

2018 SMALL BUSINESS PROFILE

OFFICE OF ADVOCACY

REGULATION • RESEARCH • OUTREACH

NEW MEXICO



154,257 Small Businesses
99.0% of New Mexico Businesses

339,640 Small Business Employees
54.2% of New Mexico Employees

EMPLOYMENT
6,907
net new jobs

DIVERSITY
60,595
minority-owned
businesses

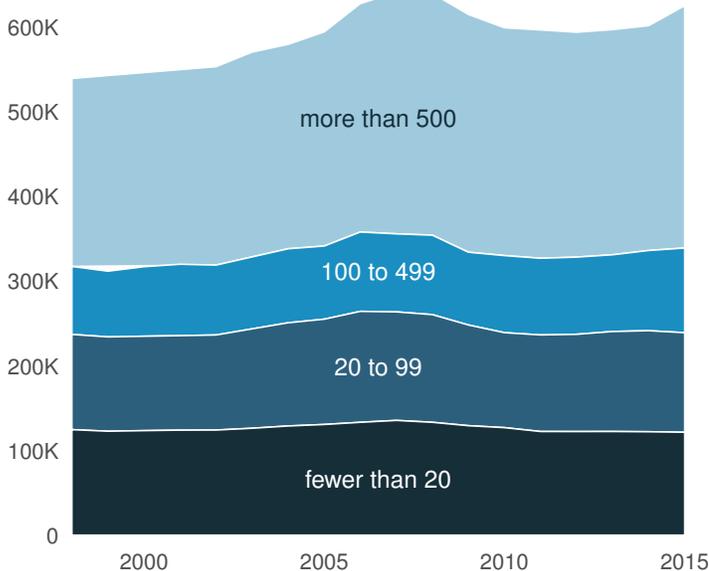
TRADE
1,164
small business
exporters

OVERALL NEW MEXICO ECONOMY

- In the third quarter of 2017, New Mexico grew at an annual rate of **1.7%**, which was slower than the overall US growth rate of **3.4%**. New Mexico's 2016 growth rate of **0.2%** was down from the 2015 rate of **1.6%**. (Source: [BEA](#))
- In January 2018, the unemployment rate was **5.9%**, down from **6.5%** in January 2017. This was above the January 2018 national unemployment rate of **4.1%**. (Source: [CPS](#))

EMPLOYMENT

Figure 1: New Mexico Employment by Business Size (Employees)



- New Mexico small businesses employed **339,640** people, or **54.2%** 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 **1.3%** during the 12-month period ending in January 2018. This was above the increase of **0.1%** 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 **6,907** net jobs in 2015. Firms employing fewer than 20 employees experienced the largest gains, adding **4,069** net jobs. The largest losses were in firms employing 20 to 99 employees, which lost **80** 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 decreased by 1 between June 2016 and June 2017 to 39 banks. (Source: FDIC)
- In 2016, 26,055 loans under \$100,000 (valued at \$380.9 million) were issued by New Mexico lending institutions reporting under the Community Reinvestment Act. (Source: FFIEC)
- The median income for individuals self-employed at their own incorporated businesses was \$41,733 in 2016. For individuals self-employed at their own unincorporated firms, this figure was \$18,772. (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: New Mexico Employees per Business by Owner's Demographic, 2015

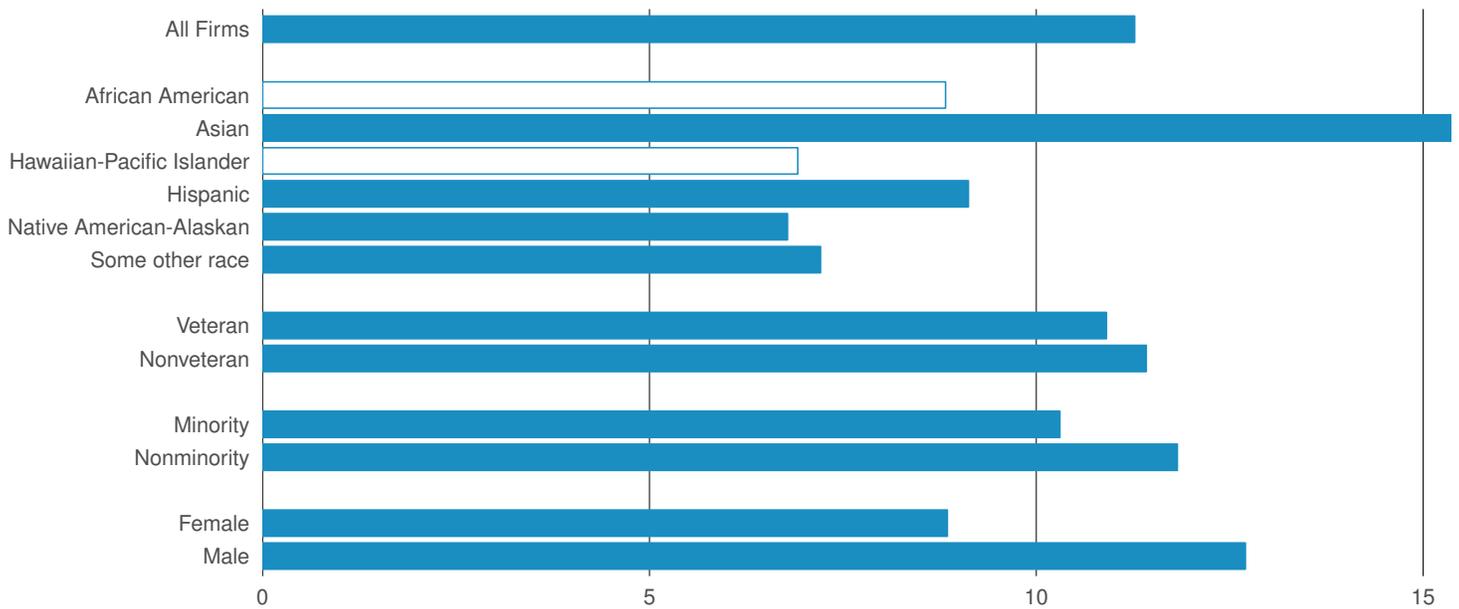
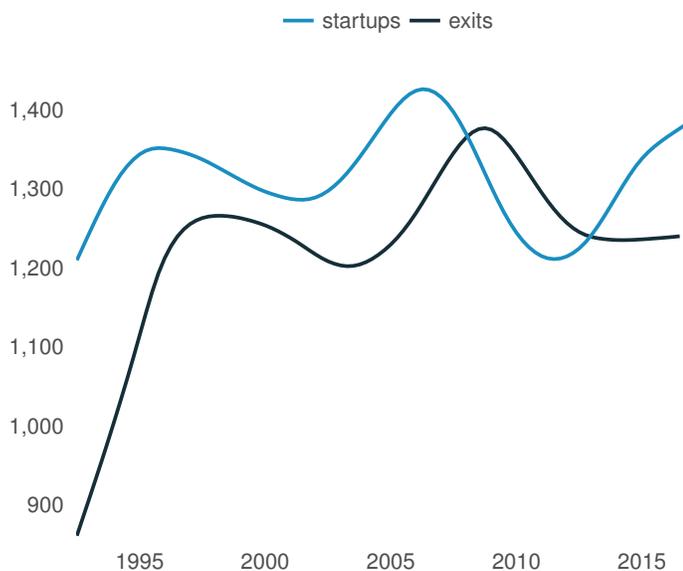


Figure 2 shows the average number of employees per employer business by owner's demographic group according to the Annual Survey of Entrepreneurs (ASE). Unshaded bars display US values; data were withheld because they do not meet Census Bureau publication standards or could disclose information regarding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

TURNOVER AMONG ESTABLISHMENTS WITH EMPLOYEES

Figure 3: New Mexico Quarterly Startups and Exits



- In the third quarter of 2016, 1,333 establishments started up, generating 4,502 new jobs in New Mexico. Startups are counted when business establishments hire at least one employee for the first time. (Source: BDM)
- In the same period, 1,289 establishments exited resulting in 4,423 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 1,404 companies exported goods from New Mexico in 2015. Of these, 1,164, or 82.9%, were small firms; they generated 43.2% of New Mexico's \$3.7 billion in total exports. (Source: ITA)

SMALL BUSINESS EMPLOYMENT BY INDUSTRY AND COUNTY

Table 1: New Mexico Employment by Industry, 2015

 Industry	 Small Business Employment	 Total Private Employment	 Small Business Employment Share
Health Care and Social Assistance	60,064	119,731	50.2
Accommodation and Food Services	56,145	86,494	64.9
Construction	36,242	38,310	94.6
Retail Trade	33,173	96,659	34.3
Professional, Scientific, and Technical Services	24,309	s	-
Other Services (except Public Administration)	23,895	26,292	90.9
Administrative, Support, and Waste Management	15,068	32,280	46.7
Manufacturing	14,834	26,145	56.7
Wholesale Trade	11,917	21,283	56.0
Finance and Insurance	11,509	22,777	50.5
Mining, Quarrying, and Oil and Gas Extraction	10,986	23,641	46.5
Transportation and Warehousing	10,164	18,516	54.9
Arts, Entertainment, and Recreation	8,762	12,871	68.1
Educational Services	8,088	8,993	89.9
Real Estate and Rental and Leasing	7,390	10,283	71.9
Information	3,765	11,413	33.0
Management of Companies and Enterprises	1,593	6,755	23.6
Utilities	1,296	4,611	28.1
Agriculture, Forestry, and Fishing and Hunting	362	421	86.0
Industries not classified	78	78	100.0
Total	339,640	626,284	54.2

Figure 4: New Mexico Small Business Employment by County, 2015

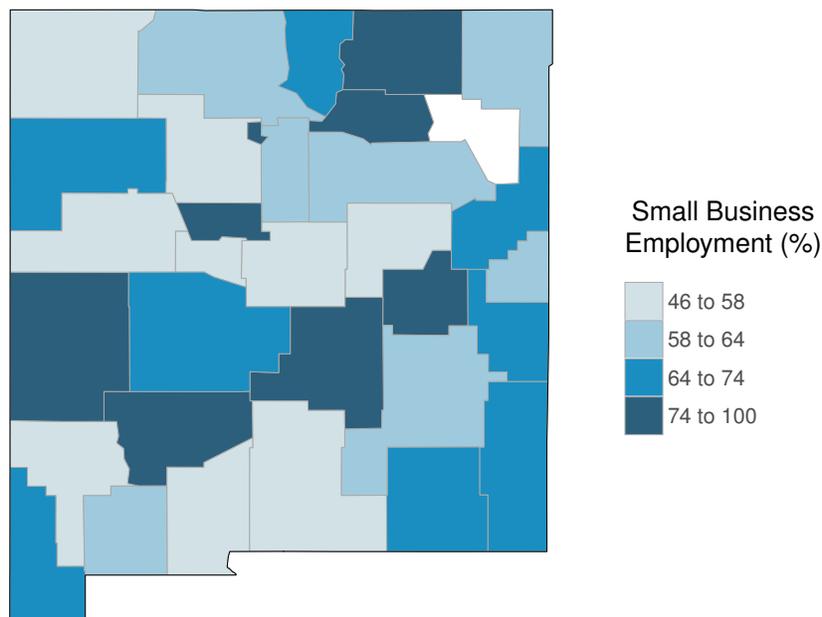


Table 2: New Mexico Small Businesses by Industry and Firm Size, 2015



Industry



1-499 Employees



1-20 Employees



Nonemployer
Firms



Total Small Firms

Industry	1-499 Employees	1-20 Employees	Nonemployer Firms	Total Small Firms
Construction	4,196	3,781	11,064	15,260
Professional, Scientific, and Technical Services	4,118	3,801	16,471	20,589
Health Care and Social Assistance	3,836	3,226	11,372	15,208
Other Services (except Public Administration)	3,716	3,444	16,562	20,278
Retail Trade	3,684	3,256	11,074	14,758
Accommodation and Food Services	2,986	2,111	1,967	4,953
Real Estate and Rental and Leasing	1,765	1,670	12,141	13,906
Administrative, Support, and Waste Management	1,513	1,337	8,927	10,440
Finance and Insurance	1,288	1,132	2,998	4,286
Wholesale Trade	1,250	970	2,904	4,154
Manufacturing	1,240	1,039	3,153	4,393
Transportation and Warehousing	1,089	932	4,786	5,875
Arts, Entertainment, and Recreation	624	531	8,792	9,416
Mining, Quarrying, and Oil and Gas Extraction	615	451	1,203	1,818
Educational Services	530	426	4,729	5,259
Information	360	303	1,532	1,892
Utilities	127	108	117	244
Agriculture, Forestry, and Fishing and Hunting	87	85	1,487	1,574
Total	32,978	28,663	121,279	154,257

Figure 4 and Tables 1 and 2 display data from the 2015 SUSB. Table 2 includes additional data from the 2015 Nonemployer Statistics (NES). Data for counties shown in white in Figure 4 and values labeled "s" in Table 1 were withheld by the Census Bureau because they do not meet publication standards or could disclose information regarding individual businesses.

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