

# 2018 SMALL BUSINESS PROFILE

## OFFICE OF ADVOCACY

REGULATION • RESEARCH • OUTREACH

### UTAH



**277,140** Small Businesses  
**99.3%** of Utah Businesses

**557,794** Small Business Employees  
**46.3%** of Utah Employees



**EMPLOYMENT**  
**29,956**  
net new jobs



**DIVERSITY**  
**24,406**  
minority-owned  
businesses



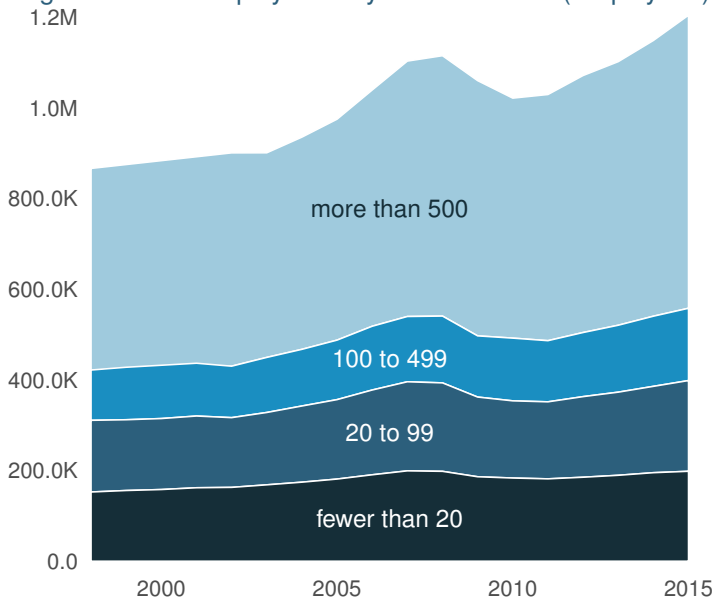
**TRADE**  
**2,917**  
small business  
exporters

### OVERALL UTAH ECONOMY

- In the third quarter of 2017, Utah grew at an annual rate of **3.9%**, which was faster than the overall US growth rate of **3.4%**. Utah's 2016 growth rate of **3.7%** was down from the 2015 rate of **4.1%**. (Source: [BEA](#))
- In January 2018, the unemployment rate was **3.1%**, down from **3.3%** in January 2017. This was below the January 2018 national unemployment rate of **4.1%**. (Source: [CPS](#))

### EMPLOYMENT

Figure 1: Utah Employment by Business Size (Employees)



- Utah small businesses employed **557,794** people, or **46.3%** of the private workforce, in 2015. (Source: [SUSB](#))
- Firms with fewer than 100 employees have the largest share of small business employment. Figure 1 provides further details on firms with employees. (Source: [SUSB](#))
- Private-sector employment increased **2.6%** during the 12-month period ending in January 2018. This was below the increase of **3.8%** during the prior 12-month period. (Source: [CPS](#))
- The number of proprietors increased in 2016 by **2.6%** relative to the previous year. (Source: [BEA](#))
- Small businesses created **29,956** net jobs in 2015. Firms employing fewer than 20 employees experienced the largest gains, adding **16,114** net jobs. The smallest gains were in firms employing 100 to 499 employees, which added **3,299** net jobs. (Source: [SUSB](#))

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 for this profile as firms employing fewer than 500 employees. Net small business job change, minority small business ownership, and exporter share statistics are based on the 2015 Statistics of US Businesses (SUSB), 2012 Survey of Business Owners (SBO), and 2015 International Trade Administration (ITA) data, respectively.

## INCOME AND FINANCE

- The number of banks decreased by 2 between June 2016 and June 2017 to 45 banks. (Source: FDIC)
- In 2016, 62,686 loans under \$100,000 (valued at \$960.5 million) were issued by Utah lending institutions reporting under the Community Reinvestment Act. (Source: FFIEC)
- The median income for individuals self-employed at their own incorporated businesses was \$50,918 in 2016. For individuals self-employed at their own unincorporated firms, this figure was \$19,462. (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.

## EMPLOYER BUSINESS OWNER DEMOGRAPHICS

Figure 2: Utah Employees per Business by Owner's Demographic, 2015

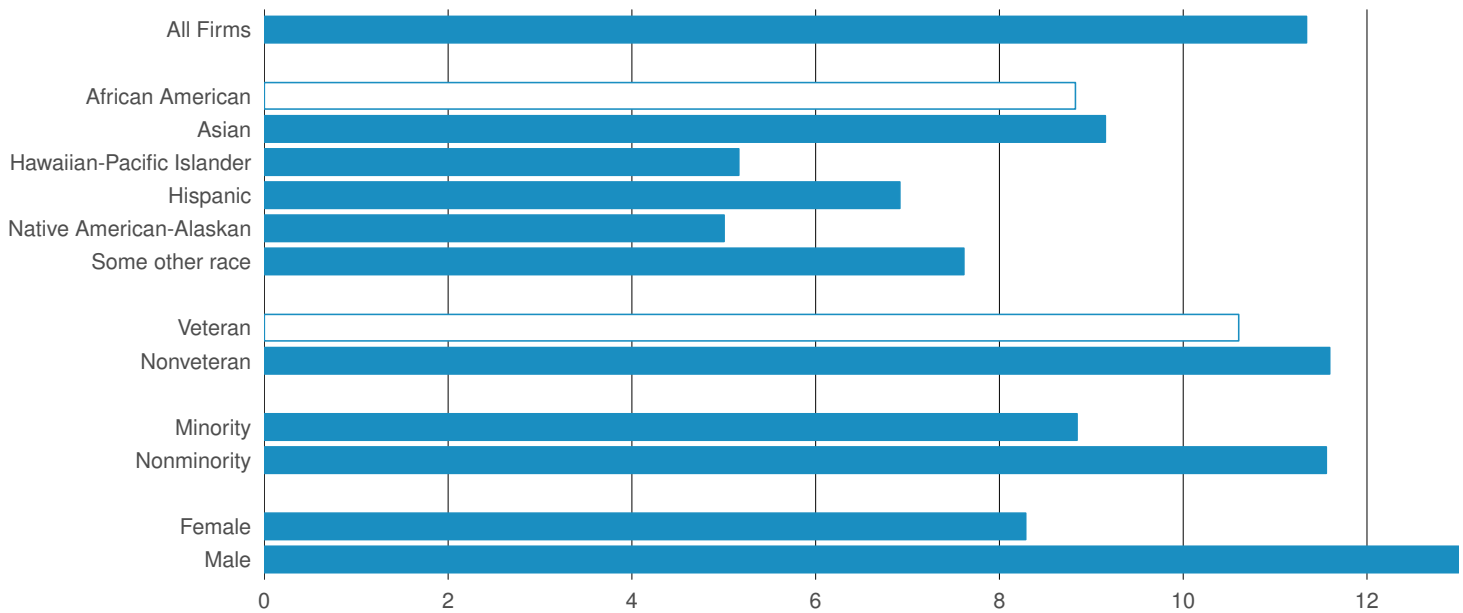
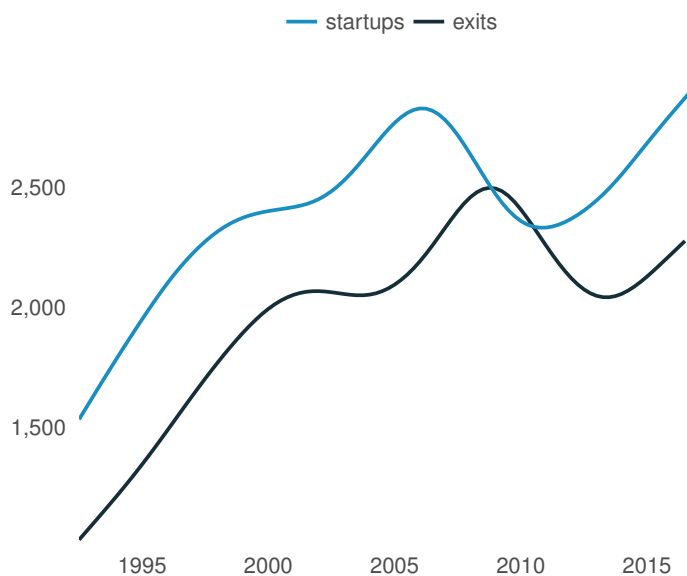


Figure 2 shows the average number of employees per employer business by owner's demographic group according to the Annual Survey of Entrepreneurs (ASE). Unshaded bars display US values; data were withheld because they do not meet Census Bureau publication standards or could disclose information regarding individual businesses.

## TURNOVER AMONG ESTABLISHMENTS WITH EMPLOYEES

Figure 3: Utah Quarterly Startups and Exits



- In the third quarter of 2016, 2,994 establishments started up, generating 10,256 new jobs in Utah. Startups are counted when business establishments hire at least one employee for the first time. (Source: BDM)
- In the same period, 2,365 establishments exited resulting in 8,249 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 1992 to 2016. Each series is smoothed across multiple quarters to highlight long-run trends. (Source: BDM)

The BLS data covers only business establishments with employees. 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. Quarterly startup and exit values may not align with Figure 3 due to smoothing.

## INTERNATIONAL TRADE

- A total of 3,466 companies exported goods from Utah in 2015. Of these, 2,917, or 84.2%, were small firms; they generated 48.9% of Utah's \$11.5 billion in total exports. (Source: ITA)

## SMALL BUSINESS EMPLOYMENT BY INDUSTRY AND COUNTY

Table 1: Utah Employment by Industry, 2015





 Industry	 Small Business Employment	 Total Private Employment	 Small Business Employment Share
Accommodation and Food Services	69,648	111,570	62.4
Health Care and Social Assistance	65,867	133,442	49.4
Construction	61,067	72,958	83.7
Retail Trade	59,965	150,671	39.8
Professional, Scientific, and Technical Services	51,990	93,945	55.3
Manufacturing	51,261	118,196	43.4
Administrative, Support, and Waste Management	35,210	125,719	28.0
Wholesale Trade	31,081	55,320	56.2
Other Services (except Public Administration)	26,256	48,847	53.8
Finance and Insurance	21,245	62,207	34.2
Educational Services	16,953	46,306	36.6
Transportation and Warehousing	16,843	58,453	28.8
Real Estate and Rental and Leasing	15,144	21,404	70.8
Information	13,501	44,211	30.5
Arts, Entertainment, and Recreation	12,228	21,402	57.1
Management of Companies and Enterprises	4,123	23,922	17.2
Mining, Quarrying, and Oil and Gas Extraction	3,715	10,441	35.6
Utilities	1,102	4,322	25.5
Agriculture, Forestry, and Fishing and Hunting	479	502	95.4
Industries not classified	116	116	100.0
<b>Total</b>	<b>557,794</b>	<b>1,203,954</b>	<b>46.3</b>

Figure 4: Utah Small Business Employment by County, 2015

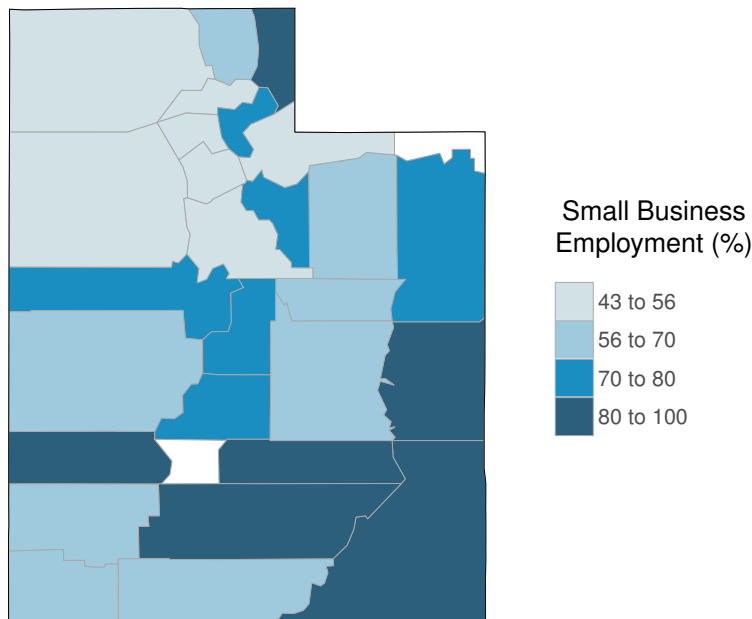
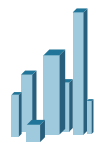


Table 2: Utah Small Businesses by Industry and Firm Size, 2015



Industry



1-499 Employees



1-20 Employees



Nonemployer  
Firms



Total Small Firms

Industry	1-499 Employees	1-20 Employees	Nonemployer Firms	Total Small Firms
Professional, Scientific, and Technical Services	9,316	8,686	35,499	44,815
Construction	8,725	8,071	17,039	25,764
Health Care and Social Assistance	6,430	5,737	12,784	19,214
Retail Trade	5,994	5,306	23,708	29,702
Real Estate and Rental and Leasing	4,388	4,219	33,229	37,617
Other Services (except Public Administration)	4,350	4,067	28,359	32,709
Accommodation and Food Services	3,799	2,732	2,253	6,052
Administrative, Support, and Waste Management	3,680	3,299	13,093	16,773
Finance and Insurance	3,087	2,864	8,973	12,060
Manufacturing	2,912	2,250	4,286	7,198
Wholesale Trade	2,787	2,170	3,991	6,778
Transportation and Warehousing	1,929	1,690	7,065	8,994
Educational Services	1,009	795	7,800	8,809
Arts, Entertainment, and Recreation	1,003	856	12,189	13,192
Information	942	757	3,923	4,865
Mining, Quarrying, and Oil and Gas Extraction	383	328	476	859
Agriculture, Forestry, and Fishing and Hunting	90	86	1,449	1,539
Utilities	76	67	164	240
<b>Total</b>	<b>60,860</b>	<b>54,115</b>	<b>216,280</b>	<b>277,140</b>

Figure 4 and Tables 1 and 2 display data from the 2015 SUSB. Table 2 includes additional data from the 2015 Nonemployer Statistics (NES). Data for counties shown in white in Figure 4 were withheld by the Census Bureau because they do not meet publication standards or could disclose information regarding individual businesses.

REFERENCES

The Small Business Profiles, source data, and methodology are available at <https://go.usa.gov/xQT4w>.

ASE	Annual Survey of Entrepreneurs, US Census Bureau
BEA	Bureau of Economic Analysis, US Department of Commerce
BDM	Business Employment Dynamics, BLS
BLS	Bureau of Labor Statistics, US Department of Labor
CPS	Current Population Survey, BLS
FDIC	Call Reports, Federal Deposit Insurance Corporation
FFIEC	Federal Financial Institutions Examination Council
ITA	International Trade Administration, US Department of Commerce
NES	Nonemployer Statistics, US Census Bureau
SBO	Survey of Business Owners, US Census Bureau
SUSB	Statistics of US Businesses, US Census Bureau