

Connecticut

Connecticut's small businesses are key to the state's well-being. They account for a significant share of the state's economic production and hiring. This profile from the Office of Advocacy uses the latest available data to illustrate the status and contributions of Connecticut small businesses. (Note that a small business is defined as one with fewer than 500 employees.)

- Small businesses totaled 327,122 in the state in 2008. Of these, 73,779 were employers, and they accounted for 50.8% of private-sector jobs in the state (Table 1). Small firms made up 97.3% of the state's employers.
- Connecticut's real gross state product decreased by 0.4% and private-sector employment decreased by 4.8% in 2009. By comparison, real GDP in the United States grew 0.7% and private-sector employment declined by 5.5%.
- Business ownership is becoming more inclusive in the state. The number of both women and minority business owners has grown. In particular, minority-owned businesses numbered 39,854 in 2007, a 46.8% increase over 2002.
- The state's small business employment has undergone major shifts in recent years (Table 2).
- The state's businesses showed signs of stability and improvement in the fourth quarter of 2009 compared to the first quarter (Table 3).

For Further Information

- Data on all states and territories is 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.

Connecticut Small Business Facts

	2008*	2007	2000
Number of Businesses			
Small employers (<500 employees)	73,779	75,087	76,363
Large employers (500+ employees)	2,063	2,041	2,091
Nonemployers	253,343	260,305	217,323
	Level in 2007*	% Share in 2007	% Change 2002-2007
Business Owner Demographics			
Male-owned	190,063	57.2	4.8
Woman-owned	93,521	28.1	13.9
Equally male/female-owned	36,070	10.8	35.1
African American-owned	14,676	4.4	42.4
Asian-owned	11,115	3.3	55.0
Hispanic-owned	14,049	4.2	49.3
Native American/Alaskan-owned	1,627	0.5	34.7
Hawaiian/Pacific Islander-owned	117	0.0	-29.9
Veteran-owned	31,361	9.4	n.a.
	Level in 2009*	% Change from 2008 2000	
Workforce (Thousands) /Unemployment (%)			
Private-sector employment	1,369	-4.8	-6.3
Government employment	251	-1.6	15.0
Self-employed (incorp. & uninc.)	187	5.8	-1.8
Female self-employment	62	10.6	8.0
Male self-employment	125	3.6	-6.0
Minority self-employment	25	7.0	52.6
Veteran self-employment	19	21.7	-45.1
Unemployment rate (%)	8.2	2.6†	5.9†
Business Turnover			
Quarterly establishment openings	9,916	-8.7	-29.4
Quarterly establishment closings	12,690	5.6	-16.2
Business bankruptcies	467	19.1	236.0
	2009*	2008	2000
Income and Finance			
Proprietors' income (\$billion)	16.6	17.7	13.3
Number of bank branches	1,288	1,305	1,183
No. of bus. loans under \$100,000‡	64,022	135,885	49,998
Total value of business loans under \$100,000 (\$million)‡	678	1,393	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, 2008
(Nonfarm, Thousands)**

Industry	Nonemployer Firms	Employer Firms			Employment		
		Total	1-19 Employees	1-499 Employees	Total	1-19 Employees	1-499 Employees
Total	253.3	75.8	64.6	73.8	1,551.3	276.6	779.8
Forestry, etc. and agriculture support	1.2	0.1	0.1	0.1	0.4	0.3	0.4
Mining	0.1	0.1	0.0	0.0	0.9	0.2	0.5
Utilities	0.1	0.1	0.0	0.0	D	0.2	1.9
Construction	33.2	9.4	8.7	9.3	62.0	29.5	58.4
Manufacturing	3.7	4.6	3.2	4.4	178.2	18.4	91.4
Wholesale trade	4.5	4.0	3.0	3.7	78.4	13.4	43.7
Retail trade	19.6	9.4	8.1	9.1	192.6	35.5	78.8
Transportation and warehousing	6.8	1.4	1.0	1.3	44.1	4.5	15.1
Information	3.9	1.1	0.7	0.9	40.2	3.3	13.2
Finance and insurance	11.2	3.7	3.1	3.5	128.9	11.2	35.0
Real estate and rental and leasing	31.4	2.6	2.4	2.5	22.3	7.5	14.2
Professional, scientific, and technical svcs.	44.8	9.2	8.3	9.0	99.5	29.5	59.3
Management of companies and enterprises	--	0.5	0.1	0.3	38.0	0.3	5.1
Admin., support, waste mgt., remed. svcs.	18.7	5.0	4.2	4.8	103.8	14.6	45.0
Educational services	8.8	1.2	0.9	1.1	64.2	4.4	23.5
Health care and social assistance	21.1	7.6	6.2	7.4	259.6	33.9	133.1
Arts, entertainment, and recreation	14.9	1.6	1.3	1.5	24.4	5.4	20.7
Accommodation and food services	3.1	6.5	5.2	6.4	137.6	29.6	83.0
Other services (except public admin.)	26.1	8.8	8.1	8.7	66.0	34.8	57.3
Unclassified	--	0.1	0.1	0.1	D	D	D

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.)

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

Table 2: Net Job Change by Firm Size, 2004–2007 (Nonfarm)

	Total Net New Jobs	Employment Size of Firm						
		1-4	5-9	10-19	20-99	100-499	<500	500+
2004 - 2005	-8,533	8,309	883	-1,969	-1,725	1,600	7,098	-15,631
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	-52,025	8,503

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, 2009 (Nonfarm, Thousands)

	Establishments				Employment Change Due To:			
	Openings	Expansions	Contractions	Closings	Openings	Expansions	Contractions	Closings
Quarter 1	2.5	16.1	22.4	3.1	8.6	53.7	81.8	10.0
Quarter 2	2.4	17.2	21.4	3.2	8.7	63.2	77.1	9.1
Quarter 3	2.5	17.2	19.6	3.4	8.5	60.9	69.5	10.2
Quarter 4	2.6	17.4	19.5	3.0	8.9	61.6	69.3	8.0

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

Note: These figures contain all firm sizes; Census data from 2007 show that 86 percent of establishment births and deaths were in firms with fewer than 500 employees.