

Washington

Small businesses significantly impact Washington's economy. They represent 98.1 percent of all employers and employ 53.7 percent of the private-sector labor force. Small businesses are crucial to the fiscal condition of the state and numbered 546,885 in 2010.

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

- Washington's economy was strong in 2011, with real gross state product increasing 4.5 percent and private-sector employment increasing 1.9 percent (Bureau of Economic Analysis, Bureau of Labor Statistics).
- Small businesses employed 1.2 million 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, and small businesses in Washington had a net job loss (Table 2). The unemployment rate in 2010-2011 decreased by 0.7 percent.
- Most of Washington's small businesses are very small as 73.7 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 negative (Table 3).
- Self-employment in Washington improved over the last decade. Female 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.
- For other small business data and analysis, visit www.sba.gov/advocacy/847, call (202) 205-6533, or email advocacy@sba.gov.
- Visit www.sba.gov/updates to subscribe to Advocacy's Listservs.

Washington Small Business Facts

	2010*	2009	2000
Number of Businesses			
Small employers (<500 employees)	141,629	142,854	135,598
Large employers (500+ employees)	2,748	2,758	2,630
Nonemployers	405,256	402,706	326,397
Level in 2007* (000)			
	Firms		Employment Receipts(\$M)
Business Owner Demographics			
Male-owned	239	788	164,124
Woman-owned	158	147	18,963
Equally male/female-owned	134	287	42,762
African American-owned	n.a.	n.a.	n.a.
Asian-owned	37	71	11,170
Hispanic-owned	18	23	9,261
Native American/Alaskan-owned	7	6	1,257
Hawaiian/Pacific Islander-owned	-	-	-
Veteran-owned	85	182	34,571
Publicly held, unclassified	20	1,208	381,608
	Level in	% Change from	
	2011*	2010	2000
Workforce (Thousands)			
Private-sector employment	2,279	1.9	2.3
Government employment	542	-1.5	12.1
Self-employed (incorp. & uninc.)	357	-0.5	8.9
Female self-employment	153	8.1	60.7
Male self-employment	204	-6.1	-12.3
Minority self-employment	52	-20.4	8.6
Veteran self-employment	36	-8.9	-47.7
Unemployment Rate (Percent)	9.2	-0.7†	4.2‡
Business Turnover			
Quarterly establishment openings	30,416	0.2	-23.8
Quarterly establishment closings	31,557	1.7	-23.2
Business bankruptcies	1,124	-5.4	56.8
	2011*	2010	2000
Income and Finance			
Proprietors' income (\$billion)	21.5	20.6	16.7
Number of bank branches	1,891	1,891	1,691
No. of bus. loans under \$100,000‡	74,028	90,110	75,057
Total value of business loans under \$100,000 (\$million)‡	1,200	1,251	915

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 Washington 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	405.3	144.4	127.6	141.6	2,326.7	506.3	1,249.6
Forestry, etc. and agriculture support	7.7	1.4	1.2	1.4	11.8	3.3	10.1
Mining	0.2	0.1	0.1	0.1	2.9	0.5	1.6
Utilities	0.3	0.2	0.2	0.2	8.3	0.6	1.5
Construction	33.0	20.8	19.5	20.7	141.0	64.2	124.3
Manufacturing	8.3	6.7	5.1	6.4	220.4	25.5	103.5
Wholesale trade	7.6	7.6	5.9	7.1	119.8	24.2	73.0
Retail trade	35.7	14.6	12.7	14.2	303.6	58.6	126.7
Transportation and warehousing	16.3	4.1	3.3	3.8	79.2	12.2	33.3
Information	6.6	2.0	1.4	1.8	112.5	6.0	22.9
Finance and insurance	11.5	5.1	4.4	4.8	96.4	13.3	37.0
Real estate and rental and leasing	50.8	7.4	6.9	7.3	46.8	18.7	33.9
Professional, scientific, and technical svcs.	75.5	18.8	17.1	18.4	160.6	53.0	109.3
Management of companies and enterprises	0.0	0.8	0.1	0.5	84.9	0.4	8.2
Admin., support, waste mgt., remed. svcs.	27.4	7.9	7.0	7.7	124.6	25.5	63.6
Educational services	12.4	2.3	1.9	2.2	50.8	8.2	28.4
Health care and social assistance	32.6	15.9	13.9	15.6	370.4	65.7	184.7
Arts, entertainment, and recreation	24.9	2.5	2.0	2.5	60.3	8.1	38.9
Accommodation and food services	5.1	12.8	10.6	12.7	223.7	61.7	153.2
Other services (except public admin.)	49.4	15.0	13.9	14.8	108.2	56.0	95.0
Unclassified	0.0	0.5	0.5	0.5	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 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	-83,910	18,149	492	-2,060	-19,510	-7,990	-10,919	-72,991
2009	-122,982	3,097	-15,316	-17,132	-43,392	-25,449	-98,192	-24,790
2008	35,229	20,489	1,963	-2,231	1,795	7,775	29,791	5,438
2007	92,164	27,642	6,435	4,396	7,042	7,284	52,799	39,365

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.)

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	7.9	7.5	7.5	7.5	23.2	23.7	26.6	26.6
Expansions	33.8	35.7	35.9	35.1	129.2	132.4	145.8	136.8
Contractions	35.0	33.2	32.8	34.3	122.5	119.9	112.5	132.3
Closings	6.8	9.2	7.0	8.5	23.1	29.2	20.4	30.4

Source: U.S. Dept. of Labor, Bureau of Labor Statistics, Business Employment Dynamics. (For more detailed data see 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.