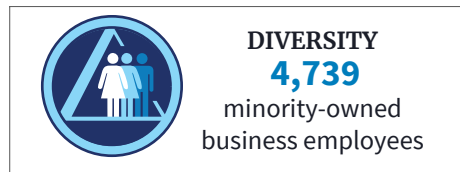


2019 Small Business Profile

Vermont

77,614 Small Businesses
99.0% of Vermont Businesses

161,080 Small Business Employees
61.3% of Vermont Employees

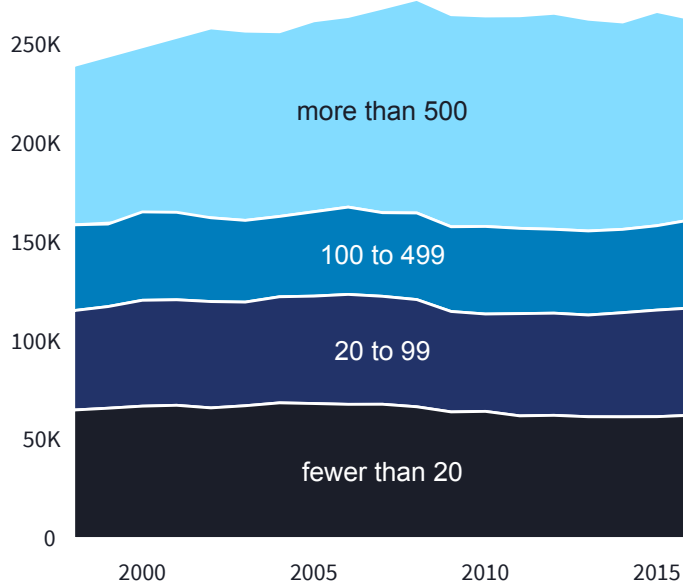


Overall Vermont Economy

- In the third quarter of 2018, Vermont grew at an annual rate of **2.2%**, which was slower than the overall US growth rate of **3.4%**. Vermont's 2017 growth rate of **1.3%** was down from the 2016 rate of **1.4%**. (Source: [BEA](#))
- In February 2019, the unemployment rate was **2.4%**, down from **2.7%** 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)



- Vermont small businesses employed **161,080** people, or **61.3%** 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 **0.04%** during the 12-month period ending in February 2019. This was below the increase of **0.8%** during the prior 12-month period. (Source: [CPS](#))
- The number of proprietors increased in 2017 by **1.8%** relative to the previous year. (Source: [BEA](#))
- Small businesses created **2,271** net jobs in 2016. Firms employing fewer than 20 employees experienced the largest gains, adding **1,939** net jobs. The smallest gains were in firms employing 20 to 99 employees, which added **85** 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 **1** between June 2016 and June 2017 to **11** banks. (Source: [FDIC](#))
- In 2017, **11,529** loans under \$100,000 (valued at **\$163.9 million**) were issued by Vermont lending institutions reporting under the Community Reinvestment Act. (Source: [FFIEC](#))
- The median income for individuals self-employed at their own incorporated businesses was **\$44,051** in 2017. For individuals self-employed at their own unincorporated firms, this figure was **\$21,761**. (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: Vermont Employees per Business by Owner's Demographic, 2016

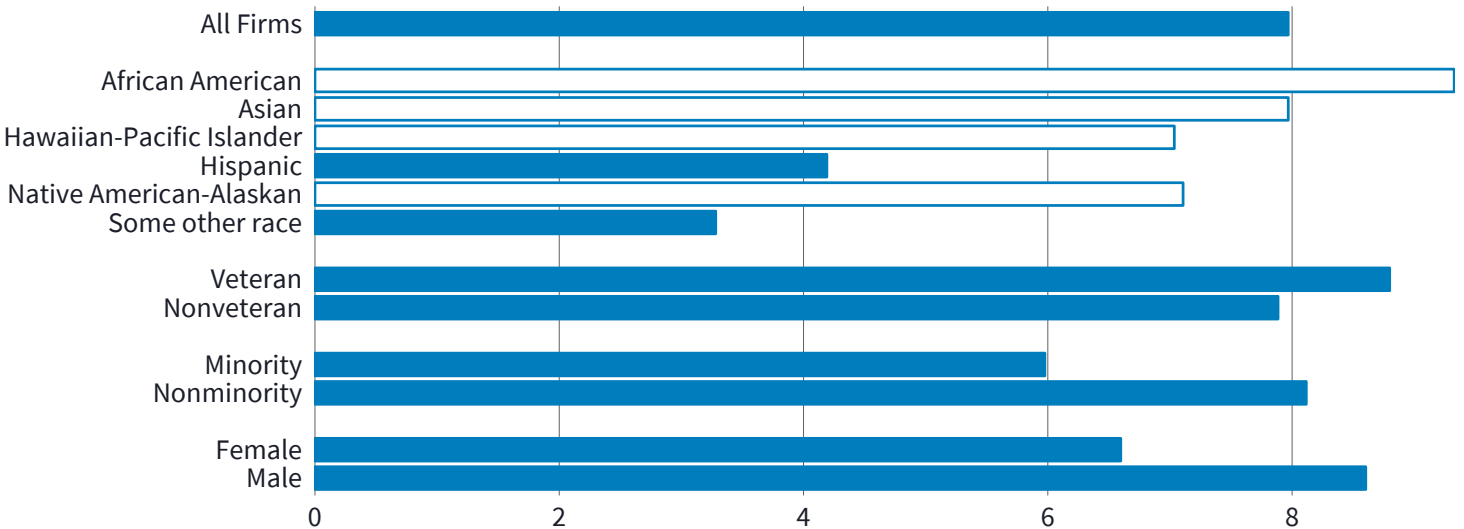
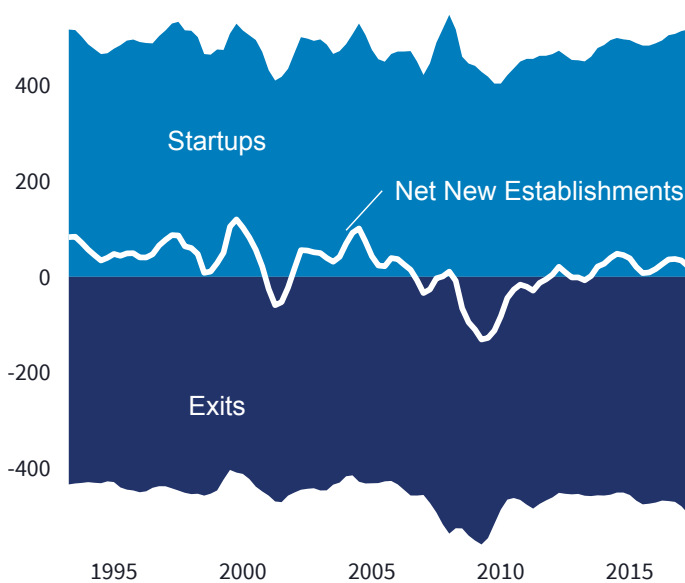


Figure 2 shows the average number of employees per employer business by owner's demographic group according to the 2016 Annual Survey of Entrepreneurs (ASE). Unshaded bars display US values; data were withheld because they do not meet Census Bureau publication standards or could disclose information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

Turnover among Establishments with Employees

Figure 3: Vermont Quarterly Startups and Exits



- In the third quarter of 2017, **494** establishments started up, generating **1,484** new jobs in Vermont. Startups are counted when business establishments hire at least one employee for the first time. (Source: [BDM](#))
- In the same period, **525** establishments exited resulting in **1,481** 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 1,086 companies exported goods from Vermont in 2016. Of these, 932, or 85.8%, were small firms; they generated 22.6% of Vermont's \$2.8 billion in total exports. (Source: ITA)

Small Business Employment by Industry and Self-Employment by County

Table 1: Vermont Employment by Industry, 2016

Industry	Small Business Employment	Total Private Employment	Small Business Employment Share
Health Care and Social Assistance	24,100	48,818	49.4
Retail Trade	21,952	39,998	54.9
Accommodation and Food Services	20,976	33,099	63.4
Manufacturing	16,492	29,913	55.1
Construction	13,434	13,912	96.6
Professional, Scientific, and Technical Services	10,539	12,916	81.6
Other Services (except Public Administration)	9,113	10,184	89.5
Wholesale Trade	8,416	11,909	70.7
Educational Services	7,591	15,560	48.8
Finance and Insurance	5,493	9,539	57.6
Arts, Entertainment, and Recreation	5,351	7,665	69.8
Administrative, Support, and Waste Management and Information	5,320	8,158	65.2
Information	4,135	7,041	58.7
Transportation and Warehousing	3,485	5,893	59.1
Real Estate and Rental and Leasing	2,515	3,430	73.3
Management of Companies and Enterprises	969	2,182	44.4
Utilities	463	1,573	29.4
Agriculture, Forestry, and Fishing and Hunting	460	460	100.0
Mining, Quarrying, and Oil and Gas Extraction	231	410	56.3
Industries not classified	45	45	100.0
Total	161,080	262,705	61.3

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

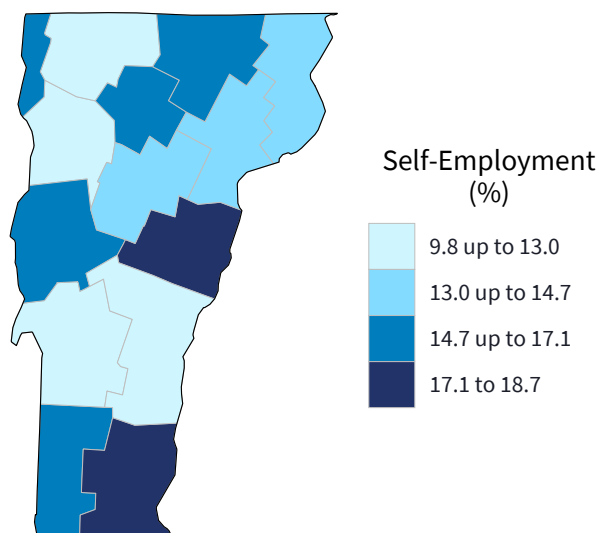


Table 2: Vermont Small Businesses by Industry and Firm Size, 2016

Industry	1-499 Employees	1-19 Employees	Nonemployer Firms	Total Small Firms
Construction	2,686	2,563	8,963	11,649
Professional, Scientific, and Technical Services	1,983	1,868	9,030	11,013
Other Services (except Public Administration)	1,947	1,869	7,107	9,054
Retail Trade	2,182	1,894	4,299	6,481
Health Care and Social Assistance	1,608	1,346	4,785	6,393
Real Estate and Rental and Leasing	631	597	5,609	6,240
Administrative, Support, and Waste Management	1,041	973	4,352	5,393
Arts, Entertainment, and Recreation	469	424	4,554	5,023
Accommodation and Food Services	1,660	1,334	1,199	2,859
Manufacturing	916	714	1,917	2,833
Educational Services	361	284	2,206	2,567
Agriculture, Forestry, and Fishing and Hunting	137	134	1,831	1,968
Transportation and Warehousing	412	355	1,484	1,896
Wholesale Trade	597	455	883	1,480
Finance and Insurance	407	351	989	1,396
Information	327	269	860	1,187
Utilities	23	14	105	128
Mining, Quarrying, and Oil and Gas Extraction	36	31	53	89
Total	17,388	15,518	60,226	77,614

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