



Asian American Federation

NYC'S ECONOMIC ENGINE

CONTRIBUTIONS & CHALLENGES OF
ASIAN SMALL BUSINESSES

DECEMBER 2016



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Welcome

While New York City is the home to numerous major corporations and banks, there are even more small businesses stretching throughout every corner of our city. Many of these businesses are owned by Asian American entrepreneurs. Asian-owned small businesses are an important source of jobs for new immigrants and provide an opportunity to learn skills specific to the American workplace. While this important economic engine is celebrated by leaders and policy makers, there is a seeming lack of support and resources for them to open, sustain and thrive.

During our conversations with elected officials and government agencies, community leaders and small business owners, most have long expressed the desire to see a report that quantifies the contributions and the challenges that Asian owners face in establishing and growing their businesses. But there are also issues that persist from decades of labor practices that have not kept up with the newest standards often embedded in the community. In fact, we have heard from small business owners themselves that they often learn their business practices from their predecessors. The challenge that Asian-owned businesses face are occasional sensationalized through coverage of bad actors, which stigmatizes all Asian-owned businesses.

Our motivation for this report is threefold: 1) to highlight the economic contribution that these Asian owners make to our economy, 2) to dispel some of the misconceptions about small businesses and their operations, and 3) to outline policy changes that can support these businesses to ensure that they continue to grow and thrive. It is incumbent on the community, policy makers, and the owners themselves to highlight the key contributions of Asian businesses, reward those businesses who are implementing best business and labor practices, educate and work with those not in compliance, and punish serial bad actors. This process must be continuous since the Asian community is constantly adding new immigrants who are unversed in the nuances and complexities of New York City's labor and small business environment. We hope that this report, NYC's Economic Engine: Contributions and Challenges of Asian American Businesses, begins an important conversation about the changes needed to support the sustainable growth of Asian-owned businesses and the improvement of job quality for Asian immigrant workers.

The seeds of this report were planted long before the current Presidential election cycle and the negative rhetoric directed toward immigrants and the emphasis on job creation were put to the fore. More than ever, we need to advocate for strong support systems to be in place to ensure that rhetoric does not displace common sense policies that impede economic growth.

We want to express our thanks to the East-West Bank. As the biggest Asian American bank in the country and as supporters of small businesses, they shared our vision for this report and supported our efforts to make this publication a reality as the jumping off point to recognize and celebrate all the small businesses that keep our city's economy humming.

Our special thanks go to our allies -- Stella Aquino, Jonathan Bowles, David Kallick, Stephanie Lau, and Hong Shing Lee -- for their feedback and recommendations for this report.



Jo-Ann Yoo
Executive Director
Asian American Federation

Executive Summary

Asian-owned businesses are a vibrant and essential part of New York City's economy. They provide sources of jobs for new immigrants and cover industries as diverse as Internet tech firms, restaurants, taxi drivers and personal care services. This report will highlight the economic contributions of Asian-owned businesses. Three data sources from the U.S. Census Bureau were used for this report. The Survey of Business Owners covers Asian-owned business data from years 2002, 2007 and 2012. The 2014 American Community Survey five-year data set and the 2000 Census were used to explore self-employed individuals.

Key findings of this report include:

- The number of Asian-owned businesses in New York City grew faster than the overall number of businesses from 2002-2012. In fact, Asian-owned businesses accounted for 31 percent of net new businesses during that time period.
- Asian-owned businesses accounted for about half of net new economic activity (defined as sales, receipts, or value of shipments) in New York City and half of net new paid employment.
- In 2012, average pay per employee for Asian-owned firms was only \$27,794 per year, compared to average pay per employee for all firms of \$74,911 per year. The pay gap could be due to myriad reasons. The average pay for all firms includes publicly traded corporations able to support higher pay. Asian-owned firms were more likely to be smaller firms because of the way ethnic ownership is defined. Finally, Asian-owned firms were more likely to be in the services sectors with lower wages overall.
- Asian-owned businesses were concentrated in service sectors, including taxi and limousine services, retail, personal care services including beauty and nail salons, food services, and construction.
- Asian-owned businesses were better able to shake off the impact of the 2008 Financial Crisis. From 2007 to 2012, Asian-owned businesses posted gains in economic activity and payroll while the city overall saw declines.
- While Asian-owned businesses in real estate and financial services had major declines in economic activity and employment from 2007 to 2012 that paralleled the wider economy, the apparel manufacturing industry which previously provided low-skilled immigrants with access to jobs with union wages and benefits also continued to shed businesses and jobs.
- While almost half of all Asian-owned businesses were based in Queens, almost half of all economic activity by Asian-owned businesses originated in Manhattan.
- Self-employment may be the option some Asian workers take because they are shut out of the mainstream job market due to language skills or citizenship status. More than half (54 percent) of self-employed Asians had limited English proficiency. Self-employed Asians also were more likely to be non-citizens.

Executive Summary

- Self-employed Asians had lower median wages and earnings compared to non-Asians. Median wages and earnings for self-employed Asians was \$24,202 per year compared to \$26,624 for non-Asians.
- While Chinese-owned businesses accounted for almost half of all Asian-owned businesses, the largest growth in the number of businesses occurred among Japanese- and Other Asian-owned businesses.¹
- Based on self-employment data, Bangladeshi and Pakistani owners made up the bulk of Other Asian business owners.

In order to address the increasing diversity and needs among Asian-owned businesses, the Federation recommends that the City:

- Address the growth and diversity among Asian small businesses. The government needs to tackle the diversity of languages spoken in the city and build comprehensive and robust assistance programs that reach all of potential entrepreneurs in the Asian community.
- Improve awareness of existing programs that help Asian-owned business comply with rules and regulations by creating a single point of contact for Asian-owned business owners and working with chambers of commerce, business associations, and other organizations to provide education on the rules and regulations relevant to the small businesses.
- Create new programs or enhance and promote existing ones that support the expanse of small businesses
 - Bring small business resources closer to the community.
 - Streamline MWBE certification process and open up the city's small business procurement process.
 - Expand or create programs to improve access to funding.
 - Help businesses reach customers outside of their immediate community through programs and diversify beyond the current concentrated mix of industries and markets.
- Develop training programs that improve the skills of small business workers
 - Increase the availability of English classes that address workplace needs.
 - Design workforce training programs that are more closely aligned with small business needs.
 - Leveraging the relationships and trust developed by community-based organizations is especially important to identifying the labor needs of Asian-owned-businesses.

¹ "Other Asian" in this context means any Asian group other than Chinese, Filipino, Indian, Japanese, Korean, or Vietnamese, the six largest groups nationally.

Introduction

Asian Americans in New York City were the fastest growing major race and ethnic group, growing 50 percent from 2000 to 2015. Asians are now 15 percent of New York City's population. This rapid growth has had a major impact on the economy of New York City, providing both willing workers, as well as entrepreneurs eager to make a new life for themselves. As a consequence, the city has seen a boom in the number of Asian-owned firms in the city, contributing almost half of new increases in private sector employment and economic activity.

This report seeks to quantify the contributions Asian-owned firms are making to the city's economy. We will highlight the types of businesses Asians operated in the city, economic activity, jobs and payroll generated by these businesses. The report is divided into seven sections. The first section presents an overview of Asian-owned businesses across New York City, followed by a section examining the industries represented by Asian-owned businesses. The third section looks at the impact of the 2008 Financial Crisis on Asian-owned businesses. The fourth section presents Asian-owned businesses by borough. We shift gears in the fifth section to examine the self-employed from the American Community Survey. The sixth section reports on the differences among the largest Asian groups in the city. Finally, we conclude with a series of policy recommendations.

The sources used in this report include the Survey of Business Owners (SBO) and the American Community Survey (ACS), both products of the U.S. Census Bureau. The SBO is conducted as part of the Economic Census every five years for years ending in 2 and 7. The SBO is a survey of all firms with receipts of \$1,000 or more, excluding businesses in agriculture; rail; funds and trusts; certain non-profits, like religious, grantmaking, civic, and professional organizations; private households; and the government sector, include semi-public institutions such as the Postal Service. For New York City, the SBO presents data for major industry groups, major race and ethnic groups, and some of the larger Asian groups by borough.

The SBO classified a firm as Asian-owned if more than half the stock or equity in the business is directly owned by up to four persons who identified as Asian. So a publicly traded company with four Asians owning more than half the stock would be classified as Asian-owned in this data set.

The SBO does not present data at the city level by firm size. However, because of the way ethnic ownership of firms is identified, most of the data for Asian-owned firms covers smaller businesses.

The American Community Survey has data on the self-employed, both those who are incorporated and those who are unincorporated. The ACS provides more detailed industry data and socioeconomic data on the self-employed. We will also seek out the differences between incorporated and unincorporated business owners.

Overview of New York City

Number of Firms

- The number of Asian-owned firms in New York City grew by 72 percent between 2002 and 2012, from 112,441 to 193,768. This growth outpaced the growth in total firms in New York City, which was only 33 percent.
- Asian firms accounted for 31 percent of the net change in the number of firms in all of New York City during this period.
- Asian firms made up 18 percent of all firms in New York City in 2012, up from 14 percent in 2002.

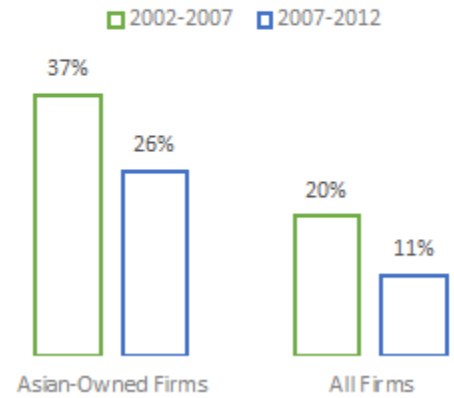
Economic Activity

- Economic activity (defined as sales, receipts, and value of shipments) by Asian-owned firms in New York City was \$49 billion in 2012.
- Economic activity by Asian-owned firms grew by 80 percent from 2002-2012, compared to a citywide rate of 4 percent.
- Asian-owned firms accounted for 48 percent of the net increase in economic activity in New York City from 2002-2012.
- As a result, the share of economic activity from Asian firms nearly doubled from just over 2 percent of total citywide economic activity in 2002 to just over 4 percent in 2012.

Paid Employees

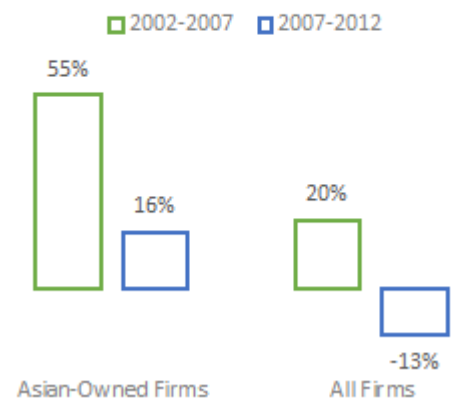
- Asian-owned firms accounted for 234,585 paid employees in 2012. Citywide, all firms covered by the SBO had 3.5 million paid employees in 2012.
- Between 2002 and 2012, Asian-owned firms added a net of 117,375 paid employees to New York City's economy. These jobs accounted for 52 percent of all net new jobs for the entire city.
- For Asian-owned firms with employees, the payroll grew by 66 percent from 2002-2012, becoming \$6.5 billion in 2012. Among all firms with employees, payroll only grew by 7 percent during the same time period.

Growth in Number of Firms



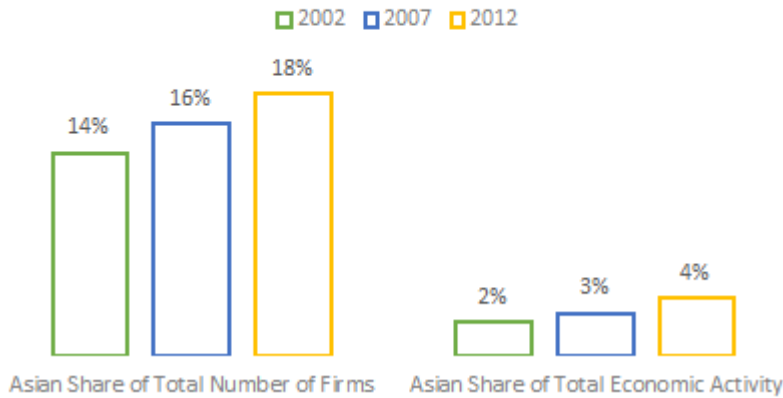
Asians-owned firms accounted for half of net increase in paid employment.

Change in Economic Activity



Overview of New York City

Asian-Owned Share of NYC Economy



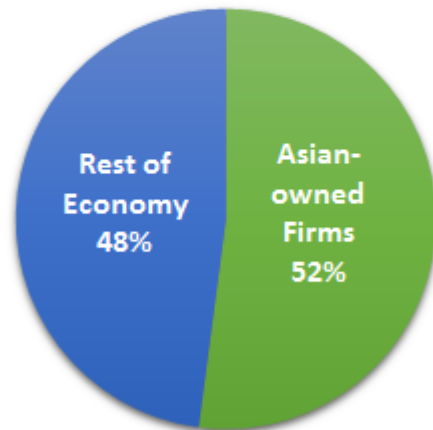
Asian-owned firms accounted for half of net increase in economic activity.

- Asian-owned firms with employees accounted for 14 percent of net payroll growth among all firms during this time.
- Unfortunately the average pay per employee among Asian-owned firms is lower than the average pay per employee among all firms. In 2012, average pay per employee for Asian-owned firms was only \$27,794 per year, compared to average pay per employee for all firms of \$74,911 per year. Both these figures represent a fall from their peak of \$35,870 for employees in Asian-owned firms and \$80,270 for all firms in 2007, before the 2008 Financial Crisis.
- The pay gap could be due to myriad reasons. The average pay for all firms includes publicly traded corporations able to support higher pay. Asian-owned firms were more likely to be smaller firms because of the way ethnic ownership is defined. Finally, Asian-owned firms were more likely to be in the services sectors with lower wages overall.

Share of Net Change in Economic Activity, 2002-2012

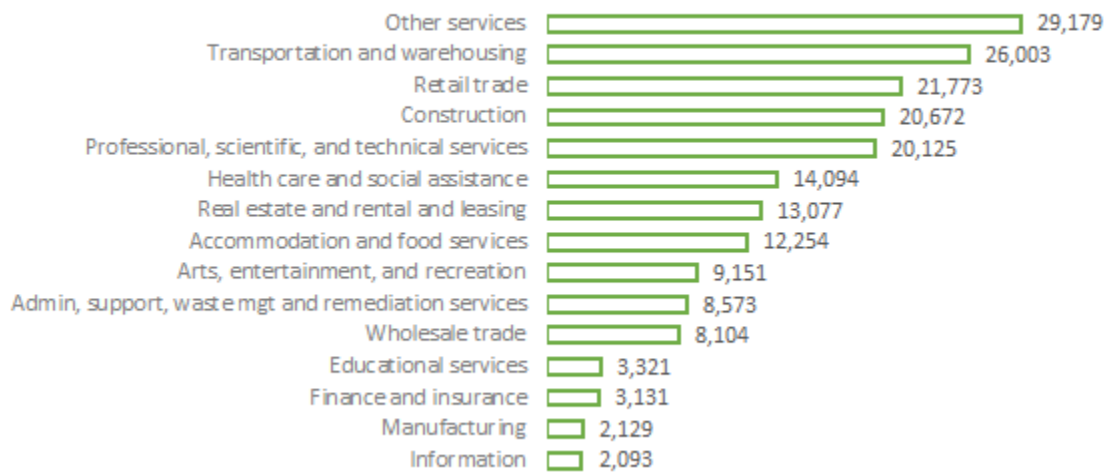


Share of Net Change in Employment, 2002-2012



Industry Sector

Number of Asian-Owned Firms, 2012



Number of Firms by Industry

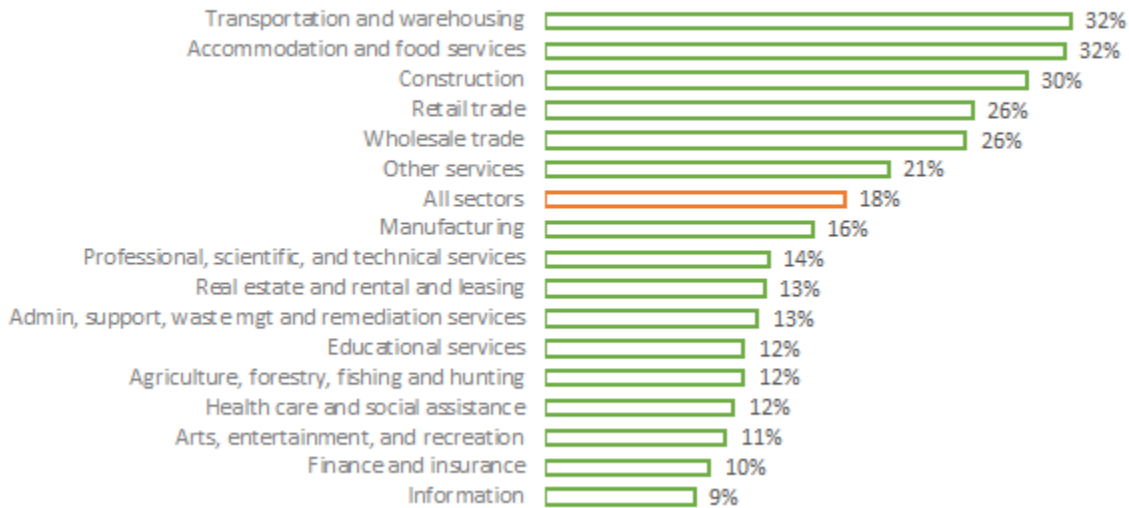
- Industry sector data was only available for 2007 and 2012 for Asian-owned firms.
- In 2012, the industries with the most Asian-owned firms were other services, transportation and warehousing, and retail trade.
- Asian-owned firms were the largest share of transportation and warehousing, accommodation and food services, and construction, where nearly one in three firms were Asian-owned. Over one in four firms were Asian-owned in retail trade and wholesale trade. Over one in five firms were Asian-owned in the other services industry sector.²

Almost 1 in 3 firms in transportation and warehousing, accommodation and food services, and construction were Asian-owned.

² "Other services" industry sector is a term defined by the North American Industry Classification System (NAICS) as a catch-all category of service sectors not separately defined. These include firms that are involved in maintenance and repair, and personal and laundry services for the purposes of the Survey of Business Owners data.

Industry Sector

Asian Share of Industry, 2012



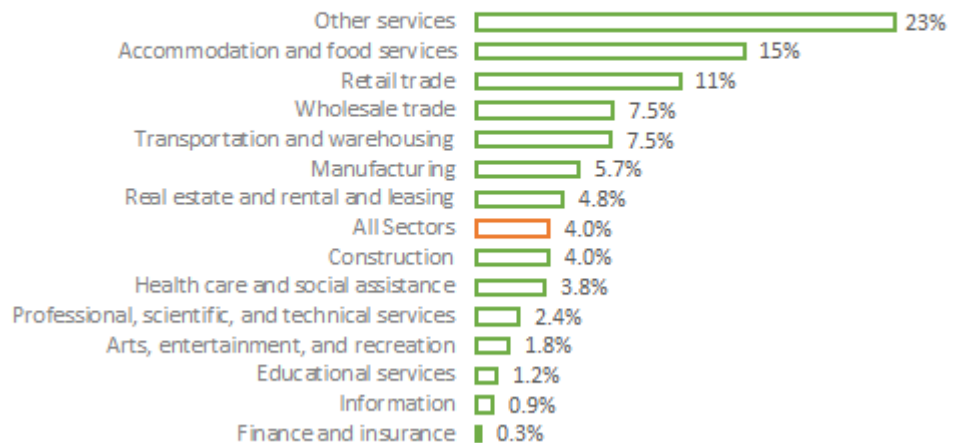
- The only industry sector that saw a drop in the number of Asian-owned firms from 2007-2012 was manufacturing, which saw a drop of 249 firms during that time. All of the decline came from firms without paid employees.

Economic Activity

- Asian-owned firms accounted for 23 percent of economic activity in the other services sector, 15 percent of economic activity in accommodation and food services, and 11 percent in retail trade.

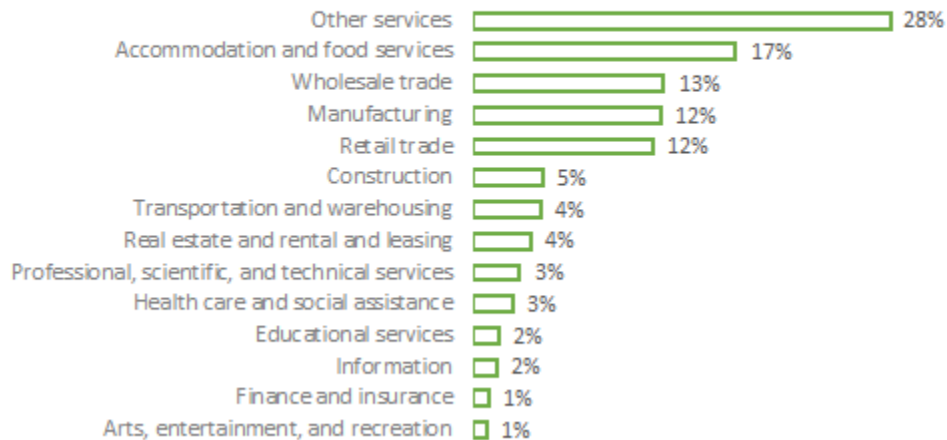
Asian-owned firms account for one-quarter of economic activity in the other services sector.

Asian-owned Firms Share of Economic Activity, 2012



Industry Sector

Asian-owned Firms Share of Paid Employment, 2012



Asian-owned firms accounted for 28 percent of paid employees in the other services sector.

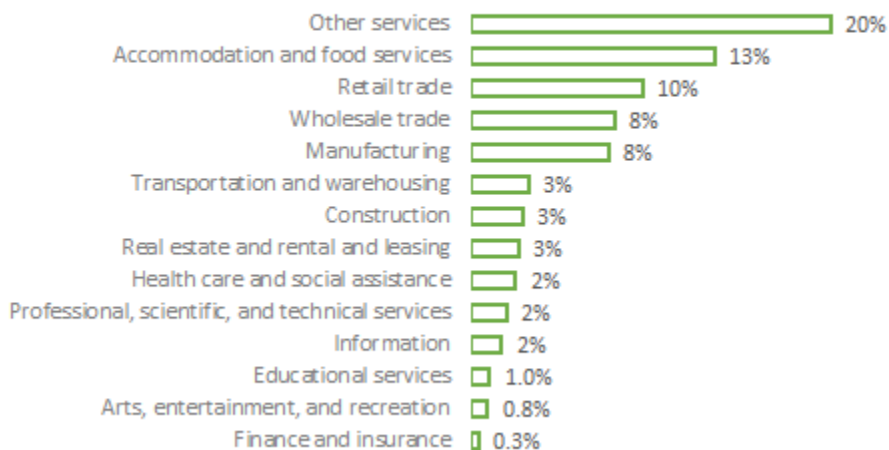
Paid Employment

- The share of paid employment by Asian-owned firms was highest in the other services, accommodation and food services, and wholesale trade sectors.

Payroll

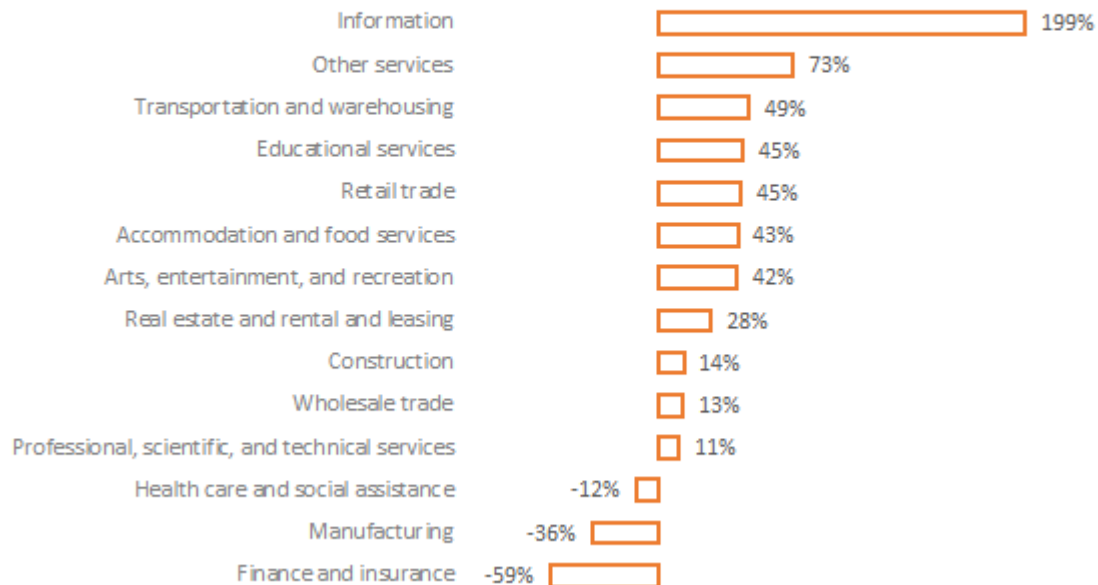
- Asian-owned firms accounted for 20 percent of payroll for the other service industry sector, 13 percent of accommodation and food services, and 10 percent of retail trade.

Asian-Owned Firms Share of Payroll, 2012



Impact of 2008 Financial Crisis

Change in Economic Activity of Asian-Owned Firms, 2007-2012



Number of Firms

- Asian-owned firms without employees maintained their pre-Financial Crisis growth rate. Growth in economic activity between 2002 and 2007 of 31 percent matched the growth between 2007 and 2012.

Economic Activity

- While the overall economic activity by firms in the city fell in by 13 percent in real terms from 2007 to 2012, Asian firms continued to grow overall, but at a slower 16 percent rate compared to the 55 percent rate from 2002 to 2007.
- Asian-owned firms in the finance and insurance sector, the manufacturing sector, and health care and social assistance sector had declines in economic activity from 2007-2012. The information sector and other services sectors had the greatest growth in economic activity from 2007-2012.

Asian-owned firms were better able to weather the Financial Crisis.

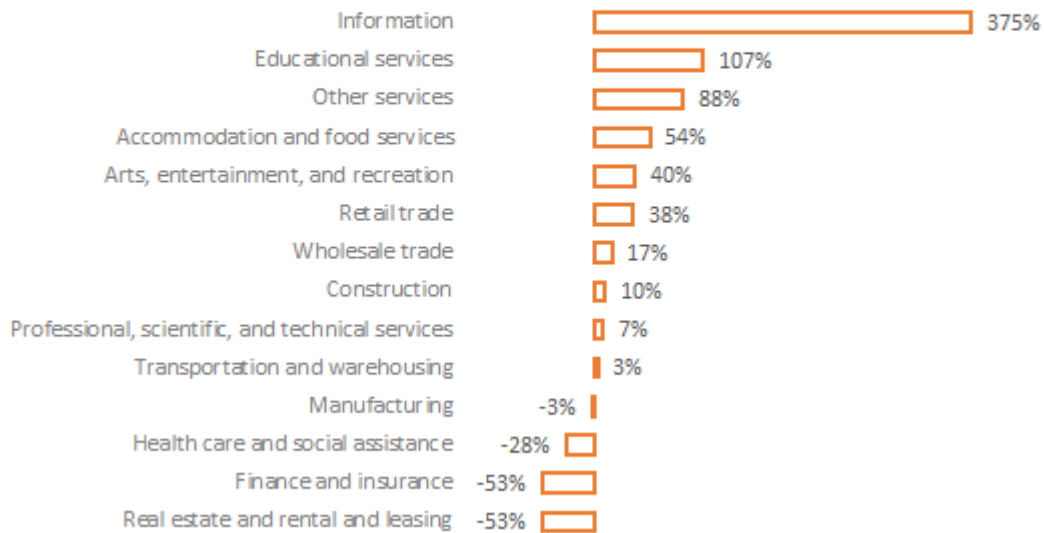
Impact of 2008 Financial Crisis

Payroll

- Asian-owned firms continued to add to payroll with total payroll growing 13 percent from 2007 to 2012, while all firms in New York City saw total payroll fall by 4 percent.
- From 2007 to 2012, information and educational services saw payrolls double among Asian-owned firms. Meanwhile, the impact of the financial crisis led to real estate, rental and leasing sector and the finance and insurance sector see payroll drop by more than 50 percent.

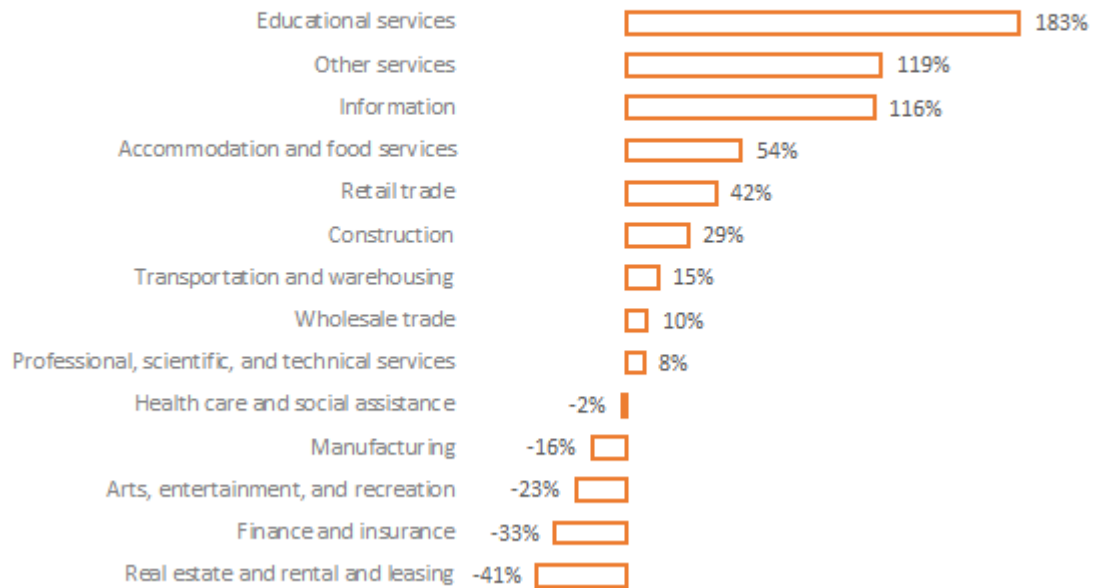
Asian-owned firms added to payroll while firms overall reduced payroll.

Change in Payroll of Asian-owned Firms, 2007-2012



Impact of 2008 Financial Crisis

Change in Paid Employment of Asian-Owned Firms, 2007-2012



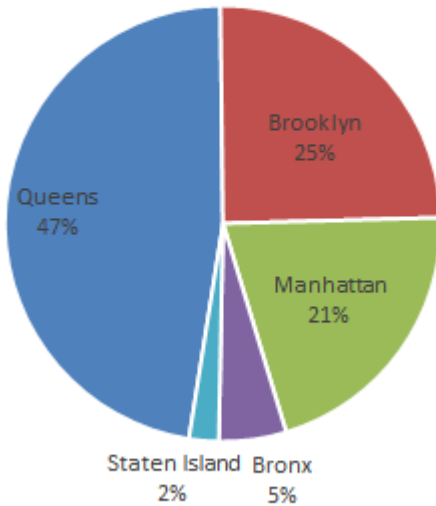
Paid Employees

- Asian-owned firms expanded the rate of hiring during 2007 to 2012, compared to 2002-2007. In 2007 to 2012, Asian-owned firms added 46 percent more paid employees, compared to 37 percent more in the earlier period. Overall, firms in New York City only added 3 percent more paid employees from 2007 to 2012.
- Asian-owned firms had more than doubled in paid employment in the educational services, other services, and information industry sectors. The hardest hit industries citywide during the financial crisis were also the hardest hit industries among Asian-owned businesses. Real estate, rental and leasing sector and the finance and insurance sector both had the highest paid employment losses among Asian-owned businesses. Manufacturing also saw job losses.

Employment in Asian-owned firms grew at a faster rate from 2007-2012.

Borough

Borough Share of Asian-Owned Firms, 2012

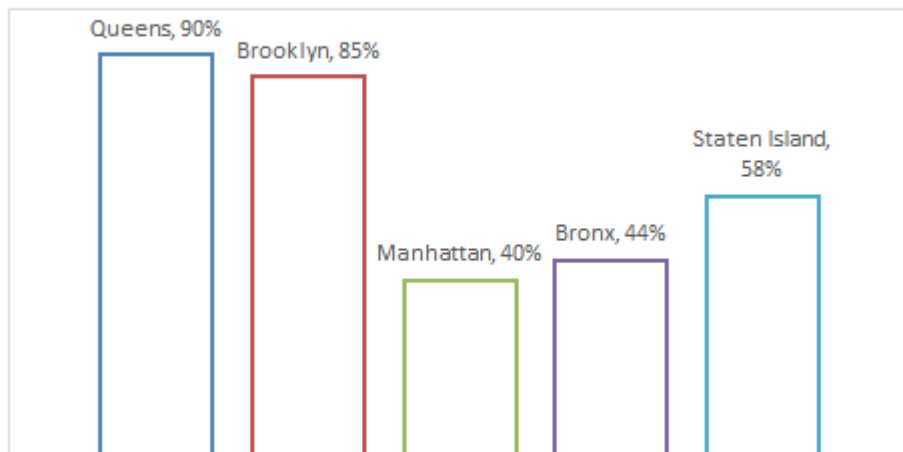


Number of Firms

- Queens borough had almost half of all Asian-owned firms in New York City. Brooklyn had a quarter, and Manhattan had a fifth.
- While the number of Asian-owned firms in Queens and Brooklyn almost doubled, the number of Asian-owned firms in Staten Island grew at a faster rate than in the Bronx and Manhattan.

Almost half of all Asian-owned firms in the city were based in Queens.

Growth in Asian-owned Firms, 2002-2012

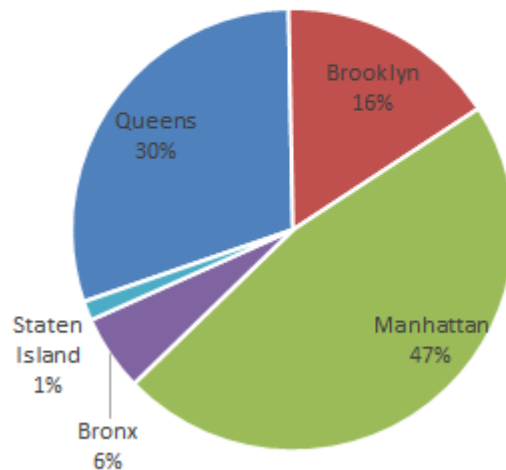


Economic Activity

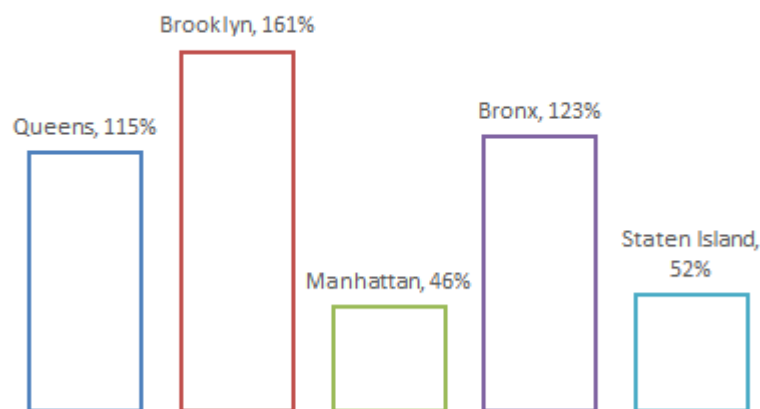
- While Queens had the largest number of Asian-owned firms, firms in Manhattan had nearly half of all economic activity among Asian-owned firms in New York City, followed by Queens and Brooklyn.
- Asian-owned firms in Brooklyn, Queens, and the Bronx more than doubled their economic activity from 2002 to 2012.

About half of economic activity by Asian-owned firms in the city was based in Manhattan.

Borough Share of Asian-owned Firm Economic Activity, 2012

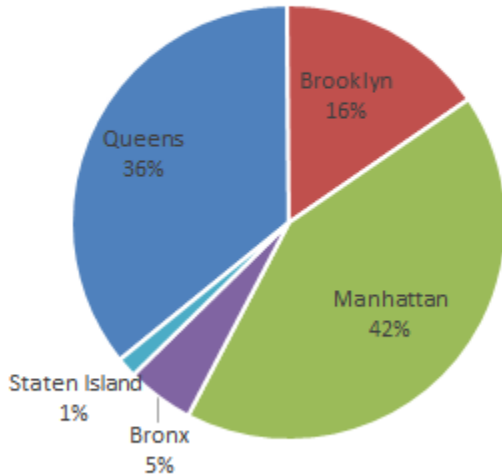


Growth in Asian-owned Firm Economic Activity, 2002-2012



Borough

Borough Share of Asian-owned Firm Paid Employees, 2012



Change in employment

Firms in Manhattan and Queens had the largest share of paid employment in Asian-owned firms.

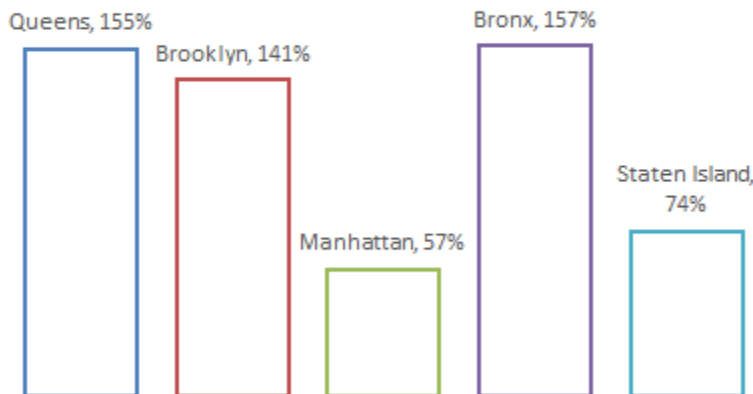
Asian-owned firms in Brooklyn, Queens, and the Bronx more than doubled their paid employment from 2002 to 2012.

Change in payroll

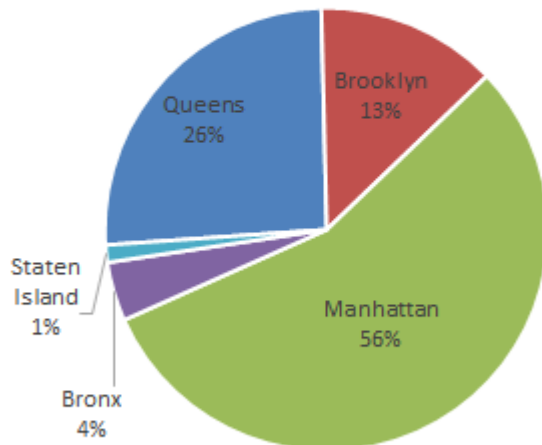
Manhattan firms had well over half of the city's annual payroll of Asian-owned firms, while Queens had only a quarter and Brooklyn had only an eighth, pointing to pay disparities in Asian-owned firms between Manhattan jobs and jobs in the outer boroughs, largely due to the types of industries in which Asian-owned firms were operating in each borough.

Asian-owned firms in Brooklyn, Queens and the Bronx more than doubled their paid employment.

Growth in Asian-owned Firm Paid Employment, 2002-2012



Borough Share of Asian-owned Firm Annual Payroll, 2012

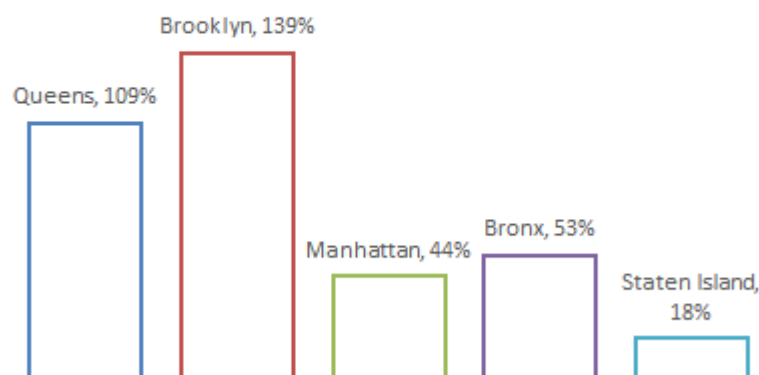


Largest industry by number of firms in each borough

Most of the industries in each borough with the most number of firms were service sector. The exceptions were professional, scientific and technical services in Manhattan and Brooklyn; construction in Brooklyn and Queens; real estate and rental and leasing in Manhattan and health care and social assistance in Queens.

- Bronx – Retail trade; other services; transportation and warehousing; and accommodation and food services.
- Brooklyn – Other services; construction; transportation and warehousing; retail trade; and professional, scientific, and technical services.
- Manhattan – Professional, scientific, and technical services; other services; retail trade; and real estate and rental and leasing.
- Queens – Transportation and warehousing; other services; construction; retail trade; and health care and social assistance.
- Staten Island – Transportation and warehousing; other services; and retail trade.

Growth in Asian-owned Firm Annual Payroll, 2002-2012



Self-Employed

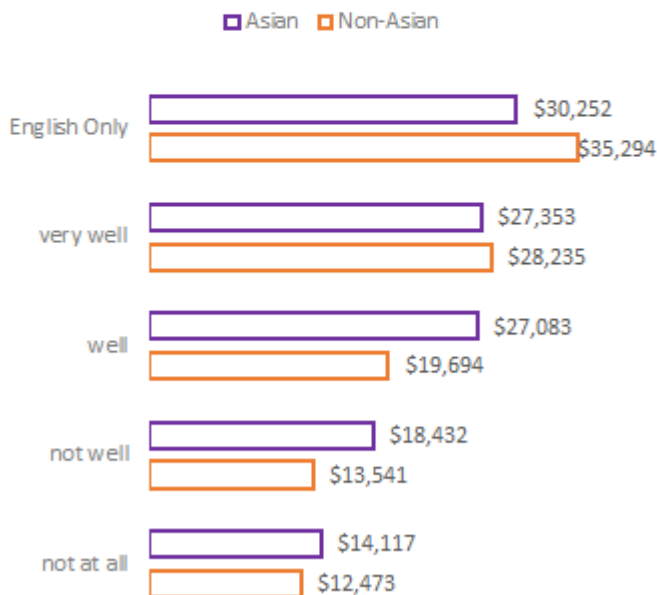
Self-Employment in Asian Population

- From the American Community Survey, we find that one in ten Asian workers identified as self-employed. A similar fraction of the non-Asian population also identified as self-employed. The number of Asians workers who were self-employed grew by 41 percent from 2000 to 2014.
- The self-employed Asians were more likely to be incorporated than self-employed non-Asians, with 39 percent of self-employed Asians incorporated compared to 30 percent of non-Asians.

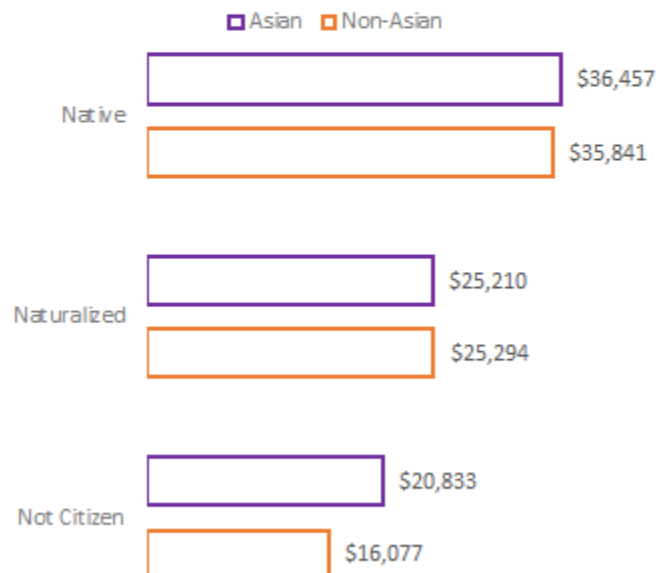
Wages and Earnings

- Self-employed Asians had lower median wages and earnings compared to non-Asians. Median wages and earnings for self-employed Asians was \$24,202 per year compared to 26,624 for non-Asians.
- The acquisition of some English skills seems to have a large impact on self-employed Asians than self-employed non-Asians. While self-employed non-Asians who only spoke English well had much lower median incomes than self-employed non-Asians who spoke English very well, the difference in median incomes between self-employed Asians who spoke English very well and those who spoke English well was very small.
- Citizenship, whether native or naturalized, resulted in higher median wages and earnings for the self-employed. However, self-employed Asians who were not yet citizens had higher median wages and earnings than self-employed non-Asians who were not citizens.

Median Wages and Earnings for Self-Employed, by English Ability, 2014

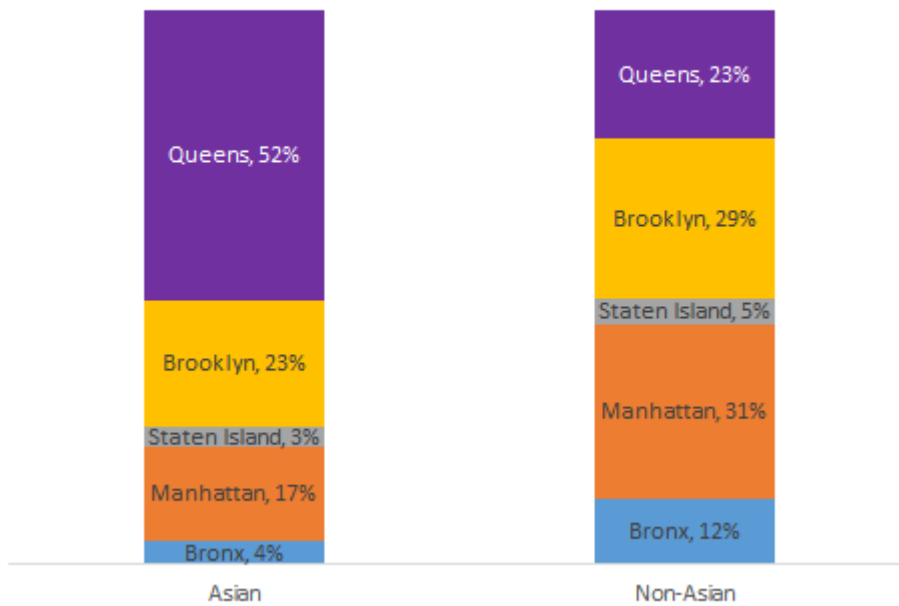


Median Wages and Earnings for Self-Employed, by Citizenship, 2014



Self-Employed

Self-Employed by Borough, 2014



More than half of self-employed Asians lived in Queens.

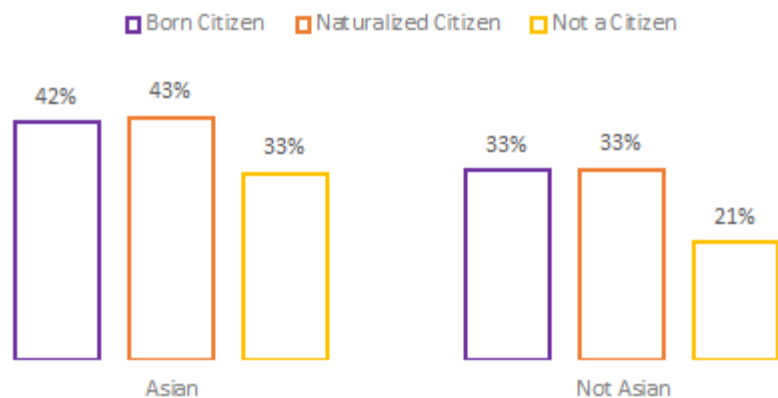
Borough

- More than half of self-employed Asians lived in Queens. In the non-Asian population, about 30 percent of self-employed lived in Manhattan and Brooklyn each, with about one in four self-employed living in Queens.

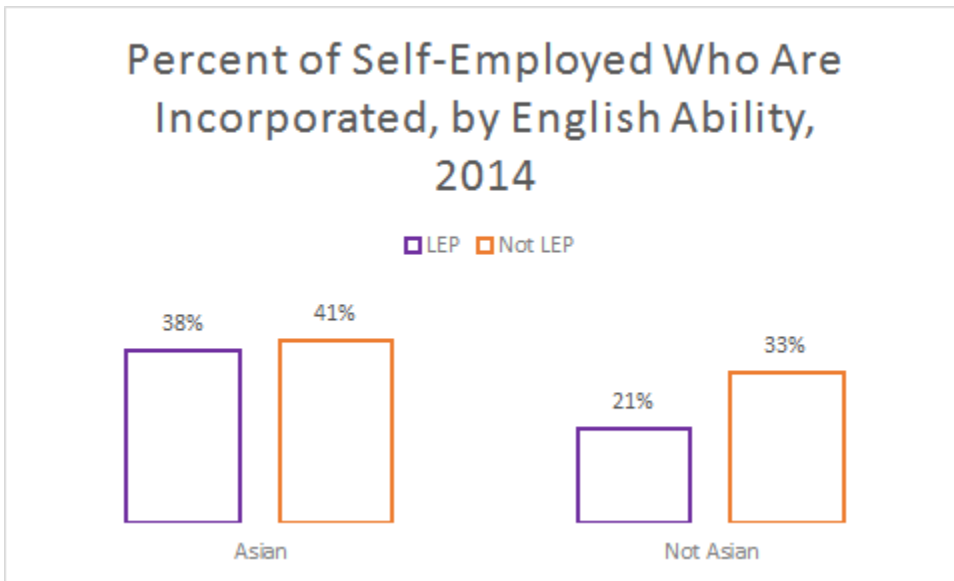
Citizenship

- Immigrant Asians were more likely to be self-employed than natural-born Asians. While 7 percent of natural-born Asians were self-employed, 12 percent of naturalized Asians and 10 percent of non-citizen Asians were self-employed.
- In general, self-employed citizens were more likely to be incorporated than non-citizens, although Asians overall had higher incorporation rates than self-employed non-Asians.

Percent of Self-Employed Who Are Incorporated, by Citizenship, 2014



Self-Employed



Self-employed with LEP were less likely to be incorporated.

Language Ability

- Self-employed Asians were more likely to have limited English proficiency (LEP) than Asian workers in general. Over half of self-employed Asians (54 percent) were LEP compared to 44 percent of Asians who work for wages. Among non-Asians, about 23 percent of self-employed and 18 percent of those who work for wages were LEP.
- Self-employed with LEP were less likely to be incorporated than non-LEP self-employed, although the gap between LEP and non-LEP self-employed Asians was much smaller.

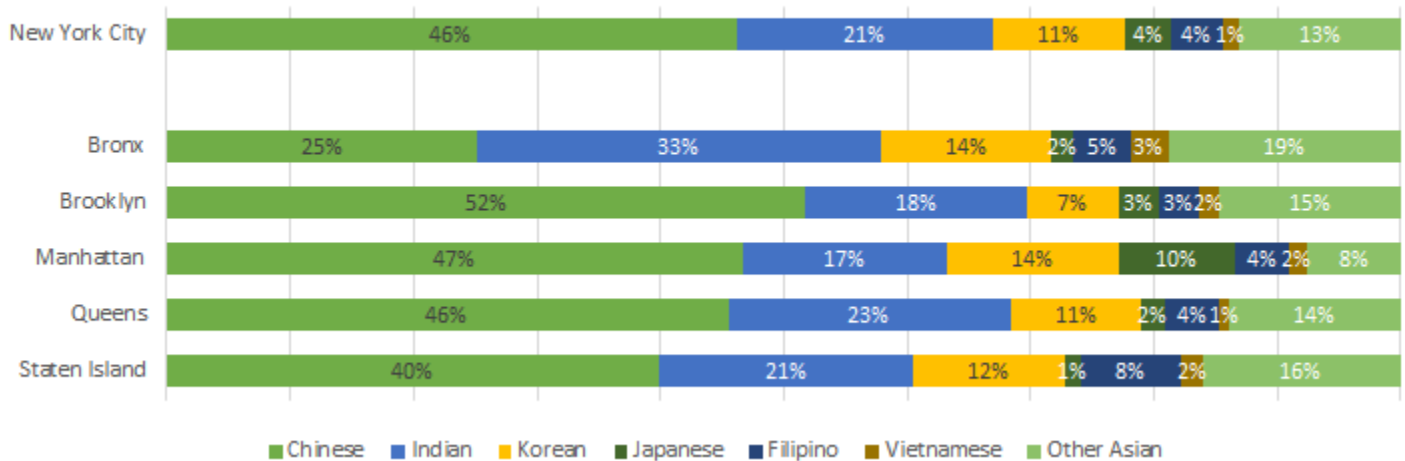
Industry Sector

- Taxi and limousine service and construction industry sectors remained the top two industries where self-employed Asians work between 2000 to 2014.
- Grocery stores, cut and sew apparel manufacturing, and not specified wholesale trade were three industry sectors which were top ten in 2000, but were replaced by private households, real estate, and specialized design services in 2014. Grocery stores were the eleventh largest industry sector for self-employed Asians in 2014.

2000 Top Industries	2014 Top Industries
Taxi and limousine service	Taxi and limousine service
Construction	Construction
Dry cleaning and laundry services	Restaurants and other food services
Restaurants and other food services	Performing arts, spectator sports, and related industries
Grocery stores	Child day care services
Performing arts, spectator sports, and related industries	Private households
Nail salons and other personal care services	Real estate
Cut and sew apparel manufacturing	Drycleaning and laundry services
Child day care services	Nail salons and other personal care services
Not specified wholesale trade	Specialized design services

Asian Groups

Share of Asian-Owned Firms by Ethnicity and Geography, 2012



Firms Citywide

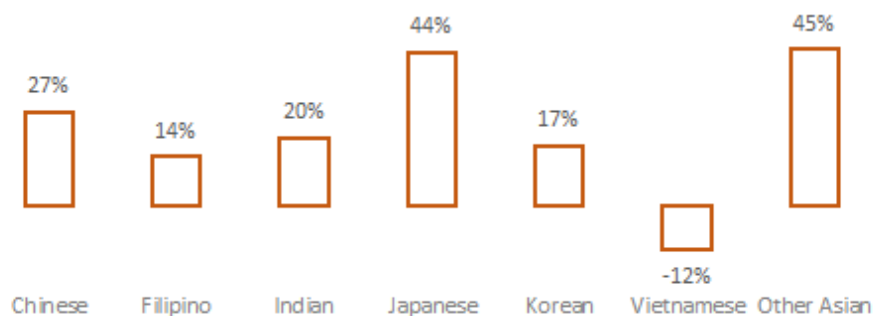
- Almost half of Asian firms in New York City were Chinese-owned.
- Other Asians were the third largest group of owners behind Indians. In New York City, the largest Other Asian groups were Bangladeshis and Pakistanis.
- Other Asians and Japanese were also the fastest growing groups of Asian-owned firms from 2007 to 2012.

Firms by Borough

- Queens was the home to the largest number of firms for almost all Asian ethnicities. The exceptions were Manhattan which had the most Japanese-owned firms and Brooklyn which had the most Vietnamese-owned firms.
- In the Bronx, Indian-owned firms were one in three Asian-owned firms, while Other Asian-owned firms were almost one in five Asian-owned firms.

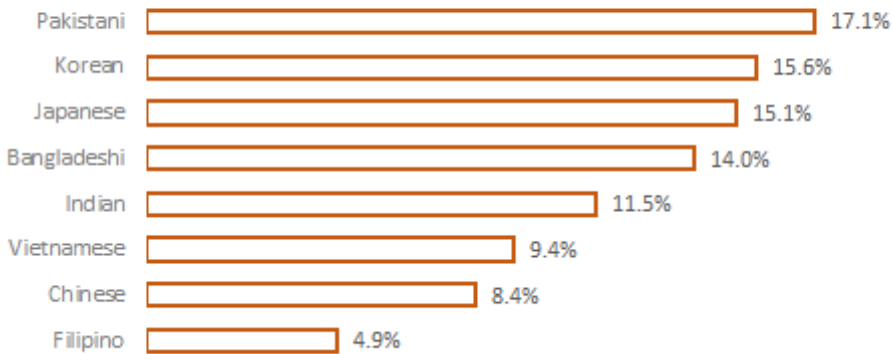
Other Asians were the fastest growing group of Asian-owned firms.

Growth in Number of Firms, 2007-2012



Asian Groups

Percent of Workers Who Were Self-Employed, 2014



Bangladeshis and Pakistanis were a large majority of Other Asian entrepreneurs.

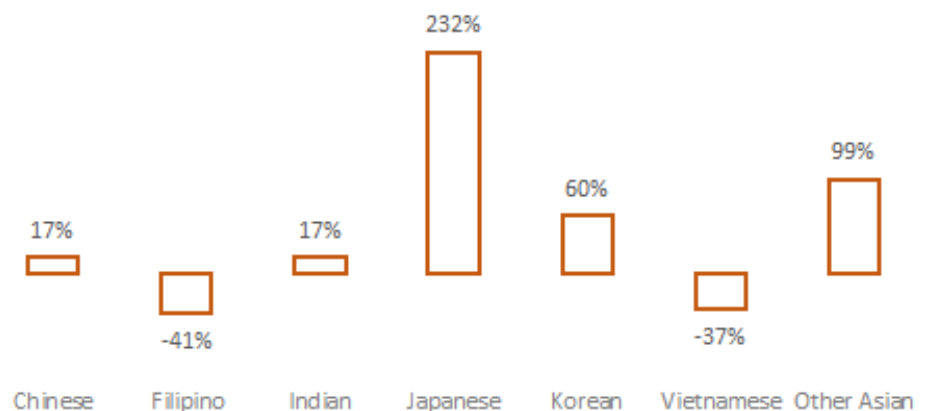
Self-employed

- Self-employment data from the ACS reveals that Bangladeshis accounted for 38 percent of Other Asians who were self-employed and Pakistanis accounted for another 35 percent.
- Pakistanis were the Asian group most likely to be self-employed, followed by Koreans, Japanese and Bangladeshis.

Economic Activity

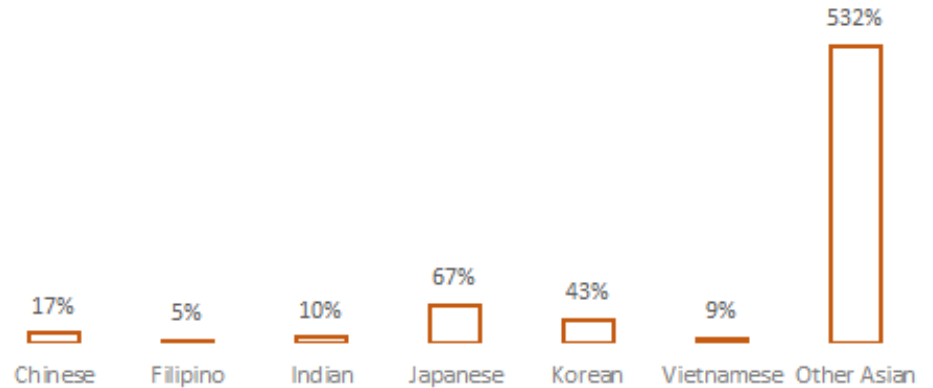
- Chinese firms accounted for the largest amount of economic activity in 2012, over \$18 billion in sales, receipts and value of shipments. Indian firms followed closely with \$14 billion, and Korean with \$9 billion.
- Japanese firms had the largest growth in economic activity from 2007 to 2012.
- Filipino and Vietnamese firms had declines in economic activity from 2007 to 2012.

Growth in Economic Activity, 2007-2012



Asian Groups

Growth in Employment, 2007-2012



Employment

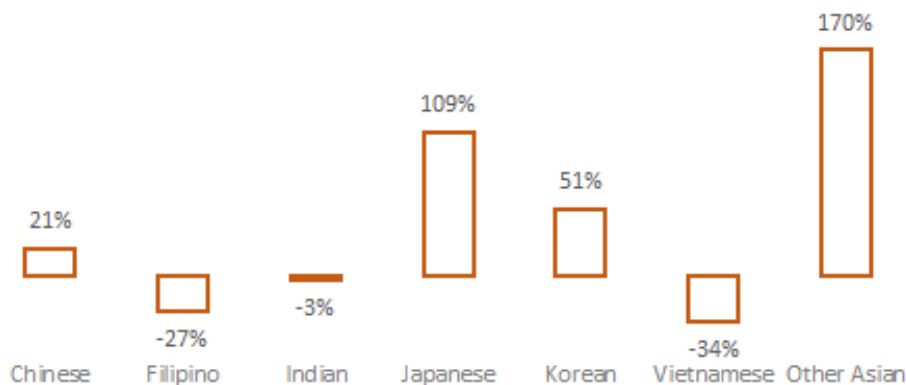
- Chinese firms were the largest employers among Asian-owned firms in 2012 with 87,721 employees. Other Asian firms accounted for 49,113 paid employees, and Korean and Indian firms each had almost 41,000 paid employees.
- Other Asians had the fastest growth in employment from 2007 to 2012 among Asian-owned firms.

Payroll

- Chinese firms had the highest payrolls among Asian-owned firms in 2012, with \$2.5 billion in payroll. Indian firms had \$1.6 billion, Koreans had \$1.2 billion, and Other Asians had \$700,000.
- Other Asians had the fastest growth in payroll from 2007 to 2012 among Asian-owned firms.
- Filipino and Vietnamese firms saw drops in overall payroll from 2007 to 2012.

Chinese firms remain the largest group in employment and payroll.

Growth in Payroll, 2007-2012



Asian Groups

The SBO only presents results for major industry groups. The ACS has much more detailed industry data for those reporting self-employment. The data does not cover all Asian business owners, but does suggest which specific industries are dominant in the larger major industry categories. For example, restaurants were the most common industry within “accommodation and food services” for Asian-owned businesses in New York City.

Largest Industries by Number of Asian-Owned Firms From SBO	Corresponding Largest Detailed Industries by Number of Self-Employed Asians From ACS
Chinese	
Other services	1. Drycleaning and laundry services 2. Nail salons and other personal care services
Construction	Construction
Retail trade	Grocery stores
Professional, scientific, and technical services	Management, scientific, and technical consulting services
Accommodation and food services	Restaurants and other food services
Real estate and rental and leasing	Real estate
Transportation and warehousing	Taxi and limousine service
Health care and social assistance	Child day care services
Filipino	
Health care and social assistance	1. Child day care services 2. Offices of physicians
Professional, scientific, and technical services	1. Services to buildings and dwellings 2. Business support services
Indian	
Transportation and warehousing	Taxi and limousine service
Retail trade	Grocery stores
Health care and social assistance	Child day care services
Construction	Construction
Japanese	
Arts, entertainment, and recreation	Performing arts, spectator sports, and related industries
Professional, scientific, and technical services	Specialized design services
Other services	Beauty salons
Korean	
Other services	1. Drycleaning and laundry services 2. Nail salons and other personal care services
Retail trade	1. Specialty food stores 2. Grocery stores
Professional, scientific, and technical services	Specialized design services
Vietnamese	
Other services	1. Nail salons and other personal care services 2. Beauty salons
Other Asian (Primarily Bangladeshi and Pakistani in NYC)	
Transportation and warehousing	Taxi and limousine service
Other services	Nail salons and other personal care services
Construction	Construction
Retail trade	Grocery stores
Accommodation and food services	Restaurants and other food services

Recommendations

The following recommendations were drawn together from recommendations made in two reports by the Center for an Urban Future (CUF), *Scale Up New York* and *A City of Immigrant Workers* and feedback from member agencies and other allies active in community development.

Address the growth and diversity among Asian small businesses.

- The government needs to tackle the diversity of languages spoken in the city and build comprehensive and robust assistance programs that reach all of potential entrepreneurs in the Asian community.
- Programs need to be tailored to the specific needs of different Asian business communities and the industries they are in.

Improve awareness of existing programs that help Asian-owned business comply with rules and regulations.

- Create a single point of contact for Asian-owned business owners to learn about the programs and resources available to them and about how to comply with the rule and regulations governing their industry. Place these single points of contact within the communities they serve.
- Outreach about these resources needs to be provided in-language and leverage trusted entities, like business associations and community-based organizations.
- Take opportunities when available to inform businesses of available services. For example, when someone incorporates their business, the government should send along a guide relevant to all the labor, safety and health standards they need to comply with, the small business assistance programs that are available, and other relevant information.
- The government needs to work with chambers of commerce, business associations, and other organizations to provide education on the rules and regulations relevant to the small businesses.
- Bring opportunities for compliance to the community. In the past, one-off compliance assistance days were offered in the neighborhoods to help small business owners deal with citations. Many of these owners have limited English and did not know where to go to deal with compliance issues. By bringing compliance officers and targeted language assistance to the community to deal with outstanding issues and working with trusted community groups, small business owners were able to both efficiently resolve those issues and learn about how to comply with regulations and avoid future citations.

Recommendations

Create new programs or enhance and promote existing ones that support the expansion of small businesses.

- Decentralize small business assistance centers and have more staff in the field. For example, Flushing has one of the highest concentrations of Asian-owned businesses. Yet the closest small business assistance centers are in Jamaica and Astoria. Small business owners often do not have time to travel far to get assistance and will look to more local resources. Placing assistance programs in partnership with community groups leverages existing relationships with the business community and makes it more likely small businesses will seek out assistance.
- Develop roadmaps for small business owners to grow and scale up their businesses through peer-to-peer sharing networks.
- Streamline MWBE certification process and improve outreach to immigrant businesses regarding the city's small business procurement process. Increased access can be done via targeted vendor fairs, improved language access, and extended MWBE certification assistance.
- Expand or create programs to improve access to funding. CUF cites programs such as the Capital Access program as a way to incentivize loans to small businesses. Encourage banks and other credit institutions to consider alternative methods of determining credit-worthiness.
- Help businesses reach customers outside of their immediate community and the Asian business community to diversify beyond the current concentrated mix of industries to create more sustainable communities and business environments.
- Create referral services for hiring employees, identifying promising physical spaces, and accessing technical assistance.

Develop training programs that improve the skills of small business workers.

- As mentioned in CUF's reports, current training programs are geared more towards large employers. Working with community-based partners, new programs must identify the labor needs of the business community and the skill gap in the labor pool. The end result is to help workers become gainfully employed and businesses acquire the staff they need to grow their businesses.
- Increase the availability of adult English for Speakers of Other Languages (ESOL) programs to help both owners and workers gain language skills to help expand their economic opportunities.
- Help owners understand that improve job quality and labor standards results in improved workforce retention, more efficient workers, and a sustainable business.



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