



# PACESETTERS

A Program of the Greater Boston  
Chamber of Commerce Foundation

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**ANNUAL DATA REPORT  
CALENDAR YEAR 2023**

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## LETTER FROM CHAMBER FOUNDATION PRESIDENT JAMES E. ROONEY

### *Pacesetters Increase MBE Spend 5.2% in Massachusetts & 9.7% Nationally*

Founded in 2018, the Greater Boston Chamber of Commerce Foundation's Pacesetters supplier diversity initiative has expanded and evolved – continuing to meet the moment by centering economic equity and championing opportunity for all. As demonstrated by the 2022 and 2023 data, the Pacesetters buyers continue to successfully utilize supplier diversity to create a strong, inclusive business community.

In 2022, Pacesetters buyers spent more than \$322 million with Massachusetts MBEs and \$5 billion with national MBEs. In 2023, Pacesetters increased their spend: Their spend with MBEs increased by 5.2% in Massachusetts and 9.7% nationally. In 2023, Pacesetters buyers spent more than \$339 million with Massachusetts MBEs and more than \$5.5 billion with MBEs nationally. The data is encouraging and reinforces the significant commitment and actions of the Pacesetters to partner with businesses of color and create the most inclusive business community.

Successful supplier diversity requires commitment, action, and urgency, and we are proud of the Pacesetters business leaders and companies who are moving the needle. I am pleased to share the honorees of the Chamber Foundation's third annual Pacesetters Supplier Diversity Awards. Join us in applauding the 2024 Pacesetters Awards honorees:

#### **2024 Pacesetters Awards Honorees**

##### ***Company of the Year***

RTX

##### ***Champion of the Year***

David Cho, Chief Procurement Officer, University of Massachusetts

##### ***Partnership of the Year (Massachusetts)***

State Street & System Custom Consulting

##### ***Partnership of the Year (National)***

State Street & Orange Lab Media

There is more work to be done, and Pacesetters remains committed to using supplier diversity to achieve an equitable and inclusive business community and future for the Commonwealth.

**James E. Rooney**

President

Greater Boston Chamber of Commerce Foundation





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## PACESETTERS BUYERS



## BUSINESS ASSOCIATION PARTNERS



## 2022 & 2023 PACSETTERS DATA

Pacesetters collected the total number of spend opportunities that they awarded to Minority Business Enterprises (MBEs) and the total value of those spend opportunities for calendar year 2022 and calendar year 2023.

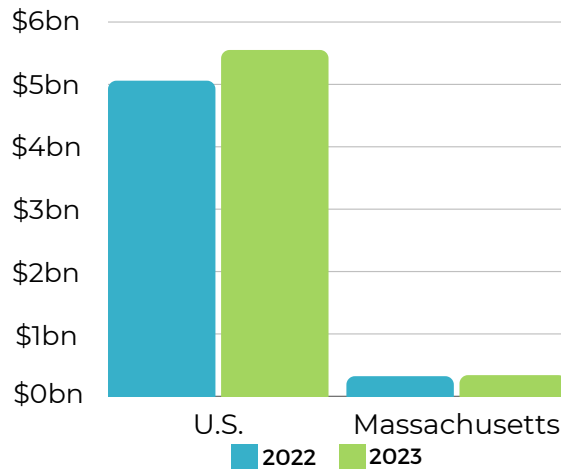
In 2023, Pacesetter buyers spent over **\$339 million** with Massachusetts Based MBEs and over **\$5.5 billion** with MBEs nationally. This was an increase from 2022 where Pacesetter buyers spent over \$322 million with Massachusetts based MBEs and \$5 billion with national MBEs.

### Value of MBE Spend Opportunities by Level

	2022 Value	2023 Value
Massachusetts	\$332,486,229	\$339,352,930
U.S.	\$5,059,852,634	\$5,552,116,564

#### Year Over Year Change

	Dollars	%
Massachusetts	\$16,866,701	5.23%
U.S.	\$492,263,930	9.73%

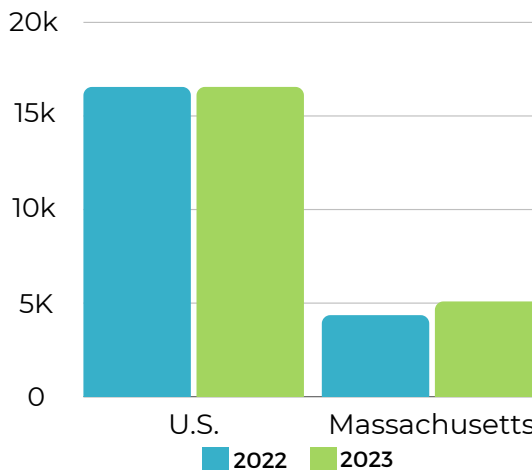


The spend increased by **5.2%** with state level MBEs and **9.7%** with national MBEs.

### MBE Spend Opportunities by Level

	2022 Opportunities	2023 Opportunities
Massachusetts	4,357	5,089
U.S.	16,551	16,553

The opportunities offered to MBEs increased by **16.8%** with state level MBEs and **0.01%** with national MBEs.





## A SPOTLIGHT ON OUR 2024 PACESETTERS AWARDS WINNERS

### Champion of the Year: David Cho, University of Massachusetts

Through his work at the University of Massachusetts, David Cho has made it clear about the importance of supplier diversity in the higher education space, founded on his belief that our supply base should reflect the University's student body and the communities we serve. His efforts have not only raised the profile of supplier diversity as a driver for procurement decisions, but they have also delivered results. Since David took the reins at the Unified Procurement Services Team, diverse spend has more than doubled from under 4% to 9.9% of total annual spend (as of FY 2023). David has not only focused on increasing direct spend with diverse suppliers, but he has also been able to drive commitments from some of UMass's largest suppliers to set targets for Tier 2 diverse spend, further broadening the impact UMass can have on supplier diversity. Throughout the years, he has led with and demonstrated a culture of learning and collaboration in the higher education space by engaging in supplier diversity knowledge-sharing sessions with universities like Northeastern, Babson, MIT and a convening of other Chief Procurement Officers from across the country. David has and continues to be recognized not only for his leadership in procurement excellence within higher education, but also his unwavering commitment to supplier diversity.

### David Cho



**Chief Procurement Officer**  
University of Massachusetts

### Company of the Year - **RTX**

RTX is committed to 4 Pillars for Action: Workforce Diversity, Supplier Diversity (SD), Public Policy and Community Engagement. Through these pillars, they are cultivating a culture of inclusion, driving economic empowerment, championing equality and investing strategically in their local communities. In 2023, their spend with small and diverse suppliers was \$7.6B up from \$7.0B in 2022 & \$6.7 billion in 2021. This spend is estimated to have helped to create over 50,000 jobs and support over \$4 billion in wages earned. In the same year, they launched two key initiatives to increase awareness across RTX relative to supplier diversity. First, creating an Internal RTX Employee Supplier Diversity Awards Program. This program was established to recognize RTX employees for their contribution to supporting RTX achieving their supplier diversity goals and maximizing opportunities for small and/or diverse businesses. Secondly, they created a supplier diversity awareness training course to educate a broader audience that extends beyond Supply Chain. As supplier diversity can be influenced and affected by organizations including ERGs, Operations, Program Management, and Engineering, they believed it was important to create a training that would be appropriate to be delivered to this broader population to ensure they understood what constitutes a small and diverse supplier and how they can make an impact to their growth, and the communities around them.

## A SPOTLIGHT ON OUR 2024 PACESETTERS AWARDS WINNERS (cont.)

### Partnership of the Year:

**Orange Lab Media + State Street**



State Street recognizes the value of a diverse supplier based and is focused on working with qualified vendors whose values align with theirs. Pacesetters is happy to recognize their partnership with both a Massachusetts based vendor and national vendor.

State Street has had an extremely successful partnership with Orange Lab Media; a Black- and service-disabled veteran-owned, creative marketing agency with over 60 years of combined experience. They specialize in being the strategic global merchandise fulfillment partner to top brands, by offering promotional products, branded company eStores, awards and recognition programs, corporate apparel and gifts, and warehouse and kitting services. Their collaboration has been fruitful due to their exceptional responsiveness and flexibility, which has enabled them to provide solutions that meet the diverse needs of State Street's many teams. The availability of customized products for fundraising events and industry exhibitions enables State Street to maintain a consistent brand presence while actively participating in community-building efforts. They leverage the power of innovative technologies to provide customized solutions in the rapidly evolving marketplace. Their efficient speed and powerful team make them agile and a trusted dynamic partner. OLM's involvement extends beyond just providing merchandise for corporate use. They play a vital role in State Street's community engagement and charity initiatives. OLM has a serious commitment to DE&I, this can be seen in their tier-two spend goals with other diverse suppliers that are veteran-, black-, disabled-, LGBTQ-, and women-owned, which further extends the economic impact to other MBEs, creating a more succinct initiative for economic empowerment. Their commitment to meeting the diverse needs of State Street's many teams through its quick turnaround times, cost-saving opportunities, and exceptional customer service has resulted in a successful partnership with State Street. They are a trusted partner that is always striving to exceed expectations and deliver outstanding results that drive business growth.

**System Custom Consultants (SCC) + State Street**



System Custom Consultants provides end-to-end IT Services support. System Custom Consultants is headquartered in Massachusetts and was founded in early 2020 as an Information Technology management consulting company. SCC delivers projects while cultivating approaches to IT challenges that help their clients succeed—including Fortune 500 companies, public and private organizations. System Custom Consultants has become an integral part of State Streets operations and a trusted partner. Since 2022, State Streets has executed more than 15 contracts and related change orders with them. Our business units rely on SCC's experienced and skilled resources to achieve each project's desired results. They continue to provide excellent resources that are extremely reliable and high performing. They have reviewed approximately 1,900 risky firewall rules to investigate and identify rule owners to help support our functionality. Additionally, they supported the remediation of unencrypted File Transfer Protocol (FTP) audit finding needed to migrate all unencrypted FTPs to the next generation Managed File Transfer. System Custom Consultants have been key players in driving enhancement capabilities of State Streets recent cloud software rollout and provide technical staff augmentation for many projects.



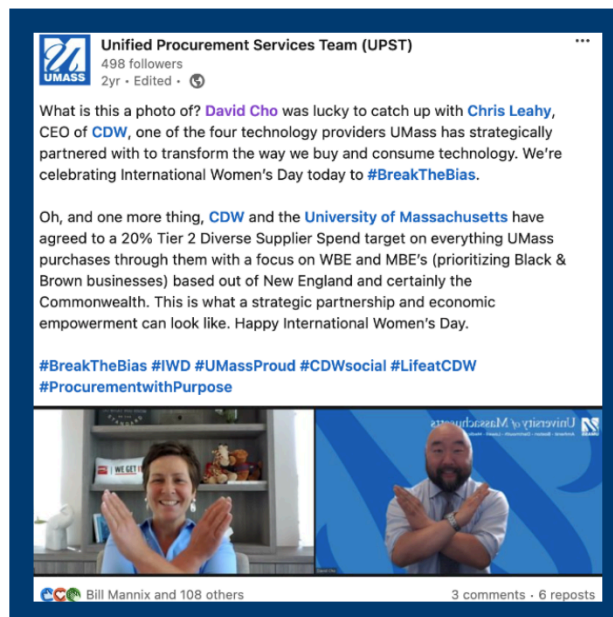
## STORIES BEHIND THE NUMBERS – HOW PACESETTERS ARE INCREASING SPEND WITH MBES

### University of Massachusetts

Since the UMass President, Marty Meehan, announced the University’s commitment to supplier diversity in 2020, the Unified Procurement Services Team (UPST) has spent the last few years pursuing strategic supplier diversity goals, which has led to a revamped Supplier Diversity Program. This new program targets tier 1 and tier 2 diverse supplier goals underscored by executive leadership support, proactive supplier management, updated policy, a diversity-optimized bidding and contracting process, and technology leverage. Some immediate low-hanging fruit of this revamp include:

- ▶ Elevating Diverse Vendors to Premier Level: Rationalized over 1,600 vendors to four (4) strategic partners that now comprise the UMass IT Value Added Reseller (VAR) Program. WorldCom Exchange Inc (WEI), a New England MBE, is one of the four that saw spending from UMass jump by **398% from \$1.48M (2022) to \$7.2M (2023)**, underscoring the University’s commitment to diversity.
- ▶ Tier-2/Subcontract Diverse Spend Enhancement: In the same IT VAR program, non-diverse vendors committed to funnel 20% of UMass spending to diverse subcontractors, with a focus on prioritizing women- and black/brown-owned businesses based in New England and the Commonwealth. Highlighting the commitment with one of these prime vendors, CDW, they demonstrated a **375% increase in tier 2 diverse spending from \$0.4M (2021) to \$1.9M (2023)**.

**Pictured right:** David Cho of UMass and Chris Leahy of CDW meeting on International Women’s Day announcing UMass and CDW’s goal of a 20% Tier 2 Diverse Supplier Spend target on everything UMass purchases through them, focusing on WBE and MBE’s in the region.



## State Street

In 2023, State Street had the following efforts to continue their ongoing commitment to a diverse supply chain and Economic Empowerment:

- ▶ **Economic Impact:** In 2023, State Street contributed over \$250 million to the U.S. economy through their supplier diversity program, supporting approximately 1,100 jobs and generating \$27 million in tax contributions to the communities we serve.
- ▶ **Program Expansion:** Their efforts led to a year-over-year increase of over 80% in Tier 1 addressable spend in the U.S. and U.K., and Tier 2 spend increased almost 50%, contributing over \$100 million to the Supplier Diversity program.
- ▶ **Strategic Partnerships:** State Street partnered with Black-owned businesses to underwrite \$1.25 billion of senior unsecured debt, reinforcing their commitment to supporting and strengthening Black-owned businesses.
- ▶ **Recognition and Training:** They launched comprehensive Supplier Diversity training programs and were recognized as a “Game Changer” in the industry by the Financial Services Roundtable for Supplier Diversity (FSRSD).

These milestones reflect State Street’s dedication to fostering a diverse and inclusive supply chain, driving economic growth, and supporting communities.

## Liberty Mutual

Liberty Mutual launched Supplier Elevate, a development program that provides diverse business owners with a comprehensive development plan based on a robust business health assessment. They have included Tier 2 suppliers in the program with the aim of contracting with them to expand growth. Additionally, Liberty Mutual has hosted their annual responsible sourcing and supplier diversity summit to enable growth and exposure for our MBEs and potential MBE supply chain partners.

Liberty Mutual’s Supplier Diversity and Responsible Sourcing program has consistently surpassed their performance targets, resulting in a significant increase in the impact of the program. They have exceeded sourcing inclusion expectations of MBEs by 12%, while also implementing the Tier 2 spend tracking program (Viva STARS). These initiatives have not only made valuable infrastructure improvements that will have long-term benefits, but have also enhanced the external brand of Liberty Mutual through the founding of the Insurance industry Supplier Diversity roundtable and securing the Best of-the-Best award two years in a row.



**Pictured left:** Liberty Mutual shares their successes at their annual Responsible Sourcing and Supplier Diversity Summit.

## RTX

In 2023, the U.S. Department of Defense (DoD) recognized RTX with its 27th Nunn-Perry Award for excellence for our participation in the DoD Mentor- Protégé Program. They shared the award with Fuse Integration, an engineering and design firm that they mentored through the program. RTX has mentored over 70 small and diverse suppliers over the past two decades through the various Mentor-Protégé Programs and our internal mentor program. Supplier Spotlight - Internal supplier mentoring: For over 30 years, they have partnered with The Bernd Group, a Hispanic American, Women-owned, Small Disadvantaged Business, based in Dunedin, Florida. As part of our internal supplier mentoring program, The Bernd Group supports more than 50 RTX locations with materials planning and procurement processes. The Bernd Group was recognized in the RTX Performance+ Program with our 2023 Premier Award for excellence in performance in 2022. Collectively, they have seen more than a 30% increase in spend over 2022 with the suppliers in our internal mentoring initiative. “We understand RTX’s mission in the world and are proud to consider ourselves an extension of the RTX team.” –Pilar Bernd, President & Founder of The Bernd Group  
RTX Total MBE Spend for 2023 was \$1.1B with over 900 MBE Suppliers, which is an increase from 2022 at \$896M.



## Blue Cross Blue Shield of Massachusetts

In 2023, Blue Cross continued its efforts to expand their supply chain and contract with even more minority-owned businesses. Additionally, they further maximized outcomes for minority-owned businesses through education, mentorship, and engagement:

- ▶ After several years of relationship building, Blue Cross partnered with Good Life Productions to provide video production services. This partnership is a testament to how cultivating an ongoing relationship with a supplier can ultimately lead to a contracting opportunity.
- ▶ Blue Cross contracted with Inspiration Zone LLC to facilitate a book give-away and signing of Juliette Mayers' latest book "Strategic Networking 2.0: Harness the Power of Connection and Inclusion for Business Success" at a women of color business summit. As a result of this successful partnership, Blue Cross provided 200 books to the attendees of the conference, which included women of color entrepreneurs.
- ▶ Blue Cross partnered with the Babson College Frank and Eileen Center for Women's Entrepreneurial Leadership (CWEL) to serve as an advisor and provide guidance, mentorship, and thought leadership to 20 women of color entrepreneurs participating in Babson's Black Women's Entrepreneurial Leadership (BWEL) Program.



**Pictured left:** Good Life filming on site with BCBSMA.

## Federal Reserve Bank of Boston

In 2023, the Federal Reserve Bank of Boston took the following steps to advance supplier diversity.

- ▶ **Partnerships with Departments:** The supplier diversity program has developed close partnerships with key departments, including Real Estate Services Group (RESG), to focus on bidding for large building contracts. While minority- and women-owned businesses have not won the larger contracts, they have been given increased opportunities to participate. In a few cases, such businesses represented one of two finalists considered.
- ▶ **Contract Review and Segmentation to Create More Opportunities:** The Office of Diversity Equity and Inclusion (ODEI) worked closely with RESG to break down a large cleaning contract into multiple smaller contracts that provided more opportunities for minority- and women-owned businesses. To date, ODEI has provided RESG with 11 diverse suppliers to consider over seven contracts.
- ▶ **Increased Networking with New Suppliers:** The supplier diversity manager continues to build a comprehensive list of vetted diverse suppliers that departments can consult when they have procurement needs. In 2023, the supplier diversity manager engaged 91 diverse suppliers via direct outreach.
- ▶ **Hosted the Bank's First Financial Summit:** The Bank partnered with the Greater New England Minority Supplier Diversity Council to host a 2023 financial summit that provided essential economic and financial information to diverse businesses. The topics included the current and future state of the economy, debt acquisition, establishing businesses, and the wealth gap.
- ▶ **Increased Partnership with Procurement:** ODEI and Procurement continue to collaborate and review the Bank's procurement process from a DEI standpoint.

You can learn more about the Federal Reserve Bank of Boston's supplier diversity initiatives in their [2023 Annual Report to Congress](#).

## Dana-Farber Cancer Institute

Dana-Farber Cancer Institute (DFCI) has continued to build upon strong vendor partnerships throughout the last year. One of the strongest being with Westnet as a secondary medical surgical/research distributor.

As a smaller, diverse and regional distributor, Westnet’s philosophy is to embrace their customers and provide that personal touch in how they manage their business. They are able to provide both clinical and research supplies which provides a unique procurement opportunity for DFCI. To take it to the next level, Westnet offers timely desktop delivery to our researchers.

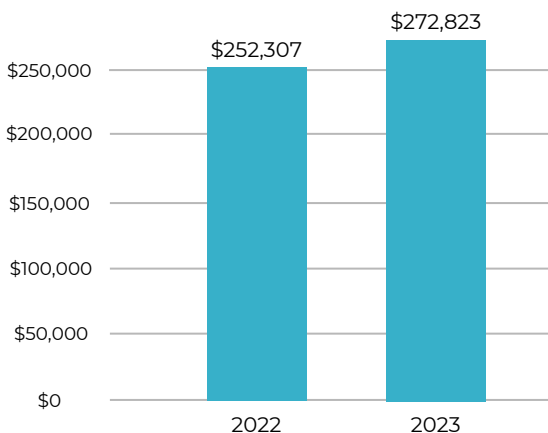
Since the partnership started in 2006, DFCI and Westnet met frequently to discuss new procurement and contracting opportunities. During the pandemic, Westnet stood DCIF and would help with supplies whenever they could. DCIF spoke to them almost daily in the early days as it was most challenging to get any supplies beyond what was already being purchased or allocated. They would often call and say they had some extra of a certain product that DCIF would be interested in purchasing. Westnet was a lifesaver many a day during that most stressful period of time.

DCIF’s partnership with Westnet is going strong today and they are working together along with the manufacturers, to find ways to keep prices competitive and supplies available on a consistent basis.

## Greater Boston Chamber of Commerce

The Greater Boston Chamber of Commerce continues to support businesses of color as buyer as well as the convener of the Pacesetters Network. In 2023, Pacesetters launched the Behind the Scenes of an MBE. This program, funded by Liberty Mutual, creates open dialogues where business owners of color share their experience creating and growing their businesses and give honest feedback on how corporate buyers can help make the procurement process easier.

### Chamber MBE Spend



Pacesetters continues to host the free [Doing Business Webinars](#), which include specific procurement processes from corporate buyers in the Pacesetter network the opportunity to share their specific procurement processes with businesses of color. In 2023, Pacesetters hosted four Doing Business Webinars with Liberty Mutual, Northeastern University, Encore Boston Harbor Hotel, and the Boston Planning and Development Agency.

Since launching the Pacesetters initiative in 2018, the Greater Boston Chamber of Commerce has been intentional about using diverse vendors and tracking spend with businesses of color. Between 2022 and 2023, the Chamber’s total MBE spend increased by 8%.

**Pictured right:** During the Chamber’s Behind the Scenes of an MBE, the panel discussion included Amber Haskell, Chamber Director of Economic Inclusion, Irene Li, Mei Mei Dumplings, and Keith Chaney, City SealCoating





## METHODOLOGY

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- ▶ Pacesetters buyers are different sizes and represent multiple industries, including finance, insurance, professional services, construction, manufacturing, health, education, and entertainment to name just a selection.
- ▶ The Chamber partnered with KPMG to collect data from the Pacesetters buyers.
- ▶ Only companies that were able to provide data for both 2022 and 2023 were included in the data set.

## DATA DEFINITIONS

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- ▶ **State:** Vendors located in Massachusetts
- ▶ **National:** Vendors located in the US (inclusive of vendors located in Massachusetts)
- ▶ **MBE:** An MBE (minority business enterprise) is a company that is at least 51% owned by an individual who is Asian, Black, Hispanic, Latinx and/or Native American. Pacesetters reporting includes those that are officially certified as well as those who are "self-certified."
- ▶ **Spend Opportunities Awarded:** "Spend opportunity awarded" describes any purchase of a service or product, which could be through a formal contract or credit card transaction.

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## CONTACT US

If you would like to learn more about the Pacesetters initiative or to join the network, contact the [Economic Inclusion Team](#) by email and [sign up for our newsletter](#).

For media inquiries, contact Casey Baines at [cbaines@bostonchamber.com](mailto:cbaines@bostonchamber.com).

**Amber Haskell**



**Director, Economic Inclusion**

Greater Boston Chamber of Commerce

## THANK YOU

We extend our heartfelt gratitude to everyone who has contributed to the success of the Pacesetters Program. Your dedication and hard work have been instrumental in advancing supplier diversity, enhancing procurement practices, and increasing our spend with Minority Business Enterprises.

Together, we have made significant strides towards a more inclusive and equitable business environment. Thank you for your unwavering commitment to the Pacesetters Program and for making this journey a remarkable success. We look forward to continuing this important work together in the years to come.

