

# New American Business Owners

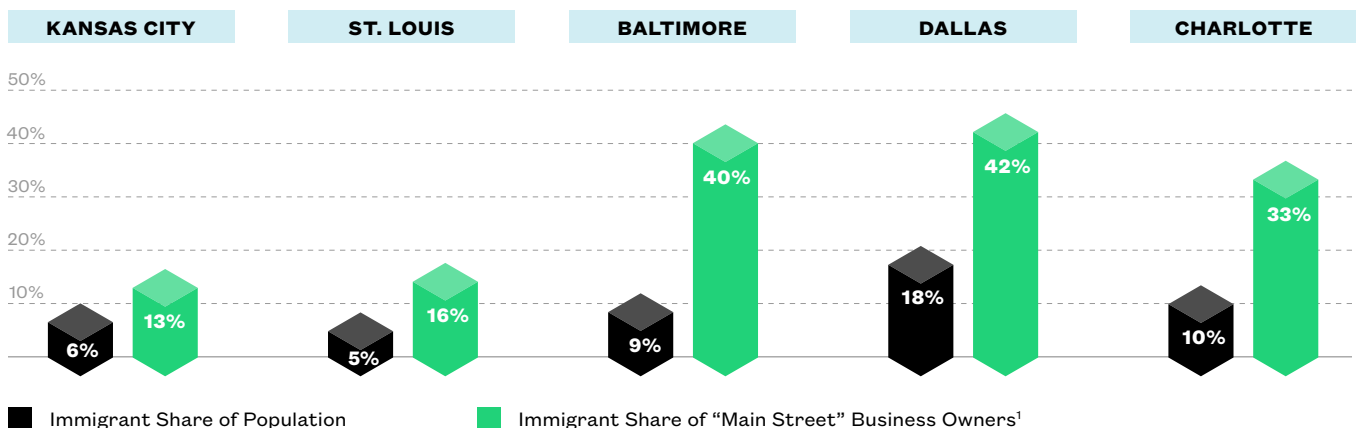
Strategies for Supporting Immigrant and Refugee Entrepreneurs

## Background

**F**rom main street small businesses to Fortune 500 companies, immigrants and refugees are making outsized contributions to entrepreneurship across the United States. But while they are more likely than the U.S.-born to start their own businesses, they also face challenges—from access to capital to bureaucratic red tape—to sustaining and growing these ventures. Additionally, while there is currently no visa for foreign-born entrepreneurs, some cities and states are trying creative approaches to help international students who want to start companies find ways to start them in the U.S.

## Immigrants Punch Above Their Weight as Entrepreneurs

The immigrant share of the population is often outmatched by the immigrant share of “Main Street” business owners in cities across the United States.

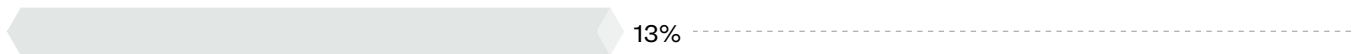


## Why It Matters

Immigrants are twice as likely as the U.S.-born to start small businesses,<sup>2</sup> and in many metropolitan areas, they are playing a critical role in revitalizing “Main Street” commercial corridors. According to a recent study from the Fiscal Policy Institute and Americas Society/Council of the Americas:<sup>3</sup>

- Between 2000 and 2013, immigrants were responsible for **all net growth** in “Main Street” businesses across the country.
- Immigrants made up only 13% of the U.S. population, but they made up 16% of the labor force, an outsized 18% of business owners, and a full **28% of “Main Street” business owners.**

Immigrant Share of U.S. Population



Immigrant Share of Labor Force



Immigrant Share of Business Owners

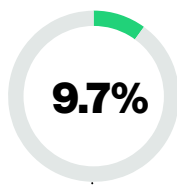


Immigrant Share of “Main Street” Business Owners

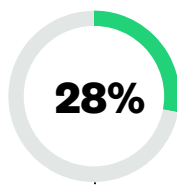


The economic contributions and potential of immigrant business owners is strongest at the state and local levels:

- In Philadelphia, PA, immigrants make up 9.7% of the population but more than 28% of “Main Street” business owners.<sup>4</sup>
- More than **47,000** South Carolina residents are employed at firms owned by immigrants<sup>5</sup>
- Salt Lake County is home to **6,783** immigrant-owned businesses, which generate **\$145M** in annual business income.<sup>6</sup>



Immigrant share of population in Philadelphia



Immigrant share of “Main Street” business owners in Philadelphia

## What Communities Are Doing

Recognizing the key role that immigrants and refugees play in local economic and small business development, communities are working across sectors to develop innovative approaches to remove barriers to the success of foreign-born entrepreneurs. This includes tools to navigate bureaucracy, develop business plans, and finance their ideas, all of which help immigrants grow their ventures and employ more residents in the process.

### Louisville Refugees and Immigrants Succeeding in Entrepreneurship (RISE)

RISE Louisville offers education and mentorship opportunities to aspiring business owners in the region. The program includes three main components: an initial assessment to determine existing skills (e.g., language, vocational experience); counseling, education, and mentorship to help develop business ideas and acquire relevant training; and funding and enterprise creation to help connect entrepreneurs with loans, crowd-funding, and other potential sources of investment.

Partners of RISE include:

- **Economic development entities** like Greater Louisville, Inc. and Federal Reserve Bank of St. Louis (Louisville Branch)
- **City agencies** like Community Services & Revitalization and the Department of Economic Growth & Innovation
- **Non-profit organizations** that work directly with immigrants and refugees like Kentucky Refugee Ministries, Inc., Catholic Charities, and Jewish Family and Career Services

For more information on RISE Louisville...

#### CONTACT

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### St. Louis Mosaic Immigrant Entrepreneurship Program

As part of its overall goal of attracting and retaining foreign-born talent in the region and increasing the number of immigrants who start high-tech or neighborhood businesses, the St. Louis Mosaic Project works to connect immigrant entrepreneurs to resources in the community to help launch new businesses. Among other efforts, current offerings to support immigrant entrepreneurs include:

- An **Immigrant Entrepreneurship Advisory Board** that hosts receptions for potential new entrepreneurs and advises Mosaic on outreach to foreign-born entrepreneurs
- An **Annual Immigrant Entrepreneur Award**
- A part-time **fellowship program** that connects successful local entrepreneurs with aspiring foreign-born entrepreneurs
- Connections with the **St. Louis Regional Chamber's Minority Business Council**, which helps minority businesses through the certification process of starting a business

For more information on the St. Louis Mosaic Project...

#### CONTACT

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“Since we launched Húga Bar in 2015, the **St. Louis Mosaic Project** and Betsy Cohen have been a significant resource to our business. Connections and networking are key when launching a business.

As immigrants, our network is sometimes limited, so tapping into St. Louis Mosaic Project’s network was critical in opening doors into major retailers that today carry our bars. **These connections enrich our business and make us stronger.”**

— Luis Rivera, Founder & Owner, Húga Bar

## How Your Chamber Can Play a Role

### 1. Consult

community organizations that work with immigrant entrepreneurs to better understand the challenges they face in starting and growing businesses

### 2. Establish

an immigrant entrepreneur advisory council to share challenges and opportunities and support efforts to reach out to immigrant communities

### 3. Recruit

successful local entrepreneurs to offer their expert advice to aspiring foreign-born entrepreneurs

## National Organizations and Resources

- **New American Economy:**<sup>7</sup> Data on the national, state, and local impacts of immigrant entrepreneurs
- **WE Global Network:**<sup>8</sup> Best practices for supporting immigrant entrepreneurs from the Rust Belt region
- **Welcoming America:**<sup>9</sup> Toolkits and best practices for supporting immigrant entrepreneurs in communities across the U.S.

1 Americas Society/Council of the Americas / Fiscal Policy Institute, *Bringing Vitality to Main Street: How Immigrant Small Businesses Help Local Economies Grow*, January 2015

2 New American Economy, *Open for Business: How Immigrants are Driving Small Business Creation in the United States*, July 2013

3 Fiscal Policy Institute and Americas Society/Council of the Americas, *Bringing Vitality to Main Street: How Immigrant Small Businesses Help Local Economies Grow*, January 2015

4 Ibid

5 New American Economy, *The Contributions of New Americans in South Carolina*, August 2016

6 New American Economy, *The Contributions of New Americans in Salt Lake County*, March 2016

7 [www.NewAmericanEconomy.org](http://www.NewAmericanEconomy.org)

8 [www.weglobalnetwork.org](http://www.weglobalnetwork.org)

9 [www.WelcomingAmerica.org](http://www.WelcomingAmerica.org)