

September 2013

WASHINGTON:

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

In Washington, 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 Washington's economy.

- From 2006 to 2010, there were 45,696 new immigrant business [owners](#) in Washington,¹ and in 2010, [15 percent](#) of all business owners in Washington were foreign-born.²
- In 2010, new immigrant business owners³ had a total net business [income](#) of \$2.4 billion, which is 13.1 percent of all net business income in the state.⁴
- Washington is home to many successful companies with at least one founder who was an immigrant or child of an immigrant, [including](#) large companies such as [Nordstrom](#),⁵ Weyerhaeuser Company, Costco Wholesale, and Amazon.com.⁶ Those four companies together employ over 250,000 people and bring in \$180 billion in revenue each year.
- In 2010, the foreign-born share of business owners was [19 percent](#) in the Seattle metropolitan area.⁷ In the case of Seattle, the immigrant business ownership rate was higher than the foreign-born share of the total population.

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

- Immigrants contribute to Washington's economic growth and competitiveness by earning degrees in science, technology, engineering, and mathematics (STEM) fields from the state's research universities. In 2009, around [26 percent](#) of STEM graduates from the state's research-intensive universities were foreign-born, and almost half of the graduates earning PhDs in engineering in Washington were not born in the U.S.⁸

- In 2011, the U.S. Department of Labor certified 10,244 H-1B high-skilled visa labor certification [applications](#) in Washington, with an average annual wage of \$80,820,⁹ which is higher than Washington’s median household [income](#) of \$58,890 or per capita income of \$30,481.¹⁰
- An [expansion](#) of the high-skilled visa program would create an estimated 10,400 new jobs in Washington by 2020.¹¹ By 2045, this expansion would [add](#) around \$4 billion to Gross State Product and increase personal income by more than \$3.6 billion.¹² The following is an [example](#) of a metropolitan area’s demand for high-skilled foreign-born workers.
 - The Seattle-Tacoma-Bellevue metropolitan area had 9,633 H-1B visa [requests](#) in 2010-2011, with 78.2 percent of H-1B visa-holders working in STEM occupations.¹³ Major employers with a need for H-1B high-skilled workers include Microsoft Corporation, Amazon Corporate LLC, the University of Washington, T-Mobile USA Inc., and Expedia Inc.

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 Washington, 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 Seattle, along Aurora Avenue in Shoreline, the vitality of the [Korean community](#) is evident in the many businesses located there. Regionally, the Korean community owns more than 3,000 businesses.¹⁴
 - Korean [businesses](#) are not just concentrated in a single neighborhood. As an example, Magnolia has a Korean cleaning business and restaurant. There is also a Korean grocers association due to the number of small grocery stores in various neighborhoods.¹⁵
- In Spokane, several members of the Azar family, from Jordan, have become [small business owners](#). For example, Victor Azar’s first business was Azar’s Café, which he began while still a student at Eastern Washington University.¹⁶
 - Today, Azar runs two Spokane-based businesses: Café MAC and Victor’s Hummus, which sells its food products in around 50 stores across the Inland Northwest from Bozeman, Montana, to North Idaho, to Hood River, Oregon. Azar plans to continue growing his business further.¹⁷
- In Everett, Aleksey Dudnik, from Ukraine, [opened](#) Downtown Banya five years ago. “Banya” is a spa experience common in Russian culture. The facility also includes a bistro where patrons may enjoy a selection of Russian, Ukrainian and European cuisine.¹⁸

- o “This is the best place for someone to get a business going,” Dudnik said of starting a business in the U.S. Juergen Kneifel, who interviewed Dudnik, [observed](#) that “hard work and sacrifice are not something that will deter these newcomers,” and “education seems to be a high priority as these new business entrepreneurs soak in the ways in which they can build a profitable enterprise.”¹⁹

In Washington, localities have begun recognizing and supporting immigration through “welcoming” and integration initiatives.

- The City of Seattle’s **Immigrant and Refugee Initiative**, a [component](#) of the city’s Race and Social Justice Initiative, recognizes the need for the city to embrace its newest residents. In particular, the broad and comprehensive initiative “promotes the full and active participation of immigrant and refugee communities in Seattle’s civic, economic and cultural life.”²⁰
 - o The initiative’s [Action Plan](#) is designed around five major immigrant- and refugee-related issues: access to services and information, protection of civil rights, civic engagement, workforce and economic development, and service delivery.²¹
- Several Washington cities have passed resolutions aimed at encouraging comprehensive immigration reform, condemning negative immigration legislation such as [Arizona’s SB 1070](#),²² or positioning themselves on the path to being welcoming communities.
 - o In 2010, in response to Arizona’s SB 1070 law, the [Tacoma City Council](#) passed a resolution asking Arizona to rescind the law and asking the presidential administration to enact comprehensive immigration reform.²³ The Seattle City Council unanimously made a similar [resolution](#) in 2010, but it went a step further by stating that they would not enter into new contracts with business in Arizona.²⁴
 - o The Seattle City Council also [supports](#) reforming the U.S. immigration system when they voted unanimously to pass a resolution supporting comprehensive immigration reform in May of 2010. Speaking of the resolution, Seattle City Councilmember Nick Licata said, “The time is now to make a difference in comprehensive immigration reform. We are a country founded on providing safety for everyone equally and humanely.”²⁵

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 The Immigrant Learning Center, "[Immigrant Entrepreneur Hall of Fame: John W. Nordstrom](#)" (Malden, MA: The Immigrant Learning Center, 2013).

⁶ Partnership for a New American Economy, "[Map the Impact of Immigrants Across America: Washington](#)" (New York: Partnership for a New American Economy, 2013).

⁷ David Dyssegaard Kallick, [Immigrant Small Business Owners: A Significant and Growing Part of the Economy](#) (Washington, DC: Fiscal Policy Institute, 2012).

⁸ Partnership for a New American Economy, "[Map the Impact of Immigrants Across America: Washington](#)" (New York: Partnership for a New American Economy, 2013).

⁹ Office of Foreign Labor Certification, [Annual Report: October 1, 2010 – September 30, 2011](#) (Washington, DC: U.S. Department of Labor, 2012).

¹⁰ U.S. Census Bureau, "[State & County Quick Facts: Washington](#)" (Washington, DC: U.S. Department of Commerce, 2011).

¹¹ 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).

¹² Ibid.

¹³ 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).

¹⁴ Bill Stafford, "[Seattle's Korean community: How immigration makes us all stronger](#)" (Seattle, WA: *Crosscut.com*, November 21, 2012).

¹⁵ Ibid.

¹⁶ Victor Azar, "[Guest opinion: Immigration reform also good for business](#)" (Spokane, WA: *The Spokesman Review*, July 13, 2013).

¹⁷ Ibid.

¹⁸ Juergen Kneifel, "[Immigrant worked up a sweat so you can, too](#)" (Everett, WA: *The Daily Herald*, August 19, 2013).

¹⁹ Ibid.

²⁰ City of Seattle, "[Immigrants and Refugee Access](#)" (Seattle, WA: City of Seattle, 2013).

²¹ City of Seattle, "[Immigrant and Refugee Initiative: 2010-2012 Action Plan](#)" (Seattle, WA: City of Seattle, 2010).

²² Immigration Policy Center, "[Arizona's SB 1070: A Resource Page](#)" (Washington, DC: Immigration Policy Center, 2010).

²³ Lori Matsukawa, "[Tacoma passes resolution against Arizona's controversial immigration law](#)" (Tacoma, WA: King Broadcasting Company, May 25, 2010).

²⁴ KING 5 News, "[Seattle city council boycotts Arizona over immigration](#)" (Seattle, WA: King Broadcasting Company, May 17, 2010).

²⁵ City of Seattle, "[Seattle City Council members support immigration reform](#)" (Seattle, WA: City of Seattle, March 18, 2010).

Immigrant Entrepreneurs in:

Washington

*In 2010, new immigrant
business owners generated*

**\$2.4
billion**

*in total net
business income*



45,696

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

15%

*of business owners in
Washington are immigrants*

Read more at ImmigrationPolicy.org