

Montana

Small businesses totaled 109,657 in Montana in 2009. They represent 97.5 percent of all employers and employ 68.2 percent of the private-sector workforce. Being such a large part of the state's economy, these businesses are central to Montana's health and well-being.

This profile uses the latest available data to illustrate the status of Montana's small businesses. (Note that a small business is defined as one with fewer than 500 employees.)

- Montana's economy was mixed in 2010, with real gross state product increasing 0.2 percent and private-sector employment decreasing 0.8 percent (Bureau of Economic Analysis, Bureau of Labor Statistics).
- Most of Montana's small businesses are very small as 71.3 percent of all businesses did not have employees and most employers have fewer than 20 employees.
- Small businesses employed 232,640 workers in 2009 (Table 1) with most of the employment coming from firms with 20-499 employees.
- While the employment situation in 2008-2009 was weak (Table 2), small businesses in Montana represented 73.9 percent of the net new private-sector jobs from 2005-2008.
- Self-employment in Montana surged over the last decade. Minority self-employment fared the best compared with other demographic groups during the decade.*
- Throughout 2010, the number of opening establishments was higher than closing establishments and the net employment change from this turnover was positive (Table 3).

For Further Information

- Data on all states and territories are 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.

* Because of the relatively low number of veterans in the survey data source, the veteran self-employment figure is susceptible to large fluctuations.

Montana Small Business Facts

	2009*	2008	2000
Number of Businesses			
Small employers (<500 employees)	30,882	31,789	27,361
Large employers (500+ employees)	788	781	635
Nonemployers	78,775	81,999	70,243
Level in 2007* (000)			
	Firms	Employment	Receipts(\$)
Business Owner Demographics			
Male-owned	53	137	22,672
Woman-owned	28	28	2,879
Equally male/female-owned	29	41	5,109
African American-owned	0	0	20
Asian-owned	1	2	130
Hispanic-owned	1	2	139
Native American/Alaskan-owned	2	--	--
Hawaiian/Pacific Islander-owned	--	--	--
Veteran-owned	20	31	4,913
Publicly held, unclassified	5	137	36,278
	Level in 2010*	% Change from 2009 2000	
Workforce (Thousands)			
Private-sector employment	338	-0.8	9.9
Government employment	91	1.4	8.2
Self-employed (incorp. & uninc.)	87	13.7	12.9
Female self-employment	26	-5.6	-9.4
Male self-employment	60	24.9	26.5
Minority self-employment	3	-40.3	37.6
Veteran self-employment	13	91.6	36.7
Unemployment Rate (Percent)	7.2	0.9†	2.4‡
Business Turnover			
Quarterly establishment openings	8,391	1.2	5.0
Quarterly establishment closings	8,373	-9.4	15.7
Business bankruptcies	162	8.0	14.9
	2010*	2009	2000
Income and Finance			
Proprietors' income (\$billion)	3.3	2.8	2.5
Number of bank branches	392	389	344
No. of bus. loans under \$100,000‡	18,238	24,354	10,539
Total value of business loans under \$100,000 (\$million)‡	282	313	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, 2009
(Nonfarm, Thousands)**

Industry	Nonemployer Firms	Employer Firms			Employment		
		Total	1-19 Employees	1-499 Employees	Total	1-19 Employees	1-499 Employees
Total	78.8	31.7	28.3	30.9	341.4	105.0	232.6
Forestry, etc. and agriculture support	2.7	0.4	0.4	0.4	1.1	0.7	1.1
Mining	0.6	0.3	0.2	0.3	6.0	0.8	2.6
Utilities	0.1	0.1	0.0	0.1	2.9	0.2	1.0
Construction	12.4	5.4	5.2	5.4	22.6	13.7	21.4
Manufacturing	1.9	1.2	1.0	1.1	17.2	4.4	11.5
Wholesale trade	1.1	1.2	0.8	1.0	14.0	3.4	9.9
Retail trade	8.0	3.9	3.3	3.7	57.0	15.7	30.9
Transportation and warehousing	2.7	1.1	1.0	1.1	11.0	3.0	7.0
Information	0.9	0.4	0.3	0.3	9.4	1.3	4.9
Finance and insurance	2.2	1.3	1.1	1.2	18.2	3.4	8.8
Real estate and rental and leasing	7.8	1.6	1.5	1.6	5.9	3.3	4.8
Professional, scientific, and technical svcs.	10.1	3.4	3.1	3.3	17.2	9.5	15.1
Management of companies and enterprises	--	0.1	0.0	0.1	2.6	D	0.9
Admin., support, waste mgt., remed. svcs.	4.9	1.6	1.4	1.5	19.0	4.5	10.0
Educational services	1.5	0.3	0.3	0.3	5.2	1.1	4.9
Health care and social assistance	5.5	2.8	2.5	2.8	61.8	11.1	36.3
Arts, entertainment, and recreation	4.3	1.0	0.9	1.0	10.1	3.7	8.9
Accommodation and food services	1.3	3.0	2.4	3.0	45.0	14.5	38.2
Other services (except public admin.)	11.0	2.9	2.7	2.9	15.0	10.6	14.4
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, 2005–2009 (Nonfarm)

	Total Net New Jobs	Employment Size of Firm						
		1-4	5-9	10-19	20-99	100-499	<500	500+
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	7,318	2,665
2007 - 2008	5,897	4,451	-902	-1,217	-131	2,176	4,377	1,520
2008 - 2009	-18,342	922	-2,660	-3,899	-5,195	-4,278	-15,110	-3,232

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, 2010 (Nonfarm, Thousands)

	Establishments				Employment			
	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Quarter 1	Quarter 2	Quarter 3	Quarter 4
Openings	1.9	2.0	1.9	2.5	5.3	5.9	5.5	6.1
Expansions	6.8	7.1	7.2	7.2	20.6	20.9	21.6	21.6
Contractions	7.5	7.4	7.2	7.4	21.5	20.9	19.9	22.0
Closings	2.5	1.9	1.9	2.1	6.2	5.6	4.9	5.5

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

Note: These figures contain all firm sizes; Census data from 2009 show that 85 percent of establishment births and deaths were in firms with fewer than 500 employees.