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Оню:

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

In Ohio, 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 Ohio's economy.

- From 2006 to 2010, immigrants founded 20,768 <u>businesses</u> in Ohio, and in 2010, 6.7 percent of all business <u>owners</u> in Ohio were foreign-born.
- In 2010, new immigrant business owners³ had a total net business income of \$1.3 billion, which is 5.7 percent of all net business income in the state.⁴
- Immigrant <u>entrepreneurs</u> have contributed to Ohio's economy throughout the state's history, founding such companies as Proctor & Gamble and Eaton Corporation. Other Ohio-based Fortune 500 companies had at least one immigrant or child of an immigrant co-founder, including Kroger, Limited Brands, Big Lots, and Owens-Illinois.⁵

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

- High-skilled immigrant workers contribute to the success of many Ohio-based companies and institutions with a significant presence in the state, including Larsen and Toubro Infotech Limited, Cincinnati Children's Hospital Medical Center, Cleveland Clinic, University of Cincinnati, Miami University, University of Toledo, Case Western Reserve University, Progressive Casualty Insurance Company, Ohio State University, JPMorgan Chase & Company, Wright State University, Abercrombie & Fitch Trading Company, and Sherwin-Williams Company.
- In 2011, the U.S. Department of Labor <u>certified</u> 7,777 H-1B labor certification applications in Ohio, with an average annual wage of \$66,878, which is higher than Ohio's median household <u>income</u> of \$48,071 or per capita income of \$25,618.
- An <u>expansion</u> of the high-skilled visa program would create an estimated 12,000 new jobs in Ohio by 2020. By 2045, this expansion would <u>add</u> around \$4.8 billion to Gross State Product and increase personal income by more than \$4.6 billion. The following are examples of metropolitan area demand for high-skilled foreign-born workers.

- o The Cincinnati-Middletown metropolitan area had 1,583 H-1B high-skilled visa requests in 2010-2011, with 73.8 percent of H-1B visa-holders working in science, technology, engineering, and mathematics (STEM) occupations. 11
- The Cleveland-Elyria-Mentor metropolitan area had 1,790 H-1B high-skilled visa <u>requests</u> in 2010-2011, with 60 percent of H-1B visa-holders working in STEM occupations.¹²
- O The Columbus metropolitan area had 2,655 H-1B high-skilled visa <u>requests</u> in 2010-2011, with 82.1 percent of H-1B visa-holders working in STEM occupations. ¹³

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

- Alvaro Maurice, originally from Caracas, <u>Venezuela</u>, moved back to Dayton in 2007 and is the CEO of Conquistador Consulting LLC.¹⁴
- Bor Jang, originally from <u>Taiwan</u>, is CEO of both Angstron Materials and Nanotek Instruments, two successful high-tech companies in Dayton, Ohio.¹⁵
- Several foreign-born business professionals and civic activists <u>formed</u> TiE Ohio, which is the first chapter in the state of the Tie Network—the world's largest organization for encouraging entrepreneurship. The founders of the chapter saw a need to attract business from other countries to come to northeast Ohio, and to help people start their own businesses.¹⁶

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

- Welcome Dayton. Dayton is another example of a city that has decided to welcome and integrate new immigrants in their community, rather than allowing old stereotypes, fears, and preconceptions to hinder the future success of their region.
 - O The city of Dayton officially adopted the Welcome Dayton plan in October of 2011.¹⁷ With this initiative, Dayton embraces the perspective that "in a community where immigrants are welcomed, they receive mutual respect and support, while in an unwelcoming community they can experience isolation, poverty and social discord."¹⁸
 - O While Dayton has experienced a decline in its native-born population in recent years, it has also experienced increased immigrant and refugee settlement. With new immigrant populations moving in, Dayton <u>witnessed</u> new businesses starting up, new jobs being created, houses becoming rehabilitated, underused buildings being repurposed, and communities becoming rejuvenated and revitalized. ¹⁹ The Welcome Dayton initiative helps further encourage these organic processes.

- **Global Cleveland.** Cleveland has undergone post-industrial population decline. Within that context, local leaders created the Global Cleveland initiative, the <u>mission</u> of which is "to increase the population of Northeast Ohio and strengthen the region by working with employers, colleges and universities and community organizations to attract and retain newcomers²⁰ by connecting them to the region's opportunities, resources and services and promoting the region as a welcoming place to all."²¹
 - O Global Cleveland offers a wealth of <u>information</u> to employers about the processes for hiring international students and international workers.²² This clearly indicates the need that Cleveland has for attracting talented workers from all sources.

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 David Dyssegaard Kallick, <u>Immigrant Small Business Owners: A Significant and Growing Part of the Economy</u> (Washington, DC: Fiscal Policy Institute, 2012).

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.

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, "<u>Map the Impact of Immigrants Across America: Ohio</u>" (New York: Partnership for a New American Economy, 2013).

⁶ Neil G. Ruiz, Jill H. Wilson, and Shyamali Choudhury, <u>The Search for Skills: Demand for H-1B Immigrant</u> Workers in U.S. Metropolitan Areas (Washington, DC: The Brookings Institution, 2012).

⁷ Office of Foreign Labor Certification, <u>Annual Report: October 1, 2010 – September 30, 2011</u> (Washington, DC: U.S. Department of Labor, 2012).

⁸ U.S. Census Bureau, "<u>State & County Quick Facts: Ohio</u>" (Washington, DC: U.S. Department of Commerce, 2011).

⁹ 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).

¹¹ 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). ¹² Ibid.

¹³ Ibid.

¹⁴ Welcome Dayton, "My Story: Alvaro Maurice" (Dayton, OH: Welcome Dayton, 2013).

¹⁵ Welcome Dayton, "My Story: Bor Jang" (Dayton, OH: Welcome Dayton, 2013).

¹⁶ Dave Malaska, "<u>Immigrants emerge as growing economic force across Ohio</u>" (Ohio: Hi Velocity Media, May 6, 2010); TiE Ohio, "<u>About TiE Ohio</u>" (Cleveland, OH: TiE Ohio, 2013).

¹⁷ Welcome Dayton, "History" (Dayton, OH: Welcome Dayton, 2013).

¹⁸ Welcome Dayton, "About" (Dayton, OH: Welcome Dayton, 2013).

¹⁹ Ibid

²⁰ Global Cleveland defines newcomers as "immigrants and international and domestic individuals."

²¹ Global Cleveland, "About" (Cleveland, OH: Global Cleveland, 2013).

²² Global Cleveland, "Hiring International Talent" (Cleveland, OH: Global Cleveland, 2013).

Immigrant Entrepreneurs in:

Ohio

In 2010, new immigrant business owners generated

\$1.3 billion

in total net business income



6.7%

of business owners in Ohio are immigrants



20,768

immigrants became new business owners in Ohio between 2006-2010



