2018 RESEARCH FINDINGS
STATE OF LATINO ENTREPRENEURSHIP

REGIONAL INSIGHTS: LOS ANGELES
PROFILES OF LOS ANGELES METROPOLITAN AREA-BASED LATINO ENTREPRENEURS

0.15
Latino Entrepreneurship
Gap Score**
Metro-Rank #26*

27%
Immigrant

40%
Female

35%
Millennial
(Ages 36 and younger)

42 years
Average Owner Age

30%
Four-Year College Degree

14 years
Average Age of Firm

67%
Low-to-Lower-Middle Income as Children

32%
Latino-Oriented Products**

48%
Family History of Entrepreneurship

SOURCES OF CAPITAL FOR GROWTH

<table>
<thead>
<tr>
<th>Los Angeles</th>
<th>CA</th>
<th>U.S.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Line of Credit</td>
<td>4%</td>
<td>8%</td>
</tr>
<tr>
<td>Local Bank Loan</td>
<td>5%</td>
<td>3%</td>
</tr>
<tr>
<td>National Bank Loan</td>
<td>3%</td>
<td>2%</td>
</tr>
<tr>
<td>Gov’t Loan</td>
<td>1%</td>
<td>1%</td>
</tr>
<tr>
<td>Venture Cap.</td>
<td>&lt;1%</td>
<td>&lt;1%</td>
</tr>
<tr>
<td>Angel Investment</td>
<td>15%</td>
<td>7%</td>
</tr>
<tr>
<td>Private Equity</td>
<td>7%</td>
<td>5%</td>
</tr>
<tr>
<td>Hard Money</td>
<td>3%</td>
<td>4%</td>
</tr>
</tbody>
</table>

PROFITABILITY, PREVIOUS 12 MONTHS

<table>
<thead>
<tr>
<th>Los Angeles</th>
<th>CA</th>
<th>U.S.</th>
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</thead>
<tbody>
<tr>
<td>Profits</td>
<td>67%</td>
<td>23%</td>
</tr>
<tr>
<td>Break-Even</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Losses</td>
<td></td>
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</tbody>
</table>

INDUSTRIES

- Natural Resources and Mining
- Information
- Education and Health Services
- Financial Activities
- Leisure and Hospitality
- Manufacturing
- Trade, Transportation, and Utilities
- Professional and Business Services
- Construction
- Other Services

CHALLENGES TO GROWTH

- Clients/Customers: 71%
- Finances: 53%
- General Economy: 36%

*T Ranking based on the 50 largest U.S. metropolitan areas
** Difference in rate of Latino and non-Latino business owners (1 = rate is the same)
*** Latino-oriented products/services are targeted specifically to Latinos or stem from Latino influences.

Report based on data from 358 Los Angeles Metropolitan Area Latino firms and 940 California Latino firms.

Source: SLEI 2018 Survey of U.S. Latino Business Owners

Learn more: gsb.stanford.edu/SLEI