

# SMALL BUSINESS PROFILE

U.S. SMALL BUSINESS ADMINISTRATION

## OFFICE OF ADVOCACY

REGULATION • RESEARCH • OUTREACH

### OHIO



939,317  
99.6%

Small Businesses  
of Ohio Businesses

2.1 million  
46.0%

Small Business Employees  
of Ohio Employees



**EMPLOYMENT**  
29,312  
net new jobs



**DIVERSITY**  
122,602  
minority-owned  
businesses



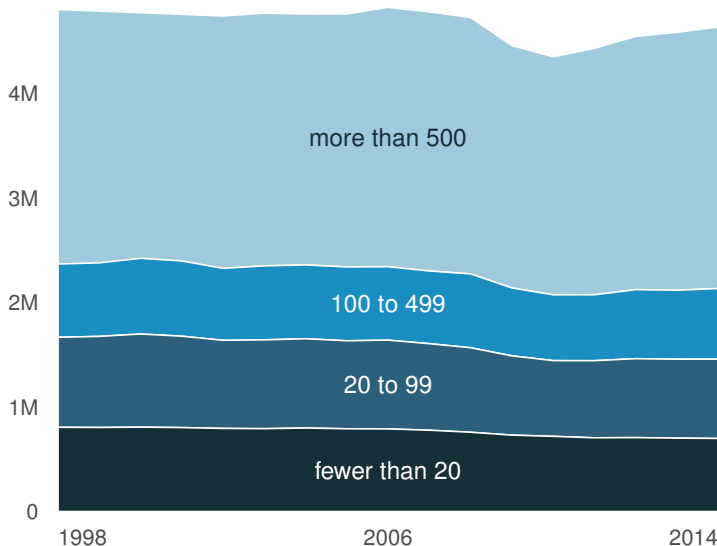
**TRADE**  
89.1%  
of Ohio exporters

#### OVERALL OHIO ECONOMY

- In the second quarter of 2016, Ohio grew at an annual rate of 1.9%, which was faster than the overall US growth rate of 1.2%. Ohio's 2015 growth rate of 1.8% was down from the 2014 rate of 2.6%. (Source: BEA)
- In November 2016, the unemployment rate was 4.9%, up from 4.8% at the close of 2015. This was above the November 2016 national unemployment rate of 4.6%. (Source: CPS)

#### EMPLOYMENT

Figure 1: Ohio Employment by Business Size (Employees)



- Ohio small businesses employed 2.1 million people, or 46.0% of the private workforce, in 2014. (Source: SUSB)
- Firms with fewer than 100 employees have the largest share of small business employment. See Figure 1 for further details on firms with employees. (Source: SUSB)
- During the year ending November 2016, private-sector employment increased 0.3%. This was above the previous year's increase of 0.1%. (Source: CPS)
- The number of proprietors increased in 2015 by 2.8% relative to the previous year. (Source: BEA)
- Small businesses created 29,312 net jobs in 2014. Among the seven BDS size-classes, firms employing 100 to 249 employees experienced the largest gains, adding 8,923 net jobs. The largest losses were in firms employing 1 to 4 employees, which lost 1,624 net jobs. (Source: BDS)

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 as firms employing fewer than 500 employees. Net small business job change, minority small business ownership, and exporter share statistics are based on the 2014 Business Dynamics Statistics (BDS), 2012 Survey of Business Owners (SBO), and 2014 International Trade Administration (ITA) data, respectively.

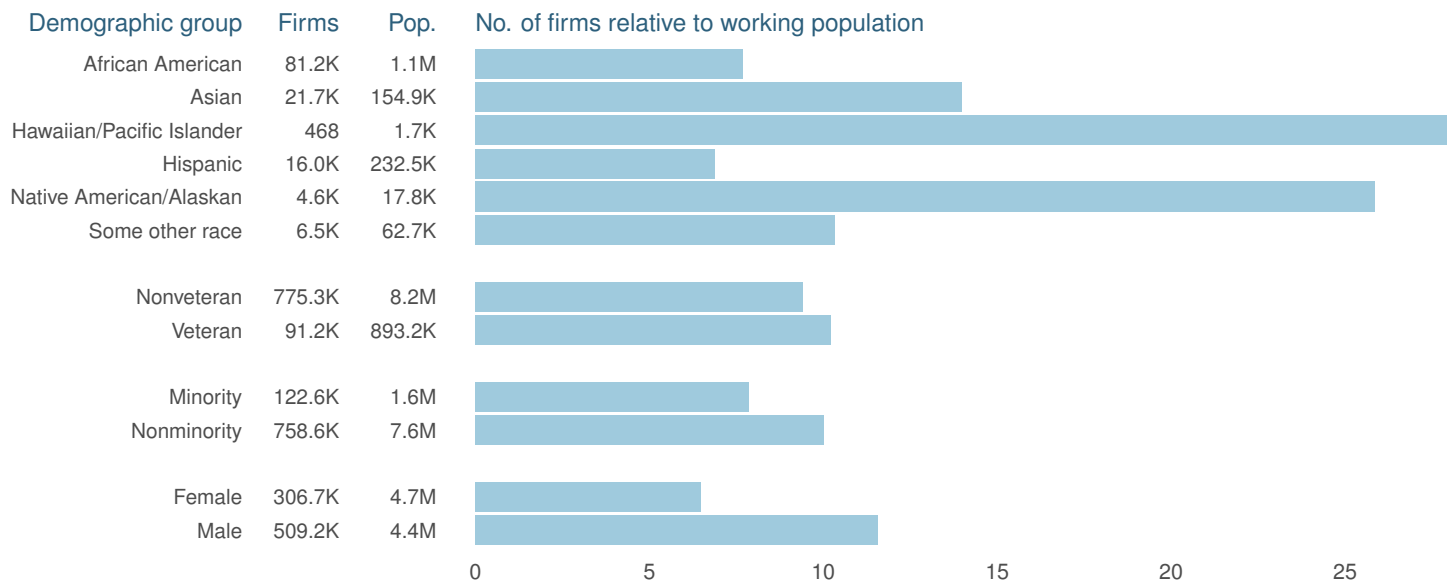
## INCOME AND FINANCE

- The number of banks reported in the Call Reports between June 2015 and June 2016 declined. (Source: [FDIC](#))
- In 2014, **142,036** loans under \$100,000 (valued at **\$2.3 billion**) were issued by Ohio lending institutions reporting under the Community Reinvestment Act. (Source: [FFIEC](#))
- The median income for individuals self-employed at their own incorporated businesses was **\$46,149** in 2015. For individuals self-employed at their own unincorporated firms, this figure was **\$21,821**. (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.*

## BUSINESS OWNER DEMOGRAPHICS

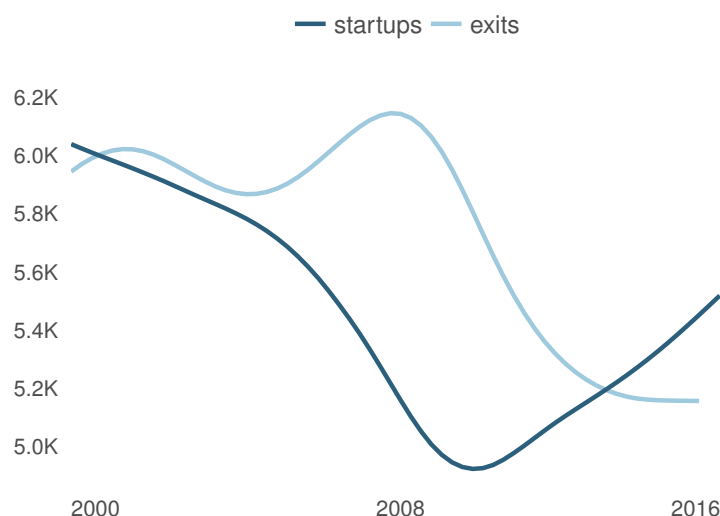
Figure 2: Ohio Small Business Ownership, 2012



*Figure 2 displays the number of small firms (SBO) per 100 people 16 years and over (ACS). For example, there are approximately 6 female-owned firms per 100 working age females or  $306.7K \div 4.7M \times 100$ . ACS and SBO differ in their classifications of individuals reporting more than one race. ACS provides a distinct category for two or more races while SBO tabulates these businesses into more than one group.*

## BUSINESS TURNOVER

Figure 3: Ohio Quarterly Startups and Exits



- In the second quarter of 2015, **5,299** establishments started up, generating **23,315** new jobs in Ohio. Startups are counted when business establishments hire at least one employee for the first time. (Source: [BDM](#))
- In the same period, **5,223** establishments exited resulting in **18,195** 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 2000 to 2016. Each series is smoothed across multiple quarters to highlight long-run trends.

*The 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.*

## INTERNATIONAL TRADE

- A total of 16,651 companies exported goods from Ohio in 2014. Among these, 14,841, or 89.1%, were small firms; they generated 23.7% of Ohio's \$46.7 billion in total known exports. (Source: ITA)

## SMALL BUSINESS EMPLOYMENT BY INDUSTRY AND COUNTY

Table 1: Ohio Employment by Industry, 2014

Industry	Small Business Employment	Total Private Employment	Small Business Employment Share
Health Care and Social Assistance	348,896	821,510	42%
Manufacturing	294,400	642,967	46%
Accommodation and Food Services	268,333	454,253	59%
Retail Trade	184,653	560,265	33%
Other Services (Except Public Administration)	174,099	200,893	87%
Professional, Scientific, and Technical Services	155,691	239,703	65%
Construction	144,514	171,719	84%
Wholesale Trade	134,231	231,383	58%
Administrative, Support, and Waste Management	129,500	386,828	33%
Finance and Insurance	58,236	248,251	23%
Transportation and Warehousing	56,446	160,148	35%
Educational Services	54,804	117,751	47%
Arts, Entertainment, and Recreation	43,654	66,373	66%
Real Estate and Rental and Leasing	39,851	62,801	63%
Information	22,867	87,746	26%
Mining, Quarrying, and Oil and Gas Extraction	5,381	11,060	49%
Utilities	2,928	24,334	12%
Agriculture, Forestry, and Fishing and Hunting	1,032	1,193	87%
<b>Total</b>	<b>2,134,290</b>	<b>4,636,844</b>	<b>46%</b>

Figure 4: Ohio Small Business Percent of Employment by County

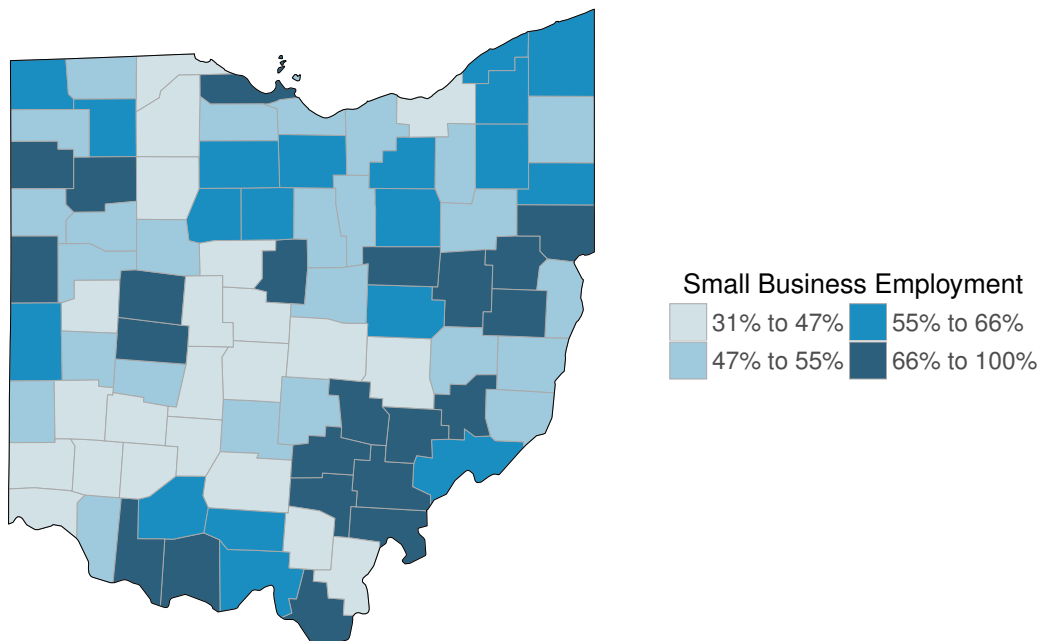


Table 2: Ohio Small Businesses by Industry and Firm Size, 2014

Industry	1-499 Employees	1-20 Employees	Nonemployer Firms	Total Small Firms
Other Services (Except Public Administration)	24,445	22,652	109,911	134,356
Professional, Scientific, and Technical Services	21,235	19,353	96,138	117,373
Construction	19,164	17,592	90,660	109,824
Retail Trade	19,728	17,611	67,966	87,694
Real Estate and Rental and Leasing	6,844	6,317	80,470	87,314
Health Care and Social Assistance	19,460	15,901	67,367	86,827
Administrative, Support, and Waste Management	10,777	9,339	65,962	76,739
Transportation and Warehousing	5,382	4,527	38,943	44,325
Arts, Entertainment, and Recreation	3,446	2,910	38,601	42,047
Finance and Insurance	7,814	7,144	22,014	29,828
Accommodation and Food Services	16,528	12,591	10,650	27,178
Educational Services	2,552	1,836	22,865	25,417
Manufacturing	11,949	8,219	13,310	25,259
Wholesale Trade	10,320	8,181	12,821	23,141
Information	1,528	1,206	8,946	10,474
Agriculture, Forestry, and Fishing and Hunting	260	248	6,490	6,750
Mining, Quarrying, and Oil and Gas Extraction	541	467	4,083	4,624
Utilities	145	93	567	712
<b>Total</b>	<b>181,553</b>	<b>156,487</b>	<b>757,764</b>	<b>939,317</b>

Data for counties shown in white in Figure 4 and values labeled "s" in Tables 1 and 2 were withheld by the Census Bureau because they do not meet publication standards or could disclose information regarding individual businesses. (Source: SUSB, NES)

**REFERENCES**

The Small Business Profiles, source data, and methodology are available at <http://go.usa.gov/x9yxK>.

- ACS American Community Survey, 5-year estimates, U.S. Census Bureau
- BEA Bureau of Economic Analysis
- BDM Business Employment Dynamics, BLS
- BDS Business Dynamics Statistics, U.S. Census Bureau
- BLS Bureau of Labor Statistics, U.S. Department of Labor
- CES Current Employment Statistics, BLS
- CEW Census of Employment and Wages, BLS
- CPS Current Population Survey, BLS
- FDIC Federal Deposit Insurance Corporation
- FFIEC Federal Financial Institutions Examination Council
- ITA International Trade Administration
- NES Nonemployer Statistics, U.S. Census Bureau
- SBO Survey of Business Owners, U.S. Census Bureau
- SUSB Statistics of U.S. Businesses, U.S. Census Bureau

