

2020 Small Business Profile

U.S. SMALL BUSINESS ADMINISTRATION
OFFICE OF ADVOCACY

REGULATION • RESEARCH • OUTREACH

Utah

301,265 Small Businesses
99.3% of Utah Businesses

590,417 Small Business Employees
46.0% of Utah Employees



EMPLOYMENT
35,531
net new jobs



DIVERSITY
21,497
self-employed minorities



TRADE
3,181
small business exporters

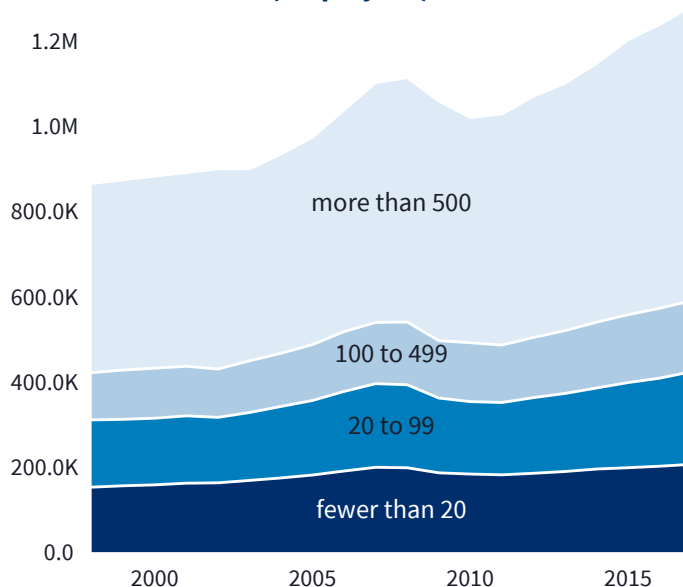
A note on COVID-19: This report uses the most up-to-date government data to present a unique snapshot of small businesses. The BLS employment estimates capture the early stages of the pandemic. All other sources reflect data collected prior to the pandemic.

Overall Economy

- In the fourth quarter of 2019, Utah grew at an annual rate of **3.4%**, which was faster than the overall US growth rate of **2.1%**. Utah's 2019 overall growth rate of **3.8%** was up from the 2018 rate of **3.7%**. (Source: [BEA](#))
- In April 2020, the unemployment rate was **9.7%**, up from **2.7%** in April 2019. This was below the April 2020 national unemployment rate of **14.7%**. (Source: [CPS](#))

Employment

Figure 1: Utah Employment by Business Size (Employees)



- Utah small businesses employed **590,417** people, or **46.0%** 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 **8.0%** during the 12-month period ending in April 2020. This was below the increase of **3.4%** during the prior 12-month period. (Source: [CES](#))
- The number of proprietors increased in 2018 by **2.9%** relative to the previous year. (Source: [BEA](#))
- Small businesses created **35,531** net jobs in 2019. Firms employing fewer than 20 employees experienced the largest gains, adding **17,587** net jobs. The smallest gains were in firms employing 20 to 99 employees, which added **8,740** 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 **\$51,984** in 2018. For self-employed individuals at their own unincorporated firms, median income was **\$21,766**. (Source: [ACS](#))
- The total number of banks decreased by **3** between June 2018 and June 2019 to **39** banks. During the same period, the number of banks with assets under \$1 billion decreased by **3** to **18** banks. (Source: [FDIC](#))
- In 2018, Utah lending institutions reporting under the Community Reinvestment Act issued **61,941** loans under \$100,000, a total value of **\$990.6 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: Utah Self-Employment Rates by Gender & Demographic, 2018

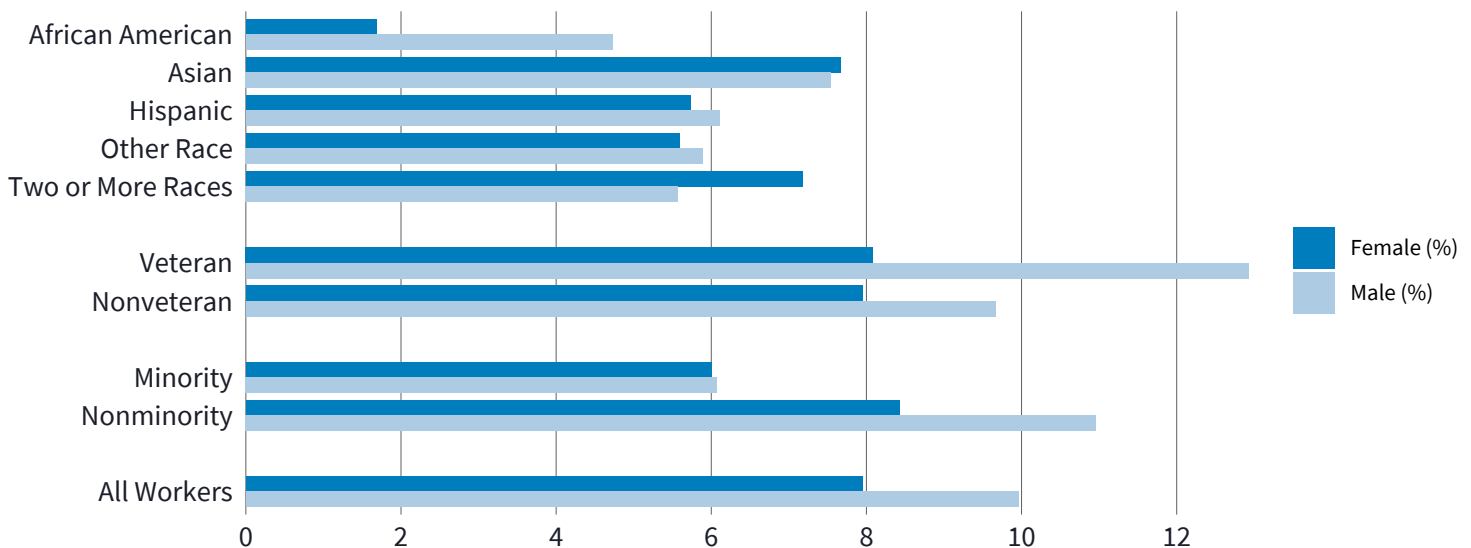
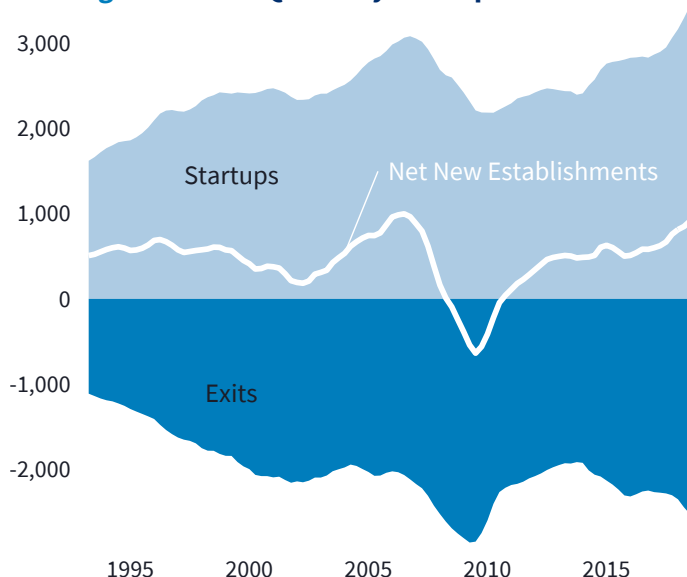


Figure 2 shows the self-employment rate for each demographic group by gender according to the 2018 American Community Survey (ACS). Other Race includes those who selected Alaska Native, American Indian, Native Hawaiian, Pacific Islander, or Some Other Race.

Turnover among Establishments with Employees

Figure 3: Utah Quarterly Startups and Exits



- In the fourth quarter of 2018, **3,811** establishments started up, generating **11,464** new jobs in Utah. Startups are counted when business establishments hire at least one employee for the first time. (Source: [BDM](#))
- In the same period, **2,399** establishments exited, resulting in **8,336** 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 3,704 firms exported goods from Utah in 2018. Of these, 3,181, or 85.9%, were small firms, which generated 61.1% of Utah's \$13.6 billion in total exports. (Source: ITA)

Small Business Employment by Industry and Self-Employment by County

Table 1: Utah Employment by Industry, 2017

 Industry	 Small Business Employment	 Total Private Employment	 Small Business Employment Share
Accommodation and Food Services	72,487	119,533	60.6
Health Care and Social Assistance	71,260	144,016	49.5
Construction	70,148	83,686	83.8
Retail Trade	61,010	154,937	39.4
Professional, Scientific, and Technical Services	56,058	91,999	60.9
Manufacturing	52,128	123,163	42.3
Administrative, Support, and Waste Management	37,153	145,464	25.5
Wholesale Trade	30,247	54,134	55.9
Other Services (except Public Administration)	28,301	54,373	52.0
Finance and Insurance	22,703	67,369	33.7
Educational Services	19,542	53,037	36.8
Transportation and Warehousing	17,267	57,290	30.1
Information	16,108	52,550	30.7
Real Estate and Rental and Leasing	14,630	19,405	75.4
Arts, Entertainment, and Recreation	12,411	23,360	53.1
Management of Companies and Enterprises	4,240	26,154	16.2
Mining, Quarrying, and Oil and Gas Extraction	2,866	7,763	36.9
Utilities	1,355	3,704	36.6
Agriculture, Forestry, and Fishing and Hunting	408	423	96.5
Industries Not Classified	95	95	100.0
Total	590,417	1,282,455	46.0

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

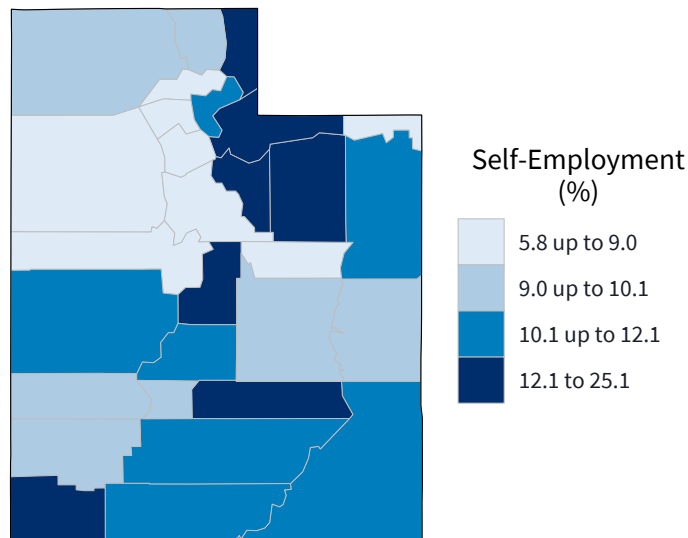


Table 2: Utah Small Businesses by Industry and Firm Size, 2017

 Industry	 1–19 Employees	 1–499 Employees	 Nonemployer Firms	 Total Small Firms
Professional, Scientific, and Technical Services	9,357	10,042	38,690	48,732
Real Estate and Rental and Leasing	4,655	4,819	35,217	40,036
Other Services (except Public Administration)	4,288	4,594	30,367	34,961
Retail Trade	5,707	6,454	27,059	33,513
Construction	8,667	9,458	17,578	27,036
Health Care and Social Assistance	5,887	6,672	12,964	19,636
Administrative, Support, and Waste Management	3,529	3,948	14,272	18,220
Arts, Entertainment, and Recreation	959	1,097	13,383	14,480
Transportation and Warehousing	1,687	1,950	11,747	13,697
Finance and Insurance	2,957	3,189	8,996	12,185
Educational Services	849	1,089	9,146	10,235
Manufacturing	2,307	2,969	4,403	7,372
Wholesale Trade	2,121	2,731	3,976	6,707
Accommodation and Food Services	2,860	4,004	2,674	6,678
Information	847	1,070	4,129	5,199
Agriculture, Forestry, and Fishing and Hunting	89	93	1,615	1,708
Mining, Quarrying, and Oil and Gas Extraction	289	328	405	733
Utilities	70	83	173	256
Total	57,205	64,471	236,794	301,265

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