

## NY MWBE FIRMS CASH IN ON NEW STATE MWBE PROGRAM

(New York, NY June 12, 2007) In a major effort to encourage the growth of New York State Minority and Women Business Enterprises (MWBEs) firms, the New York State Division of Minority and Women's Business Development co-sponsored a capital access forum along with the Council for Urban Professionals (CUP) which brought together 60 New York MWBE firms and 14 of the nation's largest private equity and venture capital firms with an interest in urban, minority and women owned companies. The 14 firms control a combined \$50 billion worth of investment capital.



### PARTNERS IN PROGRESS

***Council For Urban Professionals Co-Founder and ICV Capital Fund Managing Director Taurus Richardson greets New York State MWBE Chief Michael Jones-Bey as Black Enterprise/Greenwich Street Fund VP Jeffrey C. Scott looks on.***

Michael Jones-Bey, Executive Director for the State's Minority and Women's Business Development program addressed the firms in attendance saying, "This capital access forum is just part of Governor Spitzer and Lt. Governor Paterson's overall commitment to addressing the many challenges faced by New York Minority and Women Owned Businesses. To expand, it is critical that minority and women owned businesses gain access to not only debt financing but also to the equity markets. The average venture-backed company employs nearly 100 workers within five years and creates almost twice as many jobs as their nonventure-backed peers. Venture-backed firms experience at least a 40 percent job growth each year as compared to a 2.5 percent decline in jobs for Fortune 500 companies."

Jones-Bey continued, "In addition, sales per employee grow twice as quickly for minority businesses as for Fortune 500 companies, growing at an average 16.5 percent as opposed to 7.9 percent for the largest firms. Despite these growth rates, entrepreneurial markets capture only a tiny portion of venture capital, leaving them disproportionately underserved. We will work to bridge that gap through efforts like this event today."

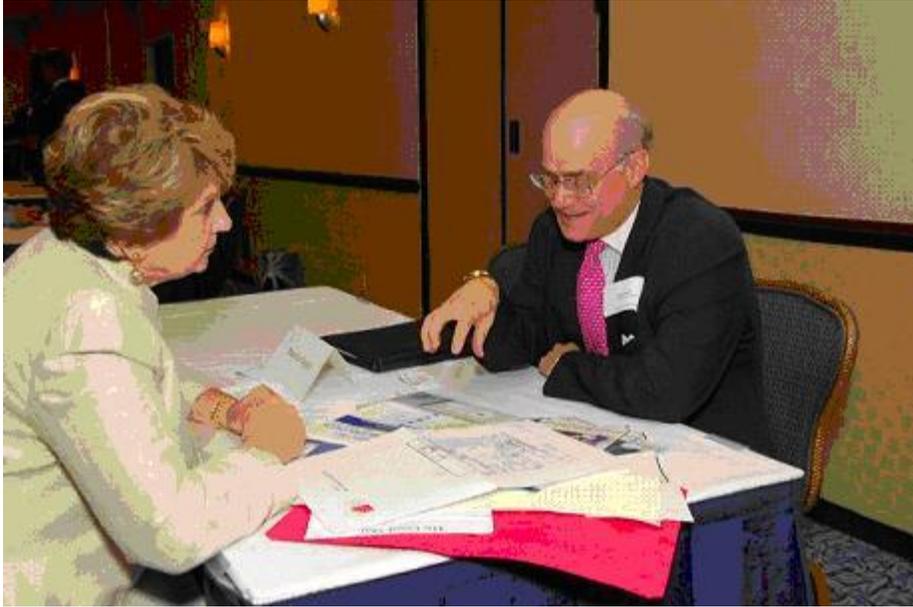


#### LET'S MAKE A DEAL

*TSC Design CEO, and National Hispanic Business Group Chairman Bill Sotomeyer makes pitch to Marcos A. Rodriguez whose Palladium Equity Partners is the largest Hispanic managed private equity firm in America.*

Council For Urban Professionals Co-Founder and ICV Capital Fund Managing Director Taurus Richardson said, "CUP is proud to have cosponsored this effort. This is in line with our dedication to economic empowerment. As for ICV Capital, we recognize the tremendous upside in investing with viable minority and women owned firms. While it is true that many MWBE firms are struggling and inexperienced, there are many others that are poised for growth with experience and capacity that have gone unnoticed. These firms have remained under the radar because they do not have access to the types of firms here today. With an infusion of capital and in some cases additional management expertise we can take these companies to the next level."

Leon Eastmond, President and CEO of the African-American owned firm A.L. Eastmond and Sons, the largest boiler manufacturer in New York State said "Eastmond is a company that spans 3 generations. I am proud of what we have been able to contribute to our community. I have created careers for hundreds of young Hispanic and African American men, including ex-offenders that would never have been able to find work elsewhere. At 80 years old I am thinking about not only about expansion, but also succession issues. This was a great opportunity today to meet finance people that not only control billions of dollars of capital. I also met people with expertise in mergers, acquisitions, and joint ventures. I have had several conversations that could lead me to finding capital and also experienced minority entrepreneurs that may provide a bridge for my company to thrive as a minority owned business for the next 100 years."



#### SHOW ME THE MONEY

Praesidian Capital executive Edward "Ted" L. Koch, III explains his fund to woman business owner Patricia A. Laus

Jeffrey Scott, Managing Director for the Black Enterprise/Greenwich Street Private Equity Investment Fund said, "When Black Enterprise Magazine Publisher Earl Graves partnered with Citigroup to establish our fund it was with the intention of stimulating wealth creation for minority entrepreneurs. A challenge for our fund and the other investors that were here today is that in New York there is more capital available than there are good deals. It is good to see this Administration and CUP step up to the plate and through their leadership bring us together to create deal-flow.



#### CAREFUL CONSIDERATION

***MWBEs put their best plans forward to attract venture capital***

Luncheon speakers included New York State Comptroller Tom DiNapoli's top Deputy for administration of the State's \$150 billion pension fund Nick Smirensky and Seth Bryant, Of Counsel, DLA Piper US LLP, who leads the firm's Urban Markets Initiative. Mr. Bryant has significant experience in private placements of equity and debt securities and mergers and acquisitions transactions. Mr. Bryant noted, "We recognize that capital access is critical to unlocking the talents of serious urban focused entrepreneurs, which ultimately leads to greater wealth creation in America's cities. Through our Urban Markets Initiative, we have combined a focused team of lawyers who can work with our clients as they pursue opportunities. We are excited about New York State's new MWBE initiative and have been in discussions with Mr. Jones-Bey about assisting their efforts to create companies of scale through joint venture agreements."

Investment firms participating in the capital access forum were: Relativity Fund; Cordova, Smart & Williams; Smith Whiley & Company; New York City Investment Fund; Goldman Sachs; Praesidian Capital, Upper Manhattan Empowerment Zone, Palladium Equity Partners, Bank of America, ICV Capital, Credit Suisse, Carthage Capital Group, Solara Capital, Black Enterprise/Greenwich Street Corporate Growth Partners.

Sponsors included the law firm DLA PIPER, and GE Antares Capital. Partnering Organizations included the Soleil Group, The Minority Business Development Agency, The National Association of Investment Companies, The New York & New Jersey Minority Supplier Development Council, the Women Presidents' Organization, and the Marathon Club.