

# SMALL BUSINESS PROFILE

U.S. SMALL BUSINESS ADMINISTRATION

## OFFICE OF ADVOCACY

REGULATION • RESEARCH • OUTREACH

### NEVADA




**238,162**  
95.6% Small Businesses  
of Nevada Businesses


**428,174**  
40.9% Small Business Employees  
of Nevada Employees



**EMPLOYMENT**  
**14,364**  
net new jobs<sup>1</sup>



**DIVERSITY**  
**57.8%**  
increase in minority  
ownership<sup>2</sup>



**TRADE**  
**86.2%**  
of Nevada exporters<sup>3</sup>

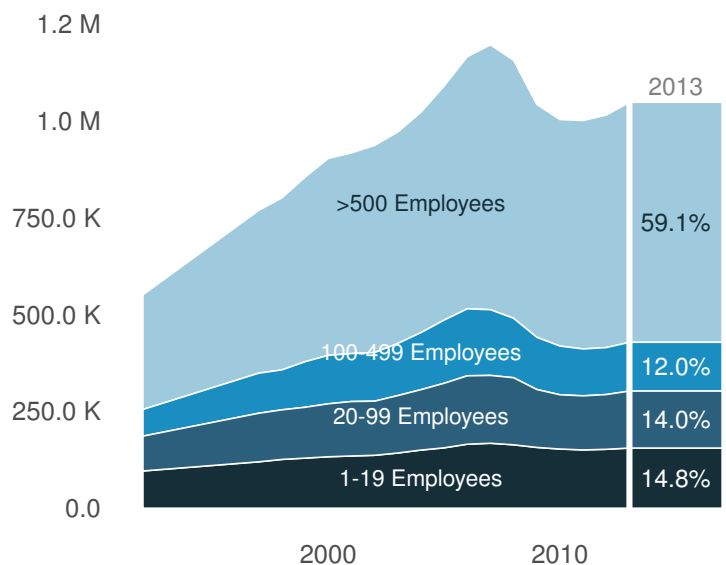
#### OVERALL NEVADA ECONOMY

- In the third quarter of 2015, Nevada grew at an annual rate of 0.7% which was slower than the overall US growth rate of 1.9%. By comparison, Nevada's 2014 growth of 5.5% was up from the 2013 level of 2.0%. (Source: BEA)
- The employment situation in Nevada improved. At the close of 2015, unemployment was 6.3%, down from 7.3% at the close of 2014. This was above the national unemployment rate of 5.0%. (Source: CPS)

#### EMPLOYMENT

- Nevada small businesses employed 428,174 people, or 40.9% 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 2.0% in 2015. This was below the previous year's increase of 3.9%. (Source: CES)
- The number of proprietors increased in 2014 by 1.1% relative to the previous year. (Source: BEA)
- Small businesses created 14,364 net jobs in 2013. Among the seven BDS size-classes, firms employing 20 to 49 employees experienced the largest gains, adding 3,940 net jobs. The smallest gains were in firms employing 50 to 99 employees which added 817 net jobs. (Source: BDS)

Figure 1: Nevada 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.

<sup>1,3</sup> Net small business jobs change and exporter share are based on newly released 2013 BDS and 2012 ITA data.

<sup>2</sup> 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 was unchanged. (Source: FDIC)
- In 2014, 49,530 loans under \$100,000 (and valued at \$634.4 million) were issued by Nevada lending institutions reporting under the Community Reinvestment Act. (Source: FFIEC)
- The median income<sup>4</sup> for individuals who were self-employed at their own incorporated businesses was \$50,283 in 2014. For individuals self-employed at their own unincorporated firms, this figure was \$21,855. (Source: ACS)

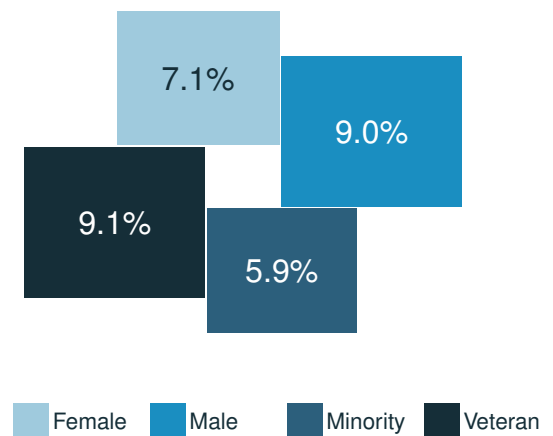
<sup>4</sup> Median income represents earnings from all sources. Unincorporated self-employment income includes unpaid family workers, a very small percent of the unincorporated self-employed.

## BUSINESS OWNER DEMOGRAPHICS

Figure 2: Nevada Changes in Business Ownership by Demographic Group

African American-owned	●	78.2%
Asian-owned	●	23.8%
Hawaiian/Pacific Islander-owned	●	84.2%
Hispanic-owned	●	86.7%
Native American/Alaskan-owned	●	30.1%
Minority-owned	●	57.8%
Nonminority-owned	○	-8.3%

Figure 3: Nevada Self-Employment within Demographic Group

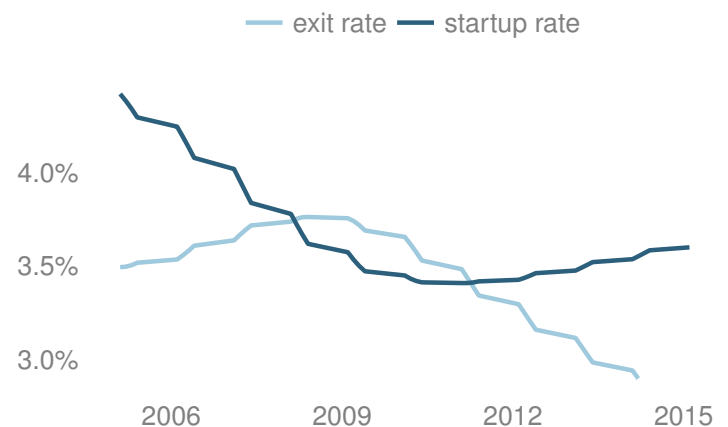


- Figure 2 displays the change in overall firm ownership for each demographic group from 2007 to 2012 based on the Survey of Business Owners (SBO) for Nevada, released in December 2015.
- Figure 3 displays the percent of each demographic group identified as self-employed according to the 2014 American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

## BUSINESS TURNOVER

- In the second quarter of 2014, 2,213 establishments started up<sup>5</sup> in Nevada and 1,877 exited.<sup>6</sup> Startups generated 7,503 new jobs while exits caused 6,156 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: Nevada Private Startup and Exit Rates



<sup>5</sup> **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.

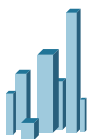




<sup>6</sup> **EXITS** occur when establishments go from having at least one employee to having none, and then remain closed for at least a year. The BLS terms these events **deaths**, as distinct from the **closings** category which includes seasonal shutterings.

## INTERNATIONAL TRADE

- A total of 2,949 companies exported goods from Nevada in 2013. Among these, 2,541, or 86.2%, were small firms; they generated 15.5% of Nevada's total known export value. (Source: ITA)

## SMALL BUSINESSES BY INDUSTRY

Table 1: Nevada 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	7,596	7,048	28,381	35,977
Health Care and Social Assistance	5,327	4,761	14,693	20,020
Retail Trade	4,490	3,938	16,575	21,065
Construction	4,384	3,811	10,420	14,804
Accommodation and Food Services	3,934	2,985	2,656	6,590
Other Services (except Public Administration)	3,720	3,409	31,945	35,665
Administrative, Support, and Waste Management	3,575	3,071	16,307	19,882
Real Estate and Rental and Leasing	3,124	2,914	27,606	30,730
Wholesale Trade	2,298	1,807	3,641	5,939
Finance and Insurance	2,237	2,019	7,714	9,951
Manufacturing	1,522	1,182	2,377	3,899
Arts, Entertainment, and Recreation	1,175	971	15,053	16,228
Transportation and Warehousing	1,037	846	6,913	7,950
Information	742	669	3,215	3,957
Educational Services	596	495	3,307	3,903
Mining, Quarrying, and Oil and Gas Extraction	191	150	424	615
Agriculture, Forestry, Fishing and Hunting	46	45	697	743
Utilities	42	27	120	162
<b>Total</b>	<b>46,036</b>	<b>40,148</b>	<b>192,044</b>	<b>238,080</b>

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: Nevada Employment by Industry and Firm Size, 2013  
(sorted by small firm employment)

Industry	Small Business Employment	Total Private Employment	Small Business Employment Share
Accommodation and Food Services	71,954	297,327	24.2%
Health Care and Social Assistance	54,763	107,580	50.9%
Construction	44,037	52,430	84.0%
Administrative, Support, and Waste Management	40,466	99,368	40.7%
Retail Trade	38,421	135,128	28.4%
Professional, Scientific, and Technical Services	36,930	54,071	68.3%
Other Services (except Public Administration)	25,551	31,538	81.0%
Manufacturing	22,427	39,608	56.6%
Arts, Entertainment, and Recreation	17,802	28,958	61.5%
Wholesale Trade	17,740	33,554	52.9%
Real Estate and Rental and Leasing	15,349	24,811	61.9%
Transportation and Warehousing	13,294	46,119	28.8%
Finance and Insurance	10,250	34,963	29.3%
Educational Services	7,005	10,224	68.5%
Information	5,128	16,542	31.0%
Mining, Quarrying, and Oil and Gas Extraction	3,759	14,526	25.9%
Utilities	516	s	-
Agriculture, Forestry, Fishing and Hunting	s	s	-
<b>Total</b>	<b>425,392</b>	<b>1,026,747</b>	<b>41.4%</b>

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

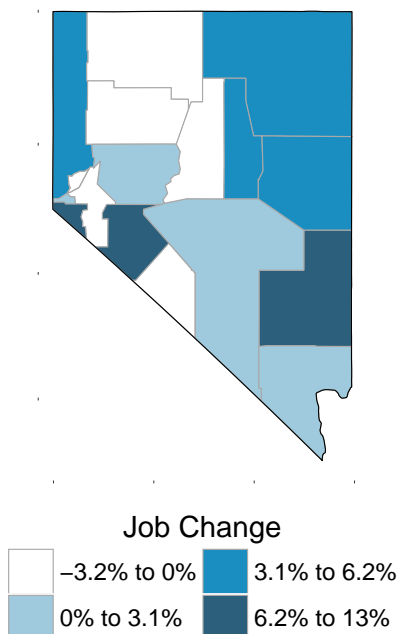


Table 3: Abbreviations and Resources

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>

