

United States

28,443,856 Small Businesses

5,707,941 Small Businesses with Employees

22,735,915 Small Businesses without Employees (Nonemployers)

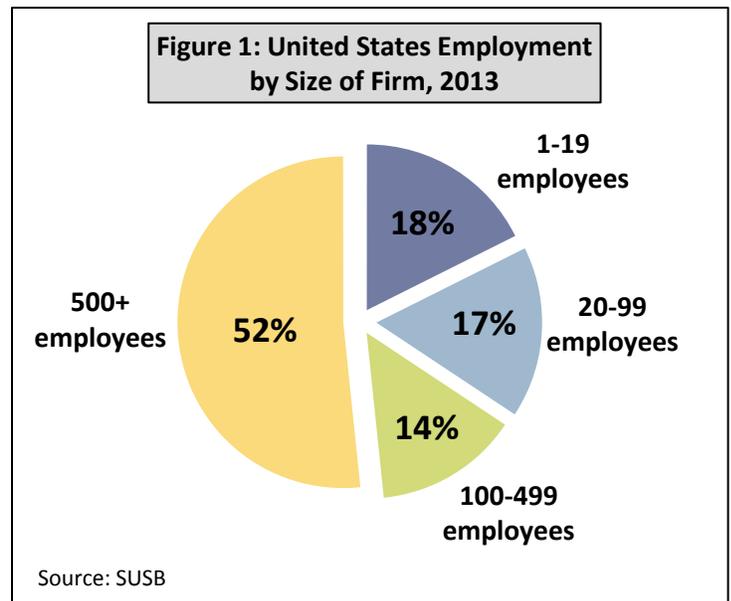
56,062,893 Workers Employed by Small Businesses

Overall U.S. Economy

- Multiple economic indicators, including real gross domestic product (GDP), consistently signaled a strengthening U.S. economy in 2014. In the third quarter of 2014, real GDP grew at an annual rate of **5.0 percent**, which was the strongest growth in a single quarter since 2003. By comparison, the nation's 2013 annual real GDP increased **2.2 percent** over the 2012 annual level. (Source: BEA)
- The employment picture in the United States has improved. The national unemployment rate declined from **7.2 percent** in October 2013 to **5.8 percent** in October 2014. In 2014, the U.S. economy generated the best year of job growth since 1999, but while wage growth and long-term unemployment showed signs of improvement, further recovery is still needed in these areas. (Source: BLS, CEA)

Employment

- U.S. small businesses employed about half or **56.1 million** of the nation's private workforce in 2012. (Source: SUSB)
- Almost all firms with employees are small. They make up **99.7 percent** of all employers nationally. (Source: SUSB)
- Firms with fewer than 100 employees have the largest share of small business employment. **Figure 1** offers further detail.
- Nationally, small businesses created **2,175,253** net new jobs in 2012. The biggest gain was in the smallest firm size category of 1-4 employees. (Source: BDS)
- The number of people who were primarily self-employed in 2013 decreased by **1.2 percent** relative to the previous year.
- The nation's private-sector employment increased by **2.3 percent** over the 12-month period ending in October 2014. This was above the annual average growth rate of **2.1 percent** for the previous year. (Source: BLS)



The *Small Business State and Territory Profiles* report on the economic status of small business from 2007 to 2014. They include information on the number of firms, employment, demographics and other topics using the most recently available government data. They are a reference tool for researchers, policymakers, and small entities who are interested in how small firms are performing regionally or nationally. *Note that this report defines small businesses as firms with fewer than 500 employees; 2014 real GDP data are only available at the national level.*

Income and Finance

- The number of banks reported in the Call Reports between June 2013 and June 2014 declined. (Source: FDIC)
- In 2012, **5,483,883** loans under \$100,000 (and valued at **\$68.0 billion**) were issued by Community Reinvestment Act lending institutions in the United States. (Source: FFIEC)
- The median income for individuals who are self-employed at their own incorporated businesses for the past 12 months was **\$49,363** in 2013. For individuals self-employed at their own unincorporated firms, this figure was **\$22,207**. (Source: ACS)

Note: Median income represents earnings from all sources. Unincorporated self-employment income includes unpaid family workers, a very small percent of the unincorporated self-employed.

Business Owner Demographics

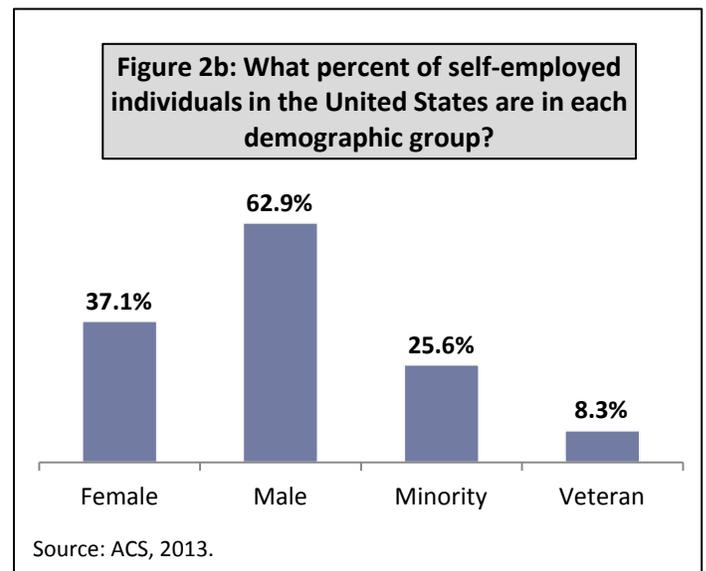
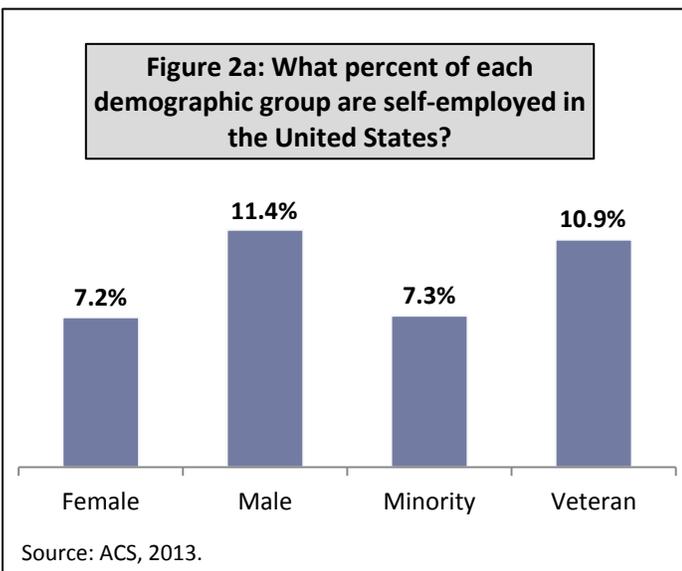
- **Table 1** shows the top industry for nine business owner demographics. For example, **40.1 percent** of female-owned businesses were in the other services industry, and female-owned firms made up **16.1 percent** of this industry.

Demographic Group of Business Owners	Most Common Industry	% of Industry in Demographic Group	% of Demographic Group in Industry
Female	Other services	40.1	16.1
Male	Construction	74.6	18.3
American Indian and Alaska Native	Construction	1.1	15.9
Asian	Other services	9.2	18.6
Black or African American	Health care & social assistance	15.4	19.0
Native Hawaiian and Other Pacific Islander	Other services	0.2	14.0
White	Agriculture, forestry, etc.	87.5	14.7
Hispanic	Construction	10.0	15.1
Veteran	Prof., sci., & tech. services	10.9	16.9

For more detailed information on businesses in your state, see www.sba.gov/advocacy/847/841921.

Source: U.S. Department of Commerce, Census Bureau, 2007 Survey of Business Owners via American FactFinder.

- **Figures 2a and 2b** show the demographic makeup of the self-employed in four demographic groups. For example, **Figure 2a** shows that **7.2 percent** of females were self-employed, and **Figure 2b** shows that **37.1 percent** of all self-employed people were female.



Business Turnover

- In 2010, **507,129** establishments opened in the United States, and **67.7 percent** survived through 2012. In 2013, **630,357** establishments opened, and **79.5 percent** survived through 2014. (Source: BLS, BED)
- In the first quarter of 2014, **382,000** establishments opened and **364,000** closed in the United States. (Source: BED)
- Business bankruptcies declined from 2010 to 2014, signaling a stronger U.S. economy. (Source: U.S. Courts)

International Trade

- A total of **304,867** companies exported goods from the United States in 2012. Of these **297,995**, or **97.7 percent**, were small firms; they generated one-third (**33 percent**) of the nation's total known export value. (Source: ITA)

Small Businesses and Employment by Industry

- **Table 2** ranks U.S. industries by the number of small employer firms. The three most common industries for small employer firms across the United States are professional, scientific, and technical services; other services (except public administration); and retail trade.

Table 2: Number of United States Small Firms by Industry, 2012
(ranked by number of small employer firms)

Industry	Employer Firms With 1-499 Employees	Employer Firms With 1-19 Employees	Nonemployer Firms	Total Small Firms
Professional, scientific, & tech. svcs.	769,499	723,917	3,212,202	3,981,701
Other services (except public admin.)	665,793	622,498	3,522,878	4,188,671
Retail trade	648,584	594,510	1,905,147	2,553,731
Construction	640,055	594,783	2,346,798	2,986,853
Health care & social assistance	636,520	556,238	1,943,028	2,579,548
Accommodation & food services	493,247	393,126	340,770	834,017
Admin., supp., waste mgt., remed. svcs.	323,549	288,258	2,006,177	2,329,726
Wholesale trade	312,074	269,801	408,487	720,561
Real estate & rental & leasing	268,798	256,371	2,389,906	2,658,704
Manufacturing	252,737	193,108	344,658	597,395
Finance & insurance	233,187	215,929	720,598	953,785
Transportation & warehousing	165,890	147,818	1,059,040	1,224,930
Arts, entertainment, & recreation	114,194	99,038	1,236,539	1,350,733
Educational services	83,182	65,646	603,455	686,637
Information	70,003	60,349	327,795	397,798
Mining, quarrying, and oil & gas extraction	21,780	18,368	109,931	131,711
Forestry, etc. & agriculture support	21,260	19,953	240,054	261,314
Management of comp. & enterprises	19,261	4,324	*	19,261
Unclassified	7,103	7,094	*	7,103
Utilities	5,774	4,556	18,452	24,226
Total	5,707,941	5,130,348	22,735,915	28,443,856

Source: SUSB and Nonemployer Statistics. *Data for nonemployers not collected in these two categories.

See www.sba.gov/advocacy/additional-data-state-profiles for more detailed data.

- **Table 3** shows small firm employment by industry. The three industries with the most small business employment were: health care & social assistance, accommodation & food services, and retail trade (**Table 3**).

Table 3: Employment in the United States by Industry and Firm Size, 2012 (ranked by small firm employment)			
Industry	Employment		Small Firm % of Industry Employment
	Small Firms	Total Firms	
Health care & social assistance	8,451,138	18,378,342	46.0
Accommodation & food services	7,178,324	11,985,274	59.9
Retail trade	5,321,969	14,807,958	35.9
Manufacturing	5,086,905	11,192,043	45.5
Professional, scientific, & tech. svcs.	4,767,254	8,016,181	59.5
Other services (except public admin.)	4,508,134	5,256,250	85.8
Construction	4,380,020	5,260,942	83.3
Admin., supp., waste mgt., remed. svcs.	3,515,855	9,866,296	35.6
Wholesale trade	3,440,516	5,776,243	59.6
Finance & insurance	1,907,236	5,979,661	31.9
Transportation & warehousing	1,568,049	4,233,381	37.0
Educational services	1,493,361	3,477,047	42.9
Real estate & rental & leasing	1,344,302	1,940,681	69.3
Arts, entertainment, & recreation	1,301,406	2,057,290	63.3
Information	861,800	3,136,025	27.5
Management of comp. & enterprises	386,346	3,037,299	12.7
Mining, quarrying, and oil & gas extraction	294,351	727,626	40.5
Forestry, etc. & agriculture support	137,155	161,077	85.1
Utilities	111,625	641,063	17.4
Unclassified	D	D	D
Total	56,062,893	115,938,468	48.4

Source: SUSB. (D) indicates data suppressed to protect the confidentiality of individual firms.

See www.sba.gov/advocacy/additional-data-state-profiles for more detailed data.

Abbreviations and Resources

ACS	American Community Survey, U.S. Census Bureau, www.census.gov/acs .
BEA	Bureau of Economic Analysis, U.S. Department of Commerce, www.bea.gov .
BED	Business Employment Dynamics, U.S. Department of Labor, Bureau of Labor Statistics, www.bls.gov/bdm .
BDS	Business Dynamics Statistics, U.S. Census Bureau, www.census.gov/ces/dataproducts/bds .
BLS	Bureau of Labor Statistics, U.S. Department of Labor, www.bls.gov .
CEA	Council of Economic Advisers, www.whitehouse.gov/administration/eop/cea .
FDIC	Federal Deposit Insurance Corporation, www.fdic.gov .
FFIEC	Federal Financial Institutions Examination Council, www.ffiec.gov .
ITA	International Trade Administration, U.S. Department of Commerce, www.trade.gov .
Nonemployer Statistics	Nonemployer Statistics, U.S. Census Bureau, www.census.gov/econ/nonemployer .
SBO	Survey of Business Owners, U.S. Census Bureau, www.census.gov/econ/sbo .
SUSB	Statistics of U.S. Businesses, U.S. Census Bureau, www.census.gov/econ/susb .
U.S. Courts	Administrative Office of the U.S. Courts, www.uscourts.gov .