

2020 Small Business Profile

Maine

149,355 Small Businesses
99.2% of Maine Businesses

293,872 Small Business Employees
57.2% of Maine Employees



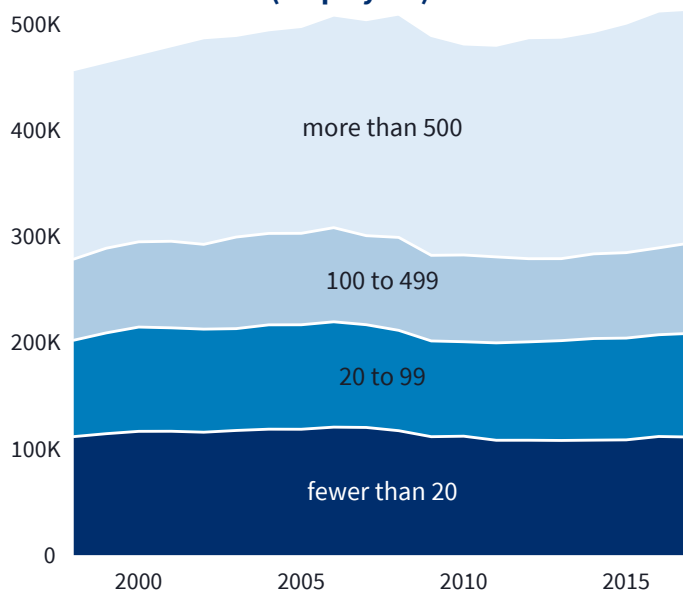
A note on COVID-19: This report uses the most up-to-date government data to present a unique snapshot of small businesses. The BLS employment estimates capture the early stages of the pandemic. All other sources reflect data collected prior to the pandemic.

Overall Economy

- In the fourth quarter of 2019, Maine grew at an annual rate of **1.9%**, which was slower than the overall US growth rate of **2.1%**. Maine's 2019 overall growth rate of **1.9%** was down from the 2018 rate of **2.2%**. (Source: [BEA](#))
- In April 2020, the unemployment rate was **10.6%**, up from **3.1%** in April 2019. This was below the April 2020 national unemployment rate of **14.7%**. (Source: [CPS](#))

Employment

Figure 1: Maine Employment by Business Size (Employees)



- Maine small businesses employed **293,872** people, or **57.2%** of the private workforce, in 2017. (Source: [SUSB](#))
- Firms with fewer than 20 employees have the largest share of small business employment. Figure 1 provides further details on firms with employees. (Source: [SUSB](#))
- Private-sector employment decreased **18.4%** during the 12-month period ending in April 2020. This was below the increase of **0.8%** during the prior 12-month period. (Source: [CES](#))
- The number of proprietors increased in 2018 by **2.5%** relative to the previous year. (Source: [BEA](#))
- Small businesses created **5,924** net jobs in 2019. Firms employing fewer than 20 employees experienced the largest gains, adding **4,843** net jobs. The smallest gains were in firms employing 100 to 499 employees, which added **239** net jobs. (Source: [BDM](#))

The Small Business Profiles are produced by the US Small Business Administration's Office of Advocacy (<http://advocacy.sba.gov>). These profiles define small businesses as firms with fewer than 500 employees. Net small business job change, self-employed minorities, and exporter share statistics are based on 2019 Business Employment Dynamics (BDM), 2018 American Community Survey (ACS), and 2018 International Trade Administration (ITA) data, respectively.

Income and Finance

- The median income for self-employed individuals at their own incorporated businesses was **\$48,645** in 2018. For self-employed individuals at their own unincorporated firms, median income was **\$25,523**. (Source: [ACS](#))
- The total number of banks was unchanged at **26** between June 2018 and June 2019. During the same period, the number of banks with assets under \$1 billion decreased by **2** to **14** banks. (Source: [FDIC](#))
- In 2018, Maine lending institutions reporting under the Community Reinvestment Act issued **26,393** loans under \$100,000, a total value of **\$403.5 million**. (Source: [FFIEC](#))

Median income represents earnings from all sources. Unincorporated self-employment income includes unpaid family workers, a very small percent of the unincorporated self-employed. The decline in the number of banks with assets under \$1 billion may exceed the change in the total number of banks due to mergers and asset balance changes.

Self-Employment Demographics

Figure 2: Maine Self-Employment Rates by Gender & Demographic, 2018

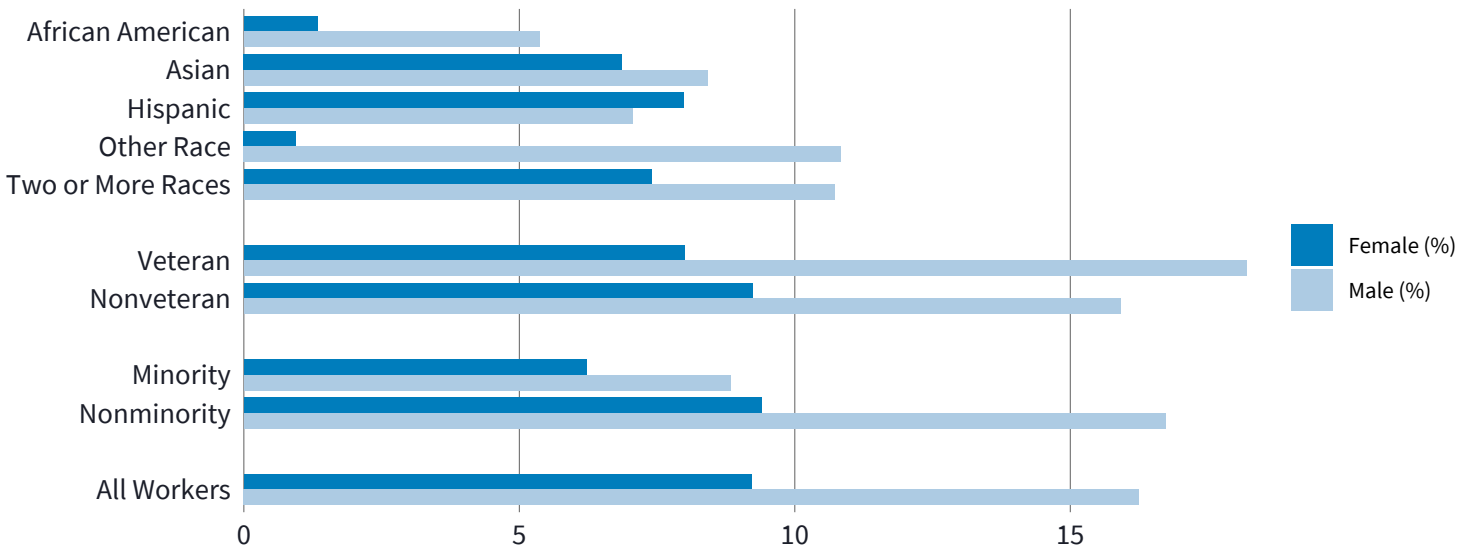
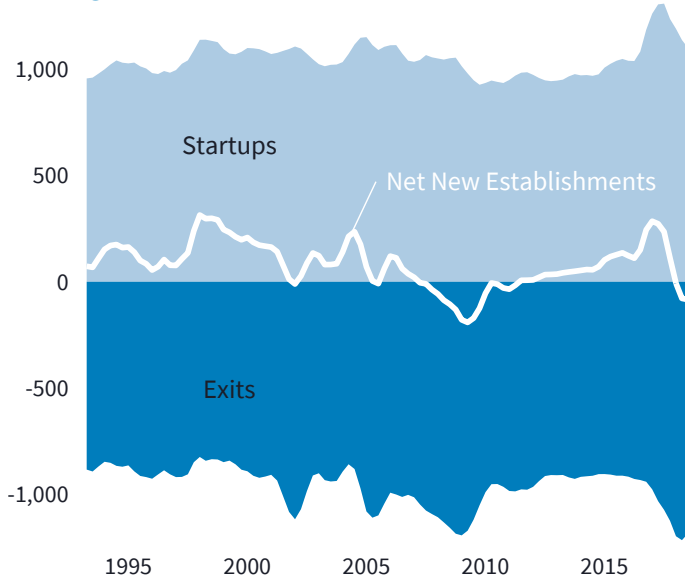


Figure 2 shows the self-employment rate for each demographic group by gender according to the 2018 American Community Survey (ACS). Other Race includes those who selected Alaska Native, American Indian, Native Hawaiian, Pacific Islander, or Some Other Race.

Turnover among Establishments with Employees

Figure 3: Maine Quarterly Startups and Exits



- In the fourth quarter of 2018, **1,241** establishments started up, generating **3,659** new jobs in Maine. Startups are counted when business establishments hire at least one employee for the first time. (Source: [BDM](#))
- In the same period, **913** establishments exited, resulting in **2,182** 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 2018. Each series is smoothed across multiple quarters to highlight long-run trends. (Source: [BDM](#))

The BDM data covers only business establishments with employees. BDM refers to startups as births and exits as deaths. These terms are distinct from the BDM 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 1,902 firms exported goods from Maine in 2018. Of these, 1,610, or 84.6%, were small firms, which generated 56.4% of Maine's \$2.4 billion in total exports. (Source: ITA)

Small Business Employment by Industry and Self-Employment by County

Table 1: Maine Employment by Industry, 2017

Industry	Small Business Employment	Total Private Employment	Small Business Employment Share
Health Care and Social Assistance	51,768	112,277	46.1
Accommodation and Food Services	42,938	54,820	78.3
Retail Trade	36,950	81,441	45.4
Manufacturing	24,927	49,789	50.1
Construction	24,269	26,119	92.9
Professional, Scientific, and Technical Services	17,632	22,872	77.1
Other Services (except Public Administration)	17,501	18,951	92.3
Administrative, Support, and Waste Management	16,002	23,691	67.5
Wholesale Trade	11,158	18,807	59.3
Finance and Insurance	10,108	28,005	36.1
Transportation and Warehousing	8,805	16,898	52.1
Educational Services	7,867	18,235	43.1
Arts, Entertainment, and Recreation	6,823	7,646	89.2
Real Estate and Rental and Leasing	6,150	7,354	83.6
Information	5,024	11,596	43.3
Agriculture, Forestry, and Fishing and Hunting	3,086	3,152	97.9
Management of Companies and Enterprises	1,730	9,549	18.1
Utilities	1,040	2,440	42.6
Mining, Quarrying, and Oil and Gas Extraction	50	59	84.7
Industries Not Classified	44	44	100.0
Total	293,872	513,745	57.2

Figure 4: Maine Self-Employment Rates by County, 2018

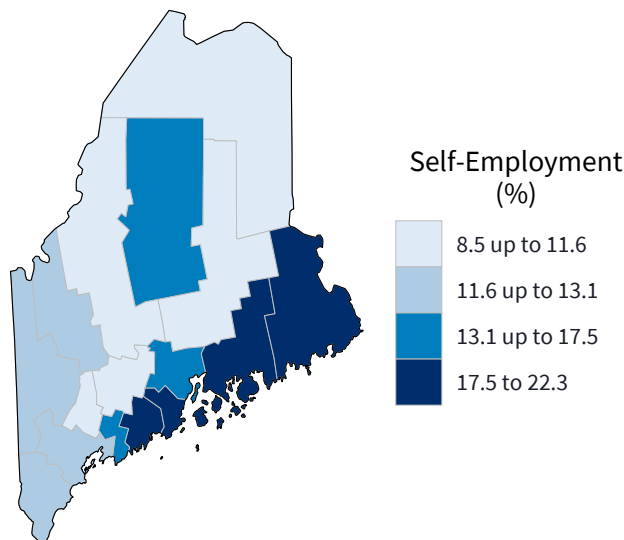
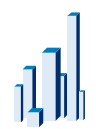






Table 2: Maine Small Businesses by Industry and Firm Size, 2017

 Industry	 1–19 Employees	 1–499 Employees	 Nonemployer Firms	 Total Small Firms
Construction	4,770	5,003	17,428	22,431
Other Services (except Public Administration)	3,340	3,495	14,302	17,797
Professional, Scientific, and Technical Services	2,986	3,207	14,162	17,369
Retail Trade	3,612	4,049	9,825	13,874
Real Estate and Rental and Leasing	1,495	1,559	12,194	13,753
Health Care and Social Assistance	2,491	2,972	7,548	10,520
Agriculture, Forestry, and Fishing and Hunting	896	929	9,350	10,279
Administrative, Support, and Waste Management	1,793	1,972	8,089	10,061
Arts, Entertainment, and Recreation	764	851	7,424	8,275
Accommodation and Food Services	3,029	3,660	1,804	5,464
Transportation and Warehousing	933	1,054	3,738	4,792
Manufacturing	1,213	1,531	2,423	3,954
Educational Services	377	468	3,107	3,575
Wholesale Trade	925	1,146	1,564	2,710
Finance and Insurance	649	776	1,869	2,645
Information	400	469	1,325	1,794
Mining, Quarrying, and Oil and Gas Extraction	14	16	85	101
Utilities	19	32	62	94
Total	29,732	33,056	116,299	149,355

Tables 1 and 2 display data from the 2017 Statistics of U.S. Businesses (SUSB). Table 2 includes additional data from the 2017 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 2018 American Community Survey (ACS).

References

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

- ACS American Community Survey, 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
- CES Current Employment Statistics, BLS
- CPS Current Population Survey, BLS
- FDIC 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