



## The Big Impact of Small Businesses

While downtime from a power outage obviously has a negative impact on a single small business, what real consequence could that have on the U.S. economy as a whole? The answer might surprise you.

Because small businesses play a growing and vital role within the U.S. economy, extended downtime at one or even a handful of small companies has the potential to cause a significant ripple effect. Consider these statistics from the U.S. Small Business Administration (SBA):

- There are **more than 26 million small businesses** (companies with fewer than 500 employees) in the United States.
- **More than 99 percent of American businesses are small**, with the average small employer having one location and 10 employees. (By contrast, the average large business has 62 locations and 3,313 employees.)
- More than **45 percent of the total U.S. payroll** comes from small businesses.

Combine these statistics with today's 24/7, always-on business world, and it's more important than ever for companies to always be up and on to both compete and thrive. That means that a single disruption, even a brief one, could be disastrous when the clock is ticking. The SBA further reports that small businesses:

- Generated **70 percent of net new jobs** annually during the past decade.
- Created **more than half of the gross domestic product** (non-agricultural).
- Hired **40 percent of high-tech workers**, including scientists, engineers, and IT professionals.
- Produced **13 times more patents** than large firms.

International trade is a bright spot for many U.S. companies in today's global economy. For many businesses of all sizes, overseas customers are buoying lagging sales at home, meaning global trade is another growth opportunity for small businesses. According to the U.S. Commerce Department's Exporter Database:

- A total of **225,139 small and medium enterprises (SMEs) exported from the United States in 2004**, accounting for **97 percent of all U.S. exporters**.
- The **known export revenue of SMEs** rose from \$102.8 billion in 1992 to **\$203 billion in 2004**.
- SMEs were responsible for **more than one-fourth** – or 28.6 percent – **of all goods exported in 2004**.