

## Texas

**2,412,717** Small Businesses

**398,593** Small Businesses with Employees

**2,014,124** Small Businesses without Employees (Nonemployers)

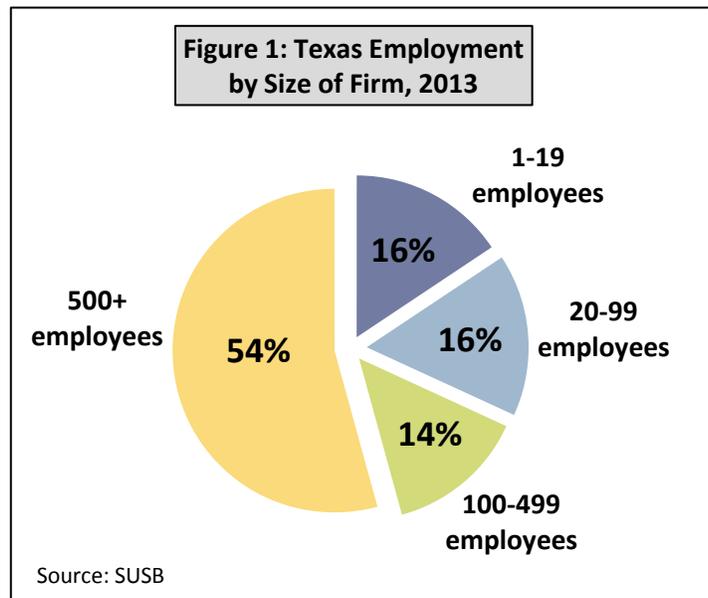
**4,275,868** Workers Employed by Small Businesses

### State Economy Overall

- Texas's economy grew at a faster rate than the United States in 2013. Texas's real gross state product increased by **3.7 percent** compared to **2.2 percent** for U.S. gross domestic product. (Source: BEA)
- The employment picture in Texas has improved. The unemployment rate in Texas declined from **6.2 percent** in October 2013 to **5.1 percent** in October 2014. This is below the national average of **5.8 percent** for the same time period. (Source: BLS)

### Employment

- Texas's small businesses employed about half or **4.3 million** of the state's private workforce in 2012. (Source: SUSB)
- Almost all firms with employees are small. They make up **98.6 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 Texas, small businesses created **264,814** net new jobs in 2012. The biggest gain was in the smallest firm size category of 20-99 employees. (Source: BDS)
- The number of people who were primarily self-employed in 2013 decreased by **0.7 percent** relative to the previous year.
- The state's private-sector employment growth increased by **4.2 percent** over the 12-month period ending in October 2014; this was above 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, **403,654** loans under \$100,000 (and valued at **\$5.2 billion**) were issued by Community Reinvestment Act lending institutions in Texas. (Source: FFIEC)
- The median income for individuals who are self-employed at their own incorporated businesses for the past 12 months was **\$50,915** in 2013. For individuals self-employed at their own unincorporated firms, this figure was **\$21,692**. (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, **39.1 percent** of female-owned businesses were in the other services industry, and female-owned firms made up **16.2 percent** of this industry.

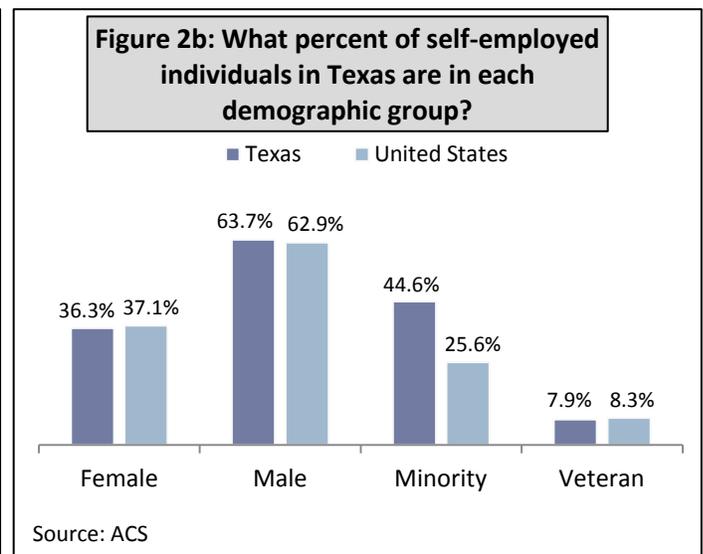
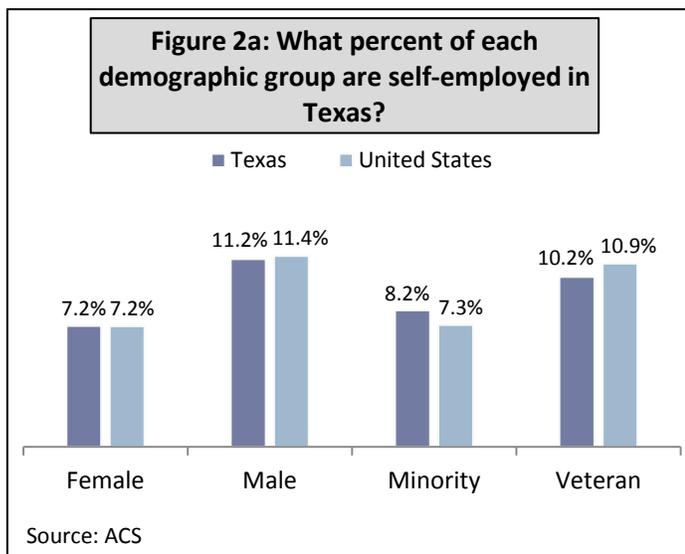
**Table 1: Top Industry by Demographic Group in Texas, 2007**

Demographic Group of Business Owners	Most Common Industry	% of Industry in Demographic Group	% of Demographic Group in Industry
Female	Other services	39.1	16.2
Male	Construction	71.7	20.2
American Indian and Alaska Native	Construction	1.7	26.7
Asian	Other services	12.4	27.5
Black or African American	Other services	11.3	18.4
Native Hawaiian and Other Pacific Islander	*	*	*
White	Construction	93.8	15.8
Hispanic	Construction	32.0	21.9
Veteran	Construction	10.4	16.0

\*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](http://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 **36.3 percent** of all self-employed people were female.



## Business Turnover

- In 2010, **38,760** establishments opened in Texas, and **68.3 percent** survived through 2012. In 2013, **45,736** establishments opened, and **80.6 percent** survived through 2014. (Source: BLS, BED)
- In the 1st quarter of 2014, **25,324** establishments opened and **21,128** closed in the state of Texas. (Source: BED)
- Business bankruptcies declined from 2010 to 2014, signaling a stronger state economy. (Source: U.S. Courts)

## International Trade

- A total of **40,737** companies exported goods from the state in 2012. Of these, **37,921** or **93.1 percent** were small firms; they generated about a third (**30.6 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.

Industry	Employer Firms With 1-499 Employees	Employer Firms With 1-19 Employees	Nonemployer Firms	Total Small Firms
Professional, scientific, & tech. svcs.	56,373	52,194	256,013	312,386
Health care & social assistance	49,601	43,092	149,968	199,569
Other services (except public admin.)	43,698	39,925	305,716	349,414
Retail trade	43,657	39,884	170,859	214,516
Construction	37,361	33,042	253,628	290,989
Accommodation & food services	32,858	24,966	37,709	70,567
Wholesale trade	24,294	20,110	34,800	59,094
Admin., supp., waste mgt., remed. svcs.	21,135	17,857	216,325	237,460
Real estate & rental & leasing	18,778	17,568	162,922	181,700
Finance & insurance	18,658	16,984	71,529	90,187
Manufacturing	16,739	12,485	32,514	49,253
Transportation & warehousing	12,460	10,662	109,186	121,646
Mining, quarrying, and oil & gas extrac.	6,794	5,661	39,542	46,336
Arts, entertainment, & recreation	5,549	4,742	82,709	88,258
Educational services	5,378	4,314	45,029	50,407
Information	4,191	3,455	23,224	27,415
Management of comp. & enterprises	1,510	342	*	1,510
Forestry, etc. & agriculture support	996	934	19,817	20,813
Utilities	925	784	2,634	3,559
Unclassified	514	513	*	514
<b>Total</b>	<b>398,593</b>	<b>349,130</b>	<b>2,014,124</b>	<b>2,412,717</b>

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

See [www.sba.gov/advocacy/additional-data-state-profiles](http://www.sba.gov/advocacy/additional-data-state-profiles) for more detailed data.

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

**Table 3: Employment in Texas 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	646,502	1,336,608	48.4
Accommodation & food services	533,439	977,555	54.6
Construction	380,773	551,983	69.0
Professional, scientific, & tech. svcs.	362,516	626,510	57.9
Retail trade	359,159	1,164,069	30.9
Other services (except public admin.)	345,313	422,742	81.7
Manufacturing	335,661	769,066	43.6
Admin., supp., waste mgt., remed. svcs.	304,118	920,415	33.0
Wholesale trade	266,705	483,906	55.1
Finance & insurance	151,908	478,483	31.7
Transportation & warehousing	131,263	383,500	34.2
Real estate & rental & leasing	108,809	171,948	63.3
Mining, quarrying, and oil & gas extraction	91,378	221,389	41.3
Educational services	85,617	169,381	50.5
Arts, entertainment, & recreation	69,016	117,753	58.6
Information	52,510	218,234	24.1
Management of comp. & enterprises	30,526	279,471	10.9
Utilities	14,009	50,362	27.8
Forestry, etc. & agriculture support	6,045	6,853	88.2
Unclassified	D	D	D
<b>Total</b>	<b>4,275,868</b>	<b>9,350,829</b>	<b>45.7</b>

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](http://www.sba.gov/advocacy/847/841921).

## Abbreviations and Resources

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