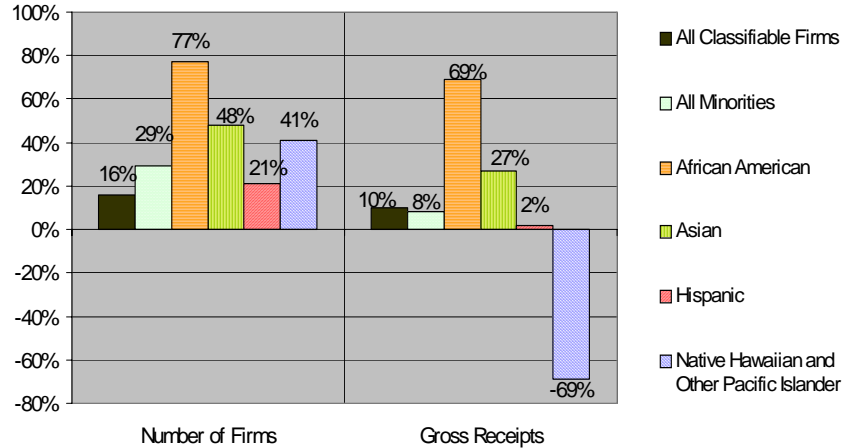


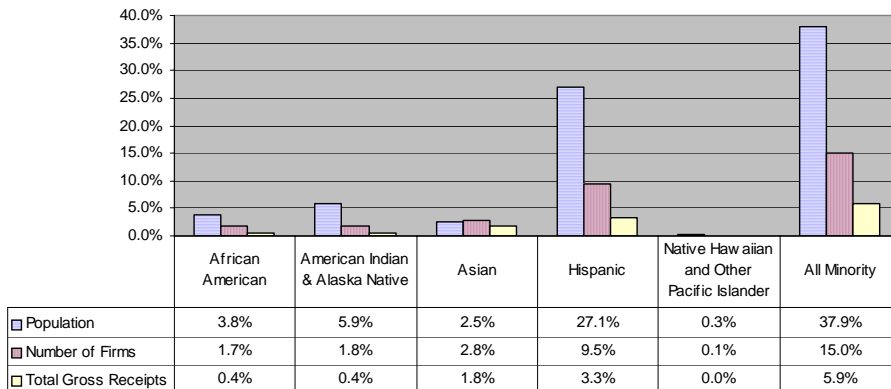
- In 2002, there were nearly 56,000 minority firms in Arizona generating over \$7.7 billion in gross receipts.
- These firms also employed about 74,000 workers.
- Minority firms represented 15% of all 'classifiable' firms located in the state.
- The number of minority firms in Arizona increased by 29% between 1997 and 2002, compared to 16% for all 'classifiable' firms in the state.
- Arizona had the 12<sup>th</sup> largest minority population in the country, numbering about 2 million or 38% of the state's total population in 2002.

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



Summary Statistics by Group in Arizona – 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	6,330	\$530,169	\$84	629	6,530
American Indian & Alaska Native	6,548	\$570,880	\$87	461	4,135
Asian	10,215	\$2,395,790	\$235	24,405	24,405
Hispanic	35,104	\$4,294,983	\$122	5,019	39,363
Native Hawaiian & Other Pacific Islander	348	\$37,548	\$108	66	432
<b>All Minority</b>	<b>55,814</b>	<b>\$7,746,156</b>	<b>\$139</b>	<b>9,210</b>	<b>73,832</b>
Classifiable Firms (minority and non-minority)	371,047	\$131,788,705	\$355	87,175	966,010
All U.S. Firms (includes publicly-held firms)	381,180	\$326,396,374	\$856	94,613	1,906,970

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



- In Arizona, only Asian Americans have reached parity in their number of firms 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 Arizona matched the state's minority population percentage in 2002, the number of minority firms in the state would have exceeded 140,000 and they would have generated \$49.9 billion in gross receipts and employed more than 365,000

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 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. S = Estimates are suppressed when publication standards are not met. 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 Arizona by Gross 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 70% of all receipts grossed by all minority firms in Arizona and employed 68% of all paid workers employed by minority firms in that state.
- Minority-owned firms in Arizona were also more concentrated in the following industries: other services; health care and social assistance; retail trade; and administrative support, waste management, and remediation services.

### Number of Minority Firms in Arizona, 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	0	S	S	180	0	272	0.5%
Mining	0	3	2	39	0	44	0.1%
Utilities	S	0	S	12	0	26	0.1%
Construction	212	762	205	4,338	53	5,032	9.0%
Manufacturing	54	563	169	682	2	1,458	2.6%
Wholesale Trade	88	125	247	740	0	1,194	2.1%
Retail Trade	571	914	1,368	4,155	16	6,941	12.4%
Transportation and Warehousing	406	144	246	1,589	S	2,266	4.1%
Information	80	S	97	219	0	455	0.8%
Finance and Insurance	248	S	206	692	S	1,201	2.2%
Real Estate and Rental and Leasing	343	S	813	1,689	S	3,040	5.4%
Professional, Scientific, and Technical Services	746	739	1,259	3,249	36	5,900	10.6%
Management of Companies and Enterprises	1	2	S	8	0	23	0.04%
Administrative Support, Waste Management, and Remediation Services	996	436	549	4,655	S	6,039	10.8%
Educational Services	S	S	159	S	1	828	1.5%
Health Care and Social Assistance	1,274	1,163	1,255	4,371	32	7,409	13.3%
Arts, Entertainment, and Recreation	S	309	303	917	S	1,766	3.2%
Accommodation and Food Services	154	44	1,266	1,191	13	2,592	4.6%
Other Services	636	816	2,045	6,003	S	9,312	16.7%
Unclassified	0	0	S	S	0	43	0.1%
<b>All minority firms in Arizona</b>	<b>6,330</b>	<b>6,548</b>	<b>10,215</b>	<b>35,104</b>	<b>348</b>	<b>55,814</b>	<b>100.1%</b>

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 *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 Office of Business Development, December 2007.