



2014 State of Women and Entrepreneurship

WOMEN'S
BUSINESS
CENTER
SALT LAKE CHAMBER

SALT  LAKE
EST. 1887
CHAMBER
UTAH'S BUSINESS LEADER

Women-owned business:

definition



Majority ownership



Control



Responsible for

day-to-day management
short & long-term planning
highest compensated

U.S. statistics:



1 in 3

businesses
is women-owned

U.S. statistics contd.:

Women are starting

1,288 NET

new businesses per day

double the rate
from only 3 years ago



U.S. statistics contd.:

9.1 MILLION

women-owned enterprises



Employing

7.9 MILLION workers



Generating over

\$1.4 TRILLION

in revenue

U.S. statistics contd.:

Since 1997
women-owned businesses have:



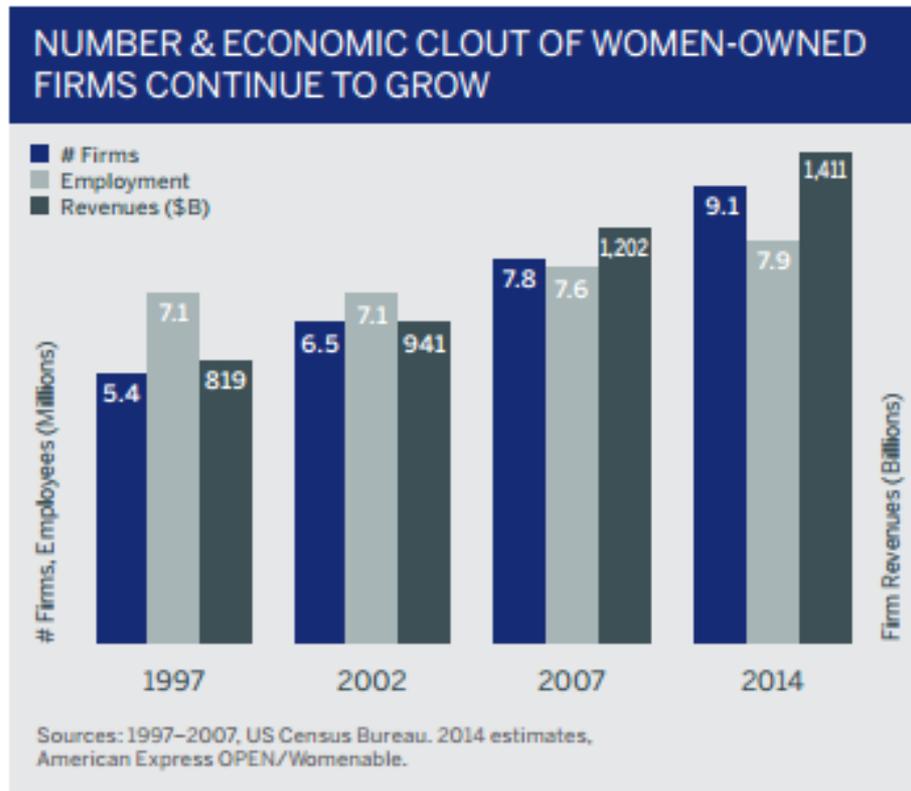
increased by **68%**

grown revenues by **72%**



added **11%** more jobs

Women-owned businesses are growing at 1½ times the national rate.



Source: The 2014 State of Women-Owned Businesses Report commissioned by American Express OPEN

Areas of growth over the past 12 years:



Services **128%**

Administration & Waste Services **60%**

Arts/Entertainment & Recreation **47%**

Health Care & Social Assistance **44%**

Concentration of women-owned firms by industry:

CONCENTRATION AND DISTRIBUTION OF WOMEN-OWNED FIRMS BY INDUSTRY SECTOR		
Industry Sector (with 2%+ women-owned firms)	Concentration Within Industry	Distribution Across Industries
Construction	7.2%	2.2%
Wholesale Trade	18.8	1.5
Retail Trade	32.8	9.9
Transportation & Warehousing	11.4	1.7
Finance & Insurance	19.5	2.2
Real Estate	25.6	7.8
Professional/Scientific/ Technical Services	29.2	13.3
Administrative, Support & Waste Management Services	37.3	10.0
Educational Services	45.0	4.8
Health Care & Social Assistance	52.6	16.5
Arts, Entertainment, Recreation	30.7	4.7
Accommodation & Food Service	24.7	2.3
Other Services	41.5	15.9
All Other Industries (with <2%)	18.7	9.2
Total – All Industries	29.8	100.0

Source: The 2014 State of Women-Owned Businesses Report commissioned by American Express OPEN



Disparity:

Contribution to the economy

Small business is taking a backseat to publicly traded companies for the past decade.



Employ only **6%** of workforce



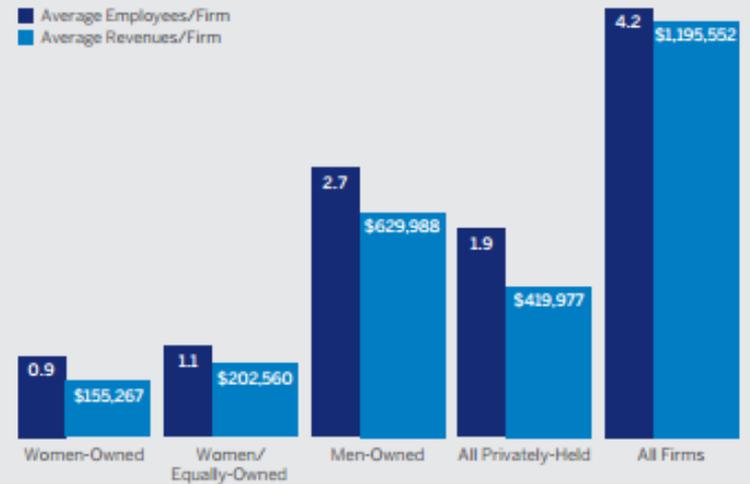
Contribute **4%** of revenue

Most U.S. women-owned businesses do not have any employees.

TABLE 8: TREND IN GROWTH OF WOMEN-OWNED FIRMS BY EMPLOYMENT SIZE CLASS, 1997-2014

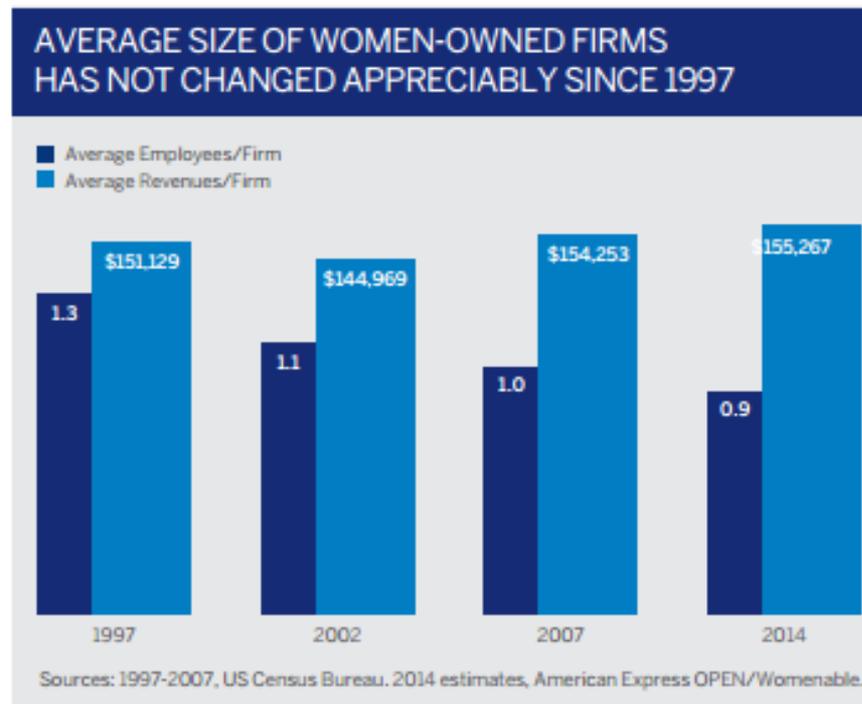
	WOMEN-OWNED FIRMS				% Change 1997-2014
	1997	2002	2007	2014 (est.)	
Total U.S.					
Number of Firms	5,417,034	6,489,483	7,793,139	9,087,200	67.8%
Employment	7,076,081	7,146,229	7,579,876	7,854,200	11.0%
Sales (\$000)	\$818,669,084	\$940,774,986	\$1,202,115,758	\$1,410,940,800	72.3%
No employees					
Number of Firms	4,685,535	5,734,025	6,992,932	8,249,500	76.1%
Employment	—	—	—	—	0.0%
Sales (\$000)	\$115,443,527	\$160,244,074	\$202,483,064	\$249,884,800	116.5%
1 to 4 employees					
Number of Firms	444,121	461,896	499,625	529,900	19.3%
Employment	923,514	939,479	978,484	1,008,400	9.2%
Sales (\$000)	\$103,567,582	\$113,455,460	\$136,863,702	\$154,996,800	49.7%
5 to 9 employees					
Number of Firms	150,300	149,063	151,544	152,200	1.3%
Employment	974,625	970,986	988,001	995,300	2.1%
Sales (\$000)	\$84,335,319	\$96,553,311	\$116,479,023	\$133,984,500	58.9%
10 to 19 employees					
Number of Firms	79,327	82,942	85,462	88,800	11.9%
Employment	1,046,787	1,105,339	1,138,798	1,188,900	13.6%
Sales (\$000)	\$91,167,777	\$103,155,850	\$128,994,789	\$149,595,400	64.1%
20 to 49 employees					
Number of Firms	39,987	43,244	44,694	47,300	18.3%
Employment	1,167,829	1,269,752	1,322,941	1,407,400	20.5%
Sales (\$000)	\$104,393,025	\$118,005,642	\$153,029,727	\$179,517,300	72.0%
50 to 99 employees					
Number of Firms	10,325	11,072	11,413	12,000	16.2%
Employment	693,586	750,562	770,967	813,100	17.2%
Sales (\$000)	\$71,473,096	\$74,405,956	\$94,226,425	\$106,617,900	49.2%
100 to 499 employees					
Number of Firms	6,566	6,578	6,918	7,100	8.1%
Employment	1,213,289	1,195,043	1,290,103	1,331,900	9.8%
Sales (\$000)	\$113,055,559	\$114,737,129	\$161,038,049	\$187,169,300	65.6%
500 or more employees					
Number of Firms	873	662	722	600	-31.3%
Employment	1,056,451	915,068	1,090,584	1,109,200	5.0%
Sales (\$000)	\$135,233,199	\$160,217,565	\$209,051,547	\$249,253,000	84.3%

AVERAGE SIZE OF WOMEN-OWNED FIRMS LAGS THAT OF OTHER PRIVATE FIRMS Publicly Traded Firms Dwarf All Others



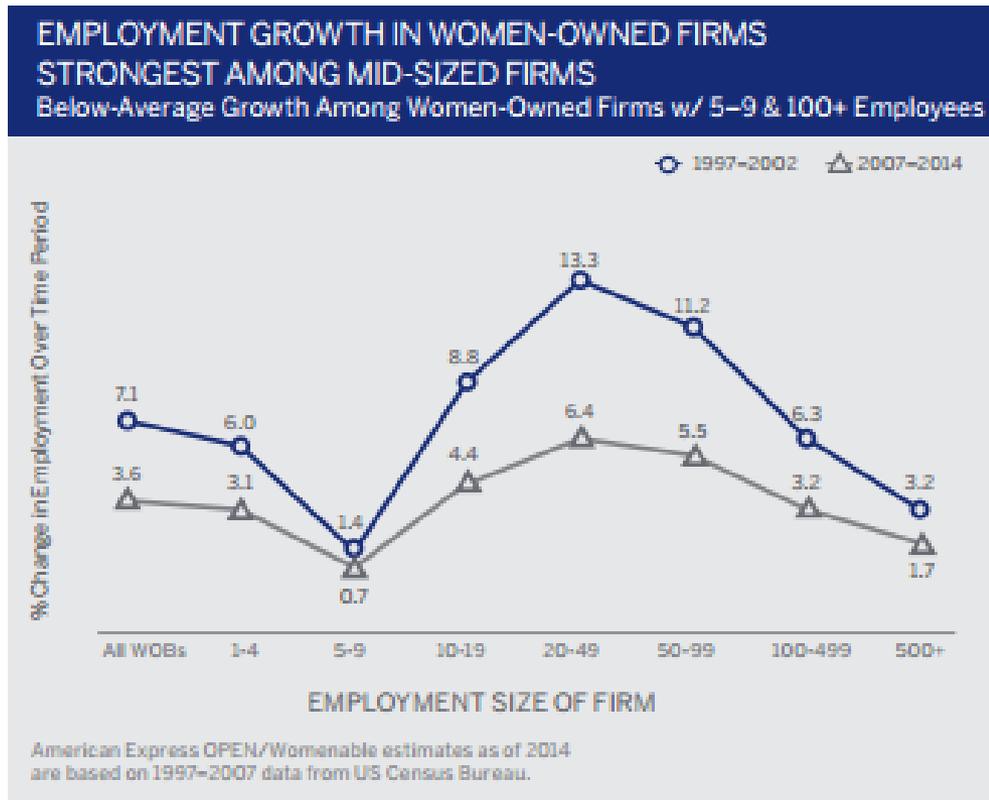
Sources: 1997-2007, US Census Bureau. 2014 estimates, American Express OPEN/Womenable.

The average size of a women-owned business has not change much in 17 years.



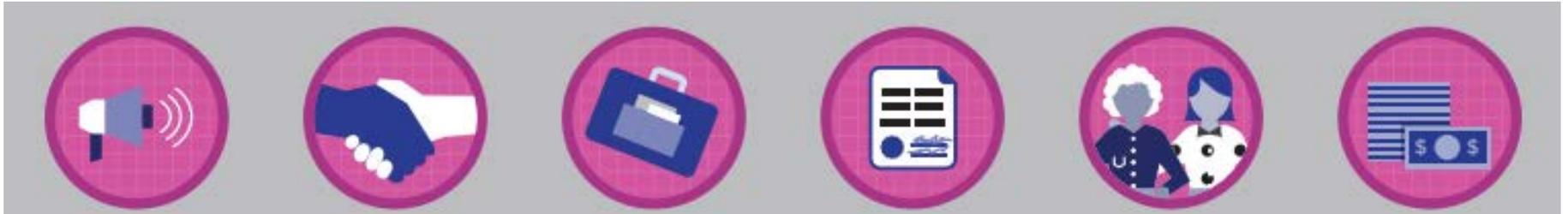
Source: The 2014 State of Women-Owned Businesses Report commissioned by American Express OPEN

Growth in U.S. women-owned firms strongest in mid-size firms.



Source: The 2014 State of Women-Owned Businesses Report commissioned by American Exp

Utah statistics:



7,300

Women-owned businesses

Utah ranks higher than national average for growth in women-owned firms.

TABLE 3: TREND IN GROWTH OF WOMEN-OWNED FIRMS BY STATE, 1997–2014 (CONT'D)

	WOMEN-OWNED FIRMS				% Change 1997–2014
	1997	2002	2007	2014 (est.)	
Utah					
Number of Firms	41,991	48,475	61,468	73,000	73.8%
Employment	54,135	53,497	56,739	58,300	7.7%
Sales (\$000)	\$5,096,187	\$5,920,242	\$10,142,709	\$13,134,800	157.7%

Source: The 2014 State of Women-Owned Businesses Report commissioned by American Express OPEN

RANK OF STATES BY GROWTH IN NUMBER & ECONOMIC CLOUT OF WOMEN-OWNED FIRMS, 1997-2014 (CONT'D)

State	Growth in Number of Firms	Rank	Growth in Firm Revenues	Rank	Growth in Employment	Rank	Combined Economic Clout Rank
New Jersey	48.6%	26	48.5%	42	4.9%	37	41
New Mexico	38.2%	37	70.5%	28	3.2%	39	40
New York	73.1%	11	59.3%	35	1.7%	40	30
North Carolina	91.4%	3	48.6%	41	20.9%	17	17
North Dakota	66.7%	13	175.2%	2	58.0%	2	1
Ohio	31.0%	46	49.0%	40	-0.8%	42	48
Oklahoma	36.8%	39	95.6%	12	25.2%	14	19
Oregon	46.6%	28	58.4%	36	10.2%	28	35
Pennsylvania	46.7%	27	53.9%	37	18.1%	20	28
Rhode Island	41.8%	32	31.0%	47	-27.8%	51	49
South Carolina	78.3%	6	47.2%	45	0.0%	41	35
South Dakota	35.3%	42	119.8%	7	33.4%	6	15
Tennessee	66.3%	14	73.0%	26	-17.4%	48	32
Texas	98.4%	2	80.8%	18	13.0%	24	9
Utah	73.8%	10	157.7%	4	7.7%	30	9
Vermont	30.4%	47	47.4%	44	-1.7%	43	50
Virginia	65.3%	15	105.4%	9	22.6%	15	7
Washington	42.8%	31	79.8%	22	10.9%	27	26
West Virginia	22.7%	50	86.0%	15	13.6%	23	32
Wisconsin	36.6%	40	47.7%	43	6.2%	35	46
Wyoming	53.4%	24	163.2%	3	31.9%	8	6

Utah ranks
4th in growth
in firm
revenue
but 30th
in growth in
employment

Utah ranks in top 10 states in growth & economic clout.

TOP TEN STATES FOR WOMEN-OWNED FIRMS: A RANKING OF GROWTH IN NUMBER & ECONOMIC CLOUT

State	Number	Revenue	Employment	Combined Rank 2014	Combined Rank 2012
North Dakota	13	2	2	1	5
District of Columbia	18	1	1	2	1
Nevada	4	8	9	3	1
Arizona	19	10	3	4	4
Georgia	1	19	12	4	8
Wyoming	24	3	8	6	1
Virginia	15	9	15	7	6
Maryland	9	21	10	8	7
Texas	2	18	24	9	15
Utah	10	4	30	9	11

Source: The 2014 State of Women-Owned Businesses Report commissioned by American Express OPEN



Top 100 private companies owned by women:

- **#50 Fast 50:** *TruenorthLogic, Jeanette Harin, Owner*
- **#7 Private Company:** FJ Management, Inc., Crystal Maggelet
President & CEO
- **#46 Private Company:** Nicholas & Company, Inc. Nicole
Mouskondis, Co-CEO
- **#56 Private Company:** Stampin' Up!, Shelli Gardner, Co-Founder &
CEO
- **#75 Private Company:** A & K Railroad Materials Inc., Rhonda
Nicoloff, President
- **#100 Private Company:** Woodbury Technologies Inc., Karen
Woodbury, President & CEO



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truenorthlogic



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FJ Management



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Industry top lists without women leadership:

- Commercial Builders
- Commercial Real Estate
- Commercial Real Estate Developers
- Residential Builders
- Sand & Gravel Producers
- Highway Construction
- Private Equity Firms
- Mergers & Acquisitions
- Commercial Insurance Brokers
- Property & Casualty Insurance
- Investment Brokerage Firms
- Accounting Firms
- Travel Agencies
- Golf Courses
- Employee Group Benefits
- Telephone Equipment Services
- Internet Service Providers
- Public Companies
- Highest Paid Public Executives

Utah women entrepreneur psychographics:



Driven more by flexibility than bottom line.

Prefer to start lifestyle vs. venture-backed high growth companies.



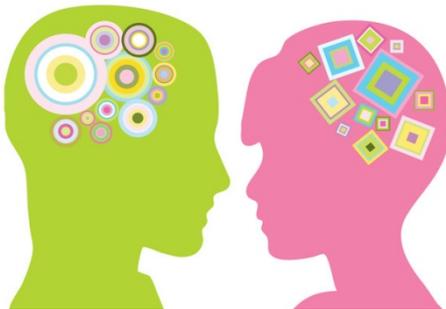
Cost less to start and take less to run.

First obligation to work around family.

Utah women entrepreneur psychographics contd.:

“There's a reluctance by many Utah women to enter high-end capitalism, for either work-life balance priorities, a slim network of contacts and mentors, a lack of fortune-building ambition or Utah's general cultural aversion to risk.”

Jennifer Napier-Pierce, The Salt Lake Tribune



Problem #1

fair access to capital



Although women-owned businesses account for 30 percent of small companies, they receive only 4.4 percent of the total dollars in conventional small-business loans.

That amounts to \$1 for every \$23 loaned.

Problem #2

lower salary and compensation



On average, women business owners pay themselves 80% of what men do.

Problem #3

Insufficient federal contracting jobs



Although women-owned firms make up 30% of total businesses, the U.S. federal government, the largest purchaser in the world, awards fewer than 5% of federal contracts, despite a set aside program.

CONTACT



Ann Marie Thompson, Program Director
Salt Lake Chamber Women's Business Center
175 East 400 South, Suite 600
Salt Lake City, Utah 84111
801-328-5052
athompson@slchamber.com