

IMPACT REPORT 2020



Dear Friends of NYPACE:

As we reflect on 2020 while keeping an eye to the future, NYPACE finds itself at the intersection of three inexorable social movements: a generational rise in entrepreneurship among people of color; a growing intolerance to social and racial inequity; and an unmistakable surge in volunteer engagement.

Any one of these forces would propel our work forward, but in combination NYPACE is facing an unprecedented opportunity for true impact.

Nothing is more exciting than an entrepreneur with a dream and nothing more rewarding than helping that entrepreneur achieve their dream. Last year NYPACE deployed nearly 150 volunteer advisors who contributed 4,000 hours of pro bono consulting to help over 54 underserved entrepreneurs in New York and Chicago. Our impact will continue to grow as we help more than 75 underserved small businesses in 2021 and more than 100 in 2022.

The pandemic starkly revealed the unacceptable inequities that plague our social systems, including the economy, education, and health care. Accordingly, NYPACE is doubling down on our support to underserved, under-resourced entrepreneurs. Each entrepreneur has their unique story of courage, and our goal is to inspire and empower as many as possible by democratizing access to the critical strategic and financial resources they need.

If inequity is the immovable object, then volunteer engagement is the unstoppable force - and NYPACE will continue to mobilize volunteers committed to using their professional skills to help elevate our small businesses. A special hat tip to JPMorgan Chase: Under JPMC's game-changing leadership, NYPACE successfully moved beyond New York to deploy volunteers in a new market - Chicago - for the first time.

Though no one knows what the next few years will bring, we are ever-confident that NYPACE will continue to serve as a beacon and safe harbor for both entrepreneurs of color and volunteers seeking to give back. Thank you for joining us as we create an economy that is more equitable, inclusive, and just.

With gratitude,

Ken Inadomi
Executive Director





The mission of NYPACE has always been to stimulate job creation and sustainable economic development.

We do this by connecting pro bono consultants to under-resourced entrepreneurs in New York City (NYC), and have been doing so since 2002.

However, it is impossible to reflect on 2020 without understanding the greater societal context that influenced our work. We stood at the intersection of multiple crises of inequality: economic, health, and social. According to tracktherecovery.org, an economic data tracking organization backed by Harvard University, Brown University, and The Bill & Melinda Gates Foundation, there was a 45% decline in the number of open New York-area small businesses from January 2020 to June 2021.

NYPACE responded to these crises by adapting our program, amplifying our voice, and expanding our impact, and the results leave us with optimism for the years to come. A full 96% of NYPACE's 2020 businesses were still open and operating as of June 2021.

**IN THE NEW YORK-AREA
THERE WAS A**

45%

**DECLINE IN THE NUMBER OF
OPEN SMALL BUSINESSES AS
OF JUNE 2021**

96%

**OF NYPACE 2020-
SUPPORTED BUSINESSES
ARE STILL OPERATING IN
JUNE 2021**

ADAPTING OUR PROGRAM

When NYC shut down in March 2020, NYPACE moved quickly to adapt. We were no longer able to meet in person to launch projects, we could no longer ask volunteers to visit the businesses they advised, and we could no longer require a 12-week project commitment when so many businesses were struggling for day-to-day survival.

Updated Program Model

NYPACE moved all programming online, and shortened the project window from 12 to 8 weeks, resulting in more efficient work without decreasing project scopes or deliverables. We were also able to welcome advisors from outside of the NYC area for the first time.

Enhanced Entrepreneur Interaction

After several mentors inquired about staying in touch with their business owners and learning the impact of the projects, we implemented a post-project check-in by each advisor team. The results help us monitor success, including increases in sales, job creation and greater access to capital.

First Virtual Gala

On October 19, we hosted our first virtual gala to great success, generating over \$220,000 in donations, a record high for NYPACE. The program featured a live panel discussing the future of business in NYC in a post-pandemic world that was moderated by Pat Stevenson, two-time NYPACE participant and owner of Harlem Community Newspapers. The gala was highlighted by emotional videos featuring our NYPACE entrepreneurs and advisors who came together under the cloud of the pandemic. Nicole Jordan, CEO and Head Chef of Nicole Jordan Catering, was also featured, making a fresh tomato cucumber salad (pictured right). Nicole's Chicago-based team of advisors played a key role in helping her better understand her raw materials costs, profit margin, and break-even point. They also helped her explore related business pivots, such as offering hospital meal deliveries.

100%

of entrepreneurs surveyed felt sufficiently supported despite the virtual environment

98%

of advisors surveyed felt they were able to adequately support their entrepreneurs given the shift to virtual consulting



"If you don't really know and understand the numbers of your business, it's not a business - it's a hobby. Thank you to NYPACE for helping me better understand and operate my business!"

Nicole Jordan
Nicole Jordan Catering Company

AMPLIFYING OUR VOICE

In 2020, NYPACE identified even more opportunities to amplify our voice in support of minority and Black, Indigenous, and People of Color (BIPOC) entrepreneurs. We spoke out in favor of democratizing access to the mentoring resources and financial opportunities that should be available to all small business owners.

Thought Leadership

Executive Director Ken Inadomi authored an editorial describing how the pandemic disproportionately impacted BIPOC business owners in NYC and how they were more vulnerable to eviction and denial of business credit. Ken also participated in a city-wide working group of nonprofits, sponsored by JPMorgan Chase, that recommended specific ways to maximize collective impact in support of BIPOC entrepreneurs.

Community Recognition

In October, we received a prominent media placement in Crain's New York Business. The full-page story described how two NYPACE advisors - John Macdonald and Elliot Horen - worked with Pat Stevenson, the owner of Harlem Community Newspapers, to help turn her business around during the peak of the pandemic.

Subsequently, Pat wrote a first-person account of her game-changing experience with NYPACE and how it impacted her business, then published it in the October edition of Harlem Community News.

"NYPACE will continue to stand up and speak out on important issues affecting the well-being of underserved, under-resourced small business owners."

Ken Inadomi
Executive Director, NYPACE

CRAIN'S

NEW YORK BUSINESS



A HELPING HAND

Volunteers step in to assist minority-owned firms with finding the tools to survive the pandemic

When Covid-19 began to take its toll on New York City's economy in mid-March, Harlem Community News publisher Pat Stevenson didn't know how she would survive. Stevenson's revenue is completely dependent on advertisements, and many businesses stopped advertising once they were forced to close. "I didn't know going forward what it would look like for me," she said. "When businesses closed down the third week in March, I lost over \$100,000 worth of business."

As small businesses across the city attempt to recover from the ongoing economic crisis, with minority- and women-owned companies in an especially tough spot, a collection of local nonprofits and small companies are offering resources to make that challenge easier for minority-owned firms. Stevenson turned to New York Professional Advisors for help.

See **HELP** on page 19

HARLEM COMMUNITY NEWS

GOOD NEWS YOU CAN USE

WOMEN-OWNED BUSINESS

HARLEM COMMUNITY NEWSPAPERS

NYPACE Helps African-American-Owned Businesses

By Pat Stevenson

In March 2020 when New York businesses were closed due to the COVID-19 Pandemic, I panicked as much as I believe most business owners. I lost more than \$100,000 in future business contracts as my advertisers such as Macy's Department store, Colleges, Theaters, major events cancelled their orders and plans. Since I have 4 of the 5 risk factors for COVID-19, I planned to stay in and wear my mask and gloves if I had to go out for essentials. My main concern was being safe.

Media was considered an essential business. After a couple of weeks I saw a steady flow of advertising coming from the New York City and New York State Dept of Health with safety measures. The Census also continued their ad plan, since we still needed to fill out the forms and there was a deadline that was not changing. I thanked God for this steady stream of business but I still needed more help to continue to publish weekly.

NYPACE offered me the opportunity to get assistance from their organization. I eagerly accepted the offer. The team of 3 consultants spent 6 weeks speaking to me about my concerns and need for financial assistance. I had mentioned that I had been in business for 25 years. With the information about my upcoming 25th Anniversary they helped me to plan a 25th Anniversary campaign to be held in my August 20th issue. They recommended



a package which included a subscription, email subscriptions, advertising and donations from those who wanted to make a contribution.

My 25th Anniversary campaign was successful and provided me with revenue to help with several weeks of expenses. The campaign also prompted previous advertisers to alert me they planned to return upon the city reopening so we began to plan for that.

This was my second round with NYPACE. I sought out their assistance in 2018 when I was trying to recover from cancer treatment and surgery in 2017 where my sales had gone down substantially.

In 2018 they engaged my media kit and helped me to focus on social media where I was able to successfully develop another stream of revenue from website advertising. As a matter of fact, with their help 2019 was my best year yet and first year that I had shown a profit.

NYPACE has also helped a couple of other African-American women-owned businesses in Harlem that I am aware of - The Brownstone and Sudy Waters/ Mia Bathhouse.

Recently I was featured in Crain's magazine about my experience with NYPACE.

NYPACE also invited me to participate in their annual fundraising Gala which happened earlier this month on October 19th. As part of the program I interviewed 3 board members of NYPACE and asked why they were involved in the organization. Annette Rodriguez-Ferrer, Founder & Managing Partner at MKI Capital Partners said

"I've been involved with NYPACE for over a decade because the work we do with under-represented and women entrepreneurs helps them sustain and grow their businesses and increases employment across the communities where they are based."

Ken Inadomi, NYPACE Executive Director, New York Professional Advisors for Community Entrepreneurs said "In the face of the pandemic, we know that that Black and Brown-owned small businesses are particularly vulnerable, suffering higher rates of foreclosure, eviction, and shut down. NYPACE is addressing this reality every day as we deploy teams of volunteer advisors to

help entrepreneurs of color throughout NYC lower costs, conserve cash, access relief capital, and keep their doors open."

Udai Tambar, Vice President of Community Health Northwell Health said "I joined my cause NYPACE because it reduces inequality and increases economic mobility. We know that economically vibrant neighborhoods lead to healthy communities. Families and children who live here don't just survive but thrive. NYPACE knows that talent is universal, but opportunity is not. So it takes NYC's greatest asset — it's human capital from the world's leading companies — and matches it to

the great untapped potential of entrepreneurs from low income and communities of color. NYPACE accelerates how these entrepreneurs will grow into sustainable and impactful businesses. It is an honor to be a part of this incredible organization."

NYPACE (New York Professional Advisors for Community Entrepreneurs), is a non-profit organization which seeks to stimulate job creation and economic development by offering pro-bono consulting services to local entrepreneurs from under-resourced communities. You can make a donation to NYPACE or inquire about utilizing their services by going to their website at www.nypace.org.

EXPANDING OUR IMPACT

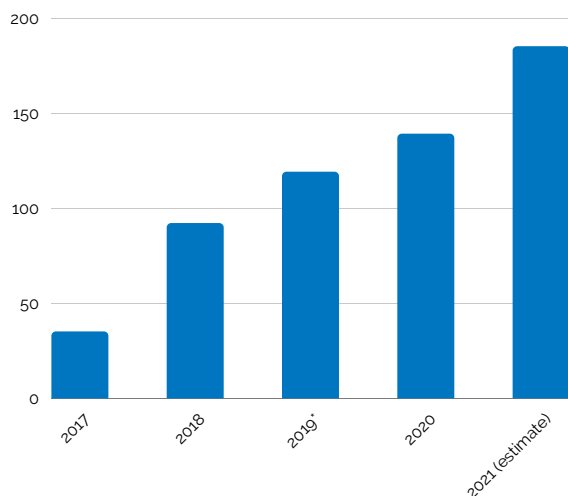
The pandemic generated an outpouring of support from professionals stepping up to volunteer their business and financial skills to help keep minority-owned businesses afloat.

Against the challenge of COVID-19, we:

- Supported 54 small businesses - 44 in NYC and 10 in Chicago
- Recruited over 140 volunteer advisors
- Sourced volunteer advisors from 43 different companies
- Partnered with 13 community organizations
- Brokered 1,640+ volunteer advisor hours

As a result of our growth in 2020, we welcomed three new junior board members and hired two new staff members.

Increase in NYPACE's Active Advisor Base



What the volunteer advisors say about the NYPACE program:

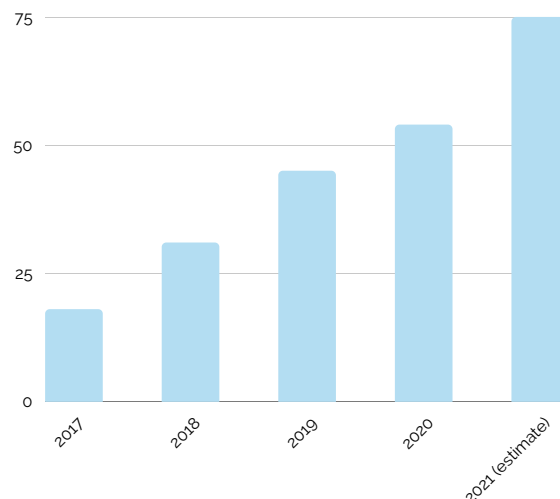
- **94% said the experience was helpful for their careers**
- **85% said they would do another project with NYPACE**

APPROXIMATELY

\$1.1M

**OF CONSULTING VALUE
DEPLOYED ACROSS ALL
VOLUNTEER HOURS**

Increase in NYPACE's Launched Projects



Of the 54 entrepreneurs we worked with in 2020:

- 81% identified as BIPOC
- 61% were owned by women or veterans
- 100% operated businesses in primarily BIPOC communities
- 96% said they felt more confidence in running their business
- 83% felt their advisors' skill-sets were well-suited to the business challenge(s) they needed to solve

EXPANDING OUR IMPACT

We launched our first program in Chicago.

In May, in partnership with JPMorgan Chase, NYPACE expanded its mentoring program beyond New York for the first time. We launched a cohort of 10 BIPOC entrepreneur projects in Chicago that were conducted 100% virtually. By working closely with the JPMC employee engagement counterparts in Chicago, we delivered timely consulting support to the 10 businesses by advising them on how to lower costs, conserve cash, pivot to new revenue streams, and access relief capital.



A model for rewarding and impactful employee engagement

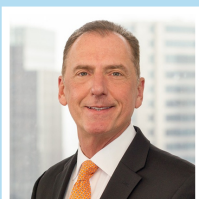
The Founders Forward program at JPMC leverages the NYPACE model to connect JPMC employees to entrepreneurs in the communities in which they live and work. JPMC employees use their "day job" skills to empower small business owners to fully understand their business. It is a rewarding program for employees and entrepreneurs alike.

Program Highlights:

- **10 businesses helped**
- **24 advisors engaged**
- **100% of entrepreneurs would recommend the program**

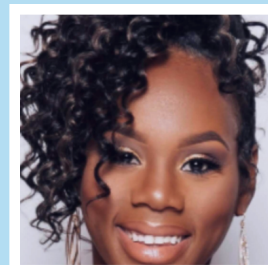
"This program has been such a bright spot in my career."

Kevin Point
Executive Sponsor
JPMC



"An immediate impact from my JPMC mentoring team was creating a better system within my Quickbooks to make sure that every service is allocated properly . . . I can now see at the end of the year which of my services truly drives my business."

Sierra Dockery
House of Light, LLC



"Our Chicago launch confirmed the scalability of the NYPACE model. Expansion to other cities while maintaining our impact is a viable opportunity for NYPACE with the right program partner."

Stephanie Bombaci
Program Director, NYPACE

EXPANDING OUR IMPACT

For entrepreneurs, access to working capital is critical, but equally important is a full understanding of their financials, particularly costs and cash flow.

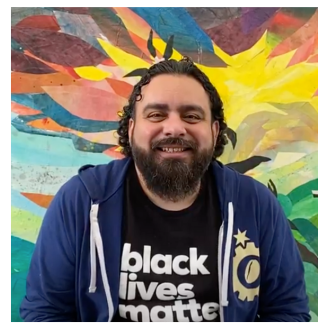
With a clear understanding of their financial models, entrepreneurs could confidently make decisions regarding revenue diversification, market expansion, and hiring new employees. They reduced the risk of failure that results from guesswork.

Instilling this confidence in business owners, during their biggest challenge of operating during a pandemic, was a major success of our program this past year.

"The resources and hiring tools they provided were vital especially during Covid - and I was able to hire 2 new techs."



Monica Abernathy
A Polished Work Nail Salon



"The financial model they helped create will allow us to determine next steps and assess risk/reward in an efficient way. This model is a game changer for us."

Jesse Iñiguez
Back of the Yards Coffee



"It was a great experience to use industry knowledge from work to assist the entrepreneur with their business strategy plan. I was honored to help them grow."

Megan Lee
Associate, Kearney
NYPACE Advisor and Junior Board Member



"I had an opportunity to sign a contract with a huge company, but when I ran the numbers through the tool that my amazing NYPACE team developed for me, that contract would not have left my company profitable. So they helped me, a minority, woman-owned, small business, say NO to a \$35 billion company. That was huge."

Vanessa Best
Precision Healthcare Solutions

NYPACE works directly to even the playing field for minority entrepreneurs and help them create jobs within their communities.

MOTIVATED FOR THE FUTURE

After working with small business owners for nearly 20 years, NYPACE has learned that the most efficient and cost effective way to impart lasting financial understanding is by mobilizing small teams of volunteer advisors to focus exclusively on the specific needs of one business owner at a time. Entrepreneurship and entrepreneurs are the heart and soul of our economy. Fortunately, the entrepreneurial spirit is alive and well across our nation, and we need it now more than ever to help ignite and sustain our recovery.

With your support, we can continue to give our small businesses every chance to succeed, while creating a post-pandemic landscape that is diverse, inclusive, and equitable for all.

Visit us at nypace.org

NYPACE STAFF

Ken Inadomi

- *Executive Director*

Stephanie Bombaci

- *Program Director*

Alexander Geller

- *Project Manager*

Christine Seguritan

- *Program Coordinator*

Jennifer Auer

- *Data Manager*

Lynda T. Correa Peralta

- *Senior Project Manager*

Teresa Donahue

- *Project Consultant*

BOARD OF DIRECTORS

Dan Zamlong

- *Board Chair*

Aaron Feinberg

Adam Goodman

Andrew Siwo

Annette Rodriguez

Jonathan Ketzner

Kevin Walters

Keith Motelson

Lev Sloodsky

Philippe Leroy

Russell Leaf

Sabrina Korber

Udai Tambar

JUNIOR BOARD

Abigail Cutler

Alex Diamond

Arnav Mody

Arjun Bakre

Ben Kennett

John Macdonald

Omar Cheema

Megan Lee

Vanessa Sabatini

William Zhang

VOLUNTEER ADVISORS ARE AT THE CORE OF OUR WORK. THANK YOU TO THE ADVISORS WHO REPRESENT THESE COMPANIES:

Accenture

Alvarez and Marsal*

Amun Holdings Limited

Applied Value Group

Boston Consulting Group

Cerberus Capital Management

Clearly Gottlieb*

CohnReznick LLP

DesignTex

Ernst & Young*

EY-Parthenon*

Ferrero

First Republic Bank*

Goldman Sachs*

Goldratt Consulting

Hahn & Hessen LLP

Houlihan Lokey

IBM

Jefferies*

Jerusalem Venture Partners

JPMorgan Chase & Co.*

Kearney

L Catterton

Level

Lindsay Goldberg

Macy's Merchandising Corporation

Momentum Worldwide

Morgan Stanley*

NYPACE

OMERS Private Equity

Performance Equity Management

Perimeter 81

Ponce Bank

Portage Point Partners

Raine Group

RBC Capital Markets*

Samsung Electronics America

Sculptor Capital Management

Siris Capital Group

Social Business Consulting - Cornell University

Stanford Graduate School of Business

Veritas Capital

Warburg Pincus*

WP Global Partners

*Also a corporate sponsor

**THANK YOU TO OUR CORPORATE SPONSORS FOR
ENABLING US TO CREATE THE IMPACT WE DO.**



CLEARY GOTTlieb



FIRST REPUBLIC
It's a privilege to serve you®

Jefferies

AON

**Goldman
Sachs**

LAZARD



WILLKIE FARR & GALLAGHER LLP

KIRKLAND & ELLIS LLP



CAHILL

Morgan Stanley

CREDIT SUISSE



JPMORGAN CHASE & Co.

WARBURG PINCUS



NEW YORK PROFESSIONAL ADVISORS
FOR COMMUNITY ENTREPRENEURS

JOIN OUR COMMUNITY



LINKEDIN

@NYPACE



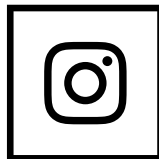
FACEBOOK

@NYPACE



TWITTER

@NYPACEnews



INSTAGRAM

@NYPACEnews

www.nypace.org