

Connecticut

Small businesses totaled 318,230 in Connecticut in 2009. They represent 97.2 percent of all employers and employ 50 percent of the private-sector workforce. Being such a large part of the state's economy, these businesses are central to Connecticut's health and well-being.

This profile uses the latest available data to illustrate the status of Connecticut's small businesses. (Note that a small business is defined as one with fewer than 500 employees.)

- Connecticut's economy struggled in 2010, with real gross state product decreasing 1.2 percent and private-sector employment decreasing 1.1 percent (Bureau of Economic Analysis, Bureau of Labor Statistics).
- Most of Connecticut's small businesses are very small as 77.0 percent of all businesses did not have employees and most employers have fewer than 20 employees.
- Small businesses employed 734,564 workers in 2009 (Table 1) with most of the employment coming from firms with 20-499 employees.
- While the employment situation in 2008-2009 was weak (Table 2), small businesses in Connecticut represented all of the net new jobs from 2005-2008.
- Self-employment in Connecticut surged over the last decade. Minority self-employment fared the best compared with other demographic groups during the decade.*
- Throughout 2010, the number of opening establishments was higher than closing establishments and the net employment change from this turnover was positive (Table 3).

For Further Information

- Data on all states and territories are available at www.sba.gov/advocacy/848.
- For other small business data and analysis, visit www.sba.gov/advocacy/847, call (202) 205-6533, or email advocacy@sba.gov.
- Visit <http://web.sba.gov/list> to subscribe to Advocacy's Listservs.

* Because of the relatively low number of veterans in the survey data source, the veteran self-employment figure is susceptible to large fluctuations.

Connecticut Small Business Facts			
	2009*	2008	2000
Number of Businesses			
Small employers (<500 employees)	71,446	73,779	76,363
Large employers (500+ employees)	2,069	2,063	2,091
Nonemployers	246,784	253,343	217,323
Level in 2007* (000)			
	Firms	Employment	Receipts(\$M)
Business Owner Demographics			
Male-owned	190	521	140,609
Woman-owned	93	90	11,656
Equally male/female-owned	36	63	8,681
African American-owned	15	6	636
Asian-owned	11	19	2,848
Hispanic-owned	14	12	2,101
Native American/Alaskan-owned	2	0	71
Hawaiian/Pacific Islander-owned	0	0	5
Veteran-owned	42	95	22,313
Publicly held, unclassified	13	853	345,966
	Level in 2010*	% Change from 2009 2000	
Workforce (Thousands)			
Private-sector employment	1,363	-1.1	-6.1
Government employment	245	-1.3	1.3
Self-employed (incorp. & uninc.)	205	20.2	10.9
Female self-employment	56	8.0	-2.3
Male self-employment	149	25.5	16.8
Minority self-employment	33	37.9	1193.2
Veteran self-employment	16	7.2	-28.9
Unemployment Rate (Percent)	9.1	0.8†	6.8†
Business Turnover			
Quarterly establishment openings	13,131	25.0	-6.5
Quarterly establishment closings	12,391	-7.0	-18.2
Business bankruptcies	459	-1.7	230.2
	2010*	2009	2000
Income and Finance			
Proprietors' income (\$billion)	18.0	16.9	14.3
Number of bank branches	1,296	1,288	1,183
No. of bus. loans under \$100,000‡	50,985	64,022	49,998
Total value of business loans under \$100,000 (\$million)‡	590	678	517
Source: U.S. Dept. of Commerce, Census Bureau, Bureau of Economic Analysis; U.S. Dept. of Labor, Bureau of Labor Statistics; Admin. Office of the U.S. Courts; Federal Deposit Insurance Corporation; and U.S. Small Business Admin., Office of Advocacy.			
* Latest available data. †Percentage point change. ‡Data are for CRA loans.			

**Table 1: Firms and Employment in Connecticut by Industry and Firm Size, 2009
(Nonfarm, Thousands)**

Industry	Nonemployer Firms	Employer Firms			Employment		
		Total	1-19 Employees	1-499 Employees	Total	1-19 Employees	1-499 Employees
Total	246.8	73.5	62.8	71.4	1,468.3	264.8	734.6
Forestry, etc. and agriculture support	1.2	0.1	0.1	0.1	0.3	0.2	0.3
Mining	0.1	0.1	0.0	0.0	0.7	0.2	0.5
Utilities	0.1	0.1	0.0	0.0	D	D	1.6
Construction	31.9	8.6	8.0	8.5	53.1	25.9	49.2
Manufacturing	3.5	4.4	3.1	4.2	166.4	17.5	83.2
Wholesale trade	4.4	3.9	2.9	3.6	75.6	13.1	42.4
Retail trade	18.5	9.1	7.8	8.7	180.1	33.4	71.3
Transportation and warehousing	6.4	1.3	1.0	1.2	39.2	4.3	13.8
Information	3.8	1.0	0.7	0.9	37.3	3.1	12.9
Finance and insurance	10.5	3.6	3.0	3.4	125.0	10.7	33.1
Real estate and rental and leasing	29.6	2.5	2.2	2.4	21.5	7.1	13.7
Professional, scientific, and technical svcs.	44.4	9.0	8.1	8.7	95.3	27.8	55.8
Management of companies and enterprises	--	0.5	0.1	0.3	38.8	0.3	5.7
Admin., support, waste mgt., remed. svcs.	18.5	4.8	4.1	4.6	84.2	13.7	39.5
Educational services	8.5	1.2	0.9	1.2	64.4	4.4	23.9
Health care and social assistance	21.4	7.6	6.1	7.4	259.5	34.1	133.1
Arts, entertainment, and recreation	14.6	1.5	1.2	1.5	24.4	5.1	20.2
Accommodation and food services	3.1	6.5	5.3	6.4	129.7	29.4	78.3
Other services (except public admin.)	26.4	8.7	8.0	8.6	63.0	34.2	55.9
Unclassified	--	0.1	0.1	0.1	0.2	0.2	0.2

Source: U.S. Dept. of Commerce, Bureau of the Census, Statistics of U.S. Businesses. (See www.sba.gov/advocacy/849/12162 for data from other years, and for starts, closures, job creation and destruction by industry and by size category.)

Table 2: Net Job Change by Firm Size, 2005–2009 (Nonfarm)

	Total Net New Jobs	Employment Size of Firm						
		1-4	5-9	10-19	20-99	100-499	<500	500+
2005 - 2006	54,409	10,812	2,366	5,677	2,871	-1	21,725	32,684
2006 - 2007	-43,522	D	D	-2,923	D	545	8,503	-52,025
2007 - 2008	11,511	8,175	-800	-450	6,285	3,447	16,657	-5,146
2008 - 2009	-84,125	2,570	-5,292	-7,894	-18,592	-16,403	-45,611	-38,514

Source: U.S. Dept. of Commerce, Bureau of the Census. (For more detailed data see www.sba.gov/advocacy/849/12162.)

(D) Data suppressed to protect the confidentiality of individual firms.

Table 3: Establishment and Employment Turnover by Quarter, 2010 (Nonfarm, Thousands)

	Establishments				Employment			
	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Quarter 1	Quarter 2	Quarter 3	Quarter 4
Openings	2.5	5.1	2.9	2.7	7.4	16.4	9.1	9.6
Expansions	17.2	18.1	18.1	18.3	58.9	68.2	62.7	64.3
Contractions	18.9	17.9	18.6	18.4	64.8	61.8	61.4	63.4
Closings	6.8	1.3	1.3	3.0	16.5	5.6	5.0	7.9

Source: U.S. Dept. of Labor, Bureau of Labor Statistics, Business Employment Dynamics. (For more detailed data see www.bls.gov/bdm/.)

Note: These figures contain all firm sizes; Census data from 2009 show that 85 percent of establishment births and deaths were in firms with fewer than 500 employees.