

Press Release

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Netflix Invests \$10 Million in HOPE to Build Economic Opportunity in Black Communities

JACKSON, MS – Netflix today announced a \$10 million deposit in Hope Credit Union as one of the first investments in a \$100 million initiative to build economic opportunity in Black communities. The investment is among the first made by Netflix in financial institutions and other organizations that directly support Black communities in the U.S.

The Netflix investment in HOPE will be in the form of a Transformational Deposit. In each Deep South state served by HOPE, for every dollar in net worth held by white households, Black households hold between ten and twenty cents. Through Transformational Deposits, HOPE imports funds into these capital-starved communities to make business, mortgage and consumer loans and provide other financial services that build wealth and foster economic mobility. Over the next two years, HOPE estimates the Netflix deposit will support financing to more than 2,500 entrepreneurs, homebuyers and consumers of color.

In a blog published today, Netflix Director of Talent Acquisition Aaron Mitchell and Treasury Director Shannon Alwyn noted that there is much more to be done to narrow the wealth gap and that the investments will contribute to a more equitable financial system. “Nineteen percent of Black families have either negative wealth or no assets at all, compared to only 9 percent of White households, according to the U.S. Federal Reserve,” they wrote. “Black banks have existed to fight this for generations – spurring economic growth by extending credit in often underbanked communities. But they’re disadvantaged in their access to capital, especially from large multinational companies, when compared to other banks.”

“Left unchecked, America’s unsustainable racial wealth gap will get even wider,” said HOPE CEO Bill Bynum. “On a per capita basis, financial institutions owned or led by people of color are the most effective way to fuel economic mobility and prosperity for people and places from which wealth has been extracted for generations. If other companies followed Netflix’ example, hundreds of billions could be invested toward closing debilitating opportunity gaps that create division and limit America’s immense potential.” According to the FDIC, roughly six out of 10 people living in the service area of Black owned banks are Black, in contrast to six out of 100 for banks that are not Black-owned.

HOPE is the only depository institution in several communities, including Itta Bena, a majority Black Mississippi Delta town, with a poverty rate of 42%, a median household income of \$20,417 and only \$1.2 million in total local deposits. Transformational deposits are designed to import capital into banking deserts such as Itta Bena.

Companies and individuals interested in making a Transformational Deposit in HOPE can learn more at <https://www.hopecu.org/transform>.

About HOPE

HOPE (Hope Enterprise Corporation, Hope Credit Union and Hope Policy Institute) provides financial services; aggregates resources; and engages in advocacy to mitigate the extent to which factors such as race, gender, birthplace and wealth limit one’s ability to prosper. Since 1994, HOPE has generated more than \$2.5 billion in financing that has benefitted more than 1.5 million people in Alabama, Arkansas, Louisiana, Mississippi and Tennessee.