Nebraska Small Business Profile

Nebraska

Small businesses totaled 158,052 in Nebraska in 2009. They represent 96.6 percent of all employers and employ 51 percent of the private-sector workforce. Being such a large part of the state’s economy, these businesses are central to Nebraska’s health and well-being.

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

- Nebraska’s economy was mixed in 2010, with real gross state product increasing 0.4 percent and private-sector employment decreasing 0.8 percent (Bureau of Economic Analysis, Bureau of Labor Statistics).
- Most of Nebraska’s small businesses are very small as 73.7 percent of all businesses did not have employees and most employers have fewer than 20 employees.
- Small businesses employed 397,385 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 Nebraska represented 52 percent of the net new private-sector jobs from 2005-2008.
- Self-employment in Nebraska declined 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.

Nebraska Small Business Facts

<table>
<thead>
<tr>
<th></th>
<th>2009*</th>
<th>2008</th>
<th>2000</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Number of Businesses</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Small employers (&lt;500 employees)</td>
<td>40,456</td>
<td>40,885</td>
<td>40,101</td>
</tr>
<tr>
<td>Large employers (500+ employees)</td>
<td>1,405</td>
<td>1,417</td>
<td>1,312</td>
</tr>
<tr>
<td>Nonemployers</td>
<td>117,596</td>
<td>120,019</td>
<td>103,272</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>Level in 2007* (000)</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Business Owner Demographics</strong></td>
<td>Firms</td>
<td>Employment</td>
<td>Receipts/$M</td>
</tr>
<tr>
<td>Male-owned</td>
<td>71</td>
<td>274</td>
<td>52,380</td>
</tr>
<tr>
<td>Woman-owned</td>
<td>41</td>
<td>47</td>
<td>5,782</td>
</tr>
<tr>
<td>Equally male/female-owned</td>
<td>40</td>
<td>72</td>
<td>8,493</td>
</tr>
<tr>
<td>African American-owned</td>
<td>3</td>
<td>1</td>
<td>130</td>
</tr>
<tr>
<td>Asian-owned</td>
<td>2</td>
<td>5</td>
<td>430</td>
</tr>
<tr>
<td>Hispanic-owned</td>
<td>3</td>
<td>3</td>
<td>711</td>
</tr>
<tr>
<td>Native American/Alaskan-owned</td>
<td>1</td>
<td>0</td>
<td>39</td>
</tr>
<tr>
<td>Hawaiian/Pacific Islander-owned</td>
<td>0</td>
<td>--</td>
<td>--</td>
</tr>
<tr>
<td>Veteran-owned</td>
<td>27</td>
<td>56</td>
<td>10,408</td>
</tr>
<tr>
<td>Publicly held, unclassified</td>
<td>7</td>
<td>374</td>
<td>119,128</td>
</tr>
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<table>
<thead>
<tr>
<th></th>
<th>Level in 2010*</th>
<th>% Change from 2009</th>
<th>2000</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Workforce (Thousands)</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Private-sector employment</td>
<td>770</td>
<td>-0.8</td>
<td>1.8</td>
</tr>
<tr>
<td>Government employment</td>
<td>169</td>
<td>0.3</td>
<td>9.5</td>
</tr>
<tr>
<td>Self-employed (incorp. &amp; uninc.)</td>
<td>121</td>
<td>2.3</td>
<td>-10.2</td>
</tr>
<tr>
<td>Female self-employment</td>
<td>45</td>
<td>14.2</td>
<td>12.7</td>
</tr>
<tr>
<td>Male self-employment</td>
<td>76</td>
<td>-3.6</td>
<td>-20.0</td>
</tr>
<tr>
<td>Minority self-employment</td>
<td>8</td>
<td>14.6</td>
<td>118.9</td>
</tr>
<tr>
<td>Veteran self-employment</td>
<td>13</td>
<td>-10.0</td>
<td>-50.6</td>
</tr>
<tr>
<td><strong>Unemployment Rate (Percent)</strong></td>
<td>4.7</td>
<td>-0.1†</td>
<td>1.9†</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>Level in 2010*</th>
<th>% Change from 2009</th>
<th>2000</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Business Turnover</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Quarterly establishment openings</td>
<td>8,651</td>
<td>4.1</td>
<td>13.8</td>
</tr>
<tr>
<td>Quarterly establishment closings</td>
<td>8,398</td>
<td>-2.7</td>
<td>17.0</td>
</tr>
<tr>
<td>Business bankruptcies</td>
<td>315</td>
<td>-0.9</td>
<td>173.9</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>2009</th>
<th>2000</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Income and Finance</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Proprietors’ income ($billion)</td>
<td>8.7</td>
<td>7.8</td>
</tr>
<tr>
<td>Number of bank branches</td>
<td>1,092</td>
<td>1,089</td>
</tr>
<tr>
<td>No. of bus. loans under $100,000‡</td>
<td>98,027</td>
<td>36,478</td>
</tr>
<tr>
<td>Total value of business loans under $100,000 (Smillion)‡</td>
<td>1,522</td>
<td>515</td>
</tr>
</tbody>
</table>


* Latest available data. †Percentage point change. ‡Data are for CRA loans.
### Table 1: Firms and Employment in Nebraska by Industry and Firm Size, 2009 (Nonfarm, Thousands)

<table>
<thead>
<tr>
<th>Industry</th>
<th>Nonemployer Firms</th>
<th>Employer Firms</th>
<th>Employment</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1-19</td>
<td>1-499</td>
<td>Total</td>
</tr>
<tr>
<td></td>
<td>Total Employees</td>
<td>Employees</td>
<td>Total</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Nonemployer</td>
<td>1-19</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Firms</td>
<td>Total</td>
</tr>
<tr>
<td>Total</td>
<td>117.6</td>
<td>41.9</td>
<td>35.7</td>
</tr>
<tr>
<td>Forestry, etc. and agriculture support</td>
<td>2.7</td>
<td>0.2</td>
<td>0.1</td>
</tr>
<tr>
<td>Mining</td>
<td>0.1</td>
<td>0.1</td>
<td>0.1</td>
</tr>
<tr>
<td>Utilities</td>
<td>0.1</td>
<td>0.0</td>
<td>0.0</td>
</tr>
<tr>
<td>Construction</td>
<td>14.8</td>
<td>5.8</td>
<td>5.4</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>1.4</td>
<td>1.7</td>
<td>1.1</td>
</tr>
<tr>
<td>Wholesale trade</td>
<td>1.7</td>
<td>2.3</td>
<td>1.5</td>
</tr>
<tr>
<td>Retail trade</td>
<td>13.0</td>
<td>5.1</td>
<td>4.2</td>
</tr>
<tr>
<td>Transportation and warehousing</td>
<td>5.8</td>
<td>2.1</td>
<td>1.8</td>
</tr>
<tr>
<td>Information</td>
<td>1.3</td>
<td>0.6</td>
<td>0.4</td>
</tr>
<tr>
<td>Finance and insurance</td>
<td>5.4</td>
<td>2.5</td>
<td>2.2</td>
</tr>
<tr>
<td>Real estate and rental and leasing</td>
<td>9.4</td>
<td>1.7</td>
<td>1.5</td>
</tr>
<tr>
<td>Professional, scientific, and technical svcs.</td>
<td>12.0</td>
<td>4.0</td>
<td>3.6</td>
</tr>
<tr>
<td>Management of companies and enterprises</td>
<td>--</td>
<td>0.3</td>
<td>0.0</td>
</tr>
<tr>
<td>Admin., support, waste mgt., remed. svcs.</td>
<td>8.9</td>
<td>2.3</td>
<td>2.0</td>
</tr>
<tr>
<td>Educational services</td>
<td>2.8</td>
<td>0.5</td>
<td>0.3</td>
</tr>
<tr>
<td>Health care and social assistance</td>
<td>13.2</td>
<td>4.0</td>
<td>3.3</td>
</tr>
<tr>
<td>Arts, entertainment, and recreation</td>
<td>5.4</td>
<td>0.8</td>
<td>0.7</td>
</tr>
<tr>
<td>Accommodation and food services</td>
<td>1.5</td>
<td>3.3</td>
<td>2.5</td>
</tr>
<tr>
<td>Other services (except public admin.)</td>
<td>18.2</td>
<td>5.3</td>
<td>4.9</td>
</tr>
<tr>
<td>Unclassified</td>
<td>--</td>
<td>0.1</td>
<td>0.1</td>
</tr>
</tbody>
</table>

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)

<table>
<thead>
<tr>
<th>Total Net New Jobs</th>
<th>Employment Size of Firm</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1-4</td>
</tr>
<tr>
<td>2005 - 2006</td>
<td>16,232</td>
</tr>
<tr>
<td>2006 - 2007</td>
<td>8,295</td>
</tr>
<tr>
<td>2007 - 2008</td>
<td>9,425</td>
</tr>
<tr>
<td>2008 - 2009</td>
<td>-25,605</td>
</tr>
</tbody>
</table>

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)

<table>
<thead>
<tr>
<th>Establishments</th>
<th>Employment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Quarter 1</td>
<td>Quarter 2</td>
</tr>
<tr>
<td>Openings</td>
<td>1.9</td>
</tr>
<tr>
<td>Expansions</td>
<td>10.4</td>
</tr>
<tr>
<td>Contractions</td>
<td>11.1</td>
</tr>
<tr>
<td>Closings</td>
<td>2.3</td>
</tr>
</tbody>
</table>


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.