

SMALL BUSINESS PROFILE

U.S. SMALL BUSINESS ADMINISTRATION

OFFICE OF ADVOCACY

REGULATION • RESEARCH • OUTREACH


VERMONT

77,543
99.1% Small Businesses
of Vermont Businesses


156,243
59.8% Small Business Employees
of Vermont Employees



EMPLOYMENT
2,124
net new jobs



DIVERSITY
2,350
minority-owned
businesses



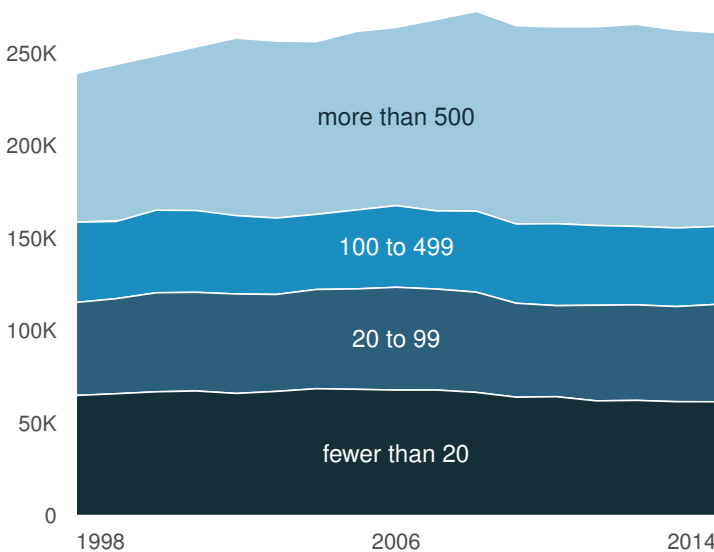
TRADE
84.7%
of Vermont exporters

OVERALL VERMONT ECONOMY

- In the second quarter of 2016, Vermont grew at an annual rate of **1.4%**, which was faster than the overall US growth rate of **1.2%**. Vermont's 2015 growth rate of **0.4%** was up from the 2014 rate of **0.2%**. (Source: **BEA**)
- In November 2016, the unemployment rate was **3.2%**, down from **3.5%** at the close of 2015. This was below the November 2016 national unemployment rate of **4.6%**. (Source: **CPS**)

EMPLOYMENT

Figure 1: Vermont Employment by Business Size (Employees)



- Vermont small businesses employed **156,243** people, or **59.8%** 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 **0.9%**. This was above the previous year's decrease of **0.6%**. (Source: **CPS**)
- The number of proprietors increased in 2015 by **2.9%** relative to the previous year. (Source: **BEA**)
- Small businesses created **2,124** net jobs in 2014. Among the seven BDS size-classes, firms employing 20 to 49 employees experienced the largest gains, adding **986** net jobs. The largest losses were in firms employing 100 to 249 employees, which lost **192** 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 was unchanged. (Source: FDIC)
- In 2014, 10,354 loans under \$100,000 (valued at \$147.7 million) were issued by Vermont lending institutions reporting under the Community Reinvestment Act. (Source: FFIEC)
- The median income for individuals self-employed at their own incorporated businesses was \$45,828 in 2015. For individuals self-employed at their own unincorporated firms, this figure was \$21,499. (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: Vermont Small Business Ownership, 2012

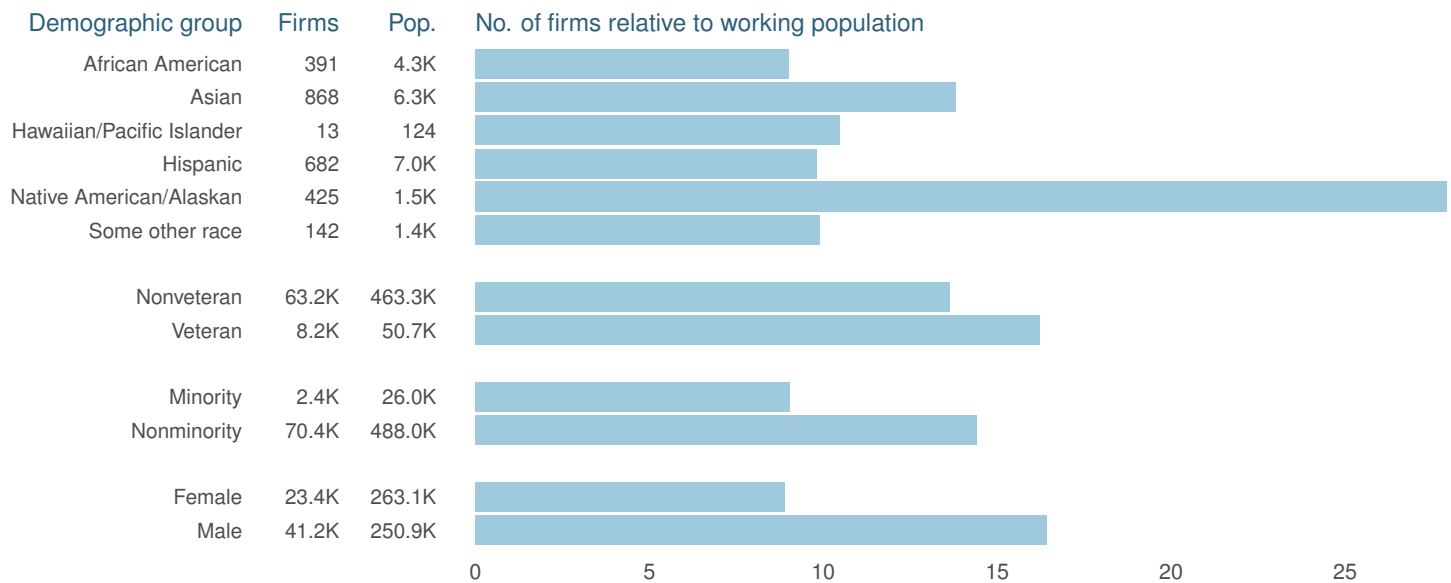
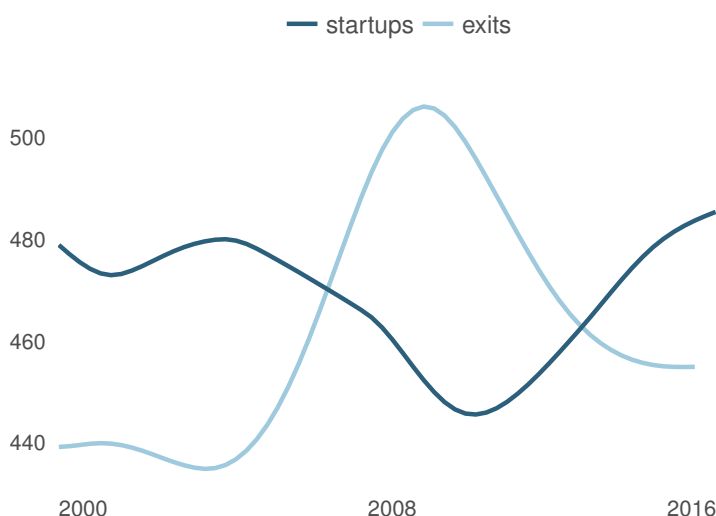


Figure 2 displays the number of small firms (SBO) per 100 people 16 years and over (ACS). For example, there are approximately 9 female-owned firms per 100 working age females or $23.4K \div 263.1K \times 100$. ACS and SBO differ in their classifications of individuals reporting more than one race. ACS provides a distinct category for two or more races while SBO tabulates these businesses into more than one group.

BUSINESS TURNOVER

Figure 3: Vermont Quarterly Startups and Exits



- In the second quarter of 2015, 476 establishments started up, generating 1,217 new jobs in Vermont. Startups are counted when business establishments hire at least one employee for the first time. (Source: BDM)
- In the same period, 494 establishments exited resulting in 1,423 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 1,282 companies exported goods from Vermont in 2014. Among these, 1,086, or 84.7%, were small firms; they generated 18.4% of Vermont's \$3.5 billion in total known exports. (Source: ITA)

SMALL BUSINESS EMPLOYMENT BY INDUSTRY AND COUNTY

Table 1: Vermont Employment by Industry, 2014





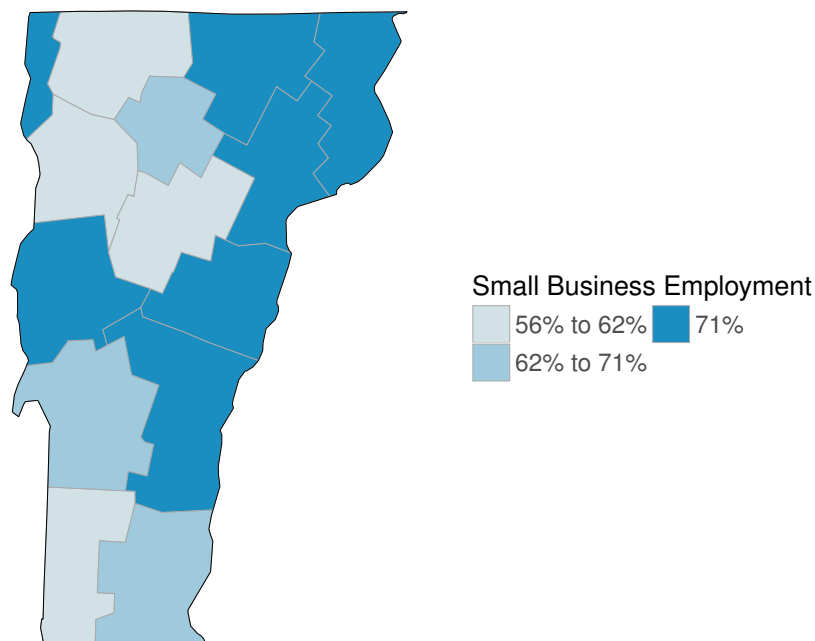
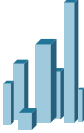




 Industry	 Small Business Employment	 Total Private Employment	 Small Business Employment Share
Health Care and Social Assistance	22,644	46,691	48%
Retail Trade	22,452	38,530	58%
Accommodation and Food Services	20,894	31,142	67%
Manufacturing	15,729	29,823	53%
Construction	12,531	13,483	93%
Professional, Scientific, and Technical Services	10,129	18,079	56%
Other Services (Except Public Administration)	9,059	9,331	97%
Wholesale Trade	8,085	11,195	72%
Educational Services	7,465	15,665	48%
Finance and Insurance	5,495	9,034	61%
Administrative, Support, and Waste Management	4,949	7,756	64%
Arts, Entertainment, and Recreation	4,475	8,174	55%
Information	3,936	6,924	57%
Transportation and Warehousing	3,544	5,783	61%
Real Estate and Rental and Leasing	2,622	3,485	75%
Utilities	457	s	-
Agriculture, Forestry, and Fishing and Hunting	451	451	100%
Mining, Quarrying, and Oil and Gas Extraction	385	423	91%
Total	156,243	261,058	60%

Figure 4: Vermont Small Business Percent of Employment by County



SMALL BUSINESSES BY INDUSTRY

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

	 Industry	 1-499 Employees	 1-20 Employees	 Nonemployer Firms	 Total Small Firms
Construction		2,628	2,510	9,204	11,832
Professional, Scientific, and Technical Services		1,965	1,856	9,073	11,038
Other Services (Except Public Administration)		1,913	1,835	7,090	9,003
Retail Trade		2,290	1,984	4,312	6,602
Health Care and Social Assistance		1,632	1,374	4,870	6,502
Real Estate and Rental and Leasing		641	608	5,440	6,081
Administrative, Support, and Waste Management		985	919	4,548	5,533
Arts, Entertainment, and Recreation		437	393	4,357	4,794
Manufacturing		894	690	1,991	2,885
Accommodation and Food Services		1,684	1,360	1,153	2,837
Educational Services		346	270	2,103	2,449
Agriculture, Forestry, and Fishing and Hunting		140	137	1,921	2,061
Transportation and Warehousing		421	370	1,176	1,597
Wholesale Trade		609	455	941	1,550
Finance and Insurance		425	367	1,018	1,443
Information		329	269	825	1,154
Utilities		18	11	92	110
Mining, Quarrying, and Oil and Gas Extraction		38	32	67	105
Total		17,362	15,491	60,181	77,543

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

