



Chicago United

 Closing the gap between race and business.

FOR IMMEDIATE RELEASE: May 7, 2008

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**MAJOR ENTERPRISES COMMIT TO CHICAGO UNITED'S FIVE FORWARD INITIATIVE
TO EXPAND RELATIONSHIPS WITH MINORITY-OWNED BUSINESSES**

New initiative provides blueprint for regional economic growth

CHICAGO – Chicago United announced today that several major enterprises from various industries have committed to the organization's Five Forward Initiative to strengthen the regional economy by expanding spending and partnerships with minority-owned businesses.

Five Forward is a strategic initiative that enlists the commitment of CEOs of mid- to large-sized corporations in the Chicago metropolitan area to establish or expand business relationships with five current and/or new local minority firms. The initiative is designed to build a stronger regional economy and minority businesses of scale.

By committing to the Five Forward Initiative, local corporations and other institutions will set a precedent in partnering with local minority firms that are equally invested in the region and prepared to do business with them. Further, they will receive the value of innovation from local MBEs while supporting a community whose strength will help fuel the local economy.

Those that have made a commitment under the Five Forward Initiative include:

- Advocate Health Care
- City Colleges of Chicago
- ComEd/Exelon
- Harris Bank
- Health Care Service Corp.
- Loop Capital Markets
- Macy's Inc.
- Merrill Lynch
- McDonald's Corp. USA
- Mesirow Financial
- Rush University Medical Center
- The University of Chicago Medical Center

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In committing to this plan for expanding business in the region, each company will:

- Measure Five Forward progress for five years
- Create and/or maintain a formal business diversity program that emphasizes spending with Chicago area businesses and;
- Collect and report to Chicago United detailed spending data, including the location, race, gender, industry and dollar amounts spent with their selected Five Forward vendors.

To illustrate local impact, Chicago United will issue an annual report of local mid- to large-sized corporations' spending activities with local MBEs.

Minority firms comprise 19.74% of all firms, but receive only 2.6% of all sales and receipts, according to 2002 Census data. This alarming statistic prompted the need to develop a focused, growth-oriented strategy to reduce disparities and support growth and inclusion. As a first step, Chicago United enlisted corporate participation to combat the issue and to build a racially diverse leadership continuum for a stronger social and economic climate in the Chicago area.

"The commitment of these companies symbolizes a common vision of how more inclusive practices lead to a stronger regional economy," said Advocate Health Care President and Chief Executive Officer and Chicago United Chairman Jim Skogsbergh. "As minority-owned enterprises thrive, so will employment throughout the region."

This approach to regional growth was supported by a recent report from Chicago United and the Center for Urban Economic Development of the University of Illinois at Chicago entitled "Building a Stronger Regional Economy Through Minority Business Development." Based on a pilot study, this report looked at the economic impact of direct corporate spending with the minority business enterprises (MBEs) of the Chicago area.

The report stated that a small sample of 14 companies had significant impact. Approximately \$228 million in corporate spending with local MBEs was responsible for a total estimated impact of roughly \$425 million in 2006. Furthermore, it is estimated that direct spending by the companies that responded to the study generated 2,143 jobs in local MBEs, as well as an additional 1,860 jobs through successive rounds of economic activity. This means total regional employment associated with this spending is about 4,000 jobs.

Entrepreneurial growth companies account for at least two-thirds of net new jobs in the American economy, according to the Five Forward Initiative report. According to Chicago United, creating and maintaining a formal business diversity program doesn't mean terminating current partnerships. In fact, the organization recommends building such a program using MBEs that have an established track record of delivering results for large enterprises.

"These firms drive innovation and prosperity in nearly every American community, so it's only fitting that they become the focus of our economic development efforts," said James Tyree, chairman and chief executive officer of Mesriow Financial, and chairman of Chicago United's Econometric Task Force. "Creating more profitable firms owned by people of color at the local level will have a significant impact on our regional economy."

Chicago United President Gloria Castillo said the Five Forward plan is needed to help the Chicago area, even the entire state, remain competitive. Illinois still trails in the race to capitalize on MBEs as an engine for growth, according to Minority Business News USA. Michigan, California, Texas and Florida have at least 10 of the country's top-grossing minority enterprises. Illinois is home to only six.

"The state of Illinois has the potential to be the frontrunner in cultivating minority-owned businesses," Castillo said. "The Chicago region has a great mix of business owners of color who are more than able to advance business. Chicago United will mobilize the corporate community to achieve this goal."

The Five Forward initiative, among other programs, continues to advance Chicago United's mission of driving diversity and inclusion in order to promote economic growth. This year marks Chicago United's 40th Anniversary. Under the theme, "Torchbearers of the Dream: Honoring the Past, Shaping the Future,"
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Chicago United continues its commitment to strengthen Chicago by closing the gap between race and business.

About Chicago United

Chicago United is the catalyst driving business leaders to maximize economic impact for all races. Created in 1968, Chicago United was the first group to bring together racially diverse CEOs with a common goal of creating a stronger social and economic climate for everyone in Chicago. To achieve sustainable impact, members focus on multiracial leadership development in corporate governance and executive level management; developing a pipeline of future multiracial executive leaders; and cultivating multiracial business partnerships. Through a fierce brand of constructive conversation, Chicago United fosters inclusion and provides an opportunity for senior executives from all racial and ethnic groups to learn from one another, confront and break down racial barriers and achieve shared objectives.

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