SBA Office of Advocacy
www.sba.gov/advocacy

Small Business Profile

Advocacy: the voice of small business in government

Alaska

69,251 Small Businesses
16,063 Small Businesses with Employees
53,188 Small Businesses without Employees (Nonemployers)
138,378 Workers Employed by Small Businesses

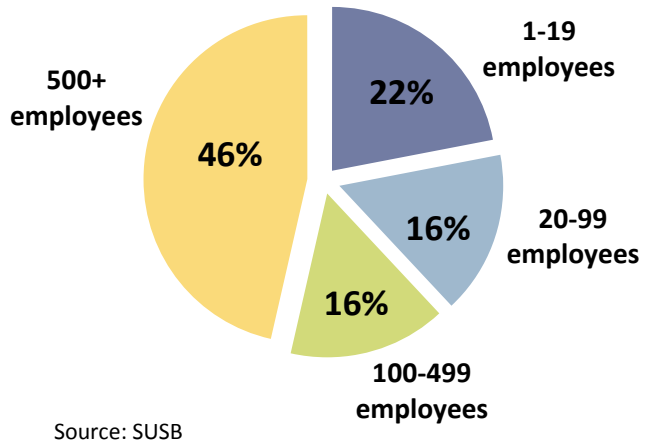
State Economy Overall

- Alaska's economy contracted in 2013. Alaska's real gross state product decreased by **2.5 percent** compared to **2.2 percent** growth for U.S. gross domestic product. (Source: BEA)
- The employment picture in Alaska has weakened. The unemployment rate in Alaska increased from **6.6 percent** in October 2013 to **6.8 percent** in October 2014. This is above the national average of **5.8 percent** for the same time period. (Source: BLS)

Employment

- Alaska's small businesses employed over half or **138,378** of the state's private workforce in 2012. (Source: SUSB)
- Almost all firms with employees are small. They make up **96.4 percent** of all employers in the state. (Source: SUSB)
- Firms with fewer than 100 employees have the largest share of small business employment. **Figure 1** offers further detail.
- In Alaska, small businesses created **5,428** net new jobs in 2012. The biggest gain was in the smallest firm size category of 1-4 employees. (Source: BDS)
- The number of people who were primarily self-employed in 2013 increased by **11.3 percent** relative to the previous year.
- The state's private-sector employment decreased by **0.8 percent** over the 12-month period ending in October 2014; this was below the national average growth rate of **2.3 percent**. (Source: BLS)

Figure 1: Alaska Employment by Size of Firm



Source: SUSB

The *Small Business State and Territory Profiles* report on the economic status of small business from 2007 to 2014. They include information on the number of firms, employment, demographics and other topics using the most recently available government data. They are a reference tool for researchers, policymakers, and small entities who are interested in how small firms are performing regionally or nationally. *Note that this report defines small businesses as firms with fewer than 500 employees.*

Income and Finance

- The number of banks reported in the Call Reports between June 2013 and June 2014 declined. (Source: FDIC)
- In 2012, **14,314** loans under $100,000 (and valued at **$203.8 million**) were issued by Community Reinvestment Act lending institutions in Alaska. (Source: FFIEC)
- The median income for individuals who are self-employed at their own incorporated businesses for the past 12 months was **$58,132** in 2013. For individuals self-employed at their own unincorporated firms, this figure was **$30,223**. (Source: ACS)
  Note: Median income represents earnings from all sources. Unincorporated self-employment income includes unpaid family workers, a very small percent of the unincorporated self-employed.

Business Owner Demographics

- **Table 1** shows the top industry for nine business owner demographics. For example, **46.7 percent** of female-owned businesses were in the health care and social assistance industry, and female-owned firms made up **15.5 percent** of this industry.

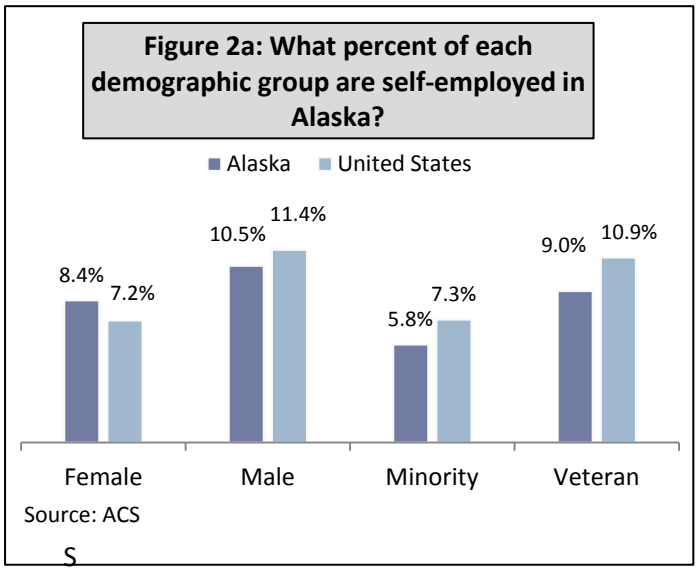
Table 1: Top Industry by Demographic Group in Alaska, 2007

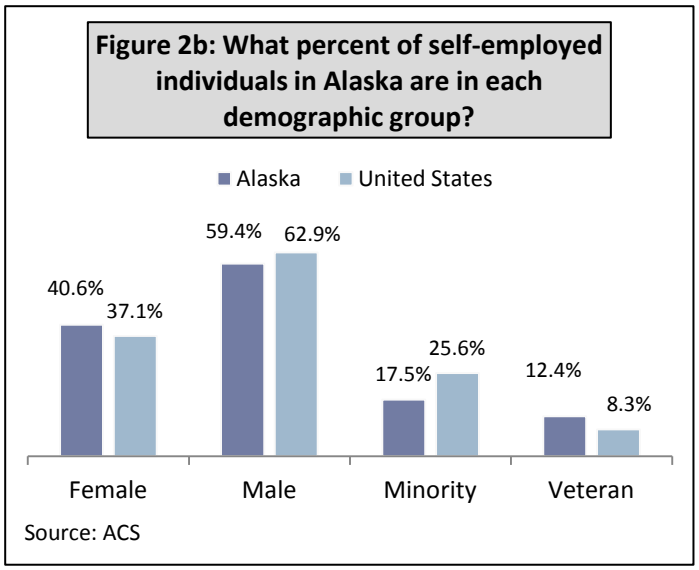
Demographic Group of Business Owners	Most Common Industry	% of Industry in Demographic Group	% of Demographic Group in Industry
Female	Health care & social assistance	46.7	15.5
Male	Agriculture, forestry, etc.	68.7	20.1
American Indian and Alaska Native	Agriculture, forestry, etc.	29.5	40.8
Asian	Accommodation & food services	10.3	15.9
Black or African American	Health care & social assistance	3.9	22.2
Native Hawaiian and Other Pacific Islander	*	*	*
White	Prof., sci., & tech. services	84.5	12.4
Hispanic	*	*	*
Veteran	Prof., sci., & tech. services	18.1	20.8

*Indicates that the sample size was too small to be representative of the population. For more detailed information on businesses in your state, see **www.sba.gov/advocacy/847/841921**.

Source: U.S. Department of Commerce, Census Bureau, 2007 Survey of Business Owners via American FactFinder.

- Figures **2a** and **2b** show the demographic makeup of the self-employed in four demographic groups. For example, **Figure 2a** shows that **8.4 percent** of females were self-employed, and **Figure 2b** shows that **40.6 percent** of all self-employed people were female.





Business Turnover

- In 2010, **1,090** establishments opened in Alaska, and **68.1 percent** survived through 2012. In 2013, **1,200** establishments opened, and **79.2 percent** survived through 2014. (Source: BLS, BED)
- In the 1st quarter of 2014, **1,162** establishments opened and **991** closed in the state of Alaska. (Source: BED)
- Business bankruptcies declined from 2010 to 2014, signaling a stronger state economy. (Source: U.S. Courts)

International Trade

- A total of **603** companies exported goods from the state in 2012. Of these, **438** or **72.6 percent** were small firms; they generated just over two-fifths (**40.2 percent**) of the state's total known export value. (Source: ITA)

Small Businesses and Employment by Industry

- **Table 2** ranks the state's industries by the number of small employer firms. For comparison, the three most common industries for small employer firms across the United States are professional, scientific, and technical services; other services (except public administration); and retail trade.

Table 2: Number of Alaska Small Firms by Industry, 2012 (ranked by number of small employer firms)

Industry	Employer Firms With 1-499 Employees	Employer Firms With 1-19 Employees	Nonemployer Firms	Total Small Firms
Construction	2,317	2,196	4,588	6,905
Health care & social assistance	1,930	1,698	3,744	5,674
Retail trade	1,762	1,573	3,971	5,733
Accommodation & food services	1,750	1,496	1,608	3,358
Other services (except public admin.)	1,660	1,561	5,461	7,121
Professional, scientific, & tech. svcs.	1,614	1,465	6,635	8,249
Admin., supp., waste mgt., remed. svcs.	918	823	3,104	4,022
Transportation & warehousing	779	689	2,332	3,111
Real estate & rental & leasing	751	703	4,538	5,289
Arts, entertainment, & recreation	518	472	3,140	3,658
Wholesale trade	448	333	551	999
Manufacturing	430	381	1,130	1,560
Forestry, etc. & agriculture support	394	389	9,228	9,622
Finance & insurance	348	303	796	1,144
Educational services	222	192	1,470	1,692
Information	173	139	525	698
Mining, quarrying and oil & gas extrac.	126	101	311	437
Management of comp. & enterprises	64	11	*	64
Utilities	57	36	56	113
Unclassified	16	16	*	16
Total	**16,063**	**14,537**	**53,188**	**69,251**

Source: SUSB and Nonemployer Statistics. *Data for nonemployers not collected in these two categories.

See **www.sba.gov/advocacy/additional-data-state-profiles** for more detailed data.

- **Table 3** shows small firm employment by industry. The three Alaska industries with the most small business employment were: health care and social assistance; accommodation and food services; and retail trade (**Table 3**).

Table 3: Employment in Alaska by Industry and Firm Size, 2012 (ranked by small firm employment)

Industry	Employment		Small Firm % of Industry Employment
	Small Firms	Total Firms	
Health care & social assistance	28,063	47,453	59.1
Accommodation & food services	19,511	26,160	74.6
Retail trade	14,754	32,888	44.9
Construction	12,210	18,058	67.6
Professional, scientific, & tech. svcs.	10,200	17,455	58.4
Other services (except public admin.)	9,107	9,837	92.6
Admin., supp., waste mgt., remed. svcs.	7,714	19,285	40.0
Transportation & warehousing	6,775	17,617	38.5
Wholesale trade	4,757	8,533	55.7
Manufacturing	3,990	11,935	33.4
Real estate & rental & leasing	3,544	4,548	77.9
Arts, entertainment, & recreation	3,361	4,877	68.9
Finance & insurance	3,339	7,377	45.3
Educational services	2,613	3,361	77.7
Information	2,419	6,645	36.4
Mining, quarrying and oil & gas extraction	2,195	12,833	17.1
Utilities	1,861	2,063	90.2
Management of comp. & enterprises	1,163	6,257	18.6
Forestry, etc. & agriculture support	794	1,029	77.2
Unclassified	D	D	D
Total	**138,378**	**258,219**	**53.6**

Source: SUSB. (D) indicates data suppressed to protect the confidentiality of individual firms.

For more detailed information on businesses in your state, see **www.sba.gov/advocacy/847/841921**.

Abbreviations and Resources

ACS	American Community Survey, U.S. Census Bureau, **www.census.gov/acs**.
BEA	Bureau of Economic Analysis, U.S. Department of Commerce, **www.bea.gov**.
BED	Business Employment Dynamics, U.S. Department of Labor, Bureau of Labor Statistics, **www.bls.gov/bdm**.
BDS	Business Dynamics Statistics, U.S. Census Bureau, **www.census.gov/ces/dataproducts/bds**.
BLS	Bureau of Labor Statistics, U.S. Department of Labor, **www.bls.gov**.
CEA	Council of Economic Advisers, **www.whitehouse.gov/administration/eop/cea.**
FDIC	Federal Deposit Insurance Corporation, **www.fdic.gov**.
FFIEC	Federal Financial Institutions Examination Council, **www.ffiec.gov**.
ITA	International Trade Administration, U.S. Department of Commerce, **www.trade.gov**.
Nonemployer Statistics	Nonemployer Statistics, U.S. Census Bureau, **www.census.gov/econ/nonemployer**.
SUSB	Statistics of U.S. Businesses, U.S. Census Bureau, **www.census.gov/econ/susb**.
U.S. Courts	Administrative Office of the U.S. Courts, **www.uscourts.gov**.