

2019 Small Business Profile

Utah



287,803 Small Businesses
99.3% of Utah Businesses

572,888 Small Business Employees
46.2% of Utah Employees



EMPLOYMENT
24,549
net new jobs



DIVERSITY
30,233
minority-owned
business employees



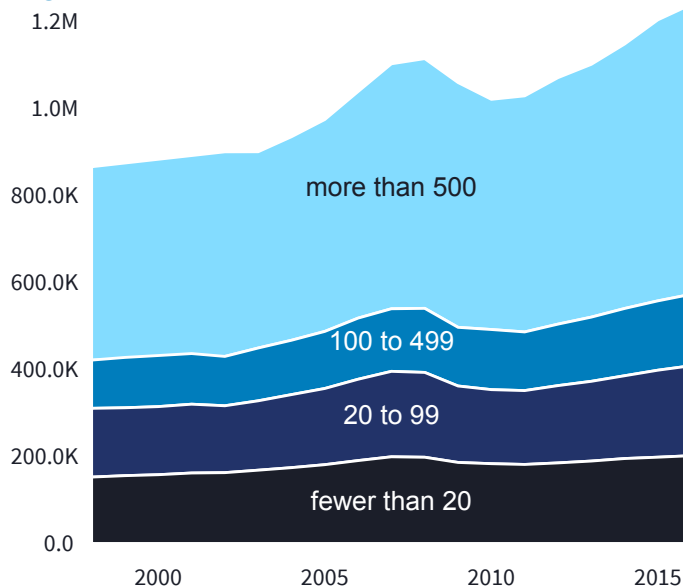
TRADE
3,006
small business
exporters

Overall Utah Economy

- In the third quarter of 2018, Utah grew at an annual rate of **4.4%**, which was faster than the overall US growth rate of **3.4%**. Utah's 2017 growth rate of **2.5%** was down from the 2016 rate of **3.6%**. (Source: [BEA](#))
- In February 2019, the unemployment rate was **3.0%**, down from **3.1%** 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)



- Utah small businesses employed **572,888** people, or **46.2%** 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 increased **1.3%** during the 12-month period ending in February 2019. This was below the increase of **2.1%** during the prior 12-month period. (Source: [CPS](#))
- The number of proprietors increased in 2017 by **2.4%** relative to the previous year. (Source: [BEA](#))
- Small businesses created **24,549** net jobs in 2016. Firms employing fewer than 20 employees experienced the largest gains, adding **15,547** net jobs. The smallest gains were in firms employing 100 to 499 employees, which added **2,263** 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 decreased by 2 between June 2016 and June 2017 to 45 banks. (Source: FDIC)
- In 2017, 64,881 loans under \$100,000 (valued at \$1.1 billion) were issued by Utah lending institutions reporting under the Community Reinvestment Act. (Source: FFIEC)
- The median income for individuals self-employed at their own incorporated businesses was \$55,477 in 2017. For individuals self-employed at their own unincorporated firms, this figure was \$21,407. (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: Utah Employees per Business by Owner's Demographic, 2016

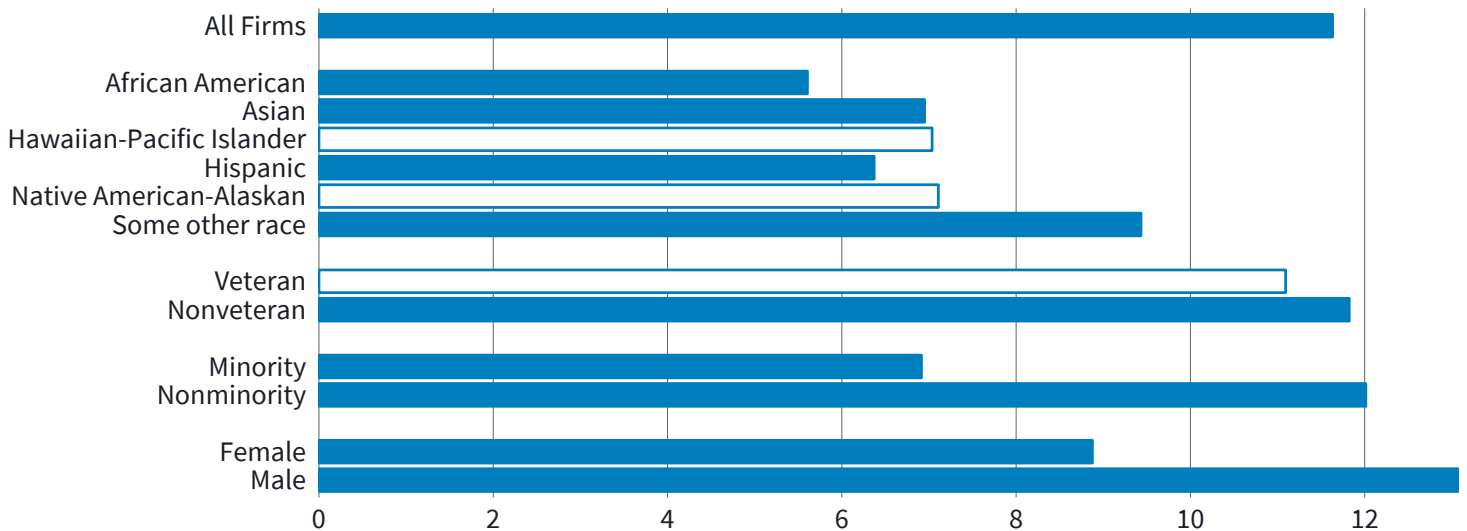
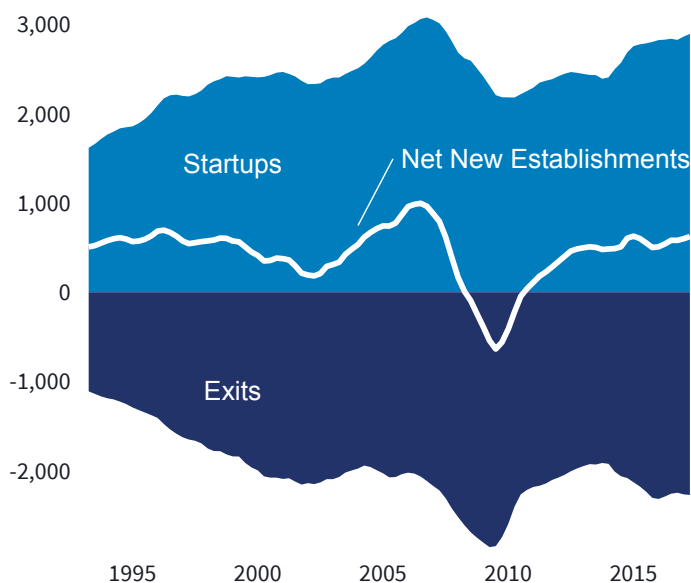


Figure 2 shows the average number of employees per employer business by owner's demographic group according to the 2016 Annual Survey of Entrepreneurs (ASE). Unshaded bars display US values; data were withheld because they do not meet Census Bureau publication standards or could disclose information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

Turnover among Establishments with Employees

Figure 3: Utah Quarterly Startups and Exits



- In the third quarter of 2017, 2,915 establishments started up, generating 9,247 new jobs in Utah. Startups are counted when business establishments hire at least one employee for the first time. (Source: BDM)
- In the same period, 2,360 establishments exited resulting in 6,859 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 3,503 companies exported goods from Utah in 2016. Of these, 3,006, or 85.8%, were small firms; they generated 49.3% of Utah's \$10.1 billion in total exports. (Source: ITA)

Small Business Employment by Industry and Self-Employment by County

Table 1: Utah Employment by Industry, 2016

Industry	Small Business Employment	Total Private Employment	Small Business Employment Share
Accommodation and Food Services	70,851	116,119	61.0
Health Care and Social Assistance	67,995	138,929	48.9
Construction	65,438	78,557	83.3
Retail Trade	60,019	156,070	38.5
Professional, Scientific, and Technical Services	54,241	88,760	61.1
Manufacturing	52,672	120,947	43.5
Administrative, Support, and Waste Management	35,408	133,666	26.5
Wholesale Trade	32,132	57,696	55.7
Other Services (except Public Administration)	27,363	52,540	52.1
Finance and Insurance	21,841	65,259	33.5
Educational Services	18,132	48,608	37.3
Transportation and Warehousing	17,091	56,433	30.3
Real Estate and Rental and Leasing	15,135	19,956	75.8
Information	13,678	46,034	29.7
Arts, Entertainment, and Recreation	12,414	22,359	55.5
Management of Companies and Enterprises	3,691	24,214	15.2
Mining, Quarrying, and Oil and Gas Extraction	3,070	8,361	36.7
Utilities	1,191	4,295	27.7
Agriculture, Forestry, and Fishing and Hunting	421	440	95.7
Industries not classified	105	105	100.0
Total	572,888	1,239,348	46.2

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

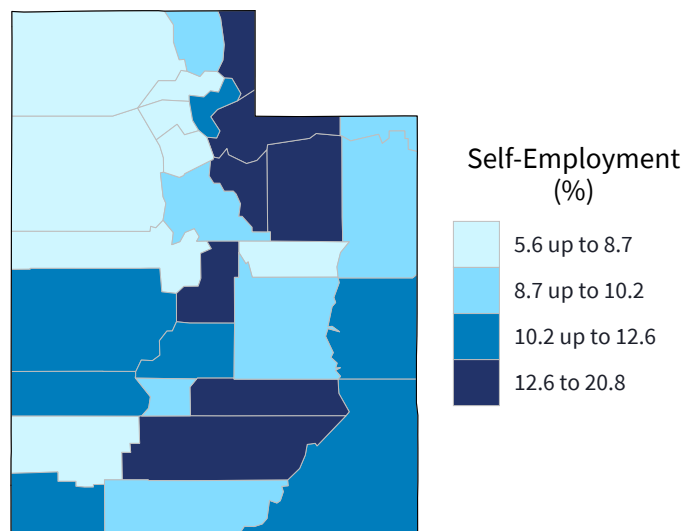


Table 2: Utah Small Businesses by Industry and Firm Size, 2016

Industry	1-499 Employees	1-19 Employees	Nonemployer Firms	Total Small Firms
Professional, Scientific, and Technical Services	9,677	9,028	36,931	46,608
Real Estate and Rental and Leasing	4,611	4,435	34,067	38,678
Other Services (except Public Administration)	4,463	4,176	29,289	33,752
Retail Trade	6,265	5,550	25,008	31,273
Construction	9,020	8,312	17,458	26,478
Health Care and Social Assistance	6,476	5,739	12,997	19,473
Administrative, Support, and Waste Management	3,763	3,380	13,694	17,457
Arts, Entertainment, and Recreation	1,057	923	12,866	13,923
Finance and Insurance	3,127	2,904	8,925	12,052
Transportation and Warehousing	1,911	1,652	9,210	11,121
Educational Services	1,037	808	8,070	9,107
Manufacturing	2,955	2,300	4,299	7,254
Wholesale Trade	2,750	2,133	4,030	6,780
Accommodation and Food Services	3,902	2,816	2,397	6,299
Information	974	788	4,048	5,022
Agriculture, Forestry, and Fishing and Hunting	90	86	1,477	1,567
Mining, Quarrying, and Oil and Gas Extraction	328	289	423	751
Utilities	77	66	194	271
Total	62,420	55,500	225,383	287,803

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