

## U.S. Territories

Small businesses in the U.S. territories provide economic opportunities to diverse groups of people and bring innovative products and services to the marketplace. This profile from the Office of Advocacy compiles the latest facts and figures on the status and role of small business.\*

- Puerto Rico has the largest economy of the U.S. territories. Puerto Rico had more business establishments and employment than 14 states in 2006.
- The economies of the Virgin Islands and Guam fared better from 2006 to 2007 than Puerto Rico's, as employment rose and business bankruptcies declined in both.
- The number and value of small business loans in the Virgin Islands underwent a large increase in 2007, which has been attributed to the presence of a new lender in the market.
- American Samoa had 589 employer establishments in 2002. The number of small business loans went from 121 in 2006 to 129 in 2007, while the total dollar value decreased from \$3.87 million to \$3.78 million.

### For Further Information

- Data on all the states and territories is available at [www.sba.gov/advo/research/profiles/data08.html](http://www.sba.gov/advo/research/profiles/data08.html).
- For other small business data and analysis, visit Advocacy's research homepage, [www.sba.gov/advo/research](http://www.sba.gov/advo/research), call (202) 205-6533, or email [advocacy@sba.gov](mailto:advocacy@sba.gov).
- Visit <http://web.sba.gov/list> to subscribe to listservs for Advocacy's newsletter, press releases, regulatory news and research reports.

\*Due to limited firm size information, the number of business establishments is used as a proxy to represent the number of small businesses. In the United States in 2005, firms with fewer than 500 employees operated 86 percent of all establishments.

### Territory Business Facts

|  | Level in<br>2006† | Level in<br>2002           |       |  |
|--|-------------------|----------------------------|-------|--|
| <b>Number of Establishments</b>  |                   |                            |       |  |
| Puerto Rico  | 46,300            | 45,642                     |       |  |
| Virgin Islands   | NA                | 2,615                      |       |  |
| Guam   | NA                | 2,926                      |       |  |
| Northern Marianas  | NA                | 1,276                      |       |  |
|  | Level in<br>2007† | % Change from<br>2006 2000 |       |  |
| <b>Employment</b>  |                   |                            |       |  |
| Puerto Rico  | 1,028,800         | -1.4                       | 0.3   |  |
| Virgin Islands   | 46,000            | 1.1                        | 10.6  |  |
| Guam   | 57,900            | 5.9                        | 1.1   |  |
| Northern Marianas  | NA                | NA                         | NA    |  |
| <b>Business Bankruptcies</b>   |                   |                            |       |  |
| Puerto Rico  | 276               | 34.0                       | 32.1  |  |
| Virgin Islands   | 8                 | -20.0                      | 14.3  |  |
| Guam   | 3                 | -62.5                      | -90.3 |  |
| Northern Marianas  | 2                 | -33.3                      | -66.7 |  |
| <b>Business Loans under \$100,000</b>  |                   |                            |       |  |
| Puerto Rico  | 28,450            | -0.1                       | NA    |  |
| Virgin Islands   | 157               | 134.3                      | NA    |  |
| Guam   | 4,979             | 18.6                       | NA    |  |
| Northern Marianas  | NA                | NA                         | NA    |  |
| <b>Value of Loans under \$100,000</b>  |                   |                            |       |  |
| Puerto Rico (\$million)  | 648               | -0.6                       | NA    |  |
| Virgin Islands (\$million)   | 4                 | 86.7                       | NA    |  |
| Guam (\$million)   | 17                | -1.1                       | NA    |  |
| Northern Marianas  | NA                | NA                         | NA    |  |
| <b>Number of Bank Branches</b>   |                   |                            |       |  |
| Puerto Rico  | 569               | -0.4                       | 8.2   |  |
| Virgin Islands   | 23                | 9.5                        | 0.0   |  |
| Guam   | 32                | 0.0                        | -17.9 |  |
| Northern Marianas  | 10                | 0.0                        | -9.1  |  |
| Sources: U.S. Dept. of Commerce, Bureau of the Census; U.S. Dept. of Labor, Bureau of Labor Statistics; Administrative Office of the U.S. Courts; U.S. Small Business Administration, Office of Advocacy ( <a href="http://www.sba.gov/advo/research/lending.html">www.sba.gov/advo/research/lending.html</a> ). |                   |                            |       |  |
| † Latest available data.   |                   |                            |       |  |

**Table 1: Establishments in Puerto Rico by Major Industry and Employment Size, 2006**

| Industry                                      | Total  | Employment size of establishment |         |      |
|---|--------|----------------------------------|---------|------|
|   |        | 1-99                             | 100-499 | 500+ |
| Total   | 46,300 | 45,092                           | 1,047   | 161  |
| Forestry, etc. and agriculture support        | 17     | 17                               | -       | -    |
| Mining  | 45     | 44                               | 1       | -    |
| Utilities                                     | 23     | 22                               | 1       | -    |
| Construction                                  | 2,956  | 2,835                            | 112     | 9    |
| Manufacturing                                 | 2,118  | 1,899                            | 175     | 44   |
| Wholesale trade                               | 2,303  | 2,247                            | 55      | 1    |
| Retail trade                                  | 10,851 | 10,631                           | 215     | 5    |
| Transportation and warehousing                | 1,062  | 1,035                            | 25      | 2    |
| Information                                   | 491    | 459                              | 27      | 5    |
| Finance and insurance                         | 1,934  | 1,882                            | 42      | 10   |
| Real estate and rental and leasing            | 1,771  | 1,751                            | 17      | 3    |
| Professional, scientific, and technical svcs. | 4,196  | 4,161                            | 35      | -    |
| Management of companies and enterprises       | 106    | 87                               | 18      | 1    |
| Admin., support, waste mgt., remed. svcs.     | 1,780  | 1,623                            | 125     | 32   |
| Educational services                          | 741    | 689                              | 46      | 6    |
| Health care and social assistance             | 6,649  | 6,558                            | 64      | 27   |
| Arts, entertainment, and recreation           | 453    | 448                              | 5       | -    |
| Accommodation and food services               | 4,033  | 3,954                            | 65      | 14   |
| Other services (except public admin.)         | 3,672  | 3,651                            | 19      | 2    |
| Unclassified                                  | 1,099  | 1,099                            | -       | -    |

Note that large firms may operate small establishments.

Source: U.S. Census Bureau, County Business Patterns.

**Table 2: Establishment and Employment Turnover by Quarter, 2006-2007 (Non-farm, thousands)**

|                | Establishments |            |          |              |          | Employment |            |          |              |          |
|----------------|----------------|------------|----------|--------------|----------|------------|------------|----------|--------------|----------|
|                | Net change     | Expansions | Openings | Contractions | Closings | Net change | Expansions | Openings | Contractions | Closings |
| Puerto Rico    |                |            |          |              |          |            |            |          |              |          |
| 2007           |                |            |          |              |          |            |            |          |              |          |
| Quarter 4      | -466           | 9,236      | 1,541    | 8,158        | 2,007    | 395        | 43,477     | 6,391    | 38,579       | 10,894   |
| Quarter 3      | 186            | 8,232      | 1,999    | 8,986        | 1,813    | 714        | 40,658     | 10,908   | 41,573       | 9,279    |
| Quarter 2      | -177           | 8,243      | 1,887    | 9,216        | 2,064    | -2,977     | 37,230     | 10,554   | 40,758       | 10,003   |
| Quarter 1      | -446           | 7,827      | 1,731    | 9,805        | 2,177    | -11,900    | 34,954     | 8,205    | 45,146       | 9,913    |
| 2006           |                |            |          |              |          |            |            |          |              |          |
| Quarter 4      | -194           | 9,769      | 2,012    | 8,337        | 2,206    | 8,051      | 47,334     | 8,705    | 37,578       | 10,410   |
| Quarter 3      | -1,254         | 8,900      | 1,357    | 9,213        | 2,611    | -5,760     | 42,182     | 8,112    | 44,296       | 11,758   |
| Quarter 2      | 48             | 8,162      | 1,434    | 9,781        | 1,386    | -8,301     | 38,197     | 8,612    | 46,672       | 8,438    |
| Quarter 1      | -313           | 8,337      | 1,242    | 9,592        | 1,555    | -5,942     | 41,021     | 7,400    | 44,581       | 9,782    |
| Virgin Islands |                |            |          |              |          |            |            |          |              |          |
| 2007           |                |            |          |              |          |            |            |          |              |          |
| Quarter 4      | 17             | 534        | 109      | 554          | 92       | -1         | 1,696      | 496      | 1,847        | 346      |
| Quarter 3      | -22            | 564        | 89       | 533          | 111      | -1,163     | 1,596      | 523      | 2,804        | 478      |
| Quarter 2      | 11             | 559        | 102      | 528          | 91       | 1,155      | 3,063      | 468      | 1,893        | 483      |
| Quarter 1      | -12            | 533        | 74       | 527          | 86       | -410       | 1,704      | 387      | 1,822        | 679      |
| 2006           |                |            |          |              |          |            |            |          |              |          |
| Quarter 4      | 97             | 463        | 158      | 552          | 61       | 378        | 1,584      | 774      | 1,751        | 229      |
| Quarter 3      | -110           | 522        | 100      | 500          | 210      | -39        | 2,103      | 624      | 1,818        | 948      |
| Quarter 2      | -2             | 534        | 81       | 550          | 83       | -44        | 1,931      | 312      | 1,842        | 445      |
| Quarter 1      | -10            | 551        | 86       | 535          | 96       | 593        | 1,886      | 606      | 1,380        | 519      |

Source: U.S. Bureau of Labor Statistics, Business Employment Dynamics.