

A Boom in Women-Owned Firms

More and more women are starting their own businesses.

Statistics compiled by the U.S. Small Business Administration show that women-owned small firms are increasing three times as fast as the number of male-owned companies. Other government statistics show that one in every four sole proprietorships in the country today is headed by a woman and that receipts of women-owned businesses have increased 112 percent in recent years.

SBA officials cite three factors as contributing to the sharp increase in women-owned firms:

--Because more and more women are entering the nation's work force, women are acquiring skills and experience that can be translated into entrepreneurship.

--Because of business and academic education, women are positioning themselves for business opportunities in expanding fields, such as aerospace, telecommunications, electronics and biomedical engineering.

--Because of the nation's overall growth, more opportunities are available for new business startups, especially in service industries. Almost half of women-owned small firms are in the service sector.

President Reagan's Annual Report on the State of Small Business, prepared by SBA's Office of Advocacy, shows that women-owned businesses have

been increasing at an annual rate of 10 percent or more in seven major types of businesses. The chart below tells this story:

Female-Operated Businesses with Annual Growth Rates of 10 Percent or More, 1977-1982

| Type of Business | Annual Rate of Growth (Percent) |
|--|---------------------------------|
| Business Services | |
| Management and Public Relations | 22.3 |
| Services to Buildings | 18.3 |
| Medical and Health Services | |
| Miscellaneous Medical and Health Services | 12.0 |
| Nursing and Personal Care Facilities | 17.9 |
| Professional Services | |
| Legal Services | 27.1 |
| Accounting, Auditing, and Bookkeeping | 15.5 |
| Finance, Insurance and Real Estate | |
| Security Brokers and Dealers | 78.3 |
| Commodity Contract Brokers and Exchange Services | 21.9 |
| Insurance Agents, Brokers and Services | 21.0 |
| Manufacturing | |
| Apparel and Other Textile Production | 23.9 |
| Construction | |
| General Building Contractors | 39.3 |
| Agriculture Services | |
| Animal Services Except Livestock | 13.6 |