

2019 Small Business Profile

Delaware



82,121 Small Businesses
98.3% of Delaware Businesses

187,556 Small Business Employees
46.9% of Delaware Employees



EMPLOYMENT
8,499
net new jobs



DIVERSITY
19,713
minority-owned
business employees



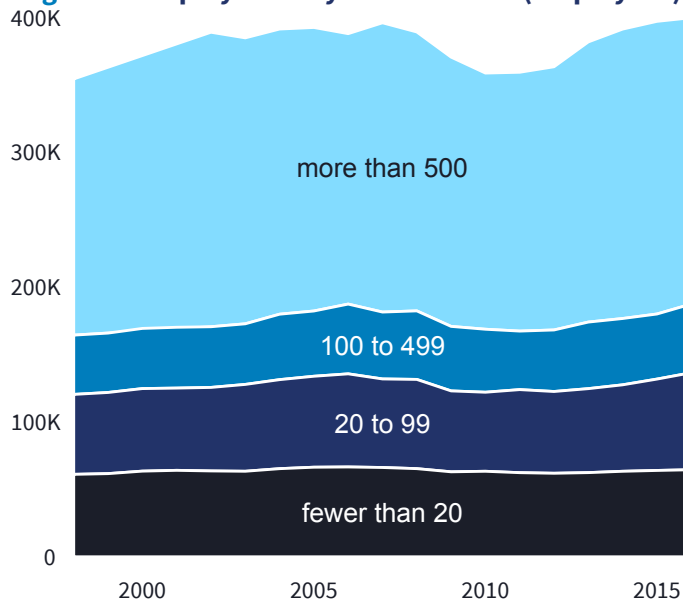
TRADE
1,545
small business
exporters

Overall Delaware Economy

- In the third quarter of 2018, Delaware grew at an annual rate of **3.4%**, which was the same as the overall US growth rate. Delaware's 2017 growth rate of **0.1%** was up from the 2016 rate of **-2.8%**. (Source: [BEA](#))
- In February 2019, the unemployment rate was **3.4%**, down from **4.0%** in February 2018. This was below the February 2019 national unemployment rate of **3.8%**. (Source: [CPS](#))

Employment

Figure 1: Employment by Business Size (Employees)



- Delaware small businesses employed **187,556** people, or **46.9%** of the private workforce, in 2016. (Source: [SUSB](#))
- Firms with fewer than 100 employees have the largest share of small business employment. Figure 1 provides further details on firms with employees. (Source: [SUSB](#))
- Private-sector employment increased **1.6%** during the 12-month period ending in February 2019. This was below the increase of **1.9%** during the prior 12-month period. (Source: [CPS](#))
- The number of proprietors increased in 2017 by **2.3%** relative to the previous year. (Source: [BEA](#))
- Small businesses created **8,499** net jobs in 2016. Firms employing fewer than 20 employees experienced the largest gains, adding **5,118** net jobs. The smallest gains were in firms employing 100 to 499 employees, which added **992** net jobs. (Source: [SUSB](#))

The Small Business Profiles are produced by the US Small Business Administration's Office of Advocacy (<http://advocacy.sba.gov>). Each report incorporates the most up-to-date government data to present a unique snapshot of small businesses. Small businesses are defined for this profile as firms employing fewer than 500 employees. Net small business job change, employees of minority-owned businesses, and exporter share statistics are based on the 2016 Statistics of US Businesses (SUSB), 2016 Annual Survey of Entrepreneurs (ASE), and 2016 International Trade Administration (ITA) data, respectively.

Income and Finance

- The number of banks was unchanged at **22** between June 2016 and June 2017. (Source: [FDIC](#))
- In 2017, **18,372** loans under \$100,000 (valued at **\$289.0 million**) were issued by Delaware lending institutions reporting under the Community Reinvestment Act. (Source: [FFIEC](#))
- The median income for individuals self-employed at their own incorporated businesses was **\$48,363** in 2017. For individuals self-employed at their own unincorporated firms, this figure was **\$30,437**. (Source: [ACS](#))

Median income represents earnings from all sources. Unincorporated self-employment income includes unpaid family workers, a very small percent of the unincorporated self-employed.

Employer Business Owner Demographics

Figure 2: Delaware Employees per Business by Owner's Demographic, 2016

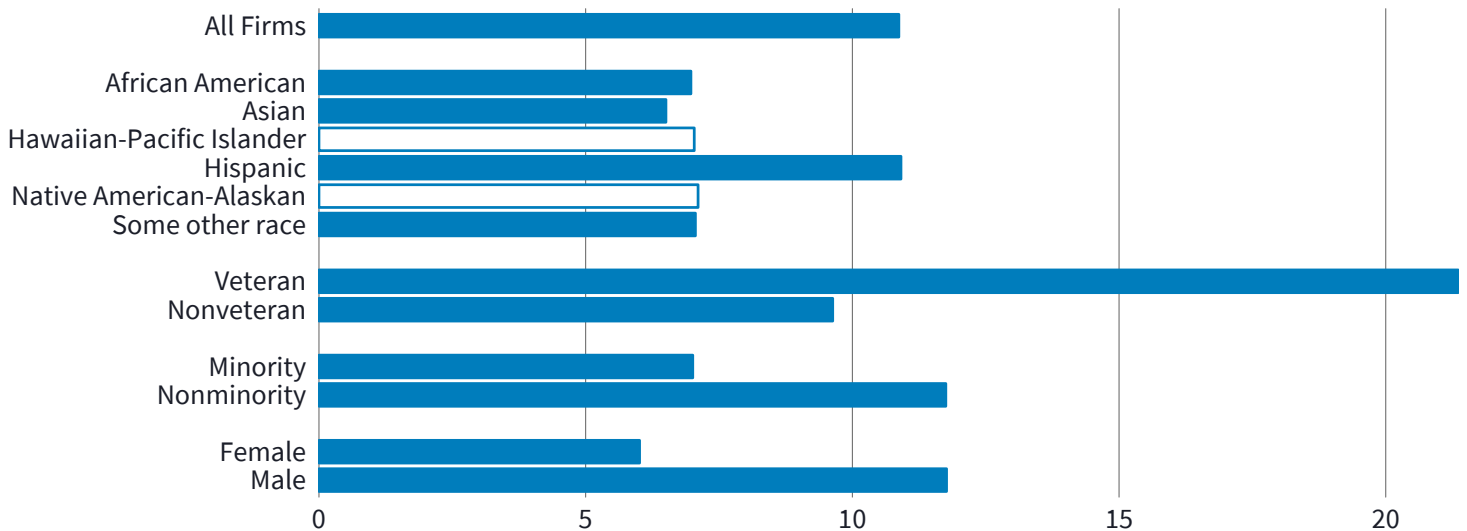
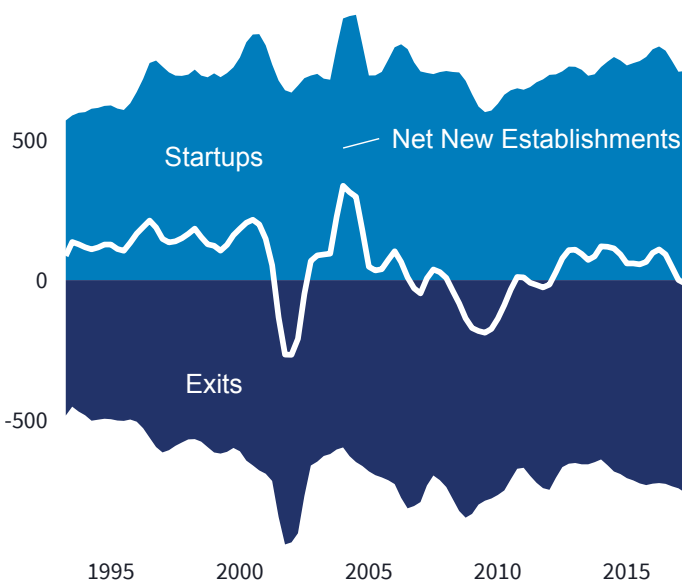


Figure 2 shows the average number of employees per employer business by owner's demographic group according to the 2016 Annual Survey of Entrepreneurs (ASE). Unshaded bars display US values; data were withheld because they do not meet Census Bureau publication standards or could disclose information regarding individual businesses.

Turnover among Establishments with Employees

Figure 3: Delaware Quarterly Startups and Exits



- In the third quarter of 2017, **981** establishments started up, generating **3,893** new jobs in Delaware. Startups are counted when business establishments hire at least one employee for the first time. (Source: [BDM](#))
- In the same period, **910** establishments exited resulting in **3,717** jobs lost. Exits occur when establishments go from having at least one employee to having none, and then remain closed for at least one year. (Source: [BDM](#))
- Figure 3 displays quarterly startups and exits from 1993 to 2017. Each series is smoothed across multiple quarters to highlight long-run trends. (Source: [BDM](#))

The BLS data covers only business establishments with employees. BLS refers to startups as births and exits as deaths. These terms are distinct from the BLS openings and closings categories. Openings include seasonal re-openings and closings include seasonal shutterings. Quarterly startup and exit values may not align with Figure 3 due to smoothing.

International Trade

- A total of 1,786 companies exported goods from Delaware in 2016. Of these, 1,545, or 86.5%, were small firms; they generated 20.5% of Delaware's \$4.2 billion in total exports. (Source: ITA)

Small Business Employment by Industry and Self-Employment by County

Table 1: Delaware Employment by Industry, 2016

Industry	Small Business Employment	Total Private Employment	Small Business Employment Share
Health Care and Social Assistance	29,713	67,806	43.8
Accommodation and Food Services	28,660	41,458	69.1
Construction	18,496	20,158	91.8
Retail Trade	18,251	56,173	32.5
Professional, Scientific, and Technical Services	17,378	29,556	58.8
Other Services (except Public Administration)	13,878	14,887	93.2
Administrative, Support, and Waste Management	12,699	29,380	43.2
Manufacturing	9,232	27,189	34.0
Wholesale Trade	7,237	16,853	42.9
Finance and Insurance	5,936	42,232	14.1
Transportation and Warehousing	5,822	14,338	40.6
Real Estate and Rental and Leasing	5,410	6,537	82.8
Educational Services	5,017	7,204	69.6
Arts, Entertainment, and Recreation	4,996	8,754	57.1
Information	2,806	6,766	41.5
Management of Companies and Enterprises	1,267	8,245	15.4
Utilities	469	2,200	21.3
Agriculture, Forestry, and Fishing and Hunting	109	124	87.9
Mining, Quarrying, and Oil and Gas Extraction	106	135	78.5
Industries not classified	74	74	100.0
Total	187,556	400,069	46.9

Figure 4: Delaware Self-Employment Rates by County, 2017

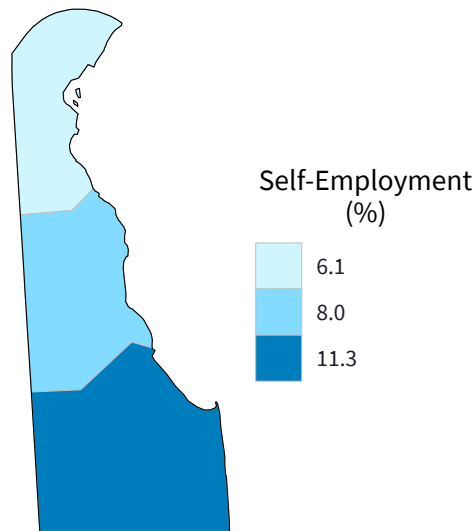


Table 2: Delaware Small Businesses by Industry and Firm Size, 2016

Industry	1-499 Employees	1-19 Employees	Nonemployer Firms	Total Small Firms
Professional, Scientific, and Technical Services	2,616	2,353	8,964	11,580
Real Estate and Rental and Leasing	949	861	9,613	10,562
Other Services (except Public Administration)	2,055	1,879	7,992	10,047
Construction	2,192	1,972	6,119	8,311
Retail Trade	2,197	1,964	5,690	7,887
Health Care and Social Assistance	1,791	1,437	4,268	6,059
Administrative, Support, and Waste Management	1,219	1,066	4,298	5,517
Transportation and Warehousing	578	481	3,649	4,227
Arts, Entertainment, and Recreation	394	332	3,645	4,039
Finance and Insurance	997	875	2,691	3,688
Accommodation and Food Services	1,698	1,220	848	2,546
Educational Services	294	230	1,978	2,272
Wholesale Trade	880	714	1,115	1,995
Information	303	260	1,043	1,346
Manufacturing	481	364	670	1,151
Agriculture, Forestry, and Fishing and Hunting	32	32	477	509
Utilities	15	10	52	67
Mining, Quarrying, and Oil and Gas Extraction	11	9	9	20
Total	19,000	16,335	63,121	82,121

Tables 1 and 2 display data from the 2016 SUSB. Table 2 includes additional data from the 2016 Nonemployer Statistics (NES). Figure 4 provides estimates of the rate of self-employment among employed civilians, 16 years and over, including both incorporated and unincorporated businesses, from the 2017 American Community Survey (ACS).

References

The Small Business Profiles, source data, and methodology are available at <https://go.usa.gov/xmb5R>.

- ACS American Community Survey, US Census Bureau
- ASE Annual Survey of Entrepreneurs, US Census Bureau
- BEA Bureau of Economic Analysis, US Department of Commerce
- BDM Business Employment Dynamics, BLS
- BLS Bureau of Labor Statistics, US Department of Labor
- CPS Current Population Survey, BLS
- FDIC Call Reports, Federal Deposit Insurance Corporation
- FFIEC Federal Financial Institutions Examination Council
- ITA International Trade Administration, US Department of Commerce
- NES Nonemployer Statistics, US Census Bureau
- SUSB Statistics of US Businesses, US Census Bureau