Stanford Latino Entrepreneurship Initiative surveyed 15,000 employer businesses in 2021 as part of its annual national survey to assess the current state of U.S. Latino entrepreneurship. We have compiled some of the most pressing insights about Latino-owned employer businesses in the Los Angeles metropolitan area.

**LATINOS IN TECH**

**12%**

12% of LOBs in the Los Angeles area are tech firms, compared to 18% among WOBs.

At the national level, LOBs are more likely to be in tech than WOBs (19% and 14%, respectively).

**TOP CUSTOMERS FOR BUSINESSES**

1. **Consumers (B2C)**
   - 81% LOBs
   - 64% WOBs

2. **Businesses (B2B)**
   - 17% LOBs
   - 32% WOBs

3. **Non-profit**
   - 1% LOBs
   - 3% WOBs

**FAMILY-ORIENTED**

**1.3x**

Latino-owned businesses are 1.3 times as likely as WOBs to report their primary goal as an entrepreneur is to operate a business that can be inherited by their family.

**EFFECT OF PANDEMIC**

The COVID-19 pandemic was challenging for Latino-owned firms across the country, although Latino businesses in the Los Angeles metro area were slightly more likely to report negative impacts of the pandemic (64% LOBs in LA vs. 62% LOBs nationwide) in 2021.

**PROFITABILITY OF BUSINESS**

**LOBs (Los Angeles)**

LOBs in the Los Angeles metro area are more likely to be **profitable** than LOBs across the country (51% and 43%, respectively).

**OUTSTANDING BUSINESS DEBT**

LOBs in the Los Angeles metro area are more likely to have outstanding debt on average than LOBs across the country. At the local level, LOBs have **similar** debt levels as WOBs in the Los Angeles metro area.

**LIQUIDITY**

On average, LOBs report having **less available cash** to cover business operations than WOBs in the Los Angeles metro area.

**COLLATERAL REQUIREMENTS FOR LOANS**

In the Los Angeles metro area, about 1 in every 5 LOBs and WOBs were not asked to provide collateral when taking out a loan (19.8% LOBs, 19.4% WOBs). This trend differs from national patterns as LOBs are more likely to be asked to provide collateral than WOBs across the country.

**NOTES:** All data reported are for Latino-owned employer businesses (LOBs) and non-Hispanic White-owned employer businesses (WOBs). Our research focuses on employer firms earning over $10,000 in revenue to resemble Census parameters (MOE +/- 3%).


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