



HAIL TO THE JOB CREATORS:

Seventy-nine percent of Americans say entrepreneurs are critically important to job creation, ranking higher than big business, scientists, and government.

Kauffman Poll: Entrepreneurship and Economic Recovery, March 2009

From 1980-2005, firms less than five years old accounted for all net job growth in the United States.

Business Dynamics Statistics Briefing: Jobs Created from Business Startups in the United States, January 2009

THE STARTUP PHENOMENON:

In 2007, an average of 0.30 percent of adults created a new business each month, equaling about 495,000 new businesses per month.

Kauffman Index of Entrepreneurial Activity 1996-2007, April 2008

Nearly half—45 percent—of startups were established in the same state where U.S.-born tech founders received their education.

Education and Tech Entrepreneurship, May 2008

What do Microsoft, Disney, Genentech, McDonald's, Johnson & Johnson, and Krispy Kreme all have in common? All were founded in recessions, depressions, or bear markets.

Entrepreneurs and Recessions: Do Downturns Matter?, December 2008

Entrepreneurs are the answer. Seventy percent of U.S. registered voters think the health of the economy depends on the success of entrepreneurs.

Luntz, Maslansky Strategic Research Survey (sample size: 816), September 2008

Let's hear it for the next generation. Four in ten U.S. young people ages 8 to 21 have or would like to start their own business someday, and 63 percent agree that they have the ability to successfully start their own business.

Harris Interactive® Survey (sample size: 2,438), July/August 2007

GOVERNMENT AND THE RECOVERY:

Facts taken from Kauffman Poll: Entrepreneurship and Economic Recovery, March 2009:

By 63 percent to 23 percent, survey respondents prefer giving individuals the incentives they need to start their own businesses as opposed to allowing the government to create new jobs directly or through big corporations.

Only 21 percent of all survey respondents say that the stimulus package supports entrepreneurial activity overall, and 33 percent believe it will retard entrepreneurship.

Americans think the government does little to encourage entrepreneurship, despite its importance; 72 percent of respondents say the government should do more to encourage individuals to start businesses. Almost half of respondents think the laws in America make it more difficult to start a business.

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QuikTrip
Quiznos
Scottrade
United Technologies
Urban Outfitters
Valero
Whole Foods

THE

DEMOGRAPHICS:

Of new firms...

- 70 percent are men-owned; 30 percent are women-owned
- 81 percent are white-owned
- 9 percent are African-American-owned
- 6.6 percent are Hispanic-owned
- 4 percent are Asian-owned
- 5 percent are owned by Native Americans, Pacific Islanders, and individuals of other racial groups

The Kauffman Firm Survey, March 2008

Think tech companies are founded only by 20-somethings? Think again. The average age of U.S.-born tech founders when they started their companies was 39. In fact, twice as many were older than 50 as were younger than 25.

Education and Tech Entrepreneurship, May 2008

In 2002, 6.5 million privately held, women-owned firms generated an estimated \$940 billion in sales and employed 7.1 million people; however, women-owned firms still underperform men-owned firms.

Characteristics of New Firms: A Comparison by Gender, January 2009

SHOW THEM THE MONEY:

Nearly 75 percent of most firms' startup capital is made up of equal parts owner equity and bank loans and/or credit card debt.

The Capital Structure Decisions of New Firms, November 2008

Angel investors participating in organized groups achieve an average 27 percent internal rate of return.

Returns to Angel Investors in Groups, November 2007

High-tech firms receive more outside equity investments in their first year of operations than any other type of company—on average, \$31,136 compared with firms across all industries averaging \$7,000.

The Capital Structure Decisions of New Firms, November 2008

THE IMMIGRANT FORCE:

In 2007, the immigrant rate of entrepreneurial activity—0.46 percent—was substantially higher than the native-born U.S. population—0.27 percent.

Kauffman Index of Entrepreneurial Activity 1996-2007, April 2008

More than a quarter of technology and engineering companies started in the United States from 1995 to 2005 had at least one key founder who was foreign-born.

Education, Entrepreneurship, and Immigration: America's New Immigrant Entrepreneurs, Part II, June 2007

Foreign nationals residing in the United States were named as inventors or co-inventors in 25.6 percent of international patent applications filed in the U.S. in 2006.

Intellectual Property, the Immigration Backlog, and a Reverse Brain-Drain: America's New Immigrant Entrepreneurs, Part III, August 2007

All studies can be downloaded at www.kauffman.org.

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The Foundation of Entrepreneurship

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