

## North Dakota

**69,663** Small Businesses

**18,711** Small Businesses with Employees

**50,952** Small Businesses without Employees (Nonemployers)

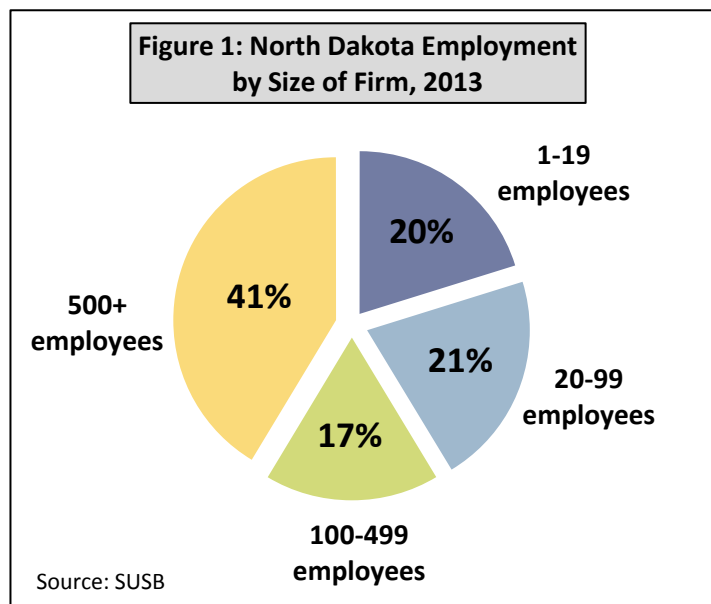
**194,249** Workers Employed by Small Businesses

### State Economy Overall

- North Dakota's economy grew at a faster rate than the United States in 2013. North Dakota's real gross state product increased by **9.7 percent** compared to **2.2 percent** for U.S. gross domestic product. (Source: BEA)
- The employment picture in North Dakota remained unchanged. North Dakota's unemployment rate held steady at **2.8 percent** in October 2013 and October 2014. This is below the national average of **5.8 percent** for the same time period. (Source: BLS)

### Employment

- North Dakota's small businesses employed about three-fifths or **194,249** of the state's private workforce in 2012. (Source: SUSB)
- Almost all firms with employees are small. They make up **95.9 percent** of all employers in the state. (Source: SUSB)
- Firms with fewer than 100 employees have the largest share of small business employment. **Figure 1** offers further detail.
- In North Dakota, small businesses created **16,119** net new jobs in 2012. The biggest gain was in the smallest firm size category of 20-99 employees. (Source: BDS)
- The number of people who were primarily self-employed in 2013 decreased by **7.6 percent** relative to the previous year.
- The state's private-sector employment growth increased by **5.8 percent** over the 12-month period ending in October 2014; this was above the national average growth rate of **2.3 percent**. (Source: BLS)



The *Small Business State and Territory Profiles* report on the economic status of small business from 2007 to 2014. 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

- The number of banks reported in the Call Reports between June 2013 and June 2014 declined. (Source: FDIC)
- In 2012, **18,798** loans under \$100,000 (and valued at **\$250.7 million**) were issued by Community Reinvestment Act lending institutions in North Dakota. (Source: FFIEC)
- The median income for individuals who are self-employed at their own incorporated businesses for the past 12 months was **\$60,602** in 2013. For individuals self-employed at their own unincorporated firms, this figure was **\$37,341**. (Source: ACS)

Note: Median income represents earnings from all sources. Unincorporated self-employment income includes unpaid family workers, a very small percent of the unincorporated self-employed.

## Business Owner Demographics

- **Table 1** shows the top industry for nine business owner demographics. For example, **55.0 percent** of female-owned businesses were in the health care and social assistance industry, and female-owned firms made up **25.6 percent** of this industry.

**Table 1: Top Industry by Demographic Group in North Dakota, 2007**

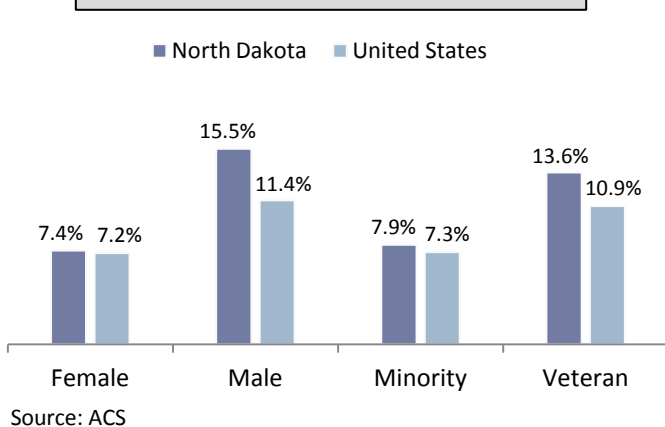
Demographic Group of Business Owners	Most Common Industry	% of Industry in Demographic Group	% of Demographic Group in Industry
Female	Health care & social assistance	55.0	25.6
Male	Construction	63.6	16.5
American Indian and Alaska Native	*	*	*
Asian	*	*	*
Black or African American	*	*	*
Native Hawaiian and Other Pacific Islander	*	*	*
White	Retail trade	92.8	12.9
Hispanic	*	*	*
Veteran	Prof., sci., & tech. services	18.5	18.2

\*Indicates that the sample size was too small to be representative of the population. For more detailed information on businesses in your state, see [www.sba.gov/advocacy/847/841921](http://www.sba.gov/advocacy/847/841921).

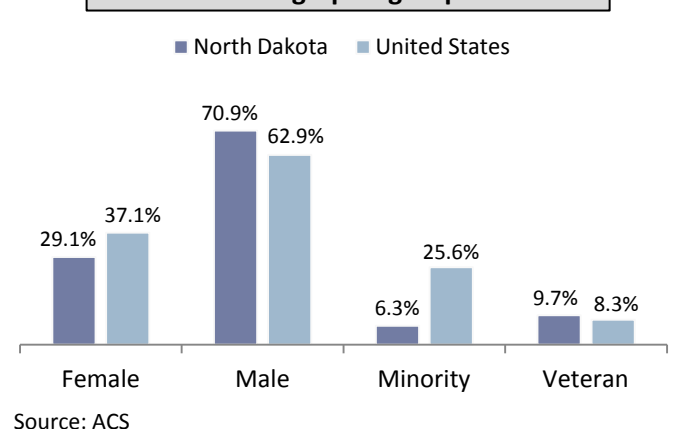
Source: U.S. Department of Commerce, Census Bureau, 2007 Survey of Business Owners via American FactFinder.

- Figures **2a** and **2b** show the demographic makeup of the self-employed in four demographic groups. For example, **Figure 2a** shows that **7.4 percent** of females were self-employed, and **Figure 2b** shows that **29.1 percent** of all self-employed people were female.

**Figure 2a: What percent of each demographic group are self-employed in North Dakota?**



**Figure 2b: What percent of self-employed individuals in North Dakota are in each demographic group?**



## Business Turnover

- In 2010, **1,212** establishments opened in North Dakota, and **74.2 percent** survived through 2012. In 2013, **2,683** establishments opened, and **77.6 percent** survived through 2014. (Source: BLS, BED)
- In the 1st quarter of 2014, **1,493** establishments opened and **1,393** closed in the state of North Dakota. (Source: BED)
- Business bankruptcies declined from 2010 to 2014, signaling a stronger state economy. (Source: U.S. Courts)

## International Trade

- A total of **1,977** companies exported goods from the state in 2012. Of these, **1,669** or **84.4 percent** were small firms; they generated over a third (**36.4 percent**) of the state's total known export value. (Source: ITA)

## Small Businesses and Employment by Industry

- **Table 2** ranks the state's industries by the number of small employer firms. For comparison, the three most common industries for small employer firms across the United States are professional, scientific, and technical services; other services (except public administration); and retail trade.

**Table 2: Number of North Dakota Small Firms by Industry, 2012**  
(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
Construction	2,866	2,635	5,647	8,513
Other services (except public admin.)	2,314	2,186	7,062	9,376
Retail trade	2,148	1,801	5,643	7,791
Accommodation & food services	1,633	1,212	660	2,293
Professional, scientific, & tech. svcs.	1,537	1,397	4,924	6,461
Health care & social assistance	1,444	1,194	5,095	6,539
Transportation & warehousing	1,420	1,290	2,663	4,083
Finance & insurance	1,015	921	2,404	3,419
Wholesale trade	954	657	730	1,684
Admin., supp., waste mgt., remed. svcs.	841	758	3,180	4,021
Real estate & rental & leasing	792	738	6,357	7,149
Manufacturing	626	470	640	1,266
Arts, entertainment, & recreation	376	330	2,165	2,541
Mining, quarrying, and oil & gas extrac.	347	263	896	1,243
Information	196	142	467	663
Educational services	135	91	1,086	1,221
Forestry, etc. & agriculture support	123	120	1,269	1,392
Management of comp. & enterprises	51	16	*	51
Utilities	32	13	64	96
Unclassified	22	22	*	22
<b>Total</b>	<b>18,711</b>	<b>16,246</b>	<b>50,952</b>	<b>69,663</b>

Source: SUSB and Nonemployer Statistics. \*Data for nonemployers not collected in these two categories.

See [www.sba.gov/advocacy/additional-data-state-profiles](http://www.sba.gov/advocacy/additional-data-state-profiles) for more detailed data.

- **Table 3** shows small firm employment by industry. The three North Dakota industries with the most small business employment were: accommodation and food services; health care and social assistance; and retail trade (**Table 3**).

**Table 3: Employment in North Dakota by Industry and Firm Size, 2012  
(ranked by small firm employment)**

Industry	Employment		Small Firm % of Industry Employment
	Small Firms	Total Firms	
Accommodation & food services	27,784	34,708	80.1
Health care & social assistance	25,844	57,772	44.7
Retail trade	25,227	47,415	53.2
Construction	19,817	21,636	91.6
Wholesale trade	13,015	21,629	60.2
Other services (except public admin.)	12,170	13,105	92.9
Manufacturing	12,081	23,866	50.6
Transportation & warehousing	10,555	18,238	57.9
Professional, scientific, & tech. svcs.	9,246	13,021	71.0
Finance & insurance	8,238	16,915	48.7
Admin., supp., waste mgt., remed. svcs.	7,400	12,001	61.7
Mining, quarrying, and oil & gas extraction	5,888	19,984	29.5
Real estate & rental & leasing	3,999	5,061	79.0
Arts, entertainment, & recreation	3,825	5,590	68.4
Educational services	3,655	4,660	78.4
Information	3,387	7,078	47.9
Utilities	1,220	3,215	37.9
Management of comp. & enterprises	482	4,881	9.9
Forestry, etc. & agriculture support	388	475	81.7
Unclassified	D	D	D
<b>Total</b>	<b>194,249</b>	<b>331,278</b>	<b>58.6</b>

Source: SUSB. (D) indicates data suppressed to protect the confidentiality of individual firms.

For more detailed information on businesses in your state, see [www.sba.gov/advocacy/847/841921](http://www.sba.gov/advocacy/847/841921).

## Abbreviations and Resources

ACS	American Community Survey, U.S. Census Bureau, <a href="http://www.census.gov/acs">www.census.gov/acs</a> .
BEA	Bureau of Economic Analysis, U.S. Department of Commerce, <a href="http://www.bea.gov">www.bea.gov</a> .
BED	Business Employment Dynamics, U.S. Department of Labor, Bureau of Labor Statistics, <a href="http://www.bls.gov/bdm">www.bls.gov/bdm</a> .
BDS	Business Dynamics Statistics, U.S. Census Bureau, <a href="http://www.census.gov/ces/dataproducts/bds">www.census.gov/ces/dataproducts/bds</a> .
BLS	Bureau of Labor Statistics, U.S. Department of Labor, <a href="http://www.bls.gov">www.bls.gov</a> .
CEA	Council of Economic Advisers, <a href="http://www.whitehouse.gov/administration/eop/cea">www.whitehouse.gov/administration/eop/cea</a> .
FDIC	Federal Deposit Insurance Corporation, <a href="http://www.fdic.gov">www.fdic.gov</a> .
FFIEC	Federal Financial Institutions Examination Council, <a href="http://www.ffiec.gov">www.ffiec.gov</a> .
ITA	International Trade Administration, U.S. Department of Commerce, <a href="http://www.trade.gov">www.trade.gov</a> .
Nonemployer Statistics	Nonemployer Statistics, U.S. Census Bureau, <a href="http://www.census.gov/econ/nonemployer">www.census.gov/econ/nonemployer</a> .
SUSB	Statistics of U.S. Businesses, U.S. Census Bureau, <a href="http://www.census.gov/econ/susb">www.census.gov/econ/susb</a> .
U.S. Courts	Administrative Office of the U.S. Courts, <a href="http://www.uscourts.gov">www.uscourts.gov</a> .