

SMALL BUSINESS PROFILE

U.S. SMALL BUSINESS ADMINISTRATION

OFFICE OF ADVOCACY

REGULATION • RESEARCH • OUTREACH

DELAWARE




77,306
98.3% Small Businesses
of Delaware Businesses


176,837
45.2% Small Business Employees
of Delaware Employees



EMPLOYMENT
6,508
net new jobs



DIVERSITY
14,431
minority-owned
businesses



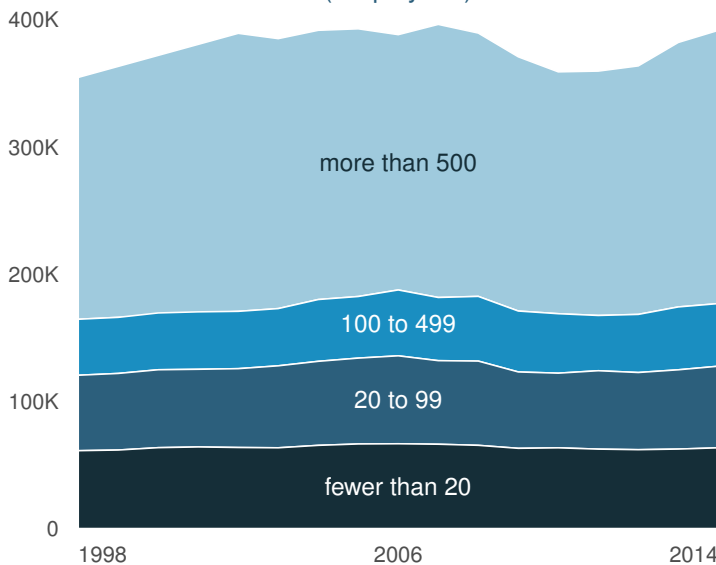
TRADE
87.1%
of Delaware exporters

OVERALL DELAWARE ECONOMY

- In the second quarter of 2016, Delaware grew at an annual rate of **1.5%**, which was faster than the overall US growth rate of **1.2%**. Delaware's 2015 growth rate of **2.7%** was down from the 2014 rate of **4.8%**. (Source: BEA)
- In November 2016, the unemployment rate was **4.3%**, down from **4.9%** at the close of 2015. This was below the November 2016 national unemployment rate of **4.6%**. (Source: CPS)

EMPLOYMENT

Figure 1: Delaware Employment by Business Size (Employees)



- Delaware small businesses employed **176,837** people, or **45.2%** of the private workforce, in 2014. (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)
- During the year ending November 2016, private-sector employment increased **0.7%**. This was below the previous year's increase of **3.4%**. (Source: CPS)
- The number of proprietors increased in 2015 by **2.8%** relative to the previous year. (Source: BEA)
- Small businesses created **6,508** net jobs in 2014. Among the seven BDS size-classes, firms employing 50 to 99 employees experienced the largest gains, adding **1,781** net jobs. The smallest gains were in firms employing 100 to 249 employees, which added **72** net jobs. (Source: BDS)

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. Net small business job change, minority small business ownership, and exporter share statistics are based on the 2014 Business Dynamics Statistics (BDS), 2012 Survey of Business Owners (SBO), and 2014 International Trade Administration (ITA) data, respectively.

INCOME AND FINANCE

- The number of banks reported in the Call Reports between June 2015 and June 2016 increased. (Source: FDIC)
- In 2014, 14,626 loans under \$100,000 (valued at \$222.5 million) were issued by Delaware lending institutions reporting under the Community Reinvestment Act. (Source: FFIEC)
- The median income for individuals self-employed at their own incorporated businesses was \$48,649 in 2015. For individuals self-employed at their own unincorporated firms, this figure was \$24,337. (Source: ACS)

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 Small Business Ownership, 2012

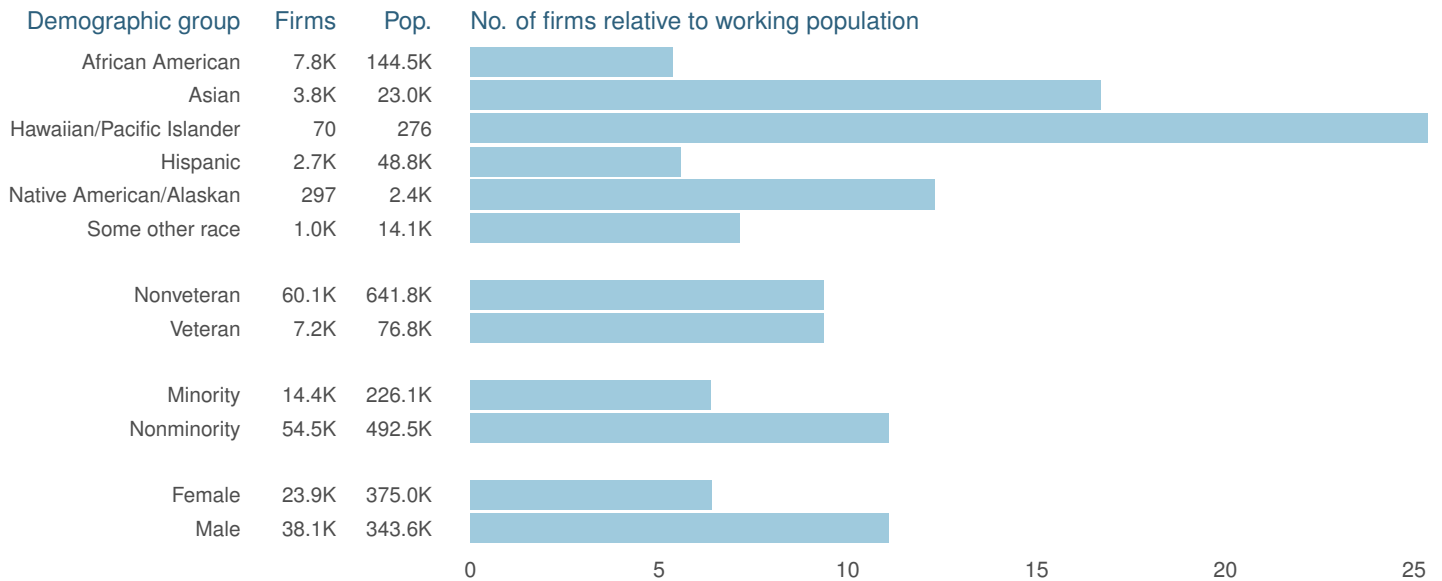
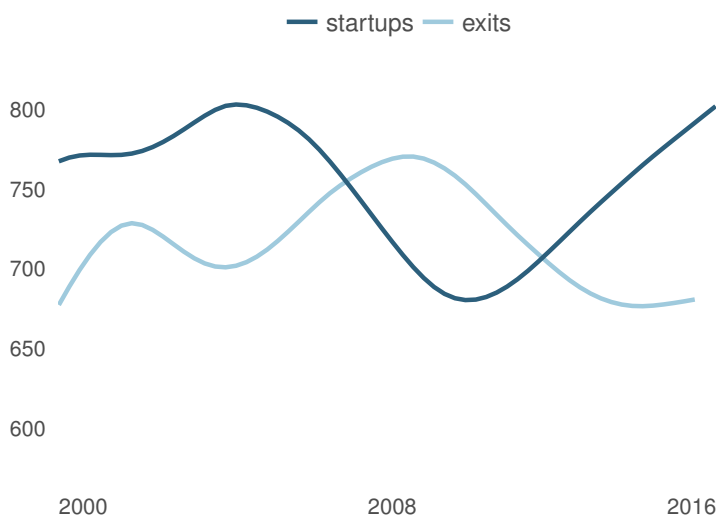


Figure 2 displays the number of small firms (SBO) per 100 people 16 years and over (ACS). For example, there are approximately 6 female-owned firms per 100 working age females or $23.9K \div 375.0K \times 100$. ACS and SBO differ in their classifications of individuals reporting more than one race. ACS provides a distinct category for two or more races while SBO tabulates these businesses into more than one group.

BUSINESS TURNOVER

Figure 3: Delaware Quarterly Startups and Exits



- In the second quarter of 2015, 763 establishments started up, generating 2,614 new jobs in Delaware. Startups are counted when business establishments hire at least one employee for the first time. (Source: BDM)
- In the same period, 746 establishments exited resulting in 2,636 jobs lost. Exits occur when establishments go from having at least one employee to having none, and then remain closed for at least one year. (Source: BDM)
- Figure 3 displays quarterly startups and exits from 2000 to 2016. Each series is smoothed across multiple quarters to highlight long-run trends.

The BLS refers to startups as births and exits as deaths. These terms are distinct from the BLS openings and closings categories. Openings include seasonal re-openings and closings include seasonal shutterings.

INTERNATIONAL TRADE

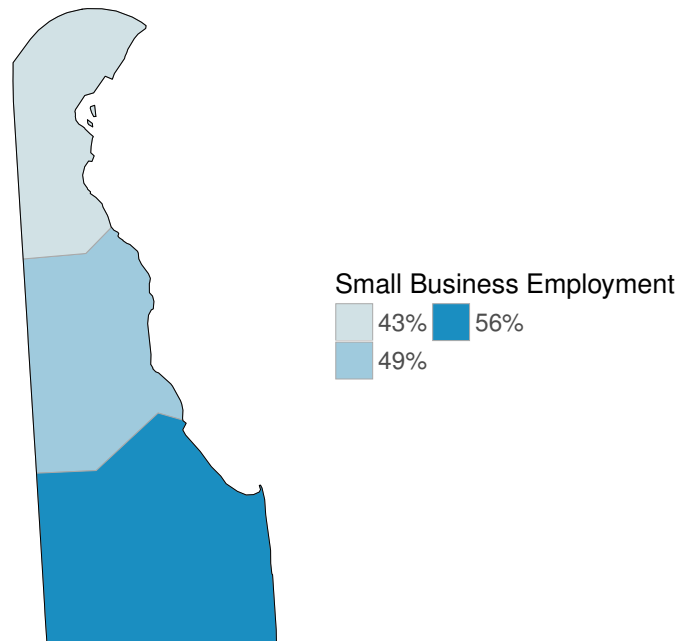
- A total of 1,707 companies exported goods from Delaware in 2014. Among these, 1,486, or 87.1%, were small firms; they generated 23.1% of Delaware's \$4.8 billion in total known exports. (Source: ITA)

SMALL BUSINESS EMPLOYMENT BY INDUSTRY AND COUNTY

Table 1: Delaware Employment by Industry, 2014

Industry	Small Business Employment	Total Private Employment	Small Business Employment Share
Health Care and Social Assistance	28,561	64,183	44%
Accommodation and Food Services	24,352	37,808	64%
Retail Trade	17,669	54,479	32%
Construction	17,462	18,489	94%
Professional, Scientific, and Technical Services	16,483	33,125	50%
Other Services (Except Public Administration)	13,908	14,740	94%
Administrative, Support, and Waste Management	11,330	26,555	43%
Manufacturing	8,901	25,665	35%
Wholesale Trade	6,924	16,148	43%
Finance and Insurance	5,862	39,140	15%
Transportation and Warehousing	5,329	13,313	40%
Educational Services	5,260	6,668	79%
Real Estate and Rental and Leasing	4,961	6,135	81%
Arts, Entertainment, and Recreation	4,758	8,758	54%
Information	2,617	8,280	32%
Mining, Quarrying, and Oil and Gas Extraction	136	161	84%
Agriculture, Forestry, and Fishing and Hunting	120	120	100%
Utilities	s	2,375	-
Total	176,837	391,636	45%

Figure 4: Delaware Small Business Percent of Employment by County



SMALL BUSINESSES BY INDUSTRY

Table 2: Delaware Small Businesses by Industry and Firm Size, 2014

Industry	1-499 Employees	1-20 Employees	Nonemployer Firms	Total Small Firms
Professional, Scientific, and Technical Services	2,410	2,157	8,537	10,947
Real Estate and Rental and Leasing	853	768	8,935	9,788
Other Services (Except Public Administration)	2,020	1,854	7,712	9,732
Construction	2,136	1,934	5,957	8,093
Retail Trade	2,177	1,926	5,283	7,460
Health Care and Social Assistance	1,770	1,448	4,285	6,055
Administrative, Support, and Waste Management	1,142	991	4,319	5,461
Arts, Entertainment, and Recreation	388	327	3,397	3,785
Finance and Insurance	986	854	2,432	3,418
Transportation and Warehousing	526	437	2,292	2,818
Accommodation and Food Services	1,576	1,200	768	2,344
Educational Services	269	207	1,924	2,193
Wholesale Trade	818	648	1,146	1,964
Information	264	219	947	1,211
Manufacturing	503	384	650	1,153
Agriculture, Forestry, and Fishing and Hunting	36	36	437	473
Utilities	20	15	46	66
Mining, Quarrying, and Oil and Gas Extraction	12	10	11	23
Total	18,228	15,704	59,078	77,306

Data for counties shown in white in Figure 4 and values labeled "s" in Tables 1 and 2 were withheld by the Census Bureau because they do not meet publication standards or could disclose information regarding individual businesses. (Source: SUSB, NES)

REFERENCES

The Small Business Profiles, source data, and methodology are available at <http://go.usa.gov/x9yxK>.

ACS	American Community Survey, 5-year estimates, U.S. Census Bureau
BEA	Bureau of Economic Analysis
BDM	Business Employment Dynamics, BLS
BDS	Business Dynamics Statistics, U.S. Census Bureau
BLS	Bureau of Labor Statistics, U.S. 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, U.S. Census Bureau
SBO	Survey of Business Owners, U.S. Census Bureau
SUSB	Statistics of U.S. Businesses, U.S. Census Bureau

