

North Dakota

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

- Small businesses totaled 63,267 in the state in 2008. Of these, 17,215 were employers, and they accounted for 59.5% of private-sector jobs in the state (Table 1). Small firms made up 96.1% of the state's employers.
- North Dakota's real gross state product increased by 7.3% and private-sector employment decreased by 0.8% 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 1,799 in 2007, a 26.9% 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.

North Dakota Small Business Facts

	2008*	2007	2000
Number of Businesses			
Small employers (<500 employees)	17,215	17,206	16,593
Large employers (500+ employees)	707	675	570
Nonemployers	46,052	46,156	39,624
	Level in 2007*	% Share in 2007	% Change 2002-2007
Business Owner Demographics			
Male-owned	28,366	46.0	-8.7
Woman-owned	15,246	24.7	15.5
Equally male/female-owned	14,733	23.9	62.4
African American-owned	163	0.3	109
Asian-owned	421	0.7	52.0
Hispanic-owned	286	0.5	24.3
Native American/Alaskan-owned	1,007	1.6	18.2
Hawaiian/Pacific Islander-owned	25	0.0	1150.0
Veteran-owned	6,161	10.0	n.a.
	Level in 2009*	% Change from 2008 2000	
Workforce (Thousands) /Unemployment (%)			
Private-sector employment	284	-0.8	11.7
Government employment	64	2.3	19.4
Self-employed (incorp. & uninc.)	46	-17.3	-11.2
Female self-employment	13	-24.3	-16.2
Male self-employment	33	-14.0	-9.0
Minority self-employment	2	-28.3	257.8
Veteran self-employment	6	0.2	1.4
Unemployment rate (%)	4.3	1.1†	1.4†
Business Turnover			
Quarterly establishment openings	3,766	-3.2	15.7
Quarterly establishment closings	3,701	2.8	7.3
Business bankruptcies	65	-1.5	-29.3
	2009*	2008	2000
Income and Finance			
Proprietors' income (\$billion)	3.5	4.4	2.0
Number of bank branches	445	445	410
No. of bus. loans under \$100,000‡	14,798	19,926	4,225
Total value of business loans under \$100,000 (\$million)‡	227	274	131
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 North Dakota 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	46.1	17.9	15.0	17.2	304.9	62.7	179.0
Forestry, etc. and agriculture support	1.2	0.1	0.1	0.1	0.4	0.3	D
Mining	0.6	0.2	0.1	0.2	6.2	0.6	2.1
Utilities	0.0	0.0	0.0	0.0	D	0.1	1.1
Construction	5.0	2.5	2.3	2.4	17.9	8.1	16.1
Manufacturing	0.6	0.7	0.5	0.6	27.8	2.5	13.4
Wholesale trade	0.7	1.1	0.7	1.0	18.8	3.6	12.0
Retail trade	5.6	2.5	2.0	2.3	45.0	10.4	24.6
Transportation and warehousing	2.4	1.0	0.8	0.9	11.5	2.6	6.9
Information	0.4	0.2	0.2	0.2	7.7	0.9	3.6
Finance and insurance	2.3	1.0	0.9	1.0	19.2	2.8	8.2
Real estate and rental and leasing	4.0	0.7	0.6	0.7	3.8	1.7	3.2
Professional, scientific, and technical svcs.	4.7	1.4	1.3	1.4	11.1	4.4	7.8
Management of companies and enterprises	--	0.1	0.0	0.1	12.6	D	0.7
Admin., support, waste mgt., remed. svcs.	2.8	0.8	0.7	0.8	12.5	2.5	7.1
Educational services	1.1	0.1	0.1	0.1	4.7	0.4	3.6
Health care and social assistance	5.6	1.4	1.2	1.4	51.9	5.9	25.1
Arts, entertainment, and recreation	2.0	0.4	0.3	0.4	4.8	1.2	4.7
Accommodation and food services	0.6	1.6	1.2	1.6	32.2	6.8	26.1
Other services (except public admin.)	6.5	2.3	2.1	2.3	13.3	8.1	12.4
Unclassified	--	0.0	0.0	0.0	0.0	0.0	0.0

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	4,762	2,584	368	583	909	1,385	5,829	-1,067
2005 - 2006	8,156	2,191	152	697	597	1,708	5,345	2,811
2006 - 2007	14,251	2,509	531	36	-527	644	11,058	3,193

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	0.8	4.5	5.1	1.1	2.8	13.9	18.5	3.3
Quarter 2	0.9	4.8	4.8	0.8	3.2	16.3	17.0	2.6
Quarter 3	0.9	4.7	4.8	0.9	4.1	16.1	15.7	2.4
Quarter 4	1.1	4.7	4.9	0.9	3.4	16.5	16.7	2.5

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.