

District of Columbia

STATE DATA CENTER MONTHLY BRIEF FEBRUARY 2011

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Using Data From
U.S. Census Bureau
Economic Census and
Survey of Businesses
Released Feb. 8, 2011

This report is based on data produced by the U.S. Census Bureau and may differ from data produced by other entities.

DC Black-Owned Businesses: 2007 Commemorating Black History Month, February 2011

About the Economic Survey

- Detailed portrait of the U.S. economy taken every 5 years ending in "2" and "7".
- The only comprehensive, regularly collected data for businesses and business owners by race, ethnicity and gender.
- Included are all nonfarm businesses filing IRS tax forms as individual proprietorships, partnerships, or any type of corporation, and with receipts of \$1,000 or more. It covers both firms with paid employees and no paid employees.
- The data are compiled by combining data collected on businesses and business owners in the survey with data collected on the main economic census and administrative records.
- Race categories of business 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.

Key Findings on DC Black-Owned Businesses

- DC Black-owned businesses increased to 15,772 in 2007, up 29.3% from 2002.
- In 2007, 28% of all DC businesses were Black-owned, up from 25.9% in 2002.
- Receipts of DC Black-owned businesses were \$2.4 billion in 2007, up 15.3% from 2002.
- 91% of all DC Black-owned businesses were non-employer firms.
- Only 2% of DC Black-owned firms had sales and receipts of \$1 million or more.
- Most (56%) of DC Black-owned employer firms had less than five employees.
- Industries in DC with the largest number of Black-owned businesses included professional, scientific, and technical services (16.4%), health care and social assistance (14.6%) and transportation and warehousing (11.4%).

Table 1. Black-Owned Businesses Compared to All U.S. Businesses by Employer Status: 2007

	All U.S. Businesses		All U.S. Black-owned Businesses		All DC Black-owned Businesses	
	Firms (#)	Sales and Receipts (\$ billions)	Firms (#)	Sales and Receipts (\$ billions)	Firms (#)	Sales and Receipts (\$ billions)
All firms	27,110,019	30,176	1,921,881	137	15,774	2.4
Employer firms	5,752,668	29,203	106,824	99	1,426	2.0
Non-employer firms	21,357,351	973	1,815,057	39	14,348	0.4

Source: U.S. Census Bureau Economic Census and Survey of Businesses
www.census.gov/eco/sbo

Table 2. Black Business Ownership Increased Faster than National Rate: 2002-2007

	% change for all U.S. firms 2002-2007	% change for all Black-owned U.S. firms 2002-2007	% change for all DC Black-owned firms 2002-2007
All firms	18%	60%	29.3%
Employer firms	4%	13%	14.4%
Non-employer firms	22%	65%	31%

Source: U.S. Census Bureau Economic Census and Survey of Businesses
www.census.gov/eco/sbo

Table 3. Black Business Revenues Increased Faster than National Rate: 2002-2007

	% change for all U.S. firms sales and receipts 2002-2007	% change for all Black-owned U.S. firms sales and receipts 2002-2007	% change for all DC Black-owned firms sales and receipts 2002-2007
All firms	34%	55%	50.5%
Employer firms	34%	50%	48.9%
Non-employer firms	27%	69%	60.1%

Source: U.S. Census Bureau Economic Census and Survey of Businesses
www.census.gov/eco/sbo

Table 4. Black-Owned Businesses and Their Proportion of All U.S. Firms by Employer Status: 2002-2007

	% of U.S. Businesses that are Black-owned		% of DC Businesses that are Black-owned	
	Year 2007	Year 2002	Year 2007	Year 2002
All firms	7.1%	5.2%	28.2%	25.9%
Employer firms	1.9%	1.7%	10.2%	9.6%
Non-employer firms	8.5%	6.3%	34.2%	32.0%

Source: U.S. Census Bureau Economic Census and Survey of Businesses
www.census.gov/eco/sbo

Figure 1. DC Black-Owned Firms by Receipts Size of Firm: 2007
Total: \$2,360,568

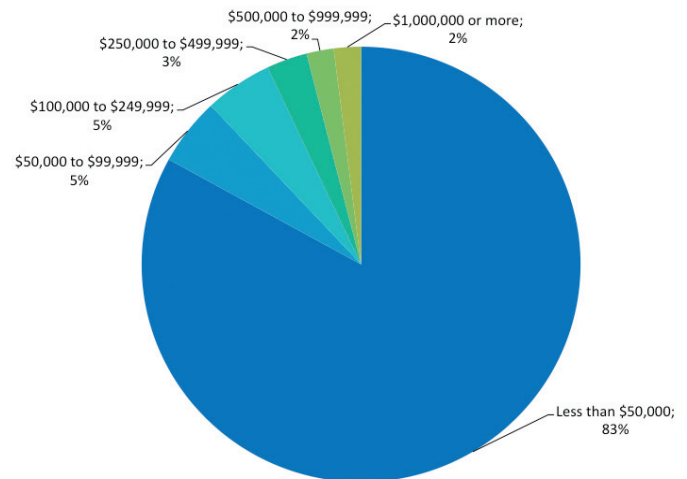


Table 5. Distribution of Firm by Receipts Size of Firm: 2007

Receipts size	% of all U.S. firms	% of all Black-owned U.S. firms	% of all DC firms	% of all Black-owned DC firms
Less than \$50,000	65%	87%	62%	83%
\$50,000 to \$99,999	10%	6%	8%	5%
\$100,000 to \$249,999	10%	4%	9%	5%
\$250,000 to \$499,999	5%	1%	5%	3%
\$500,000 to \$999,999	4%	1%	5%	2%
\$1,000,000 or more	5%	1%	11%	2%

Source: U.S. Census Bureau Economic Census and Survey of Businesses
www.census.gov/eco/sbo

Table 6. Distribution of Employer Firms by Employment Size of Firm: 2007

Employment size	% of all U.S. firms	% of all Black-owned U.S. firms	% of all DC firms	% of all Black-owned DC firms
1 to 4 employees	61%	69%	47%	56%
5 to 9 employees	18%	16%	17%	19%
10 to 19 employees	11%	8%	11%	10%
20 to 49 employees	7%	5%	8%	8%
50 employees or more	4%	2%	16%	6%

Source: U.S. Census Bureau Economic Census and Survey of Businesses
www.census.gov/eco/sbo

Figure 2. DC Black-Owned Firms by Employment Size of Firm: 2007
Total: 1,426

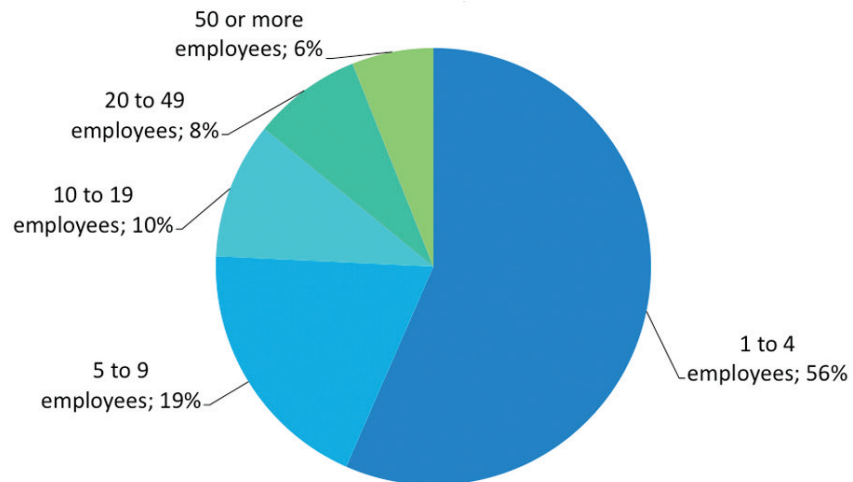


Table 7. DC Industries With the Highest Number of Black-Owned Firms: 2007

Business sector	All DC firms	DC Black-owned firms	
	Number	Number	Percent
Professional, scientific and technical services	16,653	2,582	16.4%
Health care and social assistance	5,359	2,301	14.6%
Transportation and warehousing	2,236	1,793	11.4%
Administrative, support, waste management and remediation services	3,481	1,470	9.3%
Real estate and rental and leasing	5,560	1,005	6.4%

Source: U.S. Census Bureau Economic Census and Survey of Businesses
www.census.gov/eco/sbo

Table 8. DC Industries With the Largest Receipts for Black-Owned Firms: 2007

Business sector	Sales and receipts -DC Black-owned firms (\$1,000)	% Sales and receipts -DC Black-owned firms
All Sectors	\$2,378,176	100%
Professional, scientific and technical services	\$523,386	22.0%
Construction	\$359,159	15.0%
Health care and social assistance	\$300,008	12.6%
Finance and insurance	\$223,872	9.4%
Administrative, support, waste management and remediation services	\$222,517	9.4%

Source: U.S. Census Bureau Economic Census and Survey of Businesses
www.census.gov/eco/sbo

Note:

Summary data on all DC businesses by race and ethnicity were published in a previous report entitled “District of Columbia Business Ownership: 2007 Economic Census,” and can be accessed at planning.dc.gov.

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