



state of entrepreneurship

2019

Too many communities concentrate on attracting businesses from afar instead of growing them at home.

In a thriving ecosystem, entrepreneurship empowers individuals; improves standards of living; and creates jobs, wealth, and innovation in the economy. We also know that new businesses create almost all net new jobs and improve our quality of life. Yet, entrepreneurs face many barriers when turning their ideas into realities.

BARRIERS BY THE NUMBERS

83%

of entrepreneurs do not access bank loans or venture capital.

65%

rely on personal and family savings for startup capital.

0.5%

of entrepreneurs use venture capital.

BREAKTHROUGHS BY THE NUMBERS

Despite these challenges, many Americans are finding ways to break through these barriers to successfully launch businesses and revitalize entrepreneurial ecosystems across the country.

79.78%

More than **79 percent of startups are still active one year after launching.** The Kauffman Early-Stage Entrepreneurship Index is also the highest it has been in two decades.

Immigrants are **twice as likely to start a business** as native-born Americans.

2X

The rate of **new entrepreneurs among women** has increased by **15.4 percent** since 2016.

15.4%

39% African-Americans saw the fastest increase in entrepreneurship with a 39 percent increase from 2016 to 2017.

When compared with data from 2007, the rate of **new entrepreneurs among Latinos** also rose significantly, increasing by **24.6 percent.**

24.6%



WHAT CAN YOU DO

Each month, roughly 3 out of 1,000 Americans start a business. These makers, doers, and dreamers are more diverse than ever, as we have seen dramatic increases in entrepreneurship rates among women and people of color in the last decade. Still, as new businesses grow, those three need the support of the remaining 997 to succeed.

We can help grow more inclusive and innovative local economies every day by:

- Recommending a cool new business to a friend.
- Asking “how can I can help?” when someone says they’re starting a business.
- Visiting the grand opening of a new business.
- “Liking” or “following” the social media account of a new business.
- Attending a local event where entrepreneurs are present, such as 1 Million Cups.
- Sharing a photo of your visit to a new business on social media. Use #zerobarriers.
- Emailing, calling, or tweeting at your mayor or representative to tell them you support entrepreneurship.
- Subscribing to your local business news sources.
- Buying something you normally wouldn’t from a local entrepreneur.
- Writing a positive review or rating for a deserving new business.
- Introducing an entrepreneur to a potential new customer or partner.
- Giving your business card to an entrepreneur and offering your help.
- Meeting with a policymaker to talk to them about supporting entrepreneurship.
- Getting a friend to sign up for a local business newsletter or other resource.
- Becoming a volunteer in your entrepreneurial community.
- Attending a demo day or pitch contest at a local accelerator or incubator.
- Revisiting a local business if you liked it the first time.
- Taking someone to visit a business you love.
- Getting a locally-owned business to cater a meal or event for you.
- Donating to a new business’ project or crowdfunding campaign.
- Learning how you can invest in a new business from the Angel Capital Association, AngelList, or Portfolia.
- Becoming a 1 Million Cups organizer in your area.
- Hosting an event that helps entrepreneurs during Global Entrepreneurship Week, or any time of year.
- Buying from a local vendor instead of a national chain at work.
- Spending a day working at a local coworking space and meeting entrepreneurs.

