

## New Jersey

New Jersey's small businesses are key to the state's well-being. They account for a significant share of the state's economic production and hiring. This profile from the Office of Advocacy uses the latest available data to illustrate the status and contributions of New Jersey small businesses. (Note that a small business is defined as one with fewer than 500 employees.)

- Small businesses totaled 779,599 in the state in 2008. Of these, 199,382 were employers, and they accounted for 50.8% of private-sector jobs in the state (Table 1). Small firms made up 98.4% of the state's employers.
- New Jersey's real gross state product increased by 0.6% and private-sector employment decreased by 4.9% in 2009. By comparison, real GDP in the United States grew 0.7% and private-sector employment declined by 5.5%.
- Business ownership is becoming more inclusive in the state. The number of both women and minority business owners has grown. In particular, minority-owned businesses numbered 182,583 in 2007, a 34.1% increase over 2002.
- The state's small business employment has undergone major shifts in recent years (Table 2).
- The state's businesses showed signs of stability and improvement in the fourth quarter of 2009 compared to the first quarter (Table 3).

### For Further Information

- Data on all states and territories is available at [www.sba.gov/advocacy/848](http://www.sba.gov/advocacy/848).
- For other small business data and analysis, visit [www.sba.gov/advocacy/847](http://www.sba.gov/advocacy/847), call (202) 205-6533, or email [advocacy@sba.gov](mailto:advocacy@sba.gov).
- Visit <http://web.sba.gov/list> to subscribe to Advocacy's Listservs.

### New Jersey Small Business Facts

	2008*	2007	2000
<b>Number of Businesses</b>			
Small employers (<500 employees)	199,382	204,780	198,984
Large employers (500+ employees)	3,218	3,222	3,229
Nonemployers	580,217	590,485	482,699
	<b>Level in 2007*</b>	<b>% Share in 2007</b>	<b>% Change 2002-2007</b>
<b>Business Owner Demographics</b>			
Male-owned	450,083	57.6	3.3
Woman-owned	213,284	27.3	15.2
Equally male/female-owned	92,236	11.8	41.3
African American-owned	60,366	7.7	66.4
Asian-owned	67,840	8.7	30.6
Hispanic-owned	68,377	8.7	37.2
Native American/Alaskan-owned	2,885	0.4	10.4
Hawaiian/Pacific Islander-owned	454	0.1	1.3
Veteran-owned	61,888	7.9	n.a.
	<b>Level in 2009*</b>	<b>% Change from 2008 2000</b>	
<b>Workforce (Thousands) /Unemployment (%)</b>			
Private-sector employment	3,158	-4.9	-4.9
Government employment	613	0.0	10.0
Self-employed (incorp. & uninc.)	417	-5.9	11.8
Female self-employment	128	-2.2	12.3
Male self-employment	290	-7.5	11.5
Minority self-employment	110	-11.2	71.0
Veteran self-employment	27	-7.6	-36.6
Unemployment rate (%)	9.2	3.7†	5.5†
<b>Business Turnover</b>			
Quarterly establishment openings	39,906	-1.9	-26.0
Quarterly establishment closings	44,140	2.7	-13.1
Business bankruptcies	1,571	47.2	138.0
	<b>2009*</b>	<b>2008</b>	<b>2000</b>
<b>Income and Finance</b>			
Proprietors' income (\$billion)	32.1	33.9	25.2
Number of bank branches	3,348	3,381	3,010
No. of bus. loans under \$100,000‡	180,772	379,336	126,867
Total value of business loans under \$100,000 (\$million)‡	2,206	4,216	1,477
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 New Jersey by Industry and Firm Size, 2008  
(Nonfarm, Thousands)**

Industry	Nonemployer Firms	Employer Firms			Employment		
		Total	1-19 Employees	1-499 Employees	Total	1-19 Employees	1-499 Employees
Total	580.2	202.6	178.2	199.4	3,640.7	697.4	1,848.8
Forestry, etc. and agriculture support	2.2	0.2	0.2	0.2	1.6	0.6	1.0
Mining	0.1	0.1	0.1	0.1	1.6	0.2	0.9
Utilities	0.3	0.1	0.0	0.1	17.3	0.1	0.8
Construction	54.9	24.0	22.3	23.9	172.0	76.9	153.7
Manufacturing	6.2	8.6	6.0	8.2	284.5	33.8	171.0
Wholesale trade	13.7	14.4	11.5	13.8	270.5	48.8	158.4
Retail trade	47.4	24.3	22.0	23.9	464.7	84.1	171.4
Transportation and warehousing	35.1	6.4	5.1	6.0	173.9	19.3	73.6
Information	9.7	2.3	1.7	2.1	112.6	6.7	26.6
Finance and insurance	22.6	6.7	5.7	6.4	213.5	19.8	55.2
Real estate and rental and leasing	76.0	7.6	7.0	7.5	65.2	23.1	41.3
Professional, scientific, and technical svcs.	105.0	29.4	26.7	28.9	330.8	84.9	191.4
Management of companies and enterprises	--	1.0	0.1	0.5	136.6	0.4	11.7
Admin., support, waste mgt., remed. svcs.	38.5	12.4	10.7	12.0	293.9	36.4	122.7
Educational services	18.7	3.1	2.3	3.0	94.0	11.1	53.9
Health care and social assistance	46.7	21.6	18.6	21.4	511.3	94.2	267.5
Arts, entertainment, and recreation	32.0	3.3	2.8	3.3	52.8	10.2	43.2
Accommodation and food services	8.8	16.7	14.3	16.5	291.2	66.5	166.6
Other services (except public admin.)	62.4	22.5	21.0	22.4	152.3	79.9	137.4
Unclassified	--	0.3	0.3	0.3	0.3	0.3	0.3

Source: U.S. Dept. of Commerce, Bureau of the Census, Statistics of U.S. Businesses. (See [www.sba.gov/advocacy/849/12162](http://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.)

**Table 2: Net Job Change by Firm Size, 2004–2007 (Nonfarm)**

	Total Net New Jobs	Employment Size of Firm						
		1-4	5-9	10-19	20-99	100-499	<500	500+
2004 - 2005	-17,642	23,010	-132	-665	-5,643	-10,203	6,367	-24,009
2005 - 2006	47,100	30,744	6,742	6,809	8,196	-1,934	50,557	-3,457
2006 - 2007	347	26,769	-922	-1,069	-6,023	-1,105	-17,303	17,650

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

**Table 3: Establishment and Employment Turnover by Quarter, 2009 (Nonfarm, Thousands)**

	Establishments				Employment Change Due To:			
	Openings	Expansions	Contractions	Closings	Openings	Expansions	Contractions	Closings
Quarter 1	8.6	39.1	52.8	11.8	30.8	137.0	197.3	34.3
Quarter 2	11.3	41.9	49.3	11.2	47.0	167.4	188.3	40.2
Quarter 3	9.9	42.0	47.2	11.2	38.2	150.3	175.4	41.0
Quarter 4	10.1	42.6	47.2	9.9	35.6	161.6	172.2	32.6

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

Note: These figures contain all firm sizes; Census data from 2007 show that 86 percent of establishment births and deaths were in firms with fewer than 500 employees.