
Annie T. Malone

Poro Products Annie Malone Children and Family Services Center

By M. Karen Hubbard

LESSON DESCRIPTION

Students read a story about an entrepreneur, Annie T. Malone, who founded a hair-care company in St. Louis, Missouri. Students learn how important it is to find a niche market when starting a business by matching consumer products with the correct niche market.

ECONOMIC CONCEPTS

- entrepreneur
- market
- niche market

RELATED CONCEPTS

- reading comprehension
- writing skills

MATERIALS

- One copy of “Annie T. Malone” reading for each student
- One copy of Activity 1 – “Guess the Consumer” for each student
- One copy of Activity 2 – “Can You Fill a Niche?” for each student or pair of students
- One copy of the “Annie T. Malone Assessment” for each student

TIME

- 45 minutes

PROCEDURE

1. Ask if any of the students have heard of the Annie Malone Children’s Home or the Annie Malone Parade. Instruct the students to read the story about Annie Malone and find out how she earned the money to build the Children’s Home.
2. Explain that Annie Malone is called an **entrepreneur**. An **entrepreneur** is a person who controls the production process of a business, makes business-policy decisions, attempts to be innovative in new products or

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- methods of production, and bears the risk of their time, effort, and funds invested in the business.
3. Discuss:
 - a. What interested Malone when she was young? (African-American hair)
 - b. What products did she make for African American women's hair? (shampoos, lotions and other beauty products) Why? (the products the African American women were using would harm their hair and scalp)
 4. Explain that Annie Malone had found a "niche market." A **market** is anytime producers and consumers make an exchange. For example, you go to a store to buy lemons. The producer brought the lemons to the store and you went to the store to get the lemons. Another example would be buying lunch at school.
 5. Encourage students to name other goods and services they have purchased. Instruct them to include where or how the purchases were made. (bought lunch at school, bought a movie ticket at the cinema, bought a video game on Ebay)
 6. A **niche market** is one in which producers provide a product that is appealing to a very specific group of consumers. For example, an entrepreneur could produce CDs with Russian children's songs for a group of Russian parents who have come to the United States. Or an entrepreneur could open a Vietnamese restaurant for recent Vietnamese immigrants. Ask students to think of goods or services that might be produced for a niche market. After they have made their suggestions, relate the following products that have introduced goods into a niche market.
 - gourmet dog biscuits for dog owners
 - rigid strips (like stiff Band-aids®) that hold snorers' nostrils open
 - a store that supplies ingredients and kitchens so that moms and dads can cook a week's worth of dinners in just a couple hours
 - a person who rides a bicycle around downtown areas picking up and delivering packages
 7. Distribute Activity 1 – "Guess the Consumer" to each student. Instruct them to read the product description and match the specific consumer group with the product.
 8. Ask students to identify Annie Malone's niche market. (African American women's hair products)
 9. Explain that identifying a niche market is a good beginning, but a lot of hard work must follow. Annie Malone had many decisions to make to start and run her business.
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10. Ask the following questions.

- a. How did she produce the hair/beauty products? (she used her chemistry knowledge and was helped by a trained herb doctor)
- b. What did she do to help her business grow? (moved from Peoria, Illinois, to St. Louis, Missouri)
- c. Why do you think she moved to St. Louis? (to reach a larger number of African American women)
- d. How did she sell her products? (door-to-door) Why? (because African Americans were not allowed to use the traditional distributions system)
- e. Why did Malone decide to sell nationally? (she got a favorable response to her products at the St. Louis World's Fair)
- f. About how many years did it take her to expand nationally? (6 years)
- g. In 1906, what did Malone call her company? (Poro Company) What does it mean? (West African word which means "physical and spiritual growth")
- h. What type of training did women get at the Poro College? (Women were trained in manicure, pedicure, massage, and hair weaving. They were taught how to talk, walk, and dress correctly.)
- i. What did Annie Malone do with much of her money? (She donated large amounts of money to charities, schools, and bought homes for relatives.)
- j. What happened to most of her property? (It was sold to pay real estate and excise taxes to the government. Taxes pay for public goods and services that all may use, such as roads, schools, national defense, etc.)
- k. Why was Annie Malone's life a success? (She is considered to be the first major African American millionaire. Her charities made big differences in the lives of many people.)

CLOSURE

Explain that it is difficult to think of a product that people will want. Often times, entrepreneurs think of a product they would like to produce because they want the product themselves. Annie Malone discovered her product because she recognized that there were few, if any, products she and her friends could use on their hair.

For the closure activity, students may act individually or be organized into pairs or small groups. Distribute Activity 2: "Can You Fill a Niche?" Instruct students to think about something they would want to have. It can be a product for themselves, for their pets, or for a family member.

Distribute "Annie T. Malone Assessment" to each student.

EXTENSION

Teacher can invite an entrepreneur from the community to discuss the risks and benefits of starting a business.

ACTIVITY 1 – GUESS THE CONSUMER

Name _____ Date _____

Playing cards with really big numbers _____

Playing cards written in Braille _____

Gourmet cook book _____

“Great Student” and “Good Job!” stickers _____

Backpacks _____

Hard hats _____

Baby intercoms _____

Energy drinks _____

Stethoscopes _____

older people

chefs

construction worker

teachers

students

sight-impaired people

new parents

athletes

nurses and doctors

ACTIVITY 2 – CAN YOU FILL A NICHE?

Name _____ Date _____

Name of your product

Description of your product (What to produce)

What resources would you use to produce your product? (How to produce)

Who will your customers be? (For whom to produce)

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Annie T. Malone was born on August 9, 1869, and she was the eleventh child of twelve in her family. She lived with her parents on a small farm in Illinois, but sadly, her parents died. Her older sister then cared for her, and they moved to Peoria, Illinois. She was also sick a lot, but her sister found a woman who knew about herbs to help Annie. Things were quite tough for little Annie early in her life, but that would change.

Ever since she was young, Annie was really interested in hair. She would braid her older sister's hair quite often. At the time, there were not many hair care options for African-American women, and Annie wanted to change that. She did well in chemistry class in high school, and she regularly worked with the herb woman to make potions and products for hair. Her creations often worked wonderfully, and her shampoos, lotions, and other items came to be known as Wonderful Hair Grower.

In 1899, Annie and her sister moved to Lovejoy, Illinois, where she started to sell her products. She went door to door to let all the women in town know about her products. Business was booming within a year. In 1902, she moved to Saint Louis because she was hoping to expand her business. Yet, she soon moved to the state of Mississippi. She did return to Saint Louis in time for the World's Fair though.

She contacted newspapers to announce her company would now be called the Poro Company. Poro is a West African word that means "physical and spiritual growth." Annie really wanted to help African-American women to change their lives. African-American woman that worked for Annie made more than they could in the other jobs available to them at the time. Some women paid to open salons stocked with Poro products. Annie had also opened the first Poro College in 1902 to train her saleswomen. They were trained in manicure, pedicure, massage, and hair weaving.

Annie's business was huge. Soon, there were stores in South America, Africa, the Caribbean, and the Philippines. Even with her success, she was still very generous. Her employees were very well off. She donated large amounts of money to charities and schools, and she even bought houses for relatives. Annie became the president of the Saint Louis Colored Orphans Home in 1919. Poro College was used as a relief center when a tornado hit Saint Louis in 1927.

Not all was well for Annie and her company though. She went through a difficult divorce, and she faced many lawsuits in the coming years. In 1930, she moved the business and college to Chicago, Illinois, but things did not improve for her. By 1951, the government had to take control of the Poro properties because of unpaid taxes.

Annie's life was still an amazing success. She is considered the first major African-American millionaire. At one point, she employed one hundred thousand people and had one hundred beauty stores. Her charities also made big differences in the lives of many people. She started from simple beginnings, but she grew to be a great and generous business woman.