

SMALL BUSINESS PROFILE

U.S. SMALL BUSINESS ADMINISTRATION

OFFICE OF ADVOCACY

REGULATION • RESEARCH • OUTREACH

ALASKA



72,042
99.2%

Small Businesses
of Alaska Businesses

142,761
53.5%

Small Business Employees
of Alaska Employees



EMPLOYMENT
1,978
net new jobs



DIVERSITY
13,680
minority-owned
businesses



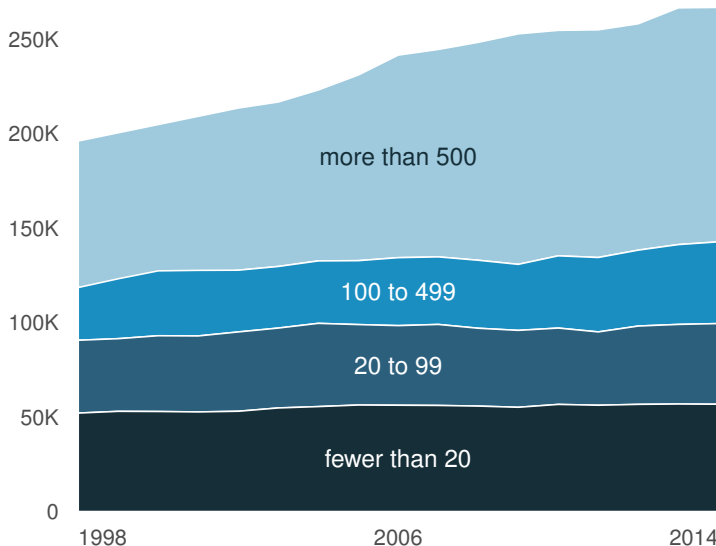
TRADE
74.2%
of Alaska exporters

OVERALL ALASKA ECONOMY

- In the second quarter of 2016, Alaska grew at an annual rate of -2.0%, which was slower than the overall US growth rate of 1.2%. Alaska's 2015 growth rate of -0.6% was up from the 2014 rate of -3.3%. (Source: BEA)
- In November 2016, the unemployment rate was 6.8%, up from 6.6% at the close of 2015. This was above the November 2016 national unemployment rate of 4.6%. (Source: CPS)

EMPLOYMENT

Figure 1: Alaska Employment by Business Size (Employees)



- Alaska small businesses employed 142,761 people, or 53.5% of the private workforce, in 2014. (Source: SUBS)
- 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: SUBS)
- During the year ending November 2016, private-sector employment decreased 1.5%. This was below the previous year's decrease of 0.4%. (Source: CPS)
- The number of proprietors increased in 2015 by 3.5% relative to the previous year. (Source: BEA)
- Small businesses created 1,978 net jobs in 2014. Among the seven BDS size-classes, firms employing 100 to 249 employees experienced the largest gains, adding 652 net jobs. The largest losses were in firms employing 250 to 499 employees, which lost 157 net jobs. (Source: BDS)

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. Net small business job change, minority small business ownership, and exporter share statistics are based on the 2014 Business Dynamics Statistics (BDS), 2012 Survey of Business Owners (SBO), and 2014 International Trade Administration (ITA) data, respectively.

INCOME AND FINANCE

- The number of banks reported in the Call Reports between June 2015 and June 2016 was unchanged. (Source: FDIC)
- In 2014, 14,166 loans under \$100,000 (valued at \$217.7 million) were issued by Alaska lending institutions reporting under the Community Reinvestment Act. (Source: FFIEC)
- The median income for individuals self-employed at their own incorporated businesses was \$55,530 in 2015. For individuals self-employed at their own unincorporated firms, this figure was \$30,655. (Source: ACS)

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 Small Business Ownership, 2012

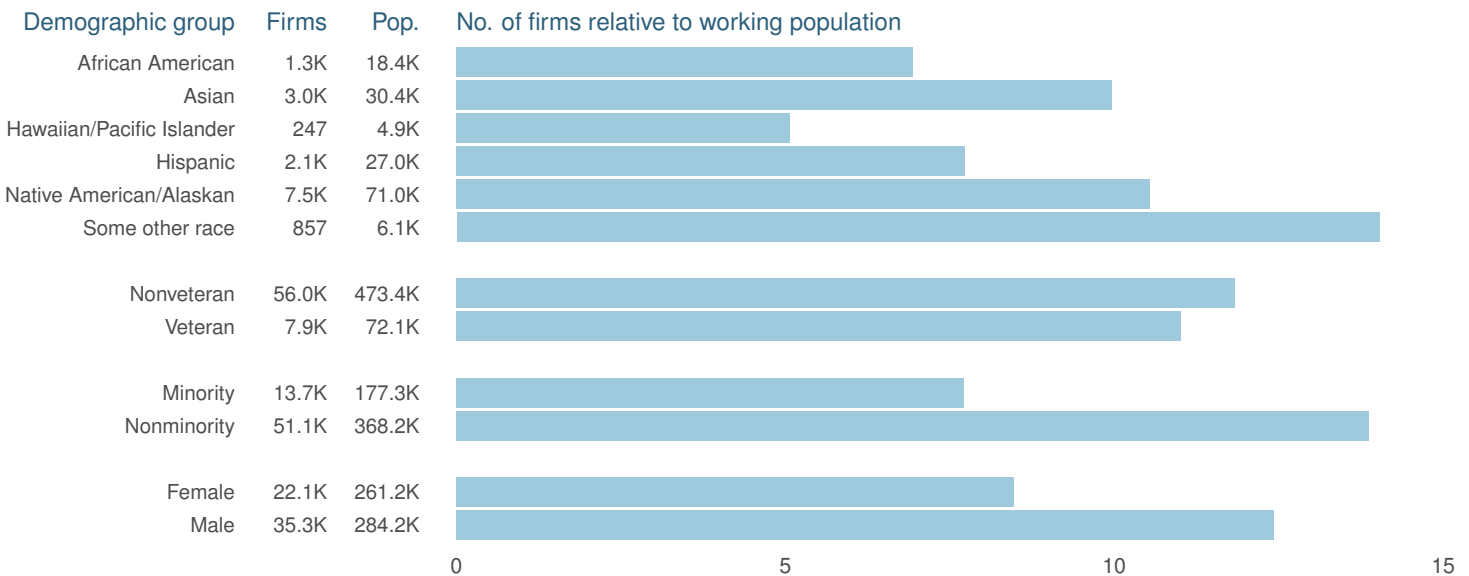
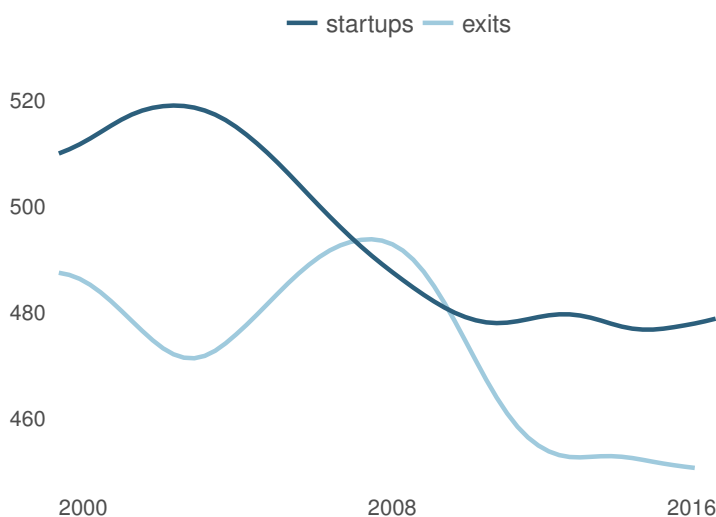


Figure 2 displays the number of small firms (SBO) per 100 people 16 years and over (ACS). For example, there are approximately 8 female-owned firms per 100 working age females or $22.1K \div 261.2K \times 100$. ACS and SBO differ in their classifications of individuals reporting more than one race. ACS provides a distinct category for two or more races while SBO tabulates these businesses into more than one group.

BUSINESS TURNOVER

Figure 3: Alaska Quarterly Startups and Exits



- In the second quarter of 2015, 447 establishments started up, generating 1,474 new jobs in Alaska. Startups are counted when business establishments hire at least one employee for the first time. (Source: BDM)
- In the same period, 476 establishments exited resulting in 1,737 jobs lost. Exits occur when establishments go from having at least one employee to having none, and then remain closed for at least one year. (Source: BDM)
- Figure 3 displays quarterly startups and exits from 2000 to 2016. Each series is smoothed across multiple quarters to highlight long-run trends.

The BLS refers to startups as births and exits as deaths. These terms are distinct from the BLS openings and closings categories. Openings include seasonal re-openings and closings include seasonal shutterings.

INTERNATIONAL TRADE

- A total of 570 companies exported goods from Alaska in 2014. Among these, 423, or 74.2%, were small firms; they generated 39.0% of Alaska's \$4.6 billion in total known exports. (Source: ITA)

SMALL BUSINESS EMPLOYMENT BY INDUSTRY AND COUNTY

Table 1: Alaska Employment by Industry, 2014





 Industry	 Small Business Employment	 Total Private Employment	 Small Business Employment Share
Health Care and Social Assistance	28,069	47,152	60%
Accommodation and Food Services	20,617	27,694	74%
Retail Trade	15,039	33,677	45%
Construction	13,300	20,222	66%
Professional, Scientific, and Technical Services	10,989	18,959	58%
Other Services (Except Public Administration)	9,478	10,116	94%
Administrative, Support, and Waste Management	7,311	18,321	40%
Transportation and Warehousing	6,764	18,678	36%
Wholesale Trade	5,130	9,479	54%
Manufacturing	4,427	12,846	34%
Finance and Insurance	3,550	7,512	47%
Real Estate and Rental and Leasing	3,515	4,420	80%
Arts, Entertainment, and Recreation	3,217	4,950	65%
Information	2,562	6,799	38%
Educational Services	2,552	2,825	90%
Mining, Quarrying, and Oil and Gas Extraction	2,133	12,752	17%
Utilities	1,795	2,085	86%
Agriculture, Forestry, and Fishing and Hunting	745	1,003	74%
Total	142,761	266,886	53%

Figure 4: Alaska Small Business Percent of Employment by County

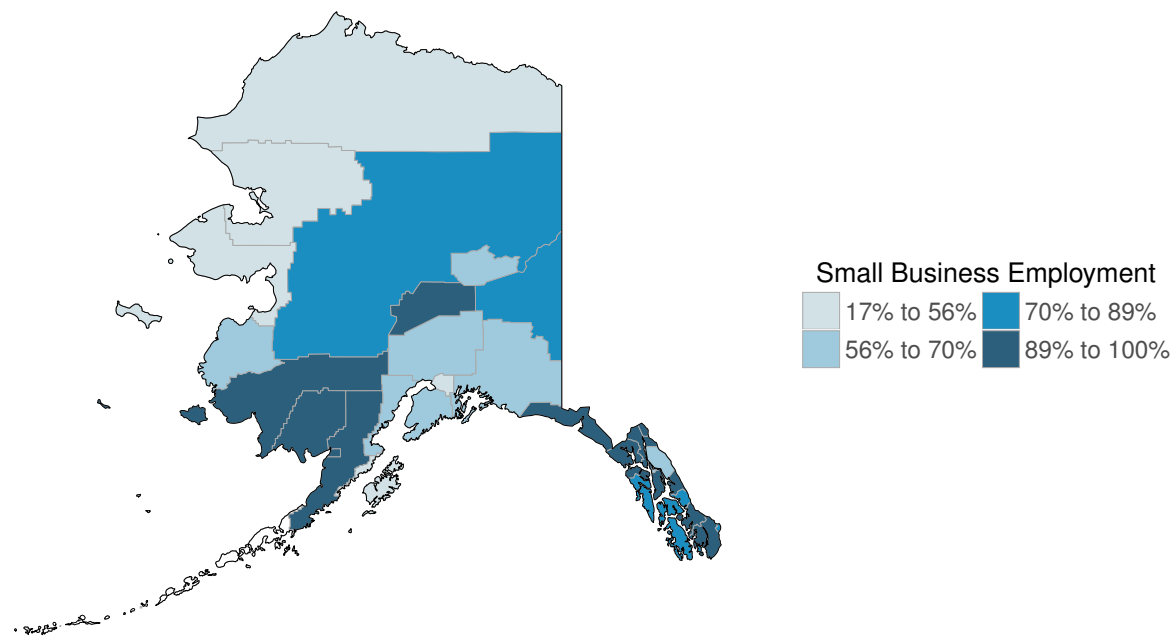


Table 2: Alaska Small Businesses by Industry and Firm Size, 2014



Industry



1-499 Employees



1-20 Employees



Nonemployer Firms



Total Small Firms

Industry	1-499 Employees	1-20 Employees	Nonemployer Firms	Total Small Firms
Agriculture, Forestry, and Fishing and Hunting	437	431	9,688	10,125
Professional, Scientific, and Technical Services	1,599	1,445	6,897	8,496
Other Services (Except Public Administration)	1,641	1,536	5,740	7,381
Construction	2,384	2,249	4,623	7,007
Retail Trade	1,746	1,567	4,418	6,164
Health Care and Social Assistance	1,975	1,735	3,722	5,697
Real Estate and Rental and Leasing	768	721	4,854	5,622
Administrative, Support, and Waste Management	904	818	3,210	4,114
Arts, Entertainment, and Recreation	509	470	3,355	3,864
Accommodation and Food Services	1,755	1,487	1,660	3,415
Transportation and Warehousing	796	709	2,446	3,242
Educational Services	218	186	1,779	1,997
Manufacturing	429	374	1,155	1,584
Finance and Insurance	373	328	770	1,143
Wholesale Trade	428	315	600	1,028
Information	178	140	516	694
Mining, Quarrying, and Oil and Gas Extraction	120	99	329	449
Utilities	58	38	56	114
Total	16,224	14,655	55,818	72,042

Data for counties shown in white in Figure 4 and values labeled "s" in Tables 1 and 2 were withheld by the Census Bureau because they do not meet publication standards or could disclose information regarding individual businesses. (Source: SUSB, NES)

REFERENCES

The Small Business Profiles, source data, and methodology are available at <http://go.usa.gov/x9yxK>.

- ACS American Community Survey, 5-year estimates, U.S. Census Bureau
- BEA Bureau of Economic Analysis
- BDM Business Employment Dynamics, BLS
- BDS Business Dynamics Statistics, U.S. Census Bureau
- BLS Bureau of Labor Statistics, U.S. 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, U.S. Census Bureau
- SBO Survey of Business Owners, U.S. Census Bureau
- SUSB Statistics of U.S. Businesses, U.S. Census Bureau

