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## The Power of Partnerships

NOTED BILLIONAIRE BUSINESSMAN ROBERT JOHNSON GIVES 4 SECRETS TO SUCCESSFUL COLLABORATION

By ZACH RINKINS

**S**it down with Robert L. Johnson, and it doesn't take long for him to get down to business. Some three decades after founding the Black Entertainment Television (BET) network, Johnson continues to leverage his entrepreneurial acumen and professional network to unprecedented business success. As chairman of the RLJ Companies, he leads an empire that includes a diverse portfolio of firms and joint ventures with interests in financial services, insurance, auto dealerships and more.

For more than 30 years, Johnson has used relationships and partnerships to create several multibillion-dollar businesses and impressive profits for shareholders. The Princeton alumnus says business partnerships are the key to African-Americans building sustainable wealth. "I always believed, as an African-American businessman, that it makes sense for you to look for opportunities to expand your business," he says, "and align with those individuals who share your value and your vision." →







**CLOCKWISE:** James Goodwin (l), chairman of United Airlines, Johnson and Stephen Wolf (r), chairman of US Airways; Tracey Edmonds and Johnson attend a launch party; courtside with Michael Jordan.



**BOB JOHNSON:  
THE  
COLLABORATOR**

Johnson credits much of his success to partnerships. Here's a snapshot of his most profitable ventures.

**1979:** Partners with cable titan John Malone to launch Black Entertainment Television (BET).

**2000:** Incorporates RLJ Development (now RLJ Lodging Trust), a publicly traded real estate investment trust that has cut deals with major hotel chains. RLJ Development owns nearly 150 hotels and more than 21,000 rooms around the country.

**2004:** Teams up with basketball legend Michael Jordan to found the Charlotte Bobcats, an NBA expansion team. He sold his majority stake to Jordan in 2010.

**2006:** Connects with the Weinstein Company to start Our Stories Films, LLC, the first Black-owned film studio with African-Americans on both sides of the camera. The company released *Jumping the Broom* in 2011.

**2007:** Joins former Clinton White House Chief of Staff Thomas F. McLarty, III and Steve Landers, Sr. to start the RLJ McLarty Landers, the nation's largest Black-owned auto dealer, which topped \$1 billion in sales last year.

**2009:** Joint ventures with Western Asset Management to create the only minority-owned company designated by the U.S. Treasury Department to participate in the Public Private Investment Fund Program. RLJ Western Asset has raised \$610 million.

**2012:** Taps Symplicity Corporation's Ariel M. Friedler to form OppsPlace, LLC (OppsPlace.com), an online platform that connects minorities with Fortune 500 companies with strong diversity and inclusion policies.—ZR

America's first Black billionaire holds court with EBONY to offer four major components of profitable partnerships:

**1 BELIEVE** "If you don't believe that you are bringing an opportunity to somebody else, he or she is not going to believe it, either. You have got to show that you believe it and are willing to do everything you can to make it succeed."

**2 BE HONEST** "You have to be absolutely honest and transparent. Integrity is probably the most important asset you have. So you have got to be absolutely willing to share every concern that you have about your business effort, everything that's good or bad. You have to lay out everything you need to make the deal as clear and transparent as possible. Then you've got to keep that transparency forever in that re-

lationship."

**3 TEAMWORK** "Bring in people who you are confident in, people you trust and people who are willing to speak freely and openly about things they are concerned about in the business. You have to give them a chance to be heard and to take their advice no matter if they are at the top or the bottom position."

**4 REWARD SUCCESS** "You have to be able to bring people who are willing to work with you because they value your leadership, they respect your vision and they know that you are going to give them an opportunity to participate on the upside."

Zach Rinkins is an Associated Press award-winning journalist. Follow him at [twitter.com/ItsPayday](https://twitter.com/ItsPayday).

**THE RLJ RULE: LEVELING THE BUSINESS PLAYING FIELD**

It has a simple name: the RLJ Rule. But it's something Robert L. Johnson says is the prescription for prosperity for the African-American business owner. "The RLJ (his initials) rule is what I call very straightforward solutions to social problems from a business standpoint. It is simply a corporate version of the NFL's Rooney Rule," he says.

The Rooney Rule, named for Dan Rooney, owner of the NFL's

Pittsburgh Steelers, requires football teams, under penalty of fines, to interview minority candidates for head coaching and senior football operation opportunities.

Johnson believes corporate America could benefit from a similar practice. "Once they started incorporating the rule, you saw more African-American head coaches leading their teams to Super Bowls. I propose that American companies simply use this as a

**"[It would be] just a commitment to diversity and to employ best practices"**

case study without any new laws, fines or regulations. [It would be] just a commitment to diversity and to employ best practices," he said.

Johnson also advocates for new government policies that would re-examine how minority businesses are classified. Most guide-

lines only grant minority status to firms with 51-percent ownership by ethnic or gender minorities, a challenge because African-Americans trying to grow a business usually do not have the capital necessary to command a controlling interest.

He has spoken to lawmakers in Washington, D.C., and elsewhere pushing for the RLJ Rule that would give minority-owned status to firms that have at least 10-percent minority ownership.—ZR