

SMALL BUSINESS PROFILE

U.S. SMALL BUSINESS ADMINISTRATION

OFFICE OF ADVOCACY

REGULATION • RESEARCH • OUTREACH

WISCONSIN




445,445
99.4% Small Businesses
of Wisconsin Businesses

1.2 million
50.2% Small Business Employees
of Wisconsin Employees

1.2 million
50.2% Small Business Employees
of Wisconsin Employees



EMPLOYMENT
30,039
net new jobs



DIVERSITY
40,468
minority-owned
businesses



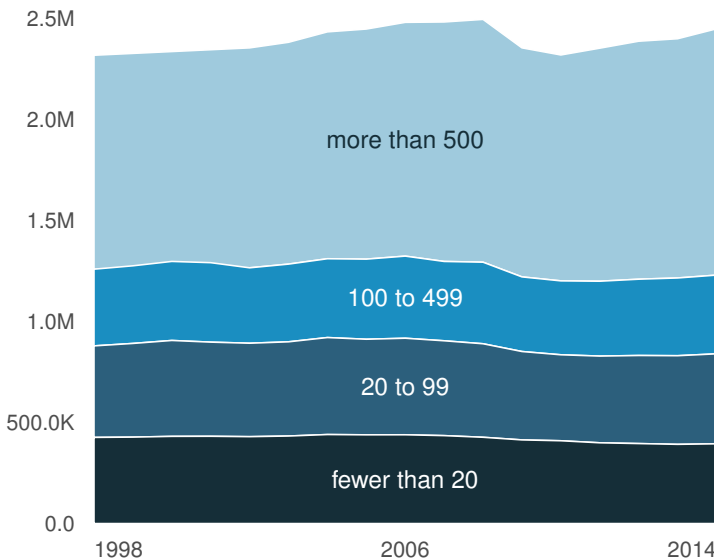
TRADE
86.8%
of Wisconsin exporters

OVERALL WISCONSIN ECONOMY

- In the second quarter of 2016, Wisconsin grew at an annual rate of **1.6%**, which was faster than the overall US growth rate of **1.2%**. Wisconsin's 2015 growth rate of **1.1%** was down from the 2014 rate of **2.2%**. (Source: [BEA](#))
- In November 2016, the unemployment rate was **4.1%**, down from **4.6%** at the close of 2015. This was below the November 2016 national unemployment rate of **4.6%**. (Source: [CPS](#))

EMPLOYMENT

Figure 1: Wisconsin Employment by Business Size (Employees)



- Wisconsin small businesses employed **1.2 million** people, or **50.2%** 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 **1.6%**. This was above the previous year's increase of **0.8%**. (Source: [CPS](#))
- The number of proprietors increased in 2015 by **2.8%** relative to the previous year. (Source: [BEA](#))
- Small businesses created **30,039** net jobs in 2014. Among the seven BDS size-classes, firms employing 250 to 499 employees experienced the largest gains, adding **8,960** net jobs. The smallest gains were in firms employing 1 to 4 employees, which added **752** 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, **77,892** loans under \$100,000 (valued at **\$996.2 million**) were issued by Wisconsin lending institutions reporting under the Community Reinvestment Act. (Source: [FFIEC](#))
- The median income for individuals self-employed at their own incorporated businesses was **\$43,013** in 2015. For individuals self-employed at their own unincorporated firms, this figure was **\$21,929**. (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: Wisconsin Small Business Ownership, 2012

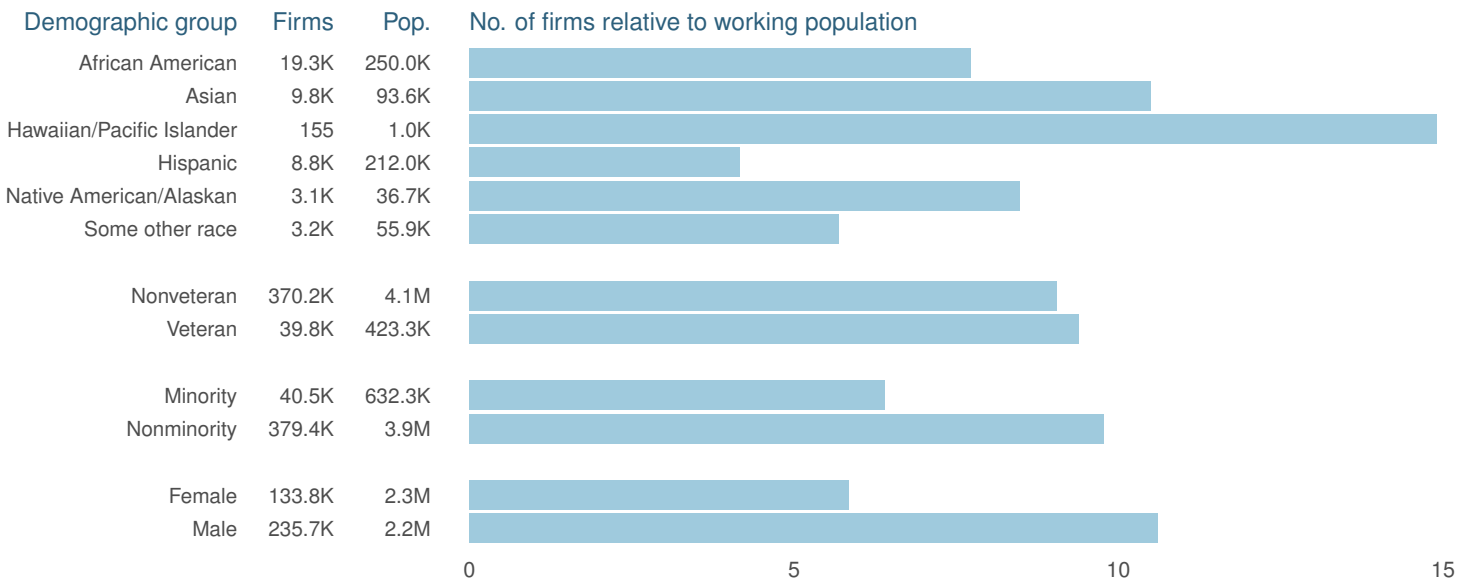
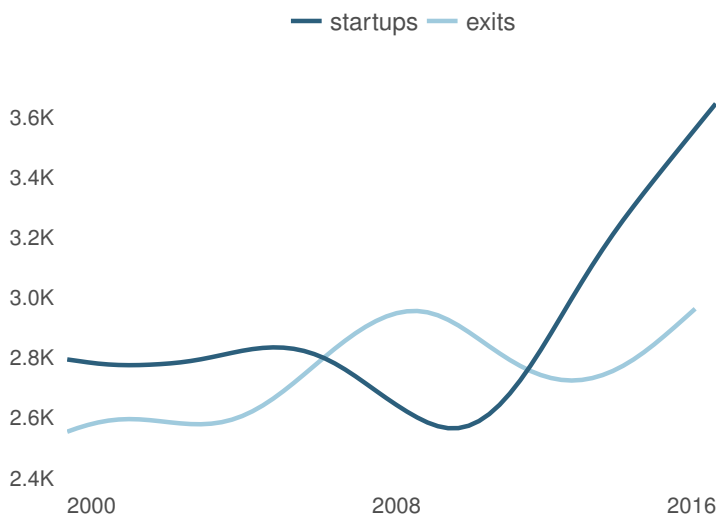


Figure 2 displays the number of small firms (SBO) per 100 people 16 years and over (ACS). For example, there are approximately 6 female-owned firms per 100 working age females or $133.8K \div 2.3M \times 100$. ACS and SBO differ in their classifications of individuals reporting more than one race. ACS provides a distinct category for two or more races while SBO tabulates these businesses into more than one group.

BUSINESS TURNOVER

Figure 3: Wisconsin Quarterly Startups and Exits



- In the second quarter of 2015, **3,417** establishments started up, generating **11,484** new jobs in Wisconsin. Startups are counted when business establishments hire at least one employee for the first time. (Source: [BDM](#))
- In the same period, **3,227** establishments exited resulting in **9,911** 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 8,857 companies exported goods from Wisconsin in 2014. Among these, 7,691, or 86.8%, were small firms; they generated 28.5% of Wisconsin's \$21.4 billion in total known exports. (Source: ITA)

SMALL BUSINESS EMPLOYMENT BY INDUSTRY AND COUNTY

Table 1: Wisconsin Employment by Industry, 2014





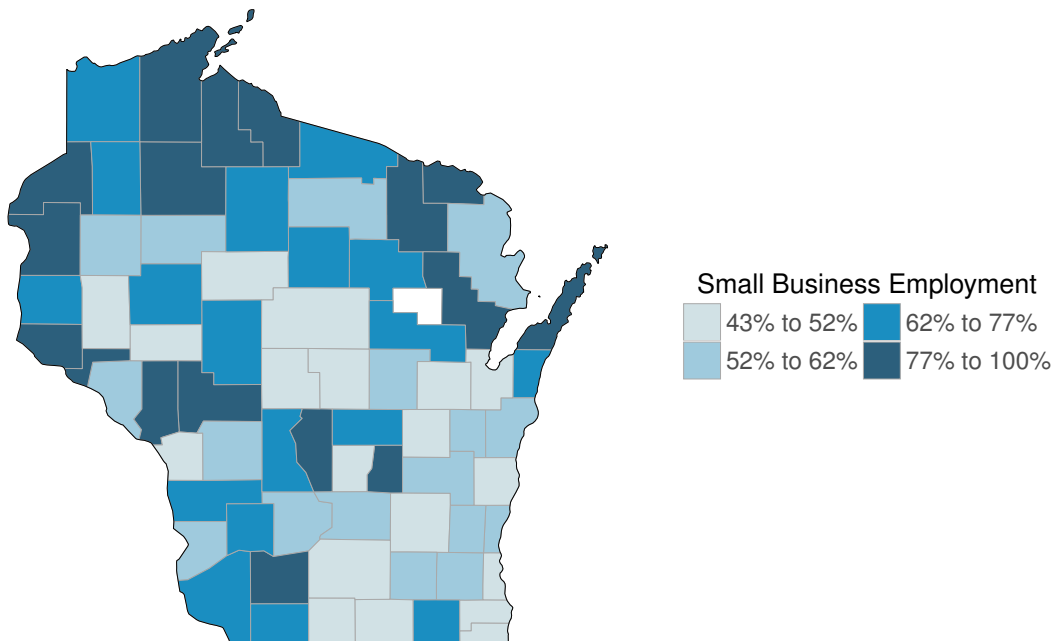
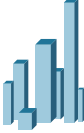




 Industry	 Small Business Employment	 Total Private Employment	 Small Business Employment Share
Manufacturing	205,806	443,111	46%
Health Care and Social Assistance	167,498	388,018	43%
Accommodation and Food Services	159,270	228,764	70%
Retail Trade	125,095	305,703	41%
Other Services (Except Public Administration)	95,205	104,774	91%
Construction	79,557	98,502	81%
Professional, Scientific, and Technical Services	73,849	102,960	72%
Wholesale Trade	73,766	115,059	64%
Administrative, Support, and Waste Management	60,710	151,613	40%
Transportation and Warehousing	43,485	98,342	44%
Finance and Insurance	43,444	136,126	32%
Arts, Entertainment, and Recreation	31,331	42,813	73%
Educational Services	23,380	56,014	42%
Real Estate and Rental and Leasing	20,067	23,799	84%
Information	14,040	54,672	26%
Agriculture, Forestry, and Fishing and Hunting	2,490	3,001	83%
Mining, Quarrying, and Oil and Gas Extraction	2,013	2,996	67%
Utilities	1,069	14,369	7%
Total	1,230,352	2,450,254	50%

Figure 4: Wisconsin Small Business Percent of Employment by County



SMALL BUSINESSES BY INDUSTRY

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

	 Industry	 1-499 Employees	 1-20 Employees	 Nonemployer Firms	 Total Small Firms
Other Services (Except Public Administration)		13,430	12,428	50,966	64,396
Professional, Scientific, and Technical Services		10,277	9,357	43,644	53,921
Construction		13,139	12,340	38,544	51,683
Retail Trade		11,762	10,255	38,748	50,510
Real Estate and Rental and Leasing		3,647	3,399	39,534	43,181
Health Care and Social Assistance		9,705	7,978	22,907	32,612
Administrative, Support, and Waste Management		5,484	4,849	20,633	26,117
Arts, Entertainment, and Recreation		2,490	2,122	19,990	22,480
Transportation and Warehousing		4,391	3,782	14,169	18,560
Accommodation and Food Services		11,502	9,133	5,874	17,376
Finance and Insurance		4,383	3,865	11,364	15,747
Manufacturing		7,351	4,896	7,160	14,511
Wholesale Trade		5,132	3,941	6,589	11,721
Educational Services		1,433	1,093	8,952	10,385
Agriculture, Forestry, and Fishing and Hunting		513	490	6,434	6,947
Information		927	719	4,109	5,036
Utilities		52	22	215	267
Mining, Quarrying, and Oil and Gas Extraction		131	102	131	262
Total		105,482	91,040	339,963	445,445

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

