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DELAWARE:

Immigrant Entrepreneurs, Innovation, and Welcoming Initiatives in the First State

In Delaware, there is no doubt that immigrant entrepreneurs and innovators play an important role. Immigrant entrepreneurs bring in additional revenue, create jobs, and contribute to the state's economy. Highly skilled immigrants are vital to the state's innovation industries and to the metropolitan areas within the state, helping to boost local economies. Furthermore, local government, business, and non-profit leaders recognize the importance of immigrants in their communities and support immigration through local "welcoming" and integration initiatives.

Immigrant entrepreneurs contribute to Delaware's economy.

- From 2006 to 2010, there were 3,320 new immigrant business <u>owners</u> in Delaware¹ and in 2010, <u>10.5 percent</u> of all business owners in Delaware were foreign-born.²
- In 2010, new immigrant business owners³ had a total net business <u>income</u> of \$261 million, which is 12.6 percent of all net business income in the state.⁴
- Delaware is home to many successful companies with at least one founder who was an immigrant or child of an immigrant, including well-known companies such as the chemical giant DuPont,⁵ which brought in \$39.5 billion in revenue in 2012 and employs 70,000 people worldwide.⁶

Highly skilled immigrants are vital to Delaware's innovation industries, which in turn helps lead American innovation and creates jobs.

- Immigrants contribute to Delaware's economic growth and competitiveness by earning degrees in science, technology, engineering, and mathematics (STEM) fields from the state's research universities. In 2009, <u>53.8 percent</u> of STEM graduates earning masters or PhD degrees from these universities were foreign-born, and 63.7 percent of graduates earning PhDs in engineering in Delaware were not born in the U.S.⁷
- In 2011, the U.S. Department of Labor certified 1,979 H-1B high-skilled visa labor certification <u>applications</u> in Delaware, with an average annual wage of \$66,238, which is higher than both Delaware's median household income of \$60,119 and per capita <u>income</u> of \$29,733.

- An <u>expansion</u> of the high-skilled visa program would create more than 1,800 new jobs in Delaware by 2020.¹⁰ By 2045, this expansion would <u>add</u> around \$674 million to Gross State Product and increase personal income by more than \$592 million.¹¹ The following are <u>examples</u> of metropolitan area demand for high-skilled foreign-born workers.
 - o Wilmington, Delaware's largest city, is part of the Philadelphia-Camden-Wilmington metropolitan area, which had 8,875 H-1B high-skilled visa requests in 2010-2011, with 73.3 percent of H-1B visa-holders working in STEM occupations.¹²

While the numbers are compelling, they don't tell the whole story.

- Immigrant entrepreneurs not only contribute to large innovative companies, but also to small businesses in local communities. In cities across Delaware, immigrant family-owned small businesses contribute to the vitality of their local communities. Although initially aimed at other immigrant customers, many businesses quickly see an expansion of their clientele to include a diverse array of immigrant and native-born customers alike.
 - o In Wilmington, the state's largest city, a variety of immigrant-owned restaurants are found along major business corridors and in shopping centers. For example, Peter Chen, from Malaysia, owns and operates Soybean Asian Grill in Pike Creek Shopping Center on Limestone Road.¹³
 - o In New Castle, Riyad, Ousamah, Bachar and Haitham Albaroki, four brothers from Morocco, started Casablanca Restaurant in the 1990s on Dupont Parkway just south of Wilmington. ¹⁴ The restaurant operated until 2012, when a fire unfortunately forced the establishment to close. ¹⁵

In Delaware, localities have begun recognizing and supporting immigration through "welcoming" and integration initiatives.

- The Delaware Hispanic Commission, <u>part of</u> the State of Delaware government, is involved with "expanding and improving the representation of and advocacy for Delaware's Hispanic Community to identify and address the most important needs of Delaware's rapidly growing Hispanic families."¹⁶
 - The Commission is <u>comprised</u> of members from the community, education, nonprofit organizations, health, housing, employment, legislative, media, legal, and various state agencies.¹⁷
 - O The Commission's Economic Development <u>Subcommittee</u> "focuses on assessing career opportunities and finding ways to expand career options within the Hispanic Community. Currently the focus of this sub-group is to determine the level of interest for Entrepreneurial and Small Business development, focusing on raising the awareness of existing educational business finance and career development programs." ¹⁸

■ The Hispanic-American Business Resource Center, with locations at several Delaware public libraries, including Seaford, Wilmington, Dover, and Georgetown, offers workshops for entrepreneurs about how to do business in Delaware. 19

Endnotes

¹ Robert W. Fairlie, *Open for Business: How Immigrants are Driving Small Business Success in the United States* (New York: Partnership for a New American Economy, 2012).

² Ibid.

³ The sample of new immigrant business owners during this time period includes individuals who do not own a business in the first survey month and report starting a business in the second survey month with 15 or more hours worked per week.

⁴ Robert W. Fairlie, *Open for Business: How Immigrants are Driving Small Business Success in the United States* (New York: Partnership for a New American Economy, 2012).

⁵ Partnership for a New American Economy, "<u>Map the Impact of Immigrants Across America: Delaware</u>" (New York: Partnership for a New American Economy, 2013).

⁶ Immigrant Learning Center, "<u>Immigrant Entrepreneur Hall of Fame: Eleuthère Irénée (E.I.) du Pont</u>" (Malden, MA: The Immigrant Learning Center, Inc., 2013).

⁷ Partnership for a New American Economy, "<u>Map the Impact of Immigrants Across America: Delaware</u>" (New York: Partnership for a New American Economy, 2013).

⁸ Office of Foreign Labor Certification, <u>Annual Report: October 1, 2010 – September 30, 2011</u> (Washington, DC: U.S. Department of Labor, 2012).

⁹ U.S. Census Bureau, "<u>State & County Quick Facts: Delaware</u>" (Washington, DC: U.S. Department of Commerce, 2011).

¹⁰ Frederick R. Treyz, Corey Stottlemyer, and Rod Motamedi, "<u>Key Components of Immigration Reform</u>: An Analysis of the Economic Effects of Creating a Pathway to Legal Status, Expanding High-Skilled Visas, and Reforming Lesser-Skilled Visas" (Amherst, MA: Regional Economic Models, Inc., 2013).

¹¹ Ibid.

Neil G. Ruiz, Jill H. Wilson, and Shyamali Choudhury, <u>The Search for Skills: Demand for H-1B Immigrant</u> Workers in U.S. Metropolitan Areas (Washington, DC: The Brookings Institution, 2012).

Richard Hughes, "Soybean Asian Grille for a wonderful Thai experience" (Wilmington, DE: Wilmington Examiner, November 8, 2010).

¹⁴ Gerald Etter, "Bountiful Moroccan meals served by four brothers at Delaware restaurant" (Philadelphia, PA: *The Philadelphia Inquirer*, May 16, 1997).

¹⁵ Associated Press State Wire: Delaware, "New Castle restaurant fire deemed accidental" (New Castle, DE: Associated Press, August 19, 2012).

¹⁶ State of Delaware, "Delaware Hispanic Commission" (Dover, DE: State of Delaware, 2014).

¹⁷ State of Delaware, "Delaware Hispanic Commission: About Us" (Dover, DE: State of Delaware, 2014).

¹⁸ State of Delaware, "<u>Delaware Hispanic Commission: Economic Development Subcommittee</u>" (Dover, DE: State of Delaware, 2014).

¹⁹ State of Delaware, "Hispanic-American Business Resource Center" (Dover, DE: State of Delaware, 2014).

Immigrant Entrepreneurs in:

Delaware

In 2010, new immigrant business owners generated

\$261 million

in total net business income



10.5%

of business owners in Delaware are immigrants

Read more at ImmigrationPolicy.org



3,320

immigrants became new business owners in Delaware between 2006-2010

