

Indiana

493,832 Small Businesses

106,097 Small Businesses with Employees

387,735 Small Businesses without Employees (Nonemployers)

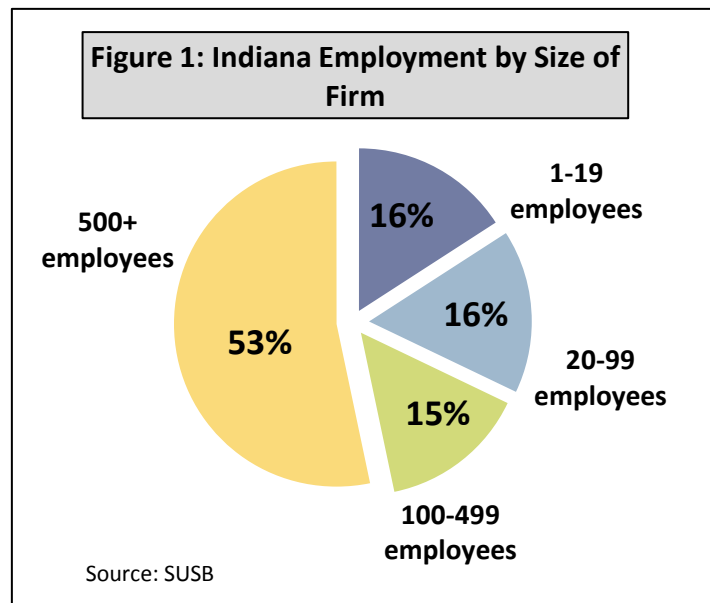
1,173,626 Workers Employed by Small Businesses

State Economy Overall

- Indiana's economy grew at a slightly slower rate than the United States in 2013. Indiana's real gross state product increased by **2.1 percent** compared to **2.2 percent** for U.S. gross domestic product. (Source: BEA)
- The employment picture in Indiana has improved. The unemployment rate in Indiana declined from **7.1 percent** in October 2013 to **5.7 percent** in October 2014. This is slightly below the national average of **5.8 percent** for the same time period. (Source: BLS)

Employment

- Indiana's small businesses employed about half or **1.2 million** of the state's private workforce in 2012. (Source: SUSB)
- Almost all firms with employees are small. They make up **97.2 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 Indiana, small businesses created **45,868** net new jobs in 2012. The biggest gain was in the smallest firm size category of 20-99 employees. (Source: BDS)
- The number of people who were primarily self-employed in 2013 increased by **0.1 percent** relative to the previous year.
- The state's private-sector employment growth increased by **3.6 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 declined. (Source: FDIC)
- In 2012, **102,273** loans under \$100,000 (and valued at **\$1.3 billion**) were issued by Community Reinvestment Act lending institutions in Indiana. (Source: FFIEC)
- The median income for individuals who are self-employed at their own incorporated businesses for the past 12 months was **\$42,001** in 2013. For individuals self-employed at their own unincorporated firms, this figure was **\$21,322**. (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, **37.9 percent** of female-owned businesses were in the other services industry, and female-owned firms made up **18.0 percent** of this industry.

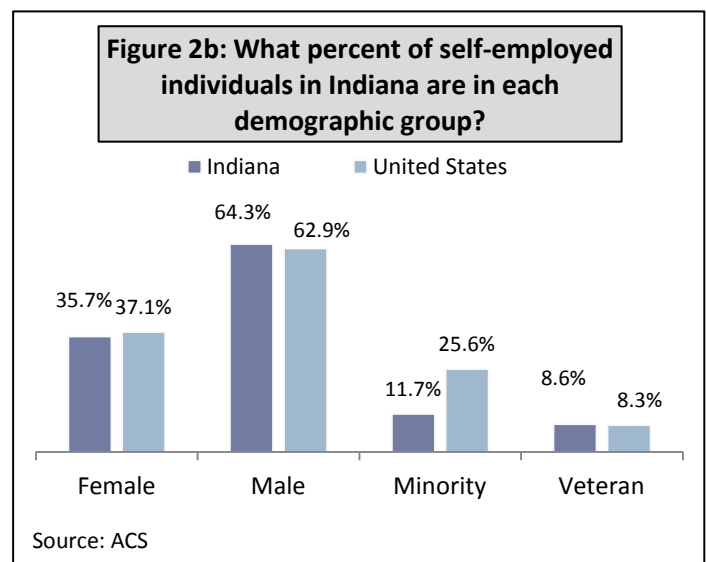
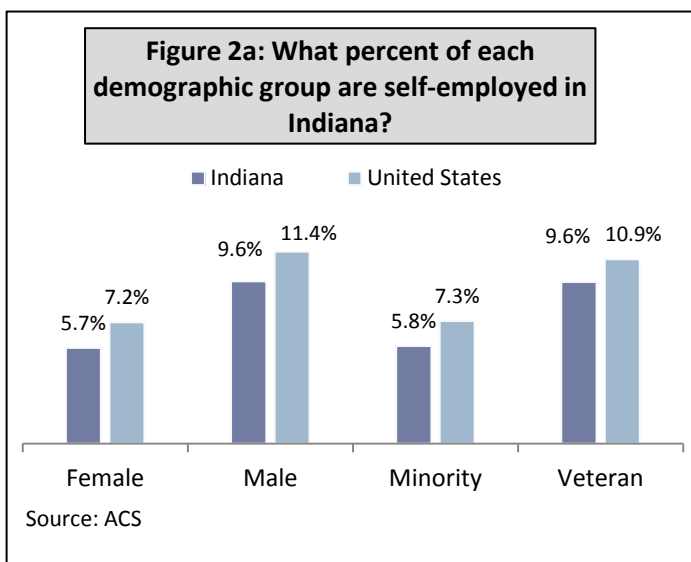
Table 1: Top Industry by Demographic Group in Indiana, 2007

Demographic Group of Business Owners	Most Common Industry	% of Industry in Demographic Group	% of Demographic Group in Industry
Female	Other services	37.9	18.0
Male	Construction	70.4	19.0
American Indian and Alaska Native	Retail trade	0.7	18.3
Asian	Other services	2.8	19.6
Black or African American	Other services	9.6	26.7
Native Hawaiian and Other Pacific Islander	*	*	*
White	Construction	95.4	14.5
Hispanic	Construction	2.0	15.6
Veteran	Construction	12.5	17.6

*Indicates that the sample size was too small to be representative of the population. For more detailed information on businesses in your state, see 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 **5.7 percent** of females were self-employed, and **Figure 2b** shows that **35.7 percent** of all self-employed people were female.



Business Turnover

- In 2010, **7,694** establishments opened in Indiana, and **67.1 percent** survived through 2012. In 2013, **9,016** establishments opened, and **79.3 percent** survived through 2014. (Source: BLS, BED)
- In the 1st quarter of 2014, **5,863** establishments opened and **6,408** closed in the state of Indiana. (Source: BED)
- Business bankruptcies declined from 2010 to 2014, signaling a stronger state economy. (Source: U.S. Courts)

International Trade

- A total of **8,239** companies exported goods from the state in 2012. Of these, **6,995** or **84.9 percent** were small firms; they generated about one-sixth (**16.4 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.

Table 2: Number of Indiana Small Firms by Industry, 2012
(ranked by number of small employer firms)

Industry	Employer Firms With 1-499 Employees	Employer Firms With 1-19 Employees	Nonemployer Firms	Total Small Firms
Other services (except public admin.)	15,025	13,874	67,415	82,440
Construction	12,809	11,883	45,761	58,570
Retail trade	12,050	10,649	38,936	50,986
Professional, scientific, & tech. svcs.	11,645	10,746	43,583	55,228
Health care & social assistance	10,113	8,498	28,718	38,831
Accommodation & food services	9,028	6,897	4,659	13,687
Manufacturing	6,671	4,496	6,995	13,666
Admin., supp., waste mgt., remed. svcs.	5,926	5,223	33,065	38,991
Wholesale trade	5,697	4,401	6,450	12,147
Finance & insurance	4,531	4,097	11,853	16,384
Real estate & rental & leasing	4,139	3,823	40,699	44,838
Transportation & warehousing	4,088	3,482	20,553	24,641
Arts, entertainment, & recreation	1,954	1,650	18,948	20,902
Educational services	1,389	1,085	10,177	11,566
Information	917	728	4,700	5,617
Management of comp. & enterprises	374	49	*	374
Forestry, etc. & agriculture support	248	236	4,062	4,310
Mining, quarrying, and oil & gas extrac.	169	132	858	1,027
Utilities	167	124	303	470
Unclassified	61	61	*	61
Total	106,097	92,057	387,735	493,832

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

See www.sba.gov/advocacy/additional-data-state-profiles for more detailed data.

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

Table 3: Employment in Indiana by Industry and Firm Size, 2012 (ranked by small firm employment)			
Industry	Employment		Small Firm % of Industry Employment
	Small Firms	Total Firms	
Manufacturing	175,156	455,851	38.4
Health care & social assistance	169,425	398,000	42.6
Accommodation & food services	145,437	256,077	56.8
Retail trade	111,935	309,602	36.2
Other services (except public admin.)	107,152	124,313	86.2
Construction	88,964	112,805	78.9
Professional, scientific, & tech. svcs.	71,992	104,175	69.1
Wholesale trade	65,827	111,514	59.0
Admin., supp., waste mgt., remed. svcs.	61,681	177,140	34.8
Transportation & warehousing	41,223	115,240	35.8
Finance & insurance	38,482	96,975	39.7
Arts, entertainment, & recreation	23,305	33,728	69.1
Real estate & rental & leasing	22,666	31,994	70.8
Educational services	21,870	66,442	32.9
Information	12,135	41,346	29.3
Management of comp. & enterprises	9,307	55,439	16.8
Utilities	3,042	14,656	20.8
Mining, quarrying, and oil & gas extraction	2,898	6,025	48.1
Forestry, etc. & agriculture support	1,082	1,539	70.3
Unclassified	D	D	D
Total	1,173,626	2,512,908	46.7

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.

Abbreviations and Resources

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