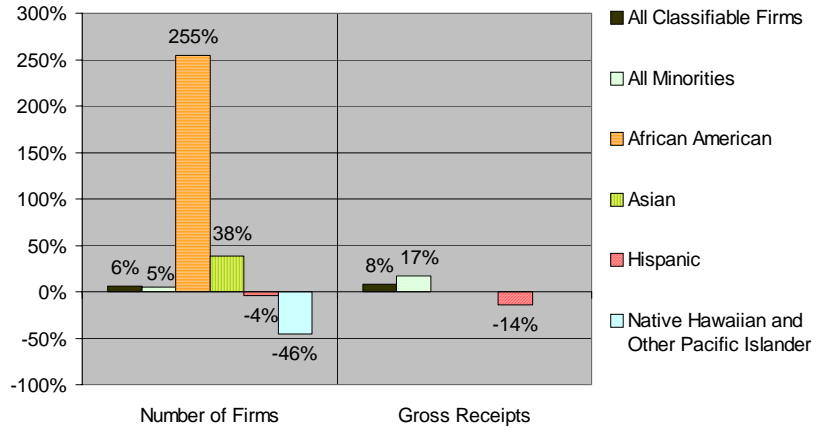


- In 2002, there were over 3,500 minority firms in Montana generating over \$417 million in gross receipts.
- These firms also employed nearly 3,900 workers.
- Minority firms represented 3.6% of all 'classifiable' firms located in the state.
- The number of minority firms in Montana increased by 5% between 1997 and 2002, compared to 6% for all 'classifiable' firms in the state.
- Montana had the 7th smallest minority population in the country, numbering about 98 thousand or 10.7% of the state's total population in 2002.

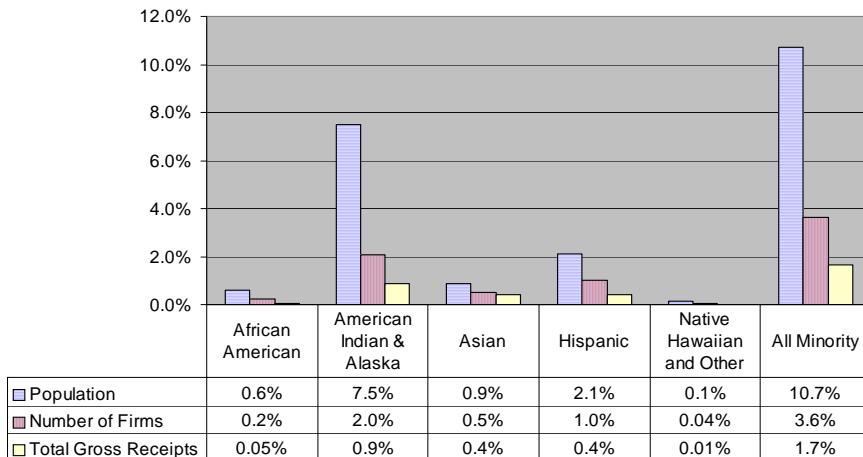
Change in Number of Firms and Gross Receipts for Firms in Montana 1997 - 2002



Summary Statistics by Group in Montana— 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 | 220 | \$12,367 | \$56 | S | S |
| American Indian & Alaska Native | 1,990 | \$214,562 | \$108 | 357 | 1,669 |
| Asian | 511 | \$99,914 | \$196 | 255 | 1,519 |
| Hispanic | 964 | \$99,073 | \$103 | S | S |
| Native Hawaiian and Other Pacific Islander | 40 | \$2,112 | \$53 | S | S |
| All Minority | 3,526 | \$417,201 | \$118 | 821 | 3,898 |
| Classifiable Firms (Minority and non-Minority) | 97,236 | \$24,917,713 | \$256 | 25,585 | 180,729 |
| All U.S. Firms (includes publicly-held) | 100,402 | \$44,686,989 | \$445 | 28,248 | 293,378 |

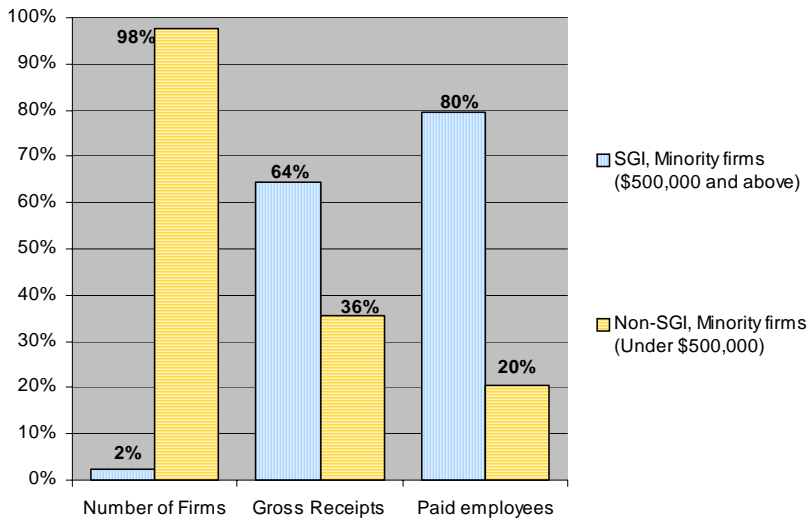
Percentage of Minority Population, Number of Firms and Gross Receipts Compared to Classifiable Firms, Montana – 2002



- In 2002, no minority group in Montana reached parity in number of firms or gross receipts compared to that group's share in the population..
- If minority business activity in Montana matched the state's minority population percentage in 2002, the number of minority firms in the state would have exceeded 10,400. They would have generated nearly \$2.7 billion in gross receipts and employed about 19,400 workers.

Source: U.S. Census Bureau's 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. 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. S= Estimates are suppressed when publication standard are not met. Change in gross receipts for African Americans, Asians, and Native Hawaiian and Other Pacific Islanders was not included because 1997 data was withheld. Population estimates for 2002 were for all ages.

Minority Firms in Montana 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 employees than firms with receipts under \$500,000.
- In 2002, SGI firms generated about 64% of all receipts grossed by all minority firms in Montana and employed 80% of all paid workers employed by minority firms in that state.
- Minority-owned firms in Montana were also more concentrated in the following industries: construction; other services; retail trade; and health care and social assistance.

Number of Minority Firms in Montana, 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 | 52 | S | 6 | 0 | 64 | 1.8% |
| Mining | 0 | 5 | 1 | 1 | 0 | 7 | 0.2% |
| Utilities | 0 | 1 | 0 | 0 | 0 | 1 | 0.03% |
| Construction | S | 354 | 27 | S | 0 | 509 | 14.4% |
| Manufacturing | 2 | 49 | 15 | S | 1 | 133 | 3.8% |
| Wholesale Trade | 0 | S | 2 | 9 | 1 | 40 | 1.1% |
| Retail Trade | 12 | S | S | 148 | 1 | 429 | 12.2% |
| Transportation and Warehousing | S | 69 | 8 | 40 | 0 | 121 | 3.4% |
| Information | 1 | 10 | 1 | 4 | 0 | 19 | 0.5% |
| Finance and Insurance | 1 | 1 | 2 | 6 | 0 | 9 | 0.3% |
| Real Estate and Rental and Leasing | S | S | 17 | 36 | S | 117 | 3.3% |
| Professional, Scientific, and Technical Services | 31 | 265 | 93 | 100 | S | 393 | 11.1% |
| Management of Companies and Enterprises | 0 | 1 | 0 | 0 | 0 | 1 | 0.03% |
| Administrative Support, Waste Management, and Remediation Services | 7 | 136 | 9 | S | 0 | 203 | 5.8% |
| Educational Services | S | 72 | 1 | 8 | 0 | 95 | 2.7% |
| Health Care and Social Assistance | S | 245 | 29 | S | 1 | 412 | 11.7% |
| Arts, Entertainment, and Recreation | S | S | S | 12 | 2 | 190 | 5.4% |
| Accommodation and Food Services | S | S | 147 | 30 | 4 | 289 | 8.2% |
| Other Services | S | 257 | S | 189 | S | 497 | 14.1% |
| Unclassified | 0 | 0 | 0 | 0 | 0 | 0 | 0.0% |
| All Minority Firms in Montana | 220 | 1,990 | 511 | 964 | 40 | 3,526 | 100.1% |

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. For information on Census' data methodology and standard errors, please visit www.census.gov/csd/sbo/index.html. Prepared by MBDA's Office of Business Development, May 2008.