

## Hawaii

**121,141** Small Businesses

**23,990** Small Businesses with Employees

**97,151** Small Businesses without Employees (Nonemployers)

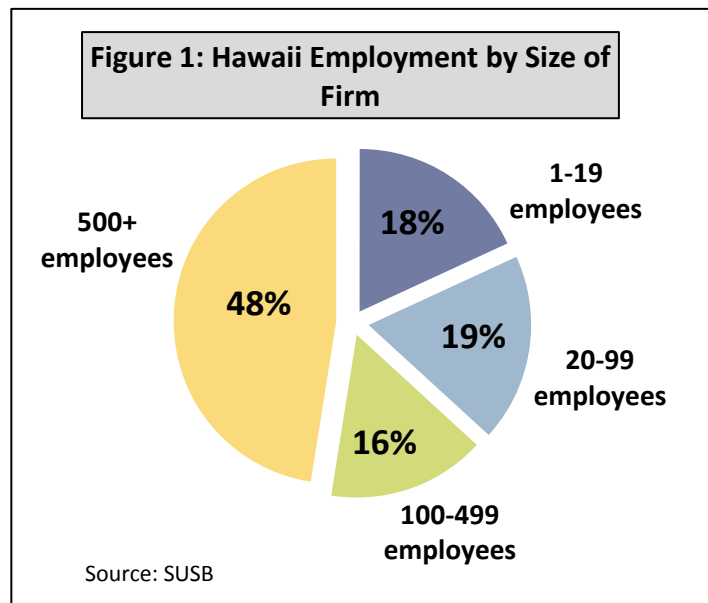
**258,345** Workers Employed by Small Businesses

### State Economy Overall

- Hawaii's economy grew at a slower rate than the United States in 2013. Hawaii's real gross state product increased by **1.9 percent** compared to **2.2 percent** for U.S. gross domestic product. (Source: BEA)
- The employment picture in Hawaii has improved. The unemployment rate in Hawaii declined from **4.7 percent** in October 2013 to **4.1 percent** in October 2014. This is below the national average of **5.8 percent** for the same time period. (Source: BLS)

### Employment

- Hawaii's small businesses employed over half or **258,345** of the state's private workforce in 2012. (Source: SUSB)
- Almost all firms with employees are small. They make up **96.3 percent** of all employers in the state. (Source: SUSB)
- Firms with fewer than 100 employees have the largest share of small business employment. **Figure 1** offers further detail.
- In Hawaii, small businesses created **5,000** net new jobs in 2012. The biggest gain was in the smallest firm size category of 1-4 employees. (Source: BDS)
- The number of people who were primarily self-employed in 2013 decreased by **6.6 percent** relative to the previous year.
- The state's private-sector employment growth increased by **3.2 percent** over the 12-month period ending in October 2014; this was above the national average growth rate of **2.6 percent**. (Source: BEA, BLS)



The *Small Business State and Territory Profiles* report on the economic status of small business from 2007 to 2014. They include information on the number of firms, employment, demographics and other topics using the most recently available government data. They are a reference tool for researchers, policymakers, and small entities who are interested in how small firms are performing regionally or nationally. *Note that this report defines small businesses as firms with fewer than 500 employees.*

## Income and Finance

- The number of banks reported in the Call Reports between June 2013 and June 2014 remained the same. (Source: FDIC)
- In 2012, **25,776** loans under \$100,000 (and valued at **\$320 million**) were issued by Community Reinvestment Act lending institutions in Hawaii. (Source: FFIEC)
- The median income for individuals who are self-employed at their own incorporated businesses for the past 12 months was **\$41,556** in 2013. For individuals self-employed at their own unincorporated firms, this figure was **\$23,587**. (Source: ACS)

Note: 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

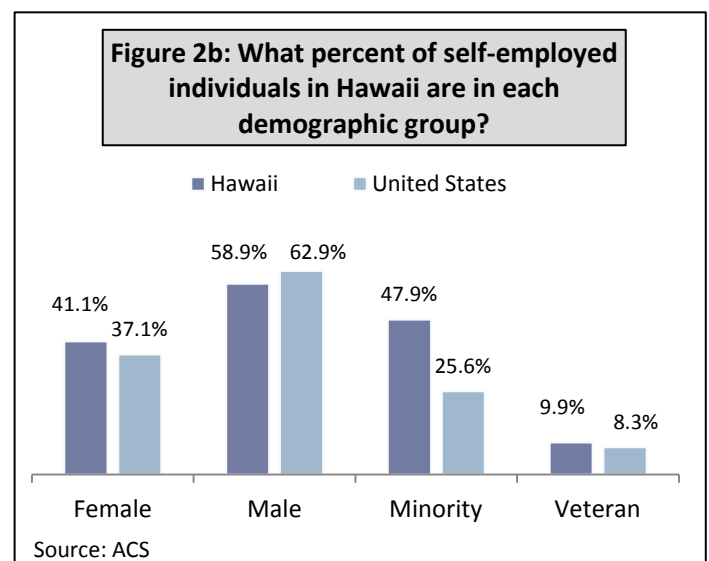
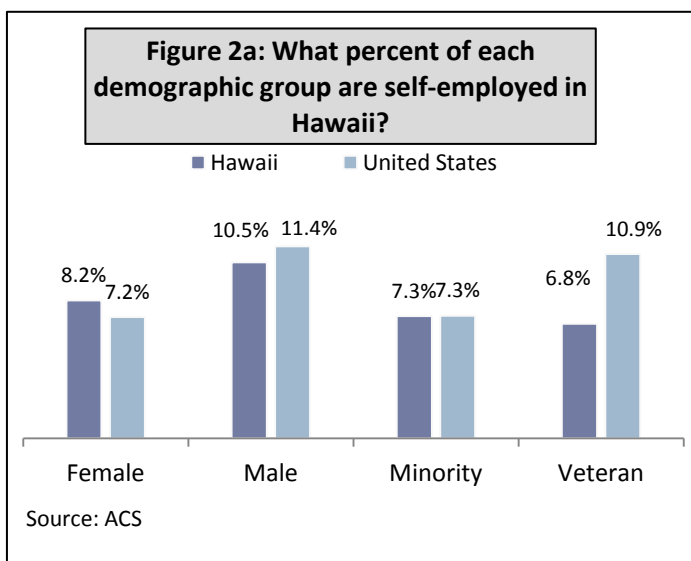
- Table 1** shows the top industry for nine business owner demographics. For example, **41.9 percent** of female-owned businesses were in the other services industry, and female-owned firms made up **16.9 percent** of this industry.

Demographic Group of Business Owners	Most Common Industry	% of Industry in Demographic Group	% of Demographic Group in Industry
Female	Other services	41.9	16.9
Male	Construction	76.8	14.7
American Indian and Alaska Native	Other services	2.0	19.8
Asian	Other services	54.5	14.4
Black or African American	Retail trade	2.0	23.4
Native Hawaiian and Other Pacific Islander	Other services	11.2	14.7
White	Prof., sci., & tech. services	52.7	16.5
Hispanic	Prof., sci., & tech. services	4.0	16.0
Veteran	Prof., sci., & tech. services	12.6	21.2

For more detailed information on businesses in your state, see [www.sba.gov/advocacy/847/841921](http://www.sba.gov/advocacy/847/841921).

Source: U.S. Department of Commerce, Census Bureau, 2007 Survey of Business Owners via American FactFinder.

- Figures **2a** and **2b** show the demographic makeup of the self-employed in four demographic groups. For example, **Figure 2a** shows that **8.2 percent** of females were self-employed, and **Figure 2b** shows that **41.1 percent** of all self-employed people were female.



## Business Turnover

- In 2010, **1,837** establishments opened in Hawaii, and **69.7 percent** survived through 2012. In 2013, **2,109** establishments opened, and **77.1 percent** survived through 2014. (Source: BLS, BED)
- In the 1st quarter of 2014, **1,295** establishments opened and **1,580** closed in the state of Hawaii. (Source: BED)
- Business bankruptcies declined from 2010 to 2014, signaling a stronger state economy. (Source: U.S. Courts)

## International Trade

- A total of **889** companies exported goods from the state in 2012. Of these, **763** or **85.8 percent** were small firms; they generated about half (**46.8 percent**) of the state's total known export value. (Source: ITA)

## Small Businesses and Employment by Industry

- **Table 2** ranks the state's industries by the number of small employer firms. For comparison, the three most common industries for small employer firms across the United States are professional, scientific, and technical services; other services (except public administration); and retail trade.

Industry	Employer Firms With 1-499 Employees	Employer Firms With 1-19 Employees	Nonemployer Firms	Total Small Firms
Other services (except public admin.)	3,003	2,761	15,204	18,207
Health care & social assistance	2,848	2,586	7,601	10,449
Professional, scientific, & tech. svcs.	2,791	2,543	14,299	17,090
Accommodation & food services	2,688	2,047	1,729	4,417
Retail trade	2,679	2,370	9,512	12,191
Construction	2,565	2,308	7,262	9,827
Real estate & rental & leasing	1,536	1,436	11,106	12,642
Admin., supp., waste mgt., remed. svcs.	1,460	1,208	8,145	9,605
Wholesale trade	1,362	1,127	2,624	3,986
Manufacturing	738	617	2,163	2,901
Finance & insurance	681	590	2,850	3,531
Transportation & warehousing	600	445	2,834	3,434
Educational services	453	343	2,430	2,883
Arts, entertainment, & recreation	443	327	6,044	6,487
Information	253	220	1,165	1,418
Management of comp. & enterprises	114	14	*	114
Forestry, etc. & agriculture support	34	29	2,034	2,068
Unclassified	16	16	*	16
Utilities	15	11	131	146
Mining, quarrying, and oil & gas extrac.	6	4	18	24
<b>Total</b>	<b>23,990</b>	<b>20,971</b>	<b>97,151</b>	<b>121,141</b>

Source: SUSB and Nonemployer Statistics. \*Data for nonemployers not collected in these two categories.

See [www.sba.gov/advocacy/additional-data-state-profiles](http://www.sba.gov/advocacy/additional-data-state-profiles) for more detailed data.

- **Table 3** shows small firm employment by industry. The three Hawaii industries with the most small business employment were: accommodation and food services; health care and social assistance; and retail trade (**Table 3**).

<b>Table 3: Employment in Hawaii by Industry and Firm Size, 2012 (ranked by small firm employment)</b>			
Industry	Employment		Small Firm % of Industry Employment
	Small Firms	Total Firms	
Accommodation & food services	47,712	98,768	48.3
Health care & social assistance	33,356	66,444	50.2
Retail trade	25,892	67,719	38.2
Other services (except public admin.)	21,474	24,989	85.9
Construction	21,455	24,779	86.6
Admin., supp., waste mgt., remed. svcs.	20,780	47,713	43.6
Professional, scientific, & tech. svcs.	17,623	24,439	72.1
Wholesale trade	13,564	18,213	74.5
Transportation & warehousing	10,628	26,578	40.0
Manufacturing	9,126	12,177	74.9
Arts, entertainment, & recreation	8,548	10,423	82.0
Educational services	8,374	18,028	46.4
Real estate & rental & leasing	7,842	11,771	66.6
Finance & insurance	7,159	19,274	37.1
Information	1,972	8,088	24.4
Management of comp. & enterprises	1,911	8,722	21.9
Utilities	516	3,501	14.7
Forestry, etc. & agriculture support	361	361	100.0
Mining, quarrying, and oil & gas extraction	D	100	D
Unclassified	D	D	D
<b>Total</b>	<b>258,345</b>	<b>492,089</b>	<b>52.5</b>

Source: SUSB. (D) indicates data suppressed to protect the confidentiality of individual firms.

For more detailed information on businesses in your state, see [www.sba.gov/advocacy/847/841921](http://www.sba.gov/advocacy/847/841921).

## Abbreviations and Resources

ACS	American Community Survey, U.S. Census Bureau, <a href="http://www.census.gov/acs">www.census.gov/acs</a> .
BEA	Bureau of Economic Analysis, U.S. Department of Commerce, <a href="http://www.bea.gov">www.bea.gov</a> .
BED	Business Employment Dynamics, U.S. Department of Labor, Bureau of Labor Statistics, <a href="http://www.bls.gov/bdm">www.bls.gov/bdm</a> .
BDS	Business Dynamics Statistics, U.S. Census Bureau, <a href="http://www.census.gov/ces/dataproducts/bds">www.census.gov/ces/dataproducts/bds</a> .
BLS	Bureau of Labor Statistics, U.S. Department of Labor, <a href="http://www.bls.gov">www.bls.gov</a> .
CEA	Council of Economic Advisers, <a href="http://www.whitehouse.gov/administration/eop/cea">www.whitehouse.gov/administration/eop/cea</a> .
FDIC	Federal Deposit Insurance Corporation, <a href="http://www.fdic.gov">www.fdic.gov</a> .
FFIEC	Federal Financial Institutions Examination Council, <a href="http://www.ffiec.gov">www.ffiec.gov</a> .
ITA	International Trade Administration, U.S. Department of Commerce, <a href="http://www.trade.gov">www.trade.gov</a> .
Nonemployer Statistics	Nonemployer Statistics, U.S. Census Bureau, <a href="http://www.census.gov/econ/nonemployer">www.census.gov/econ/nonemployer</a> .
SUSB	Statistics of U.S. Businesses, U.S. Census Bureau, <a href="http://www.census.gov/econ/susb">www.census.gov/econ/susb</a> .
U.S. Courts	Administrative Office of the U.S. Courts, <a href="http://www.uscourts.gov">www.uscourts.gov</a> .