

Virginia

664,665 Small Businesses

143,612 Small Businesses with Employees

521,053 Small Businesses without Employees (Nonemployers)

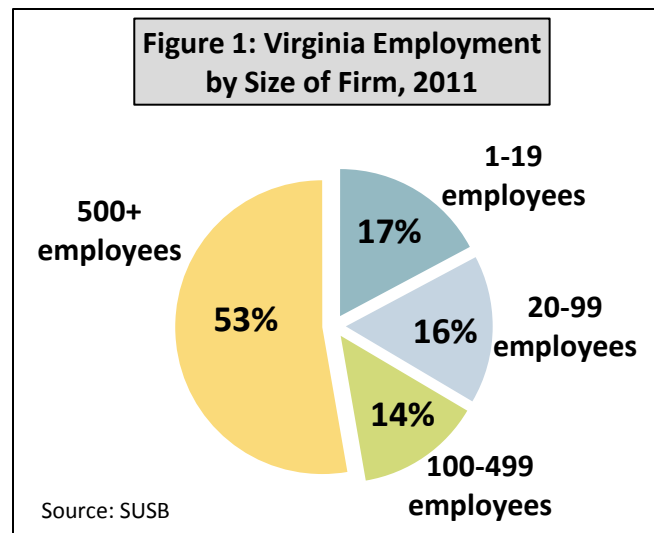
1,431,801 Workers Employed by Small Businesses

State Economy Overall

- Virginia's economy grew at a slower rate than the United States in 2012. Virginia's real gross state product increased by **1.1 percent** compared to **2.5 percent** for U.S. gross domestic product. (Source: BEA)
- The employment situation in Virginia has improved. The unemployment rate in Virginia modestly declined from **5.5 percent** in December 2012 to **5.2 percent** in December 2013. This is below the national average of **6.7 percent**. (Source: BLS)

Employment

- Virginia's small businesses employed about half or **1.4 million** of the state's private workforce in 2011.
- Almost all firms with employees are small. They make up **97.7 percent** of all employers in the state. **Table 3** offers further industry detail on small firms.
- Firms with fewer than 100 employees have the largest share of small business employment. **Figure 1** offers further detail.
- The three industries with the most small business employment were: professional, scientific, & technical services, health care & social assistance, and accommodation & food services (**Table 4**).
- In Virginia, small businesses created **19,830** net new jobs in 2011. The biggest gain was in the smallest firm size category of 1-4 employees. (Source: BDS)
- The number of people who were primarily self-employed increased in 2012. For demographic detail on the state's self-employment, see **Figure 2**.
- The state's private-sector employment increased in 2013 by **0.9 percent**, which was below the national average growth rate of **2.1 percent**. (Source: BEA, BLS)



The *Small Business State and Territory Profiles* report on the economic status of small business from 2010 to 2013. They include information on the number of firms, employment, demographics and other topics using the most recently available government data. They are a reference tool for researchers, policymakers, and small entities who are interested in how small firms are performing regionally or nationally. *Note that this report defines small businesses as firms with fewer than 500 employees.*

Income and Finance

- Most small businesses are sole proprietors. Annual income from sole proprietorships increased **7 percent** in the 3rd quarter of 2013 and totaled **\$27 billion**. (Source: BEA)
- The Federal Deposit Insurance Corporation tracks banks and bank branches and publishes annual data for each state. For more detailed information see www2.fdic.gov/sod/sodSummary.asp?barItem=3.
- In 2012, **125,057** loans under \$100,000 (and valued at **\$1.6 billion**) were issued by Community Reinvestment Act lending institutions in Virginia. (Source: FFIEC)

Business Owner Demographics

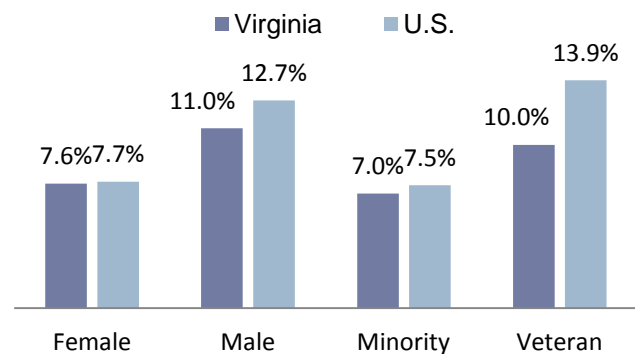
- In 2011, there were an estimated **201,000** woman-owned businesses and **145,000** minority-owned businesses. For additional business demographic information, see **Table 1** and **Figure 2**.

Table 1. Demographics of All Virginia Businesses, 2011

	Number of All Businesses ^e	Share of All Businesses (%) [*]
Male Owned	346,000	51.8
Woman Owned	201,000	30.1
Equally Male and Female Owned	98,000	14.6
Minority Owned	145,000	21.6
Veteran Owned	83,000	12.4

e = Advocacy estimate. *2007 SBO. Note: This estimate is based on the share of business owners in the 2007 SBO. This share is multiplied by the total number of businesses in 2011 (employer + nonemployer firms). These shares will not be updated to 2012 until fall 2015. Thus, the 2011 estimates assume the 2011 shares are the same as 2007. For more information, visit www.sba.gov/sites/default/files/files/va10.pdf.

Figure 2: Virginia Self-Employment Demographics, 2012



Source: CPS

Note: Share of self-employed workers within a demographic group.

Business Turnover

- **Table 2** gives Virginia's establishment survival rates over an eight-year period, 2002-2010.
- In the 2nd quarter of 2013, **7,922** establishments opened and **9,460** closed in the state of Virginia. (Source: BED)
- Business bankruptcies declined in net from 2010 to 2013, signaling a stronger state economy. (Source: U.S. Courts)

Table 2. Survival Rates of Establishments in Virginia

	Establishments Opened [*]	Share Surviving Until 2012 (%)
2002	15,747	34.3
2007	18,904	45.5
2010	15,689	67.9

Source: BLS, BED. *Data year ending in March.

International Trade

- A total of **7,626** companies exported goods from the state in 2012. Of these, **6,542** or **85.8 percent** were small firms; they generated over a quarter (**28.7 percent**) of the state's total known export value. (Source: ITA)

Table 3: Number of Virginia Small Firms by Industry, 2011
(ranked by number of small employer firms)

Industry	Employer Firms With 1-499 Employees	Employer Firms With 1-19 Employees	Nonemployer Firms	Total Small Firms
Professional, scientific, & tech. svcs.	24,210	21,820	85,678	109,888
Other services (except public admin.)	19,320	17,839	75,913	95,233
Construction	19,181	17,595	58,561	77,742
Retail trade	15,399	13,931	40,898	56,297
Health care & social assistance	13,783	11,769	39,043	52,826
Accommodation & food services	11,631	9,297	7,394	19,025
Admin., supp., waste mgt., remed. svcs.	8,301	7,138	43,952	52,253
Real estate & rental & leasing	6,025	5,594	59,948	65,973
Wholesale trade	5,238	4,224	6,841	12,079
Finance & insurance	5,190	4,692	14,903	20,093
Manufacturing	4,301	3,252	5,295	9,596
Transportation & warehousing	3,776	3,264	24,175	27,951
Arts, entertainment, & recreation	2,447	2,049	28,406	30,853
Educational services	2,308	1,833	16,629	18,937
Information	1,715	1,356	7,795	9,510
Forestry, etc. & agriculture support	653	634	5,001	5,654
Management of comp. & enterprises	440	80	0	440
Unclassified	352	352	0	352
Mining	169	107	234	403
Utilities	63	37	387	450
Total	143,612	126,753	521,053	664,665

Table 4: Employment in Virginia by Industry and Firm Size, 2011
(ranked by small firm employment)

Industry	Employment		Small Firm Share of Industry Employment (%)
	Small Firms	Total Firms	
Professional, scientific, & tech. svcs.	203,698	420,887	48
Health care & social assistance	188,863	392,532	48
Accommodation & food services	165,732	310,070	53
Construction	144,149	170,834	84
Other services (except public admin.)	139,346	163,037	85
Retail trade	130,885	407,160	32
Admin., supp., waste mgt., remed. svcs.	100,376	240,249	42
Manufacturing	80,808	230,162	35
Wholesale trade	57,170	100,405	57
Finance & insurance	40,909	148,964	27
Educational services	39,532	70,604	56
Real estate & rental & leasing	33,976	51,730	66
Transportation & warehousing	33,719	91,005	37
Arts, entertainment, & recreation	30,079	50,142	60
Information	24,968	95,525	26
Management of comp. & enterprises	8,425	56,522	15
Mining	3,861	9,814	39
Forestry, etc. & agriculture support	2,897	3,647	79
Utilities	2,062	15,395	13
Unclassified	D	D	D
Total	1,431,801	3,029,030	47

Source, Tables 3 and 4: SUSB

See www.sba.gov/advocacy/847/841921 for more detailed data.

Note: Small firms are defined as nonfarm firms having fewer than 500 employees.

(D) Data suppressed to protect the confidentiality of individual firms.

Abbreviations and Resources

BEA	Bureau of Economic Analysis, U.S. Department of Commerce, www.bea.gov .
BED	Business Employment Dynamics, U.S. Department of Labor, Bureau of Labor Statistics, www.bls.gov/bdm .
BDS	Business Dynamics Statistics, U.S. Census Bureau, www.census.gov/ces/dataproducts/bds .
BLS	Bureau of Labor Statistics, U.S. Department of Labor, www.bls.gov .
CPS	Current Population Survey, U.S. Census Bureau, and U.S. Department of Labor, Bureau of Labor Statistics, www.census.gov/cps .
FDIC	Federal Deposit Insurance Corporation, www.fdic.gov .
FFIEC	Federal Financial Institutions Examination Council, www.ffiec.gov .
ITA	International Trade Administration, U.S. Department of Commerce, www.trade.gov .
SBO	Survey of Business Owners, U.S. Census Bureau, www.census.gov/econ/sbo .
SUSB	Statistics of U.S. Businesses, U.S. Census Bureau, www.census.gov/econ/susb .
U.S. Courts	Administrative Office of the U.S. Courts, www.uscourts.gov .