

Maryland

546,917 Small Businesses

104,603 Small Businesses with Employees

442,314 Small Businesses without Employees (Nonemployers)

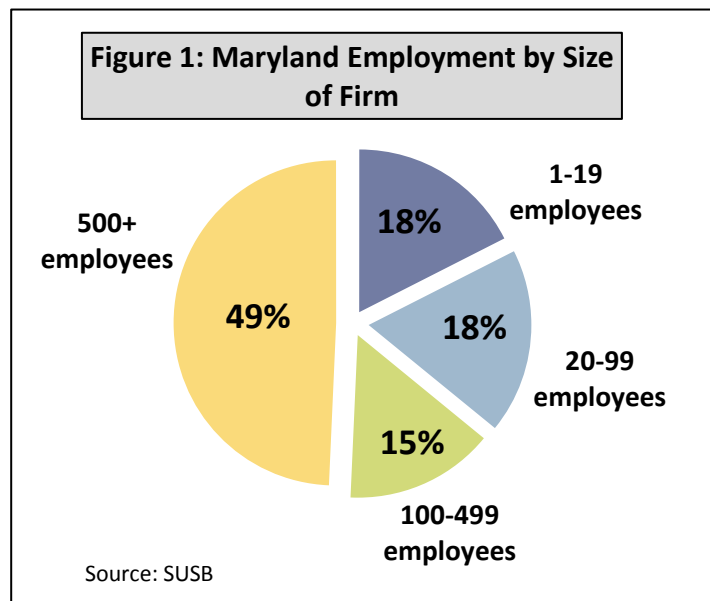
1,091,456 Workers Employed by Small Businesses

State Economy Overall

- Maryland's real gross state product remained constant while U.S. gross domestic product increased by **2.2 percent**. (Source: BEA)
- The employment picture in Maryland has improved. The unemployment rate in Maryland declined from **6.4 percent** in October 2013 to **6.0 percent** in October 2014. This is above the national average of **5.8 percent** for the same time period. (Source: BLS)

Employment

- Maryland's small businesses employed over half or **1.1 million** of the state's private workforce in 2012. (Source: SUSB)
- Almost all firms with employees are small. They make up **97.5 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 Maryland, small businesses created **35,334** 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 **0.5 percent** relative to the previous year.
- The state's private-sector employment growth increased by **1.0 percent** over the 12-month period ending in October 2014. This was below the national average growth rate for this period 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, **87,725** loans under \$100,000 (and valued at **\$1.1 billion**) were issued by Community Reinvestment Act lending institutions in Maryland. (Source: FFIEC)
- The median income for individuals who are self-employed at their own incorporated businesses for the past 12 months was **\$51,697** in 2013. For individuals self-employed at their own unincorporated firms, this figure was **\$26,697**. (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, **58.7 percent** of female-owned businesses were in the health care and social assistance industry, and female-owned firms made up **19.2 percent** of this industry.

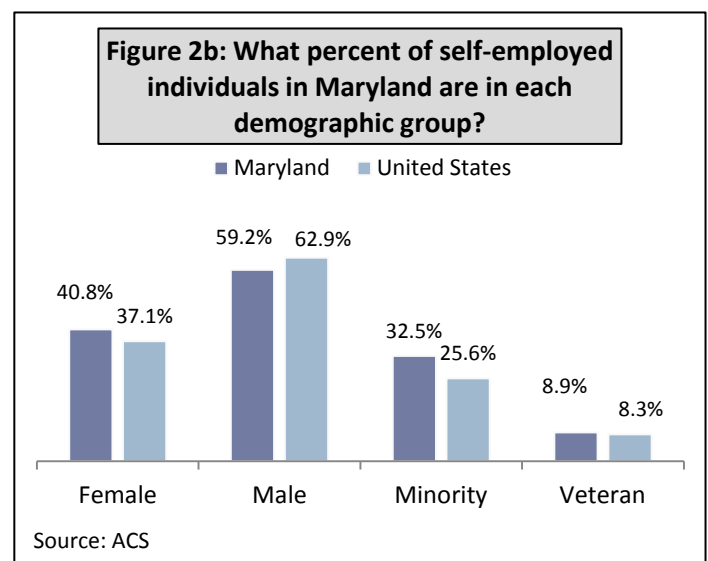
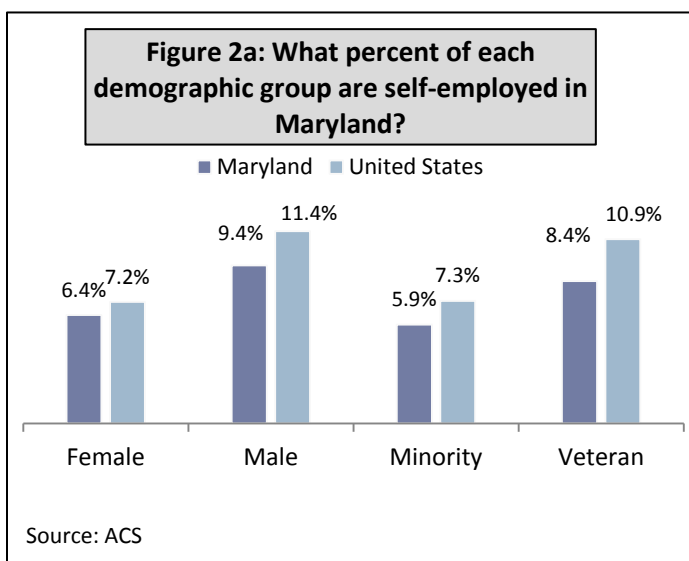
Table 1: Top Industry by Demographic Group in Maryland, 2007

Demographic Group of Business Owners	Most Common Industry	% of Industry in Demographic Group	% of Demographic Group in Industry
Female	Health care & social assistance	58.7	19.2
Male	Prof., sci., & tech. services	53.3	17.8
American Indian and Alaska Native	Other services	1.7	27.0
Asian	Other services	12.8	18.6
Black or African American	Health care & social assistance	34.7	19.1
Native Hawaiian and Other Pacific Islander	*	*	*
White	Prof., sci., & tech. services	76.5	18.7
Hispanic	Construction	11.4	26.5
Veteran	Prof., sci., & tech. services	12.6	21.0

*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 **6.4 percent** of females were self-employed, and **Figure 2b** shows that **40.8 percent** of all self-employed people were female.



Business Turnover

- In 2010, **9,566** establishments opened in Maryland, and **67.4 percent** survived through 2012. In 2013, **10,545** establishments opened, and **77.5 percent** survived through 2014. (Source: BLS, BED)
- In the 1st quarter of 2014, **7,139** establishments opened and **6,874** closed in the state of Maryland. (Source: BED)
- Business bankruptcies declined from 2010 to 2014, signaling a stronger state economy. (Source: U.S. Courts)

International Trade

- A total of **7,386** companies exported goods from the state in 2012. Of these, **6,529** or **88.4 percent** were small firms; they generated over a quarter (**29.1 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 Maryland 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.	17,464	15,703	73,188	90,652
Construction	13,547	12,179	41,048	54,595
Other services (except public admin.)	12,474	11,360	60,524	72,998
Health care & social assistance	12,105	10,469	50,530	62,635
Retail trade	10,954	9,842	32,584	43,538
Accommodation & food services	8,707	6,822	6,759	15,466
Admin., supp., waste mgt., remed. svcs.	6,782	5,729	37,884	44,666
Wholesale trade	4,430	3,492	5,658	10,088
Real estate & rental & leasing	4,128	3,744	45,969	50,097
Finance & insurance	3,769	3,352	12,173	15,942
Transportation & warehousing	2,761	2,354	19,207	21,968
Manufacturing	2,718	2,058	4,517	7,235
Educational services	1,824	1,410	15,365	17,189
Arts, entertainment, & recreation	1,778	1,474	26,046	27,824
Information	1,164	921	7,041	8,205
Management of comp. & enterprises	348	67	*	348
Forestry, etc. & agriculture support	179	172	3,252	3,431
Unclassified	79	79	*	79
Mining, quarrying, and oil & gas extrac.	52	33	90	142
Utilities	42	32	479	521
Total	104,603	91,215	442,314	546,917

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 Maryland industries with the most small business employment were: health care and social assistance; professional, scientific, and technical services; accommodation and food services (**Table 3**).

**Table 3: Employment in Maryland 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	162,157	353,187	45.9
Professional, scientific, & tech. svcs.	136,380	246,909	55.2
Accommodation & food services	125,914	202,783	62.1
Construction	120,018	138,657	86.6
Other services (except public admin.)	96,667	112,068	86.3
Retail trade	95,942	283,609	33.8
Admin., supp., waste mgt., remed. svcs.	84,477	185,698	45.5
Wholesale trade	52,635	84,461	62.3
Manufacturing	45,283	103,180	43.9
Educational services	35,520	81,805	43.4
Finance & insurance	33,964	99,580	34.1
Real estate & rental & leasing	27,002	43,346	62.3
Transportation & warehousing	25,175	64,200	39.2
Arts, entertainment, & recreation	24,672	36,204	68.1
Information	15,766	53,769	29.3
Management of comp. & enterprises	7,807	48,418	16.1
Mining, quarrying, and oil & gas extraction	761	1,365	55.8
Forestry, etc. & agriculture support	638	956	66.7
Utilities	586	12,171	4.8
Unclassified	92	92	100.0
Total	1,091,456	2,152,458	50.7

Source: SUSB.

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 .