



NATIONAL FEDERATION
OF THE BLIND

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BLIND ENTREPRENEURS INITIATIVE

NABM / NFBEI Annual Report

2016

A MESSAGE FROM THE PRESIDENT

By Nicky Gacos

As the President of the National Association of Blind Merchants, a division of the National Federation of the Blind, I am so proud of what we were able to accomplish in 2016. Five years ago, we had a vision. There was a void in the Randolph-Sheppard community. We stepped in to fill that void and created the National Federation of the Blind Entrepreneurs Initiative. Our goal was to make a difference in what it means to be a blind entrepreneur in this country. We have far exceeded anyone's expectations including my own.

When we created the National Federation of the Blind Entrepreneurs Initiative, the Randolph-Sheppard community was fractured. There was no mechanism in place to support our blind entrepreneurs in a meaningful way and to advocate on their behalf. The program was being threatened on multiple fronts. Committees of Blind Vendors felt isolated. State licensing agencies had nowhere to turn for technical assistance on difficult Randolph-Sheppard issues. Training opportunities for blind entrepreneurs and BEP staff were limited.

With the NFBEI, we have changed all of that and I am exceedingly proud of the successes we have achieved in those 5 years. I am particularly proud of our accomplishments in 2016. As you read through this annual report, stop and think about the impact the NFBEI is having. Yes, there are still challenges and it seems we are fighting to protect the priority every day. But we ***ARE*** making a difference.

We didn't accomplish all of this alone. We appreciate the support of NFB President Mark Riccobono and our NFB family. We couldn't do it without the financial support of those of you who give so generously. We couldn't do without the SLA's who subscribe to our services. And we couldn't do it without the best board of directors we've ever had, all of whom are blind entrepreneurs themselves. Thanks to all of you because your fingerprints are on all of our accomplishments.

The news in 2016 was not all good. We all lost a true friend when Charlie Allen passed away. Charlie was a long-time vendor in Kentucky and most recently managed the military dining contract at Fort Knox. He was a Past President of NABM and still served on the board at the time of his death. Charlie and his wife Betty generously supported NFB and NABM. Our thoughts and prayers go out to Betty. We will miss you Friend.

In closing, let me say we look forward to an even bigger 2017. I want to extend a personal invitation to anyone reading this to attend our 2017 BLAST Conference which will be held September 12-15 in Nashville. I can't promise we will top last year's Windy City BLAST but we are going to try. You will soon be able to start registering at www.blindmerchants.org.

The NFBEI: Meeting the Challenge in 2016

By Terry C. Smith

It's hard to believe that it has been 5 years since I retired as the Director of Services for the Blind & Visually Impaired. That was a good gig which is why I stayed 28+ years. But I must say that I have enjoyed my association with the National Association of Blind Merchants and the opportunity to lead the National Federation of the Blind Entrepreneurs Initiative effort even more. It is so satisfying being part of a team with everyone pulling together to make a difference. To be able to work on national issues, assist SLA's with state specific issues, and help individual blind entrepreneurs overcome challenges is such a rewarding experience.

In 2016, the national program faced many challenges. You will read about some of these below. NABM and the NFBEI have stood strong against those challenges. We continue to provide our core services of technical assistance, training, and advocacy. We are proud that 34 states in 2016 took advantage of our subscription service. We are flattered by the confidence they have shown in us and we are happy to count each and every one among our network of states. We look forward to continuing those relationships in 2017.

One of the things I am proudest of is that we are bringing blind entrepreneurs and SLA's together. Both come from different perspectives but ultimately the goal of having the best program possible is shared by both agency staff and consumers. That's not to suggest that it is perfect everywhere or there isn't more work to be done. But it is significant that the NFB, a consumer organization, hired a former agency guy with the expressed goal of working with blind entrepreneurs and agency personnel alike to advance the cause of the Randolph-Sheppard Program.

I am truly blessed to have this opportunity. I want to thank NABM President Nicky Gacos, National Federation of the Blind President Mark Riccobono, and the NABM Board of Directors for allowing me to do what I do. I will continue to work as hard as I can on your behalf. Here's to a terrific 2017.

Background

The National Federation of the Blind and the National Association of Blind Merchants launched the NFBEI on January 1, 2012. Terry Smith was hired to lead the initiative and he hit the ground running. There were no clear plans in place for the NFBEI. The general consensus was that there was a void after the abolishment of the Blind Entrepreneurs Alliance in 2010 and the Randolph-Sheppard Program needed attention.

As the program has evolved, it now focuses its efforts on 3 distinct areas of importance:

- Training
- Technical Assistance
- Advocacy

As you read this Annual Report, you will note many activities and accomplishments in each of these areas.

NFBEI Funding

The NFBEI is required to generate its own funding. In 2016, it accomplished this through 2 primary sources of funding:

1. State Subscriptions
2. Donations

In 2016, 34 states took advantage of the subscription service. This covered about two-thirds of the budgetary needs of the NFBEI. Donations make up the other one-third. The subscription service has been very popular with the states as evidenced by the number of states currently subscribing. Among other things, the subscription service entitles states to unlimited and free technical assistance; one on-site visit to the state to provide training to the blind entrepreneurs, Committees of Blind Vendors. and/or staff; mentoring, etc. Blind entrepreneurs and other Randolph-Sheppard stakeholders were generous in 2016 with their financial support as well, which enabled the NFBEI to function at full capacity.

DoD Dominates 2016

The Department of Defense dominated our attention in 2016. In June, DoD published proposed rules intended to clarify how the Randolph-Sheppard priority was to be applied to troop dining contracts. In reality, if the rules are finalized, they would effectively eliminate the blind vendor priority for most troop dining contracts. The rules would instead give millions of dollars in new contracts to AbilityOne. NABM is of the opinion DoD does not have the authority to promulgate rules regarding the Randolph-Sheppard Program. Congress only gave that authority to the Department of Education. Furthermore, the proposed rules violate the Randolph-Sheppard Act. NABM and the NFBEI didn't accept the rules as inevitable. We led an effort to generate as many comments as possible opposing the proposed regulations when published in the Federal Register in June. Our goal was to generate 1,000 comments. Instead, 4,755 comments were submitted and 95% or more opposed the regulations. 4,580 of these were generated from a website created by NABM to make it easy for Randolph-Sheppard stakeholders to let their voices be heard. D.C. insiders say it was one of the most remarkable responses ever to proposed rules. We also created a website whereby stakeholders could send letters to the Secretary of Education urging DoE to oppose the proposed rules. We conducted a virtual fly-in whereby blind entrepreneurs and their teaming partners were able to contact their members of Congress and members of the Armed Services Committee to educate them about the potential impact of the proposed rules. We submitted Freedom of information requests to the Department of Education and the AbilityOne Commission. We got the documents from DoE and were encouraged by their advocacy on behalf of Randolph-Sheppard. AbilityOne has yet to turn over the requested documents. And finally we retained the services of Brown, Goldstein, and Levy to mount a legal challenge to the rules if DoD publishes the rules as final. We raised money from the Randolph-Sheppard community to do so. At this point, the future of the rules is uncertain. President Trump has put a freeze on all new rules. We suspect DoD will continue to work on the rules and be prepared once the freeze is lifted but there is no way to know for sure. What is certain is that the NFBEI's efforts to generate comments may have prevented these rules from being implemented. Before publishing the proposed rules as final DoD had to analyze each of the almost 5,000 comments and respond to them. That was undoubtedly a long and tedious process and prevented them from being able to finalize the rules as quickly as they had anticipated. We don't know what 2017 has in store as far as these proposed rules are concerned but NABM and the NFBEI will be monitoring this matter very closely.

2016 Accomplishments

- In 2015, in cooperation with the Hadley Institute for the Blind and Visually Impaired, NABM and the NFBEI launched the first ever on-line entry-level training program for prospective Randolph-Sheppard entrepreneurs. In 2016, 38 individuals from 12 different states enrolled in the training program.

- Conducted 2 Hadley Randolph-Sheppard on the Web webinars including one on the new FDA calorie disclosure requirements.
- Held the largest and most successful BLAST ever in Chicago in May. Over 500 people participated in the conference and the exhibit hall featured over 80 companies displaying their products and services. The Windy City BLAST was the largest Randolph-Sheppard conference ever held anywhere in the country. The Vending Times was so impressed that it ran a featured article about BLAST.
- Presented Congresswoman Barbara Kennelly with the organization's first-ever Champion Award. Kennelly sponsored the amendment that bears her name that granted a priority to blind entrepreneurs to operate vending machines at interstate rest areas.
- Conducted the second Randolph-Sheppard Emerging Leaders Training in Nashville with 11 graduates from 9 states in the class.
- Contracted with the State of Tennessee to conduct its annual blind vendor conference in September.
- Submitted comments to the Federal Highway Administration regarding potential expanded commercialization of the interstate rest areas and led a successful effort to generate comments from as many rest area vendors from across the country as possible.
- Submitted comments to the Department of Defense regarding the proposed regulations interpreting how the Randolph-Sheppard regulations should be applied to military dining contracts.
- Created a website that made it easy for over 4,500 Randolph-Sheppard stakeholders to submit comments to DoD.
- Sponsored and participated in the National Automated Merchandising Association's Day on the Hill in July.
- Submitted a Freedom of Information Request to the U.S. AbilityOne Commission seeking communications between the Commission and other entities regarding the proposed Department of Defense rules and/or the Randolph-Sheppard Program.
- Submitted a Freedom of Information request to the Department of Education seeking copies of all correspondence in regards to the proposed DoD rules.
- Sponsored a virtual fly-in focused on contacting members of the Congressional Armed Services Committees to educate them on the real impact of the proposed DoD rules.
- Opposed sugar taxes in several localities most notably Chicago and Philadelphia.
- Facilitated through the National Federation of the Blind national center Avanti Markets in making their self service kiosks fully accessible to blind users.
- Continued to promote inmate commissaries in business enterprises programs.
- Joined over 2,500 other blind people at the annual convention of the National Federation of the Blind in Orlando. The largest number of blind

entrepreneurs ever attended the Merchants Division meeting at the convention. There were over 120 people in attendance.

- NABM elected a new board of directors that includes Nicky Gacos as President, Harold Wilson as First Vice President, Ed Birmingham as 2nd Vice President, Sharon Treadway as Secretary, Pam Schnurr as Treasurer, and board members Melisa Smith (TN), Lewanda Miranda (OR), Deb Smith (AZ), Gene Fleeman MO), John Fritz (WI), Lynn Reynolds (NJ), Joe Higdon (IN), and Charlie Allen (KY).
- Facilitated discussions between 5 east coast states with the hope the states can submit a joint proposal to manage the multi-state Marine Corps troop-dining contract. Those discussions continue and we are optimistic that Randolph-Sheppard can get that contract. It would be the first-ever multi-state Randolph-Sheppard contract.
Assisted Congressman Jolly of Florida with a letter that was sent to RSA seeking guidance on how the Randolph-Sheppard Act applies to VA properties. RSA wrote a strong letter in support of Randolph-Sheppard and it is hoped the letter will help create opportunities in VA facilities.
- Advocated on behalf of Randolph-Sheppard with several federal agencies including the General Services Administration, Department of Veterans Affairs, U.S. Postal Service, National Park Service, Department of Education, and the Department of Defense.
- President Gacos completed his first full year on the NAMA Board of Directors and continues to strengthen the relationship between that organization and the Randolph-Sheppard community.
- Made on-site visits to 20 states attending 16 annual blind vendor training conferences, conducted 2 trainings for Elected Committees of Blind Vendors, provided training for business enterprises staff in 2 states, and assisted 2 states in rewriting their rules and regulations.
- Provided expert testimony in the State of Oklahoma versus the U.S. Army federal arbitration regarding the Army's attempt to break out the dining facility attendant services from the full-food contract.
- Provided testimony in federal court in Topeka in the State of Kansas versus the U.S. Army case seeking an injunction preventing the Army from terminating the existing Randolph-Sheppard contract and awarding the DFA services contract to AbilityOne.
- Continued to support and promote the RSA Management Group which paid out approximately \$1.85 million in rebates to blind entrepreneurs in 2016.
- Promoted and participated in the Randolph-Sheppard training presented by the RSA Management Group at the NAMA One Show in Chicago.
- Participated in and presented at the spring and fall meetings of the National Council of State Agencies for the Blind including the organization's Randolph-Sheppard training conference in San Diego.
- Presented to attorneys attending the Council of State Administrators of Vocational Rehabilitation CLE training in Bethesda in April.

Conclusion

So, you be the judge. Are the National Association of Blind Merchants and the National Federation of the Blind Entrepreneurs Initiative making a difference? The National Federation of the Blind believes that low expectations create obstacles between blind people and their dreams. Like the NFB who is committed to raising expectations for blind people so they can live the lives they want, NABM is committed to raising expectations of blind entrepreneurs. We do that through creating opportunities. We do that through training. We do that through advocacy. We did just that in 2016 and we will continue to do that in 2017.

If you are impressed and want to support the continued efforts of NABM / NFBEI, you can do so by donating by going to our website at www.blindmerchants.org or mailing a check to 7450 Chapman Highway, #319, Knoxville, TN 37920.

The National Federation of the Blind knows that blindness is not the characteristic that defines you or your future. Every day we raise the expectations of blind people, because low expectations create obstacles between blind people and our dreams. You can live the life you want; blindness is not what holds you back.