

Maryland

Small businesses significantly impact Maryland's economy. They represent 97.5 percent of all employers and employ 51.6 percent of the private-sector labor force. Small businesses are crucial to the fiscal condition of the state and numbered 529,743 in 2010.

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

- Maryland's economy was strong in 2011, with real gross state product increasing 2.6 percent and private-sector employment increasing 1.2 percent (Bureau of Economic Analysis, Bureau of Labor Statistics).
- Small businesses employed 1.1 million workers in 2010 (Table 1) with most of the employment coming from firms with 20-499 employees.
- The employment situation from 2007-2010 was weak, and small businesses in Maryland had a net job loss (Table 2). The unemployment rate in 2010-2011 decreased by 0.8 percent.
- Most of Maryland's small businesses are very small as 79.7 percent of all businesses have no employees, and most employers have fewer than 20 employees.
- In 2011, the number of opening establishments was lower than closing establishments, and the net employment change from this turnover was positive (Table 3).
- Self-employment in Maryland declined over the last decade. Male self-employment fared the best compared with other demographic groups.

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 www.sba.gov/updates to subscribe to Advocacy's Listservs.

Maryland Small Business Facts			
	2010*	2009	2000
Number of Businesses			
Small employers (<500 employees)	105,580	106,441	103,361
Large employers (500+ employees)	2,666	2,646	2,610
Nonemployers	424,163	420,033	322,819
Level in 2007* (000)			
	Firms		Employment Receipts(\$M)
Business Owner Demographics			
Male-owned	270	777	145,972
Woman-owned	172	165	18,379
Equally male/female-owned	67	117	15,235
African American-owned	102	46	4,640
Asian-owned	36	71	10,241
Hispanic-owned	26	25	3,422
Native American/Alaskan-owned	3	2	239
Hawaiian/Pacific Islander-owned	-	-	-
Veteran-owned	71	172	30,000
Publicly held, unclassified	19	1,145	299,476
	Level in	% Change from	
	2011*	2010	2000
Workforce (Thousands)			
Private-sector employment	2,041	1.2	1.8
Government employment	507	1.2	12.8
Self-employed (incorp. & uninc.)	266	6.4	-12.7
Female self-employment	103	4.4	-27.2
Male self-employment	163	7.6	-0.2
Minority self-employment	81	24.7	-8.4
Veteran self-employment	21	-16.0	-56.2
Unemployment Rate (Percent)	7	-0.8†	3.4‡
Business Turnover			
Quarterly establishment openings	28,586	2.8	11.8
Quarterly establishment closings	28,988	0.5	9.1
Business bankruptcies	658	-20.9	-2.8
	2011*	2010	2000
Income and Finance			
Proprietors' income (\$billion)	19.1	18.2	11.2
Number of bank branches	1,785	1,804	1,711
No. of bus. loans under \$100,000‡	40,282	63,278	70,564
Total value of business loans under \$100,000 (\$million)‡	828	840	805

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 Maryland by Industry and Firm Size, 2010 (Nonfarm, Thousands)

Industry	Nonemployer Firms	Employer Firms			Employment		
		All Firms Total	1-19 Employees	1-499 Employees	All Firms Total	1-19 Employees	1-499 Employees
Total	424.2	108.2	92.7	105.6	2,075.5	381.0	1,071.7
Forestry, etc. and agriculture support	3.2	0.2	0.2	0.2	1.0	0.5	0.6
Mining	0.1	0.1	0.0	0.0	1.3	0.1	0.7
Utilities	0.4	0.1	0.0	0.0	10.5	0.1	D
Construction	40.3	14.4	12.9	14.3	141.5	49.1	121.7
Manufacturing	4.0	3.0	2.2	2.8	104.6	11.4	47.6
Wholesale trade	5.3	4.9	3.6	4.5	87.7	15.1	51.0
Retail trade	30.5	11.7	10.1	11.2	271.7	45.1	98.7
Transportation and warehousing	18.9	2.9	2.3	2.7	61.6	8.8	23.7
Information	6.8	1.4	1.0	1.2	55.9	3.8	15.8
Finance and insurance	12.0	4.2	3.5	4.0	100.2	12.4	34.4
Real estate and rental and leasing	46.5	4.4	3.9	4.3	42.5	11.1	27.9
Professional, scientific, and technical svcs.	72.1	17.8	15.7	17.4	232.8	51.0	132.6
Management of companies and enterprises	0.0	0.6	0.1	0.4	49.7	0.3	8.0
Admin., support, waste mgt., remed. svcs.	35.9	7.0	5.7	6.8	170.2	22.9	81.8
Educational services	14.1	1.8	1.4	1.8	77.2	6.6	35.6
Health care and social assistance	48.5	12.2	10.4	11.9	332.6	50.5	156.3
Arts, entertainment, and recreation	24.1	1.9	1.6	1.8	35.7	6.3	23.6
Accommodation and food services	6.1	8.6	6.7	8.4	190.9	35.9	114.9
Other services (except public admin.)	55.4	12.5	11.3	12.4	107.7	49.7	95.6
Unclassified	0.0	0.3	0.3	0.3	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, 2007–2010 (Nonfarm)

	Total Net New Jobs	Employment Size of Firm						
		1-4	5-9	10-19	20-99	100-499	<500	500+
2010	-25,892	9,867	-321	-2,883	-11,490	-11,905	-16,732	-9,160
2009	-94,076	4,793	-6,728	-9,365	-26,464	-20,547	-58,311	-35,765
2008	13,730	10,960	-1,652	-1,684	-3,943	2,868	6,549	7,181
2007	3,210	14,754	249	-2,228	-3,134	-3,422	6,219	-3,009

Note: Data source differs from previous publications.

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

Table 3: Establishment and Employment Turnover by Quarter, 2011 (Nonfarm, Thousands)

	Establishments				Employment			
	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Quarter 1	Quarter 2	Quarter 3	Quarter 4
Openings	6.7	7.1	7.4	7.3	23.4	25.1	28.7	26.2
Expansions	27.2	27.3	27.4	27.9	97.2	105.4	103.2	102.4
Contractions	27.5	27.8	27.5	27.0	95.4	98.3	97.8	99.3
Closings	7.5	7.6	7.1	6.8	23.8	26.6	24.7	22.7

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 2010 show that 87 percent of establishment births and deaths were in firms with fewer than 500 employees.