



## 1998 SMALL BUSINESS PROFILE

### SMALL BUSINESS: HEART OF THE WYOMING ECONOMY

The importance of small business to the state of Wyoming is apparent in the 1998 Small Business Profile. This year's findings, compiled by the U.S. Small Business Administration's (SBA) Office of Advocacy, indicate that small businesses are vital to the state's economy. Not only do small businesses play a critical role by efficiently reallocating the state's resources and injecting new ideas into the economy with business starts and stops, but their diversity and composition provide the work force with many opportunities.

**Number of Businesses** - In 1997, Wyoming had 18,000 businesses with employees; 96.7 percent of the businesses were small businesses (percent based on 1995 data for businesses with fewer than 500 workers). In addition to the number of employer businesses, the state also had 30,000 self-employed persons in 1996.

**Small Business Income** - The income of sole proprietors and partners rose 2.9 percent to \$1.0 billion in 1997, while wage-and-salary income rose 4.8 percent. The state also exported \$0.2 billion of goods in 1997. (In 1992, 65.1 percent of the exporters in the state were small businesses.)

**Women-Owned Businesses** - According to The National Foundation for Women Business Owners, as of 1996, there were 19,200 women-owned businesses in Wyoming, including part-time firms, employing 41,200 people and generating \$3.3 billion in sales. Between 1987 and 1996, the number of women-owned businesses increased 63.1 percent.

**Minority Businesses** - According to the latest Bureau of the Census data, the number of black-owned firms, including part-time firms, increased 19.8 percent from 1987 to 1992, totaling 97 in 1992. The number of Hispanic-owned firms, including part-time businesses, rose 31.2 percent during the same time period with 766 firms in 1992. There has also been a marked increase in the number of businesses owned by Asian and Pacific Islanders, American Indians, and Alaskan Natives. The number for this group grew from 233 in 1987, to 362 in 1992, representing a 55.4 percent increase.

**Business Turnover** - Between 1996 and 1997, the number of new firms decreased 8.6 percent, while new business incorporations increased 4.6 percent. Financial difficulties leading to business bankruptcies decreased by 11.7 percent and business failures increased by 12.3 percent.

**Finance** - An SBA Office of Advocacy study found that the number of banks in Wyoming decreased from 55 in 1994 to 53 in 1997. The study also found the top lenders to small businesses in FY 1997 were:

Bank Name	Location
RIVERTON ST BK	Riverton
FIRST NB OF BUFFALO	Buffalo
FIRST ST BK OF WHEATLAND	Wheatland
WESTERN BK CHEYENNE	Cheyenne
HILLTOP NB	Casper
FIRST INTRST BK	Sheridan
NORWEST BK WY NA	Casper
KEYBANK NA	Cheyenne

Small businesses seeking loans should also consider banks that participate in SBA loan programs. To locate an SBA preferred or certified lender near you, call 1-800-8-ASK-SBA.

**Job Growth** - From 1992 to 1996, small businesses (fewer than 500 employees) created all of the net new jobs. The figures below indicate the importance of small businesses as job creators.

Number of Jobs Created by Major Industry and Employment Size of Firm, 1992-1996

Industry	1-4	5-19	20-99	100-499	500+	Totals
All Industries	12,200	4,744	1,919	(200)	(4,019)	14,642
Manufacturing	320	294	86	(35)	(1,581)	(915)
Retail Trade	2,559	729	471	(252)	(930)	2,577
Services	6,626	2,253	1,639	1,371	43	11,933
Other	2,694	1,469	(279)	(1,284)	(1,551)	1,049

**Industries** - Small firms in the state are represented in many industries. The Eating & Drinking Places industry is the largest small business employer in Wyoming, followed by Health Services. The fastest growing industry for small business is Mining & Quarrying Of Nonmetallic Minerals (represents industries that were at least 0.25 percent of the 1995 total). The following three tables provide information about the small business sector in the state.

Table 1, Top Five Industries by Employment, 1995

Industry	SIC	Total Empl.	Percent of total	Percent small
Total - All Industries	1	157,470	100.0	68.8
Eating & Drinking Places	5800	16,457	10.5	81.3
Health Services	8000	16,194	10.3	60.3
Oil & Gas Extraction	1300	6,747	4.3	45.0
Hotels, Rooming Houses, Camps & Oth. Lodg.	7000	6,694	4.3	77.7
Auto. Dealers & Gas Service Stations	5500	6,565	4.2	78.5

Table 2, Top Small Business Industries by Employment, 1995

Industry	SIC	Small Bus. Empl.	Percent of total	Percent Small
Total - All Industries	1	108,275	100.0	68.8
Eating & Drinking Places	5800	13,376	10.5	81.3
Health Services	8000	9,771	10.3	60.3
Social Services	8300	5,856	4.1	90.7
Hotels, Rooming Houses, Camps & Oth. Lodg.	7000	5,198	4.3	77.7
Auto. Dealers & Gas Service Stations	5500	5,151	4.2	78.5

Table 3, Fastest Growing Industries in Employment for Small Business, 1994 - 1995

Industry	SIC	Small Bus. Empl. 1995	Net change	Percent change
Total - All Industries	1	108,275	2,187	2.0
Mining & Quarrying Of Nonmetallic Minerals	1400	279	42	15.1
Transportation Services	4700	460	59	12.8
Food & Kindred Products	2000	295	37	12.5
Social Services	8300	5,856	583	10.0
Home Furniture, Furnishings, & Equip. Stores	5700	997	83	8.3

**Sources:** Office of Advocacy, U.S. Small Business Administration from data provided by the Department of Commerce, Department of Labor, Administrative Office of the U.S. Courts, Federal Reserve Board, Dun & Bradstreet Corporation, National Foundation for Women Business Owners, and Cognetics, Inc.