

Minority and Women Business Ownership: 2002

Introduction

This report on 'Minority and Women Business Ownership' in the District of Columbia is the second in a series of monthly briefs published by the DC State Data Center. The data presented in this report were obtained from the Survey of Business Owners (SBO) conducted by the U.S. Census Bureau in five-year periods, the most recent being 2002.

The main findings showed that minority groups and women nationally are increasing their business ownership at a much higher rate than the national average (Table 1). While the number of U.S. businesses increased by 10% between 1997 and 2002, the number of women-owned businesses increased 20% for the same period; Black-

owned businesses increased by 45.5 percent; and Hispanic-owned businesses (as an ethnic group) increased by 31 percent. Similar increases are shown for the District of Columbia, Maryland and Virginia.

In the District of Columbia, black-owned, and women-owned businesses have shown significant increases from 1997 to 2002 (Table 2). Black-owned businesses increased their numbers by 11.9 percent, while women-owned businesses were up by 12.2 percent. Hispanic-owned businesses did not show a significant increase (0.4 percent). Sales and receipts from all firms in the District increased by 102 percent from 1997 to 2002 (Table 3) page 2.

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**Table 1: Growth Rate in Number of Minority and Women-Owned Businesses
1997-2002**

Categories	United States	District of Columbia	Maryland	Virginia
All Firms	10.4%	4.2%	10.8%	10.3%
Black	45.5%	11.9%	45.8%	38.8%
Female	19.9%	12.2%	18.7%	18.8%
Hispanic	31.0%	0.4%	37.7%	22.7%

Note: Other racial categories were not comparable between 1997 and 2000.
Source: U.S. Census Bureau

**Table 2: Number of Minority and Women-Owned Businesses
District of Columbia, 1997-2002**

Categories	1997 Number of Firms	2000 Number of Firms	1997-2002 % change
All firms	45,297	47,184	4.2%
Black	10,909	12,202	11.9%
Female	13,979	15,684	12.2%
Hispanic	2,153	2,162	0.4%

Source: U.S. Census Bureau



**Table 3: Minority and Women-Owned Businesses Sales and Receipts
District of Columbia, 1997-2002**

Categories	1997 Sales & Receipts (\$1,000)	2000 Sales & Receipts (\$1,000)	1997-2002 % change
All firms	\$52,900,995	\$106,920,010	102.1%
Black	\$1,334,651	\$1,571,532	18.0%
Female	\$1,813,270	\$2,409,376	33.0%
Hispanic	\$663,650	\$542,045	-18.3%

Source: U.S. Census Bureau

D.C. Highlights

All D.C. Businesses

- Of the 47 thousand businesses in 2002, 13.5 thousand (28.7%) had paid employees. Receipts from businesses with employees totaled \$105.3 billion.
- An estimated 33.6 thousand businesses had no paid employees. Their receipts totaled \$1.6 billion.

D.C. Black-Owned Businesses

- There were 12,202 black-owned businesses in 2002, up 11.9 percent from 1997. Their receipts were 1.5 billion, up 17.7 percent from 1997.
- Twenty-six percent of all businesses were black-owned.

D.C. Hispanic-Owned Businesses

- There were 2,162 Hispanic owned businesses in 2002, up by 0.4 percent from 1997. Their receipts were \$542 million, down 18 percent from 1997.

D.C. Women-Owned Businesses

- There were 15,684 women-owned businesses in 2002, up 12.2 percent from 1997. Their receipts totaled \$2.4 billion, up 33 percent from 1997.

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Government of the District of Columbia

- Thirty-three percent of all firms in the District of Columbia were women-owned in 2002, up 2 percent from 1997.

Minority and Women-Owned Business Initiatives

Following 911 there was related evidence to suggest that small and minority businesses had been hard hit by the economic decline. In the post 911 years it became clear that major businesses had recovered. These data provide the first quantitative evidence that small and minority businesses not only recovered but also appear to have flourished. Although the business landscape is similar for all business owners, minority and women business owners may experience certain challenges. Thus, many networks have been established to serve as valuable resources for the women and minority business owners in the District of Columbia. Some of these networks are as follows:

Government Resources

- The D.C. Office of Local Business Development (OLBD) fosters economic growth and development of local, small, and disadvantaged business enterprises (LSDBEs) through supportive legislation, business development program, and agency and public/private contract compliance.
- The Local, Small, Disadvantaged Business Enterprise (LSDBE) conducts a certification program designed to build local, small, and disadvantaged businesses and stimulate economic development in the District under DC Law 12-268.
- The DC Chamber of Commerce Business Resource Center (DCCCBRC) offers one-on-one business counseling, training, access to capital, special loan programs, start-up counseling, and minority enterprise development.

- Washington, DC Marketing Center offers outreach efforts, such as DC Business Connections, conducts business retention and recruitment programs and distributes economic development information.
- Washington, DC Small Business Development Center Network (DCSBDC) provides technical assistance and extensive training curriculum for small, disadvantaged, and minority-owned businesses.
- Women's Business Center (WBC) creates business-to-business networking opportunities, provides affordable training, and introduces business owners to uses and benefits of technology.
- DC Public Library (DCPL) provides business-related reference materials and free internet access at all branch libraries – and free computer classes at the main library.
- FedBizOpps is the government point-of-entry for procurement opportunities over \$25,000. Commercial vendors seeking federal markets for their products and services can search, monitor, and retrieve opportunities solicited by the entire federal contracting community.
- The US Department of Commerce's Minority Business Development Agency offers tools, services, publications, and stories for all levels of business.
- The U.S. Small Business Administration's Office of Women's Business Ownership promotes the growth of women-owned businesses through programs that address business training and technical assistance.
- Office of Latino Affairs (OLA), Community Services, Community Relations and Outreach Program provides partnership and outreach services to District Latino residents so that they may increase their knowledge of and access to vital programs and services available to them.

Associations and Membership Organizations

- American Business Women's Association; Business and Professional Women/USA; Center for Women's Business Research; National Association of Women Business Owners; National Minority Business Council; US Hispanic Chamber of Commerce; Womenbiz.gov; Women Enterprise National Council; and Women Presidents' Organization: all bring together women and minorities from varying occupations and provides opportunities to grow personally and professionally.