

Research Brief

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Pennsylvania's Women-Owned Businesses Rank 7th in Nation

MIDDLETOWN, -PA The Pennsylvania State Data Center reports that Pennsylvania's women-owned businesses ranked seventh in the nation in number of firms for 1997. This information, released by the U.S. Census Bureau on April 4th, is from the 1997 Economic Census Report. The report also states that women-owned businesses in the commonwealth generated more than \$34 billion in sales and receipts. The report also stated that the 5.4 million women-owned businesses in the United States in 1997 employed more than 7.1 million persons and generated almost \$820 billion in receipts.

California led the nation with more than 700,000 women-owned firms or 12.9 percent of the U.S. total (see table 1). Although Pennsylvania trailed Ohio in number of firms, Pennsylvania finished ahead of Ohio by almost \$3.5 billion in sales and receipts. The commonwealth also had 31,932 women-owned firms that employed more than 257,000 persons. These firms generated an annual payroll of more than \$5 billion in 1997.

According to 1997 Economic Census definitions, a women-owned business was a privately held firm in which a woman owned 51 percent or more of that firm. In the previous 1992 survey, if a woman owned 50 percent or more of a privately held firm, it was considered women-owned. In addition, in 1992 publicly held businesses that had a majority of women stockholders or firms held jointly by women and their spouses was considered women-owned. These changes in definition from 1992 to 1997 make direct comparisons difficult.

Table 1: States with Largest Number of Women-owned Firms, 1997

| Area | Number of firms | Sales and Receipts (\$1,000) | Percent of U.S. total |
|---------------------|------------------------|-------------------------------------|------------------------------|
| U.S. | 5,417,000 | 818,669,084 | |
| California | 700,500 | 121,191,163 | 12.9 |
| New York | 394,000 | 59,496,722 | 7.3 |
| Texas | 381,500 | 65,065,262 | 7.0 |
| Florida | 337,800 | 48,261,328 | 6.2 |
| Illinois | 239,700 | 44,273,328 | 4.4 |
| Ohio | 205,000 | 30,596,853 | 3.8 |
| Pennsylvania | 203,200 | 34,043,332 | 3.7 |

Service Industry Leads Pennsylvania in Women-Owned Firms

The service industry accounted for more than 105,000 women-owned firms in Pennsylvania in 1997. This was more than double the second place finisher, retail trade, which had more than 42,000 firms. While the service industry had the largest number of women-owned businesses, they only produced sales and receipts of approximately \$6 billion. Wholesale trade led the commonwealth with more than \$9.5 billion in sales and receipts for women-owned businesses. Manufacturing, which had sales and receipts of more than \$6.5 billion, finished sixth in number of firms with 5,118 women-owned businesses.

Table 2: Top five Pennsylvania women- owned firms by industry division

| Industry division | Number of firms | Sales and receipts (\$1,000) |
|---------------------------|------------------------|-------------------------------------|
| Services | 105,710 | 5,927,872 |
| Retail trade | 42,425 | 6,513,390 |
| FIRE* | 16,118 | 1,209,001 |
| Industries not classified | 15,363 | 268,808 |
| Construction | 5,834 | 2,507,625 |

* Finance, Insurance and Real Estate

Allegheny County Leads Commonwealth in Number of Women-Owned Businesses

Allegheny County, with approximately 21,000 women-owned businesses, accounted for more than 10 percent of the state's total women-owned businesses and had sales and receipts of almost \$3.4 billion. The state had ten counties that produced more than \$1 billion in sales and receipts for 1997. Lancaster County leads the state with almost \$3.9 billion in sales and receipts for 1997. However, with only 8,864 firms, Lancaster County is not in the top five in number of firms for the state, finishing seventh.

Table 3A: Top five counties in Pennsylvania, number of women-owned firms

| County | Number of firms |
|---------------------|-----------------|
| Allegheny County | 21,537 |
| Montgomery County | 18,159 |
| Philadelphia County | 13,890 |
| Bucks County | 12,260 |
| Chester County | 9,520 |

Table 3B: Top five counties in Pennsylvania, sales and receipts of women-owned businesses

| County | Sales and receipts (\$1,000) |
|---------------------|------------------------------|
| Lancaster County | 3,894,064 |
| Allegheny County | 3,394,313 |
| Montgomery County | 3,319,808 |
| Lehigh County | 2,964,944 |
| Philadelphia County | 1,992,479 |

The Pennsylvania State Data Center is the commonwealth's official source of population and economic statistics and services. It is based at Penn State Harrisburg's Institute of State and Regional Affairs. The Pennsylvania State Data Center is part of the U.S. Census Bureau's national State Data Center Program.

Editors: For additional data, contact the Data Center's State Capital Office at 717.772.2710, or for faculty comment on this topic, contact Penn State Harrisburg's Public Information Office, 717.948.6029.

Sources of Information: U.S. Census Bureau, 1997 Economic Census

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