

2020 Small Business Profile

Delaware

84,675 Small Businesses
98.4% of Delaware Businesses

187,221 Small Business Employees
46.7% of Delaware Employees



EMPLOYMENT
4,776
net new jobs



DIVERSITY
11,944
self-employed minorities



TRADE
1,909
small business exporters

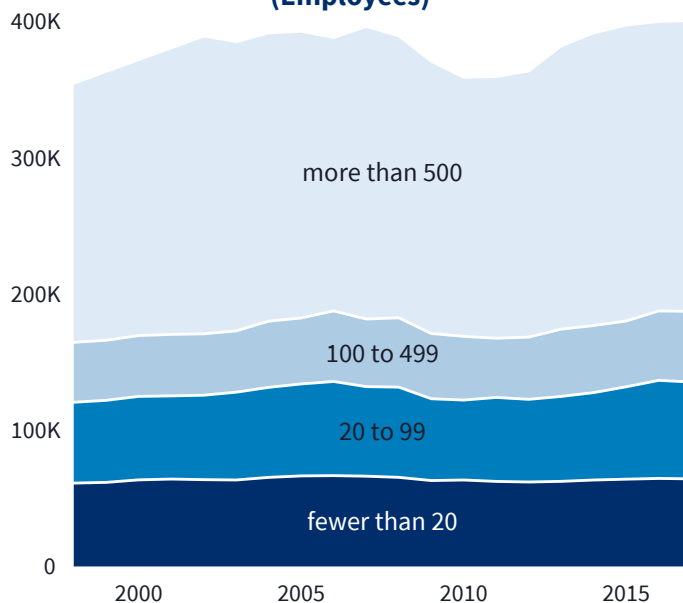
A note on COVID-19: This report uses the most up-to-date government data to present a unique snapshot of small businesses. The BLS employment estimates capture the early stages of the pandemic. All other sources reflect data collected prior to the pandemic.

Overall Economy

- In the fourth quarter of 2019, Delaware grew at an annual rate of **2.3%**, which was faster than the overall US growth rate of **2.1%**. Delaware's 2019 overall growth rate of **0.8%** was up from the 2018 rate of less than **0.1%**. (Source: [BEA](#))
- In April 2020, the unemployment rate was **14.3%**, up from **3.6%** in April 2019. This was below the April 2020 national unemployment rate of **14.7%**. (Source: [CPS](#))

Employment

Figure 1: Delaware Employment by Business Size (Employees)



- Delaware small businesses employed **187,221** people, or **46.7%** of the private workforce, in 2017. (Source: [SUSB](#))
- Firms with 20 to 99 employees have the largest share of small business employment. Figure 1 provides further details on firms with employees. (Source: [SUSB](#))
- Private-sector employment decreased **18.6%** during the 12-month period ending in April 2020. This was below the increase of **1.3%** during the prior 12-month period. (Source: [CES](#))
- The number of proprietors increased in 2018 by **3.4%** relative to the previous year. (Source: [BEA](#))
- Small businesses created **4,776** net jobs in 2019. Firms employing fewer than 20 employees experienced the largest gains, adding **2,909** net jobs. The smallest gains were in firms employing 100 to 499 employees, which added **871** net jobs. (Source: [BDM](#))

The Small Business Profiles are produced by the US Small Business Administration's Office of Advocacy (<http://advocacy.sba.gov>). These profiles define small businesses as firms with fewer than 500 employees. Net small business job change, self-employed minorities, and exporter share statistics are based on 2019 Business Employment Dynamics (BDM), 2018 American Community Survey (ACS), and 2018 International Trade Administration (ITA) data, respectively.

Income and Finance

- The median income for self-employed individuals at their own incorporated businesses was **\$49,881** in 2018. For self-employed individuals at their own unincorporated firms, median income was **\$21,908**. (Source: [ACS](#))
- The total number of banks decreased by **1** between June 2018 and June 2019 to **21** banks. During the same period, the number of banks with assets under \$1 billion was unchanged at **11**. (Source: [FDIC](#))
- In 2018, Delaware lending institutions reporting under the Community Reinvestment Act issued **19,361** loans under \$100,000, a total value of **\$295.5 million**. (Source: [FFIEC](#))

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

Self-Employment Demographics

Figure 2: Delaware Self-Employment Rates by Gender & Demographic, 2018

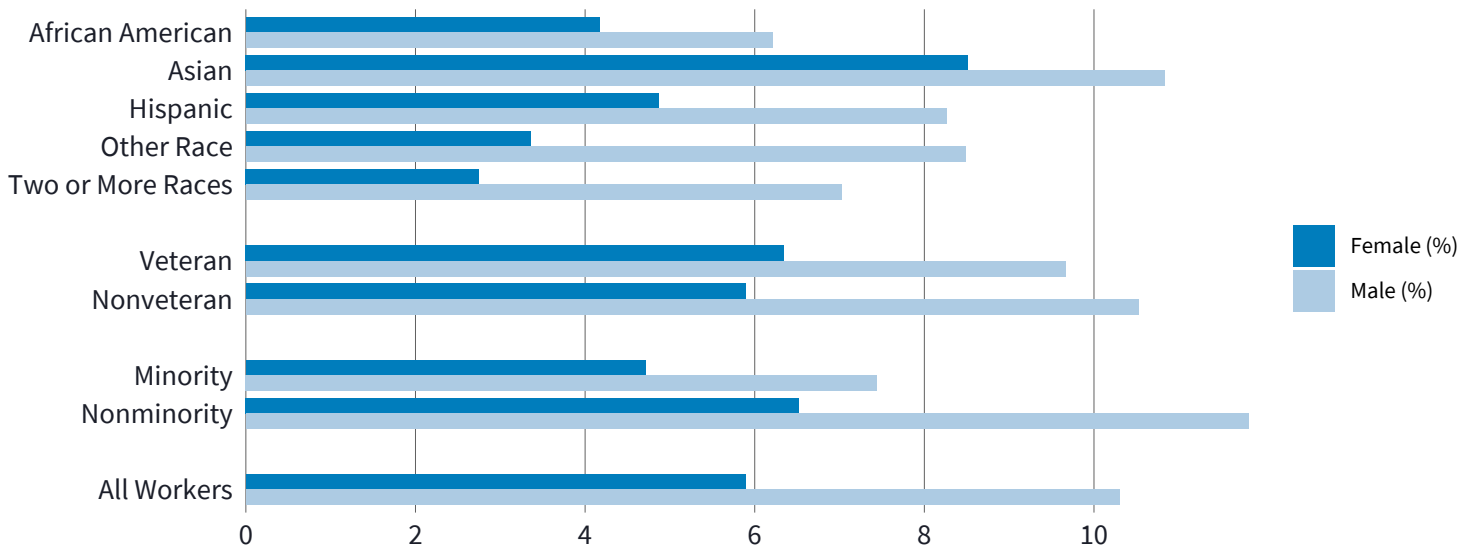
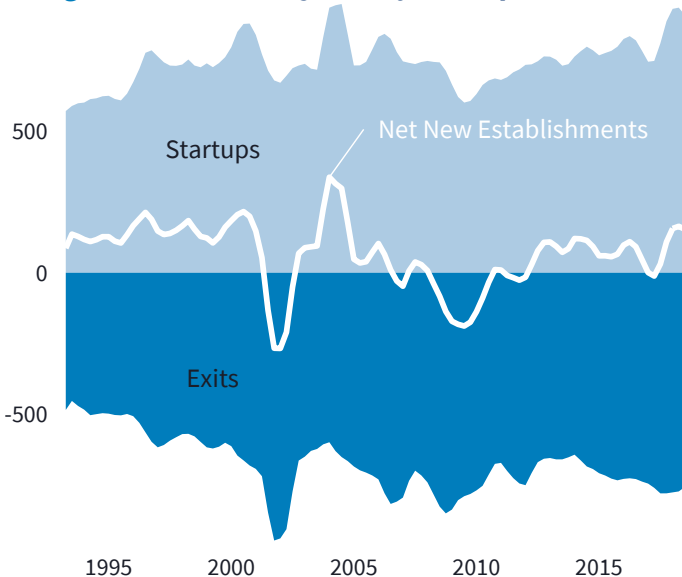


Figure 2 shows the self-employment rate for each demographic group by gender according to the 2018 American Community Survey (ACS). Other Race includes those who selected Alaska Native, American Indian, Native Hawaiian, Pacific Islander, or Some Other Race.

Turnover among Establishments with Employees

Figure 3: Delaware Quarterly Startups and Exits



- In the fourth quarter of 2018, **854** establishments started up, generating **3,071** new jobs in Delaware. Startups are counted when business establishments hire at least one employee for the first time. (Source: [BDM](#))
- In the same period, **710** establishments exited, resulting in **2,207** 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 2018. Each series is smoothed across multiple quarters to highlight long-run trends. (Source: [BDM](#))

The BDM data covers only business establishments with employees. BDM refers to startups as births and exits as deaths. These terms are distinct from the BDM 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 2,209 firms exported goods from Delaware in 2018. Of these, 1,909, or 86.4%, were small firms, which generated 23.4% of Delaware's \$4.4 billion in total exports. (Source: ITA)

Small Business Employment by Industry and Self-Employment by County

Table 1: Delaware Employment by Industry, 2017

 Industry	 Small Business Employment	 Total Private Employment	 Small Business Employment Share
Health Care and Social Assistance	29,431	68,583	42.9
Accommodation and Food Services	28,445	41,685	68.2
Construction	19,069	20,653	92.3
Retail Trade	18,700	57,729	32.4
Professional, Scientific, and Technical Services	17,922	29,487	60.8
Other Services (except Public Administration)	13,539	16,171	83.7
Administrative, Support, and Waste Management	13,165	29,290	44.9
Manufacturing	9,198	27,814	33.1
Wholesale Trade	7,108	16,849	42.2
Finance and Insurance	5,889	44,414	13.3
Transportation and Warehousing	5,346	11,726	45.6
Educational Services	5,139	7,085	72.5
Real Estate and Rental and Leasing	4,808	5,950	80.8
Arts, Entertainment, and Recreation	4,695	7,121	65.9
Information	2,868	6,702	42.8
Management of Companies and Enterprises	1,176	6,974	16.9
Utilities	462	2,187	21.1
Agriculture, Forestry, and Fishing and Hunting	137	146	93.8
Mining, Quarrying, and Oil and Gas Extraction	81	105	77.1
Industries Not Classified	43	43	100.0
Total	187,221	400,714	46.7

Figure 4: Delaware Self-Employment Rates by County, 2018

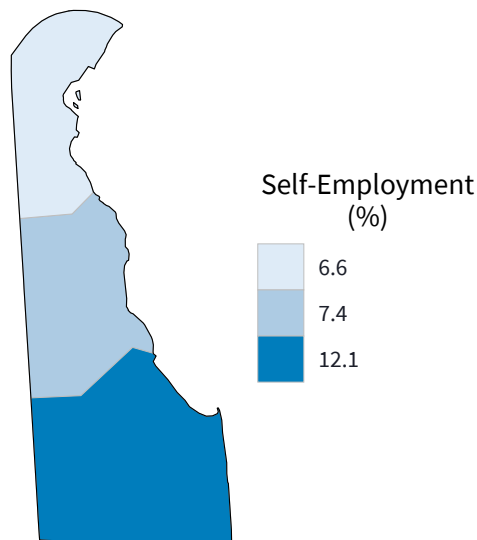


Table 2: Delaware Small Businesses by Industry and Firm Size, 2017

 Industry	 1–19 Employees	 1–499 Employees	 Nonemployer Firms	 Total Small Firms
Professional, Scientific, and Technical Services	2,334	2,627	9,405	12,032
Real Estate and Rental and Leasing	864	947	9,984	10,931
Other Services (except Public Administration)	1,906	2,075	8,046	10,121
Construction	1,998	2,215	6,124	8,339
Retail Trade	1,930	2,184	5,898	8,082
Health Care and Social Assistance	1,436	1,796	4,215	6,011
Administrative, Support, and Waste Management	1,067	1,236	4,507	5,743
Transportation and Warehousing	495	589	4,234	4,823
Arts, Entertainment, and Recreation	343	408	3,780	4,188
Finance and Insurance	870	993	2,841	3,834
Accommodation and Food Services	1,290	1,749	911	2,660
Educational Services	228	291	2,127	2,418
Wholesale Trade	682	849	1,181	2,030
Information	282	320	1,154	1,474
Manufacturing	351	471	687	1,158
Agriculture, Forestry, and Fishing and Hunting	34	34	485	519
Utilities	9	13	46	59
Mining, Quarrying, and Oil and Gas Extraction	11	13	9	22
Total	16,363	19,041	65,634	84,675

Tables 1 and 2 display data from the 2017 Statistics of U.S. Businesses (SUSB). Table 2 includes additional data from the 2017 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 2018 American Community Survey (ACS).

References

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

ACS	American Community Survey, 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
CES	Current Employment Statistics, BLS
CPS	Current Population Survey, BLS
FDIC	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