website, specifically for its members. Our jobs are sourced with salaried positions with fringe benefits in mind, aimed at helping our college-aged congregants.

Opportunity Knocking



4 Online African American Market Place

NBCI is partnering with Appleseed Donation and Goodsearch.com to create an online marketplace for African Americans. Here our members will be able to access e-coupons and cost-saving strategies, while simultaneously giving back to their faith-based communities. We have negotiated a discount with over 600 online stores such as Amazon, Macys, Target and Sears to help make our members become savvy shoppers while simultaneously learning everyday computer literacy skills.



5 Pay Your Mortgage First



African Americans have struggled during the recession with budget prioritization. Knowing where to spend scarce resources is an important tool and will be a key focus of NBCI's Savings Program. The *Mortgage First* principle will help address the dual problems of increasing our members' financial wellbeing and providing housing security.

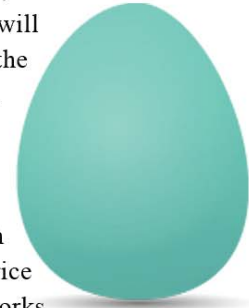
The *Mortgage First* principle also underpins NBCI's CommunityBuilt Program. A family must do all it can to access technical assistance the moment they struggle with mortgage payments. Mortgage First will allow NBCI to serve as a facilitator between lenders and African American homeowners.

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6 Saving for Your Children

In May 2014 **NBCI** announced a ground-breaking strategic partnership with **TrustEgg, Inc.** This collaboration will bring **TrustEgg's** expertise and resources to **NBCI's** nationwide membership base, with the ultimate goal of starting one million savings accounts for children. This collaboration will leverage **TrustEgg's** financial resources to bridge the socioeconomic divide affecting the black faith community, adding to the 125,000 families **NBCI** has already educated on financial literacy issues.

TrustEgg was officially launched in 2013, when Jeff Brice brought his vision of an easy-to-use savings solution for his niece's future to life, one that could be shared with the entire family. With the impact of social media **TrustEgg's** reach flourished, and Brice had created a revolutionary child savings product, leveraging the power of social networks such as Facebook and Twitter.



7 Dream Company

In partnership with the **Dream Company LLC**, **NBCI** set out a mission to provide additional funding channels in the midst of a weak economy. Through this partnership we will address the need to grow philanthropic giving as an essential element of the church's financial future.

The **Dream Company, LLC** has developed a unique legacy giving initiative designed to “Insure the Future” of both the church and its members through affordable Term Life Insurance. “Insuring the Future” is structured to guide families to financial well-being, while providing them with an opportunity to support their local church. Legacy donors help carry on the church's mission and ministries - supporting the clergy, staff, foundation or general church fund in the following ways:

- o The church is an all or partial beneficiary in each participants' gift
- o Gifts are perpetuated by the investment of funds
- o Financial security of participating members leads to increased support
- o Financial security enables charity for other financial concerns of the church
- o Bereavement funds of the church are not exhausted



8 NBCI Money Booklet

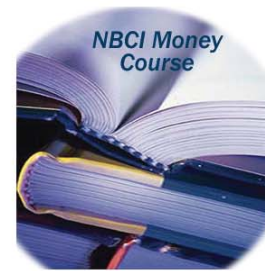
The **NBCI Money Booklet**, currently in publication, is both unique and effective in that it knows its audience. A thoughtful and comprehensive layout allows individuals and families to get a complete picture of their assets and liabilities in an easy-to-read, unintimidating format. Having their financial scorecard at their fingertips will give users a sense of control over their money and encourage smart financial decisions. **NBCI's** Money Booklet will consist of information including but not limited to – salaries, tax status, insurance, stocks and other relevant financial data.



Twelve Steps to Financial Independence

9 NBCI Online Money Course

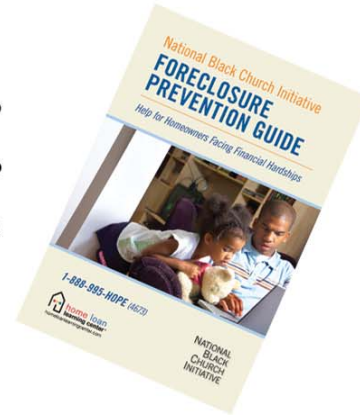
NBCI's Money Course is a take on Finance 101. Its curriculum will make money management easy to understand, and break course material down into adjustable time frames spanning from either six months to up to three years. These Money Courses will cover NBCI's Spending Program fundamental principles and give students the tools they need to feel confident and financially literate. Minorities, especially African Americans and Latinos, will be encouraged to enroll. Over the course students will be given an NBCI Money Booklet alongside other relatable and accessible course texts. Our inaugural class will begin in the fall of 2014.



10 NBCI Financial Advisors

Many of our **15.7 million members** engaged in financial literacy either through NBCI's Money Booklet or Money Course will need to assess whether or not they need a professional financial advisor. NBCI is currently in negotiations with financial industry leaders who plan to offer their services to its membership. To start, NBCI has identified over 350,000 families who meet the standards of needing a financial advisor to help navigate asset and wealth management.

Over the past two years through its financial outreach initiatives, NBCI has rebuilt trust these families had lost in financial institutions after a deep period of mistrust following the mortgage crisis.



11 Digital Church Offerings

NBCI is working with TransFirst and **United Bank of Virginia** to move its 34,000 churches into the digital age by changing the way they collect tithes and offerings and conduct the church's financial businesses. Our goal is to make sure that each church has the digital capacity to conduct business online. This will give the church the ability to receive contributions through its website utilizing credit or debit cards – as well as to pay its bills online.



12 NBCI CommunityBuilt Program

Over the past five years we have worked with JP Morgan Chase and other financial institutions to provide homeowner education focusing specifically on educating first-time home buyers. One project, **CommunityBuilt**, brings together churches, community leaders, civic organizations and the National Realtor Association to strengthen communities through strong housing education and civic pride.

We would welcome the opportunity to work with your firm to expand this extraordinary program to an additional 50 cities.

CommunityBuilt is founded on three building blocks:

- I.** Work with city leaders and key housing experts and community stakeholders to make foreclosed homes available to middle class families.
- II.** Provide those families with financial literacy classes and emphasize the mortgage first principle, and continue to mentor these families over a ten year period.
- III.** Each family served in turn commits two years of volunteer service towards the goal of **Community Built**.

CommunityBuilt has helped over 1,700 families throughout the country through technical assistance, home modification, volunteers, and small homeowners' grants and connected them with housing community development corporations. We are in need of a grant of one million dollars to sustain this extraordinary momentum to continue helping these families and build strong communities.

As a result of working in 17 cities, we have created a housing volunteer force of 23,000 in a number of cities including New York, Miami, Atlanta, Charlotte, Baltimore, Richmond, Philadelphia, Savannah, Prince George's County, Washington DC, Cleveland, Chicago, Detroit, Dallas, Ft. Worth and Los Angeles.



Twelve Steps to Financial Independence

EXTENDED FAMILIES, EXTENSIVE PRIORITIES

Financial Ties Link the Generations

Multi-generational households – with parents, adult children and grandparents – are more common among African Americans. Moreover, African American families are also particularly likely to provide support for extended families regardless of whether they live under the same roof.

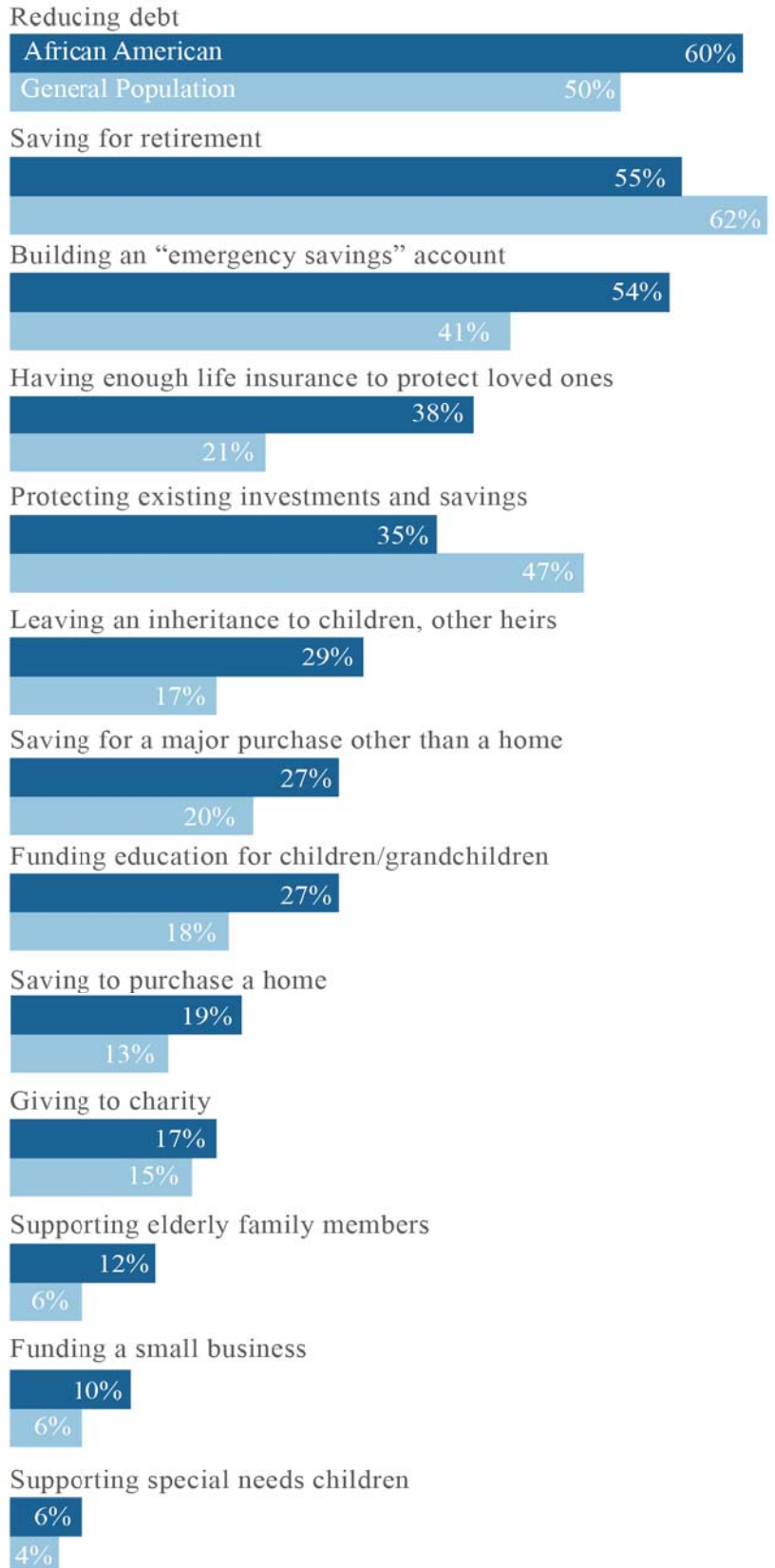
About 6 in 10 African Americans provide financial support to someone else. African Americans are significantly more likely than the general population to financially support parents and other relatives.

The so-called “sandwich generation” – those supporting both younger and older family members – is especially prevalent in the African American community. One-third of African Americans are financially supporting children under 18 or grandchildren, and 9% are supporting parents or grandparents – both higher than the general population (25% and 4%, respectively).

Financial Priorities

The top three financial priorities for African Americans, each chosen by more than half of respondents, are reducing debt, saving for retirement and building an emergency savings account (Figure 11). A second tier of priorities includes life insurance and protecting existing assets.

The general population shares the same priorities, although the order varies slightly. Differences emerge further down the list. Reflecting the multigenerational and extended family structure, financial priorities centering on family – from supporting elderly relatives now to leaving an inheritance later – are significantly more important among African Americans.



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THE AFRICAN AMERICAN FINANCIAL EXPERIENCE TODAY

Growing Economic Power

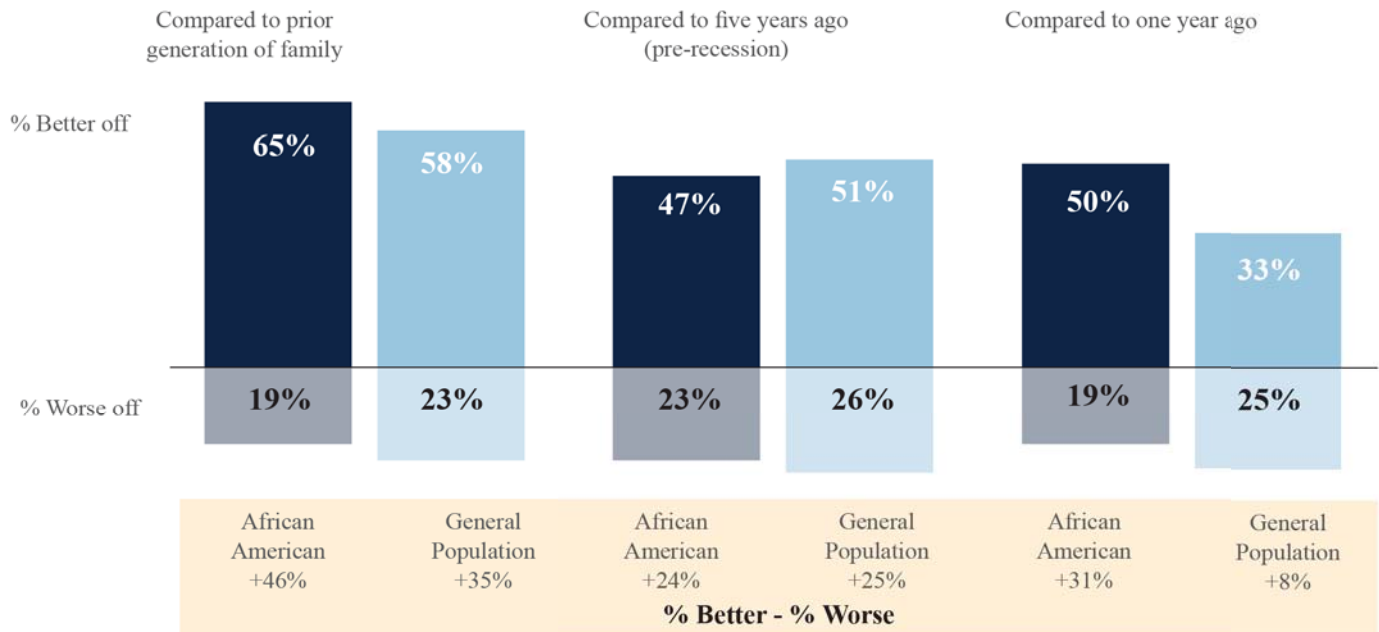
The African American community is a growing economic force fueled by an increasingly powerful middle class. Thirty-nine percent of African Americans surveyed have annual household income of \$75,000 or more – including 24% earning \$100,000 or more.

Based on Census figures, this relatively prosperous group represents about 5.6 million U.S. African American households.

About one-third (35%) of African Americans surveyed have \$50,000 or more in financial assets, including savings, investments and employer-sponsored retirement accounts.

The emerging middle class shares many of the financial challenges of the larger community, including debt reduction, supporting more family members on a single income, access to financial advice and achieving retirement security.

COMPARING YOUR FINANCIAL SITUATION TODAY TO THE FOLLOWING TIME PERIODS, WOULD YOU SAY YOU ARE...?



“ African American buying power will increase 73 percent between 2000 and 2012, which not only overtakes the 60 percent increase in Caucasian buying power, but also the 67 percent rise in total buying power of all races combined. Two factors contributing to the gains include a 61 percent increase in Black-owned businesses in the five-year period between 2002 and 2007, and 84 percent of Blacks over 25 years of age completing high school or college – a sharp increase from 66 percent in 1990. ”

- *The Multicultural Economy*, Selig Center for Economic Growth, University of Georgia, 2012

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Focus on Protection versus Investment Products

African Americans own insurance products, such as life and disability, at equal or greater rates compared to the general population. However, African Americans are about half as likely to own investment products like IRAs, mutual funds, stocks and bonds, reflecting a **trend toward saving rather than investing.**

Participating in, but not Maximizing Retirement Plans

Nearly half of African Americans have a workplace retirement plan, such as a 401(k), and **8 in 10 eligible to contribute to an employer retirement plan are doing so.** Yet many continue to contribute less than their employer match or take loans from their plan. A major barrier to maximizing participation is the lack of education about how these plans work.

Financial Decisions Shaped by Family and Faith

This year's survey re-emphasized the **important role of family and faith.** African Americans are more likely to live in intergenerational and female-headed households, and to financially support family members. More regular church attendance is accompanied by greater reliance upon faith-based institutions for financial information.

Want a Stronger Connection to the Financial Industry

As in the inaugural survey, only about a quarter of African Americans feel any financial services company has effectively reached out to the community. Across income levels, **African Americans are 13% less likely than the general population to have received contact from a financial advisor.** The majority believes that working with an advisor could help.

Establishing trust with the African American community requires a strong code of business ethics and high-quality products and services. African Americans also expect companies to have presence in the community, provide financial literacy information and demonstrate diversity in hiring and advertising.