

September 2013

MISSOURI:

Immigrant Entrepreneurs, Innovation, and Welcoming Initiatives in the Show Me State

In Missouri, there is no doubt that immigrant entrepreneurs and innovators play an important role. Immigrant entrepreneurs bring in additional revenue, create jobs, and contribute significantly to the state's economy. Highly skilled immigrants are vital to the state's innovation industries and to the metropolitan areas within the state, helping to boost local economies. Furthermore, local government, business, and non-profit leaders recognize the importance of immigrants in their communities and support immigration through local "welcoming" and integration initiatives.

Immigrant entrepreneurs contribute significantly to Missouri's economy.

- From 2006 to 2010, there were 11,414 new immigrant business [owners](#) in Missouri,¹ and in 2010, [4.6 percent](#) of all business owners in Missouri were foreign-born.²
- In 2010, new immigrant business owners³ had total net business [income](#) of \$650 million, which is 5 percent of all net business income in the state.⁴
- Missouri is home to many successful companies with at least one founder who was an immigrant or child of an immigrant, [including](#) Emerson Electric, which employs thousands of people and brings in billions in revenue each year.⁵ Furthermore, the CEOs of Monsanto, Sigma Aldrich, and Express Scripts, which are also Missouri-based companies, are immigrants.
- In 2010, the foreign-born share of business owners was [8 percent](#) in the St. Louis metropolitan area,⁶ where the immigrant business ownership rate was also higher than the foreign-born share of the total population.

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

- Immigrants contribute to Missouri's economic growth and competitiveness by earning degrees in science, technology, engineering, and mathematics (STEM) fields from the state's research universities. In 2009, almost [43 percent](#) of STEM graduates from the state's research-intensive universities were foreign-born, and almost 65 percent of graduates earning PhDs in engineering in Missouri were not born in the U.S.⁷

- In 2011, the U.S. Department of Labor certified 3,422 H-1B high-skilled visa labor certification [applications](#) in Missouri, with an average annual wage of \$64,657,⁸ which is higher than Missouri's median household [income](#) of \$47,202 or per capita income of \$25,371.⁹
- An [expansion](#) of the high-skilled visa program would create an estimated 6,000 new jobs in Missouri by 2020.¹⁰ By 2045, this expansion would [add](#) around \$2.5 billion to Gross State Product and increase personal income by more than \$2.3 billion.¹¹ The following are [examples](#) of metropolitan area demand for high-skilled foreign-born workers.
 - The Kansas City metropolitan area had 1,527 H-1B [requests](#) in 2010-2011, with 75.6 percent of visa-holders working in STEM occupations.¹² Major employers include Cerner Corporation, Sprint Nextel Corporation, Black and Veatch Corporation, and UST Global Inc.
 - The St. Louis metropolitan area had 2,263 H-1B [requests](#) in 2010-2011, with 74.5 percent of visa-holders working in STEM occupations.¹³ Major employers include Washington University in St. Louis, Monsanto Company, and Saint Louis University.

While the numbers are compelling, they don't tell the whole story.

- Immigrant entrepreneurs not only contribute to large innovative companies, but to small business formation in local communities. In cities across Missouri, immigrant family-owned small businesses contribute to the vitality of their local communities. Although initially aimed at other immigrant customers, many businesses quickly see an expansion of their clientele to include a diverse array of immigrant and native-born customers alike.
- In St. Louis, Beriz Nukic, a refugee from Bosnia, [opened](#) a coffee roasting company in the Bevo Mill area, along Gravois Avenue, in 2002 to sell traditional Turkish coffee. He also sold various Bosnia foods such as burek, sirnica, and doner kebab. Today, his coffee is sold in at least 38 states, and he has two restaurants in the St. Louis area. Nukic started a frozen foods business in 2010, which sells traditional Bosnian foods in grocery chains in around 30 states.¹⁴
 - As Nukic's story exemplifies, [Bosnian refugees](#) resettling in St. Louis during the past couple of decades have opened a variety of businesses, at times with the help of microloans.¹⁵ Some launched trucking businesses. Others [opened](#) cleaning or car detailing services, bakeries, butcher shops, coffee shops, construction, and heating and cooling companies.¹⁶
- Also in St. Louis, Arnoldo Müller-Molina, from Costa Rica, is the [founder](#) of simMachines, a pioneer business in the field of similarity searching, technology used in fingerprint databases or mobile-phone apps that hear snippets of music to identify a song.¹⁷

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

- Across Missouri and the broader Midwest, local places recognize the importance of immigrant entrepreneurs in their communities. According to the [Chicago Council of Global Affairs](#), “Public and private-sector groups across the region have launched business incubators for immigrant entrepreneurs, sponsored networking opportunities with local employers, and helped skilled immigrants translate their foreign credentials to maximize their economic potential in the United States.”¹⁸
 - Specifically, the Council [states](#) that “the Midwest cannot hope to keep up with other regions or international competitors without a vital entrepreneurial sector...Immigrants, risk takers by nature, are unusually successful entrepreneurs, more than twice as likely as native-born Americans to start their own firms.”¹⁹
- In St. Louis, the **St. Louis Mosaic Project**, which began in 2013, is an [initiative](#) of the World Trade Center Saint Louis to promote regional prosperity through immigration and innovation.²⁰
 - One of the goals of the initiative is to ensure that St. Louis is the fastest growing U.S. metropolitan areas for immigration by 2020. As such, the project’s [principles](#) include the recognition that “significantly growing out population of foreign-born residents is an economic imperative” and “special initiatives are needed to welcome and to integrate newcomer immigrants.”²¹
 - To meet its goals, the St. Louis Mosaic Project [pursues](#) government outreach to engage local, regional, and federal government leaders to reduce hiring barriers. The group also pursues business outreach such as engaging business leaders to developing hiring solutions for skilled foreign talent.²²
- In Kansas City, the **Hispanic Economic Development Corporation** (HEDC), established in 1993, [provides](#) bilingual business development workshops, business consulting, and other initiatives to Hispanic and immigrant entrepreneurs.²³
 - [According](#) to HEDC Executive Director Bernardo Ramirez, “Our program, which is bilingual and bicultural, builds support systems for local business owners from inception to mature operation. Just as immigrants to this part of the United States did in earlier waves of migration, today’s Latino entrepreneurs are not only creating and providing jobs in their community, but their businesses and the foot traffic they attract are restoring vitality and a sense of neighborhood to once-desolate downtown areas.”²⁴
 - The organization was a [recipient](#) of the 2011 E Pluribus Unum prize, a national award from the Migration Policy Institute that recognizes exceptional immigrant integration initiatives.²⁵ In particular, HEDC was honored for “helping to provide outstanding economic development opportunities to Latino businesses in

underdeveloped areas of Kansas City.”²⁶ The White House subsequently [honored](#) HEDC as a Champion of Change.²⁷

- The Migration Policy Institute (MPI) [describes](#) HEDC as a model that allows “immigrant entrepreneurs to demonstrate their power to create jobs and revitalize once-distressed urban areas, helping them to navigate start-up and regulatory processes and then go on to operate successful businesses.”²⁸ MPI [states](#) that such efforts at integration can spark economic revitalization, “breathing new vitality into an important city in the U.S. heartland.”²⁹

Endnotes

¹ Robert W. Fairlie, [Open for Business: How Immigrants are Driving Small Business Success in the United States](#) (New York: Partnership for a New American Economy, 2012).

² Ibid.

³ The sample of new immigrant business owners during this time period includes individuals who do not own a business in the first survey month and report starting a business in the second survey month with 15 or more hours worked per week.

⁴ Robert W. Fairlie, [Open for Business: How Immigrants are Driving Small Business Success in the United States](#) (New York: Partnership for a New American Economy, 2012).

⁵ Partnership for a New American Economy, [“Map the Impact of Immigrants Across America: Missouri”](#) (New York: Partnership for a New American Economy, 2013).

⁶ David Dyssegaard Kallick, [Immigrant Small Business Owners: A Significant and Growing Part of the Economy](#) (Washington, DC: Fiscal Policy Institute, 2012).

⁷ Partnership for a New American Economy, [“Map the Impact of Immigrants Across America: Missouri”](#) (New York: Partnership for a New American Economy, 2013).

⁸ Office of Foreign Labor Certification, [Annual Report: October 1, 2010 – September 30, 2011](#) (Washington, DC: U.S. Department of Labor, 2012).

⁹ U.S. Census Bureau, [“State & County Quick Facts: Missouri”](#) (Washington, DC: U.S. Department of Commerce, 2011).

¹⁰ Frederick R. Treyz, Corey Stottlemeyer, and Rod Motamedi, [“Key Components of Immigration Reform: An Analysis of the Economic Effects of Creating a Pathway to Legal Status, Expanding High-Skilled Visas, and Reforming Lesser-Skilled Visas”](#) (Amherst, MA: Regional Economic Models, Inc., 2013).

¹¹ Ibid.

¹² Neil G. Ruiz, Jill H. Wilson, and Shyamali Choudhury, [The Search for Skills: Demand for H-1B Immigrant Workers in U.S. Metropolitan Areas](#) (Washington, DC: The Brookings Institution, 2012).

¹³ Ibid.

¹⁴ Amir Kurtovic, [“Needed: More immigrants. Nukic finds success, but few others do, as St. Louis loses its status as a melting pot”](#) (St. Louis, MO: *St. Louis Business Journal*, June 15, 2012).

¹⁵ Tamar Jacoby, [US Economic Competitiveness at Risk: A Midwest Call to Action on Immigration Reform](#) (Chicago: The Chicago Council on Global Affairs, 2013).

¹⁶ Jack Strauss, [The Economic Impact of Immigration on St. Louis](#) (St. Louis: Simon Center for Regional Forecasting, Saint Louis University, 2012).

¹⁷ David Nicklaus, [“Immigrant entrepreneur sees great opportunity in St. Louis”](#) (St. Louis, MO: *St. Louis Post-Dispatch*, August 21, 2012).

¹⁸ Tamar Jacoby, [US Economic Competitiveness at Risk: A Midwest Call to Action on Immigration Reform](#) (Chicago: The Chicago Council on Global Affairs, 2013).

¹⁹ Ibid.

²⁰ World Trade Center Saint Louis, [“St. Louis Mosaic Project”](#) (St. Louis, MO: World Trade Center Saint Louis, 2013).

²¹ World Trade Center Saint Louis, [“St. Louis Immigration Principles”](#) (St. Louis, MO: World Trade Center Saint Louis, 2013).

²² World Trade Center Saint Louis, [“St. Louis Mosaic Project: Regional Prosperity through Immigration and](#)

[Innovation](#)” (St. Louis, MO: World Trade Center Saint Louis, 2013).

²³ Hispanic Economic Development Corporation, “[About HEDC](#)” (Kansas City, MO: Hispanic Economic Development Corporation, 2013).

²⁴ Migration Policy Institute, “[2011 E Pluribus Unum Winner: Hispanic Economic Development Corporation \(HEDC\)](#)” (Washington, DC: Migration Policy Institute, 2011).

²⁵ Ibid.

²⁶ Kansas City Leadership Examiner, “HEDC receives national award for supporting minority businesses in Kansas City” (Kansas City, MO: Kansas City Leadership Examiner, June 1, 2011).

²⁷ Hispanic Economic Development Corporation, “[White House Honors 2011 E Pluribus Unum Prize Winners as Champions of Change](#)” (Kansas City, MO: Hispanic Economic Development Corporation, 2011).

²⁸ Migration Policy Institute, “[2011 E Pluribus Unum Winner: Hispanic Economic Development Corporation \(HEDC\)](#)” (Washington, DC: Migration Policy Institute, 2011).

²⁹ Ibid.

Immigrant Entrepreneurs in:

Missouri

*In 2010, new immigrant
business owners generated*

**\$650
million**

*in total net
business income*



11,414

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

4.6%

*of business owners in
Missouri are immigrants*

Read more at ImmigrationPolicy.org