

# 2018 SMALL BUSINESS PROFILE

# OFFICE OF ADVOCACY

REGULATION • RESEARCH • OUTREACH

## MISSISSIPPI



**254,598** Small Businesses  
**99.3%** of Mississippi Businesses

**434,843** Small Business Employees  
**46.9%** of Mississippi Employees



**EMPLOYMENT**  
**6,652**  
net new jobs



**DIVERSITY**  
**74,801**  
minority-owned  
businesses



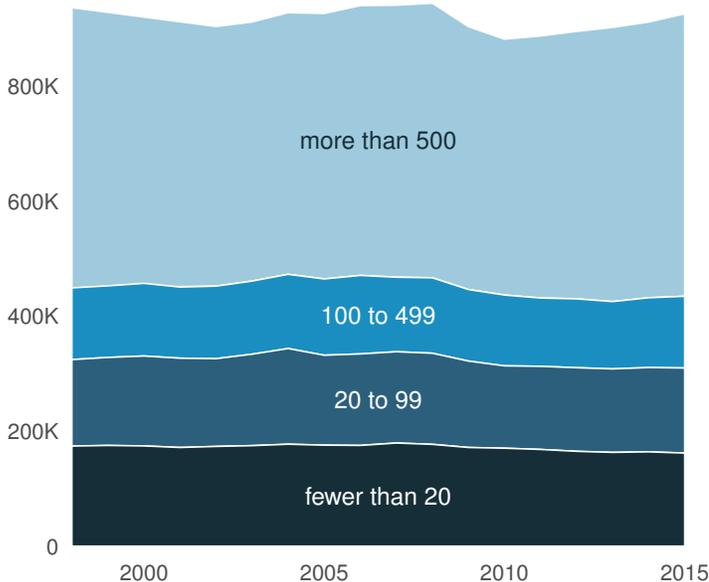
**TRADE**  
**1,539**  
small business  
exporters

### OVERALL MISSISSIPPI ECONOMY

- In the third quarter of 2017, Mississippi grew at an annual rate of **2.7%**, which was slower than the overall US growth rate of **3.4%**. Mississippi's 2016 growth rate of **1.2%** was up from the 2015 rate of **0.2%**. (Source: [BEA](#))
- In January 2018, the unemployment rate was **4.6%**, down from **5.4%** in January 2017. This was above the January 2018 national unemployment rate of **4.1%**. (Source: [CPS](#))

### EMPLOYMENT

Figure 1: Mississippi Employment by Business Size (Employees)



- Mississippi small businesses employed **434,843** people, or **46.9%** 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 **0.3%** during the 12-month period ending in January 2018. This was below the increase of **1.2%** during the prior 12-month period. (Source: [CPS](#))
- The number of proprietors increased in 2016 by **1.8%** relative to the previous year. (Source: [BEA](#))
- Small businesses created **6,652** net jobs in 2015. Firms employing fewer than 20 employees experienced the largest gains, adding **4,149** net jobs. The smallest gains were in firms employing 100 to 499 employees, which added **1,187** 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 was unchanged at **79** between June 2016 and June 2017. (Source: [FDIC](#))
- In 2016, **31,385** loans under \$100,000 (valued at **\$524.6 million**) were issued by Mississippi lending institutions reporting under the Community Reinvestment Act. (Source: [FFIEC](#))
- The median income for individuals self-employed at their own incorporated businesses was **\$46,036** in 2016. For individuals self-employed at their own unincorporated firms, this figure was **\$22,271**. (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: Mississippi Employees per Business by Owner's Demographic, 2015

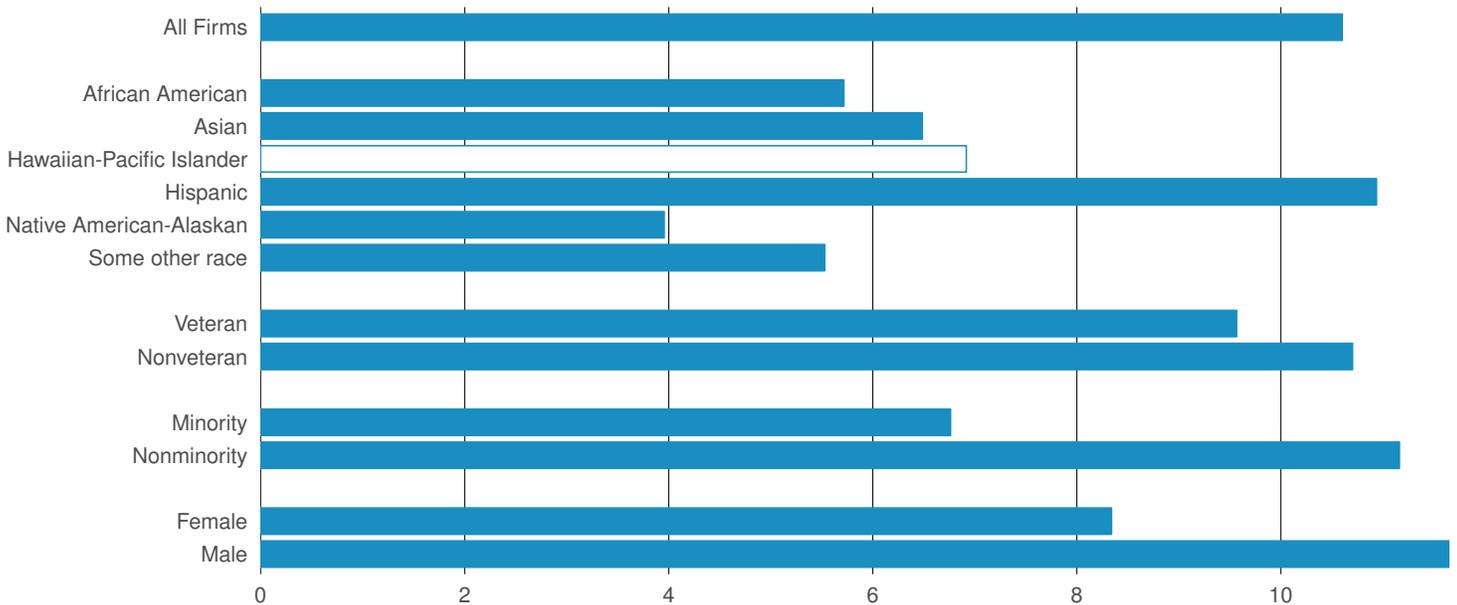
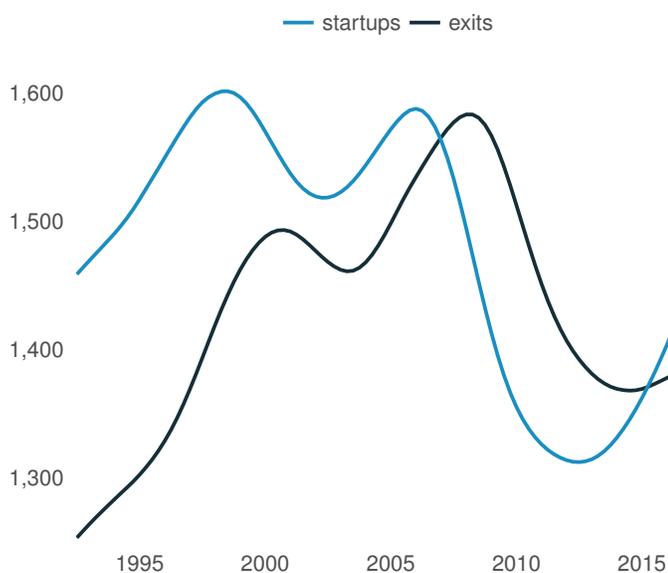


Figure 2 shows the average number of employees per employer business by owner's demographic group according to the Annual Survey of Entrepreneurs (ASE). Unshaded bars display US values; data were withheld because they do not meet Census Bureau publication standards or could disclose information regarding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

## TURNOVER AMONG ESTABLISHMENTS WITH EMPLOYEES

Figure 3: Mississippi Quarterly Startups and Exits



- In the third quarter of 2016, **1,447** establishments started up, generating **6,954** new jobs in Mississippi. Startups are counted when business establishments hire at least one employee for the first time. (Source: [BDM](#))
- In the same period, **1,427** establishments exited resulting in **5,200** 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 2,028 companies exported goods from Mississippi in 2015. Of these, 1,539, or 75.9%, were small firms; they generated 16.3% of Mississippi's \$10.4 billion in total exports. (Source: ITA)

## SMALL BUSINESS EMPLOYMENT BY INDUSTRY AND COUNTY

Table 1: Mississippi Employment by Industry, 2015

| <br>Industry | <br>Small Business<br>Employment | <br>Total Private<br>Employment | <br>Small Business<br>Employment Share |
|---|---|--|---|
| Health Care and Social Assistance   | 65,004  | 162,749  | 39.9  |
| Accommodation and Food Services   | 62,606  | 123,946  | 50.5  |
| Retail Trade  | 57,075  | 142,817  | 40.0  |
| Manufacturing   | 42,717  | 141,189  | 30.3  |
| Other Services (except Public Administration)   | 35,851  | 38,186   | 93.9  |
| Construction  | 32,191  | 43,531   | 73.9  |
| Professional, Scientific, and Technical Services  | 23,676  | 30,736   | 77.0  |
| Wholesale Trade   | 21,703  | 36,738   | 59.1  |
| Administrative, Support, and Waste Management   | 20,595  | 56,761   | 36.3  |
| Finance and Insurance   | 15,861  | 33,059   | 48.0  |
| Transportation and Warehousing  | 15,149  | 37,193   | 40.7  |
| Educational Services  | 9,784   | 17,857   | 54.8  |
| Real Estate and Rental and Leasing  | 7,696   | 10,289   | 74.8  |
| Arts, Entertainment, and Recreation   | 6,520   | 8,770  | 74.3  |
| Utilities   | 4,408   | 9,346  | 47.2  |
| Agriculture, Forestry, and Fishing and Hunting  | 4,313   | 4,975  | 86.7  |
| Information   | 3,715   | 13,773   | 27.0  |
| Mining, Quarrying, and Oil and Gas Extraction   | 3,383   | 5,939  | 57.0  |
| Management of Companies and Enterprises   | 2,315   | 8,256  | 28.0  |
| Industries not classified   | 281   | 281  | 100.0   |
| <b>Total</b>  | <b>434,843</b>  | <b>926,391</b>   | <b>46.9</b>   |

Figure 4: Mississippi Small Business Employment by County, 2015

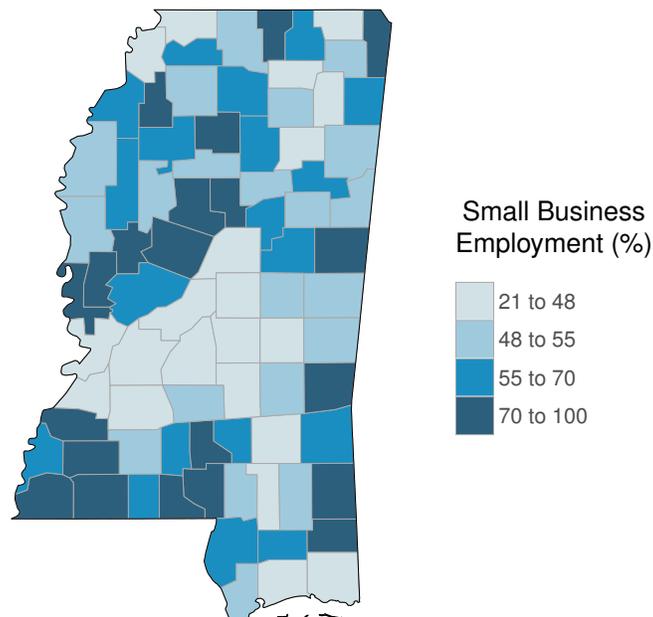


Table 2: Mississippi Small Businesses by Industry and Firm Size, 2015

| Industry   | 1-499 Employees | 1-20 Employees | Nonemployer Firms | Total Small Firms |
|--|-----------------|----------------|-------------------|-------------------|
| Retail Trade                                     | 6,957           | 6,300          | 17,517            | 24,474            |
| Other Services (except Public Administration)    | 5,945           | 5,603          | 43,062            | 49,007            |
| Health Care and Social Assistance                | 4,660           | 3,987          | 20,709            | 25,369            |
| Professional, Scientific, and Technical Services | 4,112           | 3,813          | 18,264            | 22,376            |
| Accommodation and Food Services                  | 3,821           | 2,911          | 3,951             | 7,772             |
| Construction                                     | 3,707           | 3,345          | 27,864            | 31,571            |
| Finance and Insurance                            | 2,070           | 1,890          | 6,306             | 8,376             |
| Wholesale Trade                                  | 1,863           | 1,426          | 3,001             | 4,864             |
| Real Estate and Rental and Leasing               | 1,809           | 1,697          | 15,702            | 17,511            |
| Administrative, Support, and Waste Management    | 1,783           | 1,549          | 24,291            | 26,074            |
| Manufacturing                                    | 1,622           | 1,077          | 2,602             | 4,224             |
| Transportation and Warehousing                   | 1,596           | 1,371          | 10,563            | 12,159            |
| Agriculture, Forestry, and Fishing and Hunting   | 664             | 619            | 3,827             | 4,491             |
| Arts, Entertainment, and Recreation              | 607             | 520            | 6,541             | 7,148             |
| Educational Services                             | 468             | 336            | 4,292             | 4,760             |
| Utilities  | 348             | 315            | 290               | 638               |
| Information                                      | 336             | 272            | 1,524             | 1,860             |
| Mining, Quarrying, and Oil and Gas Extraction    | 307             | 258            | 1,649             | 1,956             |
| <b>Total</b>                                     | <b>42,643</b>   | <b>37,401</b>  | <b>211,955</b>    | <b>254,598</b>    |

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