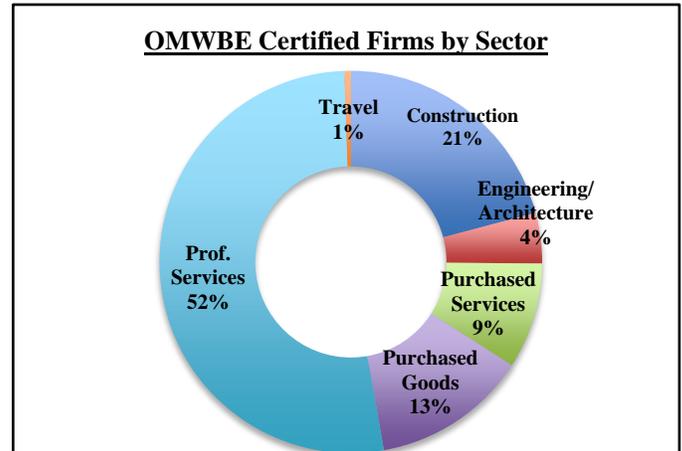


Expanding Opportunities in Economic Development for Asian American and Pacific Islander Businesses

HOW MUCH MONEY IS AWARDED IN CONTRACTS BY WASHINGTON AGENCIES AND ENTITIES?

The Office of Minority and Women's Business Enterprises (OMWBE) certifies businesses to contract with state agencies and entities. In fiscal year 2009, 118 different Washington agencies and entities reported to OMWBE and awarded \$2,036,024,310 in contracts to certified businesses. Of that, only \$44,036,060, or 2.16%, was awarded to certified minority businesses. The OMWBE does not disaggregate this data into ethnic groups, but does distinguish between minority business enterprises and women's business enterprises.

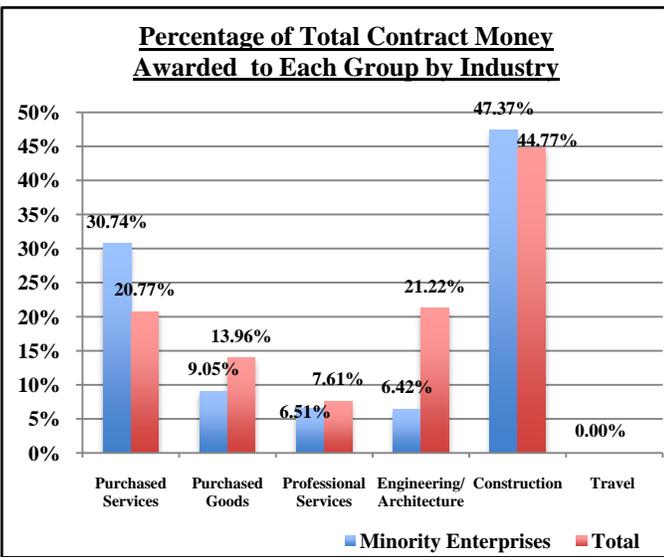


*OMWBE Website, November 14, 2010

Moreover, as of 2007, there were 37,402 Asian American firms and 1,236 Pacific Islander firms in Washington. This represented 7% of the total number of small firms in Washington. However, contracts awarded do not reflect this rate of incidence.

As shown below, even in combination with all other minority businesses that are certified, the highest share of contracts awarded is in the purchased services sector, and that share isn't even half of the rate of incidence for Asian American and Pacific Islander businesses. Therefore, contracts are not being awarded in proportion to the rate of incidence.

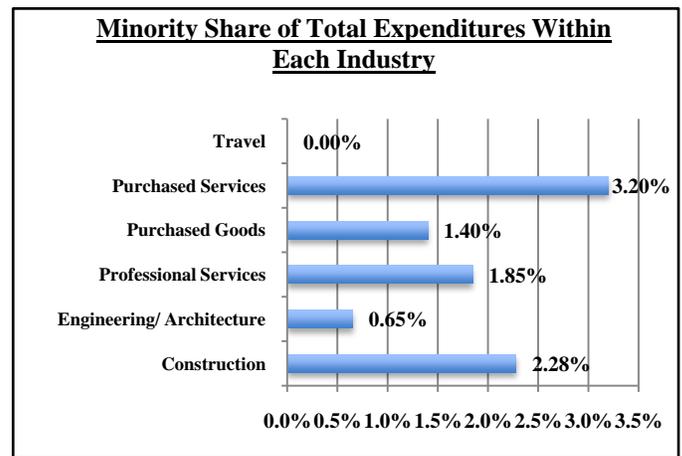
Because contracts are not being awarded proportionately or in the most profitable industries, Washington has not been able to benefit economically from the proven successes of these ventures.



*OMWBE 2009 Agency Utilization Report

Contract funds are concentrated in the construction and purchased services sectors among certified minority businesses, as are the number of certified businesses. However, a majority (2,051) of minority and women owned businesses are certified in the purchased services industry, which accounted for only \$13,536,602 in contract awards in 2009.

If these contracts were equally awarded among all certified firms, each would have received a contract worth only \$6,600. In contrast, there are only 819 certified firms in the construction industry, which received \$20,860,165 in contracts. Again, if equally awarded, each firm would receive \$25,470. Thus, minority firms are concentrated in industries that receive contracts in smaller amounts, and, as such, do not receive equal benefits from these awards.



*OMWBE 2009 Agency Utilization Report

Expanding Opportunities in Economic Development for Asian American and Pacific Islander Businesses

HOW WASHINGTON CAN CAPITALIZE ON THE SUCCESSES OF AAPI BUSINESSES

Asian American and Pacific Islander businesses have proven time and again that with support they are able to achieve great economic gains. By providing Asian American and Pacific Islander business communities with increased access to government contracts and capital financing, Washington can without a doubt increase employment opportunities and tax revenue.

Those loans saved or created 2,295 fulltime jobs in 2010. Moreover, LDP estimates that an additional \$138,783,222 was added to the tax base as a result of this program. Half of the loans provided went to Asian American firms, a direct testament to the successes of Asian American businesses and their ability to succeed when given the opportunity and support.

HOW MUCH MONEY DOES THE GOVERNMENT SPEND ON CONTRACTS IN WASHINGTON?

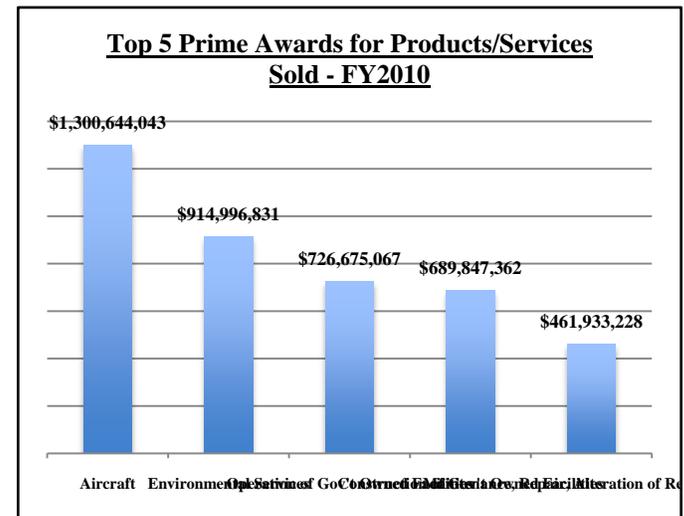
In addition to allocating state resources to minority enterprises, Washington could also benefit from directing federal resources to minority enterprises. Each year, billions of dollars are awarded, but it is difficult to track their direct impacts.

Jobs Created/Saved by Link Deposit Program, 2010

County	F/T saved	P/T Saved	F/T Created	P/T Created	Total F/T
Adams	0	0		0	0
Benton	20	5	0	0	22.5
Chelan	60	0	20	0	80
Clark	1		3		4
Grant	16	28		4	32
King	1565	51	294	71	1920
Kitsap	8		6		14
Mason			1		1
Pierce	34	36	18	25	82.5
Snohomish	40	17	9	5	60
Spokane	1	1	10	1	12
Thurston	18	14	6	22	42
Whitman					0
Yakima	10		15	0	25
Total	1773	152	382	128	2295

*Data Reported by Participating Firms, LDP FY2010 Report – Total F/T = F/T Saved + F/T Created + (P/T Saved + P/T Created)/2

Minority and women owned businesses seek certification through the OMWBE and become eligible for the Linked Deposit Program (LDP). This program makes capital more accessible for minority owned businesses and has seen great success. In fiscal year 2010, 118 loans were awarded for a total of \$46,361,201.

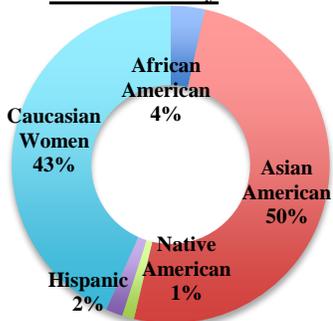


*As reported by the U.S. government on www.usaspending.gov

In fiscal year 2010, the U.S. government awarded over 55,000 contracts, amounting to \$8,631,673,331, to Washington companies. Spending decreased nearly \$3 billion between 2009 and 2010. The largest portion went to the aircraft sector, but comparable amounts were awarded to the construction and maintenance sectors. All in all, those funds were distributed to over 25 agencies that then contracted with state and local businesses to provide the U.S. government with products and services.

If Washington were able to harness this flow of resources and direct it to enterprises that have proven to be successful, then Washington would see increases in employment and revenue that would greatly benefit state and local economies.

LDP Recipients by Examples of Race/Ethnicity



*Washington Linked Deposit Program Annual Performance Report FY 2010

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Mission: To improve the well-being of APAs by ensuring their access to participation in the fields of government, business, education, and other areas.
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