

Alaska

69,201 Small Businesses

15,867 Small Businesses with Employees

53,334 Small Businesses without Employees (Nonemployers)

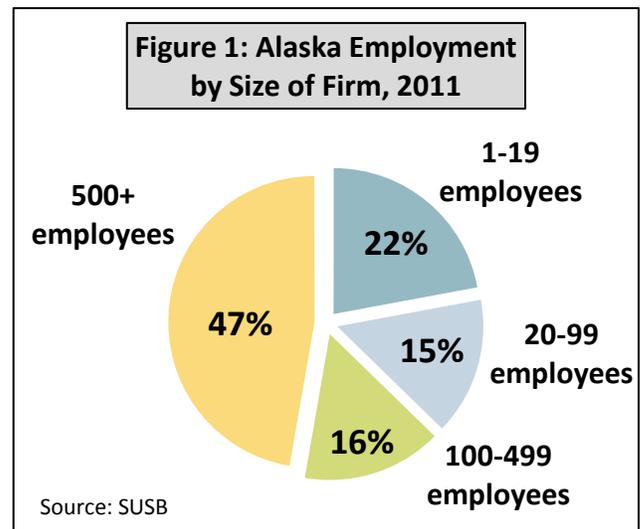
134,485 Workers Employed by Small Businesses

State Economy Overall

- Alaska's economy grew at a slower rate than the United States in 2012. Alaska's real gross state product increased by **1.1 percent** compared to **2.5 percent** for U.S. gross domestic product. (Source: BEA)
- The employment situation in Alaska has improved. The unemployment rate in Alaska modestly declined from **6.6 percent** in December 2012 to **6.4 percent** in December 2013. This is below the national average of **6.7 percent**. (Source: BLS)

Employment

- Alaska's small businesses employed over half or **134,485** of the state's private workforce in 2011.
- Almost all firms with employees are small. They make up **96.4 percent** of all employers in the state. **Table 3** offers further industry detail on small firms.
- Firms with fewer than 100 employees have the largest share of small business employment. **Figure 1** offers further detail.
- The three industries with the most small business employment were: health care & social assistance, accommodation & food services, and retail trade (**Table 4**).
- In Alaska, small businesses created **48** net new jobs in 2011. The biggest gain was in the smallest firm size category of 1-4 employees. (Source: BDS)
- The number of people who were primarily self-employed decreased in 2012. For demographic detail on the state's self-employment, see **Figure 2**.
- The state's private-sector employment increased in 2013 by **1.1 percent**, which was below the national average growth rate of **2.1 percent**. (Source: BEA, BLS)



The *Small Business State and Territory Profiles* report on the economic status of small business from 2010 to 2013. They include information on the number of firms, employment, demographics and other topics using the most recently available government data. They are a reference tool for researchers, policymakers, and small entities who are interested in how small firms are performing regionally or nationally. *Note that this report defines small businesses as firms with fewer than 500 employees.*

Income and Finance

- Most small businesses are sole proprietors. Annual income from sole proprietorships increased **8.1 percent** in the 3rd quarter of 2013 and totaled **\$3.5 billion**. (Source: BEA)
- The Federal Deposit Insurance Corporation tracks banks and bank branches and publishes annual data for each state. For more detailed information see www2.fdic.gov/sod/sodSummary.asp?baritem=3.
- In 2012, **14,314** loans under \$100,000 (and valued at **\$203.8 million**) were issued by Community Reinvestment Act lending institutions in Alaska. (Source: FFIEC)

Business Owner Demographics

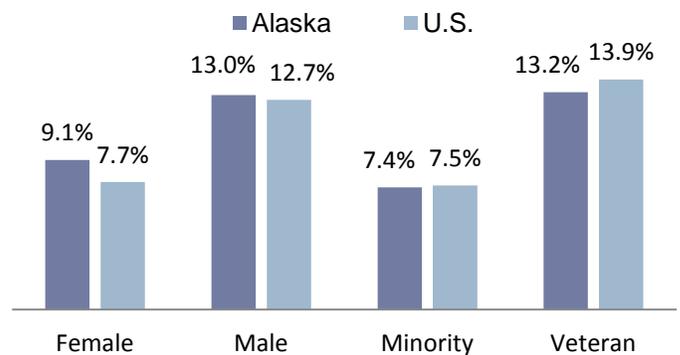
- In 2011, there were an estimated **18,000** woman-owned businesses and **12,000** minority-owned businesses. For additional business demographic information, see **Table 1** and **Figure 2**.

Table 1. Demographics of All Alaska Businesses, 2011

	Number of All Businesses ^e	Share of All Businesses (%) [*]
Male Owned	33,000	47.2
Woman Owned	18,000	25.9
Equally Male and Female Owned	16,000	23.4
Minority Owned	12,000	17.1
Veteran Owned	7,000	10.3

e = Advocacy estimate. *2007 SBO. Note: This estimate is based on the share of business owners in the 2007 SBO. This share is multiplied by the total number of businesses in 2011 (employer + nonemployer firms). These shares will not be updated to 2012 until fall 2015. Thus, the 2011 estimates assume the 2011 shares are the same as 2007. For more information, visit www.sba.gov/sites/default/files/files/ak10.pdf.

Figure 2: Alaska Self-Employment Demographics, 2012



Source: CPS

Note: Share of self-employed workers within a demographic group.

Business Turnover

- **Table 2** gives Alaska's establishment survival rates over an eight-year period, 2002-2010.
- In the 2nd quarter of 2013, **1,105** establishments opened and **1,151** closed in the state of Alaska. (Source: BED)
- Business bankruptcies declined in net from 2010 to 2013, signaling a stronger state economy. (Source: U.S. Courts)

Table 2. Survival Rates of Establishments in Alaska

	Establishments Opened*	Share Surviving Until 2012 (%)
2002	1,420	37.3
2007	1,188	49.7
2010	1,090	68.1

Source: BLS, BED. *Data year ending in March.

International Trade

- A total of **603** companies exported goods from the state in 2012. Of these, **438** or **72.6 percent** were small firms; they generated two-fifths (**40.2 percent**) of the state's total known export value. (Source: ITA)

Table 3: Number of Alaska Small Firms by Industry, 2011
(ranked by number of small employer firms)

Industry	Employer Firms With 1-499 Employees	Employer Firms With 1-19 Employees	Nonemployer Firms	Total Small Firms
Construction	2,338	2,221	4,748	7,086
Health care & social assistance	1,873	1,649	3,801	5,674
Retail trade	1,787	1,594	3,834	5,621
Accommodation & food services	1,691	1,460	1,595	3,286
Other services (except public admin.)	1,660	1,570	5,503	7,163
Professional, scientific, & tech. svcs.	1,584	1,448	6,641	8,225
Admin., supp., waste mgt., remed. svcs.	895	812	3,016	3,911
Transportation & warehousing	767	686	2,308	3,075
Real estate & rental & leasing	719	677	4,434	5,153
Arts, entertainment, & recreation	516	476	3,118	3,634
Wholesale trade	438	339	577	1,015
Manufacturing	431	383	1,109	1,540
Forestry, etc. & agriculture support	382	375	9,559	9,941
Finance & insurance	358	316	730	1,088
Educational services	216	187	1,457	1,673
Information	175	142	541	716
Mining	105	86	303	408
Management of comp. & enterprises	63	14	0	63
Utilities	54	36	60	114
Unclassified	24	24	0	24
Total	15,867	14,444	53,334	69,201

Table 4: Employment in Alaska by Industry and Firm Size, 2011
(ranked by small firm employment)

Industry	Employment		Small Firm Share of Industry Employment (%)
	Small Firms	Total Firms	
Health care & social assistance	25,531	44,084	58
Accommodation & food services	18,945	26,132	72
Retail trade	14,894	32,548	46
Construction	12,244	16,923	72
Professional, scientific, & tech. svcs.	9,591	17,417	55
Other services (except public admin.)	9,269	9,918	93
Admin., supp., waste mgt., remed. svcs.	7,354	20,335	36
Transportation & warehousing	6,761	17,713	38
Wholesale trade	4,630	8,642	54
Manufacturing	4,074	13,125	31
Real estate & rental & leasing	3,596	4,909	73
Finance & insurance	3,366	7,350	46
Arts, entertainment, & recreation	3,036	4,906	62
Educational services	2,831	3,157	90
Information	2,236	6,751	33
Mining	1,892	11,188	17
Utilities	1,721	1,922	90
Forestry, etc. & agriculture support	1,038	1,297	80
Management of comp. & enterprises	D	6,661	D
Unclassified	D	D	D
Total	134,485	254,996	53

Source, Tables 3 and 4: SUSB

See www.sba.gov/advocacy/847/841921 for more detailed data.

Note: Small firms are defined as nonfarm firms having fewer than 500 employees.

(D) Data suppressed to protect the confidentiality of individual firms.

Abbreviations and Resources

BEA	Bureau of Economic Analysis, U.S. Department of Commerce, www.bea.gov .
BED	Business Employment Dynamics, U.S. Department of Labor, Bureau of Labor Statistics, www.bls.gov/bdm .
BDS	Business Dynamics Statistics, U.S. Census Bureau, www.census.gov/ces/dataproducts/bds .
BLS	Bureau of Labor Statistics, U.S. Department of Labor, www.bls.gov .
CPS	Current Population Survey, U.S. Census Bureau, and U.S. Department of Labor, Bureau of Labor Statistics, www.census.gov/cps .
FDIC	Federal Deposit Insurance Corporation, www.fdic.gov .
FFIEC	Federal Financial Institutions Examination Council, www.ffiec.gov .
ITA	International Trade Administration, U.S. Department of Commerce, www.trade.gov .
SBO	Survey of Business Owners, U.S. Census Bureau, www.census.gov/econ/sbo .
SUSB	Statistics of U.S. Businesses, U.S. Census Bureau, www.census.gov/econ/susb .
U.S. Courts	Administrative Office of the U.S. Courts, www.uscourts.gov .