

February 2014

NORTH DAKOTA:

Immigrant Entrepreneurs, Innovation, and Welcoming Initiatives in the Peace Garden State

In North Dakota, 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 to North Dakota's economy.

- From 2006 to 2010, there were 381 new immigrant business <u>owners</u> in North Dakota, and in 2010, <u>1 percent</u> of all business owners in North Dakota were foreign-born.
- In 2010, new immigrant business owners³ had a total net business <u>income</u> of \$20.6 million, which is 1 percent of all net business income in the state.⁴
- North Dakota is home to successful companies with at least one founder who was an immigrant or child of an immigrant, <u>including</u> Hebron Brick Company.⁵ Founded by German immigrant Charles C. Weigel, the company employs over 50 people and brings in \$2.5 million in revenue each year.⁶

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

- Immigrants contribute to North Dakota's economic growth and competitiveness by earning degrees in science, technology, engineering, and mathematics (STEM) fields from the state's research universities. In 2009, almost 43.5 percent of STEM graduates from the state's research-intensive universities were foreign-born, and almost 76.2 percent of graduates earning PhDs in engineering in North Dakota were not born in the U.S.⁷
- In 2011, the U.S. Department of Labor certified 351 H-1B labor certification <u>applications</u> in North Dakota, with an average annual wage of \$65,331,8 which is within range of North Dakota's median household <u>income</u> of \$51,641, but higher than its per capita income of \$28,700.9

• An <u>expansion</u> of the high-skilled visa program would create an estimated 850 new jobs in North Dakota by 2020. 10 By 2045, this expansion would <u>add</u> around \$362 million to Gross State Product and increase personal income by more than \$294 million. 11

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 North Dakota, 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 Minot, in the north central region of the state, Charlie's Main Street Café was made popular by Charlie DeMakis, a Greek immigrant. Today, Geewon Anderson, originally from South Korea, owns and operates Charlie's Main Street Café. 12
 - O Charlie's Main Street Café, in the heart of downtown, continues to offer the familiar traditional American fare catering to a broad customer-base that it always had when DeMakis ran it. In addition to running the café, Anderson is also helping open a <u>franchise</u> of CherryBerry Yogurt Bar in a local mall, which her younger sister plans to run.¹³
- In Mandan, just west of the state capital of Bismarck, Edgar Olivery, originally from Brazil, runs <u>Harvest Brazilian Grill</u> on Main Street, which occupies a former J.C. Penny store. The restaurant offers a large buffet and a full all-you-can-eat Brazilian barbecue experience with a variety of grilled meats. Marilyn Hagerty with the *Grand Forks Herald* <u>describes</u> the restaurant as "one of the best adventures in North Dakota dining." ¹⁴
- In Fargo, a variety of <u>immigrant-owned markets</u> offer a taste of home to the city's immigrant and refugee population from different countries. Katerina Berg, originally from Russia, owns European Market. Juan and Amy Espinoza own La Unica Mexican Market. George Ley, from Cambodia, runs the Asian and American Market. Netra Ahikari, from Nepal, and three friends, own and operate the Himalayan Grocery focusing on South Asian foods. Ismar Fazlovic and his parents, Jasmin and Tatjana, run Balkan Food, including products from Croatia, Serbia, and Bosnia.¹⁵

In North Dakota, some localities have begun recognizing and supporting immigration through local "welcoming" and integration initiatives.

Across North Dakota and the broader Midwest and Great Plains, local places recognize the importance of immigrant entrepreneurs in their communities. According to the Chicago Council of Global Affairs, "Public and private-sector groups across the region have launched business incubators for immigrant entrepreneurs, sponsored networking opportunities with local employers, and helped skilled immigrants translate their foreign credentials to maximize their economic potential in the United States." ¹⁶

- o The Midwest and Great Plains "cannot hope to keep up with other regions or international competitors without a vital <u>entrepreneurial</u> sector...Immigrants, risk takers by nature, are unusually successful entrepreneurs, more than twice as likely as native-born Americans to start their own firms."¹⁷
- O Although the Midwest and Great Plains have historically found it difficult to attract and retain new talent, the Council <u>suggests that</u> the region needs new entrepreneurial energy. They note that "business incubators in immigrant communities, microloan programs, and other initiatives to make credit available can make a difference."
- The <u>Grand Forks Immigrant Integration</u> initiative, an effort by the City of Grand Forks, has a goal to "promote naturalization and civic engagement among immigrant populations in our communities."¹⁹
 - O According to the National League of Cities, "The City of Grand Forks is home to a growing refugee population from countries such as Somalia and Bosnia. In response to the arrival of refugee groups, the City of Grand Forks established the Grand Forks Immigrant Integration Committee. The committee, chaired by the President of the Grand Forks City Council, was created to promote mutual understanding and civic engagement."²⁰
 - The <u>initiative</u> also works "to assess and align community resources to best serve both the New American population and general community; to assist New Americans with becoming engaged citizens by being prepared to capitalize on opportunities for productive employment, meaningful education, strong family support and positive community and social interactions."
- Global Friends Coalition is another immigrant integration initiative in Grand Forks. Global Friends Coalition has three primary goals: "support refugees (New Americans) to become more fluent in English"; "support New Americans to become more connected, engaged, and contributing members of their new communities"; and "support the greater Grand Forks community to actively embrace its New American residents."²²
 - o Global Friends Coalition <u>provides</u> in-home English instruction to New Americans, as well as transportation to and from evening English Language Learner classes. The Coalition also provides mentors to help newcomers acclimate to life in America and Grand Forks.²³
 - Additionally, the organization <u>enhances</u> connections between long-term residents and newcomers by "providing the broader community with opportunities to better understand and interact with its New Americans."²⁴

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

⁶ Ibid.

⁷ Ibid.

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

⁹ U.S. Census Bureau, "State & County Quick Facts: North Dakota" (Washington, DC: U.S. Department of Commerce, 2011).

¹⁰ 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). ¹¹ Ibid.

¹² John Eligon, "Down-home American, Korean style" (New York City: *The New York Times*, January 5, 2013).

¹⁴ Marilyn Hagerty, "The Eatbeat: Harvest Brazilian Grill a real draw in Mandan" (Grand Forks, ND: Grand Forks Herald, October 30, 2013).

¹⁵ J. Shane Mercer, "Ethnic stores bring tastes from across the world to F-M area" (Grand Forks, ND: Prairie Business Magazine, June 17, 2013).

¹⁶ Tamar Jacoby, <u>US Economic Competitiveness at Risk: A Midwest Call to Action on Immigration Reform</u> (Chicago: The Chicago Council on Global Affairs, 2013). ¹⁷ Ibid.

¹⁸ Ibid.

¹⁹ City of Grand Forks, "Grand Forks Immigrant Integration" (Grand Forks, ND: City of Grand Forks, 2014).

²⁰ National League of Cities, "Immigrant Integration: City Practices" (Washington, DC: National League of Cities,

²¹ City of Grand Forks, "Grand Forks Immigrant Integration" (Grand Forks, ND: City of Grand Forks, 2014).

²² Global Friends Coalition, "Global Friends Coalition" (Grand Forks, ND: Global Friends Coalition, 2013).

²³ Ibid.

²⁴ Ibid.

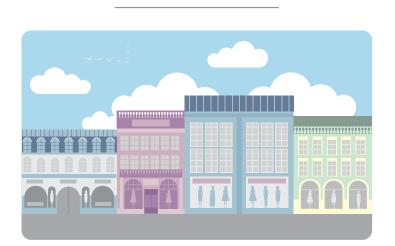
Immigrant Entrepreneurs in:

North Dakota

In 2010, new immigrant business owners generated

\$20.6 million

in total net business income



1%

of business owners in
North Dakota are immigrants

381

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

Read more at ImmigrationPolicy.org

