

Montana

Small businesses significantly impact Montana's economy. They represent 97.5 percent of all employers and employ 68.4 percent of the private-sector labor force. Small businesses are crucial to the fiscal condition of the state and numbered 114,214 in 2010.

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 strong in 2011, with real gross state product increasing 4.0 percent and private-sector employment increasing 1.0 percent (Bureau of Economic Analysis, Bureau of Labor Statistics).
- Small businesses employed 231,554 workers in 2010 (Table 1) with most of the employment coming from firms with 20-499 employees.
- The employment situation from 2007-2010 was up, and small businesses in Montana represented 12.6 percent of the net new private-sector jobs (Table 2). The unemployment rate in 2010-2011 decreased by 0.1 percent.
- Most of Montana's small businesses are very small as 72.7 percent of all businesses have no employees, and most employers have fewer than 20 employees.
- In 2011, the number of opening establishments was higher than closing establishments, and the net employment change from this turnover was positive (Table 3).
- Self-employment in Montana improved over the last decade. Minority self-employment fared the best compared with other demographic groups.

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 www.sba.gov/updates to subscribe to Advocacy's Listservs.

Montana Small Business Facts

	2010*	2009	2000
Number of Businesses			
Small employers (<500 employees)	30,563	30,882	27,361
Large employers (500+ employees)	795	788	635
Nonemployers	83,651	82,866	70,243
Level in 2007* (000)			
	Firms		Employment Receipts(\$M)
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	n.a.	n.a.
Hawaiian/Pacific Islander-owned	-	-	-
Veteran-owned	20	31	4,913
Publicly held, unclassified	5	137	36,278
	Level in 2011*	% Change from	
		2010	2000
Workforce (Thousands)			
Private-sector employment	339	1.0	10.5
Government employment	88	-4.0	5.0
Self-employed (incorp. & uninc.)	83	3.0	7.5
Female self-employment	30	2.2	3.3
Male self-employment	52	3.4	10.0
Minority self-employment	4	-23.3	49.2
Veteran self-employment	10	-5.6	7.8
Unemployment Rate (Percent)	6.8	-0.1†	2‡
Business Turnover			
Quarterly establishment openings	8,522	1.6	6.6
Quarterly establishment closings	8,136	-2.8	12.5
Business bankruptcies	115	-29.0	-18.4
	2011*	2010	2000
Income and Finance			
Proprietors' income (\$billion)	3.6	3.3	2.5
Number of bank branches	392	392	344
No. of bus. loans under \$100,000‡	15,383	18,238	10,539
Total value of business loans under \$100,000 (\$million)‡	281	282	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, 2010
(Nonfarm, Thousands)**

Industry	Nonemployer Firms	Employer Firms			Employment		
		All Firms Total	1-19 Employees	1-499 Employees	All Firms Total	1-19 Employees	1-499 Employees
Total	83.7	31.4	28.0	30.6	338.4	105.5	231.6
Forestry, etc. and agriculture support	2.8	0.4	0.4	0.4	1.1	0.8	1.1
Mining	0.7	0.3	0.3	0.3	6.0	0.9	2.7
Utilities	0.1	0.1	0.1	0.1	3.0	0.2	1.1
Construction	12.4	5.1	4.9	5.1	22.0	13.5	20.6
Manufacturing	1.9	1.2	1.0	1.1	15.8	4.4	11.1
Wholesale trade	1.2	1.2	0.8	1.0	13.8	3.4	9.6
Retail trade	8.2	3.8	3.3	3.7	55.9	15.5	30.3
Transportation and warehousing	2.8	1.1	1.0	1.1	11.1	3.0	7.0
Information	1.0	0.4	0.3	0.3	9.2	1.4	4.9
Finance and insurance	2.3	1.3	1.1	1.2	16.3	3.2	8.7
Real estate and rental and leasing	10.5	1.5	1.5	1.5	5.6	3.3	4.6
Professional, scientific, and technical svcs.	10.4	3.4	3.1	3.3	17.1	9.4	15.0
Management of companies and enterprises	0.0	0.1	0.0	0.1	2.7	D	0.9
Admin., support, waste mgt., remed. svcs.	5.0	1.6	1.4	1.5	18.9	4.6	9.9
Educational services	1.5	0.3	0.3	0.3	5.6	1.1	4.5
Health care and social assistance	5.7	2.8	2.5	2.8	64.5	11.3	38.3
Arts, entertainment, and recreation	4.4	1.0	0.9	1.0	10.0	3.9	8.6
Accommodation and food services	1.4	3.0	2.4	3.0	44.6	14.8	38.5
Other services (except public admin.)	11.3	3.0	2.8	2.9	15.1	10.6	14.4
Unclassified	0.0	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 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, 2007–2010 (Nonfarm)

	Total Net New Jobs	Employment Size of Firm						
		1-4	5-9	10-19	20-99	100-499	<500	500+
2010	190	3,844	16	119	-2,279	1,088	2,788	-2,598
2009	-18,295	781	-2,754	-3,968	-4,917	-3,997	-14,855	-3,440
2008	6,790	4,397	-843	-1,139	94	1,159	3,668	3,122
2007	14,190	5,913	1,015	508	696	629	8,761	5,429

Note: Data source differs from previous publications.

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

Table 3: Establishment and Employment Turnover by Quarter, 2011 (Nonfarm, Thousands)

	Establishments				Employment			
	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Quarter 1	Quarter 2	Quarter 3	Quarter 4
Openings	1.9	2.1	2.0	2.5	4.6	6.0	5.7	6.8
Expansions	7.1	7.3	7.6	7.4	20.2	21.6	22.8	22.1
Contractions	7.3	7.2	7.0	7.4	19.0	20.7	19.4	21.1
Closings	2.4	1.9	1.8	2.0	5.6	4.8	4.7	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 2010 show that 87 percent of establishment births and deaths were in firms with fewer than 500 employees.