Minority Business Shuffle WL 4996 M3/8/21

“You must prepare to win whatever you seek, and to win it by the most difficult rules the white majority can fashion.” Alas: “The limits of tyrants are prescribed by the endurance of those they oppress…” Frederick Douglas

One of the greatest scourges brought on by the COVID pandemic has been the devastating effect on small and minority business, businesses already stymied by non-inclusion in the mainstream American economy. It has placed considerable attention on government loan and assistance efforts. Bank loans, forgivable and conventional, also other types of assistance, have taken on a national priority. This is not the first time in recent years affirmative action has been in the spotlight. Current efforts bring with it talk of reparations whether they be in the form of cash or tradeoffs. Efforts to acknowledge and update history, accomplishments, and contributions of minorities in the construction and building of this great country have been put in motion. Most people are aware of Georgetown University's policy regarding free tuition awarded to potential students, descendants of slaves owned by the Jesuits there long ago. Jack Daniels Whisky Company has stepped up acknowledging the efforts of Nearest Greene, master distiller. Thankfully soon a movie will be in theaters extolling exploits of the real Lone Ranger. Forever positive, we pray as a nation that efforts will be more successful assisting small, minority, women and disadvantaged businesses this time.

During the late 1970’s the United States moved rapidly toward deregulation. By the end of 1980 both the airlines and the transportation industry were deregulated. Simultaneously we experienced a surge in a national move, a conscientious and for the most part positive interest in the improvement and expansion of minority business. There existed sincere and in most cases genuine efforts to support and grow small, minority, women and disadvantaged owned businesses of all kinds. Support for partnerships between big business and small business would give small minority, female, veteran and other disadvantaged firms the opportunity to share in the tremendous volume of business transpiring daily in mainstream US and around the globe. Equal opportunity for all?

Along with this opportunity came programs and groups, most full of good intentions. But there are always those who have dollar signs and or negative goals in their sights. Such culprits are not beyond using any and all nefarious means to advance their ideals. Still, numerous large and small firms looked forward to and put their best foot forward in order to make the different programs successful.

Certification processes were created. Most required at least fifty one percent of a particular company be owned by minority or disadvantaged individuals. Most states created small and disadvantaged business offices. Individuals or companies could apply for state certification. They would go through a scrutinization process and be certified or turned down. Supplier development councils covering one to three state areas popped up, receiving approval and encouragement from the federal government. These supplier development councils or boards, made up of small vendors and representatives from large manufacturing and industrial firms, were charged with making a united effort to certify and bring small minority, female, veteran and other disadvantaged groups into the mainstream business loop. There were many honest and sincere hard working people on both sides of this fence. There were also, however, foul fellows on both sides. The federal government created the 8A certification. Of course this was and remains a bit expensive, also a bit difficult certification process, but necessary in order to do business with the federal Government. The federal government is one of the largest purchasing agencies in the country. 8 A certification is not a process for the weak at heart. Well, there were and are always exceptions, vis-a-vis the ever present foul fellow. Unfortunately greed and graft were everywhere. Many great success stories came out of these programs. Some came from the program working properly. Some came as a result of payoffs, kickbacks and handouts. Others came from ingenious yet lawful plays by savvy small business people and/or perhaps with assistance from individuals at larger partnering companies including the federal government.

Many people, government, industry, commercial, and small business owners were enthusiastic and eager for the programs to succeed. Gargantuan efforts on the part of these people brought some, but limited success. A few small firms prospered. Unfortunately there are always those who want to see ventures like this fail. Even more importantly came schemers and finaglers who saw only dollar signs. The limited success also brought along with it many legitimate small business failures. Graft, greed, broken promises, bitterness, outright theft and in several cases loss of life, took place. All this and any other bad things that relate to business where large corporations have a need entered the equation. Any situation where large firms wanted a commodity, or were in possession of one and charged with doling it out to or purchasing it from the little guys, was subject to criminal activity. Many large companies did not want to be bothered with set asides, so they simply put up a front of assistance to many while quietly putting their arm around one or two vendors, giving the bulk of their set aside business to them… in some cases more than allotted if graft was involved. The sky was the limit. There were also misunderstandings and legitimate mistakes made.

Failures and limited success of minority business development in the middle ‘70s, ‘80s even into the ‘90s and early 2000s had many causes. Let’s say, a small certified trucker is hauling truck loads from a plant near his hometown to a sister plant two hundred fifty miles away. They in turn have loads going back to his area. His driver overhears conversation regarding loads setting and late shipments. They're coming right back to his hometown. He relates to the dock foreman that he could call his boss and eliminate the problem for him. This sounds great with the foreman and they proceed to make the call. A rate is negotiated and our little trucker saves the day and makes a few dollars in the process. The dock foreman continues to use Little Trucker for several weeks to the good of all. Then suddenly one day he stops using Little Trucker. The driver is inquisitive as to what’s wrong. He’s confident it’s not service. They approved the rate. So, he simply asks the foreman. The foreman’s reply, “Oh my boss put the kibosh on that. He said we already fulfilled our quota for minority participation, sorry.” Wow! That true scenario mirrors another situation where a long awaited sales meeting set up over the phone takes place. The purchasing agent enters the face to face meeting and his reaction is short, blunt and sweet. “I’m terribly sorry, I never realized yours was a minority firm. We’ve already met our percentage for the year. Perhaps try us at another time.” Quality of service, rate comparison, safety record. Guess they were all meaningless?

Little Trucker attends a minority business fair and meets with a minority purchasing agent of, let’s say, a brewing company located in a city he hauls in and out of daily. This means he’s looking for outbound loads from there. The minority purchasing agent says to come see him. He will introduce him to the traffic manager. He further states that the brewery is committed to doing business with minority companies. Little Trucker sets an appointment and arrives with all the proper paperwork. Purchasing agent introduces him to the traffic manager and leaves them to visit and get acquainted. Little Trucker leaves thinking everything went well. He anticipates doing some new business here. But it does not come. He goes back. In fact he goes back several times. He takes both the traffic manager and the minority purchasing agent to lunch. They discussed the whole project and vowed to reconcile whatever is causing the delay. Months go by and nothing happens.

Out of the blue one day Little Trucker receives a call from a large nationwide carrier located in another state many miles away. The owner is going to be in town shortly and would like a few minutes of his time. Little Trucker agrees. They meet for coffee and the owner of the larger firm introduces a guest he has with him…a person of color as a matter of fact. This man is his manager of their minority division. He even carries the title “president” as a matter of fact. Okay, says Little Trucker. Where are we going with this? Big Trucker explains that he is aware of Little Trucker’s plight and can help him get some of those loads out of the brewery. You, Little Trucker, simply have to bill our minority division for the work as a subcontractor. Okay? Rate is the same as you quoted originally plus twenty bucks for all the extra trouble.” Big Trucker has to use the restroom. While he’s gone Little Trucker quizzes the manager “president” of the minority division. Turns out he can hardly spell the word freight. He has a small office, a desk, and stops in once or twice a week to sign papers and pick up a small paycheck. He’s a personal friend of Large Trucker. Smells of a sham, huh? But soon a contract is signed and Little Trucker starts moving loads.

Several months pass. Service, everything, is going smoothly. Little trucker gets a call from the brewer. They want to belly load the freight in order to provide a smoother ride (load in the middle only.) Each load will need a false bulkhead in front of the product. There is a fellow located near the brewery who makes them for other truckers, fifteen dollars a pop. Little Trucker calls Large Trucker and informs him of the dilemma. No problem. He says, “I’m gonna’ increase pay per load twenty five dollars so you can give the driver a ten for his trouble. Just keep up the great service.” Wow! Okay. Before long another problem arises and a twenty five dollar rate increase solves it. Large Trucker is not doing this out of the goodness of his heart and there’s also the pittance for his minority manager. Little Trucker is left wondering just where in the world the bottom of this barrel could be? If they have this going on a large scale it is actually scary.

Then we have the fortune five hundred companies mentioned earlier. They send representatives to the supplier development council gatherings, even hosting seminars. They host gatherings at one or two of their own facilities and sponsor different events. They even have a few executives who are sincere in their efforts. But the company as a whole is about their bottom line only. They really don't want to be bothered with minority enrichment. Mandated by the federal government to do a percentage of business with minority firms, they make a display of doing so. It's much simpler though to put their arm around one or two chosen firms and award the bulk of their budgeted set aside to these companies. Corruption was "boss."

Some awards and contracts could be so large they created problems. The potential of second tier participation could lead to the original small business possibly having their hand out to even smaller suppliers. Bonds formulated between large firms and the original minority firm lead to kick backs, overpayments, pay for non-work, even rental of false space. Any type of graft you can formulate could and did take place.

Most large corporations tried to do the right thing, some moved rapidly without proper or through training. For example they may have promoted from within. Suddenly we have a minority who was working his or her way slowly up the corporate ladder. He or she is promoted to minority coordinator, given perhaps a hand book or weekend at a seminar and instructions from his or her boss. Soon they start meeting with and interviewing possible new venders. Enter Little Dark Skinned Businessman. He sits waiting in the interview room. The door opens and in walks the newly named minority business coordinator. He introduces himself and sets down. Crossing his leg he exposes shiny new patent leather shoes. Perhaps he pulls out a pipe and lights it. Let's cut to the chase here. His body language and everything else about him says, "Sorry, I got a break here and with a spotlight on me I'm not about to let you and your little inadequate shop, service, or product drag me down. Only prime tuna here Charlie. Good luck further on down the road." He/she hasn't learned the ropes of graft, kickbacks and payoffs yet. But, they will.

One of the scariest situations would arise when small minority vendors were approached by the minority coordinator, purchasing agent, traffic manager etc., with criminal offers to do things like hide products in outgoing shipments, or inflate rates and prices which they would then approve. Or perhaps sell them products or goods they don't need or use, or larger amounts than proper. Little Businessman now had to decide if this was a test. And/or would he be alienating this customer if he refused to take part in bad activity.

Then there's the young man you'd see at all the trade fairs. He's so excited about the potential opportunities. He sells cleaning supplies perhaps. He's all over the place shaking hands and selling himself and his products. Every chair in the massive meeting hall has one of his cards on it. Two years later he's seen doing the same thing. However no one is aware that he's now in foreclosure on his shop. He's driving a clunker. And he can't buy a jacket for a bug. Unfortunately he's put a tremendous amount of time and energy into perhaps that fortune five hundred company that really didn't want to be bothered with all the details of full participation. Those company's numbers were public and they were flush year after year so the little guys continued to go after them. They got dissed in the process but could not help going back for another dose. The large firm continued to look like such a great prospect. Several normal orders from them or a firm like them would breathe life back into his small company, but no one who could help really cared. Meanwhile one or two “preferred” small business vendors were driving around in Rolls Royce’s and investing in riverboat casinos as a result of their preferential relationship with this and other large corporations like them.

Little Trucker was constantly calling on a major shipper that had two large plants in the metropolitan area. Calls and participation in traffic outings had placed him on a first name basis with one manager who could tender freight to him. It was all to no avail. This plant managed by, let's call him Joe H., triples the size of their warehouse space. So they purchase pallet storage rack, lots of it, from a firm owned by a client and personal friend of Little Trucker. Little Trucker subsequently puts two and three trucks on this hundred sixty mile haul and completes pallet delivery in two months. Nice work. Nice Pay. Shortly after completing the job, Little Trucker receives a call from plant manager Joe H. He is requesting billing information between Little Trucker and pallet rack distributor. Seems he needs it to use for proof to the federal government of minority enterprise participation. Joe H. is livid when Little Trucker informs him that he is not privy to that info. Storage Distributor is if he wants to use it, but not Joe H. or his firm who are looking to cheat on record keeping.

Little Trucker is constant in his pursuit of a business relationship with another of the three or four largest firms in his metropolitan area. He constantly calls at their corporate headquarters. A meeting date and time would be set. “Oh don’t forget to bring along copies of current insurance and all your transportation certificates.” After a ten year period of calling on them they probably have more copies of these things than he does and that even considering he had a copy in each truck as well as all over the office. He has yet to receive enough work from them to put in a pickup truck. So, he bypasses the corporate office, calling on one local plant directly. He vows to become a “PIA” to the distribution manager of the plant and starts calling on him. He does so for several months to no avail. Finally, desperate and about to give up, he asks for a chance to prove his company's ability. “Give me something no one else wants. Give me a chance on something you’re having trouble with.” Nothing. And he heads for the door. He is almost out when the distribution manager says, “Hey, wait a second. I got one for you.”

This big company sends two truckloads a day to a sister plant 400 miles away and they in return send two back. Almost daily one or two of them in one direction is late as all get out. “Figure it out and I’ll give you a go at it.” Wow! The city his sister company happens to be located in is Little Truckers number one outbound destination. He employs several drivers who live there. He hits the interstate. Two hours or so later he gets off at the halfway point between the two cities. Driving around, he finds several properties of interest. He settles on an abandoned gas station and calls the number. It’s a short negotiation. Little Trucker just wants space for parking, a desk and phone. They meet, settle on price and Little Trucker drives home. Next day he has a rate worked up and a proposal. Simple. He plans for two drivers to strike out from the destination city while simultaneously two leave from home base. They meet at halfway point and simply switch trailers, and then everybody drives home.

Needless to say the distribution manager was impressed and he liked the rate. Little

Trucker loved it. Four hundred miles by four loads a day added to their schedule. What was not to like? Time passed and no call back. Little Trucker went to call on the distribution manager. He was out. Little Trucker went back to his office. The next day he called the distribution manager. He was out. Several days passed and Little Trucker repeated the process. Frustration set in and Little Trucker went to see the distribution manager once again. This time when told that he was out, Little Trucker asked to speak with his assistant. Within a few minutes out came Eddie L. with a big smile on his face. Little Trucker knew Eddie. He'd gone through high school with the bigot. Eddie L. at a solid four foot nine inches tall was a true Napoleonic specimen. Little Trucker explained the situation to Eddie who listened to it all. Then he spoke. "Well," he said, "Your friend, the distribution manager, has retired. I am familiar with the problem and the work he was doing with you on it. But, I'm in charge now and I got it covered. Okay? See ya. Bye." As Little Trucker prepared to leave, he quietly asked the secretary what was going to happen with the loads. "Oh," she said, "Eddie says he's come up with a great idea on that. He's talking to a carrier out of Omaha. They have a terminal down there and they are going to bring the loads half way. We're going to send loads from here to meet them. The drivers will switch and both return to their home terminal." Little Trucker is like… "Eddie's idea! Such and such carrier out of Omaha! They're the sixth or seventh largest truck line in the country. They don't need this job, besides they don't even haul for your company." Eddie, listening from around the corner, "They do now."

Little Trucker has not given up. He searches and discovers a small two truck operation looking to sell. This small firm had two customers: the large firm Little Trucker was trying so hard to get in with, and a small container shipping company whose main customer is that same majority firm. Little Trucker approaches them. He meets with them, and makes an offer. It includes keeping all three present employees on the job. Hopefully they will secure relations with the large firm that has so far alluded Little Trucker. Hello Eddie! The first thing Little Trucker wants to look at even before talking finances is their state and federal commerce licenses to haul. They have none. Absolutely nothing but copies of an exempt river crossing authority meant to supplement real operating authority. They had been hauling in, out of, and all around the seven or eight plants of Eddie's parent firm without a license of any kind. Every load they moved broke the law on the part of both parties. This was the same big firm that required copies of Little Truckers licenses just to visit. Fortunately for the small firm, they were white. Little Trucker paid them a fair price for their firm.

It took Eddie's parent firm about two years to fire Little Trucker off of most of the jobs he'd paid good money for. For example; one of Little Truckers drivers was spotted on camera with one foot on the yellow line while shaking hands with a friend on his way back to the receiving dock after using the restroom. Shame on him. "You know, when you grow up one way…well…I'm trying to change…ahhh, fire those SOBs off the job!"

Another great corrupt scheme arose when celebrities and pro athletes got involved. For example, the supplier development council may solicit an athlete as a motivational speaker. Soon he becomes or doubles as sort of a go between, matching large firms up with small ones.

Both sides are taken with and admire having pictures snapped and autographs signed. An alliance is formed.

Before long any small manufacturer wanting to sell tee shirts, copy paper, cleaning supplies etc. to ABC firm must go through Willie the athlete. Little Guy solicits ABC large corporation. He's certified or not. "Opps, you're a minority. You have to go through the process." Little Guy: "I don't know or have anything to do with the supplier development council or a certification process. I'm just here with competitive pricing to see the purchasing manager to sell nuts and bolts." Large company rep: "Sorry you have to go through the minority process." Little Guy goes back and investigates the council, pays fees, is certified and joins. He returns to ABC large corporation and is told all minority business has to come through Willie the athlete. Little Guy looks Willie the athlete up and finds that Willie's cousin sells nuts and bolts. Dead end. Or Willie the athlete has his hand out and must wet his beak before introducing Little Guy to a purchasing agent who is well aware of Little Guy's desperation and perhaps has his hand out also.

Getting a bit complicated for you? Well we haven't scratched the surface. Cousin may be farming the job out for a cut of the inflated prices. Stop into the nearby bar on Friday after work and it's possible you might see Willie the athlete, his cousin and the purchasing manager from ABC. He very well could have brought along a counterpart from another division, or another firm even. The amber fluid will flow and on Monday Willie athlete, his cousin as well as large company rep will prosper.

A nationwide appeal was launched by several small entrepreneurs in the transportation industry. Their appeal most likely duplicated in many industries around the US at the time, encouraged unity and information sharing nationally through the formation of a not for profit corporation. The appeal is successful and soon they have three hundred dues paying members. Ninety percent are mama-papa organizations. Minorities being excluded from the fast lane, our Little Trucker with a mere sixty or sixty five employees, turns out to be the largest present with one exception, that being a firm that used leased owner operators. All were eager to unite. Thankfully a congressman and a senator showed interest, offering positive advice and assistance. Regional meetings and officers were put in place. Before long several large firms began putting out searches to them looking for bidders on various shipments. Some inquiries and purchase orders were so large they could be shared. An office was opened in Washington DC and a manager hired. He actually began to lobby on behalf of the organization. Talk of co-op purchasing and joint bids took place. Some very small firms properly operated grew rapidly. It was obvious; some of these firms would soon be a force.

The third or fourth annual meeting was held…a complete success including many awards and highlighted by a motivational speech from the favorite congressman. Everyone returned home hyped and eager to dig in. A month later all hell broke loose. Everyone receives notice. It seems their guy in DC failed to file 'not for profit' tax forms to the IRS by the mandated date. No problem really. Seems they simply want the organization to post a cash bond of twenty thousand dollars to be returned thirty days or so after the proper forms are received by the IRS. The six or eight leaders quickly realize the gravity of the situation. The charter and in fact the life of the organization is in jeopardy. A national meeting is needed to discuss the problem and to raise the funds necessary to avoid extinction. This is a huge problem. Everyone has just returned from a national meeting. The cost, financially and in time, prohibits another so soon. But wait! One or two of these leading small firms contact each other and it's almost like a broken record. "I simply cannot leave here at the moment I have union trouble," or in several cases, "I am being hit with union solicitation as never before." "Oh did you hear about Meussie P. over in Cleveland? A Union organizer walked into his office. They got into an argument and the guy shot him to death." When they caught him later he had three or four union IDs and licenses on his person. Why? A...There's unions and then there's the teamsters.

The meeting was called anyway. Representatives from small firms all over the country put things aside and attended. Simple business was dispensed with in short order. Down to the business at hand. The problem was explained and assurances made that after the bond was posted they would be on the road to business as usual. They needed to raise twenty thousand dollars. This was a tall order with several of the largest firms unable to attend with the trouble at home. Raising that amount of money was going to be a challenge and a real sale on the part of those who understood its importance. A second problem soon arose. The organization, not having need of one in the past, had no master at arms. Two gentlemen seen occasionally at past meetings took turns claiming the floor. Spewing diatribe unrelated to the problem, they interrupted when others legitimately held the floor. These two raised hell and delayed the motion to pass the hat…a hat already doomed to fall short. Somehow the two managed to disrupt things to the point of the meal and speaker, brother to the US president, being cancelled. Efforts to get the roll call and some sort of collection continued.

The meeting broke up late in the night, failing to complete its mission. Everyone returned home and the disintegration slowly began. The National office never reopened. One of the leaders of the small firms made national headlines as he was accused, later proven innocent, of purchasing stolen equipment. Muessie was still dead. It was learned later that those two who disrupted the meeting had paid no dues. Therefore, neither of them had the right to claim the floor. Several years later, one of them was destined to break the law and make national news while involved in a procurement payoff and execution of a large government purchase order. ”Go figure.”

Remember Little Trucker? Still in need of return traffic from that site four hundred miles away, he searches and finds a large cereal and breakfast bar producer shipping back to a nearby community. All the loads were handled by dispatchers over the phone. Everything worked smoothly and the relationship grew. Little Trucker decided to drive over to the cereal plant in order to thank them in person. When he is ushered into the traffic office it becomes silent. Mouths drop open and then everything changes. "We didn't know. We had no idea. We're supposed to be keeping records. Oh gosh, the federal government." On and on. As it turned out these were good and sincere people. After increases in volume and introductions to their corporate offices, the cereal company became one of Little Truckers best and largest customers. Sometimes it actually works.

These shameful activities may seem trivial reading this single story. However readers are encouraged to understand that with unlimited business examples to choose from, transportation is chosen only because of first-hand knowledge on the writer's part. It cannot be stressed enough the needed awareness that these activities took place in all industries around the country. Every arena of commerce and service in the 1970's, 80's and 90's all over the United States was exposed to this corruption. The people have a right to know about these activities and how they served greatly to negate minority entrance into America's mainstream of business. All pray things go better this time around. #

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