

Vermont

77,726 Small Businesses

17,659 Small Businesses with Employees

60,067 Small Businesses without Employees (Nonemployers)

156,760 Workers Employed by Small Businesses

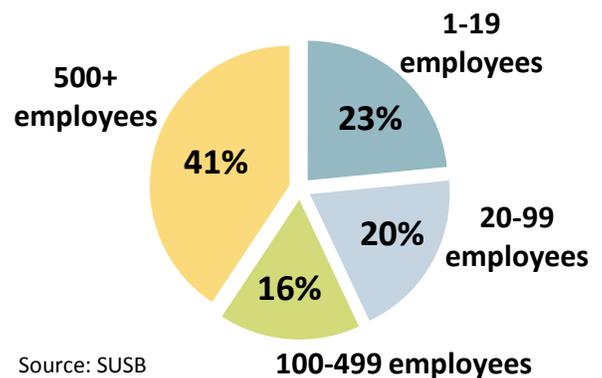
State Economy Overall

- Vermont's economy grew at a slower rate than the United States in 2012. Vermont's real gross state product increased by **1.2 percent** compared to **2.5 percent** for U.S. gross domestic product. (Source: BEA)
- The employment situation in Vermont has improved. The unemployment rate in Vermont declined from **5.1 percent** in December 2012 to **4.2 percent** in December 2013. This is below the national average of **6.7 percent**. (Source: BLS)

Employment

- Vermont's small businesses employed about three-fifths or **156,760** of the state's private workforce in 2011.
- Almost all firms with employees are small. They make up **96.2 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, retail trade, and accommodation & food services (**Table 4**).
- In Vermont, small businesses created **1,405** 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 increased in 2012. For demographic detail on the state's self-employment, see **Figure 2**.
- The state's private-sector employment increased in 2013 by **0.7 percent**, which was below the national average growth rate of **2.1 percent**. (Source: BEA, BLS)

Figure 1: Vermont Employment by Size of Firm, 2011



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 **7.6 percent** in the 3rd quarter of 2013 and totaled **\$2.3 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, **12,953** loans under \$100,000 (and valued at **\$150.9 million**) were issued by Community Reinvestment Act lending institutions in Vermont. (Source: FFIEC)

Business Owner Demographics

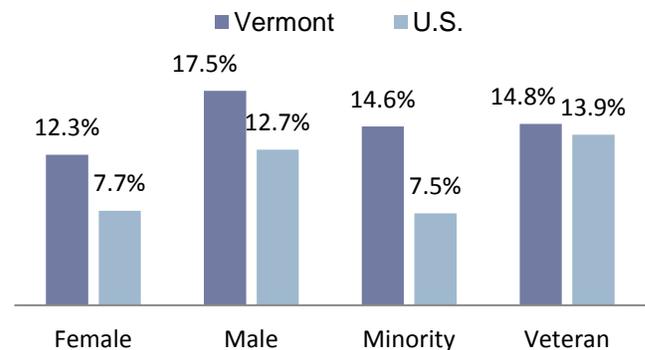
- In 2011, there were an estimated **20,000** woman-owned businesses and **2,000** minority-owned businesses. For additional business demographic information, see **Table 1** and **Figure 2**.

Table 1. Demographics of All Vermont Businesses, 2011

	Number of All Businesses ^e	Share of All Businesses (%) [*]
Male Owned	39,000	49.6
Woman Owned	20,000	26.0
Equally Male and Female Owned	16,000	20.2
Minority Owned	2,000	2.3
Veteran Owned	7,000	9.2

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/vt10.pdf.

Figure 2: Vermont Self-Employment Demographics, 2012



Source: CPS

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

Business Turnover

- **Table 2** gives Vermont's establishment survival rates over an eight-year period, 2002-2010.
- In the 2nd quarter of 2013, **1,122** establishments opened and **1,075** closed in the state of Vermont. (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 Vermont

	Establishments Opened*	Share Surviving Until 2012 (%)
2002	1,319	35.5
2007	1,252	46.6
2010	1,039	65.3

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

International Trade

- A total of **1,251** companies exported goods from the state in 2012. Of these, **1,053** or **84.2 percent** were small firms; they generated about a fifth (**18.5 percent**) of the state's total known export value. (Source: ITA)

Table 3: Number of Vermont 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	2,693	2,584	9,827	12,520
Retail trade	2,474	2,176	4,406	6,880
Professional, scientific, & tech. svcs.	2,045	1,932	8,761	10,806
Other services (except public admin.)	1,906	1,829	7,003	8,909
Health care & social assistance	1,666	1,412	5,075	6,741
Accommodation & food services	1,641	1,351	1,111	2,752
Admin., supp., waste mgt., remed. svcs.	969	904	4,514	5,483
Manufacturing	895	699	1,796	2,691
Wholesale trade	652	494	896	1,548
Real estate & rental & leasing	616	586	5,380	5,996
Finance & insurance	443	384	1,049	1,492
Arts, entertainment, & recreation	435	394	4,109	4,544
Transportation & warehousing	409	352	1,193	1,602
Educational services	341	269	1,951	2,292
Information	322	259	851	1,173
Forestry, etc. & agriculture support	125	123	2,015	2,140
Unclassified	55	55	0	55
Management of comp. & enterprises	45	11	0	45
Mining	39	33	61	100
Utilities	21	13	69	90
Total	17,659	15,842	60,067	77,726

Table 4: Employment in Vermont 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	24,180	50,353	48
Retail trade	23,073	39,135	59
Accommodation & food services	19,869	30,443	65
Manufacturing	16,270	30,675	53
Construction	11,573	12,399	93
Professional, scientific, & tech. svcs.	11,045	21,524	51
Other services (except public admin.)	8,707	8,953	97
Wholesale trade	8,324	10,623	78
Educational services	7,706	14,655	53
Finance & insurance	5,280	12,105	44
Admin., supp., waste mgt., remed. svcs.	4,793	6,776	71
Arts, entertainment, & recreation	3,997	6,974	57
Transportation & warehousing	3,706	5,710	65
Information	3,507	5,270	67
Real estate & rental & leasing	2,562	2,906	88
Utilities	718	2,017	36
Management of comp. & enterprises	595	2,807	21
Forestry, etc. & agriculture support	434	434	100
Mining	356	384	93
Unclassified	D	D	D
Total	156,760	264,208	59

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 .