

2019 Small Business Profile

Maine



147,270 Small Businesses
99.2% of Maine Businesses

289,156 Small Business Employees
56.5% of Maine Employees



EMPLOYMENT
4,728
net new jobs



DIVERSITY
5,213
minority-owned
business employees



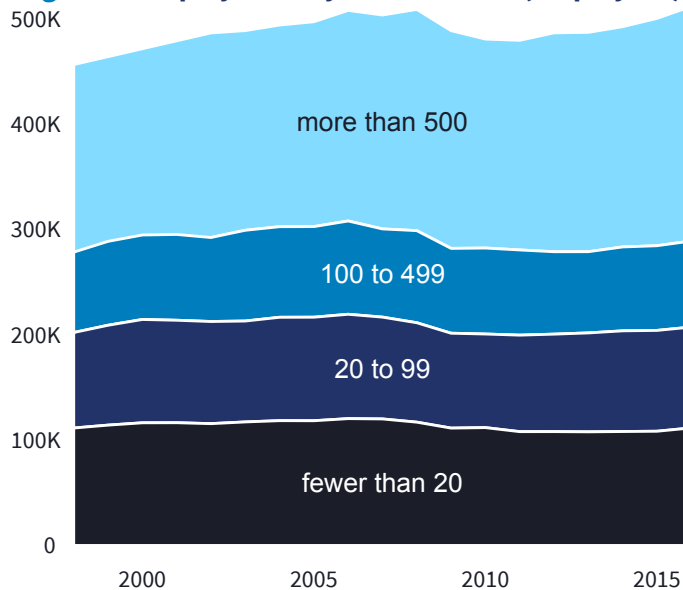
TRADE
1,548
small business
exporters

Overall Maine Economy

- In the third quarter of 2018, Maine grew at an annual rate of **2.6%**, which was slower than the overall US growth rate of **3.4%**. Maine's 2017 growth rate of **1.9%** was up from the 2016 rate of **1.7%**. (Source: [BEA](#))
- In February 2019, the unemployment rate was **3.4%**, up from **3.2%** in February 2018. This was below the February 2019 national unemployment rate of **3.8%**. (Source: [CPS](#))

Employment

Figure 1: Employment by Business Size (Employees)



- Maine small businesses employed **289,156** people, or **56.5%** of the private workforce, in 2016. (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 decreased **0.4%** during the 12-month period ending in February 2019. This was below the increase of **0.5%** during the prior 12-month period. (Source: [CPS](#))
- The number of proprietors increased in 2017 by **1.6%** relative to the previous year. (Source: [BEA](#))
- Small businesses created **4,728** net jobs in 2016. Firms employing fewer than 20 employees experienced the largest gains, adding **5,777** net jobs. The largest losses were in firms employing 20 to 99 employees, which lost **872** net jobs. (Source: [SUSB](#))

The Small Business Profiles are produced by the US Small Business Administration's Office of Advocacy (<http://advocacy.sba.gov>). 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, employees of minority-owned businesses, and exporter share statistics are based on the 2016 Statistics of US Businesses (SUSB), 2016 Annual Survey of Entrepreneurs (ASE), and 2016 International Trade Administration (ITA) data, respectively.

Income and Finance

- The number of banks was unchanged at **26** between June 2016 and June 2017. (Source: [FDIC](#))
- In 2017, **25,192** loans under \$100,000 (valued at **\$390.0 million**) were issued by Maine lending institutions reporting under the Community Reinvestment Act. (Source: [FFIEC](#))
- The median income for individuals self-employed at their own incorporated businesses was **\$49,992** in 2017. For individuals self-employed at their own unincorporated firms, this figure was **\$25,413**. (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: Maine Employees per Business by Owner's Demographic, 2016

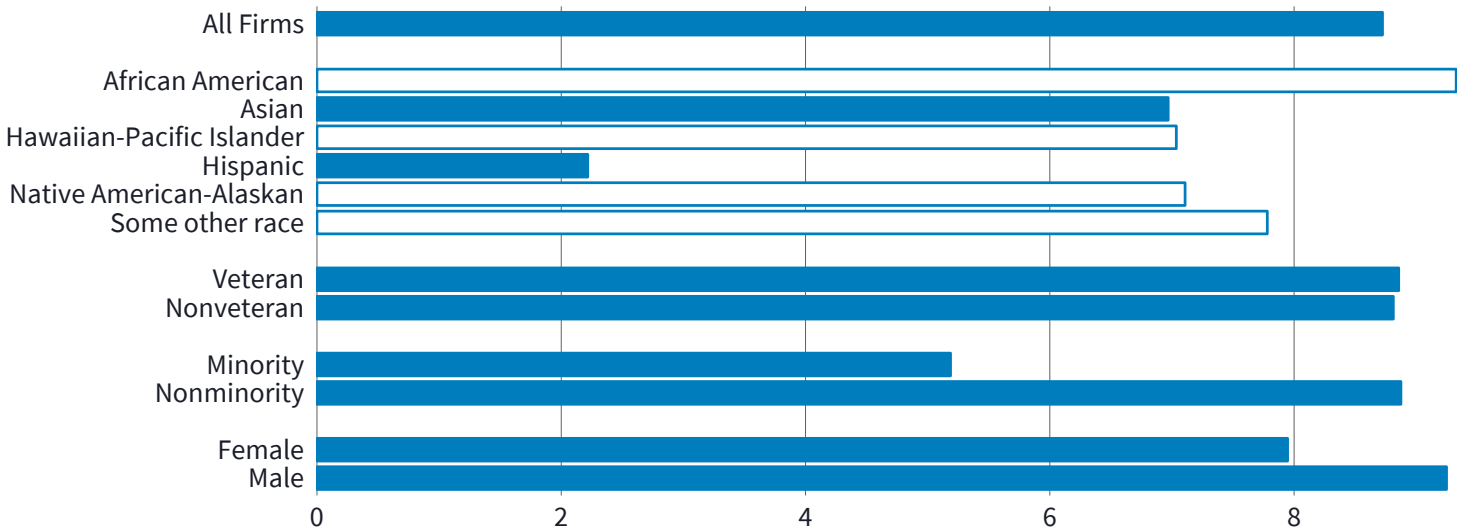
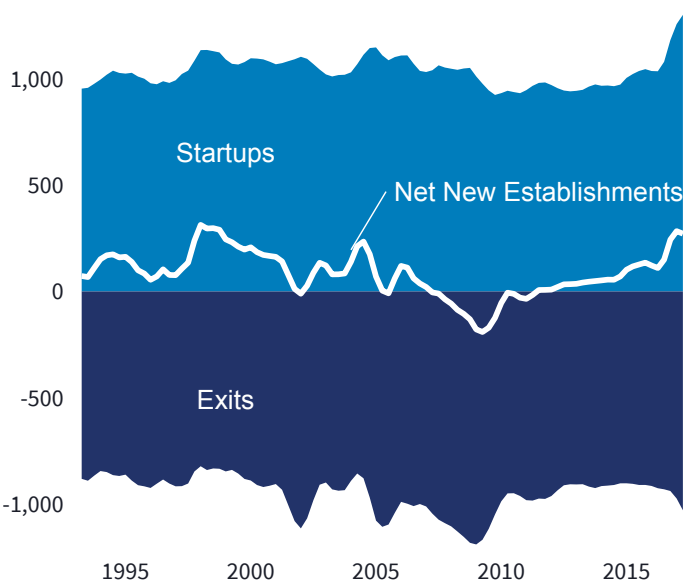


Figure 2 shows the average number of employees per employer business by owner's demographic group according to the 2016 Annual Survey of Entrepreneurs (ASE). Unshaded bars display US values; data were withheld because they do not meet Census Bureau publication standards or could disclose information regarding individual businesses.

Turnover among Establishments with Employees

Figure 3: Maine Quarterly Startups and Exits



- In the third quarter of 2017, **1,325** establishments started up, generating **3,459** new jobs in Maine. Startups are counted when business establishments hire at least one employee for the first time. (Source: [BDM](#))
- In the same period, **1,167** establishments exited resulting in **3,274** 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 1993 to 2017. 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 **1,841** companies exported goods from Maine in 2016. Of these, **1,548**, or **84.1%**, were small firms; they generated **50.4%** of Maine's **\$2.5 billion** in total exports. (Source: ITA)

Small Business Employment by Industry and Self-Employment by County

Table 1: Maine Employment by Industry, 2016

Industry	Small Business Employment	Total Private Employment	Small Business Employment Share
Health Care and Social Assistance	50,488	111,720	45.2
Accommodation and Food Services	40,907	51,972	78.7
Retail Trade	37,328	83,847	44.5
Manufacturing	25,162	49,793	50.5
Construction	23,526	25,506	92.2
Professional, Scientific, and Technical Services	17,913	23,182	77.3
Other Services (except Public Administration)	17,353	18,738	92.6
Administrative, Support, and Waste Management	14,554	24,664	59.0
Wholesale Trade	11,260	18,369	61.3
Finance and Insurance	10,480	28,305	37.0
Transportation and Warehousing	8,486	15,695	54.1
Educational Services	7,635	17,952	42.5
Arts, Entertainment, and Recreation	6,836	8,048	84.9
Information	5,493	11,872	46.3
Real Estate and Rental and Leasing	5,481	6,656	82.3
Agriculture, Forestry, and Fishing and Hunting	3,123	3,170	98.5
Management of Companies and Enterprises	1,999	9,657	20.7
Utilities	879	2,527	34.8
Industries not classified	148	148	100.0
Mining, Quarrying, and Oil and Gas Extraction	105	115	91.3
Total	289,156	511,936	56.5

Figure 4: Maine Self-Employment Rates by County, 2017

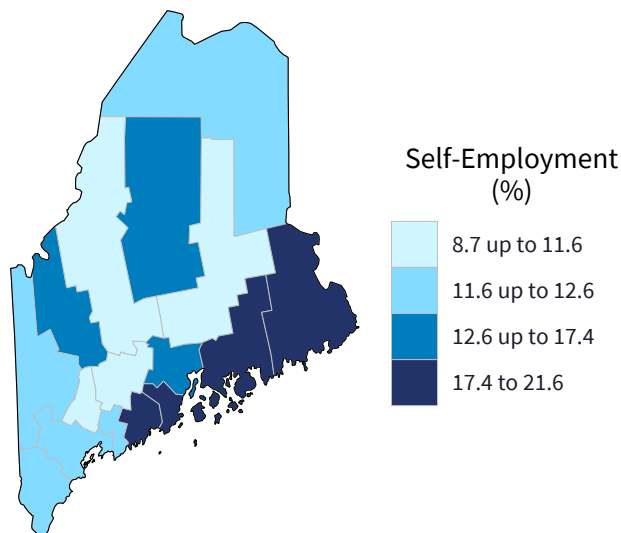


Table 2: Maine Small Businesses by Industry and Firm Size, 2016

Industry	1-499 Employees	1-19 Employees	Nonemployer Firms	Total Small Firms
Construction	4,899	4,678	17,362	22,261
Other Services (except Public Administration)	3,443	3,290	14,284	17,727
Professional, Scientific, and Technical Services	3,179	2,969	13,992	17,171
Retail Trade	4,091	3,667	9,402	13,493
Real Estate and Rental and Leasing	1,507	1,449	11,805	13,312
Health Care and Social Assistance	2,966	2,502	7,686	10,652
Agriculture, Forestry, and Fishing and Hunting	899	867	9,238	10,137
Administrative, Support, and Waste Management	1,931	1,764	7,911	9,842
Arts, Entertainment, and Recreation	862	773	7,349	8,211
Accommodation and Food Services	3,605	3,008	1,709	5,314
Transportation and Warehousing	1,061	942	3,390	4,451
Manufacturing	1,512	1,190	2,474	3,986
Educational Services	454	368	2,950	3,404
Wholesale Trade	1,159	939	1,631	2,790
Finance and Insurance	768	640	1,805	2,573
Information	472	396	1,315	1,787
Utilities	34	24	84	118
Mining, Quarrying, and Oil and Gas Extraction	20	17	86	106
Total	32,797	29,555	114,473	147,270

Tables 1 and 2 display data from the 2016 SUSB. Table 2 includes additional data from the 2016 Nonemployer Statistics (NES). Figure 4 provides estimates of the rate of self-employment among employed civilians, 16 years and over, including both incorporated and unincorporated businesses, from the 2017 American Community Survey (ACS).

References

The Small Business Profiles, source data, and methodology are available at <https://go.usa.gov/xmb5R>.

- ACS American Community Survey, US Census Bureau
- 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
- SUSB Statistics of US Businesses, US Census Bureau