

Illinois

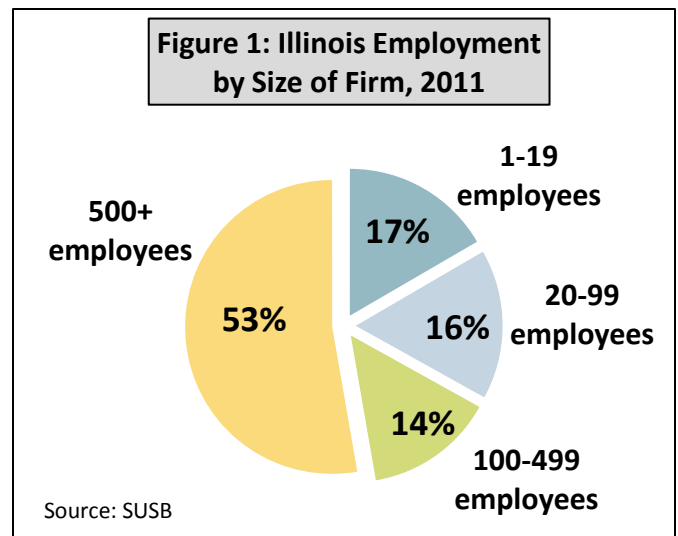
- 1,167,488** Small Businesses
- 247,412** Small Businesses with Employees
- 920,076** Small Businesses without Employees (Nonemployers)
- 2,381,721** Workers Employed by Small Businesses

State Economy Overall

- Illinois's economy grew at a slower rate than the United States in 2012. Illinois's real gross state product increased by **1.9 percent** compared to **2.5 percent** for U.S. gross domestic product. (Source: BEA)
- The employment situation in Illinois has improved. The unemployment rate in Illinois modestly declined from **8.7 percent** in December 2012 to **8.6 percent** in December 2013. This is above the national average of **6.7 percent**. (Source: BLS)

Employment

- Illinois's small businesses employed about half or **2.4 million** of the state's private workforce in 2011.
- Almost all firms with employees are small. They make up **98.2 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: health care & social assistance, accommodation & food services, and manufacturing (**Table 4**).
- In Illinois, small businesses created **52,717** 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 decreased in 2012. For demographic detail on the state's self-employment, see **Figure 2**.
- The state's private-sector employment increased in 2013 by **1.0 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 **7.2 percent** in the 3rd quarter of 2013 and totaled **\$43.9 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, **239,376** loans under \$100,000 (and valued at **\$2.6 billion**) were issued by Community Reinvestment Act lending institutions in Illinois. (Source: FFIEC)

Business Owner Demographics

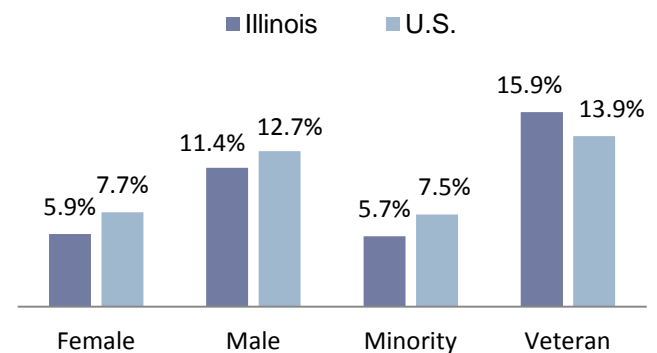
- In 2011, there were an estimated **357,000** woman-owned businesses and **233,000** minority-owned businesses. For additional business demographic information, see **Table 1** and **Figure 2**.

Table 1. Demographics of All Illinois Businesses, 2011

	Number of All Businesses ^e	Share of All Businesses (%) [*]
Male Owned	604,000	51.5
Woman Owned	357,000	30.5
Equally Male and Female Owned	170,000	14.5
Minority Owned	233,000	19.8
Veteran Owned	84,000	7.2

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/il10.pdf.

Figure 2: Illinois Self-Employment Demographics, 2012



Source: CPS

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

Business Turnover

- **Table 2** gives Illinois's establishment survival rates over an eight-year period, 2002-2010.
- In the 2nd quarter of 2013, **13,885** establishments opened and **16,027** closed in the state of Illinois. (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 Illinois

	Establishments Opened [*]	Share Surviving Until 2012 (%)
2002	20,872	35.4
2007	22,449	47.8
2010	19,293	67.6

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

International Trade

- A total of **23,060** companies exported goods from the state in 2012. Of these, **20,752** or **90 percent** were small firms; they generated about a quarter (**23.1 percent**) of the state's total known export value. (Source: ITA)

Table 3: Number of Illinois 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.	35,709	33,323	124,594	160,303
Other services (except public admin.)	29,125	26,953	154,725	183,850
Construction	28,038	26,528	92,913	120,951
Health care & social assistance	25,736	22,363	98,151	123,887
Retail trade	24,337	21,872	68,582	92,919
Accommodation & food services	20,150	16,154	12,443	32,593
Wholesale trade	15,084	12,335	14,747	29,831
Admin., supp., waste mgt., remed. svcs.	14,034	12,366	75,019	89,053
Manufacturing	12,271	8,844	10,388	22,659
Finance & insurance	12,258	10,955	32,223	44,481
Transportation & warehousing	10,766	9,709	61,233	71,999
Real estate & rental & leasing	9,223	8,616	84,996	94,219
Arts, entertainment, & recreation	4,098	3,519	45,548	49,646
Educational services	3,412	2,622	25,230	28,642
Information	2,659	2,152	11,585	14,244
Management of comp. & enterprises	801	158	0	801
Mining	461	406	2,259	2,720
Unclassified	350	350	0	350
Forestry, etc. & agriculture support	281	268	5,015	5,296
Utilities	143	100	425	568
Total	247,412	219,386	920,076	1,167,488

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

Industry	Employment		Small Firm Share of Industry Employment (%)
	Small Firms	Total Firms	
Health care & social assistance	350,742	757,799	46
Accommodation & food services	282,310	457,289	62
Manufacturing	265,889	538,985	49
Retail trade	209,171	596,569	35
Other services (except public admin.)	204,661	240,604	85
Professional, scientific, & tech. svcs.	201,761	347,083	58
Wholesale trade	165,896	302,328	55
Construction	155,168	180,305	86
Admin., supp., waste mgt., remed. svcs.	151,607	469,249	32
Finance & insurance	105,003	295,028	36
Transportation & warehousing	72,307	222,772	32
Educational services	59,196	157,331	38
Real estate & rental & leasing	49,165	72,195	68
Arts, entertainment, & recreation	48,059	74,887	64
Information	34,262	118,183	29
Management of comp. & enterprises	17,325	168,603	10
Mining	4,617	8,189	56
Utilities	2,972	28,810	10
Forestry, etc. & agriculture support	1,256	1,899	66
Unclassified	D	D	D
Total	2,381,721	5,038,462	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 .