

SMALL BUSINESS PROFILE

WISCONSIN



440,763
97.7% Small Businesses
of Wisconsin Businesses

1.2 million
50.7% Small Business Employees
of Wisconsin Employees

Small Business Employees
of Wisconsin Employees



EMPLOYMENT
13,784
net new jobs¹



DIVERSITY
55.6%
increase in minority
ownership²



TRADE
86.9%
of Wisconsin
exporters³

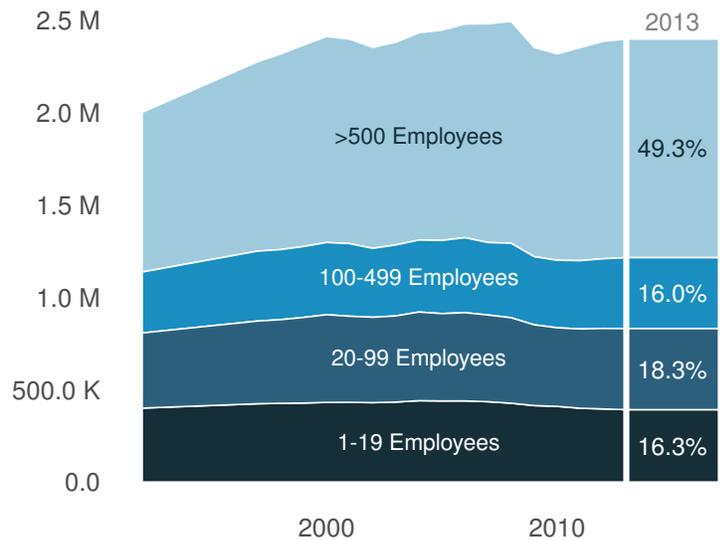
OVERALL WISCONSIN ECONOMY

- In the third quarter of 2015, Wisconsin grew at an annual rate of **3.1%** which was faster than the overall US growth rate of **1.9%**. By comparison, Wisconsin's 2014 growth of **3.2%** was up from the 2013 level of **3.0%**. (Source: BEA)
- The employment situation in Wisconsin improved. At the close of 2015, unemployment was **4.6%**, down from **4.8%** at the close of 2014. This was below the national unemployment rate of **5.0%**. (Source: CPS)

EMPLOYMENT

- Wisconsin small businesses employed **1.2 million** people, or **50.7%** of the private workforce, in 2013. (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)
- Private-sector employment increased **1.0%** in 2015. This was below the previous year's increase of **1.9%**. (Source: CES)
- The number of proprietors increased in 2014 by **1.1%** relative to the previous year. (Source: BEA)
- Small businesses created **13,784** net jobs in 2013. Among the seven BDS size-classes, firms employing 100 to 249 employees experienced the largest gains, adding **8,505** net jobs. The largest losses were in firms employing 1 to 4 employees which lost **1,186** net jobs. (Source: BDS)

Figure 1: Wisconsin Employment by Firm Size



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.** Hyperlinks to data sources and report generation information are provided in Table 3.

^{1,3} Net small business jobs change and exporter share are based on newly released 2013 BDS and 2012 ITA data.

² Diversity statistic tracks changes between 2007 and 2012 based on the Survey of Business Owners (SBO) 2015 release.

INCOME AND FINANCE

- The number of banks reported in the Call Reports between June 2014 and June 2015 declined. (Source: FDIC)
- In 2014, 77,892 loans under \$100,000 (and valued at \$996.2 million) were issued by Wisconsin lending institutions reporting under the Community Reinvestment Act. (Source: FFIEC)
- The median income⁴ for individuals who were self-employed at their own incorporated businesses was \$43,432 in 2014. For individuals self-employed at their own unincorporated firms, this figure was \$21,542. (Source: ACS)

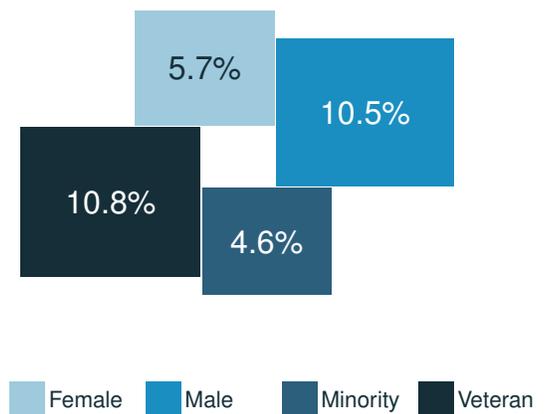
⁴ Median income represents earnings from all sources. Unincorporated self-employment income includes unpaid family workers, a very small percent of the unincorporated self-employed.

BUSINESS OWNER DEMOGRAPHICS

Figure 2: Wisconsin Changes in Business Ownership by Demographic Group



Figure 3: Wisconsin Self-Employment within Demographic Group

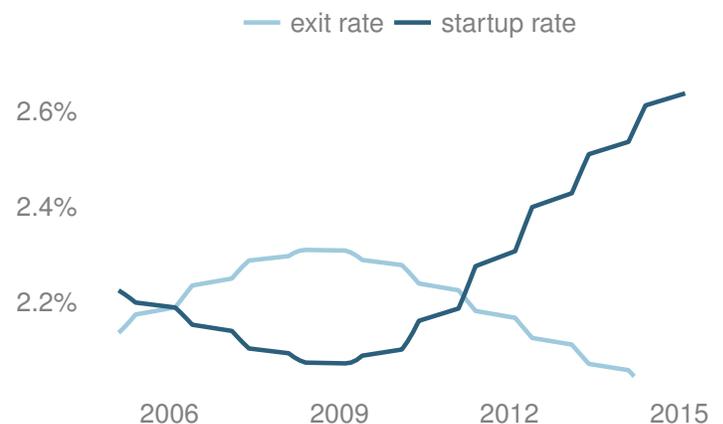


- Figure 2 displays the change in overall firm ownership for each demographic group from 2007 to 2012 based on the Survey of Business Owners (SBO) for Wisconsin, released in December 2015.
- Figure 3 displays the percent of each demographic group identified as self-employed according to the 2014 American Community Survey (ACS) 5-year estimates.

BUSINESS TURNOVER

- In the second quarter of 2014, 3,268 establishments started up⁵ in Wisconsin and 2,932 exited.⁶ Startups generated 10,104 new jobs while exits caused 10,372 job losses. (Source: BDM)
- Figure 4 displays startup and exit rates from 2005 to 2015. Each series is smoothed across multiple quarters to highlight long-run trends. (Source: BDM)

Figure 4: Wisconsin Private Startup and Exit Rates



⁵ **STARTUPS** are counted when business establishments hire at least one employee for the first time. The BLS terms these **births**, as distinct from the BLS **openings** category which includes seasonal re-openings.

⁶ **EXITS** occur when establishments go from having at least one employee to having none, and then remain closed for at least a year. The BLS terms these events **deaths**, as distinct from the **closings** category which includes seasonal shutterings.

- A total of 8,737 companies exported goods from Wisconsin in 2013. Among these, 7,592, or 86.9%, were small firms; they generated 27.1% of Wisconsin's total known export value. (Source: ITA)

SMALL BUSINESSES BY INDUSTRY

Table 1: Wisconsin Small Firms by Industry, 2013
(sorted by small employer firms)

				
Industry	1 – 499 Employees	1 – 19 Employees	Nonemployer Firms	Total Small Firms
Other Services (except Public Administration)	13,531	12,533	50,221	63,752
Construction	13,167	12,413	38,095	51,262
Retail Trade	11,880	10,365	37,597	49,477
Accommodation and Food Services	11,468	9,125	5,909	17,377
Professional, Scientific, and Technical Services	10,222	9,326	42,863	53,085
Health Care and Social Assistance	9,750	8,020	23,594	33,344
Manufacturing	7,353	4,901	7,121	14,474
Administrative, Support, and Waste Management	5,428	4,794	20,724	26,152
Wholesale Trade	5,203	3,997	6,467	11,670
Finance and Insurance	4,415	3,887	11,522	15,937
Transportation and Warehousing	4,312	3,714	13,272	17,584
Real Estate and Rental and Leasing	3,603	3,356	38,920	42,523
Arts, Entertainment, and Recreation	2,527	2,143	19,646	22,173
Educational Services	1,406	1,071	8,311	9,717
Information	934	730	4,103	5,037
Agriculture, Forestry, Fishing and Hunting	527	506	6,465	6,992
Mining, Quarrying, and Oil and Gas Extraction	125	100	132	257
Utilities	50	22	215	265
Total	105,901	91,003	335,177	441,078

Totals for Tables 1 and 2 differ from SUSB's statewide tallies due to firms with establishments in more than one industry and the omission of industry classifications not reported by NES. (Source: NES and SUSB)

s Indicates samples deemed too small to represent the population according to SUSB.

Table 2: Wisconsin Employment by Industry and Firm Size, 2013
(sorted by small firm employment)

Industry	Small Business Employment	Total Private Employment	Small Business Employment Share
Manufacturing	205,710	434,460	47.3%
Health Care and Social Assistance	167,603	387,964	43.2%
Accommodation and Food Services	156,481	223,278	70.1%
Retail Trade	124,072	298,106	41.6%
Other Services (except Public Administration)	94,969	105,079	90.4%
Construction	74,083	93,208	79.5%
Wholesale Trade	72,649	112,855	64.4%
Professional, Scientific, and Technical Services	72,021	100,940	71.4%
Administrative, Support, and Waste Management	58,553	145,641	40.2%
Finance and Insurance	44,535	137,769	32.3%
Transportation and Warehousing	43,590	93,997	46.4%
Arts, Entertainment, and Recreation	31,711	41,824	75.8%
Educational Services	22,287	56,023	39.8%
Real Estate and Rental and Leasing	20,236	24,693	82.0%
Information	13,884	54,393	25.5%
Agriculture, Forestry, Fishing and Hunting	2,410	2,906	82.9%
Mining, Quarrying, and Oil and Gas Extraction	1,365	2,456	55.6%
Utilities	1,065	13,701	7.8%
Total	1,207,224	2,329,293	51.8%

Figure 5: Wisconsin County-Level Job Changes, 2015 (CEW)

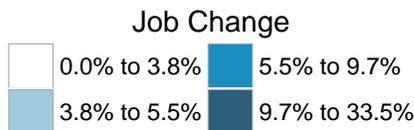
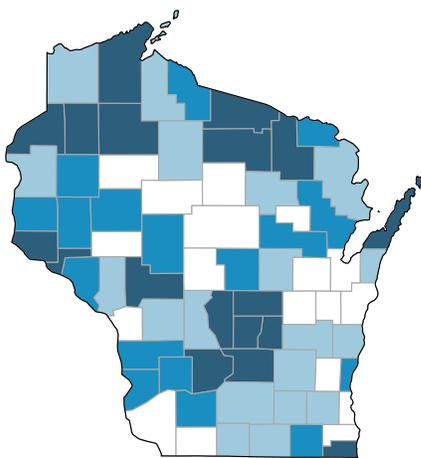


Table 3: Abbreviations and Resources

ACS	American Community Survey, US Census Bureau
BEA	Bureau of Economic Analysis
BDM	Business Employment Dynamics, BLS
BDS	Business Dynamics Statistics, US Census Bureau
BLS	Bureau of Labor Statistics, US 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, US Census Bureau
SBO	Survey of Business Owners, US Census Bureau
SUSB	Statistics of US Businesses, US Census Bureau

All profiles, source data, methodology notes, and county-level employment statistics are available at <http://go.usa.gov/cfKMd>

