

# 2019 Small Business Profile

## Wisconsin



**452,594** Small Businesses  
**99.4%** of Wisconsin Businesses

**1.3 million** Small Business Employees  
**49.9%** of Wisconsin Employees



**EMPLOYMENT**  
**30,108**  
net new jobs



**DIVERSITY**  
**58,673**  
minority-owned  
business employees



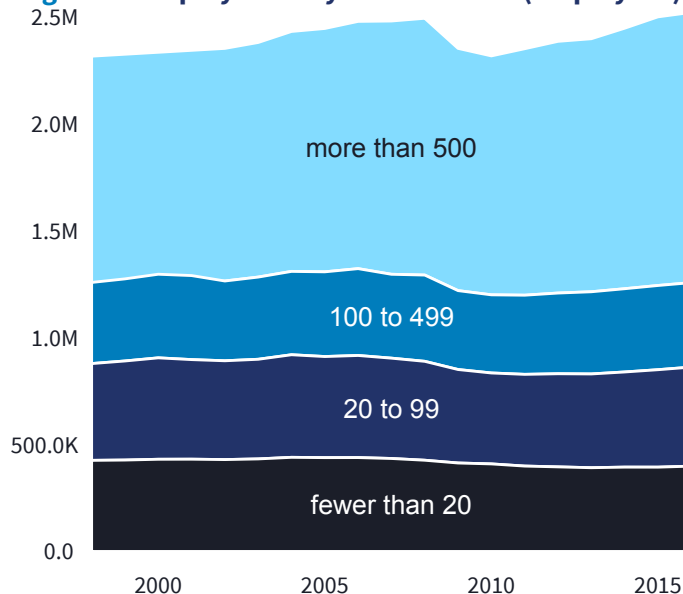
**TRADE**  
**7,337**  
small business  
exporters

### Overall Wisconsin Economy

- In the third quarter of 2018, Wisconsin grew at an annual rate of **2.8%**, which was slower than the overall US growth rate of **3.4%**. Wisconsin's 2017 growth rate of **1.3%** was up from the 2016 rate of **1.2%**. (Source: [BEA](#))
- In February 2019, the unemployment rate was **2.9%**, unchanged from **2.9%** 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)**



- Wisconsin small businesses employed **1.3 million** people, or **49.9%** 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 decreased **0.4%** during the 12-month period ending in February 2019. This was below the increase of **0.9%** 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 **30,108** net jobs in 2016. Firms employing fewer than 20 employees experienced the largest gains, adding **19,223** net jobs. The smallest gains were in firms employing 20 to 99 employees, which added **4,191** 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 **16** between June 2016 and June 2017 to **215** banks. (Source: [FDIC](#))
- In 2017, **71,540** loans under \$100,000 (valued at **\$1.0 billion**) were issued by Wisconsin lending institutions reporting under the Community Reinvestment Act. (Source: [FFIEC](#))
- The median income for individuals self-employed at their own incorporated businesses was **\$49,744** in 2017. For individuals self-employed at their own unincorporated firms, this figure was **\$25,524**. (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: Wisconsin Employees per Business by Owner's Demographic, 2016**

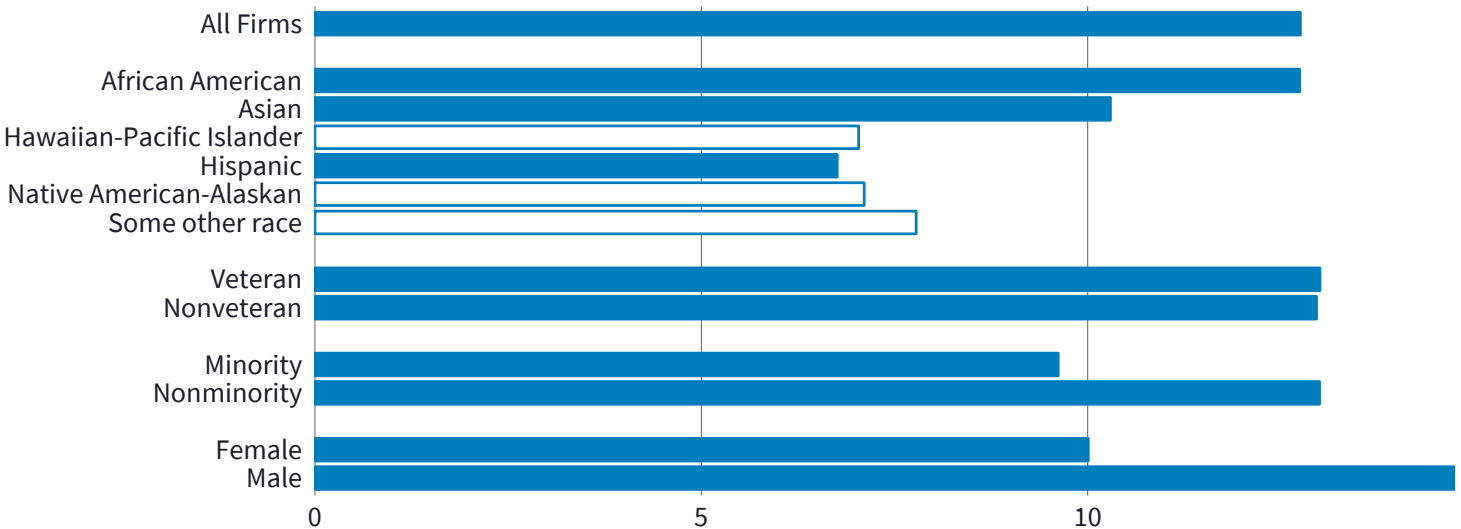
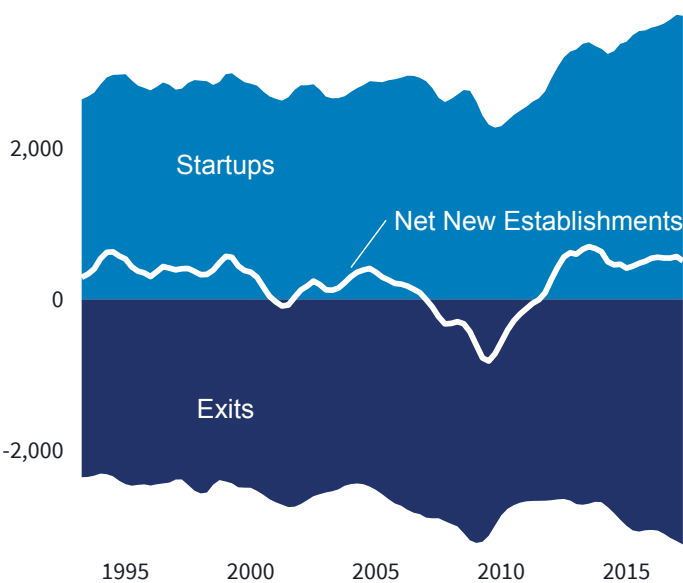


Figure 2 shows the average number of employees per employer business by owner's demographic group according to the 2016 Annual Survey of Entrepreneurs (ASE). Unshaded bars display US values; data were withheld because they do not meet Census Bureau publication standards or could disclose information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

## Turnover among Establishments with Employees

**Figure 3: Wisconsin Quarterly Startups and Exits**



- In the third quarter of 2017, **3,590** establishments started up, generating **11,015** new jobs in Wisconsin. Startups are counted when business establishments hire at least one employee for the first time. (Source: [BDM](#))
- In the same period, **3,288** establishments exited resulting in **9,627** 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

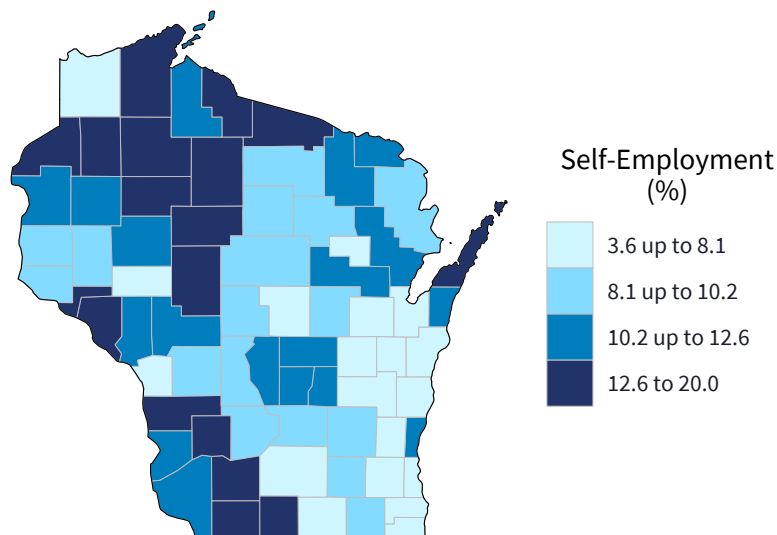
- A total of 8,485 companies exported goods from Wisconsin in 2016. Of these, 7,337, or 86.5%, were small firms; they generated 26.8% of Wisconsin's \$19.0 billion in total exports. (Source: ITA)

## Small Business Employment by Industry and Self-Employment by County

**Table 1: Wisconsin Employment by Industry, 2016**

Industry	Small Business Employment	Total Private Employment	Small Business Employment Share
Manufacturing	206,047	452,798	45.5
Health Care and Social Assistance	169,457	395,239	42.9
Accommodation and Food Services	167,832	238,224	70.5
Retail Trade	126,918	314,425	40.4
Other Services (except Public Administration)	95,846	107,710	89.0
Construction	89,257	108,099	82.6
Wholesale Trade	73,591	120,411	61.1
Professional, Scientific, and Technical Services	72,850	107,316	67.9
Administrative, Support, and Waste Management	63,515	154,684	41.1
Transportation and Warehousing	43,899	103,910	42.2
Finance and Insurance	42,854	138,232	31.0
Arts, Entertainment, and Recreation	32,169	45,105	71.3
Educational Services	25,240	56,291	44.8
Real Estate and Rental and Leasing	21,355	26,415	80.8
Information	14,285	55,771	25.6
Management of Companies and Enterprises	7,980	80,072	10.0
Agriculture, Forestry, and Fishing and Hunting	2,255	3,314	68.0
Mining, Quarrying, and Oil and Gas Extraction	2,186	3,254	67.2
Utilities	1,038	12,704	8.2
Industries not classified	355	355	100.0
<b>Total</b>	<b>1,258,929</b>	<b>2,524,329</b>	<b>49.9</b>

**Figure 4: Wisconsin Self-Employment Rates by County, 2017**



**Table 2: Wisconsin 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)	13,448	12,430	49,762	63,210
Professional, Scientific, and Technical Services	10,249	9,321	44,667	54,916
Construction	13,356	12,427	38,484	51,840
Retail Trade	11,515	9,971	39,309	50,824
Real Estate and Rental and Leasing	3,822	3,569	41,010	44,832
Health Care and Social Assistance	9,829	7,979	22,139	31,968
Administrative, Support, and Waste Management	5,599	4,941	20,404	26,003
Arts, Entertainment, and Recreation	2,534	2,146	20,976	23,510
Transportation and Warehousing	4,526	3,916	18,635	23,161
Accommodation and Food Services	11,660	9,143	5,897	17,557
Finance and Insurance	4,382	3,888	11,164	15,546
Manufacturing	7,199	4,739	7,249	14,448
Wholesale Trade	5,018	3,864	6,486	11,504
Educational Services	1,507	1,150	9,484	10,991
Agriculture, Forestry, and Fishing and Hunting	540	518	6,413	6,953
Information	954	749	4,115	5,069
Utilities	54	24	202	256
Mining, Quarrying, and Oil and Gas Extraction	131	97	118	249
<b>Total</b>	<b>106,080</b>	<b>91,135</b>	<b>346,514</b>	<b>452,594</b>

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