

Connecticut

331,386 Small Businesses

69,464 Small Businesses with Employees

261,922 Small Businesses without Employees (Nonemployers)

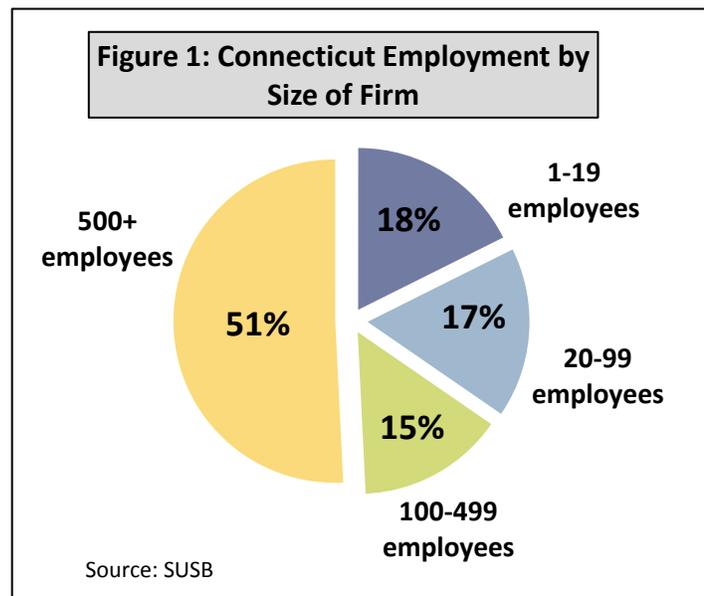
720,404 Workers Employed by Small Businesses

State Economy Overall

- Connecticut's economy grew at a slower rate than the United States in 2013. Connecticut's real gross state product increased by **0.9 percent** compared to **2.2 percent** for U.S. gross domestic product. (Source: BEA)
- The employment picture in Connecticut has improved. The unemployment rate in Connecticut declined from **7.6 percent** in October 2013 to **6.4 percent** in October 2014. This is above the national average of **5.8 percent** for the same time period. (Source: BLS)

Employment

- Connecticut's small businesses employed about half or **720,404** of the state's private workforce in 2012. (Source: SUSB)
- Almost all firms with employees are small. They make up **97.0 percent** of all employers in the state. (Source: SUSB)
- Firms with fewer than 100 employees have the largest share of small business employment. **Figure 1** offers further detail.
- In Connecticut, small businesses created **21,051** 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 increased by **5.9 percent** relative to the previous year.
- The state's private-sector employment growth increased by **1.7 percent** over the 12-month period ending in October 2014; this was below the national average growth rate of **2.3 percent**. (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.*

Income and Finance

- The number of banks reported in the Call Reports between June 2013 and June 2014 declined. (Source: FDIC)
- In 2012, **71,763** loans under \$100,000 (and valued at **\$898.3 million**) were issued by Community Reinvestment Act lending institutions in Connecticut. (Source: FFIEC)
- The median income for individuals who are self-employed at their own incorporated businesses for the past 12 months was **\$59,067** in 2013. For individuals self-employed at their own unincorporated firms, this figure was **\$29,895**. (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, **29.7 percent** of female-owned businesses were in the professional, scientific, and technical services industry, and female-owned firms made up **17.3 percent** of this industry.

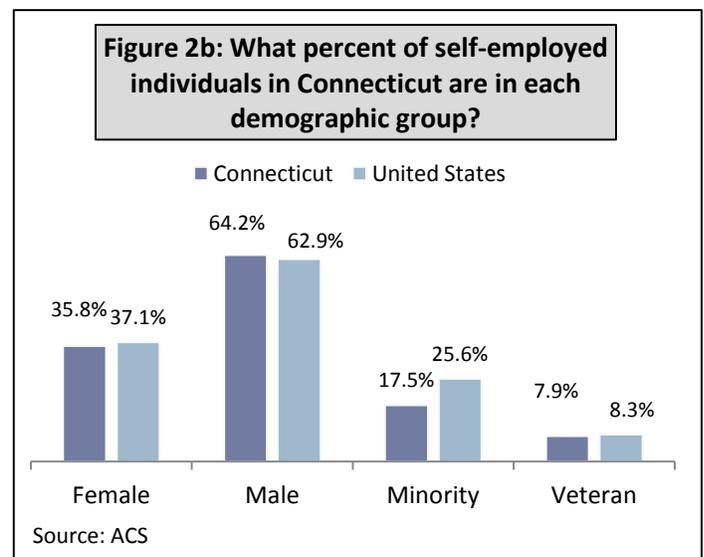
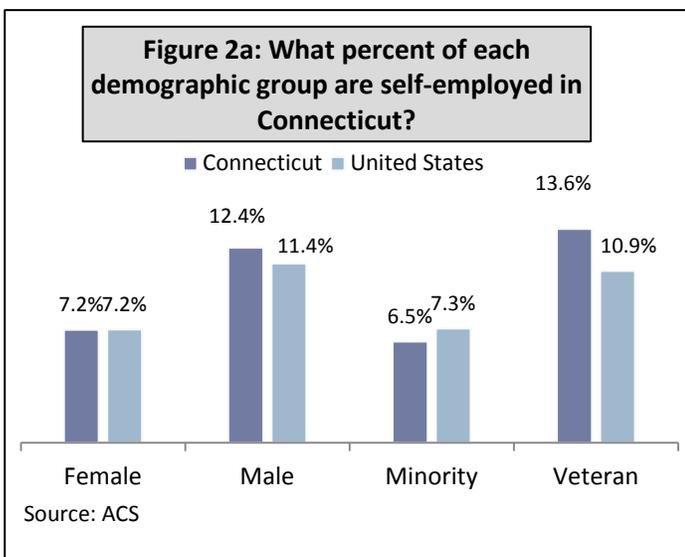
Table 1: Top Industry by Demographic Group in Connecticut, 2007

Demographic Group of Business Owners	Most Common Industry	% of Industry in Demographic Group	% of Demographic Group in Industry
Female	Prof., sci., & tech. services	29.7	17.3
Male	Construction	86.8	20.2
American Indian and Alaska Native	Other services	1.1	19.4
Asian	Retail trade	6.3	17.7
Black or African American	Health care & social assistance	10.7	20.2
Native Hawaiian and Other Pacific Islander	*	*	*
White	Prof., sci., & tech. services	91.7	17.1
Hispanic	Admin., support, etc. services	10.3	17.7
Veteran	Prof., sci., & tech. services	12.6	21.9

*Indicates that the sample size was too small to be representative of the population. 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 **35.8 percent** of all self-employed people were female.



Business Turnover

- In 2010, **5,197** establishments opened in Connecticut, and **74.4 percent** survived through 2012. In 2013, **6,762** establishments opened, and **82.1 percent** survived through 2014. (Source: BLS, BED)
- In the 1st quarter of 2014, **2,921** establishments opened and **2,943** closed in the state of Connecticut. (Source: BED)
- Business bankruptcies declined from 2010 to 2014, signaling a stronger state economy. (Source: U.S. Courts)

International Trade

- A total of **5,895** companies exported goods from the state in 2012. Of these, **5,232** or **88.8 percent** were small firms; they generated over one-fifth (**23.3 percent**) of the state's total known export value. (Source: ITA)

Small Businesses and Employment by Industry

- **Table 2** ranks the state's industries by the number of small employer firms. For comparison, 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 Connecticut 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
Other services (except public admin.)	8,639	8,121	29,916	38,555
Professional, scientific, & tech. svcs.	8,355	7,702	45,034	53,389
Retail trade	8,283	7,434	18,907	27,190
Construction	7,779	7,313	31,688	39,467
Health care & social assistance	7,298	5,996	23,022	30,320
Accommodation & food services	6,760	5,507	3,324	10,084
Admin., supp., waste mgt., remed. svcs.	4,536	4,052	19,733	24,269
Manufacturing	3,943	2,904	3,646	7,589
Wholesale trade	3,438	2,739	4,480	7,918
Finance & insurance	3,259	2,857	10,904	14,163
Real estate & rental & leasing	2,316	2,168	34,416	36,732
Arts, entertainment, & recreation	1,456	1,169	15,804	17,260
Educational services	1,236	999	8,924	10,160
Transportation & warehousing	1,192	969	6,597	7,789
Information	859	685	4,021	4,880
Management of comp. & enterprises	261	71	*	261
Forestry, etc. & agriculture support	85	83	1,228	1,313
Unclassified	66	66	*	66
Utilities	48	32	211	259
Mining, quarrying, and oil & gas extrac.	47	40	67	114
Total	69,464	60,857	261,922	331,386

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 Connecticut industries with the most small business employment were: health care and social assistance; accommodation and food services; and manufacturing (**Table 3**).

Table 3: Employment in Connecticut 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	134,368	268,876	50.0
Accommodation & food services	85,490	134,280	63.7
Manufacturing	77,353	153,757	50.3
Retail trade	68,832	183,809	37.4
Other services (except public admin.)	52,982	59,762	88.7
Professional, scientific, & tech. svcs.	52,673	102,622	51.3
Construction	43,806	49,438	88.6
Admin., supp., waste mgt., remed. svcs.	42,952	90,045	47.7
Wholesale trade	39,802	72,424	55.0
Finance & insurance	31,787	115,456	27.5
Educational services	24,192	66,005	36.7
Arts, entertainment, & recreation	20,422	25,460	80.2
Transportation & warehousing	14,247	39,996	35.6
Information	11,981	36,542	32.8
Real estate & rental & leasing	11,933	18,753	63.6
Management of comp. & enterprises	5,423	36,011	15.1
Utilities	1,138	D	D
Mining, quarrying, and oil & gas extraction	630	1,111	56.7
Forestry, etc. & agriculture support	338	338	100.0
Unclassified	55	55	100.0
Total	720,404	1,463,732	49.2

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

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

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 .
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 .