Economic Freedom Association member Arthur Octave pumps gas at his Stadium Exxon on Scenic Highway. He is among a growing number of local black business owners whose sales have grown due to EFA programs.

EFA celebrates progress in black business growth

By CYNTHY FALCOUT
Advocate business writer

Arthur Octave joined the Economic Freedom Association shortly after it formed five years ago, hoping the group would send some business his way.

Octave, owner of Stadium Exxon on Scenic Highway for 22 years, dutifully placed the EFA sign in his window and went about his business.

He didn't notice any effect until last fall, when EFA organized its "Pump It Up Campaign." The group used local radio to encourage black consumers to shop at black-owned gas stations as part of a larger effort to boost economic development in the black community.

"They advertised that if people would cooperate and give me their business, I'd have to hire more people," Octave said.

The plan worked.

Octave's monthly sales shot up by more than $25,000-$30,000, he said.

"I went from $89,000 to $119,000 a month," Octave said. "At the time I had four employees, and now I have six."

EFA reported that other black-owned gas stations reaped similar benefits.

All of the stations targeted by the campaign posted sales increases. Many attracted long lines of customers during the campaign. Some ran out of gas. Several hired more employees as a result.

"This year, I've pumped over half a million dollars in six months," Octave said. "This is the importance this organization has in this community."

Octave was among more than 400 EFA members and supporters that packed a banquet hall at the Bellmont Thursday night to celebrate the fifth anniversary of EFA.

The group is dedicated to promoting development of black-owned businesses in an effort to create jobs and increase the standard of living for blacks in the area.

"We're trying to sensitize the black public to do business with minority businesses," said EFA President Alton Patton, owner of Patton's Floor Covering on Choctaw Drive.

"We feel we have good and services, and we're very competitive with other businesses."

Statistics indicated blacks hold a disproportionately small piece of the state's economic pie.

Louisiana counted 15,331 black-owned firms in 1987, accounting for only 7 percent of all businesses in the state, the latest available U.S. Census figures showed. Sales among black-owned firms totaled $331 million that year, representing only 2.5 percent of the state's total receipts.

Yet blacks accounted for 28 percent of the state's population in 1987, state data indicated.

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D-See EFA, Page 2C
The Baton Rouge Advocate

June 20, 1992

Pg. 2-C

EFA

CONTINUED FROM 1C

showed.

EFA hopes to change those statistics by helping increase the number and size of black-owned firms.

It works to achieve its goals in a variety of ways, Patton said.

EFA uses a newsletter and local advertising media to promote its businesses and goals. An EFA consumer watchdog group works to resolve complaints about member businesses to ensure they maintain high standards of business conduct.

EFA offers regular management seminars to help minority business owners learn the ropes of starting and developing their businesses.

The program pays up to 50 percent of a young worker's salary for 20 hours over 12 weeks, said EFA Executive Director Bert Wyre.

During 1991, EFA sponsored two drives, including the "Pump It Up Campaign," to encourage blacks to shop at black-owned businesses. The group also organized a trade show that exposed 70 black-owned businesses to more than 3,000 people who attended the event.

"Our long-range plans are to have chapters all over Louisiana," Patton said. EFA last week embarked on its first expansion mission. Members traveled to Shreveport to start a new chapter there, he said.

By supporting each other, black business people and consumers can spark economic growth in their community, Patton said.

The concept is not a new one. Many immigrant ethnic groups pooled resources and pulled together to survive and prosper in the United States, Patton said.

EFA patterned itself after the national "Buy Freedom" campaign, spearheaded by black television host Tony Brown.

EFA founder and past President Michael Allen heard of the Buy Freedom concept and applied it to his own business.

He attracted five other photographers to form the firm Coalition of Professional Photographers. The six reduced business costs by buying supplies together and sharing overhead expenses.

They gave the bulk of their photofinishing work — more than $100,000 in business — to one company, Jet Action Industries Inc., Allen said. That prompted Jet Action to hire another person to handle the extra work.

"We, in effect, created a job by redirecting our spending," Allen said. "I saw the concept work for the five of us. I thought it could work for other businesses. That's basically, how the Economic Freedom Association started."

EFA received its charter as a nonprofit corporation in May 1988.

Allen and 11 other founding business people chose to form a new local organization, rather than joining the national Buy Freedom group, to keep all the money they raised in the community, he said.

Last year, EFA received the first of what it hopes will be an annual state appropriation of $100,000 to promote economic development within the minority community, Allen said.

The money helped EFA hire its two paid staff people — the executive director and a secretary — and fund some of its new programs.