

# Foxconn Sets Goals for Contracting With Minority-Run Businesses

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This spring, Foxconn will begin preparing for construction of its massive LCD screen manufacturing plant in Racine County.

During phase one of construction, buildings will go up beginning late this year or early next year.

As planning progresses, the Taiwanese company is conducting information sessions around the state to explain to businesses how to bid for construction-related contracts.

[Gilbane Building Company](#) and [M+W Group](#) are the lead contractors spearheading Foxconn's effort to reach out to businesses that could earn construction-phase contracts.

Part of the outreach is to businesses run by minorities, women and veterans. Gilbane senior vice president Adam Jelen outlined the plans earlier this month at a Milwaukee Common Council committee meeting. He says Foxconn's goal is to have at least 60% of its construction contracts go to Wisconsin businesses; 10% to Racine County businesses; and another 10% to targeted businesses - minority-owned, veteran-owned, and women-owned businesses.

Democratic state representative David Crowley of Milwaukee has been concerned about whether the Foxconn project will provide jobs to people who need them. So he says he was pleased to learn about the effort to include minority, women and veteran-owned business. Crowley says taking steps to include those firms can have a ripple effect in minority populations. "They tend to hire people in low-income communities and communities that look like them."

He adds that the State of Wisconsin currently has a five percent goal for its construction contracts to minorities, women and veterans, but also notes that that Foxconn will be built near the state's largest communities of African-Americans in Racine, Kenosha and Milwaukee.

"So 10%, I guess that can be called ambitious, but I would like to see them go much further in really helping African-Americans in this region have a stepping-stone out of poverty," he says.

Another person who says it's a good idea for Foxconn to award contracts to minority-owned businesses is Marjorie Rucker. She's chair of the [Ethnically Diverse Business Coalition](#) of southeastern Wisconsin. Rucker attended a recent event in Milwaukee, designed to connect Foxconn to construction-related contractors.

She says the diverse, local firms usually employ no more than 500 people, and are more likely to give opportunities to minority workers and people who are unemployed or under-employed. "They're able to give entry level jobs a chance, depending on the industry."

Another person who attended the Foxconn outreach event for contractors was James Phelps. He and his brother run [JCP Construction](#) --a minority-owned firm. JCP employs 43 people and has worked on projects ranging from the Bucks' new arena to Pete's Fruit Market.

Phelps says JCP teams up small minority-run companies and hires minority workers to complete the projects. He says the chance to contract with Foxconn is important, because the partnership could help put a dent in Milwaukee's jobless rate. "It's an opportunity to fix a lot of ills, or at least start to make them go in the right direction."

But not everyone at the event was convinced that Foxconn's efforts, including at the informational session, will be a game changer for women, veteran, and minority-owned businesses. Shannon Jefferson is CEO of [Gibraltar Industries](#), a company that does final construction clean up. She says whatever outreach was done to attract potential contractors to the event didn't reach all available companies.

"I don't think that this is an accurate representation of the minority business community in Racine, Kenosha, and Milwaukee," she observed. "I don't think that this room, as I'm scanning the room, is a clear representation of who we are, as minority contractors."

Jefferson adds that sometimes minority contractors are so busy running their businesses that they don't have time to show up at such outreach sessions.

Some of the bids for Foxconn-related road construction have already been awarded through the state's Department of Transportation. The lead contractors are in the process of reviewing the first bids for initial work.