
Similar to firms owned by all women, those owned by Hispanic women (76 percent) are more likely to be in services (49 percent) and retail trade (27 percent). The six States with the highest share of firms owned by Hispanic women are California (33 percent), Texas (23 percent), Florida (12 percent), New York (6 percent), New Mexico (4 percent), and Arizona (3 percent). Further, according to the Ando report, among sole proprietorships owned by Hispanic women:

- Almost 55 percent were home-based, less than among all women-owned sole proprietorships (61 percent).
- About 91 percent had no employees and 6 percent had one to four employees. Women and minorities were employed in 6 percent of the firms.
- About 91 percent did not export any of their goods or services.
- In 1982, 48 percent of the firms had less than $5,000 in sales and 36 percent had between $5,000 and $24,999 in sales.
- Most showed some profits. About one-fifth suffered a net loss. Of firms owned by Hispanic women, 45 percent had 1982 profits of less than $5,000; 26 percent had profits between $5,000 and $19,999; and 18 percent had a net loss of less than $5,000. Among all women-owned sole proprietorships, 40 percent had profits below $5,000 and 15 percent had a net loss of less than $5,000.
- About 21 percent reported none of their income originated with the firm. On the other hand, 23 percent reported that 100 percent of their 1982 income came from their businesses.
- Forty percent had no initial capital and an additional 39 percent began with less than $5,000.
Seventy-three percent of Hispanic women reported their firms had no equity capital. Of those who used equity capital, the dominant source (13 percent of firms) was family.

With respect to the firm’s initial debt ratio, 65 percent had no debt. However, 12 percent had between 91 and 100 percent debt. Two debt sources dominate in the case of firms owned by Hispanic women. They are banks (51 percent) and family (32 percent).

About 55 percent of firms owned by Hispanic women in 1982 survived until 1986. The two chief reasons given by those that discontinued operations were insufficient profit (43 percent) and personal (47 percent).

Characteristics of Hispanic women business owners:

-- 78 percent were between the ages of 25 to 54
-- 72 percent were married
-- 78 percent had been business owners for less than 7 years. Twenty-nine percent had been in business for less than 1 year.
-- 74 percent were founders of the firm covered in this report. About 9 percent had previously owned another business.
-- 84 percent had previous paid employment. Although 69 percent had had no managerial experience in paid employment, 49 percent had attended business courses or seminars. About 39 percent had at least 1 year of college.
-- Had few role models. Only 29 percent of Hispanic women business owners had a close relative who owned a business. Of those with a role model, 29 percent reported they had worked for a relative. About 39 percent of all women sole proprietors had role models.

Opportunities for Hispanic and other women business owners should be enhanced by the Women’s Business Ownership Act of 1988 which authorizes $10 million over a 3-year period for private organizations to provide financial, management, marketing, and technical assistance to women business owners. Information about programs funded under this Act may be obtained from the Office of Women’s Business Ownership in the U.S. Small Business Administration at (202) 653-8000.

The Office of Women’s Business Ownership recently announced a program to foster long-term mentoring relationships between successful women-owned businesses and fledging women-owned businesses of 1 to 3 years. Additional information about this program, Women’s Network for Entrepreneurial Training (WNET), may be obtained from the Office of Women’s Business Ownership at the number listed above.