

Washington

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

- Small businesses totaled 548,896 in the state in 2008. Of these, 148,178 were employers, and they accounted for 54.6% of private-sector jobs in the state (Table 1). Small firms made up 98.1% of the state's employers.
- Washington's real gross state product increased by 2% and private-sector employment decreased by 4.9% 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 71,589 in 2007, a 45.3% 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.

Washington Small Business Facts

	2008*	2007	2000
Number of Businesses			
Small employers (<500 employees)	148,178	150,830	135,598
Large employers (500+ employees)	2,813	2,737	2,630
Nonemployers	400,718	412,651	326,397
	Level in 2007*	% Share in 2007	% Change 2002-2007
Business Owner Demographics			
Male-owned	239,105	43.3	0.4
Woman-owned	158,093	28.7	15.1
Equally male/female-owned	134,107	24.3	78.1
African American-owned	n.a.	n.a.	n.a.
Asian-owned	37,402	6.8	39.1
Hispanic-owned	17,809	3.2	73.6
Native American/Alaskan-owned	6,579	1.2	14.8
Hawaiian/Pacific Islander-owned	1,236	0.2	69.8
Veteran-owned	48,156	8.7	n.a.
	Level in 2009*	% Change from 2008 2000	
Workforce (Thousands) /Unemployment (%)			
Private-sector employment	2,311	-4.9	2.8
Government employment	521	0.8	14.4
Self-employed (incorp. & uninc.)	386	-1.5	28.2
Female self-employment	144	-12.3	-0.4
Male self-employment	242	6.2	54.4
Minority self-employment	66	24.5	140.0
Veteran self-employment	49	-17.4	6.7
Unemployment rate (%)	8.9	3.5†	3.9†
Business Turnover			
Quarterly establishment openings	29,901	-6.1	-25.0
Quarterly establishment closings	33,640	-2.2	-18.2
Business bankruptcies	1,158	62.2	61.5
	2009*	2008	2000
Income and Finance			
Proprietors' income (\$billion)	21.6	23.5	14.1
Number of bank branches	1,924	1,925	1,691
No. of bus. loans under \$100,000‡	114,989	251,071	75,057
Total value of business loans under \$100,000 (\$million)‡	1,531	2,931	915

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 Washington 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	400.7	151.0	132.4	148.2	2,536.6	533.2	1,370.4
Forestry, etc. and agriculture support	7.7	1.5	1.3	1.5	14.2	3.8	10.4
Mining	0.2	0.2	0.1	0.1	3.3	0.6	2.0
Utilities	0.4	0.2	0.2	0.2	7.5	0.6	1.2
Construction	35.1	24.8	22.9	24.7	198.6	82.0	171.4
Manufacturing	8.2	7.2	5.3	6.8	253.1	27.5	122.1
Wholesale trade	7.6	8.0	6.1	7.5	138.0	25.3	82.8
Retail trade	37.0	15.3	13.1	14.9	332.0	60.8	143.6
Transportation and warehousing	16.5	4.3	3.4	4.0	89.6	12.8	36.7
Information	6.5	2.0	1.5	1.8	117.7	6.3	24.9
Finance and insurance	12.6	5.6	4.9	5.3	112.1	14.6	41.6
Real estate and rental and leasing	47.9	8.0	7.5	7.9	52.1	20.2	36.9
Professional, scientific, and technical svcs.	72.4	18.7	17.0	18.4	163.8	53.5	110.5
Management of companies and enterprises	--	0.7	0.1	0.5	62.0	0.4	8.2
Admin., support, waste mgt., remed. svcs.	27.8	8.2	7.2	7.9	173.2	26.9	71.7
Educational services	12.5	2.2	1.7	2.1	49.8	7.9	28.0
Health care and social assistance	31.8	15.5	13.6	15.3	353.4	63.6	179.6
Arts, entertainment, and recreation	24.4	2.5	2.1	2.5	60.3	8.3	41.0
Accommodation and food services	4.7	12.8	10.5	12.7	244.1	61.8	159.9
Other services (except public admin.)	47.4	14.9	13.7	14.7	111.5	55.9	97.5
Unclassified	--	0.3	0.3	0.3	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	45,826	25,048	6,923	2,677	2,962	5,665	43,275	2,551
2005 - 2006	105,310	28,436	8,846	9,045	19,193	12,810	78,330	26,980
2006 - 2007	80,706	29,239	6,176	2,879	4,609	875	36,928	43,778

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	7.7	33.2	41.5	8.9	25.9	125.5	172.7	30.0
Quarter 2	7.2	33.6	38.7	8.3	25.2	133.2	159.4	31.6
Quarter 3	7.4	33.6	36.1	8.6	24.2	134.4	142.6	28.1
Quarter 4	7.6	33.3	36.0	7.9	25.4	125.5	151.9	28.7

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.