

October 2013

**MASSACHUSETTS:
Immigrant Entrepreneurs, Innovation, and Welcoming Initiatives in the Bay State**

In Massachusetts, 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 Massachusetts' economy.

- From 2006 to 2010, there were 50,778 new immigrant business [owners](#) in Massachusetts,¹ and in 2010, [17.5 percent](#) of all business owners in Massachusetts were foreign-born.²
- In 2010, new immigrant business owners³ had a total net business [income](#) of \$2.8 billion, which is 14 percent of all net business income in the state.⁴
- Massachusetts is home to many successful companies with at least one founder who was an immigrant or child of an immigrant, [including](#) 5 of the state's eleven Fortune 500 companies.⁵ Those five companies, which include Staples, TJX, Thermo Fisher Scientific, Boston Scientific, and Biogen Idec, employ over 280,000 people and bring in \$73 billion in revenue each year.
- In 2010, the foreign-born share of business owners was [15 percent](#) in the Boston metropolitan area alone.⁶

Highly skilled immigrants are vital to Massachusetts' innovation industry, which in turn helps lead American innovation and creates jobs.

- Immigrants contribute to Massachusetts' economic growth and competitiveness by earning degrees in science, technology, engineering, and mathematics (STEM) fields from the state's research universities. In 2009, almost [40 percent](#) of STEM graduates from the state's research-intensive universities were foreign-born, and almost half of graduates earning PhDs in engineering in Massachusetts were not born in the U.S.⁷

- Immigrants in Massachusetts also contribute to the state's innovation economy by earning patents on new research, products, and ideas. More than [two-thirds](#) of patents at the Massachusetts Institute of Technology (MIT) had at least one foreign inventor, and MIT was the third highest patent producing university in the U.S. in 2011.⁸
 - These patents often lead to licensing through existing companies or creation of new companies, leading to revenue and job creation.⁹ In 2010, MIT brought in over [\\$69 million](#) in revenue from its patents. Additionally, MIT's foreign-born alumni have started 2,340 companies based in the U.S., which employ over 100,000 people.¹⁰
- In 2011, the U.S. Department of Labor certified 13,126 H-1B labor certification [applications](#) in Massachusetts, with an average annual wage of \$74,277,¹¹ which is higher than Massachusetts median household [income](#) of \$65,981 or per capita income of \$35,051.¹²
- An [expansion](#) of the high-skilled visa program would create an estimated 14,100 new jobs in Massachusetts by 2020.¹³ By 2045, this expansion would [add](#) around \$5 billion to Gross State Product and increase personal income by more than \$4.7 billion.¹⁴ The following are [examples](#) of metropolitan area demand for high-skilled foreign-born workers.
 - The Boston-Cambridge-Quincy metropolitan area had 11,541 H-1B high-skilled visa [requests](#) in 2010-2011, with 70.7 percent of H-1B visa-holders working in STEM occupations.¹⁵ Major employers with a need for H-1B high-skilled workers include Harvard University, General Hospital Corporation, the Massachusetts Institute of Technology, and EMC Corporation.
 - The Springfield metropolitan area had 313 H-1B visa [requests](#) in 2010-2011, with 44.4 percent of visa-holders working in STEM occupations.¹⁶ Major employers include Baystate Medical Center and the University of Massachusetts-Amherst.
 - The Worcester metropolitan area had 1,217 H-1B visa [requests](#) in 2010-2011, with 71.3 percent of visa-holders working in STEM occupations.¹⁷ Major employers include the University of Massachusetts Medical School, eClinicalWorks LLC, AVCO Consulting Inc., and EMC Corporation.

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

- Immigrant entrepreneurs not only contribute to large innovative companies, but to small business formation in local communities. In cities across Massachusetts, immigrant family-owned small businesses contribute to the vitality of their local communities.
 - Specifically, "entrepreneurship is one of the most significant ways in which immigrants have positively impacted the United States and Massachusetts in particular. Immigrant entrepreneurs have contributed to economic gain, job

creation, rise in intellectual capital, neighborhood revitalization and cultural enrichment.”¹⁸

- In addition to starting restaurants, groceries, retail, and other service businesses in towns and cities across Massachusetts, immigrants also start [businesses](#) in mid- to high-growth [industries](#), such as transportation, food-related industries, and building services.¹⁹
 - “Immigrant entrepreneurs look for niches in underserved markets. For example, vans and other alternatives to mass transit serve unmet transportation needs in urban areas.”²⁰ Charles Mwangi, from Kenya, owns and operates Comfort Care Resource Group, a transport service specializing in medical, non-emergency transport, in Woburn.²¹
 - “Food intended to be a taste of home for compatriots in local restaurants and grocery stores becomes popular and influences the eating habits of other Americans.”²² Several years ago, Klara Sotonova, from Czech Republic, started Klara’s Gourmet Cookies in Lee. Today, she and her husband distribute the cookies to 120 specialty and high-end grocery stores in several northeast states.²³

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

- The **Immigrant Learning Center (ILC)**, [founded](#) in 1992 in Malden,²⁴ has a [mission](#) that includes helping immigrants become “successful workers, parents and community members.” The organization also “educates the public that immigrants are assets to America.”²⁵
 - Through its [Public Education Institute](#), the Immigrant Learning Center “uses a research-based approach to inform Americans about the economic and social contributions of immigrants. In this way, it informs public policy and promotes thoughtful dialogue about the key roles played by immigrants.”²⁶
 - The Public Education Institute places a particular emphasis on [immigrant entrepreneurship](#),²⁷ which is evident in its research reports, immigrant entrepreneur [hall of fame](#), immigrant entrepreneur [interview series](#), and other public [outreach](#) initiatives.²⁸
- The **Mayor’s Office of New Bostonians**, established in 1998, seeks to “[strengthen](#) the ability of diverse cultural and linguistic communities to play an active role in the economic, civic, social and cultural life in the city of Boston.”²⁹
 - The Office’s [objectives](#) include improving newcomer access to city government, its services, and community resources; acting as a “catalyst for change” to facilitate collaboration and understanding among immigrant communities and other stakeholders; identifying and addressing key issues facing newcomer communities; and recognizing and promoting the contributions of immigrants and

newcomers.³⁰

- **Welcoming Massachusetts**, a [Welcoming America](#) affiliate,³¹ has a mission to “open hearts and minds towards a positive integration of immigrants and refugees into the social fabric of their receiving communities.”³²
 - Welcoming Massachusetts works to implement its mission through education, social and cultural activities engaging immigrants and non-immigrant audiences, helping to build a sensible understanding of the immigrant community to ensure that both long-term residents and newcomers feel at home in Massachusetts.³³
 - Specific local welcoming initiatives affiliated with Welcoming Massachusetts include efforts in Berkshire, Fitchburg, Framingham, and Milford. In [Framingham](#) specifically, neighbors, community leaders (such as [Framingham Downtown Renaissance](#)), business owners, and people of all backgrounds promote the importance of “unifying diversity to create a welcoming environment for all.”³⁴
- The **New Americans Integration Institute**, which the Massachusetts Immigrant and Refugee Advocacy Coalition [launched](#) in 2011, focuses on “helping newcomers claim their place in the economic, social and civic fabric of American life.”³⁵
 - The Institute [focuses](#) on research and projects that encourage immigrant integration as a two-way process, “one that strengthens the systems and tools that allow immigrants in the U.S. to participate fully in their families, jobs and communities, and that in turn benefits all Americans by providing immigrants with the opportunity to contribute to their fullest capacity to those communities and to the strength of the nation as a whole.”³⁶
- In 2013, for the third year in a row, and stemming from the work about immigrant entrepreneurship from organizations such as the [Immigrant Learning Center](#)³⁷ and the [New Americans Integration Institute](#),³⁸ Governor Deval Patrick declared October 15 to November 15 to be [Massachusetts Immigrant Entrepreneurship Month](#).³⁹

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, [“Map the Impact of Immigrants Across America: Massachusetts”](#) (New York: Partnership for a New American Economy, 2013).

⁶ David Dyssegaard Kallick, [Immigrant Small Business Owners: A Significant and Growing Part of the Economy](#) (Washington, DC: Fiscal Policy Institute, 2012).

⁷ Partnership for a New American Economy, [“Map the Impact of Immigrants Across America: Massachusetts”](#)

(New York: Partnership for a New American Economy, 2013).

⁸ Ibid.

⁹ Ibid.

¹⁰ Ibid.

¹¹ Office of Foreign Labor Certification, [*Annual Report: October 1, 2010 – September 30, 2011*](#) (Washington, DC: U.S. Department of Labor, 2012).

¹² U.S. Census Bureau, [“State & County Quick Facts: Massachusetts”](#) (Washington, DC: U.S. Department of Commerce, 2011).

¹³ 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).

¹⁴ Ibid.

¹⁵ 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).

¹⁶ Ibid.

¹⁷ Ibid.

¹⁸ The Immigrant Learning Center, [“Immigrant Entrepreneurship”](#) (Malden, MA: The Immigrant Learning Center, 2013).

¹⁹ James Jennings, Marlene L. Bryant, Chia-Hui Chawla, Ann Jankie, and Jennifer Lawrence, [“Immigrant Entrepreneurs: Creating Jobs and Strengthening the U.S. Economy in Growing Industries: Transportation, Food and Building Services”](#) (Malden, Massachusetts: The Immigrant Learning Center, 2013).

²⁰ Ibid.

²¹ Ibid.

²² Ibid.

²³ Ibid.

²⁴ The Immigrant Learning Center, [“History”](#) (Malden, MA: The Immigrant Learning Center, 2013).

²⁵ The Immigrant Learning Center, [“Mission”](#) (Malden, MA: The Immigrant Learning Center, 2013).

²⁶ The Immigrant Learning Center, [“The ILC Public Education Institute”](#) (Malden, MA: The Immigrant Learning Center, 2013).

²⁷ The Immigrant Learning Center, [“Immigrant Entrepreneurship”](#) (Malden, MA: The Immigrant Learning Center, 2013).

²⁸ The Immigrant Learning Center, [“The ILC Public Education Institute”](#) (Malden, MA: The Immigrant Learning Center, 2013).

²⁹ City of Boston, [“Mayor’s Office of New Bostonians: About Us”](#) (Boston, MA: City of Boston, 2013).

³⁰ Ibid.

³¹ Welcoming America, [“Our Affiliates”](#) (Atlanta, GA: Welcoming America, 2013).

³² Welcoming Massachusetts, [“About Us”](#) (Boston, MA: Welcoming Massachusetts, 2013).

³³ Ibid.

³⁴ Welcoming Massachusetts, [“Framingham”](#) (Boston, MA: Welcoming Massachusetts, 2013).

³⁵ Massachusetts Immigrant and Refugee Advocacy Coalition, [“Integration Institute”](#) (Boston, MA: Massachusetts Immigrant and Refugee Advocacy Coalition, 2013).

³⁶ Ibid.

³⁷ The Immigrant Learning Center, [“Third annual Mass. Immigrant Entrepreneurship Month proclaimed”](#) (Malden, MA: The Immigrant Learning Center, 2013).

³⁸ Massachusetts Immigrant and Refugee Advocacy Coalition, [“Advancing Immigrant Entrepreneurship”](#) (Boston, MA: Massachusetts Immigrant and Refugee Advocacy Coalition, 2013).

³⁹ Massachusetts Immigrant and Refugee Advocacy Coalition, [“Immigrant Entrepreneurship Month 2013”](#) (Boston, MA: Massachusetts Immigrant and Refugee Advocacy Coalition, 2013).

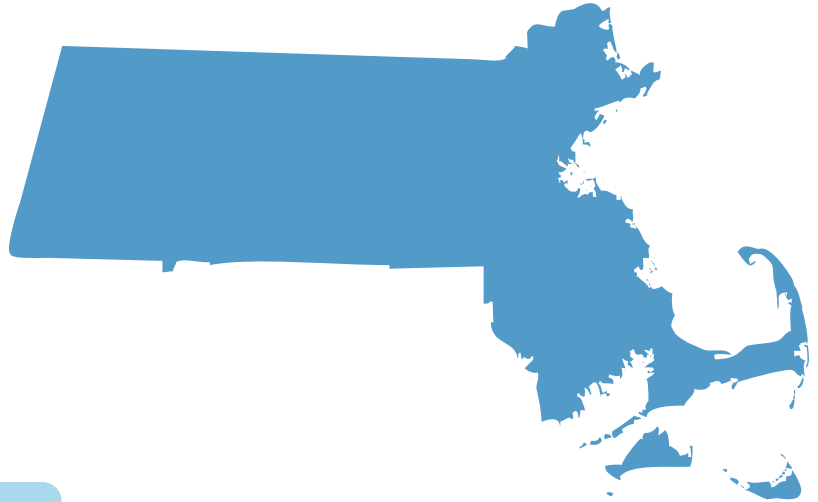
Immigrant Entrepreneurs in:

Massachusetts

*In 2010, new immigrant
business owners generated*

**\$2.8
billion**

*in total net
business income*



50,778

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

17.5%

*of business owners in
Massachusetts are
immigrants*

Read more at ImmigrationPolicy.org