

**SOUTH DAKOTA:  
Immigrant Entrepreneurs, Innovation, and Welcoming Initiatives in the Mount Rushmore State**

In South 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 South Dakota's economy.**

- From 2006 to 2010, there were 606 new immigrant business [owners](#) in South Dakota,<sup>1</sup> and in 2010, [1.2 percent](#) of all business owners in South Dakota were foreign-born.<sup>2</sup>
- In 2010, new immigrant business owners<sup>3</sup> had a total net business [income](#) of \$13.1 million, which is 0.5 percent of all net business income in the state.<sup>4</sup>

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

- Immigrants contribute to South 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 [41.8 percent](#) of STEM graduates from the state's research-intensive universities were foreign-born, and 24 percent of science and engineering graduate students in South Dakota were not born in the U.S.<sup>5</sup>
- In 2011, the U.S. Department of Labor certified 281 H-1B labor certification [applications](#) in South Dakota, with an average annual wage of \$60,888,<sup>6</sup> which is higher than both South Dakota's median household [income](#) of \$49,091 and its per capita income of \$25,570.<sup>7</sup>
- An [expansion](#) of the high-skilled visa program would create an estimated 700 new jobs in South Dakota by 2020.<sup>8</sup> By 2045, this expansion would [add](#) around \$311 million to Gross State Product and increase personal income by more than \$280 million.<sup>9</sup>

**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 South 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 Sioux Falls, immigrants and refugees are [starting small businesses](#) based on the skills they garnered in their home countries. For example, Hakim Kane, from South Sudan, began operating a small business in 2013 as a tailor next to a grocery store at Sixth Avenue and West Avenue.<sup>10</sup>
- Many local dairies in southeast South Dakota are owned and managed by families who moved there from Europe during the last two decades. In most cases, these families had already been in the dairy business in Europe.
  - In the town of Bruce, Wim and Nicolien Hammink, from The Netherlands, moved to South Dakota with their children in 1995 to [start a dairy](#). They started with 300 cows and by 2011 had over 2,400 cows between two farms: Hammink Dairy and Hammink South.<sup>11</sup>
  - In the early 2000s, the Hammink's [began](#) Hammink Dairy Consulting and Development as a local contact for dairy farmers moving to the area, working with 16 families from the Netherlands, Canada, Belgium, Ireland, England, and other parts of the U.S. to help them start their dairies and build business plans.<sup>12</sup>
  - In the community of Ramona, Sarah Sanders and her husband, Glyn, both from England, moved to the area with their children to be able to [expand](#) their dairy business. In 2004, they opened Cederberg Dairy with around 450 cows. By 2011 they had 700 cows.<sup>13</sup>
  - In Elkton, in Brookings County, Olga Reuvekamp, along with her husband Wilfried, both from The Netherlands, is the [owner and manager](#) of Hilltop Dairy, which they started in 2006. In 2011, the 2,000-cow dairy employed at least 33 people and produced 140,000 gallons of milk each day.<sup>14</sup> In addition to running the dairy, Reuvekamp is also a program director with [South Dakota Agriculture and Rural Leadership](#), Inc.<sup>15</sup>

**In South Dakota, some localities have begun recognizing and supporting immigration through local “welcoming” and integration initiatives.**

- Across South 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.”<sup>16</sup>

- The Midwest and Great Plains “cannot hope to keep up with other regions or international competitors without a vital [entrepreneurial](#) sector...Immigrants, risk takers by nature, are unusually successful entrepreneurs, more than twice as likely as native-born Americans to start their own firms.”<sup>17</sup>
- Although the Midwest and Great Plains have historically found it difficult to attract and retain new talent, the Council [suggests that](#) 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.”<sup>18</sup>
- The [Multi-Cultural Resource Center of Sioux Falls](#) provides learning opportunities for newcomers and long-terms residents.<sup>19</sup>
  - The [goals](#) of the Center involve offering orientation services to newcomers about the Sioux Falls community and American culture, providing resources for English language proficiency and life skills education.<sup>20</sup>
  - The Center also [serves](#) as a resource for the community through assisting newcomers with housing, adult services and youth services, supporting and developing programs to address youth needs, and educating the community about diversity.<sup>21</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 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: South Dakota”](#) (New York: Partnership for a New American Economy, 2013).

<sup>6</sup> Office of Foreign Labor Certification, [Annual Report: October 1, 2010 – September 30, 2011](#) (Washington, DC: U.S. Department of Labor, 2012).

<sup>7</sup> U.S. Census Bureau, [“State & County Quick Facts: South Dakota”](#) (Washington, DC: U.S. Department of Commerce, 2011).

<sup>8</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>9</sup> Ibid.

<sup>10</sup> Associated Press, [“Vision from East Africa meets business plan in South Dakota”](#) (Rapid City, SD: *Rapid City Journal*, May 20, 2013).

<sup>11</sup> Charis Ubben, [“There’s a world of interest in South Dakota’s dairies”](#) (Brookings, SD: *The Brookings Register*,

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October 20, 2011).

<sup>12</sup> Ibid.

<sup>13</sup> Ibid.

<sup>14</sup> Lura Roti, "[South Dakota dairy producers face employment challenges](#)" (Philip, SD: *The Cattle Business Weekly*, April 13, 2011).

<sup>15</sup> South Dakota Agricultural and Rural Leadership, Inc., "[Staff](#)" (Brookings, SD: South Dakota Agricultural and Rural Leadership, Inc., 2014).

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

<sup>17</sup> Ibid.

<sup>18</sup> Ibid.

<sup>19</sup> Multi-Cultural Center, "[About Us](#)" (Sioux Falls, SD: Multi-Cultural Resource Center of Sioux Falls, 2014).

<sup>20</sup> Ibid.

<sup>21</sup> Ibid.

Immigrant Entrepreneurs in:

# South Dakota

*In 2010, new immigrant  
business owners generated*

**\$13.1  
million**

*in total net  
business income*



**606**

*immigrants became new business  
owners in South Dakota  
between 2006-2010*

**1.2%**

*of business owners in  
South Dakota are immigrants*

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