



## 3 Top Black Businesspeople Reflect on the Keys to Their Success

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The formula for financial success is more than just saving your pennies, investing wisely and climbing the proverbial career ladder. It also requires the right mindset.

In honor of Black History month, *DailyFinance* asked three prominent African Americans to share their thoughts about what economic empowerment means to them, and illuminate what it takes to achieve it.

Carol Price, the CEO of beauty business Carol's Daughter; Robert Johnson, the founder of Black Entertainment Television; and restaurateur/entrepreneur B. Smith define economic security in terms of doing work you love, often with an eyes-on-the-prize focus that might seem myopic to some.

Their success stories are marked by hard work, hard knocks, a savings-minded ethos and the understanding that when it comes to achieving financial fitness, knowledge is power.

### **B. Smith, entrepreneur/restaurateur**

B. (Barbara) Smith counts restaurateur, TV personality, lifestyle expert and entrepreneur among her many hats, but her career journey started on the runway. The former model was the first black woman to be featured on the cover of *Mademoiselle*. Other firsts followed: She was the first African American woman to boast a national lifestyle brand and the first to sell a line of home furnishings products nationwide, at Bed Bath & Beyond (BBY).

But on her path to financial success, she encountered many a roadblock. A "never give up" attitude is what kept her plugging away, she says. "I often say that my husband, Dan Gasby, and I have stood on a mountain of 'nos' for one 'yes'," she says.



B. Smith

In what would become her trademark strategy, Smith's talent for turning a "no" into a "yes" was first honed on her father. "The first lesson came from my Dad, who flatly turned down my request to go to modeling school," she says. "I persuaded -- begged really -- this former steelworker and Army officer that it would improve my etiquette skills. He relented."

Smith was then thrice rejected by the Wilhelmina modeling agency -- squashing a teenage dream. "It wasn't until my third rejection that I asked Wilhelmina herself to have her photographers shoot my portfolio," she says. "Once they were given orders from Wilhelmina, the doors opened," she says. "I had to make them discover me."

Smith's move into the restaurant business in the 1980s was met with similar resistance.

In 1986, she and her husband opened B. Smith's restaurant in Times Square on a block that Gasby dubbed "an avenue of lost souls." The area "was frequented by transvestites and ladies of the night," Smith recalls.

Naysayers thought the restaurant would fail for other reasons. "I was told a white-tablecloth restaurant for African Americans would never succeed," she says. "Twenty-five years later, we are still in Times Square."

But success didn't just spring from taking bold, contrarian stances. Smith approached a new project the way a method actor might study for a role.

For one, she opted to work at a friend's restaurant to get a feel for the business prior to opening her own place. "It was important that I learn it from the ground up," she says. "I started as a coat check girl and was promoted to hostess and then floor manager."

Today, Smith runs B. Smith restaurants in Manhattan, Sag Harbor, N.Y., and Washington, D.C.

"One of my favorite books is *Think and Grow Rich* by Napoleon Hill," she says. "It's not just about money, but personal development and understanding the world you're in. When I first came to New York, it helped me realize that I had to take charge of managing myself and my life."

## Robert Johnson, founder of BET

Robert Johnson launched Black Entertainment Television, the nation's first network for African Americans. Under Johnson's leadership as CEO, BET became the first black-owned publicly traded company on the New York Stock Exchange.

Johnson, who *USA Today* named as one of "The Most Influential Business Leaders of the Past 25 Years," now runs the RLJ Companies, which provides investments to companies in industries such as real estate, financial services, sports and entertainment.

This month, he launched [OPPSPLACE.com](http://OPPSPLACE.com), which bills itself as the first and only Web-based employment and business site specifically for minority job candidates and business owners.



Melissa Golden

While Johnson can sum up his tips for business leaders pretty succinctly -- "keep your revenues up and your costs down," and "make your friends before you need them" -- he has a longer, more pressing message for everyday people about the value of a financial education.

"Financial literacy, in my opinion, is as important as obtaining a college-level education," he says. "With all of the financial transactions we engage in like buying a home or a car, it is imperative that we teach our children about money management and the need to better understand how to manage our finances."

The collapse of the housing market offers a sobering lesson on the perils of financial illiteracy -- as well as the importance of saving, he says.

"The housing crisis was built in part because people did not understand the transactions they were engaging in," Johnson says. "Payday lenders thrive off of charging high interest rates because consumers do not save for short-term and emergency borrowing needs."

What's more, "Young people consume high-priced items when they should be more focused on saving for future needs. I believe that financial literacy should be required of every junior-high and high-school education program, as we have a requirement for English and math," Johnson says.

"In a world of fast-paced digital transactions and incomplete transparency in complex transactions, being

financially educated can make all of the difference in your future financial well-being."

### **Lisa Price, CEO of Carol's Daughter**

In the 1980s, Lisa Price hatched an organic skincare and haircare line out of her kitchen when she was working on the set of *The Cosby Show*.

The line went from selling at flea markets to mail-order catalogs, then launched as two retail stores in New York City. Today, Carol's Daughter reaches a national audience with placement in chains like Macy's and Sephora.

Based on that, it might seem that Price, who has appeared on everything from the Oprah show to QVC, has arrived, so to speak. But as she sees it, "I'm still a work in progress."

For Price, running a business meant learning to spend judiciously. It's a practice that can be applied to managing personal finances as well.



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"When your business is small, you have to get a return on investment on every purchase. You have to be very careful about what you buy and when you buy it," she says. "You spend out of need and not want."

And whether you're running a business or building a career, make sure you cultivate a support network that challenges you, Price says. "It's important to have the right team around to push you to think bigger."

Price also pushes herself to do things that seem daunting, like public speaking. "You push yourself to change," she says.

When it comes to managing your personal finances, one cannot underestimate the importance of saving -- "no matter how little," because it adds up, Price says.

Don't fall into the trap of thinking that if you can't save 10% of your income, the recommended amount, it's not worth stashing money away, she says. Instead, save for things large and small, which can be as simple as putting aside the change in your pocket.

Price and her family conducted an experiment to see just what saving a nickel here and a dime there could add up to.

"We put change in a jar, and after about four months, we bought a video game console, a new TV when the

old one died and a boat rental for a day while on vacation," she says.

And while it might sound overly wholesome, adopting an attitude of gratitude is key to nurturing economic well-being. "If you're constantly thinking about what you don't have, it's hard to get excited about the blessings you do have," Price says.

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