



Veteran Entrepreneurship Fact Sheet

Trends in Veteran Entrepreneurship

49.7% of World War II veterans owned and operated a business after leaving military service, and 40.1% of Korean War veterans became entrepreneurs¹

4.5% of post-9/11 veterans have started their own business²

Veterans made up 12.3% of new entrepreneurs in 1996 but only 5.6% of new entrepreneurs by 2014³

Young veterans are significantly less likely to become entrepreneurs than veterans from previous generations: In 2007, 75.1% of veteran business owners were age 55 and over and only 2.8% of veteran business owners were under the age of 35, compared to 12.7% of all entrepreneurs.⁴

About 22-25% of veterans are interested in starting a business⁵

Veterans are 1.2 times more likely to be self-employed than non-veterans, but 88% of self-employed veterans are 46 or older.⁶

¹ Institute for Veterans and Military Families (IVMF), "Introduction to Business Ownership for Veterans and Military Service Members," 2013, <http://vets.syr.edu/wp-content/uploads/2013/06/IVMF-Intro-to-Business-Textbook-Electronic-Version.pdf>, p. 18.

² U.S. Bureau of Labor Statistics, "Self-employment In The United States," March 2016, <http://www.bls.gov/spotlight/2016/self-employment-in-the-united-states/pdf/self-employment-in-the-united-states.pdf>, p. 10.

³ Ewing Marion Kauffman Foundation, "The Kauffman Index," 2015, http://www.kauffman.org/~media/kauffman_org/research%20reports%20and%20covers/2015/05/kauffman_index_startup_activity_national_trends_2015.pdf, p. 16.

⁴ Office of Advocacy, Small Business Administration (SBA), "Veteran-owned Businesses and their Owners— Data from the Census Bureau's Survey of Business Owners," March 2012, <https://www.sba.gov/sites/default/files/393tot.pdf>, p. 54.

⁵ Waldman Associates, "Entrepreneurship and Business Ownership in the Veteran Population," 2004, <http://archive.sba.gov/advo/research/rs242tot.pdf>, in SBA, p. 5; Bunker Labs, "Survey of Chicago Area Veterans Leadership Council Members," 2014.

⁶ Institute for Veterans and Military Families (IVMF), "The State of Veteran Entrepreneurship Research: What We Know and Next Steps," November 2016, https://ivmf.syracuse.edu/wp-content/uploads/2016/11/ENTREPRENEUR_JPMC_PAPERPAGE11.21.16_LR.pdf, p. 5-6.

Women veterans are 0.7 times less likely to be self-employed than women non-veterans.⁷

African American and American Indian veterans are more likely to be self-employed than their counterparts (1.2 times and 1.4 times respectively), but Asian, Pacific Islander, and Hispanic veterans are less likely to be self-employed (approximately 0.9 times less likely for all three categories).⁸

Since 2007, business-ownership has increased:

- 295% for women veterans
- 50% for minority veterans
- 56% for Hispanic veterans⁹

Impact of Veteran-Owned Businesses

In 2012, veterans owned 2.5 million businesses in the U.S*. These businesses:

- Represented 9% of all U.S. businesses
- Generated \$1.1 trillion in receipts
- Employed 5.5 million people
- Had an annual payroll of \$195 billion¹⁰

*If business where veterans are half-owners are included, this number increases to 3.1 million businesses¹¹

Veterans are 30% more likely to employ other veterans¹²

Households with veterans who owned businesses have higher income and wealth than those with veterans not owning businesses.¹³

Skills and Training of Veteran Entrepreneurs

In a study from the SBA's Office of Advocacy:

- More than 1/3 of veteran entrepreneurs said they had gained skills from their active duty service that were directly relevant to business ownership

⁷ IVMF November 2016 p. 10.

⁸ IVMF November 2016, p. 11.

⁹ Institute for Veterans and Military Families (IVMF), "Center of Excellence for Veteran Entrepreneurship: Veteran Entrepreneurship Facts and Resources," March 2016, http://veteranentrepreneurship.org/wp-content/uploads/2016/03/CoE_Infographic.pdf, p. 1.

¹⁰ IVMF March 2016, p. 1.

¹¹ IVMF November 2016, p. 3.

¹² Franchise Business Review for the International Franchise Association, "Veterans in Franchising: A Progress Report," 2014, <http://emarket.franchise.org/VetFranStudy2014.pdf>, p. 1.

¹³ IVMF March 2016, p. 1.

- 36.4% of new veteran entrepreneurs indicated that they made use of one or more technologies while on active duty service that were of “direct relevance to the operation” of their new business
- 32% of new veteran entrepreneurs had classes while on active duty that would be “of direct relevance to the operation” of their new business enterprise or self-employment activity
- 52% of service-disabled veterans reported benefitting from technological training during active duty that was later of use in their business¹⁴

¹⁴ IVMF 2013, p. 18-19.