

## Rhode Island

Rhode Island's 95,090 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.)

- Rhode Island had 25,763 small employers in 2006, representing 96.5% of the state's employers and 57.1% of its private-sector employment.
- The health care and social assistance industry was the state's largest small business and overall employer in 2006 (Table 1).
- Small businesses' net new jobs declined slightly between 2004 and 2005 (Table 2).
- Rhode Island's real gross state product increased by 0.1% 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](http://www.sba.gov/advo/research/profiles).
- For other small business data and analysis, visit [www.sba.gov/advo/research](http://www.sba.gov/advo/research), call (202) 205-6533, or email [advocacy@sba.gov](mailto:advocacy@sba.gov).
- To learn about state efforts to adopt or implement regulatory flexibility, visit [www.sba.gov/advo/laws/law\\_modeleg.html](http://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](http://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 2006.

### Rhode Island Small Business Facts

	Level in 2006†	% Change from 2005 2000	
<b>Number of Businesses</b>			
Small employers (<500 employees)	25,763	-0.5	5.8
Large employers (500+ employees)	928	0.9	2.9
Nonemployers	69,327	0.0	16.7
	Level in 2002†	% Change from 1997	
<b>Business Owner Demographics</b>			
Male-owned	51,644	10.3	
Woman-owned	23,195	16.6	
Equally male/female-owned	8,229	-29.5	
African American-owned	S	39	
Asian-owned	1,529	43.6	
Hispanic-owned	3,415	56.2	
Native American/Alaskan-owned	445	NA	
Hawaiian and Pacific Islander-owned	45	0.0	
	Level in 2007†	% Change from 2006 2000	
<b>Workforce (Thousands) /Unemployment (%)</b>			
Private-sector employment	428	-	3.9
Government employment	65	-0.5	0.5
Self-employed (incorp. & uninc.)	55	3.8	24.6
Female self-employment	19	11.3	43.8
Male self-employment	37	0.4	16.7
Minority self-employment	3	0.5	376
Veteran self-employment	5	-21.5	-22.7
Unemployment rate (%)	5	-0.1	0.8
<b>Business Turnover</b>			
Quarterly establishment openings	6,926	-8.4	2.4
Quarterly establishment closings	7,104	-2.7	8.3
Business bankruptcies	105	118.8	-67.9
<b>Income and Finance</b>			
Proprietors' income (\$billion)	3	7.6	60.3
Bank branches	246	1.2	11.8
No. of bus. loans under \$100,000	7,479	9.5	NA
Total value of business loans under \$100,000 (\$million)	177	5.4	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](http://www.sba.gov/advo/research/lending.html)).

† Latest available data; certain figures are economywide.

**Table 1. Firms and Employment in Rhode Island by Industry and Firm Size, 2006  
(Non-farm, thousands)**

Industry	Nonemployer firms	Employer firms			Employment		
		Total	1-19 Employees	1-499 Employees	Total	1-19 Employees	1-499 Employees
Total	69.3	26.7	22.8	25.8	440.8	91.9	251.7
Forestry, etc. and agriculture support	1.3	0.0	0.0	0.0	(D)	0.1	(D)
Mining	0.0	0.0	0.0	0.0	(D)	0.1	(D)
Utilities	0.0	0.0	0.0	0.0	(D)	(D)	(D)
Construction	8.9	3.7	3.5	3.7	21.9	10.9	20.3
Manufacturing	1.2	1.8	1.3	1.7	54.1	7.5	33.2
Wholesale trade	1.4	1.4	1.0	1.2	18.9	4.5	13.3
Retail trade	5.7	3.3	2.8	3.1	56.1	11.4	23.1
Transportation and warehousing	2.1	0.6	0.5	0.6	9.8	1.8	4.3
Information	1.0	0.3	0.2	0.2	9.3	0.8	2.9
Finance and insurance	2.1	1.0	0.8	0.9	32.5	3.1	9.8
Real estate and rental and leasing	8.5	1.0	0.9	1.0	6.7	2.7	5.0
Professional, scientific, and technical svcs.	11.3	3.1	2.8	3.0	22.0	9.3	17.7
Management of companies and enterprises	--	0.1	0.0	0.1	10.7	0.0	1.2
Admin., support, waste mgt., remed. svcs.	3.9	1.6	1.4	1.5	22.8	4.1	14.8
Educational services	2.2	0.4	0.3	0.4	22.7	1.0	5.9
Health care and social assistance	5.8	2.5	2.0	2.5	82.4	11.0	46.4
Arts, entertainment, and recreation	4.0	0.5	0.4	0.5	7.3	1.8	(D)
Accommodation and food services	0.9	2.5	2.0	2.5	41.9	10.8	30.9
Other services (except public admin.)	8.9	2.9	2.7	2.8	19.3	10.7	16.8
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](http://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	3,903	2,128	387	-376	-1,359	-905	-125	4,028
2003 - 2004	7,260	4,397	1,244	1,578	2,339	814	10,372	-3,112
2002 - 2003	6,088	3,657	1,571	954	834	1,339	8,355	-2,267

Source: U.S. Dept. of Commerce, Bureau of the Census. (For more detailed data see [www.sba.gov/advo/research/data.html](http://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	1.8	5.9	6.5	1.7	5.4	20.1	22.1	5.5
Quarter 3	1.6	5.8	6.6	1.7	4.7	18.7	23.9	5.6
Quarter 2	1.7	6.3	6.3	1.9	6.7	22.1	20.7	5.5
Quarter 1	1.8	6.0	6.5	1.7	5.6	19.5	21.6	5.5

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