

Washington

Small businesses totaled 532,162 in Washington in 2009. They represent 98.1 percent of all employers and employ 53.3 percent of the private-sector workforce. Being such a large part of the state's economy, these businesses are central to Washington's health and well-being.

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

- Washington's economy was mixed in 2010, with real gross state product increasing 0.7 percent and private-sector employment decreasing 1.8 percent (Bureau of Economic Analysis, Bureau of Labor Statistics).
- Most of Washington's small businesses are very small as 72.8 percent of all businesses did not have employees and most employers have fewer than 20 employees.
- Small businesses employed 1.3 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 Washington represented 70 percent of the net new private-sector jobs from 2005-2008.
- Self-employment in Washington surged over the last decade. Female self-employment fared the best compared with other demographic groups during the decade.*
- Throughout 2010, the number of opening establishments was lower than closing establishments and the net employment change from this turnover was negative (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.

Washington Small Business Facts			
	2009*	2008	2000
Number of Businesses			
Small employers (<500 employees)	142,854	148,178	135,598
Large employers (500+ employees)	2,758	2,813	2,630
Nonemployers	389,308	400,718	326,397
Level in 2007* (000)			
	Firms	Employment	Receipts(\$)
Business Owner Demographics			
Male-owned	239	788	164,124
Woman-owned	158	147	18,963
Equally male/female-owned	134	287	42,762
African American-owned	--	--	--
Asian-owned	37	71	11,170
Hispanic-owned	18	23	9,261
Native American/Alaskan-owned	7	6	1,257
Hawaiian/Pacific Islander-owned	1	1	121
Veteran-owned	85	182	34,571
Publicly held, unclassified	20	1,208	381,608
	Level in 2010*	% Change from 2009 2000	
Workforce (Thousands)			
Private-sector employment	2,231	-1.8	0.1
Government employment	547	-0.5	13.2
Self-employed (incorp. & uninc.)	382	-11.7	16.7
Female self-employment	146	-10.5	53.9
Male self-employment	236	-12.5	1.4
Minority self-employment	71	-14.6	47.4
Veteran self-employment	22	-57.0	-68.3
Unemployment Rate (Percent)	9.6	0.3†	4.6†
Business Turnover			
Quarterly establishment openings	30,362	0.9	-23.9
Quarterly establishment closings	31,042	-8.4	-24.5
Business bankruptcies	1,188	2.6	65.7
	2010*	2009	2000
Income and Finance			
Proprietors' income (\$billion)	20.8	20.2	16.7
Number of bank branches	1,891	1,924	1,691
No. of bus. loans under \$100,000‡	90,110	114,989	75,057
Total value of business loans under \$100,000 (\$million)‡	1,251	1,531	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, 2009
(Nonfarm, Thousands)**

Industry	Nonemployer Firms	Employer Firms			Employment		
		Total	1-19 Employees	1-499 Employees	Total	1-19 Employees	1-499 Employees
Total	389.3	145.6	128.3	142.9	2,385.3	502.9	1,272.3
Forestry, etc. and agriculture support	7.6	1.4	1.3	1.4	12.3	3.3	9.7
Mining	0.2	0.2	0.1	0.1	2.8	0.5	1.8
Utilities	0.3	0.2	0.2	0.2	7.9	0.5	1.3
Construction	33.7	22.2	20.6	22.1	158.3	67.1	135.9
Manufacturing	7.9	6.8	5.1	6.4	234.2	25.6	109.8
Wholesale trade	7.5	7.8	6.0	7.3	127.2	24.4	76.6
Retail trade	35.5	14.8	12.8	14.4	309.9	57.8	129.9
Transportation and warehousing	15.8	4.1	3.3	3.8	83.6	12.1	34.5
Information	6.3	2.0	1.4	1.8	115.0	6.1	24.0
Finance and insurance	11.6	5.3	4.6	5.0	104.6	13.5	39.3
Real estate and rental and leasing	42.7	7.5	7.0	7.4	48.8	18.3	33.8
Professional, scientific, and technical svcs.	72.8	18.7	17.0	18.3	163.1	52.2	108.1
Management of companies and enterprises	--	0.8	0.1	0.5	79.8	0.4	7.5
Admin., support, waste mgt., remed. svcs.	26.9	7.9	6.9	7.6	129.5	24.7	63.4
Educational services	12.4	2.2	1.8	2.1	48.6	8.1	28.0
Health care and social assistance	31.6	15.7	13.8	15.5	360.5	64.5	181.1
Arts, entertainment, and recreation	24.3	2.5	2.0	2.4	60.5	8.1	39.9
Accommodation and food services	4.6	12.7	10.5	12.5	230.6	60.8	153.0
Other services (except public admin.)	47.8	14.7	13.6	14.6	107.4	54.4	94.3
Unclassified	--	0.4	0.4	0.4	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	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	43,778	36,928
2007 - 2008	35,300	21,627	1,631	-1,452	2,098	8,906	32,810	2,490
2008 - 2009	-150,588	4,902	-15,560	-17,783	-43,445	-27,889	-99,775	-50,813

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	7.5	6.9	7.8	8.1	23.2	20.9	25.0	28.3
Expansions	33.2	34.7	34.5	35.4	130.6	135.4	136.3	138.5
Contractions	36.3	34.3	33.9	33.9	129.9	122.1	121.2	135.1
Closings	8.5	7.6	7.7	7.2	25.8	23.9	24.7	26.0

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.