

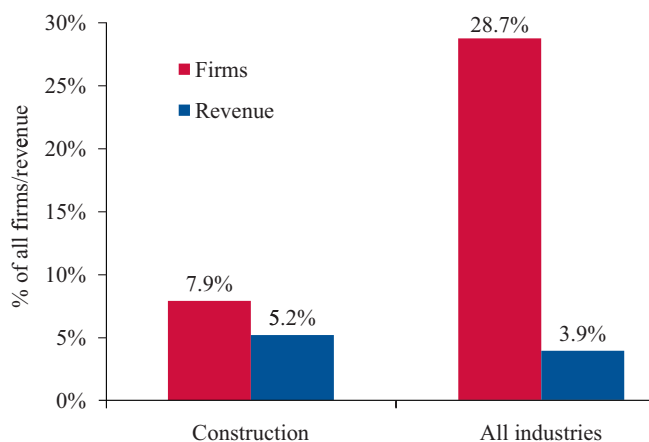
Demographics of Business Owners in Construction and All Industries

Demographic data of business owners are reported by the Survey of Business Owners (SBO), part of the Economic Census conducted by the U.S. Census Bureau every five years (most recently in 2007; *see* pages 2 and 3). The SBO is conducted on a company or firm basis, whereas data collected for the Economic Census are based on *establishments* (*see* Glossary). A company or firm is a business consisting of one or more domestic establishments owned or controlled by the reporting firm. The SBO covers firms both with and without paid employees (*nonemployer*, *see* Glossary) by combining data from this survey with data from the main economic census and administrative records.

The SBO defines an owner as an individual or group of individuals having 51% or more of the stock, interest, or equity in the business, and categorizes this by gender, race, and ethnicity. Hispanic ethnicity refers to individuals of Hispanic or Latino origin, which is composed of Mexican, Puerto Rican, Cuban, South or Central American, and other Spanish culture or origin, regardless of race. Business owners were asked to provide the percentage of ownership for the primary owner(s), and to select one or more races or ethnicities for themselves. Therefore, it is possible for a business or owner to be classified and tabulated under more than one race or ethnicity category.

In 2007, males owned the majority of the 3.4 million construction firms;¹ roughly 16% were jointly male/female owned,² and only 269,000 or 7.9% were owned by women (chart 7a). The share of women-owned firms in construction was lower than for all U.S. industries (28.7%), however, women-owned firms in construction generated 5.2% of the construction industry's revenue, compared to 3.9% for all U.S. industries.

7a. Women-owned firms as a percentage of the total, construction and all industries, 2007



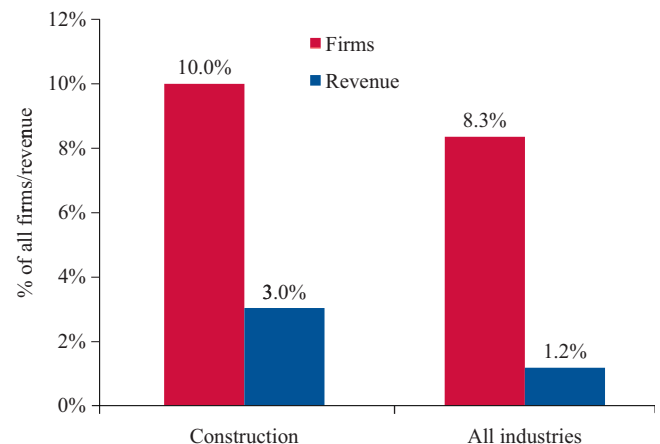
Hispanics owned 2.3 million firms in all industries, of which 341,000 firms were in construction, accounting for 10% of construction firms and 3% of business revenue (chart 7b). The low proportion of business revenue among Hispanic firms indicates that construction firms owned by Hispanics are relatively small.

Whites owned 91.5% of all construction firms and accounted for \$1,458.8 billion or 77.6% of industry revenues. The proportion of African-American-owned firms in construction was 3.7% (126,000 firms), lower than the rate of 7.1% for all industries combined (chart 7c). Construction firms with African-American owners produced less than 1% (\$13.2 billion) of business revenue in this industry for 2007, close to the proportion for all industries combined. Other minority groups (Asian, American Indian or Alaska Native, Native Hawaiian or other Pacific Islander, and other groups) owned 3.6% (121,000) of construction firms with \$30.1 billion in business revenue, lower than the proportion for all industries combined (chart 7d).

Construction owners were younger than other business owners. Approximately 40% of construction owners were under age 45, compared to 34% of all business owners (chart 7e). Of Hispanic owners in construction, an even higher percentage (57%) were younger than 45 years old. More than one-third (37%) of all owners were 55 or older, in contrast with 28% for construction owners.

Due to survey changes and variations in response rates among subgroups, the numbers are not comparable to data from previous surveys.

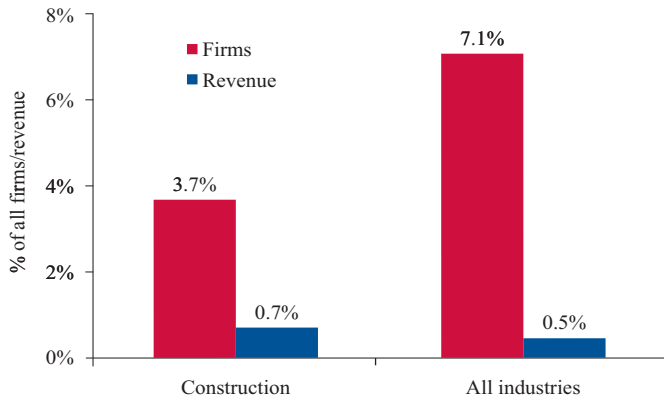
7b. Hispanic-owned firms as a percentage of the total, construction and all industries, 2007



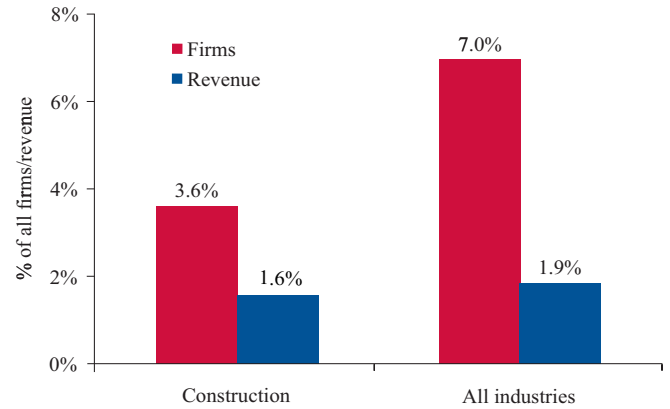
1. U.S. Census Bureau. 2007 Economic Census. Survey of Business Owners. <http://www.census.gov/econ/sbo/> (Accessed December 2011). The figures on this page are based on the firms that are able to be classified by gender, race, ethnicity, and the revenue that these firms generated.

2. Equally male/female ownership was based on equal shares of interest reported for businesses with male and female owners.

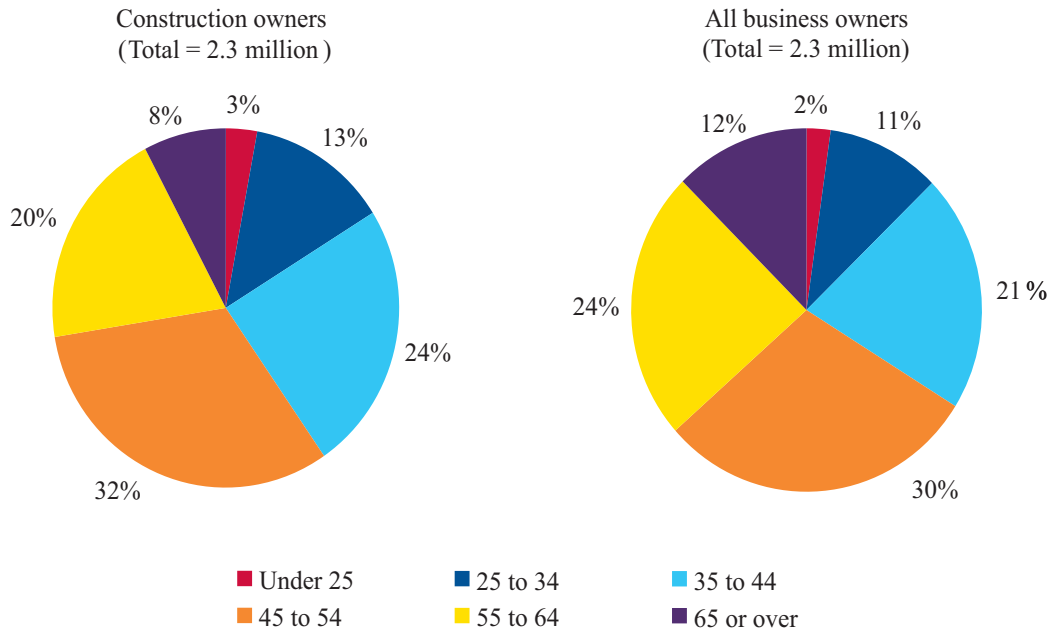
7c. African-American-owned firms as a percentage of the total, construction and all industries, 2007



7d. Other minority-owned firms as a percentage of the total, construction and all industries, 2007



7e. Age distribution among business owners, construction vs. all industries, 2007



Note: All charts - Data cover the private sector only.
 Chart 7a - Women-owned firms totaled 269,000 in construction and 7.8 million overall in 2007.
 Chart 7b - Hispanic-owned firms totaled 341,000 in construction and 2.3 million overall in 2007.
 Chart 7c - African-American-owned firms totaled 126,000 in construction and 1.9 million overall in 2007.
 Chart 7d - "Other minorities" include American Indian or Alaska Native, Asian, Native Hawaiian or other Pacific Islander, and some other race. Other minority-owned firms totaled 121,000 in construction and 1.9 million overall in 2007.
 Chart 7e - Those that did not report age were excluded from the tabulation. Totals may not add to 100% due to rounding.

Source: All charts - U.S. Census Bureau. 2007 Economic Census. Survey of Business Owners. (SB0700CSA01) <http://www.census.gov/econ/sbo/> (Accessed December 2011).