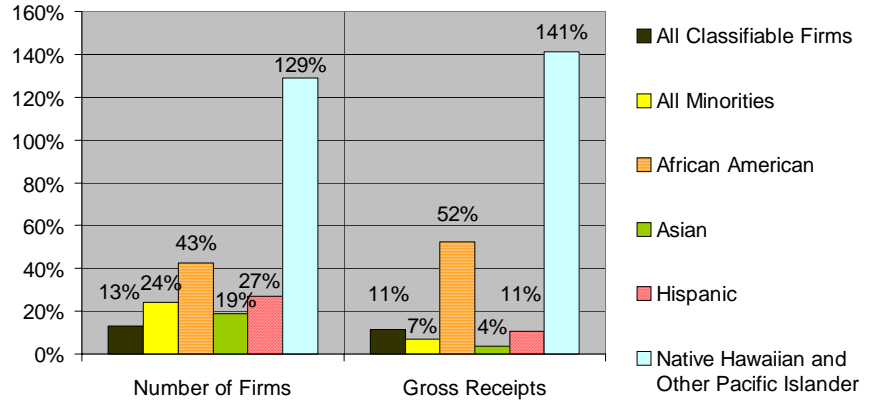


- In 2002, there were more than 915,000 minority firms in California generating over \$195 billion in gross receipts.
- These firms also employed almost 1.3 million workers.
- Minority firms represented 33% of all 'classifiable' firms located in the state.
- The number of minority firms in California increased by 24% between 1997 and 2002, compared to 13% for all 'classifiable' firms in the state.
- California had the largest minority population in the country, numbering about 19 million or 54.3% of the state's total population in 2002.

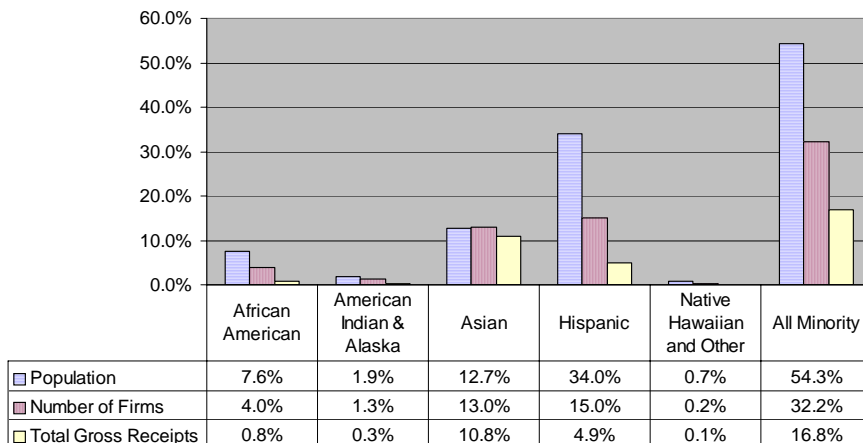
**Change in Number of Firms and Gross Receipts for Firms in California 1997 - 2002**



**Summary Statistics by Group in California – 2002**

Group	Number of Firms	Total Gross Receipts (\$1,000)	Average Gross Receipts (\$1,000)	Firms with Paid Employees	Paid Employees
African American	112,815	\$9,741,400	\$86	9,991	67,179
American Indian & Alaska Native	38,125	\$3,875,777	\$102	3,663	20,228
Asian	371,530	\$125,756,534	\$338	102,632	745,874
Hispanic	427,678	\$57,186,145	\$134	47,566	445,820
Native Hawaiian and Other Pacific Islander	7,074	\$1,230,413	\$174	1,022	6,673
<b>All Minority</b>	<b>915,514</b>	<b>\$195,367,010</b>	<b>\$213</b>	<b>160,907</b>	<b>1,268,812</b>
Classifiable Firms (Minority and non-Minority)	2,847,594	\$1,163,808,682	\$409	630,754	6,990,238
All U.S. Firms (includes publicly-held)	2,908,758	\$2,796,601,145	\$961	673,401	12,804,073

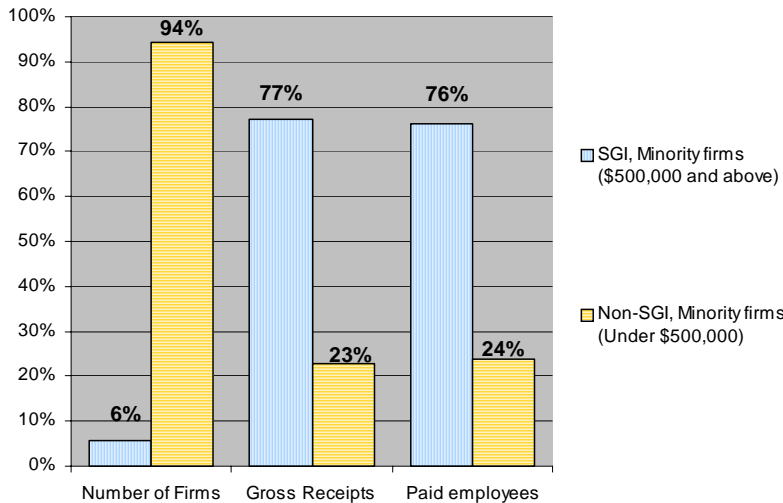
**Percentage of Minority Population, Number of Firms and Gross Receipts Compared to Classifiable Firms, California – 2002**



- In 2002, only Asian Americans reached parity in their number of firms as it compares to their representation in the U.S. population. No other minority group reached parity in their number of firms or gross receipts.
- If minority business activity in California matched the state's minority population percentage in 2002, the number of minority firms in the state would have exceeded 1.5 million. They would have generated \$632 billion in gross receipts and employed almost 3.8 million workers.

Source: U.S. Census Bureau, 2007 Special Tabulation for all minority firms in 2002; 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 publicly-held, 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. 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. Population estimates for 2002 were for all ages.

### Minority Firms in California by Gross Receipts Size, 2002



- While smaller in number, minority-owned Strategic Growth Initiative (SGI) 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, SGI firms generated about 77% of all receipts grossed by all minority firms in California and employed 76% of all paid workers employed by minority firms in that state.
- Minority-owned firms in California were also more concentrated in the following industries: other services; health care and social assistance; and professional, scientific, and technical services.

### Number of Minority Firms in California, by Industry - 2002

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	77	S	681	2,145	S	3,070	0.34%
Mining	38	S	99	98	0	226	0.02%
Utilities	6	72	70	134	1	283	0.03%
Construction	5,017	5,138	11,383	36,700	S	54,880	5.99%
Manufacturing	948	786	9,314	10,964	70	21,639	2.36%
Wholesale Trade	1,126	317	21,084	8,009	74	30,030	3.28%
Retail Trade	9,368	S	46,910	42,677	S	98,671	10.78%
Transportation and Warehousing	5,125	1,984	14,692	33,473	418	53,238	5.82%
Information	2,200	686	4,430	4,247	S	10,880	1.19%
Finance and Insurance	3,081	938	13,189	8,833	159	25,508	2.79%
Real Estate and Rental and Leasing	6,250	2,011	32,072	19,642	402	58,783	6.42%
Professional, Scientific, and Technical Services	14,454	4,404	59,154	38,104	1080	113,321	12.38%
Management of Companies and Enterprises	22	3	147	S	0	203	0.02%
Administrative Support, Waste Management, and Remediation Services	10,265	4,335	18,958	69,490	S	98,784	10.79%
Educational Services	2,222	S	5,018	4,801	S	12,175	1.33%
Health Care and Social Assistance	25,363	6,014	42,734	53,252	S	120,437	13.16%
Arts, Entertainment, and Recreation	8,606	S	8,146	12,906	S	29,086	3.18%
Accommodation and Food Services	1,850	S	27,256	11,256	39	40,125	4.38%
Other Services	16,823	4,916	55,989	70,670	S	143,753	15.70%
Unclassified	S	1	S	362	0	745	0.08%
<b>All Minority Firms in California</b>	<b>112,815</b>	<b>38,125</b>	<b>371,530</b>	<b>427,678</b>	<b>7,074</b>	<b>915,514</b>	<b>100.04%</b>

Source: U.S. Census Bureau's 2007 Special Tabulation for all 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 All 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 by industry may exceed 100% because some firms may be classified in more than one industry. For more information on MBDA methodology, please review [The State of Minority Business Enterprises](#) at [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 Chief Knowledge Officer, Office of Business Development, August 2007.