

## **KENTUCKY:**

### **Immigrant Entrepreneurs, Innovation, and Welcoming Initiatives in the Bluegrass State**

In Kentucky, 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 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 significantly to Kentucky's economy.**

- From 2006 to 2010, there were 6,143 new immigrant business [owners](#) in Kentucky<sup>1</sup> and in 2010, [3.8 percent](#) of all business owners in Kentucky were foreign-born.<sup>2</sup>
- In 2010, new immigrant business owners<sup>3</sup> had a total net business [income](#) of \$451 million, which is 5.4 percent of all net business income in the state.<sup>4</sup>
- Kentucky is home to many successful companies with at least one founder or co-founder who was an immigrant or child of an immigrant, [including](#) General Cable, Lexmark International, and Hillerich and Bradsby, the manufacturer of the "Louisville Slugger" baseball bat.<sup>5</sup> Those three companies together employ over 25,000 people and bring in around \$11 billion in revenue each year.<sup>6</sup>

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

- Immigrants contribute to Kentucky's economic growth and competitiveness by earning degrees in science, technology, engineering, and mathematics (STEM) fields from the state's research universities. In 2009, [over 40 percent](#) of STEM graduates earning masters or PhD degrees from these universities were foreign-born, and almost 80 percent of graduates earning PhDs in engineering in Kentucky were not born in the U.S.<sup>7</sup>
- In 2011, the U.S. Department of Labor certified 1,383 H-1B high-skilled visa labor certification [applications](#) in Kentucky, with an average annual wage of \$67,541,<sup>8</sup> which is higher than Kentucky's median household [income](#) of \$42,248 or per capita income of \$23,033.<sup>9</sup>

- An [expansion](#) of the high-skilled visa program would create an estimated 3,300 new jobs in Kentucky by 2020.<sup>10</sup> By 2045, this expansion would [add](#) around \$1.3 billion to Gross State Product and increase personal income by more than \$1.2 billion.<sup>11</sup> The following are [examples](#) of metropolitan area demand for high-skilled foreign-born workers.
  - The Louisville metropolitan area had 516 H-1B visa [requests](#) in 2010-2011, with 69.4 percent of H-1B visa-holders working in STEM occupations.<sup>12</sup> Major employers with a need for H-1B high-skilled workers include the University of Louisville and Humana Inc.
  - The Lexington-Fayette metropolitan area had 387 H-1B visa [requests](#) in 2010-2011, with 64 percent of visa-holders working in STEM occupations.<sup>13</sup> A major employer includes the University of Kentucky.

**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 Kentucky, 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.
- In Louisville, several immigrant entrepreneurs are making their mark on Kentucky's largest city, opening restaurants, markets, and other services.
  - Vilmar Zenzen, originally from south Brazil, is planning to open a Brazilian steakhouse in the [downtown](#) area's Fourth Street Live development. Zenzen already operates Brazeiros Churrascaria in Knoxville, Tennessee, and his Louisville location will be the second venue for his restaurant business.<sup>14</sup>
  - Yung Nguyen, who originally came to the U.S. as a refugee from Vietnam, graduated from the University of Louisville's engineering program. Nguyen, along with a colleague, [developed and founded](#) Victim Information and Notification Everyday (VINE), a system for notifying crime victims when their perpetrators are released from custody. VINE is used in 48 states and in Canada. Nguyen is now CEO of a new startup, IVS, which is an accessibility system for people with disabilities to vote privately and independently.<sup>15</sup>
  - Kadiatu Jalloh, originally from Sierra Leone, moved to Gambia, then New York City, and finally to Louisville in 1998 looking for more opportunities for success. She eventually [opened](#) a West African restaurant in Louisville's Buechel neighborhood.<sup>16</sup>
  - Papa Gueye, from Senegal, came to Louisville in 1997. After noticing a lack of access to West African food in the area, Gueye [opened](#) the African Millennium Market on Bardstown Road in southeast Louisville.<sup>17</sup>

- o Cedric Francois, MD/PhD, a medical researcher from Belgium, came to Louisville after hearing that researchers were beginning work on the first hand transplant. He later [co-founded](#) two pharmaceutical companies, including Apellis Pharmaceuticals where he is currently president and CEO.<sup>18</sup>

**In Kentucky, localities have begun recognizing and supporting immigration through “welcoming” and integration initiatives.**

- In Louisville, the [Office for Globalization](#), an affiliate of Welcoming America’s [Welcoming Cities and Counties](#) initiative,<sup>19</sup> was created to “focus on ways Louisville can compete in a multicultural world and to engage its civic, cultural and professional communities.”<sup>20</sup>
  - o The Office for Globalization’s [mission](#) is to “assist new Americans to our city to achieve self-sufficiency and success;” “enhance and encourage multi-culturalism in our city;” and “engage in economic development through global economic outreach.”<sup>21</sup>
  - o The formation of [International Councils](#) is one strategy the Office is implementing to engage Louisville’s growing and diverse immigrant population. The councils represent distinct ethnic communities and provide an opportunity for community members to discuss ideas with the Mayor of Louisville and other city officials. They also engage with intercultural collaboration with other councils, businesses, organizations, and communities.<sup>22</sup>
- Also in Louisville, [Refugees and Immigrants Succeeding in Entrepreneurship](#) (RISE) is a collaborative effort among Metro government, nonprofits, and private business partners. RISE seeks to empower the “community’s newcomers to engage in successful enterprise development” through outreach, education, finance, and guidance.<sup>23</sup>
  - o The initiative, which launched in 2013 at Louisville’s annual [WorldFest](#) event, [assists](#) newcomers by “facilitating economic success through business ownership or expansion.”<sup>24</sup>
  - o Suhas Kulkarni, the director of Louisville’s Office for Globalization, and an immigrant entrepreneur himself, initiated the concept of RISE. He and others noted that Louisville “has an untapped [pool of talent](#) for city-wide economic development in the form of immigrants and refugees...This population has the potential of becoming drivers of economic growth” in Louisville.<sup>25</sup>

## Endnotes

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<sup>1</sup> 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).

<sup>2</sup> Ibid.

<sup>3</sup> 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

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worked per week.

<sup>4</sup> 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).

<sup>5</sup> Partnership for a New American Economy, [“Map the Impact of Immigrants Across America: Kentucky”](#) (New York: Partnership for a New American Economy, 2013).

<sup>6</sup> Ibid.

<sup>7</sup> Ibid.

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

<sup>9</sup> U.S. Census Bureau, [“State & County Quick Facts: Kentucky”](#) (Washington, DC: U.S. Department of Commerce, 2011).

<sup>10</sup> Frederick R. Treyz, Corey Stottlemeyer, and Rod Motamedi, [“Key Components of Immigration Reform: 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).

<sup>11</sup> Ibid.

<sup>12</sup> 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).

<sup>13</sup> Ibid.

<sup>14</sup> John R. Karman III, [“Owner of coming Fourth Street Live steakhouse looks forward to ‘healthy competition’”](#) (Louisville, KY: *Business First*, November 22, 2013).

<sup>15</sup> Laura Ellis, [“Immigrant Entrepreneurs: Yung Nguyen”](#) (Louisville, KY: WFPL News, November 11, 2011).

<sup>16</sup> Todd Mundt, [“Immigrant Entrepreneurs: Kadiatu Jalloh”](#) (Louisville, KY: WFPL News, November 17, 2011).

<sup>17</sup> Laura Ellis, [“Immigrant Entrepreneurs: Papa Gueye”](#) (Louisville, KY: WFPL News, November 23, 2011).

<sup>18</sup> Laura Ellis, [“Immigrant Entrepreneurs: Cedris Francois”](#) (Louisville, KY: WFPL News, November 29, 2011).

<sup>19</sup> Welcoming America, [“Welcoming Cities and Counties”](#) (Decatur, GA: Welcoming America, 2013).

<sup>20</sup> City of Louisville, [“Office for Globalization”](#) (Louisville, KY: City of Louisville, 2013).

<sup>21</sup> Ibid.

<sup>22</sup> City of Louisville, [“International Councils”](#) (Louisville, KY: City of Louisville, 2013).

<sup>23</sup> City of Louisville, [“Refugees and Immigrants Succeeding in Entrepreneurship”](#) (Louisville, KY: City of Louisville, 2013).

<sup>24</sup> Ibid.

<sup>25</sup> Refugees and Immigrants Succeeding in Entrepreneurship, [“About”](#) (Louisville, KY: Refugees and Immigrants Succeeding in Entrepreneurship, 2013).

Immigrant Entrepreneurs in:

# Kentucky

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*In 2010, new immigrant  
business owners generated*

**\$451  
million**

*in total net  
business income.*

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**3.8%**

*of business owners in  
Kentucky are immigrants*

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Read more at [ImmigrationPolicy.org](http://ImmigrationPolicy.org)

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**6,143**

*immigrants became new business  
owners in Kentucky between  
2006-2010*

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 **IMMIGRATION  
POLICY  
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