



Office of Advocacy

U.S. Small Business Administration

**March 2000**

## **Small Business Economic Indicators, 1998**

A reference guide to the latest data on small business activity, including state and industry data.

The Office of Advocacy of the U.S. Small Business Administration was established in 1976 by Congress under Public Law 94-305 to, among other things, examine the current role of small business in the economy, present current and historical data on the small-business sector and the state of competition. In fulfillment of this mandate, the Office of Advocacy funds research and publishes reports, such as *The State of Small Business*, *State Small Business Profiles*, the *Small Business Answer Card*, and *Small Business Economic Indicators*.

For more information, write to the Office of Advocacy at 409 Third Street S.W., Washington, DC 20416, visit the Office's Internet site at <http://www.sba.gov/advo>, or call Advocacy's Office of Economic Research at (202) 205-6530.

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**Office of Advocacy  
U.S. Small Business Administration  
Washington, D.C.: 2000**



## FOREWORD

The expansion of the U.S. economy continues to roll along. Productivity and employment have increased in large part due to small firms. *Small Business Economic Indicators, 1998* provides details on business growth in employer and self-employment firms; business closures and births; income reports using various measures; and employment expansion.

Small businesses had a healthy pattern of growth in 1998. While the number of small employer firms hit an all-time high in 1998, business bankruptcies are down. In addition, most states have more small businesses contributing to their economy with only three states declining in the number of employer firms. Small businesses continue to employ more workers than large companies. In 1998, small firm employment reached 55.4 million. In addition to employer firms, about 10 million individuals' primary occupation is self-employment

Importantly, this report provides a window into the contributions of small firms on a state-by-state basis and industry-by-industry. The Office of Advocacy will continue to document the contributions of small business to the community.

Sincerely,

A handwritten signature in black ink that reads "Jere W. Glover". The signature is written in a cursive style with a long, sweeping underline.

**Jere W. Glover**  
Chief Counsel for Advocacy  
U.S. Small Business Administration



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## EXECUTIVE SUMMARY

In 1998 the U.S. economy continued to grow, with the real gross domestic product increasing 3.9 percent and private sector nonfarm employment increasing by 2.8 percent. According to the *Economic Report of the President*:<sup>1</sup>

The U.S. economy remained strong in 1998 despite a serious weakening in the international economy and considerable financial turmoil. The economy's ability to weather these storms is testimony to the soundness of the policies of the past 6 years and to the underlying strength of the current economic expansion.

One policy particularly relevant to small business was the Federal Reserve Board's easing of monetary policy in the fall of 1998. When signs of a potential credit tightening emerged (some banks increased lending standards, limiting credit access for many small businesses), the Federal Reserve Board lowered rates, which brought access to credit back to many small businesses.<sup>2</sup> With access to credit, small businesses were able to continue to grow and drive the U.S. economic expansion.<sup>3</sup>

This report presents three types of indicators relevant to small business: general economic statistics, data on the business sector as a whole, and information specific to small business. In many cases, direct information on small business is available only after a long lag. However, the relationship between small business and the larger economy is fairly stable; thus, broader economic indicators give a reliable clue as to the current state of small business. For instance, the most recent information on the number of employees who work for small firms (fewer than 500 employees) is from 1996. Because the ratio of small firm to total nonfarm private sector employment remains relatively constant (52 percent in 1996), one can estimate 1998 small-firm employment on the basis of the 1996 total.<sup>4</sup>

Small businesses predominate in the U.S. economy. Over 99.7 percent of the 5.5 million employer firms in the United States in 1996—all but about 16,000—had fewer than 500 employees. Thus, measures such as the total number of employer businesses, new employer firms, and business terminations, failures and bankruptcies, give strong indications of small business trends. The overwhelming majority of these counts are small firms. These data, along with state corporate tax receipts, give a good picture of business activity in each state.<sup>5</sup>

In addition to employer firms, about 10 million individuals whose primary occupation is self-employment are by definition small businesses. They generally have few or no employees. Details, provided state-by-state, include the proprietors' income, using receipts and expenses. Although the number of self-employed has decreased recently, this shift is probably a result of the tight labor market. The self-employed turn to traditional employment because better benefits and salaries are being offered.

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<sup>1</sup> *Economic Report of the President*, U. S. Government Printing Office, February 1999 ([www.access.gpo](http://www.access.gpo))

<sup>2</sup> See *Senior Loan Officer Opinion Survey on Bank Lending Practices*, May 1999, Federal Reserve Board (<http://www.federalreserve.gov/boarddocs/SnLoanSurvey/199905/default.htm>), "In general, the tightening of standards and terms for business loans in evidence since the fall of 1998 has eased considerably. As in the most recent survey, in January, only a few domestic banks, on net, reported having tightened credit standards for commercial and industrial loans."

<sup>3</sup> This allowed small business to end 1998 on an up note, and will probably be more of a factor for the economy in 1999.

<sup>4</sup> While the share does not change much, the underlying firms often are in flux with firm births, firm deaths, small firms growing into large firms, and large firms shrinking into small firms.

<sup>5</sup> The U.S. totals for new employer firms, business terminations, and the number of employer firms differ from previous editions of *Small Business Economic Indicators* because an adjustment has been made to remove the overcount that occurs when firms are in more than one state.

Highlights from the report include:

- The number of employer firms increased by 2.6 percent nationwide in 1998, from an estimated 5,601,200 in 1997 to an estimated 5,744,900 in 1998.
- Self-employment as a primary occupation decreased by 1.9 percent nationwide in 1998, from 10,507,000 in 1997 to 10,303,000 in 1998.
- Employer firm births remained at an extremely high level in 1998 at an estimated 628,900, a 0.1 percent increase over 1997's estimated 628,300.
- Employer firm terminations had a slight increase of 1.5 percent from an estimated 516,800 in 1997 to 524,500 in 1998; however, business bankruptcies decreased 17.9 percent to the lowest level since 1980.
- During 1998, income performance of businesses was strong. Proprietors, the tax status of many small businesses, saw an income increase of 4.7 percent, rising from \$523.8 billion in 1997 to \$548.5 billion in 1998 (in constant 1998 dollars). Corporation profits, which include larger small businesses and large businesses, had a 0.8 percent increase from \$817.9 billion in 1997 to \$824.6 billion in 1998.
- The wage and salary index, a major cost indicator for small businesses, grew 3.9 percent from December 1997 to December 1998. However another cost, interest on loans, has generally decreased. The prime rate decreased from 8.44 percent to 8.35 percent with inflation remaining low.
- In 1998, small business employment reached an estimated 55.4 million. Services and retail trade represent much of this employment with 20.4 million and 11.5 million, respectively.
- By industry, business services grew the most with 563,400 net new jobs. In percentage terms, holding and other investment offices grew the fastest with a 9.5 percent increase.

*Small Business Economic Indicators* was prepared by Brian Headd, economist, under the general supervision of Bruce D. Phillips, director of the Office of Advocacy's Office of Economic Research. Comments on the contents of this report may be directed to the Office of Economic Research at (202) 205-6530. Visit the Office of Advocacy's Internet site at <http://www.sba.gov/advo/> for more information about small businesses.

# 1. Overview

With the global economy struggling, the U.S. economy continued to grow during 1998. Adjusted for inflation, the gross domestic product grew 3.9 percent, and private nonfarm employment grew 2.8 percent while inflation measured by the consumer price index increased by only 1.6 percent. These prosperous times also appear to be nation-wide. While real gross state product is not yet available for 1998, changes from 1996 to 1997 indicate that all states except for Hawaii and Alaska had increases. (See Table 6.9 for real gross state product.)

Current data disaggregating the private sector economy into small and large firm sectors is limited, but historical data indicates small firms' importance to the economy.<sup>6</sup> Small firms represent about half of the private sector output, and about half of the private sector employment.<sup>7</sup> In addition, small firms are responsible for much of the economy's growth. This growth to the economy is due largely to the injection of new ideas and processes by firm births and the freeing up of resources by firm deaths (almost all firm births and deaths are small firms). During most of the 1990's small firms represented about three-quarters of the employment growth.<sup>8</sup> Current data relevant to small business is limited to the number of businesses (almost all of which are small as there were only about 16,000 large businesses in 1996), new businesses, business closures, some cost data (interest rates, and wage figures) and income data. This current data is painting a picture of prosperity for small business during 1998.

Business formation, measured by new firms with employees, rose 0.1 percent from 1997 to 1998, climbing to an all time high of 628,900. New firm formations expanded most in Region VIII (the Rocky Mountain area) of the U.S. Small Business Administration (SBA) with four of the six states recording increases (Montana, North Dakota, Utah and Wyoming).<sup>9</sup> West Virginia and the District of Columbia both had large percentage increases in the number of new employer firms during 1998. New Hampshire, Oregon, Vermont, Hawaii, and Arkansas all recorded declines of more than 10 percent in new firms. (For states' new-firm formation rankings, see Tables 3.2.)

Although business terminations were up, business bankruptcies were down for 1998.<sup>10</sup> Business terminations are probably on the rise because of the rise in the number of businesses in recent years. Terminations do not necessarily indicate a business loss. For instance, termination may be a business decision to shift production resources to a different business or for retirement. Delaware, Hawaii and

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<sup>6</sup> The Office of Advocacy, U.S. Small Business Administration often defines small as a firm with less than 500 employees. Industry definitions are available from SBA's Office of Size Standards (<http://www.sba.gov/size/Main-What-R-SBSS.html>).

<sup>7</sup> See *Small Business Share of Private, Nonfarm Gross Domestic Product* (1997) by Joel Popkin and Company (<http://www.sba.gov/research>) and *Small Business Growth by Major Industry* (1998) by the Office of Advocacy.

<sup>8</sup> While the small firms contribute substantially to the growth of the economy, the small firm share hovers around half of the private sector economy, as some small firms become large firms and some large firms shrink into small firms.

<sup>9</sup> The U.S. Small Business Administration has 10 regions, defined in Table 1.3 in the appendix.

<sup>10</sup> Business terminations include all employer firms that close, while business bankruptcies are firms that owe debts and file in court for legal protection.

Utah had yearly business termination declines of over 15 percent. The decline in business bankruptcies is a surprise and can indicate the decreasing risk of loans made to small businesses. While a few states had a jump in bankruptcies, the nationwide trend is promising. (For state business dissolution rankings, see Tables 3.3 and 3.4.)

Of the employer firms that existed at the beginning of 1998, approximately 9.4 percent closed during the year. In addition, new employer firms represented an 11.2 percent increase over the number of employer firms at the beginning of 1998. This business turnover led to a 2.6 percent increase in the number of employer firms in 1998, exceeding the average yearly increase from 1990 to 1997 of 1.4 percent.<sup>11</sup>

The number of firms has increased every year since 1991. California ended 1998 with the most firms with 881,400 while New York followed with 450,255 firms. The District of Columbia, Kentucky, California, and Florida all had percentage increases over 5 percent. Delaware, North Dakota, and Vermont were the only states to have decreases in the number of employer firms.

Individuals whose primary occupation is self-employment (most of whom do not have employees), decreased 1.9 percent from 1997 to 1998. Delaware led all states and the District of Columbia with an increase of 21.1 percent, and Illinois led declines with a decline of 15.7 percent. (For the number of firms by state, see Table 2.1. For self-employment by state, see Table 2.2.)

Small firm income rose in 1998. Nonfarm proprietors' incomes (sole proprietorships and partnerships) increased 6.3 percent (4.7 percent on a constant dollar basis) to \$548.5 billion, led by an 8.6 percent increase in SBA Region VIII (the Rocky Mountain area). The increase of 1.8 percent in state corporate tax collections also implies gains in business earnings (however national corporate profits were up only 0.8 percent). The income increases were greater than the consumer price index increase of 1.6 percent in 1998, indicating real increases in income. A major cost to small businesses is employee compensation, and the national total compensation cost index (wages and benefits) increased by 3.5 percent. Wage-and-salaries amounts increased by 7.3 percent although more individuals were working.

In 1998, small business employment (firms with fewer than 500 employees) reached an estimated 55.4 million. Services and retail trade industries represent much of this employment with 20.4 million, and 11.5 million respectively. The major industries (one-digit level of Standard Industrial Classification) growing the fastest in 1998, agricultural services and construction, were both small business employment dominated. (Small-business employment dominated industries have at least 60 percent of their employment in firms with fewer than 500 employees in 1996.) Services, led by business services, had the largest employment growth of the major industries, with 1.5 million net new jobs from 1997 to 1998, representing 50.9 percent of the total net new jobs. By specific industry (three-digit level of SIC), security and commodity services, an industry whose employment is more or less equally split between large and small firms, grew the fastest with a 15.7 percent increase, and personnel supply services grew

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<sup>11</sup> Note that firm births minus firm deaths does not necessarily equal the change in the number of firms as all of these figures are estimates.

the most with 192,800 net new jobs. (See Tables 5.1 through 5.4 for employment data.)

With above average increases in firm births, low inflation, and continued access to credit, small business appears on track. However, short-term worries still exist such as the tight labor market (limited supply of qualified workers), taxes, and excessive regulation.<sup>12</sup>

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<sup>12</sup> *Small Business Economic Trends*, National Federation of Independent Business Education Foundation, November 1999. The Office of Advocacy has funded a forthcoming study focusing on the tight labor market, *Manpower Shortages, Need and Related Issues in Small Business*, Joel Popkin and Company.

## 2. The Number of Firms

This section provides information on the number of businesses. There are two components to the number of firms: employer firms and self-employed individuals. The number of employer firms counts the number of firms with employees by state. Self-employment data includes individuals whose primary occupation is "self-employed", of whom few have employees, by state. Unfortunately, it is unclear on how much employer firms, and self-employment figures overlap, or how many of the self-employed have employees and how many self-employed have more than one business.

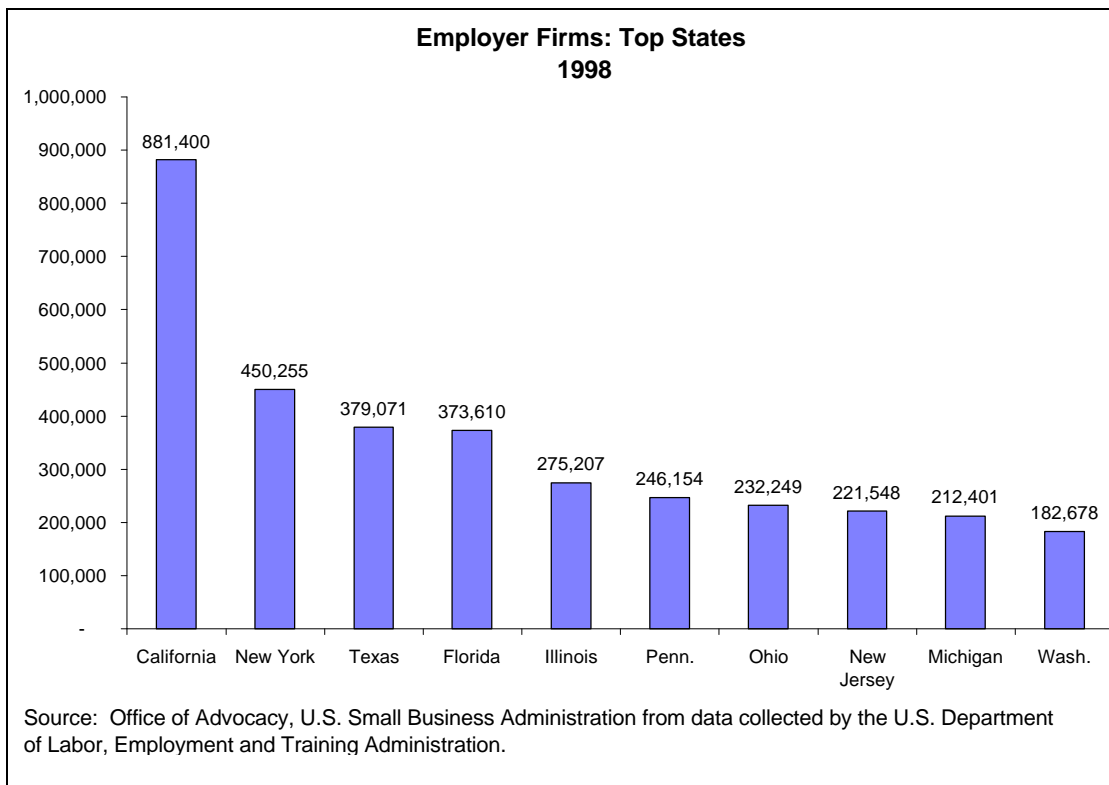
### Employer Firms

**Description:** Data on firms with employees are collected from state employment security agency quarterly reports filed with the U.S. Department of Labor's Employment and Training Administration (ETA). Firms with employees are required to file quarterly, as a result of the Federal Unemployment Tax Act (FUTA). U.S. totals for 1997 and 1998 are estimated from the number of employer firms in the Bureau of the Census's *Statistics of U.S. Businesses in 1996* and the yearly increases in the state totals from ETA for 1997 and 1998. Estimating the U.S. figure is necessary because the sum of the states would be an overcount as sometimes firms exist in more than one state.

**Analysis:** The number of employer firms increased by 2.6 percent nationwide in 1998, from an estimated 5,601,200 in 1997 to an estimated 5,744,900 in 1998. Yearly changes are a result of new employer firms less firm closures.

Overall, 47 states and the District of Columbia increased in the number of employer firms in 1998, while 3 states had declines. The District of Columbia had the largest increase in the number of employer firms with a 9.2 percent increase, and more than recovered from its decline over the previous two years. Kentucky followed with an 8.3 percent increase in the number of employer firms. Delaware had the largest state decline, a 2.4 percent decrease, with North Dakota and Vermont also having a reduction in the number of employer firms. However, these three states are still well above the levels of the number of firms they had in the early to mid 1990's. By the end of 1997, California had the highest number of employer firms with 881,400 (13.6 percent of all employer firms). New York (450,255), Texas (379,071), Florida (373,610), and Illinois (275,207) also had high levels of employer firms. In fact, these five states accounted for over a third (36.3 percent) of all of the employer firms in the U.S. (a small increase over the previous year). See Table 2.1 for state data.

Figure 2.1



## Self-Employment

**Description:** Self-employment data by state are produced by the *Current Population Survey*, a joint survey by the Department of Commerce's Bureau of the Census and the Department of Labor's Bureau of Labor Statistics. The Local Area Unemployment Statistics division of the Bureau of Labor Statistics publishes the self-employment data in this report. The definition of self-employment in this report is the monthly average of unincorporated individuals who rely on self-employment activities as a primary occupation.<sup>13</sup> This data excludes self-employment as a second job. A more expansive definition—anyone with self-employment earnings during 1997—produced about one million more self-employed individuals.<sup>14</sup>

**Analysis:** Self-employment as a primary occupation declined by 1.9 percent nationwide, from 10,507,000 in 1997 to 10,303,000 in 1998. Possible reasons for this decline include women already in the work force and the tight labor market. Women's labor force participation rate change has leveled off in the 1990's from the large increases seen in the 1970's and 1980's. Much of the self-employment increases in the 1970's and 1980's were women who entered the labor force, but the mid 1990's on has seen a leveling off of women in self-employment. The tight labor market might also be a reason for the decline as employers strive to attract available employees. Considering the labor force states of the population: unemployed, employed, self-employed, and out of the labor force, the self-employed are a

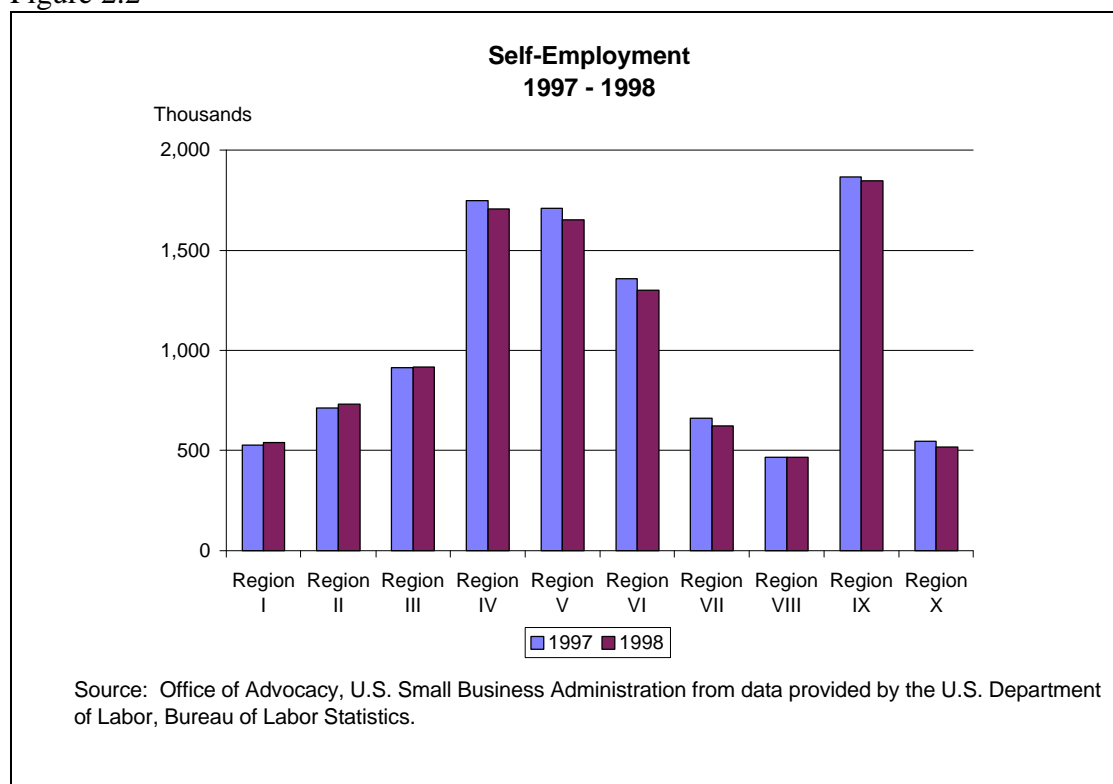
<sup>13</sup> Incorporated self-employment is generally defined as an employer firm, and is included in the employer section.

<sup>14</sup> About 65.7 percent of the nonagricultural self-employed in March 1998 were full-time self-employed (35 hours or more a week). Applying this to the 1997 figure results in 7 million full-time self-employed.

likely target for acquiring valuable employees. When the labor market loosens up, one would expect the ranks of the self-employed to once again increase. Entrepreneurial spirit has not necessarily decreased, but the opportunity cost of being self-employed has increased as employers are offering good job opportunities.

Region IX has the most self-employed individuals in 1998, mainly because of California, which has the highest state total. Regions I and II had self-employment increases around 3 percent from 1997 to 1998, with only New Hampshire and Vermont out of the eight states in these regions decreasing. Regions VII and X had decreases over 5 percent with 3 of Region VII's 4 states (Iowa, Missouri, and Nebraska) having decreases just under 10 percent. Most of Region X's decline from Washington. Delaware had the highest state increase in self-employment with an increase of 21.1 percent with Indiana, West Virginia, and Louisiana also posting double digit increases. Illinois and Hawaii had decreases just over 15 percent. See Table 2.2 for state-by-state self-employment data.

Figure 2.2





### 3. Business Turnover

The next sections provide data on measures of business turnover. New business formation by state is measured by using new employer firms and new business incorporations. Business dissolution is measured by using business terminations, bankruptcies, and failures.

The churning of business shows an annual rate of new employer firms at 11.2 percent and a rate of terminations at 9.4 percent for 1998 (Table 3.1).<sup>15</sup> By state, Washington had the highest rate of new employer firms at 21.4 percent followed by Nevada's 21.1 percent, and Utah's 20.4 percent. Washington also had the highest rate of business terminations at 20.0 percent, followed by Nevada's 19.7 percent, with Utah (15.3 percent) having a higher than average terminations rate. Recently, these three states have shown high rates of turnover, and high rates of growth. Utah has been in the top ten for gross state product percent changes from 1992 to 1997 (the latest years available), Nevada four of the last five, and Washington has just entered the top ten.<sup>16</sup> One would expect high levels of firm formation to lead to an increase in terminations in the future because there will be more possible firms to terminate.

In 1998, new employer firms rose 0.1 percent, and business terminations rose 1.5 percent. Note that little data is available that focuses on the newly self-employed, and discontinued self-employed ventures; data is only available on the overall net number of the self-employed.<sup>17</sup>

Focusing on business dissolution, these measures indicated conflicting trends. Terminations are businesses that close, and this figure rose 1.5 percent, while bankruptcies (businesses that close owing debts) declined 17.9 percent. The Bureau of Census, as reported in the *Characteristics of Business Owners*,<sup>18</sup> found the percent of firms that closed successful was 57.4 percent for firms with employees, and 36.4 percent for firms without employees.

The sections that follow provide specific analysis of the yearly changes by state and, where possible, SBA regions.

#### New Firms

**Description:** New employer firm data (or employer firm births) are collected from state employment security agency quarterly reports to the U.S. Department of Labor's Employment and Training Administration (ETA). Firms with employees are required to file quarterly unemployment insurance reports. U.S. totals for 1997 and 1998 are estimated from the number of employer firms from the Bureau

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<sup>15</sup> Business dissolution rates for new firms are listed in the *Small Business Answer Card* (<http://www.sba.gov/advo/stats>).

<sup>16</sup> U.S. Department of Commerce, Bureau of Economic Analysis.

<sup>17</sup> However, information from *Business Starts and Stops, November 1998*, William J. Dennis, Jr. (Wells Fargo/NFIB series) indicates that in 1997, 3.6 million new businesses were formed. Subtracting out employer firms from this figure seems to indicate that self-employment turnover (or volatility) is about twice that of employer firms.

<sup>18</sup> [www.census.gov/prod/www/abs/busienss.html#ent](http://www.census.gov/prod/www/abs/busienss.html#ent)

of the Census, *Statistics of U.S. Businesses* in 1996 and the yearly increases in the state totals from ETA for 1997 and 1998. Estimating the U.S. figure is necessary because the sum of the states would be an overcount as sometimes firms exist in more than one state.

**Analysis:** Employer firm births remained at a high level increasing 0.1 percent from 1997's 628,300 to 1998's estimated 628,900 employer firm births. The changes varied across states. Increases in firm births were recorded in 21 states and the District of Columbia. Decreases were recorded in 29 states.

Again, SBA Region III contained the states (including the District of Columbia) with the largest increases, West Virginia at 46.3 percent and the District of Columbia at 9.5 percent. Both West Virginia and the District of Columbia were recovering from low levels of new employer firms in 1997. Region I seems to be struggling with regard to new employer firms, as it contained two of the three states with the largest yearly declines, New Hampshire and Vermont. Region I had only one state, Rhode Island, that had a yearly increase. See Table 3.2 for state data.

### **New Business Incorporations**

**Description:** Data on new business incorporations are collected and published by the Dun and Bradstreet Corporation (D&B). This data source reflects businesses that file for organization as a corporation with the secretary of state in their jurisdiction.

New business incorporation filings may reflect: 1) an actual startup of a new business; 2) an intention to start a new business; 3) the conversion of an existing sole proprietorship or partnership into the corporate form; 4) the creation of a subsidiary of an existing corporation; or 5) the geographic relocation of an existing business. While new business incorporations may represent new businesses, using this data as a business formation indicator warrants some degree of caution. Dun and Bradstreet estimates some states.

**Analysis:** Although 1998 new business incorporations were not yet available at the time of publication, the 1997 total was 798,917, a 1.6 percent increase over the revised 1996 level of 786,482. New business incorporations have increased steadily since 1991. See Table 6.4 for state data.

### **Business Terminations**

**Description:** The ETA reports business terminations (or employer firm deaths) from quarterly state employment security agencies' data. If a firm has employees, it is required to file quarterly under Federal Unemployment Tax Act. It can take up to eight quarters for a terminated firm to be removed from the ETA's list of filings. Thus, the number of firms per state may be overstated. In addition, a buyout or merger could result in a "successor firm" (which are not listed) and a termination, therefore terminations may be greater than new firms while the total number of firms increases (this was corrected for the U.S. totals). U.S. totals for 1997 and 1998 are estimated from the number of employer firms from the Bureau of the Census, *Statistics of U.S. Businesses* in 1996 and the yearly increases in the state totals from ETA for 1997 and 1998. Estimating the U.S. figure is necessary because the sum of the states would be an

overcount as sometimes firms exist in more than one state.

**Analysis:** Employer firm deaths increased by 1.5 percent from an estimated 516,800 in 1997 to an estimated 524,500 in 1998. The percentage change by states varied widely as 29 states had increases and 21 states and the District of Columbia had decreases in the number of employer firm deaths.

The SBA regions seem to have a balance between states that had declines and increases in the number of employer firm deaths. For example, Region III had the state with the highest increase, Maryland at 73.7 percent, and highest decrease, Delaware at 26.9 percent. Maryland's increase is because of an abnormally low level in 1997, and Delaware has seen a seesawing in its level of employer firm deaths the past five years. See Table 3.3 for state data.

## **Business Bankruptcies**

**Description:** Bankruptcy data are provided by the Administrative Office of the U.S. Courts. A bankruptcy occurs when a business files a petition under Chapter 7, 11, 12 or 13 of the bankruptcy laws.

A bankruptcy is the legal recognition that a company is insolvent (cannot satisfy its creditors or discharge its liabilities). Therefore, the company must restructure (Chapter 11) or completely liquidate (Chapter 7).

Farm businesses are liquidated under the provisions of Chapter 12. Chapter 13 allows adjustment to debts pursuant to an approved plan.

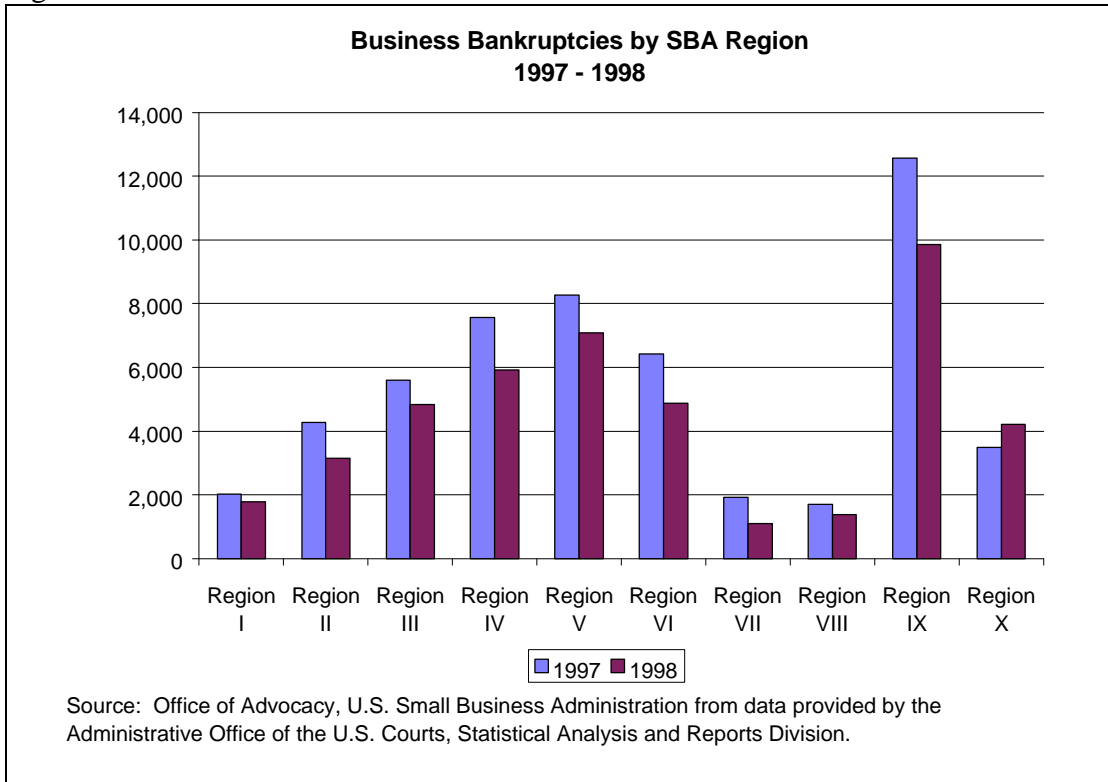
Note that this report does not capture bankruptcies of owners that rely mainly on personal credit. The bankruptcy data in this report focus on business bankruptcies. Owners of new firms and very small firms often use personal credit (e.g., credit cards), and in some cases, file personal bankruptcies.

**Analysis:** Business bankruptcies decreased by 17.9 percent during 1999, declining from 53,819 in 1998 to 44,197 in 1999. This is the lowest level in over 18 years.

SBA Region VII had the largest decrease in bankruptcies at 43.0 percent and all of the regions except Region X had decreases over 10 percent. Region X was the only region to have an increase, 21.0 percent, (because of a large increase from Oregon).

Of the 50 states and the District of Columbia, 6 had increases, and 45 had decreases in the percentage change of bankruptcies. In fact, 28 states had decreases of 20 percent or over. Nebraska had the largest decline at 53.9 percent followed by Montana's 47.8 percent. New Hampshire's 123.0 percent increase was the largest and Oregon's 85.5 percent increase was the second largest. Both states have had around a three-fold increase in the number of business bankruptcies in the last two years. See Table 3.4 for state data.

Figure 3.1



## Business Failures

**Description:** Business failure data are collected and published by D&B. These data represent businesses that are no longer in D&B's list of active businesses because the business either failed or filed a bankruptcy petition. A business failure is defined as an enterprise that ceases operation with a loss to one or more creditors.

**Analysis:** Although 1998 business failures were not yet available at the time of publication, the 1997 total was an increase of 15.9 percent, from 71,931 in 1996 to 83,384 in 1997—the highest level since 1993. Note that business failures and business bankruptcies measure similar concepts so one would expect yearly percent changes to be similar. But over the last ten years, other than 1993 through 1995, these measures have differed by a wide margin. See Table 6.7 for state data.

## 4. Income

Small business income is approximated using the income of nonfarm proprietors (sole proprietorships and partnerships) and state corporate tax receipts. Nonfarm sole proprietorships and partnerships are mostly small firms and represent about 80 percent of all small firms but only 15 percent of small firm income. The remaining 20 percent of small firms are corporations, which produce about 85 percent of small business income. Unfortunately, corporation data is not available on a timely basis. State corporate tax receipts are analyzed because of its timeliness, but state corporate tax receipt data can not be separated into large and small business categories and its use as a measure of corporate income is skewed when state tax law changes. Wage-and-salary income is presented because it is a large cost to small businesses.

### Nonfarm Sole Proprietorships and Partnerships

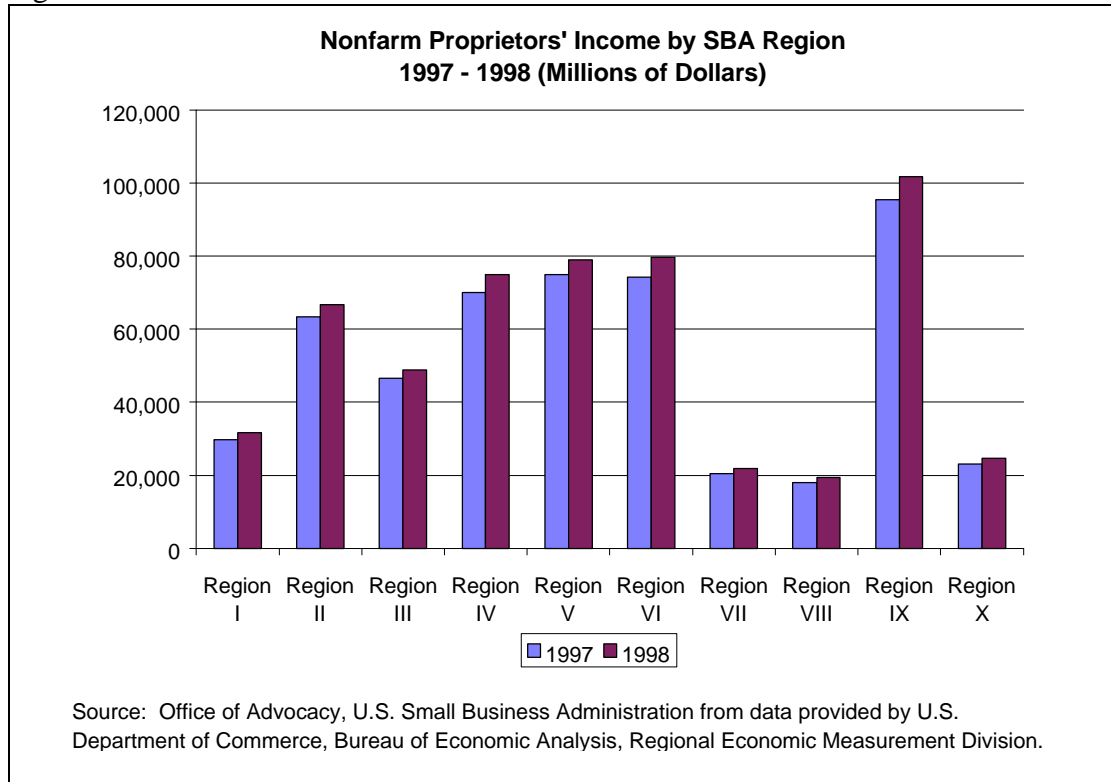
**Description:** This data represents estimates derived from income data provided by the U.S. Department of Commerce's Bureau of Economic Analysis. This data set includes inventory valuation and capital consumption adjustments and excludes employer pension contributions and other non-labor sources of income. Unfortunately, state data are not available on the number of nonfarm proprietors or on the income per nonfarm proprietor by state in a timely manner.

**Analysis:** Nationally, nonfarm proprietors' income increased 6.3 percent, rising from \$515.8 billion in 1997 to \$548.5 billion in 1998 (accounting for inflation the increase was 4.7 percent).

All SBA regions saw increases in nonfarm proprietors' income (Table 4.1), and in fact almost all regions had increases over 5 percent. Region VIII, again, had the largest regional increase at 8.6 percent and even the slowest increase for a region—SBA Region III's increase of 4.9 percent—was almost 5.0 percent.

All states and the District of Columbia had increases in nonfarm proprietors' income. The growth in this measure of income was fairly distributed around the country as all states and the District of Columbia had single digit increases. Nebraska led the states with a 9.7 percent increase, followed by Colorado's 9.5 percent increase. Even the state with the slowest increase in nonfarm proprietor's income, West Virginia, had an increase (4.1 percent) above the inflation measure of the consumer price index (1.6 percent). See Table 4.1 for state data.

Figure 4.1



### State Corporate Tax Receipts

**Description:** State corporate tax receipts data represent estimates of corporation income and are provided by the Bureau of the Census.<sup>19</sup> (Texas, Wyoming, Nevada, and Washington reported no state corporation taxes.) This cumulative data includes both incorporated small businesses and large businesses.

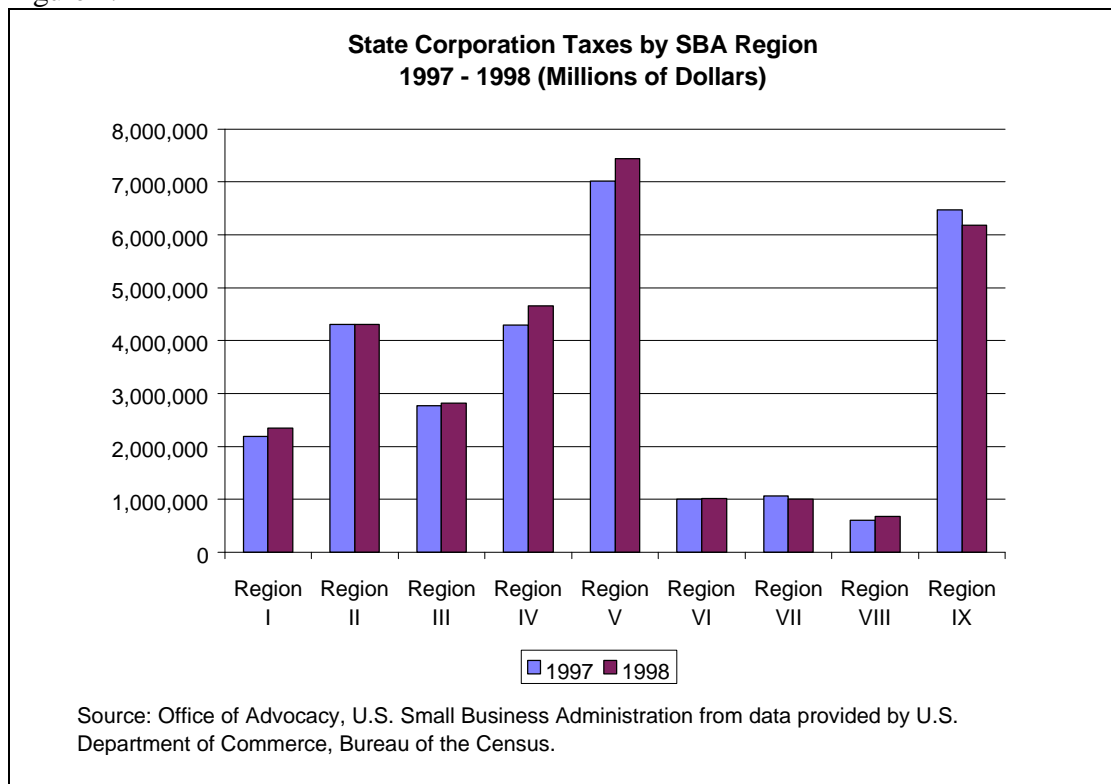
**Analysis:** State corporation tax collections, an indicator of corporate earnings (includes the larger of the small businesses and large businesses), only slightly outpaced inflation as receipts increased 1.8 percent from 1997 to 1998 versus the consumer price index increase of 1.6 percent over the same period. Overall, corporate taxes decreased from 6.9 percent of total state taxes in 1997 to 6.5 percent in 1998.

Six of the ten SBA regions saw increases in state corporation taxes paid from 1997 to 1998. Many of the larger changes occurred in the west as Region X had the largest decrease at 21.2 percent, Region IX had a decrease of 4.6 percent and Region VIII led increases with a 11.9 percent increase. By state, Oregon had the largest decrease (27.3 percent) followed by Rhode Island's 21.8 percent decrease. Another seven states had decreases larger than 10 percent. Similar to the distribution of states with decreases in the percentage of state tax receipts, two states had increases over 20 percent, Tennessee and Colorado, and another eight

<sup>19</sup> This variable can be misleading because: it does not capture the number of corporations (or small corporations), states may have changed the tax laws making comparisons difficult, and changes in profits may not be fully reflected in taxable income in the same year due to definitional differences. A comparison to the change in corporate profits listed in Table 1.1 implies that state corporation taxes are weakly correlated; however, this is the only current measure available to evaluate the income performance of the larger small businesses by state.

states had increases of 10 percent or more. See Table 4.2 for state data.

Figure 4.2



## Wage and Salary Income

**Description:** This data represents estimates derived from income data provided by the U.S. Department of Commerce's Bureau of Economic Analysis. Yearly comparisons should be used with caution because of the changes in the overall employment levels (and hours worked) in the states, and changing skills and productivity of the workers. Note that about half of all private workers work for small firms (fewer than 500 employees based on data from the Bureau of the Census, Statistics of U.S. Business).

**Analysis:** Labor costs are of major importance to small businesses, particularly because they are generally more labor intensive than large firms. Wage and salary incomes increased 7.3 percent, from \$3.9 trillion in 1997 to \$4.2 trillion in 1998. This increase in costs to small firms increased at a much higher rate than inflation (1.6 percent for the consumer products index) but employment increased 2.8 percent during the year. Increased "work" not just increased "pay" may account for this labor cost increase.

All of the SBA regions and all of the states and the District of Columbia had increases from 1997 to 1998. Much of the growth was in the west, as Region VIII, IX, and X had greater than average growth rates. All of the regions had increases exceeding 5 percent. Only two states, Colorado and Arizona, had increases of 10 percent or more. See Table 4.3 for state data.



## 5. Employment

**Description:** Small business (firms with fewer than 500 employees) employment is estimated from current employment totals and historical shares of small business employment by major industry. This method is reasonably accurate because the share of small business employment only changes slightly over time.<sup>20</sup> Unfortunately, this method does not capture job growth by small firms.

In addition, specific industries are analyzed to find the industries in which employment is growing the fastest in percentage and absolute numbers for 2, 3, and 4 digit standard industrial classification (SIC) levels. The two-digit SIC level categorizes the economy into about 80 industries, while the three-digit SIC level has more specific categories followed by the four-digit SIC level (about 1,250 industries).

The Bureau of Labor Statistics provides current employment, and the Bureau of the Census provides 1996 employment shares of small business by firm size. Small-business-dominated industries are defined as having 60 percent or more of their employment in small firms. (Large-business-dominated industries have 60 percent or more of their employment in large firms, with the remaining industries classified as indeterminate.)

**Analysis:** In the nation overall, nonfarm private sector employment rose by 2.8 million between 1997 and 1998 to 106.0 million. In 1998, services accounted for 34.7 percent and retail trade accounted for 21.2 percent of the total. In addition, services accounted for 50.9 percent of the 2.8 million net new jobs.

Estimated small business employment for 1998 reached 55.4 million, and estimated large business employment reached 50.6 million. Estimated employment in small service firms was 20.4 million and 11.5 million in small retail trade firms in 1998; these two major industries employed about 58 percent of all small business employees. (Estimates assume no change in the small business share, which in 1996 was 52 percent for overall employment, 56 percent for services, and 51 percent for retail).

At the detailed industry level from 1997 to 1998, the fastest growing industry in employment at the two-digit Standard Industrial Code (SIC) level was the category of holding and other investment offices (9.5 percent). At the three-digit SIC level, security and commodity services (15.7 percent) were the fastest growing. At the four-digit SIC level, the prepackaged software industry (17.1 percent) was the leader. The major industry of finance, insurance, and real estate fared well with the top three detailed industries at the two- and three-digit SIC levels. See Table 5.3.

Also from 1997 to 1998, business services (563,400 jobs) again was the industry generating the most net new jobs at the two-digit SIC level. Personnel supply services (192,800 jobs) generated the most at the three-digit SIC level, and help supply services (178,000 jobs) generated the most at the four-digit SIC level. Service industries dominated all three of the SIC levels accounting for all but 7 of the 30 industries in the top ten spots. See Table 5.4.

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<sup>20</sup> For the changing share of small firms, and the growth of small firms, see the forthcoming *Small Businesses by State, 1988-1996* ([www.sba.gov/ADVO/stats/](http://www.sba.gov/ADVO/stats/)).

Figure 5.1

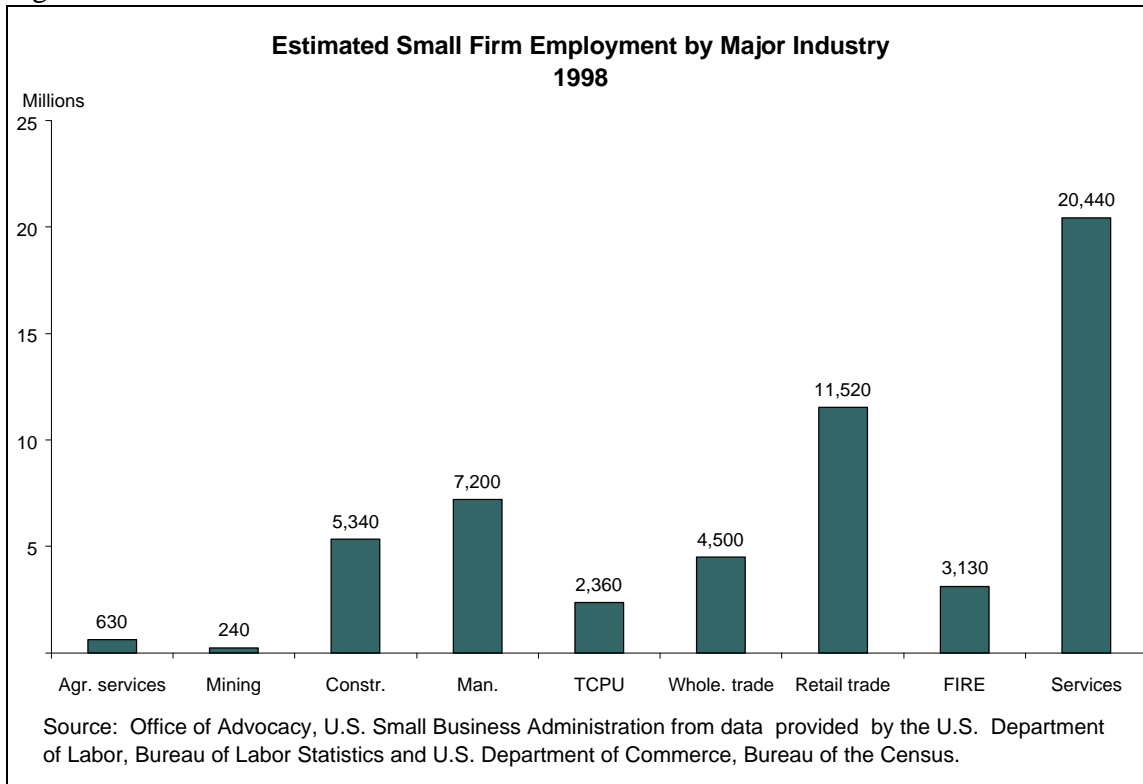


Figure 5.2

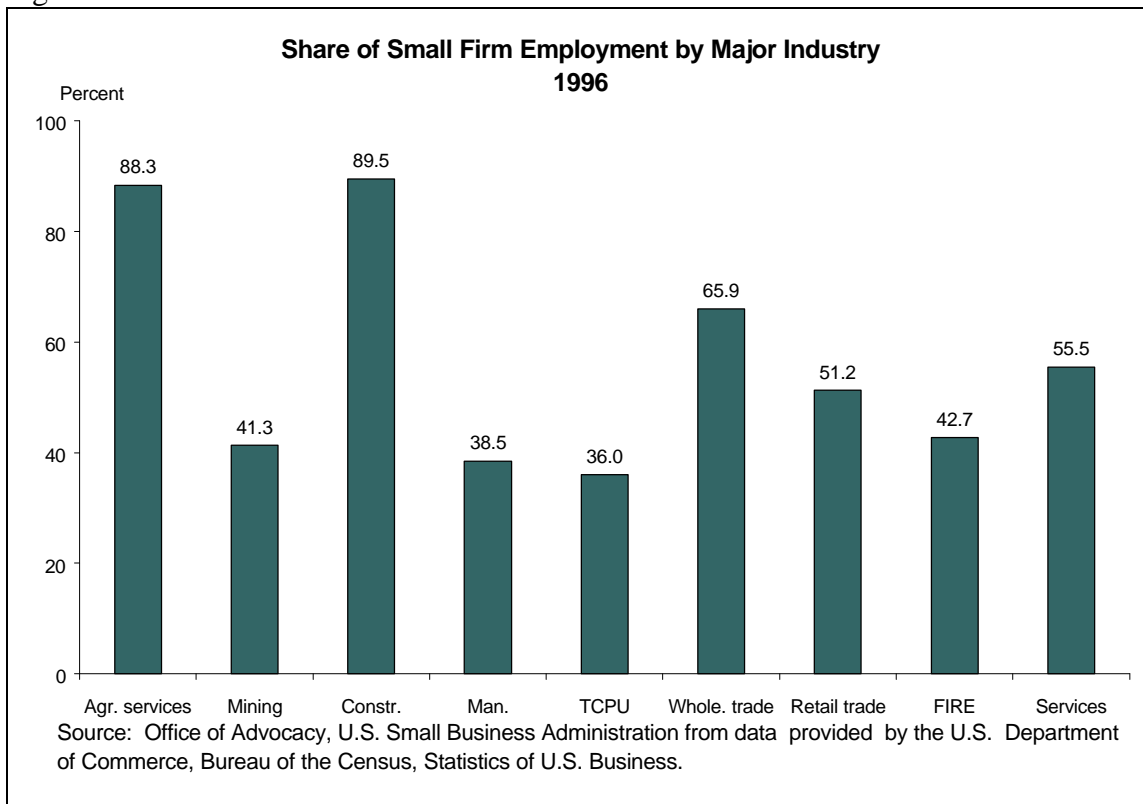


Figure 5.3

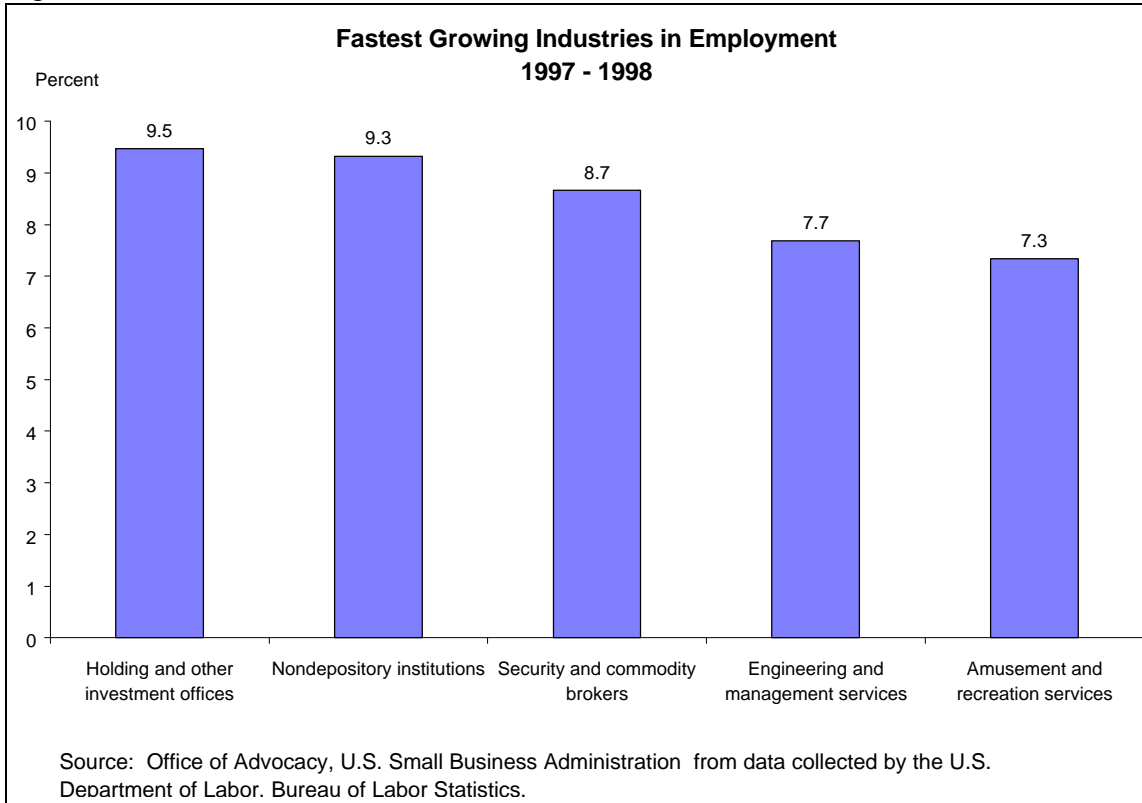
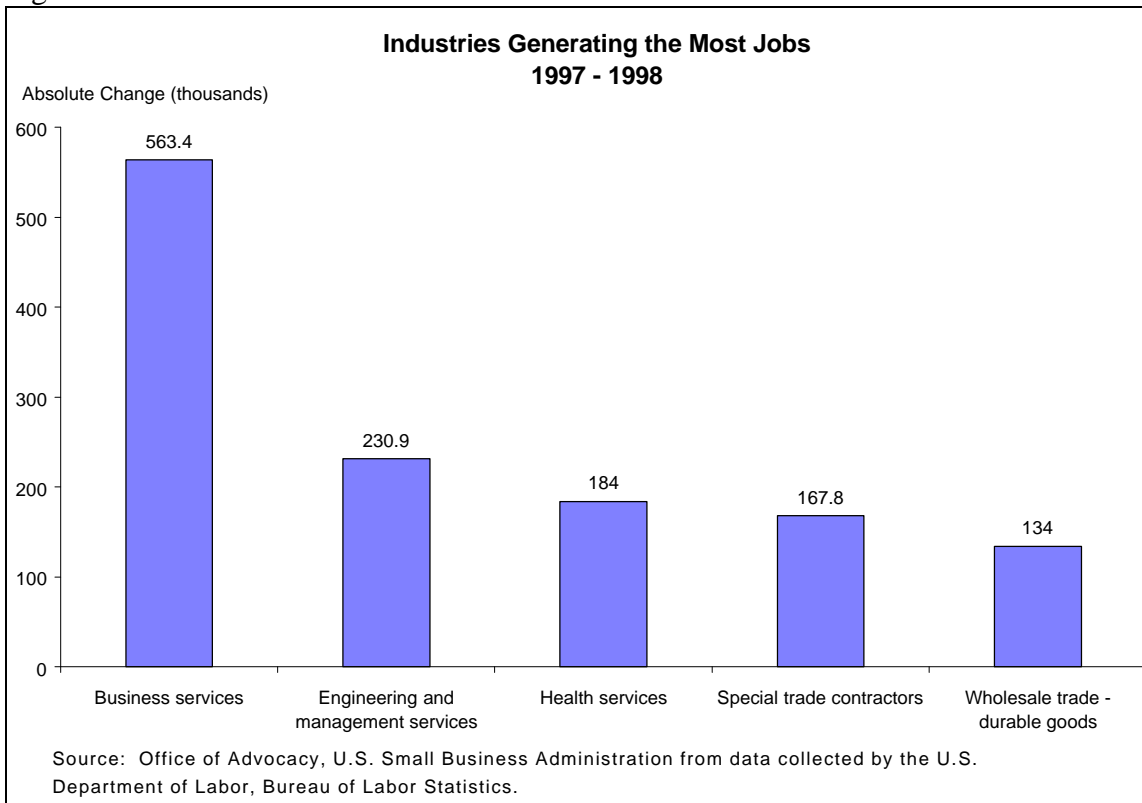


Figure 5.4



## 6. Ten-Year Trends

The number of businesses has increased steadily over the last 10 years. Most of the increase has come from firms with employees as opposed to firms without employees (employer firms). Employer firms have grown by 14.4 percent over the last 10 years (1.5 percent annual growth rate). Nonagricultural self-employment, a proxy for firms without employees, has had a slower growth over the last ten years with a growth rate of 4.1 percent.

A more expansive definition of the number of businesses, business tax returns, has had a large increase over the last ten years increasing by 26.8 percent, or over 5 million tax returns.<sup>21</sup> Business tax returns have seen more volatility over the last ten years, but both tax returns and employer firms flattened out during the 1990-1991 recession with employer firms flattening out a year sooner (see Figure 6.1).

For employer firms, births and terminations seemed to generally move in unison but in opposite directions until the mid-1990s. From the mid-1990s on, both measures have been increasing. Note that the increase in terminations is probably the result of there being more businesses in existence. In addition, the gap between the number of births and terminations has been increasing (see Figure 6.2).

For nonagricultural self-employment—generally non-employer firms—data is not available on entry, continuation, or exit. However, the total number of self-employed seems more volatile than the number of employer firms, indicating that proportionally more yearly entry and exiting occurs. Self-employment declined during the recessionary period in the early 1990' and since 1993, it has leveled off, changing about 100,000 a year. One would expect self-employment to rapidly increase in the economic boom of the mid-to-late 1990s. However, the tight labor market and the decline in the influx of women into the labor force have put a damper on self-employment figures in recent years.

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<sup>21</sup> It is unclear why business tax returns have increased at a much greater rate than either employer firms, or self-employment.

Figure 6.1

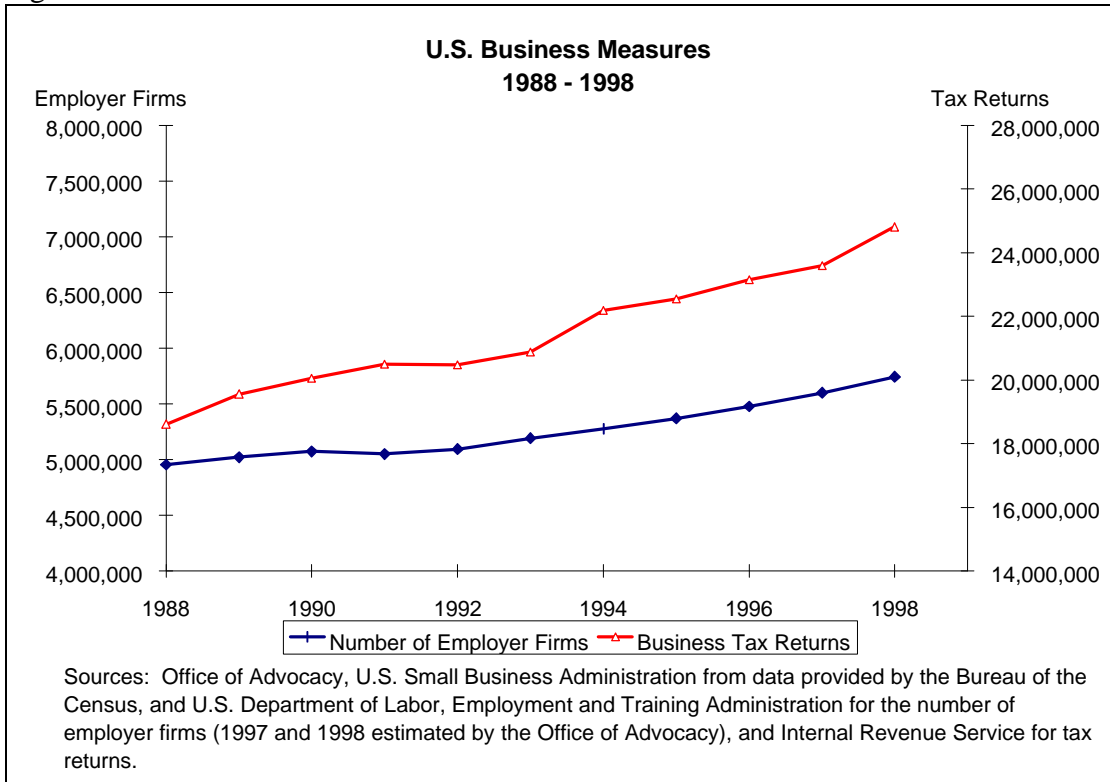
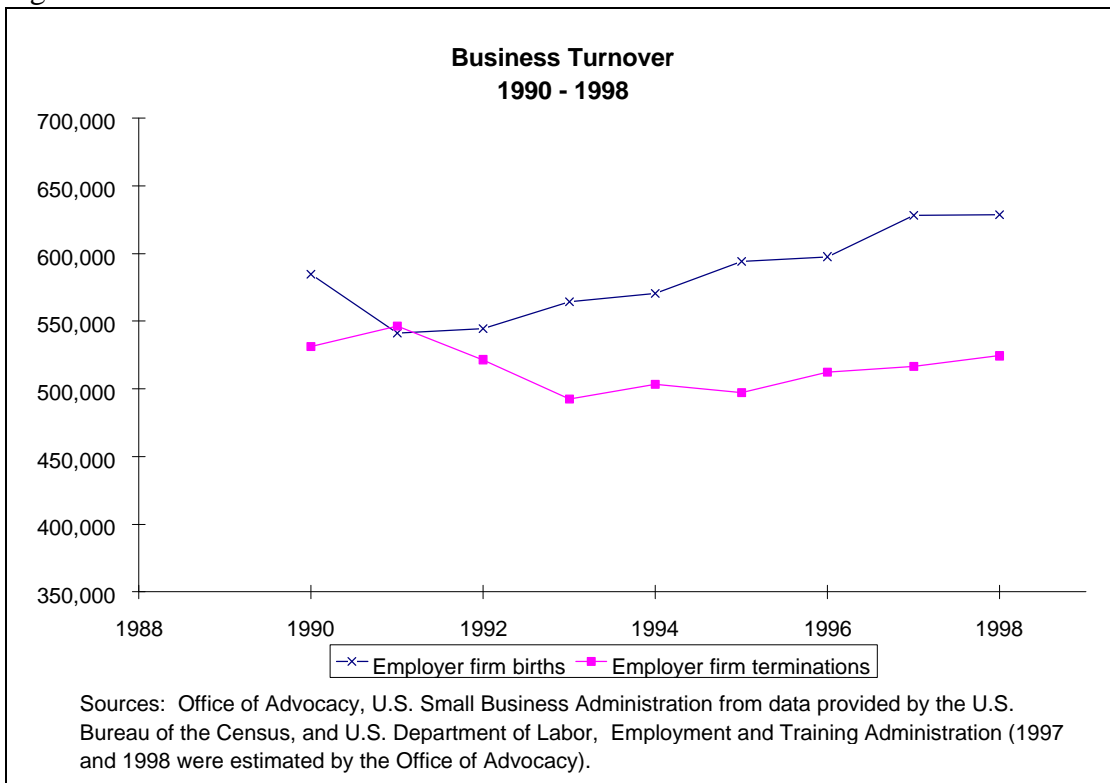


Figure 6.2





## **APPENDIX TABLES**

**Table 1.1 Macroeconomic Indicators  
1990 - 1998**

	1990	1996	1997	1998	Percent Change 1997-1998
Gross Domestic Product (GDP) (billions of dollars) (1)					
Current dollars	5,743.8	7,661.9	8,110.9	8,511.0	4.9
Constant dollars (billions of 1992 dollars)	6,136.5	6,995.3	7,269.8	7,551.9	3.9
Personal consumption expenditures	3,839.3	5,215.7	5,493.7	5,807.9	5.7
Sales (billions of dollars) (2)					
Manufacturing	242.7	309.6	327.5	337.7	3.1
Retail trade	153.7	205.1	213.9	224.7	5.1
Wholesale trade	149.5	200.1	208.3	213.5	2.5
Income (billions of dollars)					
Compensation of employees (2)	3,352.8	4,409.0	4,687.2	4,981.0	6.3
Nonfarm proprietors' income	338.6	488.8	515.8	548.5	6.3
Farm proprietors' income	35.4	38.9	35.5	28.7	(19.2)
Corporate profits (3)	397.1	750.4	817.9	824.6	0.8
Employment and compensation					
Nonfarm private employment (millions) (2)	93.5	102.2	103.1	106.0	2.8
Unemployment rate (percent)	5.6	5.4	4.9	4.5	(8.2)
Total compensation cost index (Dec.) (June 1989=100)	107.0	130.6	135.1	139.8	3.5
Wage and salary index (Dec) (June 1989=100)	106.1	127.3	132.3	137.4	3.9
Employee benefits cost index (Dec.) (June 1989=100)	109.4	138.6	141.8	145.2	2.4
Bank loans, interest rates, and yields					
Bank commercial & industrial loans (billions of dollars)	641.2	783.4	854.6	945.2	10.6
Prime rate (percent)	10.01	8.27	8.44	8.35	(1.1)
U.S. Treasury 10-year bond yields (percent)	8.55	6.44	6.35	5.26	(17.2)
Investments by nonfarm nonfinancial corporate business					
Capital expenditures	387.8	604.5	671.1	708.5	5.6
Increase in financial assets	131.5	398.3	297.7	336.6	13.1
Federal budget (fiscal year)					
Receipts	1,032.0	1,453.1	1,579.3	1,721.8	9.0
Outlays	1,253.2	1,560.5	1,601.2	1,652.6	3.2
Surplus or deficit ( )	(221.2)	(107.4)	(21.9)	69.2	--
Price indices (inflation measures)					
Consumer price index (urban) (1982-84 = 100)	130.7	156.9	160.5	163.0	1.6
Producer price index (finished goods) (1982 = 100)	119.2	131.3	131.8	130.6	(0.9)
GDP implicit price deflator (1992 = 100)	93.6	109.5	111.6	112.7	1.0

(1) *Small Business Share of Private, Nonfarm Gross Domestic Product* by Joel Popkin and Company (Office of Advocacy funded study) found small businesses (fewer than 500 employees) created 51 percent of the total nonfarm private output in 1992.

(2) Statistics of U.S. Businesses, Bureau of the Census, showed that in 1996, small firms (fewer than 500 employees) accounted for 28.3 percent of manufacturing sales, 55.3 percent of retail sales, 62.6 percent of wholesale sales, 46.7 percent of annual payroll, and 52.0 percent of total nonfarm private employment.

(3) With inventory valuation adjustment and capital consumption adjustments.

Source: U.S. Small Business Administration, Office of Advocacy, from the Council of Economic Advisers, *Economic Indicators*, March 1998 and March 1999 and the Bureau of Labor Statistics.



**Table 1.2 Indicators Related to Small Business  
1990 - 1998**

	1990	1996	1997	1998	Percent Change 1997-1998
Number of businesses (1)					
Employer firms (2)	5,073,795	5,478,047	5,601,200	5,744,900	2.6
Self-employment	10,098,000	10,490,000	10,507,000	10,303,000	(1.9)
Business turnover					
Employer firm births (2)	584,892	597,792	628,300	628,900	0.1
Employer firm terminations (2)	531,400	512,402	516,800	524,500	1.5
Bankruptcies	63,912	53,200	53,819	44,197	(17.9)
Income (billions of constant 1998 dollars)					
Wage and salary income	3,439.0	3,764.3	3,946.8	4,168.9	5.6
Nonfarm proprietors' income	439.7	501.9	523.8	548.5	4.7
State corporate taxes	29.4	30.6	31.0	31.1	0.2
Private nonfarm employment (millions) (3)					
Total	93.5	102.2	103.1	106.0	2.8
Small business	50.2	53.2	53.7	55.4	---
Large business	43.3	49.0	49.5	50.6	---

(1) These measures overlap when the self-employed have employees. Self-employment presented here represents individuals whose primary occupation is self-employment (about another 1 million are self-employed as secondary occupations).

(2) Data for 1997 and 1998 are estimated from 1996 data from the Bureau of the Census, yearly percent changes in similar data provided by the Department of Labor, Employment and Training Administration and rounded. Births and terminations are from prior year's March through current year's March.

(3) Year to year changes do not necessarily represent job creation as firms can change size classes (see Small Business Growth by Major Industry from the Office of Advocacy, <http://www.sba.gov/advo/stats/>). Data for 1997 and 1998 is estimated from 1996's small (fewer than 500 employees) and large shares from the Bureau of the Census, totals from the Bureau of Labor Statistics and rounded.

Sources: Office of Advocacy, U.S. Small Business Administration, from data provided by the Bureau of the Census, Bureau of Labor Statistics, Employment and Training Administration, Bureau of Economic Analysis and Administrative Office of the U.S. Courts.

**Table 1.3 State Rankings of Business Activity  
1997 - 1998**

State	Number of Businesses		Business Turnover			Nonfarm Proprietors' Income
	Employer Firms	Self- Employment	Employer Firm Births	Employer Firm Terminations	Bankruptcies	
Alabama	43	43	35	24	41	28
Alaska	25	18	34	40	16	41
Arizona	14	32	39	32	9	3
Arkansas	37	27	47	5	33	31
California	3	25	14	28	31	27
Colorado	11	22	43	7	30	2
Connecticut	48	16	38	15	24	15
Delaware	51	1	37	51	3	43
District of Columbia	1	42	2	38	15	49
Florida	4	41	7	46	17	12
Georgia	16	11	30	12	37	5
Hawaii	20	50	48	50	44	44
Idaho	21	26	17	10	21	22
Illinois	24	51	16	20	20	34
Indiana	41	2	24	23	10	48
Iowa	28	45	44	45	48	9
Kansas	39	9	5	13	43	19
Kentucky	2	46	20	43	26	38
Louisiana	9	4	36	44	13	32
Maine	38	19	33	2	28	16
Maryland	46	29	40	1	36	35
Massachusetts	35	7	42	8	32	30
Michigan	23	20	8	25	42	42
Minnesota	18	37	46	36	25	21
Mississippi	32	14	23	16	22	24
Missouri	45	47	28	19	46	47
Montana	10	9	13	37	50	20
Nebraska	40	44	27	26	51	1
Nevada	7	13	19	9	5	7
New Hampshire	19	49	51	47	1	13
New Jersey	8	5	32	21	27	46
New Mexico	47	40	45	30	14	29
New York	36	23	21	39	39	40
North Carolina	13	36	4	18	34	8
North Dakota	50	31	22	4	47	18
Ohio	27	24	31	34	4	45
Oklahoma	29	30	9	22	45	23
Oregon	42	17	50	3	2	26
Pennsylvania	12	28	18	27	12	50
Rhode Island	22	8	6	29	40	39
South Carolina	15	6	10	14	35	17
South Dakota	26	15	25	48	18	6
Tennessee	44	21	26	17	23	37
Texas	34	39	41	31	29	10
Utah	6	33	15	49	6	4
Vermont	49	33	49	35	49	11
Virginia	17	12	29	42	19	33
Washington	5	48	11	33	38	25
West Virginia	31	3	1	41	11	51
Wisconsin	30	35	3	11	8	36

**Table 1.3 State Rankings of Business Activity  
1997 - 1998**

State	Number of Businesses		Business Turnover			Nonfarm Proprietors' Income
	Employer Firms	Self-Employment	Employer Firm Births	Employer Firm Terminations	Firm Bankruptcies	
Wyoming	33	38	12	6	7	14

Note: Ranks are based on percent changes. States with the highest level of each indicator are ranked first.

Sources: Office of Advocacy from data provided by the Employment and Training Administration, Bureau of Labor Statistics, Administrative Office of the U.S. Courts, Bureau of Economic Analysis, and Bureau of the Census.

**Table 2.1 Number of Employer Firms by State  
1997 - 1998**

State	1997	1998	Percent Change	Rank
U.S. (est.)	5,601,200	5,744,900	2.6	
Alabama	86,841	87,256	0.5	43
Alaska	15,788	16,038	1.6	25
Arizona	97,009	99,654	2.7	14
Arkansas	58,526	59,061	0.9	37
California	837,802	881,400	5.2	3
Colorado	120,898	124,948	3.3	11
Connecticut	94,289	94,517	0.2	48
Delaware	24,116	23,537	(2.4)	51
District of Columbia	23,050	25,181	9.2	1
Florida	355,429	373,610	5.1	4
Georgia	173,643	178,172	2.6	16
Hawaii	26,881	27,496	2.3	20
Idaho	36,003	36,780	2.2	21
Illinois	270,471	275,207	1.8	24
Indiana	123,555	124,386	0.7	41
Iowa	67,453	68,324	1.3	28
Kansas	65,155	65,681	0.8	39
Kentucky	78,958	85,473	8.3	2
Louisiana	90,539	93,915	3.7	9
Maine	36,660	36,961	0.8	38
Maryland	125,755	126,313	0.4	46
Massachusetts	162,792	164,343	1.0	35
Michigan	208,598	212,401	1.8	23
Minnesota	121,688	124,538	2.3	18
Mississippi	50,852	51,475	1.2	32
Missouri	125,833	126,399	0.4	45
Montana	29,259	30,286	3.5	10
Nebraska	43,344	43,672	0.8	40
Nevada	39,518	41,196	4.2	7
New Hampshire	36,622	37,460	2.3	19
New Jersey	212,820	221,548	4.1	8
New Mexico	40,462	40,622	0.4	47
New York	446,048	450,255	0.9	36
North Carolina	159,745	164,930	3.2	13
North Dakota	18,831	18,524	(1.6)	50
Ohio	228,772	232,249	1.5	27
Oklahoma	72,648	73,571	1.3	29
Oregon	97,147	97,643	0.5	42
Pennsylvania	238,308	246,154	3.3	12
Rhode Island	31,155	31,724	1.8	22
South Carolina	82,673	84,853	2.6	15
South Dakota	21,370	21,702	1.6	26
Tennessee	108,263	108,774	0.5	44
Texas	375,357	379,071	1.0	34
Utah	47,465	49,619	4.5	6

**Table 2.1 Number of Employer Firms by State  
1997 - 1998**

State	1997	1998	Percent Change	Rank
Vermont	20,014	19,976	(0.2)	49
Virginia	152,460	156,098	2.4	17
Washington	174,516	182,678	4.7	5
West Virginia	37,970	38,441	1.2	31
Wisconsin	118,766	120,266	1.3	30
Wyoming	18,000	18,181	1.0	33

Notes: State totals do not add to the U.S. figure as firms can be in more than one state. U.S. 1997 and 1998 are estimated from 1996 data from the Bureau of the Census, yearly percent changes of state totals and rounded. New Jersey for the fourth quarter 1998 was estimated. Ranks are based on percent changes.

Source: Office of Advocacy, U.S. Small Business Administration from data provided by the U.S. Department of Labor, Employment and Training Administration, and Bureau of the Census.

**Table 2.2 Self-Employment by State and SBA Region  
1997 - 1998 (Thousands)**

State	1997	1998	Percent Change	Rank
U.S. Total	10,507	10,303	(1.9)	
Alabama	167	154	(7.8)	43
Alaska	35	36	2.9	18
Arizona	164	157	(4.3)	32
Arkansas	115	113	(1.7)	27
California	1,587	1,582	(0.3)	25
Colorado	184	186	1.1	22
Connecticut	108	112	3.7	16
Delaware	19	23	21.1	1
District of Columbia	14	13	(7.1)	42
Florida	458	426	(7.0)	41
Georgia	241	255	5.8	11
Hawaii	59	50	(15.3)	50
Idaho	68	67	(1.5)	26
Illinois	383	323	(15.7)	51
Indiana	183	207	13.1	2
Iowa	173	157	(9.2)	45
Kansas	134	144	7.5	9
Kentucky	136	123	(9.6)	46
Louisiana	149	164	10.1	4
Maine	71	73	2.8	19
Maryland	190	183	(3.7)	29
Massachusetts	221	239	8.1	7
Michigan	287	294	2.4	20
Minnesota	265	249	(6.0)	37
Mississippi	91	95	4.4	14
Missouri	246	222	(9.8)	47
Montana	67	72	7.5	9
Nebraska	109	99	(9.2)	44
Nevada	56	59	5.4	13
New Hampshire	61	52	(14.8)	49
New Jersey	192	211	9.9	5
New Mexico	86	80	(7.0)	40
New York	521	522	0.2	23
North Carolina	277	261	(5.8)	36
North Dakota	52	50	(3.8)	31
Ohio	361	361	-	24
Oklahoma	161	155	(3.7)	30
Oregon	175	181	3.4	17
Pennsylvania	440	429	(2.5)	28
Rhode Island	25	27	8.0	8
South Carolina	109	118	8.3	6
South Dakota	53	55	3.8	15
Tennessee	268	274	2.2	21
Texas	845	788	(6.7)	39
Utah	80	76	(5.0)	33

**Table 2.2 Self-Employment by State and SBA Region  
1997 - 1998 (Thousands)**

State	1997	1998	Percent Change	Rank
Vermont	40	38	(5.0)	33
Virginia	196	207	5.6	12
Washington	269	235	(12.6)	48
West Virginia	54	61	13.0	3
Wisconsin	232	220	(5.2)	35
Wyoming	30	28	(6.7)	38
Region I	526	541	2.9	
Region II	713	733	2.8	
Region III	913	916	0.3	
Region IV	1,747	1,706	(2.3)	
Region V	1,711	1,654	(3.3)	
Region VI	1,356	1,300	(4.1)	
Region VII	662	622	(6.0)	
Region VIII	466	467	0.2	
Region IX	1,866	1,848	(1.0)	
Region X	547	519	(5.1)	

Notes: The self-employed include agricultural and nonagricultural industries. The self-employed individuals are aged 16 and over whose primary occupation is self-employment. Ranks are based on percent changes. States do not add to the total because of rounding.

Source: Office of Advocacy, U.S. Small Business Administration, from data provided by the U.S. Department of Labor, Bureau of Labor Statistics.

**Table 3.1 Employer Firm Formation and Termination Rates by State  
1998**

State	Firms at the Beginning of 1998	Rate of Firm Formations		Rate of Firm Terminations	
		Percent	Rank	Percent	Rank
U.S. (est.)	5,601,200	11.2		9.4	
Alabama	86,841	11.7	33	13.8	25
Alaska	15,788	14.7	13	15.8	11
Arizona	97,009	12.9	23	15.4	14
Arkansas	58,526	9.2	48	11.8	41
California	837,802	18.9	4	14.0	24
Colorado	120,898	17.1	5	13.7	26
Connecticut	94,289	9.7	45	12.9	33
Delaware	24,116	13.8	18	11.5	42
District of Columbia	23,050	15.3	11	14.6	20
Florida	355,429	16.7	7	15.9	10
Georgia	173,643	16.9	6	15.8	12
Hawaii	26,881	12.1	30	12.0	40
Idaho	36,003	15.7	8	17.8	3
Illinois	270,471	10.7	41	11.0	45
Indiana	123,555	11.6	36	12.8	34
Iowa	67,453	8.1	50	9.9	50
Kansas	65,155	11.9	32	13.5	28
Kentucky	78,958	12.0	31	11.5	43
Louisiana	90,539	11.6	37	11.1	44
Maine	36,660	14.0	14	16.6	5
Maryland	125,755	15.5	10	16.1	7
Massachusetts	162,792	10.3	42	10.8	47
Michigan	208,598	12.6	25	9.5	51
Minnesota	121,688	10.1	44	9.9	49
Mississippi	50,852	12.2	29	14.5	21
Missouri	125,833	11.4	39	15.6	13
Montana	29,259	13.3	20	14.6	19
Nebraska	43,344	9.5	47	12.5	38
Nevada	39,518	21.1	2	19.7	2
New Hampshire	36,622	13.9	16	14.4	22
New Jersey	212,820	12.2	28	12.8	35
New Mexico	40,462	11.2	40	17.2	4
New York	446,048	12.8	24	13.5	29
North Carolina	159,745	15.7	9	14.8	17
North Dakota	18,831	8.1	51	12.7	36
Ohio	228,772	10.2	43	10.7	48
Oklahoma	72,648	13.3	21	13.0	31
Oregon	97,147	13.3	22	15.9	9
Pennsylvania	238,308	12.3	27	13.1	30
Rhode Island	31,155	11.6	38	12.7	37
South Carolina	82,673	14.0	15	14.1	23
South Dakota	21,370	9.1	49	11.0	46
Tennessee	108,263	14.7	12	16.2	6
Texas	375,357	13.8	17	15.1	16
Utah	47,465	20.4	3	15.3	15

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**Table 3.1 Employer Firm Formation and Termination Rates by State  
1998**

State	Firms at the Beginning of 1998	Rate of Firm Formations		Rate of Firm Terminations	
		Percent	Rank	Percent	Rank
Vermont	20,014	9.7	46	13.0	32
Virginia	152,460	13.7	19	13.6	27
Washington	174,516	21.4	1	20.0	1
West Virginia	37,970	11.7	35	14.6	18
Wisconsin	118,766	11.7	34	12.4	39
Wyoming	18,000	12.5	26	16.0	8

Notes: State totals do not add to the U.S. figure as firms can be in more than one state. U.S. 1997 and 1998 are estimated from 1996 data from the Bureau of the Census, yearly percent changes of the state totals and rounded. New Jersey for the fourth quarter 1998 was estimated. A termination is a business that ceases to exist. A buyout or merger could create a termination and a successor firm. Some state terminations could turn into successor firms, and not actually close. Successor firms are not listed. Ranks are based on percent changes.

Source: Office of Advocacy, U.S. Small Business Administration from data provided by the U.S. Department of Labor, Employment and Training Administration and Bureau of the Census.

**Table 3.2 Employer Firm Births by State  
1997 - 1998**

State	1997	1998	Percent Change	Rank
U.S. Total	628,300	628,900	0.1	
Alabama	10,523	10,158	(3.5)	35
Alaska	2,401	2,319	(3.4)	34
Arizona	13,135	12,506	(4.8)	39
Arkansas	5,998	5,374	(10.4)	47
California	153,412	158,571	3.4	14
Colorado	22,463	20,671	(8.0)	43
Connecticut	9,628	9,169	(4.8)	38
Delaware	3,483	3,324	(4.6)	37
District of Columbia	3,225	3,532	9.5	2
Florida	56,283	59,445	5.6	7
Georgia	29,984	29,261	(2.4)	30
Hawaii	3,622	3,242	(10.5)	48
Idaho	5,502	5,637	2.5	17
Illinois	28,009	28,882	3.1	16
Indiana	14,471	14,304	(1.2)	24
Iowa	5,971	5,474	(8.3)	44
Kansas	7,243	7,758	7.1	5
Kentucky	9,471	9,498	0.3	20
Louisiana	10,897	10,477	(3.9)	36
Maine	5,297	5,136	(3.0)	33
Maryland	20,501	19,436	(5.2)	40
Massachusetts	17,708	16,693	(5.7)	42
Michigan	24,795	26,183	5.6	8
Minnesota	13,469	12,231	(9.2)	46
Mississippi	6,185	6,180	(0.1)	23
Missouri	14,540	14,286	(1.7)	28
Montana	3,764	3,904	3.7	13
Nebraska	4,188	4,117	(1.7)	27
Nevada	8,259	8,344	1.0	19
New Hampshire	6,135	5,103	(16.8)	51
New Jersey	26,837	26,059	(2.9)	32
New Mexico	4,959	4,519	(8.9)	45
New York	57,128	57,290	0.3	21
North Carolina	23,084	25,007	8.3	4
North Dakota	1,526	1,527	0.1	22
Ohio	24,102	23,447	(2.7)	31
Oklahoma	9,213	9,690	5.2	9
Oregon	15,275	12,876	(15.7)	50
Pennsylvania	28,945	29,418	1.6	18
Rhode Island	3,367	3,600	6.9	6
South Carolina	11,040	11,564	4.7	10
South Dakota	1,961	1,938	(1.2)	25
Tennessee	16,182	15,951	(1.4)	26
Texas	54,788	51,767	(5.5)	41
Utah	9,391	9,688	3.2	15

**Table 3.2 Employer Firm Births by State  
1997 - 1998**

State	1997	1998	Percent Change	Rank
Vermont	2,264	1,933	(14.6)	49
Virginia	21,231	20,842	(1.8)	29
Washington	35,682	37,362	4.7	11
West Virginia	3,029	4,432	46.3	1
Wisconsin	12,689	13,865	9.3	3
Wyoming	2,161	2,245	3.9	12

Notes: State totals do not add to the U.S. figure as firms can be in more than one state. Data for 1997 and 1998 U.S. is estimated from 1996 data from the Bureau of the Census, percent changes state totals and rounded. Some state terminations could turn into successor firms, and not actually close. New Jersey for the fourth quarter 1998 was estimated. Ranks are based on percent changes.

Source: Office of Advocacy, U.S. Small Business Administration from data provided by the U.S. Department of Labor, Employment and Training Administration and Bureau of the Census.

**Table 3.3 Employer Firm Terminations by State  
1997 - 1998**

State	1997	1998	Percent Change	Rank
U.S. Total	516,800	524,500	1.5	
Alabama	11,741	12,006	2.3	24
Alaska	2,691	2,501	(7.1)	40
Arizona	15,077	14,957	(0.8)	32
Arkansas	5,691	6,905	21.3	5
California	117,222	117,412	0.2	28
Colorado	14,305	16,603	16.1	7
Connecticut	11,481	12,132	5.7	15
Delaware	3,786	2,768	(26.9)	51
District of Columbia	3,519	3,359	(4.5)	38
Florida	63,768	56,535	(11.3)	46
Georgia	25,187	27,417	8.9	12
Hawaii	3,933	3,222	(18.1)	50
Idaho	5,696	6,408	12.5	10
Illinois	28,596	29,868	4.4	20
Indiana	15,434	15,870	2.8	23
Iowa	7,465	6,667	(10.7)	45
Kansas	8,116	8,809	8.5	13
Kentucky	10,068	9,050	(10.1)	43
Louisiana	11,242	10,064	(10.5)	44
Maine	4,263	6,086	42.8	2
Maryland	11,666	20,264	73.7	1
Massachusetts	15,479	17,528	13.2	8
Michigan	19,368	19,765	2.0	25
Minnesota	12,616	12,066	(4.4)	36
Mississippi	6,989	7,357	5.3	16
Missouri	18,760	19,602	4.5	19
Montana	4,481	4,280	(4.5)	37
Nebraska	5,343	5,422	1.5	26
Nevada	6,870	7,766	13.0	9
New Hampshire	6,025	5,261	(12.7)	47
New Jersey	26,054	27,167	4.3	21
New Mexico	6,960	6,949	(0.2)	30
New York	63,321	60,115	(5.1)	39
North Carolina	22,657	23,700	4.6	18
North Dakota	1,831	2,396	30.9	4
Ohio	25,276	24,419	(3.4)	34
Oklahoma	9,161	9,463	3.3	22
Oregon	11,762	15,458	31.4	3
Pennsylvania	30,967	31,284	1.0	27
Rhode Island	3,941	3,944	0.1	29
South Carolina	10,891	11,647	6.9	14
South Dakota	2,696	2,346	(13.0)	48
Tennessee	16,727	17,566	5.0	17
Texas	56,901	56,756	(0.3)	31
Utah	8,824	7,267	(17.6)	49

**Table 3.3 Employer Firm Terminations by State  
1997 - 1998**

State	1997	1998	Percent Change	Rank
Vermont	2,697	2,603	(3.5)	35
Virginia	22,317	20,689	(7.3)	42
Washington	35,394	34,953	(1.2)	33
West Virginia	5,989	5,562	(7.1)	41
Wisconsin	13,381	14,764	10.3	11
Wyoming	2,448	2,888	18.0	6

Notes: State totals do not add to the U.S. figure as firms can be in more than one state. Data for 1997 and 1998 U.S. is estimated from 1996 data from the Bureau of the Census, percent changes state totals and rounded. A buyout or merger could result in a "successor firm" (which are not listed) and a termination, therefore terminations may be greater than new firms while the total number of firms increases (this was corrected for the U.S. totals). New Jersey for the fourth quarter 1998 was estimated. Ranks are based on percent changes.

Source: Office of Advocacy, U.S. Small Business Administration from data provided by the U.S. Department of Labor, Employment and Training Administration and Bureau of the Census.

**Table 3.4 Business Bankruptcies by State and SBA Region  
1997 - 1998**

State	1997	1998	Percent Change	Rank
U.S. Total	53,819	44,197	(17.9)	
Alabama	876	603	(31.2)	41
Alaska	147	127	(13.6)	16
Arizona	845	762	(9.8)	9
Arkansas	539	408	(24.3)	33
California	11,137	8,546	(23.3)	31
Colorado	518	402	(22.4)	30
Connecticut	205	164	(20.0)	24
Delaware	214	372	73.8	3
District of Columbia	100	88	(12.0)	15
Florida	2,162	1,867	(13.6)	17
Georgia	1,642	1,197	(27.1)	37
Hawaii	187	114	(39.0)	44
Idaho	532	435	(18.2)	21
Illinois	1,788	1,474	(17.6)	20
Indiana	683	613	(10.2)	10
Iowa	505	283	(44.0)	48
Kansas	411	264	(35.8)	43
Kentucky	449	356	(20.7)	26
Louisiana	674	600	(11.0)	13
Maine	310	244	(21.3)	28
Maryland	1,678	1,231	(26.6)	36
Massachusetts	965	739	(23.4)	32
Michigan	1,106	721	(34.8)	42
Minnesota	2,477	1,975	(20.3)	25
Mississippi	299	244	(18.4)	22
Missouri	733	424	(42.2)	46
Montana	278	145	(47.8)	50
Nebraska	280	129	(53.9)	51
Nevada	399	428	7.3	5
New Hampshire	187	417	123.0	1
New Jersey	1,111	876	(21.2)	27
New Mexico	383	338	(11.7)	14
New York	3,153	2,279	(27.7)	39
North Carolina	720	534	(25.8)	34
North Dakota	155	87	(43.9)	47
Ohio	1,006	1,161	15.4	4
Oklahoma	1,369	833	(39.2)	45
Oregon	1,434	2,660	85.5	2
Pennsylvania	1,885	1,685	(10.6)	12
Rhode Island	180	130	(27.8)	40
South Carolina	345	254	(26.4)	35
South Dakota	221	186	(15.8)	18
Tennessee	1,066	869	(18.5)	23
Texas	3,466	2,696	(22.2)	29
Utah	434	460	6.0	6

**Table 3.4 Business Bankruptcies by State and SBA Region  
1997 - 1998**

State	1997	1998	Percent Change	Rank
Vermont	164	88	(46.3)	49
Virginia	1,356	1,138	(16.1)	19
Washington	1,374	996	(27.5)	38
West Virginia	367	329	(10.4)	11
Wisconsin	1,213	1,137	(6.3)	8
Wyoming	91	89	(2.2)	7
Region I	2,011	1,782	(11.4)	
Region II	4,264	3,155	(26.0)	
Region III	5,600	4,843	(13.5)	
Region IX	7,559	5,924	(21.6)	
Region V	8,273	7,081	(14.4)	
Region VI	6,431	4,875	(24.2)	
Region VII	1,929	1,100	(43.0)	
Region VIII	1,697	1,369	(19.3)	
Region IV	12,568	9,850	(21.6)	
Region X	3,487	4,218	21.0	

Note: Business bankruptcy is the legal recognition that a company is insolvent (i.e., not able to satisfy creditors or discharge liabilities); the company must restructure or completely liquidate. A business bankruptcy originates with the filing of a bankruptcy petition under Chapter 7, 11 or 12 of the federal bankruptcy laws. Ranks are based on percent changes.

Source: Office of Advocacy, U.S. Small Business Administration, from the Administrative Office of the U.S. Courts, Statistical Analysis and Reports Division.

**Table 4.1 Nonfarm Proprietors' Income by State and SBA Region  
1997 - 1998 (Billions of dollars)**

State	1997	1998	Percent Change	Rank
U.S. Total	523.8	548.5	4.7	
Alabama	5.6	5.8	4.6	28
Alaska	1.4	1.4	3.7	41
Arizona	6.8	7.3	7.5	3
Arkansas	3.7	3.8	4.5	31
California	83.8	87.8	4.8	27
Colorado	9.5	10.2	7.8	2
Connecticut	8.8	9.2	5.5	15
Delaware	1.9	2.0	3.5	43
District of Columbia	2.3	2.4	3.0	49
Florida	19.4	20.5	5.6	12
Georgia	12.1	12.9	6.5	5
Hawaii	2.6	2.7	3.4	44
Idaho	2.7	2.9	5.2	22
Illinois	24.5	25.6	4.3	34
Indiana	8.8	9.1	3.1	48
Iowa	4.6	4.9	5.9	9
Kansas	4.7	4.9	5.2	19
Kentucky	4.9	5.1	4.0	38
Louisiana	6.6	6.9	4.5	32
Maine	2.1	2.3	5.4	16
Maryland	8.2	8.6	4.3	35
Massachusetts	14.1	14.8	4.5	30
Michigan	11.4	11.8	3.6	42
Minnesota	7.7	8.1	5.2	21
Mississippi	3.4	3.5	5.0	24
Missouri	8.4	8.7	3.1	47
Montana	1.8	1.9	5.2	20
Nebraska	3.0	3.3	8.1	1
Nevada	3.7	3.9	6.3	7
New Hampshire	2.5	2.6	5.6	13
New Jersey	17.0	17.5	3.2	46
New Mexico	2.3	2.4	4.6	29
New York	47.5	49.2	3.7	40
North Carolina	11.2	11.8	6.0	8
North Dakota	1.1	1.1	5.3	18
Ohio	16.7	17.3	3.4	45
Oklahoma	6.1	6.4	5.1	23
Oregon	6.8	7.2	4.9	26
Pennsylvania	23.7	24.4	2.6	50
Rhode Island	1.5	1.6	3.8	39
South Carolina	4.1	4.3	5.4	17
South Dakota	1.6	1.7	6.4	6
Tennessee	10.5	11.0	4.3	37
Texas	56.8	60.1	5.8	10
Utah	3.2	3.4	6.7	4



**Table 4.1 Nonfarm Proprietors' Income by State and SBA Region  
1997 - 1998 (Billions of dollars)**

State	1997	1998	Percent Change	Rank
Vermont	1.1	1.2	5.8	11
Virginia	8.9	9.3	4.4	33
Washington	12.5	13.2	5.0	25
West Virginia	2.1	2.2	2.5	51
Wisconsin	6.9	7.2	4.3	36
Wyoming	1.1	1.1	5.5	14
Region I	30.1	31.6	5.0	
Region II	64.4	66.7	3.6	
Region III	47.2	48.8	3.3	
Region IV	71.1	74.9	5.4	
Region V	76.0	79.1	4.0	
Region VI	75.5	79.7	5.5	
Region VII	20.8	21.8	4.9	
Region VIII	18.2	19.4	7.0	
Region IX	97.0	101.8	5.0	
Region X	23.5	24.7	4.9	

Note: Ranks are based on percent changes.

Source: Office of Advocacy, U.S. Small Business Administration, from data prepared by the U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Measurement Division.

**Table 4.2 State Corporate Taxes Collected by State and SBA Region  
Fiscal Year 1997 - 1998 (Billions of dollars)**

State	1997		1998			Percent Change		
	Total Taxes	Corporate Taxes	Total Taxes	Corporate Taxes	Corporate / Total	Rank	Corporate Change	Rank
State Totals	443.49	30.56	474.99	31.11	6.5		1.8	
Alabama	5.48	0.23	5.73	0.24	4.3	39	7.6	16
Alaska	1.62	0.33	1.19	0.28	23.2	2	(16.8)	48
Arizona	6.83	0.60	6.95	0.53	7.6	12	(12.1)	45
Arkansas	3.78	0.23	4.06	0.25	6.2	21	10.0	10
California	61.67	5.80	67.71	5.59	8.3	10	(3.7)	38
Colorado	5.29	0.22	5.90	0.27	4.6	34	20.9	2
Connecticut	8.15	0.53	9.39	0.53	5.7	25	0.9	31
Delaware	1.74	0.17	1.98	0.21	10.4	4	19.0	3
District of Columbia	NA	NA	NA	NA	--	--	--	--
Florida	21.08	1.23	22.51	1.27	5.6	26	3.1	25
Georgia	10.90	0.73	11.59	0.74	6.4	20	1.8	28
Hawaii	3.09	0.07	3.18	0.06	1.9	46	(8.6)	41
Idaho	1.96	0.14	2.06	0.12	5.7	24	(14.9)	47
Illinois	18.54	1.80	19.77	1.96	9.9	5	8.7	12
Indiana	9.10	0.90	9.75	0.93	9.5	6	2.6	27
Iowa	4.69	0.22	4.80	0.20	4.1	43	(10.9)	43
Kansas	4.23	0.29	4.65	0.31	6.6	18	5.1	19
Kentucky	6.82	0.29	7.12	0.33	4.7	33	14.0	5
Louisiana	5.65	0.38	6.08	0.36	5.9	23	(5.4)	39
Maine	2.02	0.10	2.37	0.11	4.5	36	10.3	8
Maryland	8.60	0.34	9.19	0.38	4.1	42	10.3	9
Massachusetts	13.31	1.21	14.49	1.35	9.4	7	11.7	7
Michigan	20.33	2.23	21.69	2.35	10.9	3	5.7	18
Minnesota	11.22	0.70	11.50	0.75	6.5	19	7.7	15
Mississippi	4.02	0.23	4.34	0.24	5.6	27	8.1	14
Missouri	7.82	0.41	8.22	0.36	4.4	37	(12.9)	46
Montana	1.26	0.09	1.33	0.09	6.8	17	1.8	29
Nebraska	2.55	0.14	2.63	0.14	5.4	30	3.5	24
Nevada	3.03	0.00	3.23	0.00	-	47	-	33
New Hampshire	0.91	0.21	1.01	0.24	23.4	1	13.3	6
New Jersey	14.41	1.26	15.60	1.18	7.5	14	(6.8)	40
New Mexico	3.10	0.17	3.57	0.18	5.0	31	3.9	21
New York	34.86	3.04	36.15	3.13	8.7	9	2.8	26
North Carolina	12.63	0.87	13.87	1.00	7.2	16	15.0	4
North Dakota	1.06	0.08	1.08	0.08	7.7	11	9.7	11
Ohio	16.42	0.74	17.64	0.77	4.3	38	3.9	22
Oklahoma	5.06	0.22	5.30	0.22	4.2	41	0.7	32
Oregon	4.95	0.38	5.00	0.28	5.6	28	(27.3)	50
Pennsylvania	19.38	1.58	20.63	1.56	7.6	13	(0.8)	37
Rhode Island	1.64	0.09	1.78	0.07	3.9	44	(21.8)	49
South Carolina	5.38	0.24	5.68	0.21	3.8	45	(10.7)	42
South Dakota	0.77	0.04	0.83	0.04	4.6	35	3.7	23
Tennessee	6.62	0.48	7.00	0.61	8.7	8	26.6	1
Texas	23.02	0.00	24.63	0.00	-	47	-	33

**Table 4.2 State Corporate Taxes Collected by State and SBA Region  
Fiscal Year 1997 - 1998 (Billions of dollars)**

State	1997		1998				Percent Change	
	Total Taxes	Corporate Taxes	Total Taxes	Corporate Taxes	Corporate / Total	Rank	Corporate Change	Rank
Utah	3.01	0.18	3.46	0.19	5.6	29	8.3	13
Vermont	0.90	0.05	0.96	0.05	4.8	32	1.2	30
Virginia	9.63	0.43	10.54	0.45	4.2	40	4.8	20
Washington	11.20	0.00	11.81	0.00	-	47	-	33
West Virginia	2.91	0.25	3.01	0.22	7.4	15	(11.8)	44
Wisconsin	10.19	0.64	11.15	0.68	6.1	22	6.5	17
Wyoming	0.66	0.00	0.86	0.00	-	47	-	33
Region I	26.93	2.18	30.00	2.35	7.8		7.6	
Region II	49.28	4.31	51.76	4.31	8.3		(0.0)	
Region III	42.26	2.77	45.36	2.81	6.2		1.7	
Region IV	72.93	4.29	77.84	4.65	6.0		8.4	
Region V	85.80	7.01	91.51	7.44	8.1		6.2	
Region VI	40.61	1.00	43.64	1.02	2.3		1.0	
Region VII	19.28	1.06	20.31	1.00	4.9		(5.4)	
Region VIII	12.05	0.60	13.46	0.67	5.0		11.9	
Region IX	74.62	6.47	81.07	6.18	7.6		(4.6)	
Region X	19.73	0.85	20.05	0.67	3.4		(21.2)	

Note: The state totals excludes the District of Columbia.

Sources: Office of Advocacy, U.S. Small Business Administration, from data provided by the U.S. Department of Commerce, Bureau of the Census.

**Table 4.3 Wage-and-Salary Income by State and SBA Region  
1997 - 1998 (Billions of dollars)**

State	1997	1998	Percent Change	Rank
U.S. Total	3,886.3	4,168.9	7.3	
Alabama	50.6	53.1	4.9	45
Alaska	9.6	10.0	3.5	50
Arizona	57.7	63.4	10.0	2
Arkansas	26.6	28.2	6.0	35
California	475.1	515.0	8.4	7
Colorado	62.5	69.0	10.5	1
Connecticut	64.7	68.7	6.2	30
Delaware	12.9	13.9	7.9	9
District of Columbia	30.1	32.1	6.4	28
Florida	182.2	197.8	8.6	6
Georgia	109.8	119.8	9.0	5
Hawaii	17.4	17.7	1.6	51
Idaho	13.1	14.0	6.7	24
Illinois	196.1	209.0	6.6	25
Indiana	80.5	86.0	6.8	20
Iowa	35.8	38.4	7.1	16
Kansas	34.3	36.7	7.0	17
Kentucky	45.7	48.5	6.2	33
Louisiana	49.4	52.6	6.5	26
Maine	14.3	15.2	6.2	32
Maryland	76.3	81.1	6.3	29
Massachusetts	114.3	122.7	7.4	14
Michigan	148.2	155.5	4.9	47
Minnesota	77.2	83.2	7.8	11
Mississippi	26.7	28.5	6.7	23
Missouri	75.2	79.5	5.7	39
Montana	8.5	9.0	5.1	43
Nebraska	22.3	23.6	5.9	36
Nevada	27.3	29.5	8.2	8
New Hampshire	17.0	18.3	7.5	12
New Jersey	141.3	152.4	7.9	10
New Mexico	18.7	19.6	4.9	46
New York	320.4	343.5	7.2	15
North Carolina	103.5	110.8	7.0	18
North Dakota	7.3	7.7	5.0	44
Ohio	160.8	169.8	5.6	42
Oklahoma	35.5	37.9	7.0	19
Oregon	45.0	47.5	5.7	40
Pennsylvania	166.7	176.5	5.8	37
Rhode Island	13.4	14.1	5.7	41
South Carolina	45.6	48.7	6.8	22
South Dakota	7.9	8.4	6.1	34
Tennessee	72.2	76.7	6.2	31
Texas	266.3	291.8	9.6	3
Utah	26.7	28.5	6.8	21

**Table 4.3 Wage-and-Salary Income by State and SBA Region  
1997 - 1998 (Billions of dollars)**

State	1997	1998	Percent Change	Rank
Vermont	7.3	7.8	6.5	27
Virginia	103.9	111.6	7.4	13
Washington	85.3	93.4	9.6	4
West Virginia	17.5	18.1	3.7	49
Wisconsin	73.8	78.0	5.7	38
Wyoming	5.7	6.0	4.7	48
Region I	231.0	246.8	6.9	
Region II	461.7	496.0	7.4	
Region III	407.4	433.3	6.3	
Region IV	636.4	683.9	7.5	
Region V	736.7	781.5	6.1	
Region VI	396.4	430.1	8.5	
Region VII	167.7	178.2	6.3	
Region VIII	118.6	128.5	8.4	
Region IX	577.5	625.7	8.4	
Region X	153.0	164.9	7.8	

Note: Ranks are based on percent changes.

Source: Office of Advocacy, U.S. Small Business Administration, from data prepared by the U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Marketing Division.

**Table 5.1 Estimated Nonfarm Employment in Small and Large Businesses  
1998 (Millions of jobs)**

Industry	Total		Small Business		Large Business	
	Employment	Percent of Total	Employment	Percent Small	Employment	Percent Large
Total, Nonfarm Private Sector	105.97	100.0	55.36	52.0	50.61	48.0
Agricultural Services	0.71	0.7	0.63	88.3	0.08	11.7
Mining	0.58	0.5	0.24	41.3	0.34	58.7
Construction	5.97	5.6	5.34	89.5	0.63	10.5
Manufacturing	18.72	17.7	7.20	38.5	11.51	61.5
Trans., Comm., & Pub. Utilities	6.55	6.2	2.36	36.0	4.19	64.0
Wholesale Trade	6.83	6.4	4.50	65.9	2.32	34.1
Retail Trade	22.48	21.2	11.52	51.2	10.96	48.8
Fin., Ins., & Real Estate	7.34	6.9	3.13	42.7	4.21	57.3
Services	36.81	34.7	20.44	55.5	16.37	44.5

Note: U.S. Department of Labor, Bureau of Labor Statistics (BLS) data can not measure net job creation by firm size, as they do not track firms over time. However, using current data provided by BLS and the most recent percentages of small (fewer than 500 employees) and large business employment from the Bureau of the Census, this table estimates current employment in small and large businesses by major industry. Detail may not add to totals because of rounding.

Source: Office of Advocacy, U.S. Small Business Administration from data provided by the U.S. Department of Labor, Bureau of Labor Statistics and U.S. Department of Commerce, Bureau of the Census.

**Table 5.2 Nonfarm Private Employment by Industry  
1997 - 1998 (Thousands)**

SIC Codes (1987)	Industry	Annual Employment		Absolute Change 1997-1998	Percent Change 1997-1998	Percent Small 1996	Industry Type
		1997	1998				
--	Total private	103,120.0	105,971.0	2,851.0	2.8	52.0	
	Major Industries						
700	Agricultural services	679.1	713.6	34.5	5.1	88.3	Small
1000	Mining	592.0	575.0	(17.0)	(2.9)	41.3	Indeter.
1500	Construction	5,686.0	5,965.0	279.0	4.9	89.5	Small
2000	Manufacturing	18,657.0	18,716.0	59.0	0.3	38.5	Large
4000	Transportation, commun. and public utilities	6,395.0	6,549.0	154.0	2.4	36.0	Large
5000	Wholesale trade	6,648.0	6,825.0	177.0	2.7	65.9	Small
5200	Retail trade	22,011.0	22,475.0	464.0	2.1	51.2	Indeter.
6000	Finance, insurance, and real estate	7,091.0	7,341.0	250.0	3.5	42.7	Indeter.
7000	Services	35,360.9	36,811.4	1,450.5	4.1	55.5	Indeter.
	Specific Industries						
740	Veterinary services	181.6	190.1	8.5	4.7	(D)	Indeter.
780	Landscape and horticultural services	447.1	472.7	25.6	5.7	85.3	Small
1000	Metal mining	53.7	50.7	(3.0)	(5.6)	21.1	Large
1010	Iron ores	8.6	8.4	(0.2)	(2.3)	6.0	Large
1020	Copper ores	15.9	15.1	(0.8)	(5.0)	7.6	Large
1200	Coal mining	95.8	91.0	(4.8)	(5.0)	36.2	Large
1220	Bituminous coal and lignite mining	90.0	85.3	(4.7)	(5.2)	32.8	Large
1300	Oil and gas extraction	334.6	325.9	(8.7)	(2.6)	42.5	Indeter.
1310	Crude petroleum and natural gas	142.6	135.0	(7.6)	(5.3)	37.4	Large
1380	Oil and gas field services	187.0	186.1	(0.9)	(0.5)	49.6	Indeter.
1400	Nonmetallic minerals, except fuels	107.5	107.7	0.2	0.2	52.4	Indeter.
1420	Crushed and broken stone	41.3	41.4	0.1	0.2	54.2	Indeter.
1440	Sand and gravel	35.8	36.2	0.4	1.1	70.1	Small
1470	Chemical and fertilizer minerals	11.8	11.5	(0.3)	(2.5)	13.5	Large
1500	General building contractors	1,316.3	1,398.7	82.4	6.3	88.2	Small
1520	Residential building construction	681.7	734.7	53.0	7.8	96.6	Small
1530	Operative builders	27.0	28.3	1.3	4.8	79.4	Small
1540	Nonresidential building construction	607.6	635.6	28.0	4.6	80.8	Small
1600	Heavy construction, except building	795.2	823.5	28.3	3.6	73.4	Small
1610	Highway and street construction	241.8	248.9	7.1	2.9	84.0	Small
1620	Heavy construction, except highway	553.3	574.7	21.4	3.9	69.5	Small
1700	Special trade contractors	3,574.7	3,742.5	167.8	4.7	93.6	Small
1710	Plumbing, heating, and air-conditioning	792.3	818.4	26.1	3.3	92.4	Small
1720	Painting and paper hanging	199.0	205.0	6.0	3.0	98.0	Small
1730	Electrical work	681.4	724.3	42.9	6.3	92.2	Small
1740	Masonry, stonework, and plastering	468.4	504.2	35.8	7.6	95.3	Small
1750	Carpentry and floor work	253.9	270.9	17.0	6.7	97.6	Small
1760	Roofing, siding, and sheet metal work	241.0	247.5	6.5	2.7	97.5	Small
2000	Food and kindred products	1,691.0	1,704.6	13.6	0.8	27.0	Large
2010	Meat products	489.2	500.8	11.6	2.4	17.0	Large
2011	Meat packing plants	149.9	154.1	4.2	2.8	18.1	Large
2013	Sausages and other prepared meats	96.1	99.1	3.0	3.1	40.2	Indeter.
2015	Poultry slaughtering and processing	243.2	247.6	4.4	1.8	7.5	Large
2020	Dairy products	141.9	142.4	0.5	0.4	34.0	Large
2022	Cheese, natural and processed	40.0	40.1	0.1	0.3	35.4	Large
2026	Fluid milk	61.8	62.0	0.2	0.3	33.2	Large
2030	Preserved fruits and vegetables	232.1	230.0	(2.1)	(0.9)	29.4	Large
2032	Canned specialties	18.9	18.7	(0.2)	(1.1)	16.2	Large

Small Business Economic Indicators

**Table 5.2 Nonfarm Private Employment by Industry  
1997 - 1998 (Thousands)**

SIC Codes (1987)	Industry	Annual Employment		Absolute Change 1997-1998	Percent Change 1997-1998	Percent Small 1996	Industry Type
		1997	1998				
2033	Canned fruits and vegetables	73.3	69.4	(3.9)	(5.3)	33.1	Large
2037	Frozen fruits and vegetables	48.3	50.1	1.8	3.7	22.8	Large
2040	Grain mill products	125.3	124.6	(0.7)	(0.6)	31.8	Large
2041	Flour and other grain mill products	18.9	19.1	0.2	1.1	36.9	Large
2048	Prepared feeds, nec	39.8	39.8	-	-	49.4	Indeter.
2050	Bakery products	207.4	208.6	1.2	0.6	29.1	Large
2051	Bread, cake, and related products	148.1	151.0	2.9	2.0	29.6	Large
2053	Cookies, crackers, and frozen bakery prods	59.3	57.5	(1.8)	(3.0)	48.0	Indeter.
2060	Sugar and confectionery products	98.0	99.1	1.1	1.1	33.8	Large
2061	Raw cane sugar	5.1	5.9	0.8	15.7	(D)	Indeter.
2062	Cane sugar refining	4.3	4.1	(0.2)	(4.7)	(D)	Indeter.
2063	Beet sugar	8.4	8.7	0.3	3.6	14.0	Large
2064	Candy and other confectionery products	54.2	54.4	0.2	0.4	39.2	Large
2070	Fats and oils	32.9	34.5	1.6	4.9	28.0	Large
2080	Beverages	180.8	183.7	2.9	1.6	31.5	Large
2082	Malt beverages	33.9	33.4	(0.5)	(1.5)	21.9	Large
2086	Bottled and canned soft drinks	94.4	96.3	1.9	2.0	26.1	Large
2090	Miscellaneous food and kindred products	183.4	181.1	(2.3)	(1.3)	50.2	Indeter.
2100	Tobacco products	41.2	40.2	(1.0)	(2.4)	5.7	Large
2110	Cigarettes	28.0	26.6	(1.4)	(5.0)	(D)	Indeter.
2200	Textile mill products	615.5	596.3	(19.2)	(3.1)	28.8	Large
2210	Broadwoven fabric mills, cotton	72.3	69.1	(3.2)	(4.4)	11.3	Large
2220	Broadwoven fabric mills, synthetics	64.3	64.3	-	-	15.3	Large
2230	Broadwoven fabric mills, wool	14.3	12.7	(1.6)	(11.2)	26.4	Large
2240	Narrow fabric mills	21.4	20.9	(0.5)	(2.3)	53.8	Indeter.
2250	Knitting mills	172.9	161.0	(11.9)	(6.9)	37.1	Large
2251	Women's hosiery, except socks	19.7	17.5	(2.2)	(11.2)	24.6	Large
2252	Hosiery, nec	38.3	36.6	(1.7)	(4.4)	48.9	Indeter.
2253	Knit outerwear mills	52.0	48.3	(3.7)	(7.1)	32.8	Large
2254	Knit underwear mills	16.3	12.6	(3.7)	(22.7)	(D)	Indeter.
2257	Weft knit fabric mills	24.9	24.5	(0.4)	(1.6)	33.7	Large
2260	Textile finishing, except wool	67.0	63.4	(3.6)	(5.4)	43.7	Indeter.
2261	Finishing plants, cotton	31.2	29.2	(2.0)	(6.4)	40.0	Indeter.
2262	Finishing plants, synthetics	21.1	19.8	(1.3)	(6.2)	41.0	Indeter.
2270	Carpets and rugs	63.5	66.2	2.7	4.3	20.2	Large
2280	Yarn and thread mills	86.0	84.3	(1.7)	(2.0)	19.8	Large
2281	Yarn spinning mills	62.7	61.4	(1.3)	(2.1)	18.0	Large
2282	Throwing and winding mills	16.4	16.3	(0.1)	(0.6)	25.4	Large
2290	Miscellaneous textile goods	54.0	54.3	0.3	0.6	48.1	Indeter.
2300	Apparel and other textile products	825.6	770.6	(55.0)	(6.7)	56.6	Indeter.
2310	Men's and boys' suits and coats	29.4	28.0	(1.4)	(4.8)	35.6	Large
2320	Men's and boys' furnishings	207.1	186.3	(20.8)	(10.0)	36.2	Large
2321	Men's and boys' shirts	42.9	37.6	(5.3)	(12.4)	37.2	Large
2325	Men's and boys' trousers and slacks	69.7	64.8	(4.9)	(7.0)	24.5	Large
2326	Men's and boys' work clothing	30.8	28.4	(2.4)	(7.8)	26.6	Large
2330	Women's and misses' outerwear	252.2	231.7	(20.5)	(8.1)	77.2	Small
2331	Women's and misses' blouses and shirts	22.9	20.2	(2.7)	(11.8)	79.0	Small
2335	Women's, juniors', and misses' dresses	40.1	37.3	(2.8)	(7.0)	89.5	Small
2337	Women's and misses' suits and coats	24.8	23.7	(1.1)	(4.4)	78.5	Small
2339	Women's and misses' outerwear, nec	164.5	150.5	(14.0)	(8.5)	70.3	Small
2340	Women's and children's undergarments	35.2	31.8	(3.4)	(9.7)	44.2	Indeter.
2341	Women's and children's underwear	25.5	23.2	(2.3)	(9.0)	52.1	Indeter.

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**Table 5.2 Nonfarm Private Employment by Industry  
1997 - 1998 (Thousands)**

SIC Codes (1987)	Industry	Annual Employment		Absolute Change 1997-1998	Percent Change 1997-1998	Percent Small 1996	Industry Type
		1997	1998				
2342	Brassieres, girdles, and allied garments	9.7	8.6	(1.1)	(11.3)	29.2	Large
2360	Girls' and children's outerwear	30.6	26.2	(4.4)	(14.4)	58.7	Indeter.
2361	Girls' and children's dresses and blouses	12.4	10.1	(2.3)	(18.5)	68.6	Small
2380	Miscellaneous apparel and accessories	34.0	32.3	(1.7)	(5.0)	71.9	Small
2390	Miscellaneous fabricated textile products	219.4	217.5	(1.9)	(0.9)	63.0	Small
2391	Curtains and draperies	19.8	18.4	(1.4)	(7.1)	69.5	Small
2392	House furnishings, nec	55.6	56.7	1.1	2.0	41.8	Indeter.
2396	Automotive and apparel trimmings	61.0	60.5	(0.5)	(0.8)	59.7	Indeter.
2400	Lumber and wood products	793.1	803.7	10.6	1.3	63.9	Small
2410	Logging	81.9	78.7	(3.2)	(3.9)	92.9	Small
2420	Sawmills and planing mills	182.0	180.8	(1.2)	(0.7)	67.8	Small
2421	Sawmills and planing mills, general	144.1	141.8	(2.3)	(1.6)	69.0	Small
2426	Hardwood dimension and flooring mills	36.0	37.0	1.0	2.8	62.7	Small
2430	Millwork, plywood, and structural members	293.6	305.5	11.9	4.1	60.7	Small
2431	Millwork	116.8	120.9	4.1	3.5	57.9	Indeter.
2434	Wood kitchen cabinets	81.0	85.8	4.8	5.9	71.3	Small
2435	Hardwood veneer and plywood	28.4	28.9	0.5	1.8	68.0	Small
2436	Softwood veneer and plywood	29.2	28.8	(0.4)	(1.4)	18.1	Large
2440	Wood containers	53.7	52.9	(0.8)	(1.5)	94.3	Small
2450	Wood buildings and mobile homes	92.5	96.1	3.6	3.9	34.7	Large
2451	Mobile homes	70.2	73.4	3.2	4.6	20.7	Large
2490	Miscellaneous wood products	89.4	89.7	0.3	0.3	61.8	Small
2500	Furniture and fixtures	510.1	523.5	13.4	2.6	50.0	Indeter.
2510	Household furniture	276.8	281.9	5.1	1.8	45.4	Indeter.
2511	Wood household furniture	125.2	125.9	0.7	0.6	41.0	Indeter.
2512	Upholstered household furniture	86.7	89.3	2.6	3.0	42.5	Indeter.
2514	Metal household furniture	19.7	19.7	-	-	46.7	Indeter.
2515	Mattresses and bedsprings	33.4	35.3	1.9	5.7	71.8	Small
2520	Office furniture	63.4	65.6	2.2	3.5	36.8	Large
2530	Public building and related furniture	43.3	45.3	2.0	4.6	42.6	Indeter.
2540	Partitions and fixtures	87.1	89.5	2.4	2.8	78.1	Small
2590	Miscellaneous furniture and fixtures	39.5	41.1	1.6	4.1	61.3	Small
2600	Paper and allied products	685.1	681.5	(3.6)	(0.5)	27.4	Large
2620	Paper mills	158.7	155.0	(3.7)	(2.3)	9.1	Large
2630	Paperboard mills	50.0	49.9	(0.1)	(0.2)	5.8	Large
2650	Paperboard containers and boxes	220.0	218.0	(2.0)	(0.9)	38.2	Large
2653	Corrugated and solid fiber boxes	132.9	132.4	(0.5)	(0.4)	37.7	Large
2656	Sanitary food containers	17.4	16.8	(0.6)	(3.4)	7.7	Large
2657	Folding paperboard boxes	47.4	46.7	(0.7)	(1.5)	42.2	Indeter.
2670	Miscellaneous converted paper products	244.4	246.8	2.4	1.0	38.8	Large
2672	Paper, coated and laminated, nec	46.9	48.2	1.3	2.8	37.8	Large
2673	Bags: plastics, laminated, and coated	40.2	40.1	(0.1)	(0.2)	54.1	Indeter.
2677	Envelopes	25.2	25.3	0.1	0.4	33.1	Large
2700	Printing and publishing	1,552.6	1,566.0	13.4	0.9	50.8	Indeter.
2710	Newspapers	441.1	443.7	2.6	0.6	29.6	Large
2720	Periodicals	135.8	139.3	3.5	2.6	54.5	Indeter.
2730	Books	128.0	128.1	0.1	0.1	36.3	Large
2731	Book publishing	89.3	89.2	(0.1)	(0.1)	36.4	Large
2732	Book printing	38.8	39.0	0.2	0.5	36.2	Large
2740	Miscellaneous publishing	87.8	91.4	3.6	4.1	57.8	Indeter.
2750	Commercial printing	572.3	577.3	5.0	0.9	72.9	Small
2752	Commercial printing, lithographic	371.3	376.7	5.4	1.5	73.4	Small

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**Table 5.2 Nonfarm Private Employment by Industry  
1997 - 1998 (Thousands)**

SIC Codes (1987)	Industry	Annual Employment		Absolute Change 1997-1998	Percent Change 1997-1998	Percent Small 1996	Industry Type
		1997	1998				
2759	Commercial printing, nec	181.0	181.3	0.3	0.2	81.5	Small
2760	Manifold business forms	43.0	42.7	(0.3)	(0.7)	48.3	Indeter.
2780	Blankbooks and bookbinding	66.3	65.8	(0.5)	(0.8)	58.6	Indeter.
2790	Printing trade services	50.0	49.2	(0.8)	(1.6)	76.1	Small
2800	Chemicals and allied products	1,033.8	1,035.9	2.1	0.2	19.6	Large
2810	Industrial inorganic chemicals	117.2	115.4	(1.8)	(1.5)	15.3	Large
2819	Industrial inorganic chemicals, nec	71.1	69.6	(1.5)	(2.1)	15.5	Large
2820	Plastics materials and synthetics	158.3	154.1	(4.2)	(2.7)	10.5	Large
2821	Plastics materials and resins	79.7	80.5	0.8	1.0	15.0	Large
2824	Organic fibers, noncellulosic	45.5	43.6	(1.9)	(4.2)	2.4	Large
2830	Drugs	267.2	273.9	6.7	2.5	19.9	Large
2834	Pharmaceutical preparations	211.1	217.3	6.2	2.9	17.1	Large
2840	Soap, cleaners, and toilet goods	156.0	157.1	1.1	0.7	39.8	Large
2841	Soap and other detergents	42.0	41.6	(0.4)	(1.0)	35.9	Large
2843	Polishing, sanitation, and finishing preps	39.6	41.2	1.6	4.0	39.9	Large
2844	Toilet preparations	74.4	74.2	(0.2)	(0.3)	33.0	Large
2850	Paints and allied products	51.6	52.3	0.7	1.4	45.5	Indeter.
2860	Industrial organic chemicals	138.3	137.4	(0.9)	(0.7)	14.2	Large
2865	Cyclic crudes and intermediates	23.3	23.2	(0.1)	(0.4)	16.5	Large
2869	Industrial organic chemicals, nec	112.5	111.7	(0.8)	(0.7)	12.8	Large
2870	Agricultural chemicals	51.6	51.2	(0.4)	(0.8)	31.7	Large
2890	Miscellaneous chemical products	93.7	94.5	0.8	0.9	42.0	Indeter.
2900	Petroleum and coal products	139.7	135.5	(4.2)	(3.0)	17.9	Large
2910	Petroleum refining	97.0	92.8	(4.2)	(4.3)	6.8	Large
2950	Asphalt paving and roofing materials	28.5	28.2	(0.3)	(1.1)	44.7	Indeter.
3000	Rubber and miscellaneous plastics products	995.1	1,005.9	10.8	1.1	44.3	Indeter.
3010	Tires and inner tubes	77.6	79.4	1.8	2.3	4.1	Large
3020	Rubber and plastics footwear	6.9	6.4	(0.5)	(7.2)	27.4	Large
3050	Hose, belting, gaskets, and packing	69.2	71.7	2.5	3.6	31.2	Large
3052	Rubber and plastics hose and belting	28.1	29.5	1.4	5.0	18.1	Large
3060	Fabricated rubber products, nec	111.7	111.4	(0.3)	(0.3)	44.1	Indeter.
3080	Miscellaneous plastics products, nec	729.7	737.0	7.3	1.0	50.8	Indeter.
3100	Leather and leather products	90.2	82.0	(8.2)	(9.1)	47.3	Indeter.
3110	Leather tanning and finishing	12.9	12.4	(0.5)	(3.9)	41.7	Indeter.
3140	Footwear, except rubber	40.5	35.1	(5.4)	(13.3)	28.8	Large
3143	Men's footwear, except athletic	21.6	19.3	(2.3)	(10.6)	17.5	Large
3144	Women's footwear, except athletic	11.3	9.1	(2.2)	(19.5)	34.9	Large
3160	Luggage	10.3	9.9	(0.4)	(3.9)	75.5	Small
3170	Handbags and personal leather goods	9.6	9.0	(0.6)	(6.3)	(D)	Indeter.
3200	Stone, clay, and glass products	552.3	562.8	10.5	1.9	46.4	Indeter.
3210	Flat glass	16.8	16.6	(0.2)	(1.2)	8.2	Large
3220	Glass and glassware, pressed or blown	72.0	71.6	(0.4)	(0.6)	10.6	Large
3221	Glass containers	26.3	25.6	(0.7)	(2.7)	3.7	Large
3229	Pressed and blown glass, nec	45.7	46.0	0.3	0.7	15.4	Large
3230	Products of purchased glass	62.7	63.4	0.7	1.1	40.4	Indeter.
3240	Cement, hydraulic	17.3	17.6	0.3	1.7	23.3	Large
3250	Structural clay products	34.1	33.0	(1.1)	(3.2)	39.7	Large
3260	Pottery and related products	39.2	38.1	(1.1)	(2.8)	46.5	Indeter.
3270	Concrete, gypsum, and plaster products	216.8	223.4	6.6	3.0	68.7	Small
3271	Concrete block and brick	18.2	18.3	0.1	0.5	80.6	Small
3272	Concrete products, nec	73.0	75.6	2.6	3.6	71.7	Small
3273	Ready-mixed concrete	107.7	111.5	3.8	3.5	73.1	Small

Small Business Economic Indicators

**Table 5.2 Nonfarm Private Employment by Industry  
1997 - 1998 (Thousands)**

SIC Codes (1987)	Industry	Annual Employment		Absolute Change 1997-1998	Percent Change 1997-1998	Percent Small 1996	Industry Type
		1997	1998				
3290	Miscellaneous nonmetallic mineral products	78.6	79.8	1.2	1.5	43.7	Indeter.
3291	Abrasive products	20.0	20.4	0.4	2.0	53.6	Indeter.
3292	Asbestos products	2.5	2.5	-	-	100.0	Small
3296	Mineral wool	24.1	24.5	0.4	1.7	22.0	Large
3300	Primary metal industries	710.7	711.4	0.7	0.1	29.4	Large
3310	Blast furnaces and basic steel products	235.4	232.8	(2.6)	(1.1)	15.8	Large
3312	Blast furnaces and steel mills	163.4	160.4	(3.0)	(1.8)	6.2	Large
3317	Steel pipe and tubes	28.0	28.8	0.8	2.9	32.6	Large
3320	Iron and steel foundries	130.0	131.8	1.8	1.4	36.6	Large
3321	Gray and ductile iron foundries	80.5	80.2	(0.3)	(0.4)	33.8	Large
3322	Malleable iron foundries	4.6	4.6	-	-	36.9	Large
3325	Steel foundries, nec	27.0	28.4	1.4	5.2	47.1	Indeter.
3330	Primary nonferrous metals	39.3	38.7	(0.6)	(1.5)	10.3	Large
3334	Primary aluminum	22.3	22.2	(0.1)	(0.4)	4.1	Large
3350	Nonferrous rolling and drawing	168.4	168.4	-	-	21.8	Large
3351	Copper rolling and drawing	22.4	22.2	(0.2)	(0.9)	19.5	Large
3353	Aluminum sheet, plate, and foil	21.4	20.8	(0.6)	(2.8)	7.6	Large
3357	Nonferrous wire drawing and insulating	72.3	72.2	(0.1)	(0.1)	23.7	Large
3360	Nonferrous foundries (castings)	91.3	92.0	0.7	0.8	58.7	Indeter.
3365	Aluminum foundries	25.3	25.9	0.6	2.4	60.5	Small
3400	Fabricated metal products	1,474.9	1,488.9	14.0	0.9	57.3	Indeter.
3410	Metal cans and shipping containers	37.7	36.7	(1.0)	(2.7)	18.9	Large
3411	Metal cans	30.2	29.5	(0.7)	(2.3)	10.6	Large
3420	Cutlery, handtools, and hardware	125.4	125.6	0.2	0.2	41.3	Indeter.
3425	Hand and edge tools, blades, and handsaws	43.2	42.9	(0.3)	(0.7)	39.8	Large
3429	Hardware, nec	69.4	69.7	0.3	0.4	38.2	Large
3430	Plumbing and heating, except electric	58.6	59.2	0.6	1.0	42.4	Indeter.
3432	Plumbing fixture fittings and trim	23.7	24.3	0.6	2.5	30.4	Large
3433	Heating equipment, except electric	20.8	20.6	(0.2)	(1.0)	57.6	Indeter.
3440	Fabricated structural metal products	450.9	456.8	5.9	1.3	68.3	Small
3441	Fabricated structural metal	78.1	79.7	1.6	2.0	74.6	Small
3442	Metal doors, sash, and trim	78.5	79.6	1.1	1.4	48.5	Indeter.
3443	Fabricated plate work (boiler shops)	101.1	100.0	(1.1)	(1.1)	66.6	Small
3444	Sheet metal work	120.4	122.6	2.2	1.8	82.6	Small
3446	Architectural metal work	30.6	31.8	1.2	3.9	71.3	Small
3450	Screw machine products, bolts, etc	104.4	107.5	3.1	3.0	74.1	Small
3451	Screw machine products	54.3	56.2	1.9	3.5	88.7	Small
3452	Bolts, nuts, rivets, and washers	50.1	51.3	1.2	2.4	57.5	Indeter.
3460	Metal forgings and stampings	254.8	257.4	2.6	1.0	52.8	Indeter.
3462	Iron and steel forgings	32.0	33.4	1.4	4.4	54.7	Indeter.
3465	Automotive stampings	114.3	113.5	(0.8)	(0.7)	32.8	Large
3469	Metal stampings, nec	95.6	97.1	1.5	1.6	78.1	Small
3470	Metal services, nec	138.2	139.8	1.6	1.2	84.7	Small
3471	Plating and polishing	84.3	85.3	1.0	1.2	91.4	Small
3479	Metal coating and allied services	53.9	54.5	0.6	1.1	75.3	Small
3480	Ordnance and accessories, nec	43.1	40.4	(2.7)	(6.3)	19.5	Large
3483	Ammunition, except for small arms, nec	22.8	21.5	(1.3)	(5.7)	16.9	Large
3490	Miscellaneous fabricated metal products	262.0	265.6	3.6	1.4	54.4	Indeter.
3494	Valves and pipe fittings, nec	25.8	25.3	(0.5)	(1.9)	48.1	Indeter.
3496	Miscellaneous fabricated wire products	56.8	57.0	0.2	0.4	68.3	Small
3500	Industrial machinery and equipment	2,163.4	2,188.5	25.1	1.2	48.1	Indeter.
3510	Engines and turbines	83.1	82.9	(0.2)	(0.2)	10.7	Large

Small Business Economic Indicators

**Table 5.2 Nonfarm Private Employment by Industry  
1997 - 1998 (Thousands)**

SIC Codes (1987)	Industry	Annual Employment		Absolute Change 1997-1998	Percent Change 1997-1998	Percent Small 1996	Industry Type
		1997	1998				
3511	Turbines and turbine generator sets	24.3	23.6	(0.7)	(2.9)	13.3	Large
3519	Internal combustion engines, nec	58.8	59.3	0.5	0.9	9.9	Large
3520	Farm and garden machinery	104.1	102.3	(1.8)	(1.7)	38.3	Large
3523	Farm machinery and equipment	77.3	77.5	0.2	0.3	50.9	Indeter.
3530	Construction and related machinery	243.3	253.4	10.1	4.2	43.2	Indeter.
3531	Construction machinery	89.3	92.4	3.1	3.5	29.7	Large
3532	Mining machinery	17.1	16.8	(0.3)	(1.8)	45.4	Indeter.
3533	Oil and gas field machinery	46.8	50.6	3.8	8.1	36.9	Large
3535	Conveyors and conveying equipment	40.3	41.8	1.5	3.7	68.5	Small
3537	Industrial trucks and tractors	31.0	32.3	1.3	4.2	48.1	Indeter.
3540	Metalworking machinery	348.9	349.2	0.3	0.1	69.4	Small
3541	Machine tools, metal cutting types	42.3	42.4	0.1	0.2	56.9	Indeter.
3542	Machine tools, metal forming types	17.9	18.0	0.1	0.6	57.2	Indeter.
3544	Special dies, tools, jigs, and fixtures	167.1	168.0	0.9	0.5	87.8	Small
3545	Machine tool accessories	53.2	53.9	0.7	1.3	61.6	Small
3546	Power driven handtools	21.4	20.4	(1.0)	(4.7)	14.7	Large
3550	Special industry machinery	180.0	182.1	2.1	1.2	59.1	Indeter.
3552	Textile machinery	14.9	15.1	0.2	1.3	79.0	Small
3555	Printing trades machinery	22.7	23.3	0.6	2.6	63.0	Small
3556	Food products machinery	25.3	24.8	(0.5)	(2.0)	75.7	Small
3560	General industrial machinery	262.5	265.6	3.1	1.2	41.5	Indeter.
3561	Pumps and pumping equipment	30.6	30.3	(0.3)	(1.0)	30.8	Large
3562	Ball and roller bearings	40.0	40.9	0.9	2.3	10.0	Large
3563	Air and gas compressors	26.3	26.7	0.4	1.5	24.4	Large
3564	Blowers and fans	35.1	35.6	0.5	1.4	42.1	Indeter.
3566	Speed changers, drives, and gears	17.8	18.4	0.6	3.4	45.7	Indeter.
3568	Power transmission equipment, nec	21.8	22.1	0.3	1.4	43.6	Indeter.
3570	Computer and office equipment	374.6	374.9	0.3	0.1	21.7	Large
3571	Electronic computers	195.8	195.5	(0.3)	(0.2)	14.1	Large
3579	Computer terminals, calculators, office mac	60.3	61.8	1.5	2.5	22.8	Large
3580	Refrigeration and service machinery	202.4	202.4	-	-	28.9	Large
3585	Refrigeration and heating equipment	140.6	139.1	(1.5)	(1.1)	20.0	Large
3590	Misc industrial and commercial machinery	364.6	375.8	11.2	3.1	84.6	Small
3592	Carburetors, pistons, rings, valves	22.9	23.3	0.4	1.7	19.6	Large
3599	Scales, balances, and industrial machinery	295.1	303.9	8.8	3.0	94.9	Small
3600	Electronic and other electrical equipment	1,687.7	1,699.8	12.1	0.7	27.2	Large
3610	Electric distribution equipment	82.3	83.2	0.9	1.1	30.1	Large
3612	Transformers, except electronic	39.4	39.0	(0.4)	(1.0)	31.8	Large
3613	Switchgear and switchboard apparatus	42.9	44.1	1.2	2.8	29.0	Large
3620	Electrical industrial apparatus	154.1	152.7	(1.4)	(0.9)	30.3	Large
3621	Motors and generators	76.1	75.7	(0.4)	(0.5)	15.2	Large
3625	Relays and industrial controls	57.7	56.3	(1.4)	(2.4)	40.4	Indeter.
3630	Household appliances	114.6	114.9	0.3	0.3	10.2	Large
3632	Household refrigerators and freezers	23.8	23.7	(0.1)	(0.4)	6.6	Large
3633	Household laundry equipment	16.9	17.6	0.7	4.1	2.4	Large
3634	Electric housewares and fans	26.3	25.4	(0.9)	(3.4)	22.2	Large
3640	Electric lighting and wiring equipment	180.5	182.0	1.5	0.8	36.2	Large
3641	Electric lamps	22.0	21.1	(0.9)	(4.1)	17.0	Large
3643	Current-carrying wiring devices	62.3	63.2	0.9	1.4	31.7	Large
3644	Noncurrent-carrying wiring devices	17.9	18.2	0.3	1.7	23.2	Large
3645	Residential lighting fixtures	21.1	21.1	-	-	83.3	Small
3650	Household audio and video equipment	79.1	77.8	(1.3)	(1.6)	42.4	Indeter.

Small Business Economic Indicators

**Table 5.2 Nonfarm Private Employment by Industry  
1997 - 1998 (Thousands)**

SIC Codes (1987)	Industry	Annual Employment		Absolute Change 1997-1998	Percent Change 1997-1998	Percent Small 1996	Industry Type
		1997	1998				
3651	Household audio and video equipment	53.0	52.5	(0.5)	(0.9)	42.5	Indeter.
3660	Communications equipment	275.8	277.0	1.2	0.4	22.9	Large
3661	Telephone and telegraph apparatus	119.9	125.5	5.6	4.7	19.1	Large
3670	Electronic components and accessories	652.3	666.8	14.5	2.2	33.7	Large
3671	Electron tubes	22.5	22.3	(0.2)	(0.9)	24.7	Large
3674	Semiconductors and related devices	278.1	287.1	9.0	3.2	15.4	Large
3679	Electronic components, nec	145.9	146.9	1.0	0.7	42.8	Indeter.
3690	Misc electrical equipment and supplies	149.0	145.5	(3.5)	(2.3)	31.3	Large
3691	Storage batteries	26.7	25.5	(1.2)	(4.5)	16.9	Large
3694	Engine electrical equipment	65.2	65.0	(0.2)	(0.3)	25.8	Large
3700	Transportation equipment	1,841.8	1,873.5	31.7	1.7	15.7	Large
3710	Motor vehicles and equipment	985.1	988.3	3.2	0.3	16.9	Large
3711	Motor vehicles and car bodies	350.3	349.7	(0.6)	(0.2)	3.9	Large
3713	Truck and bus bodies	40.7	42.2	1.5	3.7	53.6	Indeter.
3714	Motor vehicle parts and accessories	541.2	537.5	(3.7)	(0.7)	18.7	Large
3715	Truck trailers	33.3	38.1	4.8	14.4	36.2	Large
3720	Aircraft and parts	500.3	522.7	22.4	4.5	9.4	Large
3721	Aircraft	263.4	272.8	9.4	3.6	2.2	Large
3724	Aircraft engines and engine parts	99.8	103.5	3.7	3.7	14.8	Large
3728	Aircraft parts and equipment, nec	137.1	146.4	9.3	6.8	20.8	Large
3730	Ship and boat building and repairing	157.0	161.7	4.7	3.0	34.1	Large
3731	Ship building and repairing	99.8	100.3	0.5	0.5	18.8	Large
3732	Boat building and repairing	57.1	61.4	4.3	7.5	62.1	Small
3740	Railroad equipment	33.3	34.2	0.9	2.7	12.6	Large
3760	Guided missiles, space vehicles, and parts	90.6	89.1	(1.5)	(1.7)	1.6	Large
3761	Guided missiles and space vehicles	62.6	61.9	(0.7)	(1.1)	0.7	Large
3790	Miscellaneous transportation equipment	53.1	54.8	1.7	3.2	47.0	Indeter.
3792	Travel trailers and campers	21.9	23.4	1.5	6.8	45.1	Indeter.
3800	Instruments and related products	863.3	859.2	(4.1)	(0.5)	27.0	Large
3810	Search and navigation equipment	160.5	159.7	(0.8)	(0.5)	8.8	Large
3820	Measuring and controlling devices	299.4	299.7	0.3	0.1	39.3	Large
3822	Environmental controls	41.3	39.8	(1.5)	(3.6)	22.7	Large
3823	Process control instruments	66.1	65.7	(0.4)	(0.6)	42.8	Indeter.
3825	Instruments to measure electricity	75.4	76.8	1.4	1.9	35.8	Large
3840	Medical instruments and supplies	275.9	278.6	2.7	1.0	34.0	Large
3841	Surgical and medical instruments	108.2	108.8	0.6	0.6	28.6	Large
3842	Surgical appliances and supplies	94.9	96.9	2.0	2.1	40.0	Indeter.
3850	Ophthalmic goods	35.3	36.6	1.3	3.7	31.4	Large
3860	Photographic equipment and supplies	84.4	77.3	(7.1)	(8.4)	20.6	Large
3870	Watches, clocks, watchcases, and parts	7.8	7.4	(0.4)	(5.1)	38.8	Large
3900	Miscellaneous manufacturing industries	389.3	385.8	(3.5)	(0.9)	65.6	Small
3910	Jewelry, silverware, and plated ware	48.9	49.4	0.5	1.0	76.3	Small
3911	Jewelry, precious metal	36.6	37.1	0.5	1.4	78.9	Small
3930	Musical instruments	15.9	16.7	0.8	5.0	57.6	Indeter.
3940	Toys and sporting goods	109.8	101.8	(8.0)	(7.3)	58.2	Indeter.
3944	Dolls, games, toys, and children's vehicles	37.3	33.7	(3.6)	(9.7)	(D)	Indeter.
3949	Sporting and athletic goods, nec	72.4	68.2	(4.2)	(5.8)	61.6	Small
3950	Pens, pencils, office, and art supplies	30.9	30.4	(0.5)	(1.6)	61.0	Small
3960	Costume jewelry and notions	23.6	23.1	(0.5)	(2.1)	63.8	Small
3961	Costume jewelry	13.5	13.1	(0.4)	(3.0)	64.9	Small
3990	Miscellaneous manufactures	160.2	164.3	4.1	2.6	74.3	Small
3993	Signs and advertising specialties	68.9	73.0	4.1	6.0	86.8	Small

Small Business Economic Indicators

**Table 5.2 Nonfarm Private Employment by Industry  
1997 - 1998 (Thousands)**

SIC Codes (1987)	Industry	Annual Employment		Absolute Change 1997-1998	Percent Change 1997-1998	Percent Small 1996	Industry Type
		1997	1998				
4000	Railroad transportation	226.9	232.0	5.1	2.2	(D)	Indeter.
4011	Class I railroads	201.8	205.1	3.3	1.6	(D)	Indeter.
4100	Local and interurban passenger transit	450.6	462.3	11.7	2.6	63.7	Small
4110	Local and suburban transportation	229.8	236.9	7.1	3.1	70.7	Small
4120	Taxicabs	30.6	31.3	0.7	2.3	88.2	Small
4130	Intercity and rural bus transportation	21.2	22.2	1.0	4.7	34.4	Large
4150	School buses	135.7	138.3	2.6	1.9	50.1	Indeter.
4200	Trucking and warehousing	1,667.2	1,707.1	39.9	2.4	53.1	Indeter.
4210	Trucking and courier services, except air	1,506.9	1,543.5	36.6	2.4	51.8	Indeter.
4220	Public warehousing and storage	155.0	158.6	3.6	2.3	(D)	Indeter.
4400	Water transportation	180.4	186.4	6.0	3.3	48.4	Indeter.
4440	Water transportation of freight, nec	14.2	14.7	0.5	3.5	45.5	Indeter.
4490	Water transportation services	121.2	126.7	5.5	4.5	57.0	Indeter.
4500	Transportation by air	1,127.9	1,156.9	29.0	2.6	10.6	Large
4510	Air transportation, scheduled	964.8	981.3	16.5	1.7	5.2	Large
4512	Air transportation, scheduled	512.2	526.7	14.5	2.8	4.7	Large
4580	Airports, flying fields, and services	119.5	130.4	10.9	9.1	36.7	Large
4600	Pipelines, except natural gas	14.3	14.2	(0.1)	(0.7)	11.2	Large
4700	Transportation services	438.6	448.7	10.1	2.3	72.5	Small
4720	Passenger transportation arrangement	216.3	216.9	0.6	0.3	73.7	Small
4724	Travel agencies	171.1	172.9	1.8	1.1	74.8	Small
4730	Freight transportation arrangement	174.8	183.0	8.2	4.7	76.1	Small
4800	Communications	1,423.5	1,486.5	63.0	4.4	19.5	Large
4810	Telephone communications	975.1	1,023.3	48.2	4.9	9.4	Large
4813	Telephone communications, except radio	823.5	860.1	36.6	4.4	7.8	Large
4830	Radio and television broadcasting	242.6	245.5	2.9	1.2	53.8	Indeter.
4832	Radio broadcasting stations	114.5	117.4	2.9	2.5	77.1	Small
4833	Television broadcasting stations	128.1	128.1	-	-	30.1	Large
4840	Cable and other pay television services	175.2	185.0	9.8	5.6	15.7	Large
4900	Electric, gas, and sanitary services	865.9	855.0	(10.9)	(1.3)	17.5	Large
4910	Electric services	368.3	363.1	(5.2)	(1.4)	17.9	Large
4920	Gas production and distribution	142.5	139.7	(2.8)	(2.0)	7.7	Large
4930	Combination utility services	160.4	156.5	(3.9)	(2.4)	1.7	Large
4950	Sanitary services	162.2	162.9	0.7	0.4	38.4	Large
5000	Wholesale trade - durable goods	3,935.0	4,069.0	134.0	3.4	70.3	Small
5010	Motor vehicles, parts, and supplies	513.6	520.0	6.4	1.2	70.9	Small
5012	Automobiles and other motor vehicles	144.0	149.4	5.4	3.8	66.6	Small
5013	Motor vehicle supplies and new parts	291.6	291.1	(0.5)	(0.2)	72.1	Small
5020	Furniture and home furnishings	156.9	164.4	7.5	4.8	82.8	Small
5021	Furniture	74.9	79.9	5.0	6.7	88.9	Small
5023	Home furnishings	82.0	84.5	2.5	3.0	82.3	Small
5030	Lumber and other construction materials	256.2	267.6	11.4	4.4	79.5	Small
5031	Lumber, plywood, and millwork	131.0	137.2	6.2	4.7	79.6	Small
5039	Construction materials, nec	38.1	39.4	1.3	3.4	86.8	Small
5040	Professional and commercial equipment	862.7	910.1	47.4	5.5	53.9	Indeter.
5044	Office equipment	198.7	212.3	13.6	6.8	44.8	Indeter.
5045	Computers, peripherals and software	345.4	363.6	18.2	5.3	53.3	Indeter.
5047	Medical and hospital equipment	180.5	189.7	9.2	5.1	59.5	Indeter.
5050	Metals and minerals, except petroleum	147.0	151.4	4.4	3.0	70.0	Small
5060	Electrical goods	538.0	554.8	16.8	3.1	57.7	Indeter.
5063	Electrical apparatus and equipment	224.3	233.1	8.8	3.9	65.1	Small
5064	Electrical appliances, TV, and radio sets	49.6	49.9	0.3	0.6	68.1	Small

Small Business Economic Indicators

**Table 5.2 Nonfarm Private Employment by Industry  
1997 - 1998 (Thousands)**

SIC Codes (1987)	Industry	Annual Employment		Absolute Change 1997-1998	Percent Change 1997-1998	Percent Small 1996	Industry Type
		1997	1998				
5065	Electronic parts and equipment	264.1	271.7	7.6	2.9	58.2	Indeter.
5070	Hardware, plumbing, and heating equipment	300.6	302.8	2.2	0.7	77.9	Small
5072	Hardware	106.7	109.1	2.4	2.2	80.1	Small
5074	Plumbing and hydronic heating supplies	118.9	118.5	(0.4)	(0.3)	81.6	Small
5080	Machinery, equipment, and supplies	816.7	839.4	22.7	2.8	80.7	Small
5082	Construction and mining machinery	88.0	92.3	4.3	4.9	71.4	Small
5083	Farm and garden machinery	121.3	123.7	2.4	2.0	93.9	Small
5084	Industrial machinery and equipment	329.9	338.3	8.4	2.5	83.3	Small
5085	Industrial supplies	153.1	158.0	4.9	3.2	78.5	Small
5090	Misc wholesale trade durable goods	343.4	357.9	14.5	4.2	82.1	Small
5093	Scrap and waste materials	130.3	132.1	1.8	1.4	87.1	Small
5100	Nondurable goods	2,713.0	2,757.0	44.0	1.6	59.7	Indeter.
5110	Paper and paper products	264.7	268.7	4.0	1.5	43.8	Indeter.
5112	Stationery and office supplies	153.3	156.9	3.6	2.3	34.4	Large
5120	Drugs, proprietaries, and sundries	212.7	215.7	3.0	1.4	35.8	Large
5130	Apparel, piece goods, and notions	221.6	226.1	4.5	2.0	76.4	Small
5140	Groceries and related products	903.5	908.5	5.0	0.6	52.7	Indeter.
5141	Groceries, general line	286.8	288.0	1.2	0.4	32.0	Large
5147	Meats and meat products	55.6	55.6	-	-	86.6	Small
5148	Fresh fruits and vegetables	102.3	98.2	(4.1)	(4.0)	86.6	Small
5150	Farm-product raw materials	106.6	108.1	1.5	1.4	82.8	Small
5160	Chemicals and allied products	151.0	150.9	(0.1)	(0.1)	57.3	Indeter.
5170	Petroleum and petroleum products	156.0	158.6	2.6	1.7	67.4	Small
5171	Petroleum bulk stations and terminals	63.9	66.5	2.6	4.1	75.9	Small
5172	Petroleum products, nec	92.2	92.0	(0.2)	(0.2)	73.0	Small
5180	Beer, wine, and distilled beverages	153.6	154.9	1.3	0.8	77.8	Small
5181	Beer and ale	98.4	99.4	1.0	1.0	93.0	Small
5182	Wine and distilled beverages	55.2	55.5	0.3	0.5	54.8	Indeter.
5190	Misc wholesale trade nondurable goods	543.2	565.2	22.0	4.1	70.6	Small
5191	Farm supplies	165.0	171.1	6.1	3.7	74.7	Small
5200	Building materials and garden supplies	936.7	975.6	38.9	4.2	58.0	Indeter.
5210	Lumber and other building materials	567.6	592.8	25.2	4.4	44.9	Indeter.
5230	Paint, glass, and wallpaper stores	67.8	69.8	2.0	2.9	69.7	Small
5250	Hardware stores	163.2	165.7	2.5	1.5	84.7	Small
5260	Retail nurseries and garden stores	94.8	98.8	4.0	4.2	84.3	Small
5300	General merchandise stores	2,717.9	2,790.4	72.5	2.7	3.6	Large
5310	Department stores	2,388.7	2,459.9	71.2	3.0	0.3	Large
5330	Variety stores	139.4	139.4	-	-	25.1	Large
5390	Miscellaneous general merchandise stores	189.7	191.1	1.4	0.7	17.8	Large
5400	Food stores	3,495.7	3,545.0	49.3	1.4	35.4	Large
5410	Grocery stores	3,073.3	3,095.3	22.0	0.7	30.1	Large
5420	Meat and fish markets	48.3	50.1	1.8	3.7	88.1	Small
5450	Dairy products stores	14.3	13.6	(0.7)	(4.9)	(D)	Indeter.
5460	Retail bakeries	209.5	226.2	16.7	8.0	92.7	Small
5500	Automotive dealers and service stations	2,313.9	2,351.4	37.5	1.6	79.2	Small
5510	New and used car dealers	1,050.8	1,062.8	12.0	1.1	92.0	Small
5530	Auto and home supply stores	395.2	409.4	14.2	3.6	53.3	Indeter.
5540	Gasoline service stations	671.1	672.9	1.8	0.3	68.9	Small
5590	Automotive dealers, nec	9.5	9.8	0.3	3.2	100.0	Small
5600	Apparel and accessory stores	1,097.7	1,104.7	7.0	0.6	29.6	Large
5610	Men's and boys' clothing stores	81.0	80.0	(1.0)	(1.2)	47.3	Indeter.
5620	Women's clothing stores	281.8	272.2	(9.6)	(3.4)	30.8	Large

Small Business Economic Indicators

**Table 5.2 Nonfarm Private Employment by Industry  
1997 - 1998 (Thousands)**

SIC Codes (1987)	Industry	Annual Employment		Absolute Change 1997-1998	Percent Change 1997-1998	Percent Small 1996	Industry Type
		1997	1998				
5650	Family clothing stores	347.3	358.8	11.5	3.3	17.8	Large
5660	Shoe stores	200.7	201.5	0.8	0.4	31.2	Large
5700	Furniture and home furnishings stores	1,009.0	1,061.8	52.8	5.2	58.9	Indeter.
5710	Furniture and home furnishings stores	517.5	541.6	24.1	4.7	71.8	Small
5712	Furniture stores	302.3	319.3	17.0	5.6	76.6	Small
5720	Household appliance stores	71.5	69.3	(2.2)	(3.1)	80.2	Small
5730	Radio, television, and computer stores	419.9	450.9	31.0	7.4	43.3	Indeter.
5731	Radio, television, and electronic stores	185.1	197.3	12.2	6.6	33.2	Large
5735	Record and prerecorded tape stores	79.3	86.0	6.7	8.4	32.7	Large
5800	Eating and drinking places	7,635.8	7,745.8	110.0	1.4	64.5	Small
5900	Miscellaneous retail establishments	2,804.1	2,900.5	96.4	3.4	59.0	Indeter.
5910	Drug stores and proprietary stores	627.5	649.3	21.8	3.5	35.2	Large
5920	Liquor stores	111.4	112.9	1.5	1.3	58.5	Indeter.
5930	Used merchandise stores	114.5	121.2	6.7	5.9	78.6	Small
5940	Miscellaneous shopping goods stores	991.8	1,016.8	25.0	2.5	61.0	Small
5941	Sporting goods and bicycle shops	190.6	199.2	8.6	4.5	63.8	Small
5942	Book stores	129.0	131.1	2.1	1.6	50.5	Indeter.
5943	Stationery stores	88.6	93.5	4.9	5.5	86.3	Small
5944	Jewelry stores	144.6	146.8	2.2	1.5	69.5	Small
5947	Gift, novelty, and souvenir shops	226.1	234.4	8.3	3.7	75.6	Small
5949	Sewing, needlework, and piece goods	50.7	49.9	(0.8)	(1.6)	39.3	Large
5960	Nonstore retailers	344.5	357.9	13.4	3.9	54.5	Indeter.
5961	Catalog and mail-order houses	221.3	234.8	13.5	6.1	41.0	Indeter.
5962	Merchandising machine operators	68.3	68.5	0.2	0.3	68.6	Small
5980	Fuel dealers	98.1	97.9	(0.2)	(0.2)	71.8	Small
5990	Retail stores, nec	516.3	544.5	28.2	5.5	82.1	Small
5994	Florists, tobacco stores, and newsstands	152.5	159.9	7.4	4.9	92.3	Small
5995	Optical goods stores	67.6	74.6	7.0	10.4	52.6	Indeter.
5999	Miscellaneous retail stores, nec	296.3	310.1	13.8	4.7	81.2	Small
6000	Depository institutions	2,027.0	2,041.3	14.3	0.7	32.7	Large
6020	Commercial banks	1,460.1	1,459.6	(0.5)	(0.0)	24.3	Large
6022	State commercial banks	588.4	602.1	13.7	2.3	37.4	Large
6029	National and commercial banks, nec	871.6	857.5	(14.1)	(1.6)	18.7	Large
6030	Savings institutions	261.5	263.6	2.1	0.8	42.2	Indeter.
6035	Federal savings institutions	145.1	145.9	0.8	0.6	33.5	Large
6036	Savings institutions, except federal	116.4	117.7	1.3	1.1	58.7	Indeter.
6060	Credit unions	171.7	178.7	7.0	4.1	93.2	Small
6100	Nondepository institutions	567.2	620.1	52.9	9.3	32.7	Large
6140	Personal credit institutions	179.6	186.8	7.2	4.0	18.2	Large
6150	Business credit institutions	114.2	122.7	8.5	7.4	23.8	Large
6160	Mortgage bankers and brokers	252.5	288.7	36.2	14.3	51.3	Indeter.
6200	Security and commodity brokers	596.8	648.5	51.7	8.7	29.2	Large
6210	Security brokers and dealers	444.8	476.2	31.4	7.1	20.2	Large
6230	Commodity contracts brokers, dealers, exch.	25.1	25.6	0.5	2.0	16.8	Large
6280	Security and commodity services	126.9	146.8	19.9	15.7	55.2	Indeter.
6300	Insurance carriers	1,535.4	1,585.7	50.3	3.3	9.1	Large
6310	Life insurance	517.7	528.2	10.5	2.0	4.7	Large
6320	Medical service and health insurance	339.4	354.3	14.9	4.4	9.5	Large
6324	Hospital and medical service plans	277.3	290.9	13.6	4.9	8.0	Large
6330	Fire, marine, and casualty insurance	537.8	547.3	9.5	1.8	8.6	Large
6360	Title insurance	71.6	82.1	10.5	14.7	15.3	Large
6400	Insurance agents, brokers, and service	724.4	742.6	18.2	2.5	76.7	Small

Small Business Economic Indicators



**Table 5.2 Nonfarm Private Employment by Industry  
1997 - 1998 (Thousands)**

SIC Codes (1987)	Industry	Annual Employment		Absolute Change 1997-1998	Percent Change 1997-1998	Percent Small 1996	Industry Type
		1997	1998				
6510	Real estate operators and lessors	580.8	584.3	3.5	0.6	88.3	Small
6530	Real estate agents and managers	688.7	717.1	28.4	4.1	82.7	Small
6550	Subdividers and developers	115.9	119.4	3.5	3.0	73.5	Small
6700	Holding and other investment offices	221.8	242.8	21.0	9.5	52.4	Indeter.
6710	Holding offices	106.1	111.9	5.8	5.5	38.1	Large
7000	Hotels and other lodging places	1,744.2	1,771.4	27.2	1.6	44.9	Indeter.
7010	Hotels and motels	1,692.6	1,718.2	25.6	1.5	43.9	Indeter.
7200	Personal services	1,181.9	1,181.3	(0.6)	(0.1)	95.7	Small
7210	Laundry, cleaning, and garment services	438.8	440.8	2.0	0.5	80.8	Small
7220	Photographic studios, portrait	70.8	55.6	(15.2)	(21.5)	51.7	Indeter.
7230	Beauty shops	397.0	402.1	5.1	1.3	90.4	Small
7260	Funeral service and crematories	97.5	100.0	2.5	2.6	77.8	Small
7290	Miscellaneous personal services	162.0	167.6	5.6	3.5	57.1	Indeter.
7300	Business services	7,982.7	8,546.1	563.4	7.1	46.3	Indeter.
7310	Advertising	254.7	268.2	13.5	5.3	57.3	Indeter.
7311	Advertising agencies	167.7	174.9	7.2	4.3	62.4	Small
7320	Credit reporting and collection	134.0	138.2	4.2	3.1	68.8	Small
7330	Mailing, reproduction, and stenographic serv.	305.9	315.4	9.5	3.1	76.0	Small
7334	Photocopying and duplicating services	76.4	79.1	2.7	3.5	51.1	Indeter.
7340	Services to buildings	937.4	976.1	38.7	4.1	65.1	Small
7342	Disinfecting and pest control services	88.7	95.5	6.8	7.7	72.1	Small
7349	Building maintenance services, nec	848.8	880.6	31.8	3.7	64.3	Small
7350	Misc equipment rental and leasing	250.7	262.3	11.6	4.6	70.9	Small
7352	Medical equipment rental	40.5	40.8	0.3	0.7	56.5	Indeter.
7353	Heavy construction equipment rental	44.7	46.8	2.1	4.7	80.4	Small
7359	Equipment rental and leasing, nec	165.5	174.7	9.2	5.6	70.9	Small
7360	Personnel supply services	2,968.4	3,161.2	192.8	6.5	30.9	Large
7361	Employment agencies	322.7	337.5	14.8	4.6	67.3	Small
7363	Help supply services	2,645.7	2,823.7	178.0	6.7	26.5	Large
7370	Computer and data processing services	1,410.6	1,603.0	192.4	13.6	48.4	Indeter.
7371	Computer programming services	321.7	369.5	47.8	14.9	57.1	Indeter.
7372	Prepackaged software	229.6	268.9	39.3	17.1	55.8	Indeter.
7373	Computer integrated systems design	162.9	183.5	20.6	12.6	48.2	Indeter.
7374	Data processing and preparation	248.6	272.2	23.6	9.5	25.0	Large
7375	Information retrieval services	81.3	92.4	11.1	13.7	38.6	Large
7378	Computer maintenance and repair	57.2	58.1	0.9	1.6	50.5	Indeter.
7380	Miscellaneous business services	1,720.9	1,821.8	100.9	5.9	51.9	Indeter.
7381	Detective and armored car services	572.3	607.3	35.0	6.1	39.6	Large
7382	Security systems services	57.9	59.4	1.5	2.6	49.9	Indeter.
7384	Photofinishing laboratories	75.6	80.9	5.3	7.0	62.9	Small
7500	Auto repair, services, and parking	1,124.3	1,159.1	34.8	3.1	80.1	Small
7510	Automotive rentals, without drivers	197.5	207.1	9.6	4.9	35.2	Large
7514	Passenger car rental	130.1	138.3	8.2	6.3	30.4	Large
7520	Automobile parking	72.3	76.1	3.8	5.3	40.3	Indeter.
7530	Automotive repair shops	621.5	634.7	13.2	2.1	95.6	Small
7534	Automotive and tire repair shops	216.4	222.2	5.8	2.7	(D)	Indeter.
7538	General automotive repair shops	264.5	269.1	4.6	1.7	96.1	Small
7540	Automotive services, except repair	232.9	241.3	8.4	3.6	89.2	Small
7542	Carwashes	123.9	127.1	3.2	2.6	96.4	Small
7600	Miscellaneous repair services	375.9	386.4	10.5	2.8	77.8	Small
7620	Electrical repair shops	115.1	118.0	2.9	2.5	62.9	Small
7800	Motion pictures	548.1	564.7	16.6	3.0	42.9	Indeter.

Small Business Economic Indicators

**Table 5.2 Nonfarm Private Employment by Industry  
1997 - 1998 (Thousands)**

SIC Codes (1987)	Industry	Annual Employment		Absolute Change 1997-1998	Percent Change 1997-1998	Percent Small 1996	Industry Type
		1997	1998				
7810	Motion picture production and services	233.4	240.1	6.7	2.9	33.2	Large
7830	Motion picture theaters	131.8	133.5	1.7	1.3	30.9	Large
7840	Video tape rental	162.9	171.9	9.0	5.5	71.3	Small
7900	Amusement and recreation services	1,572.9	1,688.3	115.4	7.3	69.4	Small
7930	Bowling centers	81.4	78.9	(2.5)	(3.1)	84.3	Small
7990	Misc amusement and recreation services	1,152.0	1,234.2	82.2	7.1	67.3	Small
7991	Physical fitness facilities	165.4	180.4	15.0	9.1	80.0	Small
7997	Membership sports and recreation clubs	328.2	359.8	31.6	9.6	88.0	Small
8000	Health services	9,719.5	9,903.5	184.0	1.9	40.4	Indeter.
8010	Offices and clinics of medical doctors	1,742.9	1,817.3	74.4	4.3	77.0	Small
8020	Offices and clinics of dentists	628.2	643.5	15.3	2.4	99.5	Small
8040	Offices and clinics of other hlth practioners	439.3	464.0	24.7	5.6	93.8	Small
8042	Offices of chiropractors and optometrists	165.2	169.8	4.6	2.8	98.7	Small
8050	Nursing and personal care facilities	1,754.5	1,757.3	2.8	0.2	52.9	Indeter.
8051	Skilled nursing care facilities	1,330.3	1,333.0	2.7	0.2	46.9	Indeter.
8052	Intermediate care facilities	207.9	208.2	0.3	0.1	62.2	Small
8059	Nursing and personal care, nec	216.3	216.1	(0.2)	(0.1)	68.3	Small
8060	Hospitals	3,868.7	3,952.5	83.8	2.2	9.7	Large
8062	General medical and surgical hospitals	3,567.0	3,642.3	75.3	2.1	9.0	Large
8063	Psychiatric hospitals	84.1	85.1	1.0	1.2	17.7	Large
8069	Specialty hospitals, excluding psychiatric	217.6	225.1	7.5	3.4	12.9	Large
8070	Medical and dental laboratories	198.5	202.4	3.9	2.0	55.4	Indeter.
8080	Home health care services	712.5	679.9	(32.6)	(4.6)	43.4	Indeter.
8100	Legal services	947.3	981.5	34.2	3.6	90.4	Small
8200	Educational services	2,114.2	2,206.8	92.6	4.4	46.2	Indeter.
8210	Elementary and secondary schools	627.8	655.7	27.9	4.4	92.4	Small
8220	Colleges and universities	1,225.6	1,274.2	48.6	4.0	16.7	Large
8240	Vocational schools	82.1	87.1	5.0	6.1	78.9	Small
8300	Social services	2,513.8	2,627.8	114.0	4.5	80.6	Small
8320	Individual and family services	675.3	708.6	33.3	4.9	83.2	Small
8330	Job training and related services	351.7	379.8	28.1	8.0	68.7	Small
8350	Child day care services	569.5	580.6	11.1	1.9	84.6	Small
8360	Residential care	716.8	751.2	34.4	4.8	79.4	Small
8390	Social services, nec	200.5	207.6	7.1	3.5	84.7	Small
8400	Museums & botanical & zoological gardens	89.9	92.0	2.1	2.3	82.5	Small
8600	Membership organizations	2,248.2	2,270.5	22.3	1.0	90.7	Small
8610	Business associations	107.8	109.7	1.9	1.8	87.8	Small
8620	Professional organizations	59.1	61.6	2.5	4.2	(D)	Indeter.
8630	Labor organizations	142.3	140.6	(1.7)	(1.2)	93.2	Small
8640	Civic and social associations	443.2	457.7	14.5	3.3	84.6	Small
8700	Engineering and management services	3,004.8	3,235.7	230.9	7.7	63.0	Small
8710	Engineering and architectural services	869.1	917.8	48.7	5.6	67.3	Small
8711	Engineering services	667.0	701.3	34.3	5.1	60.2	Small
8712	Architectural services	146.1	157.2	11.1	7.6	91.8	Small
8713	Surveying services	56.1	59.4	3.3	5.9	93.8	Small
8720	Accounting, auditing, and bookkeeping	599.5	643.7	44.2	7.4	66.5	Small
8730	Research and testing services	592.4	628.6	36.2	6.1	52.3	Indeter.
8731	Commercial physical research	225.3	235.8	10.5	4.7	39.3	Large
8732	Commercial nonphysical research	134.1	146.8	12.7	9.5	61.6	Small
8733	Noncommercial research organizations	140.2	149.3	9.1	6.5	48.3	Indeter.
8740	Management and public relations	943.7	1,045.5	101.8	10.8	64.4	Small
8741	Management services	314.6	348.1	33.5	10.6	62.4	Small

Small Business Economic Indicators

**Table 5.2 Nonfarm Private Employment by Industry  
1997 - 1998 (Thousands)**

SIC Codes (1987)	Industry	Annual Employment		Absolute Change 1997-1998	Percent Change 1997-1998	Percent Small 1996	Industry Type
		1997	1998				
8742	Management consulting services	333.7	380.4	46.7	14.0	64.8	Small
8743	Public relations services	38.7	43.4	4.7	12.1	82.1	Small
8900	Services, nec	49.6	52.4	2.8	5.6	73.5	Small

nec = Not elsewhere classified, (D) = Disclosure (data suppressed to protect the confidentiality of individual firms).

Note: Small-business-dominated industries are industries in which a minimum of 60 percent of employment is in firms with fewer than 500 employees as of 1996. Large-business-dominated industries are industries in which a minimum of 60 percent of employment is in firms with 500 or more employees. The remaining industries were classified as indeterminate.

Source: Office of Advocacy, U.S. Small Business Administration from employment data provided by the U.S. Department of Labor, Bureau of Labor Statistics and employment firm size data provided by the U.S. Department of Commerce, Bureau of the Census.

**Table 5.3 Fastest Growing Industries in Employment, Ranked by Percent Change  
1997 - 1998 (Thousands)**

SIC Codes (1987)	Industry	Annual Employment		Absolute Change 1997-1998	Percent Change 1997-1998	Industry Type
		1997	1998			
Two-digit SIC level						
6700	Holding and other investment offices	221.8	242.8	21.0	9.5	Indeter.
6100	Nondepository institutions	567.2	620.1	52.9	9.3	Large
6200	Security and commodity brokers	596.8	648.5	51.7	8.7	Large
8700	Engineering and management services	3,004.8	3,235.7	230.9	7.7	Small
7900	Amusement and recreation services	1,572.9	1,688.3	115.4	7.3	Small
7300	Business services	7,982.7	8,546.1	563.4	7.1	Indeter.
1500	General building contractors	1,316.3	1,398.7	82.4	6.3	Small
8900	Services, nec	49.6	52.4	2.8	5.6	Small
5700	Furniture and home furnishings stores	1,009.0	1,061.8	52.8	5.2	Indeter.
1700	Special trade contractors	3,574.7	3,742.5	167.8	4.7	Small
Three-digit SIC level						
6280	Security and commodity services	126.9	146.8	19.9	15.7	Indeter.
6360	Title insurance	71.6	82.1	10.5	14.7	Large
6160	Mortgage bankers and brokers	252.5	288.7	36.2	14.3	Indeter.
7370	Computer and data processing services	1,410.6	1,603.0	192.4	13.6	Indeter.
8740	Management and public relations	943.7	1,045.5	101.8	10.8	Small
4580	Airports, flying fields, and services	119.5	130.4	10.9	9.1	Large
8330	Job training and related services	351.7	379.8	28.1	8.0	Small
5460	Retail bakeries	209.5	226.2	16.7	8.0	Small
1520	Residential building construction	681.7	734.7	53.0	7.8	Small
1740	Masonry, stonework, and plastering	468.4	504.2	35.8	7.6	Small
Four-digit SIC level						
7372	Prepackaged software	229.6	268.9	39.3	17.1	Indeter.
2061	Raw cane sugar	5.1	5.9	0.8	15.7	Indeter.
7371	Computer programming services	321.7	369.5	47.8	14.9	Indeter.
3715	Truck trailers	33.3	38.1	4.8	14.4	Large
8742	Management consulting services	333.7	380.4	46.7	14.0	Small
7375	Information retrieval services	81.3	92.4	11.1	13.7	Large
7373	Computer integrated systems design	162.9	183.5	20.6	12.6	Indeter.
8743	Public relations services	38.7	43.4	4.7	12.1	Small
8741	Management services	314.6	348.1	33.5	10.6	Small
5995	Optical goods stores	67.6	74.6	7.0	10.4	Indeter.

nec = Not elsewhere classified

Note: Small-business-dominated industries are industries in which a minimum of 60 percent of employment is in firms with fewer than 500 employees (as of 1996). Large-business-dominated industries are industries in which a minimum of 60 percent of employment is in firms with 500 or more employees. The remaining industries were classified as indeterminate.

Source: Office of Advocacy, U.S. Small Business Administration from employment data provided by the U.S. Department of Labor, Bureau of Labor Statistics and employment firm size data provided by the U.S. Department of Commerce, Bureau of the Census.

**Table 5.4 Industries Generating the Most Jobs, Ranked by Absolute Change  
1997 - 1998 (Thousands)**

SIC Codes (1987)	Industry	Annual Employment		Absolute Change	Percent Change	Industry Type
		1997	1998	1997-1998	1997-1998	
Two-digit SIC level						
7300	Business services	7,982.7	8,546.1	563.4	7.1	Indeter.
8700	Engineering and management services	3,004.8	3,235.7	230.9	7.7	Small
8000	Health services	9,719.5	9,903.5	184.0	1.9	Indeter.
1700	Special trade contractors	3,574.7	3,742.5	167.8	4.7	Small
5000	Wholesale trade - durable goods	3,935.0	4,069.0	134.0	3.4	Small
7900	Amusement and recreation services	1,572.9	1,688.3	115.4	7.3	Small
8300	Social services	2,513.8	2,627.8	114.0	4.5	Small
5800	Eating and drinking places	7,635.8	7,745.8	110.0	1.4	Small
5900	Miscellaneous retail establishments	2,804.1	2,900.5	96.4	3.4	Indeter.
8200	Educational services	2,114.2	2,206.8	92.6	4.4	Indeter.
Three-digit SIC level						
7360	Personnel supply services	2,968.4	3,161.2	192.8	6.5	Large
7370	Computer and data processing services	1,410.6	1,603.0	192.4	13.6	Indeter.
8740	Management and public relations	943.7	1,045.5	101.8	10.8	Small
7380	Miscellaneous business services	1,720.9	1,821.8	100.9	5.9	Indeter.
8060	Hospitals	3,868.7	3,952.5	83.8	2.2	Large
7990	Misc amusement and recreation services	1,152.0	1,234.2	82.2	7.1	Small
8010	Offices and clinics of medical doctors	1,742.9	1,817.3	74.4	4.3	Small
5310	Department stores	2,388.7	2,459.9	71.2	3.0	Large
1520	Residential building construction	681.7	734.7	53.0	7.8	Small
8710	Engineering and architectural services	869.1	917.8	48.7	5.6	Small
Four-digit SIC level						
7363	Help supply services	2,645.7	2,823.7	178.0	6.7	Large
8062	General medical and surgical hospitals	3,567.0	3,642.3	75.3	2.1	Large
7371	Computer programming services	321.7	369.5	47.8	14.9	Indeter.
8742	Management consulting services	333.7	380.4	46.7	14.0	Small
7372	Prepackaged software	229.6	268.9	39.3	17.1	Indeter.
4813	Telephone communications, except radio	823.5	860.1	36.6	4.4	Large
7381	Detective and armored car services	572.3	607.3	35.0	6.1	Large
8711	Engineering services	667.0	701.3	34.3	5.1	Small
8741	Management services	314.6	348.1	33.5	10.6	Small
7349	Building maintenance services, nec	848.8	880.6	31.8	3.7	Small

nec = Not elsewhere classified

Note: Small-business-dominated industries are industries in which a minimum of 60 percent of employment is in firms with fewer than 500 employees as of 1996. Large-business-dominated industries are industries in which a minimum of 60 percent of employment is in firms with 500 or more employees. The remaining industries were classified as indeterminate.

Source: Office of Advocacy, U.S. Small Business Administration from employment data provided by the U.S. Department of Labor, Bureau of Labor Statistics and employment firm size data provided by the U.S. Department of Commerce, Bureau of the Census.

**Table 6.1 U.S. Business Measures  
1975 - 1998**

Year	Employer Firms	Establishments (a)	Nonag. Self Employment	Business Tax Returns (b)	New Employer Firms	New Incorporations	Employer Terminations	Bankruptcies	Failures
1998	5,744,900	NA	8,962,000	24,811,000	628,900	NA	524,500	44,197	NA
1997	5,601,200	NA	9,056,000	23,595,000	628,300	798,917	516,800	53,819	83,384
1996	5,478,047	6,738,476	8,971,000	23,155,000	597,792	786,482	512,402	53,200	71,931
1995	5,369,068	6,612,721	8,901,000	22,555,000	594,369	770,206	497,246	50,516	71,194
1994	5,276,964	6,509,065	9,003,000	22,191,000	570,587	741,654	503,563	50,845	71,558
1993	5,193,642	6,401,233	8,959,000	20,874,796	564,504	706,537	492,651	62,399	85,982
1992	5,095,356	6,319,300	8,576,000	20,476,775	544,596	666,800	521,606	69,848	97,069
1991	5,051,025	6,200,859	8,850,000	20,498,855	541,141	628,604	546,518	70,605	88,140
1990	5,073,795	6,175,559	8,719,000	20,052,917	584,892	647,675	531,400	63,912	60,432
1989	5,021,315	6,106,922	8,605,000	19,560,700	NA	676,567	NA	62,449	50,361
1988	4,954,645	6,016,367	8,519,000	18,619,400	NA	685,095	NA	62,845	57,099
1987	NA	5,937,061	8,201,000	18,351,400	NA	685,572	NA	81,463	61,236
1986	NA	5,806,973	7,881,000	17,524,600	NA	702,101	NA	79,926	61,601
1985	NA	5,701,485	7,810,000	16,919,822	NA	664,235	NA	70,644	57,253
1984	NA	5,517,715	7,785,000	16,077,000	NA	634,991	NA	64,211	52,078
1983	NA	5,306,787	7,575,000	15,245,000	NA	600,420	NA	62,412	NA
1982	NA	4,633,960	7,262,000	14,546,000	NA	566,942	NA	69,242	NA
1981	NA	4,586,510	7,097,000	13,858,000	NA	581,242	NA	48,086	NA
1980	NA	4,543,167	7,000,000	16,791,788	NA	533,520	NA	43,252	NA
1979	NA	4,535,653	6,791,000	16,192,000	NA	524,565	NA	NA	NA
1978	NA	4,409,223	6,429,000	15,629,000	NA	478,019	NA	NA	NA
1977	NA	4,352,295	6,114,000	14,741,000	NA	436,170	NA	NA	NA
1976	NA	4,142,809	5,783,000	14,536,000	NA	375,766	NA	NA	NA
1975	NA	4,114,262	5,705,000	13,979,000	NA	326,345	NA	NA	NA

NA = Not Available

(a) Units with paid employees in the fourth quarter through 1983. 1984 on includes units active in any quarter of the year.

(b) 1981-on excludes farm sole proprietors.

Sources: Office of Advocacy, U.S. Small Business Administration from data provided by sources below:

State level firms from the U.S. Department of Labor, Employment and Training Administration (aggregation of state data of employer firms).

Employer Firms from the U.S. Department of Commerce, Bureau of the Census with estimates for 1997 and 1998 (see Table 1.2 for details).

Establishments from the U.S. Department of Commerce, Bureau of the Census.

Nonagricultural self employment (primary occupation) from the U.S. Department of Labor, Bureau of Labor Statistics.

Business tax returns from the U.S. Department of Commerce, Internal Revenue Service.

New employer firms from the U.S. Department of Commerce, Bureau of the Census with estimates for 1997 and 1998 (see Table 1.2 for details).

New incorporations from the Dun & Bradstreet Corporation (new corporations or a redesignation by sole proprietorships and partnerships).

Employer terminations from the U.S. Department of Commerce, Bureau of the Census with estimates for 1997 and 1998 (see Table 1.2 for details).

Bankruptcies from the Administrative Office of the U.S. Courts, Statistical Analysis and Reports Division (business bankruptcy filings).

Failures from the Dun & Bradstreet Corporation (business closings while owing debts).

**Table 6.2 Number of Employer Firms by State  
1990 - 1998**

State	1990	1991	1992	1993	1994	1995	1996	1997	1998
United States	5,073,795	5,051,025	5,095,356	5,193,642	5,276,964	5,369,068	5,478,047	5,601,200	5,744,900
Yearly Change (%)	1.0	(0.4)	0.9	1.9	1.6	1.7	2.0	2.2	2.6
Alabama	80,289	77,513	77,804	80,321	82,479	83,038	85,797	86,841	87,256
Alaska	13,176	13,254	13,852	14,467	14,895	15,214	15,631	15,788	16,038
Arizona	79,109	79,890	81,758	83,964	88,805	91,244	93,837	97,009	99,654
Arkansas	49,066	50,302	51,530	52,908	53,914	56,649	57,808	58,526	59,061
California	767,697	780,469	781,207	779,098	785,892	764,169	800,091	837,802	881,400
Colorado	89,419	91,401	94,546	98,399	104,625	109,695	114,521	120,898	124,948
Connecticut	95,132	93,865	92,427	91,757	92,451	93,135	92,941	94,289	94,517
Delaware	18,368	18,903	20,073	20,799	21,329	21,554	22,739	24,116	23,537
District of Columbia	20,865	20,255	21,818	22,162	23,145	24,161	23,409	23,050	25,181
Florida	311,377	315,442	320,089	330,027	336,697	343,017	348,339	355,429	373,610
Georgia	142,831	144,680	146,111	150,052	156,096	160,715	169,367	173,643	178,172
Hawaii	26,588	26,877	27,052	26,974	27,151	26,775	26,974	26,881	27,496
Idaho	26,209	27,113	28,300	30,018	31,717	33,326	34,626	36,003	36,780
Illinois	248,675	251,257	250,856	258,679	261,962	265,927	266,358	270,471	275,207
Indiana	109,077	108,524	110,899	114,781	116,731	119,805	121,801	123,555	124,386
Iowa	61,956	62,884	63,573	64,338	65,472	66,350	66,971	67,453	68,324
Kansas	58,573	58,488	59,154	60,664	61,931	63,374	64,074	65,155	65,681
Kentucky	71,381	71,972	72,941	74,515	75,599	76,970	78,044	78,958	85,473
Louisiana	80,449	80,917	82,428	83,838	86,316	87,371	88,027	90,539	93,915
Maine	33,676	33,381	34,213	35,619	36,716	34,431	34,662	36,660	36,961
Maryland	112,823	112,937	113,396	115,542	119,025	122,202	121,932	125,755	126,313
Massachusetts	151,995	148,474	147,123	145,855	150,651	153,829	158,096	162,792	164,343
Michigan	178,726	184,203	186,979	191,760	195,658	203,374	204,323	208,598	212,401
Minnesota	100,061	101,678	104,476	105,842	109,343	112,477	124,514	121,688	124,538
Mississippi	45,781	46,816	46,077	47,223	48,023	49,089	49,916	50,852	51,475
Missouri	126,548	127,390	128,441	130,196	133,595	123,007	117,612	125,833	126,399
Montana	23,867	24,192	24,806	25,776	26,692	27,499	28,749	29,259	30,286
Nebraska	39,785	39,615	39,480	41,456	41,780	42,332	42,878	43,344	43,672
Nevada	28,423	29,442	29,918	31,333	33,484	34,951	37,122	39,518	41,196
New Hampshire	32,921	32,060	31,499	32,442	33,460	34,584	35,575	36,622	37,460
New Jersey	204,807	202,489	199,207	202,118	203,906	209,145	214,648	212,820	221,548
New Mexico	33,767	33,931	34,589	36,097	37,338	38,640	39,969	40,462	40,622
New York	491,566	489,480	481,452	481,190	483,631	488,360	445,277	446,048	450,255
North Carolina	134,990	136,086	137,873	140,893	144,289	149,462	154,759	159,745	164,930
North Dakota	17,766	17,776	17,847	17,988	18,367	18,467	18,667	18,831	18,524
Ohio	207,701	209,655	212,227	215,518	221,814	223,751	225,489	228,772	232,249
Oklahoma	64,901	65,579	66,651	68,528	69,648	70,722	71,627	72,648	73,571
Oregon	77,338	78,370	81,275	84,360	89,061	92,717	94,384	97,147	97,643
Pennsylvania	233,679	234,321	234,355	233,948	234,182	236,746	236,276	238,308	246,154
Rhode Island	27,806	31,053	31,817	32,546	32,271	30,430	30,816	31,155	31,724
South Carolina	70,624	71,804	72,409	73,933	76,312	77,822	80,353	82,673	84,853
South Dakota	18,888	19,081	19,444	19,897	20,453	20,905	21,196	21,370	21,702
Tennessee	93,666	94,361	95,813	98,099	101,382	104,633	106,644	108,263	108,774
Texas	318,352	326,114	333,878	343,910	355,080	360,735	368,663	375,357	379,071
Utah	32,687	33,887	35,833	37,993	40,596	42,358	45,281	47,465	49,619
Vermont	18,986	18,814	19,355	19,442	19,399	19,681	19,742	20,014	19,976

**Table 6.2 Number of Employer Firms by State  
1990 - 1998**

State	1990	1991	1992	1993	1994	1995	1996	1997	1998
Virginia	128,895	130,922	132,832	136,987	142,238	147,710	149,916	152,460	156,098
Washington	134,944	136,858	142,895	153,471	163,783	162,525	167,647	174,516	182,678
West Virginia	35,098	35,353	35,912	36,589	37,480	37,900	38,253	37,970	38,441
Wisconsin	103,039	104,998	107,054	109,472	111,715	115,278	116,965	118,766	120,266
Wyoming	15,059	15,107	15,670	16,372	16,959	17,219	17,601	18,000	18,181

Notes: State totals do not add to the U.S. figure as firms can be in more than one state. U.S. 1997 and 1998 are estimated from 1996 data from the Bureau of the Census, yearly percent changes of the state totals and rounded. State figures are for employer firms at the end of the year, and U.S. figures are for the total number of employer firms during the year. New Jersey for the fourth quarter 1998 was estimated.

Source: Office of Advocacy, U.S. Small Business Administration from data provided by the U.S. Department of Labor, Employment and Training Administration and Bureau of the Census.



**Table 6.3 Employer Firm Births by State  
1988 - 1998**

State	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998
U.S. Total	NA	NA	584,892	541,141	544,596	564,504	570,587	594,369	597,792	628,300	628,900
Yearly Change (%)	---	---	---	(7.5)	0.6	3.7	1.1	5.3	4.8	5.1	0.1
Opening Rate (%)	---	---	---	10.7	10.8	11.1	11.0	11.3	11.3	11.5	11.2
Alabama	9,512	9,236	9,260	8,737	9,122	9,600	10,087	9,140	10,965	10,523	10,158
Alaska	4,970	3,137	2,688	2,356	2,472	2,798	2,665	2,521	2,535	2,401	2,319
Arizona	10,279	9,545	9,832	9,070	9,847	10,595	11,347	12,044	13,920	13,135	12,506
Arkansas	6,694	6,692	6,484	6,270	7,201	6,975	6,452	7,042	7,344	5,998	5,374
California	104,998	111,674	139,146	130,531	119,734	123,271	111,085	127,074	138,726	153,412	158,571
Colorado	10,871	12,819	11,962	11,732	15,167	13,808	19,458	19,703	20,317	22,463	20,671
Connecticut	11,320	10,653	9,399	8,470	8,358	8,899	9,914	9,395	9,457	9,628	9,169
Delaware	2,587	2,484	2,083	2,731	2,617	2,569	2,750	2,783	3,461	3,483	3,324
District of Columbia	3,388	3,862	3,226	3,202	4,627	4,412	5,464	3,250	4,087	3,225	3,532
Florida	48,092	51,117	48,391	50,357	51,522	54,612	56,320	54,006	49,870	56,283	59,445
Georgia	21,326	20,661	22,309	20,738	22,532	24,569	39,069	24,478	26,440	29,984	29,261
Hawaii	3,527	3,514	3,585	3,214	3,238	3,198	3,183	3,874	3,992	3,622	3,242
Idaho	3,338	3,414	3,853	3,655	4,130	4,681	5,202	5,053	5,242	5,502	5,637
Illinois	28,689	29,992	27,952	25,267	26,955	31,938	29,934	30,393	28,064	28,009	28,882
Indiana	10,242	11,755	10,993	13,351	13,239	13,513	13,939	14,355	14,260	14,471	14,304
Iowa	5,479	5,664	5,526	6,041	6,348	7,287	6,095	6,103	6,014	5,971	5,474
Kansas	6,976	6,779	6,716	6,381	5,617	5,802	7,423	7,600	6,693	7,243	7,758
Kentucky	8,480	8,208	7,730	7,550	8,111	7,825	8,061	9,078	9,133	9,471	9,498
Louisiana	8,814	9,054	8,321	8,484	9,104	9,271	9,600	9,817	10,087	10,897	10,477
Maine	4,702	4,475	3,978	3,533	13,675	4,057	3,982	4,476	4,461	5,297	5,136
Maryland	19,392	19,177	18,923	17,987	17,995	18,323	14,062	18,458	13,895	20,501	19,436
Massachusetts	19,010	17,101	14,697	12,953	3,832	14,360	16,167	16,040	16,635	17,708	16,693
Michigan	16,395	18,167	16,804	16,730	16,836	13,690	20,001	23,972	24,387	24,795	26,183
Minnesota	10,232	10,257	11,525	10,730	10,828	9,486	12,899	12,178	13,557	13,469	12,231
Mississippi	5,554	5,712	5,620	5,191	5,654	6,039	6,936	6,185	6,180	6,185	6,180
Missouri	14,065	13,976	13,336	12,822	13,240	13,698	14,718	14,935	14,763	14,540	14,286
Montana	2,495	2,419	2,295	2,299	2,653	3,078	3,449	3,377	4,144	3,764	3,904
Nebraska	3,879	4,113	4,143	4,008	4,296	5,963	4,327	3,895	3,945	4,188	4,117
Nevada	4,823	5,020	4,934	4,911	4,926	5,653	6,473	7,151	8,043	8,259	8,344
New Hampshire	4,986	4,528	4,278	3,922	3,962	4,774	5,001	4,988	4,961	6,135	5,103
New Jersey	27,988	25,603	24,610	21,273	21,560	24,052	25,498	27,106	27,315	26,837	26,059
New Mexico	4,681	4,565	4,721	4,326	4,562	5,048	6,140	4,837	4,975	4,959	4,519
New York	59,955	56,746	54,781	49,572	50,747	53,528	55,095	54,620	56,771	57,128	57,290
North Carolina	19,654	19,279	19,652	19,152	21,277	21,395	21,960	21,650	21,857	23,084	25,007
North Dakota	1,587	1,490	1,392	1,335	1,395	1,485	1,613	1,631	1,668	1,526	1,527
Ohio	18,582	20,211	20,286	19,737	19,218	20,419	21,256	27,046	25,795	24,102	23,447
Oklahoma	8,037	7,806	8,069	8,038	8,070	8,258	8,387	8,790	9,003	9,213	9,690
Oregon	9,870	13,255	15,504	10,521	10,299	13,487	14,577	13,770	14,995	15,275	12,876
Pennsylvania	27,214	30,857	26,125	25,562	25,255	22,481	23,008	23,820	25,433	28,945	29,418
Rhode Island	4,101	3,520	2,900	6,458	3,772	3,681	3,409	3,290	3,416	3,367	3,600
South Carolina	9,655	9,136	9,913	8,706	8,585	8,354	8,730	10,447	10,856	11,040	11,564
South Dakota	1,803	1,967	2,026	1,790	2,069	1,995	2,228	1,858	1,835	1,961	1,938
Tennessee	14,211	14,360	17,297	13,426	13,820	14,578	15,320	15,823	15,617	16,182	15,951
Texas	47,181	46,119	49,419	50,451	48,284	53,407	53,676	52,871	54,031	54,788	51,767
Utah	4,580	4,457	4,662	5,071	5,962	6,506	8,104	7,742	9,433	9,391	9,688

**Table 6.3 Employer Firm Births by State  
1988 - 1998**

State	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998
Vermont	2,633	2,415	2,183	2,198	2,070	2,270	2,023	2,139	2,186	2,264	1,933
Virginia	19,898	20,462	19,856	18,354	18,425	19,754	20,565	19,433	20,960	21,231	20,842
Washington	19,688	20,634	29,322	20,672	26,317	14,504	31,055	30,243	31,295	35,682	37,362
West Virginia	4,052	4,059	4,231	4,090	4,173	4,322	4,129	4,425	4,207	3,029	4,432
Wisconsin	10,754	10,370	10,307	10,726	10,962	11,148	11,682	12,342	12,766	12,689	13,865
Wyoming	1,782	2,138	1,879	1,756	2,113	2,113	2,337	2,230	2,365	2,161	2,245

Notes: State data is from the Department of Labor and U.S. data 1988 - 1996 is from the Bureau of the Census. State totals do not add to the U.S. figure as firms can be in more than one state. U.S. 1997 and 1998 are estimated from 1996 data from the Bureau of the Census, yearly percent changes of the state totals and rounded. U.S. figures are for March of the previous year to March of the current year. New Jersey for the fourth quarter 1998 was estimated.

Source: Office of Advocacy, U.S. Small Business Administration from data provided by the U.S. Department of Labor, Employment and Training Administration and Bureau of the Census.

**Table 6.4 New Business Incorporations by State and SBA Region  
1988 - 1997**

State	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998
U.S. Total	685,095	676,567	647,675	628,604	666,800	706,537	741,654	768,180	786,482	798,917	0
Yearly Change (%)	---	(1.2)	(4.3)	(2.9)	6.1	6.0	5.0	3.6	6.0	1.6	(100.0)
Alabama	6,613	6,659	6,092	6,116	7,087	7,179	7,169	7,686	7,686	7,742	
Alaska	1,361	1,391	1,345	1,274	1,461	1,437	1,428	1,428	1,103	1,063	
Arizona	12,440	11,564	10,129	9,832	9,148	11,170	11,248	10,866	12,153	11,262	
Arkansas	4,253	6,463	6,111	5,326	6,078	5,410	5,867	6,298	6,010	6,994	
California	56,400	48,243	39,111	36,561	36,973	40,072	42,871	41,913	44,043	47,055	
Colorado	16,224	13,355	12,257	13,583	14,876	15,452	15,187	15,309	16,749	15,670	
Connecticut	11,850	10,400	9,138	8,501	7,339	7,522	6,911	4,830	4,126	3,375	
Delaware	31,486	30,935	29,881	29,887	33,582	39,111	44,762	50,094	51,272	52,184	
District of Columbia	2,256	2,256	2,256	2,256	2,256	2,256	2,256	2,256	1,497	1,462	
Florida	74,977	80,020	81,374	81,083	86,037	88,048	93,388	98,066	104,113	108,268	
Georgia	18,659	18,815	18,891	18,098	21,046	23,084	24,707	26,990	26,902	29,321	
Hawaii	3,199	3,780	3,794	3,792	3,792	3,792	3,792	3,792	3,792	3,792	
Idaho	1,895	1,713	1,909	1,944	2,127	2,511	2,530	2,622	2,504	2,489	
Illinois	28,654	28,882	29,279	29,068	30,928	32,756	34,287	34,495	36,210	36,090	
Indiana	13,004	13,954	11,695	10,205	11,119	11,542	11,987	12,451	12,620	12,734	
Iowa	3,825	4,554	4,381	4,531	4,918	4,804	4,915	5,925	4,589	4,695	
Kansas	4,384	4,358	4,249	3,930	4,305	4,415	4,273	4,475	4,376	4,847	
Kentucky	6,981	6,931	6,669	6,782	7,155	7,758	7,688	7,764	8,060	8,397	
Louisiana	9,057	9,018	8,974	8,973	10,839	10,656	11,328	11,082	11,531	11,152	
Maine	3,107	2,832	2,428	2,326	2,431	2,664	2,637	2,805	2,873	2,823	
Maryland	16,860	17,306	16,674	16,463	17,201	17,090	17,730	18,014	18,632	18,066	
Massachusetts	16,438	14,078	12,468	11,706	12,197	12,850	14,065	13,479	12,808	12,437	
Michigan	22,633	22,534	22,204	20,099	24,726	28,790	30,374	31,254	31,994	31,260	
Minnesota	9,525	9,598	9,678	9,564	10,002	10,845	11,429	12,203	12,639	12,655	
Mississippi	3,821	3,664	3,405	3,602	3,758	4,388	4,814	4,680	5,288	4,910	
Missouri	10,326	9,959	9,761	9,521	10,020	11,544	11,022	10,743	10,545	10,273	
Montana	1,280	1,290	1,519	1,572	1,948	2,261	2,177	1,767	2,325	3,219	
Nebraska	2,692	2,677	2,934	3,093	3,302	3,458	3,447	3,360	3,453	3,523	
Nevada	10,682	11,363	12,031	11,030	12,610	15,228	17,023	18,926	23,222	26,999	
New Hampshire	3,388	2,945	2,679	2,387	2,577	2,884	2,990	3,095	3,070	2,791	
New Jersey	32,659	30,428	28,281	27,994	29,983	29,603	30,869	37,861	35,417	34,349	
New Mexico	2,507	2,631	2,854	2,713	2,843	3,232	3,088	3,584	3,042	2,919	
New York	77,687	73,354	65,569	63,808	67,503	69,835	70,689	72,433	73,866	74,397	
North Carolina	12,760	13,211	12,376	11,944	12,580	13,424	14,830	16,021	17,861	19,078	
North Dakota	875	842	860	820	984	932	1,042	1,021	925	933	
Ohio	18,991	18,847	18,094	17,895	18,730	20,082	20,013	20,859	20,517	20,105	
Oklahoma	7,185	7,208	7,152	7,073	7,207	7,832	7,633	7,796	8,105	8,162	
Oregon	7,168	7,744	8,525	8,375	8,861	9,874	10,015	9,730	9,267	9,289	
Pennsylvania	21,842	22,242	19,431	17,340	16,947	16,886	17,394	18,575	19,459	20,900	
Rhode Island	3,426	3,258	3,000	2,458	2,553	2,696	2,500	2,743	2,619	2,649	
South Carolina	6,239	6,864	7,158	5,700	6,189	6,483	7,374	7,601	8,049	8,149	
South Dakota	983	1,008	1,078	1,040	1,218	1,337	1,349	1,401	1,382	1,440	
Tennessee	8,455	8,470	8,290	8,306	8,514	8,859	10,073	8,194	7,785	7,495	
Texas	32,495	33,997	35,523	34,571	34,011	34,907	37,362	38,122	39,038	39,298	
Utah	3,823	3,901	4,147	4,973	4,582	5,270	5,560	5,917	6,295	7,301	

**Table 6.4 New Business Incorporations by State and SBA Region  
1988 - 1997**

State	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998
Vermont	2,042	1,786	1,650	1,486	1,589	1,617	1,599	1,630	1,575	1,417	
Virginia	17,699	18,015	17,376	16,883	16,936	17,212	19,150	19,172	19,047	18,704	
Washington	10,109	10,711	11,948	11,521	12,500	13,444	14,444	13,340	12,954	12,487	
West Virginia	2,688	2,646	2,542	2,219	2,236	2,406	2,327	2,535	2,380	2,069	
Wisconsin	6,345	6,993	7,334	6,994	7,289	7,882	8,107	8,818	8,547	7,961	
Wyoming	847	874	1,171	1,386	1,707	1,747	1,934	2,159	2,167	2,267	
Region I	40,251	35,299	31,363	28,864	28,686	30,233	30,702	28,582	27,071	25,492	0
Region II	110,346	103,782	93,850	91,802	97,486	99,438	101,558	110,294	109,283	108,746	0
Region III	92,831	93,400	88,160	85,048	89,158	94,961	103,619	110,646	112,287	113,385	0
Region IV	138,505	144,634	144,255	141,631	152,366	159,223	170,043	177,002	185,744	193,360	0
Region V	99,152	100,808	98,284	93,825	102,794	111,897	116,197	120,080	122,527	120,805	0
Region VI	55,497	59,317	60,614	58,656	60,978	62,037	65,278	66,882	67,726	68,525	0
Region VII	21,227	21,548	21,325	21,075	22,545	24,221	23,657	24,503	22,963	23,338	0
Region VIII	24,032	21,270	21,032	23,374	25,315	26,999	27,249	27,574	29,843	30,830	0
Region IX	82,721	74,950	65,065	61,215	62,523	70,262	74,934	75,497	83,210	89,108	0
Region X	20,533	21,559	23,727	23,114	24,949	27,266	28,417	27,120	25,828	25,328	0

Note: A business incorporation is a business that files for organization as a corporation with the secretary of state in each jurisdiction. It may reflect an actual startup of a new business, an intention to start a new business, the conversion of an existing sole proprietorship or partnership to the corporate form, or the creation of a subsidiary of an existing corporation.

Source: Office of Advocacy, U.S. Small Business Administration, from the Dun & Bradstreet Corporation, New Business Incorporations, various press releases.

**Table 6.5 Employer Firm Terminations by State  
1988 - 1998**

State	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998
U.S. Total	NA	NA	531,400	546,518	521,606	492,651	503,563	497,246	512,402	516,800	524,500
Yearly Change (%)	---	---	---	2.8	(4.6)	(5.6)	2.2	(1.3)	1.8	0.9	1.5
Closing Rate (%)	---	---	---	10.8	10.3	9.7	9.7	9.4	9.7	9.4	9.4
Alabama	11,714	11,404	10,927	14,478	11,710	9,794	10,603	10,968	11,458	11,741	12,006
Alaska	5,781	3,552	3,382	2,581	2,110	2,460	2,478	2,530	2,492	2,691	2,501
Arizona	13,250	13,392	14,235	13,011	12,531	13,114	11,087	15,431	17,157	15,077	14,957
Arkansas	8,211	8,771	7,252	7,348	6,982	7,633	7,006	4,872	7,719	5,691	6,905
California	87,586	132,141	135,767	124,345	124,137	127,500	107,923	152,945	107,936	117,222	117,412
Colorado	12,625	15,722	12,864	11,236	13,465	15,206	14,371	17,933	10,953	14,305	16,603
Connecticut	11,931	11,741	11,994	12,242	12,017	11,946	11,644	11,619	12,598	11,481	12,132
Delaware	2,206	1,793	1,422	2,490	1,749	2,116	2,523	3,193	2,528	3,786	2,768
District of Columbia	3,620	4,340	3,715	3,998	3,125	4,106	4,536	3,302	5,695	3,519	3,359
Florida	49,452	51,683	54,009	55,539	55,317	52,320	56,976	52,467	54,191	63,768	56,535
Georgia	21,268	24,136	24,448	24,527	25,481	24,917	35,200	23,161	24,441	25,187	27,417
Hawaii	3,633	3,390	3,385	3,486	3,612	3,729	3,492	3,953	3,746	3,933	3,222
Idaho	3,269	3,835	3,337	3,500	4,028	4,019	4,697	4,861	5,431	5,696	6,408
Illinois	28,553	34,661	29,173	26,771	31,250	28,087	31,051	30,260	34,400	28,596	29,868
Indiana	12,636	16,338	10,632	15,919	13,462	11,873	14,255	14,129	14,838	15,434	15,870
Iowa	7,484	7,686	6,971	7,410	7,542	7,822	7,902	7,702	7,507	7,465	6,667
Kansas	8,601	8,958	8,788	8,303	7,364	7,609	7,969	8,387	7,860	8,116	8,809
Kentucky	10,686	11,079	11,276	10,356	10,691	10,020	10,151	9,307	9,359	10,068	9,050
Louisiana	12,596	12,178	10,883	10,536	10,719	10,910	10,384	11,347	13,634	11,242	10,064
Maine	4,366	4,683	4,737	4,593	3,876	3,496	3,799	4,676	4,529	4,263	6,086
Maryland	16,201	16,198	17,945	18,842	18,426	16,975	16,049	16,256	20,147	11,666	20,264
Massachusetts	17,385	18,415	17,539	18,914	17,263	17,994	13,688	15,417	14,702	15,479	17,528
Michigan	16,372	21,645	28,676	15,055	18,010	17,527	19,267	20,340	26,059	19,368	19,765
Minnesota	11,829	11,097	13,614	12,500	11,041	10,684	12,960	12,458	11,532	12,616	12,066
Mississippi	7,131	7,334	7,200	6,768	6,997	6,475	7,778	7,077	7,159	6,989	7,357
Missouri	17,294	16,870	16,674	16,674	17,022	17,031	16,104	17,588	19,067	18,760	19,602
Montana	3,813	3,613	3,453	3,345	3,536	3,421	4,023	4,066	4,324	4,481	4,280
Nebraska	5,213	5,255	6,144	5,295	5,570	5,142	5,145	4,645	4,803	5,343	5,422
Nevada	4,564	5,017	4,888	5,328	5,927	5,592	5,618	6,483	6,752	6,870	7,766
New Hampshire	5,262	5,491	6,018	5,599	5,317	4,591	4,818	5,044	5,141	6,025	5,261
New Jersey	25,432	26,645	25,538	27,472	28,961	24,836	27,155	25,667	25,898	26,054	27,167
New Mexico	5,459	5,598	4,943	5,242	4,876	4,493	5,847	5,240	5,838	6,960	6,949
New York	62,723	64,230	63,627	62,015	63,000	58,267	58,966	56,813	55,640	63,321	60,115
North Carolina	21,748	22,153	21,643	22,882	26,103	24,516	24,413	23,389	23,112	22,657	23,700
North Dakota	2,108	2,297	2,265	1,944	2,010	1,964	1,754	2,045	1,968	1,831	2,396
Ohio	19,520	20,897	23,863	22,490	20,287	20,642	18,154	28,091	26,330	25,276	24,419
Oklahoma	11,321	8,919	9,397	8,856	8,640	7,974	8,914	8,623	8,897	9,161	9,463
Oregon	11,390	11,792	11,921	13,347	11,799	12,995	12,716	13,022	16,569	11,762	15,458
Pennsylvania	29,100	28,019	27,929	29,668	29,731	26,724	26,462	27,254	31,180	30,967	31,284
Rhode Island	3,511	3,993	3,863	3,963	3,858	3,681	4,277	5,985	3,595	3,941	3,944
South Carolina	10,406	10,280	10,736	10,785	10,605	9,320	8,879	10,391	10,815	10,891	11,647
South Dakota	2,280	2,162	2,370	2,194	2,375	2,135	2,347	2,360	2,433	2,696	2,346
Tennessee	14,052	15,433	18,902	15,051	14,858	17,494	14,600	15,896	16,191	16,727	17,566
Texas	58,121	54,310	53,831	53,232	50,249	53,243	52,063	56,027	55,751	56,901	56,756
Utah	6,781	6,271	5,774	5,754	6,122	6,563	7,005	7,654	8,243	8,824	7,267

**Table 6.5 Employer Firm Terminations by State  
1988 - 1998**

State	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998
Vermont	2,703	2,915	2,687	2,963	2,178	2,897	2,800	2,577	2,876	2,697	2,603
Virginia	20,527	18,333	21,438	19,820	19,809	18,848	18,618	18,493	22,558	22,317	20,689
Washington	19,445	20,497	23,087	22,952	25,328	23,654	26,061	30,847	31,984	35,394	34,953
West Virginia	4,741	4,954	4,408	4,645	4,364	4,493	3,997	5,119	4,749	5,989	5,562
Wisconsin	11,759	12,036	11,591	11,355	11,736	11,675	12,242	13,054	14,124	13,381	14,764
Wyoming	2,394	3,234	2,900	2,736	2,197	2,178	2,523	2,735	2,930	2,448	2,888

Notes: State totals do not add to the U.S. figure as firms can be in more than one state. State data is from the Department of Labor and U.S. data 1988 - 1996 is from the Bureau of the Census. U.S. 1997 and 1998 are estimated from 1996 data from the Bureau of the Census, yearly percent changes of the state totals and rounded. U.S. figures are for March of the previous year to March of the current year. a buyout or merger could result in a "successor firm" (which are not listed) and a termination, therefore terminations may be greater than new firms while the total number of firms increases (this was corrected for the U.S. totals). New Jersey for the fourth quarter 1998 was estimated.

Source: Office of Advocacy, U.S. Small Business Administration from data provided by the U.S. Department of Labor, Employment and Training Administration and Bureau of the Census.

**Table 6.6 Business Bankruptcies by State and SBA Region  
1988 - 1998**

State	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998
U.S. Total	62,845	62,449	63,912	70,605	69,848	62,399	50,845	50,516	53,200	53,819	44,197
Yearly Change (%)	---	(0.6)	2.3	10.5	(1.1)	(10.7)	(18.5)	(0.6)	4.6	1.2	(17.9)
Alabama	1,211	1,334	1,356	1,431	1,318	1,727	717	796	772	876	603
Alaska	225	208	164	170	196	172	162	159	183	147	127
Arizona	1,586	2,401	2,377	2,194	2,050	1,642	965	1,045	879	845	762
Arkansas	552	454	467	497	577	444	373	422	486	539	408
California	7,442	7,094	7,391	12,295	12,215	12,943	11,938	12,097	11,748	11,137	8,546
Colorado	4,304	3,805	1,088	611	1,143	1,118	670	610	779	518	402
Connecticut	219	218	445	380	379	310	206	205	230	205	164
Delaware	50	64	114	126	243	163	120	277	239	214	372
District of Columbia	63	73	129	181	134	119	118	100	119	100	88
Florida	1,823	2,021	2,842	3,031	2,986	2,599	2,218	1,949	2,026	2,162	1,867
Georgia	1,627	2,339	2,366	2,941	2,475	1,923	1,708	496	1,801	1,642	1,197
Hawaii	117	129	74	77	163	190	157	159	187	187	114
Idaho	407	359	365	225	515	414	351	391	460	532	435
Illinois	2,780	2,397	2,041	2,354	2,586	2,189	1,751	1,624	1,806	1,788	1,474
Indiana	1,191	1,093	1,090	1,083	1,263	1,056	886	842	756	683	613
Iowa	1,148	960	893	748	660	489	482	556	574	505	283
Kansas	764	552	560	527	600	591	372	419	419	411	264
Kentucky	998	1,155	1,324	1,016	692	440	422	473	431	449	356
Louisiana	1,584	1,372	1,338	1,089	865	743	570	562	621	674	600
Maine	215	205	318	353	398	321	296	274	267	310	244
Maryland	397	480	1,356	1,633	1,642	1,575	1,243	1,493	1,468	1,678	1,231
Massachusetts	587	1,158	1,838	2,073	2,420	1,899	1,300	1,116	1,041	965	739
Michigan	1,512	1,579	1,633	1,571	1,793	1,339	1,098	1,072	1,072	1,106	721
Minnesota	1,414	1,511	1,771	1,797	1,494	2,057	1,962	1,901	2,249	2,477	1,975
Mississippi	363	337	288	411	481	346	218	283	281	299	244
Missouri	1,423	1,169	1,319	1,216	1,034	787	653	521	663	733	424
Montana	483	354	223	207	240	195	162	171	219	278	145
Nebraska	568	391	425	384	350	243	190	212	274	280	129
Nevada	432	406	354	480	540	494	391	390	429	399	428
New Hampshire	186	320	490	598	164	153	111	92	92	187	417
New Jersey	915	1,132	1,120	1,303	1,561	1,870	1,354	1,195	1,066	1,111	876
New Mexico	405	302	348	333	476	388	287	322	389	383	338
New York	1,950	2,505	2,606	4,030	4,642	3,904	3,411	3,374	3,263	3,153	2,279
North Carolina	950	1,005	1,280	1,390	1,179	946	782	726	703	720	534
North Dakota	197	211	209	191	180	164	120	118	152	155	87
Ohio	1,482	1,447	1,778	1,402	1,862	1,546	728	1,052	1,065	1,006	1,161
Oklahoma	1,932	1,720	1,716	1,258	1,096	1,019	873	946	1,388	1,369	833
Oregon	1,111	890	1,061	1,177	1,105	905	844	781	751	1,434	2,660
Pennsylvania	1,125	1,310	1,751	2,173	2,448	2,272	1,925	1,770	1,870	1,885	1,685
Rhode Island	117	170	327	333	364	266	177	162	181	180	130
South Carolina	405	312	404	479	234	186	221	337	257	345	254
South Dakota	369	320	388	356	284	200	164	172	216	221	186
Tennessee	1,264	1,528	1,274	1,720	1,866	1,263	631	949	1,085	1,066	869
Texas	7,549	6,479	5,318	4,412	4,813	3,542	3,258	3,410	3,468	3,466	2,696
Utah	1,249	723	895	830	551	319	222	242	294	434	460

**Table 6.6 Business Bankruptcies by State and SBA Region  
1988 - 1998**

State	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998
Vermont	60	226	179	200	218	154	134	167	142	164	88
Virginia	2,029	2,462	2,958	3,309	1,963	1,971	1,396	1,261	1,342	1,356	1,138
Washington	2,634	2,196	1,978	2,184	1,622	1,406	1,101	1,335	1,419	1,374	996
West Virginia	340	401	381	437	468	304	310	314	325	367	329
Wisconsin	946	1,048	1,366	1,271	1,161	985	995	1,067	1,150	1,213	1,137
Wyoming	145	124	136	118	139	108	102	109	103	91	89
Region I	1,384	2,297	3,597	3,937	3,943	3,103	2,224	2,016	1,953	2,011	1,782
Region II	2,865	3,637	3,726	5,333	6,203	5,774	4,765	4,569	4,329	4,264	3,155
Region III	4,004	4,790	6,689	7,859	6,898	6,404	5,112	5,215	5,363	5,600	4,843
Region IV	8,641	10,031	11,134	12,419	11,231	9,430	6,917	6,009	7,356	7,559	5,924
Region V	9,325	9,075	9,679	9,478	10,159	9,172	7,420	7,558	8,098	8,273	7,081
Region VI	12,022	10,327	9,187	7,589	7,827	6,136	5,361	5,662	6,352	6,431	4,875
Region VII	3,903	3,072	3,197	2,875	2,644	2,110	1,697	1,708	1,930	1,929	1,100
Region VIII	6,747	5,537	2,939	2,313	2,537	2,104	1,440	1,422	1,763	1,697	1,369
Region IX	9,577	10,030	10,196	15,046	14,968	15,269	13,451	13,691	13,243	12,568	9,850
Region X	4,377	3,653	3,568	3,756	3,438	2,897	2,458	2,666	2,813	3,487	4,218

Note: Bankruptcy data exclude Guam, Puerto Rico, and the Virgin Islands. A business bankruptcy is the legal recognition that a company is insolvent (i.e., not able to satisfy creditors or discharge liabilities); must restructure or completely liquidate. A business bankruptcy originates in the filing of a bankruptcy petition under Chapter 7, 11, 12, or 13 of the federal bankruptcy laws.

Source: Office of Advocacy, U.S. Small Business Administration, from the Administrative Office of the U.S. Courts, Statistical Analysis and Reports Division.



**Table 6.7 Business Failures by State and SBA Region  
1988 - 1997**

State	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997
U.S. Total	57,099	50,361	60,432	88,140	97,069	85,982	71,558	71,194	71,931	83,384
Yearly Change (%)	---	(11.8)	20.0	45.8	10.1	(11.4)	(16.8)	(0.5)	0.5	15.9
Alabama	635	490	676	1,027	901	841	668	549	542	635
Alaska	287	143	123	144	102	108	112	122	184	177
Arizona	1,442	1,250	1,084	2,230	2,302	2,064	1,407	1,413	1,010	1,207
Arkansas	363	307	260	480	511	186	366	733	1,005	1,117
California	9,178	7,814	8,902	14,685	19,796	19,695	16,796	16,329	16,879	20,089
Colorado	2,233	1,516	2,077	1,959	1,729	1,542	1,315	1,476	2,254	3,082
Connecticut	151	147	430	911	1,225	1,093	577	482	536	635
Delaware	64	31	80	160	188	137	88	45	49	33
District of Columbia	53	44	101	198	208	200	168	155	121	93
Florida	3,135	3,160	3,655	5,229	5,375	5,088	3,609	2,904	2,676	2,583
Georgia	1,379	1,787	1,937	3,390	2,877	2,350	1,961	1,489	1,306	1,181
Hawaii	179	170	147	74	290	305	259	271	395	630
Idaho	363	233	309	397	361	350	276	389	539	677
Illinois	3,301	3,382	2,124	3,068	3,101	2,094	1,757	1,684	2,568	3,407
Indiana	923	929	1,164	1,736	1,479	1,091	908	799	850	852
Iowa	661	560	554	295	730	507	473	570	458	506
Kansas	846	668	758	989	1,080	1,069	871	946	1,095	1,249
Kentucky	701	676	1,048	1,234	496	322	707	663	642	568
Louisiana	1,438	1,402	1,153	1,103	858	664	656	463	272	300
Maine	84	132	197	396	463	383	335	315	299	395
Maryland	424	232	686	1,331	1,708	1,540	1,610	1,813	1,621	1,480
Massachusetts	556	771	1,898	2,839	3,031	2,720	2,100	1,931	1,612	1,667
Michigan	1,799	2,080	2,100	2,295	2,438	2,546	1,955	1,683	1,559	1,934
Minnesota	536	323	522	1,583	1,523	921	722	904	596	1,183
Mississippi	493	536	457	523	1,091	841	249	230	183	147
Missouri	1,381	1,150	1,216	1,609	1,833	1,230	1,059	1,112	1,060	1,490
Montana	241	191	191	160	211	173	181	152	179	189
Nebraska	269	216	358	536	633	399	314	322	392	479
Nevada	329	231	253	515	437	351	446	454	476	634
New Hampshire	165	125	275	861	721	617	416	385	375	417
New Jersey	860	606	1,246	2,758	2,828	2,843	2,190	2,782	2,460	2,641
New Mexico	344	393	318	390	457	448	330	408	423	645
New York	2,360	1,964	3,281	5,612	7,882	6,916	5,540	5,060	4,946	5,054
North Carolina	672	762	1,030	1,351	1,502	1,194	1,046	968	1,038	1,031
North Dakota	159	105	145	140	164	145	90	98	81	138
Ohio	1,936	1,713	2,254	2,776	2,689	2,127	1,987	2,133	2,280	2,823
Oklahoma	868	1,266	1,587	1,845	1,419	1,440	1,168	1,317	1,560	1,546
Oregon	509	444	588	1,309	1,265	969	1,027	798	839	1,186
Pennsylvania	1,399	1,606	2,209	3,658	4,097	3,124	2,742	2,761	2,922	3,124
Rhode Island	42	56	183	459	513	344	213	127	134	183
South Carolina	385	182	415	603	483	392	498	491	372	413
South Dakota	148	142	270	315	232	175	168	182	159	281
Tennessee	1,169	1,164	1,474	1,995	1,660	1,209	956	990	1,331	1,717
Texas	7,873	5,439	6,738	7,036	7,539	7,096	5,835	6,182	6,058	7,322
Utah	599	281	372	556	459	568	260	344	378	581

**Table 6.7 Business Failures by State and SBA Region  
1988 - 1997**

State	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997
Vermont	53	51	74	188	261	173	130	149	108	148
Virginia	928	1,177	1,585	2,297	2,174	1,738	1,459	1,719	1,058	877
Washington	1,658	1,316	854	1,424	1,974	2,025	2,005	2,370	2,695	2,977
West Virginia	215	162	231	399	403	315	296	288	300	319
Wisconsin	1,108	718	666	910	1,230	1,224	1,175	1,137	934	1,205
Wyoming	205	118	177	162	140	90	82	107	122	137
Region I	1,051	1,282	3,057	5,654	6,214	5,330	3,771	3,389	3,064	3,445
Region II	3,220	2,570	4,527	8,370	10,710	9,759	7,730	7,842	7,406	7,695
Region III	3,083	3,252	4,892	8,043	8,778	7,054	6,363	6,781	6,071	5,926
Region IV	8,569	8,757	10,692	15,352	14,385	12,237	9,694	8,284	8,090	8,275
Region V	9,603	9,145	8,830	12,368	12,460	10,003	8,504	8,340	8,787	11,404
Region VI	10,886	8,807	10,056	10,854	10,784	9,834	8,355	9,103	9,318	10,930
Region VII	3,157	2,594	2,886	3,429	4,276	3,205	2,717	2,950	3,005	3,724
Region VIII	3,585	2,353	3,232	3,292	2,935	2,693	2,096	2,359	3,173	4,408
Region IX	11,128	9,465	10,386	17,504	22,825	22,415	18,908	18,467	18,760	22,560
Region X	2,817	2,136	1,874	3,274	3,702	3,452	3,420	3,679	4,257	5,017

Note: A business failure is an establishment that ceases operation with a loss to one or more creditors.

Source: Office of Advocacy, U.S. Small Business Administration, from the Dun & Bradstreet Corporation, various press releases.

**Table 6.8 Nonfarm Proprietors' Income by State and SBA Region  
1988 - 1998 (Billions of 1998 dollars)**

State	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998
U.S. Total	427.8	434.7	439.7	442.2	430.5	448.1	457.4	480.5	501.9	523.8	548.5
Yearly Change (%)	--	1.6	1.2	0.6	(2.6)	4.1	2.1	5.0	9.7	4.4	4.7
Alabama	5.1	5.2	5.3	5.4	5.1	5.3	5.1	5.3	5.5	5.6	5.8
Alaska	1.8	1.8	2.0	2.0	1.8	1.9	1.5	1.5	1.4	1.4	1.4
Arizona	4.5	4.6	4.5	4.6	4.5	4.8	5.1	5.5	6.5	6.8	7.3
Arkansas	3.4	3.5	3.5	3.5	3.3	3.4	3.6	3.7	3.6	3.7	3.8
California	63.9	65.1	65.5	65.8	66.9	69.4	72.3	76.2	80.9	83.8	87.8
Colorado	6.5	6.6	6.7	6.9	6.4	6.8	7.2	7.6	8.8	9.5	10.2
Connecticut	6.7	6.7	6.7	6.6	7.0	7.2	7.0	7.3	8.6	8.8	9.2
Delaware	1.1	1.1	1.2	1.2	0.8	0.9	1.7	1.8	1.9	1.9	2.0
District of Columbia	1.9	1.9	1.7	1.7	1.8	2.0	2.3	2.4	2.2	2.3	2.4
Florida	18.1	18.5	19.7	20.0	18.0	19.0	16.5	17.4	18.6	19.4	20.5
Georgia	9.2	9.4	9.6	9.6	9.7	10.1	10.5	11.2	11.7	12.1	12.9
Hawaii	1.9	1.9	1.9	1.9	2.7	2.9	2.5	2.5	2.6	2.6	2.7
Idaho	2.0	2.0	2.0	2.1	2.3	2.5	2.3	2.4	2.7	2.7	2.9
Illinois	22.7	23.0	22.9	23.3	19.7	20.2	20.4	21.4	23.3	24.5	25.6
Indiana	7.9	8.0	7.9	8.0	7.1	7.4	8.2	8.7	8.6	8.8	9.1
Iowa	5.4	5.4	5.4	5.4	4.3	4.4	8.0	4.6	4.5	4.6	4.9
Kansas	4.5	4.5	4.6	4.6	4.0	4.1	4.3	4.4	4.5	4.7	4.9
Kentucky	5.7	5.8	5.7	5.8	4.6	4.8	4.7	5.0	4.9	4.9	5.1
Louisiana	6.2	6.2	6.3	6.4	6.2	6.4	6.4	6.8	6.6	6.6	6.9
Maine	2.4	2.5	2.5	2.4	2.4	2.4	2.1	2.1	2.1	2.1	2.3
Maryland	7.2	7.4	7.6	7.6	8.5	8.7	7.4	7.7	7.7	8.2	8.6
Massachusetts	13.0	13.2	12.5	12.2	11.0	11.5	12.5	13.1	13.3	14.1	14.8
Michigan	11.6	11.7	12.0	12.0	9.9	10.3	11.6	12.1	11.4	11.4	11.8
Minnesota	6.6	6.7	6.6	6.6	6.8	7.1	7.4	7.8	7.5	7.7	8.1
Mississippi	3.4	3.5	3.5	3.5	3.2	3.3	3.2	3.3	3.4	3.4	3.5
Missouri	9.4	9.5	9.3	9.3	8.3	8.4	4.2	8.4	8.4	8.4	8.7
Montana	1.5	1.5	1.5	1.5	1.4	1.4	1.6	1.7	1.7	1.8	1.9
Nebraska	2.9	2.9	3.0	3.0	2.6	2.7	2.5	2.6	2.9	3.0	3.3
Nevada	1.5	1.6	1.7	1.7	2.9	3.2	2.9	3.2	3.5	3.7	3.9
New Hampshire	2.7	2.8	2.5	2.4	2.4	2.5	2.3	2.5	2.4	2.5	2.6
New Jersey	15.1	15.3	15.1	15.0	14.6	15.1	15.5	16.1	16.3	17.0	17.5
New Mexico	1.8	1.8	2.0	2.0	1.8	2.0	2.1	2.3	2.3	2.3	2.4
New York	39.0	39.6	40.6	41.7	38.5	39.7	39.9	41.1	44.0	47.5	49.2
North Carolina	9.4	9.6	9.9	9.8	8.9	9.3	9.6	10.2	10.6	11.2	11.8
North Dakota	1.1	1.1	1.1	1.1	0.9	0.9	0.9	1.0	1.1	1.1	1.1
Ohio	14.6	14.7	15.3	15.3	15.5	16.1	15.8	16.6	16.3	16.7	17.3
Oklahoma	5.6	5.6	5.6	5.6	4.8	5.0	5.5	5.7	5.9	6.1	6.4
Oregon	5.1	5.2	5.2	5.3	5.5	5.8	5.7	6.1	6.8	6.8	7.2
Pennsylvania	20.8	21.2	21.3	21.1	22.4	23.2	22.5	23.4	23.5	23.7	24.4
Rhode Island	1.5	1.6	1.6	1.5	1.4	1.4	1.4	1.4	1.5	1.5	1.6
South Carolina	4.1	4.0	4.5	4.5	4.1	4.4	3.7	3.9	4.0	4.1	4.3
South Dakota	1.3	1.3	1.4	1.4	1.2	1.3	1.4	1.5	1.6	1.6	1.7
Tennessee	8.3	8.5	8.4	8.4	8.7	9.1	9.3	9.8	10.4	10.5	11.0
Texas	29.3	29.8	31.0	31.7	35.6	37.3	44.9	47.3	51.7	56.8	60.1
Utah	2.1	2.1	2.1	2.2	2.2	2.3	2.2	2.4	3.0	3.2	3.4

**Table 6.8 Nonfarm Proprietors' Income by State and SBA Region  
1988 - 1998 (Billions of 1998 dollars)**

State	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998
Vermont	1.1	1.1	1.1	1.1	1.2	1.2	1.1	1.1	1.1	1.1	1.2
Virginia	9.0	9.2	9.2	9.1	8.2	8.5	7.8	8.2	8.5	8.9	9.3
Washington	8.0	8.3	8.5	8.6	10.8	11.3	11.1	11.6	11.8	12.5	13.2
West Virginia	2.0	2.0	2.1	2.1	2.1	2.2	2.1	2.2	2.2	2.1	2.2
Wisconsin	7.1	7.1	7.0	7.1	6.1	6.3	6.7	7.1	6.9	6.9	7.2
Wyoming	0.8	0.8	0.9	0.9	0.9	0.9	1.0	1.0	1.0	1.1	1.1
Region I	27.5	27.9	26.9	26.2	25.2	26.3	26.3	27.5	29.0	30.1	31.6
Region II	54.1	54.9	55.6	56.7	53.1	54.7	55.4	57.2	60.3	64.4	66.7
Region III	42.1	42.9	43.0	42.7	43.8	45.5	43.8	45.6	46.0	47.2	48.8
Region IV	63.4	64.4	66.6	66.9	62.2	65.4	62.6	66.2	69.0	71.1	74.9
Region V	70.4	71.2	71.7	72.2	65.1	67.4	70.2	73.8	74.0	76.0	79.1
Region VI	46.3	47.0	48.4	49.1	51.6	54.0	62.5	65.9	70.1	75.5	79.7
Region VII	22.2	22.4	22.3	22.4	19.2	19.6	19.0	20.1	20.3	20.8	21.8
Region VIII	13.3	13.5	13.7	14.0	12.9	13.6	14.3	15.3	17.1	18.2	19.4
Region IX	71.8	73.2	73.6	74.0	77.0	80.2	82.8	87.5	93.4	97.0	101.8
Region X	16.8	17.4	17.8	17.9	20.4	21.4	20.5	21.6	22.6	23.5	24.7

Note: The Consumer Price Index (urban) from the Bureau of Labor Statistics was used to bring figures into 1998 dollars.

Source: Office of Advocacy, U.S. Small Business Administration, from data provided by the U.S. Department of Commerce, Bureau of Economic Analysis.

**Table 6.9 Real Gross State Product by State  
1988 - 1997 (Billions of 1992 dollars)**

State	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997
U.S. Total	5,851.2	5,978.6	6,046.5	5,995.7	6,133.0	6,274.5	6,535.6	6,726.6	6,965.5	7,262.9
Yearly Change (%)	4.5	2.2	1.1	(0.8)	2.3	2.3	4.2	2.9	3.6	4.3
Region I										
Connecticut	103.3	105.5	105.2	102.0	103.0	104.2	107.2	109.5	112.6	118.5
Maine	24.7	25.4	24.8	23.9	24.0	24.4	24.9	25.4	25.9	26.8
Massachusetts	175.0	177.1	169.9	164.0	165.3	169.4	177.5	182.2	189.4	197.8
New Hampshire	26.5	26.6	25.2	25.3	26.0	26.5	28.1	30.3	32.7	35.2
Rhode Island	22.8	23.4	23.1	22.2	22.4	22.7	22.8	23.3	23.6	24.7
Vermont	11.8	12.4	12.3	11.8	12.3	12.7	13.0	13.1	13.5	13.9
Region II										
New Jersey	225.5	229.3	227.7	226.8	232.9	237.2	243.3	247.1	253.8	260.9
New York	531.1	533.6	535.6	514.7	526.2	528.3	544.4	547.3	565.5	579.7
Region III										
Delaware	20.8	22.8	23.2	23.4	23.5	24.0	25.3	25.8	26.7	27.4
District of Columbia	42.4	44.2	45.3	44.6	44.8	45.5	45.6	44.6	44.0	44.1
Maryland	118.1	121.6	122.3	119.5	118.8	121.0	126.0	127.0	130.2	135.0
Pennsylvania	256.0	261.2	261.9	262.3	269.9	275.6	282.8	290.3	295.5	305.3
Virginia	154.5	160.2	160.6	159.1	161.0	166.4	172.9	176.6	182.5	189.7
West Virginia	29.4	29.3	29.3	29.6	30.6	31.5	33.4	34.1	34.9	35.3
Region IV										
Alabama	74.7	74.7	75.5	77.0	79.6	81.0	85.5	88.1	90.0	92.8
Florida	260.1	270.2	273.0	273.2	280.2	292.4	306.2	313.6	326.8	338.1
Georgia	145.7	148.5	150.0	151.6	159.3	166.7	178.4	186.6	196.1	206.1
Kentucky	70.3	72.1	72.3	72.4	75.6	78.4	83.5	85.8	88.5	92.6
Mississippi	41.0	41.1	40.8	41.8	43.3	45.3	48.5	50.4	51.3	52.9
North Carolina	150.2	155.2	154.5	154.1	160.6	165.5	178.1	185.3	191.3	202.1
South Carolina	65.7	68.0	69.5	69.9	70.9	73.6	77.7	79.8	81.8	85.2
Tennessee	100.2	101.8	100.5	103.2	109.0	113.8	122.1	125.4	127.2	132.6
Region V										
Illinois	283.7	288.9	290.8	288.8	298.7	305.7	325.5	332.4	343.1	358.1
Indiana	112.4	116.4	116.3	115.7	122.1	126.5	135.1	138.2	142.9	148.0
Michigan	203.7	206.0	202.1	195.7	201.6	211.3	229.1	230.7	237.4	246.4
Minnesota	101.7	105.0	105.1	105.1	110.7	111.5	118.7	121.5	128.1	133.8
Ohio	236.3	240.6	241.6	238.2	245.7	250.6	265.2	273.1	280.0	291.4
Wisconsin	101.5	103.8	105.0	105.6	110.6	115.1	120.9	123.6	128.8	134.6
Region VI										
Arkansas	39.1	40.0	40.0	41.7	43.8	45.4	48.3	49.7	51.4	53.2
Louisiana	95.3	92.3	93.7	93.5	89.7	92.3	100.7	106.6	106.0	109.8
New Mexico	27.1	27.4	27.9	30.9	31.9	35.6	40.0	40.2	41.1	43.5
Oklahoma	59.9	59.2	59.5	60.2	60.8	62.3	63.5	64.5	66.6	69.2
Texas	383.1	392.4	404.1	412.9	424.5	441.6	467.6	488.7	509.3	544.0
Region VII										
Iowa	54.8	57.0	58.0	57.9	60.0	60.5	66.1	67.1	70.8	74.3
Kansas	53.4	53.5	54.3	54.8	55.9	56.7	59.4	59.5	61.5	64.6

**Table 6.9 Real Gross State Product by State  
1988 - 1997 (Billions of 1992 dollars)**

State	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997
Missouri	111.7	113.8	111.3	112.1	114.5	115.4	123.4	128.2	131.2	136.7
Nebraska	32.6	33.8	34.9	35.8	37.2	37.5	40.4	41.0	42.9	44.2
Region VIII										
Colorado	76.6	77.2	79.0	81.1	85.1	90.7	96.7	101.1	105.8	112.7
Montana	13.3	13.8	13.9	14.3	15.0	15.7	16.1	16.4	16.7	17.2
North Dakota	11.0	11.4	11.9	11.7	12.6	12.4	13.2	13.4	14.3	14.4
South Dakota	12.9	13.1	13.7	14.3	15.0	15.9	16.8	17.2	17.6	17.9
Utah	30.9	31.3	32.9	34.1	35.2	37.2	40.2	42.7	46.6	49.6
Wyoming	12.8	12.6	13.4	13.8	13.7	14.5	15.0	15.5	16.0	16.5
Region IX										
Arizona	72.4	72.7	72.9	73.1	78.3	82.9	91.3	97.0	103.5	110.5
California	786.0	822.5	845.2	829.6	825.2	820.8	836.2	857.8	883.6	927.5
Hawaii	30.1	32.3	34.9	34.9	35.2	34.8	35.0	34.2	33.8	33.7
Nevada	28.4	30.8	33.1	34.1	36.1	38.6	42.3	44.4	48.0	50.2
Region X										
Alaska	24.4	24.9	25.2	23.2	22.2	22.1	21.5	22.2	21.8	21.8
Idaho	16.9	18.0	18.5	18.9	20.1	21.8	23.5	25.5	26.1	27.3
Oregon	56.6	58.6	60.8	61.5	63.2	66.7	70.8	74.9	83.9	90.2
Washington	110.3	115.7	122.2	124.6	128.8	132.4	137.3	138.7	144.4	152.3

Note: Chain weight deflator.

Source: Office of Advocacy, U.S. Small Business Administration, from data provided by the U.S. Department of Commerce, Bureau of Economic Analysis.