

## DISTRICT OF COLUMBIA



71,146  
98.2%

Small Businesses  
of District of Columbia Businesses

240,441  
48.5%

Small Business Employees  
of District of Columbia Employees

**EMPLOYMENT**  
5,821  
net new jobs

**DIVERSITY**  
29,958  
minority-owned  
businesses

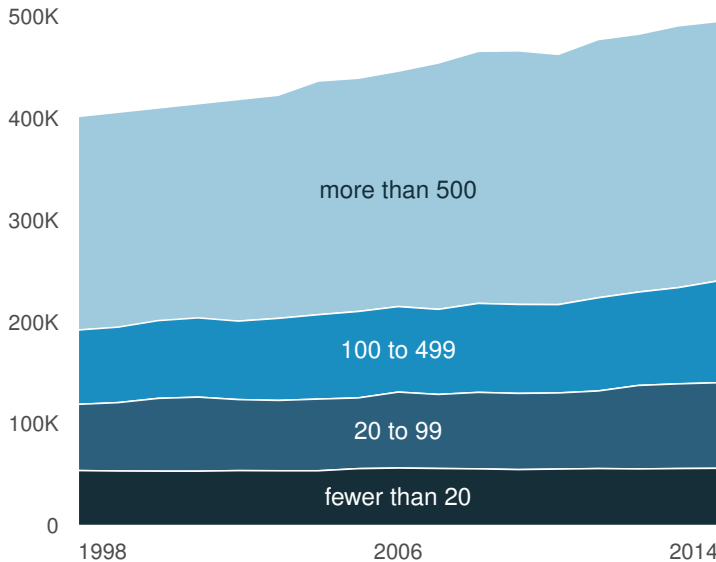
**TRADE**  
80.1%  
of District of Columbia  
exporters

### OVERALL DISTRICT OF COLUMBIA ECONOMY

- In the second quarter of 2016, the District of Columbia grew at an annual rate of 1.7%, which was faster than the overall US growth rate of 1.2%. The District of Columbia's 2015 growth rate of 2.2% was up from the 2014 rate of 1.6%. (Source: BEA)
- In November 2016, the unemployment rate was 6.0%, down from 6.6% at the close of 2015. This was above the November 2016 national unemployment rate of 4.6%. (Source: CPS)

### EMPLOYMENT

Figure 1: District of Columbia Employment by Business Size (Employees)



- District of Columbia small businesses employed 240,441 people, or 48.5% of the private workforce, in 2014. (Source: SUSB)
- Firms with fewer than 100 employees have the largest share of small business employment. See Figure 1 for further details on firms with employees. (Source: SUSB)
- During the year ending November 2016, private-sector employment increased 2.0%. This was below the previous year's increase of 2.8%. (Source: CPS)
- The number of proprietors increased in 2015 by 3.7% relative to the previous year. (Source: BEA)
- Small businesses created 5,821 net jobs in 2014. Among the seven BDS size-classes, firms employing 250 to 499 employees experienced the largest gains, adding 1,781 net jobs. The smallest gains were in firms employing 1 to 4 employees, which added 117 net jobs. (Source: BDS)

The Small Business Profiles are produced by the US Small Business Administration's Office of Advocacy. Each report incorporates the most up-to-date government data to present a unique snapshot of small businesses. Small businesses are defined as firms employing fewer than 500 employees. Net small business job change, minority small business ownership, and exporter share statistics are based on the 2014 Business Dynamics Statistics (BDS), 2012 Survey of Business Owners (SBO), and 2014 International Trade Administration (ITA) data, respectively.

## INCOME AND FINANCE

- The number of banks reported in the Call Reports between June 2015 and June 2016 declined. (Source: [FDIC](#))
- In 2014, **11,502** loans under \$100,000 (valued at **\$164.6 million**) were issued by District of Columbia lending institutions reporting under the Community Reinvestment Act. (Source: [FFIEC](#))
- The median income for individuals self-employed at their own incorporated businesses was **\$67,697** in 2015. For individuals self-employed at their own unincorporated firms, this figure was **\$31,744**. (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.*

## BUSINESS OWNER DEMOGRAPHICS

Figure 2: District of Columbia Small Business Ownership, 2012

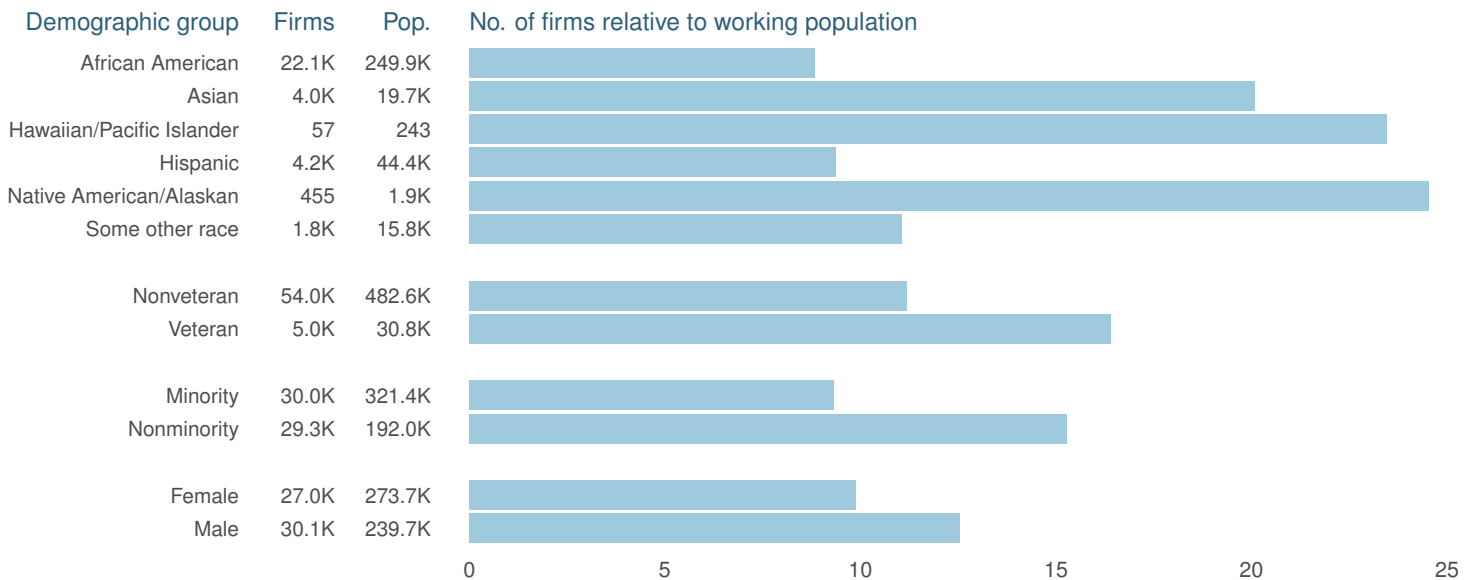
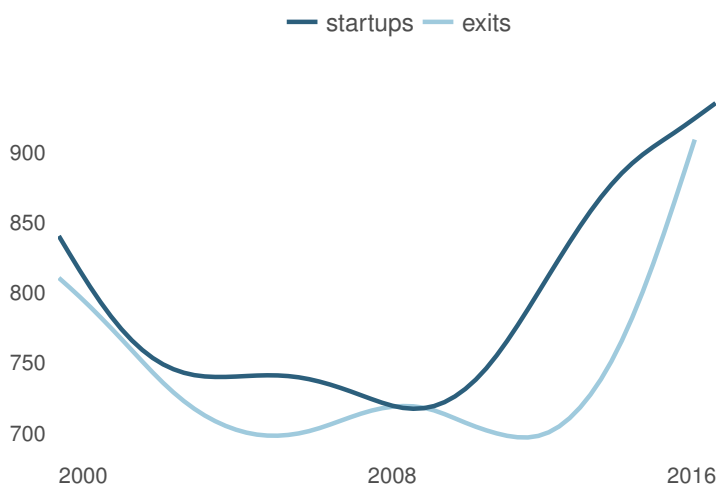


Figure 2 displays the number of small firms (SBO) per 100 people 16 years and over (ACS). For example, there are approximately 10 female-owned firms per 100 working age females or  $27.0K \div 273.7K \times 100$ . ACS and SBO differ in their classifications of individuals reporting more than one race. ACS provides a distinct category for two or more races while SBO tabulates these businesses into more than one group.

## BUSINESS TURNOVER

Figure 3: District of Columbia Quarterly Startups and Exits



- In the second quarter of 2015, **977** establishments started up, generating **4,979** new jobs in the District of Columbia. Startups are counted when business establishments hire at least one employee for the first time. (Source: [BDM](#))
- In the same period, **1,135** establishments exited resulting in **4,850** 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 2000 to 2016. Each series is smoothed across multiple quarters to highlight long-run trends.

*The 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.*

## INTERNATIONAL TRADE

- A total of 765 companies exported goods from the District of Columbia in 2014. Among these, 613, or 80.1%, were small firms; they generated 89.4% of the District of Columbia's \$223.0 million in total known exports. (Source: ITA)

## SMALL BUSINESS EMPLOYMENT BY INDUSTRY AND COUNTY

Table 1: District of Columbia Employment by Industry, 2014





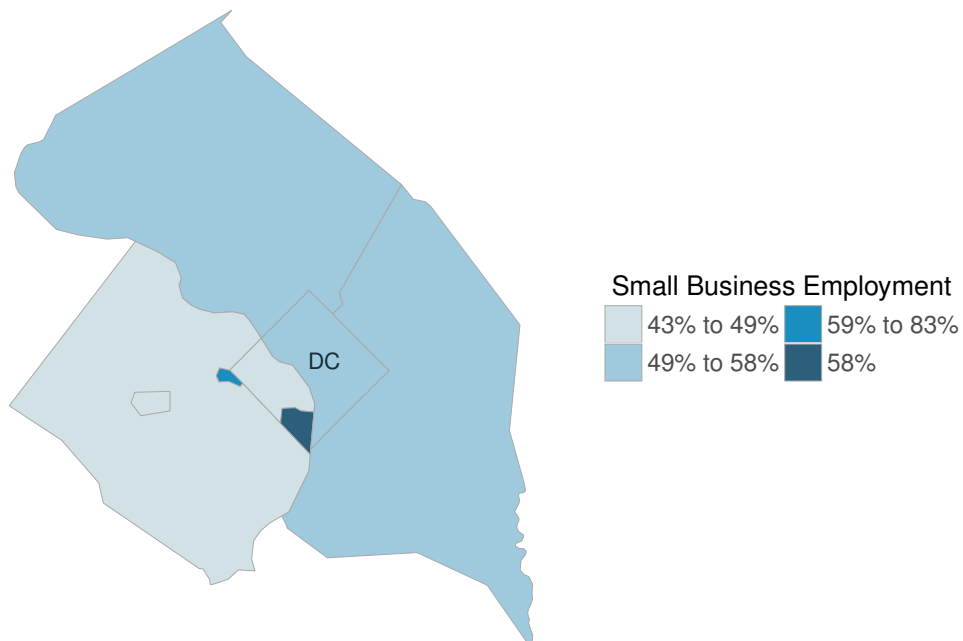
 Industry	 Small Business Employment	 Total Private Employment	 Small Business Employment Share
Other Services (Except Public Administration)	58,974	74,269	79%
Professional, Scientific, and Technical Services	43,884	99,978	44%
Accommodation and Food Services	36,766	64,885	57%
Health Care and Social Assistance	30,460	66,564	46%
Administrative, Support, and Waste Management	14,647	30,590	48%
Educational Services	14,351	49,292	29%
Construction	7,799	9,131	85%
Retail Trade	7,203	21,074	34%
Real Estate and Rental and Leasing	6,463	10,850	60%
Information	6,259	22,222	28%
Arts, Entertainment, and Recreation	4,812	7,207	67%
Finance and Insurance	3,715	17,363	21%
Wholesale Trade	2,229	4,429	50%
Transportation and Warehousing	1,077	2,861	38%
Manufacturing	718	940	76%
Agriculture, Forestry, and Fishing and Hunting	s	s	-
Mining, Quarrying, and Oil and Gas Extraction	s	s	-
Utilities	s	s	-
<b>Total</b>	<b>240,441</b>	<b>495,453</b>	<b>49%</b>

Figure 4: District of Columbia Small Business Percent of Employment by County



## SMALL BUSINESSES BY INDUSTRY

Table 2: District of Columbia Small Businesses by Industry and Firm Size, 2014

Industry	1-499 Employees	1-20 Employees	Nonemployer Firms	Total Small Firms
Professional, Scientific, and Technical Services	4,038	3,307	15,517	19,555
Other Services (Except Public Administration)	3,605	2,789	7,329	10,934
Health Care and Social Assistance	1,674	1,361	4,696	6,370
Real Estate and Rental and Leasing	710	593	4,995	5,705
Arts, Entertainment, and Recreation	272	223	4,636	4,908
Administrative, Support, and Waste Management	642	440	3,425	4,067
Transportation and Warehousing	106	83	3,317	3,423
Educational Services	467	296	2,820	3,287
Retail Trade	1,234	1,105	1,866	3,100
Accommodation and Food Services	1,805	1,226	1,163	2,968
Construction	431	334	2,070	2,501
Information	378	271	1,531	1,909
Finance and Insurance	387	276	956	1,343
Wholesale Trade	247	199	297	544
Manufacturing	90	82	304	394
Utilities	5	5	55	60
Agriculture, Forestry, and Fishing and Hunting	1	1	32	33
Mining, Quarrying, and Oil and Gas Extraction	3	2	4	7
<b>Total</b>	<b>16,133</b>	<b>12,680</b>	<b>55,013</b>	<b>71,146</b>

Data for counties shown in white in Figure 4 and values labeled "s" in Tables 1 and 2 were withheld by the Census Bureau because they do not meet publication standards or could disclose information regarding individual businesses. (Source: SUSB, NES)

## REFERENCES

The Small Business Profiles, source data, and methodology are available at <http://go.usa.gov/x9yxK>.

ACS	American Community Survey, 5-year estimates, U.S. Census Bureau
BEA	Bureau of Economic Analysis
BDM	Business Employment Dynamics, BLS
BDS	Business Dynamics Statistics, U.S. Census Bureau
BLS	Bureau of Labor Statistics, U.S. Department of Labor
CES	Current Employment Statistics, BLS
CEW	Census of Employment and Wages, BLS
CPS	Current Population Survey, BLS
FDIC	Federal Deposit Insurance Corporation
FFIEC	Federal Financial Institutions Examination Council
ITA	International Trade Administration
NES	Nonemployer Statistics, U.S. Census Bureau
SBO	Survey of Business Owners, U.S. Census Bureau
SUSB	Statistics of U.S. Businesses, U.S. Census Bureau

