March 2014

NORTH CAROLINA:

Immigrant Entrepreneurs, Innovation, and Welcoming Initiatives in the Tar Heel State

In North Carolina, 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 to North Carolina's economy.

- From 2006 to 2010, there were 33,120 new immigrant business <u>owners</u> in North Carolina, and in 2010, 8.6 percent of all business <u>owners</u> in the state were foreign-born.
- In 2010, new immigrant business owners³ had a total net business income of \$1.7 billion, which is 7.7 percent of all net business income in the state.⁴
- Immigrant entrepreneurs have contributed to North Carolina's economy throughout the state's history. Two of the state's <u>largest</u> companies, Bank of America and Relativity Technologies, were founded by immigrants or their children. These two companies together employ almost 300,000 people and bring in almost \$100 billion in annual revenues.⁵

Highly skilled immigrants are vital to North Carolina's innovation economy.

- High-skilled immigrant workers contribute to the success of many North Carolina-based companies and institutions with a significant presence in the state, including Bank of America, Accenture, Wells Fargo Bank, Synechron Inc., Duke University and Medical Center, University of North Carolina, Credit Suisse Securities, and Netapp.⁶
- In 2011, the U.S. Department of Labor <u>certified</u> 7,411 H-1B labor certification applications in North Carolina, with an average annual wage of \$68,113,⁷ which is higher than North Carolina's median household <u>income</u> of \$48,669 or per capita income of \$25,482.⁸
- An <u>expansion</u> of the high-skilled visa program would create an estimated 10,700 new jobs in North Carolina by 2020. By 2045, this expansion would <u>add</u> around \$4.2 billion to Gross State Product and increase personal income by more than \$3.8 billion. The

following are <u>examples</u> of metropolitan area demand for high-skilled foreign-born workers.

- o The Charlotte-Gastonia-Concord metropolitan area had 2,210 H-1B high-skilled visa <u>requests</u> in 2010-2011, with 80.7 percent of H-1B visa-holders working in science, technology, engineering, and mathematics (STEM) occupations.¹¹
- o The Durham-Chapel Hill metropolitan area had 2,788 H-1B high-skilled visa <u>requests</u> in 2010-2011, with 83.8 percent of H-1B visa-holders working in STEM occupations. 12
- o The Greensboro-High Point metropolitan area had 448 H-1B high-skilled visa <u>requests</u> in 2010-2011, with 63.7 percent of H-1B visa-holders working in STEM occupations. ¹³

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

- In Charlotte, many immigrant restaurateurs and grocers have opened up a variety of <u>businesses</u> catering to eclectic culinary tastes. ¹⁴ Examples include <u>Swiss</u> immigrant Angelika Brunner's Mecklenburg County Market; ¹⁵ <u>Bosnian</u> Dono Mehic's Euro Grill and Café; ¹⁶ and <u>Venezuelan</u> Eunice Marcano's Arepas Grill. ¹⁷
- In Pineville, a section of Polk Street also known as Pineville's <u>International Mile</u>, ¹⁸ there are a variety of restaurants and markets <u>representing</u> many different nationalities and ethnicities. ¹⁹ Along this stretch of highway, there are businesses with immigrant owners from the Philippines, Japan, Colombia, India, Poland, Peru, and Germany, among other places.
- In Gastonia, Ever Cruz and his wife Carmen, immigrants from <u>El Salvador</u>, opened El Tamarindo in 2010, a combination grocery store and restaurant. The restaurant not only sells Salvadoran food items, but also a wide variety of Mexican and Latin American foodstuffs catering to the diverse immigrant population of the region.
- In <u>rural</u> North Carolina communities, Latino immigrants have opened businesses catering to the region's growing immigrant population. Along the way, these business help to revitalize aging main streets and streetscapes. Examples are found in many towns in rural North Carolina counties, including Duplin, Harnett, Lee, Lincoln, Montgomery, Sampson, Surry, and Wilson counties. In these places, Latino entrepreneurship has reshaped the business landscape.²¹
 - Specifically, "in rural small towns, central business districts hollowed out by the closing or relocation of small businesses and national chains to shopping centers on the highway bypass have been revitalized by Latino business enterprises occupying the vacant shop fronts."

- o Additionally, "in virtually every instance, downtown commercial <u>districts</u> have been strengthened and enhanced by the new business activity...the overwhelming reaction to the business newcomers was positive. New Latino tenants mean more traffic and more opportunities for all businesses."²³
- o Furthermore, "operating like urban ethnic groups, the rural Latino entrepreneurs are initially serving the retail and service needs of their fellow immigrants. But over a short period they have already begun to incubate new businesses, helped revitalize declining commercial districts, and increasingly reoriented their business startups to attract non-Latino customers."²⁴

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

- UnitingNC is a Raleigh-based <u>initiative</u> affiliated with <u>Welcoming America</u>. ²⁵ As the organization describes, their ultimate goal is to "make our state a place in which all North Carolinians feel welcome, and together build stronger, more productive communities." ²⁶ Specifically, UnitingNC implements <u>programs</u> that
 - o "Help recent immigrants better integrate into their new communities."²⁷
 - o "Help longtime North Carolinians understand the challenges faced by more recent immigrants, and the dreams they hope to achieve for themselves and their families."²⁸
 - o "Provide opportunities for all North Carolinians old and new to share their culture, so that we can experience and appreciate both the ways that we are different and the many ways in which we are all the same." ²⁹
- **Building Integrated Communities** (BIC), a <u>program</u> with the Latino Migration Project at the University of North Carolina, is a statewide initiative. ³⁰
 - o BIC <u>works with</u> local governments, such as the cities of High Point and Greensboro, to engage with newcomers to improve public safety, promote economic development, enhance communication, and improve relationships.³¹
 - o BIC also helps places <u>develop</u> locally-driven strategies to strengthen immigrant civic engagement, linguistic achievement, and economic/educational advancement.³²
- In Charlotte, an affiliate of Welcoming America's <u>Welcoming Cities and Counties initiative</u>, ³³ the **Immigrant Integration Task Force** is <u>working</u> in 2014 to review the recommendations from the 2007 Mayor's Immigration Study Commission. ³⁴

- The Task Force is researching and will recommend policies that "facilitate access to city services for all residents of Charlotte, while addressing gaps in civic engagement."35
- The Task Force will also prepare a report with recommendations to the City Council that "promotes awareness among the public of the availability of existing programs and services facilitating immigrant integration."³⁶
- Additionally, the Immigrant Integration Task Force is working to "seek opportunities to better educate the Charlotte community on how embracing immigrant communities will help move the city forward."³⁷

Endnotes

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³ 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.

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⁶ 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).

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⁹ Frederick R. Treyz, Corey Stottlemyer, 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).

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¹⁹ Kathleen Purvis, "Historian finds global food along Pineville's Polk Street," The Charlotte Observer, March 19, 2013.

²⁰ Tom Hanchett, "Savor El Salvador in Gastonia," The Charlotte Observer, November 13, 2012.

²¹ Owen J. Furuseth, "A New Rural North Carolina: Latino Place-Making and Community Engagement," in Greg Halseth, Sean Patrick Markey, and David Bruce, eds., The Next Rural Economies: Constructing Rural Place in <u>Global Economies</u> (Cambridge, MA: CABI Publishing, 2010). ²² Ibid.

²³ Ibid.

²⁴ Ibid.

³⁰ Latino Migration Project, "<u>Building Integrated Communities</u>" (Chapel Hill, NC: The University of North Carolina, 2014).

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Welcoming America, "Welcoming Cities and Counties" (Decatur, GA: Welcoming America, 2014).

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Replication of the state of

Immigrant Entrepreneurs in:

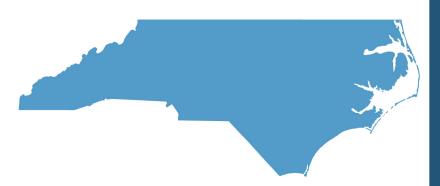
North Carolina

In 2010, new immigrant

business owners generated

\$1.7 billion

in total net business income





33,120

immigrants became new business owners in North Carolina between 2006 - 2010

8.6%

of business owners in
North Carolina are immigrants

Read more at ImmigrationPolicy.org

