

Blacks Missing Profits on Hair

Written by Ashley N. Johnson
Wednesday, 12 September 2012 00:00



Whether it is fried, dyed and laid or laid to the side; braided or loose; kinky, curly or straight; and even glued, sewn or bobby pinned, one's hair is essential to every look. According to the Black Owned Beauty Supply Association, the Black hair care & cosmetic industry is a \$9 billion industry and it serves millions of African-Americans.

But while African-Americans are spending most of the money in the industry, especially in regards to extensions, they are profiting the least. Most of the money being made in the industry is going to other ethnicities, the Koreans mainly.

"It is very hard breaking into the (hair) industry, being a Black owned business," said Nora Johnson, an owner of Sisters Beauty Supply, Downtown. "They (Koreans) own it because they have the money. It takes a lot of money and a customer base to keep it going."

In the Pittsburgh and surrounding area there are approximately four Black owned beauty supply stores, such as Sisters Beauty Supply, Quik-It Beauty Supply Outlet, Nebby Beauty Supply and newly, Annette's Beauty Supply, but almost twice as many are owned by Koreans, the largest being Hair Day in South Side, Two Cousins in the Hill District and Hair Masters in East Liberty.

While they all sell hair care products and accessories, it is the hair (wigs, weaves, etc.) that are the moneymakers.

Blacks Missing Profits on Hair

Written by Ashley N. Johnson

Wednesday, 12 September 2012 00:00

Bernard White, owner of Nebby Beauty Supply in Oakland, said, "Most products are able to be ordered easily, but there is not a large profit margin to be made. Hair is where the margin is. You can make \$3,000-\$5,000 a day on hair sales alone." He added, "It is not really a hard industry to get into, it is getting hair that is the problem. It is a cold business in terms of the hair game. The Koreans have this industry on lock."

Both Johnson and White agreed that getting hair is a huge hurdle, because the distributors are Korean and most times they will only sell to other Koreans.

White said, "I have to buy hair through exchange. It is rough, but if I don't increase my hair game, I won't be in business next year. It is a cold business in terms of the hair game."

Johnson said that some Korean distributors say they will not sell to stores within so many miles from their other clients, but when she tried to have hair sent to her Aliquippa location, which has no other beauty supply stores, they still would not let her purchase it. She said one distributor also told her the hair she wanted was no longer being sold, but when she went to a local Korean beauty supply store, that same hair was there. When she inquired about it she was told that a local store had told the distributor that if he sold to her, he would no longer buy from him.

She said she agrees with location rules, "but there needs to be regulations. One Korean store should not be able to dictate the entire industry in one area." In order for Johnson to get hair for her shops, she explained that she has to have it delivered to other cities and then have it shipped here.

Every year there are several major hair shows and conferences all over the country, such as the Bronner Bros. Beauty Show, the International Hair & Nail Show and more, that cater to the African-American consumer. Johnson said she has attended several national conferences in regards to the Black hair industry and Koreans run a majority of them and the workshops are conducted in the Korean language, even the ones on how to sell to the Black consumer.

Well what resources are there out there for Black owned beauty suppliers, one may ask? Well, the Black Owned Beauty Supply Association, which is supposed to be one of the resources for Black owned beauty suppliers, advertises that it's a premier national organization that provides African-Americans the platform to demonstrate competitive leadership in the \$9 billion Black

Blacks Missing Profits on Hair

Written by Ashley N. Johnson

Wednesday, 12 September 2012 00:00

hair care and cosmetic industry nationwide and nationally. However when trying to contact them to find out what help they give suppliers, the website advertised a number that was disconnected and they never returned emails. When asked about the association, White said, "it is a joke" and Johnson said she has never contacted them, but heard they were not a reliable resource.

Johnson said that not only is hair hard to get, but so are certain hair product lines that cater to women with natural hair or chemically treated hair. She said she has been trying to get a certain brand in her store for years, but they refuse to let her carry it.

White said the same thing, he said he has tried to get certain popular Black hair care lines but they will not let him carry it either because he is too close to one of their major distributors or they want him to buy thousands of dollars in product, which is unrealistic for his store's size.

Some of the top Black owned hair care companies are Dudley Beauty Corp., Carol's Daughter, Luster Inc., and Kimba Hair Care.

Jada Robinson, said she spends more than \$100 a month on hair and said she prefers to get her hair products at the salon because, "I feel that there is a large mark up on products at the hair places that are not owned by Black people. Since there is a huge demand and Black people will always care about their appearance and getting their 'Hair Did' (then) they can continue to charge a lot."

While many would prefer to shop at beauty supply stores, some feel that they only cater to their customers buying hair and not maintaining their own. "Beauty supply stores certainly don't cater to them. But, there's no need to because natural hair, by definition, should require very few products to take care of it," said Dana Gary Pathare. "What I would like to see is for Black owned beauty supply stores or beauty supply stores in general, to focus on healthy hair care products and practices. Instead of pushing weave and wigs on every customer." She added that she would like to see more demonstrations for natural hair and that she would always prefer to support a Black business.

When it comes to having experts in their store, Johnson said she has one and White said one of

Blacks Missing Profits on Hair

Written by Ashley N. Johnson

Wednesday, 12 September 2012 00:00

his goals is to hire a natural hair expert for his store, someone who can give tips and recommendations on products. But while getting products can be difficult, so can support. White said Koreans succeed in the industry because they support each other, but the Black community does not. "They (Koreans) have the relationships and work within, we laugh at them when they are living together, then they break through and have four stores in our community. But we won't help each other out. It is a culture thing." He said that none of the other Black owned beauty supply stores work together to pull their resources.

Johnson agreed that there is a lack of togetherness and said sometimes, "We are our own obstacles. If Black people stuck together we could make an impact. The competition shouldn't be among ourselves."

They both agreed that there is a loyalty amongst the Black community when it comes to shopping at Asian owned stores and working for them. "They do not treat them right, but they continue to go back," White said.

White said the solution to bringing the Black hair industry profits back to the community is by working together. "We (suppliers) need to form an alliance amongst ourselves and find a way to bring our customers to our stores. We can help each other out. We can sit down together and compose our tools. There's enough business around here for everyone," White said.