

## **St. Louis needs to embrace immigration CAN ST. LOUIS COMPETE? • FINDING A NICHE**

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### **Body**

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Harish Sundaram grew up in Bangalore, which is India's version of Silicon Valley, but he founded his technology company in **St. Louis**.

He came here for a master's degree and a job, and stayed because he liked it here. His 14-year-old Internet services company, OnlyLink, has built an impressive list of customers that ranges from small local firms to giant companies like Microsoft.

Sundaram's story would be a common one in places like Austin or Chicago or the Research Triangle of North Carolina. In **St. Louis**, it's all too rare.

For one thing, **St.** Louisans aren't very entrepreneurial. We consistently rank low on measures of business startup activity.

For another, immigrants are rare here. Just 4 percent of the metro area's residents are foreign-born, well below the national average of 12.5 percent.

The two shortfalls, in **immigration** and in entrepreneurial spirit, are related. Various studies show that immigrants are far more likely to start businesses than are native-born Americans. Up to half of the technology firms in Silicon Valley, including Google and Yahoo, were founded or co-founded by immigrants.

If **St. Louis** wants to have a more vibrant economy, then, one item on our to-do list is obvious: We must **find** a way to attract more immigrants.

"There are so many things we **need** to do to be growing our economy, and this is one of the easy ones," says Richard Herman, a Cleveland attorney and author of "Immigrant Inc.: Why Immigrant Entrepreneurs are driving the American Economy."

**Immigration** rules are set at the national level, of course, by Congress and the Department of Homeland Security. But Rust Belt cities like Cleveland and **St. Louis need** to realize that they have a huge stake in the debate.

"Cities like ours **need** to have a voice at the national level and say that attracting immigrants to our towns **needs** to be a priority," Herman says.

Meanwhile, there are things that **can** be done at the local level to create a more immigrant-friendly climate. The **St. Louis** County Economic Council already has taken one concrete step: It has applied to make the region eligible for

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investments under the EB-5 visa program, which grants permanent residency to entrepreneurs who invest at least \$500,000 in an economically distressed area.

**St. Louis** also **needs** to get the word out that it welcomes new residents. We could learn from places like Detroit, which launched a study last year to learn how immigrants could turn around its struggling economy, or Halifax, Nova Scotia, which launched a marketing campaign aimed at attracting 2,800 immigrants a year.

We also must avoid shooting ourselves in the foot. Measures that are perceived as anti-immigrant - such as last year's vote that made English the "official language" of Missouri, or the **immigration** ordinance that Valley Park passed in 2006 - leave the impression that the region is less than welcoming to outsiders. The Valley Park ordinance, which attempted to punish landlords and employers for renting to or hiring undocumented immigrants, made national headlines.

Clearly, **St. Louis** has some assets it **can** leverage. The International Institute, which provides a variety of services to immigrants, sponsored 6,000 Bosnian refugees in the 1990s. They spread the word to friends and relatives, and now an estimated 70,000 Bosnians call **St. Louis** home.

They have bought homes and started businesses. They stabilized a broad swath of the city and have begun to move to the suburbs. In short, they've done what waves of German, Irish and Italian immigrants did before them.

But for at least 60 years, from the 1920s to the 1980s, **St. Louis** had no noticeable influx of foreign-born residents. It's no coincidence that the city lost population and, during the latter half of that period, the region's economy stagnated.

"We have to convince people that there is the potential here for business development," says Anna Crosslin, the International Institute's president. "Far too few immigrants around the country have **St. Louis** on their radar screens."

If we're looking for success stories to publicize, Sundaram would be a good place to start. He moved here in 1988 and, after getting a master's degree from the University of Missouri-**St. Louis**, he joined KPMG as a management consultant.

When the firm closed its **St. Louis** office, he struck out on his own, but not before encountering a typical **St. Louis** naysayer: "The bank manager said, 'You are crazy to start a business. Only a fool will wager a paycheck.'"

Sundaram's consulting firm evolved into OnlyLink, which now has 14 employees. It prides itself on providing "all you **can** eat" technology, which includes hosting a client's website, managing e-mail, troubleshooting PC problems and providing data security.

It's a business that has no particular reason for being in **St. Louis**, except that its founder happened to be here.

"I have been asked many times by my friends and mentors, 'Why don't you move to California?'" Sundaram says. "It would be more friendly to technology companies in some ways, but you also face more **competition**. It was almost like destiny. I was here and I decided to stay here. And this is a fantastic place to raise a family."

Most **St. Louis**ans already know that. Somehow, we have to spread the word to the rest of the world.

## Graphic

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Christian Gooden • [cgooden@post-dispatch.com](mailto:cgooden@post-dispatch.com) Harish Sundaram, chief executive officer of OnlyLink, an information security services company, in his data center in downtown **St. Louis**. Sundaram is an immigrant from India who started his company in 1996 and employs 14 people.

## Classification

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