

**VIRGINIA:
Immigrant Entrepreneurs, Innovation, and Welcoming Initiatives in the Old Dominion
State**

In Virginia, 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 Virginia's economy.

- From 2006 to 2010, there were 53,709 new immigrant business [owners](#) in Virginia,¹ and in 2010, [17.5 percent](#) of all business owners in Virginia were foreign-born.²
- In 2010, new immigrant business owners³ had a total net business [income](#) of \$3 billion, which is 14.9 percent of all net business income in the state.⁴
- Virginia is home to many successful companies with at least one founder who was an immigrant or child of an immigrant, [including](#) companies such as Capital One Financial, Advance Auto Parts, and MeadWestvaco.⁵ Those three companies together employ over 100,000 people and bring in \$30.8 billion in revenue each year.
- Immigrants in Virginia work in all sectors of the state's economy, but they are more likely than native-born Virginians to be [business owners](#). While immigrants comprise about 11 percent of Virginia's population, they represent roughly 17 percent of its entrepreneurs. Immigrants accounted for over 40 percent of the growth in entrepreneurship in Virginia between 2000 and 2010.⁶
 - "Virginia's foreign-born population is a critical asset for keeping the Commonwealth's competitive edge sharp," [states](#) Michael Cassidy, executive director of The Commonwealth Institute, in Richmond.

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

- Immigrants contribute to Virginia'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 [40 percent](#) of STEM graduates from the

state's research-intensive universities were foreign-born, and almost 57 percent of graduates earning PhDs in engineering in Virginia were not born in the U.S.⁷

- In 2011, the U.S. Department of Labor certified 9,757 H-1B labor certification [applications](#) in Virginia, with an average annual wage of \$69,298,⁸ which is higher than Virginia's median household [income](#) of \$63,302 or per capita income of \$33,040.⁹
- An [expansion](#) of the high-skilled visa program would create an estimated 11,600 new jobs in Virginia by 2020.¹⁰ By 2045, this expansion would [add](#) around \$4.7 billion to Gross State Product and increase personal income by more than \$4.2 billion.¹¹ The following are [examples](#) of metropolitan area demand for high-skilled foreign-born workers.
 - The Richmond metropolitan area had 1,648 H-1B high-skilled visa [requests](#) in 2010-2011, with 77.5 percent of H-1B visa-holders working in STEM occupations.¹² Major employers with a need for H-1B high-skilled workers include Capital One Services, and Virginia Commonwealth University.
 - The Virginia Beach-Norfolk-Newport News metropolitan area had 560 H-1B visa [requests](#) in 2010-2011, with 44.5 percent of visa-holders working in STEM occupations.¹³ Old Dominion University is a major employer in the area.
 - The Washington-Arlington-Alexandria metropolitan area had 14,569 H-1B visa [requests](#) in 2010-2011, with 64.4 percent of visa-holders working in STEM occupations.¹⁴ Major employers include several universities in the area.

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 Virginia, 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 the Shenandoah Valley town of [Harrisonburg](#), for example, Latino immigrant entrepreneurs open small businesses to cater to the tastes of a newly growing population. The most common types of Latino immigrant-owned businesses include restaurants, retail stores that sell ethnic food and other products, groceries and *tiendas*, *tortillerias*, *panaderias*, personal services, and automobile maintenance.¹⁵
- In the northern Virginia suburbs of [metropolitan](#) Washington, DC,¹⁶ including Arlington, Alexandria, Falls Church and "edge gateway"¹⁷ suburban communities in Fairfax, Loudon, and Prince William counties, immigrant entrepreneurs from around the world have opened a wide variety of businesses in diverse neighborhoods.

- In Annandale, another suburban community in metropolitan Washington, DC, Korean immigrants opened businesses along Little River Turnpike. Today, these businesses have helped revitalize an aging business district. Indeed, this infusion of new businesses and financial capital into the city was an economic boon for the community.¹⁸ Presently, over [1,000 businesses](#) in Annandale are Korean-owned.¹⁹
- In the state capital of Richmond, Martin Gonzalez, from Mexico City, owns and operates his *La Milpa* [business](#). *La Milpa* began as a store selling Mexican food, crafts, and groceries. Today, it has grown to include a restaurant, market, crafts, bakery, and a catering service.²⁰

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

- In Richmond, the **Office of Multicultural Affairs** is [designed](#) to increase access to “city and community-based services, promotes information, education, and civic participation in order to improve the quality of life of diverse cultural and linguistic communities.”²¹
 - Through this office, the City of Richmond’s [vision](#) is that the state capital region will be a “welcoming community that celebrates its multiculturalism and offers equitable opportunities and access to services for all.”²²
- Since 2000, the **Multicultural Services Initiative** in Alexandria has been involved with the growing and changing culturally diverse community. One of the initiative’s [goals](#) is to “encourage Alexandria’s culturally diverse residents to participate in the life of the city and its government.”²³
- **Arlington Economic Development**, in Northern Virginia, as part of its 2013 entrepreneurship summer series, hosted a [Venture Camp](#) program on Immigration and Entrepreneurship. The program was designed to highlight the fact that “America is world-renowned for its entrepreneurial business spirit” fueled in large part by immigrants. The program highlighted the concept that “immigrants are more likely to be self-employed than the native-born population.”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: Virginia](#)” (New York: Partnership for a New American Economy, 2013).

⁶ Sara Okos, Sookyoung Oh and Michael Cassidy, [Critical Assets: The State of Immigrants in Virginia’s Economy](#) (Richmond, VA: The Commonwealth Institute, 2012).

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- ⁷ Partnership for a New American Economy, “[Map the Impact of Immigrants Across America: Virginia](#)” (New York: Partnership for a New American Economy, 2013).
- 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: Virginia](#)” (Washington, DC: U.S. Department of Commerce, 2011).
- ¹⁰ 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).
- ¹¹ Ibid.
- ¹² 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).
- ¹³ Ibid.
- ¹⁴ Ibid.
- ¹⁵ Laura H. Zarrugh, “[From Workers to Owners: Latino Entrepreneurs in Harrisonburg, Virginia](#)” *Human Organization*, vol. 66, no. 3, 2007.
- ¹⁶ Audrey Singer, “[Metropolitan Washington: A New Immigrant Gateway](#),” In *Research in Race and Ethnic Relations, Volume 17, Hispanic Migration and Urban Development: Studies from Washington DC* (Emerald Group Publishing Company, 2012).
- ¹⁷ Audrey Singer, Susan W. Hardwick, and Caroline B. Brettell, “Edge Gateways: Immigrants, Suburbs, and the Politics of Reception in Metropolitan Washington,” In *Twenty-First Century Gateways: Immigrant Incorporation in Suburban America* (Washington, DC: The Brookings Institution, 2008).
- ¹⁸ Elizabeth Chacko, “Washington, D.C.: From Biracial City to Multiethnic Gateway,” In *Migrants to the Metropolis: The Rise of Immigrant Gateway Cities*, edited by Marie Price and Lisa Benton-Short (Syracuse, NY: Syracuse University Press, 2008).
- ¹⁹ Amanda Abrams, “[Capital melting pot? Not when it comes to food](#)” (Boston: *The Boston Globe*, May 23, 2010).
- ²⁰ Betty Joyce Nash, “[Immigrant Entrepreneurs: Talent, Technology, and Jobs](#)” (Richmond, VA: *Region Focus*, Fall 2008).
- ²¹ City of Richmond, “[Office of Multicultural Affairs](#)” (Richmond, VA: City of Richmond, 2013).
- ²² Ibid.
- ²³ National League of Cities, [Mayoral Immigrant and Latino Affairs Offices](#) (Washington, DC: National League of Cities, 2009).
- ²⁴ Arlington Economic Development, “[Venture Camp: Immigration and Entrepreneurship](#)” (Arlington, VA: Arlington Economic Development, 2013).

Immigrant Entrepreneurs in:

Virginia

*In 2010, new immigrant
business owners generated*

**\$3.0
billion**

*in total net
business income*



53,709

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

17.5%

*of business owners in
Virginia are immigrants*

Read more at ImmigrationPolicy.org