



Latino Businesses in Nebraska

BASED ON U.S. CENSUS BUREAU 2012
SURVEY OF BUSINESS OWNERS (SBO) TABLE



El Tapatio Mexican Restaurant, Columbus, NE
Teresa and Fernando Lopez - 2018

JUAN-PAULO RAMIREZ, PH.D
GIS & HUMAN DIMENSIONS LLC
MAY 2018

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The Latino American Commission (originally Mexican-American Commission) was created by LB 1081 of the second session of the Eighty-second Legislature in March of 1972.

On February 2010, LB 139 changed the name to Commission on Latino Americans in order to reflect more inclusiveness of the increasingly diverse Latino population in Nebraska.

It was the first such Commission in the United States and remains as the only one created by statute.

The mission of the Latino American Commission is to serve as a link between the Nebraska State Government and Latino Americans/Latinos and as a voice in the Nebraska State Government for Latino Americans/Latinos.

The vision of the Latino American Commission is that all Latino Americans/Latinos have the opportunity to utilize their fullest potential to participate in the good life of Nebraska.

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Lupe's Bakery, Columbus, NE
Wendy Alfaro - 2018

Introduction

This report highlights and summarizes the main findings from the **2012 Nebraska Survey of Business Owners (SBO)**¹, filtered with “Hispanic” ethnicity, published by the U.S. Census Bureau in December 2015. Details of the number of Latino/Hispanic firms in Nebraska are depicted in the Appendix. The SBO contains data related to total number of firms, demographic information from the business owner (i.e., gender, race/ethnicity), total annual sales, number of firms with or without paid employees, annual payroll, and economic sector. Latino business comparisons with **2007 data** outputs were obtained from the study developed in 2014 by OLLAS (Office of Latino/Latin American Studies, University of Nebraska-Omaha) and from the 2007 Nebraska SBO. **Table 1** in the Appendix shows Hispanic business performance indicators. The terms “Latino” and “Hispanic” are used interchangeably throughout this report.

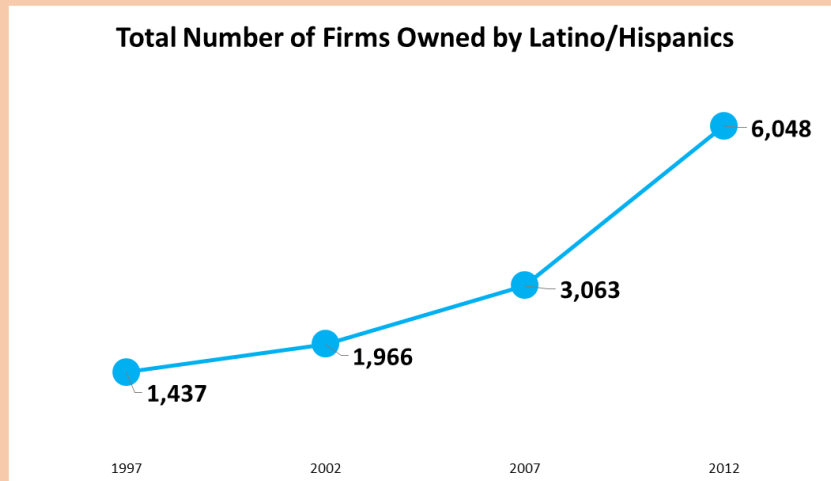
Highlights

- ☞ Over 1 billion dollars in sales by Latino firms located in Nebraska.
- ☞ The number of Latino firms nearly doubled (97.5%) over five years, from 3,063 to 6,048, while Non-Hispanic firms only grew 2.8%.
- ☞ 50% employment growth over five years despite economic recession.
- ☞ Average of \$1.5 million dollars in annual sales per Latino firm.
- ☞ Over 4 out of 10 Latino firms are owned by Latino women.
- ☞ Two-thirds of Latino-owned firms are of Mexican origin, which is 7% lower when compared to the previous census.
- ☞ “Construction” is the economic sector that concentrates most of Latino ownership (22.4%), followed by “Health Care and Social Assistance” (13.9%).
- ☞ Over 8 out of 10 Latino owners in the “Health Care and Social Assistance” sector are females, and over 9 out of 10 Latino owners in the “Construction” sector are males.
- ☞ Male participation in the Construction industry increased from 20% in 2007 to 42.8% in 2012, while female participation in the Health Care and Social Assistance sector decreased from 42% to 27.3% during the same time period.
- ☞ 38% of all Latino-owned firms are located in Douglas County, followed by 13% in Lancaster County.

¹ “The SBO covers both firms with paid employees and firms with no paid employees. Although firms with no paid employees are included in this survey, they are omitted from many other economic surveys. Therefore, caution should be exercised in comparing SBO data with published or unpublished data from other Census Bureau economic survey results.” (U.S. Census Bureau).

Main Findings

- Total number of Latino/Hispanic owned firms nearly doubled (97.5%) from 3,063 to 6,048 between the 2007 and 2012 censuses, respectively. In comparison, Non-Hispanic firms grew 2.8% during the same time period.



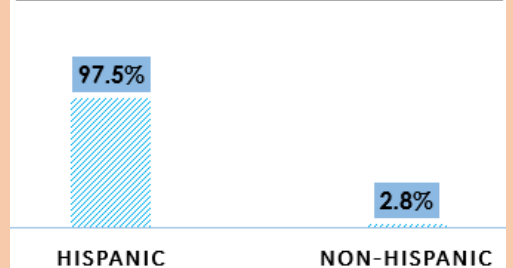
Inter Census % Change:

1997-2002: **37%**

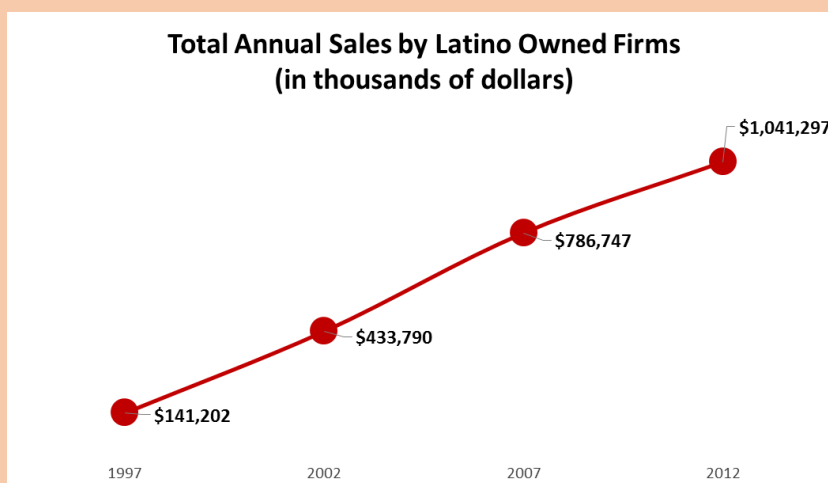
2002-2007: **56%**

2007-2012: **97%**

Percent Change between Hispanic and Non-Hispanic Owned Firms 2007-2012



- Total annual sales of Latino firms have increased steadily since 1997, from over \$140 million dollars to over 1 billion dollars (1997 vs. 2012, respectively). Total annual sales between 2007 and 2012 increased 32%, despite an economic recession that affected the U.S. during 2008-2009.



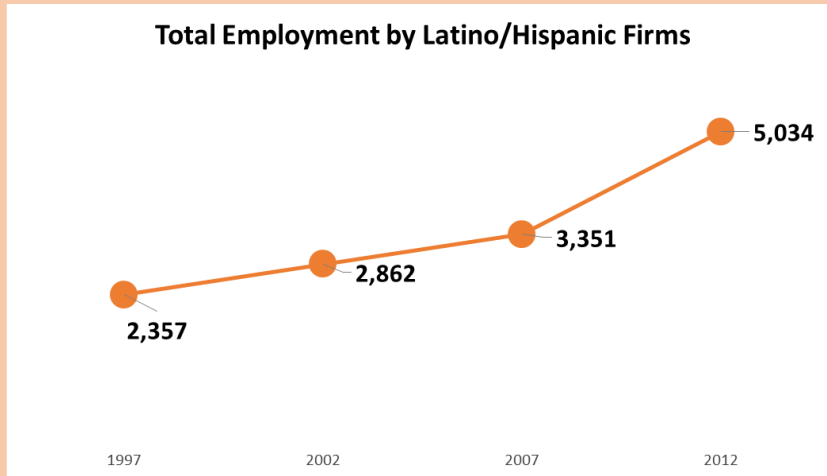
Inter Census % Change:

1997-2002: **207%**

2002-2007: **81%**

2007-2012: **32%**

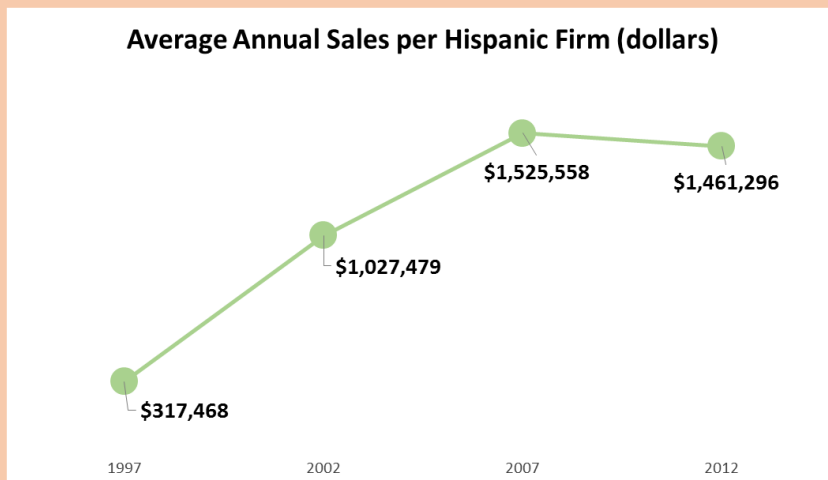
- Total employment provided by Latino/Hispanic owned firms has steadily increased in Nebraska, from 2,357 employees in 1997 to 5,034 in 2012, which represents a 114% increase between these years. Between 2007 and 2012, total employment increased 50%.



Inter Census % Change:

1997-2002:	21%
2002-2007:	17%
2007-2012:	50%

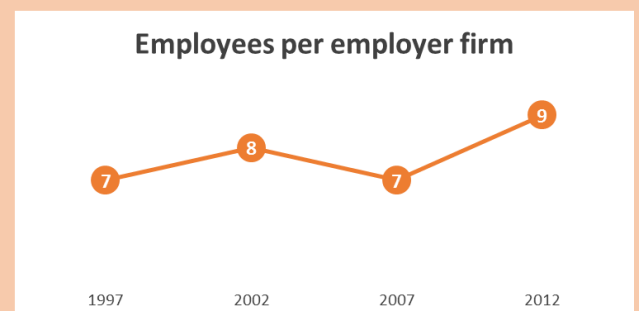
- The average annual sales per Latino/Hispanic firm is nearly \$1.5 million (a 4.2% decrease when compared to 2007, but a 360% increase when compared to 1997).



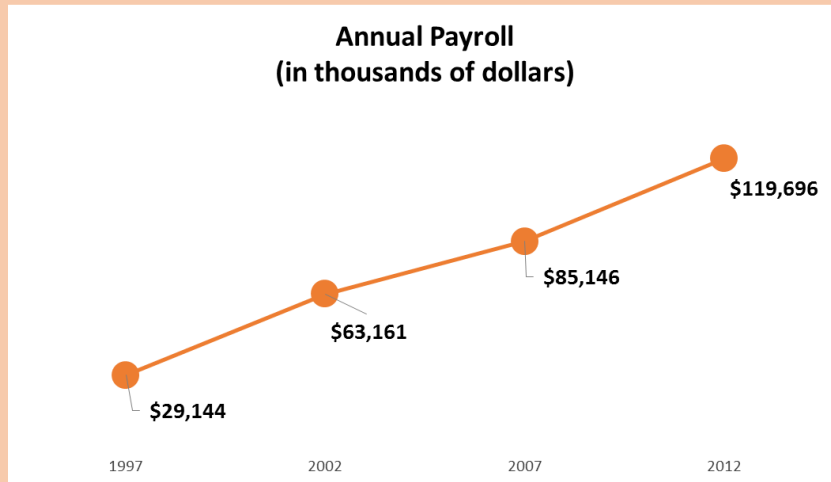
Inter Census % Change:

1997-2002:	224%
2002-2007:	49%
2007-2012:	-4%

- The average number of workers employed by Latino/Hispanic firms increased from seven in 2007 to nine in 2012, the highest since 1997.



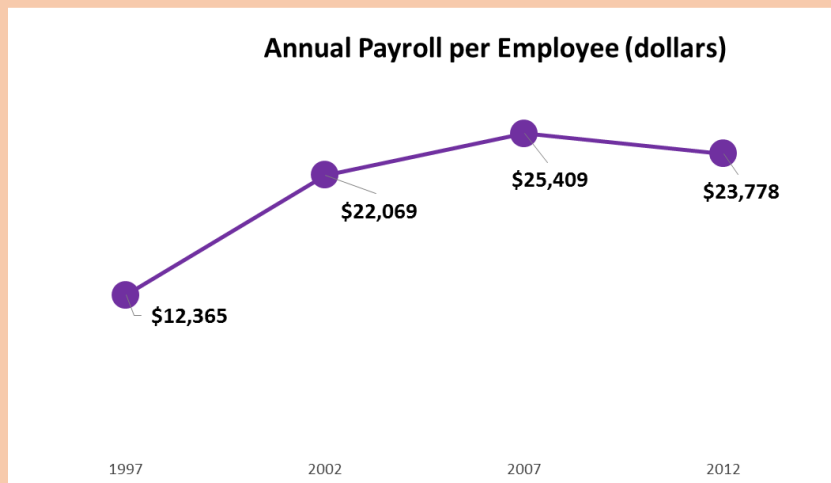
- Annual payroll increased 40.6% in 2012 when compared to 2007, a percentage growth that is higher when compared to the previous inter-census period (2002-2007; 34.8%).



Inter Census % Change:

1997-2002:	117%
2002-2007:	35%
2007-2012:	41%

- The average annual payroll per employee has maintained relatively constant since 2002, varying from \$22,069 to \$25,409. The average salary decreased by 6.4% in 2012 when compared to 2007.

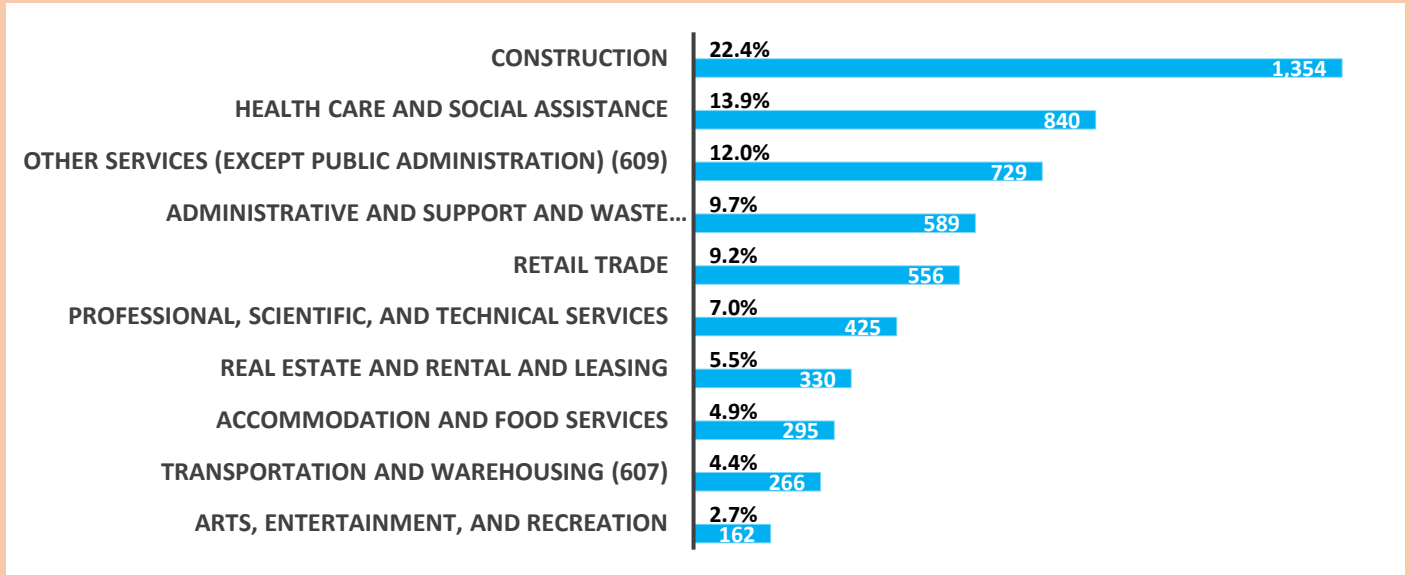


Inter Census % Change:

1997-2002:	78.5%
2002-2007:	15.1%
2007-2012:	-6.4%

- More than 2 out of 10 Latino business owners have a firm related to "Construction" (22.4%), followed by "Health Care and Social Assistance" (13.9%), "Other Services" (12.0%), and then by "Administrative and Support and Waste Management and Remediation Services" (9.7%). The top ten economic sectors owned by Latinos are depicted on the following bar chart. A

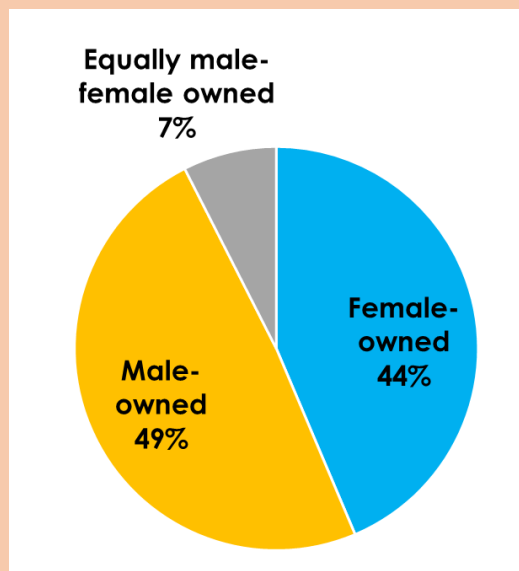
detailed number and percentage of Latino owners by economic sector is shown in the Appendix, **Table 2**.



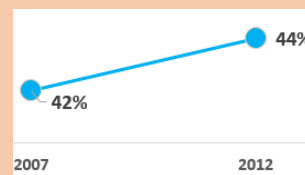
- Forty-four percent of Latino firms are owned by females ($n = 2,638$), 49% are owned by males ($n = 2,956$), and 7% are equally owned by females and males ($n = 454$). The percentage of female business owners increased 2% when compared to 2007. See **Table 3** in the Appendix for details.



Angel's Florist, Schuyler, NE
Yomara Hernandez - 2018



Percent change Latino female business owner:





Novedades Evelyn, Grand Island, NE
Maribel Lopez - 2018

■ Ownership of Latino firms based on gender varies according to economic sector. For instance, 85.9% of Latino owners in the **Health Care and Social Assistant** sector are females, and 93.4% of Latino owners in the **Construction** sector are males.

■ When considering all **female** Latino owners, over one-fourth of them are concentrated in the "Health Care and Social Assistance" sector (27.3%), followed by "Other Services" (16.8%), "and Retail Trade" (11.5%). When considering all **male** Latino owners, a large percentage of them are concentrated in "Construction" (42.8%), followed by "Other Services" (8.7%), and "Administrative and Support and Waste Management and Remediation Services" (8.6%). See **Table 4** in the Appendix for details.



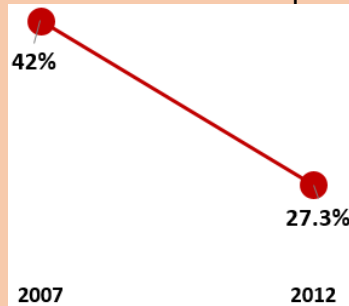
Himelda's Beauty Salon, South Sioux City, NE
Himelda Lomeli and Fernando Perez - 2018

Broadway Auto Sales, South Sioux City, NE
Rosa Hurtado - 2018

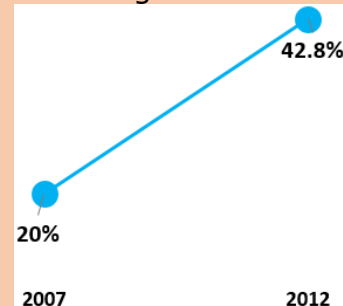


■ When comparing gender ownership by industry with the 2007 data, female business owners in the "Health Care and Social Assistance" industry decreased from 42% to 27.3%. Male business owners in the "Construction" sector increased from 20% to 42.8%.

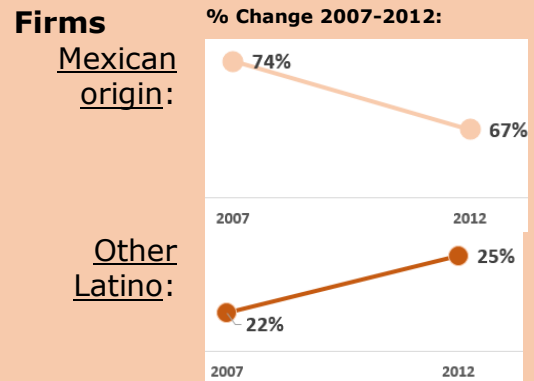
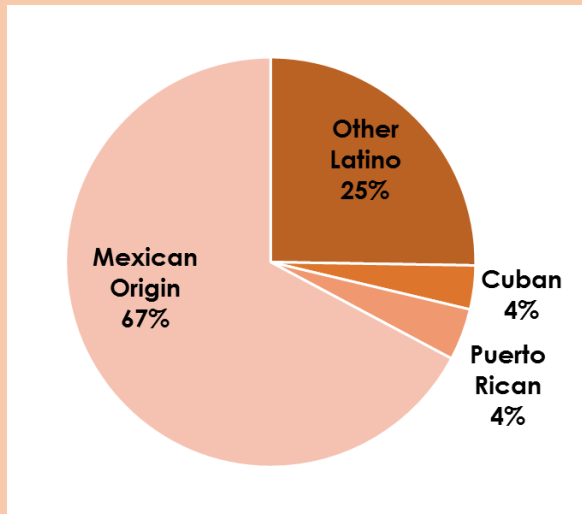
Female business owners: Health Care and Social Assistance – percent change



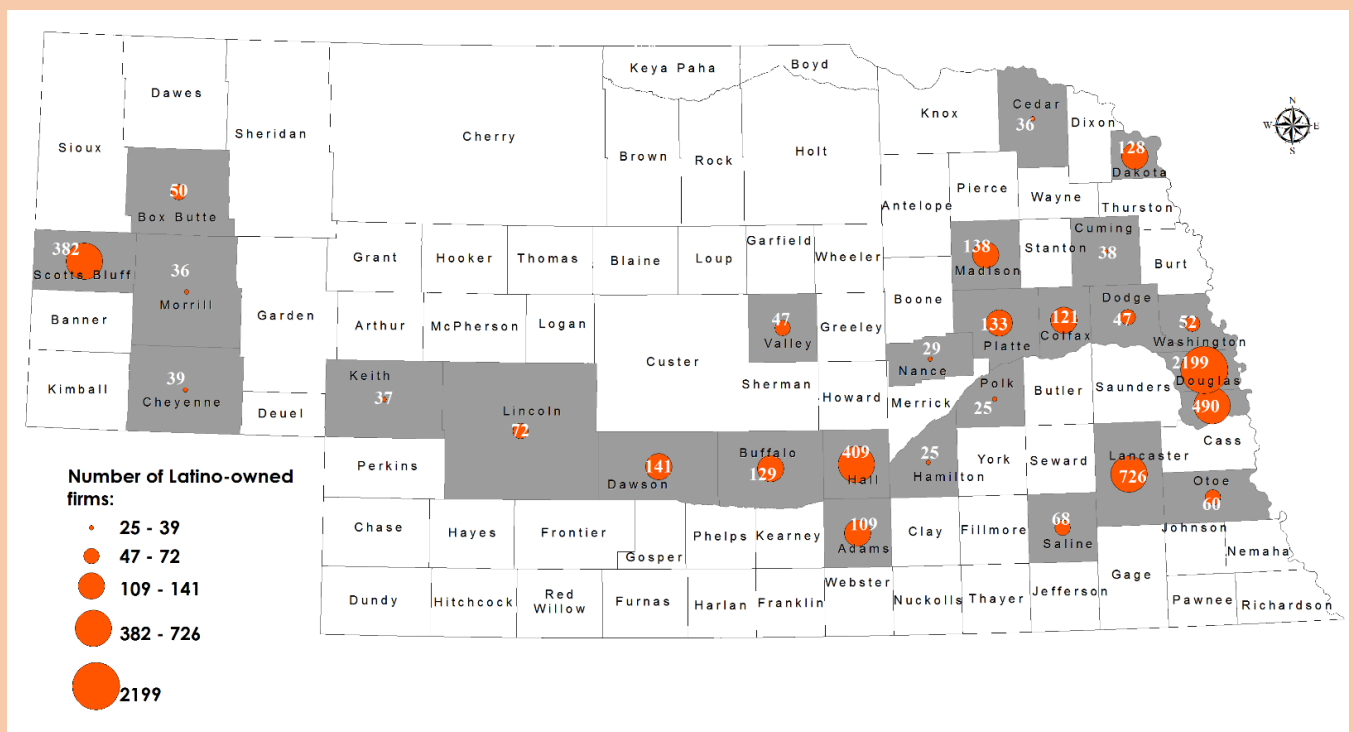
Male business owners: Construction – percent change



- In terms of ethnic distribution of Latino-owned businesses, two-thirds of firms are Mexican origin-owned, followed by "Other Latino" (25%), Cuban (4%) and Puerto Rican (4%). The percentage of Mexican-owned firms decreased by 7% when compared to 2007 (74%), while Other Latino-owned firms increased from 22% to 25% between 2007 and 2012. Cuban owned-firms maintained the same percentage between 2007 and 2012 (4%).



- Thirty-eight point one percent of Latino-owned firms are located in Douglas County, followed by 12.6% in Lancaster County, 8.5% in Sarpy County, 7.1% in Hall County, and 6.6% in Scotts Bluff County. The map below shows the total number of firms owned by Latinos in Nebraska by county². **Table 5** in the Appendix lists the number and percentage of firms by county.



APPENDIX

Table 1: General characteristics and business performance indicators for Latino-owned firms, Nebraska, 1997-2012

	Years				Percent Changes		
	1997	2002	2007	2012	1997-2002	2002-2007	2007-2012
General characteristics							
Total Hispanic firms	1,437	1,966	3,063	6,048^a	36.8	55.8	97.5
<i>Total Non-Hispanic firms</i>	-	-	149,058	153,290	-	-	2.8
<i>Firms with paid employees or employer firms</i>	346	378	466	565	9.2	23.3	21.2
<i>Firms with no paid employees or non-employer firms</i>	1,091	1,588	2,597	5,483	45.6	63.5	111.1
<i>Total annual sales (\$1,000)</i>	141,202	433,790	786,747	1,041,297	207.2	81.4	32.4
<i>Annual sales employer (\$1,000)</i>	109,844	388,387	710,910	825,512	253.6	83.0	16.1
<i>Annual sales non-employer (\$1,000)</i>	31,358	45,403	75,837	215,784	44.8	67.0	184.5
<i>Total employment</i>	2,357	2,862	3,351	5,034 ^b	21.4	17.1	50.2
<i>Annual payroll (\$ 1,000)</i>	29,144	63,161	85,146	119,696	116.7	34.8	40.6
Business performance indicators (averages per firm)							
<i>Employer ratio^c (%)</i>	24	19	15	9	-20.1	-20.9	-40.0
<i>Average annual sales per employer firm (dollars)</i>	317,468	1,027,479	1,525,558	1,461,296	223.6	48.5	-4.2
<i>Average annual sales per non-employer firm (dollars)</i>	28,742	28,591	29,202	39,355	-0.5	2.1	34.8
<i>Employees per employer firm</i>	7	8	7	9	11.1	-5.0	28.6
<i>Annual payroll per employee (dollars)</i>	12,365	22,069	25,409	23,778	78.5	15.1	-6.4

Source: U.S. Census Bureau, 2002, 2007, and 2012 SBO, Summary Tables A1

Notes:

- a. Includes firms with paid or without paid employees.
- b. Includes only paid employees.
- c. Percentage of employer firms over total firms.



Sabrina Salon, Columbus, NE
2018



Sabrina Salon, Columbus, NE
William Castellanos - 2018



REAP Latino Loan Specialist
Veronica Spindola
and William Castellanos

Table 2: Latino-owned firms ranked by economic sector

Rank #	SECTOR	Total # of firms	Percentage	Rank #	SECTOR	Total # of firms	Percentage
1	Construction	1,354	22.4%	11	Finance and insurance (608)	136	2.2%
2	Health care and social assistance	840	13.9%	12	Educational services	98	1.6%
3	Other services (except public administration) (609)	729	12.0%	13	Wholesale trade	89	1.5%
4	Administrative and support and waste management and remediation services	589	9.7%	14	Manufacturing	77	1.3%
5	Retail trade	556	9.2%	15	Agriculture, forestry, fishing and hunting (606)	57	0.9%
6	Professional, scientific, and technical services	425	7.0%	16	Information	38	0.6%
7	Real estate and rental and leasing	330	5.5%	17	Utilities	5	0.1%
8	Accommodation and food services	295	4.9%	18	Mining, quarrying, and oil and gas extraction	4	0.1%
9	Transportation and warehousing (607)	266	4.4%	19	Management of companies and enterprises	2	0.0%
10	Arts, entertainment, and recreation	162	2.7%		TOTAL	6,052	100%

Table 3: Number of Latino firms by ethnicity 2007-2012

	Mexican origin		Cuban		Puerto Rican		Other Latino	
	Years		Years		Years		Years	
	2007	2012	2007	2012	2007	2012	2007	2012
Total Firms	2,175	4,047	105	208	*	246	654	1,521

* "Withheld because estimate did not meet publication standards" (U.S. Census Bureau)

Table 4: Percent of Latino business ownership by gender

	Total	Female-owned	% female by sector	% female as a total	Male-owned	% male by sector	% male as a total	Equally female/male owned	% female/male by sector	%female/male as a total
Agriculture, forestry, fishing, and hunting (606)	57	23	40.4%	0.9%	30	52.6%	1.0%	4	7.0%	0.9%
Mining, quarrying, and oil and gas extraction	4	1	25.0%	0.0%	3	75.0%	0.1%	0	0.0%	0.0%
Utilities	5	1	20.0%	0.0%	4	80.0%	0.1%	0	0.0%	0.0%
Construction	1,354	80	5.9%	3.0%	1265	93.4%	42.8%	9	0.7%	2.0%
Manufacturing	77	29	37.7%	1.1%	39	50.6%	1.3%	10	13.0%	2.2%
Wholesale trade	89	33	37.1%	1.3%	53	59.6%	1.8%	3	3.4%	0.7%
Retail trade	556	304	54.7%	11.5%	173	31.1%	5.8%	80	14.4%	17.6%
Transportation and warehousing (607)	266	21	7.9%	0.8%	207	77.8%	7.0%	38	14.3%	8.4%
Information	38	20	52.6%	0.8%	17	44.7%	0.6%	1	2.6%	0.2%
Finance and insurance (608)	136	46	33.8%	1.7%	58	42.6%	2.0%	31	22.8%	6.8%
Real estate and rental and leasing	330	184	55.8%	7.0%	48	14.5%	1.6%	98	29.7%	21.5%
Professional, scientific, and technical services	425	258	60.7%	9.8%	163	38.4%	5.5%	5	1.2%	1.1%
Management of companies and enterprises	2	0	0.0%	0.0%	2	100.0%	0.1%	0	0.0%	0.0%
Administrative and support and waste management and remediation services	589	270	45.8%	10.2%	254	43.1%	8.6%	64	10.9%	14.1%
Educational services	98	53	54.1%	2.0%	45	45.9%	1.5%	0	0.0%	0.0%
Health care and social assistance	840	720	85.7%	27.3%	101	12.0%	3.4%	19	2.3%	4.2%
Arts, entertainment, and recreation	162	44	27.2%	1.7%	111	68.5%	3.8%	7	4.3%	1.5%
Accommodation and food services	295	108	36.6%	4.1%	128	43.4%	4.3%	59	20.0%	13.0%
Other services (except public administration) (609)	729	444	60.9%	16.8%	258	35.4%	8.7%	27	3.7%	5.9%
TOTAL		2,639			2,959			455		

Table 5: Number of Latino business ownership by county

County	Total number of firms Latino-owned	Percentage
Adams	109	1.9%
Box Butte	50	0.9%
Buffalo	129	2.2%
Cedar	36	0.6%
Cheyenne	39	0.7%
Colfax	121	2.1%
Cuming	38	0.7%
Dakota	128	2.2%
Dawson	141	2.4%
Dodge	47	0.8%
Douglas	2,199	38.1%
Hall	409	7.1%
Hamilton	25	0.4%
Keith	37	0.6%
Lancaster	726	12.6%
Lincoln	72	1.2%
Madison	138	2.4%
Morrill	36	0.6%
Nance	29	0.5%
Otoe	60	1.0%
Platte	133	2.3%
Polk	25	0.4%
Saline	68	1.2%
Sarpy	490	8.5%
Scotts Bluff	382	6.6%
Valley	47	0.8%
Washington	52	0.9%
Total	5,766	100%

La Flor Market, Grand Island, NE
Nancy and Edy Hernandez - 2018



Servicar, Grand Island, NE
Lorenzo Garcia - 2018



My 15 City, Columbus, NE
Owner: Alma Sagastume - 2018



Latino Businesses in Nebraska

Statistics

1

\$1 billion

in total annual sales by Latino owned firms.

- 32% increase between 2007 and 2012

Total Annual Sales by Latino Owned Firms (in thousands of dollars)



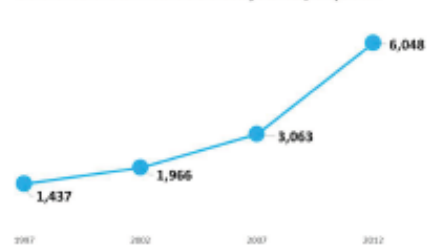
2

6,048 firms

owned by Latinos in Nebraska.

- 97% increase between 2007 and 2012

Total Number of Firms Owned by Latino/Hispanics



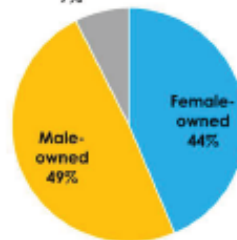
3

4 out of 10

Latino firms are owned by females.

- 2% increase between 2007 and 2012

Equally male-female owned
7%



4

TOP TEN ECONOMIC SECTORS OWNED BY LATINOS



Nebraska Latino American Commission

Sixth Floor, State Capitol - P.O. Box 94935
Lincoln, NE 68509-4935

Source: US CENSUS BUREAU 2012 SURVEY OF BUSINESS OWNERS (SBO) TABLE

Industry Classification of Firms

"A firm is a business organization or entity consisting of one domestic establishment (location) or more under common ownership or control. All establishments are included as part of the owning or controlling firm. For the economic census, the terms 'firm' and 'company' are synonymous."

"The industry classifications for all firms are based on the 2012 North American Industry Classification System (NAICS)." (U.S. Census Bureau).

Reliability of Estimates

"The figures shown in these datasets are, in part, estimated from a sample and will differ from the figures that would have been obtained from a complete census. Two types of possible errors are associated with estimates based on data from sample surveys: sampling errors and nonsampling errors." (U.S. Census Bureau).

Disclosure

"Confidentiality. In accordance with federal law governing census reports (Title 13 of the United States Code), no data are published that would disclose the operations of an individual establishment or business. However, the number of firms is not considered a disclosure. Therefore, the number of firms may be released even though other information is withheld. Techniques employed to limit disclosure are discussed at the Census Business Help Site." (U.S. Census Bureau).

References

Aliaga Linares, Lissette. 2014. *Latino Businesses in Nebraska: A Preliminary Look*. Omaha, Nebraska: Office of Latino/Latin American Studies (OLLAS) at the University of Nebraska at Omaha.

Acknowledgments:

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