

United States

The United States' 6.0 million small employers and 21.7 million nonemployers make significant contributions to the economy and bring innovative products and services to the marketplace.* They are an important source of employment and opportunity throughout the nation. This profile by the Office of Advocacy uses the latest statistics to describe the small business contribution in the greatest possible detail. (Note: A small business is defined as one with fewer than 500 employees.)

- The United States' real gross domestic product increased by 0.7%; private-sector employment decreased by 0.7% in 2008.
- The health care and social assistance industry was the nation's largest small business and overall employer in 2006 (Table 1).
- Small businesses are a major force in the nation's net job change, as illustrated in Table 2.
- Small employers in the United States numbered 6.0 million in 2006, representing 99.7% of the nation's employers and 50.2% of its private-sector employment. (Source: U.S. Dept. of Commerce: Bureau of the Census.)

For Further Information

- For data on all the states and territories, visit www.sba.gov/advo/research/profiles.
- For other small business data and analysis, visit www.sba.gov/advo/research, call (202) 205-6533, or email advocacy@sba.gov.
- Visit <http://web.sba.gov/list> to subscribe to listservs for Advocacy's newsletter, press releases, regulatory news, and research reports.
- Visit www.sba.gov/advo/rsslibrary.html for RSS feeds.

* Employer data are from 2006; nonemployer data are from 2007.

United States Small Business Facts

	2007†	2006	2000
Number of Businesses			
Small employers (<500 employees)	n.a.	6,004,056	5,635,391
Large employers (500+ employees)	n.a.	18,071	17,153
Nonemployers	21,708,021	20,768,555	16,529,955
	2002‡	% Share in 2002	% Change 1997–2002
Business Owner Demographics			
Male-owned	13,184,033	57.4	15.9
Woman-owned	6,489,259	28.2	19.8
Equally male/female-owned	2,693,360	11.7	-26.0
African American-owned	1,197,567	5.2	45.4
Asian-owned	1,103,587	4.8	23.5
Hispanic-owned	1,573,464	6.8	31.1
Native American/Alaskan-owned	201,387	0.9	NA
Hawaiian and Pacific Islander-owned	28,948	0.1	49.4
	2008†	% Change from 2007 2000	
Workforce (Thousands) /Unemployment (%)			
Private-sector employment	113,192	-0.7	2.9
Government employment	21,617	1.2	8.8
Self-employed (incorp. & uninc.)	15,918	-1.9	10.9
Female self-employment	5,293	-2.5	7.6
Male self-employment	10,625	-1.5	12.6
Minority self-employment	1,855	-0.4	34.3
Veteran self-employment	1,602	-7.3	-21.6
Unemployment rate (%)	5.8	1.2	1.8
Business Turnover			
Quarterly establishment openings	1,429,000	-3.8	2.7
Quarterly establishment closings	1,555,000	7.0	18.6
Business bankruptcies	43,546	53.8	22.8
	2008†	2007	2000
Income and Finance			
Proprietors' income (\$billion)	1,069.6	1,043.9	730.5
Number of bank branches	98,525	96,624	84,871
No. of bus. loans under \$100,000‡	n.a.	12,786,987	3,965,304
Total value of business loans under \$100,000 (\$million) ‡	n.a.	142,114	51,887
Sources: U.S. Dept. of Commerce, Bureau of the Census and Bureau of Economic Analysis; U.S. Dept. of Labor, Bureau of Labor Statistics; Administrative Office of the U.S. Courts; Federal Deposit Insurance Corporation; and U.S. Small Business Administration, Office of Advocacy (www.sba.gov/advo/research/sbl_08study.pdf , Table 4b). n.a. not available. † Latest available data; certain figures are economywide. ‡ CRA loans.			

**Table 1. Firms and Employment in the United States by Industry and Firm Size, 2006 and 2007
(Nonfarm, Thousands)**

Industry	Nonemployer Firms (2007)	Employer Firms (2006)			Employment (2006)		
		Total	1-19 Employees	1-499 Employees	Total	1-19 Employees	1-499 Employees
Total	21,708.0	6,022.1	5,377.6	6,004.1	119,917.2	21,609.5	60,223.7
Forestry, etc. and agriculture support	236.1	22.9	21.4	22.8	165.7	(D)	(D)
Mining	101.6	20.6	17.2	20.2	554.3	71.9	244.5
Utilities	17.6	6.6	5.2	6.4	614.4	21.3	109.2
Construction	2,657.4	791.6	723.3	790.5	7,338.8	2,700.9	6,264.7
Manufacturing	328.1	286.0	210.9	282.0	13,631.7	1,180.8	6,056.2
Wholesale trade	401.9	334.6	286.2	331.5	6,030.6	1,232.2	3,685.7
Retail trade	1,979.6	725.6	656.4	723.3	15,767.9	2,828.3	6,314.3
Transportation and warehousing	1,083.1	171.9	150.8	169.8	4,306.4	541.8	1,629.6
Information	807.1	75.0	63.8	73.9	3,396.2	250.3	894.0
Finance and insurance	763.5	263.0	241.2	261.3	6,647.1	788.5	2,183.9
Real estate and rental and leasing	2,327.1	306.0	290.9	304.8	2,216.8	786.1	1,521.0
Professional, scientific, and technical svcs.	3,028.5	772.0	721.3	769.1	8,054.1	2,294.5	4,958.0
Management of companies and enterprises	--	26.8	5.7	19.7	2,915.6	14.7	351.7
Admin., support, waste mgt., remed. svcs.	1,792.5	323.3	282.4	319.6	10,003.6	1,029.0	3,732.5
Educational services	528.2	73.8	56.6	72.7	2,979.5	259.1	1,333.9
Health care and social assistance	1,768.1	605.8	527.0	602.0	16,451.4	2,545.0	7,946.4
Arts, entertainment, and recreation	1,119.6	115.0	99.0	114.4	1,973.7	362.2	(D)
Accommodation and food services	303.5	467.1	372.2	465.3	11,381.2	2,055.2	6,848.9
Other services (except public admin.)	2,964.6	672.1	624.8	670.7	5,458.6	2,546.7	4,663.6
Unclassified	--	27.0	26.9	27.0	29.5	(D)	(D)

Source: U.S. Dept. of Commerce, Bureau of the Census, Statistics of U.S. Businesses. (See www.sba.gov/advo/research/data.html 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, 2003–2006 (Nonfarm)

	Total Net New Jobs	Employment Size of Firm						
		1-4	5-9	10-19	20-99	100-499	<500	500+
2003 - 2004	1,675,885	1,087,128	336,236	201,247	199,298	66,209	1,890,118	-214,233
2004 - 2005	1,241,428	897,296	141,057	-11,959	-131,095	83,803	979,102	262,326
2005 - 2006	3,598,320	1,001,960	295,521	292,065	590,139	345,925	2,525,610	1,072,710

Source: U.S. Dept. of Commerce, Bureau of the Census. (For more detailed data see www.sba.gov/advo/research/data.html.)

Table 3: Establishment and Employment Turnover by Quarter, 2008 (Nonfarm, Thousands)

	Establishments				Employment Change Due To:			
	Openings	Expansions	Contractions	Closings	Openings	Expansions	Contractions	Closings
Quarter 1	357	1,517	1,596	380	1,399	5,731	6,047	1,353
Quarter 2	355	1,479	1,633	391	1,400	5,858	6,277	1,474
Quarter 3	349	1,439	1,608	379	1,318	5,504	6,383	1,371
Quarter 4	368	1,376	1,686	405	1,345	5,367	6,977	1,490

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

Note: These figures contain all firm sizes; Census data from 2006 show that 86 percent of establishment births and deaths were in firms with fewer than 500 employees.