

Montana

Montana's 112,513 small businesses provide economic opportunities to diverse groups of people and bring innovative products and services to the marketplace.* This profile from the Office of Advocacy compiles the latest facts and figures on the status and role of small business in the state. (Note that a small business is defined here as one with fewer than 500 employees.)

- Montana had 31,544 small employers in 2006, representing 97.8% of the state's employers and 69.8% of its private-sector employment.
- The accommodation and food services industry was the state's largest small business employer in 2006; retail trade was the largest overall employer (Table 1).
- Small businesses created 53.5% of the state's net new jobs from 2004 to 2005 (Table 2).
- Montana's real gross state product increased by 3.5% in 2007. By comparison, growth in the Rocky Mountain region was 2.9% and the United States, 2.0%. (Source: U.S. Dept. of Commerce: Bureau of Economic Analysis)

For Further Information

- Data on all the states and territories is available at www.sba.gov/advo/research/profiles.
- For other small business data and analysis, visit www.sba.gov/advo/research, call (202) 205-6533, or email advocacy@sba.gov.
- To learn about state efforts to adopt or implement regulatory flexibility, visit www.sba.gov/advo/laws/law_modeleg.html.
- Visit <http://web.sba.gov/list> to subscribe to listservs for Advocacy's newsletter, press releases, regulatory news and research reports.
- Visit www.sba.gov/advo/rsslibrary.html for RSS feeds.

* The number of small businesses is the number of small employers plus the number of nonemployers in 2006.

Montana Small Business Facts

	Level in 2006†	% Change from 2005 2000	
Number of Businesses			
Small employers (<500 employees)	31,544	2.3	15.3
Large employers (500+ employees)	707	3.8	11.3
Nonemployers	80,969	0.1	15.3
	Level in 2002†	% Change from 1997	
Business Owner Demographics			
Male-owned	53,243	18.1	
Woman-owned	24,519	9.4	
Equally male/female-owned	18,448	-22.6	
African American-owned	220	254.8	
Asian-owned	511	38.5	
Hispanic-owned	964	-4.2	
Native American/Alaskan-owned	1,990	NA	
Hawaiian and Pacific Islander-owned	40	-45.9	
	Level in 2007†	% Change from 2006 2000	
Workforce (Thousands) /Unemployment (%)			
Private-sector employment	358	3.2	16.5
Government employment	85	-0.5	1.2
Self-employed (incorp. & uninc.)	91	3.3	6.2
Female self-employment	26	-13.1	-14.5
Male self-employment	65	11.7	17.5
Minority self-employment	3	-15.5	-14.6
Veteran self-employment	13	-5.7	-12.6
Unemployment rate (%)	3.1	-0.2	-1.7
Business Turnover			
Quarterly establishment openings	8,356	1.8	5.1
Quarterly establishment closings	7,671	4.7	6.8
Business bankruptcies	55	41.0	-75.3
Income and Finance			
Proprietors' income (\$billion)	3.1	6.9	53
Bank branches	374	0.8	8.7
No. of bus. loans under \$100,000	31,625	-15.2	NA
Total value of business loans under \$100,000 (\$million)	707	-15.6	NA

Sources: U.S. Dept. of Commerce, Bureau of the Census and Bureau of Economic Analysis; U.S. Dept. of Labor, Bureau of Labor Statistics; Administrative Office of the U.S. Courts; Federal Deposit Insurance Corporation, Summary of Deposits; and U.S. Small Business Administration, Office of Advocacy (www.sba.gov/advo/research/lending.html).

† Latest available data; certain figures are economywide.

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

Industry	Nonemployer firms	Employer firms			Employment		
		Total	1-19 Employees	1-499 Employees	Total	1-19 Employees	1-499 Employees
Total	81.0	32.3	28.9	31.5	342.5	109.3	239.0
Forestry, etc. and agriculture support	3.0	0.4	0.4	0.4	1.6	0.9	1.5
Mining	0.6	0.3	0.2	0.3	5.9	0.9	2.5
Utilities	0.1	0.1	0.1	0.1	2.7	0.2	0.9
Construction	13.4	5.7	5.5	5.7	26.9	16.7	25.8
Manufacturing	1.9	1.2	1.0	1.2	19.9	4.5	13.6
Wholesale trade	1.1	1.2	0.9	1.1	14.6	3.8	9.8
Retail trade	8.5	4.1	3.6	4.0	57.9	16.8	33.2
Transportation and warehousing	2.9	1.1	1.0	1.0	10.3	3.0	7.0
Information	1.0	0.4	0.3	0.4	7.8	1.4	4.3
Finance and insurance	2.3	1.3	1.1	1.2	17.0	3.5	9.4
Real estate and rental and leasing	8.9	1.7	1.6	1.7	6.0	3.7	5.1
Professional, scientific, and technical svcs.	9.8	3.3	3.0	3.2	22.7	8.9	15.6
Management of companies and enterprises	--	0.1	0.0	0.1	2.5	(D)	0.7
Admin., support, waste mgt., remed. svcs.	4.2	1.5	1.3	1.4	14.4	4.2	9.3
Educational services	1.5	0.3	0.2	0.3	5.3	1.1	4.4
Health care and social assistance	5.6	2.7	2.4	2.7	57.2	10.6	34.7
Arts, entertainment, and recreation	4.0	1.0	0.9	1.0	10.3	3.5	9.1
Accommodation and food services	1.2	3.1	2.4	3.0	44.6	14.5	37.9
Other services (except public admin.)	11.0	2.9	2.8	2.9	14.8	10.7	14.1
Unclassified	--	0.1	0.1	0.1	0.1	(D)	0.1

Source: U.S. Dept. of Commerce, Bureau of the Census, Statistics of U.S. Businesses. (See www.sba.gov/advo/research/data.html for data from other years, and for starts, closures, job creation and destruction by industry and by size category.)

(D) Data suppressed to protect the confidentiality of individual firms.

Table 2: Net Job Change by Firm Size, 2002–2005 (Non-farm)

	Total	Employment size of firm						
		1-4	5-9	10-19	20-99	100-499	<500	500+
2004 - 2005	11,844	5,114	1,160	-29	-675	772	6,342	5,502
2003 - 2004	11,457	6,080	1,718	764	74	244	8,880	2,577
2002 - 2003	2,285	5,119	1,250	216	-396	-1,340	4,849	-2,564

Source: U.S. Dept. of Commerce, Bureau of the Census. (For more detailed data see www.sba.gov/advo/research/data.html.)

Table 3: Establishment and Employment Turnover by Quarter, 2007 (Non-farm, thousands)

	Establishments				Employment			
	Openings	Expansions	Contractions	Closings	Openings	Expansions	Contractions	Closings
Quarter 4	2.5	8.2	7.8	1.9	7.6	24.9	22.7	5.6
Quarter 3	1.9	7.8	8.1	1.8	5.6	23.4	24.3	4.9
Quarter 2	2.0	7.9	8.2	1.8	5.9	24.1	24.7	6.0
Quarter 1	2.0	8.5	7.4	2.1	5.6	26.5	20.5	5.7

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

Note: The establishment turnover figures contain all firm sizes, but Census data from 2005 showed that 87 percent of establishment births and deaths were in firms with fewer than 500 employees.