State of Minority Business Enterprises
Projected Population
Demographic Changes

Minority population is growing faster than non-minorities

Non-Minority & Minority Populations, 1970-2050

Source: U.S. censuses and Census Bureau projections, various years.

Graph excerpts from “Diversity Explosion” by William H. Frey, Senior Fellow, The Brookings Institution, Metropolitan Policy Program

www.mبدا.gov
There are 8 million minority-owned businesses in the U.S.

- Contribute $1.4 trillion in economic output
- 11% of minority-owned firms have paid employees—7.2 million jobs
- Represent 29% of all firms in the U.S.

Source: U.S. Census Bureau, 2012 Survey of Business Owners, December 2015
The number of minority firms more than doubled.

U.S. Census Bureau, 2007 Survey of Business Owners, June 2010
U.S. Census Bureau, 2012 Survey of Business Owners, December 2015
Economic activity of minority firms doubled

U.S. Census Bureau, 2007 Survey of Business Owners, June 2010
U.S. Census Bureau, 2012 Survey of Business Owners, December 2015
U.S. Minority Business Enterprises Trend

Minority Firms

<table>
<thead>
<tr>
<th>Year</th>
<th>Number of Paid Employees in Millions</th>
</tr>
</thead>
<tbody>
<tr>
<td>2002</td>
<td>4.7</td>
</tr>
<tr>
<td>2007</td>
<td>5.8</td>
</tr>
<tr>
<td>2012</td>
<td>7.2</td>
</tr>
</tbody>
</table>

U.S. Census Bureau, 2007 Survey of Business Owners, June 2010
U.S. Census Bureau, 2012 Survey of Business Owners, December 2015
95% of the World’s Consumers are Outside the U.S.

MBEs are:
• Uniquely qualified to enter global markets
• 2x as likely to export
• 3x as likely to already have international operations
• 6x as likely to transact in a language other than English

Source: U.S. Census Bureau, 2007 Survey of Business Owners released June 2010


Source: U.S. Census Bureau, 2012 Survey of Business Owners released December 2015

- Gross Receipts: Minority Firms 35%, Non-Minority Firms 7%
- Employees: Minority Firms 23%, Non-Minority Firms -4%
- Number of Firms: Minority Firms 38%, Non-Minority Firms -6%
U.S. Business Gross Receipts Comparisons (2002 - 2012)

Combined Gross Receipts

<table>
<thead>
<tr>
<th>Year</th>
<th>Minority</th>
<th>Non-Minority</th>
</tr>
</thead>
<tbody>
<tr>
<td>2002</td>
<td>0.7</td>
<td>8.0</td>
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<tr>
<td>2007</td>
<td>1.0</td>
<td>9.8</td>
</tr>
<tr>
<td>2012</td>
<td>1.4</td>
<td>10.5</td>
</tr>
</tbody>
</table>

U.S. Census Bureau, 2007 Survey of Business Owners, June 2010
U.S. Census Bureau, 2012 Survey of Business Owners, December 2015
Minority firms continue to lag in size when compared to non-minority firms

Average Gross Receipts

U.S. Census Bureau, 2007 Survey of Business Owners, June 2010
U.S. Census Bureau, 2012 Survey of Business Owners, December 2015
U.S. Business Gross Receipts Comparisons (2002 - 2012)

Average Gross Receipts - Firms with Employees

U.S. Census Bureau, 2007 Survey of Business Owners, June 2010
U.S. Census Bureau, 2012 Survey of Business Owners, December 2015
U.S. Business Employment Share Comparison

**Minority Firms**
- Number of firms with paid employees: 0.9M (11%)
- Number of firms without paid employees: 7.0M (89%)

**Non-Minority Firms**
- Number of firms with paid employees: 4.2M (22%)
- Number of firms without paid employees: 14.8M (78%)

Source: U.S. Census Bureau, 2012 Survey of Business Owners, December 2015