

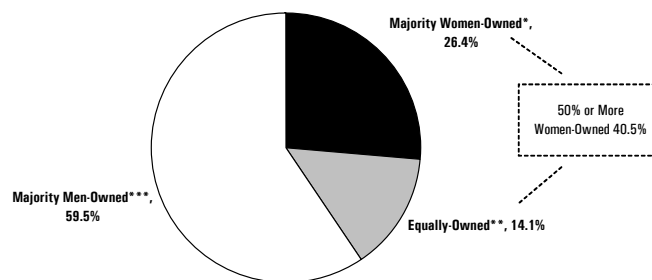
Women-Owned Businesses in Pennsylvania, 2004: A Fact Sheet

In this fact sheet, the Center for Women's Business Research presents the most up-to-date information currently available on privately-held women-owned businesses in Pennsylvania. This state fact sheet presents the Center's estimates for **privately-held firms owned 50% or more by a woman or women** and provides the most complete picture of women's business ownership currently available. Also included are detailed descriptions of the two segments that comprise this population—**privately-held firms that are majority (51% or more) owned by women, and firms equally (50-50) owned by a woman or women along with a man or men.**

Analyzing data provided by the U.S. Bureau of the Census, the Center projects (for a complete explanation, see *Methodology*) the following statistical portrait of privately-held, women-owned businesses in Pennsylvania in 2004.

- As of 2004, there are an estimated 348,372 privately-held, 50% or more women-owned firms in Pennsylvania, accounting for 40.5% of all privately-held firms in the state.¹ This total includes:
 - An estimated 226,815 privately-held, majority (51% or more) women-owned firms in Pennsylvania, accounting for 26.4% of all privately-held firms in the state.
 - An estimated 121,558 privately-held, equally (50-50) women- and men-owned firms in Pennsylvania, accounting for 14.1% of all privately-held firms in the state.

In Pennsylvania, Less than Half of Privately-Held Businesses Majority or 50% Women-Owned



*Majority women-owned firms are those in which a woman owns or women own 51% or more of the business.

**Equally-owned firms are those in which there is a 50-50 ownership between women and men.

***Majority men-owned firms are those in which a man owns or men own 51% or more of the business.

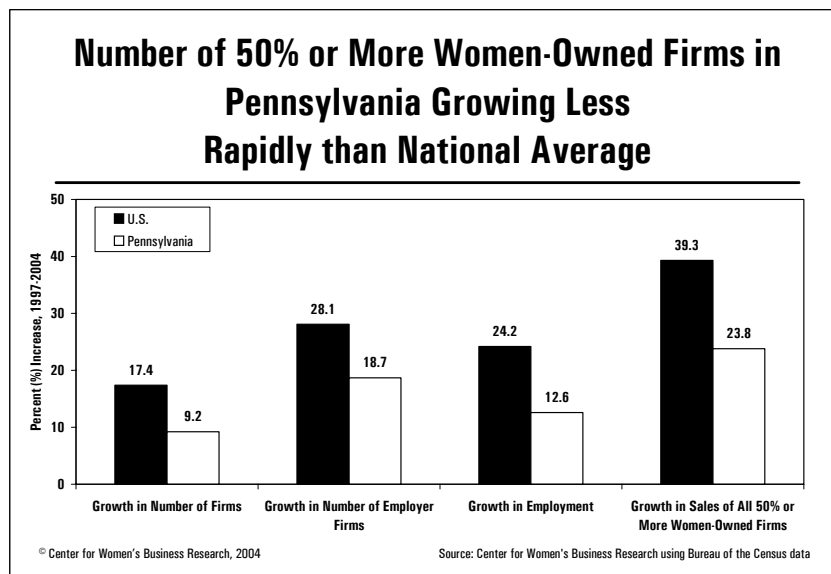
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Source: Center for Women's Business Research using Bureau of the Census data

¹ Both women-owned and all U.S. privately-held firms include both firms with paid employees and firms with no paid employees. These exclude publicly-held, foreign-owned and nonprofit businesses.

Privately-Held, 50% or More Women-Owned Firms

- The 348,372 privately-held, 50% or more women-owned firms in Pennsylvania generate \$80 billion in sales and employ 631,591 people.
- Between 1997 and 2004, the Center estimates that the number of privately-held, 50% or more women-owned firms in Pennsylvania increased by 9.2%, employment grew by 12.6%, and sales increased by 23.8%.
- The Center estimates that 75,718 of the 50% or more women-owned firms in Pennsylvania are employer firms.² The number of these firms grew by 18.7% from 1997 to 2004.
- Among the 50 states and Washington, DC, Pennsylvania ranks 8th in the number of privately-held, 50% or more women-owned firms in 2004, 7th in employment, and 7th in sales.
- Pennsylvania ranks 42nd in the growth in the number of privately-held, 50% or more women-owned firms between 1997 and 2004, 41st in employment growth, and 42nd in sales growth among the states and Washington, DC.
- Pennsylvania ranks 45th among the states and Washington, D.C. for average overall growth³ of 50% or more women-owned firms.



² Employer firms are only those firms that have paid employees. These are reported for privately-held firms, so they exclude publicly-held, foreign-owned and nonprofit businesses.

³ Overall average growth is calculated by averaging the ranks for growth of the number, employment, and sales of privately-held, 50% or more women-owned firms.

Privately-Held, Majority (51% or More) Women-Owned Firms

- The estimated 226,815 privately-held, majority (51% or more) women-owned firms in Pennsylvania generate more than \$42 billion in sales and employ 298,741 people.
- Between 1997 and 2004, the Center estimates that the number of these firms in Pennsylvania increased by 11.7%, employment grew by 15.9%, and sales increased by 23.5%.
- The Center estimates that in 2004 there are 41,924 privately-held, majority (51% or more) women-owned employer firms in Pennsylvania. The number of these firms grew by 31.3% from 1997 to 2004.
- Among the 50 states and Washington, DC, Pennsylvania ranks 8th in the number of privately-held, majority (51% or more) women-owned firms in 2004, 9th in employment, and 7th in sales.
- Pennsylvania ranks 46th in the growth in the number of privately-held, majority (51% or more) women-owned firms between 1997 and 2004, 38th in employment growth, and 39th in sales growth among the states and Washington, DC.

Privately-Held, Equally (50-50) Women- and Men-Owned Firms

- The estimated 121,558 privately-held, equally (50-50) women- and men-owned firms in Pennsylvania generate \$38 billion in sales and employ 332,850 people.
- Between 1997 and 2004, the Center estimates that the number of these firms in Pennsylvania increased by 4.7%, employment grew by 9.7%, and sales increased by 24.2%.
- The Center estimates that there are 33,794 privately-held, equally (50%) women-owned employer firms in Pennsylvania. The number of these firms grew by 6.1% from 1997 to 2004.
- Among the 50 states and Washington, DC, Pennsylvania ranks 6th in the number of privately-held, equally (50-50) women- and men-owned firms in 2004, 6th in employment, and 10th in sales.
- Pennsylvania ranks 36th in the growth in the number of privately-held, equally (50-50) women- and men-owned firms between 1997 and 2004, 40th in employment growth, and 43rd in sales growth among the states and Washington, DC.



Women-Owned Firms in Pennsylvania: 1997 – 2004

	1997	2004	% Change 1997 – 2004
Privately-Held, 50% or More Women-Owned			
Number of Firms	319,096	348,372	9.2
Number of Employer Firms	63,792	75,718	18.7
Employment	561,164	631,591	12.6
Sales (\$000)	64,678,856	80,087,730	23.8
Privately-Held, Majority (51% or More) Women-Owned			
Number of Firms	202,990	226,815	11.7
Number of Employer Firms	31,932	41,924	31.3
Employment	257,841	298,741	15.9
Sales (\$000)	34,043,332	42,041,627	23.5
Privately-Held, Equally (50-50) Women- and Men-Owned			
Number of Firms	116,106	121,558	4.7
Number of Employer Firms	31,860	33,794	6.1
Employment	303,323	332,850	9.7
Sales (\$000)	30,635,524	38,046,103	24.2
All Privately-Held Firms			
Number of All Firms	820,652	859,184	4.7

Share of All Privately-Held Firms in Pennsylvania, 2004

	% Share
Privately-Held, 50% or More Women-Owned	40.5
Privately-Held, Majority (51% or More) Women-Owned	26.4
Privately-Held, Equally (50-50) Women- and Men-Owned	14.1

Source: Center for Women's Business Research, based on data from the U.S. Bureau of the Census.

Methodology

The Center for Women's Business Research would like to thank the U.S. Census Bureau for providing their assistance and unpublished data for our analysis. Without their help, this fact sheet would not have been possible. This state fact sheet provides 2004 estimates for the number, employment, and sales of privately-held, 50% or more women-owned business and the two segments of this population – privately-held, majority (51% or more) women-owned businesses and equally (50-50) women- and men-owned businesses based on the most recently available data from the Census Bureau's *1997 Survey of Women-Owned Business Enterprises*.

Due to changes in the way that the Census Bureau defines a woman-owned business, the *1997 Survey of Women-Owned Business Enterprises* did not count those firms in which a woman owned 50% of the business or publicly traded women-owned firms. Since the agency is now counting only privately-held, majority-owned firms, the data was not directly comparable to data gathered previously. Thus, the Census Bureau provided the Center with reconfigured 1992 data based on the 1997 definition and provided growth rates during that span of time for women-owned firms and all firms (including sole proprietorships, partnership, and subchapter S corporations). The revised 1992 to 1997 data was then used to calculate growth rates at the national and state levels for privately-held, majority (51% or more) women-owned firms and for all privately-held firms.

In this reconfiguration, the Census Bureau excluded C corporations from the 1992 data in order to *approximate* the effect of excluding publicly-traded firms in 1997.⁴ This approximation produced slightly different rates compared to the Census Bureau's previously published growth rates at the national level for privately-held, women-owned firms and for all privately-held firms.

The Center derived the 2004 estimates by using the Census Bureau's unpublished revised rates for the national and state levels while controlling by the published national growth rates for privately-held, women-owned firms and all privately-held firms.⁵

To calculate the 2004 estimates and growth rates of privately-held 50% or more women-owned firms, the Center followed these steps: 1) estimates for privately-held, majority (51% or more) women-owned firms were projected to 2004; 2) estimates for privately-held, equally (50-50) women- and men-owned firms were projected to 2004; 3) estimates for the majority (51% or more) women-owned firms and equally (50-50) women- and men-owned firms were added for both 1997 and 2004 estimates; and 4) growth rates for privately-held, 50% or more women-owned businesses were derived based on the differences between 1997 combined counts and 2004 combined estimates.

The Center for Women's Business Research projects these trends forward into 2004 using the following general assumptions: 1) growth rates between 1992 and 1997 would continue at similar rates through 2004 (growth rates are projected linearly); 2) differences between the approximated growth rates and the actual growth rates for privately-held firms at the industry and state levels would be the same as the proportional differences between the approximated and published national growth rates; and 3) growth rates for privately-held, equally (50-50) women- and men-owned firms were the same as for all privately-held firms.

In some instances, the Census Bureau did not report a 1992 to 1997 growth rate because the confidence interval for the rate included zero (0). In these cases, as noted, the assumption was made that the growth rate was zero (0). Comparisons between women-owned firms and all firms are made to all privately-owned firms.

For more information about this fact sheet or other publications highlighting trends among women-owned businesses, please contact the Center for Women's Business Research at: 1411 K Street, NW, Suite 1350, Washington, DC 20005-3407; phone: 202-638-3060; fax: 202-638-3064; or e-mail: infor@womensbusinessresearch.org. Visit our home page at: www.womensbusinessresearch.org.

⁴ The 1997 data include C corporations that are not publicly-traded; therefore, the 2004 estimates also include these firms.

⁵ Controlling by the published national growth rates is an additional step that the Center implemented for the 2004 estimates. Therefore, these 2004 estimates for numbers and growth are not directly comparable to the Center's 2002 estimates.

