

The State of Minority Business: West Virginia

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Change in Number of Firms and Gross Receipts for Firms in West Virginia

- In 2002, there were nearly 3,700 minority firms in West Virginia employing more than 6,800 workers.
- Minority firms represented 3.4% of all 'classifiable' firms located in the state.
- The number of minority firms in West Virginia decreased by 14% between 1997 and 2002, compared to an increase of 1% for 'classifiable' firms in the state.
- West Virginia minority population numbered over 99,000 or 5.5% of the state's total population in 2002.



Summary Statistics by Group in West Virginia – 2002											
Group	Number of Firms	Total Gross Receipts (\$1,000)	Average Gross Receipts (\$1,000)	Number of Firms with Paid Employees	Paid Employees						
African American	1,472	\$91,666	\$62	120	1,109						
American Indian & Alaska Native	405	\$35,010	\$86	92	304						
Asian	1,234	\$435,064	\$353	653	4,329						
Hispanic	648	\$187,326	\$289	248	1,395						
Native Hawaiian & Other Pacific Islander	10	D	n/a	0	0						
All Minority	3,686	D	n/a	1,092	6,896						
Classifiable Firms (minority and non-minority)	109,230	\$34,250,489	\$295	27,548	752,184						
All U.S. Firms (includes publicly-held firms)	113,087	\$85,062,536	\$752	30,787	1,021,827						

## Percentage of Minority Population, Number of Firms and Gross Receipts Compared to Classifiable Firms, West Virginia – 2002



- In West Virginia, only Asian Americans have reached parity in their number of firms and gross receipts when compared to their representation in the state's population. No other minority group has reached parity in the number of firms and gross receipts.
- If minority business activity in West Virginia matched the state's minority population percentage in 2002, the number of minority firms in the state would have exceeded 6,000 and they would have generated about \$1.9 billion in gross receipts and employed nearly 15,000 workers.

Source: U.S. Census Bureau's 2007 Special Tabulation for Minority Firms in 2002, *Survey of Business Owners, Company Summary*, September 2006; 1997 Survey of Minority- and Women-Owned Business Enterprises, July 2001. Table 2: Estimates of the Total Population of States by Race and Hispanic Origin: July 1, 2002. All U.S. Firms include publiclyheld, foreign-owned and non-profit firms. Statistics for All Minority, Classifiable Firms and all groups do not include publicly-held, foreign-owned and non-profit entities. Classifiable Firms include minority-owned and non-minority-owned firms. These are firms whose ownership can be classified by race, gender of Hispanic origin. Total numbers for Classifiable Firms represent MBDA estimates. Hispanics may be of any race, because business owners were allowed to identify with more than one race category. S = Estimates are suppressed when publication standards are not met. D = data withheld. n/a = not available. Due to the exclusion of tribally held governments in 2002, data for American Indian and Alaska Native firms for 1997 and 2002 are not directly comparable. Growth percentage for receipts of Asian firms was not represented because 1997 data was withheld. Growth percentages for Native Hawaiian and Other Pacific Islander firms are not represented because data was not statistically significant or withheld. Population estimates for 2002 were for all ages.

## Minority Firms in West Virginia by Receipts Size -- 2002



- While smaller in number, Strategic Growth Initiative (SGI) minority-owned firms, which have annual receipts of \$500,000 or more, generate a much larger percentage of all the group's revenues and paid employment than firms with receipts under \$500,000.
- In 2002, minority-owned firms with receipts of \$500,000 or more generated about 74% of all receipts grossed by all minority firms in West Virginia and employed 50% of all paid workers employed by minority firms in that state.
- Minority-owned firms in West Virginia were also more concentrated in the following industries: health care and social assistance; other services; and professional, scientific, and technical services.

Industry	African American	American Indian and Alaska Native	Asian	Hispanic	Native Hawaiian and Other Pacific Islander	All Minority	% of All Minority Firms
Forestry, Fishing and Hunting, and Agricultural Support Services	10	S	1	0	0	11	0.3%
Mining	9	S	S	10	0	27	0.7%
Utilities	0	1	0	0	0	1	0.03%
Construction	75	76	21	48	0	207	5.6%
Manufacturing	5	12	6	6	1	28	0.8%
Wholesale Trade	S	6	8	S	0	27	0.7%
Retail Trade	78	S	87	94	0	322	8.7%
Transportation and Warehousing	S	S	7	13	0	133	3.6%
Information	6	4	7	5	1	21	0.6%
Finance and Insurance	S	2	11	S	0	48	1.3%
Real Estate and Rental and Leasing	32	S	67	19	0	120	3.3%
Professional, Scientific, Technical Services	163	S	98	86	3	388	10.5%
Management of Companies and Enterprises	0	0	0	0	0	0	0.0%
Administrative Support, Waste Management, and Remediation Services	92	1	19	10	0	122	3.3%
Educational Services	S	S	19	10	0	95	2.6%
Health Care and Social Assistance	524	S	533	99	S	1,172	31.8%
Arts, Entertainment, and Recreation	74	S	S	S	0	164	4.4%
Accommodation and Food Services	25	S	178	74	0	263	7.1%
Other Services	223	50	161	S	1	523	14.2%
Unclassified	1	0	0	S	0	17	0.5%
All minority firms in West Virginia	1,472	405	1,234	648	10	3,686	100.1%

## Number of Minority Firms in West Virginia, by Industry - 2002

Source: U.S. Census Bureau, 2007 Special Tabulation for Minority Firms in 2002, 2002 Survey of Business Owners, Company Summary, September 2006; 1997 Survey of Minority- and Women-Owned Business Enterprises, July 2001. Statistics for Minority Firms by receipts size represent MBDA estimates. Hispanics may be of any race, because business owners were allowed to identify with more than one race category. 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. S = Estimates are suppressed when publication standards are not met. Total percentages for minority firms may exceed 100% because some firms may be classified under more than one industry. In this analysis, SGI firms are minority firms which generate \$500,000 or more in annual gross receipts. For information on MBDA methodology, please review <u>The State of Minority Business Enterprises</u> at <u>www.mbda.gov/minoritybizfacts</u>. For information on Census' data methodology and standard errors, please visit <u>www.census.gov/csd/sbo/index.html</u>. Prepared by MBDA's Office of Business Development, December 2007.