

Montana

Montana'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 Montana small businesses. (Note that a small business is defined as one with fewer than 500 employees.)

- Small businesses totaled 113,788 in the state in 2008. Of these, 31,789 were employers, and they accounted for 69.3% of private-sector jobs in the state (Table 1). Small firms made up 97.6% of the state's employers.
- Montana's real gross state product increased by 1.8% and private-sector employment decreased by 5% 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 4,292 in 2007, a 21.7% 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.

Montana Small Business Facts

	2008*	2007	2000
Number of Businesses			
Small employers (<500 employees)	31,789	32,285	27,361
Large employers (500+ employees)	781	751	635
Nonemployers	81,999	83,999	70,243
	Level in 2007*	% Share in 2007	% Change 2002-2007
Business Owner Demographics			
Male-owned	52,607	45.9	-1.2
Woman-owned	28,127	24.6	14.7
Equally male/female-owned	29,170	25.5	58.1
African American-owned	231	0.2	5.0
Asian-owned	651	0.6	27.4
Hispanic-owned	1,131	1.0	17.3
Native American/Alaskan-owned	2,344	2.0	17.8
Hawaiian/Pacific Islander-owned	n.a.	n.a.	n.a.
Veteran-owned	12,177	10.6	n.a.
	Level in 2009*	% Change from 2008 2000	
Workforce (Thousands) /Unemployment (%)			
Private-sector employment	339	-5.0	10.6
Government employment	81	2.2	13.9
Self-employed (incorp. & uninc.)	84	-11.9	-2.7
Female self-employment	26	-12.0	-13.8
Male self-employment	57	-11.8	3.5
Minority self-employment	4	19.7	7.4
Veteran self-employment	10	-16.8	-36.1
Unemployment rate (%)	6.2	1.6†	1.4†
Business Turnover			
Quarterly establishment openings	8,251	1.6	3.8
Quarterly establishment closings	9,245	8.3	28.7
Business bankruptcies	150	70.5	6.4
	2009*	2008	2000
Income and Finance			
Proprietors' income (\$billion)	3.1	3.5	2.1
Number of bank branches	389	387	344
No. of bus. loans under \$100,000‡	24,354	48,182	10,539
Total value of business loans under \$100,000 (\$million)‡	313	532	165

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 Montana 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	82.0	32.6	29.0	31.8	359.8	110.9	246.5
Forestry, etc. and agriculture support	2.9	0.4	0.4	0.4	1.6	0.9	1.5
Mining	0.7	0.3	0.2	0.3	6.8	0.9	3.0
Utilities	0.1	0.1	0.1	0.1	2.9	0.2	1.0
Construction	13.1	5.9	5.7	5.9	29.4	17.5	26.8
Manufacturing	2.0	1.3	1.0	1.2	20.2	4.9	13.6
Wholesale trade	1.2	1.2	0.8	1.0	14.6	3.5	10.2
Retail trade	8.4	4.0	3.4	3.8	60.4	16.6	33.4
Transportation and warehousing	2.9	1.1	1.0	1.1	12.2	3.1	7.7
Information	1.0	0.4	0.3	0.4	9.1	1.3	4.5
Finance and insurance	2.4	1.3	1.1	1.2	17.4	3.5	9.1
Real estate and rental and leasing	8.6	1.7	1.6	1.6	6.2	3.6	5.0
Professional, scientific, and technical svcs.	10.2	3.4	3.1	3.3	18.2	9.5	16.1
Management of companies and enterprises	--	0.1	0.0	0.1	2.4	0.0	0.8
Admin., support, waste mgt., remed. svcs.	5.0	1.6	1.4	1.5	19.7	4.6	9.6
Educational services	1.5	0.3	0.3	0.3	5.5	1.1	4.5
Health care and social assistance	5.5	2.8	2.4	2.7	60.7	10.9	35.5
Arts, entertainment, and recreation	4.5	1.0	0.9	1.0	10.0	3.8	8.7
Accommodation and food services	1.2	3.0	2.4	3.0	47.2	14.1	40.8
Other services (except public admin.)	11.0	2.9	2.8	2.9	15.2	10.8	14.5
Unclassified	--	0.0	0.0	0.0	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	11,844	5,114	1,160	-29	-675	772	6,342	5,502
2005 - 2006	14,863	6,334	1,557	821	1,885	426	11,023	3,840
2006 - 2007	9,983	6,222	754	290	101	-49	2,665	7,318

Source: U.S. Dept. of Commerce, Bureau of the Census. (For more detailed data see 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	1.8	6.5	8.6	2.8	5.1	18.9	28.1	7.6
Quarter 2	2.0	7.0	8.0	2.3	6.2	21.2	23.3	5.9
Quarter 3	2.0	7.0	7.5	1.9	5.4	19.9	22.5	5.0
Quarter 4	2.4	6.9	7.8	2.2	6.1	22.0	23.4	5.7

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.