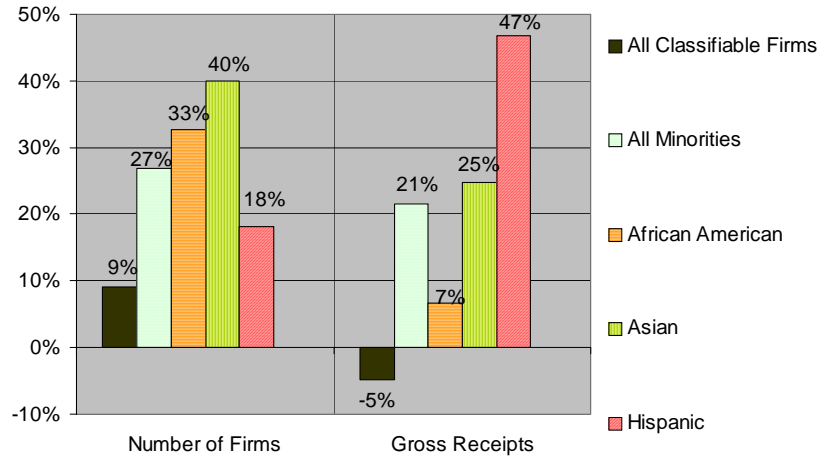


- In 2002, there were over 41,200 minority firms in Tennessee generating nearly \$5.6 billion in gross receipts.
- These firms also employed over 52,000 workers.
- Minority firms represented 9.3% of all 'classifiable' firms located in the state.
- The number of minority firms in Tennessee increased by 27% between 1997 and 2002, compared to 9% for all 'classifiable' firms in the state.
- Tennessee has the 19th largest minority population, numbering more than 1.2 million people or 21.2% of the Tennessee's total population in 2002.

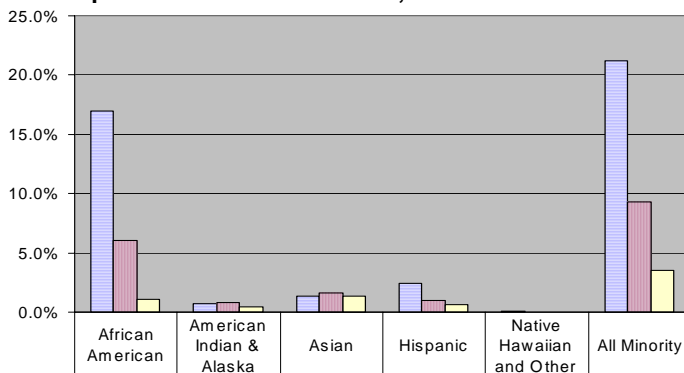
Change in Number of Firms and Gross Receipts for Firms in Tennessee 1997 - 2002



Summary Statistics by Group in Tennessee - 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	26,811	\$1,755,025	\$65	2,075	18,860
American Indian & Alaska Native	3,565	\$651,043	\$183	366	4,004
Asian	7,241	\$2,182,650	\$301	2,753	21,971
Hispanic	4,301	\$1,004,389	\$234	885	7,995
Native Hawaiian and Other Pacific Islander	S	S	n/a	S	S
All Minority	41,276	\$5,567,595	\$135	5,966	52,010
Classifiable Firms	444,936	\$160,088,129	\$360	88,330	1,022,849
All U.S. Firms (includes publicly held)	454,366	\$436,507,687	\$961	96,113	2,254,937

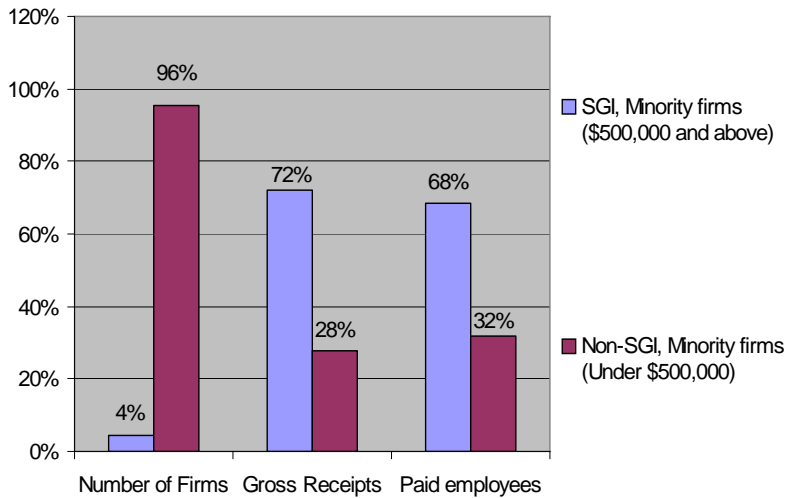
Percentage of Minority Population, Number of Firms and Gross Receipts Compared to Classifiable Firms, Tennessee - 2002



Group	Population	Number of Firms	Total Gross Receipts
African American	17.0%	6.0%	1.1%
American Indian & Alaska	0.7%	0.8%	0.4%
Asian	1.4%	1.6%	1.4%
Hispanic	2.4%	1.0%	0.6%
Native Hawaiian and Other	0.1%		
All Minority	21.2%	9.3%	3.5%

- In Tennessee, American Indian and Alaska Natives, and Asians have reached parity in their number of firms when compared to their representation in the state's population. Asians have also reached parity in their gross receipts. No other minority group has reached parity.
- If minority business activity in Tennessee matched the state's minority population percentage in 2002, the number of minority firms in the state would have reached about 94,400 and they would have generated over \$33.9 billion in gross receipts and employed nearly 217,000 workers.

Minority Firms in Tennessee, 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 72% of all receipts grossed by all minority firms in Tennessee and employed 68% of all paid workers employed by minority firms in that state.
- Minority-owned firms in Tennessee were most concentrated in the following industries: other services; health care and social assistance; retail trade; and construction.

Number of Minority Firms in Tennessee, 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	23	38	10	S	0	113	0.3%
Mining	S	1	1	5	0	10	0.02%
Utilities	8	1	2	0	0	11	0.03%
Construction	2,002	760	342	1,083	2	4,058	9.8%
Manufacturing	206	99	99	S	0	550	1.3%
Wholesale Trade	299	25	147	86	2	558	1.4%
Retail Trade	2,618	439	1,228	325	S	4,583	11.1%
Transportation and Warehousing	1,831	138	S	122	3	2,167	5.3%
Information	234	25	S	S	0	396	1.0%
Finance and Insurance	667	88	S	S	1	981	2.4%
Real Estate and Rental and Leasing	1,229	S	263	S	S	1,774	4.3%
Professional, Scientific, and Technical Services	2,070	413	623	339	0	3,388	8.2%
Management of Companies and Enterprises	4	0	S	2	0	10	0.02%
Administrative Support, Waste Management, and Remediation Services	3,053	224	242	364	4	3,837	9.3%
Educational Services	545	S	81	75	0	814	2.0%
Health Care and Social Assistance	4,332	356	706	249	2	5,621	13.6%
Arts, Entertainment, and Recreation	S	92	S	227	8	1,567	3.8%
Accommodation and Food Services	697	66	1,604	284	S	2,582	6.3%
Other Services	5,993	546	1,336	683	5	8,246	20.0%
Unclassified	19	0	0	S	0	34	0.1%
All minority firms in Tennessee	26,811	3,565	7,241	4,301	S	41,276	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 Knowledge Management, Office of Business Development, April 2008.