

## District of Columbia

The District of Columbia's small businesses are key to its overall 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 District of Columbia small businesses. (Note that a small business is defined as one with fewer than 500 employees.)

- Small businesses totaled 58,310 in the district in 2008. Of these, 15,627 were employers, and they accounted for 46.7% of private-sector jobs (Table 1). Small firms made up 92.7% of the district's employers.
- The District of Columbia's real gross product increased by 3% and private-sector employment decreased by 1.4% in 2009. By comparison, U.S. real GDP grew 0.7% and U.S. private-sector employment declined by 5.5%.
- Business ownership is becoming more inclusive in the district. The number of both women and minority business owners has grown. In particular, minority-owned businesses numbered 22,523 in 2007, a 33.9% increase over 2002.
- The district's small business employment has undergone major shifts in recent years (Table 2).
- The district'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](http://www.sba.gov/advocacy/848).
- For other small business data and analysis, visit [www.sba.gov/advocacy/847](http://www.sba.gov/advocacy/847), call (202) 205-6533, or email [advocacy@sba.gov](mailto:advocacy@sba.gov).
- Visit <http://web.sba.gov/list> to subscribe to Advocacy's Listservs.

### District of Columbia Small Business Facts

	2008*	2007	2000
<b>Number of Businesses</b>			
Small employers (<500 employees)	15,627	15,725	15,243
Large employers (500+ employees)	1,238	1,200	1,085
Nonemployers	42,683	42,428	32,941
	<b>Level in 2007*</b>	<b>% Share in 2007</b>	<b>% Change 2002-2007</b>
<b>Business Owner Demographics</b>			
Male-owned	27,657	49.4	12.4
Woman-owned	19,283	34.5	23
Equally male/female-owned	4,556	8.1	73.5
African American-owned	15,772	28.2	29.3
Asian-owned	3,288	5.9	36.4
Hispanic-owned	3,427	6.1	58.0
Native American/Alaskan-owned	507	0.9	130.5
Hawaiian/Pacific Islander-owned	26	0.0	-45.8
Veteran-owned	4,043	7.2	n.a.
	<b>Level in 2009*</b>	<b>% Change from 2008 2000</b>	
<b>Workforce (Thousands) /Unemployment (%)</b>			
Private-sector employment	446	-1.4	6.6
Government employment	232	1.3	7.8
Self-employed (incorp. & uninc.)	28	2.7	41.2
Female self-employment	10	8.4	21.2
Male self-employment	17	-0.5	57.1
Minority self-employment	13	16.2	61.4
Veteran self-employment	2	-20.4	-36.8
Unemployment rate (%)	10.2	3.6†	4.5†
<b>Business Turnover</b>			
Quarterly establishment openings	4,411	0.6	-11.8
Quarterly establishment closings	4,267	-10.7	-11.2
Business bankruptcies	106	125.5	82.8
	<b>2009*</b>	<b>2008</b>	<b>2000</b>
<b>Income and Finance</b>			
Proprietors' income (\$billion)	5.6	5.8	2.7
Number of bank branches	237	228	203
No. of bus. loans under \$100,000‡	9,717	21,409	2,890
Total value of business loans under \$100,000 (\$million)‡	110	231	30

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 District of Columbia 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	42.7	16.9	12.5	15.6	466.1	55.7	218.3
Forestry, etc. and agriculture support	0.0	0.0	0.0	0.0	D	D	D
Mining	0.0	0.0	0.0	0.0	D	D	D
Utilities	0.0	0.0	0.0	0.0	D	0.0	0.0
Construction	1.7	0.4	0.3	0.4	7.0	1.4	5.7
Manufacturing	0.2	0.1	0.1	0.1	2.0	0.5	1.4
Wholesale trade	0.3	0.3	0.2	0.3	5.2	1.0	2.4
Retail trade	1.7	1.5	1.2	1.3	20.1	4.7	8.1
Transportation and warehousing	1.9	0.1	0.1	0.1	3.2	0.3	1.3
Information	1.5	0.5	0.3	0.4	23.2	1.1	5.8
Finance and insurance	1.0	0.6	0.3	0.4	17.2	1.3	4.6
Real estate and rental and leasing	4.4	0.7	0.6	0.7	10.0	2.1	6.4
Professional, scientific, and technical svcs.	12.8	4.1	3.1	3.8	89.4	12.0	38.4
Management of companies and enterprises	--	0.2	0.0	0.1	7.9	D	1.3
Admin., support, waste mgt., remed. svcs.	2.8	0.8	0.5	0.7	38.0	1.9	17.4
Educational services	2.2	0.5	0.3	0.5	46.9	1.7	13.3
Health care and social assistance	3.4	1.7	1.4	1.7	61.2	6.4	25.3
Arts, entertainment, and recreation	3.8	0.3	0.2	0.2	7.6	0.8	3.9
Accommodation and food services	0.7	1.6	1.2	1.6	54.1	6.3	27.1
Other services (except public admin.)	4.3	3.6	2.8	3.5	71.2	14.2	55.9
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](http://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	3,266	2,316	796	710	2,052	465	6,339	-3,073
2005 - 2006	6,510	2,346	1,431	1,055	5,807	2,155	12,794	-6,284
2006 - 2007	14,248	2,368	775	1,677	357	3,378	5,693	8,555

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

**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	1.1	4.2	4.8	1.1	4.4	21.4	23.0	5.0
Quarter 2	1.0	4.2	4.8	1.0	4.2	20.4	21.7	4.2
Quarter 3	1.1	4.2	4.7	1.1	4.1	18.5	23.3	4.1
Quarter 4	1.2	4.5	4.4	1.1	5.1	21.2	20.6	3.0

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