

2020 Small Business Profile

Missouri

530,380 Small Businesses
99.4% of Missouri Businesses

1.2 million Small Business Employees
46.2% of Missouri Employees



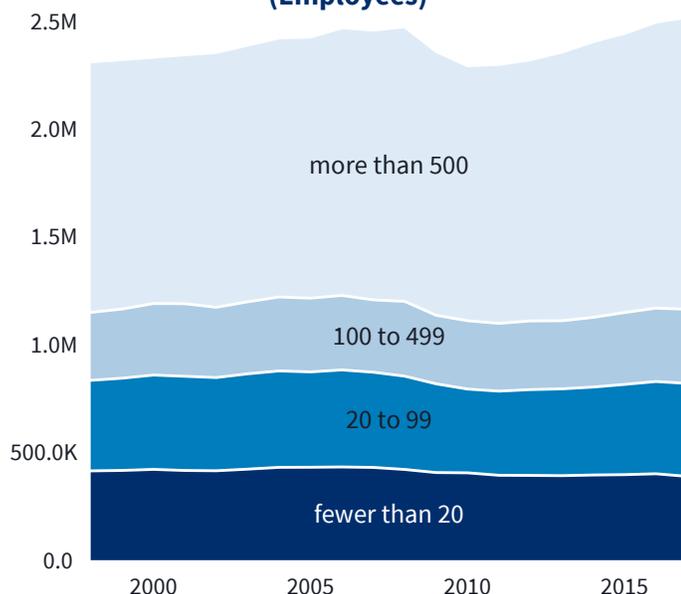
A note on COVID-19: This report uses the most up-to-date government data to present a unique snapshot of small businesses. The BLS employment estimates capture the early stages of the pandemic. All other sources reflect data collected prior to the pandemic.

Overall Economy

- In the fourth quarter of 2019, Missouri grew at an annual rate of **1.8%**, which was slower than the overall US growth rate of **2.1%**. Missouri's 2019 overall growth rate of **2.1%** was down from the 2018 rate of **2.4%**. (Source: [BEA](#))
- In April 2020, the unemployment rate was **9.7%**, up from **3.2%** in April 2019. This was below the April 2020 national unemployment rate of **14.7%**. (Source: [CPS](#))

Employment

Figure 1: Missouri Employment by Business Size (Employees)



- Missouri small businesses employed **1.2 million** people, or **46.2%** of the private workforce, in 2017. (Source: [SUSB](#))
- Firms with 20 to 99 employees have the largest share of small business employment. Figure 1 provides further details on firms with employees. (Source: [SUSB](#))
- Private-sector employment decreased **12.8%** during the 12-month period ending in April 2020. This was below the increase of **0.9%** during the prior 12-month period. (Source: [CES](#))
- The number of proprietors increased in 2018 by **2.6%** relative to the previous year. (Source: [BEA](#))
- Small businesses created **13,855** net jobs in 2019. Firms employing fewer than 20 employees experienced the largest gains, adding **12,602** net jobs. The smallest gains were in firms employing 20 to 99 employees, which added **551** net jobs. (Source: [BDM](#))

The Small Business Profiles are produced by the US Small Business Administration's Office of Advocacy (<http://advocacy.sba.gov>). These profiles define small businesses as firms with fewer than 500 employees. Net small business job change, self-employed minorities, and exporter share statistics are based on 2019 Business Employment Dynamics (BDM), 2018 American Community Survey (ACS), and 2018 International Trade Administration (ITA) data, respectively.

Income and Finance

- The median income for self-employed individuals at their own incorporated businesses was **\$46,518** in 2018. For self-employed individuals at their own unincorporated firms, median income was **\$25,681**. (Source: [ACS](#))
- The total number of banks decreased by **7** between June 2018 and June 2019 to **254** banks. During the same period, the number of banks with assets under \$1 billion decreased by **8** to **231** banks. (Source: [FDIC](#))
- In 2018, Missouri lending institutions reporting under the Community Reinvestment Act issued **95,675** loans under \$100,000, a total value of **\$1.4 billion**. (Source: [FFIEC](#))

Median income represents earnings from all sources. Unincorporated self-employment income includes unpaid family workers, a very small percent of the unincorporated self-employed. The decline in the number of banks with assets under \$1 billion may exceed the change in the total number of banks due to mergers and asset balance changes.

Self-Employment Demographics

Figure 2: Missouri Self-Employment Rates by Gender & Demographic, 2018

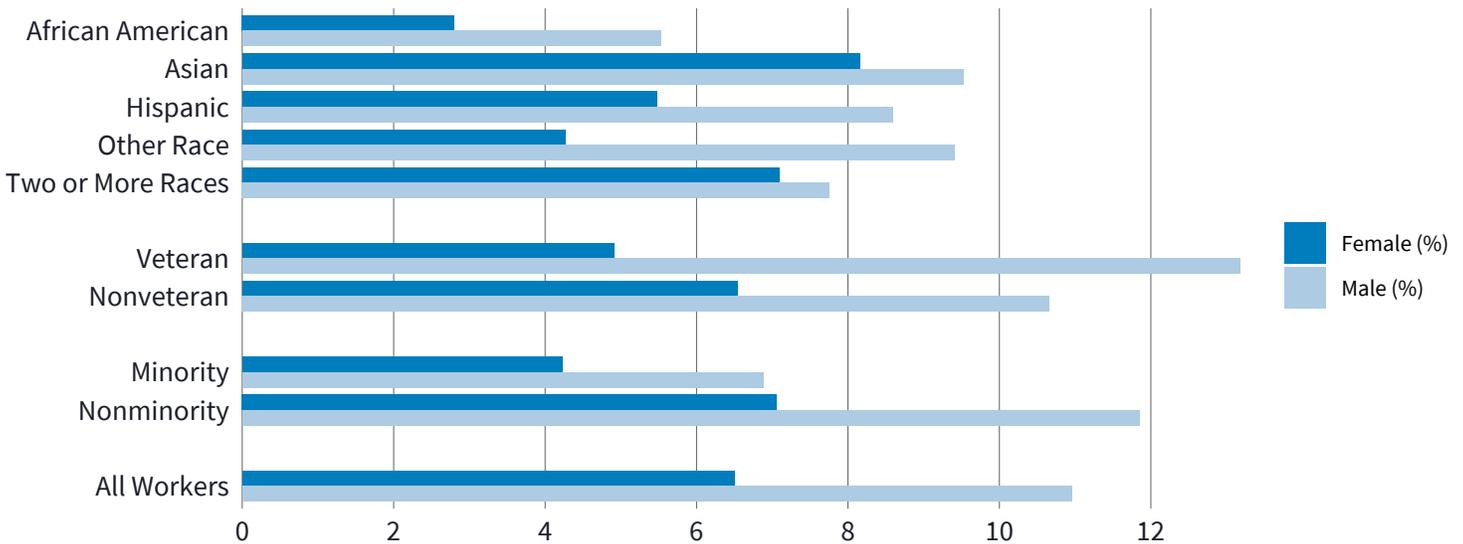
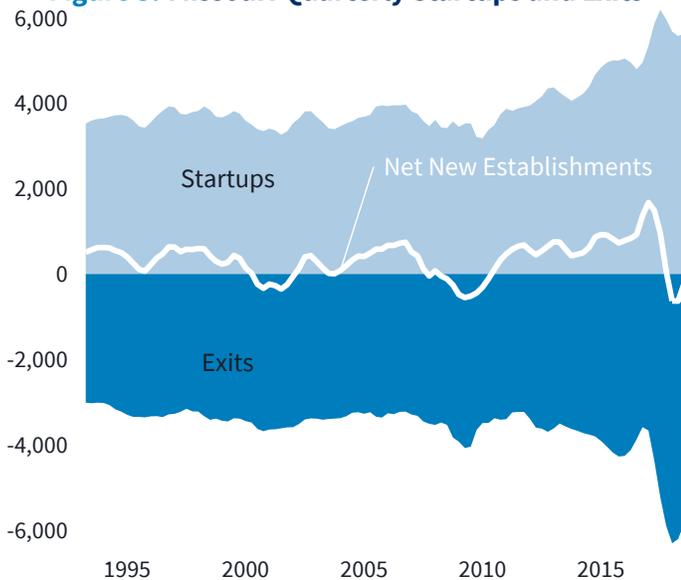


Figure 2 shows the self-employment rate for each demographic group by gender according to the 2018 American Community Survey (ACS). Other Race includes those who selected Alaska Native, American Indian, Native Hawaiian, Pacific Islander, or Some Other Race.

Turnover among Establishments with Employees

Figure 3: Missouri Quarterly Startups and Exits



- In the fourth quarter of 2018, **5,588** establishments started up, generating **14,565** new jobs in Missouri. Startups are counted when business establishments hire at least one employee for the first time. (Source: [BDM](#))
- In the same period, **5,046** establishments exited, resulting in **13,358** 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 2018. Each series is smoothed across multiple quarters to highlight long-run trends. (Source: [BDM](#))

The BDM data covers only business establishments with employees. BDM refers to startups as births and exits as deaths. These terms are distinct from the BDM 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 6,228 firms exported goods from Missouri in 2018. Of these, 5,283, or 84.8%, were small firms, which generated 25.5% of Missouri's \$13.7 billion in total exports. (Source: ITA)

Small Business Employment by Industry and Self-Employment by County

Table 1: Missouri Employment by Industry, 2017

Industry	Small Business Employment	Total Private Employment	Small Business Employment Share
Health Care and Social Assistance	181,448	413,376	43.9
Accommodation and Food Services	159,595	268,499	59.4
Retail Trade	109,094	310,636	35.1
Construction	107,949	130,272	82.9
Manufacturing	103,369	264,899	39.0
Other Services (except Public Administration)	97,146	114,125	85.1
Professional, Scientific, and Technical Services	83,345	160,009	52.1
Wholesale Trade	67,214	124,869	53.8
Administrative, Support, and Waste Management	64,564	177,770	36.3
Finance and Insurance	43,912	140,332	31.3
Transportation and Warehousing	34,535	88,261	39.1
Educational Services	31,298	74,744	41.9
Arts, Entertainment, and Recreation	25,690	41,745	61.5
Real Estate and Rental and Leasing	24,089	36,853	65.4
Information	13,368	56,645	23.6
Management of Companies and Enterprises	9,805	92,749	10.6
Utilities	3,212	15,561	20.6
Mining, Quarrying, and Oil and Gas Extraction	2,077	3,562	58.3
Agriculture, Forestry, and Fishing and Hunting	1,485	1,710	86.8
Industries Not Classified	587	587	100.0
Total	1,163,782	2,517,204	46.2

Figure 4: Missouri Self-Employment Rates by County, 2018

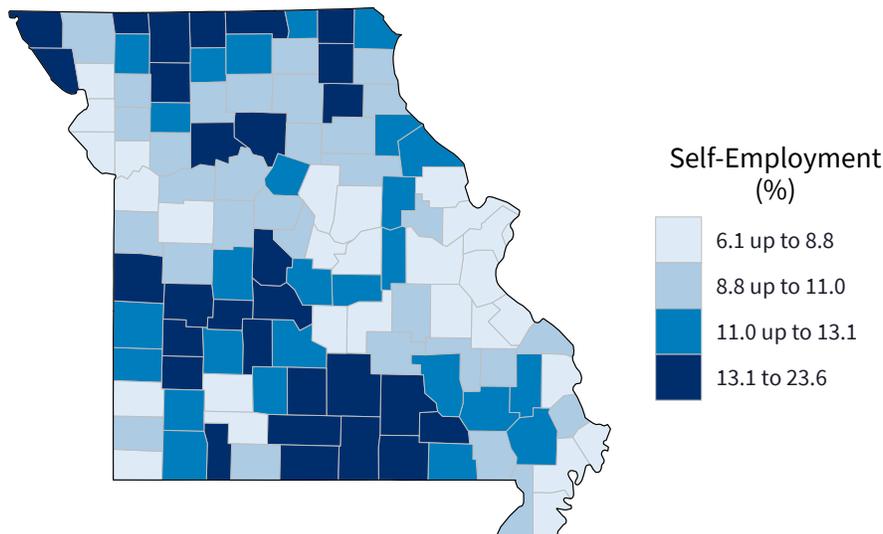


Table 2: Missouri Small Businesses by Industry and Firm Size, 2017

Industry	1-19 Employees	1-499 Employees	Nonemployer Firms	Total Small Firms
Other Services (except Public Administration)	13,196	14,254	65,873	80,127
Construction	12,053	13,226	50,946	64,172
Professional, Scientific, and Technical Services	11,277	12,321	47,722	60,043
Retail Trade	10,419	11,828	41,408	53,236
Real Estate and Rental and Leasing	4,700	5,005	48,197	53,202
Health Care and Social Assistance	13,722	15,683	27,557	43,240
Administrative, Support, and Waste Management	5,566	6,307	34,048	40,355
Transportation and Warehousing	3,367	3,876	27,491	31,367
Arts, Entertainment, and Recreation	1,757	2,086	21,925	24,011
Finance and Insurance	4,803	5,326	13,212	18,538
Accommodation and Food Services	6,336	8,865	5,470	14,335
Educational Services	1,078	1,426	10,716	12,142
Wholesale Trade	4,184	5,410	6,133	11,543
Manufacturing	3,587	4,866	6,199	11,065
Agriculture, Forestry, and Fishing and Hunting	271	287	6,040	6,327
Information	934	1,150	4,541	5,691
Mining, Quarrying, and Oil and Gas Extraction	105	146	433	579
Utilities	42	87	186	273
Total	97,988	112,283	418,097	530,380

Tables 1 and 2 display data from the 2017 Statistics of U.S. Businesses (SUSB). Table 2 includes additional data from the 2017 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 2018 American Community Survey (ACS).

References

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

- ACS American Community Survey, 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
- CES Current Employment Statistics, BLS
- CPS Current Population Survey, BLS
- FDIC 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