

# 2020 Small Business Profile

## New York

**2.2 million** Small Businesses  
**99.8%** of New York Businesses

**4.1 million** Small Business Employees  
**49.8%** of New York Employees



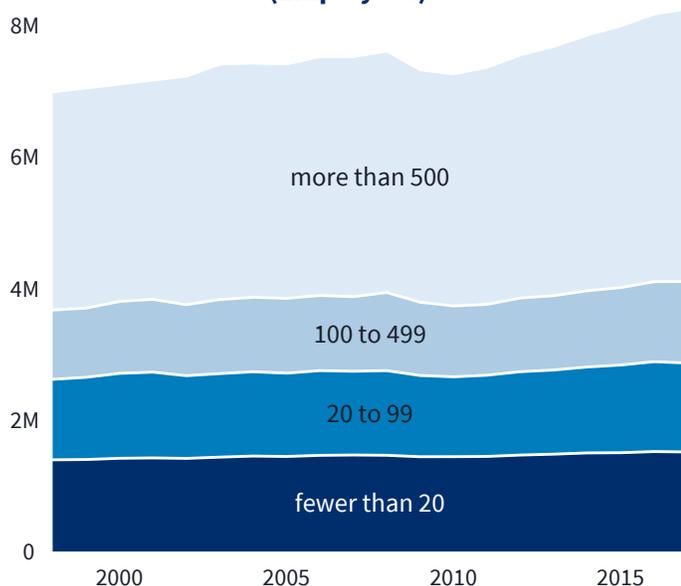
*A note on COVID-19: This report uses the most up-to-date government data to present a unique snapshot of small businesses. The BLS employment estimates capture the early stages of the pandemic. All other sources reflect data collected prior to the pandemic.*

### Overall Economy

- In the fourth quarter of 2019, New York grew at an annual rate of **1.4%**, which was slower than the overall US growth rate of **2.1%**. New York's 2019 overall growth rate of **1.8%** was up from the 2018 rate of **1.2%**. (Source: [BEA](#))
- In April 2020, the unemployment rate was **14.5%**, up from **4.0%** in April 2019. This was below the April 2020 national unemployment rate of **14.7%**. (Source: [CPS](#))

### Employment

**Figure 1: New York Employment by Business Size (Employees)**



- New York small businesses employed **4.1 million** people, or **49.8%** 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 **22.2%** 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 **3.7%** relative to the previous year. (Source: [BEA](#))
- Small businesses created **69,042** net jobs in 2019. Firms employing fewer than 20 employees experienced the largest gains, adding **49,213** net jobs. The largest losses were in firms employing 20 to 99 employees, which lost **581** 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 **\$57,435** in 2018. For self-employed individuals at their own unincorporated firms, median income was **\$26,346**. (Source: [ACS](#))
- The total number of banks decreased by **3** between June 2018 and June 2019 to **138** banks. During the same period, the number of banks with assets under \$1 billion decreased by **5** to **86** banks. (Source: [FDIC](#))
- In 2018, New York lending institutions reporting under the Community Reinvestment Act issued **489,039** loans under \$100,000, a total value of **\$6.9 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: New York Self-Employment Rates by Gender & Demographic, 2018**

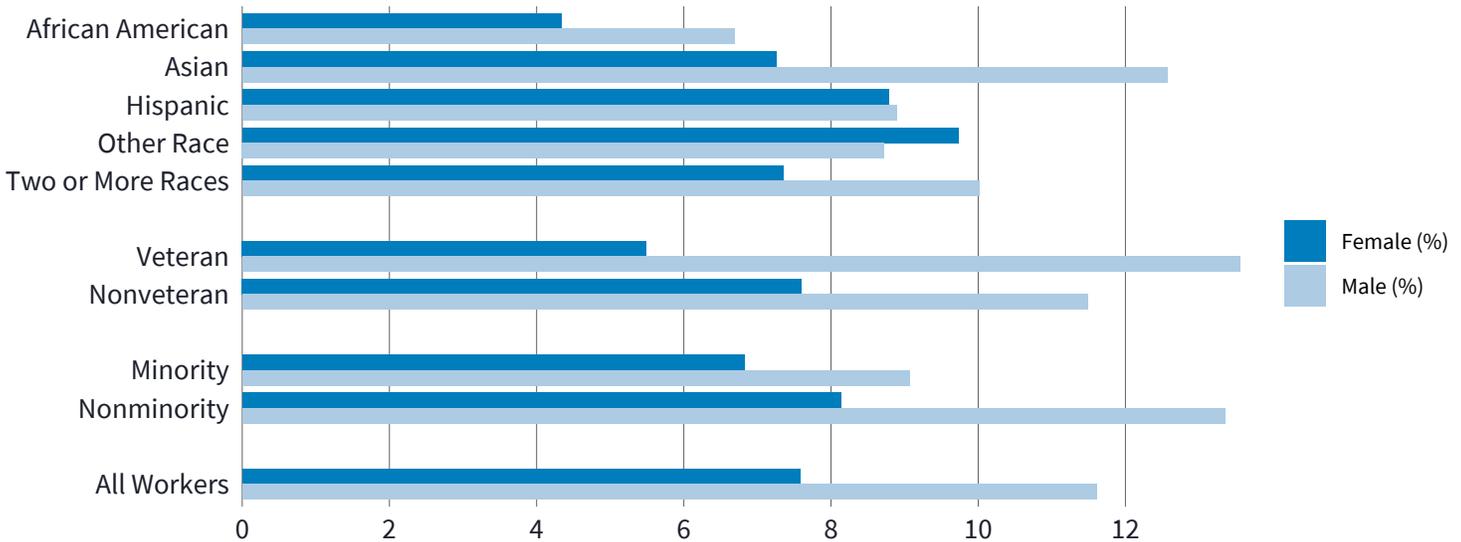
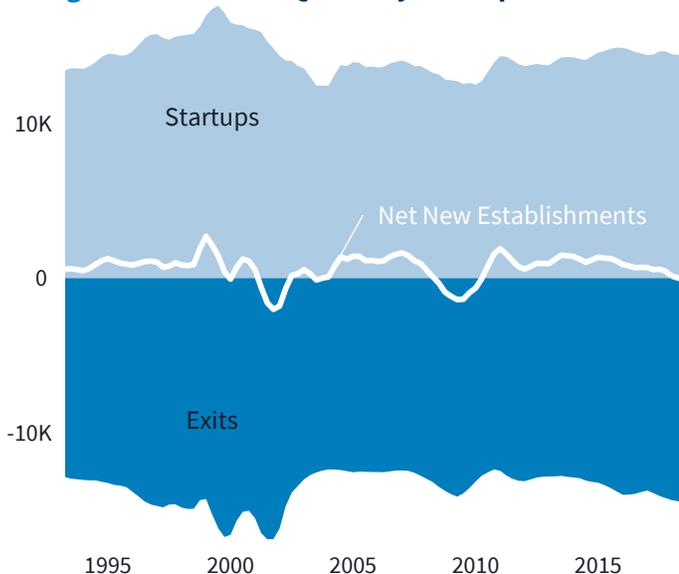


Figure 2 shows the self-employment rate for each demographic group by gender according to the 2018 American Community Survey (ACS). Other Race includes those who selected Alaska Native, American Indian, Native Hawaiian, Pacific Islander, or Some Other Race.

## Turnover among Establishments with Employees

**Figure 3: New York Quarterly Startups and Exits**



- In the fourth quarter of 2018, **15,016** establishments started up, generating **58,404** new jobs in New York. Startups are counted when business establishments hire at least one employee for the first time. (Source: [BDM](#))
- In the same period, **14,893** establishments exited, resulting in **57,501** 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

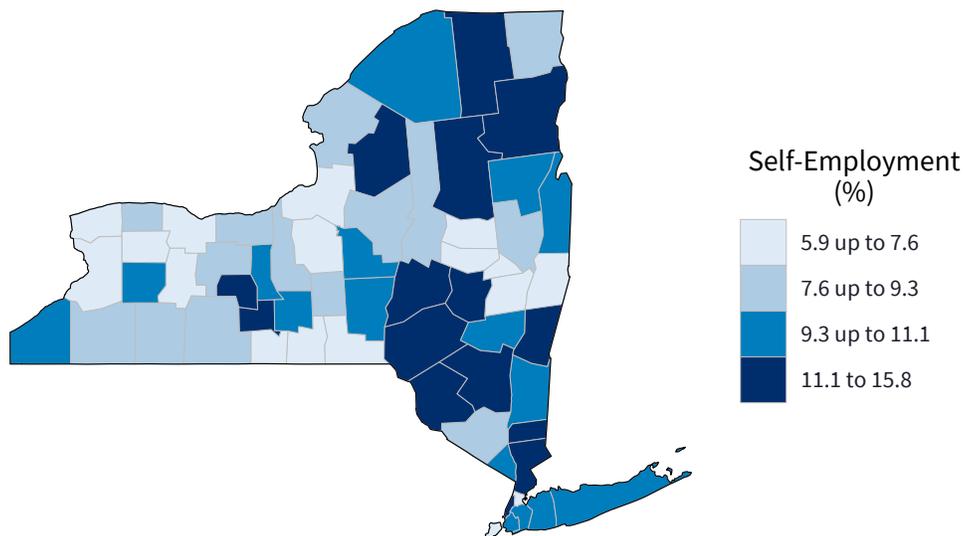
- A total of 36,901 firms exported goods from New York in 2018. Of these, 34,506, or 93.5%, were small firms, which generated 58.3% of New York's \$69.5 billion in total exports. (Source: ITA)

## Small Business Employment by Industry and Self-Employment by County

**Table 1: New York Employment by Industry, 2017**

 Industry	 Small Business Employment	 Total Private Employment	 Small Business Employment Share
Health Care and Social Assistance	624,009	1,628,655	38.3
Accommodation and Food Services	580,540	816,114	71.1
Retail Trade	380,939	925,381	41.2
Professional, Scientific, and Technical Services	356,890	644,951	55.3
Other Services (except Public Administration)	331,120	393,194	84.2
Construction	327,200	364,956	89.7
Wholesale Trade	248,975	356,952	69.8
Administrative, Support, and Waste Management	248,424	626,832	39.6
Manufacturing	241,999	410,579	58.9
Educational Services	150,022	413,597	36.3
Real Estate and Rental and Leasing	142,119	181,035	78.5
Finance and Insurance	140,709	542,326	25.9
Arts, Entertainment, and Recreation	110,024	180,337	61.0
Transportation and Warehousing	106,533	248,505	42.9
Information	85,667	292,355	29.3
Management of Companies and Enterprises	26,661	186,487	14.3
Utilities	2,623	41,706	6.3
Agriculture, Forestry, and Fishing and Hunting	2,621	2,878	91.1
Mining, Quarrying, and Oil and Gas Extraction	2,451	3,691	66.4
Industries Not Classified	738	738	100.0
<b>Total</b>	<b>4,110,264</b>	<b>8,261,269</b>	<b>49.8</b>

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



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

 Industry	 1-19 Employees	 1-499 Employees	 Nonemployer Firms	 Total Small Firms
Professional, Scientific, and Technical Services	53,346	57,353	268,138	325,491
Other Services (except Public Administration)	52,106	55,146	212,295	267,441
Real Estate and Rental and Leasing	28,393	29,804	208,260	238,064
Transportation and Warehousing	9,950	11,302	190,360	201,662
Health Care and Social Assistance	38,587	44,000	154,154	198,154
Construction	45,301	48,704	130,065	178,769
Retail Trade	54,621	58,496	118,980	177,476
Arts, Entertainment, and Recreation	10,564	11,857	137,105	148,962
Administrative, Support, and Waste Management	21,934	24,510	104,235	128,745
Accommodation and Food Services	39,656	47,759	28,700	76,459
Finance and Insurance	13,285	14,826	51,832	66,658
Educational Services	5,704	7,387	55,974	63,361
Wholesale Trade	23,729	27,027	32,181	59,208
Information	6,666	7,723	32,805	40,528
Manufacturing	11,251	14,295	17,936	32,231
Agriculture, Forestry, and Fishing and Hunting	581	600	6,774	7,374
Utilities	155	194	879	1,073
Mining, Quarrying, and Oil and Gas Extraction	179	213	705	918
<b>Total</b>	<b>416,610</b>	<b>460,789</b>	<b>1,751,378</b>	<b>2,212,167</b>

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