

**Statement of Mr. Tom Prinske**  
**“Building the Ladder of Opportunity: What’s Working to make the**  
**American Dream a Reality for Middle Class Families”**  
**Tuesday, July 26, 2011**

**Introduction:** My name is Tom Prinske and I am one of two partners of a produce distribution company in Chicago Illinois. I would like to express a very warm thank you to the committee and all of those responsible for allowing me this opportunity. I am especially pleased to be here today as we celebrate the 21<sup>st</sup> anniversary of the signing of the Americans with Disabilities Act (ADA). I am aware that this committee has had a series of bipartisan hearings exploring the issue of how best to improve employment and economic well being of people with disabilities, and I appreciate this opportunity to talk about what has worked for me as a small business owner with a disability. I am very aware of the shockingly low employment rates of people with disabilities, and I am here to make the case that expanding opportunities for disability-owned businesses is an effective strategy for bringing more people with disabilities into the labor force. Speaking to the theme of today’s hearing, I also want to make the point that as people with disabilities continue to fight to make a place for ourselves in the middle class, we have a special responsibility when we take on the role of an employer to give back by treating our employees well and creating ladders of opportunity for others.

**My Story:** When I was in my teens, my parents and I learned that I was going to lose about two thirds of my vision by the time I was twenty-five years old. At the time, in the 1970’s, it was very difficult for partially-sighted people to obtain much adaptive technology to help with reading or writing. There was help with braille and talking books for the blind, but outside of

magnification, there wasn't much available for the partially-sighted. As a result, I barely made it out of high school and really felt as though college was not a possibility.

After high school I worked at a few labor jobs and did what I could to get by, while my vision was getting worse each year. I was given a chance to work with my uncle in his small produce business and I accepted. The only problem was that he had the same inherited eye disease as me, except he was further along than I was at the time. In addition, the business only had annual sales of about \$100,000 a year, and it was barely generating enough for us to get by. After I was unable to continue to drive for us anymore and we had to hire an expensive driver, and there was a sense that we were definitely going to go out of business in a short time. In fact, we got to the point where I looked into applying for Social Security disability benefits as a means to get by. At twenty six years old, that was a tough pill to swallow.

I then began researching how I might be able to generate business under my circumstances.

When I was looking at applying for disability insurance, I thought to myself, "I bet the government has some type of opportunity for businesses owned by persons with disabilities," and I began to research that. I quickly learned that there was really nothing in place legislatively for disability owned businesses, but I did find that there were programs in place for minority and women-owned businesses at both the state and local levels.

Just as I was about to throw in the towel, I awoke from a nap with an Idea. I began researching who my local state legislators were and thought I would write them a letter. The first one I sent was to state Senator James "Pate" Phillip. About two weeks after I sent it, Senator Phillip's staff person contacted me and told me that Senator Phillip was not aware of any programs regarding businesses owned by persons with disabilities but that he would like to look into writing a law

that would create such a program. A few weeks later, the staff person contacted me and told me that Senator Phillip was going to try to amend the state of Illinois' Minority and Female Business Enterprise Act to include businesses owned by persons with disabilities, and to ask if I would like to help. With our efforts being pre-ADA, the toughest part of the process was writing the definition of a person with a disability. However, we were able to get it done and we now were ready to present it to legislators. I was asked to testify at both the Illinois House and Senate committee hearings and when it was finally voted on, there was not one vote against the amendment. As a result, on January 1<sup>st</sup>, 1992 Governor Edgar signed into law the amended version of the Minority and Female Business Enterprise Act that is now titled The Minority, Female and Persons with Disabilities Business Enterprise Act.

After becoming the first certified disabled owned business in the state of Illinois, I began to research new potential business opportunities in state facilities. I learned that for my type of business, most of the opportunities were not directly through state contracts but as a sub-contractor for food service management companies that had contracts with the state like Marriott, Sodexo, Aramark, and several others. With our new certification, I was able to introduce my company to organizations that never would have considered doing business with us in the past. We now were able to fit two needs in these fine organizations. One, as a tool to help them meet potential contract requirements with state facilities, and two, the company's social responsibility efforts in the company's diversity programs.

Marriott and Sodexo were the first to accept our company into their system and we needed to show them that we had the ability to perform. Over the next few years we were able to grow the company to over \$1 million a year in sales, and these companies began viewing us as a real asset. We knew that our certification gave us a great opportunity to engage in new business, but there

were no guarantees. In my mind, it was critical to express to these companies that we viewed our business relationship with them as an opportunity, not an entitlement. We knew that we had to work at continuing to bring in product and service at fair market value, despite the fact that operating our disabled owned business had added expenses that our competitors did not experience. This is a real fact for business owners with disabilities. In my business, we need a driver to drive both my partner and I. We need an office person dedicated to reading and working directly with us, adaptive technology for our computers, and several other expenses that fall under the cost of doing business. No other groups have these types of added expenses to their companies. At the end of the year, relative to the disability, these costs can be significant. That is one of the reasons why giving disability-owned businesses a competitive advantage in going after contracts and subcontracts is good policy.

Over time, as we built a relationship with these companies, we earned their trust and saw business expand. We not only were receiving business from the state of Illinois, but also more opportunities to compete for other private sector business. By the fifth year of our certification we had grown our annual sales to more than \$2 million dollars while adding two trucks and five employees.

Around this time I began a dialogue with the city of Chicago in an effort to include persons with disabilities in the City's minority and women-owned business program with the procurement department. I first approached a relatively new office that Mayor Daley had established called the Mayor's Office for Persons with Disabilities. The executive director of MOPD, David Hansen, embraced the idea and we proceeded to begin the efforts of amending the existing ordinance. This effort was a much more difficult one, and did not result in the inclusion of business owners with disabilities into the existing ordinance. We were able to create a separate

ordinance that only certified business owner's with disabilities, but did nothing to create an incentive for the City to do business with these companies. As a result, it has not been as productive as the State's law.

Nonetheless, we continued to grow our business each year by creating more and more opportunities by partnering with other private sector companies. We began to directly approach larger corporations through their diversity office. Over the years, these companies have embraced the concept and have truly gone beyond the call of duty to not only include business owners with disabilities in their procurement diversity programs, but also to view the disabled community as a hiring resource.

The combinations of all these factors over the past twenty-five years has brought T. Castro Produce into quite a different look than when I began, and much further than I have ever imagined. The company had annual sales in 2010 of \$6.8 million. We are based in a twenty thousand square foot warehouse in Chicago, operate six trucks throughout Illinois, and what I am most proud of, we employ fifteen people.

One of the most difficult things to deal with in living with a disability is having to rely on people for their help during the course of the day. For instance, I have to get a ride to work each morning and I need my mail read to me. To think that the same person who needs this help can also employ fifteen people, gives me the sense that I am not a drag on society, like a lot of persons with disabilities. In fact, the responsibility I feel toward my employees is a direct result of the accomplishments we have achieved in bringing the business as far as we have, despite our disabilities. With our success, we feel strongly that we need to treat our employees with respect and fairness, which is what we as disabled business owners have been trying to achieve for

ourselves. I believe it would be quite hypocritical to act otherwise. As a result, we pay our workers a well above minimum wage in our warehouse, above the going rate for drivers and office personnel, and everyone is offered health care, of which the company pays 70%. We are proud of the fact that we have a very low turnover of employees, and we believe it makes good business sense when our customer sees the same drivers over and over, and talks to the same personnel in the office for years. It gives our customers a certain feeling of comfort to see the same face over and over again.

Naturally, none of this would have been accomplished if not for our first certification with the state of Illinois. I am hopeful that more state and local governments, and the federal government, would pass laws similar to the Illinois law so that there would be more of an incentive for people with disabilities to start their own businesses.

Although the public sector has been slow to embrace disability-owned business enterprises in many instances, I have been encouraged by trends I am seeing in the private sector. More and more I am finding through large corporation's web sites that their diversity programs specifically include persons with disabilities along with minorities and females. The fact that these companies have made commitments to disabled owned businesses is increasingly evident, as can be seen through the emergence of the United States Business Leadership Network (USBLN). The United States Business Leadership Network (USBLN) has brought both business owners with disabilities and large corporations together. The USBLN® Disability Supplier Diversity Program® (DSDP) offers businesses that are owned by an individuals with a disability, including service disabled veterans, an exciting opportunity to increase their access to potential contracting opportunities with major corporations, government agencies, and one another. Through the USBLN® DSDP, a disability-owned business can obtain Disability-Owned Business Enterprise

Certification and get connected to a nationwide network of corporate and government procurement professionals, disability advocates, and other certified disability-owned businesses.

T. Castro Produce Company is a proud, certified Disability-Owned Business Enterprise of the USBLN®!

The USBLN®'s certification process is extremely rigorous and challenging, thus preventing those without disabilities who might try to 'game' the system to achieve certification. At the same time, it does not preclude severely disabled business owners, many of whom rely on others for assistance, in achieving certification. The USBLN has certified several businesses owned by persons with intellectual and other disabilities.

The private sector has moved quickly to join the Disability Supplier Diversity Program by including disability-owned businesses among their preferred vendors, which also include businesses owned by minorities and women. Diversity efforts are intended to include everyone, and most progressive companies know their employees must look like their customers and their customers must look like their vendors. It's time for the federal government to step in and step up!

The federal government can assist certified disability-owned business enterprises in several ways:

- First, by setting aside federal procurement opportunities for certified disability-owned businesses, the federal government can provide disability owned businesses with significant opportunities to grow and hire more employees, including people with disabilities, by delivering our goods and services to its many Departments and Agencies.

.Second, either through legislation that could begin within this Committee or by the President issuing an Executive Order, federal contractors could be encouraged to use certified disability-owned business enterprises in their procurement efforts.

. Finally, the Federal Government can use its platform to recognize leading federal contractors who embrace disability as an integral part of their Diversity & Inclusion efforts and who participate in this certification program, such as IBM, Sodexo, Merck, Ernst & Young, J. P, Morgan Chase, Marriott International, Freddie Mac, KPMG, Microsoft, QUALCOMM, Southwest Airlines, Sun Trust, Wal-Mart, Wells Fargo, WellPoint and Lowes. The list continues to grow each day.

In closing, I want to reiterate my belief that people with disabilities want to work, make a living, and be part of the middle class. Business ownership isn't for everyone, but it is one proven strategy for helping disadvantaged groups take their place in the middle class and create jobs for other people at the same time. As you know, small businesses are the primary engine for job growth and economic development. As we celebrate 21 years of the ADA, let's recommit ourselves to creating more ladders of opportunity for people with disabilities, and let's make sure that business ownership is part of our strategy.