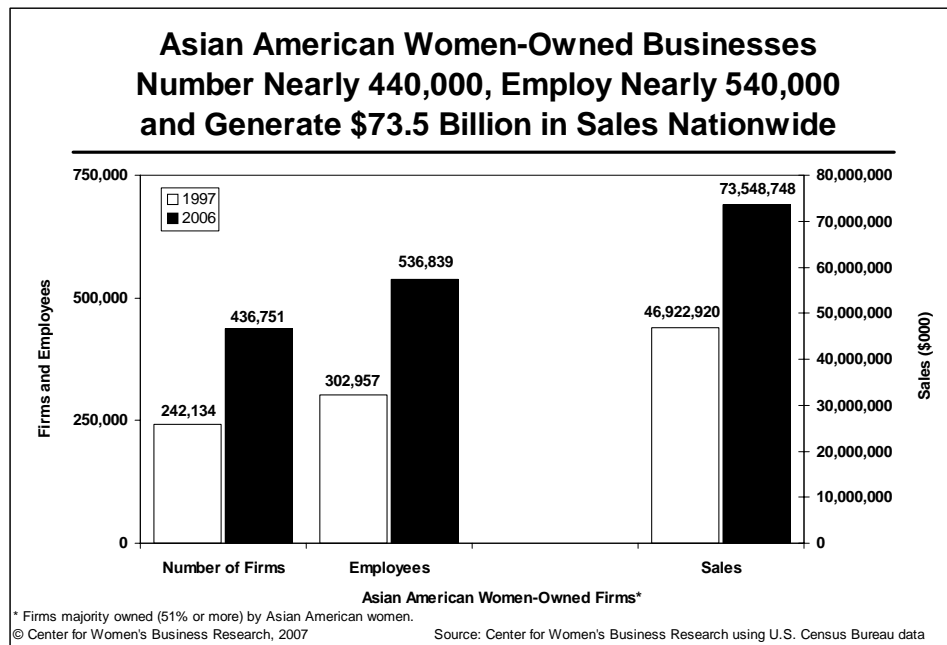




BUSINESSES OWNED BY ASIAN AMERICAN WOMEN IN THE UNITED STATES, 2006: A Fact Sheet

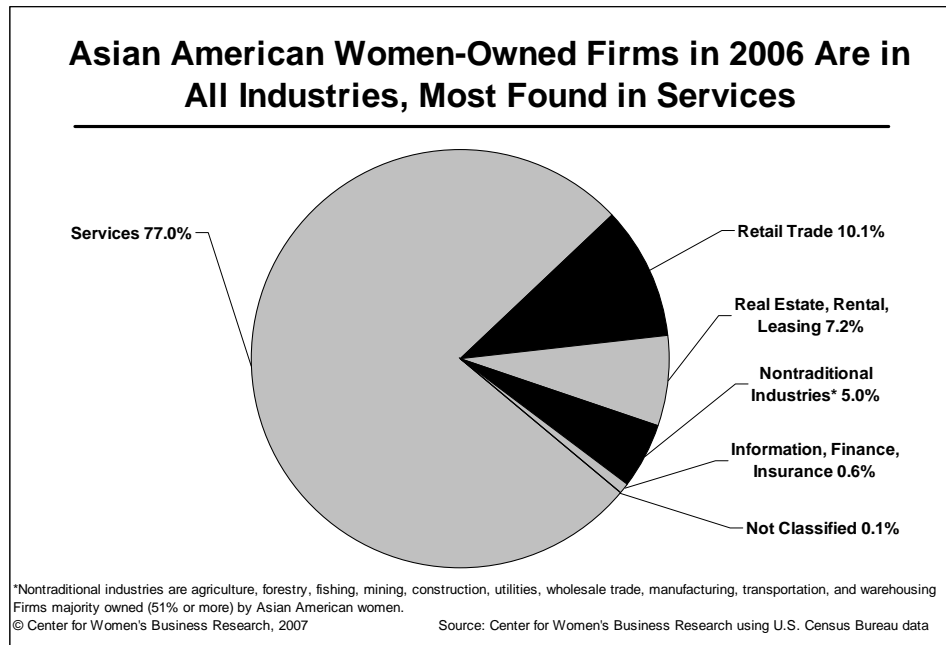
In this fact sheet, the Center for Women's Business Research presents the most up-to-date information currently available on privately-held¹ businesses owned by Asian American women in the United States. Analyzing data provided by the U.S. Census Bureau, the Center projects the following statistical portrait of privately-held businesses owned by Asian American women in 2006.

- As of 2006 there are an estimated 560,421 firms 50% or more owned by Asian American women in the U.S., employing 839,928 people and generating \$117 billion in sales.
- There are an estimated 436,751 firms majority owned (51% or more) by Asian American women in the U.S., employing 536,839 people and generating more than \$73 billion in sales.
- Between 1997 and 2006, the number of firms majority owned (51% or more) by Asian American women increased by 80.4 percent; the number of employees increased 77.2 percent; and sales increased 56.7 percent.



¹ Privately-held firms include firms with and without paid employees. These exclude publicly-held, foreign-owned and nonprofit businesses.

- One in five (20.9%) firms majority owned (51% or more) by women of color are majority owned by Asian American women. Firms majority owned by Asian American women now represent 5.7 percent of all majority women-owned firms in the U.S.
- One-third (33.3%) of all Asian American majority-owned firms are majority-owned by women. Asian American majority women-owned firms employ 22.5 percent of the workers in Asian American majority-owned firms and generate 19.6 percent of the sales.
- Seventy-seven percent (77.0%) of Asian American majority women-owned (51% or more) firms are in the service sector; 10.1 percent are in retail trade; and 7.2 percent are in real estate, rental, and leasing.
- The greatest growth by industry in the number of Asian American majority women-owned firms (51% or more) from 1997 to 2006 was in real estate, rental, and leasing (252.7%). There was also substantial growth in services (212.6%), and wholesale trade (108.5%).



Firms Majority Owned by Asian American Women in the U.S., 2006

	Asian American Owned Firms		Asian American Women-Owned Firms	
	Women-Owned Firms	Men-Owned Firms	% Change 1997-2006	% Share of All Asian American Owned Firms
Total U.S.				
Number of Firms	436,751	807,908	80.4	33.3
Employment	536,839	1,587,452	77.2	22.5
Sales (\$000)	73,548,748	273,057,184	56.7	19.6

Ownership refers to majority (51% or more) ownership.

Source: Center for Women's Business Research using U.S. Census Bureau data.

Firms Majority Owned by Asian American Women by Industry: 1997–2006			
	1997	2006	% Change 1997–2006
Total U.S.			
Number of Firms	242,134	436,751	80.4
Employment	302,957	536,839	77.2
Sales (\$000)	46,922,920	73,548,748	56.7
Industry			
Agriculture, Forestry, Fishing			
Number of Firms	1,455	-	-
Employment	1,625	-	-
Sales (\$000)	146,767	47,302	-67.8
Mining			
Number of Firms	148	52	-64.8
Employment	265	102	-61.6
Sales (\$000)	24,051	135,267	462.4
Utilities			
Number of Firms	992	-	-
Employment	1,348	-	-
Sales (\$000)	172,847	-	-
Construction			
Number of Firms	7,379	2,866	-61.2
Employment	8,058	8,247	2.3
Sales (\$000)	1,293,008	1,680,962	30.0
Manufacturing			
Number of Firms	14,895	1,233	-91.7
Employment	51,602	6,287	-87.8
Sales (\$000)	4,810,904	2,241,708	-53.4
Wholesale Trade			
Number of Firms	6,498	13,549	108.5
Employment	13,579	31,741	133.7
Sales (\$000)	10,046,061	17,792,990	77.1
Retail Trade			
Number of Firms	42,134	44,269	5.1
Employment	90,561	18,941	-79.1
Sales (\$000)	12,628,396	11,448,173	-9.3
Transportation and Warehousing			
Number of Firms	6,504	4,338	-33.3
Employment	7,226	926	-87.2
Sales (\$000)	896,848	602,354	-32.8

Firms Majority Owned by Asian American Women by Industry: 1997–2006 (cont.)			
	1997	2006	% Change 1997–2006
Information			
Number of Firms	8,534	-	-
Employment	8,395	-	-
Sales (\$000)	980,568	-	-
Finance and Insurance			
Number of Firms	15,039	2,446	-83.7
Employment	7,055	4,418	-37.4
Sales (\$000)	1,446,872	755,596	-47.8
Real Estate, Rental, Leasing			
Number of Firms	8,861	31,248	252.7
Employment	6,756	5,345	-20.9
Sales (\$000)	910,563	2,970,032	226.2
Professional, Scientific, Technical Services			
Number of Firms	20,156	68,198	238.4
Employment	18,050	43,249	139.6
Sales (\$000)	2,186,030	8,127,995	271.8
Management of Companies and Enterprises			
Number of Firms	345	-	-
Employment	142	31,386	22080.8
Sales (\$000)	31,692	58,967	86.1
Administrative, Support, Waste Mgmt, Remediation Services			
Number of Firms	15,016	21,793	45.1
Employment	13,657	28,430	108.2
Sales (\$000)	1,641,983	1,075,873	-34.5
Educational Services			
Number of Firms	7,924	7,561	-4.6
Employment	7,026	1,128	-83.9
Sales (\$000)	837,747	-	-
Health Care and Social Assistance Services			
Number of Firms	16,235	77,017	374.4
Employment	14,429	126,634	777.6
Sales (\$000)	1,721,350	12,474,372	624.7

Firms Majority Owned by Asian American Women by Industry: 1997–2006 (cont.)			
	1997	2006	% Change 1997–2006
Arts, Entertainment, Recreation Services			
Number of Firms	15,506	5,847	-62.3
Employment	14,229	-	-
Sales (\$000)	1,695,112	-	-
Accommodation, Food Services			
Number of Firms	6,507	34,596	431.6
Employment	10,693	194,652	1720.4
Sales (\$000)	1,190,922	10,450,916	777.5
Other Services			
Number of Firms	25,855	121,219	368.8
Employment	22,679	35,000	54.3
Sales (\$000)	2,731,153	3,606,661	32.1
Industries Not Classified			
Number of Firms	22,151	518	-97.7
Employment	5,583	355	-93.6
Sales (\$000)	1,530,045	79,580	-94.8

Ownership refers to majority (51% or more) ownership.

Source: Center for Women's Business Research using U.S. Census Bureau data.



METHODS & LIMITATIONS

The Center for Women's Business Research's projections for women-owned firms in 2006 are based on data from the U.S. Census Bureau's Economic Census from the years 1997 and 2002, the latter of which was made available in 2006.

Equally-Owned Firms

The data on equally women- and men-owned firms (equally-owned firms) were collected differently by the Census in 1997 than in 2002, which seems to have caused firms that had been classified as equally-owned in 1997 to become classified as either women- or men-owned in 2002. Since the data were collected differently, it is unclear whether the decline in equally-owned firms reflects an actual trend, or if firms had been categorized differently from one point to the next. Because of this ambiguity, the Center assumed no change in the category, using 2002 numbers for equally-owned firms as a proxy for 2006 projections.

Projecting by Industry

Fine-tuning the methodology in 2006 to coincide with significant changes in industry classification, the Center projected numbers separately for each industry. In 1997, the Census reported industry data on women-owned firms using Standard Industrial Classification (SIC) codes. In 2002, the Census changed its format to the North American Industry Classification System (NAICS). There was a widespread redistribution of industries from one system to the next so, before projections could be made, it was necessary to redistribute firms in the 1997 Economic Census into NAICS. This was done by dividing each two-digit SIC code according to its distribution of corresponding six-digit NAICS codes. For example, if there were three NAICS codes for "construction" and two NAICS codes for "administrative services" within the SIC code for "construction," 60 percent of the 1997 SIC "construction" firms would continue to be identified as NAICS "construction" firms, but 40 percent would be identified as NAICS "administrative services" firms. A major assumption in this method is that firms that correspond to each SIC code are distributed equally among the NAICS codes. The amount of error due to this assumption is unknown, but it is a limitation in the methodology.

Imputing Missing Data

There were a number of instances of missing data in the Economic Census reports. Where a range was given, the midpoint of the range was used in projections. Otherwise, data were imputed by applying the industry distribution of firms, sales, employees, or employer firms of all races to the segment that was unaccounted for in the race total. If the sum of the known industries was greater than the published total for the race, the minimum value of one was imputed.

Industries Not Classified

There was a drop in the number of firms in "industries not classified" from 1997 to 2002, which was a category that could not be redistributed from SIC to NAICS using the method described above. Theoretically, a considerable number of the missing firms from 1997 were classified into NAICS industries in 2002, meaning that the drop in industry-unclassified firms was not an actual loss of firms. This presented a difficulty in establishing a growth rate for industries not classified. The 2006 projections were made by identifying the percent growth for all industry-classified firms from 2002 to 2006, and applying the same percentage growth to industries not classified.

Adjustment for Inflation

All dollars were adjusted for inflation so that all dollar values reflect the USD value as of May 2006. This made a considerable change to the sales published for 1997. Inflation was not taken into account in previous updates to the Center's Census projections.

Methodology

After redistributing 1997 firms, employees, employer firms, and sales into NAICS-based industries as described above, linear projections were made for each industry using 1997 and 2002 data points to establish growth rates (slope) and extend the growth to 2006. If the 2006 point was negative, the projection was determined to be 0. The overall number, employees, employer firms, and sales of the firms were determined by the sum of the industry projections. The overall number of firms, employees, employer firms, and sales of 50% or more women-owned firms were determined by the sum of the projections for 51% or more women owned firms, and the data for

equally-owned firms in 2002. This method assumes that growth among women-owned firms was linear from 1997 to 2002, and through 2006. The error due to this assumption is unknown, and it is a limitation in the methodology.

Racial/Ethnic Categories

For 2002, the Census Bureau made Hispanic/Latino origin a separate category and firms were identified as either Hispanic or non-Hispanic, independent of race. The racial categories were White, Black or African American, American Indian and Alaska Native, Asian, Native Hawaiian and Other Pacific Islander. In 1997 the Asian and Pacific Islander categories were combined, but Census later released separate 1997 data for each category. In 1997 Census published overall "Minority" numbers which the Center used to establish overall minority projections, but these numbers were not published in 2002. Consequently, overall minority estimates are simply the sum of all racial/ethnic minority categories. Given that firms are known to be classified in multiple categories, the overall minority projections are artificially high. Data are taken primarily from *Company Summary 1997* and *Company Summary 2002*.