

# SMALL BUSINESS PROFILE

U.S. SMALL BUSINESS ADMINISTRATION

## OFFICE OF ADVOCACY

REGULATION • RESEARCH • OUTREACH

### NEBRASKA



170,512  
99.1%

Small Businesses  
of Nebraska Businesses

400,506  
47.1%

Small Business Employees  
of Nebraska Employees



**EMPLOYMENT**  
9,084  
net new jobs



**DIVERSITY**  
14,561  
minority-owned  
businesses



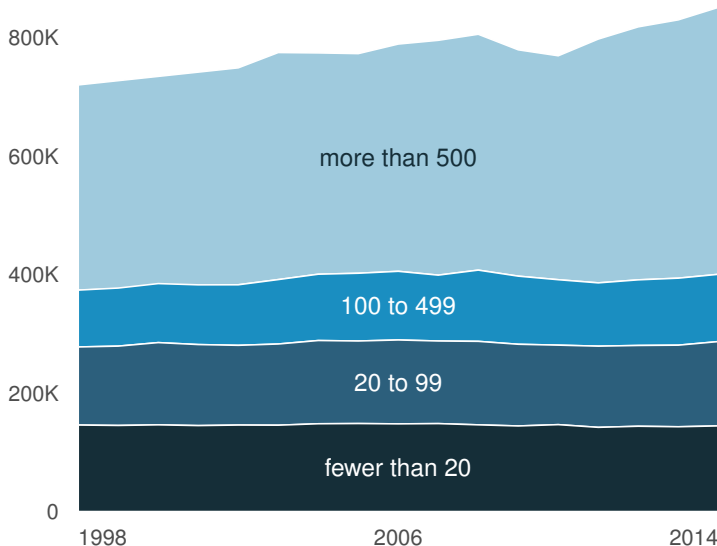
**TRADE**  
81.2%  
of Nebraska exporters

#### OVERALL NEBRASKA ECONOMY

- In the second quarter of 2016, Nebraska grew at an annual rate of 4.3%, which was faster than the overall US growth rate of 1.2%. Nebraska's 2015 growth rate of 0.9% was down from the 2014 rate of 3.0%. (Source: BEA)
- In November 2016, the unemployment rate was 3.4%, up from 3.0% at the close of 2015. This was below the November 2016 national unemployment rate of 4.6%. (Source: CPS)

#### EMPLOYMENT

Figure 1: Nebraska Employment by Business Size (Employees)



- Nebraska small businesses employed 400,506 people, or 47.1% 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 decreased 0.2%. This was below the previous year's increase of 0.5%. (Source: CPS)
- The number of proprietors increased in 2015 by 2.1% relative to the previous year. (Source: BEA)
- Small businesses created 9,084 net jobs in 2014. Among the seven BDS size-classes, firms employing 100 to 249 employees experienced the largest gains, adding 2,841 net jobs. The largest losses were in firms employing 50 to 99 employees, which lost 91 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, 27,372 loans under \$100,000 (valued at \$440.1 million) were issued by Nebraska lending institutions reporting under the Community Reinvestment Act. (Source: FFIEC)
- The median income for individuals self-employed at their own incorporated businesses was \$43,071 in 2015. For individuals self-employed at their own unincorporated firms, this figure was \$25,487. (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: Nebraska Small Business Ownership, 2012

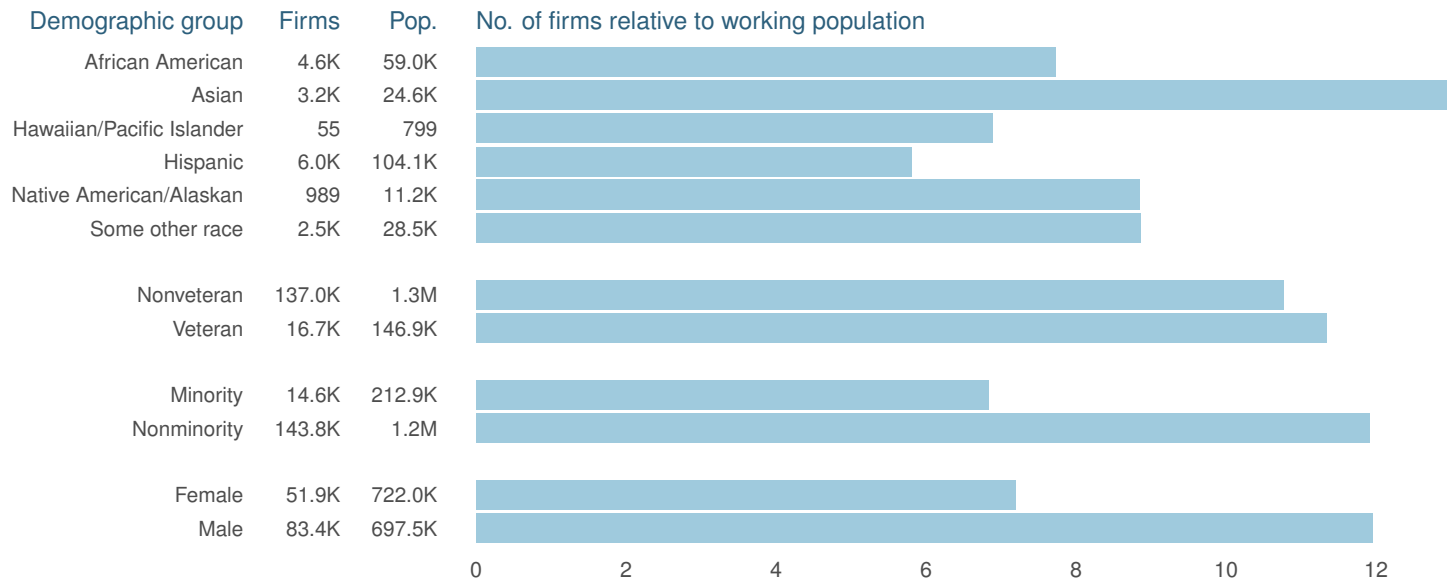
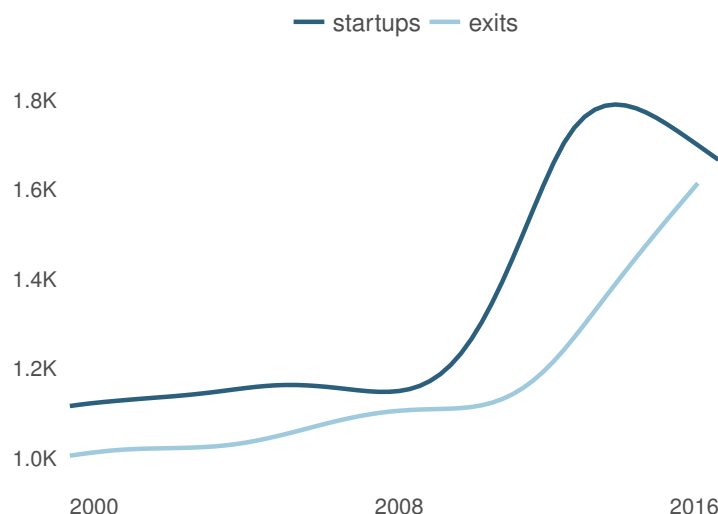


Figure 2 displays the number of small firms (SBO) per 100 people 16 years and over (ACS). For example, there are approximately 7 female-owned firms per 100 working age females or  $51.9K \div 722.0K \times 100$ . ACS and SBO differ in their classifications of individuals reporting more than one race. ACS provides a distinct category for two or more races while SBO tabulates these businesses into more than one group.

## BUSINESS TURNOVER

Figure 3: Nebraska Quarterly Startups and Exits



- In the second quarter of 2015, 1,611 establishments started up, generating 4,664 new jobs in Nebraska. Startups are counted when business establishments hire at least one employee for the first time. (Source: BDM)
- In the same period, 1,605 establishments exited resulting in 4,645 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 2,016 companies exported goods from Nebraska in 2014. Among these, 1,638, or 81.2%, were small firms; they generated 22.3% of Nebraska's \$7.5 billion in total known exports. (Source: ITA)

## SMALL BUSINESS EMPLOYMENT BY INDUSTRY AND COUNTY

Table 1: Nebraska Employment by Industry, 2014





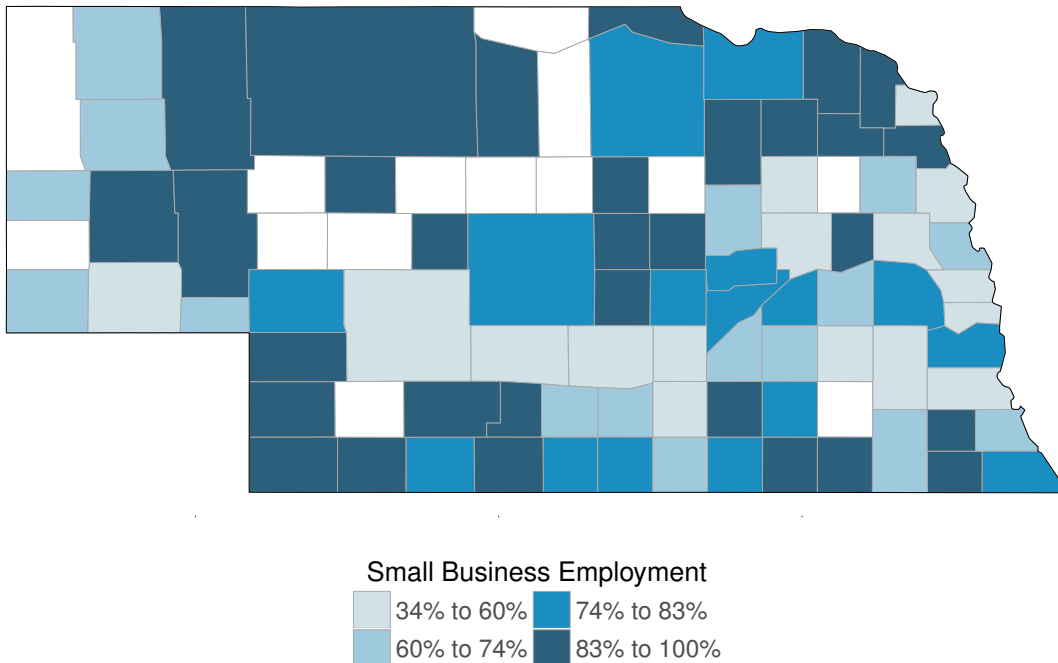
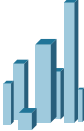




 Industry	 Small Business Employment	 Total Private Employment	 Small Business Employment Share
Health Care and Social Assistance	64,756	124,250	52%
Accommodation and Food Services	49,056	72,488	68%
Retail Trade	44,306	110,073	40%
Construction	37,120	41,197	90%
Other Services (Except Public Administration)	33,148	36,258	91%
Manufacturing	30,456	93,135	33%
Professional, Scientific, and Technical Services	26,495	97,943	27%
Wholesale Trade	26,027	42,592	61%
Administrative, Support, and Waste Management	18,984	59,979	32%
Finance and Insurance	18,109	60,573	30%
Transportation and Warehousing	13,970	27,772	50%
Arts, Entertainment, and Recreation	9,778	13,567	72%
Educational Services	8,587	18,376	47%
Real Estate and Rental and Leasing	8,295	10,683	78%
Information	6,905	20,380	34%
Mining, Quarrying, and Oil and Gas Extraction	815	1,168	70%
Agriculture, Forestry, and Fishing and Hunting	615	1,136	54%
Utilities	191	s	-
<b>Total</b>	<b>400,506</b>	<b>851,128</b>	<b>47%</b>

Figure 4: Nebraska Small Business Percent of Employment by County



## SMALL BUSINESSES BY INDUSTRY

Table 2: Nebraska 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)		5,259	4,893	20,180	25,439
Construction		6,035	5,644	15,515	21,550
Retail Trade		4,587	4,018	13,495	18,082
Professional, Scientific, and Technical Services		4,033	3,724	13,279	17,312
Health Care and Social Assistance		4,199	3,483	12,349	16,548
Real Estate and Rental and Leasing		1,693	1,588	14,695	16,388
Administrative, Support, and Waste Management		2,175	1,968	9,101	11,276
Transportation and Warehousing		1,990	1,825	6,512	8,502
Finance and Insurance		2,375	2,153	5,366	7,741
Arts, Entertainment, and Recreation		810	701	6,200	7,010
Accommodation and Food Services		3,293	2,530	1,645	4,938
Wholesale Trade		1,989	1,468	1,802	3,791
Educational Services		475	355	3,162	3,637
Agriculture, Forestry, and Fishing and Hunting		173	162	3,140	3,313
Manufacturing		1,465	1,076	1,508	2,973
Information		448	334	1,314	1,762
Mining, Quarrying, and Oil and Gas Extraction		107	96	182	289
Utilities		18	11	74	92
<b>Total</b>		<b>40,993</b>	<b>36,098</b>	<b>129,519</b>	<b>170,512</b>

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

