

Minority Inclusion in Debt Capital Markets: A Ranking of Corporate Issuers



Report Produced by:
Rainbow PUSH Wall Street Project

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I. Background

For the last 17 years the Wall Street Project's goal has been to advocate for inclusion in the financial marketplace. This includes encouraging diversity in hiring practices, promotion of diverse candidates to executive leadership positions and participation of minority owned firms in financial deal flow. It has been and continues to be the Wall Street Project's position that inclusive business practices benefit both minority and majority communities. By highlighting opportunities in the financial marketplace for more comprehensive inclusiveness, the Wall Street Project intends to initiate dialogue with major corporations to seek higher levels of minority business participation, to open the doors for greater economic parity.

As part of this initiative, the Wall Street Project examined the financial markets' performance in 2013* and observed the following in this record-breaking year:

- In equities, the S&P 500 ascended to its highest annual advance since 1997, responding to increased consumer confidence and an up-tick in housing prices.
- The S&P 500 index itself rose 30%, the largest increase since 1999, fueled by 3 rounds of stimulus by the Federal Reserve.
- The top ten industries in the S&P 500 posted gains, spurred by consumer-discretionary firms leading with a 41% increase.
- The US investment grade corporate bond market experienced similar good fortune as corporate bond issuance topped \$1.1 trillion.
- Deal flow in corporate bond issuance superseded historical levels only before achieved in 2009 and 2012.
- The two largest corporate bond issuance deals in history – Apple Inc., which sold \$17 billion of debt in April and Verizon Communications, Inc., which sold \$49 billion of debt in September, contributed to the record pace of bond issuance in 2013.

Strikingly absent from the 2 largest debt deals in history is one key element: minority participation. There were no minority-owned broker dealers (MWBs) included in either Apple or Verizon's landmark transactions. This exclusion accentuates the issue of underutilization of minority firms in the financial marketplace and elevates the need for a remedy to this problem of inequity.

* Financial market performance data sourced from Bloomberg Personal Finance, www.bloomberg.com, Stocks Extend 2013 Rally, Treasuries Drop on Economy Data, December 31, 2013. The Wall Street Journal – Market Watch, www.marketwatch.com, "US Corporate Bond Issuance Surges Past \$1 trillion, November 13, 2013". The Wall Street Journal, www.online.wsj.com, "Companies Sell Record \$1.111 Trillion of Bonds in 2013, December 31, 2013".

II. The Case for Minority Inclusion

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Why should corporations demonstrate concern for the minority business community?

1

Bottom-Line Benefits

- Diversity is a good business practice, not a philanthropic endeavor
- Inclusive business practices provide access to innovation and are ultimately a competitive advantage
- Greater competition in the marketplace and more sophisticated, socially conscious consumers will demand higher levels of accountability and transparency from the companies that they patronize
- Inclusiveness can be leveraged as a tool to create value in companies that rely on maintaining healthy, long term relationships with their consumer base which is mutually beneficial

2

Added-Value from MWBEs

- Expertise from personnel trained on the “Street” at bulge-bracket firms
- Staff with deep experience working with syndicate groups
- Wide-ranging relationships and a broader world view
- Incremental distribution network that expands the pool of investors who participate on deals

3

Consumer Spending

- One of the most important factors that drives the US economy
- Increased consumption impacts industrial production and corporate profits
- The profile of the African-American consumer base in the US is relevant to major corporations because, as a group, they are 43 million strong, tend to be brand loyal and have buying power that exceeds \$1 trillion
- Hispanics in the US total 50.5 million, and by 2015, their purchasing power is forecasted to exceed \$1.5 trillion

4

Changing Demographics

- African-Americans, Asian Pacific Islanders and Hispanics comprised 33% of the US population in 2010
- By 2050, minorities will constitute 54% of America’s population
- The rise of the majority-minority should incent major corporations to address minority concerns if they wish to remain locally relevant and globally competitive

Note: Purchasing power data sourced from www.nielson.com. Census data sourced from US Census Bureau.

III. Climate Survey

The Wall Street Project surveyed minority firms in the financial services industry to assess their perspectives on the state of inclusion in debt capital markets over the last 17 years.

- ✓ While the total number of minority firms in the sector over the last 17 years has increased, many firms have shut down due to challenges such as limited access to capital.
- ✓ The opportunity to engage in meaningful business allows minority companies to grow, employ people and expand their capital base.
- ✓ The cronyism network still exists in the financial marketplace.
- ✓ Minority firms are often excluded from debt capital market transactions, because of the reciprocity stemming from the credit support that corporations receive from large banks.
- ✓ There has been only a gradual increase in minority inclusion in debt capital markets transactions.
- ✓ Allocations to minority firms on deals has remained in a steady state; typically 1-2% of the total underwriting commitment is designated to minorities.
- ✓ Because allocation percentages remain fixed, when new minority firms are added to rotations, previously used firms are eliminated, never truly increasing the fees paid out in aggregate to minority firms.
- ✓ Minority firms that have been in existence for over a decade, have experienced a decline in fees earned from debt markets transactions, as newer firms are added into rotations, because corporations have capped the overall minority participation level.
- ✓ Minority firms add value in distribution channels, research and overall financial advice.
- ✓ Advocates, like the Wall Street Project, have been helpful in raising awareness of inequities in business practices.

IV. Statement of Intent

By examining levels of minority participation in debt capital markets, the Wall Street Project intends to highlight corporations that employ the most progressive, inclusive practices in the marketplace and those that present the greatest opportunities for improvement. Broadening the degree of minority participation leads to higher economic impact for minority firms, thereby fueling local economies.

This corporate ranking tool will be used as a catalyst to:

1. Focus attention on the connection between corporations that practice inclusiveness and the resultant economic benefit to minority firms and the communities in which they operate.
2. Lend insights to minority firms in order for them to identify opportunities in the marketplace.
 - Re-focus their efforts on companies that practice inclusiveness
 - Seek to establish relationships with those companies that are not actively inclusive
3. Question corporate policies that limit the extent of minority participation.
 - Restricting allocations to minority firms to 1-2% on average
 - Maintaining fixed rotations of select minority firms on deals
 - Excluding minority firms altogether
4. Engage top-tiered companies as partners to:
 - Assess existing industry practices to uncover ways to transform the status quo
 - Initiate dialogue to increase the focus on inclusiveness
5. Establish ways for minority firms to gain access to corporate decision-makers to facilitate relationship-building and create a pipeline for future business.
6. Integrate the topic of financial services' inclusiveness in the mainstream of industry conversation.

V. Scope of Analysis

The following inputs were used to rank corporate issuers' inclusiveness in the debt capital markets:

Transaction Volumes	<ul style="list-style-type: none">• Debt issuance in the primary corporate debt markets• Transactions representing 70% of total core debt market issuance for a 45 month time period (excluding Sovereigns / Supranationals)• Data obtained from Securities Data Corporation (SDC) Database
Time Period	<ul style="list-style-type: none">• 45 months of debt transactions analyzed representing January 2010 through September 2013
Corporations Analyzed	<ul style="list-style-type: none">• 160 Investment Grade Companies• Conduct the majority of their business through Business-to-Consumer channels; Business-to-Government channels; or are government regulated• Represent 9 different industries
Minority Investment Firms (MWBEs)	<ul style="list-style-type: none">• Companies defined as minority-owned by NMSDC• Inclusion on debt capital market deals was ranked according to the number of minority broker dealers that served as co-managers• Minority broker dealer participation was classified as one of the following:<ul style="list-style-type: none">- Non-existent- Limited to 1 MWBE only- Limited to 2 MWBEs- Included 3 or more MWBEs

VI. Ranking Methodology

Companies' performance in these 3 key areas was evaluated.			
Indicates key driver	1) Transaction Volume	2) Frequency of MWBE Inclusion	3) Number of MWBEs
	"How many debt transactions went to market?"	"What % of total transactions included MWBEs?"	"How many different MWBE firms participated on each debt transaction?"
Ranking Categories			
Tier 1	HIGH	HIGH	HIGH
	> 50	> 45%	High occurrence of 3 or more
Tier 2	MEDIUM	MEDIUM	MEDIUM
	> 20	> 30%*	1,2,3 or more
Tier 3	LOW	HIGH	MEDIUM
	< 20	Median 75%	1,2,3 or more
Tier 4	VARIABLES	MEDIUM	LOW
	1 - 50	Median 38%	1
Tier 5	VARIABLES	NONE	NONE
	1 - 25	0	0

*Excluding special cases.

VII. Tier 1, 2 & 3 Companies

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	1) Transaction Volume	2) Frequency of MWBE Inclusion	3) Number of MWBEs
Tier 1	High	High	High
Tier 2	Medium	Medium	Medium
Tier 3	Low	High	Medium

- ✓ Highest transaction volumes; more opportunities to generate fees
- ✓ Highest percentage of deals that included MWBEs
- ✓ Widest array of MWBE firms utilized; 1, 2, 3 or more firms

Tier 1
1 Citicorp
2 General Electric Company
3 JP Morgan
4 Toyota Motor Credit Corp.

Tier 2
1 AIG
2 Ally
3 AT&T
4 Bank of America
5 Bank of NY
6 Credit Suisse
7 Deutsche Bank
8 Ford
9 General Motors
10 Goldman Sachs
11 IBM
12 MetLife
13 Pepsico
14 Southern Company
15 Verizon Communications Inc.
16 Walmart
17 Wells Fargo & Company

Tier 3		
1 Altria	17 Federal Express	33 PG&E Corporation
2 Boeing	18 General Mills, Inc.	34 Prudential
3 Capital One Financial Corp.	19 Harley Davidson	35 PSE&G
4 Caterpillar	20 Home Depot	36 Sempra Energy
5 CBS	21 Kellogg	37 Southern California Edison
6 Chevron	22 Kraft Food Group/Mondelez	38 Starbucks
7 CIT Group Inc.	23 Kroger Co	39 State Street
8 Clorox	24 Lowe's Companies, Inc.	40 SunTrust
9 CMS Energy Corp	25 Macys Retail Holdings	41 The Walt Disney Company
10 Comcast Corporation	26 McDonalds	42 Time Warner Cable Inc.
11 Consolidated Edison, Inc.	27 Merck & Co. Inc.	43 Time Warner Inc.
12 Covidien PLC	28 Microsoft	44 UBS
13 Darden Corp	29 NextEra	45 US Bancorp
14 Dow Chemical	30 Northrop Grumman	46 Viacom
15 DTE Energy Company	31 Pepco	47 Wisconsin Electric Power
16 Exelon Corporation	32 Pfizer Inc.	48 Zoetis

Notes:

- 1) Debt transactions analyzed represent the 45 months of 1/1/10 through 9/30/13.
- 2) Companies are listed in alphabetical order, within each Tier.

VIII. Tier 4 Companies

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	1) Transaction Volume	2) Frequency of MWBE Inclusion	3) Number of MWBEs
Tier 4	Varies	Medium	Low

- ✓ In general, limited MWBE participation to 1 firm only
- ✓ Did not utilize a wide array of different MWBE firms

Tier 4	
1 Ameren	20 Johnson & Johnson
2 American Electric Power	21 Lincoln National Corp
3 Australia & New Zealand Banking Group	22 Marriott International
4 Bank of Nova Scotia	23 Nationwide
5 Burlington Northern	24 New York Life
6 Campbell Soup	25 Nisource Finance Corp
7 Colgate Palmolive	26 PACCAR Inc
8 CSX Corp	27 Principal
9 CVS	28 Procter and Gamble
10 Discover	29 Regions Financial Corp
11 Duke Energy	30 Reynolds American Inc.
12 Dupont	31 Royal Bank of Canada
13 Ebay	32 The Allstate Corporation
14 Entergy	33 The Toronto Dominion Bank
15 Express Scripts	34 Union Pacific Corp
16 Google	35 US Bancorp
17 Hartford Financial Services Group Inc.	36 Walgreen Company
18 Honda	37 Westar Energy
19 HSBC Bank PLC	

Notes:

- 1) Debt transactions analyzed represent the 45 months of 1/1/10 through 9/30/13.
- 2) Companies are listed in alphabetical order, within each Tier.

IX. Tier 5 Companies

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	1) Transaction Volume	2) Frequency of MWBE Inclusion	3) Number of MWBEs
Tier 5	Varies	None	None

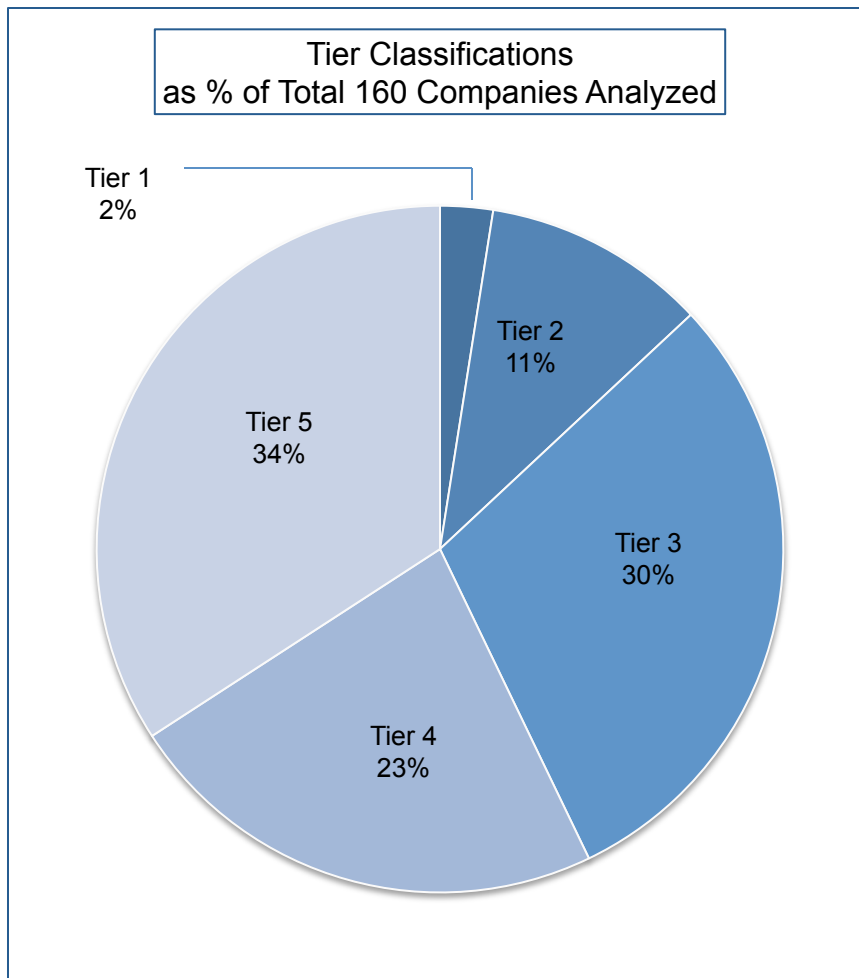
- ✓ Never used MWBEs on debt deals
- ✓ Zero frequency of inclusion

Tier 5	
1 Aetna	29 International Gaming Technology
2 African Development Bank	30 John Deere
3 AMC Entertainment Inc	31 KeyCorp
4 American Tower	32 Kimberly Clarke
5 Amgen	33 Kinder Morgan Energy Partners
6 Apple	34 Liberty Mutual
7 AutoZone	35 Lockheed Martin
8 Bank of Montreal	36 Marsh McClennan
9 Bank of Tokyo-Mitsubishi	37 McCormick & Co
10 Barclays	38 MidAmerican Energy Co
11 BP Capital Markets PLC	39 New America Inc.
12 Bristol-Myers Squibb	40 NewsCorp
13 Chesapeake Midstream Partners	41 Nike
14 Commerzbank AG	42 Nissan Motor Acceptance Corp
15 Constellation Energy Group Inc	43 Oracle
16 Constellation Energy Partners	44 Rogers Communication
17 Costco	45 Safeway
18 Cox Communications	46 Sierra Pacific Power Co.
19 Credit Acceptance Corp	47 Soc Gen
20 Dominion Resources	48 Tennessee Valley Authority
21 Enbridge Energy	49 The AES Corporation
22 Exxon	50 The Coca-Cola Co
23 Financiera Independencia SA	51 TRW Automotive
24 Georgia Pacific	52 Waste Management Inc.
25 Halliburton	53 Wellpoint
26 Hertz	54 Weyerhaeuser Co
27 Hewlett Packard	55 Xcel Energy
28 HJ Heinz Co	

Notes:

- 1) Debt transactions analyzed represent the 45 months of 1/1/10 through 9/30/13.
- 2) Companies are listed in alphabetical order, within each Tier.

X. Observations on Tier Rankings



- ❖ Tier 1 represents the smallest number of firms (4 or 2% of 160), because these were the only firms that met the highest standards of volume, inclusion and had the broadest number of participating minority firms
- ❖ 43% of companies (Tiers 1, 2 & 3) represent the largest opportunity for MWBEs because these firms actively issued new debt deals and included MWBEs, albeit to varying degrees
- ❖ 34% of companies in the analysis did not use MWBEs at all on debt deals (Tier 5)

XI. Industry Analysis

Industry	Total Count	
	# of companies	% of total
Financial	46	29%
Consumer, Non-cyclical	27	17%
Utilities	25	16%
Consumer, Cyclical	21	13%
Communications	15	9%
Industrial	12	7%
Energy	8	5%
Technology	4	2%
Basic Materials	<u>3</u>	<u>2%</u>
	161	100%

- Consumer (cyclical and non-cyclical) firms represent the largest pool of companies in this analysis at 30% of the total
- 3 of the 4 Tier 1 companies (75%) were financial firms
- More than 1/2 of Tier 5 firms (55%) that demonstrated zero inclusiveness, were consumer and financial companies
- 24% of the Tier 5 companies were financial firms, mostly foreign banks who have not generally demonstrated a commitment to inclusiveness
- Utilities tend to be less frequent issuers in the market; but typically demonstrate a higher underwriting commitment to MWBEs

Industry	Tier 1		Tier 2		Tier 3		Tier 4		Tier 5		TOTAL COUNT	
	# of companies	% of total	# of companies	% of total	# of companies	% of total	# of companies	% of total	# of companies	% of total	# of companies	% of total
Basic Materials	0	0%	0	0%	1	2%	1	3%	1	2%	3	2%
Communications	0	0%	2	12%	6	13%	2	5%	5	9%	15	9%
Consumer, Cyclical	0	0%	3	18%	7	15%	4	11%	7	13%	21	13%
Consumer, Non-cyclical	0	0%	1	6%	10	21%	6	16%	10	18%	27	17%
Energy	0	0%	0	0%	1	2%	0	0%	7	13%	8	5%
Financial	3	75%	9	53%	6	13%	15	41%	13	24%	46	29%
Industrial	1	25%	0	0%	5	10%	3	8%	3	5%	12	7%
Technology	0	0%	1	6%	1	2%	0	0%	2	4%	4	2%
Utilities	<u>0</u>	<u>0%</u>	<u>1</u>	<u>6%</u>	<u>11</u>	<u>23%</u>	<u>6</u>	<u>16%</u>	<u>7</u>	<u>13%</u>	<u>25</u>	<u>16%</u>
	4	100%	17	100%	48	100%	37	100%	55	100%	161	100%

XII. Deal Analysis by Industry

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of Debt Deals by Industry

Industry	Tier 1		Tier 2		Tier 3		Tier 4		Tier 5		TOTAL DEAL COUNT	
	# Debt Deals	% of total	# Debt Deals	% of total	# Debt Deals	% of total	# Debt Deals	% of total	# Debt Deals	% of total	# Debt Deals	% of total
Basic Materials	0	0%	0	0%	6	1%	11	2%	2	1%	19	1%
Communications	0	0%	45	6%	70	16%	9	2%	19	5%	143	6%
Consumer, Cyclical	0	0%	167	22%	52	12%	46	9%	45	12%	310	12%
Consumer, Non-cyclical	0	0%	23	3%	67	15%	75	15%	111	29%	276	11%
Energy	0	0%	0	0%	11	3%	0	0%	53	14%	64	3%
Financial	265	60%	489	63%	72	16%	287	58%	97	26%	1,210	48%
Industrial	178	40%	0	0%	37	8%	29	6%	11	3%	255	10%
Technology	0	0%	20	3%	14	3%	0	0%	15	4%	49	2%
Utilities	0	0%	28	4%	111	25%	41	8%	26	7%	206	8%
	443	100%	772	100%	440	100%	498	100%	379	100%	2,532	100%
<i>% of total debt deals per tier</i>	17%		30%		17%		20%		15%		100%	
<i>Number of companies per tier</i>	4		17		48		37		55		161	

- Due to the nature of their services, financial firms consistently have higher volumes of debt deals than other sectors
- Consumer cyclical and non-cyclical companies combined, constitute over 40% of the deals transacted amongst the Tier 5 companies
- Approximately 50% of deals in Communications and Utility sectors respectively were concentrated in Tier 3 indicating that although the relative volume of deals was low, they maintained a commitment to using MWBEs
- Energy companies routinely do not use MWBEs on debt transactions, as evidenced by the fact that over 80% of their deals were grouped in Tier 5

XIII. The Opportunity

More inclusiveness in debt transactions in the following 4 industry groups would have a significant, positive impact on minority firms. They represent the greatest opportunity for improving inclusiveness based on either existing practices in their industry groups or the importance of the African-American consumer to their market.

Financial Firms

- Most routinely active issuers
- Biggest opportunity to generate fees, due to volume of transactions
- Best track record for broad inclusiveness
- High potential to raise awareness of the inclusiveness agenda

Foreign Banks

- Integrate more socially conscious practices into US operations
- Leverage model for inclusiveness of US-headquartered financial firms

Consumer Cyclical & Non-Cyclical

- Rely on a consumer base that is supported by African-American buying power and a growing Hispanic demographic
- Highest concentration of firms with no minority participation on debt deals

Utilities

- Leverage the model of the CPUC* utility companies (Tier 3) that routinely engage minority firms on deals
- CPUC encourages relationship building with minority firms and recognizes the intrinsic value of inclusiveness (General Order 156)

*CPUC: CA Public Utilities Commission

XIV. Corporate Board Membership

- **Diverse Corporate Board Membership** can be a facilitator for better corporate inclusion practices
- Board members must be informed of what their company's standings are in terms of inclusiveness
- Subsequent work must be done with receptive board members to uncover internal corporate practices that present obstacles, such as lack of enforcement and accountability within management ranks
- Board Members are in the position to challenge legacy business practices
- Board Members can introduce minority firms to key decision-makers in their corporate / treasury divisions (CEO, CFO, Treasurer) to afford them the opportunity to raise their visibility and develop relationships

- 23 of the corporations in this ranking have 40% or more Board Diversity, including Women, African-Americans, Hispanics & Asians (Alliance for Board Diversity 2012)
- Of these 23 companies, 73% fell into Tiers 1, 2 & 3, indicating a higher predisposition to utilizing minority firms
- 3 companies were Tier 5 firms, with no diversity participation at all

Fortune 500 Companies with 40% or more Board Diversity a/o June 30, 2012

WSP* Corporate Issuer Tiers				
1	2	3	4	5
Citigroup	AT&T	Altria	Colgate Palmolive	Coca Cola
	Met Life	General Motors	Google	Hewlett Packard
	Pepsico	Kraft/Mondelez	Johnson & Johnson	Well Point
	Verizon	Pfizer	McDonalds	
	Wells Fargo	Proctor & Gamble		
		Prudential		
		Sempra Energy		
		Starbucks		
		US Bancorp		
		Walt Disney		

*Wall Street Project (WSP)

Corporate Board Membership (continued)

- 40% of the companies on the list of **Fortune 500 Boards with the Broadest Diversity** were represented in this ranking analysis (13 of 20)
- Broadest Diversity is defined as having directors from each of the four major ethnic/racial groups defined by the census and women (June 30, 2102 by Fortune Rank, Alliance for Board Diversity)
- Citigroup was ranked in Tier 1, illustrating the correlation between diverse board membership and corporate policies on inclusiveness

Fortune 500 Boards with the Broadest Diversity

WSP* Corporate Issuer Tiers		
1	2	3
Citigroup	Bank of America Met Life Pepsico Wells Fargo	Exelon PG&E Corp Prudential Sempra Energy Starbucks Time Warner Cable US Bancorp Walt Disney

30% of S&P 500 companies do not have a single Black Board Member.

Black Enterprise, September 2013

- 7 companies in this analysis were on **Black Enterprise's List of 75 Companies Without Black Board Members, September 2013**
- Not surprisingly, they were ranked in the lowest 2 tiers
- Apple's track-record demonstrates its lack of inclusiveness (no Black Board members, Tier 5 Ranking and the absence of minorities on its \$17B debt offering in April 2013)

Companies Without Black Board Members

WSP* Corporate Issuer Tiers	
4	5
CVS Duke Energy Ebay Google	Apple HP NewsCorp

*Wall Street Project (WSP)

XV. Next Steps

1. Engage major corporations in dialogue to promote inclusiveness

- Understand corporate policies and culture of Tier 1 companies to determine new, innovative ways of opening the door to MWBEs
- Connect with African-American Board Members of major corporations to inform them of their company's inclusiveness ranking in debt capital markets, to uncover ways to change corporate protocols
- Consult Corporate Treasurers to identify what drives their decision-making

2. Focus on increasing top-line allocations

- Wall Street Project member organizations determined that on average, corporations allocate 1-2% of economics in debt deals to an individual MWBE
- Using the Apple and Verizon deals from 2013 as examples, an underwriting participation commitment of 1% would have earned a MWBE firm \$532K on the Apple transaction and \$2.652M on the Verizon transaction
- Determine what steps are required to incent corporations to increase overall underwriting economics for each MWBE that is utilized
- Question why firms restrict the number of minority firms that are in rotation

3. Assist MWBEs with Building Relationships

- Host events with corporate executives (Board Members, CEOs, CFOs and Corporate Treasurers) to allow MWBEs the opportunity to gain exposure and build relationships
- Create forums to facilitate information-sharing with major corporations interested in improving their inclusiveness practices

4. Institutionalize the impact of this analysis

- Update the tier ranking on an annual basis to gauge improvement year over year in corporate inclusiveness
- Create a Task Force to drive this initiative including representatives of minority firms, African-American Board Members of major corporations and Corporate Treasurers
- Work with companies to set participation goals

5. Examine the level of minority inclusiveness by corporations in the asset management and M&A advisory arenas

XVI. Conclusion

For many in the minority investment arena, a feeling of frustration exists because for almost two decades there has only been gradual progress in opening debt capital markets to more comprehensive diversity practices. Minority firms face constant challenges (undercapitalization, limited access to corporate decision-makers, arbitrary caps on utilization) and this one presented by the limited access to debt capital markets opportunities, only adds to the list. However, the only way to begin to shift the corporate paradigm around inclusiveness is to engage in dialogue with the experts and decision-makers, who have the potential to accelerate the rate of progress. Additionally, large corporations must be compelled to exercise their power in the process of determining which firms participate on their deals. They have the ultimate level of control in deploying greater, more meaningful opportunities for MWBEs.

This ranking of corporations casts a direct spotlight on those corporations that are best positioned today, to offer minority firms more economic parity. With this foundation of information, the Wall Street Project is positioned to challenge current corporate conventions and seeks to ultimately change the status quo. The goal is to ensure that future Apple and Verizon debt deals will include a broader array of firms, who can equally participate in the economic rewards, manage their firms for long-term sustainability and ultimately, have a positive impact on the economic vitality of our country.

“Minority-owned firms help fuel the engine that drives our economy and job creation. Success of the minority business community leads to the creation of more jobs, an expanded tax base, community benefits and global competitiveness. Their success will ultimately help drive the success and recovery of the American economy.”

(“Number of Minority-Owned Businesses Increases but Economic Parity Remains Elusive”,
July 13, 2010, National Minority Development Agency, US Department of Commerce)

For more information or to become part of the Task Force on this initiative, contact the Wall Street Project.

XVII. Appendix

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Minority Inclusion in Debt Capital Markets-Corporate Issuer Ranking

Supporting Data

				Transaction Volume	Frequency of MWBE Inclusion	Number of Participating MWBEs		
				Total # of Debt Issues 1/1/10-9/30/13	% of Total Debt Issues that included MWBEs	% of Issues that included MWBEs but was limited to 1 participating MWBE	% of Issues that included MWBEs and was allocated to 2 MWBEs	% of Issues that included MWBEs and was allocated to 3 or more MWBEs
Tier	Ticker	Industry	Company Name					
1	GE	Industrial / Autos	General Electric Company	178	48%	42%	1%	56%
1	JPM	Financial	JP Morgan	141	48%	24%	34%	43%
1	C	Financial	Citicorp	72	49%	6%	9%	86%
1	TOYOTA	Financial / Autos	Toyota Motor Credit Corp	52	60%	42%	42%	16%
2	GS	Financial	Goldman Sachs	127	33%	45%	29%	26%
2	F	Consumer, Cyclical	Ford	105	31%	21%		
2	ALLY	Financial	Ally	96	16%	13%	20%	67%
2	WFC	Financial	Wells Fargo & Company	51	39%	15%	10%	75%
2	CS	Financial	Credit Suisse	48	21%	20%	40%	40%
2	BAC	Financial	Bank of America	44	50%	23%	59%	18%
2	MET	Financial	MetLife	44	11%	0%	0%	100%
2	GM	Consumer, Cyclical	General Motors	41	39%	0%	25%	75%
2	AIG	Financial	AIG	29	34%	0%	0%	100%
2	SO	Utilities	Southern Company	28	64%	56%	22%	22%
2	DB	Financial	Deutsche Bank	26	27%	29%	71%	0%
2	BK	Financial	Bank of NY	24	88%	10%	29%	62%
2	PEP	Consumer, Non-cyclical	Pepsico	23	87%	40%	60%	0%
2	T	Communications	AT&T	23	78%	0%	11%	89%
2	VZ	Communications	Verizon Communications Inc.	22	59%	0%	31%	69%
2	WMT	Consumer, Cyclical	Walmart	21	90%	0%	89%	11%
2	IBM	Technology	International Business Machines Corp	20	85%	53%	24%	24%
3	PRU	Financial	Prudential	19	89%	0%	6%	94%
3	NEE	Utilities	NextEra	17	41%	43%	0%	57%
3	TWX	Communications	Time Warner Inc.	16	100%	0%	75%	25%
3	CMCSA	Communications	Comcast Corporation	16	63%	0%	0%	100%
3	UBS	Financial	UBS	15	47%	43%	57%	0%
3	MSFT	Technology	Microsoft	14	100%	21%	57%	21%
3	CIT	Financial	CIT Group Inc.	14	29%	0%	25%	75%
3	VIA	Communications	Viacom	13	100%	85%	15%	0%
3	DIS	Communications	The Walt Disney Company	13	92%	0%	17%	83%
3	EIX	Utilities	Southern California Edison	13	92%	0%	25%	75%
3	PCG	Utilities	PG&E Corporation	13	92%	42%	33%	25%
3	EXC	Utilities	Exelon Corporation	13	92%	50%	50%	0%
3	LOW	Consumer, Cyclical	Lowe's Companies, Inc.	13	85%	0%	36%	64%

Appendix

Rainbow PUSH Wall Street Project

Minority Inclusion in Debt Capital Markets-Corporate Issuer Ranking

Supporting Data

Tier	Ticker	Industry	Company Name	Transaction Volume	Frequency of MWBE Inclusion	Number of Participating MWBEs		
				Total # of Debt Issues 1/1/10-9/30/13	% of Total Debt Issues that included MWBEs	% of Issues that included MWBEs but was limited to 1 participating MWBE	% of Issues that included MWBEs and was allocated to 2 MWBEs	% of Issues that included MWBEs and was allocated to 3 or more MWBEs
3	MCD	Consumer, Cyclical	McDonalds	13	54%	14%	71%	14%
3	COF	Financial	Capital One Financial Corp	12	75%	11%	33%	56%
3	NOC	Industrial	Northrop Grumman	12	50%	0%	0%	100%
3	DTE	Utilities	DTE Energy Company	12	25%	100%	0%	0%
3	MRK	Consumer, Non-cyclical	Merck & Co. Inc.	11	73%	25%	75%	0%
3	CVX	Energy	Chevron	11	55%	0%	67%	33%
3	PEG	Utilities	PSE&G	10	90%	100%	0%	0%
3	HD	Consumer, Cyclical	Home Depot	9	100%	67%	33%	0%
3	KRFT	Consumer, Non-cyclical	Kraft Food Group/Mondelez International	9	89%	0%	50%	50%
3	CAT	Industrial	Caterpillar	9	56%	0%	100%	0%
3	COV	Consumer, Non-cyclical	Covidien PLC	8	63%	60%	40%	0%
3	K	Consumer, Non-cyclical	Kellogg	8	50%	25%	75%	0%
3	MO	Consumer, Non-cyclical	Altria	7	100%	0%	100%	0%
3	HOG	Consumer, Cyclical	Harley Davidson	7	100%	86%	14%	0%
3	STT	Financial	State Street	7	71%	0%	100%	0%
3	GIS	Consumer, Non-cyclical	General Mills, Inc.	7	71%	80%	20%	0%
3	DOW	Basic Materials	Dow Chemical	6	100%	0%	67%	33%
3	KR	Consumer, Non-cyclical	Kroger Co	6	100%	33%	67%	0%
3	TWC	Communications	Time Warner Cable Inc.	6	83%	0%	20%	80%
3	BA	Industrial	Boeing	6	67%	0%	100%	0%
3	CBS	Communications	CBS	6	50%	0%	67%	33%
3	CMS	Utilities	CMS Energy Corp	6	50%	33%	33%	33%
3	WEC	Utilities	Wisconsin Electric Power	6	33%	50%	50%	0%
3	M	Consumer, Cyclical	Macys Retail Holdings	5	100%	0%	0%	100%
3	PFE	Consumer, Non-cyclical	Pfizer Inc.	5	100%	0%	0%	100%
3	UPS	Industrial	US Bancorp	5	100%	0%	0%	100%
3	ED	Utilities	Consolidated Edison, Inc.	5	80%	0%	100%	0%
3	FDX	Industrial	Federal Express	5	80%	50%	50%	0%
3	STI	Financial	SunTrust	5	40%	0%	50%	50%
3	ZTS	Consumer, Non-cyclical	Zoetis	4	75%	0%	100%	0%
3	DRI	Consumer, Cyclical	Darden Corp	3	67%	0%	100%	0%
3	POM	Utilities	Pepco	3	67%	50%	50%	0%
3	SBUX	Consumer, Cyclical	Starbucks	2	100%	0%	100%	0%
3	CLX	Consumer, Non-cyclical	Clorox	2	100%	0%	100%	0%

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				Transaction Volume	Frequency of MWBE Inclusion	Number of Participating MWBEs
Tier	Ticker	Industry	Company Name	Total # of Debt Issues 1/1/10-9/30/13	% of Total Debt Issues that included MWBEs	% of Issues that included MWBEs but was limited to 1 participating MWBE
4	BNS	Financial	Bank of Nova Scotia	54	2%	100%
4	ANZ	Financial	Australia & New Zealand Banking Group	41	32%	100%
4	HSBC	Financial	HSBC Bank PLC	41	10%	50%
4	RY	Financial	Royal Bank of Canada	35	11%	50%
4	HNDA	Financial / Auto	Honda	32	25%	100%
4	PG	Consumer, Non-cyclical	Procter and Gamble	22	55%	100%
4	TD	Financial	The Toronto Dominion Bank	22	18%	100%
4	CL	Consumer, Non-cyclical	Colgate Palmolive	20	90%	100%
4	CVS	Consumer, Cyclical	CVS	16	13%	100%
4	USB	Financial	US Bancorp	16	13%	100%
4	PCAR	Consumer, Cyclical	PACCAR Inc	16	6%	100%
4	BNSF	Industrial	Burlington Northern	15	33%	100%
4	DD	Basic Materials	Dupont	11	27%	100%
4	PFG	Financial	Principal	10	50%	100%
4	CPB	Consumer, Non-cyclical	Campbell Soup	10	20%	100%
4	DUK	Utilities	Duke Energy	10	20%	100%
4	JNJ	Consumer, Non-cyclical	Johnson & Johnson	9	100%	100%
4	ESRX	Consumer, Non-cyclical	Express Scripts	9	67%	100%
4	MAR	Consumer, Cyclical	Marriott International	9	22%	100%
4	ETR	Utilities	Entergy	9	11%	100%
4	HIG	Financial	Hartford Financial Services Group Inc.	8	63%	100%
4	NI	Utilities	Nisource Finance Corp	8	38%	100%
4	AEP	Utilities	American Electric Power	8	13%	100%
4	ALL	Financial	The Allstate Corporation	7	71%	100%
4	NYLIFE	Financial	New York Life	7	57%	100%
4	CSX	Industrial	CSX Corp	7	43%	100%
4	UNP	Industrial	Union Pacific Corp	7	29%	100%
4	EBAY	Communications	Ebay	6	67%	100%
4	RAI	Consumer, Cyclical	Walgreen Company	5	100%	100%
4	WAG	Consumer, Non-cyclical	Reynolds American Inc.	5	100%	100%
4	WR	Utilities	Westar Energy	5	80%	100%
4	LNC	Financial	Lincoln National Corp	5	20%	100%
4	RF	Financial	Regions Financial Corp	4	100%	100%
4	DFS	Financial	Discover	4	75%	67%
4	GOOG	Communications	Google	3	100%	100%
4	NWIDE	Utilities	Nationwide	1	100%	100%
4	AEE	Financial	Ameren	1	100%	100%

Appendix

Rainbow PUSH Wall Street Project

Minority Inclusion in Debt Capital Markets-Corporate Issuer Ranking

Supporting Data

				Transaction Volume	Frequency of MWBE Inclusion
				Total # of Debt Issues 1/1/10-9/30/13	% of Total Debt Issues that included MWBEs
Tier	Ticker	Industry	Company Name		
5	COXENT	Communications	Cox Communications	4	0%
5	LINTA	Communications	Liberty Mutual	5	0%
5	FOXA	Communications	New America Inc.	3	0%
5	NWSA	Communications	NewsCorp	2	0%
5	RCI	Communications	Rogers Communication	5	0%
5	AMC	Consumer, Cyclical	AMC Entertainment Inc	1	0%
5	AZO	Consumer, Cyclical	AutoZone	4	0%
5	COST	Consumer, Cyclical	Costco	6	0%
5	IGT	Consumer, Cyclical	International Gaming Technology	2	0%
5	NKE	Consumer, Cyclical	Nike	4	0%
5	NSANY	Consumer, Cyclical	Nissan Motor Acceptance Corp	26	0%
5	TRW	Consumer, Cyclical	TRW Automotive	2	0%
5	AET	Consumer, Non-cyclical	Aetna	7	0%
5	AMGN	Consumer, Non-cyclical	Amgen	18	0%
5	BMJ	Consumer, Non-cyclical	Bristol-Myers Squibb	3	0%
5	HTZ	Consumer, Non-cyclical	Hertz	13	0%
5	HNZ	Consumer, Non-cyclical	HJ Heinz Co	10	0%
5	KMB	Consumer, Non-cyclical	Kimberly Clarke	14	0%
5	MCK	Consumer, Non-cyclical	McCormick & Co	4	0%
5	SWY	Consumer, Non-cyclical	Safeway	4	0%
5	KO	Consumer, Non-cyclical	The Coca-Cola Co	26	0%
5	WLP	Consumer, Non-cyclical	Wellpoint	12	0%
5	CHKM	Energy	Chesapeake Midstream Partners	3	0%
5	CEP	Energy	Constellation Energy Partners	1	0%
5	EEP	Energy	Enbridge Energy	6	0%
5	XOM	Energy	Exxon	3	0%
5	HAL	Energy	Halliburton	6	0%

				Transaction Volume	Frequency of MWBE Inclusion
				Total # of Debt Issues 1/1/10-9/30/13	% of Total Debt Issues that included MWBEs
Tier	Ticker	Industry	Company Name		
5	HP	Energy	Hewlett Packard	20	0%
5	KMP	Energy	Kinder Morgan Energy Partners	14	0%
5	AFDB	Financial	African Development Bank	14	0%
5	AMT	Financial	American Tower	9	0%
5	BMO	Financial	Bank of Montreal	1	0%
5	MUFJ	Financial	Bank of Tokyo-Mitsubishi	24	0%
5	BACR	Financial	Barclays	15	0%
5	BPLN	Financial	BP Capital Markets PLC	22	0%
5	CMBZ	Financial	Commerzbank AG	1	0%
5	CACC	Financial	Credit Acceptance Corp	2	0%
5	FINDEP	Financial	Financiera Independencia SA	1	0%
5	KEY	Financial	KeyCorp	2	0%
5	MMC	Financial	Marsh McLennan	4	0%
5	SOCGEN	Financial	Soc Gen	1	0%
5	WY	Financial	Weyerhaeuser Co	1	0%
5	DE	Industrial	John Deere	2	0%
5	LMT	Industrial	Lockheed Martin	6	0%
5	WM	Industrial	Waste Management Inc.	3	0%
5	AAPL	Technology	Apple	6	0%
5	ORCL	Technology	Oracle	9	0%
5	CEG	Utilities	Constellation Energy Group Inc	1	0%
5	D	Utilities	Dominion Resources	8	0%
5	MIDAM	Utilities	MidAmerican Energy Co	3	0%
5	NVE	Utilities	Sierra Pacific Power Co.	1	0%
5	TVA	Utilities	Tennessee Valley Authority	6	0%
5	AES	Utilities	The AES Corporation	4	0%
5	XEL	Utilities	Xcel Energy	3	0%