

# SMALL BUSINESS PROFILE

U.S. SMALL BUSINESS ADMINISTRATION

## OFFICE OF ADVOCACY

REGULATION • RESEARCH • OUTREACH

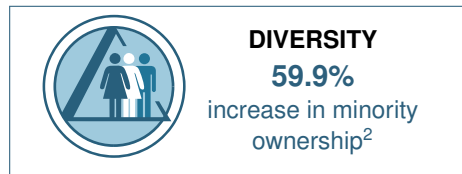
### MISSISSIPPI



**244,755**  
**96.2%** Small Businesses  
of Mississippi Businesses

**425,573**  
**47.1%** Small Business Employees  
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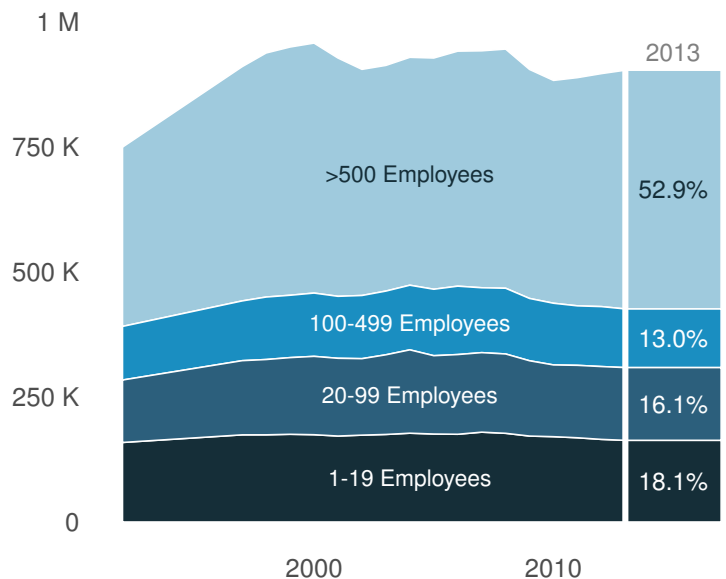
#### OVERALL MISSISSIPPI ECONOMY

- In the third quarter of 2015, Mississippi grew at an annual rate of 1.9% equal to the overall US growth rate. By comparison, Mississippi's 2014 growth of 1.9% was up from the 2013 level of 1.2%. (Source: BEA)
- At the close of 2015, unemployment was 6.8%, unchanged from 6.8% at the close of 2014. This was above the national unemployment rate of 5.0%. (Source: CPS)

#### EMPLOYMENT

- Mississippi small businesses employed 425,573 people, or 47.1% of the private workforce, in 2013. (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)
- Private-sector employment increased 1.2% in 2015. This was above the previous year's increase of 0.6%. (Source: CES)
- The number of proprietors increased in 2014 by 1.3% relative to the previous year. (Source: BEA)
- Small businesses lost 638 net jobs in 2013. Among the seven BDS size-classes, firms employing 250 to 499 employees experienced the largest gains, adding 1,399 net jobs. The largest losses were in firms employing 50 to 99 employees which lost 1,884 net jobs. (Source: BDS)

Figure 1: Mississippi Employment by Firm Size



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.** Hyperlinks to data sources and report generation information are provided in Table 3.

<sup>1,3</sup> Net small business jobs change and exporter share are based on newly released 2013 BDS and 2012 ITA data.

<sup>2</sup> Diversity statistic tracks changes between 2007 and 2012 based on the Survey of Business Owners (SBO) 2015 release.

## INCOME AND FINANCE

- The number of banks reported in the Call Reports between June 2014 and June 2015 declined. (Source: FDIC)
- In 2014, 30,015 loans under \$100,000 (and valued at \$498.4 million) were issued by Mississippi lending institutions reporting under the Community Reinvestment Act. (Source: FFIEC)
- The median income<sup>4</sup> for individuals who were self-employed at their own incorporated businesses was \$46,592 in 2014. For individuals self-employed at their own unincorporated firms, this figure was \$21,637. (Source: ACS)

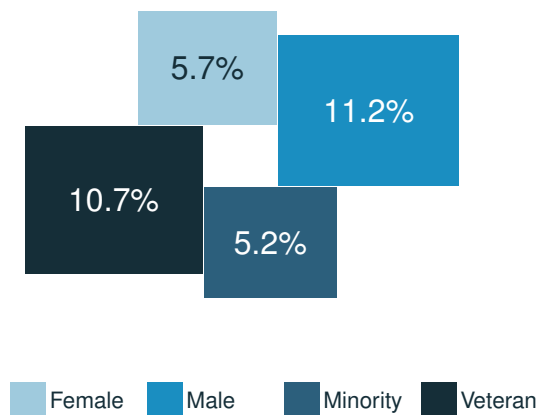
<sup>4</sup> Median income represents earnings from all sources. Unincorporated self-employment income includes unpaid family workers, a very small percent of the unincorporated self-employed.

## BUSINESS OWNER DEMOGRAPHICS

Figure 2: Mississippi Changes in Business Ownership by Demographic Group

African American-owned	●	60.8%
Asian-owned	●	36.1%
Hawaiian/Pacific Islander-owned	●	40.3%
Hispanic-owned	●	82.4%
Native American/Alaskan-owned	●	67.5%
Minority-owned	●	59.9%
Nonminority-owned	○	-9.3%

Figure 3: Mississippi Self-Employment within Demographic Group

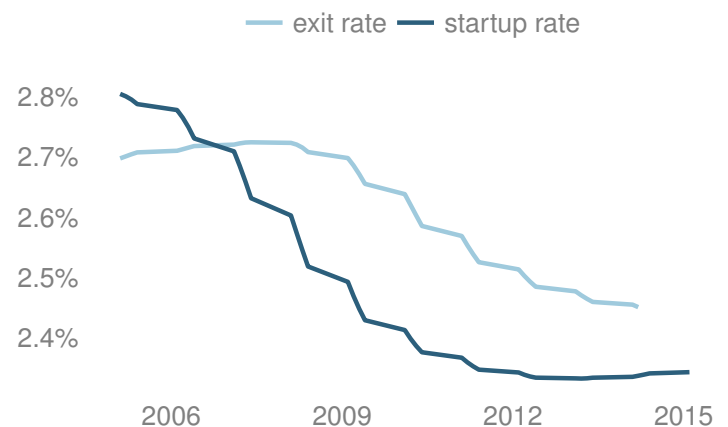


- Figure 2 displays the change in overall firm ownership for each demographic group from 2007 to 2012 based on the Survey of Business Owners (SBO) for Mississippi, released in December 2015.
- Figure 3 displays the percent of each demographic group identified as self-employed according to the 2014 American Community Survey (ACS) 5-year estimates.

## BUSINESS TURNOVER

- In the second quarter of 2014, 1,404 establishments started up<sup>5</sup> in Mississippi and 1,734 exited.<sup>6</sup> Startups generated 7,010 new jobs while exits caused 6,996 job losses. (Source: BDM)
- Figure 4 displays startup and exit rates from 2005 to 2015. Each series is smoothed across multiple quarters to highlight long-run trends. (Source: BDM)

Figure 4: Mississippi Private Startup and Exit Rates



<sup>5</sup> **STARTUPS** are counted when business establishments hire at least one employee for the first time. The BLS terms these **births**, as distinct from the BLS **openings** category which includes seasonal re-openings.





<sup>6</sup> **EXITS** occur when establishments go from having at least one employee to having none, and then remain closed for at least a year. The BLS terms these events **deaths**, as distinct from the **closings** category which includes seasonal shutterings.

## INTERNATIONAL TRADE

- A total of 2,022 companies exported goods from Mississippi in 2013. Among these, 1,540, or 76.2%, were small firms; they generated 14.9% of Mississippi's total known export value. (Source: ITA)

## SMALL BUSINESSES BY INDUSTRY

Table 1: Mississippi Small Firms by Industry, 2013  
(sorted by small employer firms)

Industry	 1 – 499 Employees	 1 – 19 Employees	 Nonemployer Firms	 Total Small Firms
Retail Trade	7,032	6,388	17,017	24,049
Other Services (except Public Administration)	6,016	5,664	40,359	46,375
Health Care and Social Assistance	4,731	4,096	20,252	24,983
Professional, Scientific, and Technical Services	4,177	3,860	17,245	21,422
Construction	3,766	3,400	27,156	30,922
Accommodation and Food Services	3,662	2,829	3,505	7,167
Finance and Insurance	2,090	1,899	6,139	8,229
Wholesale Trade	1,958	1,511	2,986	4,944
Administrative, Support, and Waste Management	1,761	1,546	23,488	25,249
Real Estate and Rental and Leasing	1,759	1,652	14,653	16,412
Manufacturing	1,678	1,150	2,538	4,216
Transportation and Warehousing	1,554	1,328	9,258	10,812
Agriculture, Forestry, Fishing and Hunting	658	617	4,013	4,671
Arts, Entertainment, and Recreation	607	514	5,979	6,586
Educational Services	460	319	3,769	4,229
Utilities	348	317	310	658
Information	328	267	1,502	1,830
Mining, Quarrying, and Oil and Gas Extraction	317	265	1,770	2,087
<b>Total</b>	<b>42,902</b>	<b>37,622</b>	<b>201,939</b>	<b>244,841</b>

Totals for Tables 1 and 2 differ from SUSB's statewide tallies due to firms with establishments in more than one industry and the omission of industry classifications not reported by NES. (Source: NES and SUSB)

s Indicates samples deemed too small to represent the population according to SUSB.

Table 2: Mississippi Employment by Industry and Firm Size, 2013  
(sorted by small firm employment)

Industry	Small Business Employment	Total Private Employment	Small Business Employment Share
Health Care and Social Assistance	65,409	164,332	39.8%
Retail Trade	56,249	137,076	41.0%
Accommodation and Food Services	56,192	118,207	47.5%
Manufacturing	40,675	138,335	29.4%
Other Services (except Public Administration)	36,244	38,692	93.7%
Construction	32,552	41,266	78.9%
Professional, Scientific, and Technical Services	23,980	31,020	77.3%
Wholesale Trade	22,132	34,965	63.3%
Administrative, Support, and Waste Management	18,659	51,214	36.4%
Finance and Insurance	16,142	33,789	47.8%
Transportation and Warehousing	14,781	33,202	44.5%
Educational Services	9,778	18,535	52.8%
Arts, Entertainment, and Recreation	7,614	10,614	71.7%
Real Estate and Rental and Leasing	7,448	10,100	73.7%
Agriculture, Forestry, Fishing and Hunting	4,393	4,720	93.1%
Utilities	4,152	9,368	44.3%
Information	3,820	13,011	29.4%
Mining, Quarrying, and Oil and Gas Extraction	3,251	6,106	53.2%
<b>Total</b>	<b>423,471</b>	<b>894,552</b>	<b>47.3%</b>

Figure 5: Mississippi County-Level Job Changes, 2015 (CEW)

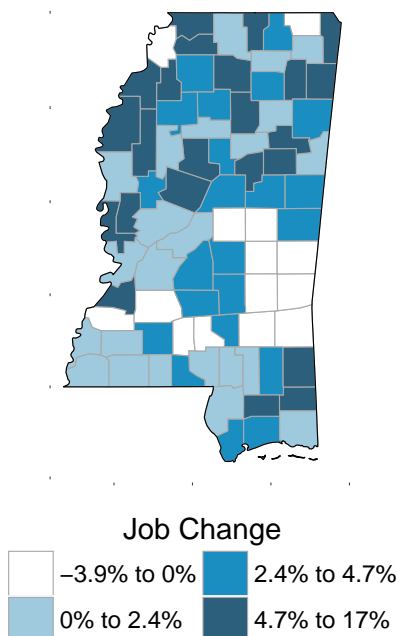


Table 3: Abbreviations and Resources

ACS	American Community Survey, US Census Bureau
BEA	Bureau of Economic Analysis
BDM	Business Employment Dynamics, BLS
BDS	Business Dynamics Statistics, US Census Bureau
BLS	Bureau of Labor Statistics, US 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, US Census Bureau
SBO	Survey of Business Owners, US Census Bureau
SUSB	Statistics of US Businesses, US Census Bureau

All profiles, source data, methodology notes, and county-level employment statistics are available at <http://go.usa.gov/cfKMd>

