

Developments in Women-owned Business

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Recognizing the vital role that women-owned businesses play in the American economy, Advocacy conducts research on businesses owned by women and other demographic groups using the most comprehensive government datasets as they become available.

The period from 1997 to 2007 was a dynamic time in the U.S. economy. Strong growth in the late 1990s slowed in the recession of 2000-2001, but was followed by strong economic growth in 2002-2007. Recent data show that the U.S. economy moved out of recession after 2002 and continued on a high note up until 2007.

The primary goal of this summary is to place women-owned businesses in a broader perspective. Business ownership is no longer a simple issue of gender, because businesses owned by women and men more and more share the same general development patterns. This summary is based primarily on information on U.S. firms in the Survey of Business Owners (1997, 2002, and 2007), the latest and most comprehensive business datasets from the U.S. Census Bureau (www.census.gov/econ/sbo). The categories of business ownership examined include ownership by women, men, equally women and men, and publicly held firms. (These last include firms whose ownership is not classifiable by gender, ethnicity, race, or veteran status.) These data provide deeper insight into the U.S. businesses that fundamentally shape the economic lives of the American people.

Major Findings

- Nationally, the number of women-owned businesses increased by almost 44 percent, from 5.4 million in 1997 to 7.8 million in 2007.
- The number of women-owned businesses grew at twice the rate of male-owned businesses for the period from 1997 to 2007: 44 and 22 percent, respectively.
- By employment size, fewer than 1 percent of all women-owned employer firms and fewer than 2 percent of those owned by men had 100 or more employees.
- The share of women-owned employers declined from 1997 to 2002, then increased from 2002 to 2007.
- The number of women-owned businesses increased in every state, and their rate of ownership generally accelerated or remained the same over the decade, although the rate rose and then fell slightly in some states from a high in 2002, the midpoint of the period covered by the data.
- The publicly held share of all U.S. firms increased from 1.8 percent in 1997 to 3.0 percent in 2007; these firms' share of total U.S. business receipts increased from 55 percent in 1997 to 64 percent in 2007. The share of firms that were privately owned declined between 1997 and 2007; however, women-owned firms' share of businesses increased, even as their share of total business receipts declined over the period.
- Compared with the employer share, the nonemployer firm share of the total number and receipts of firms increased from 1997 to 2007 in nearly all owner categories. In publicly held firms, employer firms generated 99.8 percent of receipts in 2007, up from 99.4 percent in 1997.
- Receipts were more evenly distributed among small and large firms in privately owned firms than in publicly held firms. More than 85 percent of business receipts in publicly held firms went to large firms with 500 or more employees; these firms represented just 2 percent of publicly held firms in 2007, down from 3 percent in 1997.

**Table 1 Number and Receipts of All U.S. Firms (Employers and Nonemployers)
by Gender of Ownership, 2007, 2002, and 1997**

Businesses by gender and survey year	All firms (number)	All firm Receipts (\$1,000)	Employer firms (number)	Employer receipts (\$1,000)	Nonemployer firms (number)	Nonemployer receipts (\$1,000)
2007						
All firms	27,110,059	30,176,154,800	5,752,673	29,203,460,510	21,357,386	972,694,290
Women-owned	7,793,364	1,190,057,451	910,761	1,007,762,458	6,882,603	182,294,993
Men-owned	13,909,064	8,507,846,994	3,236,171	7,938,685,794	10,672,894	569,161,200
Equally owned ¹	4,602,097	1,281,838,720	1,050,835	1,098,769,090	3,551,263	183,069,630
Publicly held ²	805,533	19,196,411,634	554,906	19,158,243,167	250,627	38,168,467
2002						
All firms	22,974,655	22,603,658,904	5,524,784	21,836,249,354	17,449,871	767,409,550
Women-owned	6,489,259	939,538,208	916,657	802,851,495	5,572,602	136,686,713
Men-owned	13,184,033	7,061,026,736	3,524,969	6,564,052,308	9,659,064	496,974,428
Equally owned ¹	2,693,360	731,678,703	717,961	627,202,424	1,975,399	104,476,279
Publicly held ²	494,399	13,820,117,758	352,720	13,796,996,645	141,679	23,121,113
1997³						
All firms	20,821,934	18,553,243,000	5,295,151	17,907,940,321	15,526,783	645,302,679
Women-owned	5,417,034	818,669,000	846,780	717,763,965	4,570,254	100,905,035
Men-owned	11,374,194	6,635,375,000	3,151,000	6,270,252,935	8,223,194	365,122,065
Equally owned ¹	3,641,263	943,881,000	1,029,469	828,389,812	2,611,794	115,491,188
Publicly held ²	381,519	10,161,242,000	267,902	10,104,057,581	113,617	57,184,419

Notes:

1. Equally men-/women-owned.
2. Publicly held and other firms not classifiable by owner's gender, Hispanic origin, or race.
3. Men-owned and publicly listed data for 1997 are estimated by the author.

Source: U.S. Bureau of the Census, Survey of Business Owners, 1997, 2002 and 2007.

Table 2 Employment Size Distribution: Number and Receipts of Employer Firms, 1997, 2002 and 2007 (Percent)

Owner category and employment size of firms	Share of employer firms			Share of employer firm receipts		
	1997	2002	2007	1997	2002	2007
Women-owned						
No employees	13.61	17.60	12.11	2.03	2.93	2.00
1 to 4 employees	52.45	50.39	54.87	14.43	14.13	13.59
5 to 9 employees	17.75	16.26	16.64	11.75	11.99	11.56
10 to 19 employees	9.37	9.05	9.38	12.70	12.85	12.80
20 to 49 employees	4.72	4.71	4.91	14.54	14.68	15.18
50 to 99 employees	1.22	1.21	1.25	9.96	9.22	9.35
100 to 499 employees	0.78	0.72	0.76	15.75	14.26	16.00
500 employees or more	0.10	0.07	0.08	18.84	19.93	19.52
Men-owned						
No employees	10.93	14.32	10.77	1.43	1.85	1.31
1 to 4 employees	48.89	47.27	49.86	9.51	9.17	8.63
5 to 9 employees	18.56	17.30	17.64	9.17	8.99	8.59
10 to 19 employees	10.98	10.71	10.88	10.96	11.18	10.59
20 to 49 employees	6.96	6.83	7.05	16.53	16.70	16.23
50 to 99 employees	2.17	2.11	2.22	12.12	12.66	12.95
100 to 499 employees	1.36	1.31	1.40	19.81	21.05	21.36
500 employees or more	0.17	0.16	0.18	20.47	18.40	20.34
Equally men/women-owned						
No employees	11.94	14.93	11.08	3.08	3.28	2.39
1 to 4 employees	48.83	47.52	52.07	18.42	17.27	18.09
5 to 9 employees	20.16	18.60	18.61	16.60	16.44	16.25
10 to 19 employees	11.43	11.12	10.89	17.11	17.24	17.20
20 to 49 employees	5.74	5.90	5.59	17.37	19.27	18.61
50 to 99 employees	1.27	1.30	1.18	9.14	9.68	9.66
100 to 499 employees	0.59	0.60	0.53	11.31	11.07	10.56
500 employees or more	0.04	0.04	0.05	6.97	5.76	7.24
Publicly held						
No employees	7.14	10.58	7.92	0.13	0.32	0.29
1 to 4 employees	34.01	35.23	39.57	0.54	0.40	0.60
5 to 9 employees	14.57	14.58	16.29	0.55	0.43	0.61
10 to 19 employees	12.80	11.86	12.36	0.88	0.75	0.92
20 to 49 employees	13.37	11.54	10.82	2.06	1.53	2.00
50 to 99 employees	7.20	6.12	5.25	2.20	1.90	2.35
100 to 499 employees	7.79	7.32	5.80	7.41	6.91	8.51
500 employees or more	3.12	2.77	2.00	86.24	87.77	84.71

Source: U.S. Bureau of the Census, Survey of Business Owners, 1997, 2002 and 2007.

Table 3 Number of Businesses and Women-owned Businesses by State, 2007, 2002, and 1997

State	2007		2002		1997		Women-owned share of total			Rate of change	
	Total Businesses	Women-owned	Total Businesses	Women-owned	Total Businesses	Women-owned	2007	2002	1997	2002-2007	1997-2002
U.S.	27,110,362	7,793,425	22,974,655	6,492,795	20,821,934	5,417,034	29%	28%	26%	1.72%	8.63%
AL	382,628	107,531	309,544	81,951	285,206	69,515	28%	26%	24%	6.15%	8.62%
AK	68,881	17,821	62,145	16,315	64,134	16,633	26%	26%	26%	-1.45%	1.23%
AZ	491,788	138,146	381,180	109,807	329,031	88,780	28%	29%	27%	-2.49%	6.76%
AR	239,150	58,604	209,010	49,647	193,424	42,581	25%	24%	22%	3.16%	7.90%
CA	3,426,953	1,039,642	2,908,758	871,617	2,565,734	700,513	30%	30%	27%	1.24%	9.75%
CO	548,132	160,058	464,982	135,224	410,249	114,807	29%	29%	28%	0.41%	3.92%
CT	332,555	93,521	301,571	82,128	284,022	72,393	28%	27%	25%	3.26%	6.85%
DE	74,978	19,431	63,570	15,371	56,586	13,662	26%	24%	24%	7.18%	0.15%
DC	55,966	19,283	47,172	15,684	45,297	13,979	34%	33%	31%	3.63%	7.74%
FL	2,010,406	581,026	1,539,207	437,494	1,301,920	337,811	29%	28%	26%	1.68%	9.54%
GA	901,626	278,250	674,521	196,224	568,552	145,576	31%	29%	26%	6.08%	13.62%
HI	120,468	37,391	99,224	29,904	93,981	25,807	31%	30%	27%	2.99%	9.75%
ID	151,728	35,595	121,560	28,841	109,758	25,763	23%	24%	23%	-1.12%	1.08%
IL	1,124,693	343,151	958,120	285,072	882,053	239,725	31%	30%	27%	2.55%	9.48%
IN	483,242	129,523	433,907	118,950	413,400	107,082	27%	27%	26%	-2.23%	5.83%
IA	260,199	66,285	236,515	63,825	227,562	57,527	25%	27%	25%	-5.60%	6.75%
KS	237,297	65,252	219,378	59,642	213,392	54,638	27%	27%	26%	1.14%	6.18%
KY	337,861	86,464	300,685	77,232	281,551	65,965	26%	26%	23%	-0.37%	9.63%
LA	376,014	102,734	328,756	86,844	295,679	70,550	27%	26%	24%	3.43%	10.71%
ME	150,481	38,510	135,410	32,530	127,467	30,598	26%	24%	24%	6.53%	0.08%
MD	528,396	172,221	443,540	137,442	400,203	115,801	33%	31%	29%	5.18%	7.09%
MA	597,077	178,178	563,539	162,037	537,150	142,661	30%	29%	27%	3.78%	8.26%
MI	817,471	248,351	735,531	217,802	677,473	184,590	30%	30%	27%	2.60%	8.68%
MN	496,957	133,141	443,827	123,928	410,634	108,417	27%	28%	26%	-4.05%	5.76%
MS	226,153	60,849	187,602	47,071	167,907	38,321	27%	25%	23%	7.23%	9.94%
MO	501,363	130,749	439,485	120,457	411,403	103,626	26%	27%	25%	-4.85%	8.81%
MT	114,495	28,127	100,402	24,552	93,677	22,404	25%	24%	24%	0.46%	2.25%
NE	159,771	41,003	145,380	38,696	138,762	33,469	26%	27%	24%	-3.58%	10.35%
NV	221,423	63,363	169,505	47,706	129,757	33,311	29%	28%	26%	1.68%	9.63%
NH	137,936	35,633	125,388	31,031	115,747	27,265	26%	25%	24%	4.38%	5.06%
NJ	782,030	213,284	708,837	185,493	654,227	155,345	27%	26%	24%	4.22%	10.21%
NM	157,370	49,840	136,711	42,272	131,685	38,706	32%	31%	29%	2.43%	5.20%
NY	1,957,598	594,447	1,707,168	505,183	1,509,829	394,014	30%	30%	26%	2.62%	13.39%
NC	799,346	225,503	642,597	173,921	570,484	139,900	28%	27%	25%	4.23%	10.37%
ND	61,610	15,246	56,781	13,204	55,266	12,417	25%	23%	22%	6.41%	3.50%
OH	898,665	249,083	817,693	230,124	781,284	205,044	28%	28%	26%	-1.51%	7.23%
OK	334,078	84,359	291,610	75,053	280,722	67,481	25%	26%	24%	-1.89%	7.07%
OR	348,468	103,612	299,505	88,311	291,596	80,543	30%	29%	28%	0.84%	6.75%
PA	982,288	265,083	874,255	227,286	837,756	202,990	27%	26%	24%	3.80%	7.29%
RI	96,935	26,456	87,446	23,209	80,934	19,886	27%	27%	25%	2.83%	8.02%
SC	360,563	99,468	292,984	76,879	260,342	64,232	28%	26%	25%	5.13%	6.35%
SD	77,134	17,083	69,536	15,576	65,791	14,121	22%	22%	21%	-1.13%	4.36%
TN	545,729	141,396	454,366	117,970	415,934	99,772	26%	26%	24%	-0.21%	8.24%
TX	2,166,131	610,279	1,734,509	469,049	1,525,972	381,453	28%	27%	25%	4.18%	8.18%
UT	246,538	61,463	193,003	48,484	169,164	41,991	25%	25%	25%	-0.76%	1.20%
VT	78,775	20,463	72,321	19,002	67,488	17,030	26%	26%	25%	-1.13%	4.12%
VA	639,200	192,236	529,520	157,100	480,122	132,219	30%	30%	28%	1.37%	7.73%
WA	551,784	158,093	467,290	137,475	447,433	123,042	29%	29%	27%	-2.61%	6.98%
WV	120,496	33,797	113,087	31,302	111,737	30,231	28%	28%	27%	1.33%	2.31%
WI	434,058	112,373	393,241	104,206	366,436	89,284	26%	26%	24%	-2.30%	8.76%
WY	61,223	15,604	53,103	12,946	49,376	11,148	25%	24%	23%	4.55%	7.98%

Notes: The 2007 numbers of businesses by state are preliminary and subject to change. Source: U.S. Bureau of the Census, Survey of Business Owners, 1997, 2002, 2007.