ESHIP
Rio Grande

NEW MEXICO

Research Summary

2020

ESHIPCOMMUNITIES

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List of Exhibits

Introduction

PURPOSE

The research brief is a synthesis of the most recent publicly available data on the community's entrepreneurial ecosystem paired with additional survey data collected by Forward Cities, the implementation partner of the ESHIP Communities initiative. This document is intended to inform ESHIP Communities' stakeholders as they develop localized efforts to strengthen their entrepreneurial ecosystem. A synthesis of this brief will be made available to the public.

DESIGN

The framework for the brief is inspired by the Indicators of Entrepreneurial Determinants by the Organization for Economic Co-operation and Development (OECD),[1] and adapted to fit a city context. The structure considers the various parts of an ecosystem, both from the perspective of entrepreneurs and from those who seek to support them (e.g. mentors, government-run or community-based entrepreneurial support organizations (ESOs)).

METAPHOR

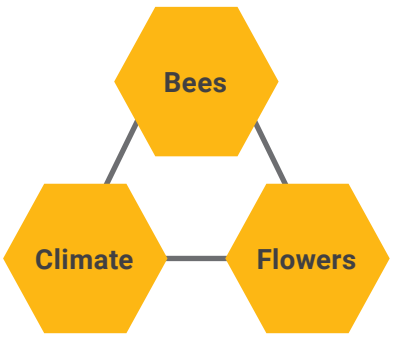
The OECD indicators are restructured to fit an ecosystem metaphor, containing the bee (entrepreneur), flowers (supporters) and climate (larger factors). The bees represent the entrepreneurs, who work to build something new. The flowers are all those that support and sustain them such as mentors, officials, and organizations. The climate describes any external factors that influence the entrepreneurial ecosystem. Ecosystem builders, similar to bees, work across the system.

Exhibit 1. Entrepreneurial Ecosystem Framework

OECD Indicators

1. Regulatory Framework
2. Market Conditions
3. Access to Finance
4. Creation and Diffusion of Knowledge (Innovation)
5. Entrepreneurial Capabilities (Preparedness)
6. Entrepreneurial Culture

Entrepreneurial Ecosystem Framework



[1] *Indicators of entrepreneurial determinants. OECD. Viewed 19 Feb 2020. https://www.oecd.org/sdd/business-stats/indicatorsofentrepreneurialdeterminants.htm*

FOCUS

When key stakeholders in New Mexico first met to consider work with Forward Cities and the ESHIP Communities initiative, they sought ways to unify work in this region in a meaningful way. The food and agriculture arena soon emerged as one that had strengths in both Albuquerque and Santa Fe, and offers a variety of paths for potential entrepreneurs (from farming to food, consumer packaged goods to associated technologies). The field is also inherently regional which widened the collective interest to include Española and Los Alamos, crystallizing the five-county region of interest.

As part of the discovery phase of ESHIP Communities' work in New Mexico, council participants reviewed a variety of research and other documents (such as Grow New Mexico[2], New Mexico First[3], and Santa Fe Food Policy Council[4]) and held discussions with a handful of key partners (including Thornburgh Foundation and New Mexico Secretary of Economic Development). These connections confirmed interest and support from the community, as well as the potential for ecosystem building in food and agriculture to make a regional difference in the entrepreneurial ecosystem.

Food industries are an essential component of the New Mexican entrepreneurial fabric, and can help combat child food insecurity and support minority workers. New Mexico holds the highest rate in the nation for childhood hunger, such that one in four children is hungry (2019). This problem requires considerable attention and coordination across agencies, and ecosystem building can play a role. Further, people of color and immigrants make up a large proportion of workers in food related industries. About half of workers in food production and processing positions as well as at least 40% of restaurant workers are people of color, and about 70% of farmworkers are foreign-born[5]. Through support and strengthening of the food system, the ecosystems most vulnerable could benefit.

> **"Food entrepreneurs of color are also more likely to build relationships within their communities that have a range of longer-term impacts, including fresher food offerings and a presence that attracts other business that create a sense of place, meeting spaces, banking services, and medical care facilities—all of which are more likely to offer higher-quality jobs with living wages."**
>
> - Olivia Rabanal

The above quote illustrates that fortifying connections, access, and information sharing in regional food communities is a critical component of healthy and vibrant entrepreneurial ecosystems. Locally based food entrepreneurs can supply not only food but a strong community connection. As Kautz and their co-authors write in their U.S. Conference of Mayors report: Strategies to Combat Childhood Hunger in Four U.S. Cities, ''the movement to more nutritious and appealing food presents an opportunity to support local producers of fruit, vegetables, and other items, and so expand the local food economy." Thus, as local public officials work to address child hunger, ecosystem builders can strengthen the food system from the grassroots.

2 *Grow New Mexico (2019). Albuquerque Food & Agriculture Action Plan. Thornburg Foundation.*
3 *New Mexico First (2019). Resilience in New Mexico Agriculture. Thornburg Foundation.*
4 *Santa Fe Food Policy Council (2018). https://www.santafefoodpolicy.org/food-plan/*
5 *Dumont, A., Davis, D., Wascalus, J., Wilson, T.C., Barham, J.A. and Tropp, D. eds., 2017. Harvesting opportunity: The power of regional food system investments to transform communities. Federal Reserve Bank of St. Louis and the Board of Governors of the Federal Reserve System.*

Population Data[6]

Exhibit 2. Population, Income, Education Data
(2017, unless otherwise noted)

	United States	New Mexico	Bernalillo County	Santa Fe County	Los Alamos County	Sandoval County	Rio Arriba County	Albuquerque City	Santa Fe City
2017 Population	321,004,407	2,088,070	674,855	147,514	18,031	138,815	39,455	558,558	82,980
Percent of State population *(if applicable)*	_	_	32.4%	7.1%	0.9%	6.7%	1.9%	26.8%	4.0%
2010 Population	303,965,272	2,013,122	646,881	141,702	18,091	124,263	40,195	531,403	67,588
Change in population size *(2010-2017)*	17,039,135	22,138	27,974	5,812	-60	14,552	-740	10,973	14,823
% Change *(2010-2017)*	5.6%	1.1%	4.3%	4.1%	-0.3%	11.7%	-1.8%	2.1%	21.9%
Median family income	$73,891	$58,308	$64,060	$68,940	$133,523	$70,381	$45,349	$67,301	$57,022
Median household income	$60,336	$46,744	$50,386	$57,945	$110,190	$60,345	$33,422	$50,456	$57,022
% of Individuals in poverty	13.4%	19.7%	18.0%	14.4%	5.1%	14.7%	26.4%	15.2%	11.2%
Unemployment rate	5.3%	6.6%	6.7%	5.5%	3.7%	8.0%	8.9%	4.8%	4.9%
% with High School education or higher	88.0%	86.1%	88.5%	88.9%	98.0%	90.4%	85.3%	91.3%	89.3%
% with Bachelor's Degree or higher	32.0%	27.1%	33.4%	41.4%	65.5%	30.1%	18.5%	36.3%	40.4%

Family income: Two or more people related by birth or marriage.

Household income: Those residing in the same household, not necessarily married or in a family. Can be a single resident.

[6] *For a list of data sources, see the appendix*

Exhibit 3. Population subgroup data

	United States	New Mexico	Albuquerque City	Santa Fe City	Bernalillo County	Los Alamos County	Rio Arriba County	Sandoval County	Santa Fe County
American Indian/ Alaskan Native	_	9.4%	4.0%	_	4.7%	_	15.8%	12.5%	3.5%
White	72.3%	73.4%	70.0%	87.9%	74.0%	86.6%	56.0%	70.1%	82.9%
Black	12.7%	2.0%	3.4%	_	2.9%	_	_	2.0%	_
Asian	5.6%	1.2%	2.5%	1.3%	2.5%	6.0%	_	_	_
Hispanic	18.1%	46.4%	47.3%	48.4%	49.5%	17.2%	71.4%	37.9%	51.2%
Not Hispanic	81.9%	53.6%	52.7%	51.6%	50.5%	82.8%	28.6%	62.1%	48.8%
Foreign-born	13.7%	9.4%	9.3%	14.5%	10.2%	10.0%	4.5%	5.9%	12.1%
Language other than English spoken at home	21.8%	33.0%	26.6%	35.7%	29.9%	15.7%	61.2%	27.7%	34.2%

NON-CENSUS DATA

Percent of businesses operating after 1 year (survival rate) (2018)[7]

- United States: 79.4%
- New Mexico: 79.6%

Percent of jobs in the city, held by people living in the city (2017)[8]

- Albuquerque City: 62.1%
- Santa Fe City: 45.8%

Percent of workers who live in the city, who work in the city (2017)[9]

- Albuquerque City: 73.7%
- Santa Fe City: 61.1%

Percent of businesses owned by residents (2017)[10]

- United States: 83.1%
- New Mexico: 79.1%
- Bernalillo County: 82.7%
- Santa Fe County: 82.7%
- Los Alamos County: 76.8%
- Sandoval County: 80.3%
- Rio Arriba County: 83.1%

Percent of the total number of new entrepreneurs who were not unemployed and not looking for a job[11] as they started the new business (2018). The Kauffman Foundation calls this starting a business by choice rather than by necessity.[12]

- United States: 86.2%
- New Mexico: 69.5%

7 *Kauffman Indicators of Entrepreneurship (2018). https://indicators.kauffman.org/*
8 *LODES On the Map (2017). https://onthemap.ces.census.gov/*
9 *LODES On the Map (2017). https://onthemap.ces.census.gov/*
10 *Your Economy (2018). https://youreconomy.org/profile/index.lasso*
11 *We interpret this to mean entrepreneurs are not in the labor force and can spend all of their time starting their business rather than looking for work.*
12 *Kauffman Indicators of Entrepreneurship (2018). https://indicators.kauffman.org/*

NEW MEXICO

Seventy-nine percent of businesses are resident-owned in the state, compared to 83.1% in the nation. The vast majority of entrepreneurs nationally - 86.6% - started a business without the financial strain that forces one to look for work, whereas that proportion is 69.5% for the state. That is the second lowest number indicating that of all states.

The state's population grew just over 1% between 2010 and 2017. Meanwhile, the U.S. grew about 5.5% during that period. While the state is about as White as the nation, minority groups are unique to the state. Over 9% of the population is Native American, which is considerably larger (proportionally) than the nation (under 2%). The percentage of individuals who identify as an "other" racial group outside of current census designations is twice as many as the nation (5.1% vs 11.1%). Compared to the nation at 18%, New Mexico is 46% Hispanic. Interestingly, a smaller portion of New Mexicans are foreign-born than the nation (9.4% compared to 13.4%)

The median household income in the state is much lower than the nation (46,744 vs. 60,336). Even after taking into account that a dollar gets you further[13] in New Mexico over many other states, there remains a persistent gap in how much money New Mexicans have relative to the nation.[14]

While 13.4% of individuals live in poverty nationally, this percent is 19.7% for New Mexicans. The unemployment rate in the state is 6.6%, compared to the nation at 5.3% during that time (2017). These numbers indicate that more people face resource challenges in the state compared to the national average.

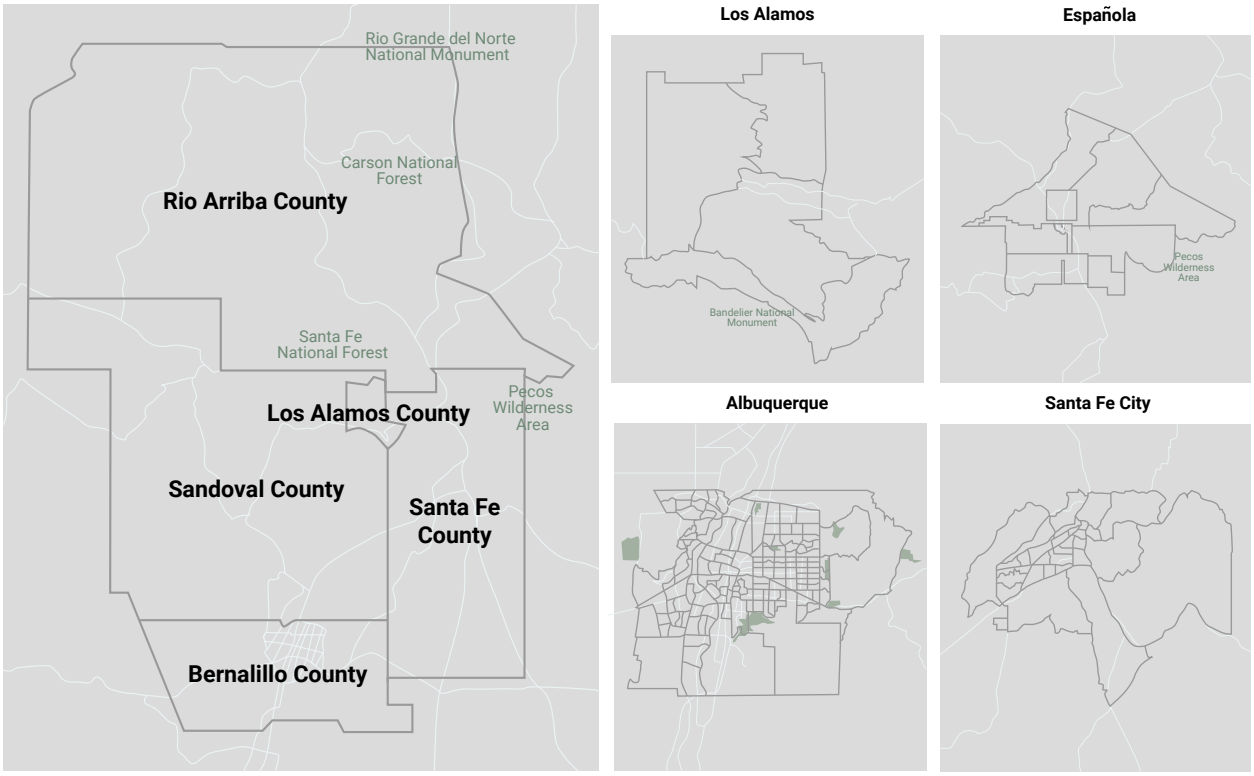
Eighty-six percent of individuals have a highschool degree or more, and less than half of those (27%) have a college degree or more. While these numbers seem low, it's important to remember that just 32% of the nation has a BA or higher.

[13] *M, Sauter. (2018) 'Cost of living: The purchasing power of a dollar in every state,' USA Today.' 10 May. https://www.usatoday.com/story/money/economy/2018/05/10/cost-of-living-value-of-dollar-in-every-state/34567549/*

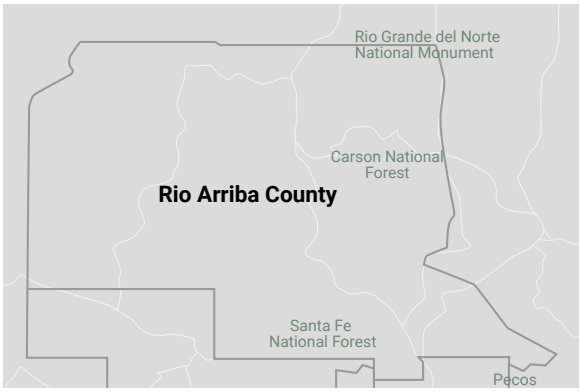
[14] *46,774*1.06 = 49580.44, or -10755.56 less than national household median income.*

Exhibit 4. Location Map

Four communities on the right are within the counties on the left



RIO ARRIBA COUNTY

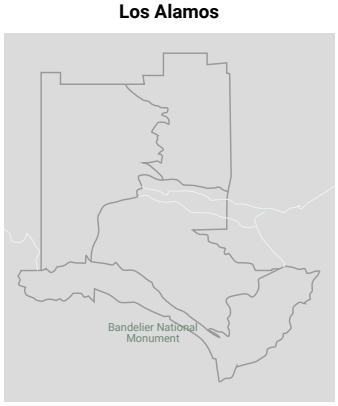


Of all the counties, Rio Arriba is notably rural, the least White, and facing substantial poverty.

Rio Arriba (which contains Española) shrank in population by 1.84% between 2010 and 2017, from 40,195 people to 39,455 (1.9% of the state's population.) While the majority of the county is White (56%), the native population and those who identify as "some other race" (than what is available on the census) is considerable (15.8% and 24.7%, respectively). The county is highly Hispanic (71.4%) but only 4.5% are foreign born.

Median household income is about 33,422, and one in four - 26.4% - live in poverty. About 19% of people over 25 hold at least a bachelor's degree. Unemployment is high at 8.9 percent. Eighty three percent of businesses are resident-owned.

LOS ALAMOS CITY & COUNTY



Los Alamos is a small geographic area that is very White, wealthy, and highly educated.

CITY

The Los Alamos population, which is 0.58% of the state, remained constant between 2010 and 2017 (12,030 to 12,035). The vast majority is White (87.7%), although 9.4% is Asian, which is higher than the state's overall Asian proportion (1.2%). Only 17.5% identify as Hispanic, and 12.2% are foreign born. Median household income is high, at $101,399.

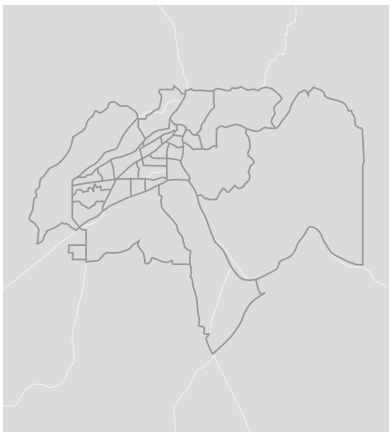
Only 3.3% of the city is in poverty, and 66.4% have a bachelor's degree or higher. Unemployment is very low, at 2.3%. Most people who live in Los Alamos work there (74.4%), while about a third of all people who work in the city commute in from outside the city limits (34.0%).

COUNTY

Los Alamos County stayed about the same size between 2010 and 2017 (18,091 to 18,031 people). The county is less than 1% of the state's population (0.89%). About 86.6% are White, and 6.0% are Asian. Only 17.2% are Hispanic. Ten percent are foreign born, and 15.7% speak a language other than English at home. Just 5% live in poverty, and 65.5% have a bachelor's degree or higher. Only 3.7% were unemployed in 2017, and residents own 76.8% of businesses.

SANTA FE CITY & COUNTY

Santa Fe City



The city is growing rapidly and is wealthier, more educated, and Whiter than the state. Compared to the state at-large, residents are also more likely to speak a different language than English at home, and are more likely to be born outside the U.S.

CITY

The city is having a growth spurt; between 2010 and 2017, Santa Fe grew almost 22%, and stands at about 4% of the state's population. While the city grew by an estimated 14,823 people, the county grew by only 5,812, indicating that many people are migrating to the city from both in and outside of the county.

Almost 88% of residents are White, which is an estimated 14.5 points more than the state proportion. Slightly more people speak a language other than English at home compared to the state (35.7% vs. 33.0%), and those who identify as Hispanic are about as much of the city as the state (48.4% vs 46.4%). The city also attracts more foreign-born individuals (14.5% vs 9.4% in the state and 13.7% nationally). The median household income ($57,022) is closer to the national average ($60,336) than the state ($46,744), and poverty levels are lower than the state and nation (11.2% vs. 19.7% vs. 13.4%, respectively). The city is more educated as well: 40% have a bachelors or higher. Unemployment is 4.9% - lower than the state and nation. Most people who work in the city commute from out of town (54.2%). Of those employed that live in the city, 61.1% work in the city bounds and the rest commute out.

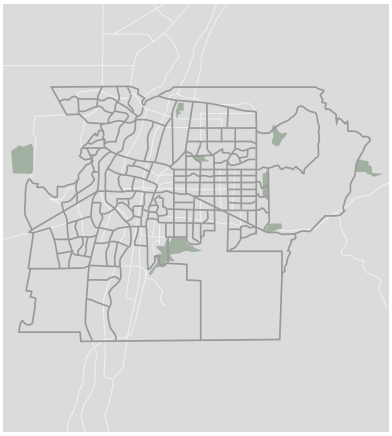
COUNTY

Santa Fe County grew much less than the city, at 4.1% (147,514 to 141,702) and equates to 7.1% of the state's population. Nearly 83% of the county is White, and Hispanics make up about 51% of the population. Twelve percent were born outside the country and a remarkable 34% speak something other than English at home. The businesses in the county of Santa Fe are 82.7% resident-owned compared to 79.1% of the state overall.

Median household income was $57,945 in 2017. Fourteen percent of individuals lived in poverty, and unemployment was about 5.5%. Forty-one percent of adults over 25 had a four year college degree or higher.

ALBUQUERQUE & BERNALILLO COUNTY

Albuquerque



This city is a considerable portion of the state. It is racially unique. Unemployment is low but poverty is still notable. Commuting is low compared to other cities across the country.

CITY

One out of every four New Mexicans live in Albuquerque, at 26.8% of the state. The city grew by 2.0% - which is twice as fast as the state overall. Seventy percent of the city is White, which is close to the national proportion (72%). Over 15% of the population racially categorizes themselves outside of census designations, pointing to a unique type of diversity. The city is about on par with the state percentage of Hispanic (47.3%) and foreign born individuals (9.3%). The city is less likely to speak a different language at home than the state (26.6 vs. 33%), and median household income is closer to state levels than national ($50,457 vs state: $46,744 vs. nation: $60,336). Individual poverty levels are at 15.2%, which is greater than the nation (13.4%) but less than the state (19.7%). The city is more educated than the nation (36.3% vs. 32% with a BA or higher). Unemployment is low at 4.8 percent. Most people who work in the city live there (62.1%). Of those employed that live in the city, 73.7% work in the city bounds and the rest commute out.

COUNTY

In Bernalillo County, 82.7% of businesses are resident-operated, which is higher than the state (79.1%), and level with the nation (83.1%).

The county grew 4.3% in seven years (646,881 to 674,855) and is a third (32.3%) of the state's population. Seventy four percent of the county is White, nearly 3% is Black, 2.5% is Asian, and 4.7% is Native. About 50% is Hispanic. One in three do not speak English at home as a primary language.

Median household income in 2017 was $50,386, and 18% of people live in poverty. Thirty-three percent have a BA or higher. Unemployment was 6.7 percent.

The Food Industry in Context

Bernalillo County and Santa Fe County saw the largest increase in food-related establishments, by percent, of the counties in the region between 2012 and 2017. Bernalillo County added 86 new food-related establishments (an increase of 5.15%) and Santa Fe County added 26 food-related establishments (an increase of 5.59%). Over the same time period, New Mexico added 186 establishments in food-related establishments (an increase of 3.94%) and the United States added 69,984 food-related establishments (an increase of 7.62%).

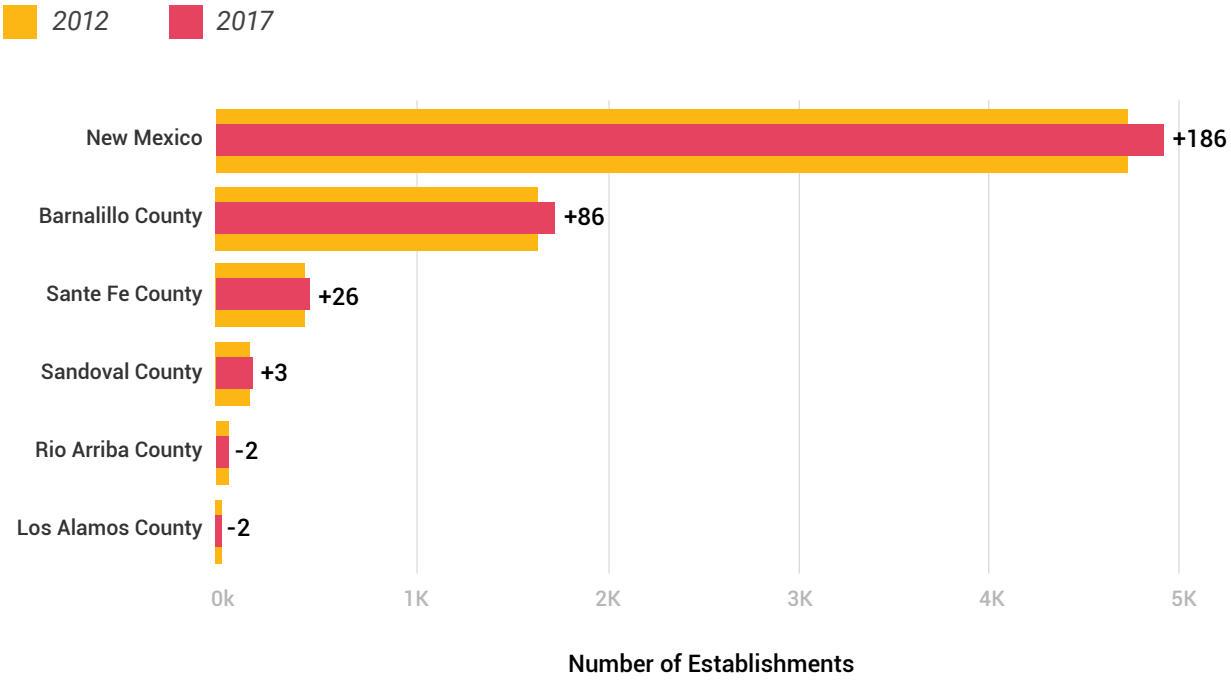
Bernalillo County experienced the biggest growth (155) in establishments of all industries of the five counties (Bernalillo, Rio Arriba, Sandoval, Santa Fe, and Los Alamos). Sandoval County came in second, with a net increase of 114 establishments. The Health Care and Social Assistance industry added 38 new establishments, making it the industry with the largest growth in the county.

Livestock farming is essential to the agricultural industry in New Mexico. In 2015, cattle and calves earned New Mexico farmers $757.9 million in production value. Hay was New Mexico's top earning crop, at $188.4 million. Following cattle and hay, pecans are the third largest agricultural industry in New Mexico, creating $182 million in production value.[15] Dairy ($258.7 million in 2014) and tree nuts ($113.6 million in 2014) are New Mexico's largest agricultural exports, by value.[16]

A 2017 report by New Mexico First and New Mexico State University highlighted a model indicating that increasing local food consumption by 15% would contribute an estimated $725 million to New Mexico's economy.[17] The report also highlighted that 90 percent of food eaten by New Mexicans is grown out of state, pointing to agricultural supply chains within New Mexico as a key component of bolstering the local food industry. Strong supply chains connect farmers with consumers, providing farmers an economic boon and consumers access to local foods. Supply chains that are weak, or non-existent, make it difficult for farmers to move agricultural products to market. Agrigate, an online platform connecting growers and buyers, was introduced in November 2019 in an effort by community leaders to strengthen supply chains in the Santa Fe region.

[15] *2015 USDA National Agricultural Statistics*
[16] *2014 USDA Economic Research Service*
[17] *RESILIENCE IN NEW MEXICO AGRICULTURE Strategic Plan (2017). New Mexico First, New Mexico State University.*

Exhibit 5. *Food Related Industry Establishments, 2012-2017*



Food-related industries included: crop production, animal production and aquaculture, fishing hunter and trapping, support activities for agriculture and forest, food manufacturing, beverage and tobacco manufacturing, food and beverage stores, merchant wholesalers and nondurable goods, food services and drinking places.

Entrepreneur and Business Owner Survey Sample Statistics

Forward Cities, in partnership with the Kauffman Foundation and the National Opinion Research Center (NORC) surveyed entrepreneurs and current business owners in Central/Northern New Mexico. The survey sought to understand barriers and supports to entrepreneurial success that respondents experience. It also inquired about interactions with local mentors, organizations, and government services. Findings from the survey are included in different sections of the brief.

Exhibit 6. *Survey Sample Characteristics (2020)*

	n (%)
Total	119 (100%)
Current business owners	76 (64%)
Aspiring or side business	43 (36%)
Female	66 (56%)
African-American/Black	3 (3%)
Native American	8 (7%)
Hispanic/Latinx	34 (29%)
White, non-Hispanic	69 (58%)
	Current business owners
Business <5 years old	36 (53%)
Full time employees (median)	0 (70 respondents have full time employees)
Zero employees reported	40% (30 respondents)
Revenue	* 5 respondents did not report (7%)
<$25K	40 (53%)
$25-$50K	14 (18%)
$50-$100K	3 (4%)
>$100K	14 (18%)
Most common industries for Current Owners	
Agriculture, Forestry, Fishing and Hunting	32 (44%)
Accommodation and Food Service	5 (15%)
Manufacturing	7 (10%)

SECTION 1
The Bees: The Entrepreneurs

THE BEES, EXPLAINED

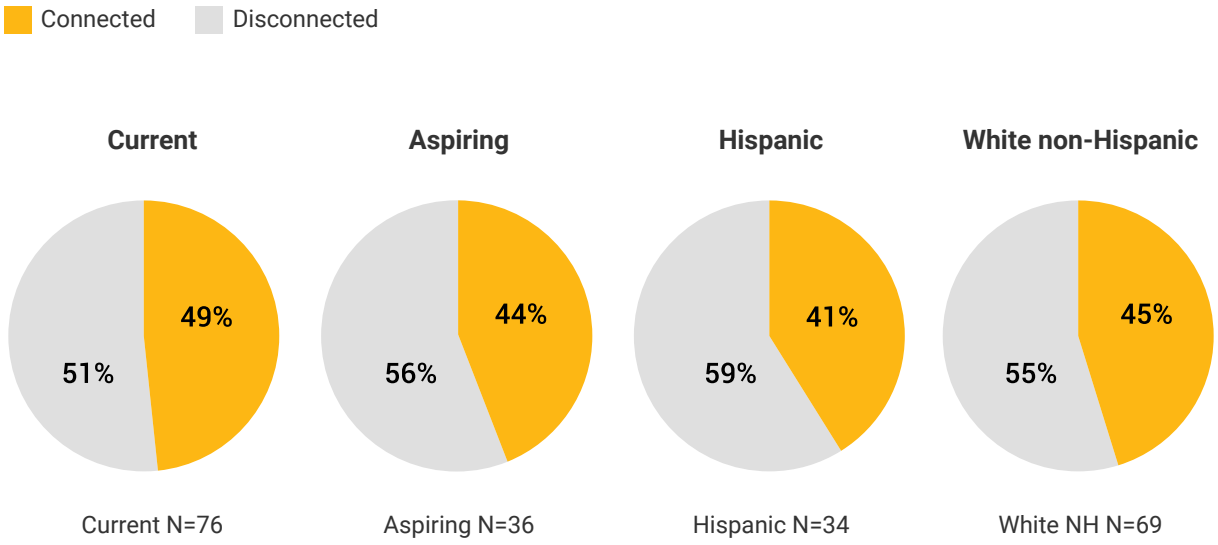
The entrepreneurs and established business owners in an entrepreneurial ecosystem are the bees. They travel great lengths, across their community and others, connecting with peers and resources to refine, establish and grow their idea into a thriving business. The bees need pollen to produce honey, just as entrepreneurs need support to thrive.

What follows is a set of indicators that speak to the entrepreneur and established business owner's experience.

Connection to the Ecosystem

Thriving entrepreneurial ecosystems facilitate, invite and enable connection between entrepreneurs and the support available. As a part of ESHIP Communities Initiative, Forward Cities and NORC conducted a survey to current and aspiring business owners in New Mexico. Connection means that a respondent interacted with at least one formal entrepreneurial support organization or a community resource. The majority of those who took the survey are not connected to resources in the community. Current owners are the most connected group (49%) and Hispanic respondents were the least connected group (41%).

Exhibit 7. *Entrepreneur and Current Business Owner Connectedness to Resources (2020)*



Connected: Using ESO(s), community resources, and/or mentors
Disconnected: Not using or aware of ESOs, community resources, or mentors

Areas of Concern

The entrepreneur and small business survey asked food entrepreneurs which areas are of greatest concern to starting or running their business. Access to loans, grants, or other funding sources was the highest priority for aspiring entrepreneurs as well as current business owners. Access to natural resources, access to markets, and access to food preparation facilities were also notable concerns.

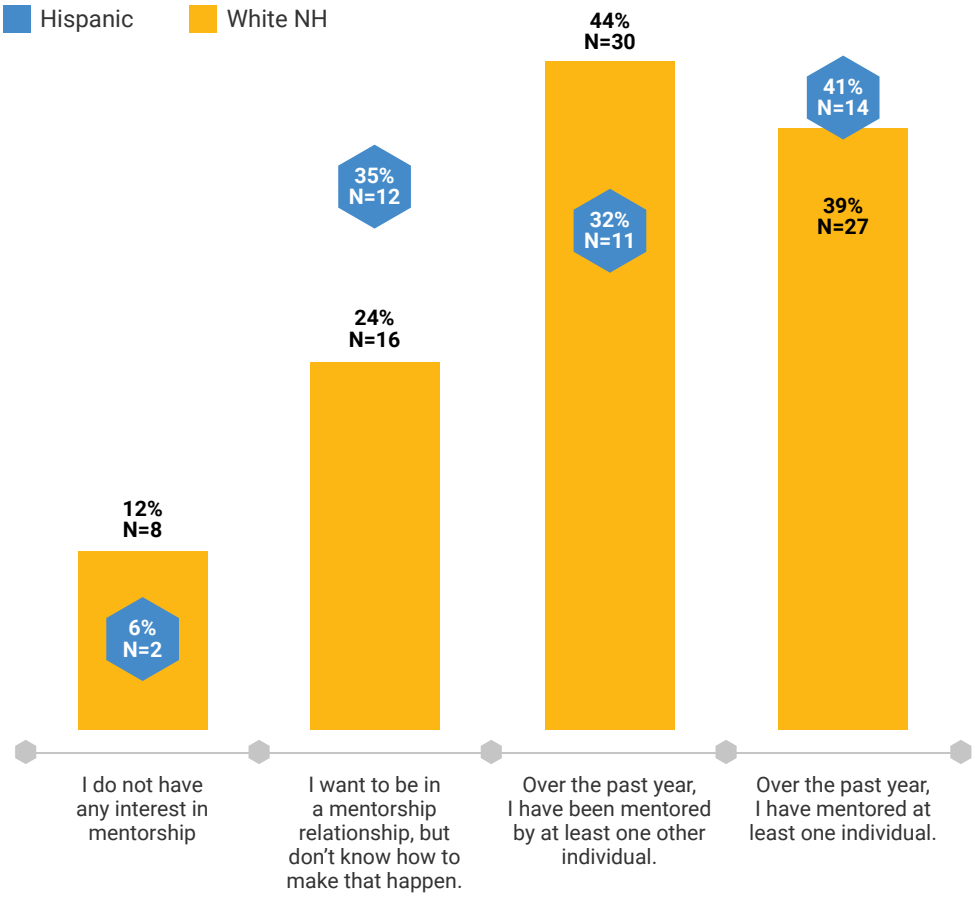
Exhibit 8. *Areas of Concern for Food Entrepreneurs in NM (2020)*

	Aspiring	%	Current	%	Total	%
Access to cold storage	6	17%	9	12%	15	13%
Access to commercial kitchen/preparation facilities	8	22%	16	31%	26	22%
Access to distribution hubs/aggregation points	0	0%	0	0%	0	0%
Access to food distribution network	8	22%	15	20%	23	19%
Access to food processing facilities	1	3%	16	21%	18	15%
Access to loan/grants/funding	24	67%	33	43%	59	50%
Access to markets/customers	10	28%	28	37%	40	34%
Access to special equipment and technology	7	19%	12	16%	19	16%
Access to subject matter expertise to improve business	6	17%	9	12%	16	13%
Access to water, land and other natural resources	13	36%	19	25%	34	29%
Available workforce	5	14%	18	24%	23	19%

Business Mentorship

Based on the sample of entrepreneurs and business owners surveyed in Central/Northern New Mexico, Hispanic entrepreneurs and owners would like to be in a mentoring relationship but are unsure how to make it happen more often than White non-Hispanic respondents (35% vs 24%). Respondents mentor others at about the same rates (41% and 39%). A greater proportion of White non-Hispanic respondents receive mentorship than the proportion of Hispanic respondents (44% vs 32%).

Exhibit 9. *Business Mentorship in Central / Northern New Mexico (2020)*



Entrepreneur & Current Business Owner Diversity

What is it? The **entrepreneur** diversity indicator communicates whether entrepreneurs reflect their communities in terms of race, ethnicity, and gender. Entrepreneur diversity examines the number of businesses under 2 years old per 1,000 residents in 2016. **Current business owner** diversity, however, seeks to understand the diversity of all business owners regardless of business age, but otherwise mimics the former indicator.

This historical context and the ones to follow in this section of the brief are designed to highlight societal and structural forces that have held vast proportions of our population back from accessing economic opportunity on their own terms.

Historical Context: Historically, business ownership is either not an option or considerably difficult for African Americans[18], Hispanic Americans[19], women of all groups, and other subsets of the population.[20] Entrepreneurial ecosystems throughout history prioritize non-minority, male owners. Minority farmers looking to the US Department of Agriculture for support faced blatant discrimination and humiliation from county officials and were routinely denied the farm aid, grants, and loans available to their white counterparts. This discrimination was the basis for the civil rights cases of Pigford v. Glickman, Keepseagle v. Vilsack, and Love v. Vilsack, which resulted in multi-millionaire dollar settlements from the USDA to African American, Native American, Latino, and women farmers.[21]

Despite the deeply embedded racism and sexism, some manage to make significant contributions to the economy. While the federal Homestead Act of 1862 devastated many Mexican Americans by shutting them out of their land, brothers Bernabé and Jesús Robles were among the few to take advantage of the new law, claiming two 160-acre parcels of land that eventually became the "Three Points Ranch" in southern Arizona[22]. The land made them wealthy, and allowed them to eventually own over 1 million acres.[23] Tina Cordova founded Queston Construction in Albuquerque during the 1990's, growing from $50,000 in sales and two full-time employees to $2.5 million in sales and 26 employees in eight years.[24] While explicitly racist policies and practices expire on paper, the effects of both the past and current systems of racial, ethnic and gender bias continue to frame who is and can succeed as an entrepreneur[25], despite the vast potential of entrepreneurs like the Robles and Cordova.

[18] *Walker, J.E., 1983. Black entrepreneurship: An historical inquiry. Business and Economic History, pp.37-55.*
[19] *Jenson, B. 2019. A Different Kind of Funding Bias. Insights by Stanford Business. Graduate School of Business, Stanford University. https://www.gsb.stanford.edu/insights/different-kind-funding-bias*
[20] *Deborah Sweeney 2018. "How HR 5050 Changed Entrepreneurship For Women" Forbes Magazine. https://www.forbes.com/sites/deborahsweeney/2018/08/21/how-hr-5050-changed-entrepreneurship-for-women/#38829e7911a5*
[21] *Feldstein, S., Lo, J., Spach, C., 2017. The Importance of Inclusion in Local and Regional Food System Efforts. Harvesting Opportunity: The Power of Regional Food System Investments to Transform Communities, pp.95*
[22] *Cadava, G. L. (2013). Entrepreneurs from the Beginning: Latino Business & Commerce since the 16th Century . In American Latinos and the making of the United States: a theme study (pp. 215-229). National Park System Advisory Board, U.S. Department of the Interior.*
[23] *Ibid.*
[24] *Cue, L. 2001, Leading Latinas, Hispanic Publishing Corporation, Miami.*
[25] *Mangum, V.E. 2020, "What Does Political Economy Tell Us About the Dearth of Black Entrepreneurs?", The American Economist, vol. 65, no. 1, pp. 131-143.*

ENTREPRENEUR DIVERSITY

In 2016, there were 2 firms less than 2 years old with paid employees for every 1,000 working-aged residents in New Mexico. This is the same as for the US (2).

- For every 1,000 White working-aged residents of New Mexico, 2 owned firms less than 2 years old with paid employees, which is lower than for the country (3).
- For every 1,000 Hispanic working-aged residents of New Mexico, 1 owned a firm less than 2 years old with paid employees, which is higher than for the state. This is the same as the country (1).
- For every 1,000 male working-age residents of New Mexico, 2 owned firms less than 2 years old with paid employees, which is less than for the country (3).
- For every 1,000 female working-aged residents of New Mexico, 1 owned firms less than 2 years old with paid employees, which is the same as in the country (1).

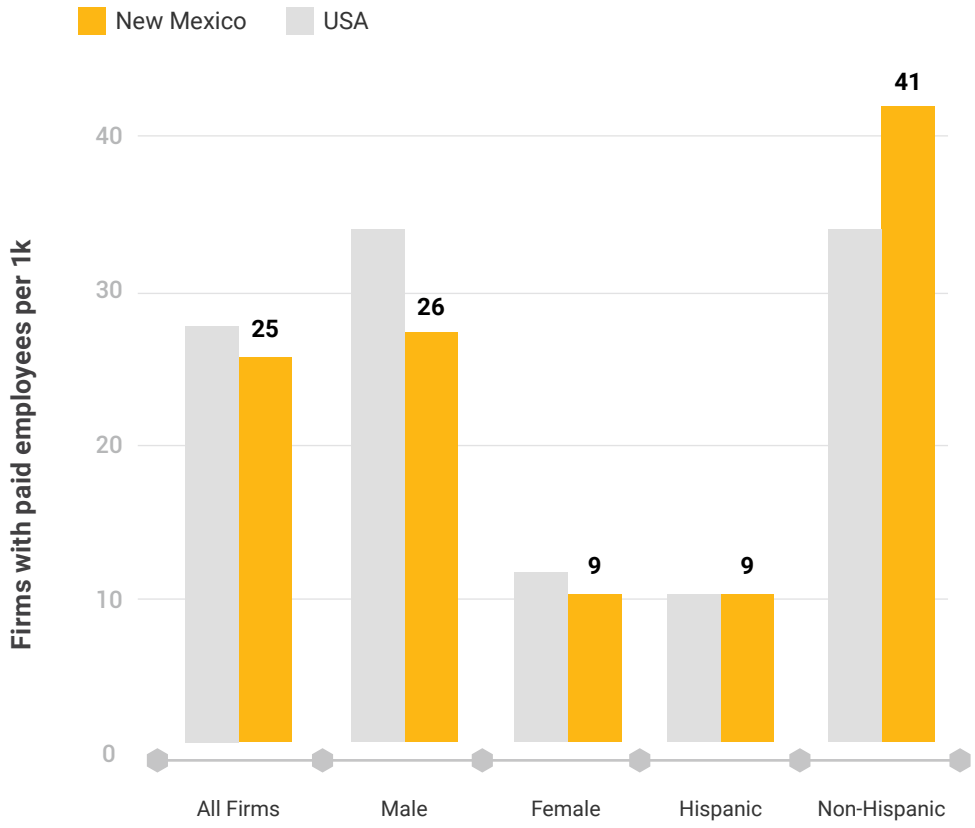
BUSINESS OWNER DIVERSITY

In 2016, there were 25 firms with paid employees for every 1,000 working aged residents in the state, which was slightly lower than for the country (27).[26]

- There were 41 Non-Hispanic White business owners with paid employees for every 1,000 working-aged White residents of the state, which is lower than for the country (33).
- There were 9 Hispanic business owners with paid employees for every 1,000 working-aged Hispanic residents in the state, which was the same as the country (9).
- There were 26 male business owners with paid employees for every 1,000 male working-aged residents in the state, which is lower than for the country (33).
- There were 9 female business owners with paid employees for every 1,000 female working-aged residents in the state, which is lower than for the country (11).

[26] *U.S. Census Bureau; Annual Survey of Entrepreneurs, 2016*

Exhibit 10. Firms with Paid Employees per 1k of Population Subgroup (2016)

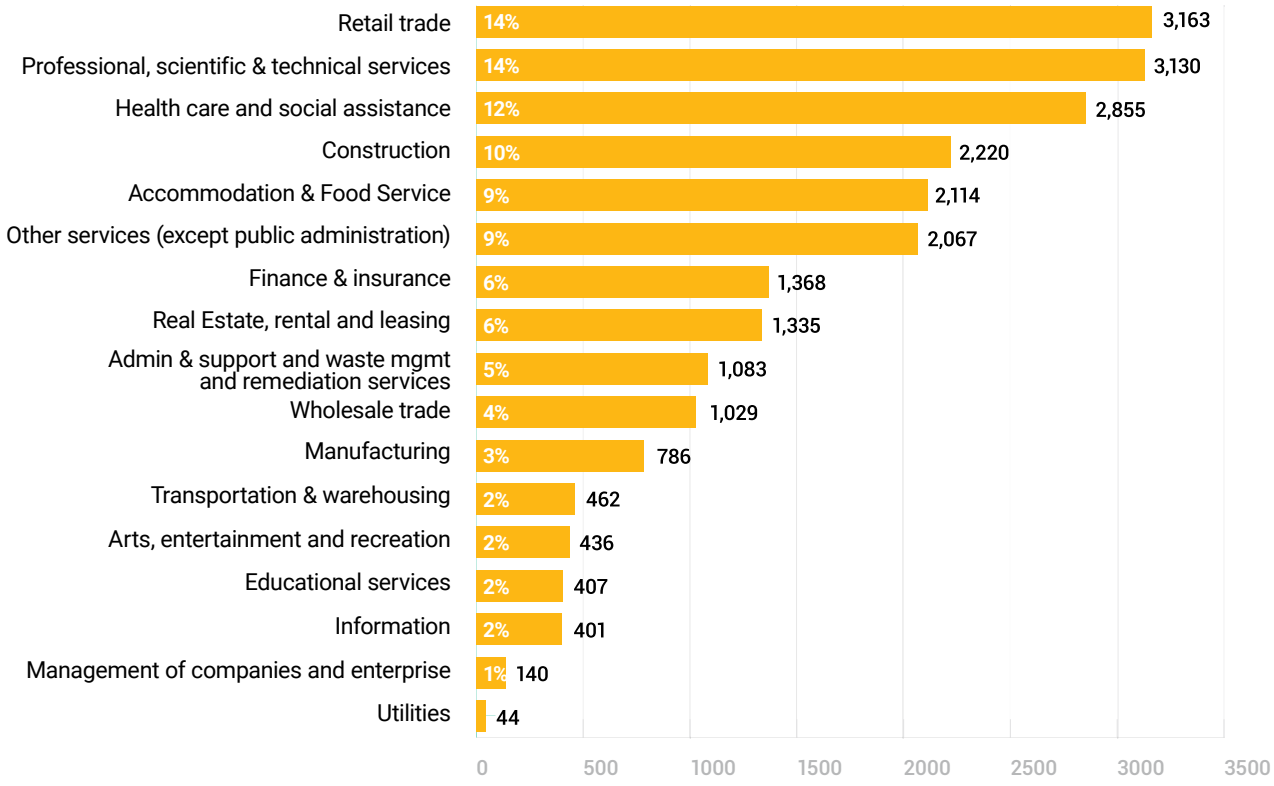


Population 10% or less of the total population were excluded from this chart.

All Businesses by Industry

The three largest industries in the five counties in New Mexico in 2016 by percent of total establishments were Retail Trade (14%), Professional, Scientific, and Technical Services (14%) and Health Care and Social Assistance (12%). Combined, these industries made up roughly 40% of the total number of establishments in those counties.

Exhibit 11. *Total Establishments by Industry, Rio Grande Region of New Mexico (2016)*



[18] *U.S. Census Bureau; Annual Survey of Entrepreneurs, 2016*

Nonemployer Businesses

Business owners that operate without employees are either new owners looking to grow, or self-employed, who are stable in their self-operated businesses. Nationally, four in five businesses are nonemployers, but account for only 3% of the annual receipts of US businesses.[27] Between 2012 and 2016, the number of nonemployers in the US grew by 9.1 percent (2,077,133 businesses). Non-employer firms in the state grew by 1126, or 0.9% during that period. The region of focus generally outperformed that growth, with some variation across the counties:

- Bernalillo: 3.9% (Up by 1,512 landing at 40,613 in 2016)
  - Outgrew the state by raw number
- Los Alamos: 1.2% (Up by 32 landing at 1,064 “)
- Santa Fe: 4.4% (Up by 680 landing at 16,294 “)
- Sandoval: 6.1% (Up by 459 landing at 8,046 “)
- Rio Arriba: -3.1% (Down by 59 landing at 1,856 “)

While not specified solely to food industries due to data availability, the following numbers show that Accommodation and Food Services is doing much better than Agriculture, forestry, fishing and hunting.

New Mexico
- Agriculture, forestry, fishing and hunting: -3.5%
- Accommodation and food services: 5.1%

Bernalillo: 3.9%
- Agriculture, forestry, fishing and hunting: -13.6%
- Accommodation and food services: 11.4%

Los Alamos: 1.2%
- Agriculture, forestry, fishing and hunting: Too few to calculate
- Accommodation and food services: 70% (although it grew by 7 nonemployers)

Santa Fe: 4.4%
- Agriculture, forestry, fishing and hunting: 23.6% (+17)
- Accommodation and food services: 35% (+56)

Sandoval: 6.1%
- Agriculture, forestry, fishing and hunting: 1.6% (+1)
- Accommodation and food services: 4% (+4)

Rio Arriba: -3.1%
- Agriculture, forestry, fishing and hunting: 31% (+13)
- Accommodation and food services: 14.6% (+7)

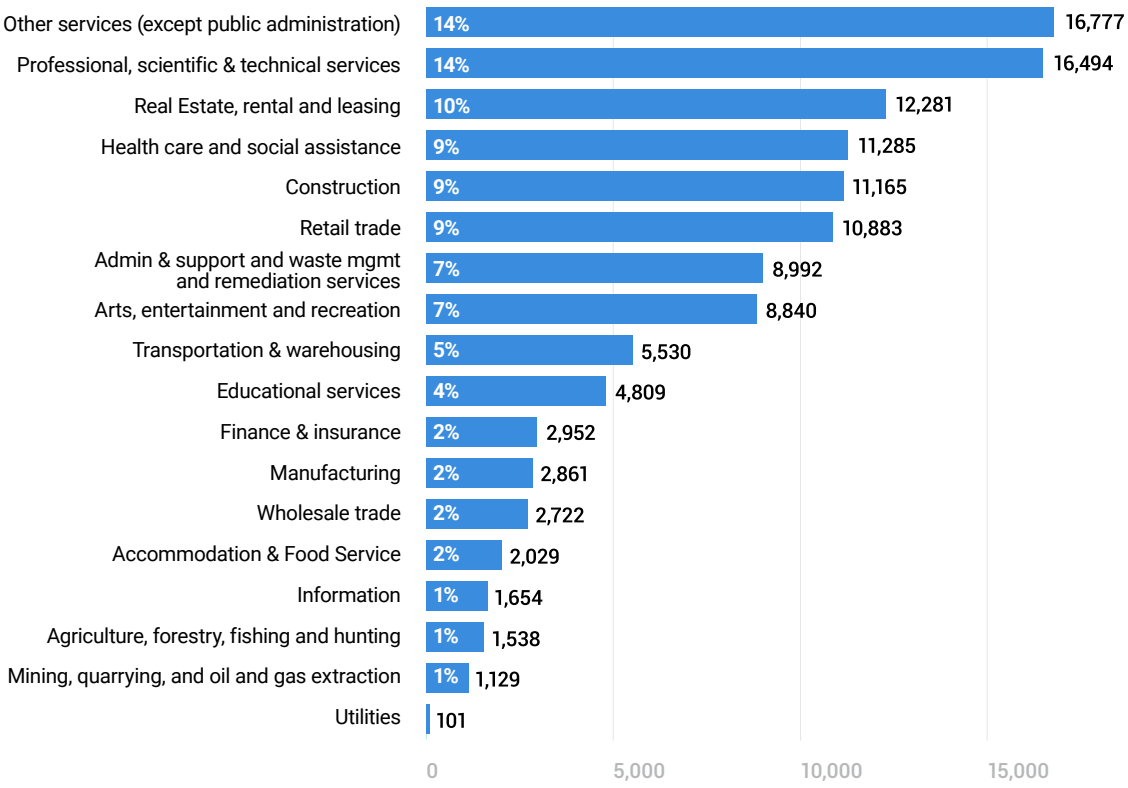
[27] *US Small Business Administration (2018). A Look at Nonemployer Businesses. https://www.sba.gov/sites/default/files/advocacy/Nonemployer-Fact-Sheet.pdf*

We also took a look at the concentration of non-employer businesses. Using ACS population estimates for 2016, we have found the following rates per 1,000 residents of the population aged 15-64:

- United States: 11
- New Mexico: 9
- Bernalillo County: 9
- Santa Fe County: 18
- Sandoval County: 9
- Los Alamos County: 9
- Rio Arriba County: 7

As these numbers show, Santa Fe County has a high concentration of nonemployers, while Rio Arriba has a relatively low concentration. The rest of the counties are on par with the state, but below the nation.

Exhibit 12. *Nonemployer Firms by Industry, New Mexico (2016)*



The chart above shows the non-employer businesses by industry. Other services and professional, scientific and technical services make up almost 30% of all nonemployer firms in New Mexico.[28]

[28] *"Other Services (except Public Administration): NAICS 81" (2020) U.S. Bureau of Labor Statistics. https://www.bls.gov/iag/tgs/iag81.htm*

Average Employees

What is it? The average number of employees for firms with paid employees (2016).

Context: Workers are crucial when growing businesses and are often cited as an easy-to-observe measure of business success.[29] 'Success' is defined in a variety of ways, all with their own set of justifications and merit. Business owners with strong access to the ecosystem and its talent pool can find employees and more easily grow than entrepreneurs that are overlooked by the ecosystem's mentors, support organizations, current business owners, and others holding power.

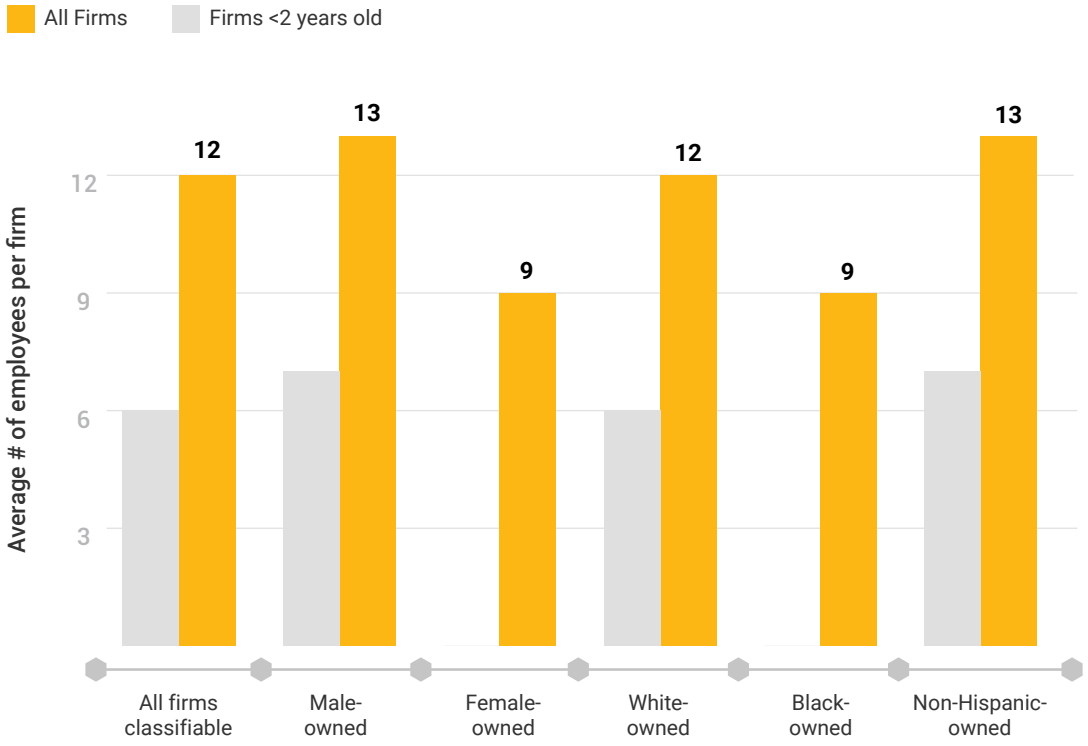
Minority entrepreneurs face barriers that affect industry choice and business size. African American entrepreneurs are often steered toward industries that have lower barriers to entry, lower average sales, and fewer employees.[30] A majority (63.5%) of African American businesses are within just five of 22 industry sectors "due to relatively low barriers of entry and (with the exception of the Professional/ Scientific/Technical Services sector) relatively low capital demands for wages and cost per employee."[31] Latino individuals, both immigrant and U.S. born, generally work in the same industries as non-Latino White individuals, but aren't growing their businesses or selling at the same rates.[32] Social networks can also play a key role. Research indicates that performance and employment size discrepancies may be due to limited access to families and friends with business experience, which influence one's ability to navigate business ownership.[33]

- Firms that were classifiable (by gender, ethnicity, race, and veteran status) in New Mexico less than 2 years old had an average of 6 employees. This is higher than the average for the United States (5 employees).[34]
- Firms that were classifiable (by gender, ethnicity, race, and veteran status), in New Mexico of all ages had an average of 12 employees. This is higher than the average for the United States (11 employees).
- Hispanic owned firms of all ages in the state had an average of 9 employees (US: 8).
- Non-Hispanic owned firms of all ages in the state had an average of 13 employees (US: 11).
- While New Mexico's male-owned firms in the state had 13 employees on average, female owned firms had 9 in 2016.

[29] *Székely, F. and Knirsch, M., 2005. Responsible leadership and corporate social responsibility: Metrics for sustainable performance. European Management Journal, 23(6), pp.628-647.*
[30] *Gorman, I., 2017. The Tapestry of Black Business Ownership in America: Untapped Opportunities for Business Success. https://aeoworks.org/images/uploads/fact_sheets/AEO_Black_Owned_Business_Report_02_16_17_FOR_WEB.pdf*
[31] *Reuben, L.J. & Queen, P.E. 2015, "Capital Constraints and Industry Mix Implications for African-American Business Success", Review of Black Political Economy, vol. 42, no. 4, pp. 355-378.*
[32] *Fairlie, R. (2018), Latino Business Ownership: Contributions and Barriers for U.S.-Born and Immigrant Latino Entrepreneurs : Small Business Administration Research Summary; 2018 ASI 9766-3.119; Small Business Research Summary No. 438.*
[33] *Fairlie, R.W. and Robb, A.M., 2007. Why are black-owned businesses less successful than white-owned businesses? The role of families, inheritances, and business human capital. Journal of Labor Economics, 25(2), pp.289-323.*
[34] *U.S. Census Bureau; Annual Survey of Entrepreneurs, 2016*

Exhibit 13. Average Employees for Firms in New Mexico (2016)

Female-owned and Hispanic-owned firms under 2 years old were not available to calculate.



Access to Finance

What is it? The 'Access to Finance' section contains a set of indicators and background research examining variation in startup capital and financial wealth (a key determinant of business financing)[35] by population subgroup. The indicators draw on data between years 2010 and 2017.

Context: Given that personal savings and wealth significantly increases the odds of someone starting a business, entrepreneurship is not equally accessible to everyone.

The largest barrier to entrepreneurship and business growth for Hispanic people is access to wealth,[36] and the roots of this disparity run deep. Once settlers on today's U.S. won half of Mexico's territory after the Mexican-American War, competition for wealth in the form of gold, land, and other assets alongside a White desire for cheap labor led to an era of significant Anti-Latino violence. In 1862 the U.S. Congress passed The Homestead Act, allowing squatters to take vacant land in the West—much of which was owned by Mexicans.[37] In 1902, the Reclamation Act was passed, further removing Hispanic Americans from their lands to make way for White farmers.[38, 39] These policies have intergenerational effects to the present: 25% of homeowners today can trace their ownership to the Homestead Act.[40] The importance of land for entrepreneurship was crucial, and thus taken for the White, Non-Hispanic benefit.

The influx of people from Mexico due to the demand for labor was met with anti-Latino sentiment, regardless of home country. Companies such as Southern Pacific Railroad needed workers. Tens of thousands of Mexican people as well as Asian immigrants and African Americans worked on railroads in the Southwest and beyond often in dangerous working conditions.[41]

Overlooking their contributions, the hatred for Hispanic and Latino people - much like White distain for other non-White groups - came from White greed. As Carrigan and Webb write:

> **"L. M. Schaeffer echoed the beliefs of many during the California Gold Rush when he wrote: "When this country belonged to the thriftless and indifferent Mexican, these hills and valleys lavished upon the desert air their wealth and beauty. It remained for the indomitable and thorough-going Anglo-Saxon race, to bring forth the mineral and agricultural wealth of this beautiful and valuable country." Schaeffer believed that Mexicans were "sadly deficient in intellectual acquirements" and were "the most dull, thriftless, and unconcerned set of mortals I have ever encountered."**

35 *2016 Annual Survey of Entrepreneurs.*
36 *Fairlie, R. (2018), Latino Business Ownership: Contributions and Barriers for U.S.-Born and Immigrant Latino Entrepreneurs : Small Business Administration Research Summary; 2018 ASI 9766-3.119; Small Business Research Summary No. 438.*
37 *PBS (2013). Latino Americans: Timeline of Important Dates https://www.pbs.org/latino-americans/en/timeline/*
38 *Ibid.*
39 *Bureau of Reclamation (2018). THE BUREAU OF RECLAMATION A Very Brief History https://www.usbr.gov/history/borhist.html*
40 *Keister, L. et al. (2015) Rising Wealth Inequality: Causes, Consequences, and Potential Responses. Poverty Solutions. University of Michigan. https://poverty.umich.edu/research-projects/policy-briefs/rising-wealth-inequality-causes-consequences-and-potential-responses/*
41 *Garcilazo, J.M. 2012, Traqueros: Mexican railroad workers in the United States, 1870 to 1930, 1st ; foreword by Vicki L. Ruiz. edn, UNT Press, Denton, Tex.*

Mexican and American citizens of Mexican descent alike faced relentless mob violence during this period as a result of Whites thinking they were less than. Public lynchings of Latinos such as Josefa Segovia gathered thousands of spectators.[43] Historians have identified at least 547 lynchings of Mexican descendants in the U.S. between 1848 and 1928.[44]

The resentment, bias, and violence against minorities such as Hispanic individuals undercut access to land and wealth. Today, White non-Hispanic households in America have over seven times the median wealth of Hispanic households ($143,600 vs $21,420).[45]

The United States' history of stealing economic value from African Americans, Hispanic Americans, and women of all groups has deep-rooted impacts on present day economic ecosystems.[46] Personal savings and assets are by far the most common source of startup capital, according to the Census Bureau.[47] Given that wealth accumulates over generations, White people often have access to capital and personal financing. Racial and ethnic minorities and women of all groups have generally not had the privilege to amass wealth at the same rates, impacting what they can draw from to start a business. Non-minority entrepreneurs can transition from idea to business start and beyond much more easily than minority entrepreneurs largely due to this stark gap in financial resources.

Homeownership is one intergenerational avenue for generating such inequity. Historical data show that homeownership is a stronger investment than others in contributing to wealth accumulation.[48] While homeownership and real income rates (which are closely linked) have steadily increased for White families, the rates for Black and Hispanic families have declined between 1989 and 2013.[49]

Looking beyond personal wealth, Hispanic people and other minorities consistently face greater barriers to accessing grants, loans, and other types of external funding due to racial biases.

[42] *Carrigan, W.D. & Webb, C., 1970, 2013*
[43] *Blackmore, E. (2018) The Brutal History of Anti-Latino Discrimination in America. History.com. https://www.history.com/news/the-brutal-history-of-anti-latino-discrimination-in-america*
[44] *Carrigan, W.D. & Webb, C., 1970, 2013, Forgotten dead: mob violence against Mexicans in the United States, 1848-1928, Oxford University Press, Oxford.*
[45] *US Census Bureau (2016). Wealth and Asset Ownership for Households, by Type of Asset and Selected Characteristics.*
[46] *The 1619 Project from the New York Times explores the myriad ways this has impacted African Americans specifically. To start, see: Lee, Trymaine. "A vast wealth gap, driven by segregation, redlining, evictions and exclusion, separates black and white America." New York Times Magazine. AUG. 14, 2019. https://www.nytimes.com/interactive/2019/08/14/magazine/racial-wealth-gap.html*
[47] *2016 Annual Survey of Entrepreneurs.*
[48] *Goodman, L.S. and Mayer, C., 2018. Homeownership and the American dream. Journal of Economic Perspectives, 32(1), pp.31-58.*
[49] *Acolin, A., Lin, D. & Wachter, S.M. 2019, "Endowments and Minority Homeownership", Cityscape, vol. 21, no. 1, pp. 5-62.*

From unjustifiable denials and general fears of loan rejection lowering application rates,[50] and beyond, the financial loan market historically prioritizes non-minority applicants and entrepreneurs. The court cases of Pigford v. Glickman, Keepseagle v. Vilsack, and Love v. Vilsack confronted USDA discrimination towards minority farmers. African American, Native American, Latino, and women farmers were found to have been systematically denied farm aid, grants, and loans by predominantly white county USDA offices.[51] Empirical evidence demonstrates racial market biases in the financial market, and that removing them has powerful impacts on the economy. Once the extra cost of connecting to financial capital was removed, minority-owned businesses began to grow beyond their white counterparts.[52]

These factors position Hispanic entrepreneurs with less opportunity to start a business, and less cash available for pursuing their idea, on average, than their White non-Hispanic counterparts. This cycle often orients Hispanic entrepreneurs toward industries that require less startup capital, which are often less profitable than other industry sectors.[53] Companies with higher returns generally require more start up capital,[54] and thus are riskier investments.[55] Those with greater wealth networks can absorb failure much more easily than those without these networks.

[50] *Blanchflower, D.G., Levine, P.B. and Zimmerman, D.J., 2003. Discrimination in the small-business credit market. Review of Economics and Statistics, 85(4), pp.930-943.*

[51] *Feldstein, S., Lo, J., Spach, C., 2017. The Importance of Inclusion in Local and Regional Food System Efforts. Harvesting Opportunity: The Power of Regional Food System Investments to Transform Communities, pp.95*

[52] *Bates, T., Bradford, W.D. and Jackson, W.E., 2018. Are minority-owned businesses underserved by financial markets? Evidence from the private-equity industry. Small Business Economics, 50(3), pp.445-461.*

[53] *Kym, C. (2014). Access to Capital for Women and Minority-owned Businesses: Revisiting Key Variables*

[54] *Fairlie, R.W. and Robb, A.M., 2009. Gender differences in business performance: evidence from the Characteristics of Business Owners survey. Small Business Economics, 33(4), p.375.*

[55] *Musso, P. and Schiavo, S., 2008. The impact of financial constraints on firm survival and growth. Journal of Evolutionary Economics, 18(2), pp.135-149.*

ACCESS TO FINANCE OVERVIEW

- Sixty-one percent of business owners pull from personal savings in New Mexico. At a national level, that number is 64% for all firms, and 70% for those under two years old.[56]
- This trend matched responses from the local New Mexico entrepreneur and small business owner survey. Sixty one percent of business owners (current and side businesses) utilized personal savings to start a business. Friends and family were the next most important source, at 31 percent.
- While business owners start with different amounts of cash in the bank, about 13.2% in New Mexico reported in 2016 that they started out with less than $5,000 to put toward their business. This number is slightly less than national levels (15%).
- Individual income and wealth of family and friends is essential for starting a business. We examine how different groups in New Mexico have varying earnings and homeownership rates (a proxy for wealth).
    - Hispanic women in New Mexico made 55 cents to the White non-Hispanic dollar in 2017. That number was 65 cents for Hispanic men in the state.
    - The greatest gap in the region is between Hispanic women in Los Alamos County and White Non-Hispanic men. These women make half as much as White NH men (just 49 cents to the dollar).
    - Santa Fe City was, in aggregate, a great place to be for women in 2017. They made about the same as men. However, Hispanic women made 55 cents to the White male there, indicating that the aggregate levels mask earning inequities.

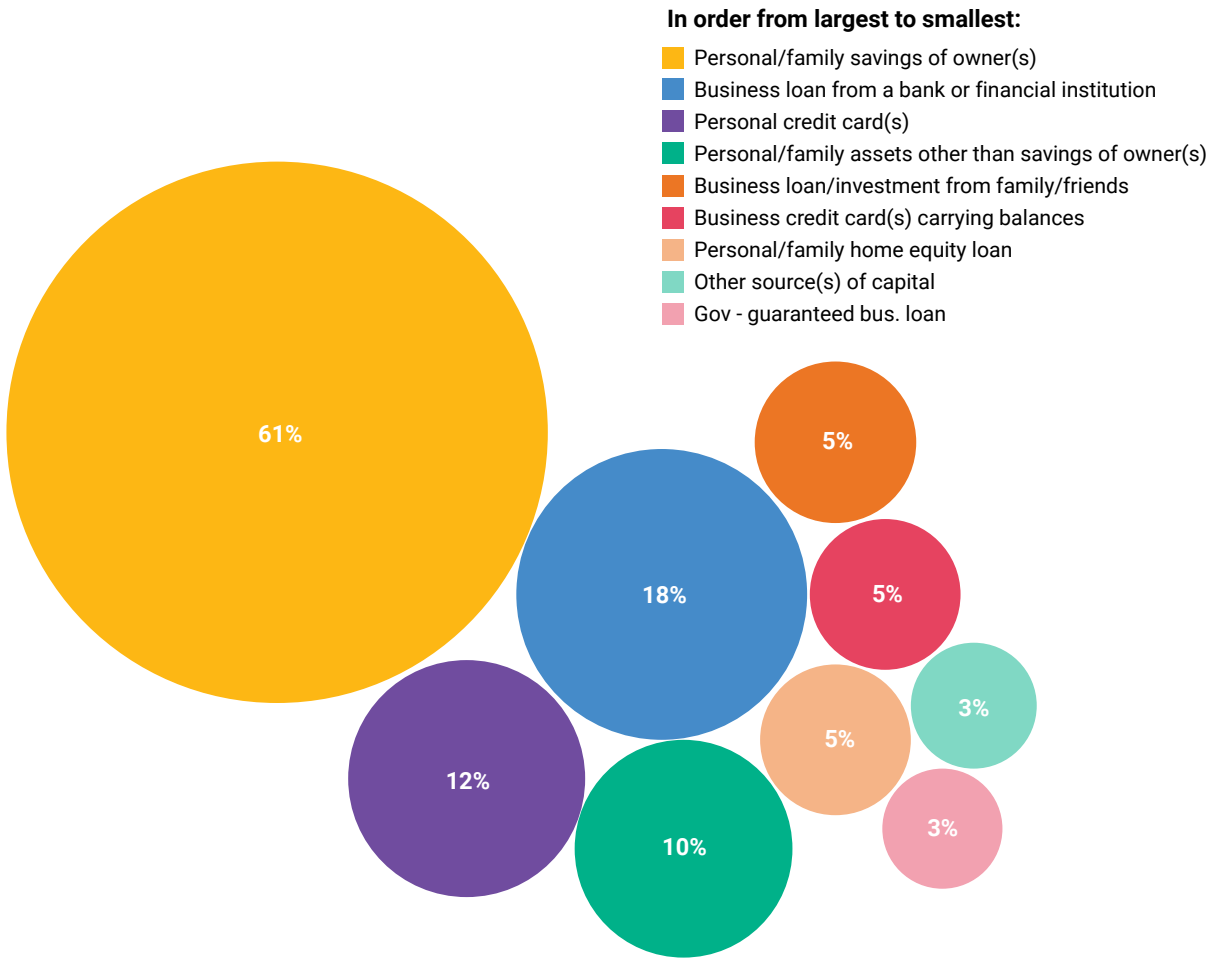
[56] *U.S. Census Bureau; Annual Survey of Entrepreneurs, 2016*

Sources and Amount of Startup Capital

Most entrepreneurs pull from their personal savings to start. The most common source of startup capital in New Mexico is personal or family savings; 61% of entrepreneurs utilize this type of capital. This is over three times as common as the next prevalent source: bank loans (nearly 18%).[57]

This echoes a trend nationally, that is even stronger for businesses under two years old. Seventy percent of young businesses across the country utilize personal or family savings, which is over six times as common as a business loan from a financial institution (11.4%).

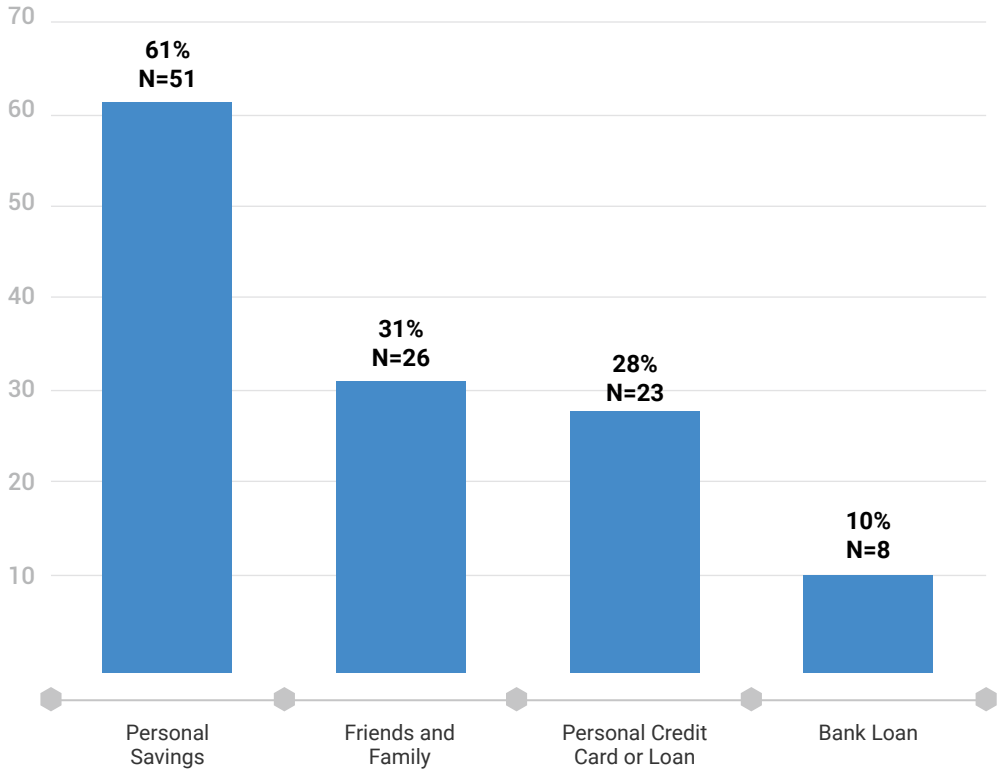
Exhibit 14. *Sources of Startup Capital for Business Owners in NM (2016)*



[57] *Respondents could select multiple. Owners of businesses of all ages were asked to recall what source of capital they used when they started.*

The small business owner and entrepreneur survey administered by Forward Cities and NORC asked business owners which sources of finance they used to start. Exhibit 15 shows that the majority of respondents draw from personal savings (61%). Friends and family are the next common source (31%).

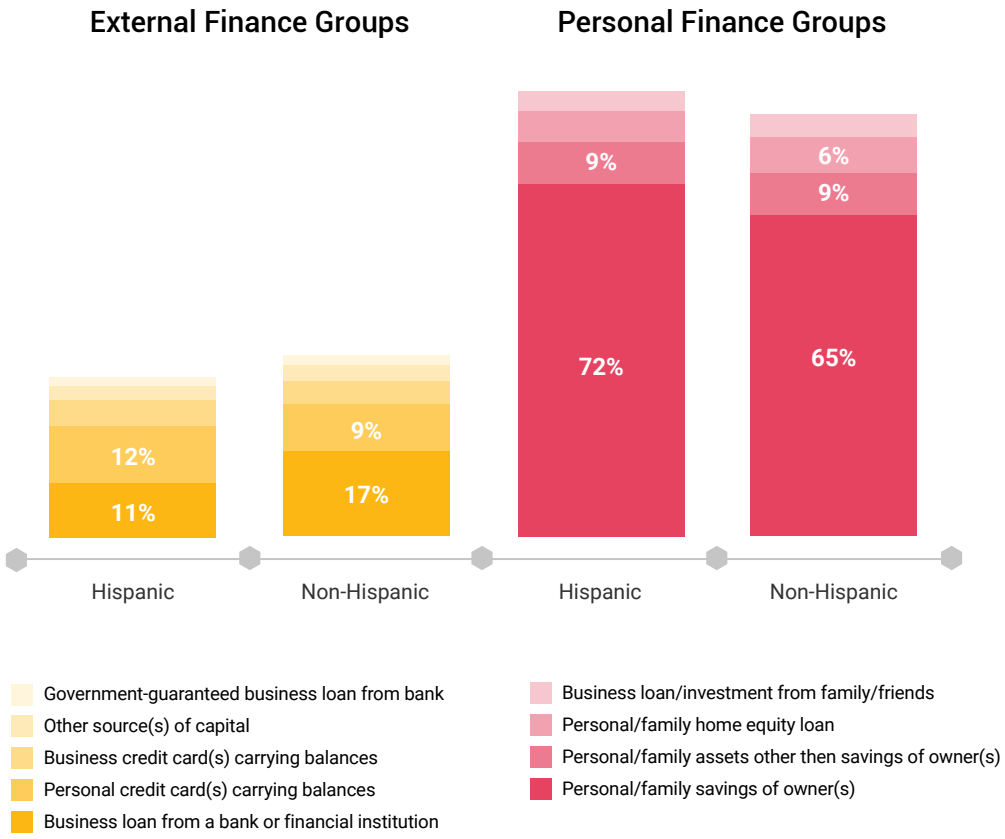
Exhibit 15. *Sources of Startup Capital in the Rio Grande Region of New Mexico (2020)*



The following graph (Exhibit 16) shows that regardless of ethnicity, entrepreneurs across the country lean on family networks for support more than external funding sources (local data was unavailable).[58] When we group capital sources by personal sources (own assets or assets from family or friends) versus external support, it's clear that personal networks are highly influential to starting a business. Given that business owners were able to report multiple sources of start up financing, the stacked chart shows how different socio-demographic groups have different capital mixes.[59] These data show that a greater proportion of Hispanic business owners recall using personal or family savings (7 percentage points more). Inversely, more Non-Hispanic owners recall using bank loans than Hispanic owners (6 percentage points higher).

[58] *Respondents could select more than 1 category. Owners of businesses of all ages were asked to recall what source of capital they used when they started.*
[59] *Note: The stack cannot be summed for this reason.*

Exhibit 16. *External versus Personal Sources of Startup Capital by group (US, 2016)*



Women and men at the national level (local data were unavailable) generally use the same types of capital to start their businesses. Men use business loans from financial institutions more than women (M: 16.6% vs. F: 14.3%). Women and men are about equally likely to use personal financial networks such as family assets (M: 8.1% vs. F: 8.8%), as well as credit cards (M: 4.7% vs. F:5.7%). Interestingly, they also indicated that no capital was needed more often than men (M: 8.7%% vs. F: 10.5%).[60]

[60] *2016 Annual Survey of Entrepreneurs*

Entrepreneurs differ on their amount of available capital. Most commonly, start-ups in New Mexico begin with less than 5,000 dollars, but many have between 10,000 and 999,999 dollars (see Exhibit 17). Nationally, having under 5,000 is also the most prevalent among various population groups.

Exhibit 17. *Amount of Startup Capital Used by NM Business Owners (2016)*

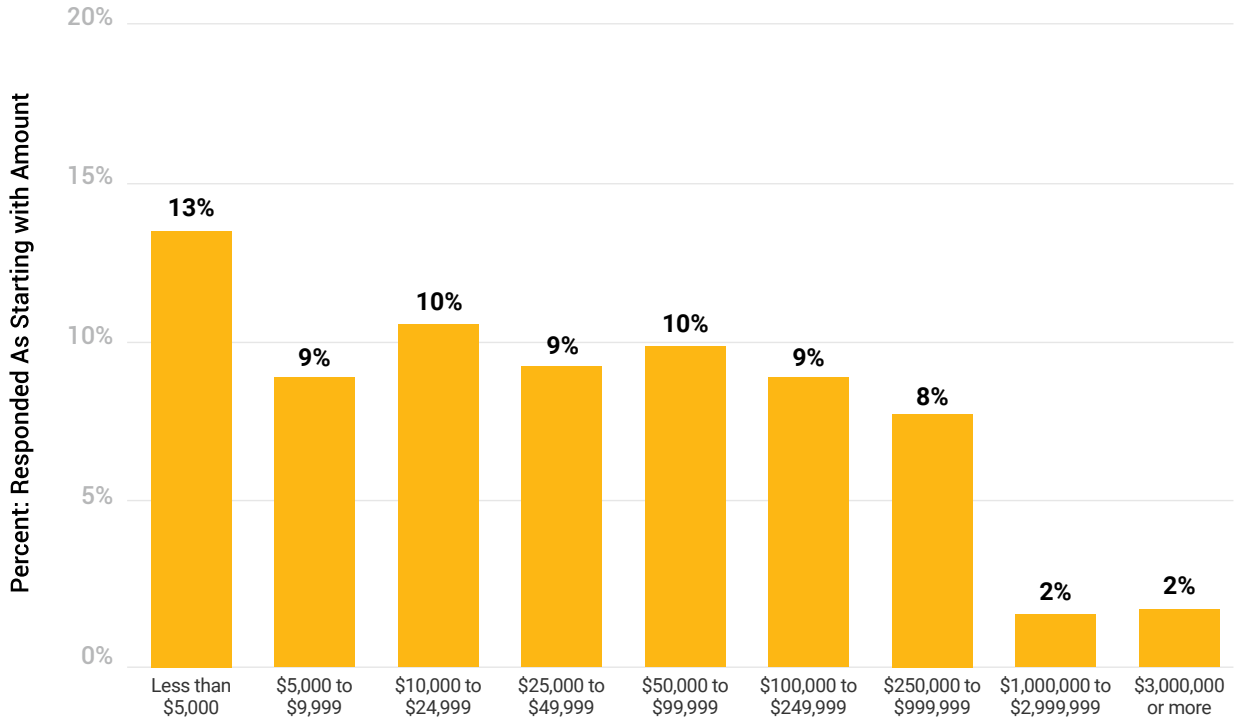
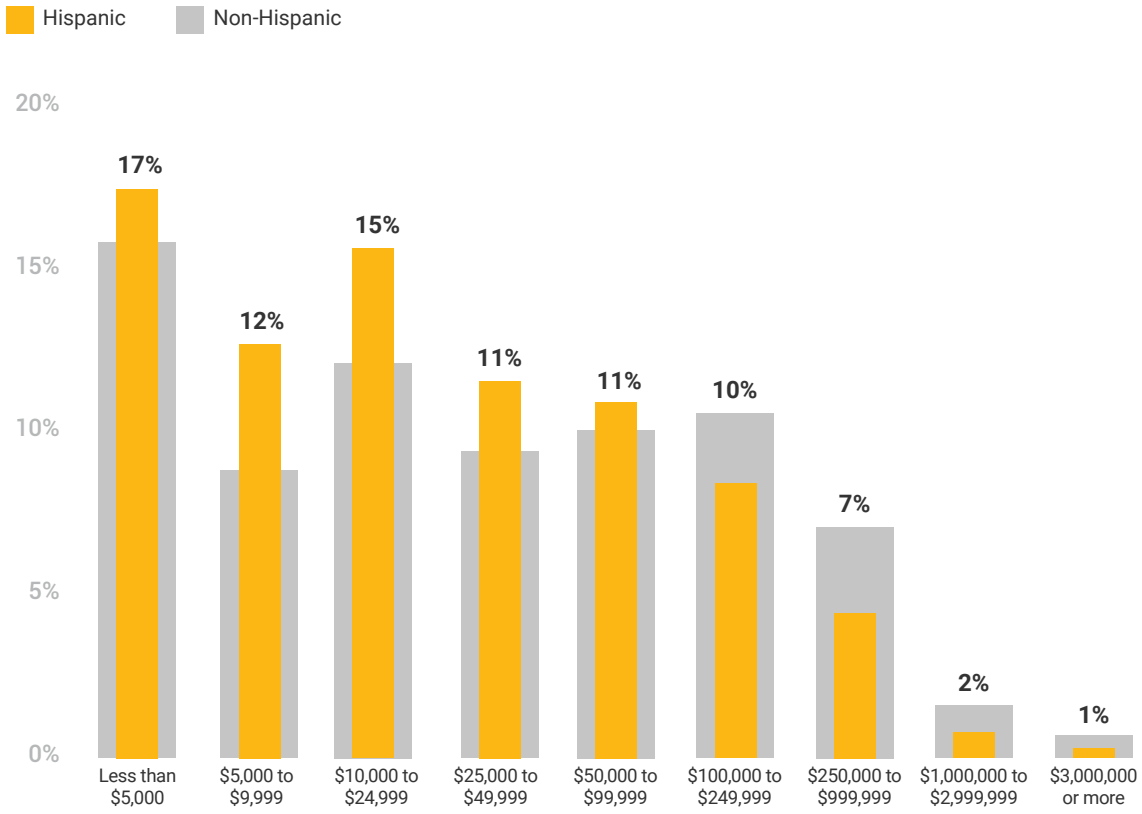


Exhibit 18 shows that Hispanic business owners are more often starting with lower amounts of capital relative to their non-Hispanic peers. A greater proportion of Hispanic owners have under a million to work with than non-Hispanic owners. Owners with over a million dollars tend to be non-Hispanic. (Local specified data was unavailable.)

Exhibit 18. *Amount of Startup Capital Used by US Business Owners, Hispanic or Non-Hispanic (2016)*



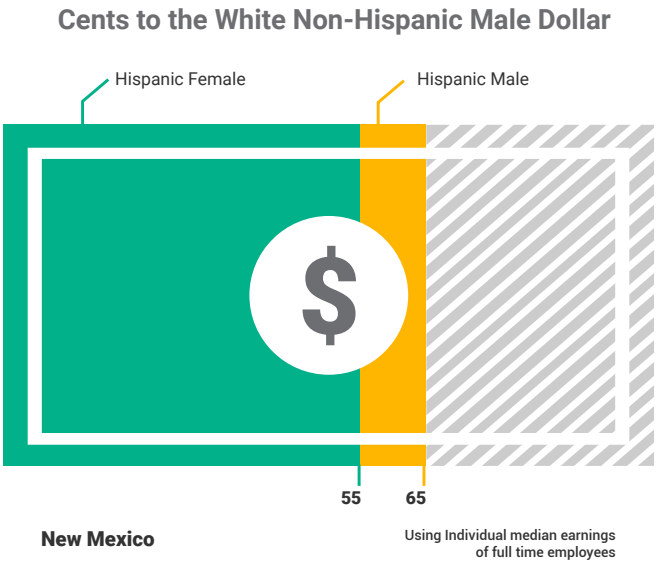
Results are in response to the following questions: "For the owner(s) you reported, what was the total amount of capital used to start or initially acquire this business? (Capital includes savings, other assets, and borrowed funds of owner(s).)" (Survey of Business Owners, 2016)

EARNINGS GAP

We determine the earnings gap (across all occupations) by calculating how much Hispanic women and men make for every dollar a Non-Hispanic male made in 2017.[61] We also track how these differentials changed between 2010 and 2017.

- The greatest gap in the region is between Hispanic women in Los Alamos County and White Non-Hispanic men. These women make half as much as men (just 49 cents to the dollar).
- Santa Fe City was, in aggregate, a great place to be for women in 2017. They made about the same as men. However, Hispanic women made 55 cents to the White male there, indicating that inequities in pay are considerable.

Exhibit 19. *Cents to the White Male Dollar (2017)*



[61] *Note: these gaps are calculated based on individual median income for those who worked full time in the last 12 months. Variation in type of work is not considered in these data.*

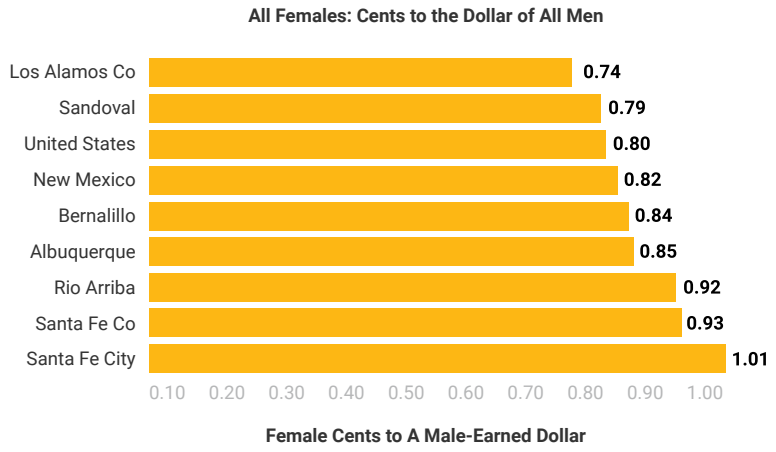
Exhibit 20 below shows the earnings gap in dollars between Hispanic earners and Non-Hispanic White earners in 2010 (darker) and 2017 (lighter). All gaps grew, but Santa Fe's gap is both the greatest in 2017 and grew the most from 2010.

Exhibit 20. *Dollar Earning Gap Between Hispanic and Non-Hispanic White Full Time Workers, 2010 and 2017*

EARNINGS GAPS IN CENTRAL - NORTHERN NEW MEXICO

Based on individual median income

Exhibit 21. *Earnings Gaps in Central-Northern New Mexico needs the (2010 and 2017)*



Women in Santa Fe saw greatest earnings parity in 2017, regardless of variation in jobs between men and women.

Hispanic women consistently make less then their male peers, both Hispanic and non-Hispanic.

In the same county that has the closest parity between men, Hispanic women are farthest from non-Hispanic men in terms of their incomes.

Cents to the White Male Dollar

	Hispanic Female	Hispanic Male
United States	$0.55	$0.65
New Mexico	$0.54	$0.62
Albuquerque	$0.59	$0.70
Bernalillo	$0.57	$0.66
Los Alamos Co	$0.49	$0.73
Rio Arriba	$0.57	$0.56
Sandoval	$0.60	$0.69
Santa Fe City	$0.55	$0.58
Santa Fe Co	$0.57	$0.57

Change In Pay Parity With White Men Between 2010-2017

	Hispanic Female
Rio Arriba	($0.07)
Albuquerque	$0.02
Bernalillo	$0.02
United States	$0.02
New Mexico	$0.03
Santa Fe City	$0.03
Santa Fe Co	$0.03
Sandoval	$0.06
Los Alamos Co	$0.08

Most counties saw slight pay parity increase between Hispanic women and white non-Hispanic men, although Rio Arriba saw the gap widen by 7 cents.

WEALTH GAP

We interpret the share of residents that own their residence as a proxy for wealth, and calculate the percentage point gap between different population subgroups.

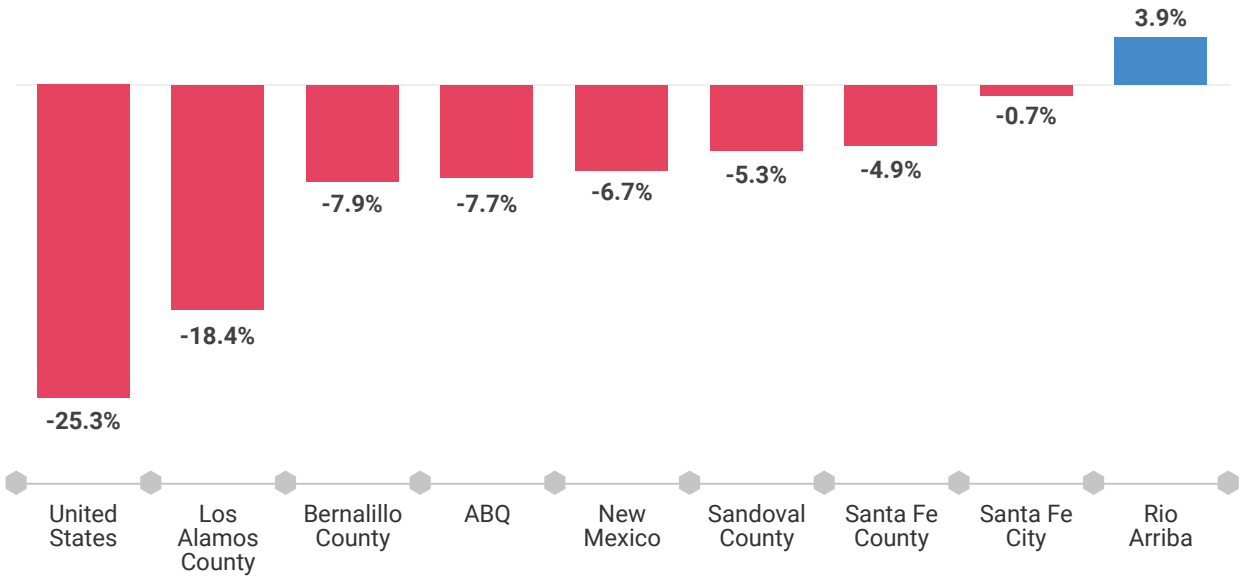
- Gaps in homeownership rates between white and Hispanic populations range from under a percent (Santa Fe City) to 18.4% (Los Alamos County) in the region of interest in 2017.
- Rio Arriba County is unique in that homeownership rates for Hispanic residents (78%) is higher than Non-Hispanic White residents (74.1%).
- Wealth gaps, while still substantial, are generally shrinking, especially in Los Alamos County.
- New Mexico has notably lower wealth gaps between the Hispanic and White non-Hispanic populations than the nation (-6.7% and -25.3% respectively)
- While Los Alamos County has the largest Hispanic/White Non-Hispanic gap, that gap shrank substantially between 2010 and 2017.

WEALTH GAP IN FOCUS: HISPANIC VS NON-HISPANIC WHITE

Exhibit 22. Wealth Gap (2010 and 2017)

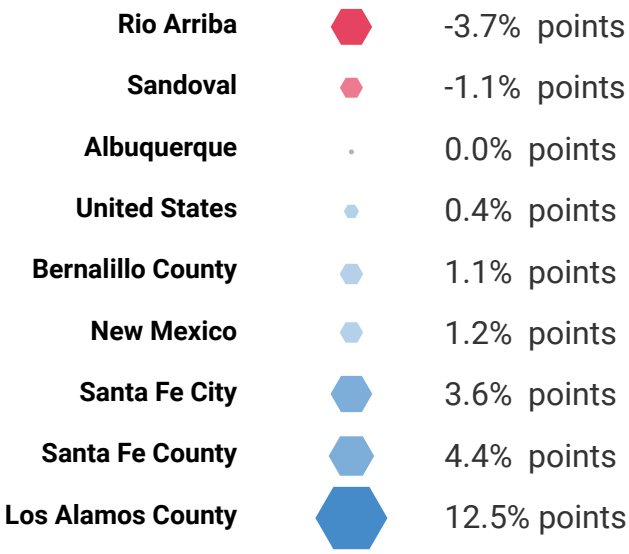
Most places face significant gaps

2017



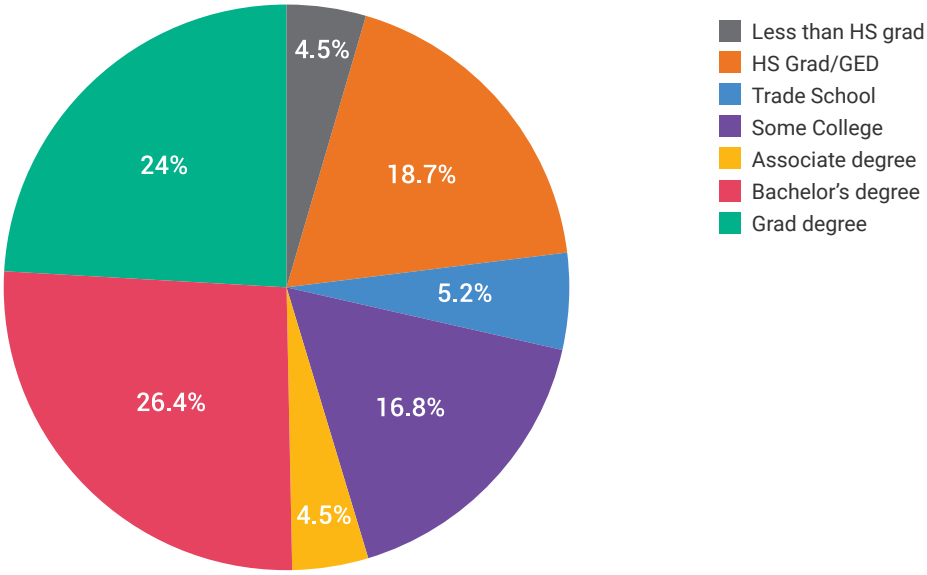
Many of which are growing

Change between 2010 and 2017



Education

Exhibit 23. Education Obtained by Current Owners in New Mexico



In New Mexico, about half of business owners had a bachelor's degree or higher in 2016. That number is 51.4% for the nation. These numbers indicate that there is about a 50/50 chance that a business owner in the state has completed college, and that it's just as likely that they stopped education sooner. Unfortunately data was not available at the county level.

Exhibit 24 shows the estimated percentages of individuals at the specified education level by race and ethnicity that owned businesses in 2016, at the national level.[62] We divided the number of firms at that specified education level by the number of graduates of a specified background to roughly estimate the proportion that start businesses. For example, the graph shows that an estimated 2.65% of all women with graduate and post-graduate education credentials owned a business in 2016. Generally, those with more formal education tend to start businesses more often than those with less. However, those with more education tend to participate in the labor often than those who do not, so this relationship may not indicate something unique to entrepreneurship.[63] We calculated this using the number of firms and the number of graduates at a certain education level, indicating that these numbers may have notable bias, and do not indicate more recent shifts in business interest nor reflect unsuccessful efforts to start a business. The table shows that the greatest proportion that start a business are men with graduate degrees (7.08%).

[62] *Levels of education between 'Less than a High School Degree' and 'Associate Degree' were omitted due to discrepancies in how data were categorized.*
[63] *"Barriers to Work: Low-Income, Unemployed, and Dislocated Workers" 2018. National Conference of State Legislatures. https://www.ncsl.org/research/labor-and-employment/barriers-to-work-low-income-unemployed-and-dislocated-workers.aspx*

Exhibit 24. Proportion of People at Specified Education Level Over 25 that Own Businesses, US (2016)

Group Name	Less than high school graduate	Associate degree	Bachelor's degree	Graduate degree
All	0.58%	1.51%	3.49%	4.75%
Female	0.32%	1.18%	2.18%	2.65%
Male	1.00%	2.27%	5.47%	7.08%
Hispanic	0.37%	0.83%	1.69%	3.28%
White	0.77%	1.80%	3.98%	4.94%
Black or African American	0.06%	0.25%	0.64%	1.32%
Asian	2.12%	2.93%	3.97%	4.92%

Bates et al. (2018)[64] highlight more recent interest in starting a business, which shows that African Americans of various education levels, followed by Hispanic Americans, have some of the highest entrepreneurial interest compared to White Americans. While these data show two different phenomena: rates of owning businesses vs. actively starting one, and come from different datasets, both show business interest is more often an option for the higher-educated.

Exhibit 25. Table 2 From Bates et al. (2018): Rates of Actively Starting a Business

Percent Nascent Entrepreneurs	White Non-Minority	African American/ Black	Hispanic
All Adults	5.7%	9.5%	7.1%
Adult Males	8.6%	13.6%	10.18%
Adult Females	5.1%	8.3%	5.1%
Male with Bachelor's	9.8%	15.2%	11.0%
Male with Graduate Degree	11.1%	23.4%	19.9%
Female with Bachelor's	5.6%	12.7%	–
Female with Graduate Degree	7.6%	15.6%	–

[64] *Bates, T., Bradford, W.D., & Seamans, R. 2018, "Minority entrepreneurship in twenty-first century America", Small Business Economics, vol. 50, no. 3, pp. 415-427*

Entrepreneurial Preparedness

What prepares an ecosystem for entrepreneurship? Research often looks at individual skills, experiences, and networks, while the ESHIP Communities work seeks to understand systems-level factors. ESHIP Communities "believe[s] the tighter the link between a community's entrepreneurs and its support system, the more economically vibrant that community will be – and its entrepreneurs will ultimately be more successful."[65] Generally, the literature seeking to understand what factors enable a community to look toward and succeed at business ownership is inconclusive. For this reason, we do not include this indicator area to mirror the OECD determinants of entrepreneurship.

To look into how connected the system of Entrepreneurial Support Organizations or government agencies are, see their respective sections below.

[65] *"ESHIP Communities." Forward Cities. https://forwardcities.org/eship-communities/*

SECTION 2

The Flowers: The Entrepreneurial Support Organizations (ESOs)

THE FLOWERS, EXPLAINED

Organizations and individuals can fuel the entrepreneurial process. They can assist people with a business idea, with accessing funds and other resources, and with certifying a business. These supporters can also help established business owners grow or keep up with changing regulations. As supporters to individuals, they are similar to how flowers are essential to bees. The bees gather pollen from the flowers to make their honey. If the flowers are accessible for a lot of bees, then making honey will be possible for a wide array of bees.

Entrepreneur Support Organization (ESO) Questionnaire Results

A questionnaire for entrepreneur support organizations (ESOs) in Rio Grande was used to assess connectivity and collaboration within the local entrepreneurial support ecosystem. Two groups of organizations were invited to participate:

Primary ESOs: organizations with a primary goal, and 100% of our efforts, go towards serving small business owners and aspiring entrepreneurs
Secondary ESOs: organizations with a goal of providing provide services to a broad population, but we have 1 or more programs that specifically serve small business owners and aspiring entrepreneurs (e.g., business leadership program)

Ancillary support organizations, defined as organizations providing services to a broad population, but no programs or services tailored for aspiring entrepreneurs or current business owners, were not included in the questionnaire.

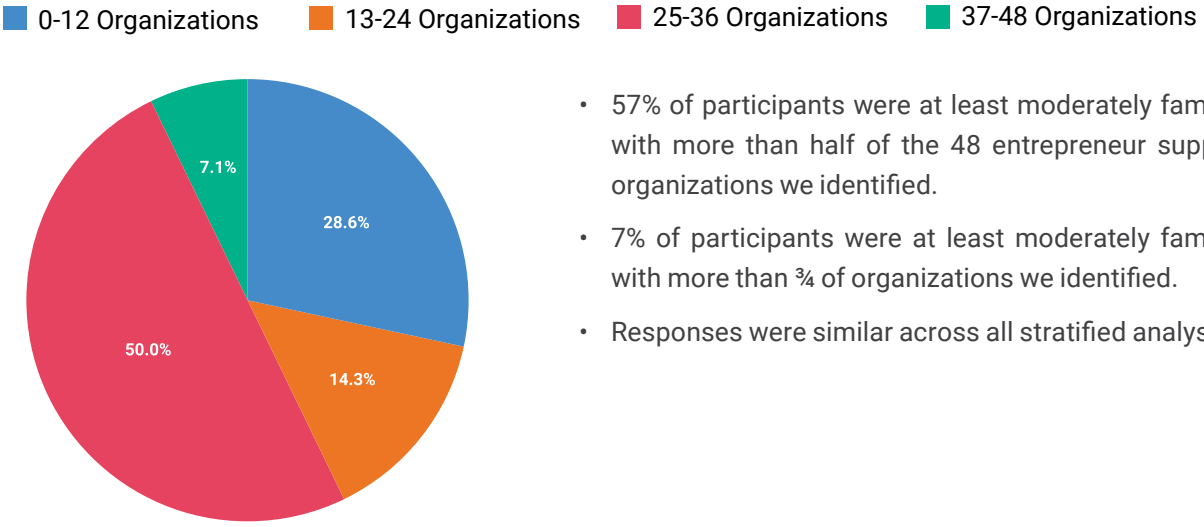
We invited leaders (i.e., executive and program directors) from 49 Primary and Secondary ESOs to complete the questionnaire. Of those invited, 67% (n=33) submitted data for analysis. Several participants did not complete the full questionnaire but are included where possible in the analysis.

The majority of participants were from Primary ESOs (67%). A subset of participants came from organizations that were affiliated with local institutions such as the government (65%) or colleges/universities (29%). Many participants (44%) were from ESOs that were led by individuals and teams who were from a racial or ethnic minority group.

Throughout the analysis we conducted a stratified analysis by (1) ESO category (Primary vs. Secondary), (2) affiliation with local institutions, and (3) organization leadership by members of minority racial and ethnic populations. Because we had limited statistical power due to the small sample size, we used an a priori defined threshold of a 20% difference between groups for identifying meaningful differences.

Familiarity with services provided by other entrepreneur support organizations

Exhibit 26. Number of ESOs with which Participant was at Least Moderately Familiar (2020)

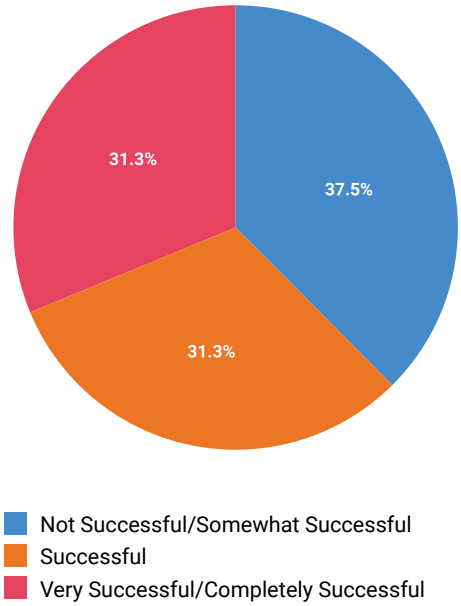


- 57% of participants were at least moderately familiar with more than half of the 48 entrepreneur support organizations we identified.
- 7% of participants were at least moderately familiar with more than ¾ of organizations we identified.
- Responses were similar across all stratified analyses.

Perceived collaboration between entrepreneur support organizations

Using a single question, we asked participants to describe how well organizations worked together to support entrepreneurs and small business owners in the Rio Grande region (Exhibit 27).

Exhibit 27. Participant Assessment of Collaboration Between ESOs (2020)



Overall, 31% of participants reported that organizations were “very successful” or “completely successful” at working together to support entrepreneurs and small business owners in New Mexico.

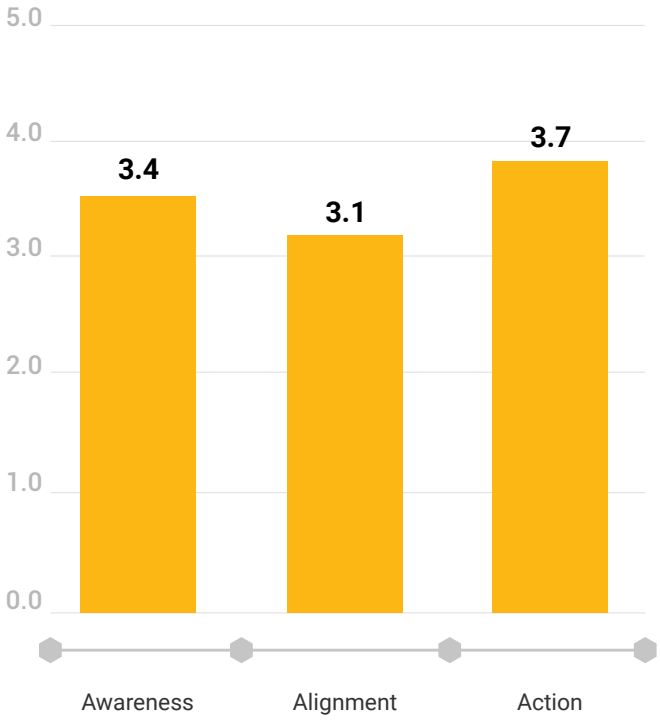
Participants from Primary ESOs were more likely to report high levels of successful collaboration than Secondary ESOs (38% vs. 18%).

Differences between organizations based on leadership and affiliation with local institutions were very small.

SELF-ASSESSMENT OF ECOSYSTEM HEALTH

Using a series 12 questions (listed below), we invited participants to complete a self-assessment of their entrepreneurial ecosystem on three different areas of collaboration: **awareness** of the resources in the area, **alignment** of goals across organizations, and coordinated **action**. In Exhibit 28, each of these indices are presented on a 5 point scale ranging from "0" for poor awareness/alignment/action to "5" for excellent awareness/alignment/action respectively. Questions included in each of these indices are provided at the end of this section.

Exhibit 28. *Average Scores on Awareness, Alignment and Action Indices (2020)*



For all aspects of collaboration in the self assessment, participants presented a moderate level of success. However, the range of index scores was wide for two of the aspects of collaboration: awareness and alignment:

- 3.4 on the perceived awareness index (range: 1-5)
- 3.1 on the perceived alignment index (range: 0.8-5)
- 3.7 on the perceived action index (range: 2.5-5)

Responses were similar across all stratified analyses.

AWARENESS INDEX

1. Please rate your familiarity with the strengths and weaknesses of other organizations providing similar entrepreneurial support services as you do across your city.
2. Please rate your familiarity with the strengths and weaknesses of other organizations providing different entrepreneurial support services than you do across your city.
3. Does your organization keep or contribute to a list, map or inventory of all organizations supporting entrepreneurs in your city?
4. Please rate your familiarity with barriers and roadblocks that aspiring and established entrepreneurs encounter across your city as they start or grow their businesses. Try to answer this question for the total population of entrepreneurs, not only those that you interact with directly.
   - Aspiring entrepreneurs
   - Established entrepreneurs

ALIGNMENT INDEX

1. How would you describe the level of agreement among all stakeholders in your entrepreneurial ecosystem on the following ideas?
   - Shared goals
   - How to increase the number of business starts
   - How to support existing businesses further their goals
2. How would you describe your entrepreneurial ecosystem (highly fragmented to highly collaborative)?

ACTION INDEX

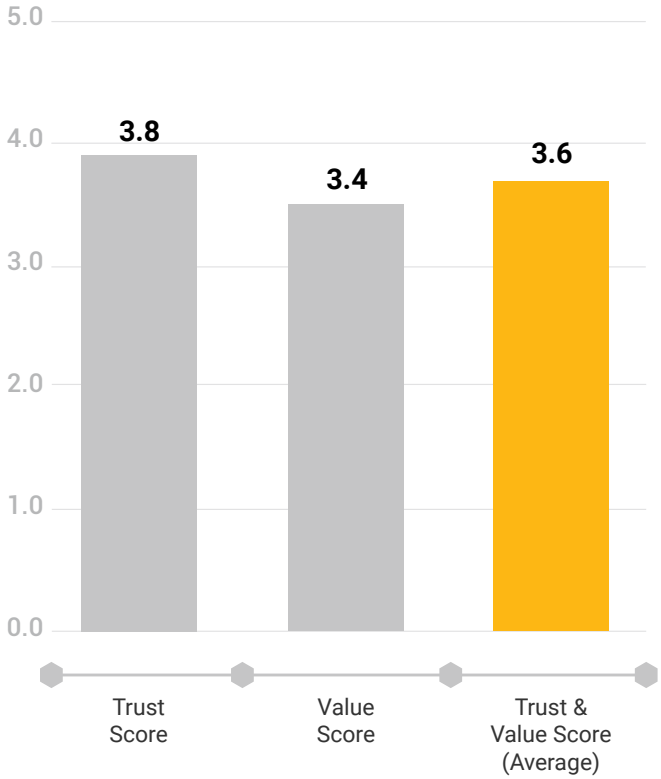
1. How frequently do entrepreneurial support organizations in your city work together to achieve their missions?
2. How often are entrepreneurs involved in the design of programs or services that you are providing?
3. How often are other organizations in your ecosystem referring entrepreneurs to your organization?
4. How often does your organization refer entrepreneurs to other organizations in your ecosystem?
5. How often are entrepreneurial support organizations in your ecosystem jointly pursuing funding opportunities?
6. How regularly are you rigorously evaluating the impact of your organizations' programs or services?

OBJECTIVE ASSESSMENT OF ECOSYSTEM HEALTH

For organizations which participants were at least moderately familiar, we asked a series of questions about local perceptions of their contributions to the ecosystem. Using two indices defined by Varda and colleagues (2008), we assessed the relationships between individual organizations. The **trust** index measured participants' perceptions of an organization's reliability, a shared vision of success, and openness to discussion when working with others in the entrepreneurial ecosystem. The **value** index measured participants' perceptions of an organization's power and influence, level of commitment, and resources contributed to the entrepreneurial ecosystem. Questions included in each of these indices are provided at the end of this section. Each of these indices are presented on a 5 point scale ranging from "0" low to "5" for high on that aspect.

This set of questions was asked about organizations identified as Primary ESOs prior to questionnaire distribution. Of these organizations, twenty received the minimum number of peer reviews (3) to be included in this analysis. In Exhibit 29, we present the average scores on the trust index, the value index, and a summary score between the two indices.

Exhibit 29. *Average Score Received on Trust and Value Indices, by Organization (2020) (n=19)*

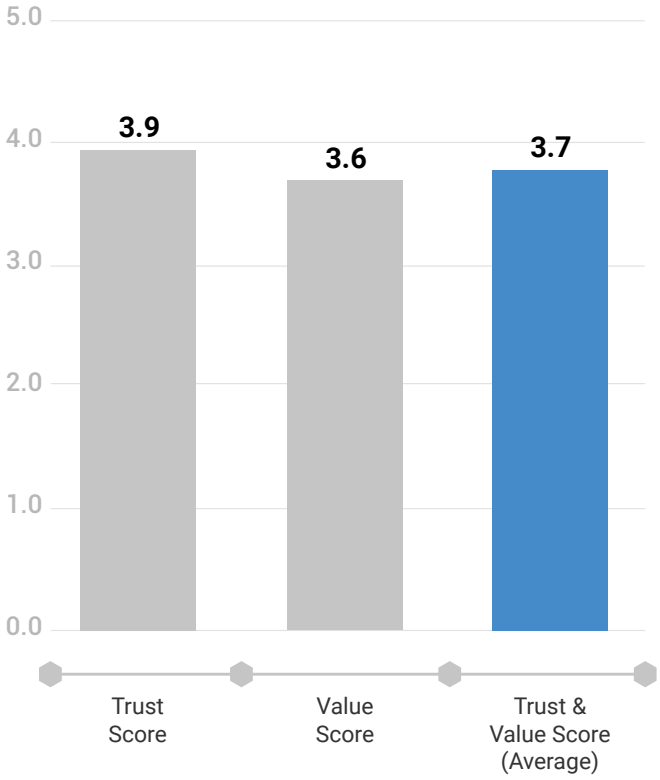


Organizations averaged:

- 3.8 on the perceived trust index (range: 3.0-4.5)
- 3.4 on the perceived value index (range: 2.3-4.2)
- 3.6 on the combined index (range: 2.6-4.2)

For each participant, we averaged the scores provided for the organizations for which they provided data. In Exhibit 30, we present the average scores on the trust index, the value index, and the average score between the value index and trust index provided by the participants.

Exhibit 30. *Average Score Provided on the Trust and Value Indices, by Participant (2020) (n=27)*



Participants average across organizations assessed:

- 3.9 on the perceived trust index (range: 2.2-5.0)
- 3.6 on the perceived value index (range: 1.7-5.0)
- 3.7 on the combined index (range: 2.0-5.0)

Differences between all groups were small (<1 point).

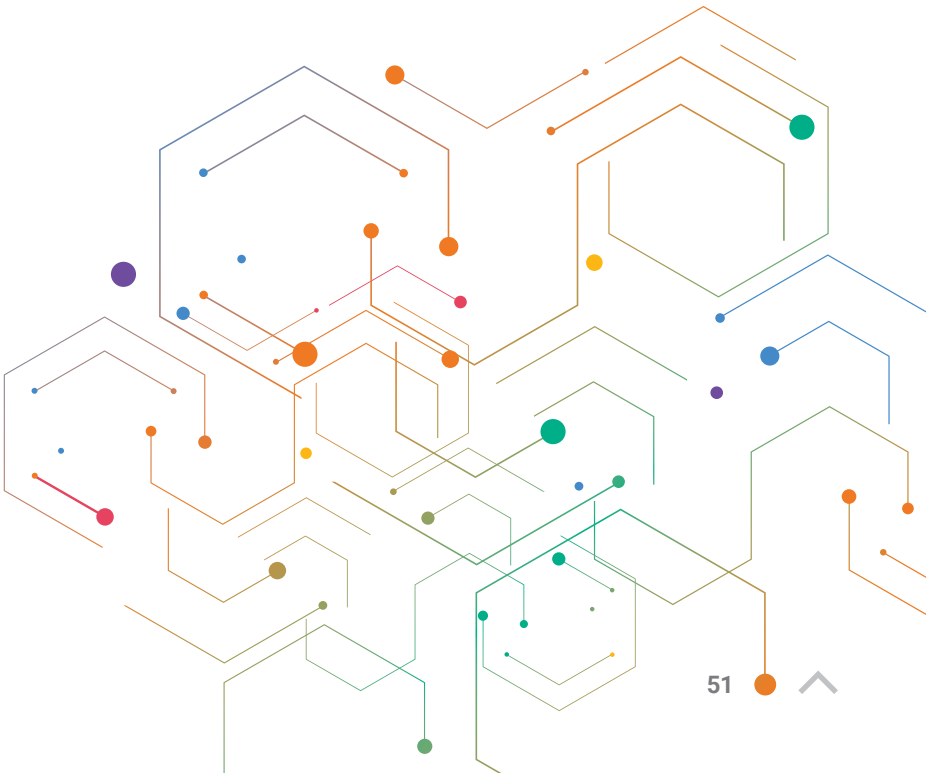
TRUST INDEX

1. How reliable is <Organization 1>? Reliable: This organization is reliable in terms of following through on commitments.
2. To what extent does <Organization 1> share a vision of collaboration with other organizations in the entrepreneurial ecosystem in <city>? Shared vision: this organization shares a common vision of the end goal of what working together should accomplish.
3. How open to discussion is <Organization 1>? Open to discussion: this organization is willing to engage in frank, open and civil discussion (especially when disagreement exists). The organization is willing to consider a variety of viewpoints and talk together (rather than at each other). You are able to communicate with this organization in an open, trusting manner.

ALIGNMENT INDEX

1. To what extent does <Organization 1> have power and influence to impact the entrepreneurial ecosystem in <City>? Power/Influence: The organization holds a prominent position in the ecosystem by being powerful, having influence, success as a change agent, and showing leadership.
2. What is <Organization 1> level of involvement in the entrepreneurial ecosystem in <City>? Level of Involvement: The organization is strongly committed and active in the ecosystem and gets things done.
3. To what extent does <Organization 1> contribute resources to the entrepreneurial ecosystem in <City>? Contributing Resources: The organization brings resources to the ecosystem like funding, information, or other resources.

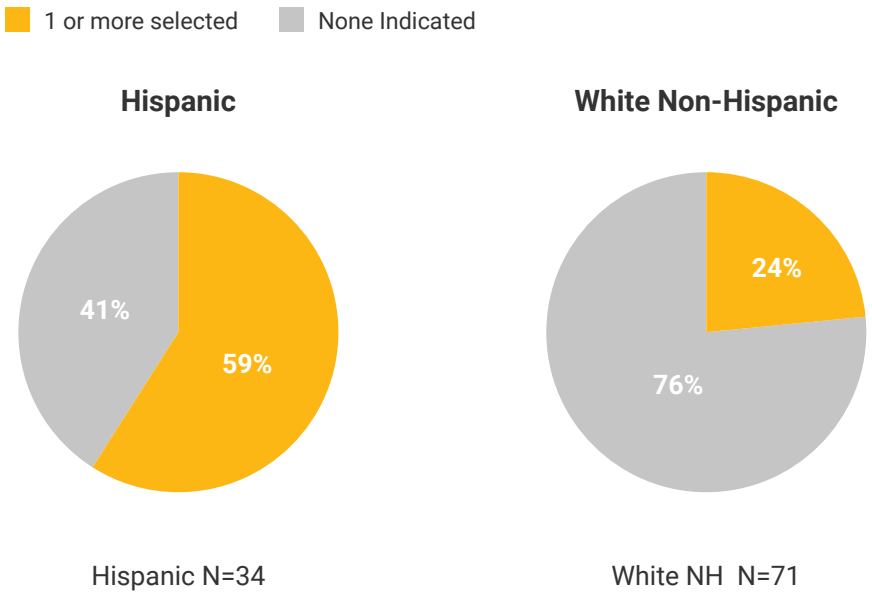
End of ESO Questionnaire Results



ESO Discrimination Felt By Entrepreneurs

As a part of the entrepreneur and current business owner survey administered by Forward Cities and NORC, respondents indicated if they experienced five different areas of discrimination while at an ESO.[66] A majority of Hispanic respondents (59%) shared that they have experienced one or more of the of types of discrimination listed. The vast majority of White non-Hispanic respondents (76%) did not report any experience with discrimination.

Exhibit 31. *Discrimination Experienced by Subgroup at ESOs in Central-North New Mexico (2020)*

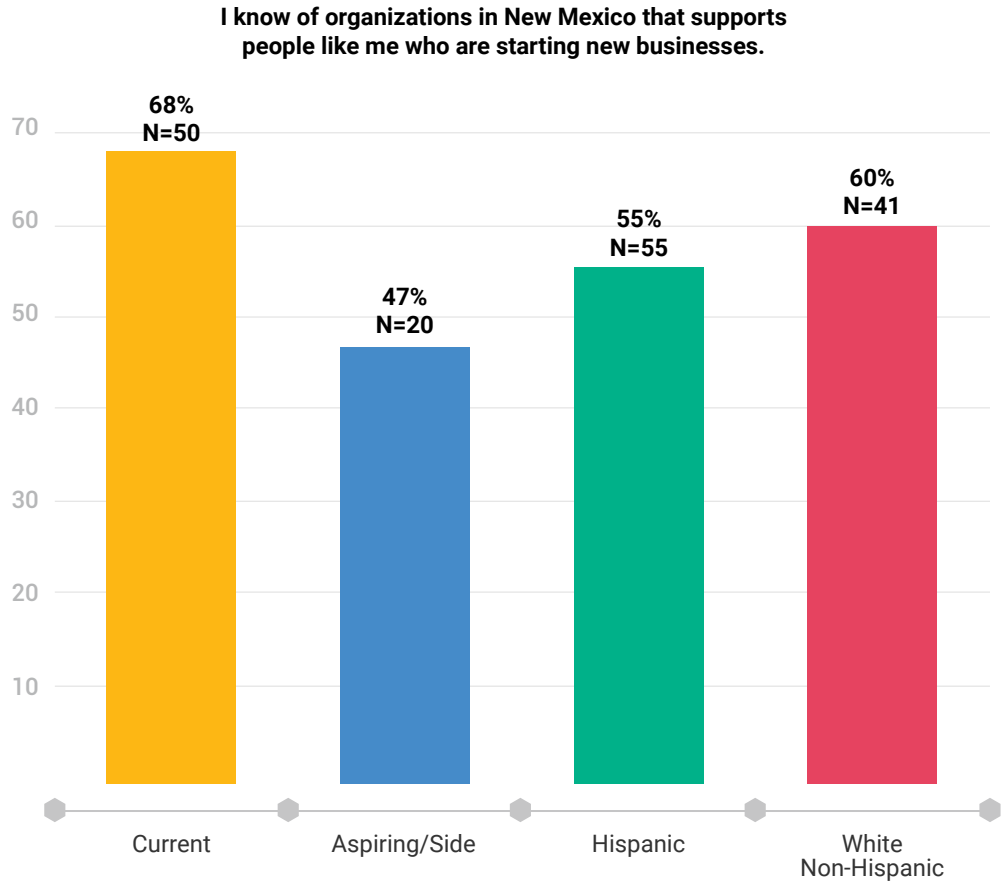


[66] *"Unconcious bias/aggressions," "Blatant discrimination," Racial profiling," "Racist epithets or verbal aggression," and/or "Denial of service/consideration"*

Awareness of ESOs

As a part of our current and aspiring business owner survey, we asked about their awareness of support organizations. Most respondents were aware, regardless of point in business start or racial identity. Less than half of aspiring owners and side business owners were aware of organizations. See Exhibit 32.

Exhibit 32. *ESO Awareness in Central/North New Mexico (2020)*



SECTION 3

The Climate / Other Factors

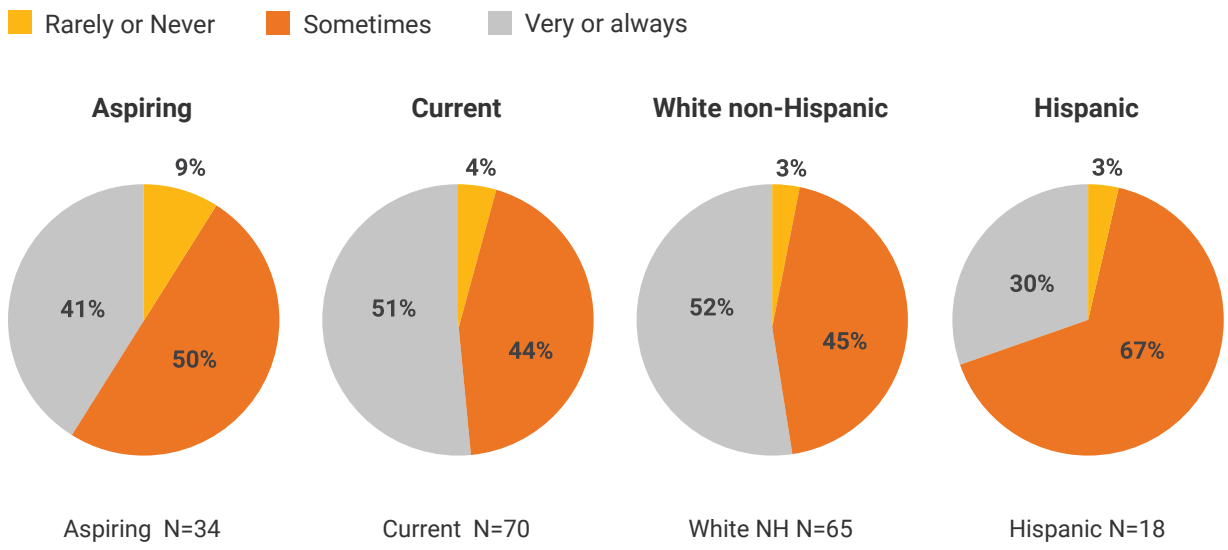
THE CLIMATE, EXPLAINED

Beyond the entrepreneurs, established business owners, ecosystem builders, and supporters, there are other components that affect the ecosystem's health. We subsume these population- or institutional-level phenomena under the term climate. Similar to the bees and the flowers, entrepreneurs and established business owners can thrive in an overall climate suited for business development. This could be idea sharing, low regulatory burden, positive market prospects and beyond. We cover those items in this section.

Perceptions of Community Support

The entrepreneur and small business survey asked respondents, “How supportive do you believe your community is of food entrepreneurs like you?” Overall, very few said that the community is “rarely or never” supportive of food entrepreneurs. While over half of White non-Hispanic respondents said the community is “very or always” supportive, only 30% of Hispanic respondents said the same.

Exhibit 33. *Perceptions of Community Support for Food Entrepreneurs (2020)*



Entrepreneurial Interest

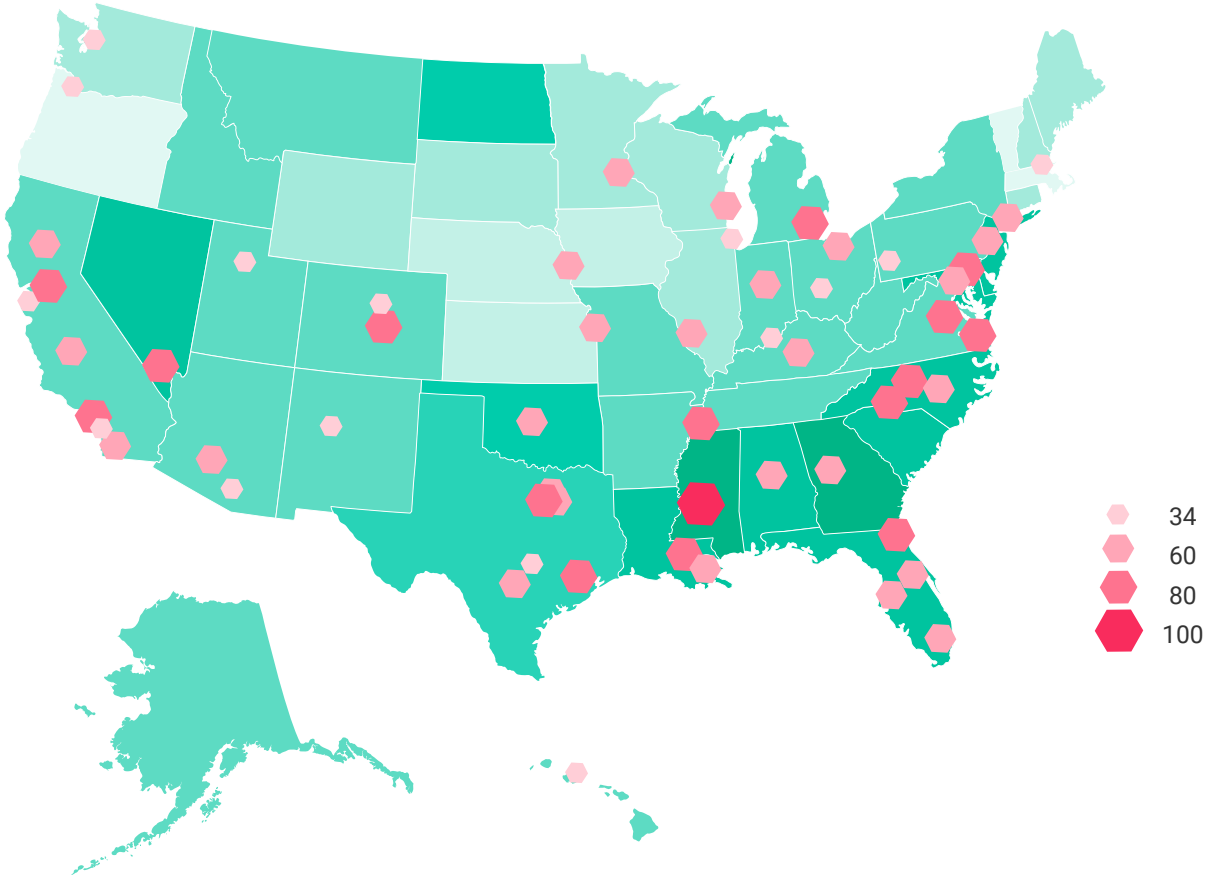
Google uses search frequencies to show search interest across the country. In an attempt to approximate the level of entrepreneurial interest across the country, we extracted data that describes how popular the keywords 'how to start a business' were in any area of interest in the 5 year timeframe from 2012 to 2017. New Mexico ranked 69 out of 100, with the lowest state ranking at 44. To interpret the index, see this provided explanation:

> **Values are calculated on a scale from 0 to 100, where 100 is the location with the most popularity as a fraction of total searches in that location, a value of 50 indicates a location which is half as popular. A value of 0 indicates a location where there was not enough data for this term.**
>
> **Note: A higher value means a higher proportion of all queries, not a higher absolute query count. So a tiny country where 80% of the queries are for "bananas" will get twice the score of a giant country where only 40% of the queries are for "bananas".**
>
> - Google Trends, "Interest By Region"[67]

What this means is that relative to Mississippi, the highest ranked, New Mexico's population was searching about 31% less, but more than 26 states (including DC). This indicates that the entrepreneurial spirit in the state may be somewhat average. Relative to the next nearby micro areas, the Albuquerque-Santa Fe area was ten times more interested in starting a business than Amarillo, Texas and El Paso, Texas.

[67] *For more information on Google Trends data and its interpretation, please read here: https://support.google.com/trends/answer/4365533?hl=en*

Exhibit 34. Where are real people searching "How to Start a Business"? (2017)



Most interested city has the largest, darkest bubble (Jackson, MS)
Most interested state: Darkest green (Mississippi)

Google takes a representative sample and "normalizes" it, to make it comparable across states and cities.

Result: "Values are calculated on a scale from 0 to 100 is the location with the most popularity as a fraction of total searches in that location, a value of 50 indicates a location which is half as popular."
- Google Trends

Regulatory Framework

The level of difficulty in starting a business due to regulatory or other government expectations can influence an entrepreneur's success in opening their doors. A recently published report from Arizona State University seeks to understand how easy it is to start a business in various cities in North America. Albuquerque received an "Ease of Doing Business" score of 78.98 out of a range from 41.31 to 85.22. It takes an estimated two days to start a business, five procedures, and 0.25% of per capita income of $28,230, or about 70 dollars. Albuquerque ranked 25 out of the 115 cities included in the report. While this is not generalizable to all types of businesses (the study was limited to 100% domestically owned businesses with two times the per capita income in start up capital, for example) it can indicate how and why business is easy or difficult in a specific place. Other cities in New Mexico were not available in the data.[68]

[68] *Doing Business North America. (2019) Data by City. https://dbna.asu.edu/city-data/2019/albuquerque*

Market Conditions

Survival of new businesses may speak to the conditions of the local economy. In 2018, the Kauffman Foundation estimated that after one year of operating, 80% of businesses in New Mexico remained open.[69] That is comparable to the national rate (79%). In the 2020 entrepreneur and small business survey conducted by Forward Cities and NORC, 64.2% of all current or aspiring business owners in the Central New Mexico region agreed that the area was a "good place for someone like me to start a new business."

While we wished to include more data in this area, localized data were not available at the time of writing.

[69] *State Profile: New Mexico. (2018) Kauffman Indicators of Entrepreneurship. https://indicators.kauffman.org/state/new-mexico*

Citizen Satisfaction

The regional focus of this brief in New Mexico consists of Los Alamos, Sandoval, Santa Fe, Rio Arriba and Bernalillo counties. Within this area, Rio Rancho, Santa Fe, and Los Alamos conducted citizen satisfaction surveys. Each of these communities was surveyed individually. Rio Rancho and Santa Fe were both surveyed by the National Citizen Survey, which uses results from other surveyed communities as benchmarks for analysis. Rio Rancho has previously used the National Citizen Survey, and citizen satisfaction results from the years 2008, 2015, 2017 were tracked and compared to the 2019 results. In Los Alamos, Los Alamos County contracted Southwest Planning & Marketing to conduct the 2018 Los Alamos County Community Survey. The differing methodologies and questions used in these surveys should be considered when thinking about citizen satisfaction in the region.

Across the region, residents reported satisfaction with overall quality of life. In Santa Fe, the National Citizens Survey showed that residents rated most the characteristics of the community similarly to the national benchmark. Notable exceptions included affordable quality housing, housing options, health care, and mental health care, which were all flagged as being ranked much lower than the national benchmark. Santa Fe residents rated the local government lower than the national benchmark in all areas (ex. Government-provided services like street cleaning, crime prevention, and economic development) except for services pertaining to the natural environment (ex. Preserving natural spaces), which they rated similarly to the benchmark.

The National Citizens Survey in Rio Rancho used the same methodology as in Santa Fe, with the addition of comparisons to previous years (2008, 2015, and 2017). Generally, government satisfaction increased from 2017 to 2019, and responses were similar to the national benchmark. Crime prevention, recreation programs or classes and public information services all improved from 2017 to 2019.

The Los Alamos Survey by Southwest Planning & Marketing found that residents rated Los Alamos 3.5 out of 5 for “Overall Quality of Life.” This rating is slightly lower than the rating found by the same survey in 2016, but comparable to other years. Residents also gave the local government a rating of 3.5 out of 5 for trustworthiness, and 21% rated the government as “very trustworthy.” The survey points to this in contrast to White Rock, a neighboring community, where only 12% of the residents rated their government the same way. For residents who were displeased with the local government, the two lowest ratings were “Government overstepping bounds/not listening” (19%) and “Self-serving/favoritism issues” (16%).

Innovation

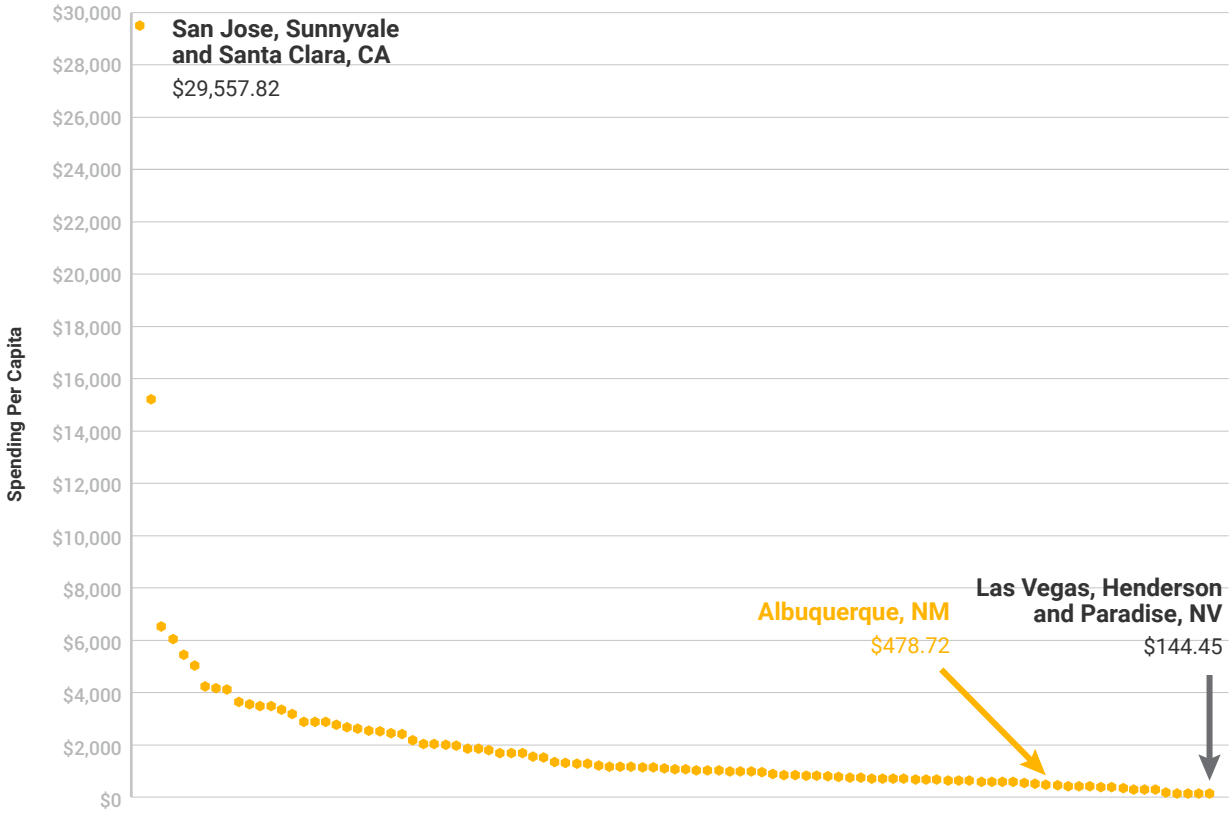
In 2014, business owners with payroll were asked about innovation and product improvement activities.[70] The percent of firms that have "sold a new good or service no other business has offered before" was 5% for the state of New Mexico. Nationally, the proportion was 5 percent. The percent of businesses that have "upgraded technique, equipment, or software to significantly improve a good or service" was 36% for the state, and about 34% for the nation. The percent that have "made a significant improvement in a technique or process by increasing automation, decreasing energy consumption, or using better software" was 22% for the state and 20% for the nation.

A separate survey collected data on research and development spending. In 2016, the Albuquerque metro area spent $433 million in research and development.[71] The majority - $283 million - was spent by the company receiving the improvements. The rest - $150 million - was outsourced to another company to complete. When considering the population size of the area, that total is $478.72 dollars spent per person in the Albuquerque area, which is considerably less than the median across the metro areas in the dataset (1,117 dollars). The highest spent was $29,557.82 per person in the San Jose area, and the least spent was in the Las Vegas area, at 144.43 per person. See Exhibit 35. The high expenditure in San Jose, part of Silicon Valley, may have to do with the large tech industry located there, where global companies such as Apple and Facebook are headquartered.

In more rural parts of the state with heavy agriculture industries, jumps in innovation can take a while to put into practice. Drones have huge potential to benefit farmers and the environment. By using drones to accurately visualize crop conditions, farmers can reduce the unnecessary use of fertilizers and pesticides. However, some farmers who use drones feel frustrated by the lack of rural internet connection, which limits their ability to take full advantage of the technology. Nationally, only 65% of rural residents have broadband internet access. In New Mexico, the proportion of households with any broadband is 72 percent. At the county level, the more rural areas can have as low as 52% (Rio Arriba County) of households with broadband.[72] Internet access can also create new opportunities for rural farmers to explore e-commerce and tourism, which can help to diversify their income. Finally, many farmers see internet access as a draw for young people to stay in their rural communities, which they are otherwise inclined to leave.[73]

[70] *2014 Survey of Entrepreneurs*
[71] *National Science Foundation (2016). Business Research and Development and Innovation. https://ncses.nsf.gov/pubs/nsf19318/#technical-tables&*
[72] *U.S. Census American Community Survey (ACS) (2014-2018)*
[73] *Gewin, Virginia. (2019) Can Rural Broadband Help Save Farm Country? Civil Eats. https://civileats.com/2019/10/07/can-rural-broadband-help-save-farm-country/*

Exhibit 35. Spending Per Capita on Research and Development by Metro Area (2016)



Appendix

Indicator	Description	Survey Name
Average Employees	The average number of employees per firm, broken down by owner population subgroups, at firms less than 2 years old and all firms.	2016 Annual Survey of Entrepreneurs
Broadband Internet Access	Percent of households with broadband internet access	2014-18 U.S. Census American Community Survey (ACS)
Business Ownership	Business owners per 1k of working age population, by population subgroup	2016 American Survey of Entrepreneurs
Business Survival Rates	The percentage of firms in operation throughout their first 5 years.	2017 Kauffman Index of Startup Activity 2016 Kaufman Index Mainstreet Entrepreneurs
Business Owner by Residents	Percent of business owned by residents.	2018 Your Economy
Early Start Up Survival Rate	Percent of startups that are still active after one year.	2018 Kauffman Indicators of Entrepreneurship calculated from 2018 BLS's Business Employment Dynamics
Earnings Gap	Comparing the earnings of population subgroups to the earnings of a White non-Hispanic male.	2016 American Community Survey (5 year estimates), United States Census Bureau 2012 American Community Survey (5 year estimates), United States Census Bureau
Education	Highest level of education achieved by business owner, broken down by population subgroup.	2016 Annual Survey of Entrepreneurs
Employment Demographics	Percent of workers living and employed in the selection area and percent of workers employed and living in the selection area.	2017 LODES on the Map
Entrepreneurship Rate	Business owners of firms <2 years old per 1k of working age population, by population subgroup	2016 American Survey of Entrepreneurs
Innovation	Percent of businesses with a payroll that have "sold a new good or service no other business has offered before," "has upgraded a technique, equipment, or software to significantly improved a good or service," and/or "has made a significant improvement in a technique or process by increasing automation, decreasing energy consumption, or using better software"	2014 Annual Survey of Entrepreneurs
Nonemployer firms by industry	Shows the gross change and percent change in nonemployer firms, by industry, from 2012-2016.	2012-16 Geographic Area Series
Opportunity Share	The percent of the total number of new entrepreneurs who were not unemployed and not looking for a job as they started the new business.	2018 Kauffman Indicators of Entrepreneurship, calculated from 2018 Census/Bureau of Labor Statistics-administered Current Population Survey
Research and Development Budget	Amount of money spent on research and development by local for-profit companies, per capita.	2016 Business R&D and Innovation Survey
Source of Start Up Capital	Source of start up capital for all firms, broken down by sex, race, and ethnicity.	2016 Annual Survey of Entrepreneurs
Wealth Gap	Homeownership is used as a proxy for wealth. This indicator was found by comparing the percentage point differences in homeownership rates between population subgroups.	2016 American Community Survey (5 year estimates), United States Census Bureau 2012 American Community Survey (5 year estimates), United States Census Bureau