

PROPELLER

Where Entrepreneurs Come to Grow

2023
Annual
Report

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From Our Co-CEOs

Dear Friends and Colleagues,

As we usher in 2024, we are excited to share new developments and initiatives from the second year of Propeller's strategic plan.

In our Inclusive Procurement Program, we supported 12 BIPOC-owned businesses with access to industry-specific technical assistance to prepare bid opportunity submissions, and as a result, **six Black-owned ventures secured government and institutional contracts totaling \$2,027,000, many for the first time.**

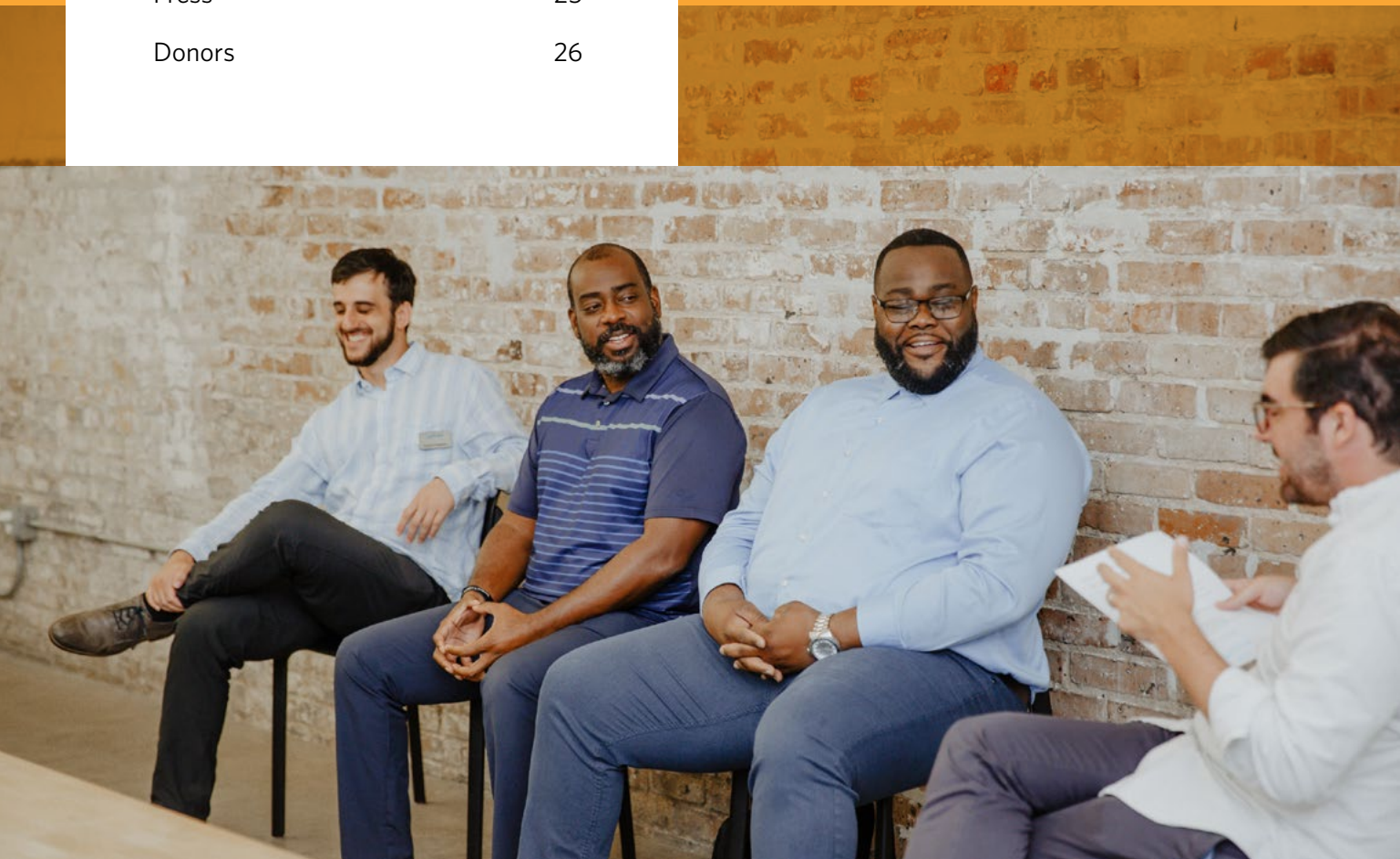
Our coworking facility is back in full swing after making our Hurricane Ida repairs and renovations. By the end of 2023, we reached **100% occupancy with 158 individual coworking members and 86 organizations regularly utilizing the space.** We also piloted a public walk-in program with 75 walk-ins in our first year, where any entrepreneur walking through our doors can receive 1:1 support from our team or partners.

We collaboratively raised \$900,000+ to deliver financial health and wellness services to 175 entrepreneurs in our ecosystem in partnership with Thrive New Orleans, Fund 17, and Go.Be. We look forward to deepening our commitment to increasing access to capital for entrepreneurs of color by launching our **\$3MM Propeller Impact Fund II in 2024**, focused on making equity investments in BIPOC-owned food consumer packaged goods companies.

Most recently, we announced Propeller's new shared leadership structure, in which Jessica Allen, our former COO, now serves as Co-CEO alongside Andrea Chen, Co-Founder and Co-CEO. This model, with two leaders from unique backgrounds with diverse expertise, allows our shared decision-making to become more inclusive, collaborative, innovative, and adaptable.

As we continue to advocate for economic justice in the coming year, we thank all of you—our allies, supporters, and partners—for your commitment and collaboration.

Warmly,
Jessica Allen and Andrea Chen





Staff

Above first row from left to right

- Damian Clark**
Strategic Project Manager
- Erik Paskewich**
Director of Entrepreneurship
- Elizabeth Eumont**
Controller
- Biruk Alemayehu**
Monitoring and Evaluation Manager
- Liz Johnston-Dupre**
Development and Communications Manager
- Andrea Chen**
Co-Founder & CEO
- Amber Tucker**
Programs Manager

Above second row from left to right

- Jessica Allen**
Chief Operating Officer
 - Patrick Hernandez**
Director of Capital Access
 - Okiemute Eyemaro**
Talent and Culture Coordinator
 - Adele London**
Director of Community Development
 - Sophia Scarano**
Programs Manager
- Not pictured*
- Sean Kline**
Coworking Operations Manager

I believe supporting local entrepreneurship and centering Black-owned business in particular is crucial for the future of this city. Our city faces long-standing inequities as well as newer challenges. For too long, New Orleans has been asked to serve the rest of the world, and it's long overdue for us to build an economy that serves the needs of New Orleanians. That vision is within reach, with careful collaboration and collective problem-solving.

Erik Paskewich, Director of Entrepreneurship

Photo by Jafar M Pierre.

Board

Below, from left to right

- Jonas Chartock**
- Adrienne "Ajax" Jackson**
- Shelina Davis**
Chair
- Matt Wisdom**
- Sheryl Kennedy Haydel**
- Ericka Lassair**
- Cedric Grant**
- Kathy Hebert**
Treasurer
- Deidre Johnson Burel**

Not pictured

- Julie Henriquez Aldana**
Vice-Chair
- Calvin Mackie**
Secretary
- Paula Estrada de Martin**
- Andreanecia Morris**
- Reuben Teague**
- Peggy Welsh**

I am 100% committed. Personally, I try my best in every aspect of my life to support entrepreneurs so whether that's where I go out to eat, where I get my hair done, you name it. I try to make sure I am representative of my support through my dollars. On top of that, my commitment is to be in spaces such as this as a contributor, someone who is open and ready to serve help so that we can be better positioned to be able to continue as a thriving business.

Dr. Sheryl Kennedy Haydel

Photo by ResourceFull Consulting.



Impact by the Numbers: 2023

During the 5-month 2023 Impact Accelerator, ventures reported a four-month revenue total of

\$1,610,363

which averages

\$28,252 per month per venture

with monthly revenue ranging from \$853 to \$346,000¹.



Photo by Ashley Lorainne

6 BIPOC-owned ventures secured contracts totaling

\$2,027,000

that ranged from \$32,000 to \$600,000, averaging \$337,833, as part of the Inclusive Procurement bid preparation program. 12 BIPOC ventures received 1:1 bid preparation assistance.

1,260

strategy and subject matter² consulting hours during the 2023 Impact Accelerator.

200+

entrepreneurs served through Propeller's direct service programming (Impact Accelerator, Financial Wellness, Inclusive Procurement, Alumni Services, etc.)

158

coworking members, which represent 86 organizations. 50 external events hosted at Propeller, serving an estimated 960 people.

\$3MM

secured for a new venture capital fund focused on entrepreneurs of color in the food CPG industry.

\$907,500

raised for collaborative initiatives with 3 Black-led organizations, with \$575,000 going directly to those partner organizations.

105

BIPOC business owners received support with loan advising, loan packaging, generating financial statements, and accounting.

1. 14 ventures reporting

2. Lead Mentor and Subject Matter Experts (website development, public relations, legal, accounting, social media, etc.)

Access to Capital

BIPOC small business owners have struggled to access the capital they need and want. Black-owned firms are more than twice as likely to be denied loans compared to their white counterparts¹, face higher bank fees, and are 4–5 times more likely to be labeled a high credit risk². Local lenders and CDFIs often receive interest and applications from businesses that don't meet their criteria for lending. Our Financial Wellness Collaborative is a partnership with local CDFIs and technical assistance providers Fund 17, Thrive New Orleans, and Go.Be., supported by the JPMorgan Chase Foundation, to provide stronger connectivity to loan officers and tailored support to BIPOC businesses in the areas of tax preparation, Quickbooks, credit score counseling, financial statements, accounting, loan packaging, and certifications.

- In 2023, Propeller served **105 BIPOC business owners** with loan advising and packaging, generating financial statements, and understanding how to make accounting work for their businesses.
- **85% of entrepreneurs self-identified as BIPOC**, 75% identified as Black or African-American, and 68% identified as women or non-binary people.
- Propeller made 64 introductions to loan officers, and **16 loan applications** were submitted.
- **Loans received totaled \$830,000.**

Photo by Kelley Wolfe.



The process was very quick and streamlined. Once the need was identified, Propeller developed a profile and sent over a list of documents that I would need. They gave me a jump start and created a P+L statement, introduced me to lenders, and helped me submit. **I received my loan within 48 hours of submission! With this investment from Liberty Bank, I will be able to purchase a commercial juicer, which will help me grow my business.** My goal is to acquire 10 new clients each month. I want Reju Juice to be the premiere cold pressed juice in New Orleans.

Kelley Wolfe, Owner and Founder of Reju Juice

1. From "Availability of Credit to Small Businesses - September 2022" Board of Governors of the Federal Reserve System (2022).

2. Availability of Credit to Small Businesses - September 2017" Board of Governors of the Federal Reserve System. 2017.

Inclusive Procurement

68 percent of New Orleanians are BIPOC, 58 percent are Black¹, and while the share of businesses owned by BIPOC owners has almost doubled since Katrina, their share of the receipts has remained stagnant. In 2012, Black-owned companies made up 40 percent of the firms, and these intentionally under-resourced entrepreneurs received less than two percent of all business receipts². Our Inclusive Procurement program focuses on increasing contract opportunities for Black and BIPOC entrepreneurs. We create and match market opportunities to entrepreneurs and provide 1:1 bid preparation, contract negotiation, and networking support to increase receipts going to BIPOC-owned businesses.



Photo by Tyler Conde.

In 2023:

- **6 ventures secured contracts totaling \$2,027,000**, ranging from \$32,000 to \$600,000 and averaging \$337,833.
- **12 BIPOC ventures submitted bids** through 1:1 bid preparation support.
- **8 growth entrepreneurs showcased** their work to agency decision makers and a packed room of 180+ attendees during the 2023 Water Challenge during New Orleans Entrepreneur Week 2023.
- **22 BIPOC ventures successfully submitted and received relevant certifications** (SLDBE, LAUCP, Section 3 certifications, etc.) to pursue procurement opportunities. Propeller organized CERTIFEST and the DBE Bootcamp in partnership with the City of New Orleans for certification assistance.
- **21 anchor institution supplier diversity partnerships** were established with entities such as the City of New Orleans, Ochsner, Morrison Foods, and Louisiana Children's Museum.

I had been struggling with understanding the bid process. As a small minority business, I have to wear many hats. I had been unable to fully dedicate time to learning how bidding works and finding jobs to bid on. I reached out to Propeller for assistance. They located several bid opportunities for me and we discussed which ones were suited to my capacity. Propeller paired me with an expert who took me through the steps and assisted me with structuring bid pricing. Together, they were masterful and **with their help I was able to secure my first prime contract with HANO. That contract gave me the ability to hire one part-time person;** one other minority person. I look forward to their continued guidance helping my business grow.

Fabian Harper, Owner and Founder of Flourish Horticulture

1. <https://www.datacenterresearch.org/data-resources/who-lives-in-new-orleans-now/>

2. https://www.datacenterresearch.org/reports_analysis/prosperity-index/



◀ 2023 Cohort (from left to right)

Zak Khanboubi	Janice Meridith
Racquel Hayes McKay	Jhane Garner
Kynisha Jackson	Luke Sirinides
Trevor Monnie	Jewel Chavis
Kisha Brown	Kelley Wolfe
Carla Briggs	Mariah Theobald
Psytia Fleming Jordan	Kellye Schroeder
Brandon Pellerin	Sanaa Msemaji
Lynette Rivers	

Learn more about each of these entrepreneurs and their ventures at gopropeller.org/ventures/

Impact Accelerator

The Impact Accelerator is an interactive five-month program that helps entrepreneurs in water, food, health, education, and community economic development grow and scale.

In 2023:

- The 2023 Impact Accelerator ventures reported¹ **\$1,610,363 in revenue, translating to an average monthly income of \$28,252 per venture.**
- Participating entrepreneurs **created and sustained 33 jobs (an average of 3-4 jobs/venture)** in the four-month program, including 23 full-time, eight part-time, and two seasonal positions.
- **70% of the ventures selected for the 2023 cohort are owned or led by women, 65% are owned or led by Black, native New Orleanians**, 80% are BIPOC entrepreneurs, and 65% are from low-to-moderate (LMI) households.

- 12 entrepreneurs leveraged legal workshops in partnership with Jones Walker to develop contracts, protect intellectual property, form new entities, and prepare for hiring.
- Through our Subject Matter Expert network, ventures collectively built **8 new websites, 3 new brand identities, 5 new marketing campaigns, 2 new non-profit fund development plans**, a new hiring/retention plan, and a customer relationship management system, **totaling 1,260 1:1 technical assistance hours** received.
- Program participants rated their likelihood of recommending their cohort meetups with an average score of **9.58 out of 10**.
- The aggregate Net Promoter Score for participants in this cohort was +87².

Photo by Ashley Lorraine.

1. 14 ventures reporting

2. Net Promoter Score (NPS) is a metric used to gauge customer loyalty and satisfaction by asking how likely they are to recommend a product, service, or organization to others. Responses are on a scale from 0 to 10, categorizing customers into promoters (9-10), passives (7-8), and detractors (0-6). The NPS is calculated by subtracting the percentage of detractors from the percentage of promoters, resulting in a score between -100 and +100. A higher score signifies a more positive sentiment, indicating a likelihood of customer recommendations. The NPS is not a key performance indicator or one that Propeller sets targets for, but instead it is a tool for benchmarking our progress over time.

Propeller is an amazing program that helped me to truly develop a working business structure while maximizing on new strategies to expand Recoup360! I was able to gain valuable partnerships, increase my monthly finances, and grow my clientele. This program was very valuable to me because I was also able to attain various perspectives while expanding the resources needed, which allowed me to achieve several personal and business goals over a short period of time. I would definitely recommend Propeller to other businesses! Their work is unmatched when it comes to serving its purpose in the Greater New Orleans community.

Jhané Garner, Owner

RECOUP 360

RECOUP 360 offers physical and manual treatments to athletes to help them perform to their fullest potential. During the accelerator, Owner and Founder Jhané Garner worked with her Lead Mentor, Laura Stein (Dancing Grounds, Growth Accelerator 2017). Together they revised her marketing strategy and Laura helped Jhané acquire regular session space and formalize a referral partnership with Dr. Rueben Carter (NOLA Spine Care, Impact Accelerator 2019). As a result, Jhané more than **doubled her revenue in the five-month accelerator from \$1,830/month to \$4,384/month**. Now, Propeller is helping Jhané with land acquisition, introductions to CDFIs, and loan application preparation, so she can buy her own space.

Photo by Ashley Lorraine.

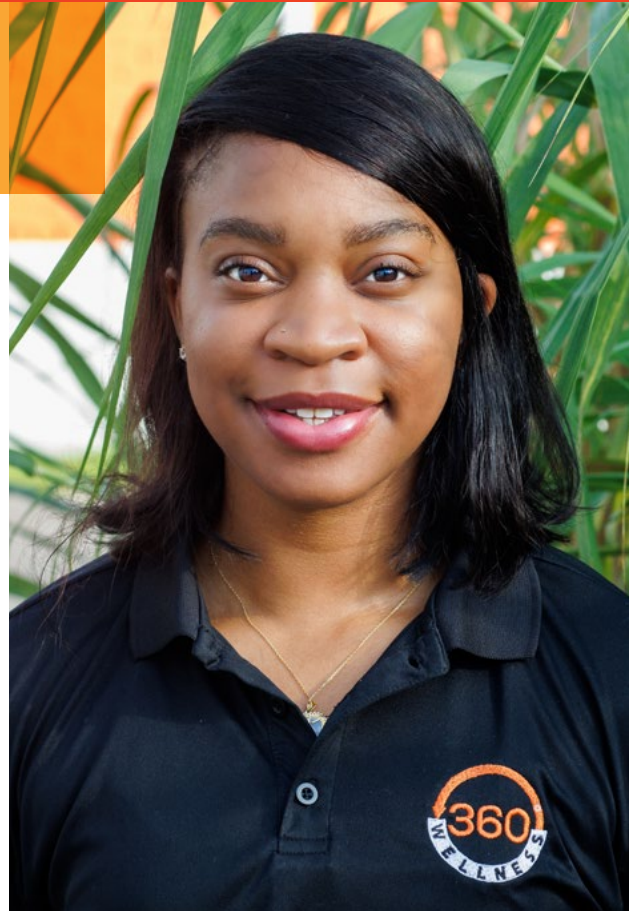


Photo by Ashley Lorraine.



Kid's Kingdom Academy & Daycare

Kid's Kingdom Academy and Daycare Owner Lynette Rivers **started the Impact Accelerator 2023 with 27 seats and ended the program with 41 seats, resulting in a 35% revenue increase from \$44,000 to \$59,600**. To get there, she worked with Lead Mentor Sonjia Brown-Joseph to prepare her lead agency city seats application, and Brown-Joseph provided extensive guidance on job descriptions, job description placement, and referrals. **She hired 3 more positions during the accelerator**. Her Subject Matter Expert Serah Ridolfo helped her build a new website and streamlined parent onboarding, so now parents can find the Kid's Kingdom application online.

I heard about the Impact Accelerator from a friend and how it helped her business venture, so I decided to give it a try. Our goals were to get our business website up and running and also to increase our clients. We did both! I'm glad I decided to join because I met new people, networked, and learned a lot of valuable information that I brought back to our childcare center to help me grow and build moving forward. I was able to get the help of mentors, and I loved it. It blossomed from something of words to something that is out and running.

Lynette Rivers, Owner

Alumni Success

Impact doesn't end once the Impact Accelerator is over. Propeller is incredibly proud to celebrate and highlight the activities and success of our Alumni in 2023.

We hosted 28 Alumni strategy sessions, 3 food consumer packaged goods meetups with 33 total participants, 4 SEBD roundtables with 12 participants, and 13 Small Business Development Center workshops with 78 participants.

13 Impact Accelerator Alumni are coworking members, 3 Alumni serve on the Propeller Board, and 3 Alumni came back this year to serve as Lead Mentors.

92% of our Impact Accelerator Alumni from the last 3 cohorts are still in business.¹

At right: Zak Khanboubi of Fressence and Carla Briggs of Viola's Heritage Breads at the 2023 Impact Accelerator Celebration. Photo by Jafar M Pierre.

1. 37.9% of new American businesses fail in the first three years (Lending Tree & SBA). While not every business in the Impact Accelerator is brand new, many are, and we are proud of the 92% survival rate, compared to the 62.1% survival rate for new businesses. A "new business" typically refers to a recently established venture or enterprise that is in its early stages of development or operation.



Joel B. Holton of **JB Holton & Associates** (Impact Accelerator 2021) and Erin Teresa Marrero-Savoie of **Phoenix Project NOLA** (Impact Accelerator 2022) appeared on WLAE-TV's "Affordable Housing Matters" with Norman Robinson to talk about teaming up to work on their upcoming proof of concept micro home project using carbon negative building products sourced from industrial hemp.

Photo provided by Joel B. Holton



Dr. Lana Joseph of **High Level Speech and Hearing Center** (Startup Accelerator 2015, Growth Accelerator 2017) is the owner of Jrumz Ear Wear, which was named the official headphones of the New Orleans Pelicans.

Photo provided by Dr. Lana Joseph.



Ericka Lassair of **Diva Dawg** and **Diva Dawg Foods** (Impact Accelerator 2020) was featured on Revolt TV's *Bet on Black*.

Photo from Bet on Black, Revolt





Photo by Rush Jagoe.

One of the ways I've grown is when people ask me about my business, I don't just say, 'Oh, we have an early learning center. This is how many children we have.' I can actually tell you the business side of Wilcox Academy. Yes, we do have 3 centers. Yes, we do have 164 children. Yes, we do have 36 staff. But, this is what those 164 children equate to as revenue, this is what our expenses are for those 36 staff, this is our annual revenue. I can do that now in a way I couldn't before.

Rochelle Wilcox, Wilcox Academy (Impact Accelerator 2017)

Coworking Space



The move into our new office at Propeller has proven fantastic. Why? Collaborative partnerships are the beating heart of our work. We firmly believe that meaningful change happens when we work together.

Chris Cameron, Executive Director, HandsOn New Orleans.

2023 was our first full year in our newly renovated 10,000 s.f. facility on the corner of Washington and Broad, and we made strides in activating and opening up our space to our community:

- We piloted the “Open Door to the Ecosystem,” a program to serve any entrepreneur walking through our doors. We processed 75+ inquiries, developed an intake process, served 40 walk-in entrepreneurs with hour-long strategy sessions by Propeller staff, and provided additional business technical assistance from Tina Langlois, Business Development Counselor at Louisiana Small Business Development Center through our office hours partnership.
- We reached 100% occupancy on our desks and offices by the end of the year, with 86 total coworking organizations, 158 coworking members, and 50 external events.



Above photo by Ashley Lorraine.
Photo at left by James Morgan.

Racial Equity & Inclusion

As our team continues in our journey towards becoming an anti-racist, multicultural organization, we share our work in the past year for transparency and accountability to our community, and we invite others to join us in the work. Continue reading for a brief overview of 2023's work:

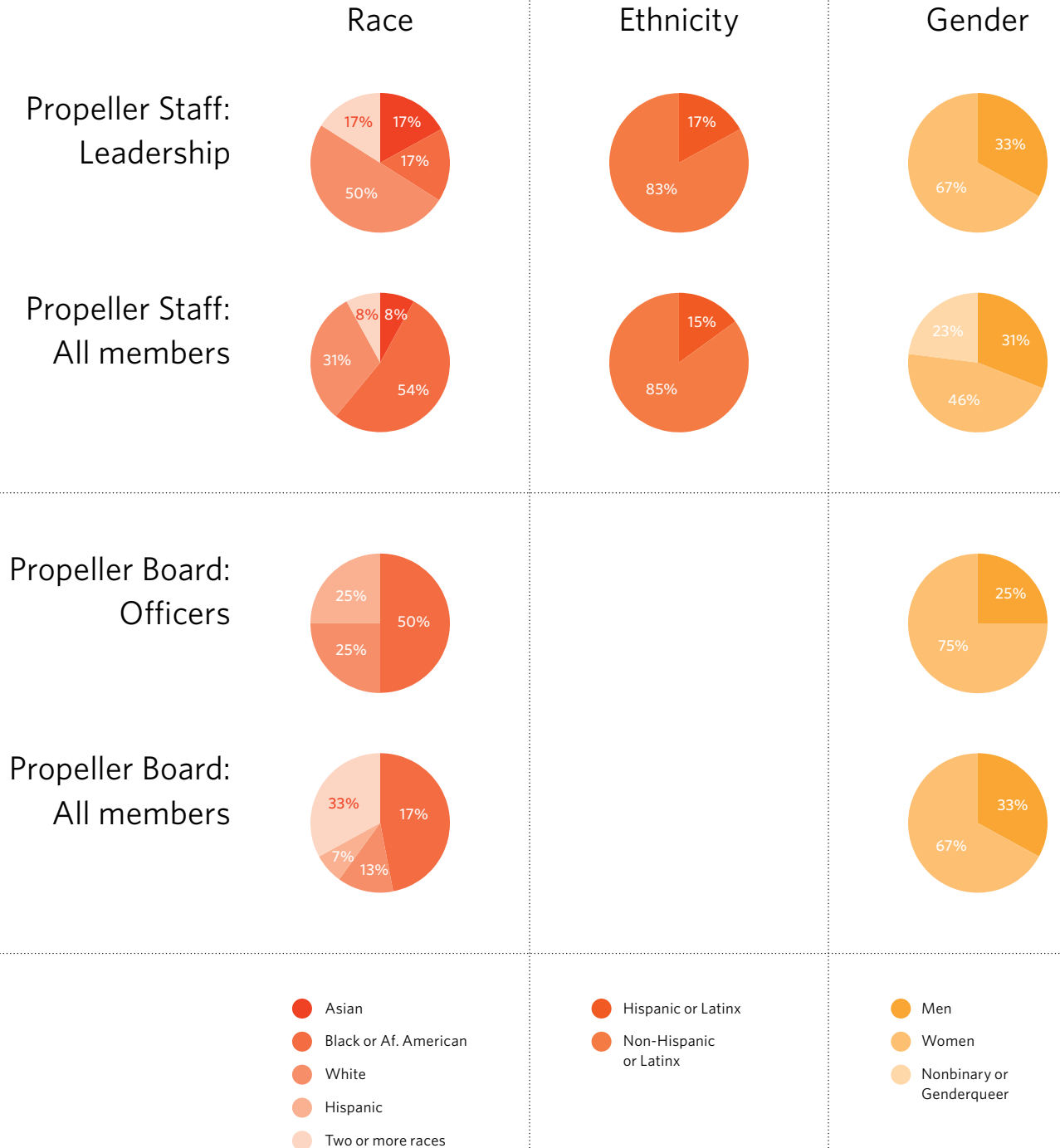
We reaffirmed our commitment to center Black, native New Orleanian entrepreneurs and the support and resources needed to grow and sustain their businesses through the implementation of the second year of our three-year strategic plan.

Our Impact Accelerator cohort reflected our commitment with **65% of the cohort identifying as Black native New Orleanian.**

Our Board of Directors approved a Co-CEO leadership model for Propeller, grounded in organizational sustainability and collaborative decision-making, to further embed principles of equity into the organization.

Our development team collaborated with three local Black-led organizations (Thrive New Orleans, Fund 17, and Go.Be.) to successfully fundraise **\$907,500 overall for collaborative initiatives with \$575,000** going directly to those partner organizations.

Out of **\$335,507.25** of non-payroll and competitive expenses (i.e. excluding utilities, internet, etc.), **48% went to BIPOC owned businesses totaling \$161,230.**



Financials

ASSETS

Cash and Cash Equivalents	\$2,313,620
Accounts Receivables	\$341,921
Other Current Assets	\$16,700
Total Current Assets	\$2,672,241

Fixed Assets	\$1,993,574
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Total Assets	\$4,665,815
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LIABILITIES & EQUITY

Accounts Payable	\$24,384
Other Current Liabilities	\$183,887
Total Current Liabilities	\$208,271

Notes Payable	\$1,205,067
Total Long-Term Liabilities	\$1,205,067

Total Liabilities	\$1,413,338
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Equity	\$107,265
Net Assets	\$2,038,034
Net Income(loss)	\$1,107,178
Total Equity	\$3,252,477

Total Liabilities and Equity	\$4,665,815
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INCOME

Foundation Revenue	\$1,568,000
Corporation Revenue	\$1,048,500
Government Revenue	\$350,550
Revenue From Other Sources	\$31,309
Special Events Revenue	\$19,010
Earned Revenue	\$3,533
Membership Revenue	\$162,075

Total Income	\$3,182,977
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EXPENSES

Operational Expenses	\$529,954
Facility Expenses	\$284,547
Programmatic Expenses	\$1,236,866
Total Expenses	\$2,051,367

Net Operating Income	\$1,131,610
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Other Income

Investment Income (Loss)	\$30,336
Total Other Income(Loss)	\$30,336

Other Expenses

Interest Expense	\$54,768
Total Other Expenses	\$54,768
Net Other Income	(\$24,432)
Net Income	\$1,107,178

Press



Announcing Propeller 2023 Impact Accelerator Ventures — Biz New Orleans

“A community oriented, collaborative approach to economic development is crucial to not only positioning entrepreneurs to tackle the most pressing challenges of our city and region but also to build strength in the face of future threats.”

Propeller and Thrive Host Water Challenge — Biz New Orleans

“Environmentally minded entrepreneurs will present their water companies to a panel of water industry leaders and pitch their solutions to the most pressing water-related issues facing the community.”

NOEW 2023: This year's Water Challenge shifts focus to local businesses — City Business

“New Orleans-based nonprofit business accelerator Propeller has teamed up with Thrive New Orleans, a group working to achieve racial equity by advancing new systems for economic opportunity, climate resiliency, and community stability, to host this year's Water Challenge.”

Local startups work with city to manage stormwater, build out green infrastructure — City Business

“When the sky opens up and an afternoon deluge swamps neighborhoods across New Orleans, it may seem only logical to want to pump that water out as quickly as possible. For most of the city's history, officials and engineers put countless hours and immeasurable effort into doing just that. But, over the past decade, the wisdom of focusing only on pumping stormwater out has been called into question.”



100k+ | Champion

Capital One Bank
 Delta Regional Authority
 JPMorgan Chase & Co. AdvancingCities
 JPMorgan Chase Foundation
 Regions Foundation
 The Kresge Foundation
 Thrive New Orleans
 U.S. Economic Development Administration
 U.S. Small Business Administration (SBA)
 W.K. Kellogg Foundation

50k+ | Sustainer

Blue Cross and Blue Shield of Louisiana Foundation
 Foundation for Louisiana
 Institute for Mental Hygiene
 Louisiana Economic Development
 RosaMary Foundation
 Target

10k+ | Advocate

Dell For Startups
 Entergy
 GNO Inc. (United States Department of Agriculture)
 Greater New Orleans Foundation
 National League of Cities
 The Clif Family Foundation
 The Ella West Freeman Foundation

1k+ | Mentor

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 Linda Usdin
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 STEM NOLA
 Steve Usdin
 Susan Gundlach
 Timothy Palmer
 Tina Freeman

We appreciate our continued partnership with Propeller because of their consistent commitment to BIPOC entrepreneurs in the Greater New Orleans Area. Watching Propeller’s impact in terms of their Impact Accelerator, Alumni Support, Capital Access programming, and their Inclusive Procurement and Advocacy initiatives is immensely rewarding. With a growing network of over 300+ Alumni, we at Capital One trust that the services and programs provided by Propeller support both their mission and our mission to advance socioeconomic mobility and close gaps in opportunity.

Tayanna Teel, Community Impact & Investment Manager, Capital One Bank



Donors



Propeller is a 501c3 nonprofit
that grows and supports
entrepreneurs to tackle social
and environmental disparities.

Our vision is an inclusive
and thriving entrepreneurial
ecosystem in New Orleans that
responds to community needs
and creates the conditions for
an equitable future.

4035 Washington Ave.
New Orleans, LA 70125

www.gopropeller.org
info@gopropeller.org

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