



MILLIONAIRES'

MASTER CLASS

Meet four entrepreneurs who discovered how to turn their passions into sizable profits *by Rosemarie Robotham*



EVER WONDER why some people lock down millions while others labor at dead-end jobs and never seem to have enough money? “There are many paths to wealth,” says Helen MacMillan, a success coach based in Columbia, Md., and author of *7 Simple Ways to Shift Into Your Million Dollar Zone*. “But

you have to do more than the outer work of acquiring skills, creating your product and marketing your business. You also need to do the inner work—accessing your truth and aligning with your highest goals. If you don’t, success will elude you

or be unsustainable.” Just ask the four entrepreneurs we’ve brought together for a master class on wealth building. They are among Black America’s 35,000 millionaires, and their stories are as varied as your own: Warren Brown quit his job as a government lawyer to pursue a passion for baking cakes; Venus Opal Reese turned survival skills honed as a homeless teen into a seven-figure coaching and mentoring business; Deborah Tillman parlayed her child care expertise into a starring role on a hit reality series; and Kenneth Brown made a fortune in fast food and now teaches others to do the same. These wealth creators share what they’ve learned in the trenches and tell you how to set yourself up to make millions, too.

Photo-illustration by GLUEKIT

DR. VENUS OPAL REESE: COURTESY DR. VENUS OPAL REESE; WARREN BROWN: ABRAMS PUBLISHING; KENNETH BROWN: COURTESY KENNETH BROWN; DEBORAH TILLMAN: KADISH DUBOSE/KMBD STUDIOS



Warren Brown
Owner, CakeLove Bakeries,
Washington, D.C. (cakelove.com)

THE FINANCIALS: CAKELOVE'S RETAIL BUSINESS GROSSED \$1.3 MILLION LAST YEAR. BROWN IS NOW TAKING THE GAME WHOLESALE WITH A PLAN TO SELL INTO 10,000 LOCATIONS OVER THE NEXT FOUR YEARS.

● **Millionaire Mindset:** "Passion is commitment without condition. It's a lot like love."

● **The Power of Passion:** After receiving graduate degrees in law and public health, Warren Brown landed a lucrative position as a federal litigator in Washington, D.C. But the son of a physician and a homemaker from Cleveland felt as if he was losing himself. Searching for meaning, he saw that cooking offered a release after long days of poring over legal briefs, and in 1999, he resolved to learn everything he could about baking. Soon he was taking food orders from co-workers and holding tastings for family and friends. Their excitement was Brown's first clue that his passion could be turned into profits. "It was time for me to step out on faith and act," he states.

Brown took a leave of absence from law, secured a \$125,000 loan backed by the Small Business Administration and in 2002, opened up his first bakery. Now with three retail stores in the Washington, D.C., region, he's taking his product wholesale with CakeLove Cake & Icing in a jar, selling customer favorites such as salty caramel, red velvet and triple chocolate in grocery stores, hotels and quick-serve restaurants across the country. "People kept saying, 'We want your cream cheese icing,'" remarks Brown, 42. "So I had the idea to jar it in different flavors. One day I sliced up a pound cake, put it in a jar, put some icing on it, then some caramel. When I tasted it, I was in heaven.

Cake in a jar is the next evolution of our business, and it all came from asking how we could be even better."

Brown's Secrets to Success:

● **Conduct focus groups.** "Your responsibility to your customers doesn't end with making a sale. You've got to find out what they're thinking and feeling, what will make their lives easier. For our cake snacks in a jar, we held focus groups asking about jar shapes, flavors, serving sizes and price points. We also polled our critics, vendors and people whose business we didn't yet have. A merchant sells what the public wants, but you have to innovate, which means really listening to what people are asking for—that's your clue to the next big thing."

● **Understand the sacrifices.** "When you're in a drive to start a business you're going to be lean, but it's important to know the sacrifices won't always be financial. There's time, for example. I don't like having to ask my wife and two daughters to wait, but a business is a jealous mistress."

● **Turn failure around.** "On one social media site, we received a lot of positive reviews, and some negative ones. We reached out to the negative reviewers and asked them to talk to us about how we could serve them better. The bottom line is, we had failed those customers and needed to fix that. You're going to trip and fall sometimes, but the key is to learn from it."

Venus Opal Reese, Ph.D.

Owner and CEO, Defy Impossible, Inc., Dallas; founder, Black Women Millionaires Virtual Salon (defyimpossible.com)

THE FINANCIALS: REESE'S COMPANY HAS GROSSED \$1.2 MILLION SINCE SHE INCORPORATED HER COACHING AND MENTORING BUSINESS THREE YEARS AGO.

● **Millionaire Mindset:** "Your money-maker is located in your pain, where life broke your heart. Most of us are running away from pain, but I'm saying, 'No, baby; let's lean into it.'"

● **The Power of Reinvention:** "My mother put me out of the house when I was 16," notes Venus Opal Reese, "and I never went back because things were not right there." On the streets of Baltimore for the next two years, she navigated drugs, pimps, prostitutes and police, all while strategizing for her next meal and a place to lay her head come evening. However, she kept attending high school, counting on it for structure and two meals a day. Enter her math teacher Judy Mae Francis, who encouraged the homeless teen to write her story, then submitted the poems to an NAACP scholarship competition—which her student won. "Miss Francis opened a door to my future," Reese says now. "When I saw what she'd done for me, I had what I call my first new thought, and it was this: I see myself as worthless, but Miss Francis sees me as somebody who matters, just because I'm here."

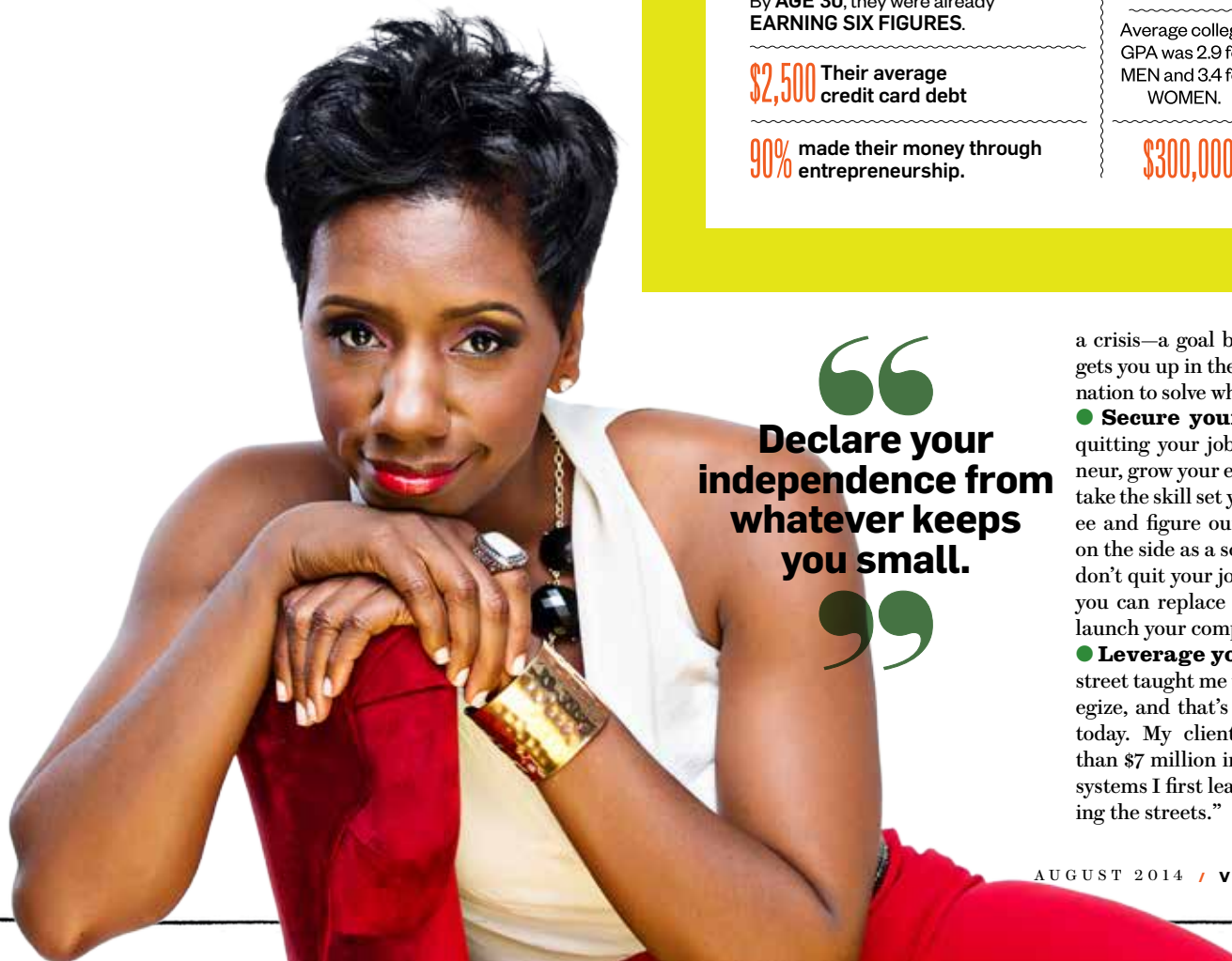
Reese eventually earned three postgraduate degrees, including a Ph.D. in literary theory from Stanford University. Now a tenured professor at the University of Texas at Dallas, she is a sought-after motivational speaker and has a reality TV show about "seven-figure sisters" in the works. "As an entrepreneurial coach, I specialize in teaching Black women how to break their first million," she explains. "My thing is, let me show you how to monetize your work so you can live the way you want to."

Reese initially honed her coaching techniques with a group of 12 White male CEOs who'd heard her speak at a conference. "After I spoke, every one of them hired me," she recalls. "I charged them \$5,000 each. They didn't flinch, and that's how I launched my business. People pay me for my ear, my ability to hear what others are not saying,"

she continues. "That's straight-up street. I've literally harnessed my survival and turned it into success. Because if you can hear what broke people's hearts and help them feel compassion for themselves, then you can show them how to take actions they never saw before. Package that as a VIP day, and you can charge \$25,000—and get it. Yet I'm not doing anything different from what Miss Francis did for me."

Reese's Secrets to Success:

● **Master the five D's.** "First, determine what you want. Second, declare your independence from whatever keeps you small. Third, develop desire, so you can be pulled by your passion instead of forcing an outcome. Fourth, design who you want to be beyond an inherited notion of yourself. And finally, defy your impossible. Now, the thing to know is that your impossible looks like life as usual—like, 'Oh, I can't really have that car or that man or that dream.' It feels like something that can't be done. And the way you defy your impossible is to create



DR. VENUS OPAL REESE: COURTESY DR. VENUS OPAL REESE; WARREN BROWN: ABRAMS PUBLISHING

BLACK MILLIONAIRES: WHO ARE THEY?

While researching his book *The Wealth Choice*, **Dennis Kimbro**, a professor of business at Clark Atlanta University, conducted a seven-year study—through questionnaires, interviews and focus groups—of 1,000 African-American millionaires. These patterns emerged:

35,000

Number of U.S. BLACK MILLIONAIRES, according to the Federal Reserve

They represent **ONE-TENTH** of **ONE PERCENT** of all African-Americans.

70% have college degrees; most majored in business.

By **AGE 30**, they were already **EARNING SIX FIGURES**.

\$2,500 Their average credit card debt

90% made their money through entrepreneurship.

The average **INCOME** of their **PARENTS** was **\$10-20K** a year.

15 Number of years married

\$4 Million average net worth

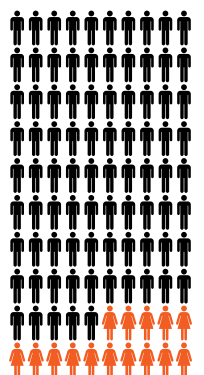
2+ Number of kids

They save **10-20%** of all earnings.

Average college GPA was 2.9 for **MEN** and 3.4 for **WOMEN**.

\$300,000 Most live in homes that cost this or less

52 The average age of Black millionaires



85% MALE
15% FEMALE

They attend **WORSHIP** services **TWICE WEEKLY** at small local churches.

“**Declare your independence from whatever keeps you small.**”

a crisis—a goal bigger than yourself—that gets you up in the morning with a determination to solve whatever it might be.”

● **Secure your foundation.** “Before quitting your job to become an entrepreneur, grow your expertise. That means you take the skill set you’re using as an employee and figure out how to bring in money on the side as a sole proprietor. But please don’t quit your job. You need to know that you can replace your income, before you launch your company.”

● **Leverage your story.** “Being on the street taught me to watch, listen and strategize, and that’s the core of what I teach today. My clients have generated more than \$7 million in the last five years using systems I first learned when I was navigating the streets.”



Kenneth Brown

Founder and CEO, Ken Brown International, Inc. Business Consulting, Detroit (kenbrowninternational.com)

THE FINANCIALS: BROWN PAID OFF \$3 MILLION IN FINANCING ON TWO MCDONALD'S FRANCHISES IN JUST SEVEN YEARS, THEN SOLD BOTH STORES FOR A TOTAL OF \$4.4 MILLION.

● **Millionaire Mindset:** "Creating wealth is never about money; it's about creating freedom."

● **The Power of Possibility:** By the time Kenneth Brown's parents were 19, they had five children to feed on the tiny income his father made as a chef. Some years, the Chicago family subsisted on welfare, often getting evicted for lack of rent. "The world told me and my siblings that we would never amount to anything," Brown shares. "But my parents told us we could be whatever we wanted and education was the price for freedom. We lived in poverty, but they never allowed poverty to live in us."

All five siblings would go on to graduate from college, with three earning master's degrees. Brown went into the hospitality business, reasoning it would be recession-proof. While working as a marketing representative for a food broker and serving part-time in a restaurant in 1998, he struck up a conversation with two customers. "I told them I was learning the business so I could open my own hot dog stands," he recalls. The woman turned out to be a vice president of McDonald's and offered Brown \$80,000 a year to supervise four restaurants. All the stores he managed thrived. Later, when the woman became a regional executive based in Michigan, she told Brown she could help him get financing to buy his own stores if he moved to Detroit.

"The day I signed a 20-year franchise agreement for two stores, I had no one with me—no lawyers, no managers, no staff," Brown remembers. "They asked me, 'Who is your team?' I didn't have one. So I called the welfare-to-work office and said, 'I'm a new McDonald's owner here who used to be on welfare, and I know all people on welfare want is an opportunity. Well, I have 150 opportunities.' That's how I staffed my stores." Brown, 47, later turned his success with McDonald's into a business consultancy, coaching others on how to get into franchising and grow their profits. "I tell them life is 10 percent what happens to you and 90 percent how you respond to it," he adds. "I'm proof of that. I'm just a boy born into poverty who put a demand on his potential. You've got to make a choice to win."

Brown's Secrets to Success:

● Choose the right franchise.

"There are several kinds of franchises—food, hotels, financial services, cleaning services and learning centers—so you have to examine your skill set to identify which kind would be an ideal match for you. A franchise isn't really entrepreneurship; it's a business partnership. You have to apply to the franchise organization and go through its training program before you're cleared to make a purchase. If you don't have the 20-percent down payment, some organizations allow you to do sweat equity—run the store and split the profits—or they might offer you a lease option, with time to build up cash flow for the down payment. But before you sign a contract, speak to current franchisees. You're signing a 20-year agreement, so make sure you've asked the hard questions, including, how profitable the business is. Franchisees have no vested interest in your success or failure, so they will tell you the way it is."

● **Develop a profit strategy.** "First, hire and train a team that buys into your vision. Next, empower them by providing the tools to be successful and, most important, pay them more than they are worth. Generally, employers want to pay their workers the minimum, but I say pay them the maximum, then set the bar high and get out of their way. You will go from having employees to having partners who are invested in your success. Third, deliver customer satisfaction every time. Last, be engaged in your community. People need to see you're adding value to their lives."

SO YOU WANT TO BE A MILLIONAIRE?

Dennis Kimbro, author of The Wealth Choice: Success Secrets of Black Millionaires, explains how you, too, can shatter the seven-figure ceiling

Black wealth is not a function of circumstance, race, gender or who your parents are; it's a function of choice and innovation, creativity and faith. Here are some practices of Black millionaires that anybody can implement to get on the fast track to financial empowerment. **SEEK KNOWLEDGE.** To earn more, you must learn more. When I interviewed music executive L.A. Reid, I asked him why he would take weeks out of his busy schedule to attend an executive management class at Harvard. He told me, "The moment you cease to grow and develop, you begin to die. You've got to constantly sharpen the ax."

“You've got to make a choice to win.”

● **Sell high.** "The franchise business is cyclical. You buy low and, once you grow sales and profits, that's a good time to sell, at the point in the cycle where it just starts to dip but before the business stalls. I tell my clients, 'If you want to make money, have an exit strategy. Begin with the end in mind.'"

Deborah Tillman

Owner, Happy Home Child Learning Centers, Inc., Alexandria, Va.; star of Lifetime TV's *America's Supernanny* (deborahatillman.com)

THE FINANCIALS: WITH TWO SCHOOLS SERVING 144 FAMILIES AND A THIRD DUE TO OPEN IN 2016, TILLMAN'S BUSINESS ASSETS NOW TOP \$1 MILLION.

● **Millionaire Mindset:** "I have always believed there is greatness out there for me, but it's for me to help someone else, to serve."

● **The Power of Purpose:** Lifetime's newest supernanny found her calling in a moment of pain. An accountant, Deborah Tillman loved her job and intended to continue it after the birth of her son, Zeplyn, in 1992. But one child care disaster after another—seven in all—led her to rethink the

situation. "The first day I dropped off my son, I checked in on him two hours later," she recalls. The new mom found her infant still sitting in his car seat, sweating in his winter coat. She gathered up her child and never returned. And so it went, until the day Tillman arrived to find her 3-month-old alone in a room sucking on an empty bottle. "I quit my job the next day," she says. "I resolved that no parent who came to me would ever have to feel the pain I'd felt leaving my child."

Tillman launched the first Happy Home Child Learning Center in her apartment with her son and one other infant. Word quickly got around; within two weeks, she had five kids, ages 3 months to 5 years, and a waiting list. Ten months later, the manager of her apartment complex called to say its child care center had gone bankrupt, and if she wanted the space and its contents—cribs, tables, play equipment—it was hers. "All they wanted was rent going forward," she shares. Since then, Tillman, 52, has opened a second school with plans in place for a third. She also earned a master's degree in early childhood special education; wrapped two seasons of *America's Super-*

nanny; and recently published *Parenting on Purpose*, her second book. But one achievement trumps them all: In May, Tillman and her husband, James, watched with full hearts as their son graduated from Georgetown University. "This is the boy who started this whole train," she says. "He showed me you don't have to see the big staircase, you just have to take one step. God will handle the rest."

Tillman's Secrets to Success:

● **Plan for growth.** "When I first started, I put together an employee handbook even though I had no workers. At each step, you have to put a plan in place to grow to the next level."

● **Manage your bottom line.** "Hire a daily bookkeeper so that you always know your profits and losses. If your revenue goal is \$1 million, review how much you are charging and increase your fees, if necessary, to reach this goal."

● **Create multiple streams of income.** "In addition to running my own child learning centers and being *America's Supernanny*, I do consulting work with families and other schools. A diverse base not only increases your earnings faster, you don't panic if one business gets slow." **E**

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