

# Annual Report of the Office of Economic Research, FY 2019

U.S. SMALL BUSINESS ADMINISTRATION  
**OFFICE OF ADVOCACY**

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U.S. Small Business  
Administration

Created by Congress in 1976, the Office of Advocacy of the U.S. Small Business Administration (SBA) is an independent voice for small business within the federal government. Appointed by the President and confirmed by the U.S. Senate, the Chief Counsel for Advocacy directs the office. The Chief Counsel advances the views, concerns, and interests of small business before Congress, the White House, federal agencies, federal courts, and state policy makers. Economic research, policy analyses, and small business outreach help identify issues of concern. Regional Advocates and an office in Washington, DC, support the Chief Counsel's efforts.

The views expressed by Advocacy here do not necessarily reflect the position of the Administration or the SBA because Advocacy is an independent entity within the U.S. Small Business Administration.



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## Introduction

Created by Congress In 1976, Public Law 94-305 established the Office of Advocacy within the U.S. Small Business Administration to “examine the role of small business within the American economy.”<sup>1</sup> Since then, Advocacy has been an independent voice for small business within the federal government. Its research arm, the Office of Economic Research (OER), has become an important source in understanding the state of small businesses for policymaking. To support Advocacy’s mission of examining the role and contributions of small businesses, OER spent fiscal year 2019 providing timely and relevant research products that were disseminated to policymakers in Congress and federal agencies along with thousands of stakeholders across the country, analyzing proposed federal regulations for small business impacts, and promoting and presenting its research and statistics to small business stakeholders.

OER achieved several important milestones in fiscal year 2019. OER published its small business profiles by congressional district for the first time. This new ongoing profile series provides key statistics on small business economic activity, such as employment and payroll from small businesses overall and by industry, for each congressional district in the U.S. The annual profiles are a result of Advocacy’s ongoing data partnership with the Census Bureau in producing important statistics on small businesses. Additionally, in FY19, Advocacy published its first small business trade report for the USMCA under the Trade Facilitation and Trade Enforcement Act. In this report, OER assessed the impacts of trade with Mexico and Canada on small businesses to inform policymakers before ratification of the USMCA. Furthermore, OER updated its original research series on estimating small business contributions to economic output in its report, “Small Business GDP, 1998 – 2014.” This original analysis, updated periodically by Advocacy since 1980, provided new industry profiles and data visualizations to more clearly illustrate the small business share of the economy over time. OER economists, along with Advocacy’s attorneys, also advised federal agencies on economic analysis of small business impacts during policy development in several issue areas, such as tax, environmental, and finance during FY19.

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<sup>1</sup> see 15 U.S.C. § 634(b).

OER published research products on key small business topics including:

Business Turnover  
Business Owner Demographics  
Employment  
Entrepreneurship  
Finance  
General Small Business  
Regulation & Trade

This annual report summarizes all OER’s research publications and Small Business Economic Research Forums held in FY 2019 and provides an overview of publicly available economic data on small businesses. OER’s publications integrates reproducibility research principles and data visualization tools to increase transparency and understanding of complex information and analysis. Included in the appendix of this report are two examples of OER’s commitment to quality research products: “Small Business Profiles for the Congressional Districts”, and “What’s New with Small Businesses?”

The Office of Advocacy values its partnerships with other federal agencies, such as the U.S. Census Bureau, to collect and disseminate important small business data and statistics. OER economists analyze this data when producing its research products. In FY19, through its partnership with the Census Bureau, a new data series on business owner demographics of nonemployers, Nonemployer Statistics by Demographics (NES-D), began development. NES-D will provide important demographic statistics of women-owned, minority-owned, and veteran-owned businesses on a more regular basis. To access OER research, please visit [advocacy.sba.gov/category/research/](https://advocacy.sba.gov/category/research/), navigable by the following categories:

- Facts About Small Business (OER infographics, FAQs, bulletins, and fact sheets),
- State Profiles (OER’s annual publication on small business statistics by state),
- Economic Reports (issue briefs and contracted economic studies), and
- Data on Small Business (links to public datasets for assessing the small business economy).

## Advocacy Research Reports, FY 2019

This report lists and summarizes the 20 publications produced by the Office of Economic Research in FY 2019. A list of presentations from the Small Business Economic Research Forum hosted by OER are also included. The publications are listed by subject with the newest items first.

### Business Turnover

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#### Small Business Facts: Establishment Dynamics

**Author:** Daniel Wilmoth, Advocacy Economist

**Released:** August 2019

**Description:** This fact sheet examines establishment dynamics for small businesses. In 2018, openings of establishments with employees surpassed one million for the first time. Annual openings have exceeded closings for eight consecutive years. The states of Washington, South Carolina, and Idaho experienced the highest rates of net growth in number of establishments. Puerto Rico, which experienced a 5.1 percent net loss of establishments in 2017, grew at a rate of 4.2 percent in 2018.

### Business Owner Demographics

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#### Small Business Facts: Spotlight on Minority-Owned Employer Businesses

**Author:** Nora Esposito, Research Fellow

**Released:** May 2019

**Description:** This fact sheet provides statistics on the 1.1 million minority-owned employer businesses in the United States and highlights the demographic growth and economic contributions of these businesses.

#### Small Business Facts: Spotlight on Women-Owned Employer Businesses

**Author:** Nora Esposito, Research Fellow

**Released:** March 2019

**Description:** This fact sheet highlights contributions made by 1.1 million women-owned employer businesses to the U.S. economy, as well as areas for future growth. The fact sheet also provides information on industrial and geographic diversity of women-owned employer businesses.

### **Small Business Facts: Spotlight on Veteran-Owned Employer Businesses**

**Author:** Nora Esposito, Research Fellow

**Released:** December 2019

**Description:** This fact sheet examines the nearly 380,000 veteran-owned employer businesses in the United States. In addition to an overview of these businesses, the fact sheet examines business owner demographics, as well as the industries and geographies in which veteran-owned employer businesses are active.

### **Data from the Census Bureau Shows Growth in Hispanic-owned Businesses**

**Author:** Nora Esposito, Research Fellow

**Released:** October 2018

**Description:** From 2014 to 2016, growth in the percent change of the number of Hispanic-owned businesses was 13 percent, higher than that of any other racial or ethnic group. Over the same time period, there was 12 percent growth in the number of Black/African American-owned businesses, and nearly 10 percent growth in the number of employer businesses owned by Native Hawaiians and Pacific Islanders.

## **Employment**

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### **2019 Small Business Profiles for the Congressional Districts**

**Author:** Richard Schwinn, Advocacy Economist

**Released:** September 2019

**Description:** The Small Business Profiles for the Congressional Districts are a new part of Advocacy's state profile series, which provides user-friendly snapshots of national, state, and congressional district small business statistics. The profiles cover the 436 congressional districts in the 50 states and the District of Columbia based on data from the U.S. Census Bureau. The district lines are based on the 115th Congress.

### **Small Business Facts: Spotlight on Nonprofits**

**Author:** Brian Headd, Advocacy Economist

**Released:** July 2019

**Description:** This fact sheet provides information on nonprofit organizations and their contributions to employment and highlights the latest trends and industry breakdowns. While not discussed as much as for-profit businesses, nonprofits are mostly small firms that account for around 10 percent of businesses and employment, a share that has grown consistently.

## Small Business Economic Bulletin

**Author:** Office of Economic Research

**Released:** March 2019

**Description:** This bulletin shows gains in the number of employer small firms, owner's income, and net job creation. The recovery of small business lending remains tentative, even with low loan delinquency rates. The bulletin provides the latest quarterly government statistics on small business income, job creation, startups, and finance.

## Entrepreneurship

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### How Accelerators Promote Regional Entrepreneurship

**Author:** Sheryl Winston Smith

**Released:** February 2019

**Description:** Accelerator programs are a popular tool to help entrepreneurs launch new innovative businesses, and entrepreneurs now have options to participate in programs located nearby or at a greater distance. As regional policymakers emphasize the importance of new businesses to economic development and growth, little is known about accelerators' potential role as a catalyst for local investment and hiring. This report finds that startups located in the same region as their accelerator are more likely to experience positive economic outcomes— such as attracting follow-on venture capital investment and hiring employees— compared to startups whose founders travel to a different region to participate in an accelerator. Using a novel data set on startups in prominent accelerator programs from 2005 to 2011, the analysis explores the relevance of the distance between startups and their accelerators to the likelihood of achieving economic milestones.

## Finance

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### Small Business Facts: Spotlight on Community Bank Lending

**Author:** Daniel Brown

**Released:** September 2019

**Description:** This fact sheet shows that in the fourth quarter of 2018, there were over 1.4 million outstanding small business loans held by community banks worth over \$94 billion. While community banks are a critical source of capital for small businesses, they have been declining in number the past few decades and levels of community bank lending vary geographically throughout the country.

## Small Business Facts: What Is the Status of Bank Credit to Small Businesses?

**Author:** Victoria Williams

**Released:** February 2019

**Description:** This fact sheet finds that small business lending growth lagged large business lending growth from 2016 to 2017. While small banks had higher shares of small business loans relative to their assets than large banks, large banks issued most small business loans.

## General Small Business Topics

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### Frequently Asked Questions About Small Business

**Author:** Office of Economic Research

**Released:** September 2019

**Description:** Advocacy's most requested publication gathers dozens of the latest statistics about America's small business in one place. The FAQ is updated annually, and contains information including the total number of small businesses, their share of employment and net new jobs, plus starts, closures, and overall contribution to the U.S. economy.

### What's New with Small Business

**Author:** Office of Economic Research

**Released:** September 2019

**Description:** This infographic illustrates a dozen key facts from the FAQ. The FAQ shows the major economic role of the small business sector in the U.S. economy.

### Nonemployer Statistics by Demographics (NES-D): Using Administrative and Census Records Data in Business Statistics

**Author:** U.S. Census Bureau, Center for Economic Studies

**Released:** September 2019

**Description:** This working paper provides an overview and description of Census Bureau's new data program Nonemployer Statistics by Demographics (NES-D) to estimate business owner demographic counts for nonemployer businesses, and outlines the initial progress in creating the new data program. This data pilot initiative and working paper was co-funded by SBA Office of Advocacy. The NES-D data series will be produced annually. Instead of survey collection, it will match administrative data from different federal sources, reducing collection costs and increasing the timeliness and accuracy of the data. NES-D is critical to providing comprehensive statistics on business owner demographics going forward. The working paper was released in January 2019 and posted to Advocacy's website in September 2019.

### **Small Business Data Resources**

**Author:** Brian Headd, Advocacy Economist

**Released:** August 2019

**Description:** This updated research tool provides the most relevant and useful economic datasets to examine small businesses for researchers and policymakers. Datasets are listed by federal agency or private sector source with hyperlinks to their websites organized by small business-related topic. The databases listed provide a wealth of information on a wide range of topics such as business owner demographics, employment, international trade, finance, firm size data, firms and establishments, income and sales, procurement, and taxes. This publication provides information by data program, frequency, category, and links to the main public datasets.

### **Annual Report of the Office of Economic Research, FY 2018**

**Author:** Office of Economic Research

**Released:** August 2019

**Description:** The Office of Advocacy's FY 2018 Annual Report of the Office of Economic Research details the research publications produced and small business economic research forums held in fiscal year 2018. OER participated in numerous roundtables and conferences and produced timely and relevant small business research illuminating the economic landscape for small businesses. To meet the needs of small business stakeholders, OER highlighted the contributions and challenges of small businesses in the following topics: Access to Capital, Employment, Regulation, Women and Veteran Businesses Ownership.

### **2019 Small Business Profiles for the States and Territories**

**Author:** Richard Schwinn, Advocacy Economist

**Released:** April 2019

**Description:** The profiles are an annual portrait of the small business economic health of each state and territory, plus the United States and the District of Columbia. The profiles combine the latest federal data into detailed reports on the small business economy in each state, and provide limited economic data for five U.S. territories. This year's profiles report on state economic growth and employment.

### **Small Business GDP, 1998-2014**

**Author:** Kathryn Kobe, Economic Consulting Services and Richard Schwinn, Advocacy Economist

**Released:** December 2018

**Description:** This report shows that small businesses account for 44 percent of U.S. economic activity, a significant contribution. However, this overall share has gradually declined. U.S. gross domestic product (GDP) is the market value of the goods and services produced by labor and property located in the United States. Across the 16 years from 1998 to 2014, small businesses' share of GDP has fallen from 48.0 percent to 43.5 percent. Over the same period, the amount of small business GDP has grown by about 25 percent in real terms, or 1.4 percent annually. However, real GDP for large businesses has grown faster, at 2.5 percent annually.

## **Regulation & Trade**

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### **Report on the Regulatory Flexibility Act, FY 2018**

**Author:** Office of Economic Research

**Released:** April 2019

**Description:** This annual report illustrates the Office of Advocacy's efforts at monitoring federal agency compliance with the Regulatory Flexibility Act. These efforts resulted in changes to 18 specific rules that reduced the regulatory burden for small business, leading to a total of \$253.3 million in quantifiable small business regulatory compliance cost savings in FY 2018.

### **Section 502 Small Business Report on NAFTA-USMCA**

**Author:** Office of Economic Research

**Released:** December 2018

**Description:** In accordance with the Trade Facilitation and Trade Enforcement Act, the Office of Advocacy prepared a report to Congress on the small business views, priorities, opportunities, and challenges of a renegotiated trade agreement with Canada and Mexico.

## Small Business Economic Research Forums

The Office of Economic Research continued hosting the Small Business Economic Research Forum (SBERF) series in FY 2019. These forums are useful in keeping Advocacy's staff informed on current research and data from other agencies and researchers. Key economic topics on emerging or current issues affecting the small business arena are discussed by knowledgeable experts in the field. A list of SBERFs for this fiscal year follows with the most recent appearing first.

### **Veteran Entrepreneurs and Capital Access**

**Speaker:** Sid Sankaran, The Boston Consulting Group Consultant

**Date:** August 12, 2019

**Description:** Former SBA Research Fellow Sid Sankaran presented his report, [\*Financing Their Future: Veteran Entrepreneurs and Capital Access\*](#). The report was co-written with Jessica Battisto, Senior Analyst at the Federal Reserve Bank of New York. Sankaran and Battisto mined the New York Fed's relatively new Small Business Credit Survey to better understand the relationship between banks and Veteran business owners. They found that Veterans had a more difficult time obtaining capital than nonveterans. Veteran business owners reported more financing shortfalls and lower approval rates. They also discuss the implications of funding shortfalls and declining veteran entrepreneurship.

### **Entrepreneurship or Retirement?**

**Speakers:** David Robinson, The James & Gail Vander Weide, Professor of Finance, Fuqua School of Business, Duke University

Jules Lichtenstein, Former Senior Economist, Office of Advocacy, U.S. Small Business Administration

**Date:** August 8, 2019

**Description:** Economist David Robinson of Duke University presented his joint work with Angela Hung (RAND) examining how older workers use their pension savings to start businesses as part of the transition to retirement. This practice raises important questions about household finance that ultimately have implications for Social Security and other Federal budgets, and is an important area of research with many baby-boomers in the retirement age range and entrepreneurship rates increasing with age. Former Advocacy economist Jules Lichtenstein discussed his work of addressing the demographics of entrepreneurship which include a focus on older workers.

### **FDIC Small Business Lending Survey**

**Speaker:** Yan Y. Lee, Senior Financial Economist, Federal Deposit Insurance Corporation (FDIC)

**Date:** July 18, 2019

**Description:** Yan Lee presented the new FDIC Small Business Lending Survey. FDIC worked with about 50 banks to develop questions on the survey and tested them to fill gaps in the knowledge of small business lending. Overall, the survey illustrates the financial marketplace for small businesses seeking loans. The data allow one to better understand the niches and strategies that various banks fill and the demand from small businesses as it relates to financial products.

### **A Discussion on Small Business Lending Using Microdata**

**Speakers:** Natalie Bachas, Princeton University, Assistant Professor of Economics  
John Earle, George Mason University, Professor of Public Policy, Schar School Director, Center for Micro-Economic Policy Research

**Date:** April 25, 2019

**Description:** Bachas discussed a forthcoming paper with Olivia Kim and Constantine Yannelis to determine the financing supply impact using demand elasticities from guarantee rate changes in loan guarantee schemes. Preliminarily, they find that guarantee rate levels matter to lenders illustrating that the schemes increase the supply of loans. Meanwhile, Earle discussed his work finding finance insights from datasets such as SBA loan guarantees which he had matched to Census records to show the employment gain impacts from loan guarantees. Earle also has an extensive background in researching the policy angles of privatization and transitioning economies. Taken together, Bachas' paper will show how much lending is increased from lending schemes, while Earle's work shows the impact of increased lending on the economy as a whole.

### **A Discussion on the Economics of Business Relationships and Institutions (Regulations and Antitrust)**

**Speaker:** Dean Victor Williamson, Former Antitrust Division, US Department of Justice

**Date:** February 14, 2019

**Description:** From a strong historical perspective, Williamson laid out the basis on interactions between firms and the development of institutions to reign in firms. Invoking a pioneer of firm economics, Ronald Coase, and a pioneer of institution economics, Vernon Smith, Williamson explores the relationship of economic theory with the real-world application of law and economics and how this application has shaped not only the creation of business relationships themselves (for example contracts), but also the evolution of government regulators.

## Data Access

In FY 2019, the Office of Advocacy continued to provide links to important small business economic data on its website: <https://advocacy.sba.gov/data-on-small-business/>. Both small employers and non-employers are covered in the data. A large percentage of small businesses are non-employer firms, but employer firms contain a larger share of total receipts. Most employer firms are small firms, but for comparison purposes, data are also provided on large firms. The Office of Advocacy defines a small business for research purposes as an independent business having fewer than 500 employees. Advocacy is not a data collection agency and relies on federal statistical agencies such as the Census Bureau to produce economic data on small businesses.

In addition, banking data for small businesses is also compiled by the Office of Advocacy. While the employment size of a firm is used to define a small business, the banking data uses loan size. Business loans of \$1 million or less are defined as small business loans in the banking data.

All of these data are provided in a user-friendly format that allows researchers, policymakers, small business trade associations, small businesses, and the media interested in small businesses to obtain the data to investigate the role and status of small firms in the economy.

### Small Business Data Resources

Advocacy provides a list of hyperlinked Small Business Data Resources for small business researchers and policymakers on its data page. This valuable research tool lists small business databases by both federal agencies and the private sector with links to their websites. Data series cover a range of key topics such as demographics, employment, exports, finance, firm size data, health care, taxes, pension coverage, and training. The list captures many of the most widely used data resources, but inclusion of any specific database on the list does not constitute an endorsement by the Office of Advocacy or the Small Business Administration.

### Small Business Economic Data

Advocacy defines a small business as an independent business having fewer than 500 employees and makes small business data from several sources available on its website. Data on employer firms by size of business are provided annually in Census Bureau's Statistics of U.S. Businesses (SUSB) and Business Dynamics Statistics (BDS) data series, as well as

quarterly in the Bureau of Labor Statistics Business Employment Dynamics (BED) program. Non-employer data are available annually from the Census Bureau's Non-Employer Statistics (NES) program. BDS and BED also provide data on age of business. All the data programs are based on the universe of private-sector businesses in the U.S.

Detailed data on owner and business characteristics are available from the Annual Survey of Entrepreneurs (ASE) conducted by the Census Bureau, which going forward has been combined with other surveys and renamed the Annual Business Survey (ABS). Before the ASE, the Census Bureau's Survey of Business Owners (SBO) provided data on business characteristics and business owner demographic characteristics in years ending in 2 and 7. The most recent data for SBO is 2012 with microdata available for 2007.

### **Statistics of U.S. Businesses**

Each year, the Office of Advocacy partially funds the Statistics of U.S. Businesses (SUSB) program, an employer firm size data series produced by the U.S. Census Bureau. An employer firm is defined as an aggregation of all establishments owned by a parent company. The SUSB's employer data include the number of firms, number of establishments, employment, and annual payroll for employment firm size categories by location and industry. In addition to firm size data, receipt data and size categories are available, but only in years ending in 2 or 7.

Industry information is available at the NAICS 6-digit level, meaning that data is available for over 1,000 industries. Geographic data is also available at the county and metropolitan statistical area level, but this data tends to be aggregated to a relatively high industry level.

### **Business Dynamics Statistics**

Census Bureau's Business Dynamics Statistics (BDS) provides another source of employer firm data, but by the age of the firm. BDS contains annual data for states, major industry, and some metropolitan statistical area data. BDS provides historical data going back to 1977, but the most current data typically lags at least two years. BDS provides the number of firms, establishments, and employment by firm age, along with some dynamics so firm and job creation can be analyzed.

### **Business Employment Dynamics**

The Bureau of Labor Statistics' Business Employment Dynamics (BED) data program provides quarterly data with a focus on employment changes from establishment entry, growth, decline, and exit. BLS presents the data in two ways to capture seasonal firms. The data lists establishment openings, establishments that did not exist in the previous quarter, and

establishment births, establishments that did not exist in the previous year. Classifications are similar for closings and deaths. Some employment data are tabulated by firm size, including job creation and destruction tables, but much of BED is establishment-based and does not contain an establishment or firm size component. These quarterly data date from 1992.

### **Nonemployer Statistics**

Census Bureau's Nonemployer Statistics provides data on the number of businesses without employees and receipts by state, metropolitan statistical area, and county with industry detail. A nonemployer firm is defined as one that has no paid employees, has annual business receipts of \$1,000 or more, and is subject to federal income taxes. Nonemployers account for about three percent of business receipts, and about 80 percent of all businesses. Note that nonemployer businesses can have more than one owner and are a business. Thus, referring to nonemployers as self-employed, which is a class of worker, is not entirely interchangeable.

### **Annual Survey of Entrepreneurs**

Census Bureau's Annual Survey of Entrepreneurs (ASE) is an annual survey that provides information on the demographic characteristics for employer businesses and their owners. Data is provided on the number of employer businesses, receipts, annual payroll, and employment by gender, race, ethnicity, and veteran status. Industry information is available at the 2-digit NAICS level for demographic and veteran status by state, and the top 50 metropolitan statistical areas. Data in this series are available for 2014, 2015, and 2016.

### **Call Report and Community Reinvestment Act Data**

The Federal Deposit Insurance Corporation provides comprehensive banking data for all FDIC insured institutions on a quarterly basis. Unlike the previous databases mentioned, the definition of a small business differs since it is defined by loan size as oppose to the size of the firm. Both the Call Report and CRA data define a small business loan as totaling \$1 million or less. The data contains the lending institution's name, geographic location, loan size, and assets.

### **Other Small Business Data Sources**

Other small business data sources used to study small businesses are the American Community Survey (ACS), Current Population Survey (CPS), and Survey of Consumer Finances (SCF). The ACS is a yearly household survey that is conducted by the Census Bureau that provides information on jobs, occupations, and education attainments in the U.S. The CPS is a household monthly survey that is conducted by the Census Bureau that contains supplemental data on earnings, education, health insurance coverage, contingent workers,

unemployment insurance, and veteran status. The SCF is a household survey that is sponsored by the Federal Reserve in cooperation with the Department of the Treasury every three years. This survey provides information on the balance sheets, pensions, income, and demographic characteristics of U.S. families over time.

## Appendixes

### Selected Publications from the Office of Economic Research, FY 2019

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# Appendix A: Small Business Profiles of the Congressional Districts: Alabama Congressional District 1

## 2019 Small Business Profile

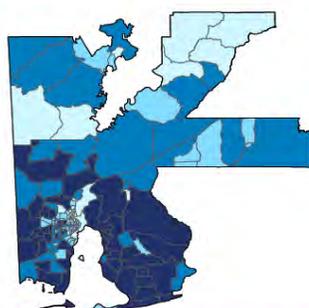
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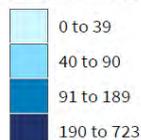
### Alabama Congressional District 1



**11,362** Small Employer Businesses **119,396** Small Business Employees **\$4.4 billion** Small Business Payroll  
**92.1%** of Employer Businesses **50.4%** of Employees **46.4%** of Payroll



Number of Self-Employed  
(Census Bureau ACS, 2017)



District Total: 24,428

#### Employer Businesses, Employment, and Payroll by Industry (Census Bureau SUSB, 2016)

Industry (Ranked by Small Employer Businesses)	Employer Businesses		Employment		Payroll (\$1,000)	
	Small	%	Small	%	Small	%
Retail Trade	1,613	87.0	12,833	33.0	387,412	39.9
Other Services (except Public Administration)	1,520	97.7	11,096	90.4	252,459	86.8
Professional, Scientific, and Technical Services	1,275	95.8	8,688	70.2	462,609	61.8
Construction	1,238	98.1	11,403	70.5	536,631	71.0
Health Care and Social Assistance	1,014	93.9	15,604	49.4	671,531	49.6
Accommodation and Food Services	897	92.7	16,928	55.3	271,898	55.8
Administrative, Support, and Waste Management	629	90.2	7,564	47.2	225,061	47.3
Wholesale Trade	628	82.4	6,519	67.9	333,690	66.3
Real Estate and Rental and Leasing	610	91.7	2,674	57.5	104,064	57.8
Finance and Insurance	517	84.9	3,668	45.5	200,863	36.1
Manufacturing	456	86.4	9,250	32.8	439,120	24.7
Transportation and Warehousing	377	82.1	4,361	46.9	179,171	42.2
Arts, Entertainment, and Recreation	185	96.9	2,189	72.9	41,302	86.3
Agriculture, Forestry, Fishing and Hunting	130	97.0	1,028	95.3	38,328	90.5
Educational Services	126	91.3	2,804	53.1	75,777	51.5
Information	99	76.2	1,115	28.5	56,436	25.5
Management of Companies and Enterprises	44	50.6	748	21.9	52,304	17.9
Mining, Quarrying, and Oil and Gas Extraction	28	73.7	481	83.5	25,556	72.3
Industries not classified	21	100.0	35	100.0	490	100.0
Utilities	20	69.0	408	24.3	26,201	19.0
<b>District Total</b>	<b>11,362</b>	<b>92.1</b>	<b>119,396</b>	<b>50.4</b>	<b>4,380,903</b>	<b>46.4</b>

This small business profile incorporates statistics on self-employment and small employer businesses from the 2017 American Community Survey (ACS) and the 2016 Statistics of US Businesses (SUSB), respectively. Small businesses are defined for this profile as firms employing fewer than 500 employees. District lines reflect the 115<sup>th</sup> Congress. For more information, please visit <http://advocacy.sba.gov>.

## Appendix B: What's New with Small Business?

# WHAT'S NEW WITH SMALL BUSINESS?

September 2019



### WHAT IS A SMALL BUSINESS?

A small business is an independent business with fewer than 500 employees.



### NET NEW JOBS



BED, [2000-2018]

### SMALL BUSINESSES COMPRISE:



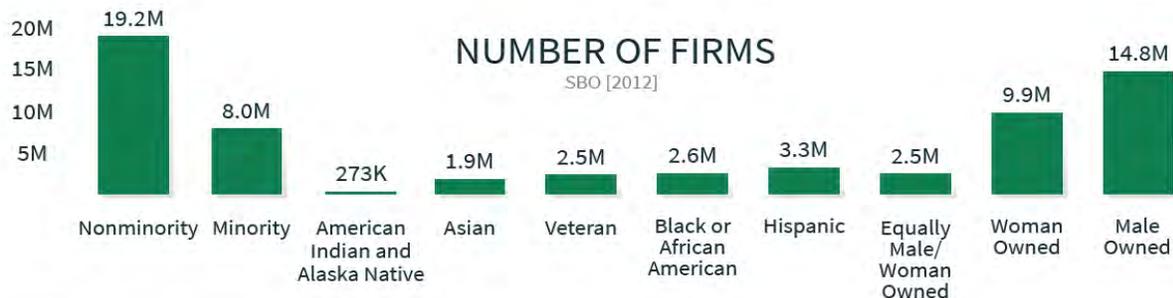
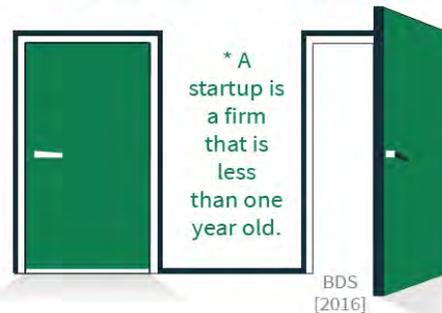
SUSB, NES [2016], ITA [2016]

### 30.7M SMALL BUSINESSES IN THE U.S.



### 400K CLOSURES

### 433K STARTUPS\*



US CENSUS BUREAU

NES Nonemployer Statistics  
 BDS Business Dynamics Statistics  
 SBO Survey of Business Owners  
 SUSB Statistics of US Businesses

BED Business Employment Dynamics, Bureau of Labor Statistics  
 ITA International Trade Administration, US Department of Commerce

For even more information visit [advocacy.sba.gov](http://advocacy.sba.gov)

