



Celebrating 20 Years of Progress

TRPI

The Tomás Rivera Policy Institute

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**THE TOMÁS RIVERA POLICY INSTITUTE EXAMINES
THE RISING AFFLUENCE OF LATINOS**

**Research Group Gathers Corporate Leaders and Financial Experts To Provide Insight On
The Growing Clout of America's Newest Middle Class**

BEVERLY HILLS, Calif. – The Tomás Rivera Policy Institute (TRPI), based at the School of Policy, Planning, and Development at the University of Southern California, today assembled a host of the nation's top corporate, financial and Hispanic community oriented companies and organizations at the Beverly Wilshire Hotel to shed light and discuss the needs of the next significantly affluent generation in America. The dynamic mobility of America's Hispanic middle class will be the next generation to replace aging American Baby Boomers and they are the fastest growing segment of the middle class in America. The income and spending power of this demographic is just beginning to reach significant potential because the Latino community is 5-10 years younger than the average U.S. population. Most business strategies currently focus on the first-generation or recently-arrived Latino immigrant; however, the majority of U.S. Latinos are not recent immigrants, and are established in (or quickly moving into) the American middle class.

“It's not that the war on poverty is over, but there is a common misconception that all Hispanics in America are undereducated and low-income. The reality is that there is an emerging Hispanic middle class, and it holds tremendous potential to be a significant market force,” said Harry Pachon, Ph.D., president and CEO of The Tomás Rivera Policy Institute. “As the American ‘boomer’ generation moves closer to retirement and their exit from the workforce, there are many middle class and upscale Latinos who stand poised to fill the pending economic gap.”

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One significant indicator of this coming trend is in the increase of high net worth Hispanic individuals, defined as those with financial assets in excess of one million dollars. According to a recent Merrill Lynch/Cap Gemini Ernst & Young report, these high net worth Hispanic-Americans indicate that wealth growth and preservation are both key financial goals, thereby increasing their need and desire for financial planning services.

Another noteworthy indicator of this trend is the very strong statistics around home and real estate ownership of this Hispanic demographic. U.S. Census data demonstrates a strong trend in the rate of property and home ownership that coincides with the maturing affluence of the Latino middle-class. How can American companies and financial service institutions position themselves to cater to the needs and expectations of this population is a key concern discussed at today's proceedings. "Methodologies, marketing and advertising currently used to appeal to the non-Hispanic market will simply not be effective in reaching the Hispanic middle or affluent classes in the future," according to Julie Pabich, a conference presenter and research consultant with Integras, a Division of Claritas, Inc. "How we speak to this audience and what will appeal to their acculturated senses is what matters. Organizations need to attune themselves culturally in order to be ready to interact with this generation."

Today's conference speakers and presenters will provide specific recommendations on an area of growth and opportunity that is often commented on or studied, but otherwise overlooked by American businesses. The insights and tools provided at today's conference will significantly improve the understanding and financial well-being of the country's largest and financially powerful minority population. Today's discussions, insights and recommendations will be compiled by TRPI and made available publicly to assist progressive and forward thinking businesses and organizations to prepare for this next generation's arrival.

Information regarding the conference and its participants can be found on the web by visiting www.trpi.org. Information about today's conference and the availability of a summary of findings will be posted to this website for reference.

The Tomás Rivera Policy Institute is a non-profit, free-standing research organization that advances critical and insightful thinking on key issues affecting Latino communities through objective, policy-relevant research - and its implications - for the betterment of the nation. TRPI is dedicated to the memory of one of its founders, the late Tomás Rivera, who received international acclaim as an educator, author and scholar and had wide ranging vision for all Latinos. TRPI is headquartered at the University of Southern California with a satellite office at Columbia University in New York City. The Institute is governed by an elected board of trustees and an appointed president. Information about the Institute can be found at TRPI.org.

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