Access to Capital
Access to Markets

For: MMTC Access to Capital Conference
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Investment in minority enterprises is good business

• Buying power
• Growing population
• Great demographics—on the upswing
  – Young
  – Educated
• Internet provides access to markets, resources, and capital
• Wireless provides access to Internet
Minority buying power in 2012 was $3.2 trillion and is headed to $4.4 trillion in 2017.

Source: Selig Center
Minority population will soon be majority

Source: Selig Center

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Buying power per capita is rising

Source: Selig Center

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A buying-power gap remains
(% of non-Hispanic-White per capita buying power)

Source: Selig Center

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Demographics: Young

Source: U.S. Census
Cord-Cutters:
(% of adults living in wireless-households)

<table>
<thead>
<tr>
<th></th>
<th>Jul-Dec 2009</th>
<th>Jul-Dec 2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>Black, non-Hispanic</td>
<td>25%</td>
<td>39%</td>
</tr>
<tr>
<td>Hispanic</td>
<td>30%</td>
<td>51%</td>
</tr>
<tr>
<td>Asian, non-Hispanic</td>
<td>21%</td>
<td>34%</td>
</tr>
<tr>
<td>White, non-Hispanic</td>
<td>21%</td>
<td>33%</td>
</tr>
</tbody>
</table>

Source: CDC

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Internet access high, especially teen

<table>
<thead>
<tr>
<th></th>
<th>Adult Internet Access</th>
<th>Teen Internet Access</th>
</tr>
</thead>
<tbody>
<tr>
<td>Black, non-Hispanic</td>
<td>85%</td>
<td>92%</td>
</tr>
<tr>
<td>Hispanic</td>
<td>76%</td>
<td>88%</td>
</tr>
<tr>
<td>White, non-Hispanic</td>
<td>86%</td>
<td>98%</td>
</tr>
<tr>
<td>All</td>
<td>85%</td>
<td>95%</td>
</tr>
</tbody>
</table>

Source: Pew Internet
Wireless Internet access is key

<table>
<thead>
<tr>
<th></th>
<th>Adult mobile access</th>
<th>Teen mobile access</th>
</tr>
</thead>
<tbody>
<tr>
<td>Black, non-Hispanic</td>
<td>60%</td>
<td>74%</td>
</tr>
<tr>
<td>Hispanic</td>
<td>66%</td>
<td>63%</td>
</tr>
<tr>
<td>White, non-Hispanic</td>
<td>52%</td>
<td>77%</td>
</tr>
<tr>
<td>All</td>
<td>56%</td>
<td>74%</td>
</tr>
</tbody>
</table>

Source: Pew Internet

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Teens own a variety of devices that can access the Internet

<table>
<thead>
<tr>
<th></th>
<th>Computer</th>
<th>Tablet</th>
<th>Cell Phone</th>
<th>Smartphone</th>
</tr>
</thead>
<tbody>
<tr>
<td>Black, non-Hispanic</td>
<td>64%</td>
<td>19%</td>
<td>72%</td>
<td>40%</td>
</tr>
<tr>
<td>Hispanic</td>
<td>79%</td>
<td>21%</td>
<td>64%</td>
<td>43%</td>
</tr>
<tr>
<td>White, non-Hispanic</td>
<td>81%</td>
<td>25%</td>
<td>81%</td>
<td>35%</td>
</tr>
<tr>
<td>All teens</td>
<td>80%</td>
<td>23%</td>
<td>78%</td>
<td>37%</td>
</tr>
</tbody>
</table>

Source: Pew Internet

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Internet is access

- To ideas
- To resources
- To buyer
- To suppliers
- To capital
Internet is disintermediation

• Opening for new ideas
• Opening for new players
• Opening for new business models
Internet enhances the business case for investment in minority enterprises
Sources:

• Pew Internet and American Life Project:
  – *Smartphone Ownership - 2013 Update*
  – *Tablet Ownership 2013*
  – *Teens and Technology 2013*
  – *Cellphone Ownership Hits 91% of Adults*
  – *Trend data: adults, demographics of Internet users*
  – *Younger Americans’ library habits and expectations*
  – *Technology use by different income groups*
• *Centers for Disease Control and Prevention, Wireless Substitution: Early release of estimates from the National Health Interview Survey, July-December 2012*. June 2013. Table 2.