



## **Covid-hit Asian American Small Businesses Receive Grants from Hennessy's "Unfinished Business" Grant Program**

### ***Asian American Business Development Center Disburses Funding to Support About 300 Diverse Businesses Nationwide***

**New York, NY --- August 26, 2020** – Struggling Asian American small businesses, including some on the verge of closing due to the effects of the Covid-19 pandemic, have received a life-line in the form of grants from Hennessy's "Unfinished Business" program aimed at also supporting Black and Latinx small enterprises, the Asian American Business Development Center (AABDC) announced today. AABDC, together with One Hundred Black Men and the Hispanic Federation, was selected by Hennessy to assess applications and disburse grants to support small businesses in their respective communities. Out of over 1,000 Asian American applications, about **300 Asian American businesses** qualified to receive grants.

"We appreciate Hennessy's generosity and understanding that these mom-and-pop businesses are at the heart of their communities, and hope that this is the start of more recognition among global corporations that Asian American small businesses need to be included in their giving programs to fully address inequalities within our society," said John Wang, founder and President of AABDC.

According to a recent report from McKinsey & Company, there are about 2 million Asian American-owned small businesses which contribute \$700 billion to U.S. GDP annually. Unemployment rates within this community have surged more than 450% from February to June 2020 – a higher rate of increase than other racial groups. These Asian American businesses employ 3.5 million people in America.

A San Francisco-based owner of supplies outdoor gear said that the pandemic hit the company's busy season, resulting in zero revenues for half of that period. For the other half, there was a more than a 50% drop from normal. "This grant is critical to helping us stay in business until things return to normal," he said.

His company was unable to qualify for non-profit grants or traditional business funding.

Another grant recipient, a New York-based company sells education materials for students diagnosed with autism, said: "Aside from worries over salaries and rent, we are publishing and streaming six new products that will be important to teaching children language and behavior."

The AABDC surveyed Asian American small business grant applicants and discovered the following:

- New York, California, Texas and Pennsylvania accounted for the majority of the applicants
- More than half – 65% -- were corporations versus limited liability corporations or partnerships
- Biggest industry representation from the retail (22%), restaurant (17%), beauty salons (10%), nail salons (9%)
- Ethnically, Vietnamese, Chinese, Korean and Indians were the largest representations
- 62% have fewer than 5 employees, and 78% have less than \$1 million in annual sales



Underscoring the critical need of the funding, the top three reasons that applicants cited for needing the funding were: payroll, rent and operating expenses.

Even during the crisis, some Asian American businesses are also contributing to solutions. Another California-based owner of Cosmetics Company never imagined that her beauty specialist company “would ever be selling face shields or hand sanitizers.” But she pivoted to these protective products, to continue employing all of her workers and to raise income.

The sale of these items also allowed the company to donate more than 10,000 face shields and face masks to frontline workers at hospitals, police and fire departments, correctional facilities and community centers.

One of the grant recipients summed up the response of the group: “We're so grateful to Hennessy and the Asian American Business Development Center for supporting our mission.”

### **About The Asian American Business Development Center**

The Asian American Business Development Center, Inc. is a 501(c) (3) non-profit organization established in 1994. It assists Asian American businesses in strengthening their capacity to compete in the mainstream market, to expand business opportunities, and to promote recognition of Asian American businesses' contributions to the general economy.

AABDC: [www.aabdc.com](http://www.aabdc.com)

Outstanding 50 Awards: [www.outstanding50award.com](http://www.outstanding50award.com)

AABR: [www.aabusinessroundtable.org](http://www.aabusinessroundtable.org)

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