

2018 SMALL BUSINESS PROFILE

OFFICE OF ADVOCACY

REGULATION • RESEARCH • OUTREACH

NEW YORK



2.1 million Small Businesses
99.8% of New York Businesses

4.0 million Small Business Employees
50.2% of New York Employees

EMPLOYMENT
113,528
net new jobs

DIVERSITY
708,962
minority-owned
businesses

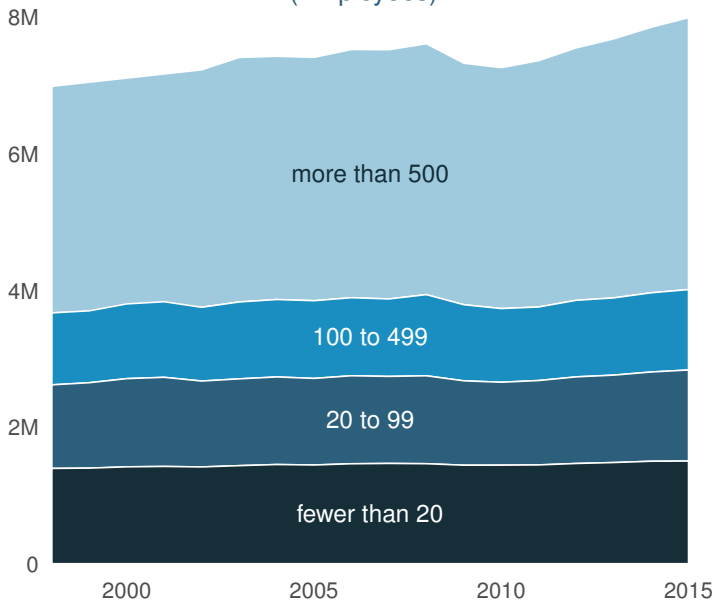
TRADE
35,642
small business
exporters

OVERALL NEW YORK ECONOMY

- In the third quarter of 2017, New York grew at an annual rate of **4.0%**, which was faster than the overall US growth rate of **3.4%**. New York's 2016 growth rate of **0.4%** was down from the 2015 rate of **2.0%**. (Source: [BEA](#))
- In January 2018, the unemployment rate was **4.7%**, unchanged from **4.7%** in January 2017. This was above the January 2018 national unemployment rate of **4.1%**. (Source: [CPS](#))

EMPLOYMENT

Figure 1: New York Employment by Business Size (Employees)



- New York small businesses employed **4.0 million** people, or **50.2%** 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 **0.4%** during the 12-month period ending in January 2018. This was above the decrease of **0.1%** during the prior 12-month period. (Source: [CPS](#))
- The number of proprietors increased in 2016 by **2.6%** relative to the previous year. (Source: [BEA](#))
- Small businesses created **113,528** net jobs in 2015. Firms employing fewer than 20 employees experienced the largest gains, adding **72,920** net jobs. The smallest gains were in firms employing 20 to 99 employees, which added **9,623** 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 3 between June 2016 and June 2017 to 145 banks. (Source: FDIC)
- In 2016, 417,765 loans under \$100,000 (valued at \$5.7 billion) were issued by New York lending institutions reporting under the Community Reinvestment Act. (Source: FFIEC)
- The median income for individuals self-employed at their own incorporated businesses was \$52,335 in 2016. For individuals self-employed at their own unincorporated firms, this figure was \$23,740. (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: New York Employees per Business by Owner's Demographic, 2015

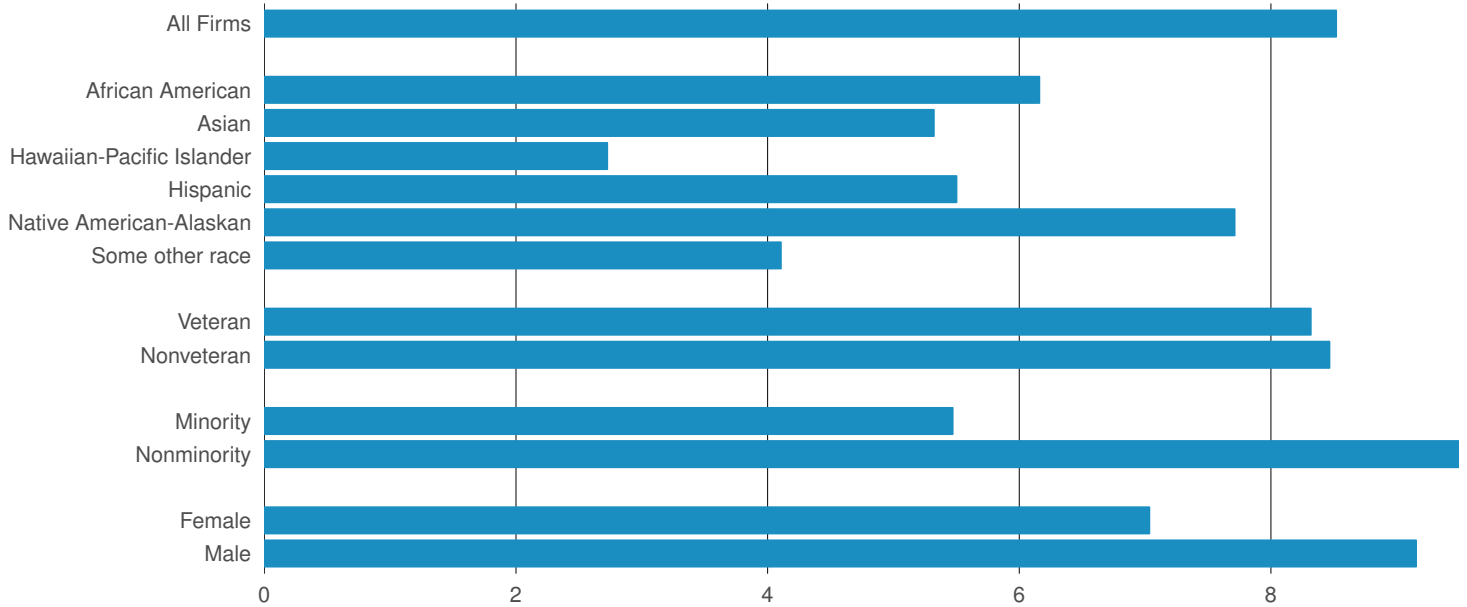
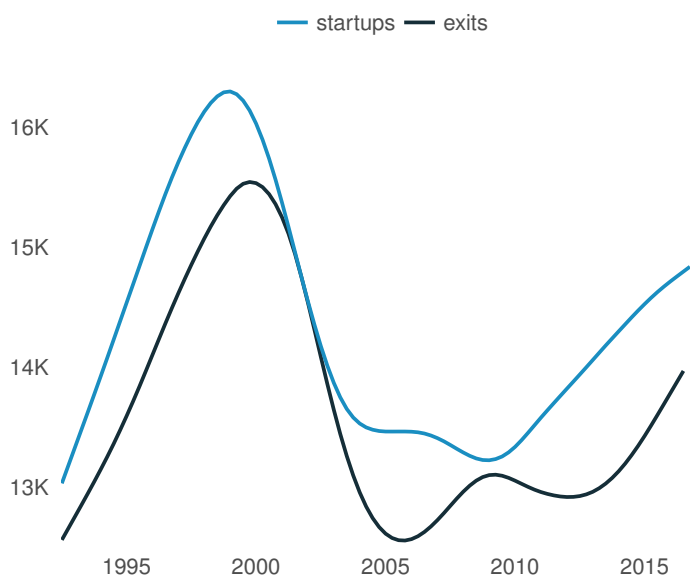


Figure 2 shows the average number of employees per employer business by owner's demographic group according to the Annual Survey of Entrepreneurs (ASE).

TURNOVER AMONG ESTABLISHMENTS WITH EMPLOYEES

Figure 3: New York Quarterly Startups and Exits



- In the third quarter of 2016, 14,417 establishments started up, generating 50,848 new jobs in New York. Startups are counted when business establishments hire at least one employee for the first time. (Source: BDM)
- In the same period, 14,037 establishments exited resulting in 50,757 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 37,949 companies exported goods from New York in 2015. Of these, 35,642, or 93.9%, were small firms; they generated 57.0% of New York's \$68.7 billion in total exports. (Source: ITA)

SMALL BUSINESS EMPLOYMENT BY INDUSTRY AND COUNTY

Table 1: New York Employment by Industry, 2015





 Industry	 Small Business Employment	 Total Private Employment	 Small Business Employment Share
Health Care and Social Assistance	597,082	1,498,808	39.8
Accommodation and Food Services	542,249	760,701	71.3
Retail Trade	377,634	937,328	40.3
Professional, Scientific, and Technical Services	360,715	643,955	56.0
Other Services (except Public Administration)	326,306	378,667	86.2
Construction	301,707	332,748	90.7
Wholesale Trade	258,501	370,892	69.7
Manufacturing	251,630	422,940	59.5
Administrative, Support, and Waste Management	237,022	581,106	40.8
Educational Services	148,623	427,145	34.8
Finance and Insurance	143,569	532,836	26.9
Real Estate and Rental and Leasing	140,439	175,898	79.8
Arts, Entertainment, and Recreation	108,420	176,145	61.6
Transportation and Warehousing	106,877	238,524	44.8
Information	80,030	283,737	28.2
Management of Companies and Enterprises	25,715	187,954	13.7
Mining, Quarrying, and Oil and Gas Extraction	2,665	4,004	66.6
Agriculture, Forestry, and Fishing and Hunting	2,656	2,884	92.1
Utilities	2,521	41,193	6.1
Industries not classified	1,529	1,529	100.0
Total	4,015,890	7,998,994	50.2

Figure 4: New York Small Business Employment by County, 2015

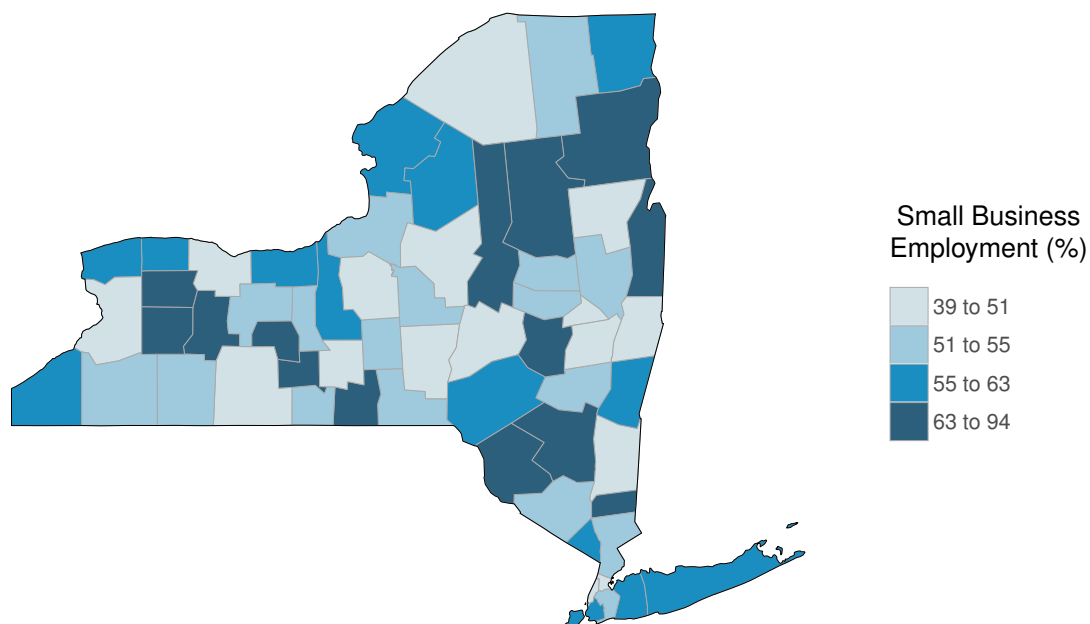


Table 2: New York Small Businesses by Industry and Firm Size, 2015

Industry	1-499 Employees	1-20 Employees	Nonemployer Firms	Total Small Firms
Retail Trade	58,661	54,788	118,643	177,304
Professional, Scientific, and Technical Services	57,172	53,232	259,153	316,325
Other Services (except Public Administration)	54,616	51,602	219,675	274,291
Construction	47,069	43,926	129,906	176,975
Accommodation and Food Services	45,718	38,336	29,133	74,851
Health Care and Social Assistance	43,880	38,651	166,984	210,864
Real Estate and Rental and Leasing	29,640	28,277	197,249	226,889
Wholesale Trade	28,495	25,108	33,835	62,330
Administrative, Support, and Waste Management	23,966	21,437	104,113	128,079
Finance and Insurance	15,144	13,549	49,970	65,114
Manufacturing	14,818	11,630	18,432	33,250
Arts, Entertainment, and Recreation	11,559	10,303	131,864	143,423
Transportation and Warehousing	11,062	9,687	133,388	144,450
Information	7,465	6,430	30,163	37,628
Educational Services	7,295	5,586	54,486	61,781
Agriculture, Forestry, and Fishing and Hunting	588	569	6,398	6,986
Mining, Quarrying, and Oil and Gas Extraction	226	190	792	1,018
Utilities	178	138	1,452	1,630
Total	458,031	414,877	1,685,636	2,143,667

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