



# American Indian & Alaska Native-Owned Business Growth and Global Reach

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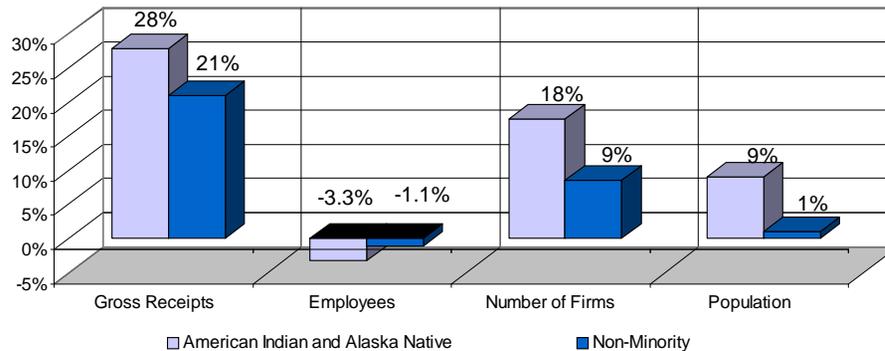
## American Indian & Alaska Native-Owned Firms Generate \$34.4 Billion in Economic Output to the U.S. Economy

Group	All Firms	All Firms Gross Receipts	Avg. Gross Receipts	Firms with Employees	Receipts of Firms with Employees	Avg. Employer Receipts	Paid Employees	Population Buying Power (2009)**
<b>American Indian &amp; Alaska Native</b>	<b>236,691</b>	<b>\$34.4 billion</b>	<b>\$145,142</b>	<b>23,662</b>	<b>\$27.5 billion</b>	<b>\$1,161,951</b>	<b>185,037</b>	<b>\$64.7 billion</b>
All Minority	5,759,209	\$1.0 trillion	\$177,941	766,533	\$860.5 billion	\$1,122,577	5,816,114	\$2.46 trillion
Non-Minority	20,100,926	\$9.8 trillion	\$488,345	4,337,535	\$9.1 trillion	\$2,089,363	50,113,990	\$8.25 trillion
Classifiable Firms	26,294,860	\$10.9 trillion	\$416,411	5,189,968	\$10.0 trillion	\$1,929,712	56,626,555	\$10.7 trillion (all U.S.)
Total Firms in U.S.	27,092,908	\$30.0 trillion	\$1,108,464	5,735,562	\$29.1 trillion	\$5,066,431	117,310,118	Non-applicable

- In 2007, there were about 237,000 American Indian & Alaska Native firms, of which 10 percent (23,662) were firms with employees.
- **American Indian & Alaska Native firms with employees had average receipts of \$1.2 million** and average employment of 8 workers per firm with employees.
- The American Indian population had an estimated **buying power of \$64.7 billion in 2009**, larger than the 2009 purchasing power of countries such as Kenya (\$63.7 billion), Burma (\$57.5 billion), Slovenia (\$55.8 billion), and Costa Rica (\$48.5 billion). \*\*\*

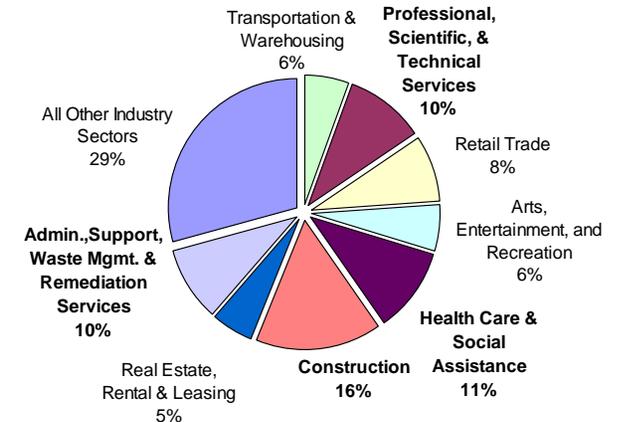
### American Indian & Alaska Native Firms Outpace Growth of Non-Minority-Owned Firms

2002-2007



- Between 2002 and 2007, American Indian & Alaska Native- (AIAN) owned firms outpaced the growth of non-minority firms in gross receipts (28%, AIAN growth) and number of firms (18%).
- American Indian & Alaska Native firms' paid employment decreased by 3.3%, from 191,270 to 185,037, during this period. However, statistically this percent measure is not significantly different from zero.
- The rapidly growing American Indian & Alaska Native population increased by 9% during the same period, compared to a 1% increase for non-minorities.

### American Indian & Alaska Native-Owned Firms' Top Industry Sectors, 2007

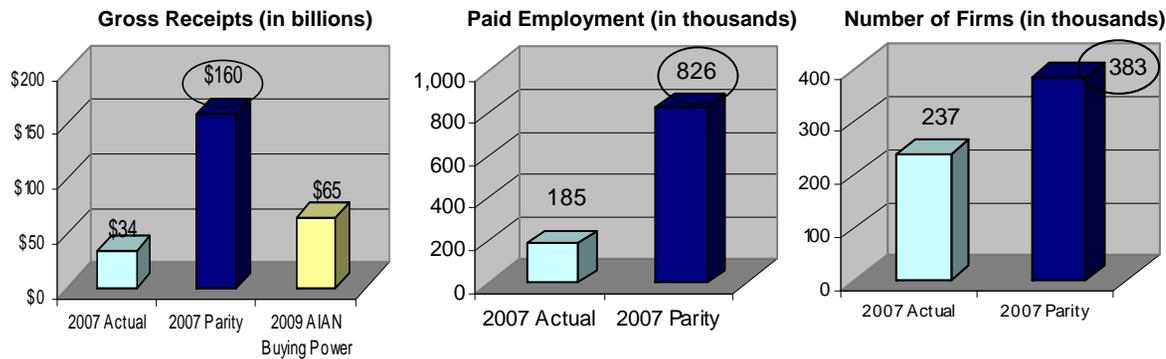


- American Indian & Alaska Native Firms were most concentrated in Construction (16%); Health Care & Social Assistance (11%); Professional, Scientific, & Technical Services; and Administrative, Support, Waste Management & Remediation Services (both 10%). All Other Industry Sectors include firms in Agriculture; Mining; Utilities; Manufacturing; Wholesale Trade; Information, Finance & Insurance; Accommodation & Food Services; and Educational Services, among other.

Source: \*U.S. Census Bureau, *2007 Survey of Business Owners, June 2011*; *2002 Survey of Business Owners*, September 2006; and Annual Population Estimates, June 2010. AIAN data excludes tribally-owned businesses. \*\*University of Georgia, Selig Center for Economic Growth, "The Multicultural Economy 2009," *Georgia Business and Economic Conditions, 2009*. \*\*\*Central Intelligence Agency, *The World FactBook*, GDP estimates by country in 2009. Statistics for all groups except Total Firms in the U.S. exclude publicly held, foreign-owned and not-for-profit entities. Classifiable Firms are all U.S. firms less publicly held, foreign-owned, non-profit and other firms whose ownership cannot be classified in terms of race, ethnicity, or gender. Growth estimates for Non-Minority firms are MBDA estimates. The Selig Center for Economic Growth defines buying power as the total personal income of residents available for spending after taxes, excluding borrowed income or income saved in prior years. Buying power data for All Minority and Non-Minority are MBDA estimates. Produced by the Minority Business Development Agency, August 2011.

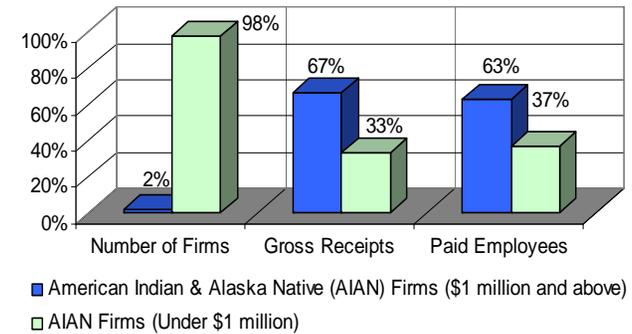
## Entrepreneurial Parity Remains Elusive for American Indian & Alaska Native-Owned Businesses

Entrepreneurial parity for American Indian & Alaska Native (AIAN) businesses has yet to be reached. Parity is defined as reaching proportionality between the adult AIAN population and business development measures such as numbers of firms, gross receipts and employees of Classifiable firms (excludes publicly held).



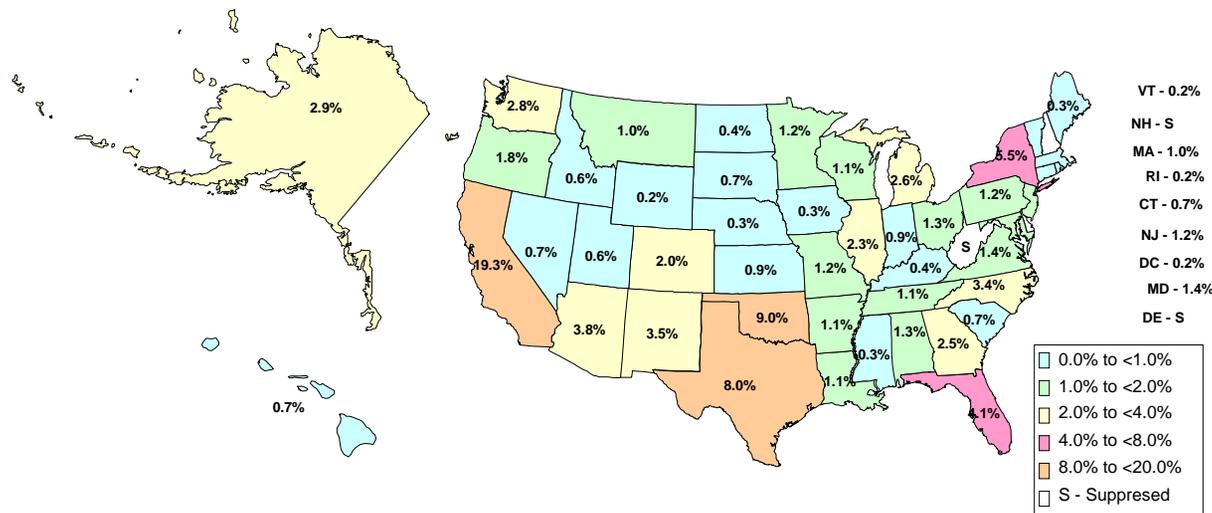
- The adult American Indian & Alaska Native (AIAN) population represented 1.5 percent of the adult U.S. population in 2009, but AIAN held only 0.9% percent of all Classifiable firms, 0.3 percent of these firms' gross receipts and 0.3 percent of their employment.
- If American Indian & Alaska Native firms' gross receipts reflected the 2007 adult American Indian & Alaska Native population share, receipts would have amounted to more than \$160 billion—nearly five times the actual figure.
- Paid employment would have totaled almost 829,000—about 4.5 times the actual employment.
- The number of American Indian & Alaska Native firms would have been over 383,000 firms, nearly 147,000 additional firms.

## American Indian & Alaska Native-Owned Firms (\$1 Million and above in Gross Receipts), 2007



- While smaller in number, American Indian & Alaska Native (AIAN) firms with receipts of \$1 million or more (just 2% of all AIAN firms) generated a larger percentage of AIAN revenues (67%) and employment (63%), than AIAN firms with receipts under \$1 million.
- There were there were 4,599 American Indian and Alaskan Native-owned firms generating gross receipts of \$1 million or more in 2007. These firms had combined gross receipts of \$23 billion and employed 117,00 workers.

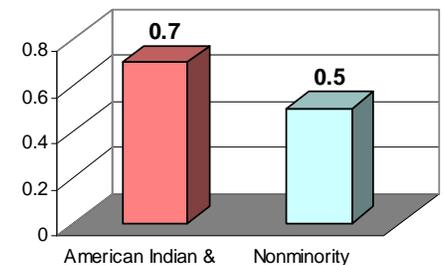
## AIAN-Owned Firms Most Concentrated in CA, OK, TX and NY



- American Indian & Alaska Native (AIAN) firms were more concentrated in California (45,569 firms; 19% of all AIAN firms), Oklahoma (21,212 firms; 9%), Texas (18,997, 8%), and New York (13071, 6%).
- Between 2002 and 2007, the number of American Indian & Alaska Native firms may have grown faster than the group's national average of 18 percent in the District of Columbia (by 131%) and 20 states including Hawaii (by 74%), Nebraska (61%\*), Illinois (60%), Oregon (39%), Arizona (39%), Vermont (37%\*), Connecticut (35%\*), North Carolina (34%), Georgia (34%) and Alaska (33%).

Note: Growth rates for AIAN firms by state may not be significantly different from the group's national average of 18 percent. Growth rates for Nebraska, Vermont, and Connecticut may not be significantly different from zero. Percent of AIAN firms in New Hampshire, Delaware and West Virginia of all AIAN firms are not available because 2007 data estimates for those states did not meet publication standards. Statistics do not include firms in Puerto Rico, U.S. Virgin Islands, or other U.S. territories.

## AIAN-Owned Firms More Likely to Have Global Operations



- American Indian & Alaska Native (AIAN) firms operating in 2007 were more likely to have operations established outside the U.S. compared to non-minority-owned firms.
- Minority business export activity spanned 41 countries over six continents (North America, South America, Europe, Asia, Africa and Australia), according to U.S. Export Import Bank financial transaction data between 1992 and 2009.
- Mexico, Brazil, and Dominican Republic are the top three markets for minority firms export activity, accounting for 52% of all financing transactions authorized for these firms when foreign markets were identified between 1992 and 2009.

Source: MBDA's analysis of data from the U.S. Census Bureau, 2007 Survey of Business Owners, June 2011 and from the U.S. Export Import Bank, for calendar years 1992-2009.