

North Dakota

North Dakota's 61,264 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.)

- North Dakota had 17,147 small employers in 2005, representing 96.6% of the state's employers and 64.4% of its private-sector employment.
- The retail trade industry was the state's largest small business employer in 2005; health care and social assistance was the largest overall employer (Table 1).
- Small businesses created all of the state's net new jobs from 2004 to 2005 (Table 2).
- North Dakota's real gross state product increased by 3.0% in 2007. By comparison, growth in the Plains region was 2.0% 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.

North Dakota Small Business Facts			
	Level in 2005†	% Change from 2004 2000	
Number of Businesses			
Small employers (<500 employees)	17,147	1	3.3
Large employers (500+ employees)	608	1.5	6.7
Nonemployers	44,117	3.1	11.3
	Level in 2002†	% Change from 1997	
Business Owner Demographics			
Male-owned	31,070	9.0	
Woman-owned	13,203	6.3	
Equally male/female-owned	9,071	-27.2	
African American-owned	78	-21.2	
Asian-owned	277	0.4	
Hispanic-owned	230	-48.2	
Native American/Alaskan-owned	852	NA	
Hawaiian and Pacific Islander-owned	2	-33.3	
	Level in 2007†	% Change from 2006 2000	
Workforce (Thousands) /Unemployment (%)			
Private-sector employment	282	2.0	10.6
Government employment	76	0.1	4.3
Self-employed (incorp. & uninc.)	50	-2.2	-2.1
Female self-employment	16	2.9	3.3
Male self-employment	34	-4.4	-4.5
Minority self-employment	2	63.5	341.3
Veteran self-employment	5	-11.5	-15.4
Unemployment rate (%)	3.2	-	0.3
Business Turnover			
Quarterly establishment openings	3,865	0.8	18.7
Quarterly establishment closings	3,414	-1.3	-1.0
Business bankruptcies	59	84.4	-71.8
Income and Finance			
Proprietors' income (\$billion)	3.2	65.7	64.4
Bank branches	442	1.8	7.8
No. of bus. loans under \$100,000	212,596	8.9	NA
Total value of business loans under \$100,000 (\$million)	1,346	12.5	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 North Dakota 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	44.3	17.8	15.1	17.1	270.5	61.8	174.2
Forestry, etc. and agriculture support	1.1	0.1	0.1	0.1	(D)	(D)	(D)
Mining	0.4	0.2	0.1	0.1	4.4	0.5	1.8
Utilities	0.0	0.0	0.0	0.0	3.3	(D)	1.1
Construction	4.8	2.3	2.1	2.3	15.1	7.4	14.4
Manufacturing	0.6	0.7	0.5	0.6	24.6	2.7	13.1
Wholesale trade	0.6	1.1	0.8	1.0	17.2	3.9	11.6
Retail trade	5.6	2.7	2.1	2.5	43.5	11.0	25.8
Transportation and warehousing	2.4	0.9	0.8	0.9	9.5	2.6	6.5
Information	0.4	0.2	0.2	0.2	7.4	0.9	3.7
Finance and insurance	2.2	1.0	0.9	1.0	15.0	2.7	7.7
Real estate and rental and leasing	4.1	0.7	0.6	0.7	3.7	1.6	3.3
Professional, scientific, and technical svcs.	4.3	1.3	1.2	1.3	11.6	4.1	8.6
Management of companies and enterprises	--	0.1	0.0	0.1	2.3	(D)	(D)
Admin., support, waste mgt., remed. svcs.	2.2	0.8	0.7	0.7	10.8	2.2	6.4
Educational services	1.0	0.1	0.1	0.1	4.7	0.4	3.7
Health care and social assistance	5.6	1.4	1.1	1.3	50.4	5.3	24.7
Arts, entertainment, and recreation	1.8	0.4	0.3	0.4	(D)	(D)	(D)
Accommodation and food services	0.6	1.6	1.2	1.6	28.7	6.8	23.6
Other services (except public admin.)	6.6	2.4	2.2	2.3	13.6	8.0	12.8
Unclassified	--	0.1	0.1	0.1	(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	4,762	2,584	368	583	909	1,385	5,829	-1,067
2003 - 2004	6,912	2,479	1,054	753	930	-238	4,978	1,934
2002 - 2003	4,805	2,518	502	524	-850	1,425	4,119	686

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	1.0	4.9	4.8	0.9	3.5	16.8	14.8	2.5
Quarter 3	1.0	4.6	4.8	0.8	3.6	16.0	15.6	2.4
Quarter 2	0.9	4.8	4.7	0.8	3.3	16.0	16.0	2.7
Quarter 1	1.0	4.9	4.7	0.9	3.2	16.4	15.3	2.5

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.