

2020 Small Business Profile

New Mexico

156,996 Small Businesses
99.0% of New Mexico Businesses

339,731 Small Business Employees
54.2% of New Mexico Employees



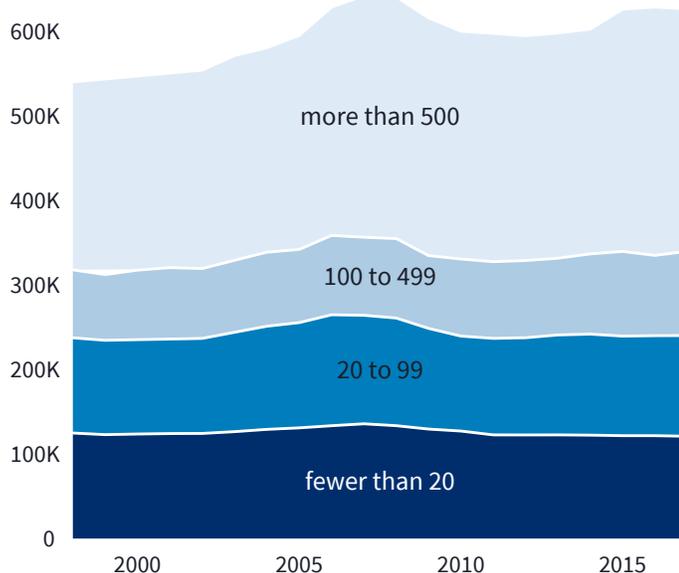
A note on COVID-19: This report uses the most up-to-date government data to present a unique snapshot of small businesses. The BLS employment estimates capture the early stages of the pandemic. All other sources reflect data collected prior to the pandemic.

Overall Economy

- In the fourth quarter of 2019, New Mexico grew at an annual rate of **2.0%**, which was slower than the overall US growth rate of **2.1%**. New Mexico's 2019 overall growth rate of **3.7%** was up from the 2018 rate of **2.5%**. (Source: [BEA](#))
- In April 2020, the unemployment rate was **11.3%**, up from **5.0%** in April 2019. This was below the April 2020 national unemployment rate of **14.7%**. (Source: [CPS](#))

Employment

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



- New Mexico small businesses employed **339,731** people, or **54.2%** of the private workforce, in 2017. (Source: [SUSB](#))
- Firms with fewer than 20 employees have the largest share of small business employment. Figure 1 provides further details on firms with employees. (Source: [SUSB](#))
- Private-sector employment decreased **12.9%** during the 12-month period ending in April 2020. This was below the increase of **1.8%** during the prior 12-month period. (Source: [CES](#))
- The number of proprietors increased in 2018 by **2.2%** relative to the previous year. (Source: [BEA](#))
- Small businesses created **7,058** net jobs in 2019. Firms employing fewer than 20 employees experienced the largest gains, adding **4,163** net jobs. The smallest gains were in firms employing 100 to 499 employees, which added **152** 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 **\$50,037** in 2018. For self-employed individuals at their own unincorporated firms, median income was **\$20,427**. (Source: [ACS](#))
- The total number of banks decreased by **4** between June 2018 and June 2019 to **35** banks. During the same period, the number of banks with assets under \$1 billion decreased by **3** to **33** banks. (Source: [FDIC](#))
- In 2018, New Mexico lending institutions reporting under the Community Reinvestment Act issued **29,982** loans under \$100,000, a total value of **\$455.5 million**. (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.

Self-Employment Demographics

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

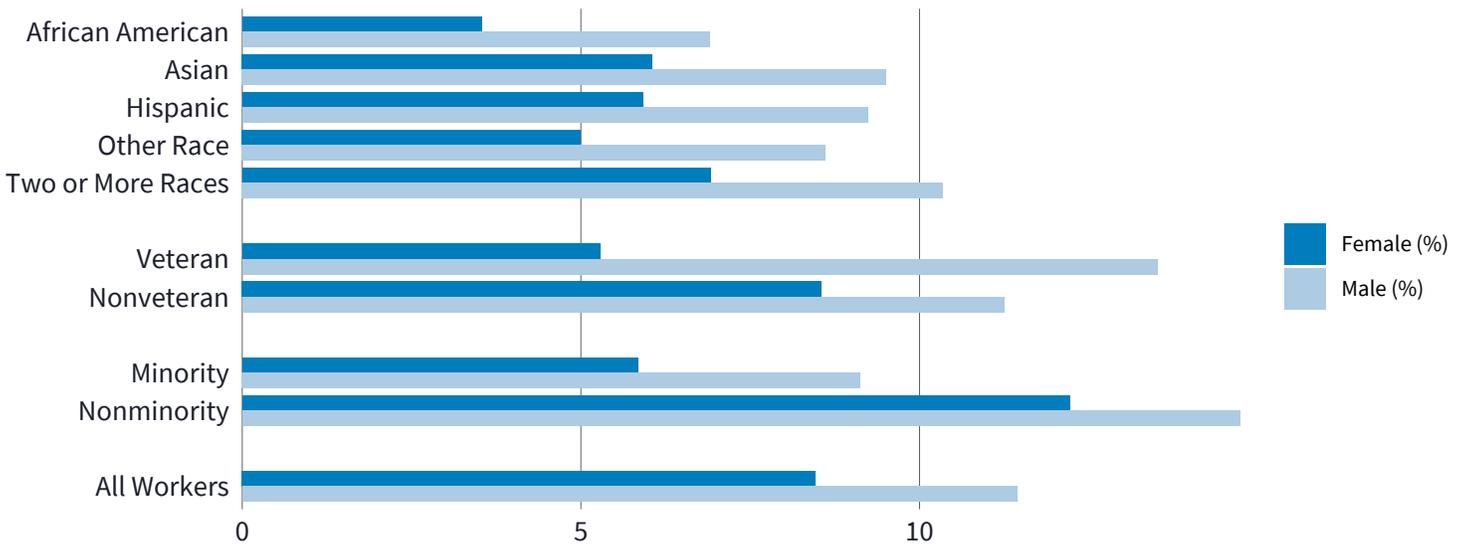
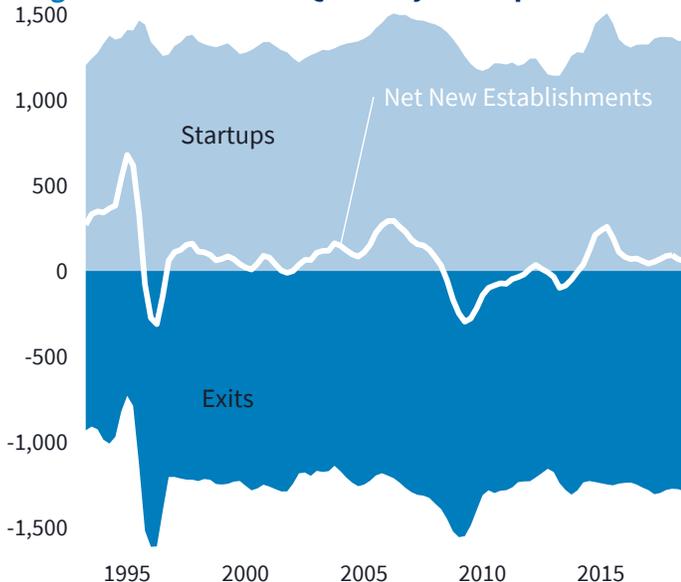


Figure 2 shows the self-employment rate for each demographic group by gender according to the 2018 American Community Survey (ACS). Other Race includes those who selected Alaska Native, American Indian, Native Hawaiian, Pacific Islander, or Some Other Race.

Turnover among Establishments with Employees

Figure 3: New Mexico Quarterly Startups and Exits



- In the fourth quarter of 2018, **1,383** establishments started up, generating **4,359** 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, **1,280** establishments exited, resulting in **4,433** 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 **1,378** firms exported goods from New Mexico in 2018. Of these, **1,159**, or **84.1%**, were small firms, which generated **40.4%** of New Mexico's **\$3.5 billion** in total exports. (Source: *ITA*)

Small Business Employment by Industry and Self-Employment by County

Table 1: New Mexico Employment by Industry, 2017

Industry	Small Business Employment	Total Private Employment	Small Business Employment Share
Health Care and Social Assistance	62,919	126,231	49.8
Accommodation and Food Services	56,352	91,618	61.5
Construction	36,688	39,101	93.8
Retail Trade	32,284	91,678	35.2
Other Services (except Public Administration)	24,567	26,770	91.8
Professional, Scientific, and Technical Services	24,409	57,612	42.4
Administrative, Support, and Waste Management	16,241	33,722	48.2
Manufacturing	15,084	25,357	59.5
Finance and Insurance	11,481	24,675	46.5
Wholesale Trade	10,991	19,484	56.4
Transportation and Warehousing	9,632	17,674	54.5
Mining, Quarrying, and Oil and Gas Extraction	8,559	17,189	49.8
Educational Services	8,153	9,045	90.1
Arts, Entertainment, and Recreation	7,958	12,964	61.4
Real Estate and Rental and Leasing	6,645	9,190	72.3
Information	4,195	12,316	34.1
Management of Companies and Enterprises	1,964	6,934	28.3
Utilities	1,246	4,506	27.7
Agriculture, Forestry, and Fishing and Hunting	329	366	89.9
Industries Not Classified	34	34	100.0
Total	339,731	626,466	54.2

Figure 4: New Mexico Self-Employment Rates by County, 2018

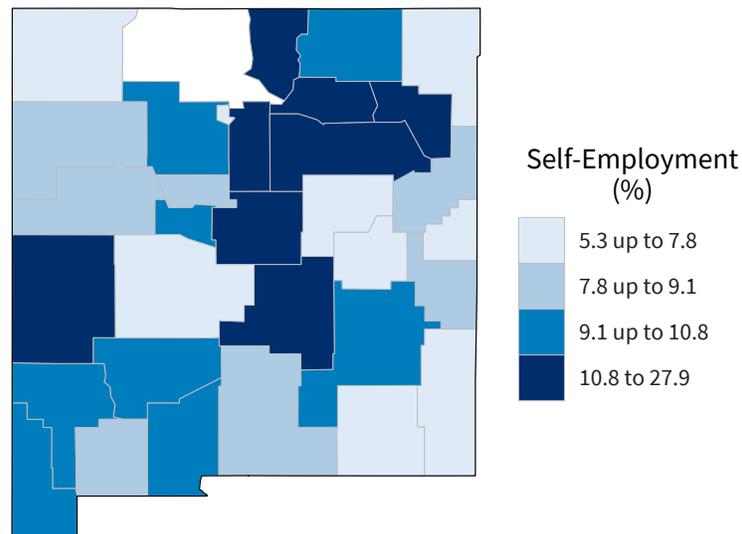


Table 2: New Mexico Small Businesses by Industry and Firm Size, 2017

Industry	1-19 Employees	1-499 Employees	Nonemployer Firms	Total Small Firms
Other Services (except Public Administration)	3,485	3,766	17,023	20,789
Professional, Scientific, and Technical Services	3,768	4,103	16,669	20,772
Construction	3,841	4,254	11,000	15,254
Health Care and Social Assistance	3,201	3,855	11,227	15,082
Retail Trade	3,114	3,534	10,794	14,328
Real Estate and Rental and Leasing	1,693	1,793	12,532	14,325
Administrative, Support, and Waste Management	1,443	1,627	9,202	10,829
Arts, Entertainment, and Recreation	573	659	9,208	9,867
Transportation and Warehousing	907	1,069	6,231	7,300
Educational Services	417	526	5,061	5,587
Accommodation and Food Services	2,152	3,052	2,144	5,196
Finance and Insurance	1,114	1,256	2,955	4,211
Manufacturing	1,004	1,211	2,783	3,994
Wholesale Trade	889	1,177	2,547	3,724
Information	289	357	1,660	2,017
Agriculture, Forestry, and Fishing and Hunting	96	99	1,776	1,875
Mining, Quarrying, and Oil and Gas Extraction	408	556	1,158	1,714
Utilities	105	122	121	243
Total	28,523	32,905	124,091	156,996

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