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 Washington, D.C. metropolitan area.

There are 6,419 Latino-owned businesses in the area. With 9 Latino-owned companies for every 100 White-owned businesses, the D.C. metro has a higher concentration of Latino-owned businesses than the United States at large (8 LOBs for every 100 WOBs).

### Latinos in Tech

LOBs are 1.7 times more likely to be in tech than WOBs in the Washington, D.C. metro area.

At the national level, LOBs are 1.4x more likely to be in tech than WOBs.

### Top Customers for Businesses

1. **Consumers (B2C)**: 72% LOBs, 62% WOBs
2. **Businesses (B2B)**: 18% LOBs, 35% WOBs
3. **Government (B2G)**: 9% LOBs, 5% WOBs

### Family-Oriented

Latino-owned businesses are twice 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 both Latino and White firms, although fewer Latino-owned firms reported negative impacts of the pandemic (47% LOBs vs. 68% WOBs) in the Washington, D.C. metro area in 2021.

### Profitability of Business

LOBs are less likely than WOBs to be profitable (44% and 51%, respectively) in the Washington, D.C. metro area. This trend is consistent with national patterns (43% LOBs and 49% WOBs).

### Liquidity

LOBs report having less available cash to cover business operations than WOBs in the Washington, D.C. metro area. This pattern is consistent with national trends.

### Outstanding Business Debt

In general, businesses in the Washington, D.C. metro area have less outstanding debt than businesses across the country. But concurring with national trends, LOBs in the Washington, D.C. metro area have higher outstanding business debt on average than WOBs.

### Collateral Requirements for Loans

LOBs are more likely to be asked to provide collateral than WOBs when taking out loans, despite having similar credit characteristics. The largest gap occurs in personal guarantees (22% LOBs vs. 8% WOBs).

**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 +/- 6%).
- Estimates do not meet publication standards. More information about data and methodologies can be found in the 2021 State of Latino Entrepreneurship national report.


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