

## Indiana

Indiana's small businesses are key to the state's well-being. They account for a significant share of the state's economic production and hiring. This profile from the Office of Advocacy uses the latest available data to illustrate the status and contributions of Indiana small businesses. (Note that a small business is defined as one with fewer than 500 employees.)

- Small businesses totaled 484,134 in the state in 2008. Of these, 112,513 were employers, and they accounted for 48.2% of private-sector jobs in the state (Table 1). Small firms made up 97.4% of the state's employers.
- Indiana's real gross state product decreased by 0.6% and private-sector employment decreased by 6.8% in 2009. By comparison, real GDP in the United States grew 0.7% and private-sector employment declined by 5.5%.
- Business ownership is becoming more inclusive in the state. The number of both women and minority business owners has grown. In particular, minority-owned businesses numbered 40,753 in 2007, a 50.1% increase over 2002.
- The state's small business employment has undergone major shifts in recent years (Table 2).
- The state's businesses showed signs of stability and improvement in the fourth quarter of 2009 compared to the first quarter (Table 3).

### For Further Information

- Data on all states and territories is available at [www.sba.gov/advocacy/848](http://www.sba.gov/advocacy/848).
- For other small business data and analysis, visit [www.sba.gov/advocacy/847](http://www.sba.gov/advocacy/847), call (202) 205-6533, or email [advocacy@sba.gov](mailto:advocacy@sba.gov).
- Visit <http://web.sba.gov/list> to subscribe to Advocacy's Listservs.

### Indiana Small Business Facts

	2008*	2007	2000
<b>Number of Businesses</b>			
Small employers (<500 employees)	112,513	115,284	113,324
Large employers (500+ employees)	2,953	2,934	2,932
Nonemployers	371,621	379,813	319,415
	<b>Level in 2007*</b>	<b>% Share in 2007</b>	<b>% Change 2002-2007</b>
<b>Business Owner Demographics</b>			
Male-owned	244,268	50.5	0
Woman-owned	129,523	26.8	9.0
Equally male/female-owned	92,840	19.2	61.3
African American-owned	22,064	4.6	57
Asian-owned	8,778	1.8	44.4
Hispanic-owned	8,567	1.8	56.3
Native American/Alaskan-owned	2,210	0.5	12.9
Hawaiian/Pacific Islander-owned	222	0.0	94.7
Veteran-owned	46,785	9.7	n.a.
	<b>Level in 2009*</b>	<b>% Change from 2008 2000</b>	
<b>Workforce (Thousands) /Unemployment (%)</b>			
Private-sector employment	2,296	-6.8	-10.0
Government employment	409	0.0	6.5
Self-employed (incorp. & uninc.)	271	6.3	-5.6
Female self-employment	87	12.8	-18.8
Male self-employment	184	3.5	2.2
Minority self-employment	17	-23.2	-15.9
Veteran self-employment	36	-8.3	-24.4
Unemployment rate (%)	10.1	4.3†	7.2†
<b>Business Turnover</b>			
Quarterly establishment openings	22,518	-7.4	1.1
Quarterly establishment closings	27,516	2.1	14.1
Business bankruptcies	607	-27.3	52.5
	<b>2009*</b>	<b>2008</b>	<b>2000</b>
<b>Income and Finance</b>			
Proprietors' income (\$billion)	16.2	18.4	10.8
Number of bank branches	2,425	2,401	2,247
No. of bus. loans under \$100,000‡	105,747	141,889	68,562
Total value of business loans under \$100,000 (\$million)‡	1,246	1,656	1,053

Source: U.S. Dept. of Commerce, Census Bureau, Bureau of Economic Analysis; U.S. Dept. of Labor, Bureau of Labor Statistics; Admin. Office of the U.S. Courts; Federal Deposit Insurance Corporation; and U.S. Small Business Admin., Office of Advocacy.  
\* Latest available data. †Percentage point change. ‡Data are for CRA loans.

**Table 1: Firms and Employment in Indiana by Industry and Firm Size, 2008  
(Nonfarm, Thousands)**

Industry	Nonemployer Firms	Employer Firms			Employment		
		Total	1-19 Employees	1-499 Employees	Total	1-19 Employees	1-499 Employees
Total	371.6	115.5	97.7	112.5	2,619.1	427.7	1,266.9
Forestry, etc. and agriculture support	3.6	0.2	0.2	0.2	2.1	0.6	1.3
Mining	0.9	0.2	0.1	0.2	6.1	0.6	2.6
Utilities	0.4	0.2	0.1	0.2	15.9	0.6	3.1
Construction	48.8	15.2	13.9	15.1	139.6	54.0	117.7
Manufacturing	6.5	7.9	4.8	7.2	523.7	29.5	196.8
Wholesale trade	6.2	6.5	4.8	6.1	117.1	21.4	71.9
Retail trade	39.6	13.7	11.7	13.2	330.9	56.3	129.5
Transportation and warehousing	21.1	4.6	3.7	4.3	116.9	14.5	42.5
Information	4.5	1.1	0.8	1.0	45.6	3.5	13.7
Finance and insurance	12.1	5.2	4.4	4.9	105.9	13.7	41.3
Real estate and rental and leasing	37.0	4.6	4.2	4.5	34.7	12.1	23.9
Professional, scientific, and technical svcs.	42.7	12.1	11.0	11.9	103.3	37.4	74.5
Management of companies and enterprises	--	0.7	0.1	0.4	50.0	0.2	7.3
Admin., support, waste mgt., remed. svcs.	31.4	6.4	5.3	6.1	171.4	19.8	66.6
Educational services	9.6	1.4	1.1	1.4	57.2	5.3	21.2
Health care and social assistance	26.8	10.7	8.9	10.4	375.8	46.3	172.6
Arts, entertainment, and recreation	17.0	2.1	1.7	2.0	34.9	7.5	24.7
Accommodation and food services	4.3	9.2	6.9	9.0	260.4	42.5	147.0
Other services (except public admin.)	59.1	15.4	14.1	15.3	127.4	61.8	108.7
Unclassified	--	0.1	0.1	0.1	0.2	0.2	0.2

Source: U.S. Dept. of Commerce, Bureau of the Census, Statistics of U.S. Businesses. (See [www.sba.gov/advocacy/849/12162](http://www.sba.gov/advocacy/849/12162) for data from other years, and for starts, closures, job creation and destruction by industry and by size category.)

**Table 2: Net Job Change by Firm Size, 2004–2007 (Nonfarm)**

	Total Net New Jobs	Employment Size of Firm						
		1-4	5-9	10-19	20-99	100-499	<500	500+
2004 - 2005	25,342	13,166	1,741	-2,011	-4,139	1,073	9,830	15,512
2005 - 2006	61,131	16,131	3,382	2,199	7,196	11,394	40,302	20,829
2006 - 2007	-23,058	14,296	-218	-1,866	-4,728	-11,470	-19,072	-3,986

Source: U.S. Dept. of Commerce, Bureau of the Census. (For more detailed data see [www.sba.gov/advocacy/849/12162](http://www.sba.gov/advocacy/849/12162).)

**Table 3: Establishment and Employment Turnover by Quarter, 2009 (Nonfarm, Thousands)**

	Establishments				Employment Change Due To:			
	Openings	Expansions	Contractions	Closings	Openings	Expansions	Contractions	Closings
Quarter 1	5.5	25.3	35.2	7.4	19.0	94.7	159.9	27.0
Quarter 2	5.4	26.4	33.1	6.9	22.2	105.5	153.1	25.3
Quarter 3	5.7	26.7	30.6	6.7	20.8	120.1	116.9	23.7
Quarter 4	5.9	27.5	30.0	6.5	20.2	113.0	111.3	23.5

Source: U.S. Dept. of Labor, Bureau of Labor Statistics, Business Employment Dynamics. (For more detailed data see [www.bls.gov/bdm/home.htm](http://www.bls.gov/bdm/home.htm).)

Note: These figures contain all firm sizes; Census data from 2007 show that 86 percent of establishment births and deaths were in firms with fewer than 500 employees.