

SMALL BUSINESS PROFILE

U.S. SMALL BUSINESS ADMINISTRATION

OFFICE OF ADVOCACY

REGULATION • RESEARCH • OUTREACH

NEBRASKA

168,140
96.5% Small Businesses
of Nebraska Businesses

394,009
47.5% Small Business Employees
of Nebraska Employees



EMPLOYMENT
3,741
net new jobs¹



DIVERSITY
65.3%
increase in minority
ownership²



TRADE
81.8%
of Nebraska exporters³

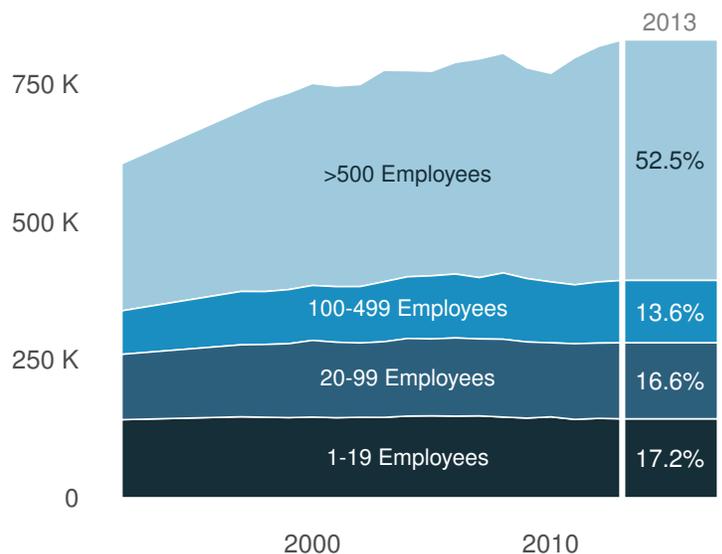
OVERALL NEBRASKA ECONOMY

- In the third quarter of 2015, Nebraska grew at an annual rate of **5.4%** which was faster than the overall US growth rate of **1.9%**. By comparison, Nebraska's 2014 growth of **3.7%** was down from the 2013 level of **4.4%**. (Source: BEA)
- At the close of 2015, unemployment was **3.0%**, up from **2.9%** at the close of 2014. This was below the national unemployment rate of **5.0%**. (Source: CPS)

EMPLOYMENT

- Nebraska small businesses employed **394,009** people, or **47.5%** 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 **1.5%** in 2015. This was above the previous year's increase of **0.8%**. (Source: CES)
- The number of proprietors increased in 2014 by **0.7%** relative to the previous year. (Source: BEA)
- Small businesses created **3,741** net jobs in 2013. Among the seven BDS size-classes, firms employing 250 to 499 employees experienced the largest gains, adding **2,698** net jobs. The largest losses were in firms employing 100 to 249 employees which lost **838** net jobs. (Source: BDS)

Figure 1: Nebraska 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, 27,372 loans under \$100,000 (and valued at \$440.1 million) were issued by Nebraska 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 \$42,751 in 2014. For individuals self-employed at their own unincorporated firms, this figure was \$24,638. (Source: ACS)

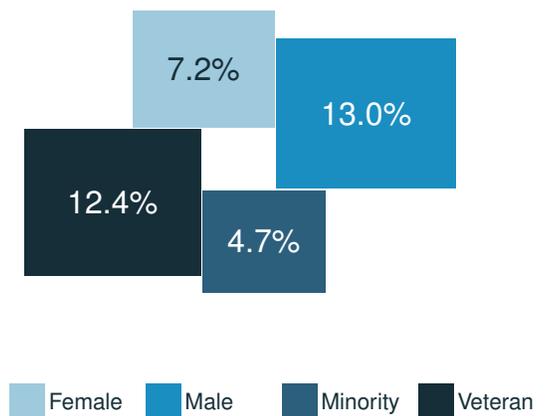
⁴ Median income represents earnings from all sources. Unincorporated self-employment income includes unpaid family workers, a very small percent of the unincorporated self-employed.

BUSINESS OWNER DEMOGRAPHICS

Figure 2: Nebraska Changes in Business Ownership by Demographic Group

African American-owned	●	59.6%
Asian-owned	●	40.1%
Hawaiian/Pacific Islander-owned		-
Hispanic-owned	●	97.5%
Native American/Alaskan-owned	●	43.3%
Minority-owned	●	65.3%
Nonminority-owned	●	1.0%

Figure 3: Nebraska Self-Employment within Demographic Group

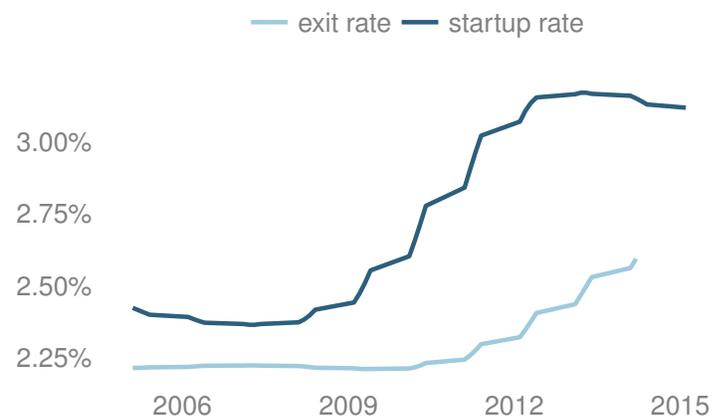


- Figure 2 displays the change in overall firm ownership for each demographic group from 2007 to 2012 based on the Survey of Business Owners (SBO) for Nebraska, released in December 2015.
- Figure 3 displays the percent of each demographic group identified as self-employed according to the 2014 American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

BUSINESS TURNOVER

- In the second quarter of 2014, 1,665 establishments started up⁵ in Nebraska and 1,703 exited.⁶ Startups generated 5,048 new jobs while exits caused 4,634 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: Nebraska 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 1,914 companies exported goods from Nebraska in 2013. Among these, 1,565, or 81.8%, were small firms; they generated 25.5% of Nebraska's total known export value. (Source: ITA)

SMALL BUSINESSES BY INDUSTRY

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

				
Industry	1 – 499 Employees	1 – 19 Employees	Nonemployer Firms	Total Small Firms
Construction	5,876	5,506	15,045	20,921
Other Services (except Public Administration)	5,264	4,920	19,959	25,223
Retail Trade	4,613	4,029	13,188	17,801
Health Care and Social Assistance	4,155	3,457	12,592	16,747
Professional, Scientific, and Technical Services	4,044	3,734	12,830	16,874
Accommodation and Food Services	3,246	2,523	1,713	4,959
Finance and Insurance	2,363	2,146	5,431	7,794
Administrative, Support, and Waste Management	2,199	1,986	9,279	11,478
Wholesale Trade	1,991	1,466	1,796	3,787
Transportation and Warehousing	1,960	1,789	6,169	8,129
Real Estate and Rental and Leasing	1,667	1,562	14,221	15,888
Manufacturing	1,466	1,079	1,535	3,001
Arts, Entertainment, and Recreation	811	699	6,055	6,866
Educational Services	473	349	2,921	3,394
Information	452	334	1,326	1,778
Agriculture, Forestry, Fishing and Hunting	168	160	3,140	3,308
Mining, Quarrying, and Oil and Gas Extraction	101	91	151	252
Utilities	19	12	76	95
Total	40,868	35,842	127,427	168,295

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: Nebraska 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	62,448	121,695	51.3%
Accommodation and Food Services	49,190	70,958	69.3%
Retail Trade	44,527	108,268	41.1%
Construction	35,509	39,414	90.1%
Other Services (except Public Administration)	32,550	35,699	91.2%
Manufacturing	29,806	91,328	32.6%
Wholesale Trade	26,107	42,934	60.8%
Professional, Scientific, and Technical Services	25,783	88,150	29.2%
Administrative, Support, and Waste Management	19,355	58,799	32.9%
Finance and Insurance	17,585	60,199	29.2%
Transportation and Warehousing	14,329	27,758	51.6%
Arts, Entertainment, and Recreation	9,141	13,319	68.6%
Educational Services	8,664	18,431	47.0%
Real Estate and Rental and Leasing	8,212	10,905	75.3%
Information	6,645	21,085	31.5%
Mining, Quarrying, and Oil and Gas Extraction	731	977	74.8%
Agriculture, Forestry, Fishing and Hunting	589	1,082	54.4%
Utilities	211	s	-
Total	391,382	811,001	48.3%

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

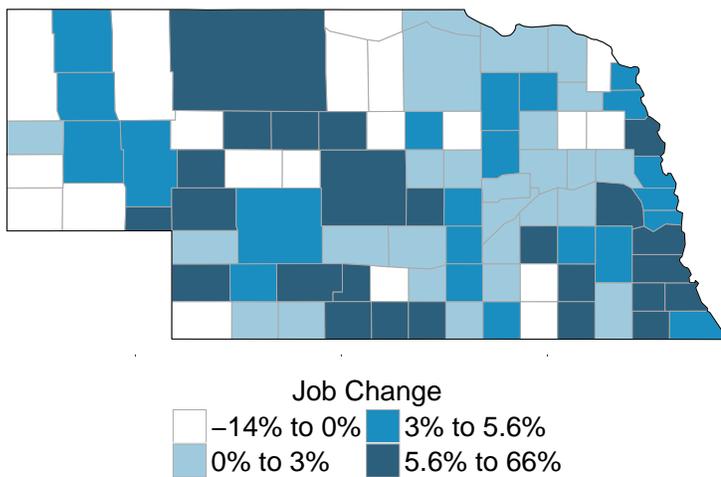


Table 3: Abbreviations and Resources

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>

