ANNUAL REPORT 2017





advocacy

to change "what is" into "what should be"

Certify. Develop. Connect. Advocate.

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EMSDC: Growing the Region's Economy through Minority Business Development

Certify. Connect. Develop. Advocate. Here at the Eastern Minority Supplier Development Council (EMSDC), our mission is to help



minority-owned businesses across Pennsylvania, Delaware and Southern New Jersey, grow - for the benefit of the region and the communities wherein they reside. By **certifying** MBEs throughout the region and **connecting** them with corporations who are committed to doing business with diverse suppliers, we work to ensure that supplier diversity is a requirement in doing business, and not an afterthought. By providing MBEs with the tools necessary to grow and **develop** and serving as an **advocate** for their success and that of corporations, our role is not only be a bridge between both parties – we work to ensure the continued economic growth of our region. **Our message is simple:** when minority-owned businesses succeed, our communities prosper, our region experiences continued growth, and our corporations are better able to produce products and services that are best align with what their customers needs and wants.

As Diversity & Inclusion practices within corporations shift and companies work to become more reflective of the communities they serve, the opportunity to achieve success as an MBE is within reach more than ever before. MBEs are growing at a rate of 17%, approximately six times faster than any other group. By 2045, 3.3 million MBEs are expected to experience an increase of 70% in total purchasing power. Corporations that work with diverse suppliers report improved bottom lines, better ROI and high satisfaction. In fact, supplier diversity programs add approximately \$3.6 million to a corporation's bottom line for every \$1 million in procurement operation costs.

The undeniable growth of the sector gives us optimism and high expectations for the future of supplier diversity. In the past year, EMSDC's Certified MBEs have increased from 482 to 495, with a collective annual revenue of \$3.87 billion, demonstrating continued growth when compared to last year's \$3.65 billion. In 2016, our MBEs boasted 15,175 employees, collectively; and in 2017, that number jumped to 17,612, demonstrating yet another advantage of MBE success: the creation of new jobs.

We anticipate continued growth. As a primary link between MBEs and corporations, EMSDC will continue to connect the two parties through key networking and signature events throughout the year. With 74% of MBEs noting that networking events are their primary avenue for obtaining corporate contracts, we view our role in this rapidly expanding landscape as essential.

So, EMSDC MBEs and corporate members, thank you for another exciting year of growth and improvement. You hold the keys to the future of supplier diversity. Read on to see the stories and successes of your peers, colleagues and the Council. As always...

Yours in Business Success,

Valarie J. Cofield

President/CEO, EMSDC

Who Is EMSDC?

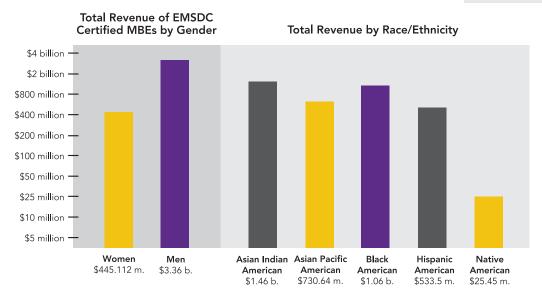
The Eastern Minority Supplier Development Council (EMSDC) is one of 23 regional affiliates of the National Minority Supplier Development Council (NMSDC), operating in Pennsylvania, Southern New Jersey and Delaware. The council fosters the development of minority business enterprises (Asian, Black, Hispanic and Native American) to better align them with corporations' requirements, to initiate growth and opportunity through supplier diversity channels. EMSDC is committed to facilitating economic development in its geographic territories by connecting corporations to compatible diverse suppliers and assisting MBEs in developing their businesses to meet corporations' requirements.

EMSDC, through its private and public partnerships, is uniquely positioned to support the long-term sustainable growth of minority-owned businesses and their participation in the global supply chain. EMSDC's portfolio of solutions and support includes training and development services; access to public and private sector contracts; identification of new markets (i.e., green construction and energy, biomedical engineering, biotech, advanced manufacturing, and technology); professional development fellowships; mentor-protégé pairings; technical assistance and support; industry sector groups; and strategic partnerships with the financial and surety communities, providing access to capital, bonding and insurance for minority businesses.

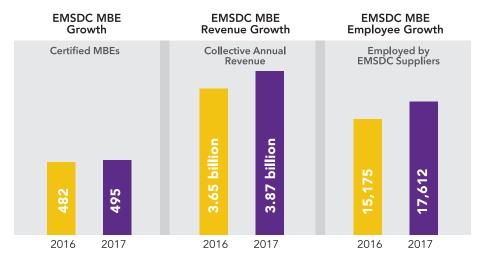
Further, as part of a network of 23 councils nationally and five (5) Global Link partners (Australia, Canada, China, South Africa and the United Kingdom), EMSDC has access to national and international resources to deliver programming that gives unparalleled coverage of both private and public-sector procurement opportunities. Through collaborations, EMSDC is building partnerships with economic development program operators in the region, driving the agenda towards synergistic operation and programming that yields maximum benefit to its clients. Our foundation as an NMSDC affiliate directly aligns us with the most powerful minority supplier organization in Corporate America. EMSDC boasts corporate membership of over 104 companies either headquartered or doing business in Pennsylvania, southern New Jersey and Delaware, all with organizational commitment to supplier diversity.

"I am newly certified, and the investment has already provided ROI for me. In terms of legal services, financial services, and providing opportunities to meet decision-makers from fortune 100 and 500 companies. I would not be able to do that on my own without the assistance and the credentials of the EMSDC. It's been a wonderful, wonderful investment for my business."

2017 By the Numbers



Certified MBEs by Ethnicity/Industry By industry By ethnicity Broker / Agent 14 or 2.90% 1 African American 242 or 50.21% Construction Contractor 56 or 11.62% 2 Asian Indian 102 or 21.16% Consultant / Professionals 241 or 50% 3 Asian Pacific 60 or 12.45% **ETHNICITY** 46 or 9.54% Distributor 4 Hispanic American 74 or 15.35% Manufacturer 42 or 8.71% 5 Native American 4 or 0.83% Manufacturer Rep 5 or 1.04% Service Contractor 78 or 16.18%



"When we started, we could get through the door and go through some other parcel lender and apply our skill set to them or through them and basically represent them. The minority status on the certification allowed us to go directly to our clients and open up a direct channel which allowed us to not only represent ourselves, but to create a market that wasn't there before."

Suvas Pandya, President

Eagle Point Solution, Business Consulting and Management



Meet Frontier Technologies...

About five years ago, we met Robert James, from Highmark Health, at the EMSDC's Business Opportunity Conference in Pittsburgh, PA.

About ten years ago, we met Ron Baldwin and the AmeriHealth Caritas team at the EMSDC golf networking event in Atlantic City, NJ.

About fifteen years ago, we met Emmett

Vaughn and Vernice Lewis from Exelon at EMSDC's Business Opportunity Conference in Philadelphia.

We didn't know it at the time, of course, but these meetings flourished into close business relationships over the ensuing years, as we ran into them again and again at various EMSDC events. The EMSDC was the catalyst of our meetings, and the main reason we had access to three important figures at two large health care organizations, and one of the largest energy providers, in the world. Since meeting, Highmark Health has adopted us into their prestigious Mentor Protégé Program; and AmeriHealth, Exelon and Highmark Health companies have done substantial business with Frontier Technologies, taking advantage of Frontier's expertise in cutting-edge technologies and IT infrastructure. Frontier has the opportunity to work with three national and regional corporations that recognize the value of a diverse, agile supplier and put their trust in a small company. It's a win-win for everyone involved and wouldn't have been possible without the EMSDC. - Reshma Moorthy, President, Frontier Technologies

A Note from a Corporate Member: Major League Baseball

"For us, supplier diversity is relationship driven. It's important for people to understand that success is based on the relationship. Building that rapport, whether it's with an MBE, a corporate member or whatever the case, it's really about relationship-building and the success that comes out of that hopefully transpires into an opportunity or a contract or winning an award. But at its nexus it is really two people hitting it off, trusting and believing each other and then exploring the opportunities that come out of that. Through EMSDC we've been able to find diverse suppliers to participate in bids and be a part of our supply chain for the Pittsburgh Pirates and the Philadelphia Phillies." - Corey Smith, Senior Director, Supplier Diversity, Strategic Sourcing, and Diversity & Inclusion, Major League Baseball





EMSDC Youth Entrepreneur Scholarship Golf Outing

Nearly 200 MBE and corporate members attended the 2017 Youth Entrepreneur Scholarship Golf Outing at Fox Chapel Golf Club in Pittsburgh. The annual event began with a golf tournament and, for beginners, EMSDC's 2nd annual "Business on the Green" led by PGA Professional Anthony G. Stepney.

Following the morning's competition and an awards presentation, attendees convened for a discussion between Christina Lewis, Founder & Executive Director of All Star Code and Lara Washington, President of Allegheny Housing Rehabilitation Corporation (AHRCO). The event was held in honor of Milton A. Washington, CEO of Allegheny Housing Rehabilitation Corporation (AHRCO). Proceeds went toward supporting All Star Code, which provides young men of color the skills, networks and mindsets they need to succeed in tech through coding and computer programs; The Business Center's Yourth and Money Camp for budding entrepreneurs; and EMSDC's ongoing fund for MBEs to attend advanced education training programs.



R.O.A.R. (Return On All Relationships) Conference & Matchmaker

Our R.O.A.R. (Return On All Relationships)
Conference & Matchmaker brings together
MBEs and corporations with an interest in
growing and advancing supplier diversity,
for a mutually beneficial day of learning and
connecting. The 2017 conference was attended
by nearly 200 business owners, procurement
specialists and corporate representatives.

The Conference kicked off with a Keynote Power Breakfast led by Julianne Malveaux, noted labor economist, author and political and social commentator. Following a morning of seminars, workshops and networking, Jia Jiang, the Founder and CEO of Wuju Learning and known as "Rejection Guy", provided the keynote during lunch. Conference attendees also took part in roundtable discussions, and one-on-one matchmakers designed to connect corporations to compatible MBEs. The Conference wrapped up with a networking reception, providing attendees with one final chance to make lasting impressions and build new relationships.



Stellar Awards

Our second annual Stellar Awards Luncheon, held at the Fairmont Hotel in Pittsburgh, PA hosted nearly 300 guests, including corporate executives, resource partners, and Minority Business Entrepreneurs (MBEs) to honor the Best in Class in business growth, advocacy, diversity and inclusion. The honorees were:

- Individual Resource Partner Award Lance Hyde, EQT
- Organizational Resource Partner Award EQT
- MBE Partnership Award CDI Printing
- MBE Forerunner Award KORYAK
- Corporate Best Practice Award EQT
- Corporate Cornerstone Award EQT
- Corporate Forerunner Award EQT
- Alexander Nichols Lifetime Achievement Award -Suresh Ramanathan, KORYAK and Ron Davis, Parx Casino and Racing

Choice Awards

EMSDC and 300 guests celebrated the achievements of top minority-owned businesses, dynamic industry leaders and major corporations committed to business growth and supplier development at the Choice Awards gala at the Westin in Philadelphia. Honorees included:

Corporations of the Year

National – Henkels & McCoy Group Regional – Highmark Health

Suppliers of the Year

Class I – Soul Pitt Media LLC

Class II - CenterPoint Group, LLLC

Class III – Frontier Technologies Inc.

Class IV – South Coast Paper

Awards of Distinction

Paving the Way – Harold T. Epps, City of Philadelphia Phoenix Award – Michelle Morin, State of Delaware - OSD Corporate Advocate of the Year – Robert A. James, Highmark Health MBE Advocate of the Year – Reshma Moorthy, Frontier Technologies, Inc. James Brown Award – Dennis J. Garrett, Blue Lake Pacifica



Meet the EMSDC Board

Board of Directors: Executive Committee

Erik Meader, Chairman, Pfizer, Inc.

Valarie Cofield, President/Chief Executive Officer, EMSDC

Tasha Y. Brown, Treasurer, Princeton University

Booker Farrior, Vice Chair, Vanguard

George Ehrgott, Secretary, Communications Test Design, Inc.

Reshma Moorthy, MBEIC Chair, Frontier Technologies

Board of Directors: Members

Steve Anthos, EQT Corporation

Radhika Batra, PPG

LJay Burks, Comcast

Loren Hopkins Taylor, DuPont Company

Joseph Emrich, Johnson Controls, Inc.

Vernice Lewis, Exelon Corporation

Troy Mathews, Johnson & Johnson

Pamela McMellon-Wells, Federal Reserve Bank of Philadelphia

Toni Y. Silva-Jeter, UPMC

Doug Smith, Verizon

James Vespoli, The PNC Financial Services Group

Board of Directors: MBEIC Committee

Reshma Moorthy, MBEIC Chair, Frontier Technologies

Tammy Davis, Western Pennsylvania Vice Chair, NexLevel Consulting Services, LLC

Bony Dawood, Central Pennsylvania Vice Chair, Dawood Engineering, Inc.

Paul Douglas, Member-at-Large, JPI Group

David Groomes, Member-at-Large, U.S. Facilities

Srini (JD) Lokula, Southern New Jersey and Delaware Vice Chair, Decision Distribution

Maulik J Shah, Co-secretary Velocity Procurement, LLC

Daniel Watson-Bey, Co-secretary, East Hill Media

Featured Companies Index

AmeriHealth Caritas Pennsylvania, a member of AmeriHealth Caritas, is a Medical Assistance (Medicaid) managed care health plan serving more than 114,000 Medical Assistance recipients across two regions of Pennsylvania: Lehigh/Capital, comprising Adams, Berks, Cumberland, Dauphin, Franklin, Fulton, Huntingdon, Lancaster, Lebanon, Lehigh, Northampton, Perry, and York counties; and New West, comprising Cameron, Clarion, Clearfield, Crawford, Elk, Erie, Forest, Jefferson, Mercer, McKean, Potter, Venango and Warren counties. Headquartered in Harrisburg, Pennsylvania, AmeriHealth Caritas offers all of the benefits and services of regular Medical Assistance, plus special programs and benefits that are only available to AmeriHealth Caritas members. We aim to provide a medical home that helps our members access the services they need. And we provide extensive programs to help our members prevent illness and injury so they can live fuller lives.

Eagles Point Solutions is a management and consulting firm for construction, real estate and maintenance serving the commercial, retail and restaurant industries. With over 30 years of experience, the company will take a project and customize it to fit customer needs, giving customers the quality and value to fit their budget. The company prides itself on taking projects from inception to completion giving customers the peace of mind and tools to move their company forward profitably.

Exelon Corporation (NYSE:EXC) is a Fortune 100 energy company with the largest number of utility customers in the U.S. Exelon does business in 48 states, the District of Columbia and Canada and had 2017 revenue of \$33.5 billion. Exelon's six utilities deliver electricity and natural gas to approximately 10 million customers in Delaware, the District of Columbia, Illinois, Maryland, New Jersey and Pennsylvania through its Atlantic City Electric, BGE, ComEd, Delmarva Power, PECO and Pepco subsidiaries. Exelon is one of the largest competitive U.S. power generators, with more than 32,700 megawatts of nuclear, gas, wind, solar and hydroelectric generating capacity comprising one of the nation's cleanest and lowest-cost power generation fleets. The company's Constellation business unit provides energy products and services to approximately 2 million residential, public sector and business customers, including more than two-thirds of the Fortune 100.

Frontier Technologies, Inc. designs and delivers award-winning IT solutions to help clients innovate, differentiate and disrupt. For more than 30 years, Frontier has grown by helping clients build data centers and IT infrastructure that power their businesses. Frontier's decades of experience and focus on the future means clients can store, serve, analyze and maintain their data across platforms, software, networks and the cloud - in ways that set their business apart. Frontier's cybersecurity-first approach means clients' data is safeguarded end-to-end and at every step - protecting and fueling their competitive edge.

Highmark Health, a Pittsburgh, PA-based company, that, together with its subsidiaries and affiliates, collectively employs more than 40,000 people and serve millions of Americans across the country, is the second largest integrated health care delivery and financing network in the nation based on revenue.

Major League Baseball (MLB) is a professional baseball organization, the oldest of the four major professional sports leagues in the United States and Canada. A total of 30 teams play in the National League (NL) and American League (AL), with 15 teams in each league. The NL and AL were formed as separate legal entities in 1876 and 1901 respectively. After cooperating but remaining legally separate entities beginning in 1903, the leagues merged into a single organization led by the Commissioner of Baseball in 2000. The organization also oversees Minor League Baseball, which comprises 256 teams affiliated with the Major League clubs. With the World Baseball Softball Confederation, MLB manages the international World Baseball Classic tournament.

SkyPix Group is a drone powered services company. All UAS Pilots are CFR Part 107 Certified. Through drone-powered services, SkyPix improves workflow efficiencies, reduces safety hazards and increases companies' ROI with seamless integration.





PHILADELPHIA

Rodin Place 2000 Hamilton Street, Suite 308 Philadelphia, PA 19130 215-569-1005

PITTSBURGH

The Historic ALCOA Building 611 William Penn Place, Suite 401 Pittsburgh, PA 15219 412-391-4423

E: info@emsdc.org W: www.emsdc.org