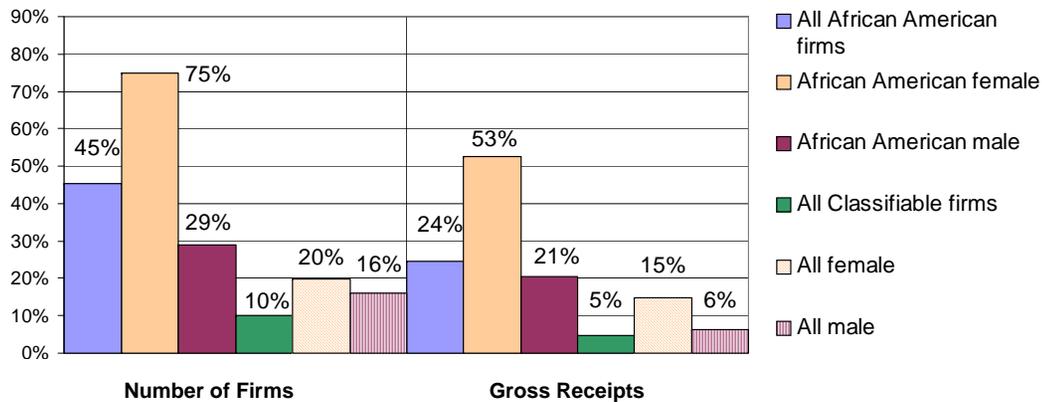


# The State of African American Business by Gender

In April 2008, the Minority Business Development Agency (MBDA) released the report "Characteristics of Minority Businesses and Entrepreneurs" based on data from the U.S. Census Bureau 2002 Survey of Business Owners. A copy of the full report can be found at [www.mbda.gov/minoritybizfacts](http://www.mbda.gov/minoritybizfacts).

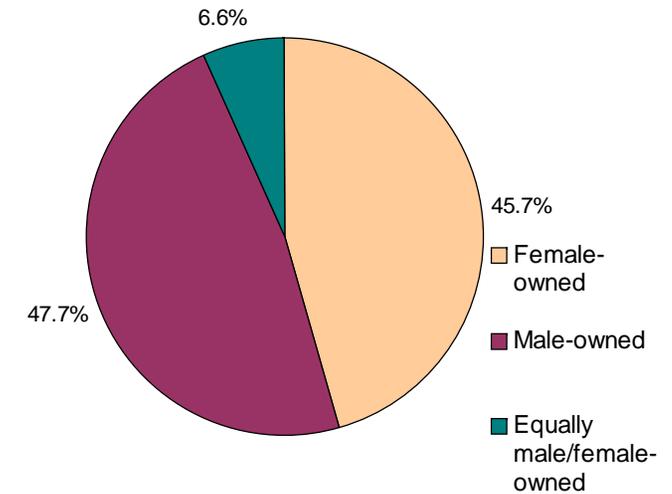
**Change in Number of firms and Gross Receipts, 1997-2002**



Between 1997 and 2002:

- The number of African American female- and African American male-owned firms increased by 75% and 29% respectively outpacing the national rate of 10% for all classifiable firms.
- Gross receipts for African American female-owned firms increased by 53%, which is 11 times the growth in receipts for all classifiable firms.

**African American Firm Ownership by Gender, 2002**



- In 2002, African American females represented 54% of the African American population (18 and above) but only 46% of all African American-owned firms.

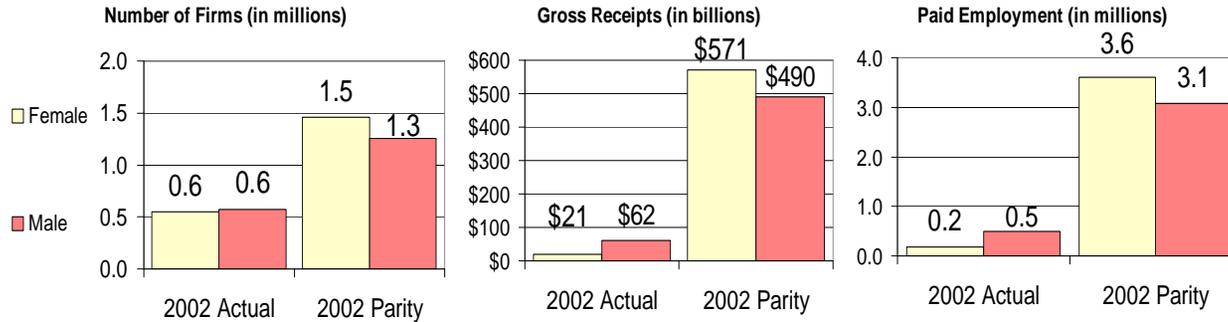
**Summary Statistics by Gender - 2002**

Population	% of Total U.S. Pop. (18 yrs. +)	Business Participation Rate (per 1,000 adults)	Firms	Number of Firms	Total Gross Receipts (\$1,000)	Average Gross Receipts	Firms with Employees	Paid Employees
<b>African American</b>	<b>12.1%</b>	<b>46.1</b>	<b>African American</b>	<b>1,197,567</b>	<b>\$88,641,608</b>	<b>\$74,018</b>	<b>94,518</b>	<b>753,978</b>
Female	6.5%	39.1	Female	547,032	\$20,670,616	\$37,787	27,027	176,436
Male	5.6%	47.7	Male	571,501	\$61,562,301	\$107,720	58,054	492,341
			Equally male/female-owned	79,034	\$6,408,691	\$81,088	9,437	85,201
<b>All U.S. Population</b>	<b>100%</b>	<b>104.5</b>	<b>All Classifiable Firms</b>	<b>22,480,256</b>	<b>\$8,783,541,146</b>	<b>\$390,722</b>	<b>5,524,784</b>	<b>55,368,216</b>
Female	51.6%	58.5	Female	6,489,259	\$939,538,208	\$144,784	916,657	7,141,369
Male	48.4%	126.6	Male	13,184,033	\$7,061,026,736	\$535,574	3,524,969	42,428,508
			Equally male/female-owned	2,693,360	\$731,678,703	\$271,660	717,961	5,664,948

Source: U.S. Census Bureau, 2002 Survey of Business Owners, Company Summary, September 2006; 1997 Survey of Minority- and Women- Owned Business Enterprises, July 2001; 2002 Annual U.S. Estimates of the African American Alone or in Combination Population (by gender), released May 2008. Statistics do not include publicly held, foreign-owned and not-for-profit entities. Classifiable Firms are all U.S. firms excluding publicly held, foreign-owned, non-profit and other firms whose ownership cannot be classified in terms of race, ethnicity, or gender. Measures for Classifiable Firms represent MBDA estimates. To be classified by gender and/or race/ethnic group a firm must be 51% or more owned by that specific gender and/or race/ethnic group. Equally male/female-owned firms are 50%/50% male/female-owned. The Business Participation Rate (BPR) is defined as the number of businesses owned by a gender/racial/ethnic group for every 1,000 persons, 18 years and over, in that same group. n/a = not available. S = Estimates are suppressed when publication standards are not met. Other Services includes firms not provided for elsewhere in the classification system which are engaged in activities such as equipment and machinery repairing, promoting religious activities, grant-making, advocacy, providing dry-cleaning and laundry services, personal care services and dating services. For more information visit [www.mbda.gov/minoritybizfacts](http://www.mbda.gov/minoritybizfacts). For information on Census' data methodology and standard errors, please visit [www.census.gov/csd/sbo/index.html](http://www.census.gov/csd/sbo/index.html). Prepared by MBDA's Office of Knowledge Management, October 2008.

## Achieving Entrepreneurial Parity

The landscape for African American female- and African American male-owned businesses in 2002 would have been quite different if parity had been achieved. Parity is defined as reaching proportionality between the adult African American population and business development measures such as numbers of firms, gross receipts and employees.



- If African American females would have achieved parity in 2002, there would have been about 1.5 million African American female-owned firms, with gross receipts of about \$572 billion, and 3.6 million paid employees.
- Even if African American equally-owned firms were included in the actual 2002 measures for African American female- and African American male-owned firms, neither group would have achieved parity in 2002.

## Participation in Exports and Franchised Businesses, 2002



- In 2002, African American male-owned firms were more likely to have 10% or more of their sales attributed to exports compared to all respondents and male-owned firms (at a 90% confidence level).
- African American respondent firms and African American male-owned firms were also more likely to be franchised compared to all respondents and male-owned firms (at a 90% confidence level).

Note: A respondent firm is defined as a business that returned the survey form of the 2002 Survey of Business Owners, and provided the gender, Hispanic or Latino origin, or race for the owner(s) or indicated that the firm was publicly held.

## African American Firms by Industry, 2002

Industry	Female		Male	
	Number of Firms	% of Total Firms	Number of Firms	% of Total Firms
Total for all sectors	547,032	100.0	571,501	100.0
Forestry, fishing & hunting, & ag. support services	348	0.1	3,058	0.5
Mining	77	0.01	233	0.04
Utilities	104	0.02	348	0.1
Construction	8,772	1.6	62,796	11.0
Manufacturing	3,492	0.6	5,709	1.0
Wholesale trade	4,210	0.8	7,106	1.2
Retail trade	49,626	9.1	41,214	7.2
Transportation & warehousing	10,230	1.9	83,074	14.5
Information	5,566	1.0	7,812	1.4
Finance & insurance	10,112	1.9	16,330	2.9
Real estate & rental & leasing	20,508	3.8	25,956	4.5
Professional, scientific, & technical services	46,421	8.5	62,626	11.0
Management of companies & enterprises	35	0.01	115	0.02
Administrative & support & waste management & remediation service	43,058	7.9	66,928	11.7
Educational services	15,127	2.8	8,767	1.5
Health care & social assistance	193,599	35.4	40,413	7.1
Arts, entertainment, & recreation	18,789	3.4	32,858	5.8
Accommodation & food services	10,544	1.9	11,551	2.0
Other services	106,064	19.4	94,370	16.5
Industries not classified	428	0.1	486	0.1

- In 2002, African American female-owned firms were most concentrated in health care and social assistance (35%); other services (19%); retail trade (9%); and professional, scientific, and technical services (9%).
- African American male-owned firms were most concentrated in other services (17%); transportation and warehousing (15%); administrative and support and waste management and remediation services (12%); construction (11%); and professional, scientific, and technical services (11%).