

Connecticut

Connecticut's 328,601 small businesses provide economic opportunities to diverse groups of people and bring innovative products and services to the marketplace.* This profile from the Office of Advocacy compiles the latest facts and figures on the status and role of small business in the state. (Note that a small business is defined here as one with fewer than 500 employees.)

- Connecticut had 76,557 small employers in 2005, representing 97.5% of the state's employers and 50.5% of its private-sector employment.
- The health care and social assistance industry was the state's largest small business and overall employer in 2005 (Table 1).
- Small businesses created all of the state's net new jobs from 2004 to 2005 (Table 2).
- Connecticut's real gross state product increased by 2.8% in 2007. By comparison, growth in the New England region was 2.1% and the United States, 2.0%. (Source: U.S. Dept. of Commerce: Bureau of Economic Analysis)

For Further Information

- Data on all the states and territories is available at www.sba.gov/advo/research/profiles.
- For other small business data and analysis, visit www.sba.gov/advo/research, call (202) 205-6533, or email advocacy@sba.gov.
- To learn about state efforts to adopt or implement regulatory flexibility, visit www.sba.gov/advo/laws/law_modeleg.html.
- Visit <http://web.sba.gov/list> to subscribe to listservs for Advocacy's newsletter, press releases, regulatory news and research reports.
- Visit www.sba.gov/advo/rsslibrary.html for RSS feeds.

* The number of small businesses is the number of small employers plus the number of nonemployers in 2005.

Connecticut Small Business Facts

	Level in 2005†	% Change from 2004 2000	
Number of Businesses			
Small employers (<500 employees)	76,557	0.7	0.3
Large employers (500+ employees)	1,969	1.1	-5.8
Nonemployers	252,044	2.5	16
	Level in 2002†	% Change from 1997	
Business Owner Demographics			
Male-owned	181,355	7.8	
Woman-owned	82,118	13.4	
Equally male/female-owned	26,698	-23.6	
African American-owned	10,309	42.2	
Asian-owned	7,170	23.2	
Hispanic-owned	9,408	42.7	
Native American/Alaskan-owned	1,208	NA	
Hawaiian and Pacific Islander-owned	167	98.8	
	Level in 2007†	% Change from 2006 2000	
Workforce (Thousands) /Unemployment (%)			
Private-sector employment	1,449	1.0	-0.2
Government employment	249	1.3	3.0
Self-employed (incorp. & uninc.)	190	-0.4	-0.6
Female self-employment	52	-11.2	-8.9
Male self-employment	137	4.4	3.0
Minority self-employment	14	33.4	39.3
Veteran self-employment	17	-16.6	-49.5
Unemployment rate (%)	4.6	0.2	2.3
Business Turnover			
Quarterly establishment openings	11,369	-5.6	-19.1
Quarterly establishment closings	11,649	0.1	-23.1
Business bankruptcies	264	20.5	-40.7
Income and Finance			
Proprietors' income (\$billion)	18.1	-0.4	36.7
Bank branches	1,285	4.3	8.6
No. of bus. loans under \$100,000	39,118	3.5	NA
Total value of business loans under \$100,000 (\$million)	956	23.0	NA

Sources: U.S. Dept. of Commerce, Bureau of the Census and Bureau of Economic Analysis; U.S. Dept. of Labor, Bureau of Labor Statistics; Administrative Office of the U.S. Courts; Federal Deposit Insurance Corporation, Summary of Deposits; and U.S. Small Business Administration, Office of Advocacy (www.sba.gov/advo/research/lending.html).

† Latest available data; certain figures are economywide.

Table 1. Firms and Employment in Connecticut by Industry and Firm Size, 2005 and 2006 (Non-farm, thousands)

Industry	Nonemployer firms (2006)	Employer firms (2005)			Employment (2005)		
		Total	1-19 Employees	1-499 Employees	Total	1-19 Employees	1-499 Employees
Total	254.0	78.5	67.4	76.6	1,529.8	279.3	773.3
Forestry, etc. and agriculture support	1.3	0.1	0.1	0.1	(D)	(D)	(D)
Mining	0.1	0.1	0.0	0.1	0.9	0.3	(D)
Utilities	0.1	0.1	0.0	0.0	9.9	0.2	1.5
Construction	35.4	9.8	9.2	9.7	62.4	30.6	54.7
Manufacturing	3.6	4.8	3.3	4.6	185.3	19.6	93.8
Wholesale trade	4.5	4.2	3.2	3.9	80.0	14.4	45.2
Retail trade	19.8	10.1	8.6	9.7	198.5	37.0	86.3
Transportation and warehousing	6.6	1.4	1.0	1.3	38.2	4.4	15.1
Information	4.3	1.1	0.8	0.9	41.5	3.4	13.5
Finance and insurance	11.7	3.6	3.0	3.4	133.3	10.8	31.1
Real estate and rental and leasing	35.3	2.9	2.6	2.8	22.8	8.2	15.8
Professional, scientific, and technical svcs.	44.2	9.7	8.8	9.5	99.7	30.4	61.3
Management of companies and enterprises	--	0.5	0.1	0.2	40.8	0.2	3.5
Admin., support, waste mgt., remed. svcs.	16.3	4.9	4.2	4.7	102.5	14.0	45.5
Educational services	7.9	1.1	0.8	1.1	58.6	3.8	23.7
Health care and social assistance	20.4	7.5	6.2	7.4	238.8	33.4	126.6
Arts, entertainment, and recreation	13.6	1.6	1.3	1.6	23.3	5.1	20.4
Accommodation and food services	3.1	6.4	5.2	6.3	128.8	27.0	76.6
Other services (except public admin.)	25.7	9.0	8.3	8.9	63.5	35.4	57.2
Unclassified	--	0.8	0.8	0.8	(D)	(D)	(D)

Source: U.S. Dept. of Commerce, Bureau of the Census, Statistics of U.S. Businesses. (See www.sba.gov/advo/research/data.html for data from other years, and for starts, closures, job creation and destruction by industry and by size category.)

(D) Data suppressed to protect the confidentiality of individual firms.

Table 2: Net Job Change by Firm Size, 2002–2005 (Non-farm)

	Total	Employment size of firm						
		1-4	5-9	10-19	20-99	100-499	<500	500+
2004 - 2005	-8,533	8,309	883	-1,969	-1,725	1,600	7,098	-15,631
2003 - 2004	-7,365	11,469	2,656	1,399	248	-4,284	11,488	-18,853
2002 - 2003	-5,381	10,116	952	392	204	1,190	12,854	-18,235

Source: U.S. Dept. of Commerce, Bureau of the Census. (For more detailed data see www.sba.gov/advo/research/data.html.)

Table 3: Establishment and Employment Turnover by Quarter, 2007 (Non-farm, thousands)

	Establishments				Employment			
	Openings	Expansions	Contractions	Closings	Openings	Expansions	Contractions	Closings
Quarter 4	2.8	19.6	20.6	2.8	11.3	72.9	73.8	8.3
Quarter 3	2.8	19.0	20.7	3.2	10.2	67.4	73.0	9.6
Quarter 2	2.7	20.5	19.7	2.8	10.7	78.7	67.7	8.2
Quarter 1	3.0	19.3	20.5	2.9	11.1	64.9	71.7	9.4

Source: U.S. Dept. of Labor, Bureau of Labor Statistics, Business Employment Dynamics. (For more detailed data see www.bls.gov/bdm/home.htm.)

Note: The establishment turnover figures contain all firm sizes, but Census data from 2005 showed that 87 percent of establishment births and deaths were in firms with fewer than 500 employees.