



NEWS RELEASE **FOR IMMEDIATE RELEASE**

ROBERT L. JOHNSON URGES U.S. SENATE COMMITTEE TO ADDRESS POLITICAL ISSUES THAT RESTRICT ACCESS TO CAPITAL FOR MINORITY BUSINESSES

Testifies before the U.S. Senate Committee on Small Business & Entrepreneurship

BETHESDA, MD//APRIL 15, 2010// Robert L. Johnson, founder and chairman of The RLJ Companies testified today before the U.S. Senate Committee on Small Business & Entrepreneurship. Addressing the obstacles and opportunities that face minority small business owners in today's economy, Johnson called upon the Committee to address two philosophical issues that must be addressed before capital can be directed effectively to minority businesses.

The first issue poses the question why the Federal government, state governments, and corporations define minority ownership as owning or holding a fifty-one percent equity ownership in a company; and the second issue asks is there a compelling national interest for helping minority business and what are its limitations?

In his testimony, Johnson stated, "Without question, the lack of access to capital and capital formation are the principal factors holding back opportunities for minority businesses and as a consequence wealth and job creation in the minority community. The fifty-one percent ownership provision is a true contradiction. Placing a fifty-one percent equity requirement on minority companies fail to recognize that minority Americans are significantly and disproportionately under-represented in access to capital to start and fund entrepreneurial enterprises."

Johnson further stated that "a recent Supreme Court decision ruled that any government preferences for minority companies must be narrowly tailored to prevent reverse discrimination; however, if minority companies can't compete on capital formation, on experience or scale without capital, they are therefore unlikely to win competitive bids where there are no advantages or preferences given to a minority enterprise." He went on to say, "If this Court precedent dictates our approach to minority business development it will, in my opinion, restrict access to government sponsored business opportunities."

He concluded his testimony stating, "I hope that I have provided some framework for a debate and I know I am committed to work with this Committee to achieve a viable consensus on how to grow and expand minority business ownership and opportunities in America."

Editors Note: Mr. Johnson's oral testimony "*Assessing Access: Obstacles and Opportunities for Minority Small Business Owners in Today's Capital Markets*" will be available online at www.rljcompanies.com/news.

About The RLJ Companies

The RLJ Companies, founded by Robert L. Johnson, is an innovative business network that provides strategic investments in a diverse portfolio of companies. The RLJ Companies seeks to target undiscovered or underserved markets then exercise solid management to achieve results. Within The RLJ Companies portfolio, Johnson owns or holds interests in businesses operating in banking, private equity, hospitality, automobile dealerships, entertainment, professional sports and video lottery terminal (VLT) gaming. The RLJ Companies is headquartered in Bethesda, MD, with operations in Charlotte, NC; Orlando, FL; Little Rock, AR; Los Angeles, CA; San Juan, PR; and Monrovia, Liberia.

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