

Delaware

73,513 Small Businesses

18,095 Small Businesses with Employees

55,418 Small Businesses without Employees (Nonemployers)

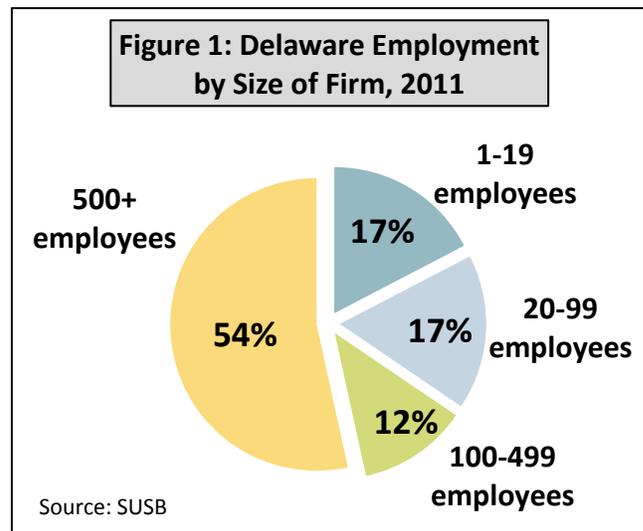
167,505 Workers Employed by Small Businesses

State Economy Overall

- Delaware's economy grew at a slower rate than the United States in 2012. Delaware's real gross state product increased by **0.2 percent** compared to **2.5 percent** for U.S. gross domestic product. (Source: BEA)
- The employment situation in Delaware has improved. The unemployment rate in Delaware declined from **6.9 percent** in December 2012 to **6.2 percent** in December 2013. This is below the national average of **6.7 percent**. (Source: BLS)

Employment

- Delaware's small businesses employed about half or **167,505** of the state's private workforce in 2011.
- Almost all firms with employees are small. They make up **92.9 percent** of all employers in the state. **Table 3** offers further industry detail on small firms.
- Firms with fewer than 100 employees have the largest share of small business employment. **Figure 1** offers further detail.
- The three industries with the most small business employment were: health care & social assistance, accommodation & food services, and retail trade (**Table 4**).
- In Delaware, small businesses created **1,517** net new jobs in 2011. 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 increased in 2012. For demographic detail on the state's self-employment, see **Figure 2**.
- The state's private-sector employment increased in 2013 by **2.1 percent**, which was the same as the national average growth rate of **2.1 percent**. (Source: BEA, BLS)



The *Small Business State and Territory Profiles* report on the economic status of small business from 2010 to 2013. 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

- Most small businesses are sole proprietors. Annual income from sole proprietorships increased **7.1 percent** in the 3rd quarter of 2013 and totaled **\$3.7 billion**. (Source: BEA)
- The Federal Deposit Insurance Corporation tracks banks and bank branches and publishes annual data for each state. For more detailed information see www2.fdic.gov/sod/sodSummary.asp?barItem=3.
- In 2012, **14,603** loans under \$100,000 (and valued at **\$189.4 million**) were issued by Community Reinvestment Act lending institutions in Delaware. (Source: FFIEC)

Business Owner Demographics

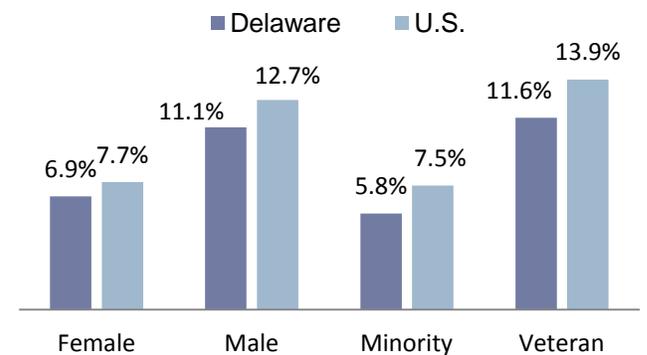
- In 2011, there were an estimated **19,000** woman-owned businesses and **11,000** minority-owned businesses. For additional business demographic information, see **Table 1** and **Figure 2**.

Table 1. Demographics of All Delaware Businesses, 2011

	Number of All Businesses ^e	Share of All Businesses (%) [*]
Male Owned	39,000	52.1
Woman Owned	19,000	25.9
Equally Male and Female Owned	11,000	15.0
Minority Owned	11,000	15.2
Veteran Owned	8,000	10.2

e = Advocacy estimate. *2007 SBO. Note: This estimate is based on the share of business owners in the 2007 SBO. This share is multiplied by the total number of businesses in 2011 (employer + nonemployer firms). These shares will not be updated to 2012 until fall 2015. Thus, the 2011 estimates assume the 2011 shares are the same as 2007. For more information, visit www.sba.gov/sites/default/files/files/de10.pdf.

Figure 2: Delaware Self-Employment Demographics, 2012



Source: CPS

Note: Share of self-employed workers within a demographic group.

Business Turnover

- **Table 2** gives Delaware's establishment survival rates over an eight-year period, 2002-2010.
- In the 2nd quarter of 2013, **1,267** establishments opened and **1,313** closed in the state of Delaware. (Source: BED)
- Business bankruptcies remained at about the same level in 2010 and 2013. (Source: U.S. Courts)

Table 2. Survival Rates of Establishments in Delaware

	Establishments Opened [*]	Share Surviving Until 2012 (%)
2002	1,975	32
2007	2,259	44.9
2010	1,751	63.6

Source: BLS, BED. *Data year ending in March.

International Trade

- A total of **1,766** companies exported goods from the state in 2012. Of these, **1,531** or **86.7 percent** were small firms; they generated a seventh (**14.3 percent**) of the state's total known export value. (Source: ITA)

Table 3: Number of Delaware Small Firms by Industry, 2011
(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
Professional, scientific, & tech. svcs.	2,257	2,032	7,963	10,220
Retail trade	2,215	1,967	5,006	7,221
Construction	2,172	1,978	5,905	8,077
Other services (except public admin.)	1,970	1,813	7,221	9,191
Health care & social assistance	1,754	1,449	4,246	6,000
Accommodation & food services	1,540	1,209	752	2,292
Admin., supp., waste mgt., remed. svcs.	1,121	970	4,172	5,293
Finance & insurance	972	844	2,306	3,278
Real estate & rental & leasing	823	742	8,112	8,935
Wholesale trade	792	639	947	1,739
Management of comp. & enterprises	637	468	0	637
Transportation & warehousing	549	473	2,092	2,641
Manufacturing	496	375	580	1,076
Arts, entertainment, & recreation	369	313	3,217	3,586
Educational services	239	179	1,580	1,819
Information	202	170	839	1,041
Forestry, etc. & agriculture support	44	44	433	477
Unclassified	44	44	0	44
Utilities	14	8	35	49
Mining	11	11	12	23
Total	18,095	15,703	55,418	73,513

Table 4: Employment in Delaware by Industry and Firm Size, 2011
(ranked by small firm employment)

Industry	Employment		Small Firm Share of Industry Employment (%)
	Small Firms	Total Firms	
Health care & social assistance	26,815	59,793	45
Accommodation & food services	22,238	34,347	65
Retail trade	17,846	51,664	35
Construction	16,683	18,032	93
Professional, scientific, & tech. svcs.	14,731	24,315	61
Other services (except public admin.)	13,280	14,166	94
Admin., supp., waste mgt., remed. svcs.	11,347	26,900	42
Manufacturing	9,338	27,715	34
Wholesale trade	6,356	16,359	39
Finance & insurance	5,891	35,450	17
Transportation & warehousing	5,050	10,844	47
Educational services	5,028	6,374	79
Real estate & rental & leasing	4,520	5,506	82
Arts, entertainment, & recreation	3,875	6,449	60
Information	2,050	7,944	26
Management of comp. & enterprises	1,755	11,345	15
Forestry, etc. & agriculture support	121	121	100
Mining	D	D	D
Unclassified	D	D	D
Utilities	D	2,183	D
Total	167,505	359,602	47

Source, Tables 3 and 4: SUSB

See www.sba.gov/advocacy/847/841921 for more detailed data.

Note: Small firms are defined as nonfarm firms having fewer than 500 employees.

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

Abbreviations and Resources

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 .
CPS	Current Population Survey, U.S. Census Bureau, and U.S. Department of Labor, Bureau of Labor Statistics, www.census.gov/cps .
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 .
SBO	Survey of Business Owners, U.S. Census Bureau, www.census.gov/econ/sbo .
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 .