

2019 Small Business Profile

Missouri



532,277 Small Businesses
99.4% of Missouri Businesses

1.2 million Small Business Employees
46.8% of Missouri Employees



EMPLOYMENT
30,250
net new jobs



DIVERSITY
78,785
minority-owned
business employees



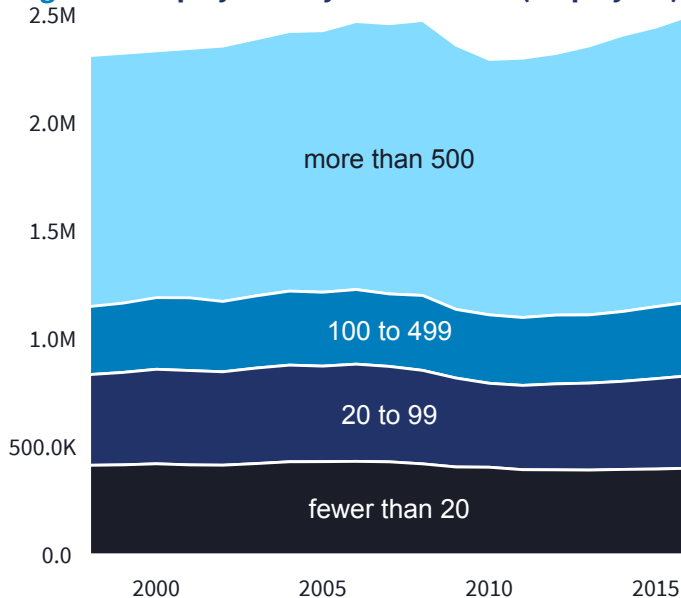
TRADE
5,104
small business
exporters

Overall Missouri Economy

- In the third quarter of 2018, Missouri grew at an annual rate of **2.9%**, which was slower than the overall US growth rate of **3.4%**. Missouri's 2017 growth rate of **0.9%** was up from the 2016 rate of less than **0.1%**. (Source: [BEA](#))
- In February 2019, the unemployment rate was **3.2%**, down from **3.5%** in February 2018. This was below the February 2019 national unemployment rate of **3.8%**. (Source: [CPS](#))

Employment

Figure 1: Employment by Business Size (Employees)



- Missouri small businesses employed **1.2 million** people, or **46.8%** of the private workforce, in 2016. (Source: [SUSB](#))
- Firms with fewer than 100 employees have the largest share of small business employment. Figure 1 provides further details on firms with employees. (Source: [SUSB](#))
- Private-sector employment increased **0.4%** during the 12-month period ending in February 2019. This was above the increase of **0.3%** during the prior 12-month period. (Source: [CPS](#))
- The number of proprietors increased in 2017 by **1.7%** relative to the previous year. (Source: [BEA](#))
- Small businesses created **30,250** net jobs in 2016. Firms employing fewer than 20 employees experienced the largest gains, adding **19,569** net jobs. The smallest gains were in firms employing 100 to 499 employees, which added **4,784** net jobs. (Source: [SUSB](#))

The Small Business Profiles are produced by the US Small Business Administration's Office of Advocacy (<http://advocacy.sba.gov>). Each report incorporates the most up-to-date government data to present a unique snapshot of small businesses. Small businesses are defined for this profile as firms employing fewer than 500 employees. Net small business job change, employees of minority-owned businesses, and exporter share statistics are based on the 2016 Statistics of US Businesses (SUSB), 2016 Annual Survey of Entrepreneurs (ASE), and 2016 International Trade Administration (ITA) data, respectively.

Income and Finance

- The number of banks decreased by **13** between June 2016 and June 2017 to **275** banks. (Source: [FDIC](#))
- In 2017, **91,751** loans under \$100,000 (valued at **\$1.3 billion**) were issued by Missouri lending institutions reporting under the Community Reinvestment Act. (Source: [FFIEC](#))
- The median income for individuals self-employed at their own incorporated businesses was **\$48,758** in 2017. For individuals self-employed at their own unincorporated firms, this figure was **\$24,237**. (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.

Employer Business Owner Demographics

Figure 2: Missouri Employees per Business by Owner's Demographic, 2016

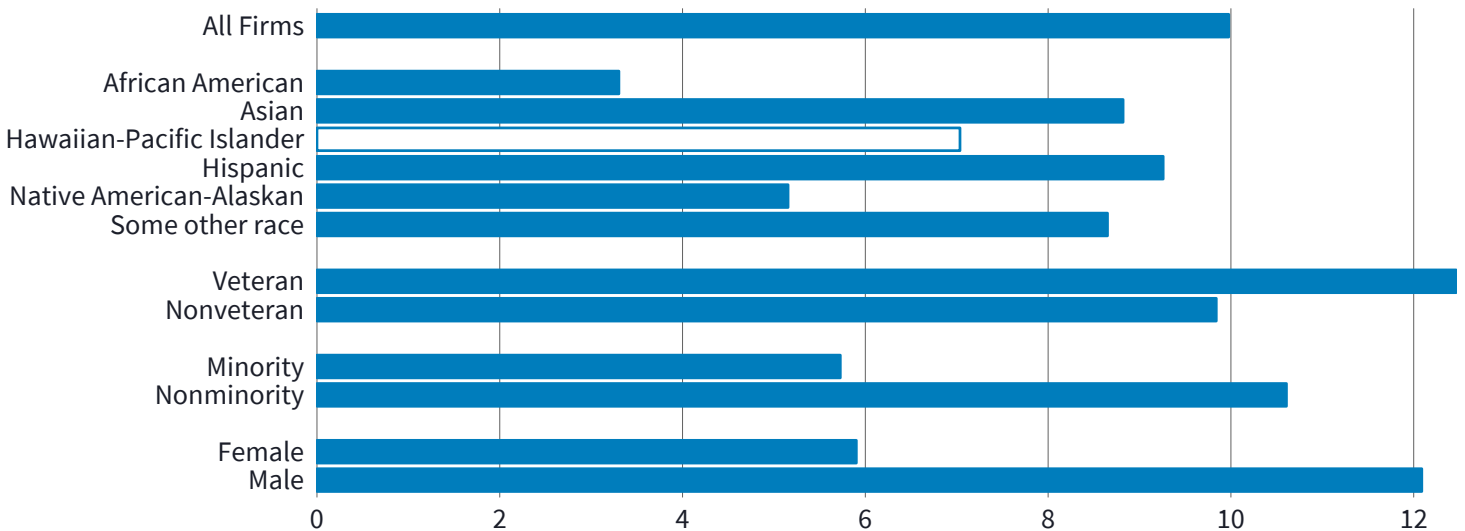
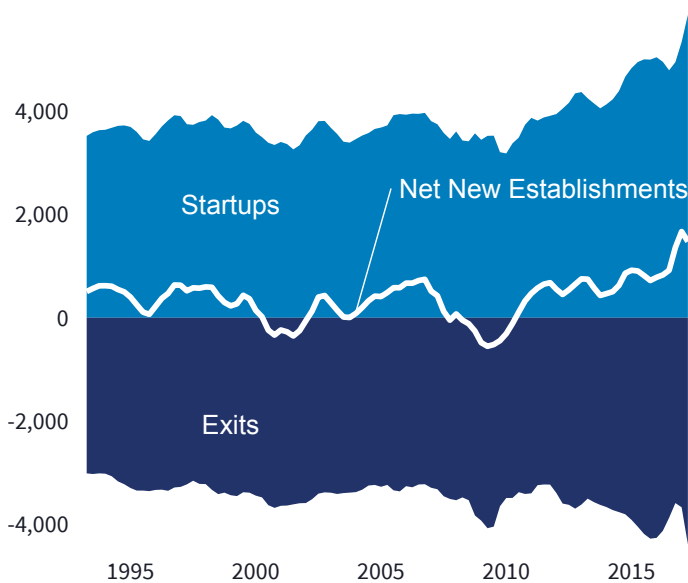


Figure 2 shows the average number of employees per employer business by owner's demographic group according to the 2016 Annual Survey of Entrepreneurs (ASE). Unshaded bars display US values; data were withheld because they do not meet Census Bureau publication standards or could disclose information regarding individual businesses.

Turnover among Establishments with Employees

Figure 3: Missouri Quarterly Startups and Exits



- In the third quarter of 2017, **6,324** establishments started up, generating **19,559** new jobs in Missouri. Startups are counted when business establishments hire at least one employee for the first time. (Source: [BDM](#))
- In the same period, **7,229** establishments exited resulting in **18,240** 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 1993 to 2017. Each series is smoothed across multiple quarters to highlight long-run trends. (Source: [BDM](#))

The BLS data covers only business establishments with employees. 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. Quarterly startup and exit values may not align with Figure 3 due to smoothing.

International Trade

- A total of 6,011 companies exported goods from Missouri in 2016. Of these, 5,104, or 84.9%, were small firms; they generated 23.5% of Missouri's \$13.1 billion in total exports. (Source: ITA)

Small Business Employment by Industry and Self-Employment by County

Table 1: Missouri Employment by Industry, 2016

Industry	Small Business Employment	Total Private Employment	Small Business Employment Share
Health Care and Social Assistance	190,900	420,073	45.4
Accommodation and Food Services	160,339	260,430	61.6
Retail Trade	111,896	324,717	34.5
Manufacturing	102,330	260,451	39.3
Construction	102,110	121,494	84.0
Other Services (except Public Administration)	97,758	112,527	86.9
Professional, Scientific, and Technical Services	81,782	156,958	52.1
Wholesale Trade	69,544	126,170	55.1
Administrative, Support, and Waste Management	63,645	174,247	36.5
Finance and Insurance	44,576	131,863	33.8
Transportation and Warehousing	34,245	87,182	39.3
Educational Services	30,528	73,871	41.3
Real Estate and Rental and Leasing	25,287	36,906	68.5
Arts, Entertainment, and Recreation	24,123	41,029	58.8
Information	12,330	58,009	21.3
Management of Companies and Enterprises	9,019	86,413	10.4
Utilities	3,221	15,561	20.7
Mining, Quarrying, and Oil and Gas Extraction	2,043	3,541	57.7
Industries not classified	1,663	1,663	100.0
Agriculture, Forestry, and Fishing and Hunting	1,386	1,615	85.8
Total	1,168,725	2,494,720	46.8

Figure 4: Missouri Self-Employment Rates by County, 2017

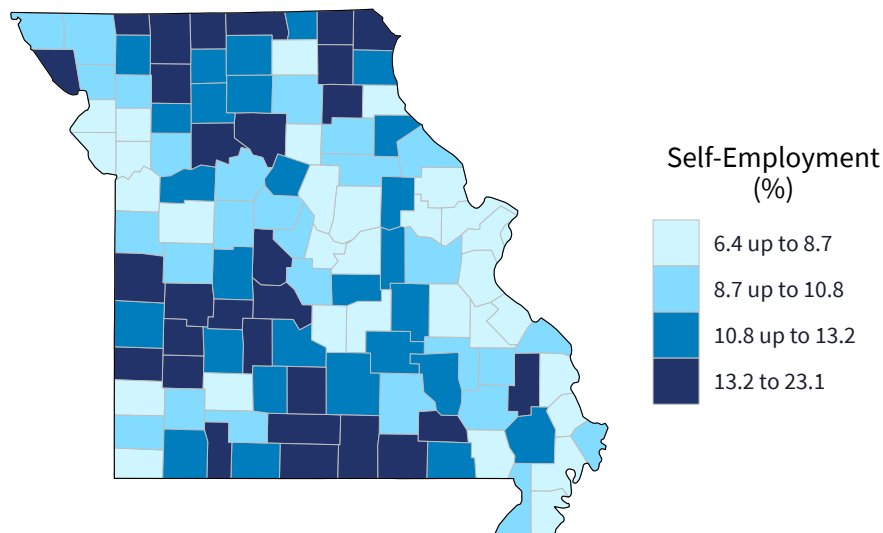


Table 2: Missouri Small Businesses by Industry and Firm Size, 2016

Industry	1-499 Employees	1-19 Employees	Nonemployer Firms	Total Small Firms
Other Services (except Public Administration)	14,239	13,176	66,128	80,367
Construction	13,022	11,904	50,878	63,900
Professional, Scientific, and Technical Services	12,216	11,228	47,057	59,273
Health Care and Social Assistance	25,670	23,783	28,180	53,850
Real Estate and Rental and Leasing	4,859	4,528	46,907	51,766
Retail Trade	11,946	10,485	39,789	51,735
Administrative, Support, and Waste Management	6,315	5,603	33,076	39,391
Transportation and Warehousing	3,802	3,313	23,862	27,664
Arts, Entertainment, and Recreation	2,001	1,692	21,438	23,439
Finance and Insurance	5,323	4,815	13,338	18,661
Accommodation and Food Services	8,765	6,256	5,235	14,000
Wholesale Trade	5,577	4,334	6,342	11,919
Educational Services	1,424	1,083	10,359	11,783
Manufacturing	4,948	3,669	6,108	11,056
Agriculture, Forestry, and Fishing and Hunting	275	261	5,535	5,810
Information	1,086	893	4,467	5,553
Mining, Quarrying, and Oil and Gas Extraction	146	108	328	474
Utilities	91	44	276	367
Total	122,974	108,900	409,303	532,277

Tables 1 and 2 display data from the 2016 SUSB. Table 2 includes additional data from the 2016 Nonemployer Statistics (NES). Figure 4 provides estimates of the rate of self-employment among employed civilians, 16 years and over, including both incorporated and unincorporated businesses, from the 2017 American Community Survey (ACS).

References

The Small Business Profiles, source data, and methodology are available at <https://go.usa.gov/xmb5R>.

- ACS American Community Survey, US Census Bureau
- ASE Annual Survey of Entrepreneurs, US Census Bureau
- BEA Bureau of Economic Analysis, US Department of Commerce
- BDM Business Employment Dynamics, BLS
- BLS Bureau of Labor Statistics, US Department of Labor
- CPS Current Population Survey, BLS
- FDIC Call Reports, Federal Deposit Insurance Corporation
- FFIEC Federal Financial Institutions Examination Council
- ITA International Trade Administration, US Department of Commerce
- NES Nonemployer Statistics, US Census Bureau
- SUSB Statistics of US Businesses, US Census Bureau