

SMALL BUSINESS PROFILE

U.S. SMALL BUSINESS ADMINISTRATION

OFFICE OF ADVOCACY

REGULATION • RESEARCH • OUTREACH

MAINE



144,002
99.3%

Small Businesses
of Maine Businesses

283,505
57.5%

Small Business Employees
of Maine Employees



EMPLOYMENT
5,764
net new jobs



DIVERSITY
4,330
minority-owned
businesses



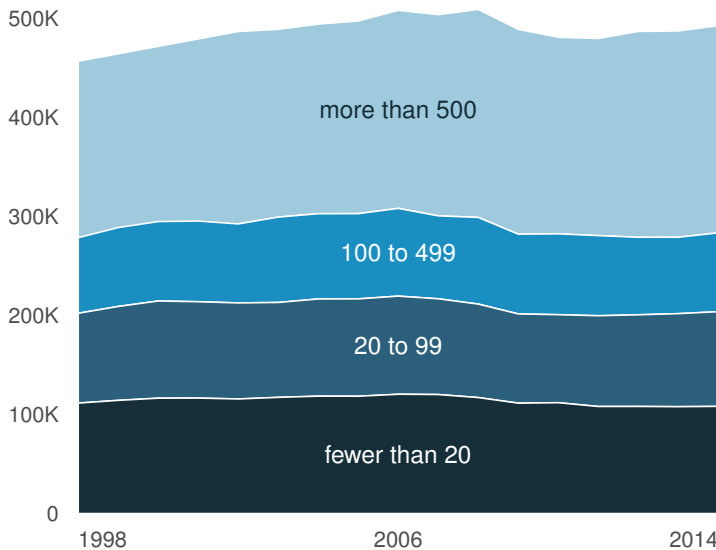
TRADE
83.4%
of Maine exporters

OVERALL MAINE ECONOMY

- In the second quarter of 2016, Maine grew at an annual rate of 0.6%, which was slower than the overall US growth rate of 1.2%. Maine's 2015 growth rate of 1.1% was down from the 2014 rate of 1.7%. (Source: BEA)
- In November 2016, the unemployment rate was 4.0%, unchanged from 4.0% at the close of 2015. This was below the November 2016 national unemployment rate of 4.6%. (Source: CPS)

EMPLOYMENT

Figure 1: Maine Employment by Business Size (Employees)



- Maine small businesses employed 283,505 people, or 57.5% 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 2.9%. This was above the previous year's decrease of 1.0%. (Source: CPS)
- The number of proprietors increased in 2015 by 3.1% relative to the previous year. (Source: BEA)
- Small businesses created 5,764 net jobs in 2014. Among the seven BDS size-classes, firms employing 250 to 499 employees experienced the largest gains, adding 1,539 net jobs. The smallest gains were in firms employing 1 to 4 employees, which added 211 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, **22,722** loans under \$100,000 (valued at **\$372.6 million**) were issued by Maine lending institutions reporting under the Community Reinvestment Act. (Source: [FFIEC](#))
- The median income for individuals self-employed at their own incorporated businesses was **\$42,098** in 2015. For individuals self-employed at their own unincorporated firms, this figure was **\$21,132**. (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: Maine Small Business Ownership, 2012

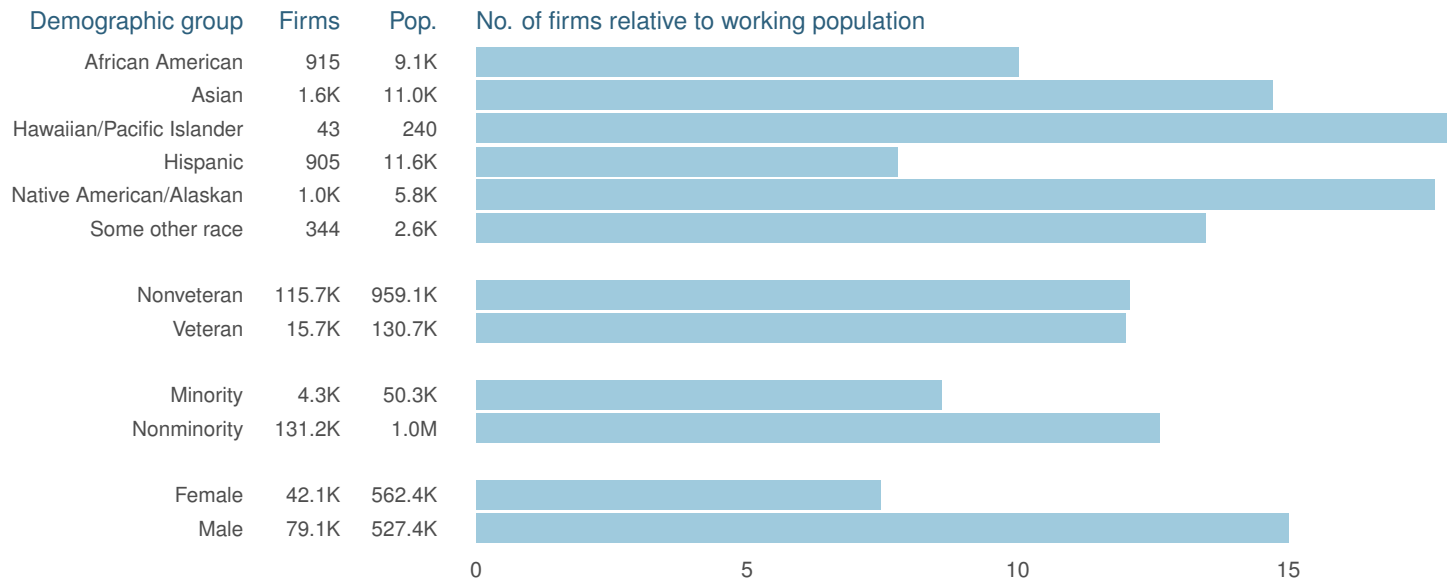
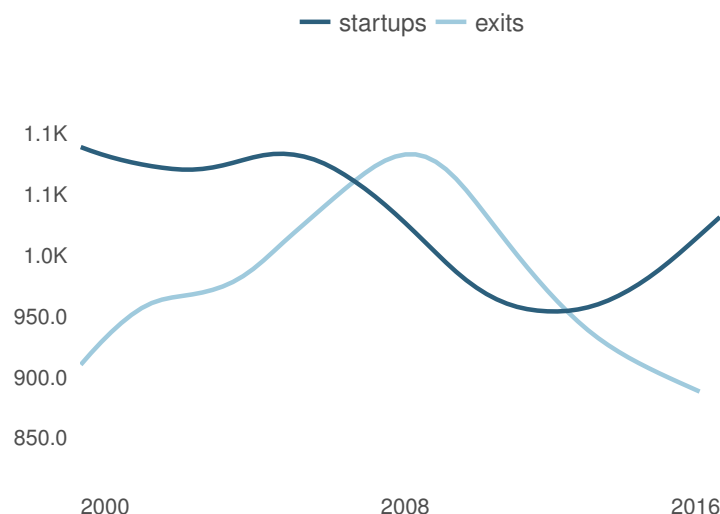


Figure 2 displays the number of small firms (SBO) per 100 people 16 years and over (ACS). For example, there are approximately 7 female-owned firms per 100 working age females or $42.1K \div 562.4K \times 100$. ACS and SBO differ in their classifications of individuals reporting more than one race. ACS provides a distinct category for two or more races while SBO tabulates these businesses into more than one group.

BUSINESS TURNOVER

Figure 3: Maine Quarterly Startups and Exits



- In the second quarter of 2015, **1,079** establishments started up, generating **3,205** new jobs in Maine. Startups are counted when business establishments hire at least one employee for the first time. (Source: [BDM](#))
- In the same period, **886** establishments exited resulting in **2,616** 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 2,262 companies exported goods from Maine in 2014. Among these, 1,886, or 83.4%, were small firms; they generated 57.7% of Maine's \$2.3 billion in total known exports. (Source: ITA)

SMALL BUSINESS EMPLOYMENT BY INDUSTRY AND COUNTY

Table 1: Maine Employment by Industry, 2014





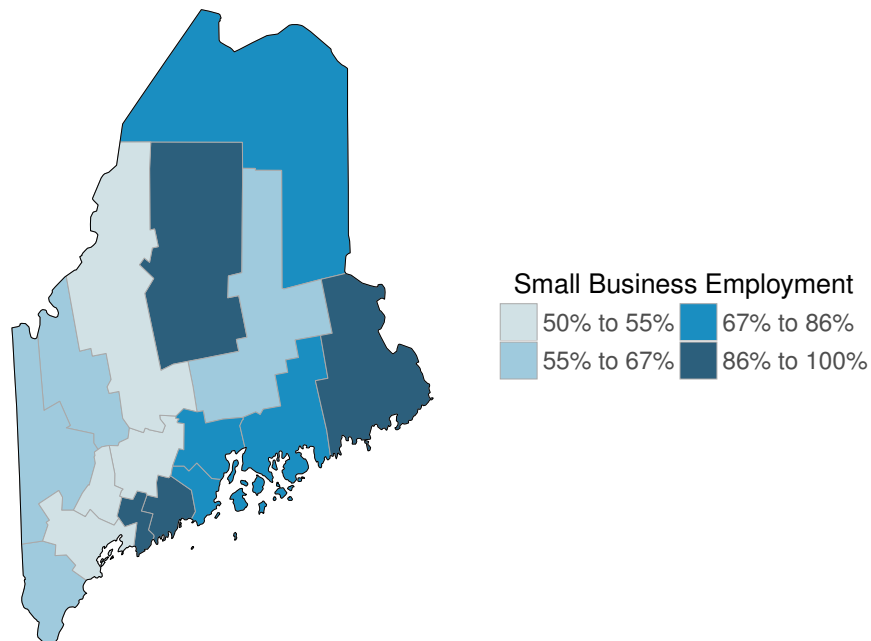
 Industry	 Small Business Employment	 Total Private Employment	 Small Business Employment Share
Health Care and Social Assistance	51,096	107,476	48%
Accommodation and Food Services	39,287	50,032	79%
Retail Trade	37,086	81,554	45%
Manufacturing	24,937	48,760	51%
Construction	21,129	22,816	93%
Professional, Scientific, and Technical Services	17,878	23,627	76%
Other Services (Except Public Administration)	16,934	18,287	93%
Administrative, Support, and Waste Management	13,876	22,711	61%
Wholesale Trade	11,164	17,863	62%
Finance and Insurance	10,951	26,294	42%
Transportation and Warehousing	8,008	15,383	52%
Educational Services	7,419	18,171	41%
Arts, Entertainment, and Recreation	6,784	8,026	85%
Information	5,702	11,440	50%
Real Estate and Rental and Leasing	5,081	6,210	82%
Agriculture, Forestry, and Fishing and Hunting	3,255	3,308	98%
Utilities	902	2,121	43%
Mining, Quarrying, and Oil and Gas Extraction	s	s	-
Total	283,505	492,690	58%

Figure 4: Maine Small Business Percent of Employment by County



SMALL BUSINESSES BY INDUSTRY

Table 2: Maine Small Businesses by Industry and Firm Size, 2014

Industry	1-499 Employees	1-20 Employees	Nonemployer Firms	Total Small Firms
Construction	4,693	4,485	17,248	21,941
Other Services (Except Public Administration)	3,401	3,240	14,279	17,680
Professional, Scientific, and Technical Services	3,180	2,966	13,505	16,685
Retail Trade	4,169	3,727	9,131	13,300
Real Estate and Rental and Leasing	1,390	1,334	11,123	12,513
Health Care and Social Assistance	2,983	2,516	7,721	10,704
Agriculture, Forestry, and Fishing and Hunting	826	787	9,109	9,935
Administrative, Support, and Waste Management	1,837	1,667	7,853	9,690
Arts, Entertainment, and Recreation	838	753	6,830	7,668
Accommodation and Food Services	3,532	2,972	1,667	5,199
Manufacturing	1,484	1,167	2,554	4,038
Transportation and Warehousing	1,038	932	2,951	3,989
Educational Services	444	361	2,870	3,314
Wholesale Trade	1,178	962	1,589	2,767
Finance and Insurance	789	660	1,858	2,647
Information	466	384	1,325	1,791
Utilities	37	28	76	113
Mining, Quarrying, and Oil and Gas Extraction	18	15	88	106
Total	32,225	29,018	111,777	144,002

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

