

2018 SMALL BUSINESS PROFILE

OFFICE OF ADVOCACY

REGULATION • RESEARCH • OUTREACH

MISSOURI



523,459 Small Businesses
99.4% of Missouri Businesses

1.1 million Small Business Employees
47.0% of Missouri Employees

EMPLOYMENT
32,557
net new jobs

DIVERSITY
61,000
minority-owned
businesses

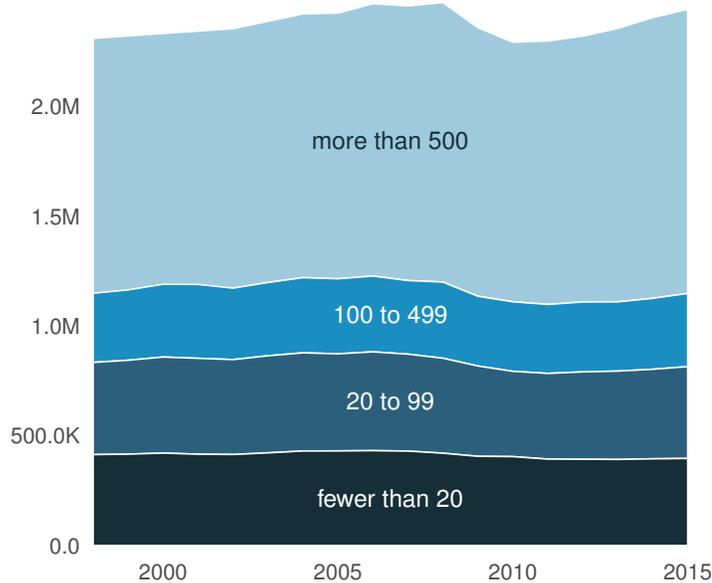
TRADE
5,088
small business
exporters

OVERALL MISSOURI ECONOMY

- In the third quarter of 2017, Missouri grew at an annual rate of **3.6%**, which was faster than the overall US growth rate of **3.4%**. Missouri's 2016 growth rate of **0.3%** was down from the 2015 rate of **1.5%**. (Source: [BEA](#))
- In January 2018, the unemployment rate was **3.7%**, down from **4.1%** in January 2017. This was below the January 2018 national unemployment rate of **4.1%**. (Source: [CPS](#))

EMPLOYMENT

Figure 1: Missouri Employment by Business Size (Employees)



- Missouri small businesses employed **1.1 million** people, or **47.0%** of the private workforce, in 2015. (Source: [SUSB](#))
- Firms with fewer than 100 employees have the largest share of small business employment. Figure 1 provides further details on firms with employees. (Source: [SUSB](#))
- Private-sector employment increased **0.01%** during the 12-month period ending in January 2018. This was above the decrease of **0.7%** during the prior 12-month period. (Source: [CPS](#))
- The number of proprietors increased in 2016 by **2.0%** relative to the previous year. (Source: [BEA](#))
- Small businesses created **32,557** net jobs in 2015. Firms employing fewer than 20 employees experienced the largest gains, adding **19,908** net jobs. The smallest gains were in firms employing 100 to 499 employees, which added **5,711** net jobs. (Source: [SUSB](#))

The Small Business Profiles are produced by the US Small Business Administration's Office of Advocacy. Each report incorporates the most up-to-date government data to present a unique snapshot of small businesses. Small businesses are defined for this profile as firms employing fewer than 500 employees. Net small business job change, minority small business ownership, and exporter share statistics are based on the 2015 Statistics of US Businesses (SUSB), 2012 Survey of Business Owners (SBO), and 2015 International Trade Administration (ITA) data, respectively.

INCOME AND FINANCE

- The number of banks decreased by 13 between June 2016 and June 2017 to 275 banks. (Source: FDIC)
- In 2016, 86,830 loans under \$100,000 (valued at \$1.2 billion) were issued by Missouri lending institutions reporting under the Community Reinvestment Act. (Source: FFIEC)
- The median income for individuals self-employed at their own incorporated businesses was \$45,414 in 2016. For individuals self-employed at their own unincorporated firms, this figure was \$22,207. (Source: ACS)

Median income represents earnings from all sources. Unincorporated self-employment income includes unpaid family workers, a very small percent of the unincorporated self-employed.

EMPLOYER BUSINESS OWNER DEMOGRAPHICS

Figure 2: Missouri Employees per Business by Owner's Demographic, 2015

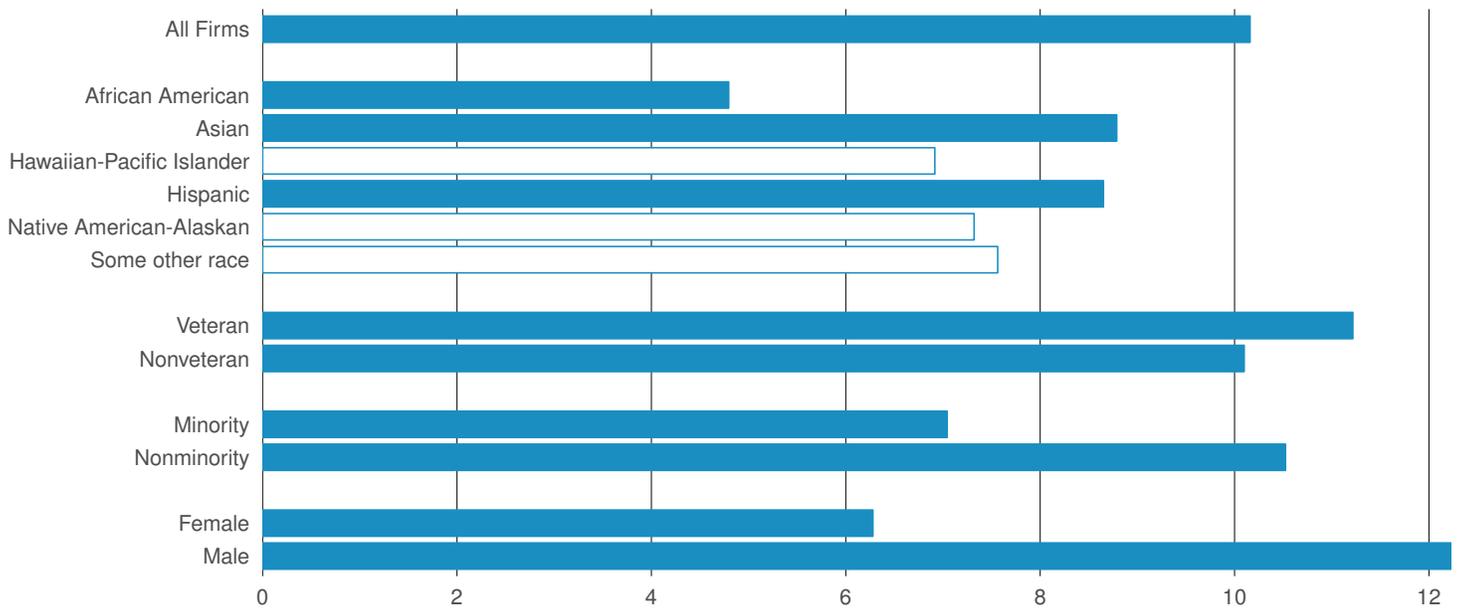
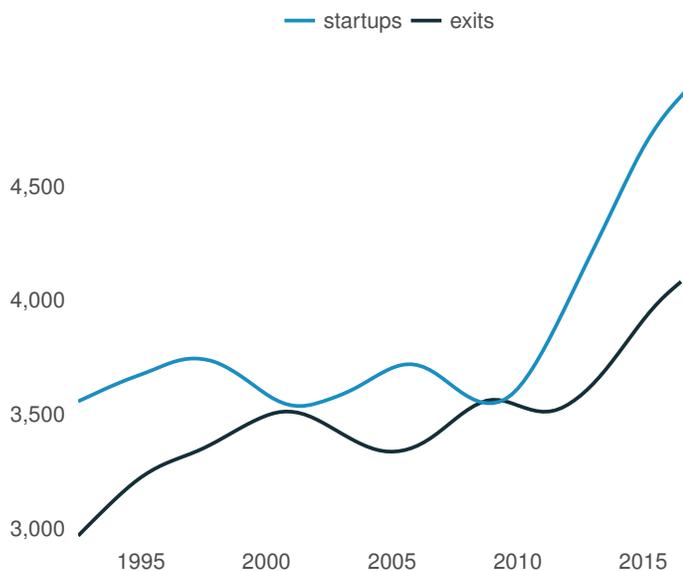


Figure 2 shows the average number of employees per employer business by owner's demographic group according to the Annual Survey of Entrepreneurs (ASE). Unshaded bars display US values; data were withheld because they do not meet Census Bureau publication standards or could disclose information regarding individual businesses.

TURNOVER AMONG ESTABLISHMENTS WITH EMPLOYEES

Figure 3: Missouri Quarterly Startups and Exits



- In the third quarter of 2016, 3,700 establishments started up, generating 12,189 new jobs in Missouri. Startups are counted when business establishments hire at least one employee for the first time. (Source: BDM)
- In the same period, 3,317 establishments exited resulting in 11,211 jobs lost. Exits occur when establishments go from having at least one employee to having none, and then remain closed for at least one year. (Source: BDM)
- Figure 3 displays quarterly startups and exits from 1992 to 2016. Each series is smoothed across multiple quarters to highlight long-run trends. (Source: BDM)

The BLS data covers only business establishments with employees. BLS refers to startups as births and exits as deaths. These terms are distinct from the BLS openings and closings categories. Openings include seasonal re-openings and closings include seasonal shutterings. Quarterly startup and exit values may not align with Figure 3 due to smoothing.

INTERNATIONAL TRADE

- A total of 6,008 companies exported goods from Missouri in 2015. Of these, 5,088, or 84.7%, were small firms; they generated 26.8% of Missouri's \$12.7 billion in total exports. (Source: ITA)

SMALL BUSINESS EMPLOYMENT BY INDUSTRY AND COUNTY

Table 1: Missouri Employment by Industry, 2015

 Industry	 Small Business Employment	 Total Private Employment	 Small Business Employment Share
Health Care and Social Assistance	188,523	411,306	45.8
Accommodation and Food Services	153,381	254,254	60.3
Retail Trade	112,897	315,657	35.8
Manufacturing	101,332	259,969	39.0
Other Services (except Public Administration)	95,859	109,894	87.2
Construction	95,858	114,231	83.9
Professional, Scientific, and Technical Services	81,372	157,455	51.7
Wholesale Trade	70,024	125,652	55.7
Administrative, Support, and Waste Management	62,257	168,313	37.0
Finance and Insurance	44,231	128,444	34.4
Transportation and Warehousing	33,482	81,944	40.9
Educational Services	30,387	75,205	40.4
Real Estate and Rental and Leasing	25,004	36,180	69.1
Arts, Entertainment, and Recreation	23,061	40,745	56.6
Information	12,261	56,075	21.9
Management of Companies and Enterprises	9,756	84,174	11.6
Utilities	3,200	15,717	20.4
Mining, Quarrying, and Oil and Gas Extraction	2,275	3,682	61.8
Industries not classified	1,766	1,766	100.0
Agriculture, Forestry, and Fishing and Hunting	1,413	1,653	85.5
Total	1,148,339	2,442,316	47.0

Figure 4: Missouri Small Business Employment by County, 2015

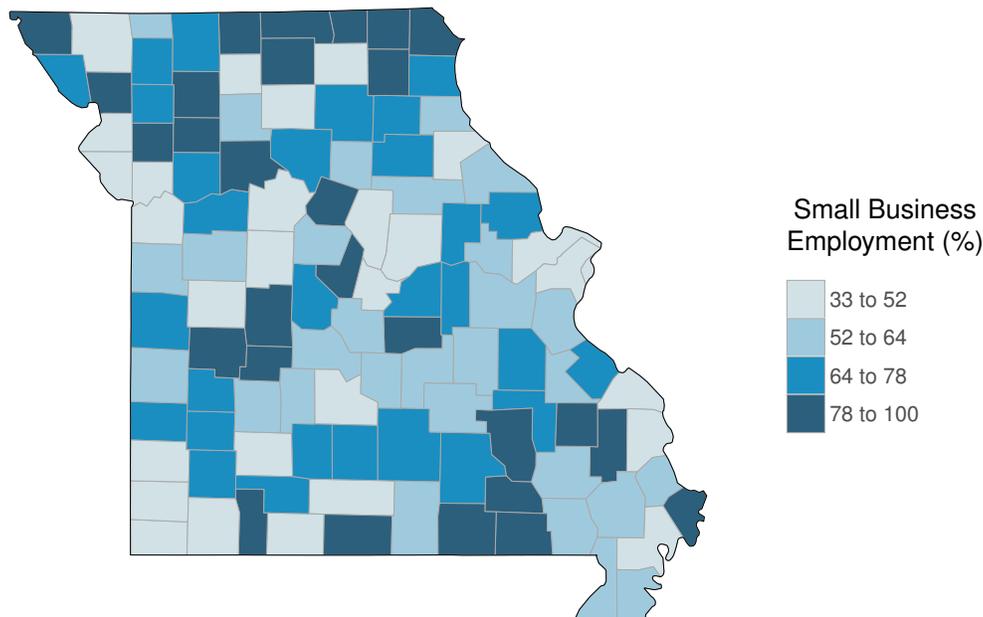


Table 2: Missouri Small Businesses by Industry and Firm Size, 2015

Industry	1-499 Employees	1-20 Employees	Nonemployer Firms	Total Small Firms
Health Care and Social Assistance	23,980	22,104	28,516	52,496
Other Services (except Public Administration)	14,075	13,034	66,476	80,551
Construction	12,808	11,758	50,550	63,358
Professional, Scientific, and Technical Services	12,139	11,165	45,664	57,803
Retail Trade	12,095	10,648	39,508	51,603
Accommodation and Food Services	8,773	6,358	5,104	13,877
Administrative, Support, and Waste Management	6,359	5,645	32,273	38,632
Wholesale Trade	5,640	4,387	6,450	12,090
Finance and Insurance	5,321	4,802	13,268	18,589
Manufacturing	5,017	3,732	6,212	11,229
Real Estate and Rental and Leasing	4,790	4,476	45,791	50,581
Transportation and Warehousing	3,834	3,355	21,152	24,986
Arts, Entertainment, and Recreation	1,946	1,646	20,570	22,516
Educational Services	1,408	1,059	10,104	11,512
Information	1,082	881	4,331	5,413
Agriculture, Forestry, and Fishing and Hunting	270	256	5,485	5,755
Mining, Quarrying, and Oil and Gas Extraction	147	106	354	501
Utilities	89	43	283	372
Total	121,368	107,503	402,091	523,459

Figure 4 and Tables 1 and 2 display data from the 2015 SUSB. Table 2 includes additional data from the 2015 Nonemployer Statistics (NES).

REFERENCES

The Small Business Profiles, source data, and methodology are available at <https://go.usa.gov/xQT4w>.

- ASE Annual Survey of Entrepreneurs, US Census Bureau
- BEA Bureau of Economic Analysis, US Department of Commerce
- BDM Business Employment Dynamics, BLS
- BLS Bureau of Labor Statistics, US Department of Labor
- CPS Current Population Survey, BLS
- FDIC Call Reports, Federal Deposit Insurance Corporation
- FFIEC Federal Financial Institutions Examination Council
- ITA International Trade Administration, US Department of Commerce
- NES Nonemployer Statistics, US Census Bureau
- SBO Survey of Business Owners, US Census Bureau
- SUSB Statistics of US Businesses, US Census Bureau