

SMALL BUSINESS PROFILE

DELAWARE




74,913
93.1% Small Businesses
of Delaware Businesses


174,196
45.6% Small Business Employees
of Delaware Employees



EMPLOYMENT
6,643
net new jobs¹



DIVERSITY
27.2%
increase in minority
ownership²



TRADE
86.4%
of Delaware exporters³

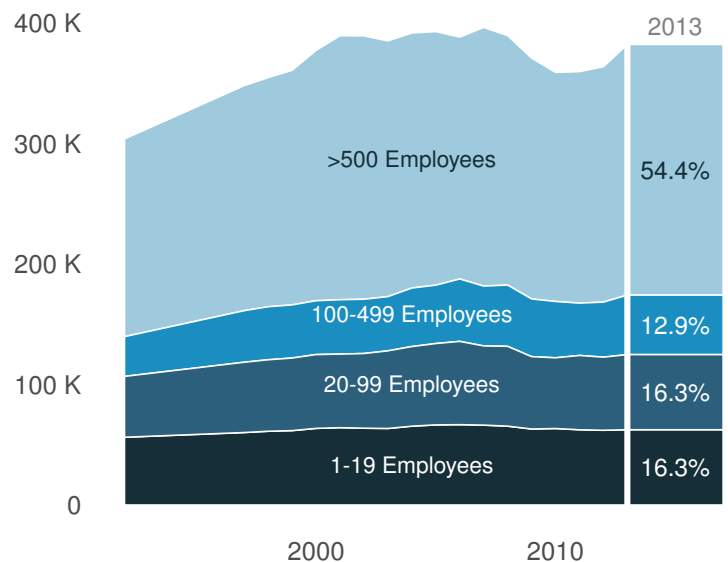
OVERALL DELAWARE ECONOMY

- In the third quarter of 2015, Delaware grew at an annual rate of **1.0%** which was slower than the overall US growth rate of **1.9%**. By comparison, Delaware's 2014 growth of **5.2%** was up from the 2013 level of **0.8%**. (Source: BEA)
- The employment situation in Delaware improved. At the close of 2015, unemployment was **4.9%**, down from **5.1%** at the close of 2014. This was below the national unemployment rate of **5.0%**. (Source: CPS)

EMPLOYMENT

- Delaware small businesses employed **174,196** people, or **45.6%** of the private workforce, in 2013. (Source: SUSB)
- Firms with fewer than 100 employees have the largest share of small business employment. See Figure 1 for further details on firms with employees. (Source: SUSB)
- Private-sector employment increased **1.8%** in 2015. This was below the previous year's increase of **2.4%**. (Source: CES)
- The number of proprietors increased in 2014 by **1.1%** relative to the previous year. (Source: BEA)
- Small businesses created **6,643** net jobs in 2013. Among the seven BDS size-classes, firms employing 250 to 499 employees experienced the largest gains, adding **2,536** net jobs. The smallest gains were in firms employing 5 to 9 employees which added **180** net jobs. (Source: BDS)

Figure 1: Delaware Employment by Firm Size



The Small Business Profiles are produced by the US Small Business Administration's Office of Advocacy. Each report incorporates the most up-to-date government data to present a unique snapshot of small businesses. **Small businesses are defined as firms employing fewer than 500 employees.** Hyperlinks to data sources and report generation information are provided in Table 3.

^{1,3} Net small business jobs change and exporter share are based on newly released 2013 BDS and 2012 ITA data.

² Diversity statistic tracks changes between 2007 and 2012 based on the Survey of Business Owners (SBO) 2015 release.

INCOME AND FINANCE

- The number of banks reported in the Call Reports between June 2014 and June 2015 declined. (Source: FDIC)
- In 2014, 14,626 loans under \$100,000 (and valued at \$222.5 million) were issued by Delaware lending institutions reporting under the Community Reinvestment Act. (Source: FFIEC)
- The median income⁴ for individuals who were self-employed at their own incorporated businesses was \$49,431 in 2014. For individuals self-employed at their own unincorporated firms, this figure was \$23,243. (Source: ACS)

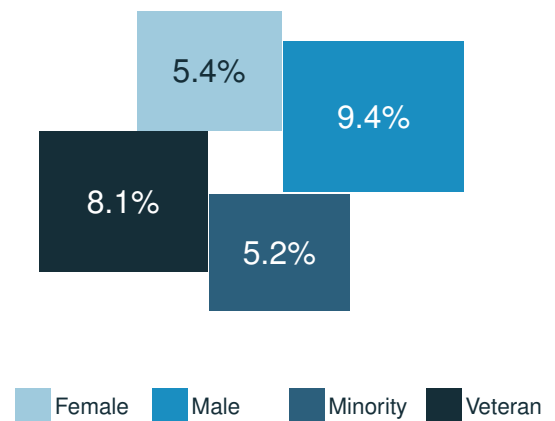
⁴ Median income represents earnings from all sources. Unincorporated self-employment income includes unpaid family workers, a very small percent of the unincorporated self-employed.

BUSINESS OWNER DEMOGRAPHICS

Figure 2: Delaware Changes in Business Ownership by Demographic Group

African American-owned	•	19.4%
Asian-owned	•	28.9%
Hawaiian/Pacific Islander-owned	●	94.4%
Hispanic-owned	●	77.6%
Native American/Alaskan-owned		-
Minority-owned	•	27.2%
Nonminority-owned	•	-4.8%

Figure 3: Delaware Self-Employment within Demographic Group

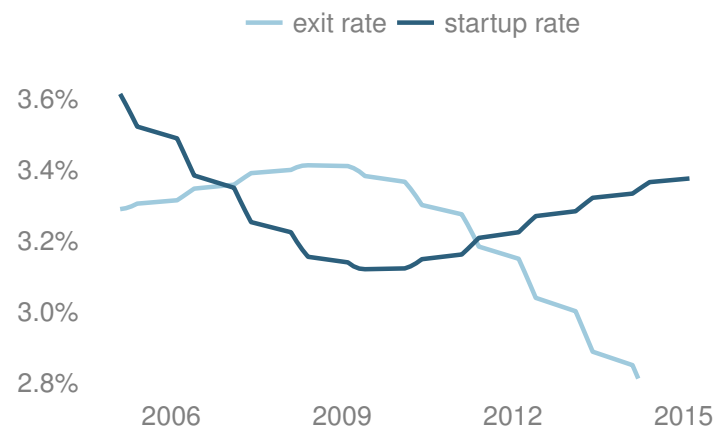


- Figure 2 displays the change in overall firm ownership for each demographic group from 2007 to 2012 based on the Survey of Business Owners (SBO) for Delaware, released in December 2015.
- Figure 3 displays the percent of each demographic group identified as self-employed according to the 2014 American Community Survey (ACS) 5-year estimates.

BUSINESS TURNOVER

- In the second quarter of 2014, 761 establishments started up⁵ in Delaware and 695 exited.⁶ Startups generated 2,433 new jobs while exits caused 2,252 job losses. (Source: BDM)
- Figure 4 displays startup and exit rates from 2005 to 2015. Each series is smoothed across multiple quarters to highlight long-run trends. (Source: BDM)

Figure 4: Delaware Private Startup and Exit Rates



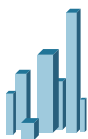




⁵ **STARTUPS** are counted when business establishments hire at least one employee for the first time. The BLS terms these **births**, as distinct from the BLS **openings** category which includes seasonal re-openings.

⁶ **EXITS** occur when establishments go from having at least one employee to having none, and then remain closed for at least a year. The BLS terms these events **deaths**, as distinct from the **closings** category which includes seasonal shutterings.

- A total of 1,627 companies exported goods from Delaware in 2013. Among these, 1,406, or 86.4%, were small firms; they generated 18.9% of Delaware's total known export value. (Source: ITA)

SMALL BUSINESSES BY INDUSTRY

Table 1: Delaware Small Firms by Industry, 2013
(sorted by small employer firms)

				
Industry	1 – 499 Employees	1 – 19 Employees	Nonemployer Firms	Total Small Firms
Professional, Scientific, and Technical Services	2,339	2,092	8,134	10,473
Retail Trade	2,188	1,940	5,172	7,360
Construction	2,147	1,952	5,758	7,905
Other Services (except Public Administration)	2,008	1,849	7,360	9,368
Health Care and Social Assistance	1,783	1,461	4,209	5,992
Accommodation and Food Services	1,591	1,218	733	2,324
Administrative, Support, and Waste Management	1,145	990	4,202	5,347
Finance and Insurance	958	827	2,360	3,318
Real Estate and Rental and Leasing	832	755	8,614	9,446
Wholesale Trade	791	623	1,099	1,890
Transportation and Warehousing	533	442	2,216	2,749
Manufacturing	477	356	642	1,119
Arts, Entertainment, and Recreation	366	304	3,227	3,593
Educational Services	268	208	1,768	2,036
Information	222	187	878	1,100
Agriculture, Forestry, Fishing and Hunting	42	42	447	489
Utilities	13	8	36	49
Mining, Quarrying, and Oil and Gas Extraction	10	7	6	16
Total	17,713	15,261	56,861	74,574

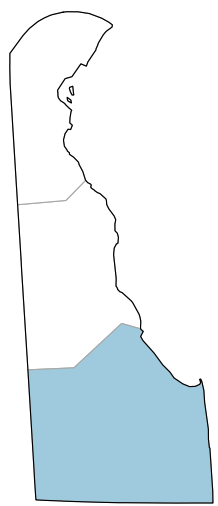
Totals for Tables 1 and 2 differ from SUSB's statewide tallies due to firms with establishments in more than one industry and the omission of industry classifications not reported by NES. (Source: NES and SUSB)

s Indicates samples deemed too small to represent the population according to SUSB.

Table 2: Delaware Employment by Industry and Firm Size, 2013
(sorted by small firm employment)

Industry	Small Business Employment	Total Private Employment	Small Business Employment Share
Health Care and Social Assistance	28,662	61,496	46.6%
Accommodation and Food Services	24,622	36,671	67.1%
Retail Trade	17,579	52,945	33.2%
Construction	16,923	17,838	94.9%
Professional, Scientific, and Technical Services	16,620	31,437	52.9%
Other Services (except Public Administration)	13,438	14,370	93.5%
Administrative, Support, and Waste Management	11,379	30,523	37.3%
Manufacturing	9,095	26,239	34.7%
Wholesale Trade	6,570	15,144	43.4%
Educational Services	5,426	6,877	78.9%
Finance and Insurance	5,388	39,196	13.7%
Transportation and Warehousing	5,125	11,804	43.4%
Arts, Entertainment, and Recreation	4,314	8,153	52.9%
Real Estate and Rental and Leasing	4,296	5,317	80.8%
Information	2,060	6,372	32.3%
Mining, Quarrying, and Oil and Gas Extraction	194	211	91.9%
Agriculture, Forestry, Fishing and Hunting	120	120	100.0%
Utilities	s	2,343	-
Total	171,811	367,056	46.8%

Figure 5: Delaware County-Level Job Changes, 2015 (CEW)



Job Change
 2%
 15.2%

Table 3: Abbreviations and Resources

ACS	American Community Survey, US Census Bureau
BEA	Bureau of Economic Analysis
BDM	Business Employment Dynamics, BLS
BDS	Business Dynamics Statistics, US Census Bureau
BLS	Bureau of Labor Statistics, US Department of Labor
CES	Current Employment Statistics, BLS
CEW	Census of Employment and Wages, BLS
CPS	Current Population Survey, BLS
FDIC	Federal Deposit Insurance Corporation
FFIEC	Federal Financial Institutions Examination Council
ITA	International Trade Administration
NES	Nonemployer Statistics, US Census Bureau
SBO	Survey of Business Owners, US Census Bureau
SUSB	Statistics of US Businesses, US Census Bureau

All profiles, source data, methodology notes, and county-level employment statistics are available at <http://go.usa.gov/cfKMd>

