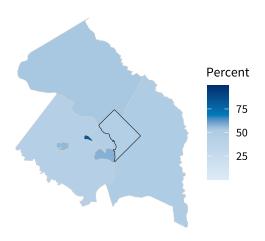
2023 Small Business Profile

District of Columbia

75,579 small businesses **98.1** percent of DC businesses

260,713 small business employees 48.0 percent of DC employees



Share of employees working at small businesses by county, district, or independent city

Source of original data: Statistics of US Businesses (Census)

Business dynamics

Establishments

Between March 2021 and March 2022, 6,497 DC establishments opened and 3,950 closed, for a net increase of 2,547. Employment expanded at 7,924 establishments and contracted at 6,199. Small businesses accounted for 5,931 establishment openings and 3,607 closings.

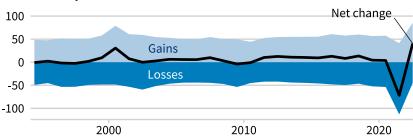
Employment

Opening and expanding DC establishments added 85,396 jobs, while closing and contracting establishments lost 44,943, for a net increase of 40,453 jobs. Small businesses contributed a net increase of 30,252 jobs, or 74.8 percent of that total.

Thousands of establishments



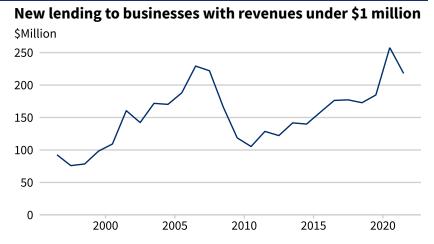
Thousands of jobs



Counts include temporary closures and reopenings Source: <u>Business Employment Dynamics</u> (BLS)

Small business loans

The Community Reinvestment Act requires large banks to report new small business loans. In 2021, reporting banks issued \$217.9 million in loans to DC businesses with revenues of \$1 million or less. Total reported new lending to businesses through loans of \$100,000 or less was \$287.8 million. Total reported new lending to businesses through loans of \$1 million or less was \$904.1 million. Source: CRA Aggregate Data (FFIEC)



Small business count by size and industry

	Without	1-19	20-499	All small
Industry	employees	employees	employees	businesses
Professional, Scientific, and Technical Services	16,535	3,844	835	21,214
Other Services (except Public Administration)	4,556	2,871	845	8,272
Transportation and Warehousing	7,254	97	24	7,375
Real Estate and Rental and Leasing	5,910	710	122	6,742
Health Care and Social Assistance	4,257	1,371	335	5,963
Arts, Entertainment, and Recreation	4,668	275	83	5,026
Administrative, Support, and Waste Management	3,495	483	195	4,173
Educational Services	2,941	376	181	3,498
Retail Trade	2,153	1,039	124	3,316
Accommodation and Food Services	1,204	1,270	672	3,146
Construction	2,214	379	96	2,689
Information	1,328	340	120	1,788
Finance and Insurance	1,023	279	105	1,407
Wholesale Trade	271	203	32	506
Manufacturing	273	81	15	369
Management of Companies and Enterprises	*	18	29	47
Utilities	40	5	1	46
Agriculture, Forestry, Fishing and Hunting	39	*	*	39
Industries not classified	*	37	0	37
Mining, Quarrying, and Oil and Gas Extraction	3	*	*	3
Total	58,164	13,667	3,748	75,579

^{*} Not reported by the Census Bureau

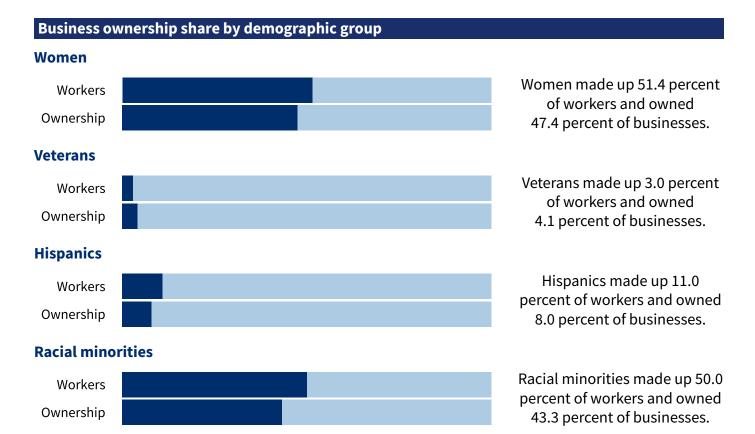
Sources: Nonemployer Statistics, 2020 (Census); Statistics of US Businesses, 2020 (Census)



Small business exports

A total of 507 identified firms exported goods worth \$755.0 million from the District in 2021. Of those exporters, 390—or 76.9 percent—were small. Exports by small firms reached \$733.0 million, making up 97.1 percent of exports by identified firms.

Source: A profile of US importing and exporting companies, 2020-2021 (Census)



Ownership shares include equal and majority ownership

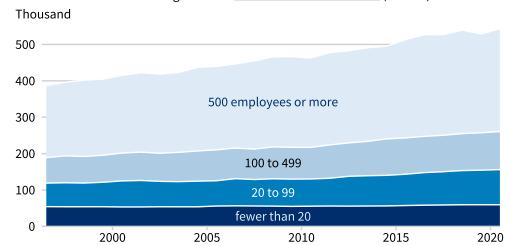
Sources of original data: <u>American Community Survey</u>, 2019 5-Year Data (Census); <u>Annual Business Survey</u>, 2019 (Census); <u>Nonemployer Statistics by Demographics</u>, 2019 (Census)

Business count by owner demographic group			
Ownership	Without employees	With employees	Total businesses
·	<u> </u>		
Female	29,500	2,791	32,291
Male	29,500	8,562	38,062
Owned equally by both groups	800	1,274	2,074
Veteran	2,000	768	2,768
Not Veteran	57,500	11,761	69,261
Owned equally by both groups	100	100	200
Hispanic	5,100	472	5,572
Not Hispanic	54,500	12,030	66,530
Owned equally by both groups	100	*	*
American Indian and Alaska Native	500	19	519
Asian	3,400	1,886	5,286
Black or African American	25,000	1,887	26,887
Native Hawaiian and Other Pacific Islander	90	*	*
White	32,000	8,922	40,922
Hispanic or Racial Minority	31,500	4,204	35,704
White and Not Hispanic	28,000	8,230	36,230
Owned equally by both groups	250	*	*

^{*} Not reported by the Census Bureau; counts include only businesses classifiable by owner demographic group Sources: Annual Business Survey, 2019 (Census); Nonemployer Statistics by Demographics, 2019 (Census)

Total DC employment by business size

Source of original data: <u>Statistics of US Businesses</u> (Census)





DC small business employment grew by 37.9 percent between 1996 and 2020, which exceeded the national small business employment growth rate.



	Employers		Employees		Payroll (\$1,000s)	
Industry	Small	%	Small	%	Small	%
Professional, Scientific, and Technical Services	4,679	92.2	51,227	47.6	6,470,185	42.
Other Services (except Public Administration)	3,716	97.7	62,137	81.8	5,842,655	81.3
Accommodation and Food Services	1,942	94.4	40,721	55.1	709,406	46.9
Health Care and Social Assistance	1,706	94.8	31,949	43.4	1,530,079	32.6
Retail Trade	1,163	87.6	7,096	30.7	246,522	34.8
Real Estate and Rental and Leasing	832	92.0	6,572	58.6	590,156	60.
Administrative, Support, and Waste Management	678	84.6	14,192	44.9	698,734	45.
Educational Services	557	92.4	15,828	28.5	875,790	26.8
Construction	475	96.2	7,643	76.4	520,172	69.3
Information	460	78.4	8,559	29.7	943,648	26.
Finance and Insurance	384	69.4	3,885	19.0	573,481	16.
Arts, Entertainment, and Recreation	358	94.0	6,355	53.4	168,295	28.
Wholesale Trade	235	75.1	1,701	49.6	136,846	44.6
Transportation and Warehousing	121	81.2	1,035	27.0	33,507	7.0
Manufacturing	96	92.3	894	85.3	37,946	82.
Management of Companies and Enterprises	47	30.1	856	9.7	70,133	6.
ndustries not classified	37	100.0	41	100.0	1,513	100.
Utilities	6	18.2	21	1.0	2,541	0.
Total	17,415	92.2	260,713	48.0	19,451,698	42.

Source: Statistics of US Businesses, 2020 (Census)

About this profile

Small businesses are generally defined here as firms with fewer than 500 employees. Figures or statistics may involve approximations because of missing or problematic data. Where notes identify the source of "original data," a value is approximate in at least one profile. The Technical Notes provide details on data, methods, and definitions. Electronic versions of this and other geographic profiles are available online. Visit advocacy.sba.gov for additional resources.