

United States

Small businesses totaled 26.8 million in the United States in 2009. They represent 99.7 percent of all employers and employ 49.2 percent of the private-sector workforce. Being such a large part of the nation's economy, these businesses are central to the United States' health and well-being.

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

- The U.S. economy struggled in 2010, with real gross domestic product decreasing 1.3 percent and private-sector employment decreasing 0.8 percent (Bureau of Economic Analysis, Bureau of Labor Statistics).
- Most of the country's small businesses are very small as 78.5 percent of all businesses did not have employees and most employers have fewer than 20 employees.
- Small businesses employed 56.3 million 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 the United States represented 81.4 percent of the net new private-sector jobs from 2005-2008.
- Self-employment surged over the last decade. Minority self-employment fared the best compared to other demographic groups during the decade.*
- Throughout 2010, the number of opening establishments was lower than closing establishments while 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.

United States Small Business Facts			
	2009*	2008	2000
Number of Businesses			
Small employers (<500 employees)	5,749,797	5,911,663	5,635,391
Large employers (500+ employees)	17,509	18,469	17,153
Nonemployers	21,090,761	21,351,320	16,529,955
Level in 2007* (000)			
	Firms	Employment	Receipts (\$)
Business Owner Demographics			
Male-owned	13,901	41,051	7,909,151
Woman-owned	7,792	7,520	1,014,366
Equally male/female-owned	4,602	8,055	1,091,626
African American-owned	1,922	910	97,145
Asian-owned	1,550	2,808	453,574
Hispanic-owned	2,260	1,908	279,921
Native American/Alaskan-owned	237	185	27,494
Hawaiian/Pacific Islander-owned	38	38	5,250
Veteran-owned	3,667	8,241	1,633,750
Publicly held, unclassified	798	60,684	19,043,686
	Level in 2010*	% Change from 2009 2000	
Workforce (Thousands)			
Private-sector employment	107,337	-0.8	-3.3
Government employment	22,482	-0.3	8.1
Self-employed (incorp. & uninc.)	14,684	-4.4	6.2
Female self-employment	4,953	-5.1	2.8
Male self-employment	9,731	-4.1	8.0
Minority self-employment	3,094	-9.3	25.2
Veteran self-employment	1,337	-2.4	-34.1
Unemployment Rate (Percent)	9.4	-0.5†	5.5†
Business Turnover			
Quarterly establishment openings	1,405,000	-0.4	0.7
Quarterly establishment closings	1,432,000	-10.1	9.1
Business bankruptcies	56,282	-7.5	59.8
	2010*	2009	2000
Income and Finance			
Proprietors' income (\$billion)	1,037.6	943.6	820.6
Number of bank branches	97,952	98,943	84,871
No. of bus. loans under \$100,000‡	3,924,532	5,834,586	3,965,304
Total value of business loans under \$100,000 (\$million)‡	56,893	73,330	51,887
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. SBA, Office of Advocacy.			
* Latest available data. †Percentage point change. ‡Data are for CRA loans.			

**Table 1: Firms and Employment in the United States 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	21,090.8	5,767.3	5,170.8	5,749.8	114,509.6	20,738.3	56,281.5
Forestry, etc. and agriculture support	226.0	21.0	19.7	20.9	153.8	66.6	129.4
Mining	96.7	20.8	17.4	20.4	604.7	73.6	251.1
Utilities	16.4	5.7	4.4	5.6	641.6	17.9	108.2
Construction	2,429.1	700.8	647.4	699.8	5,967.1	2,297.2	5,018.3
Manufacturing	306.0	266.2	201.4	262.5	11,633.0	1,101.6	5,207.7
Wholesale trade	381.3	319.0	273.2	316.0	5,827.8	1,165.3	3,482.8
Retail trade	1,802.4	670.6	611.7	668.4	14,802.8	2,619.7	5,518.5
Transportation and warehousing	994.7	163.2	143.5	161.0	4,159.6	524.7	1,520.5
Information	299.6	70.6	59.8	69.6	3,288.1	235.3	866.8
Finance and insurance	698.0	242.4	222.3	240.8	6,171.2	719.0	2,025.4
Real estate and rental and leasing	1,979.5	269.8	256.1	268.6	2,036.6	700.7	1,362.1
Professional, scientific, and technical svcs.	3,031.1	761.6	713.2	758.7	7,840.0	2,245.7	4,758.1
Management of companies and enterprises	--	27.5	5.3	20.2	2,853.5	15.5	362.2
Admin., support, waste mgt., remed. svcs.	1,856.0	323.7	284.8	320.3	9,061.0	1,027.9	3,473.6
Educational services	558.6	78.8	60.9	77.6	3,200.6	279.9	1,411.1
Health care and social assistance	1,863.4	625.9	543.8	621.9	17,531.1	2,631.4	8,258.5
Arts, entertainment, and recreation	1,114.1	113.7	98.2	113.0	2,010.3	352.9	1,270.6
Accommodation and food services	307.7	474.7	381.2	472.8	11,443.3	2,152.3	6,751.7
Other services (except public admin.)	3,130.2	660.4	615.6	659.0	5,264.4	2,492.6	4,485.7
Unclassified	--	16.9	16.9	16.9	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	3,598,320	1,001,960	295,521	292,065	590,139	345,925	2,525,610	1,072,710
2006 - 2007	537,202	932,600	81,166	-27,147	-120,782	-240,560	625,277	-88,075
2007 - 2008	350,401	719,890	-28,722	-111,032	-118,412	38,655	500,379	-149,978
2008 - 2009	-6,371,738	425,144	-344,330	-512,619	-1,458,928	-1,384,384	-3,275,117	-3,096,621

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	330.0	347.0	346.0	382.0	1,114.0	1,253.0	1,205.0	1,345.0
Expansions	1,357.0	1,443.0	1,415.0	1,447.0	4,996.0	5,682.0	5,388.0	5,609.0
Contractions	1,486.0	1,417.0	1,429.0	1,418.0	5,231.0	5,064.0	5,226.0	5,162.0
Closings	380.0	342.0	358.0	352.0	1,190.0	1,143.0	1,216.0	1,229.0

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.