

# 2019 Small Business Profile

## Louisiana



**447,440** Small Businesses  
**99.5%** of Louisiana Businesses

**902,758** Small Business Employees  
**52.8%** of Louisiana Employees



**EMPLOYMENT**  
**10,105**  
net jobs lost



**DIVERSITY**  
**109,567**  
minority-owned  
business employees



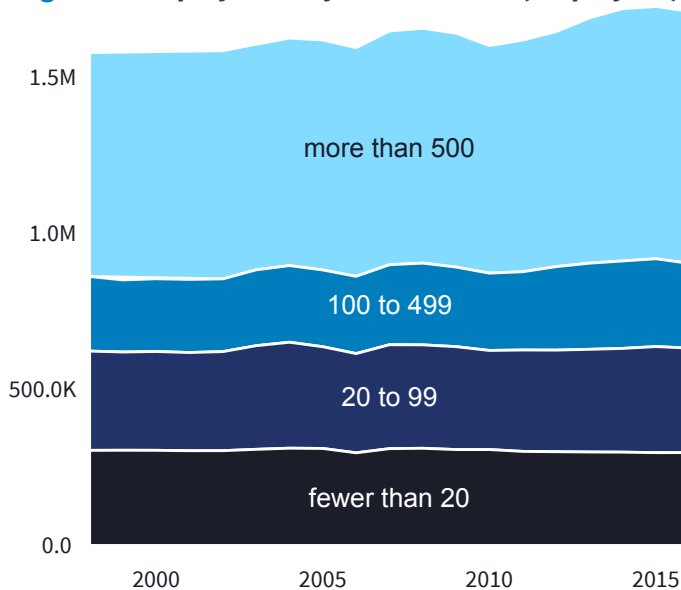
**TRADE**  
**3,034**  
small business  
exporters

### Overall Louisiana Economy

- In the third quarter of 2018, Louisiana grew at an annual rate of **1.9%**, which was slower than the overall US growth rate of **3.4%**. Louisiana's 2017 growth rate of **-0.8%** was up from the 2016 rate of **-1.3%**. (Source: [BEA](#))
- In February 2019, the unemployment rate was **4.9%**, up from **4.7%** in February 2018. This was above the February 2019 national unemployment rate of **3.8%**. (Source: [CPS](#))

### Employment

**Figure 1: Employment by Business Size (Employees)**



- Louisiana small businesses employed **902,758** people, or **52.8%** of the private workforce, in 2016. (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 decreased **0.4%** during the 12-month period ending in February 2019. This was below the increase of **1.3%** during the prior 12-month period. (Source: [CPS](#))
- The number of proprietors increased in 2017 by **1.9%** relative to the previous year. (Source: [BEA](#))
- Small businesses lost **10,105** net jobs in 2016. Firms employing fewer than 20 employees experienced the largest gains, adding **9,751** net jobs. The largest losses were in firms employing 100 to 499 employees, which lost **10,454** net jobs. (Source: [SUSB](#))

The Small Business Profiles are produced by the US Small Business Administration's Office of Advocacy (<http://advocacy.sba.gov>). 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, employees of minority-owned businesses, and exporter share statistics are based on the 2016 Statistics of US Businesses (SUSB), 2016 Annual Survey of Entrepreneurs (ASE), and 2016 International Trade Administration (ITA) data, respectively.

## Income and Finance

- The number of banks decreased by 3 between June 2016 and June 2017 to 128 banks. (Source: FDIC)
- In 2017, 86,865 loans under \$100,000 (valued at \$1.2 billion) were issued by Louisiana lending institutions reporting under the Community Reinvestment Act. (Source: FFIEC)
- The median income for individuals self-employed at their own incorporated businesses was \$50,633 in 2017. For individuals self-employed at their own unincorporated firms, this figure was \$22,103. (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: Louisiana Employees per Business by Owner's Demographic, 2016**

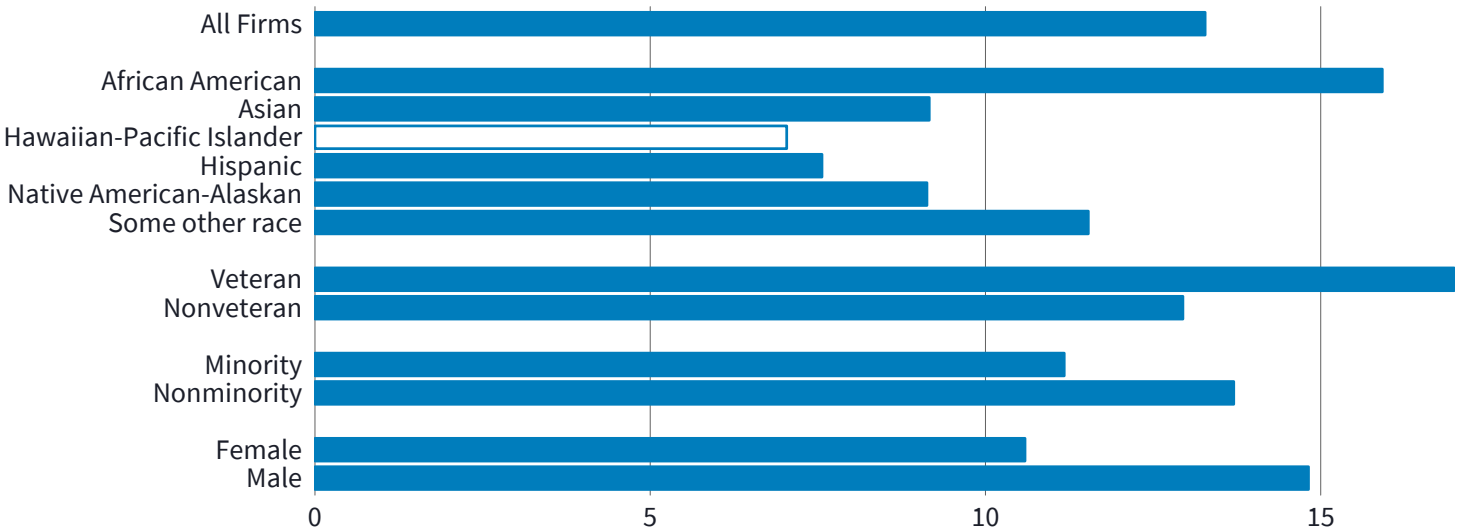
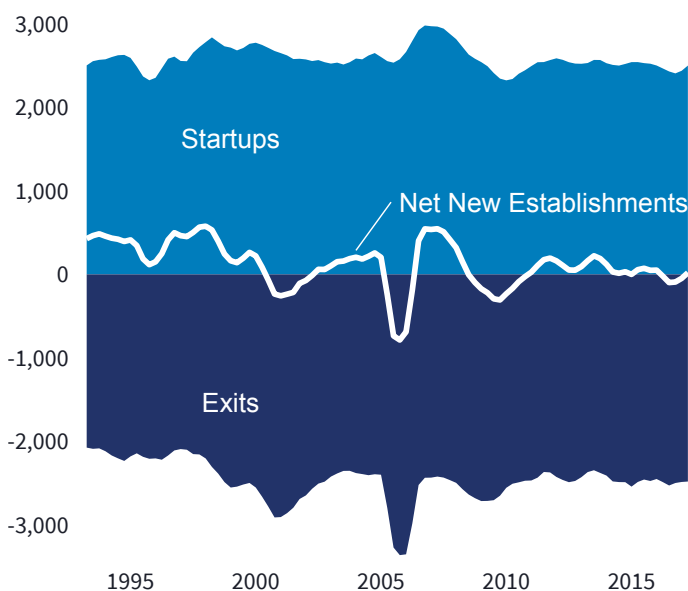


Figure 2 shows the average number of employees per employer business by owner's demographic group according to the 2016 Annual Survey of Entrepreneurs (ASE). Unshaded bars display US values; data were withheld because they do not meet Census Bureau publication standards or could disclose information regarding individual businesses.

## Turnover among Establishments with Employees

**Figure 3: Louisiana Quarterly Startups and Exits**



- In the third quarter of 2017, 2,568 establishments started up, generating 11,655 new jobs in Louisiana. Startups are counted when business establishments hire at least one employee for the first time. (Source: BDM)
- In the same period, 2,392 establishments exited resulting in 9,404 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 1993 to 2017. 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

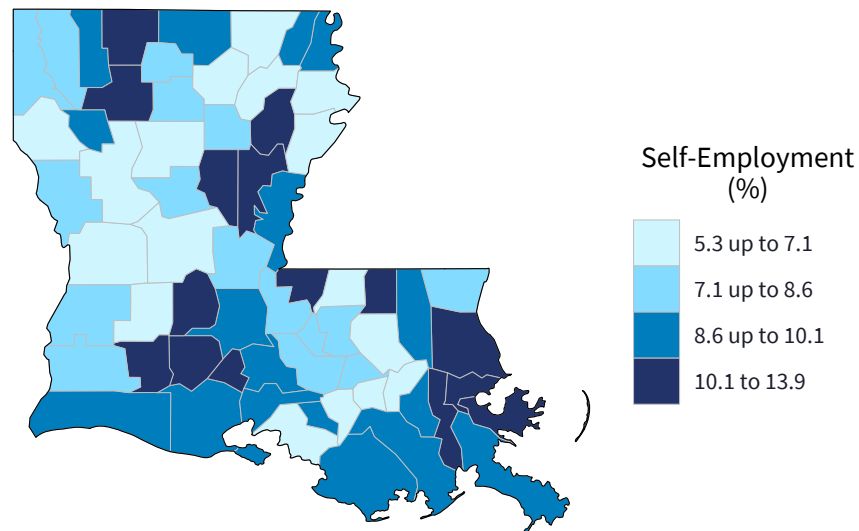
- A total of 3,588 companies exported goods from Louisiana in 2016. Of these, 3,034, or 84.6%, were small firms; they generated 34.8% of Louisiana's \$46.4 billion in total exports. (Source: ITA)

## Small Business Employment by Industry and Self-Employment by County






**Table 1: Louisiana Employment by Industry, 2016**

Industry	Small Business Employment	Total Private Employment	Small Business Employment Share
Health Care and Social Assistance	156,097	294,641	53.0
Accommodation and Food Services	127,487	218,289	58.4
Retail Trade	94,878	240,119	39.5
Construction	76,700	135,543	56.6
Professional, Scientific, and Technical Services	68,456	97,108	70.5
Other Services (except Public Administration)	66,666	75,808	87.9
Manufacturing	49,547	118,352	41.9
Administrative, Support, and Waste Management	48,645	105,382	46.2
Wholesale Trade	46,880	75,766	61.9
Finance and Insurance	32,615	64,521	50.5
Transportation and Warehousing	30,664	68,693	44.6
Educational Services	28,782	43,929	65.5
Real Estate and Rental and Leasing	21,100	30,746	68.6
Arts, Entertainment, and Recreation	17,154	25,583	67.1
Mining, Quarrying, and Oil and Gas Extraction	16,184	43,227	37.4
Management of Companies and Enterprises	7,728	25,579	30.2
Information	7,219	30,111	24.0
Agriculture, Forestry, and Fishing and Hunting	3,466	4,091	84.7
Utilities	2,258	11,506	19.6
Industries not classified	232	232	100.0
<b>Total</b>	<b>902,758</b>	<b>1,709,226</b>	<b>52.8</b>

**Figure 4: Louisiana Self-Employment Rates by County, 2017**



**Table 2: Louisiana Small Businesses by Industry and Firm Size, 2016**

 Industry	 1-499 Employees	 1-19 Employees	 Nonemployer Firms	 Total Small Firms
Other Services (except Public Administration)	8,949	8,212	65,952	74,901
Professional, Scientific, and Technical Services	10,593	9,796	39,954	50,547
Construction	7,865	6,989	38,661	46,526
Health Care and Social Assistance	9,585	7,929	34,302	43,887
Administrative, Support, and Waste Management	3,853	3,255	38,020	41,873
Real Estate and Rental and Leasing	3,574	3,294	35,135	38,709
Retail Trade	9,880	8,731	26,320	36,200
Transportation and Warehousing	2,739	2,309	22,202	24,941
Arts, Entertainment, and Recreation	1,326	1,104	16,067	17,393
Accommodation and Food Services	6,955	5,085	7,941	14,896
Finance and Insurance	3,661	3,321	9,948	13,609
Agriculture, Forestry, and Fishing and Hunting	578	540	8,981	9,559
Educational Services	1,096	738	7,620	8,716
Wholesale Trade	3,711	2,859	4,549	8,260
Manufacturing	2,653	1,994	4,470	7,123
Mining, Quarrying, and Oil and Gas Extraction	1,086	853	4,989	6,075
Information	593	474	3,366	3,959
Utilities	181	164	258	439
<b>Total</b>	<b>78,705</b>	<b>67,765</b>	<b>368,735</b>	<b>447,440</b>

Tables 1 and 2 display data from the 2016 SUSB. Table 2 includes additional data from the 2016 Nonemployer Statistics (NES). Figure 4 provides estimates of the rate of self-employment among employed civilians, 16 years and over, including both incorporated and unincorporated businesses, from the 2017 American Community Survey (ACS).

**References**

The Small Business Profiles, source data, and methodology are available at <https://go.usa.gov/xmb5R>.

- ACS** American Community Survey, US Census Bureau
- 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
- SUSB** Statistics of US Businesses, US Census Bureau