

## Iowa

Small businesses significantly impact Iowa's economy. They represent 97.2 percent of all employers and employ 51.3 percent of the private-sector labor force. Small businesses are crucial to the fiscal condition of the state and numbered 263,081 in 2010.

This profile uses the latest available data to illustrate the status of Iowa's small businesses. (Note that a small business is defined as one with fewer than 500 employees.)

- Iowa's economy was strong in 2011, with real gross state product increasing 5.7 percent and private-sector employment increasing 1.0 percent (Bureau of Economic Analysis, Bureau of Labor Statistics).
- Small businesses employed 643,459 workers in 2010 (Table 1) with most of the employment coming from firms with 20-499 employees.
- The employment situation from 2007-2010 was weak, yet small businesses in Iowa represented all of the net new jobs (Table 2). The unemployment rate in 2010-2011 decreased by 0.4 percent.
- Most of Iowa's small businesses are very small as 76.1 percent of all businesses have no employees, and most employers have fewer than 20 employees.
- In 2011, the number of opening establishments was lower than closing establishments, and the net employment change from this turnover was positive (Table 3).
- Self-employment in Iowa improved over the last decade. Minority self-employment fared the best compared with other demographic groups.

### For Further Information

- Data on all states and territories are 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 [www.sba.gov/updates](http://www.sba.gov/updates) to subscribe to Advocacy's Listservs.

Iowa Small Business Facts			
	2010*	2009	2000
<b>Number of Businesses</b>			
Small employers (<500 employees)	61,633	61,966	63,888
Large employers (500+ employees)	1,769	1,754	1,670
Nonemployers	201,448	199,993	171,483
<b>Level in 2007* (000)</b>			
	<b>Firms</b>	<b>Employment</b>	<b>Receipts(\$M)</b>
<b>Business Owner Demographics</b>			
Male-owned	120	413	77,152
Woman-owned	66	61	6,711
Equally male/female-owned	63	105	13,628
African American-owned	2	2	212
Asian-owned	3	10	715
Hispanic-owned	2	3	381
Native American/Alaskan-owned	1	0	31
Hawaiian/Pacific Islander-owned	-	-	-
Veteran-owned	40	90	17,026
Publicly held, unclassified	10	672	206,922
	<b>Level in 2011*</b>	<b>% Change from</b>	
		<b>2010</b>	<b>2000</b>
<b>Workforce (Thousands)</b>			
Private-sector employment	1,228	1.0	-0.6
Government employment	250	-1.4	2.6
Self-employed (incorp. & uninc.)	177	-4.3	3.5
Female self-employment	62	-1.7	-4.1
Male self-employment	115	-5.6	8.1
Minority self-employment	6	-33.3	14.0
Veteran self-employment	16	-7.2	-49.4
Unemployment Rate (Percent)	5.9	-0.4†	3.1‡
<b>Business Turnover</b>			
Quarterly establishment openings	12,719	18.2	-8.3
Quarterly establishment closings	12,842	9.8	-12.6
Business bankruptcies	356	-6.6	66.4
	<b>2011*</b>	<b>2010</b>	<b>2000</b>
<b>Income and Finance</b>			
Proprietors' income (\$billion)	15.5	12.4	8.8
Number of bank branches	1,613	1,621	1,486
No. of bus. loans under \$100,000‡	28,337	31,039	23,260
Total value of business loans under \$100,000 (\$million)‡	520	520	368

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 Iowa by Industry and Firm Size, 2010  
(Nonfarm, Thousands)**

Industry	Nonemployer Firms	Employer Firms			Employment		
		All Firms Total	1-19 Employees	1-499 Employees	All Firms Total	1-19 Employees	1-499 Employees
Total	201.4	63.4	54.4	61.6	1,253.1	228.7	643.5
Forestry, etc. and agriculture support	4.7	0.2	0.2	0.2	1.9	0.5	1.3
Mining	0.0	0.1	0.0	0.1	1.7	0.2	1.3
Utilities	0.2	0.1	0.0	0.1	D	0.3	1.7
Construction	26.9	8.5	7.9	8.5	55.3	27.5	52.7
Manufacturing	2.8	3.1	2.0	2.8	195.6	11.0	66.6
Wholesale trade	3.1	3.5	2.4	3.2	64.4	12.1	44.8
Retail trade	22.2	7.9	6.8	7.6	174.1	33.9	68.9
Transportation and warehousing	10.4	3.2	2.8	3.0	53.4	9.2	21.6
Information	2.2	0.9	0.7	0.8	33.0	3.6	10.7
Finance and insurance	7.9	3.6	3.1	3.4	92.1	10.3	32.8
Real estate and rental and leasing	20.2	2.2	2.0	2.1	13.8	5.0	9.3
Professional, scientific, and technical svcs.	19.2	5.8	5.2	5.7	46.4	18.1	34.0
Management of companies and enterprises	0.0	0.4	0.0	0.3	17.4	0.1	5.3
Admin., support, waste mgt., remed. svcs.	14.2	3.1	2.7	3.0	64.6	9.7	29.0
Educational services	3.8	0.6	0.5	0.6	39.6	2.2	13.1
Health care and social assistance	22.3	5.6	4.4	5.5	207.7	22.1	111.8
Arts, entertainment, and recreation	8.7	1.4	1.2	1.4	20.8	4.9	13.8
Accommodation and food services	2.6	5.6	4.3	5.4	111.0	25.6	76.5
Other services (except public admin.)	29.9	8.6	8.1	8.5	52.4	32.3	48.0
Unclassified	0.0	0.1	0.1	0.1	D	D	D

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.)

(D) Data suppressed to protect the confidentiality of individual firms.

**Table 2: Net Job Change by Firm Size, 2007–2010 (Nonfarm)**

	Total Net New Jobs	Employment Size of Firm						
		1-4	5-9	10-19	20-99	100-499	<500	500+
2010	-21,530	7,233	744	-2,425	-5,373	-10,213	-10,034	-11,496
2009	-32,627	9,576	-570	-2,910	-7,850	-8,150	-9,904	-22,723
2008	23,425	7,467	-720	-1,947	2,863	5,487	13,150	10,275
2007	6,517	7,658	488	-2,374	162	2,474	8,408	-1,891

Note: Data source differs from previous publications.

Source: U.S. Dept. of Commerce, Bureau of the Census, Business Dynamic Statistics. (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, 2011 (Nonfarm, Thousands)**

	Establishments				Employment			
	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Quarter 1	Quarter 2	Quarter 3	Quarter 4
Openings	2.8	3.2	3.1	3.6	11.3	12.1	13.9	13.9
Expansions	17.0	17.3	17.8	17.1	54.9	59.9	60.1	57.3
Contractions	17.7	17.4	16.9	17.7	57.2	55.5	54.4	57.0
Closings	3.2	3.2	3.2	3.3	9.9	10.1	10.1	11.6

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

Note: These figures contain all firm sizes; Census data from 2010 show that 87 percent of establishment births and deaths were in firms with fewer than 500 employees.