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INDIANA:

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

In Indiana, there is no doubt that immigrant entrepreneurs and innovators play an important role. Immigrant entrepreneurs bring in additional revenue, create jobs, and contribute significantly to the state's economy. Highly skilled immigrants are vital to the state's innovation economy, 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 significantly to Indiana's economy.

- From 2006 to 2010, there were 11,995 new immigrant business <u>owners</u> in Indiana, and in 2010, 5.2 percent of all business owners in Indiana were foreign-born.
- In 2010, new immigrant business owners² had a total net business income of \$721.6 million, which is 5.6 percent of all net business income in the state.³

Highly skilled immigrants are vital to Indiana's innovation economy.

- High-skilled immigrant workers contribute to the success of many Indiana-based companies and institutions with a significant presence in the state, including UST Global Inc., Eli Lilly and Company, Cognizant Technology Solutions, and Indiana University-Purdue University Indianapolis.⁴
- In 2011, the U.S. Department of Labor certified 3,442 H-1B labor certification applications in Indiana, with an average annual wage of \$64,199,⁵ which is higher than Indiana's median household income of \$48,393 or per capita income of \$24,497.⁶
- An <u>expansion</u> of the high-skilled visa program would create an estimated 5,900 new jobs in Indiana by 2020. By 2045, this expansion would <u>add</u> around \$2.3 billion to Gross State Product and increase personal income by more than \$2.2 billion. The following is an <u>example</u> of a metropolitan area's demand for high-skilled foreign-born workers.
 - The Indianapolis-Carmel metropolitan area had 1,268 H-1B high-skilled visa requests in 2010-2011, with 69 percent of H-1B visa-holders working in science, technology, engineering, and mathematics (STEM) occupations.⁹

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

- Many immigrant-owned restaurants, grocery stores, and bakeries have opened up in the last few years in towns across Indiana, catering to the growing population of immigrant farm and factory workers.¹⁰
 - o For example, the town of Seymour may have contained empty storefronts a decade ago, but today immigrant small businesses are helping to revitalize this agricultural community. Consider the example of Liliana Varela, a 22-year-old immigrant entrepreneur who opened up a Mexican bakery a few blocks from Seymour's downtown.¹¹
- Indiana's innovation economy benefits from immigrant <u>entrepreneurs</u> such as Santiago Jaramillo, the 23-year old Colombian immigrant founder and current CEO of metro Indianapolis-based BlueBridge Digital.¹²
 - o In May 2013, *Inc. Magazine* named Jaramillo to their annual "30 UNDER 30 list of the World's Coolest Young Entrepreneurs." ¹³

Some localities have begun recognizing and supporting immigration through local "welcoming" and integration initiatives.

- Indianapolis: Immigrant Welcome Center. The Immigrant Welcome Center is a resource for the growing population of newcomers to Indiana's largest metropolitan area. ¹⁴
 - o The Immigrant Welcome Center "serves as a resource for other programs and organizations in the community by collecting information about immigrant needs and how to best meet them, as well as by coordinating interagency services and addressing barriers to access."
 - O Additionally, "with an engaged board of directors, a wide network of partner organizations, and a grassroots approach to identifying needs and situations before they become obstacles, the Immigrant Welcome Center provides a welcoming and resourceful hand to newcomers as they establish their new roots in Indianapolis."
- Bloomington: Commission on Hispanic and Latino Affairs. 15 "The Commission works to alleviate problems Hispanics and Latinos experience in education, health, employment and public safety. It recognizes that opportunities exist to improve social, cultural and economic challenges faced by Hispanic/Latino Communities." 16
 - O With the creation of this commission, Bloomington leaders <u>recognize</u> that "local commissions are instrumental in encouraging the development of programs at the local level that focus on long-range solutions to issues facing Hispanic/Latino residents and bridging cultural gaps." ¹⁷

- Fort Wayne: Hispanic and Immigrant Liaison. 18 "Created in 2009, the Hispanic and Immigrant Liaison is a position within the Community Development, Planning & Policy Department, which is responsible for developing and coordinating short- and long-term plans for improving neighborhoods, commercial districts, and the greater Fort Wayne community." ¹⁹
 - o Fort Wayne's "Hispanic and Immigrant Liaison works to establish contact and communication with the Hispanic community as well as the general immigrant community. The liaison provides information and assistance for accessing city services and programs and is also involved in community development planning projects and initiatives that affect the Hispanic and immigrant communities in the city. In addition, the liaison educates the community at large about the changes and cultural issues associated with diverse populations within Fort Wayne."²⁰

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 The sample of new immigrant business owners during the 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.

³ 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).

⁴ Neil G. Ruiz, Jill H. Wilson, and Shyamali Choudhury, *The Search for Skills: Demand for H-1B Immigrant* Workers in U.S. Metropolitan Areas (Washington, DC: The Brookings Institution, 2012).

⁵ Office of Foreign Labor Certification, *Annual Report: October 1, 2010 – September 30, 2011* (Washington, DC: U.S. Department of Labor, 2012).

⁶ U.S. Census Bureau, "State & County Quick Facts: Indiana" (Washington, DC: U.S. Department of Commerce,

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). ⁸ Ibid.

⁹ Neil G. Ruiz, Jill H. Wilson, and Shyamali Choudhury, *The Search for Skills: Demand for H-1B Immigrant* Workers in U.S. Metropolitan Areas (Washington, DC: The Brookings Institution, 2012).

¹⁰ Benjamin Skirvin, "America's newest small town entrepreneurs: Latino businesses are thriving in the Heartland" (Boston: Latitude News, 2012).

¹² Jill Phillips, "Rising Star: Santiago Jaramillo of Blue Bridge Digital, Indianapolis Star, May 11, 2013.

¹³ Donna Fenn, "Not a Nerd? There's an App for That," Inc. Magazine, May 28, 2013.

¹⁴ Immigrant Welcome Center, "History" (Indianapolis, IN: Immigrant Welcome Center, 2013).

¹⁵ City of Bloomington, Indiana, "Commission on Hispanic and Latino Affairs" (Bloomington, Indiana: City of Bloomington, Indiana, 2013).

¹⁶ National League of Cities, "Immigrant Affairs Committees and Councils" (Washington, DC: National League of Cities, 2009).

¹⁷ Ibid.

¹⁸ City of Fort Wayne, "Better Access to City Services is Goal of City's New Hispanic/Latino Liaison" (Fort Wayne, IN: City of Fort Wayne, 2013).

<u>Practices</u> (Washington, DC: National League of Cities, 2010). ²⁰ Ibid. ¹⁹ Ricardo Gambetta and Zivile Gedrimaite, Municipal Innovations in Immigrant Integration: 20 Cities, 20 Good

Immigrant Entrepreneurs in:

Indiana

In 2010, new immigrant business owners generated

\$721.6 million

of total net business income.



5.2%

of business owners in Indiana are immigrants

Read more at ImmigrationPolicy.org



11,995

immigrants became new business owners in Indiana between 2006-2010

