



# Economic Impact Report 2018



An aerial photograph of a city skyline at sunset. The sky is a mix of blue and orange, with a mountain peak visible in the distance. The city is filled with various skyscrapers and buildings. A semi-transparent white text box is overlaid on the left side of the image.

For over 40 years, the Northwest Mountain Minority Supplier Development Council has been linking major corporations and public agencies with minority-owned businesses, a multi-billion dollar sector representing and impacting today's global economy. The Northwest Mountain MSDC currently serves the states of Alaska, Idaho, Montana, Oregon, Utah, Washington, and Wyoming.

The minority businesses certified by Northwest Mountain MSDC and corporations it works with are helping drive the region's economic fortunes by creating valuable jobs, investing in research and development, improving the local skills base, and generating significant economic and social benefits for the communities within which it conducts business.



“While inclusion is our core focus, developing and growing MBEs remains as relevant as it was 40 years ago. At the end of the day, it’s about helping our members and MBE companies grow their businesses year over year, drive wealth into our communities, economically impact our region, create generational wealth and make our region a better place to live.”

**Fernando Martinez**

President/CEO



# Introduction

Founded in 1978, the Northwest Mountain Minority Supplier Development Council (Northwest Mountain MSDC) is a nonprofit organization certifying, developing, and connecting Minority Business Enterprises (MBEs) with major corporations and public agencies. We are an affiliate of the National Minority Supplier Development Council (NMSDC), providing certification, membership, and subscription services to the Pacific Northwest Mountain region, which includes Alaska, Idaho, Montana, Oregon, Utah, Washington, and Wyoming.

Our work with MBEs and corporate/public agency members drives increased community value. Through effective engagements, members drive MBE growth, increased member diverse spend and efficiency, increased community employment, wages, and taxes, thereby enabling our communities' path to self-sufficiency.





# Developing MBEs for Success

Every year, the Northwest Mountain MSDC supports development of its certified MBEs' to enable them to succeed as enterprises through our educational programming and council events aiming to prepare MBEs to engage in business with corporate/public agency members. The Northwest Mountain MSDC awards between \$20,000 and \$25,000 in MBE development scholarships annually.

## Education Programs

- **Minority Business Executive Program (MBEP)** at Michael G. Foster School of Business, University of Washington, Seattle, WA
- **Building a High-Performing Minority Business** at Tuck School of Business at Dartmouth, Hanover, NH
- **Growing the Minority Business to Scale** at Tuck School of Business at Dartmouth, Hanover

## MBE Trainings and Development Programs

- **Achieving Excellent Culture Workshop**
- **Preparing for Effective Engagement**
- **Building an Effective Marketing Process**

“Working with MBEs enabled us to increase our capabilities and capacity, and leverage our expertise.”

- **Carmen Nazario**  
ELYON International, Inc



“Costco Wholesale is in business to help in our communities. Helping small businesses is not only the right thing to do; it’s good business”

- **Swen Nater**  
Costco Wholesale

“Supplier diversity is a business imperative.”

- **Sharon S. Lucas**  
The Boeing Company



# Northwest Mountain MSDC Helps MBEs Grow

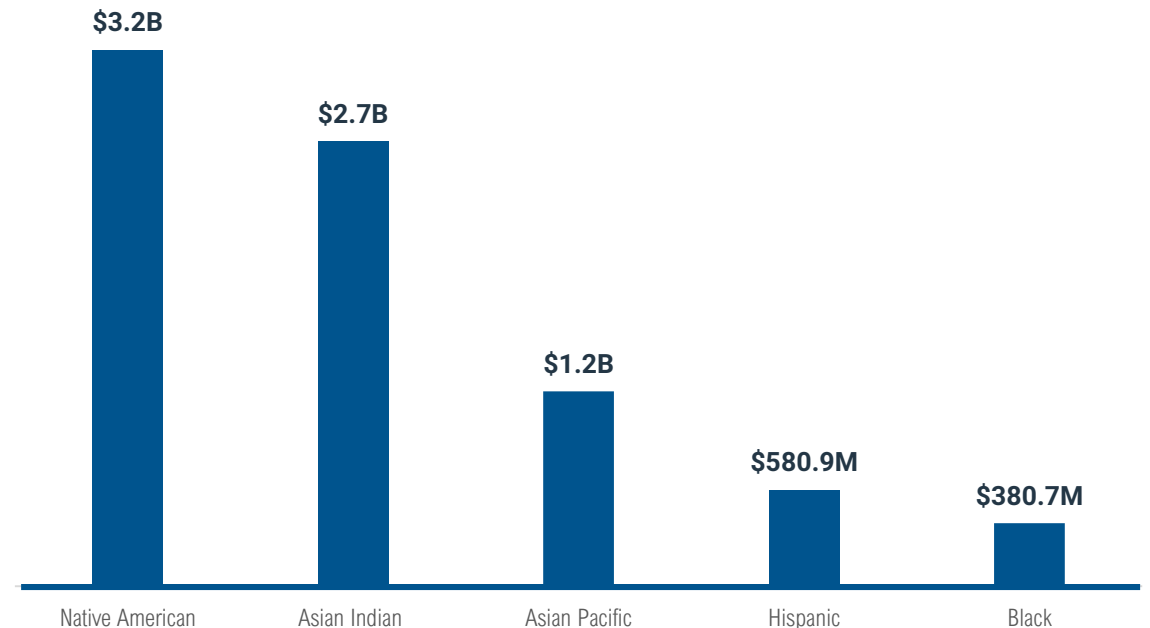
The Northwest Mountain MSDC has a roster of nearly 50 members representing some of the region's largest publicly- and privately-owned companies, public agencies, and nonprofits.

We support corporate / public agency members in meeting their customer satisfaction, contractual, minority supplier inclusion, and minority supplier utilization goals by making connections with our qualified certified MBEs.

In the past year, Northwest Mountain MSDC certified MBEs grew their annual revenues over \$1 billion to a record **\$8.1 billion**.

**\$8.1 billion**

Total annual revenues of certified MBEs







The Council and the corporations represented, recognize the importance of championing the growth and development of MBEs, which has changed my life and the scale of my business. We have been able to in turn create jobs, provide mentorship to other minority businesses and make a positive impact in the communities we live and serve in.

**Rosa Santana**  
Santana Group

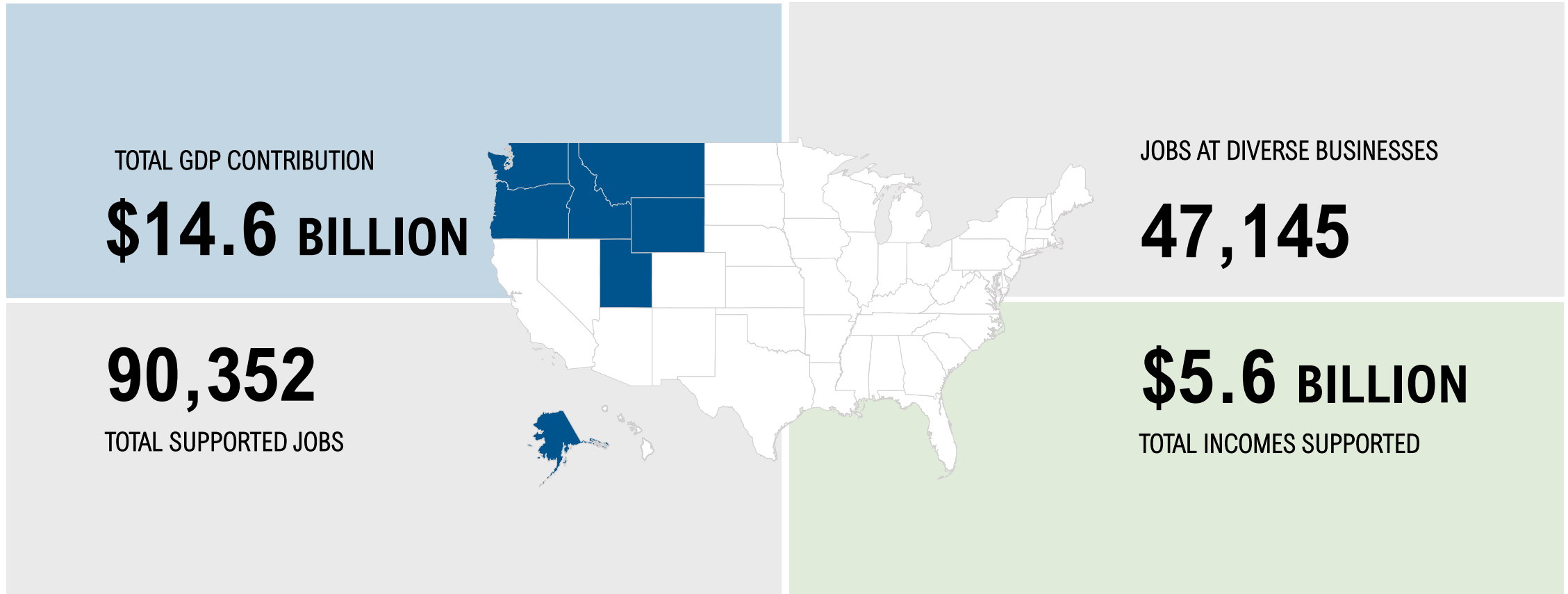
It is the NMSDC and the corporations that support the MBE program that enables a company like Zones to go from zero revenue and zero employees 27 years ago, to become a two billion dollar company.

**Firoj Lalji**  
Zones, LLC

PetroCard is proud to be part of the Northwest Mountain MSDC as a certified MBE. It was an honor to be recognized for our efforts in working with other minority businesses in our community.

**Jennie Hanson**  
PetroCard, Inc

# Northwest Mountain MSDC MBEs' contribution is Relevant to Regional Economy





# Economic Impact Of Northwest Mountain MSDC Certified MBES

**\$1** → **\$1.81**  
Revenue      GDP Impact

Every dollar spent with a certified MBE yields a 1.8x impact in the community.



**Jobs**

MBEs create opportunities for minorities



**Incomes**

Incomes through these jobs foster economic advancement



**Community Development**

Spending through minorities leads growth and development in their communities



# Northwest Mountain MBEs Impact: Alaska



**\$2.1B**  
TOTAL GDP  
CONTRIBUTION

**\$912M**  
TOTAL INCOMES  
SUPPORTED

**13,679**  
TOTAL JOBS  
SUPPORTED

**8,316**  
TOTAL JOBS AT  
DIVERSE SUPPLIERS

Revenues of MBEs  
located in Alaska

**\$1.3B**



# Northwest Mountain MBEs Impact: Idaho



**\$203M**  
TOTAL GDP  
CONTRIBUTION

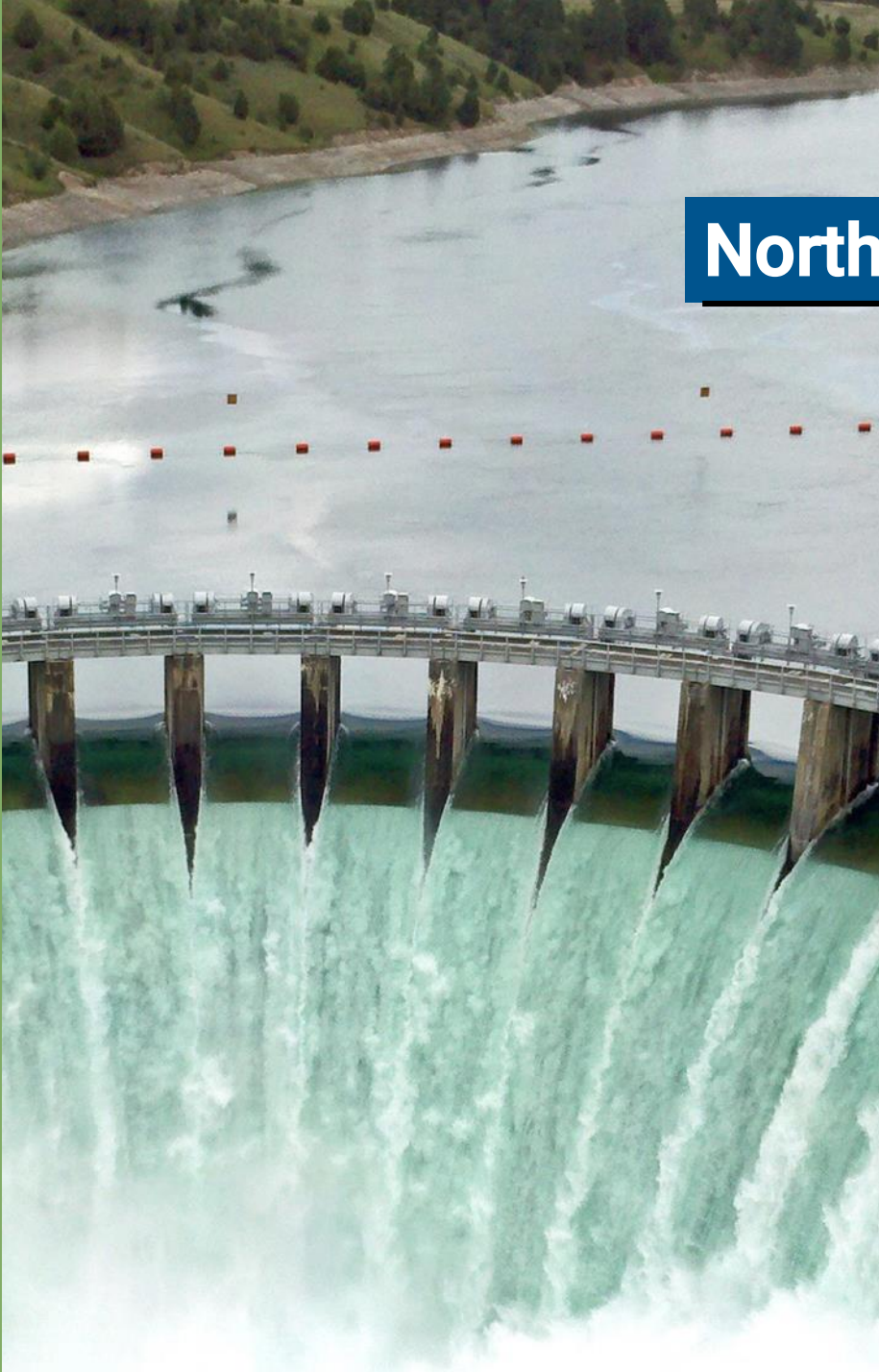
**\$67M**  
TOTAL INCOMES  
SUPPORTED

**1,263**  
TOTAL JOBS  
SUPPORTED

**565**  
TOTAL JOBS AT  
DIVERSE SUPPLIERS

Revenues of MBEs  
located in Idaho

**\$119M**



## Northwest Mountain MBEs Impact: Montana

**\$252M**  
TOTAL GDP  
CONTRIBUTION

**\$69M**  
TOTAL INCOMES  
SUPPORTED

**1,443**  
TOTAL JOBS  
SUPPORTED

**627**  
TOTAL JOBS AT  
DIVERSE SUPPLIERS

Revenues of MBEs  
located in Montana

**\$141M**





# Northwest Mountain MBEs Impact: Oregon



**\$899M**  
TOTAL GDP  
CONTRIBUTION

**\$330M**  
TOTAL INCOMES  
SUPPORTED

**6,878**  
TOTAL JOBS  
SUPPORTED

**3,583**  
TOTAL JOBS AT  
DIVERSE SUPPLIERS

Revenues of MBEs  
located in Oregon

**\$484M**



# Northwest Mountain MBEs Impact: Utah

**\$169M**  
TOTAL GDP  
CONTRIBUTION

**\$86.5M**  
TOTAL INCOMES  
SUPPORTED

**1,659**  
TOTAL JOBS  
SUPPORTED

**1,023**  
TOTAL JOBS AT  
DIVERSE SUPPLIERS

Revenues of MBEs  
located in Utah

**\$86.5M**





# Northwest Mountain MBEs Impact: Washington



**\$10.9B**  
TOTAL GDP  
CONTRIBUTION

**\$4.1B**  
TOTAL INCOMES  
SUPPORTED

**65,367**  
TOTAL JOBS  
SUPPORTED

**32,996**  
TOTAL JOBS AT  
DIVERSE SUPPLIERS

Revenues of MBEs  
located in Washington

**\$5.9B**

# Northwest Mountain MBEs Impact: Wyoming

**\$10.7M**  
TOTAL GDP  
CONTRIBUTION

**\$7M**  
TOTAL INCOMES  
SUPPORTED

**63**  
TOTAL JOBS  
SUPPORTED

**35**  
TOTAL JOBS AT  
DIVERSE SUPPLIERS

Revenues of MBEs  
located in Wyoming

**\$7.1M**



# Economic Impact through Northwest Mountain's MBEs

We evaluated three measures to quantify our impact:

## PRODUCTION

Production measures the cumulative output of all businesses that engaged directly or indirectly through our purchases.

## JOBS

The number of people employed on a full-time equivalent (FTE) basis at our suppliers or at other businesses as a result of our purchasing.

## WAGES

The earnings in terms of wages and benefits of the people employed in the jobs supported through our purchasing.

US Economic Impact



## Appendix: Economic Impact Modeling

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Economic impact modeling is a standard tool used to quantify the economic contribution of an investment or company. This modeling uses an “Input-Output” economic model to estimate the number of times each dollar of “input,” or direct spending, cycles through the economy in terms of “indirect and induced output,” or additional spending, personal income, and employment.<sup>1</sup>

There are several Input-Output models used by economists to estimate multiplier effects. supplier.io employed the IMPLAN input-output model in developing estimates of spending, income and employment impacts. This model, initially developed by the U.S. Department of Agriculture, examines inter-industry relationships in local, regional, and national economies.

An Input-Output model uses a matrix representation of a nation’s interconnected economy to calculate the effect of changes in spending by consumers, by an industry, or by others, on other industries and the entire economy. This matrix representation and the related Input-Output tables ultimately measure “multiplier effects” of an industry by tracing the effects of its inter-industry transactions – that is the number value of goods and services that are needed (inputs) to produce each dollar of output for the individual sector being studied. In essence, an Input-Output model is a table which shows who buys what from whom in the economy.<sup>2</sup>

This report is based on an analysis of data provided by Northwest Mountain MSDC using IMPLAN’s Input-output multipliers.

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### supplier.io

#### ABOUT SUPPLIER.IO

SUPPLIER.IO is redefining supplier diversity solutions. By providing comprehensive, accurate data in near real time, we help our customers get information they need to grow their supplier diversity program. To learn more, visit <https://supplier.io>.

#### References:

1. US Government Revenues: [http://www.usgovernmentrevenue.com/total\\_2014USrt\\_17rs1n](http://www.usgovernmentrevenue.com/total_2014USrt_17rs1n)
2. United States GDP: <http://www.tradingeconomics.com/united-states/gdp>





**Northwest  
Mountain**  
Minority Supplier  
Development Council

**ECONOMIC IMPACT REPORT  
2018**

[www.nwmmsdc.org](http://www.nwmmsdc.org)