THE RELATIONSHIP BETWEEN BIPOC ENTREPRENEURS AND THE COMMUNITIES THEY SERVE

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When I was little, one of my favorite places was the bookstore. It was a sanctuary away from whatever was eating at me that day, month or even year (3rd grade...). I would beg my mother to drive me to the local bookstore. Once there, I'd travel in time, to locations far away, or to galaxies far away, all within an hour’s time. Even as an adult, I can spend hours at a bookstore, easily. Independent bookstores, in particular, are vital to our communities, providing a communal safe space for readers to explore and discover authors, experiences, and sometimes themselves. Independent bookstores are unique in that they often showcase smaller, lesser-known authors, including those of color. But with the advent of ebooks and big chains like Barnes and Noble and Borders, independent bookstores have struggled to stay afloat. According to the Open Education Database, there are 10,800 independent bookstores in the United States, and yet, it’s estimated that only 6% are Black-owned.

Jeannine Cook opened Harriet’s Bookstore in Philadelphia, Pennsylvania in February 2020. Jeannine opened her bookstore with the intention of highlighting Black female authors and the stories of prominent Black women throughout history. By sharing their work, Jeannine hoped to inspire other Black women to push forward when faced with adversity. Little did she know she would face one of her biggest challenges herself, as the COVID-19 pandemic began and caused her business to shut down after operating for only one month.

At the height of the pandemic, 41% of Black-owned businesses were forced to close, compared to just 17% of white-owned businesses. Many owners of minority-owned small businesses, like Jeannine, were unable to receive the government’s emergency Paycheck Protection Program (PPP) loans due to systemic racial and class bias built into our financial services industry. For example, banks often required business owners to have a pre-existing relationship with their local branch, a requirement that ended up excluding many minority business owners, leading them to turn to online lending options. Even in exercising those options, the Small Business Association reported that minority-owned businesses received only 17% of loans, while white-owned businesses received 83%.

Racial disparities in regard to access to capital are nothing new. Studies have shown that the challenges Black women face while seeking loans are often discouraging. Furthermore, data shows that the presumptions are warranted. Global Strategy Group, a PR and research firm, reported that only 12% of Black and Latino business owners who applied for the PPP loans received the amount that they asked for, despite $25 billion being set aside for small businesses in low- to moderate-income areas. This explains why historically Black women have relied on their communities and personal savings to pursue their business endeavors, rather than traditional financing. As did Jeanine, when she launched Harriett’s bookstore and was faced with having to save her business.

The pandemic was not the only problem that
entrepreneurs, like Jeannine, are facing. Big tech companies, such as Amazon have reduced competition, especially within the publishing and bookselling industries. The American Booksellers Association reports that Amazon controls 42% of total book sales, 75% of online sales for physical books, 83% of total ebook sales, and about 85% of sales by self-published ebook authors. Amazon and chain bookstore companies will survive the pandemic because they often utilize anti-competitive tactics that give them an edge. For example, they have been found to price books, at a loss, simply to corner the market.

Black businesses in marginalized communities, like Harriet’s Bookstore, are a unique experience that provides knowledge and resources to creatives of color, which then pours into the community. A year into the pandemic, The Washington Post interviewed several independent bookstore owners to learn more about their experiences during the pandemic. A common theme for many of the bookstore owners was that of lack of resources. This meant that the ability to be more flexible and nimble was severely hindered in many respects. For instance, Malik Muhammad ran a small bookstore in a mall in Baldwin Hills Crenshaw Plaza in Los Angeles. When the mayor closed down non-essential businesses, that included the mall along with Malik’s bookstore. His inventory and his livelihood was locked up for months. Nevertheless, some bookstore owners got creative in their endeavors. Ramunda Young, bookstore owner of MahoganyBooks in Washington, DC, decided to create new online programming that enabled potential customers to watch authors speak about their works. She also created promotional events such as mystery boxes and book bundles that enticed more customers to read. Although the pandemic has pushed many businesses to explore e-commerce opportunities. Black business owners are still less likely to secure to intellectual property protections needed to reach optimum success in the digital world. Historically, white counterparts have used intellectual property protections needed to reach optimum success in the digital world. Historically, white counterparts have used intellectual property law against Black business owners. However, as technology continues to advance rapidly it is important for Black business owners to have adequate resources and knowledge to succeed in the new normal and not again be left behind.

The business model of big-tech and chain bookstore companies does not rely on making quality connections between readers, collectors, and booksellers. They do not foster a sense of community or harbor the outreach programs, poetry slams, and meet and greets that independent bookstores provide. Ebooks are a convenient option for some, but often you have to purchase them via a chain store. Furthermore, many households, specifically those in Black and brown neighborhoods lack access to broadband internet, thereby making brick and mortar bookstores even more necessary. Brick and mortar bookstores enable browsing. How many times do you walk into a bookstore with one book in mind but leave with 4? The online experience is more limited. You can only read the preview segment laid out by the publisher. You can't thumb the pages. You can't ask a staff member what they recommend. Or see what other books your favorite author has written.

Independent bookstores, like Harriet’s Bookstore, offer a unique experience that opens doors, resources, and new worlds to creators of color. These establishments are often found in marginalized communities, but their impact is widely felt. Harriet’s Bookstore and other Black-owned businesses are starting points for many leaders, authors, and creators who start trends and are the blueprint for mainstream media. Corporate companies exploit creators of color by seizing their intellectual property and co-opting their culture and likeliness, only to further increase the racial wealth gap.
The Alliance for Black Literature and Entertainment maintains a directory of Black-owned, Independent Bookstores in the United States. Supporting your independent bookstore allows booksellers to continue to support minority authors and their intellectual property. It also enables independent bookstores to continue to be the anchors of authenticity for marginalized communities.

Sources


Ugwi, G. (2020). "Black-owned businesses received less than 2% of PPP loans while white-owned businesses received 83%." The Business of Business.


About Take Creative Control:

Take Creative Control (TCC) is an initiative of the Institute for Intellectual Property & Social Justice, a nonprofit organization that works to ensure creators of color are empowered to protect, share, and monetize their creative works.

About The Series:

Take Creative Control launched "The Series" to highlight the unique challenges that black and minority creators, artists, and entrepreneurs faced during the early stages of the COVID-19 pandemic. We received dozens of stories from entrepreneurs, artists, and shop owners about how they have had to adapt because of the crisis, what support they received, if any, and what assistance they will need in the future. The video series can be found on our website at https://takecreativecontrol.org/take-creative-control-the-series/.

Meet Jeannine A. Cook:

For the last 10 years Jeannine has worked as a trusted writer for several startups, corporations, non-profits, influencers, and most recently herself.

In February 2020, Jeannine completed her first book of short stories, Conversations With Harriett and opened Harriet's Bookshop in the Fishtown section of North Philadelphia & Ida's Bookshop in Collingswood, NJ with the mission to celebrate women authors, women artists, and women activists.