

# 2022 FUNDING REPORT

An overview of the funds disbursed by  
The Merchants Fund in 2022.



# INTRODUCTION

In 2022, The Merchants Fund (TMF) continued our core work of making grants and supporting small businesses and the merchants who run them. We also invested time reflecting on the what, the how, and the why of our grantmaking. Over the course of the year, we challenged ourselves, listened deeply to our community of stakeholders, and explored new ways to use our resources to build wealth for our grantees. We re-committed to prioritizing funding for those who have historically had the least access to capital due to systemic oppression and racism. We closed out the year making our 1000th overall grant. For a full list of grantees and award amounts visit [www.merchantsfund.org/grantees2022](http://www.merchantsfund.org/grantees2022)

In December, the Board of Directors adopted a strategic framework that will guide our work for at least the next three years and includes a commitment to ensure 85% of grant funds are allocated to BIPOC-, immigrant-, and women-owned businesses. To see more of our strategic framework, visit [www.merchantsfund.org/about/strategy](http://www.merchantsfund.org/about/strategy)

Not only did stakeholders help to shape our strategy, partners continued to play an integral role in our grantmaking. From the Commerce Department to community development corporations (CDCs) to community development financial institutions (CDFIs) like Neighborhood Progress Fund and Greenline Access Capital, there's no part of our work that isn't enhanced by at least one partnership. Our partners assist merchants to apply for funds, provide business support services, and assist with translation services when needed. Some of our partners are mentioned by name in the following pages, but most of them are not. Rest assured, that for every grant that we made in 2022, there was another partner standing with us in support of the business. We don't do this alone, and if we tried, we wouldn't be as successful as we are in reaching the businesses that most need our support.

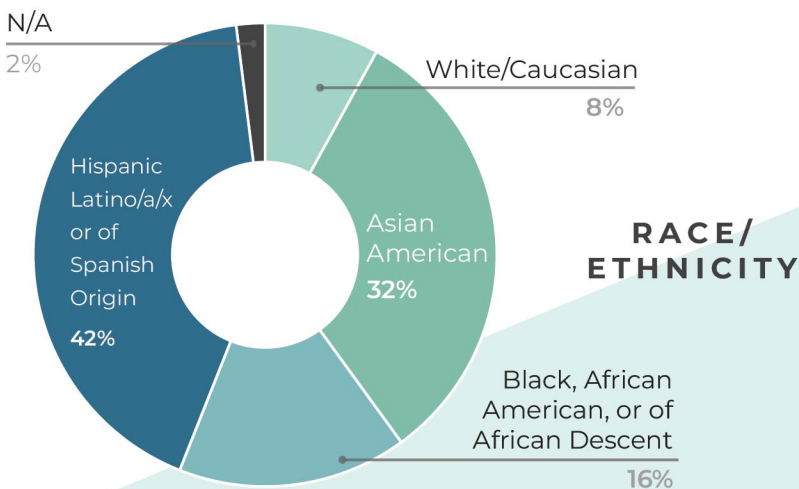
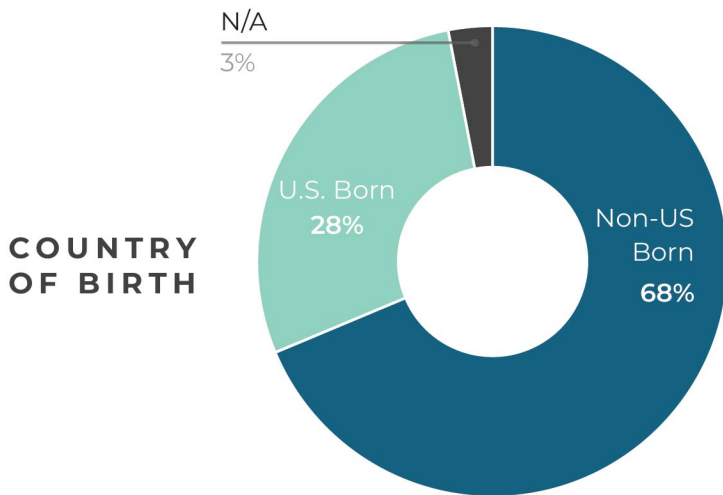
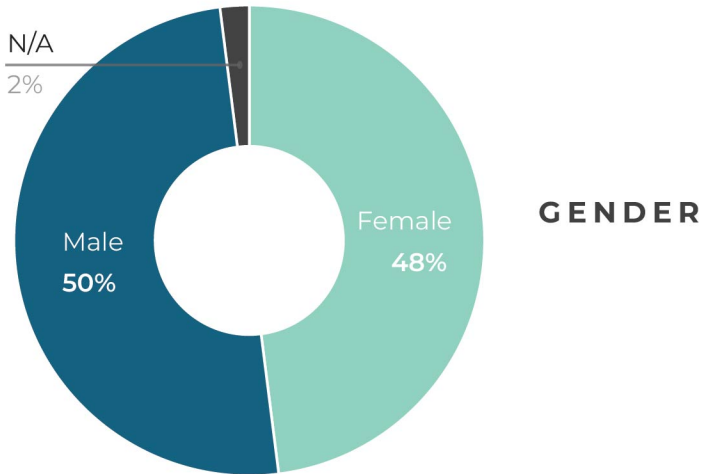


Chef Dionicio Jiménez, owner of Cantina la Martina and 2023 James Beard Award semi-finalist for Best Chef/Mid-Atlantic. Cantina la Martina received a \$10,000 Relief & Recovery Grant.

## TABLE OF CONTENTS

<b>YEAR IN REVIEW</b>	3
<b>RELIEF &amp; RECOVERY GRANTS</b>	5
<b>EMERGENCY GRANTS</b>	6
<b>GROUP GRANTS</b>	7
<b>BEYOND THE GRANT</b>	8
ART HISTORY 101	9
EL SABOR CHAPIN	10
<b>NEIGHBORHOOD PROGRESS FUND</b>	11
<b>IMPACT</b>	12
<b>ABOUT TMF</b>	13

# 2022 IN REVIEW



**62**  
TOTAL GRANTS  
AWARDED



**\$535,062**  
TOTAL FUNDS  
DISTRIBUTED



**77%**

GRANTEES REPORTED THEIR ANNUAL BUSINESS REVENUE IN 2021 AS <\$300,000



**47%**

GRANTEES REPORT THAT THE GRANT HAD A POSITIVE IMPACT ON THEM/THEIR FAMILY, IN ADDITION TO BENEFITING THE BUSINESS



**53%**

BUSINESSES REPORT AN INCREASE IN YOY REVENUE



**45%**

BUSINESSES REPORT A REDUCTION IN BUSINESS DEBT



**OVER 90%**

OF GRANTS WERE MADE TO BIPOC MERCHANTS



**OVER 71%**

OF GRANTS WERE MADE TO IMMIGRANT MERCHANTS



**OVER 48%**

OF GRANTS WERE MADE TO WOMEN-OWNED BUSINESSES



**58% OF GRANTS**

WERE MADE TO MERCHANTS WITH HOUSEHOLD INCOMES OF LESS THAN \$50K/YEAR

# GRANT NUMBER BREAKDOWN BY INDUSTRY

  
**FOOD & BEVERAGE**  
 33

  
**RETAIL**  
 14

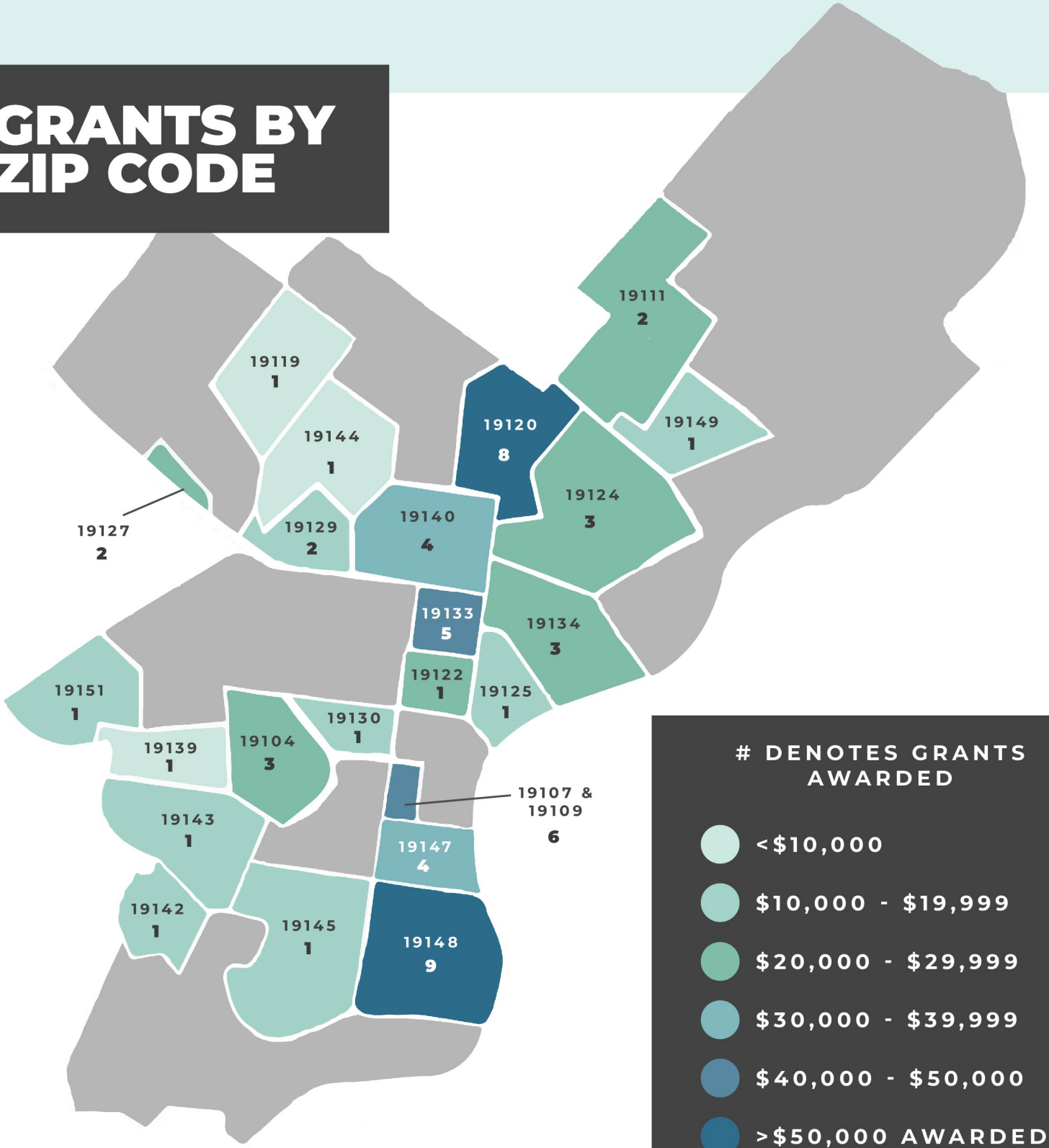
  
**PERSONAL SERVICES**  
 8

  
**MANUFACTURING**  
 1

  
**PROFESSIONAL SERVICES**  
 1

  
**OTHER**  
 5

## GRANTS BY ZIP CODE

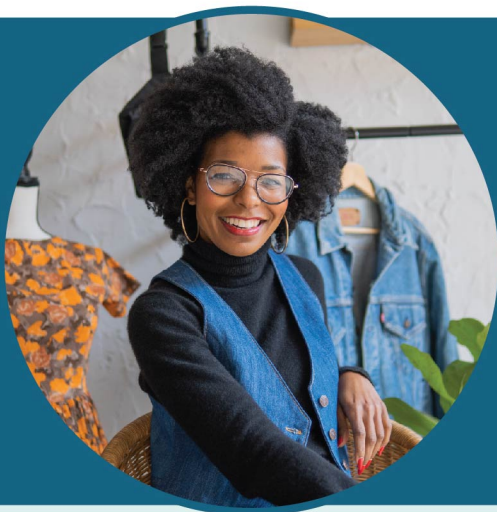


# RELIEF & RECOVERY GRANTS

 **54** TOTAL GRANTS AWARDED

 **\$453,326** TOTAL FUNDS DISTRIBUTED

The intent of our core grant program in 2022 was to help businesses recover from the lingering toll of the pandemic, as well as provide relief from the impacts of inflation, supply chain challenges, and staffing shortages, among other adversities. Use of the grant funding ranged from catching up on past-due debt accrued during mandatory shutdowns to purchasing new equipment to marketing efforts to reach new customers. The average grant size was \$8,395.



Founded in 2017, **Grant Blvd** is a Black woman-owned, Philadelphia-based apparel brand & B Corp on a mission to construct truly stylish, sustainably sourced fashion, while also supporting women who have faced cultural barriers to living wage employment in fashion design. TMF supported Grant Blvd with a \$10,000 grant to help them relocate to a new location, while maintaining their existing location and shifting to a new concept, Blk Ivy, a thrift/vintage shop dedicated to the fashion of the Civil Rights Movement.



The survival of Philadelphia's Black-owned businesses will rest upon our collective effort to stand in persistent solidarity with all that they/we offer to the fabric of our incredible city. ***This is what The Merchants Fund did for us in 2022.*** I shared a bold vision for expansion with them and they responded with precisely the support my B Corp needed: unrestricted capital in the form of a grant. As a result, we're moving forward with the opening of a flagship location on the University of Pennsylvania's campus where we'll be able to introduce more people to our company's commitment to locally made garments, told with transparency about fabrics, and produced by women earning a living wage.

**KIMBERLY MCGLONN**

Owner, Grant Blvd

# EMERGENCY FUND

 **6** TOTAL GRANTS AWARDED

 **\$69,500** TOTAL FUNDS DISTRIBUTED

In many ways, emergency grants are rooted in our history and the original intent of our founders: to provide support for merchants when they have the greatest need. While most businesses have some form of insurance to assist in an emergency, sometimes they do not, and often the insurance they have is inadequate or slow to be paid out. In 2022, TMF provided support to five businesses impacted by fires, three of which were affected by the two-alarm fire that ravaged multiple Chinatown buildings in June. The average emergency grant was \$11,583.



We have been continuing to try to make sense of everything and continuing to figure out how to make it out of this. As we were doing this, we were just reminded of how you were there since the first day of the accident, you were the first organization to reach out to offer your encouragement, you were the first one to personally donate to our page after we launched [the GoFundMe], and you were the one who gave us guidance on how to think about everything. We have zero experience in any of this, but because of you and all of your thoughts, a lot of this pain has been a little bit less painful for us. Although we have had some emotional ups and downs, thinking about you has helped us keep our heads and spirits up. You have really gone out of your way, above and beyond, to be there for us, and we are so deeply grateful for you.

**SCOTT LEE**

Owner, Lee's Deli



**Lee's Deli** was struck in the pre-dawn hours by a stolen van traveling in excess of 90 mph. The impact destroyed the entirety of the deli. TMF's \$15,000 grant was made to help support the Lee family and their staff until they are able to reopen. TMF also connected the Lees to Neighborhood Progress Fund, which made a loan of \$35,000 that was then matched by the Commerce Department. To lend your support, visit [GoFundMe.com](https://www.gofundme.com) and search for Lee's Deli.

# GROUP GRANTS

 2 TOTAL GRANTS AWARDED

 \$12,236 TOTAL FUNDS DISTRIBUTED

TMF occasionally makes grants that support the efforts—or address the needs—of a collective of small businesses. In 2022, we provided support to the Vendors Association of FDR Park, a community of refugee and immigrant vendors that has been operating the **Southeast Asian Market** in FDR Park since the 1980s. The \$10,000 grant—with additional support from the Commerce Department—provided the association with the capital they needed to scale up in order to vend for the Philadelphia Flower Show.

Our 1000th grant—and final grant in 2022—was made to the newly-formed **South Philadelphia Cleaning Cooperative**. The member-owners formed the cooperative with assistance from The Welcoming Center, a long-time TMF partner. The women raised just over \$1,100 for start-up costs, which TMF matched with 2:1 grant of \$2,236. TMF also connected them with Frank Lauletta of Lauletta Birnbaum, who provided pro-bono legal support to form their LLC.



Although our economy relies on small businesses to flourish, many small businesses don't have the financial resources or access to professional advice needed to survive. The Merchants Fund helps fill this void, especially in minority and lower-income communities, by helping business owners access capital and professional advisors willing to donate their time on a pro-bono basis or at significantly reduced fees. We are honored and proud to play a role in strengthening our local economy and community by partnering with The Merchants Fund to provide legal advice on a pro-bono basis.



**FRANK LAULETTA**

Lauletta Birnbaum LLC

# BEYOND THE GRANT & MICRO-GRANTS

 **\$8,501** TOTAL FUNDS DISTRIBUTED

Launched in January 2021, Beyond the Grant (BtG) was created to provide additional support and coaching to businesses with a focus on the merchant's quality of life and long-term goals rather than the more popular "grow your business" model. We build on established, trusting relationships to provide intensive, customized one-on-one coaching that starts with the owner's goals (increasing profitability, reducing hours worked, developing a stable retirement plan, etc.) and then create a strategic path forward for each merchant. TMF's approach stands in stark contrast to the growth-oriented approach of many providers. It is important to understand that for many businesses growth is just one of many desired outcomes (and possibly not a goal at all). With neighborhood businesses in particular, growth is often less important than profitability, hours worked, or reduction of stresses.

A contributing factor to our success, BtG is led by a small business owner, George Pitsakis, who draws on his own experiences and understanding to deliver coaching with empathy and that starts with each merchant where they are. Developing authentic, trusting relationships is not only fundamental to success, but it comes more naturally when 2/3rds of our staff is or has been a small business owner themselves.

In 2022, George provided coaching to 33 business owners including Art History 101 and El Sabor Chapin, both featured in this funding report.



Jay and **Art History 101** is the prime example of how a high-touch, personalized business coaching engagement can and should work. His commitment and trust in the process have allowed us to improve nearly every business metric imaginable. This has led to a happier business owner, higher paid staff, an increase in local tax revenue, and the countless other net benefits that come with the prosperity of a strong, community-focused small business. One of the most exciting parts of this engagement is the unity of the ecosystem. From the Department of Commerce to Neighborhood Progress Fund to retired business coaches to representatives in City Council, collectively we have been able to achieve a lot in two years.

## GEORGE PITSAKIS

On his work with Jay Pross,  
owner of Art History 101



# ART HISTORY 101

Justin “Jay” Pross, founder and active designer of Art History 101 (AH101), exemplifies the importance of TMF’s long-term, individualized coaching strategy. Raised in Mayfair, Jay was inspired by the art, history, and fashion he observed while riding the El to school. He launched his streetwear company from his mother’s basement in 2008 and in 2010 opened a store in the same neighborhood where he grew up.

In March of 2021, just as AH101 was celebrating its 11th storefront anniversary, a devastating fire destroyed everything. Jay didn’t have insurance at the time—a tough lesson, but he wasn’t deterred. The Department of Commerce connected Jay to TMF and we provided an emergency grant of \$10,000. Jay immediately began working with George Pitsakis, TMF’s Business Coach, to turn an unfortunate situation into an opportunity.

We’re helping Jay build generational wealth and grow his business to provide more income for him and his family. In partnership with Neighborhood Progress Fund, Justin has been pre-approved for a commercial mortgage and is looking for a property to acquire. Once again, he operates out of a storefront and has a mobile store. He’s promoted an employee to a manager position, freeing up his time to work ON the business rather than IN it.

## SUCCESSES INCLUDE:

- Established a strategic business plan to guide all decisions.
- Filed and paid all past years' tax returns.
- Hired a professional bookkeeper and transferred to QuickBooks Online, allowing for better analysis of numbers. (This project also uncovered employee theft, but once addressed Jay’s bottom line further increased.)
- Created formal contracts with all artists and vendors, as well as job descriptions for all employees.
- Contracted a payroll provider and put every employee on the books.



We’re coming on 2 years since the fire and our business is thriving. The one question everyone asks—because of the growth and change in the business—is what has changed since the fire. The answer is that I was assigned a business advisor—George Pitsakis from The Merchants Fund. In 2022 we had our biggest year of sales. January of 2023 was our best January to date. I know that my business is where it is because of the work George & I put into it. I’m grateful. I make sure to let everyone know about George & TMF when I talk about the positive change in my business after the fire.

## JAY PROSS

Owner, Art History 101

# EL SABOR CHAPIN

One of the only restaurants in South Philadelphia specializing in Guatemalan and Honduran cuisine, El Sabor Chapin was purchased by José Rodríguez Guardado and his wife, Vanesa, in 2020 though they weren't able to get their doors open until early 2022. Unbeknownst to him at the time, the purchase included \$8,000 in past-due utility debt that had been accrued by the prior owner. The inherited debt created a tremendous barrier to profitability, as well as additional stress for José. TMF awarded a Relief & Recovery grant of \$10,000 to get El Sabor Chapin current on the utilities, as well as for marketing.

José also took advantage of TMF's Beyond the Grant program and received coaching from George with support from Leah Reisman a Board Member of the Asociación de Empresarios Mexicanos en Philadelphia and formerly with Puentes de Salud, the partner who initially

referred El Sabor Chapin for a grant. In the six months since they've been working together, José has turned operations around from monthly losses to strong monthly profits, created and implemented a simple bookkeeping system that works for him and his business, found a new accountant—improving the quality of his tax filings—and worked towards increasing his restaurant's visibility.

In José's words, the funds and coaching he received *"helped me in so many ways. I have been able to generate more income, bring in more clients, and have more control over the business. We are freer, and we can take better care of our daughters."*



We were able to completely pay off the debt, so we are much more solvent, more free, not drowning anymore – we don't have to be thinking about the debt all the time anymore. George was also very helpful in helping us learn about how to better manage our funds, our expenses, and maintain our inventory properly.

## JOSÉ RODRIGUEZ GUARDADO

Owner, El Sabor Chapin



# NEIGHBORHOOD PROGRESS FUND

TMF's success in supporting businesses, particularly over the long term, wouldn't be possible without the community of partners within the greater small business ecosystem. Partnerships are the key to success. From the Commerce Department, to CDCs, to CDFIs, we each provide unique business support services and when the business succeeds, we all succeed. One such partnership is with Neighborhood Progress Fund (NPF) and its Executive Director, Reco Owens.

NPF is a CDFI established in 1996 with the primary mission of providing loans and business advisory services to businesses located within the distressed communities of Philadelphia. For twenty-seven years, NPF has helped people in forgotten communities start and grow their businesses by providing loans and business development mentoring. Over its history, NPF has provided approximately \$32 million in capital to approximately 455 businesses and was responsible for the creation of over 3,000 jobs in Philadelphia.



In just the last year of working with TMF, in addition to the pre-approved mortgage for Art History 101, NPF is actively working on or has closed loans with numerous other TMF grantees including **Harriett's Bookshop** (pictured), Grant Blvd, Lee's Deli, M Concept, Flakely, Marsh + Mane, and La Cocina de Lucia.



It has been an absolute pleasure working with The Merchants Fund. The support and compassion that TMF provides to businesses goes way beyond the grant. They are critical to fostering entrepreneurship and restoring the communities we serve.

## RECO OWENS

Executive Director at NPF

# IN THEIR OWN WORDS

The impact of a TMF grant varies from one merchant to the next and often goes well beyond the intended or anticipated impact when a grant was made. The ripple effect of a grant speaks volumes to how a relatively small amount of money can have a big impact on merchants and their families.

“We were very grateful to finally pay ourselves and [the grant] impacted our family's quality of life. This grant gave us hope that we can stay open for business. TMF, we are forever grateful for this program and will continue to share our journey with you”

**SUNNY PHANTHAVONG**  
Owner, Vientiane Bistro



“Before I opened the physical location of the shop, what I was able to sell was pretty minimal. This grant really helped me expand my inventory. Before, I wasn’t able to support myself or my family very well with the business – now I’m making more and can better support my family. We are confident that the business will continue to grow, and my daughters are also interested in the business and proud of me. And I’m proud of myself too! We are now hoping to go on vacation one day!”

**REYNA NAVARRO**  
Owner, Artesanía Mundo De Queen



“The grant allowed me to move my business forward with less debt and alleviated some of the stress. Its impact aided my family in a positive way by giving me more time to catch up with projects that were put on the back burner. This also gave me more time to be with family and friends. Trying to recover from the devastation of the pandemic is still a challenging feat but the grant was a big help in overcoming some of those obstacles.”

**RASHIDA WILSON**  
Owner, The Silk Tent

“My original hope was to catch up on my rent so they don’t take my business away from me. I am very grateful for the help because that’s exactly what the grant did for me. It most definitely gave me the opportunity of a second chance in life and [to] prove that I can make it successfully. This grant impacted me and my family in a huge way ... We can finally start looking at the future of the business and finally start saving. I am thankful for TMF helping me and my family out ... nothing is more relief [than] knowing that this grant can and will help us get back on our feet.”

**GARY KESAYAN**  
Owner, East Falls Cleaners

# ABOUT THE MERCHANTS FUND

The Merchants Fund has provided support to Philadelphia merchants during times of financial hardship since 1854. Our vision is for a Philadelphia where small businesses and their owners thrive and where talented and diverse merchants have equitable access to meaningful assistance, capital, and other resources necessary to build business, family, and community wealth. We give life to this vision through the strategic deployment of flexible capital including grantmaking and forgivable loans, values-aligned and mission-driven investments, and individualized business coaching for grantees. We prioritize support to BIPOC-, immigrant-, and women-owned businesses operating in low to moderate income neighborhoods.



## SUPPORT

Since our founding 169 years ago, TMF remains the only organization in the Philadelphia region whose sole mission is to provide direct financial support to struggling merchants and small businesses. Won't you join us? If you believe - as we do - that small businesses are vital to our neighborhoods and the lifeblood of our communities, please consider a tax-deductible donation to The Merchants Fund. <https://merchantsfund.org/donate/>

## BOARD OF DIRECTORS

(as of 2023)

Kersy Azocar  
 Tom Ginsberg  
 Peter Gonzales, *Chair*  
 Bruce Hotaling  
 James Johnson-Piatt  
 Melissa Kim

Steven King, Sr.  
 Seulky McInneshin  
 Carey Morgan, *Treasurer*  
 Shawn Nesbit  
 Samantha Porter, *Secretary*  
 Elbert Sampson

Shalimar Thomas  
 Joanna Winchester  
 Ana Lisa Yoder, *Vice Chair*  
 Dafan Zhang, Esq.  
 Adnan Zulfiqar

## STAFF

Jill Fink  
*Executive Director*

George Pitsakis  
*Business Coach*

Simon Wellman  
*Operations Manager*



# TMF

The  
Merchants  
Fund

SUSTAINING BUSINESSES IN PHILADELPHIA SINCE 1854

📍 1617 John F Kennedy Blvd, 20th Floor  
Philadelphia, PA 19103

☎ (215) 399-1339

✉ [grants@merchantsfund.org](mailto:grants@merchantsfund.org)

🌐 [www.merchantsfund.org](http://www.merchantsfund.org)