

West Virginia

Small businesses significantly impact West Virginia's economy. They represent 96.0 percent of all employers and employ 53.1 percent of the private-sector labor force. Small businesses are crucial to the fiscal condition of the state and numbered 118,553 in 2010.

This profile uses the latest available data to illustrate the status of West Virginia's small businesses. (Note that a small business is defined as one with fewer than 500 employees.)

- West Virginia's economy was strong in 2011, with real gross state product increasing 7.9 percent and private-sector employment increasing 1.4 percent (Bureau of Economic Analysis, Bureau of Labor Statistics).
- Small businesses employed 297,701 workers in 2010 (Table 1) with most of the employment coming from firms with 20-499 employees.
- The employment situation from 2007-2010 was weak, and small businesses in West Virginia had a net job loss (Table 2). The unemployment rate in 2010-2011 decreased by 0.5 percent.
- Most of West Virginia's small businesses are very small as 75.3 percent of all businesses have no employees, and most employers have fewer than 20 employees.
- In 2011, the number of opening establishments was lower than closing establishments, and the net employment change from this turnover was positive (Table 3).
- Self-employment in West Virginia improved over the last decade. Female self-employment fared the best compared with other demographic groups.

For Further Information

- Data on all states and territories are available at www.sba.gov/advocacy/848.
- For other small business data and analysis, visit www.sba.gov/advocacy/847, call (202) 205-6533, or email advocacy@sba.gov.
- Visit www.sba.gov/updates to subscribe to Advocacy's Listservs.

West Virginia Small Business Facts

	2010*	2009	2000
Number of Businesses			
Small employers (<500 employees)	28,427	28,889	32,356
Large employers (500+ employees)	1,182	1,165	1,140
Nonemployers	90,126	89,560	81,838
Level in 2007* (000)			
	Firms	Employment	Receipts(\$M)
Business Owner Demographics			
Male-owned	62	205	33,571
Woman-owned	34	36	4,181
Equally male/female-owned	19	33	4,614
African American-owned	n.a.	n.a.	n.a.
Asian-owned	2	4	519
Hispanic-owned	1	1	150
Native American/Alaskan-owned	n.a.	n.a.	n.a.
Hawaiian/Pacific Islander-owned	-	-	-
Veteran-owned	22	44	7,868
Publicly held, unclassified	5	292	69,141
	Level in 2011*	% Change from	
		2010	2000
Workforce (Thousands)			
Private-sector employment	602	1.4	1.6
Government employment	152	-0.7	6.1
Self-employed (incorp. & uninc.)	53	-5.4	17.8
Female self-employment	19	-9.9	72.9
Male self-employment	35	-2.9	0.5
Minority self-employment	3	47.0	34.9
Veteran self-employment	6	10.5	-26.6
Unemployment Rate (Percent)	8	-0.5†	2.5‡
Business Turnover			
Quarterly establishment openings	6,463	4.6	-4.9
Quarterly establishment closings	6,466	-5.1	-10.1
Business bankruptcies	193	-17.9	-30.3
	2011*	2010	2000
Income and Finance			
Proprietors' income (\$billion)	3.9	3.7	2.9
Number of bank branches	671	664	621
No. of bus. loans under \$100,000‡	9,713	13,855	13,648
Total value of business loans under \$100,000 (\$million)‡	213	246	196

Source: U.S. Dept. of Commerce, Census Bureau, Bureau of Economic Analysis; U.S. Dept. of Labor, Bureau of Labor Statistics; Admin. Office of the U.S. Courts; Federal Deposit Insurance Corporation; and U.S. Small Business Admin., Office of Advocacy.

* Latest available data. †Percentage point change. ‡Data are for CRA loans.

**Table 1: Firms and Employment in West Virginia by Industry and Firm Size, 2010
(Nonfarm, Thousands)**

Industry	Nonemployer Firms	Employer Firms			Employment		
		All Firms Total	1-19 Employees	1-499 Employees	All Firms Total	1-19 Employees	1-499 Employees
Total	90.1	29.6	25.0	28.4	560.5	113.6	297.7
Forestry, etc. and agriculture support	1.3	0.2	0.2	0.2	0.9	0.7	0.9
Mining	3.5	0.5	0.4	0.5	30.1	1.7	9.8
Utilities	0.1	0.1	0.0	0.0	6.4	0.2	0.8
Construction	9.8	3.6	3.4	3.6	26.4	12.7	24.4
Manufacturing	1.2	1.2	0.8	1.1	52.1	4.4	20.3
Wholesale trade	1.4	1.2	0.8	1.0	18.7	4.2	12.0
Retail trade	10.2	4.0	3.3	3.8	86.8	16.7	36.0
Transportation and warehousing	3.9	1.1	0.9	1.0	14.5	3.6	8.0
Information	0.9	0.3	0.2	0.2	10.4	0.9	2.9
Finance and insurance	2.3	1.1	0.9	1.1	18.6	3.4	9.4
Real estate and rental and leasing	8.2	1.2	1.1	1.1	6.4	3.3	4.5
Professional, scientific, and technical svcs.	9.2	2.7	2.3	2.6	24.4	9.3	18.7
Management of companies and enterprises	0.0	0.2	0.0	0.1	5.2	0.1	1.5
Admin., support, waste mgt., remed. svcs.	7.3	1.3	1.0	1.2	29.7	4.3	14.2
Educational services	2.4	0.3	0.2	0.3	7.5	0.9	5.6
Health care and social assistance	8.6	3.5	2.8	3.4	124.7	15.8	59.9
Arts, entertainment, and recreation	3.9	0.6	0.6	0.6	11.1	2.7	5.9
Accommodation and food services	1.3	2.7	2.1	2.6	60.7	12.4	39.1
Other services (except public admin.)	14.8	4.3	4.0	4.3	26.1	16.3	23.8
Unclassified	0.0	0.0	0.0	0.0	0.1	0.1	0.1

Source: U.S. Dept. of Commerce, Bureau of the Census, Statistics of U.S. Businesses. (See www.sba.gov/advocacy/849/12162 for data from other years, and for starts, closures, job creation and destruction by industry and by size category.)

Table 2: Net Job Change by Firm Size, 2007–2010 (Nonfarm)

	Total Net New Jobs	Employment Size of Firm						
		1-4	5-9	10-19	20-99	100-499	<500	500+
2010	-8,444	5,456	-382	-350	-2,614	-2,171	-61	-8,383
2009	-8,584	1,885	-1,397	-2,242	-3,502	-967	-6,223	-2,361
2008	4,447	2,711	-524	-183	1,184	1,680	4,868	-421
2007	371	3,969	-761	-337	-3,634	-3,169	-3,932	4,303

Note: Data source differs from previous publications.

Source: U.S. Dept. of Commerce, Bureau of the Census, Business Dynamic Statistics. (For more detailed data see www.sba.gov/advocacy/849/12162.)

Table 3: Establishment and Employment Turnover by Quarter, 2011 (Nonfarm, Thousands)

	Establishments				Employment			
	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Quarter 1	Quarter 2	Quarter 3	Quarter 4
Openings	1.6	1.6	1.6	1.7	6.2	6.5	6.8	7.0
Expansions	9.1	8.7	9.0	9.2	29.6	29.2	30.0	30.9
Contractions	8.9	9.1	8.8	8.8	27.4	27.2	27.3	27.2
Closings	1.6	1.6	1.7	1.6	5.0	6.1	6.6	5.5

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

Note: These figures contain all firm sizes; Census data from 2010 show that 87 percent of establishment births and deaths were in firms with fewer than 500 employees.