

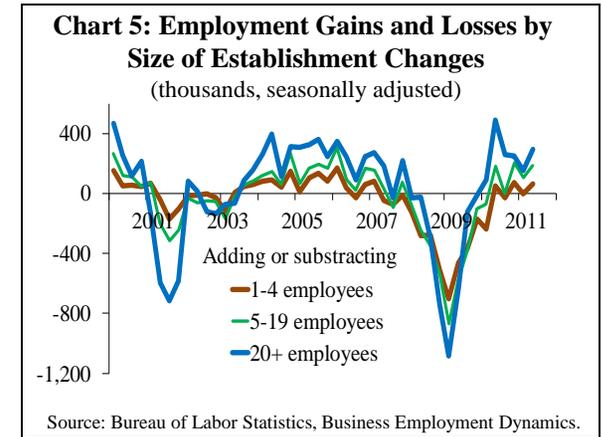
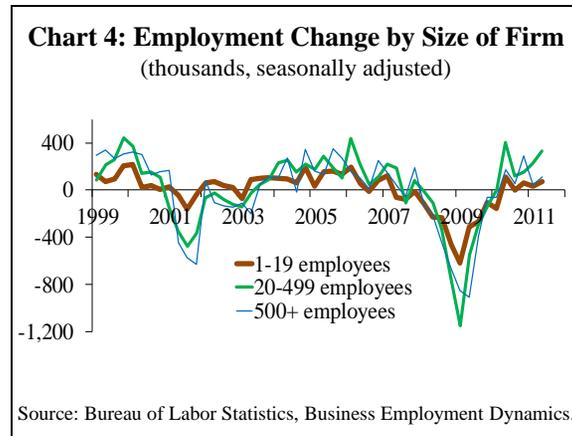
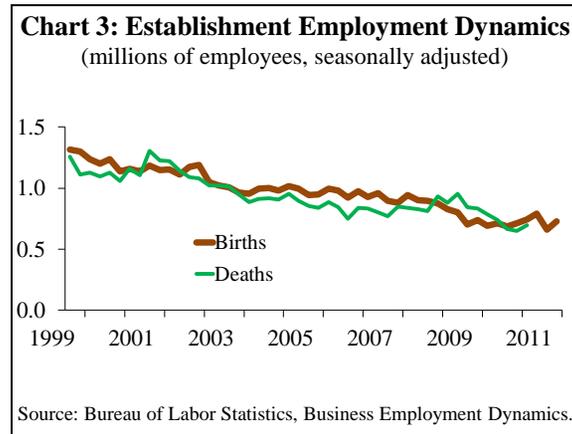
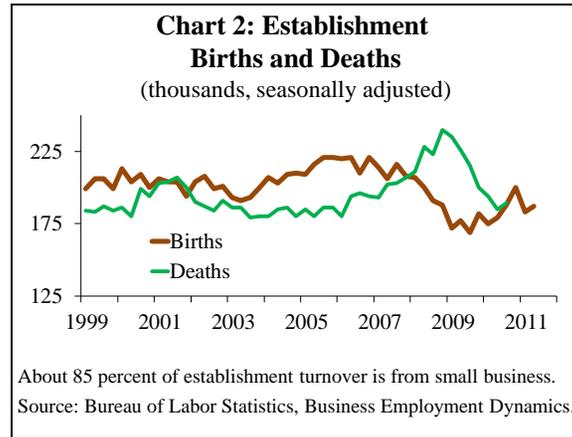
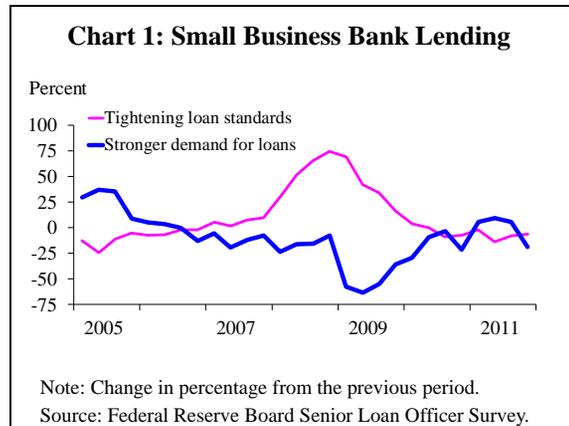
Small Business Quarterly Bulletin

Fourth Quarter 2011
by Brian Headd, Economist

In 2011 inflation-adjusted output increased at the slowest rate of any non-recessionary year since 1947, as small businesses' contribution to economic growth remains a work in progress.

Births have shown uneven increases since the depths of the downturn but the long-term trend of lower average employment in births continues. Business deaths or closures are also down, resulting in lower "churn" in the economy. Churn is important for the economy: it means more old ideas being replaced by new ideas, which in turn drives productivity growth, helping to produce higher living standards.

Even with the struggles of small businesses related to turnover, the larger small businesses and fast-growing firms continue to drive the labor market forward.



See the table on the other side for the most recent quarterly small business data.

To learn more, visit Advocacy's website, www.sba.gov/advocacy. For additional information, contact:

Office of Advocacy
U.S. Small Business Administration
409 Third Street, S.W., MC 3114
Washington, DC 20416
Phone (202) 205-6533
Fax: (202) 205-6928
advocacy@sba.gov



											Annual Data (or Year End)								
	2009		2010				2011				1995	2000	2005	2006	2007	2008	2009	2010	2011
	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4									
Self-employed (000) * †																			
Unincorporated	9,959	9,622	9,632	9,977	9,680	9,309	9,476	9,627	9,249	9,252	10,482	10,214	10,464	10,586	10,413	10,080	9,831	9,681	9,449
Incorporated	5,368	5,520	5,446	5,254	5,036	5,263	5,169	5,155	4,950	5,199	na	4,459	5,254	5,499	5,735	5,784	5,466	5,191	5,127
Businesses, turnover																			
Establishments (000)																			
Births	169	182	175	179	188	200	183	187	-	-	751	826	867	870	845	786	701	722	-
Deaths	215	200	194	185	189	-	-	-	-	-	651	759	737	763	804	901	877	-	-
Business bankruptcies*	15,177	15,020	14,607	14,452	13,957	13,030	12,376	12,304	11,705	11,149	51,959	35,472	39,201	19,695	28,322	43,533	60,837	56,282	47,806
Employment																			
Nonfarm payroll (millions)	129.73	129.32	129.43	130.02	129.89	130.35	130.92	131.31	131.69	132.17	117.30	131.79	133.70	136.09	137.60	136.79	130.81	129.87	131.36
Net private-sector job creation (000)																			
Total‡	-893	-238	-254	721	205	582	252	578	-	-	2,405	1,905	2,148	1,737	735	-3,575	-5,473	1,131	-
<20 employees	-268	-109	-154	112	2	59	31	71	-	-	487	275	479	321	-33	-1,043	-1,312	-74	-
20-499 employees	-299	-138	4	404	119	152	226	332	-	-	1,088	772	756	801	370	-1,212	-2,134	646	-
500+ employees	-390	-63	-63	170	54	291	43	110	-	-	830	905	910	508	304	-1,475	-2,224	449	-
Finance, Sales & Income (\$billion unless noted)																			
Tightening lending standards (percent of responses)	34.0	16.1	3.7	0.0	-9.1	-7.1	-1.9	-13.5	-7.8	-6.3	-1.8	27.3	-5.3	-1.8	9.6	74.5	16.1	-7.1	-6.3
Loan demand (percent of responses)	-54.7	-35.7	-29.6	-9.3	-3.6	-21.4	5.6	9.6	5.8	-18.1	7.2	-12.8	8.9	-13.0	-7.7	-7.4	-35.7	-21.4	-18.1
C&I loans outstanding §	1,386	1,305	1,245	1,219	1,209	1,208	1,226	1,256	1,292	1,327	691	1,056	988	1,128	1,301	1,526	1,433	1,220	1,275
Manufacturing & trade sales §	997	1,031	995	1,086	1,086	1,129	1,113	1,215	1,214	1,230	699.2	870	1,090	1,117	1,180	1,045	1,082	1,185	1,269
Proprietors' income	929	949	982	1,026	1,057	1,082	1,096	1,107	1,114	1,116	516	818	1,070	1,133	1,090	1,098	941	1,036	1,108
Economy (percent)																			
Real GDP change†	1.7	3.8	3.9	3.8	2.5	2.3	0.4	1.3	1.8	2.8	2.5	4.1	3.1	2.7	1.9	-0.3	-3.5	3.0	1.7
Chained CPI*	0.2	-0.1	0.7	0.1	0.2	0.2	1.8	0.9	0.5	-0.5	2.8	3.4	2.9	2.9	2.5	3.7	-0.5	1.4	2.8
Unemployment rate †	9.8	9.9	9.7	9.5	9.6	9.4	8.9	9.1	9.0	8.5	5.6	4.0	5.1	4.6	4.6	5.8	9.9	9.4	8.5

* Not seasonally adjusted.

† Annualized quarterly figures, from last month of quarter where applicable.

‡ Totals may not add because indeterminate firm sizes.

§ Monthly averages.

Sources: U.S. Small Business Administration, Office of Advocacy, from data provided by the U.S. Bureau of Labor Statistics (Business Employment Dynamics), Administrative Office of the U.S. Courts, Federal Reserve Board of Governors (Senior Loan Officer Survey, Assets and Liabilities of Commercial Banks in the United States), U.S. Census Bureau and U.S. Bureau of Economic Analysis.