**FACT SHEET**

**WHAT IS A MICROBUSINESS?**

- **Firms with 0-4 Employees are MICROBUSINESSES**
  91% of firms in the U.S. are microbusinesses, firms with 0-4 employees. These 24.7 million businesses averaging $84,000 in revenue each contribute $2 trillion to the economy, and supply more than 30 million jobs for owners and their employees. Most microbusinesses are nonemployers without formal staff on the payroll but a third of them will hire contractors*, providing economic opportunities for at least 7 million more.

- **The Majority of all U.S. Firms are Microbusinesses**
  91% of 27.2 million total have 0-4 Employees

- **Microbusinesses are Important Sources of Job Creation and Local Economic Activity**
  - provide jobs for owners
  - average $45,000 each in revenue
  - contribute $1 trillion to our economy

- **Revenues for Nonemployers Grow with Age**

<table>
<thead>
<tr>
<th>Average Revenue Per Firm</th>
<th>New</th>
<th>1-2 Years</th>
<th>3-4 Years</th>
<th>5-12 Years</th>
<th>13-22 Years</th>
<th>22+ Years</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$22,000</td>
<td>$43,000</td>
<td>$55,000</td>
<td>$65,000</td>
<td>$70,000</td>
<td>$73,000</td>
</tr>
</tbody>
</table>

- **Micros Create Jobs in Nearly Every U.S. County**

- **Nonemployer Firms are Young**
  - NonEmployers: 79% > 5 Years Old, 21% < 5 Years Old
  - Micros 1-4 Employees: 21% > 5 Years Old, 79% < 5 Years Old
  - NonEmployers: 53% > 5 Years Old, 47% < 5 Years Old

- **Women Own 38% of Micros, Up from 30% in 2007**

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- **Only Nonemployer Firms Increased from 2007 to 2012, Driven by Women of Color**

  - Women of Color owned Nonemployer Firms (millions)
    - 2007: 2.18 Mil
    - 2012: 3.7 Mil
    +70%

- **22 Million non employer firms**
  - provide jobs for owners
  - average $45,000 each in revenue
  - contribute $1 trillion to our economy

- **2.6 Million employer firms**
  - provide jobs for 8 million staff and owners
  - average $408,000 each in revenue
  - contribute another $1 trillion to our economy

On average, 48 percent of each purchase at local independent businesses is recycled locally, compared to less than 14 percent of purchases at chain stores.**

Source for all data: Survey of Business Owners 2012, U.S. Census, except where noted.


** Content Source: https://www.amiba.net/resources/multiplier-effect/