

2018 SMALL BUSINESS PROFILE

OFFICE OF ADVOCACY

REGULATION • RESEARCH • OUTREACH

DELAWARE



79,417 Small Businesses
98.3% of Delaware Businesses

180,179 Small Business Employees
45.3% of Delaware Employees



EMPLOYMENT
5,927
net new jobs



DIVERSITY
14,431
minority-owned
businesses



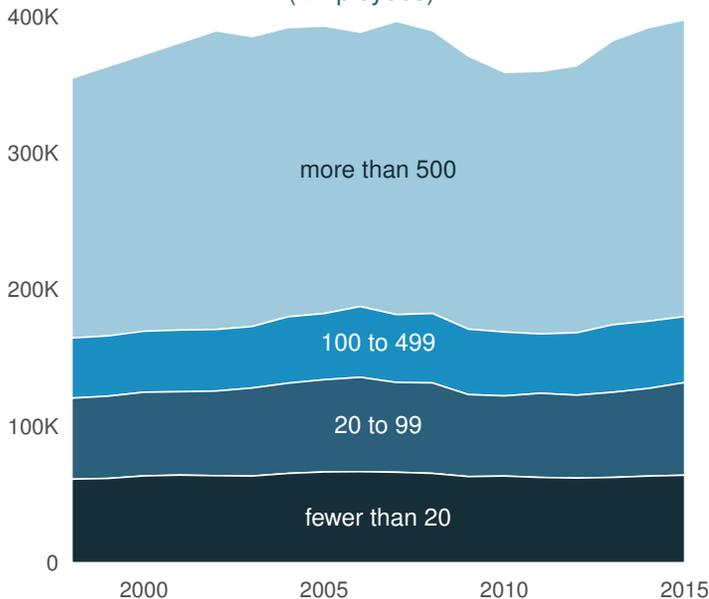
TRADE
1,389
small business
exporters

OVERALL DELAWARE ECONOMY

- In the third quarter of 2017, Delaware grew at an annual rate of **5.7%**, which was faster than the overall US growth rate of **3.4%**. Delaware's 2016 growth rate of **0.1%** was down from the 2015 rate of **2.8%**. (Source: [BEA](#))
- In January 2018, the unemployment rate was **4.5%**, down from **4.6%** in January 2017. This was above the January 2018 national unemployment rate of **4.1%**. (Source: [CPS](#))

EMPLOYMENT

Figure 1: Delaware Employment by Business Size (Employees)



- Delaware small businesses employed **180,179** people, or **45.3%** of the private workforce, in 2015. (Source: [SUSB](#))
- Firms with fewer than 100 employees have the largest share of small business employment. Figure 1 provides further details on firms with employees. (Source: [SUSB](#))
- Private-sector employment increased **0.7%** during the 12-month period ending in January 2018. This was above the increase of **0.4%** during the prior 12-month period. (Source: [CPS](#))
- The number of proprietors increased in 2016 by **2.3%** relative to the previous year. (Source: [BEA](#))
- Small businesses created **5,927** net jobs in 2015. Firms employing fewer than 20 employees experienced the largest gains, adding **3,701** net jobs. The smallest gains were in firms employing 100 to 499 employees, which added **42** net jobs. (Source: [SUSB](#))

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 for this profile as firms employing fewer than 500 employees. Net small business job change, minority small business ownership, and exporter share statistics are based on the 2015 Statistics of US Businesses (SUSB), 2012 Survey of Business Owners (SBO), and 2015 International Trade Administration (ITA) data, respectively.

INCOME AND FINANCE

- The number of banks was unchanged at **22** between June 2016 and June 2017. (Source: **FDIC**)
- In 2016, **16,356** loans under \$100,000 (valued at **\$261.7 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 **\$49,765** in 2016. For individuals self-employed at their own unincorporated firms, this figure was **\$23,801**. (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.

EMPLOYER BUSINESS OWNER DEMOGRAPHICS

Figure 2: Delaware Employees per Business by Owner's Demographic, 2015

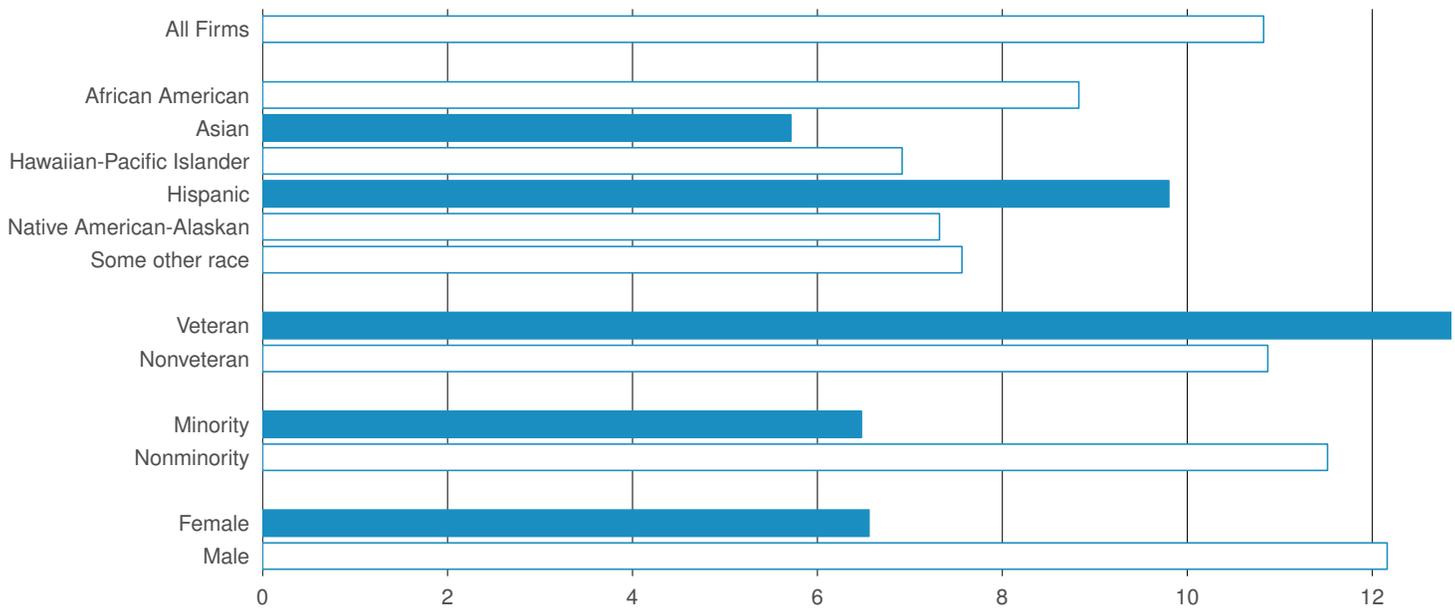
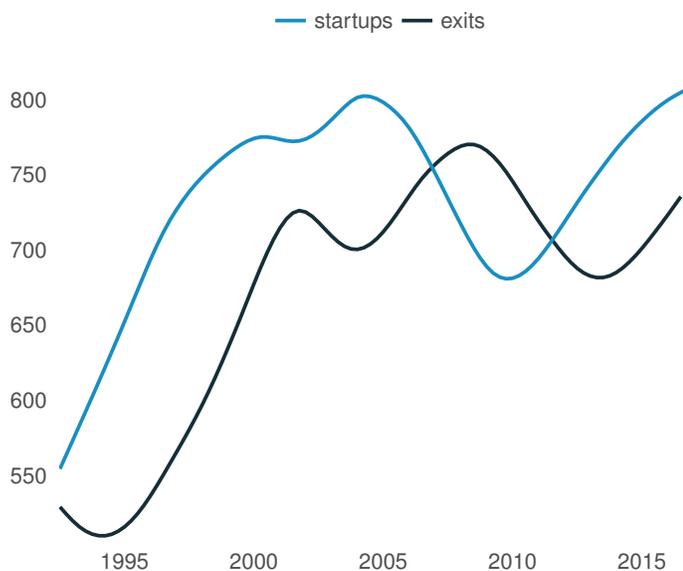


Figure 2 shows the average number of employees per employer business by owner's demographic group according to the Annual Survey of Entrepreneurs (ASE). Unshaded bars display US values; data were withheld because they do not meet Census Bureau publication standards or could disclose information regarding individual businesses.

TURNOVER AMONG ESTABLISHMENTS WITH EMPLOYEES

Figure 3: Delaware Quarterly Startups and Exits



- In the third quarter of 2016, **839** establishments started up, generating **2,740** 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, **799** establishments exited resulting in **3,010** 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 1992 to 2016. Each series is smoothed across multiple quarters to highlight long-run trends. (Source: **BDM**)

The BLS data covers only business establishments with employees. 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. Quarterly startup and exit values may not align with Figure 3 due to smoothing.

INTERNATIONAL TRADE

- A total of 1,596 companies exported goods from Delaware in 2015. Of these, 1,389, or 87.0%, were small firms; they generated 19.1% of Delaware's \$5.2 billion in total exports. (Source: ITA)

SMALL BUSINESS EMPLOYMENT BY INDUSTRY AND COUNTY

Table 1: Delaware Employment by Industry, 2015

Industry	Small Business Employment	Total Private Employment	Small Business Employment Share
Health Care and Social Assistance	28,300	66,496	42.6
Accommodation and Food Services	26,499	39,289	67.4
Retail Trade	18,204	55,070	33.1
Construction	17,943	19,468	92.2
Professional, Scientific, and Technical Services	16,833	31,486	53.5
Other Services (except Public Administration)	13,892	14,798	93.9
Administrative, Support, and Waste Management	11,263	28,429	39.6
Manufacturing	8,926	26,420	33.8
Wholesale Trade	7,066	15,520	45.5
Finance and Insurance	6,257	42,783	14.6
Transportation and Warehousing	5,467	14,153	38.6
Real Estate and Rental and Leasing	4,980	6,095	81.7
Arts, Entertainment, and Recreation	4,909	8,650	56.8
Educational Services	4,876	6,925	70.4
Information	2,573	6,684	38.5
Management of Companies and Enterprises	1,348	12,337	10.9
Utilities	472	2,374	19.9
Mining, Quarrying, and Oil and Gas Extraction	183	213	85.9
Agriculture, Forestry, and Fishing and Hunting	124	131	94.7
Industries not classified	64	64	100.0
Total	180,179	397,385	45.3

Figure 4: Delaware Small Business Employment by County, 2015

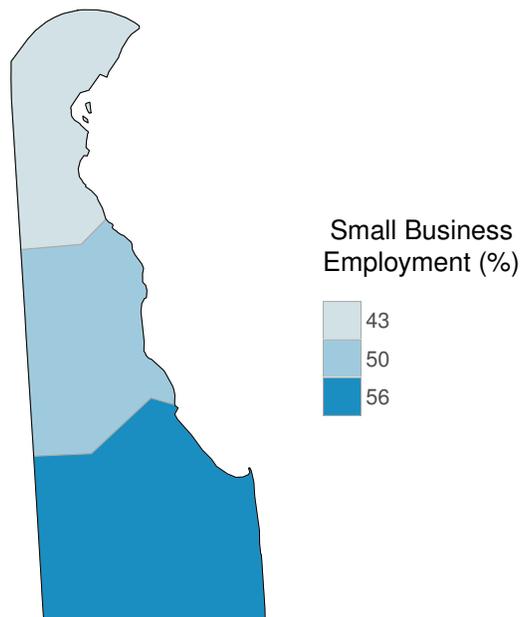


Table 2: Delaware Small Businesses by Industry and Firm Size, 2015

Industry	1-499 Employees	1-20 Employees	Nonemployer Firms	Total Small Firms
Professional, Scientific, and Technical Services	2,517	2,257	8,634	11,151
Retail Trade	2,190	1,946	5,396	7,586
Construction	2,156	1,949	5,973	8,129
Other Services (except Public Administration)	2,020	1,844	7,850	9,870
Health Care and Social Assistance	1,789	1,463	4,345	6,134
Accommodation and Food Services	1,669	1,257	774	2,443
Administrative, Support, and Waste Management	1,177	1,026	4,309	5,486
Finance and Insurance	981	854	2,528	3,509
Real Estate and Rental and Leasing	912	828	9,370	10,282
Wholesale Trade	855	685	1,136	1,991
Transportation and Warehousing	569	473	2,724	3,293
Manufacturing	502	383	670	1,172
Arts, Entertainment, and Recreation	390	331	3,550	3,940
Information	286	239	936	1,222
Educational Services	285	226	2,033	2,318
Agriculture, Forestry, and Fishing and Hunting	37	37	456	493
Utilities	19	14	39	58
Mining, Quarrying, and Oil and Gas Extraction	8	6	11	19
Total	18,683	16,109	60,734	79,417

Figure 4 and Tables 1 and 2 display data from the 2015 SUSB. Table 2 includes additional data from the 2015 Nonemployer Statistics (NES).

REFERENCES

The Small Business Profiles, source data, and methodology are available at <https://go.usa.gov/xQT4w>.

- ASE Annual Survey of Entrepreneurs, US Census Bureau
- BEA Bureau of Economic Analysis, US Department of Commerce
- BDM Business Employment Dynamics, BLS
- BLS Bureau of Labor Statistics, US Department of Labor
- CPS Current Population Survey, BLS
- FDIC Call Reports, Federal Deposit Insurance Corporation
- FFIEC Federal Financial Institutions Examination Council
- ITA International Trade Administration, US Department of Commerce
- NES Nonemployer Statistics, US Census Bureau
- SBO Survey of Business Owners, US Census Bureau
- SUSB Statistics of US Businesses, US Census Bureau