

## Washington

Washington's 540,418 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.)

- Washington had 147,948 small employers in 2006, representing 98.2% of the state's employers and 55.7% 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 created 94.4% of the state's net new jobs from 2004 to 2005 (Table 2).
- Washington's real gross state product increased by 4.3% in 2007. By comparison, growth in the Far West region was 1.9% 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.

### Washington Small Business Facts

	Level in 2006†	% Change from 2005 2000	
<b>Number of Businesses</b>			
Small employers (<500 employees)	147,948	2.1	9.1
Large employers (500+ employees)	2,656	3.1	1.0
Nonemployers	392,470	1.4	20.2
	Level in 2002†	% Change from 1997	
<b>Business Owner Demographics</b>			
Male-owned	238,041	16.3	
Woman-owned	137,394	11.7	
Equally male/female-owned	75,315	-31.4	
African American-owned	6,982	25.7	
Asian-owned	26,890	17.5	
Hispanic-owned	10,261	2.5	
Native American/Alaskan-owned	5,731	NA	
Hawaiian and Pacific Islander-owned	728	73.3	
	Level in 2007†	% Change from 2006 2000	
<b>Workforce (Thousands) /Unemployment (%)</b>			
Private-sector employment	2,399	3.0	7.7
Government employment	533	0.5	10.2
Self-employed (incorp. & uninc.)	382	-1.5	26.7
Female self-employment	154	-4.2	6.5
Male self-employment	228	0.4	45.2
Minority self-employment	44	-19.8	112.3
Veteran self-employment	45	-7.9	-1.6
Unemployment rate (%)	4.5	-0.4	-0.5
<b>Business Turnover</b>			
Quarterly establishment openings	33,385	0.6	-16.3
Quarterly establishment closings	31,619	2.8	-23.1
Business bankruptcies	477	19.0	-75.9
<b>Income and Finance</b>			
Proprietors' income (\$billion)	20.6	5.4	45.3
Bank branches	1,898	1.4	12.2
No. of bus. loans under \$100,000	40,458	2.7	NA
Total value of business loans under \$100,000 (\$million)	854	3.4	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 Washington 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	392.5	150.6	132.5	147.9	2,421.3	519.9	1,349.2
Forestry, etc. and agriculture support	7.9	1.5	1.4	1.5	13.4	4.0	10.8
Mining	0.2	0.2	0.1	0.2	3.3	(D)	1.7
Utilities	0.4	0.2	0.2	0.2	6.3	(D)	1.6
Construction	34.0	24.9	23.1	24.9	184.5	80.2	167.5
Manufacturing	8.0	7.1	5.2	6.8	257.6	26.8	123.6
Wholesale trade	7.7	8.0	6.1	7.5	130.2	25.6	80.2
Retail trade	38.8	15.9	13.7	15.4	328.9	62.0	143.5
Transportation and warehousing	15.6	4.2	3.4	4.0	83.7	12.4	36.7
Information	6.5	2.0	1.5	1.9	109.9	6.1	23.0
Finance and insurance	13.4	5.7	4.9	5.4	123.3	15.0	42.3
Real estate and rental and leasing	52.8	8.6	8.1	8.5	52.2	21.0	38.9
Professional, scientific, and technical svcs.	67.9	18.2	16.5	17.8	157.1	50.5	107.4
Management of companies and enterprises	--	0.7	0.1	0.4	59.6	0.3	6.7
Admin., support, waste mgt., remed. svcs.	23.9	7.9	6.9	7.7	141.0	25.5	67.4
Educational services	10.8	2.0	1.6	2.0	46.3	7.0	26.8
Health care and social assistance	31.4	15.1	13.2	14.9	329.5	61.1	173.5
Arts, entertainment, and recreation	21.8	2.6	2.1	2.5	58.7	8.2	43.1
Accommodation and food services	4.5	12.5	10.3	12.3	225.9	57.8	157.6
Other services (except public admin.)	47.0	14.7	13.5	14.5	109.2	54.5	96.2
Unclassified	--	0.7	0.7	0.7	0.7	(D)	0.7

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	45,826	25,048	6,923	2,677	2,962	5,665	43,275	2,551
2003 - 2004	-24,406	26,426	8,051	3,433	5,171	8,042	51,123	-75,529
2002 - 2003	105,975	24,643	6,728	3,342	5,593	3,873	44,179	61,796

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	9.3	39.3	37.0	7.0	31.5	153.8	139.8	24.6
Quarter 3	7.8	37.6	38.0	8.8	26.7	141.9	145.6	28.9
Quarter 2	7.5	39.6	36.7	8.6	24.6	159.2	136.1	29.4
Quarter 1	8.8	40.2	36.0	7.2	28.8	161.8	128.8	25.8

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.