

# **U.S. Census Bureau Survey of Business Owners**

## ***Native Hawaiian- and Other Pacific Islander-Owned Businesses: 2007***

Census Bureau Economic Data  
April 5, 2011

# Presenters

Host	Stanley J. Rolark Chief, Public Information Office U.S. Census Bureau
Survey findings	Thomas L. Mesenbourg, Jr. Deputy Director and Chief Operating Officer U.S. Census Bureau
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# Resources for Today's News Conference

Come to [www.census.gov](http://www.census.gov) and click on the icon at the top left corner to obtain –

- Today's PowerPoint Presentation
- News Release – and More!
- Link to Survey of Business Owners Home Page
- Link to Guidance on Accessing SBO Data in the American FactFinder

# About the Survey

- Part of the Economic Census taken every 5 years for years ending in “2” and “7”
- The only comprehensive, regularly collected data for businesses and business owners by
  - Minority status
    - Race
    - Ethnicity (Hispanic origin of any race)
  - Gender
  - Veteran status



# Business Ownership by Race

- Categories of ownership are based on the race of the person or persons who owned 51% or more of the stock or equity in the business in 2007.
- “Native Hawaiian- and Other Pacific Islander-Owned” is defined as any firm with Native Hawaiian and Other Pacific Islander (NHOPI) owners holding a 51% or larger stake in the business.



# Business Ownership by Detailed Group

Native Hawaiian- and Other Pacific Islander-owned businesses are further classified into the following detailed groups:

- Native Hawaiian-owned
- Guamanian- or Chamorro-owned
- Samoan-owned
- Other Pacific Islander-owned  
*[for example, Fijian or Tongan]*

# **A Look at the 2007 Statistics for Native Hawaiian- and Other Pacific Islander-Owned Businesses in the United States**

# Native Hawaiian- and Other Pacific Islander- Owned Businesses Compared to All U.S. Businesses by Employer Status: 2007

	NHOPI-owned businesses		All U.S. businesses	
	Firms (number)	Sales and receipts (\$ billions)	Firms (number)	Sales and receipts (\$ billions)
All firms <sup>1</sup>	37,957	6	27,097,236	30,033
Employer firms	4,172	5	5,739,890	29,061
Nonemployer firms	33,785	1	21,357,346	973

<sup>1</sup> Includes firms with paid employees and firms with no paid employees.

Note: Detail may not add to total because of rounding.

# Native Hawaiian- and Other Pacific Islander- Owned Business Ownership Increased More Than the National Rate: 2002 to 2007

	<b>NHOPI- owned firms in 2007 (number)</b>	<b>% change for NHOPI-owned firms, 2002 – 2007</b>	<b>% change for all U.S. firms, 2002 – 2007</b>
All firms <sup>1</sup>	37,957	31	18
Employer firms	4,172	13*	4
Nonemployer firms	33,785	34	22

<sup>1</sup> Includes firms with paid employees and firms with no paid employees.

Note: Detail may not add to total because of rounding.

\* The % change in NHOPI-owned employer firms is not statistically different than zero.

# Native Hawaiian- and Other Pacific Islander- Owned Business Revenues Compared to the National Rate: 2002 to 2007

	NHOPI-owned firms' sales and receipts in 2007 (\$ billions)	% change for NHOPI-owned firms' sales and receipts, 2002 –2007	% change for all U.S. firms' sales and receipts, 2002 –2007
All firms <sup>1</sup>	6	52	33
Employer firms	5	54	33
Nonemployer firms	1	39*	27

<sup>1</sup> Includes firms with paid employees and firms with no paid employees.

Note: Detail may not add to total because of rounding.

\* The % change in NHOPI-owned nonemployer receipts is not statistically different than zero.



# Native Hawaiian- and Other Pacific Islander- Owned Businesses and Their Proportion of All U.S. Firms by Employer Status: 2002 to 2007

	% of U.S. businesses that are NHOPI-owned	
	Year 2007	Year 2002
All firms <sup>1</sup>	0.1	0.1
Employer firms	0.1	0.1
Nonemployer firms	0.2	0.1

<sup>1</sup> Includes firms with paid employees and firms with no paid employees.

# Growth in Business Ownership in U.S. by Detailed Native Hawaiian and Other Pacific Islander Group: 2002 to 2007

	Firms in 2007 (number)	% change, 2002 – 2007	% of all NHOPI firms
Native Hawaiian and Other Pacific Islander <sup>1</sup>	37,957	31	100
Native Hawaiian	21,111	26	56
Guamanian or Chamorro	3,650	- 4*	10
Samoan	3,029	37	8
Other Pacific Islander	9,321	47	25

<sup>1</sup> Includes firms with paid employees and firms with no paid employees.

Note: Detail does not add to total because of firms that are NHOPI-owned, but have not been assigned to a detailed NHOPI group or have ownership by more than one detailed NHOPI group.

\* The % change in firms for this detailed group is not statistically different than zero.

# Growth in Business Revenue in U.S. by Detailed Native Hawaiian and Other Pacific Islander Group: 2002 to 2007

	Sales and receipts in 2007 (\$ billions)	% change, 2002 – 2007	% of all NHOPI sales and receipts
Native Hawaiian and Other Pacific Islander <sup>1</sup>	6.5	52	100
Native Hawaiian	4.2	47	64
Guamanian or Chamorro	0.6	- 8*	10
Samoan	0.4	28*	6
Other Pacific Islander	1.4	229	21

<sup>1</sup> Includes firms with paid employees and firms with no paid employees.

Note: Detail does not add to total because of firms that are NHOPI-owned, but have not been assigned to a detailed NHOPI group or have ownership by more than one detailed NHOPI group.

\* The % change in receipts for this detailed group is not statistically different than zero.



# Distribution of Firms by Receipts Size of Firm: 2007

Receipts size	% of NHOPI-owned firms	% of all U.S. firms
Less than \$50,000	78	65
\$50,000 to \$99,999	7	10
\$100,000 to \$249,999	7	10
\$250,000 to \$499,999	3	5
\$500,000 to \$999,999	2	4
\$1,000,000 or more	2	5

Note: Detail may not add to total because of rounding.



# Distribution of Employer Firms by Employment Size of Firm: 2007

Employment size	% of NHOPI-owned firms	% of all U.S. firms
0 to 4 employees <sup>1</sup>	63	61
5 to 9 employees	20	18
10 to 19 employees	8	11
20 to 49 employees	5	7
50 employees or more	4	4

<sup>1</sup> Includes firms with payroll at any time during 2007. Employment reflects the number of paid employees during the March 12 pay period.

Note: Detail may not add to total because of rounding.

# Number of Native Hawaiian- and Other Pacific Islander-Owned Firms for Selected Industries: 2007

<b>Business sectors</b>	<b>Firms (number)</b>	<b>% of all NHOPI firms</b>	<b>Sales and receipts (\$ billions)</b>	<b>% of all NHOPI sales and receipts</b>
Total for all sectors	37,957	100	6.5	100
Construction	4,991	13	1.6	24
Retail trade	3,909	10	1.3	20
Professional, scientific, and technical services	3,655	10	0.7	11
Health care and social assistance	3,723	10	0.3	4
Repair and maintenance, and personal and laundry services	5,320	14	0.2	3

# States With the Largest Number of Native Hawaiian- and Other Pacific Islander-Owned Firms: 2007

States and equivalent area	NHOPI-owned firms in 2007 (number)	% of firms in state that are NHOPI-owned	% change for NHOPI-owned firms in state, 2002 – 2007
Hawaii	11,383	9	36
California	9,255	< 1	31

# Counties With the Largest Number of Native Hawaiian- and Other Pacific Islander-Owned Firms: 2007

	<b>NHOPI- owned firms in 2007 (number)</b>	<b>% of firms in county that are NHOPI- owned</b>	<b>% change for NHOPI- owned firms in county, 2002 – 2007</b>
Honolulu, HI	6,721	9	33
Los Angeles, CA	2,804	< 1	S*
Maui, HI	2,111	11	78
Hawaii, HI	1,722	9	11**

\*S – Suppressed. The % change in firms is unavailable because the 2002 statistics did not meet publication standards.

\*\* The % change in firms for this county is not statistically different than zero.

# Metropolitan Areas With the Largest Number of Native Hawaiian- and Other Pacific Islander-Owned Firms: 2007

Metropolitan and equivalent areas with a population of at least 500,000	NHOPI-owned firms in 2007 (number)	% of firms in metropolitan area that are NHOPI-owned	% change for NHOPI-owned firms in metropolitan area, 2002 – 2007
Honolulu, HI	6,721	9	33
Los Angeles-Long Beach-Santa Ana, CA	3,675	< 1	S*

\*S – Suppressed. The % change in firms is unavailable because the 2002 statistics did not meet publication standards.

# Growth in Business Ownership in Hawaii by Detailed Native Hawaiian and Other Pacific Islander Group: 2002 to 2007

	Firms in 2007 (number)	% of firms in state by detailed group	% change for firms by detailed group, 2002 – 2007
Native Hawaiian and Other Pacific Islander <sup>1</sup>	11,383	9.5	36
Native Hawaiian	10,518	8.7	39
Guamanian or Chamorro	135	0.1	S*
Samoan	444	0.4	96**
Other Pacific Islander	484	0.4	18**

<sup>1</sup> Includes firms with paid employees and firms with no paid employees.

Note: Detail does not add to total because of firms that are NHOPI-owned, but have not been assigned to a detailed NHOPI group or have ownership by more than one detailed NHOPI group.

\* S – Suppressed. The % change in firms is unavailable because the 2002 statistics did not meet publication standards.

\*\* The % change in firms for this detailed group is not statistically different than zero.

# Growth in Business Revenue in Hawaii by Detailed Native Hawaiian and Other Pacific Islander Group: 2002 to 2007

	Sales and receipts (\$ millions)	% of sales and receipts in state by detailed group	% change for sales and receipts by detailed group, 2002 – 2007
Native Hawaiian and Other Pacific Islander <sup>1</sup>	2,378	2.4	66
Native Hawaiian	2,274	2.3	67
Guamanian or Chamorro	4	< 0.1	S*
Samoan	31	< 0.1	31**
Other Pacific Islander	100	0.1	122**

<sup>1</sup> Includes firms with paid employees and firms with no paid employees.

Note: Detail does not add to total because of firms that are NHOPI-owned, but have not been assigned to a detailed NHOPI group or have ownership by more than one detailed NHOPI group.

\* S – Suppressed. The % change in firms is unavailable because the 2002 statistics did not meet publication standards.

\*\* The % change in receipts for this detailed group is not statistically different than zero.

# Accessing SBO Results

- SBO Web site: [www.census.gov/econ/sbo](http://www.census.gov/econ/sbo)
- For access to prepackaged data products and the ability to build custom tables, visit American FactFinder (AFF), the Census Bureau's online, self-service data access tool at [www.factfinder.census.gov](http://www.factfinder.census.gov)

# SBO Release Schedule

Data	Release date
Preliminary Company Summary - Estimates of Business Ownership by Gender, Ethnicity, Race, and Veteran Status	July 13, 2010
Hispanic-Owned Businesses	September 21, 2010
Women-Owned Businesses	December 7, 2010
Black-Owned Businesses	February 8, 2011
American Indian- and Alaska Native-Owned Businesses	March 11, 2011
Native Hawaiian- and Other Pacific Islander-Owned Businesses	April 1, 2011
Asian-Owned Businesses	April 26, 2011

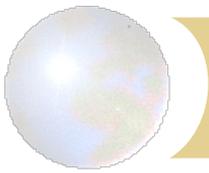
# SBO Release Schedule (continued)

Data	Release date
Veteran-Owned Businesses	May 17, 2011
Company Summary	June 7, 2011
Characteristics of Businesses	June 14, 2011
Characteristics of Business Owners	June 14, 2011



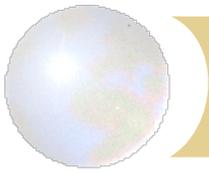
*Native Hawaiian & Other  
Pacific Islander-Owned Firms  
Outpace Growth of  
Non-Minority-Owned Firms*

**Alejandra Castillo, National Deputy Director**



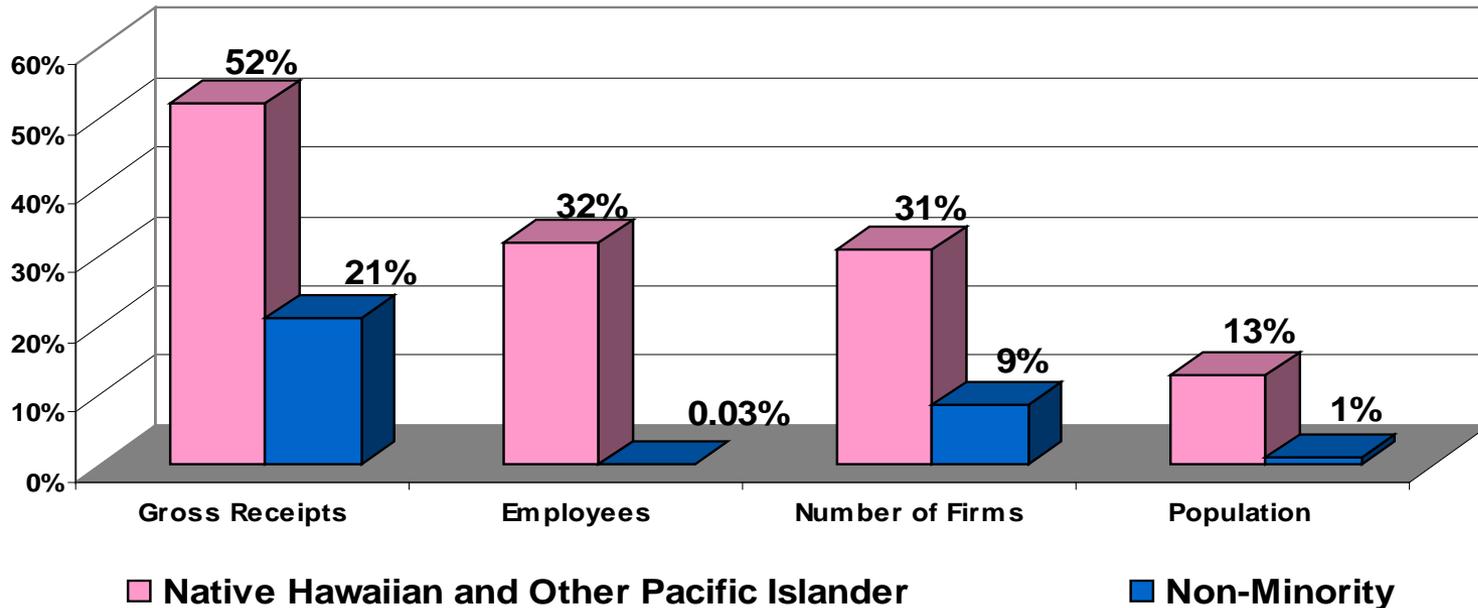
## *The Big Picture*

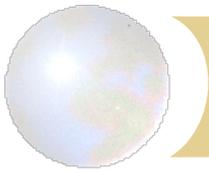
- ✦ The Native Hawaiian & Other Pacific Islander business community continues to grow in number at a fast rate, yet their true economic potential is still unrealized.
- ✦ The fast growing trend of Native Hawaiian & Other Pacific Islander-owned firms continued into the most recent five year period outpacing once again the growth of non-minority-owned firms in number of firms (31% Native Hawaiian & Other Pacific Islander growth). Native Hawaiian & Other Pacific Islander firms also grew faster in gross receipts (52%) and employment (32%) between 2002 and 2007.
- ✦ Native Hawaiian & Other Pacific Islander firms are also an engine of job creation, with paid employment growing by 32% from 29,319 workers to 38,750 workers, compared to less than 1% growth for non-minority-owned firms.
- ✦ Average employment per firm with employees also went up from 8 employees per Native Hawaiian & Other Pacific Islander firm with employees in 2002 to 9 employees per firm with employees in 2007.
- ✦ The Native Hawaiian & Other Pacific Islander firms paid competitive wages to their employees. Average payroll per employee increased by 17 percent from about \$28,000 in payroll per employee in 2002 to \$33,000 in payroll per employee in 2007. The average payroll per employee for non-minority firms was \$35,000 in 2007.



# *Native Hawaiian & Other Pacific Islander-Owned Firms Outpace Growth of Non-Minority-Owned Firms*

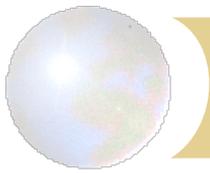
2002-2007



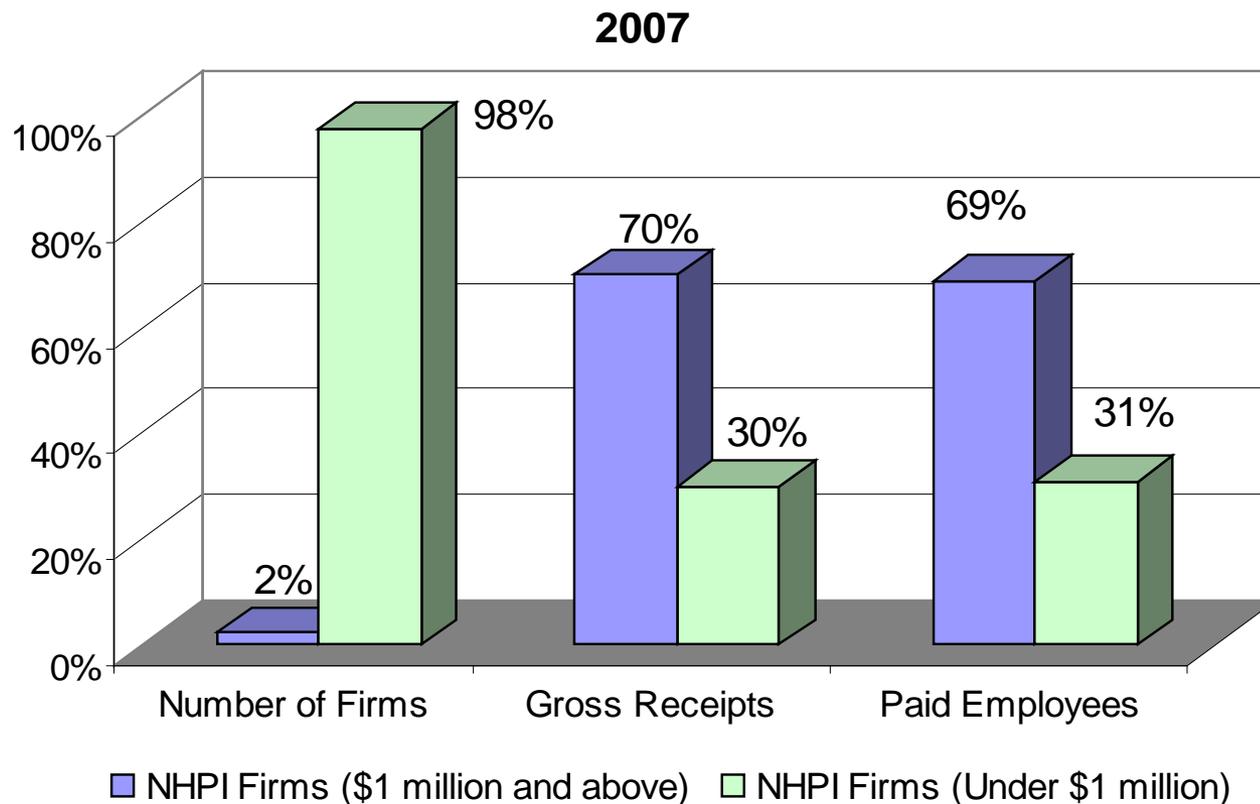


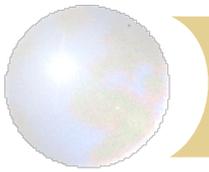
## *Upside of \$1 Million Plus Firms*

- ✦ While smaller in number, Native Hawaiian & Other Pacific Islander firms with receipts of \$1 million or more generate a much larger percentage of all Native Hawaiian & Other Pacific Islander revenues and paid employment than firms with receipts under \$1 million.
- ✦ Native Hawaiian & Other Pacific Islander with receipts of \$1 million or more represented 2 percent of all the Native Hawaiian & Other Pacific Islander firms but generated 70 percent of all Native Hawaiian & Other Pacific Islander firms' gross receipts and 69 percent of all their paid employment.
- ✦ There were 884 Native Hawaiian & Other Pacific Islander firms with gross receipts of \$1 million or more in 2007. These firms generated combined gross receipts of about \$4.6 billion and employed nearly 27,000 workers.
- ✦ Average gross receipts of Native Hawaiian & Other Pacific Islander firms with sales of \$1 million or more grew **by 31 percent from \$3.9 million per firm in 2002 to \$5.2 million in 2007.**



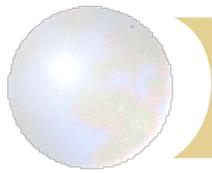
# *Native Hawaiian & Other Pacific Islander-Owned Firms With \$1 Million and Above in Sales*



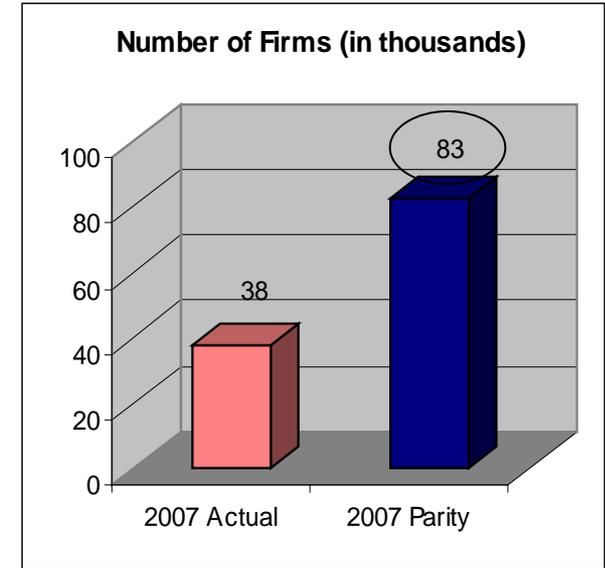
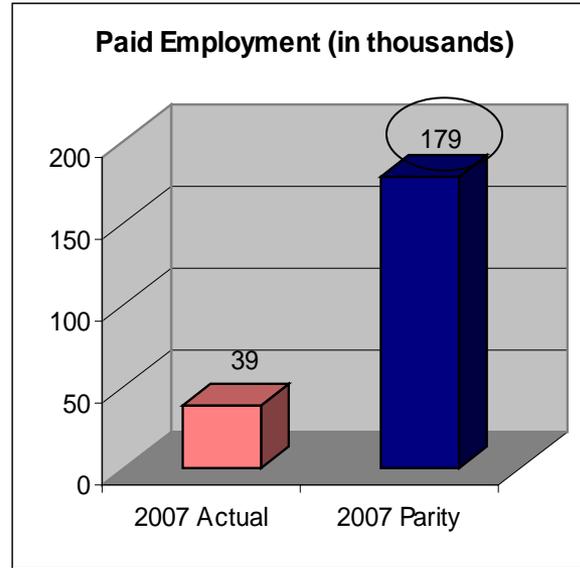
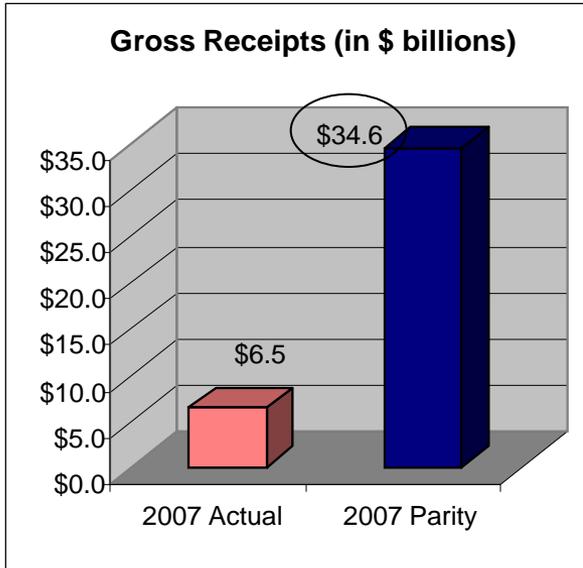


# *Entrepreneurial Parity*

- ✦ At MBDA, we measure entrepreneurial parity of minority-owned firms. Unfortunately, there is still an entrepreneurial parity gap between Native Hawaiian & Other Pacific Islander firms and the share of the Native Hawaiian & Other Pacific Islander adult population, which was 0.3 percent in 2007.
- ✦ If Native Hawaiian & Other Pacific Islander-owned firms would have reached parity with their share of the adult Native Hawaiian & Other Pacific Islander population in 2007, there would have been 83,000 firms (instead of 37,957) generating \$34.6 billion in gross receipts (instead of \$6.5 billion), and creating 179,000 jobs (instead of 38,750).
- ✦ The faster growing Native Hawaiian & Other Pacific Islander population increased by 13% during this period, compared to only 1% growth for non-minorities. We have to encourage further the growth of Native Hawaiian & Other Pacific Islander firms to keep up with the growth of the population.



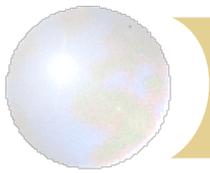
# *Entrepreneurial Parity Remains Elusive for Native Hawaiian & Other Pacific Islander Businesses*





# *The Downside*

- ✦ While Native Hawaiian & Other Pacific Islander-owned firms outpaced the growth of non-minority-owned firms in gross receipts (52% Native Hawaiian & Other Pacific Islander growth), employment (32%) and number of firms (31%), only 11 percent of these firms (4,172) had paid employees and just 884 had revenues greater than \$1 million.
- ✦ In addition, the average gross receipts for Native Hawaiian & Other Pacific Islander-owned firms increased by 16 percent from \$148,000 in 2002 to \$171,000 in 2007, but it is still well below that of non-minority-owned firms (\$490,000).
- ✦ There are approximately 38,000 sole proprietorships in the Native Hawaiian & Other Pacific Islander business community. MBDA's goal is to help grow those in emerging industries and with the potential for size and scale, as well as encourage job creation among these firms.
- ✦ As the Native Hawaiian & Other Pacific Islander population increases in the U.S., the success of the Native Hawaiian & Other Pacific Islander community becomes critical for job creation.



# *Minority-Owned Firms Gross Receipts*

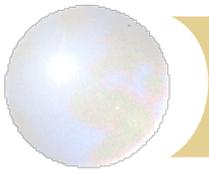
Average Gross Receipts 2007			
Native Hawaiian & Other Pacific Islander-owned businesses	Asian-owned businesses*	Minority-owned businesses*	Non-minority- owned businesses*
\$171,000	\$331,000	\$179,000	\$490,000

\* Average gross receipts for Asian, minority and non-minority-owned businesses are based on Preliminary data from the 2007 Survey of Business Owners released in July 2010.



# *The Future*

- ✦ MBDA is committed to making sure the growth and competitiveness of the minority business community continues to be a national priority.
- ✦ MBDA is creating the foundation for the next generation of \$100 million minority-owned firms capable of employing the growing minority and U.S. population, expanding the national tax base, and securing our position as a global leader.
- ✦ In fiscal year 2010, MBDA assisted minority owned firms in accessing more than \$3.8 billion in contracts and financings, and creating more than 6,200 jobs.
- ✦ To grow more minority-owned firms in size and capacity, MBDA encourages minority businesses to consider growth by mergers and acquisition, joint ventures and strategic partnerships.



## *Contacting MBDA Public Affairs*

For more information, please contact:

✚ Email: [public\\_affairs@mbda.gov](mailto:public_affairs@mbda.gov)

✚ Phone: 202.482.6272

# THE NATIVE HAWAIIAN CHAMBER OF COMMERCE



[www.nativehawaiianchamberofcommerce.com](http://www.nativehawaiianchamberofcommerce.com)

# History and Mission

- Founded in 1974, the Native Hawaiian Chamber of Commerce strives to encourage and promote the interests of Native Hawaiians engaged in business and the professions. NHCC members participate in a variety of areas, including economic, social and public affairs.
- NHCC's mission is “to strengthen Native Hawaiian businesses and professions by building on the foundation of relationships, resources and Hawaiian values: Aloha, `Imi `ike, Lōkahi, Pono, Ha`a ha`a, `A`a, Ala ka`ina, Po`okela, Ho`okō and, Ha`aheo.”

# Challenges and Opportunities

- Current reliance of off-shore goods and supplies.
- Finite land base for growing population (local and external demands).
- Economic Development initiatives on multiple levels (CBED, Micro-enterprises, SBA 8(a)).
- Emerging sectors for ground-floor participation (Energy, Health, Agriculture).
- Perpetuating Hawaiian cultural values within everyday business practices.

*He ali'i ka 'aina, He kua ke ali'i*

# Questions?

# Key Upcoming Press Events from the U.S. Census Bureau

- April 28 Webinar on 2007 Business Ownership Data for Asian-Owned Businesses
- May 17 Webinar on 2007 Business Ownership Data for Veteran-Owned Businesses

# Contact Information

- U.S. Census Bureau  
Public Information Office  
Phone: 301.763.3030  
[www.census.gov](http://www.census.gov)
- Minority Business Development Agency  
Public Affairs Office  
Phone: 202.482.6272  
[www.mbda.gov](http://www.mbda.gov)
- Native Hawaiian Chamber of Commerce  
Phone: 808.531.3744  
[www.nativehawaiianchamberofcommerce.com](http://www.nativehawaiianchamberofcommerce.com)