

SMALL BUSINESS PROFILE

ALASKA




69,115
96.4% Small Businesses
of Alaska Businesses

141,316
53.0% Small Business Employees
of Alaska Employees



EMPLOYMENT
2,909
net new jobs¹



DIVERSITY
16.5%
increase in minority
ownership²



TRADE
72.0%
of Alaska exporters³

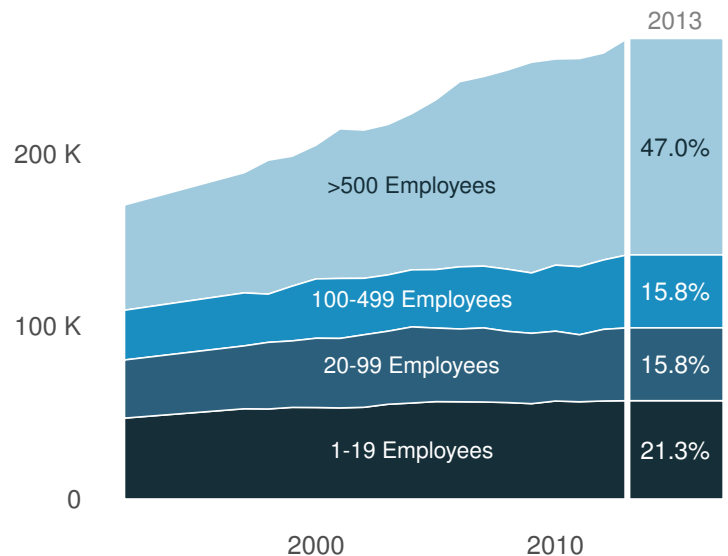
OVERALL ALASKA ECONOMY

- In the third quarter of 2015, Alaska had an annual growth rate of **-1.2%** which was slower than the overall US growth rate of **1.9%**. By comparison, Alaska's 2014 growth of **-0.8%** was up from the 2013 level of **-2.3%**. (Source: BEA)
- At the close of 2015, unemployment was **6.6%**, up from **6.5%** at the close of 2014. This was above the national unemployment rate of **5.0%**. (Source: CPS)

EMPLOYMENT

- Alaska small businesses employed **141,316** people, or **53.0%** of the private workforce, in 2013. (Source: SUSB)
- Firms with fewer than 100 employees have the largest share of small business employment. See Figure 1 for further details on firms with employees. (Source: SUSB)
- Private-sector employment increased **0.5%** in 2015. This was below the previous year's increase of **1.4%**. (Source: CES)
- The number of proprietors increased in 2014 by **2.7%** relative to the previous year. (Source: BEA)
- Small businesses created **2,909** net jobs in 2013. Among the seven BDS size-classes, firms employing 100 to 249 employees experienced the largest gains, adding **1,037** net jobs. The smallest gains were in firms employing 250 to 499 employees which added **62** net jobs. (Source: BDS)

Figure 1: Alaska Employment by Firm Size



The Small Business Profiles are produced by the US Small Business Administration's Office of Advocacy. Each report incorporates the most up-to-date government data to present a unique snapshot of small businesses. **Small businesses are defined as firms employing fewer than 500 employees.** Hyperlinks to data sources and report generation information are provided in Table 3.

^{1,3} Net small business jobs change and exporter share are based on newly released 2013 BDS and 2012 ITA data.

² Diversity statistic tracks changes between 2007 and 2012 based on the Survey of Business Owners (SBO) 2015 release.

INCOME AND FINANCE

- The number of banks reported in the Call Reports between June 2014 and June 2015 was unchanged. (Source: FDIC)
- In 2014, 14,166 loans under \$100,000 (and valued at \$217.7 million) were issued by Alaska lending institutions reporting under the Community Reinvestment Act. (Source: FFIEC)
- The median income⁴ for individuals who were self-employed at their own incorporated businesses was \$57,179 in 2014. For individuals self-employed at their own unincorporated firms, this figure was \$31,002. (Source: ACS)

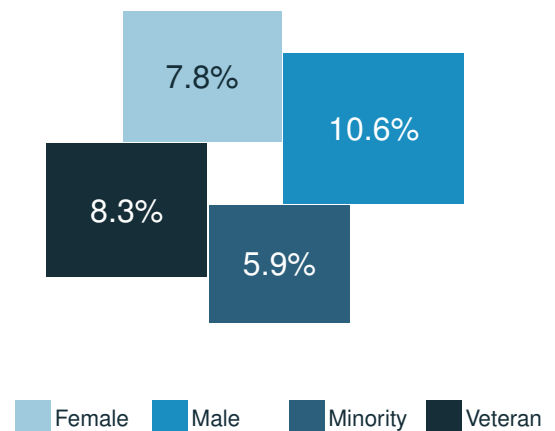
⁴ Median income represents earnings from all sources. Unincorporated self-employment income includes unpaid family workers, a very small percent of the unincorporated self-employed.

BUSINESS OWNER DEMOGRAPHICS

Figure 2: Alaska Changes in Business Ownership by Demographic Group

African American-owned	●	22.2%
Asian-owned	●●	41.2%
Hawaiian/Pacific Islander-owned	●●	32.8%
Hispanic-owned		-
Native American/Alaskan-owned	●	9.3%
Minority-owned	●	16.5%
Nonminority-owned	●	-2.3%

Figure 3: Alaska Self-Employment within Demographic Group

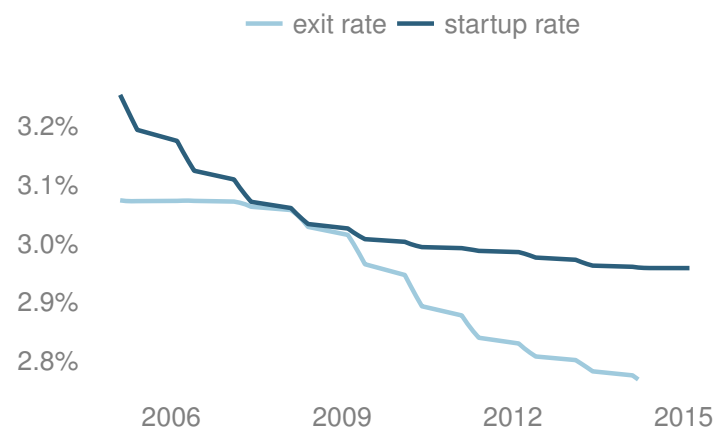


- Figure 2 displays the change in overall firm ownership for each demographic group from 2007 to 2012 based on the Survey of Business Owners (SBO) for Alaska, released in December 2015.
- Figure 3 displays the percent of each demographic group identified as self-employed according to the 2014 American Community Survey (ACS) 5-year estimates.

BUSINESS TURNOVER

- In the second quarter of 2014, 430 establishments started up⁵ in Alaska and 431 exited.⁶ Startups generated 1,334 new jobs while exits caused 1,464 job losses. (Source: BDM)
- Figure 4 displays startup and exit rates from 2005 to 2015. Each series is smoothed across multiple quarters to highlight long-run trends. (Source: BDM)

Figure 4: Alaska Private Startup and Exit Rates



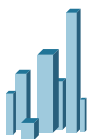




⁵ **STARTUPS** are counted when business establishments hire at least one employee for the first time. The BLS terms these **births**, as distinct from the BLS **openings** category which includes seasonal re-openings.

⁶ **EXITS** occur when establishments go from having at least one employee to having none, and then remain closed for at least a year. The BLS terms these events **deaths**, as distinct from the **closings** category which includes seasonal shutterings.

- A total of 554 companies exported goods from Alaska in 2013. Among these, 399, or 72.0%, were small firms; they generated 40.8% of Alaska's total known export value. (Source: ITA)

SMALL BUSINESSES BY INDUSTRY

Table 1: Alaska Small Firms by Industry, 2013
(sorted by small employer firms)

				
Industry	1 – 499 Employees	1 – 19 Employees	Nonemployer Firms	Total Small Firms
Construction	2,324	2,197	4,499	6,823
Health Care and Social Assistance	1,941	1,702	3,616	5,557
Retail Trade	1,762	1,578	3,988	5,750
Accommodation and Food Services	1,754	1,504	1,554	3,308
Other Services (except Public Administration)	1,649	1,554	5,558	7,207
Professional, Scientific, and Technical Services	1,621	1,462	6,499	8,120
Administrative, Support, and Waste Management	923	833	3,155	4,078
Transportation and Warehousing	770	676	2,277	3,047
Real Estate and Rental and Leasing	742	694	4,613	5,355
Arts, Entertainment, and Recreation	508	466	3,173	3,681
Wholesale Trade	443	329	563	1,006
Agriculture, Forestry, Fishing and Hunting	430	423	9,254	9,684
Manufacturing	429	372	1,090	1,519
Finance and Insurance	357	311	758	1,115
Educational Services	227	196	1,496	1,723
Information	179	140	514	693
Mining, Quarrying, and Oil and Gas Extraction	117	92	324	441
Utilities	59	38	60	119
Total	16,235	14,567	52,991	69,226

Totals for Tables 1 and 2 differ from SUSB's statewide tallies due to firms with establishments in more than one industry and the omission of industry classifications not reported by NES. (Source: NES and SUSB)

s Indicates samples deemed too small to represent the population according to SUSB.

Table 2: Alaska Employment by Industry and Firm Size, 2013
(sorted by small firm employment)

Industry	Small Business Employment	Total Private Employment	Small Business Employment Share
Health Care and Social Assistance	28,365	48,057	59.0%
Accommodation and Food Services	20,154	27,929	72.2%
Retail Trade	14,856	33,175	44.8%
Construction	12,276	19,200	63.9%
Professional, Scientific, and Technical Services	10,627	18,996	55.9%
Other Services (except Public Administration)	9,327	10,044	92.9%
Administrative, Support, and Waste Management	7,517	19,279	39.0%
Transportation and Warehousing	6,894	19,097	36.1%
Wholesale Trade	5,051	9,041	55.9%
Manufacturing	4,487	12,406	36.2%
Real Estate and Rental and Leasing	3,613	4,550	79.4%
Finance and Insurance	3,552	7,512	47.3%
Arts, Entertainment, and Recreation	3,119	4,678	66.7%
Educational Services	2,727	3,503	77.8%
Mining, Quarrying, and Oil and Gas Extraction	2,347	13,029	18.0%
Information	2,329	6,561	35.5%
Utilities	1,867	2,074	90.0%
Agriculture, Forestry, Fishing and Hunting	737	969	76.1%
Total	139,845	260,100	53.8%

Figure 5: Alaska County-Level Job Changes, 2015 (CEW)

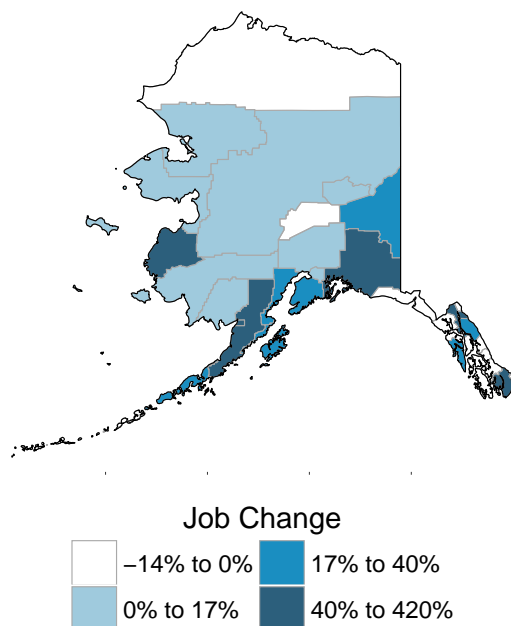


Table 3: Abbreviations and Resources

ACS	American Community Survey, US Census Bureau
BEA	Bureau of Economic Analysis
BDM	Business Employment Dynamics, BLS
BDS	Business Dynamics Statistics, US Census Bureau
BLS	Bureau of Labor Statistics, US Department of Labor
CES	Current Employment Statistics, BLS
CEW	Census of Employment and Wages, BLS
CPS	Current Population Survey, BLS
FDIC	Federal Deposit Insurance Corporation
FFIEC	Federal Financial Institutions Examination Council
ITA	International Trade Administration
NES	Nonemployer Statistics, US Census Bureau
SBO	Survey of Business Owners, US Census Bureau
SUSB	Statistics of US Businesses, US Census Bureau

All profiles, source data, methodology notes, and county-level employment statistics are available at <http://go.usa.gov/cfKMd>

