

## United States

**28,157,833** Small Businesses

**5,666,753** Small Businesses with Employees

**22,491,080** Small Businesses without Employees (Nonemployers)

**54,998,312** Workers Employed by Small Businesses

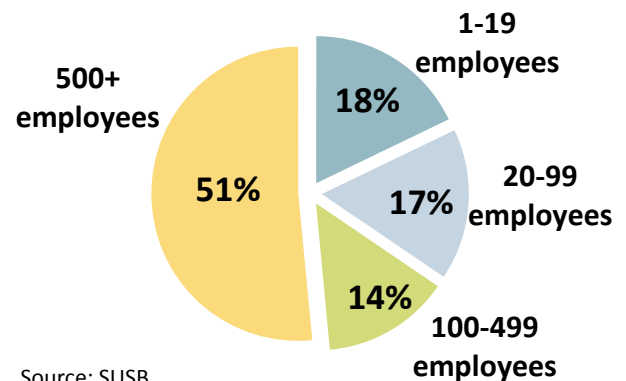
### Overall U.S. Economy

- The U.S. economy grew at a faster rate than the previous year. The nation's real gross domestic product increased by **2.5 percent** in 2012 compared to **1.8 percent** in 2011. (Source: BEA)
- The employment situation in the United States has improved. The national unemployment rate declined from **7.9 percent** in December 2012 to **6.7 percent** in December 2013. (Source: BLS)

### Employment

- U.S. small businesses employed about half or **55 million** of the nation's private workforce in 2011.
- Almost all firms with employees are small. They make up **99.7 percent** of all employers nationally. **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**).
- Nationally, small businesses created **1,044,750** 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 nation's self-employment, see **Figure 2**.
- The nation's private-sector employment increased in 2013 by **2.1 percent**, which was slightly below the annual average growth rate of **2.2 percent** the previous year. (Source: BEA, BLS)

**Figure 1: United States Employment by Size of Firm, 2011**



Source: SUSB

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 3<sup>rd</sup> quarter of 2013 and totaled **\$1.2 trillion**. (Source: BEA)
- The Federal Deposit Insurance Corporation tracks banks and bank branches and publishes annual data. For more detailed information see [www2.fdic.gov/sod/sodSummary.asp?barItem=3](http://www2.fdic.gov/sod/sodSummary.asp?barItem=3).
- In 2012, **5,483,883** loans under \$100,000 (and valued at **\$68 billion**) were issued by Community Reinvestment Act lending institutions in United States. (Source: FFIEC)

## Business Owner Demographics

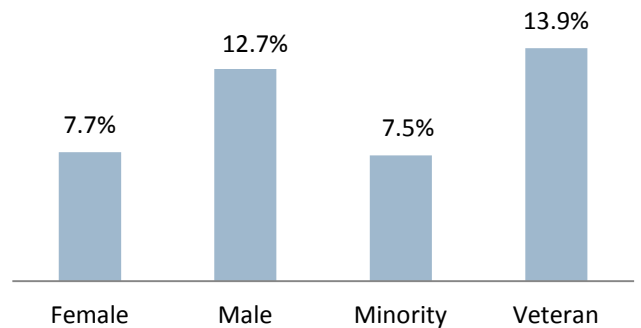
- In 2011, there were an estimated **8,086,000** woman-owned businesses and **5,989,000** minority-owned businesses. For additional business demographic information, see **Table 1** and **Figure 2**.

**Table 1. Demographics of All United States Businesses, 2011**

	Number of All Businesses <sup>e</sup>	Share of All Businesses (%) <sup>*</sup>
Male Owned	14,454,000	51.3
Woman Owned	8,086,000	28.7
Equally Male and Female Owned	4,790,000	17.0
Minority Owned	5,989,000	21.3
Veteran Owned	2,536,000	9.0

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/us10.pdf](http://www.sba.gov/sites/default/files/files/us10.pdf).

**Figure 2: United States Self-Employment Demographics, 2012**



Source: CPS

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

## Business Turnover

- **Table 2** gives national establishment survival rates over an eight-year period, 2002-2010.
- In the 2<sup>nd</sup> quarter of 2013, **386,000** establishments opened and **381,000** closed in the United States. (Source: BED)
- Business bankruptcies declined in net from 2010 to 2013, signaling a stronger U.S. economy. (Source: U.S. Courts)

**Table 2. Survival Rates of Establishments in United States**

	Establishments Opened <sup>*</sup>	Share Surviving Until 2012 (%)
2002	612,069	34.4
2007	656,107	45.5
2010	507,129	67.7

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

## International Trade

- A total of **304,867** companies exported goods from the United States in 2012. Of these, **297,995** or **97.7 percent** were small firms; they generated about a third (**33 percent**) of the nation's total known export value. (Source: ITA)

**Table 3: Number of United States 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.	762,825	718,555	3,163,966	3,926,791
Other services (except public admin.)	659,557	616,940	3,516,906	4,176,463
Retail trade	652,209	598,212	1,847,993	2,500,202
Construction	644,333	599,510	2,387,969	3,032,302
Health care & social assistance	629,467	550,718	1,968,099	2,597,566
Accommodation & food services	484,365	389,475	340,845	825,210
Admin., supp., waste mgt., remed. svcs.	317,658	283,544	1,985,237	2,302,895
Wholesale trade	306,332	265,735	403,292	709,624
Real estate & rental & leasing	261,884	249,850	2,345,766	2,607,650
Manufacturing	251,417	193,158	329,785	581,202
Finance & insurance	232,011	214,711	713,727	945,738
Transportation & warehousing	162,773	145,355	1,038,293	1,201,066
Arts, entertainment, & recreation	113,147	98,657	1,188,143	1,301,290
Educational services	79,442	62,568	578,148	657,590
Information	68,437	59,253	317,803	386,240
Mining	21,060	17,957	109,736	130,796
Forestry, etc. & agriculture support	20,548	19,321	237,942	258,490
Management of comp. & enterprises	19,644	4,839	0	19,644
Unclassified	17,243	17,223	0	17,243
Utilities	5,636	4,457	17,430	23,066
<b>Total</b>	<b>5,666,753</b>	<b>5,104,014</b>	<b>22,491,080</b>	<b>28,157,833</b>

**Table 4: Employment in the United States 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	8,401,826	18,059,112	47
Accommodation & food services	6,909,561	11,556,285	60
Retail trade	5,343,657	14,698,563	36
Manufacturing	4,973,355	10,984,361	45
Professional, scientific, & tech. svcs.	4,682,516	7,929,910	59
Other services (except public admin.)	4,433,726	5,181,801	86
Construction	4,343,304	5,190,921	84
Admin., supp., waste mgt., remed. svcs.	3,420,542	9,389,950	36
Wholesale trade	3,333,197	5,626,328	59
Finance & insurance	1,916,250	5,886,602	33
Transportation & warehousing	1,512,429	4,106,359	37
Educational services	1,435,565	3,386,047	42
Real estate & rental & leasing	1,313,211	1,917,640	68
Arts, entertainment, & recreation	1,260,447	2,003,129	63
Information	822,219	3,121,317	26
Management of comp. & enterprises	374,010	2,921,669	13
Mining	263,191	651,204	40
Forestry, etc. & agriculture support	131,591	156,520	84
Utilities	109,263	639,795	17
Unclassified	D	D	D
<b>Total</b>	<b>54,998,312</b>	<b>113,425,965</b>	<b>48</b>

Source, Tables 3 and 4: SUSB

See [www.sba.gov/advocacy/847/841921](http://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

<b>BEA</b>	Bureau of Economic Analysis, U.S. Department of Commerce, <a href="http://www.bea.gov">www.bea.gov</a> .
<b>BED</b>	Business Employment Dynamics, U.S. Department of Labor, Bureau of Labor Statistics, <a href="http://www.bls.gov/bdm">www.bls.gov/bdm</a> .
<b>BDS</b>	Business Dynamics Statistics, U.S. Census Bureau, <a href="http://www.census.gov/ces/dataproducts/bds">www.census.gov/ces/dataproducts/bds</a> .
<b>BLS</b>	Bureau of Labor Statistics, U.S. Department of Labor, <a href="http://www.bls.gov">www.bls.gov</a> .
<b>CPS</b>	Current Population Survey, U.S. Census Bureau, and U.S. Department of Labor, Bureau of Labor Statistics, <a href="http://www.census.gov/cps">www.census.gov/cps</a> .
<b>FDIC</b>	Federal Deposit Insurance Corporation, <a href="http://www.fdic.gov">www.fdic.gov</a> .
<b>FFIEC</b>	Federal Financial Institutions Examination Council, <a href="http://www.ffiec.gov">www.ffiec.gov</a> .
<b>ITA</b>	International Trade Administration, U.S. Department of Commerce, <a href="http://www.trade.gov">www.trade.gov</a> .
<b>SBO</b>	Survey of Business Owners, U.S. Census Bureau, <a href="http://www.census.gov/econ/sbo">www.census.gov/econ/sbo</a> .
<b>SUSB</b>	Statistics of U.S. Businesses, U.S. Census Bureau, <a href="http://www.census.gov/econ/susb">www.census.gov/econ/susb</a> .
<b>U.S. Courts</b>	Administrative Office of the U.S. Courts, <a href="http://www.uscourts.gov">www.uscourts.gov</a> .