

Survey of Business Owners

Recent Data Releases, Future Data Products, and Plans for 2012

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*Annual Data User Conference
Pennsylvania State Data Center
Sept. 15, 2011*

About the Survey

- Part of the Economic Census taken every 5 years for years ending in “2” and “7”
- The only comprehensive, regularly collected data for businesses and business owners by
 - Minority status
 - Race
 - Ethnicity (Hispanic origin of any race)
 - Gender
 - Veteran status
- Include both economic and demographic characteristics of businesses and owners

Categories of Business Ownership

- All firms classifiable by gender, ethnicity, race, and veteran status
- Race
 - Minority-owned, Equally minority-/nonminority-owned, Nonminority-owned
 - White
 - Black
 - American Indian and Alaska Native (AIAN)
 - Asian
 - Native Hawaiian and Other Pacific Islander (NHPI)
 - Some other race

Categories of Business Ownership

- Ethnicity
 - Hispanic, Equally Hispanic/non-Hispanic, Non-Hispanic
- Gender
 - Women-owned, Men-owned, Equally men-/women-owned
- Veteran Status
 - Veteran-owned, Equally veteran-/nonveteran-owned, Nonveteran-owned
- Publicly held and other firms not classifiable by gender, ethnicity, race, and veteran status

Additional Categories of Hispanic Business Ownership

- Detailed Hispanic subgroups
 - Mexican, Mexican American, Chicano
 - Puerto Rican
 - Cuban
 - Other Hispanic, Latino, or Spanish

Additional Categories of Asian Business Ownership

- Detailed Asian subgroups
 - Asian Indian
 - Chinese
 - Filipino
 - Japanese
 - Korean
 - Vietnamese
 - Other Asian

Additional Categories of Native Hawaiian and Other Pacific Islander Business Ownership

- Detailed NHPI subgroups
 - Native Hawaiian
 - Samoan
 - Guamanian or Chamorro
 - Other Pacific Islander

Data Collection

- Compiled from several sources:
 - Mailout/mailback survey
 - Administrative data from the IRS, SSA and Decennial Census used to create sample frames
 - Other Economic Census reports to obtain geographic, industry, sales and receipts, employment and payroll data
- Benefit = Reduced respondent burden
- Drawback = Delayed release of data

Which Businesses Are Included

- Includes all nonfarm firms operating during the Economic Census year with receipts of \$1,000 or more that filed tax forms as:
 - Individual proprietorships
 - Partnerships
 - Any type of corporation
- Firms classified by kind of business using the North American Industry Classification System (NAICS)



Examples of the NAICS Numbering System

Level	Example	
Sector	51	Information
Subsector	515	Broadcasting (except Internet)
Industry group	5151	Radio and Television Broadcasting
NAICS industry	51511	Radio Broadcasting
U.S. industry	515112	Radio Stations

Which Businesses Are Excluded

Excludes firms classified as:

- Crop and animal production
- Rail and scheduled air transportation
- Postal service
- Funds, trusts, and other financial vehicles, except real estate investment trusts
- Religious, grantmaking, civic, professional, and similar organizations
- Private households
- Public administration, along with companies owned by American Indian and Alaska Native tribal governments

Enhancements for 2007

- Opportunity provided to report online
- Protective noise for disclosure avoidance
- One comprehensive 2007 SBO form accommodating up to four owners
- “Some other race” added to race categories
- More veteran data
- New questions asked of businesses and owners

Company Summary Data – June 7, 2011

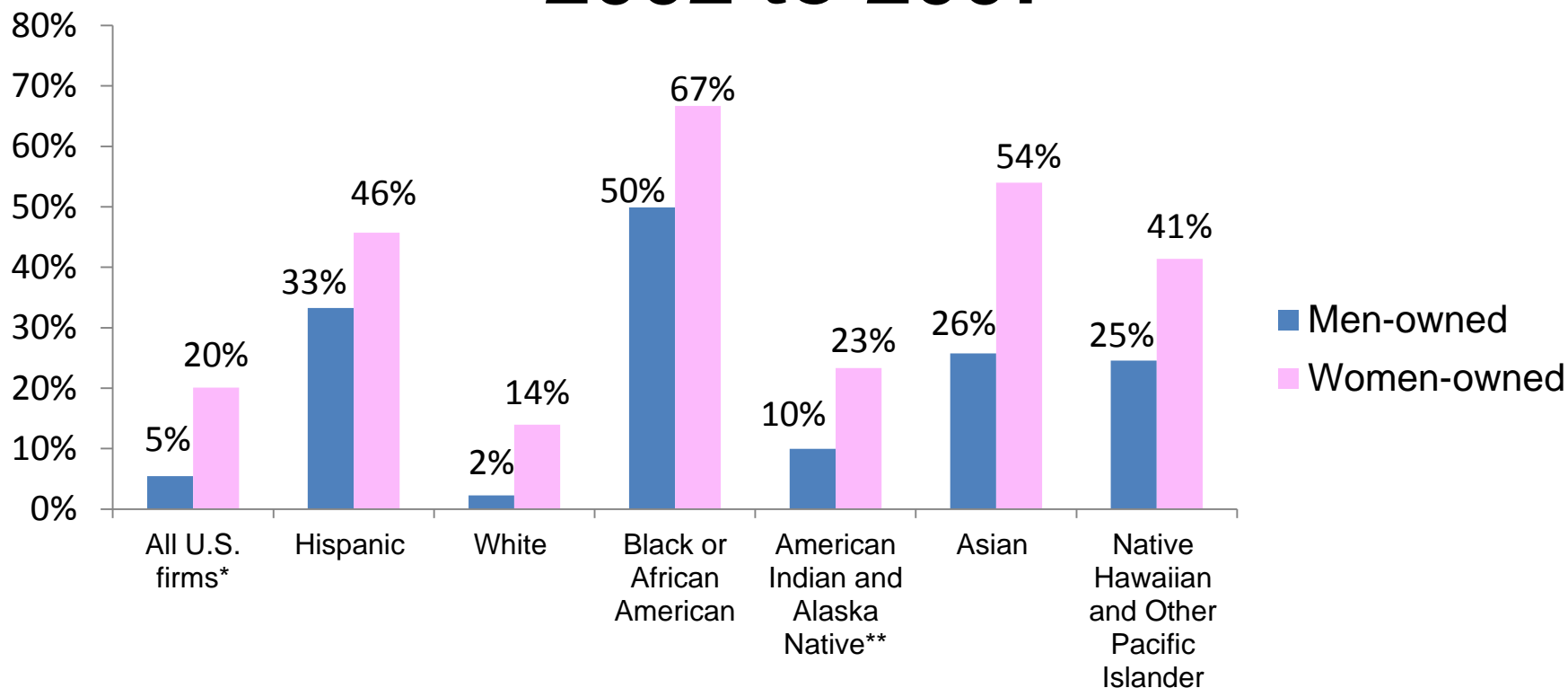
Cross-tabulated employer and nonemployer data by

- Geography
 - National level down to the place level
- Industry
 - 2- thru 6-digit NAICS
- Size of firm

Provides:

- Number of firms, sales and receipts, employment, and annual payroll

Growth in U.S. Business Ownership for Select Groups by Gender: 2002 to 2007

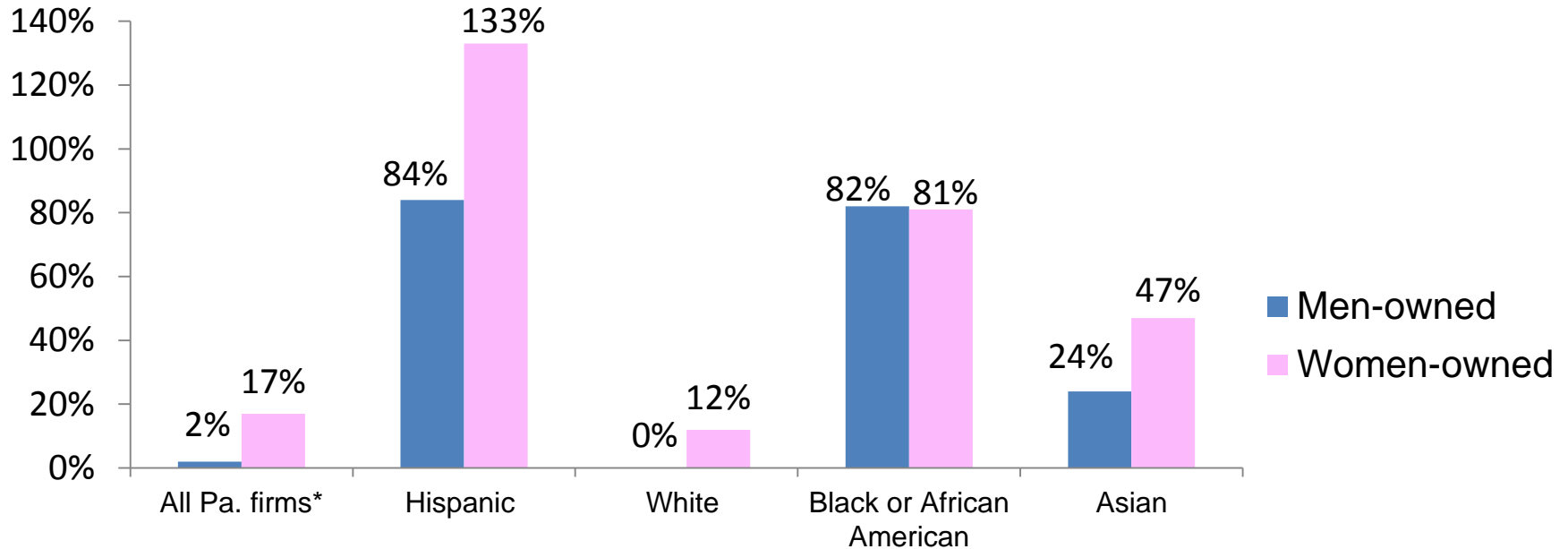


* Includes firms with paid employees and firms with no paid employees.

** Percentage change for AIAN women-owned firms is not statistically different from the women national-level percentage.

Note: Detail may not add to total because a Hispanic firm may be of any race. Moreover, each owner had the option of selecting more than one race and therefore is included with each race selected.

Growth in Pa. Business Ownership for Select Groups by Gender: 2002 to 2007

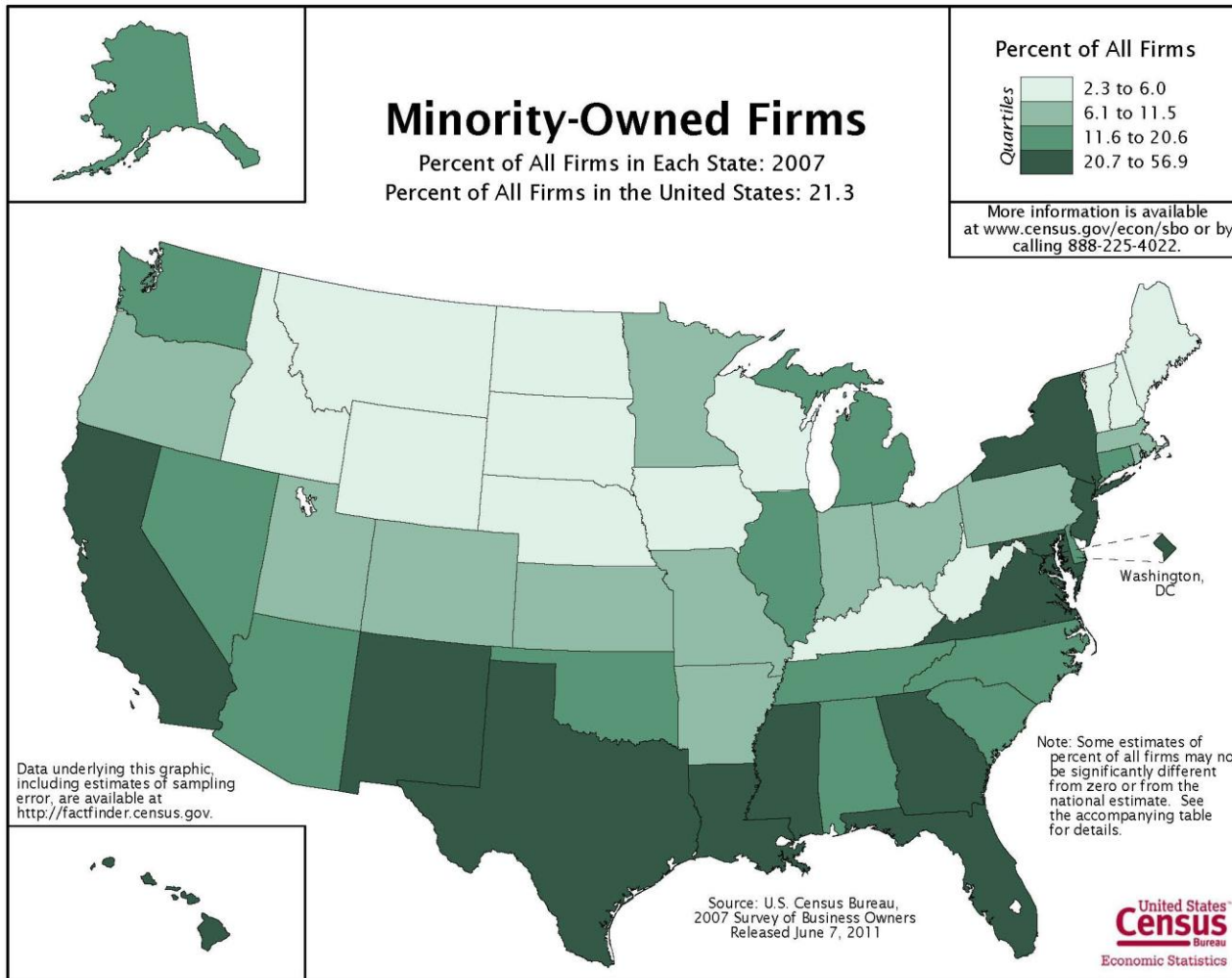


* Includes firms with paid employees and firms with no paid employees.

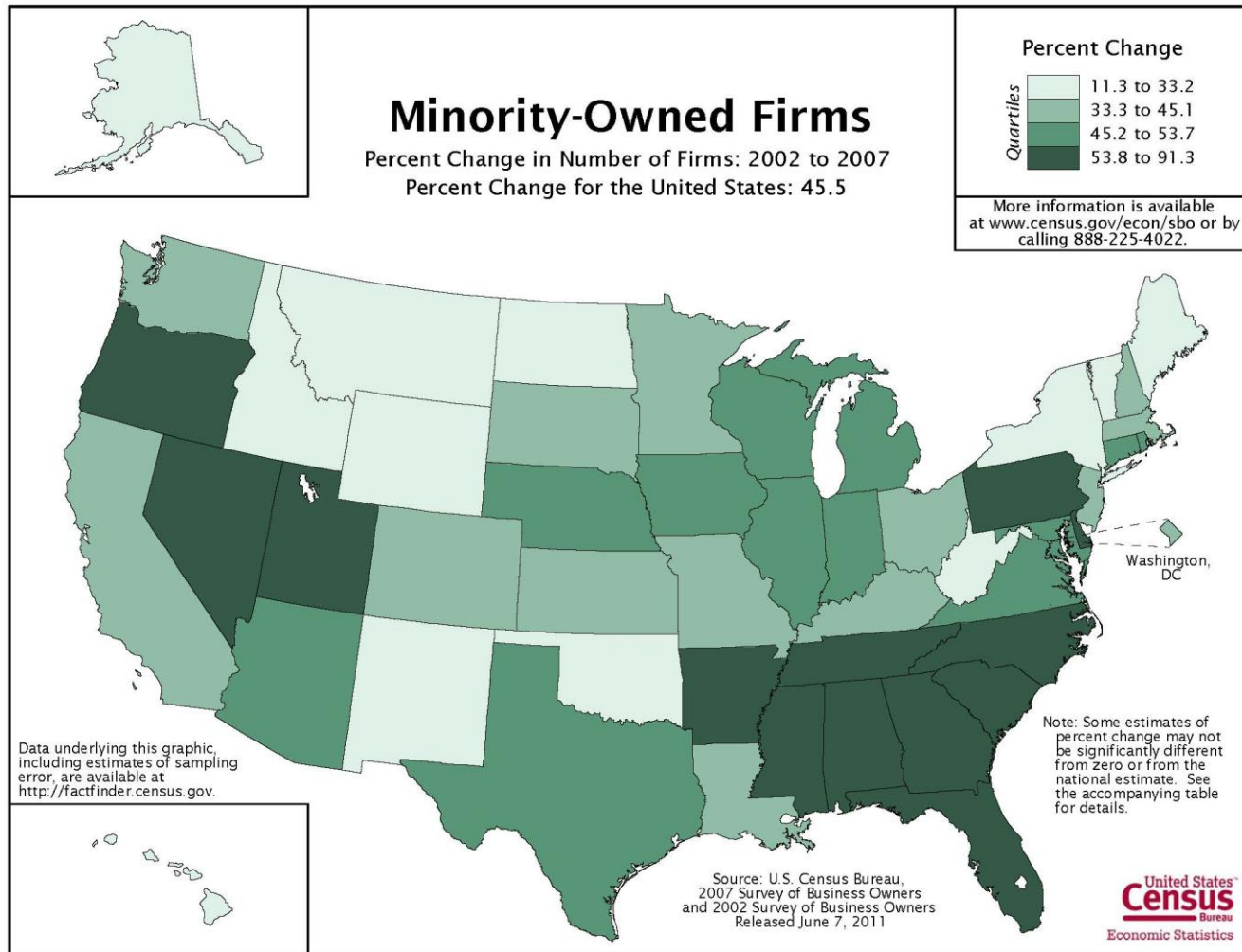
** Percentage change for AIAN and NHOPI firms by gender did not meet publican standards.

Note: Detail may not add to total because a Hispanic firm may be of any race. Moreover, each owner had the option of selecting more than one race and therefore is included with each race selected.

Minority-Owned Firms by State: 2007



Percent Change in Minority-Owned Firms: 2007



U.S. Minority Business Ownership Increased at More Than Twice the National Rate: 2002 to 2007

	Minority-owned businesses		All U.S. businesses	
	Firms (number)	% change for firms, 2002 - 2007	Firms (number)	% change for firms, 2002 - 2007
All firms ¹	5,759,209	45	27,092,908	18
Employer firms	766,533	22	5,735,562	4
Nonemployer firms	4,992,676	50	21,357,346	22

¹ Includes firms with paid employees and firms with no paid employees.

Note: Detail may not add to total because of rounding.

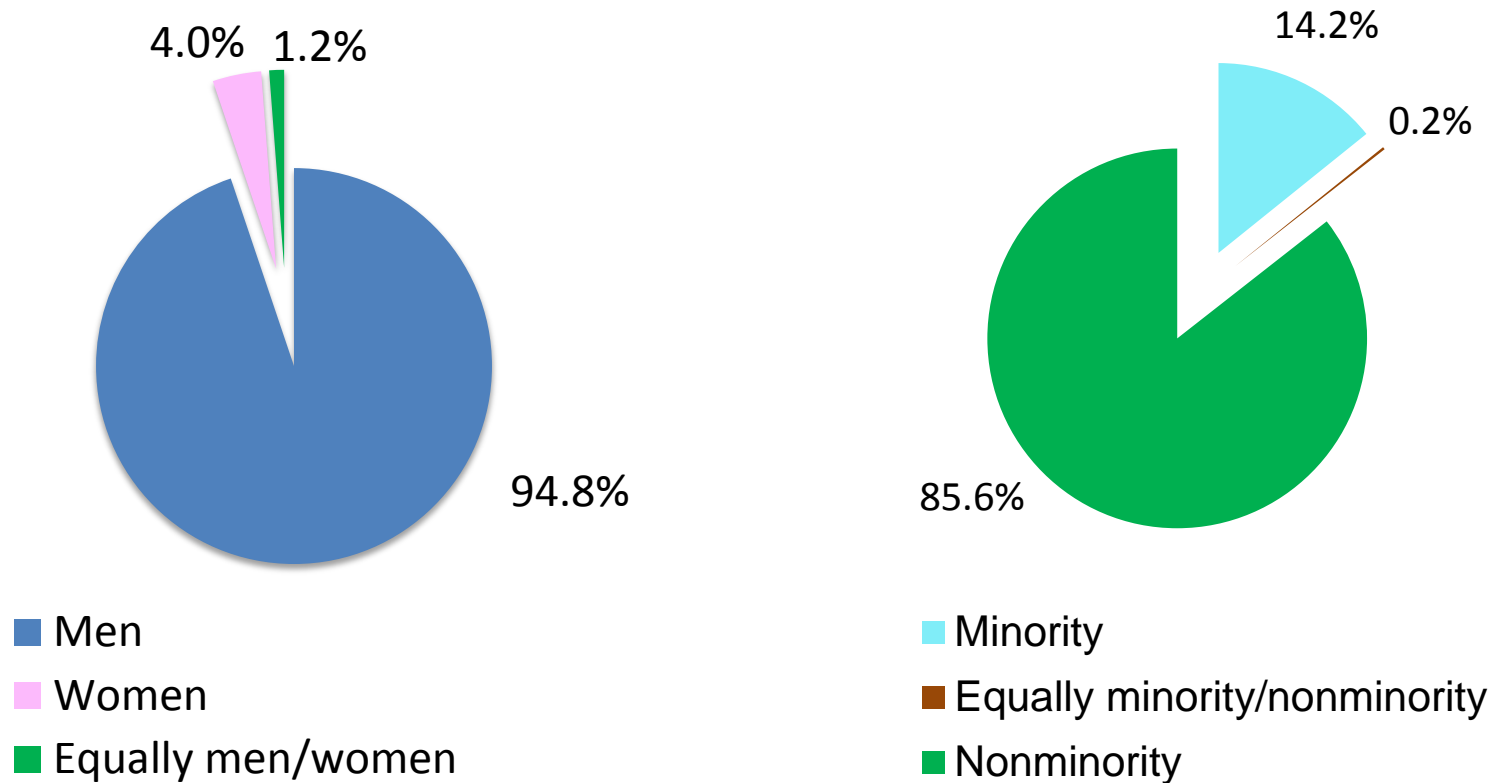
Pa. Minority Business Ownership Increased at Five Times the Rate for all Pa. Businesses: 2002 to 2007

	Minority-owned businesses		All Pa. businesses	
	Firms (number)	% change for firms, 2002 - 2007	Firms (number)	% change for firms, 2002 - 2007
All firms ¹	96,208	63	981,501	12
Employer firms	14,686	24	224,595	- 1
Nonemployer firms	81,522	73	756,906	17

¹ Includes firms with paid employees and firms with no paid employees.

Note: Detail may not add to total because of rounding.

U.S. Veteran Business Ownership by Gender and Minority Status: 2007



Note: Detail may not add to total because of rounding. The 2007 SBO provides the first-ever estimates for all veteran-owned businesses in the United States.

U.S. Veteran Business Ownership by Gender and Minority Status: 2007

	Veteran firms (number)	% of all veteran-owned firms	Veteran sales and receipts (\$ billion)	% of all veteran firms' sales and receipts
All U.S. veteran firms ¹	2,447,608	100	1,220	100
Gender				
Women (W)	97,114	4	16	1
Men (M)	2,320,901	95	1,199	98
Equal (W,M)	29,593	1	5	< 1
Minority status				
Minority (Min)	347,910	14	63	5
Equal (Min, Nonmin)	5,219	< 1	1	< 1
Nonminority (Nonmin)	2,094,479	86	1, 156	95

¹ Includes firms with paid employees and firms with no paid employees.

Note: Detail may not add to total because of rounding. The 2007 SBO provides the first-ever estimates for all veteran-owned businesses in the United States.

Pa. Veteran Business Ownership by Gender and Minority Status: 2007

	Veteran firms (number)	% of all veteran-owned firms	Veteran sales and receipts (\$ billion)	% of all veteran firms' sales and receipts
All Pa. veteran firms ¹	96,101	100	51	100
Gender				
Women (W)	2,296	2	< 1	< 1
Men (M)	93,460	97	51	99
Equal (W,M)	345	< 1	< 1	< 1
Minority status				
Minority (Min)	6,207	6	1	2
Equal (Min, Nonmin)	S	S	S	S
Nonminority (Nonmin)	89,863	94	50	98

¹ Includes firms with paid employees and firms with no paid employees. S - Withheld because estimate did not meet publication standards.
 Note: Detail may not add to total because of rounding. The 2007 SBO provides the first-ever estimates for all veteran-owned businesses in the United States.

Distribution of Firms by Receipts Size of Firm: 2007

Receipts size	% of minority-owned firms	% of equally minority-/nonminority-owned firms	% of nonminority-owned firms	% of all U.S. firms
Less than \$50,000	76	66	64	65
\$50,000 to \$99,999	8	10	10	10
\$100,000 to \$249,999	8	10	11	10
\$250,000 to \$499,999	4	6	6	5
\$500,000 to \$999,999	2	4	4	4
\$1,000,000 or more	2	4	5	5

Note: Detail may not add to 100 percent because of rounding.

Distribution of Employer Firms by Employment Size of Firm: 2007

Employment size	% of minority-owned employer firms	% of equally minority-/nonminority-owned employer firms	% of nonminority-owned employer firms	% of all U.S. employer firms
0 to 4 employees ¹	67	62	62	61
5 to 9 employees	17	19	18	18
10 to 19 employees	9	11	11	11
20 to 49 employees	5	6	7	7
50 employees or more	2	2	3	4

¹ Includes firms with payroll at any time during 2007. Employment reflects the number of paid employees during the March 12 pay period.

Note: Detail may not add to 100 percent because of rounding.

Sectors Accounting for the Largest Number of U.S. Minority-Owned Firms: 2007

Business sectors	Firms (number)	% of minority-owned firms	Sales and receipts (\$ billions)	% of minority-owned firms' sales and receipts
Total for all sectors	5,759,209	100	1,025	100
Repair, maintenance, personal and laundry services	972,980	17	38	4
Health care and social assistance	754,919	13	84	8
Administrative and support and waste management and remediation services	606,667	11	43	4
Professional, scientific, and technical services	575,857	10	81	8
Construction	551,209	10	96	9

Sectors Accounting for the Largest Number of Pa. Minority-Owned Firms: 2007

Business sectors	Firms (number)	% of minority-owned firms	Sales and receipts (\$ millions)	% of minority-owned firms' sales and receipts
Total for all sectors	96,208	100	18,690	100
Health care and social assistance	18,493	19	1,553	8
Repair, maintenance, personal and laundry services	14,953	16	607	3
Retail trade	10,296	11	4,291	23
Professional, scientific, and technical services	10,106	11	1,575	8

Select Pa. Counties and the Number of Minority-Owned Firms: 2007

Counties with a population of at least 500,000	Firms (number)	% of firms in county	Sales and receipts (\$ millions)	% of firms' sales and receipts in county
Allegheny	8,952	9	1,801	1
Bucks	4,516	7	2,659	5
Delaware	7,521	16	590	1
Montgomery	8,123	10	2,016	2
Philadelphia	33,353	38	3,648	3

Select Pa. Cities and Townships and the Number of Minority-Owned Firms: 2007

Cities and townships with a population of at least 100,000	Firms (number)	% of firms in city	Sales and receipts (\$ millions)	% of firms' sales and receipts in city
Allentown	2,292	30	272	3
Cheltenham	986	23	94	6
Erie	764	12	28	< 1
Philadelphia	33,353	38	3,647	3
Pittsburgh	3,332	14	479	1
Upper Darby	2,191	34	123	6

Characteristics of Businesses – June 14, 2011

Provides detailed data for all respondent firms by ownership group for twenty-two business characteristics that include:

- Whether the business was family-owned, home-based, franchised
- Types of customers and workers
- Sources and amount of financing
- Whether the business outsourced or exported
- Language(s) used for business transactions
- Use of the Internet and e-commerce
- Employer-paid benefits

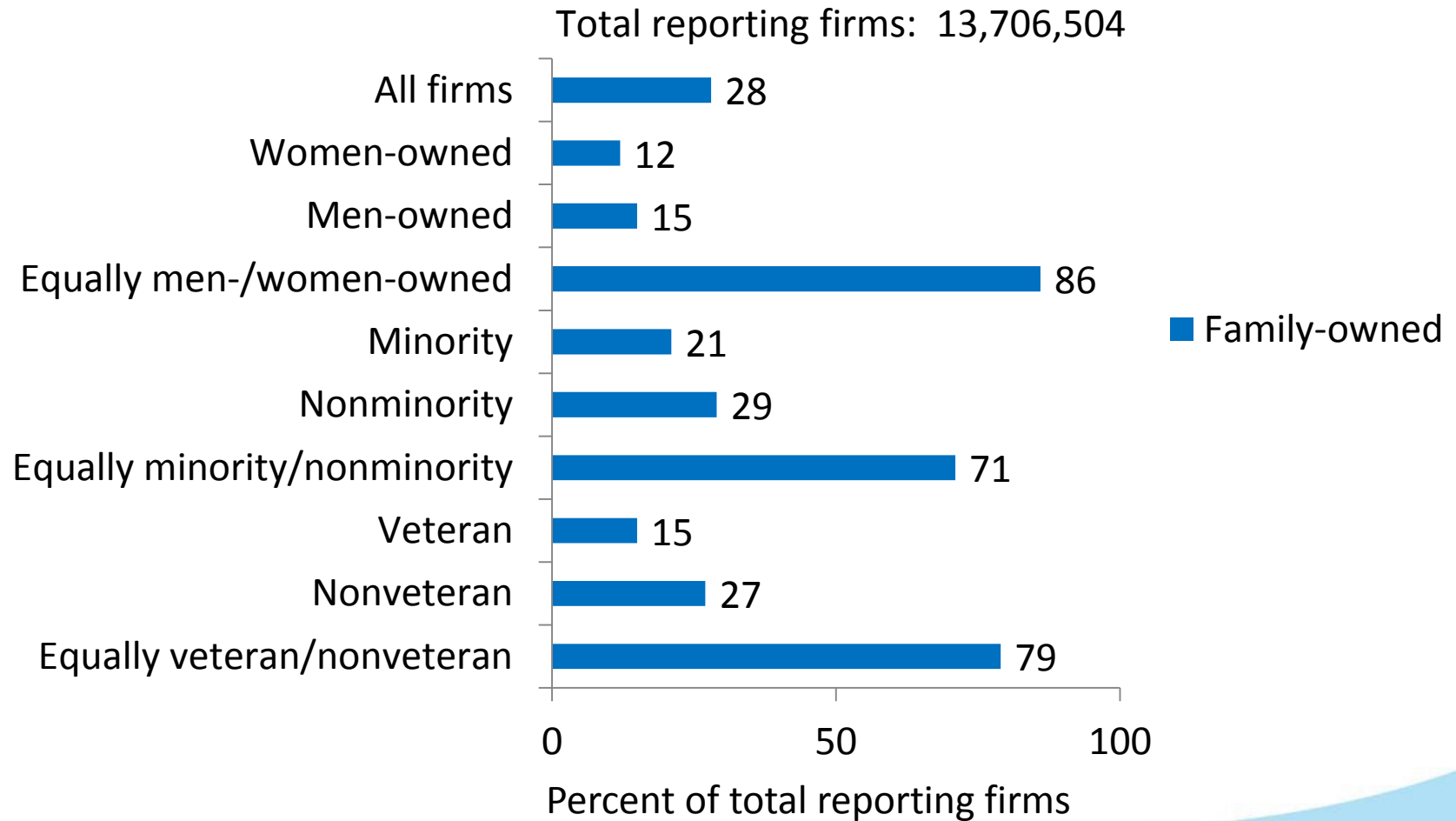
Select Business Characteristics for Respondent Firms: 2007

		% of respondent firms	% of sales and receipts for respondent firms
FAMILY-OWNED?	Total reporting ¹	100	100
	Family-owned	28	42
	Not family-owned	72	58
HOME-BASED?	Total reporting ¹	100	100
	Home-based	52	3
	Not home-based	48	97
FRANCHISED?	Total reporting ¹	100	100
	Franchised	2	3
	Not franchised	98	97

¹ Includes franchised employees and firms with no paid employees.

Note: Detail may not add to total because of rounding.

Family-Owned Businesses for Select Ownership Groups: 2007



Home-Based Businesses by Percentage in Select Industries: 2007

Business sectors	% of all respondent firms	% of all respondent firms' sales and receipts in the sector
Total for all sectors	52	3
Forestry, fishing & hunting, and agricultural support services	63	28
Construction	70	14
Information	65	1
Professional, scientific, and technical services	63	8
Administrative and support and waste management and remediation services	64	8
Arts, entertainment, and recreation	64	10

Franchised Businesses by Percentage in Select Industries: 2007

Business sectors	% of all respondent firms	% of all respondent firms' sales and receipts in the sector
Total for all sectors	2	3
Retail trade	4	14
Real estate and rental and leasing	2	4
Management of companies and enterprises	10	2
Arts, entertainment, and recreation	2	4
Accommodation and food services	15	24
Repair and maintenance, and personal and laundry services	2	6

Sources of Capital Used to Start or Acquire the Business by Minority Status: 2007

	% of minority-owned respondent firms	% of nonminority-owned respondent firms	% of equally minority-/nonminority-owned respondent firms
Total reporting ¹	100	100	100
Personal/family savings of owner(s)	61	62	71
Personal/family assets other than savings of owner(s)	7	8	11
Personal/family home equity loan	6	5	10
Personal/business credit card(s)	11	10	16
Business loan from federal, state, or local government	1	1	1
Government-guaranteed business loan from a bank or financial institution	1	1	1
Business loan from a bank or financial institution	7	11	12
Business loan/investment from family/friends	3	3	3
Investment by venture capitalist(s)	< 1	< 1	< 1
Grants	< 1	< 1	< 1
Other source(s) of capital	2	2	2
Don't know	5	3	2
None needed	22	21	11

¹ Includes firms with paid employees and firms with no paid employees.

Note: Detail does not add to total because respondents could make multiple selections.

Total Sales of 10 Percent or More by Customer Categories: 2007

	% of respondent firms	% of sales and receipts for respondent firms
Total reporting ¹	100	100
Federal government	2	7
State and local government, including school districts, transportation authorities, etc.	5	9
Other businesses and/or organizations, including distributors of your product(s)	35	69
Individuals	73	44

¹ Includes firms with paid employees and firms with no paid employees.

Note: Detail does not add to total because respondents could make multiple selections.

Types of Workers Used: 2007

	% of employer respondent firms	% of sales and receipts for employer respondent firms
Total reporting ¹	100	100
Full-time paid employees	75	98
Part-time paid employees	58	85
Paid day laborers	5	13
Temporary staffing obtained from a temporary help service	7	67
Leased employees from a leasing service or professional employer organization	1	21
Contractors, subcontractors, independent contractors or outside consultant	36	76

¹ Includes firms with any payroll during 2007.

Note: Detail does not add to total because respondents could make multiple selections.

Select Business Characteristics for Respondent Firms: 2007

		% of respondent firms	% of sales and receipts for respondent firms
WEBSITE?	Total reporting ¹	100	100
	Had a business website	25	85
	No business website	75	15
E-COMMERCE?	Total reporting ¹	100	100
	Had e-commerce sales	7	35
	No e-commerce sales	93	65
PURCHASED ONLINE?	Total reporting ¹	100	100
	Made purchases online	38	65
	No online purchases	62	35
EXPORTED?	Total reporting ¹	100	100
	Had export sales outside the United States	8	47
	No export sales	92	53

¹ Includes firms with paid employees and firms with no paid employees.

Note: Detail may not add to total because of rounding.

Characteristics of Business Owners – June 14, 2011

Provides detailed data for respondent owners by ownership group for owner characteristics that include:

- Owner's age, education, hours worked, and primary function in the business
- Year and how the business was acquired
- Whether the owner was born in the U.S.
- Whether the business provided the primary source of personal income
- For veterans, whether the owner was military service-disabled

Owner's Age by Ethnicity: 2007

	% of all owners of respondent firms	% of Hispanic owners of respondent firms	% of non-Hispanic owners of respondent firms
Total reporting ¹	100	100	100
Under 25 years old	2	3	2
25 to 34 years old	10	16	10
35 to 44 years old	21	29	21
45 to 54 years old	30	29	30
55 to 64 years old	24	16	25
65 years or over	12	6	13

¹ Includes firms with paid employees and firms with no paid employees.
 Note: Detail may not add to total because of rounding.

Owner's Place of Birth: 2007

	% of all owners of respondent firms	% of minority owners of respondent firms	% of nonminority owners of respondent firms
Total reporting ¹	100	100	100
Born in the United States	86	44	94
Not born in the United States	14	56	6

¹ Includes firms with paid employees and firms with no paid employees.

Note: Detail may not add to total because of rounding.

Owner's Highest Level of Schooling Attained Prior to Acquiring the Business by Gender: 2007

	% of all owners of respondent firms	% of women owners of respondent firms	% of men owners of respondent firms
Total reporting ¹	100	100	100
Less than high school	5	4	6
High school graduate – diploma or GED	21	21	20
Technical, trade, or vocational school	6	7	6
Some college, no degree	17	18	16
Associate degree	6	7	5
Bachelor's degree	26	26	27
Master's, doctorate, or professional degree	19	16	20

¹ Includes firms with paid employees and firms with no paid employees.

Note: Detail may not add to total because of rounding.

Owner's Highest Level of Schooling Attained Prior to Acquiring the Business by Minority Status: 2007

	% of all owners of respondent firms	% of minority owners of respondent firms	% of nonminority owners of respondent firms
Total reporting ¹	100	100	100
Less than high school	5	12	4
High school graduate – diploma or GED	21	20	21
Technical, trade, or vocational school	6	6	6
Some college, no degree	17	16	17
Associate degree	6	6	6
Bachelor's degree	26	22	27
Master's, doctorate, or professional degree	19	18	19

¹ Includes firms with paid employees and firms with no paid employees.

Note: Detail may not add to total because of rounding.

Owner's Average Number of Hours Per Week Spent Managing or Working in the Business: 2007

	% of all owners of respondent firms	% of women owners of respondent firms	% of men owners of respondent firms
Total reporting ¹	100	100	100
None	11	14	9
Less than 20 hours	30	36	27
20 to 39 hours	16	20	14
40 hours	12	10	13
41 to 59 hours	19	13	23
60 hours or more	12	7	14

¹ Includes firms with paid employees and firms with no paid employees.

Note: Detail may not add to total because of rounding.

Owner's Primary Function in the Business: 2007

	% of all owners of respondent firms	% of women owners of respondent firms	% of men owners of respondent firms
Total reporting ¹	100	100	100
Providing services and/or producing sales	61	57	62
Managing day-to-day operations	47	41	50
Financial control with the authority to sign loans, leases, and contracts	40	36	42
None of the above	15	20	12

¹ Includes firms with paid employees and firms with no paid employees.

Note: Detail does not add to total because respondents could make multiple selections.

Whether the Business Provided the Owner's Primary Source of Personal Income: 2007

	% of all owners of respondent firms	% of women owners of respondent firms	% of men owners of respondent firms
Total reporting ¹	100	100	100
Business was the owner's primary source of personal income	50	45	54
Business was not the owner's primary source of personal income	50	55	46

¹ Includes firms with paid employees and firms with no paid employees.

Note: Detail may not add to total because of rounding.

Whether the Owner Previously Owned a Business or Had Been Self-Employed: 2007

	% of all owners of respondent firms	% of veteran owners of respondent firms	% of nonveteran owners of respondent firms
Total reporting ¹	100	100	100
Previously owned another business or was self-employed	37	44	36
Did not previously own another business or was not self-employed	63	56	64

¹ Includes firms with paid employees and firms with no paid employees.

Note: Detail may not add to total because of rounding.

Owner's Service-Disabled Veteran Status: 2007

	% of all veteran owners of respondent firms	% of veteran women owners of respondent firms	% of veteran men owners of respondent firms
Total reporting ¹	100	100	100
Service-disabled veteran	8	15	8
Not a service-disabled veteran	92	85	92

¹ Includes firms with paid employees and firms with no paid employees.

Note: Detail may not add to total because of rounding.

Possible Future 2007 Data Products

- Export statistics by gender, ethnicity, race, and veteran status
- “Access to capital” statistics with correlation to the characteristics of businesses and/or owners
- Report on foreign-born owners of domestic firms and their characteristics
- Public Use Microdata Sample (PUMS)
 - Remains under review
 - Need to protect data confidentiality
 - Would be available for free on the SBO website

Availability of Special Tabulations of 2007 SBO Data

- Upon request on a cost reimbursable basis
- Geographic detail and other more detailed tabulations not otherwise published
- Special SBO groupings or combinations of industries
- Contact Anthony Caruso, SBO Project Manager,
301.763.3319 / Anthony.M.Caruso@census.gov

Tentative Plans for the 2012 SBO

- Creation of a short form
- Questionnaire changes
- Addition of an optional Spanish language form per request
- Expansion of veteran questions to include period of service
- Advance employer report(s)
- Imputations of *Characteristics of Businesses* and *Characteristics of Business Owners* data
- Research into producing annual projections by using administrative data on the births and deaths of firms

We need your help!

1. What do you think of the current wording of the 2007 SBO-1 questionnaire located at:
www.census.gov/econ/sbo/getforms.html?
 2. Which questions on the 2007 SBO-1 form generated information that were most important?
 3. What additional information, if collected and disseminated by the 2012 SBO, would be the most valuable?
 4. If you had to eliminate any question(s) to make room for new questions, what would it be?
- ▶ Provide feedback by Friday, September 30, 2011.

Contact Information

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