

ISSUE BRIEF

Microbusinesses in Lee County, Florida

Amir Borges Ferreira Neto, Director, Regional Economic Research Institute

John Shannon, Economic Analyst, Regional Economic Research Institute

Data provided by FGCU Small Business Development Corporation

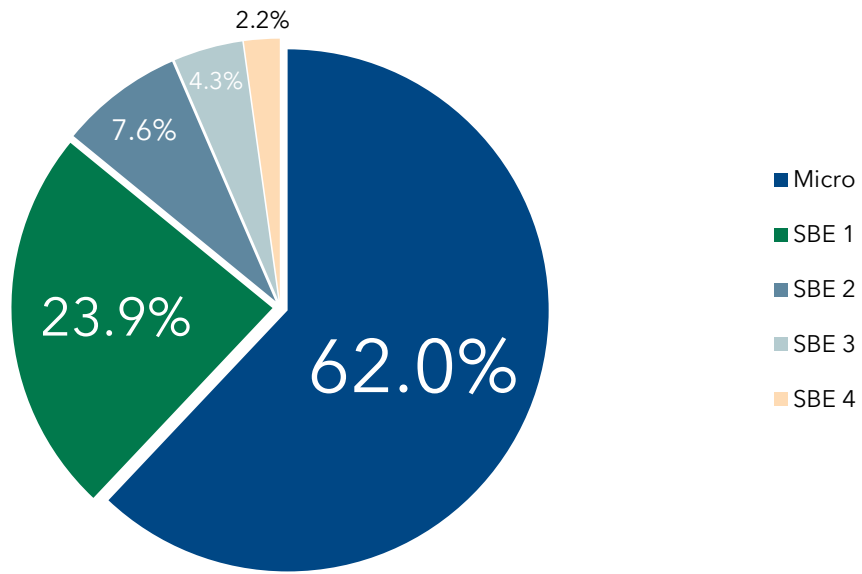
Introduction

Information in this Issue Brief was collected on May 11, 2022 from USA Reference database. The database represents a list of establishment-level records that is continuously updated to provide the most up-to-date information about businesses. US Reference provided 39,373 records containing all establishments with no more than 500 employees located in Lee County, Florida. The list included some records for individuals (primarily in the Health Care and Social Assistance industry) that worked for the same establishment. These records were removed from the analysis. Furthermore, all establishments that were in Public Administration were removed.

Establishments were classified based on the actual number of employees reported. For this paper, we define an establishment with less than five employees as a microbusiness. Furthermore, four other ranges based on employee size were used to identify Small Business Enterprises (SBE): 5 to 10 employees (SBE 1), 11 to 20 employees (SBE 2), 21 to 50 employees (SBE 3), and 51 to 500 employees (SBE 4) following the Small Business Administration classification. We focus on features of Microbusiness characteristics in Lee County.

Establishments by Employee Size

Lee County



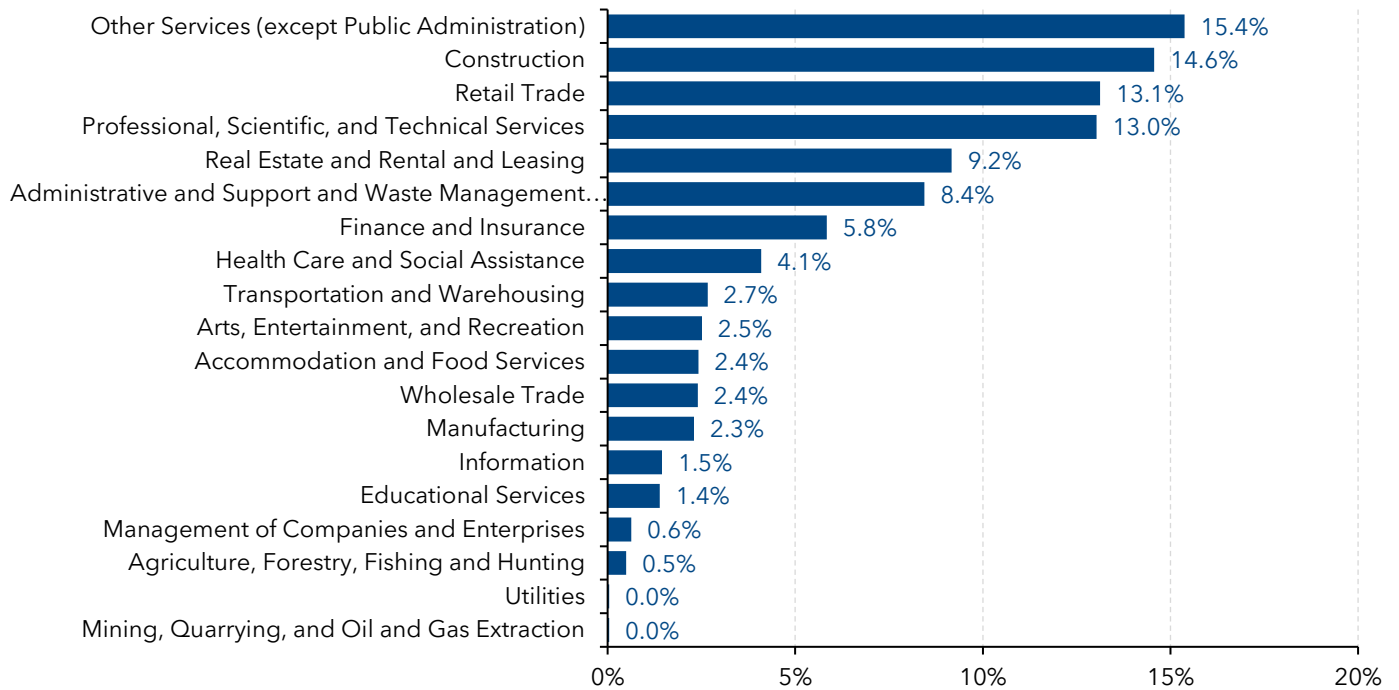
Source: RERI analysis of data obtained from USA Reference data. Data obtained on May 11, 2022
Prepared by the Regional Economic Research Institute

Establishments by Employee Size

More than six out of every 10 establishments in Lee County are considered microbusinesses, measuring at 62 percent. Furthermore, 23.9 percent of businesses were classified as SBE 1, 7.6 percent of businesses were SBE 2, 4.3 percent of establishments were SBE 3, and 2.2 percent of businesses were SBE 4.

Microbusiness Establishments by Industry

Lee County



Source: RERI analysis of data obtained from USA Reference data. Data obtained on May 11, 2022
Prepared by the Regional Economic Research Institute

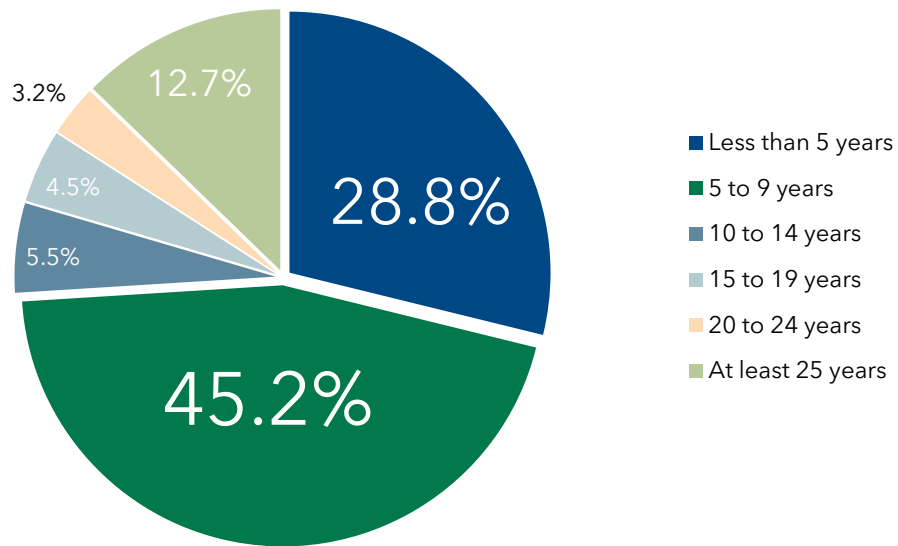
Microbusiness Establishments by Industry

When looking specifically at microbusiness establishments, we see that a few industries represent the type of primary economic activity for majority of these establishments. The other services industry was the primary economic activity for 15.4 percent of microbusiness establishments in Lee County.¹ Construction was the next highest industry on this list at 14.6 percent, followed by retail trade (13.1 percent), professional, scientific and technical services (13.0 percent) and real estate and rental and leasing (9.2 percent). The top five industries comprised of 65.3 percent of all microbusiness establishments in Lee County.

¹ Other services industry typically comprises of establishments that engage in activities such as equipment and machinery repairing, promoting or administering religious activities, grantmaking, advocacy, and providing drycleaning and laundry services, personal care services, death care services, pet care services, photofinishing services, temporary parking services, and dating services.

Microbusiness Establishments by Firm Age

Lee County



Source: RERI analysis of data obtained from USA Reference data. Data obtained on May 11, 2022
Prepared by the Regional Economic Research Institute

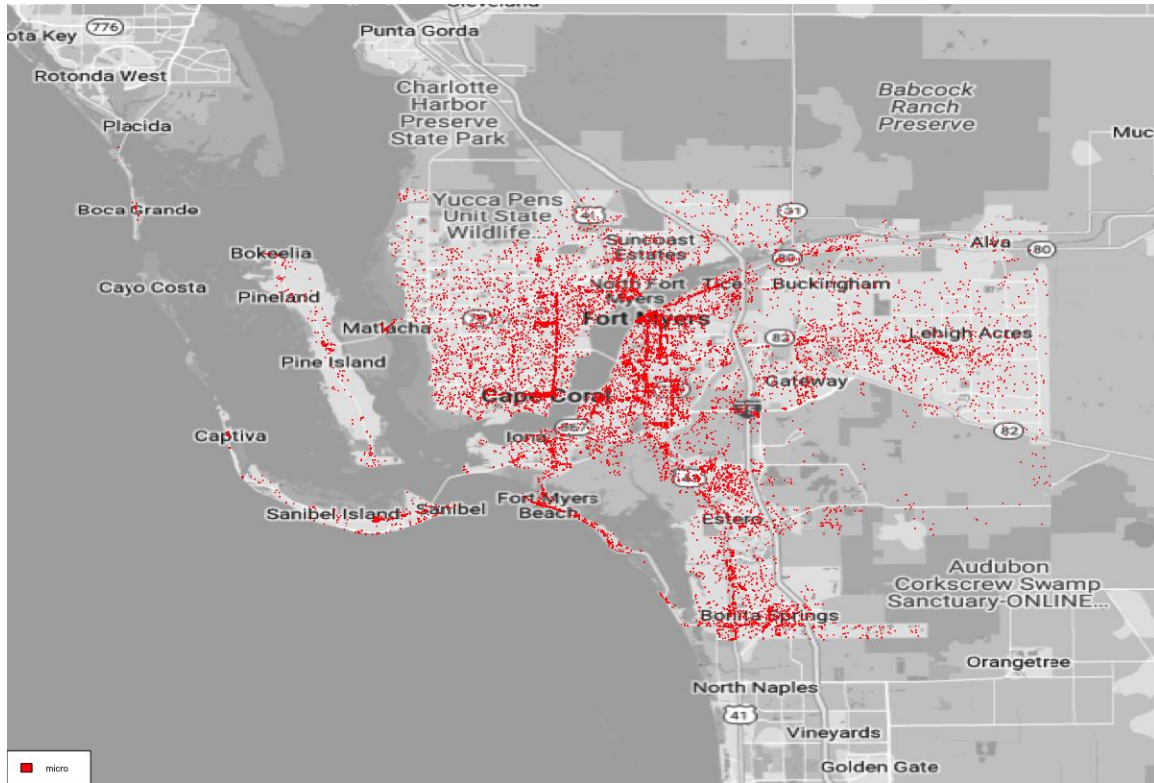
Microbusiness Establishments by Firm Age

When looking at the age of the microbusiness establishments, we see that majority are under 10 years of age, with 28.8 percent less than five years old and 45.2 percent between five and nine years old. Furthermore, 5.5 percent of microbusiness establishments were between 10 and 14 years old, 4.5 percent were between 15 and 19 years old, and 3.2 percent were between 20 and 25 years old. Microbusiness establishments in Lee County that have been around for the past quarter century totaled 12.7 percent of all microbusiness establishments.

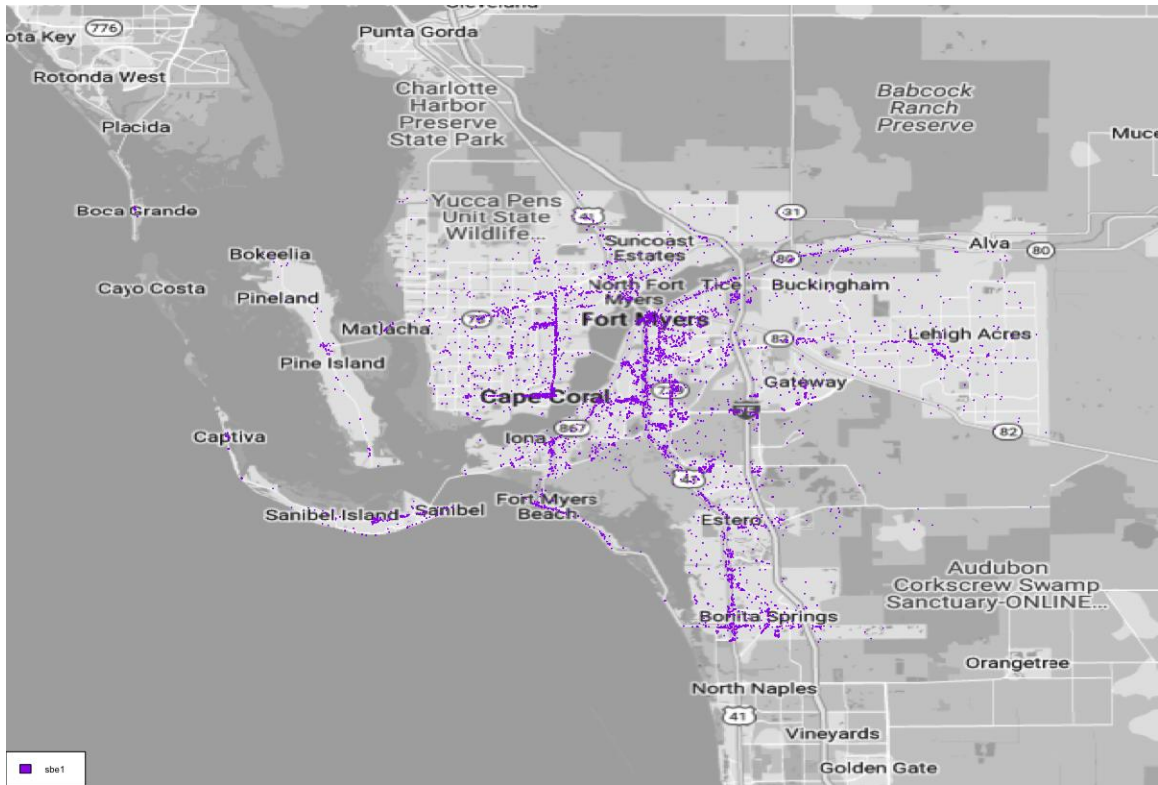
Spatial Analysis of Small Businesses

The charts below depict where each type of small business is primarily located in Lee County.

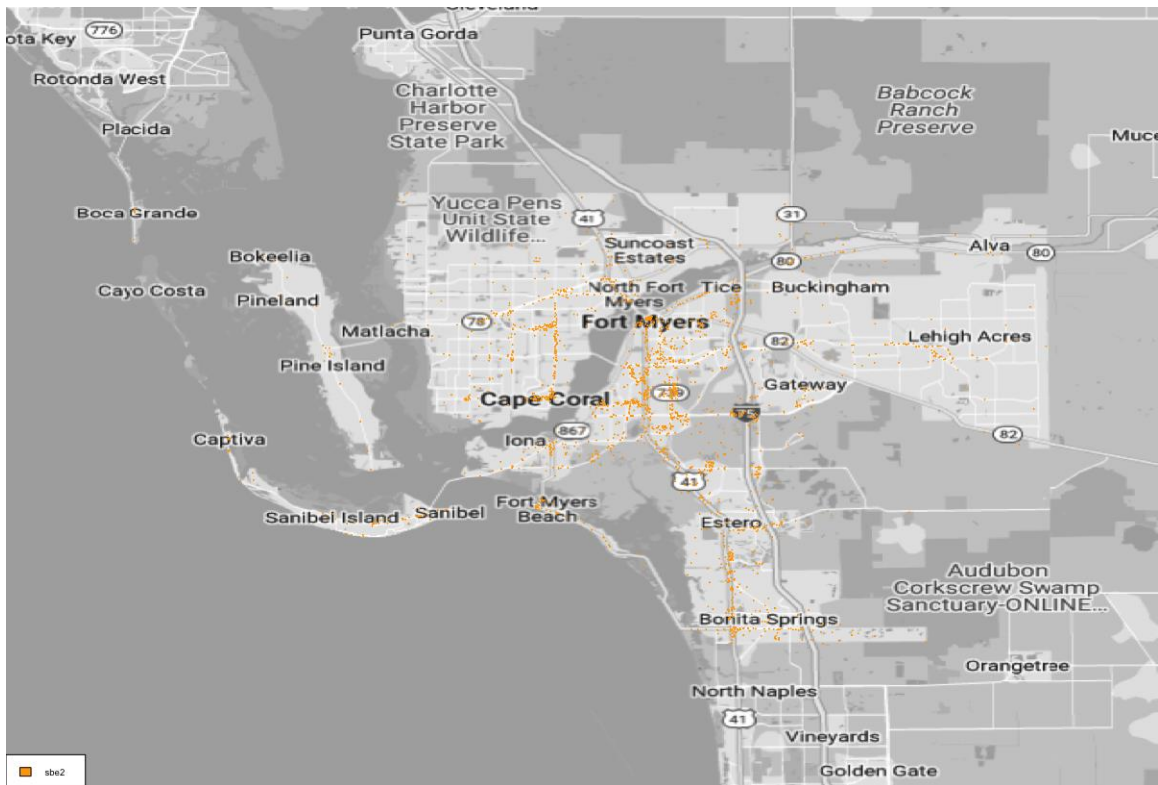
Microbusiness Establishments



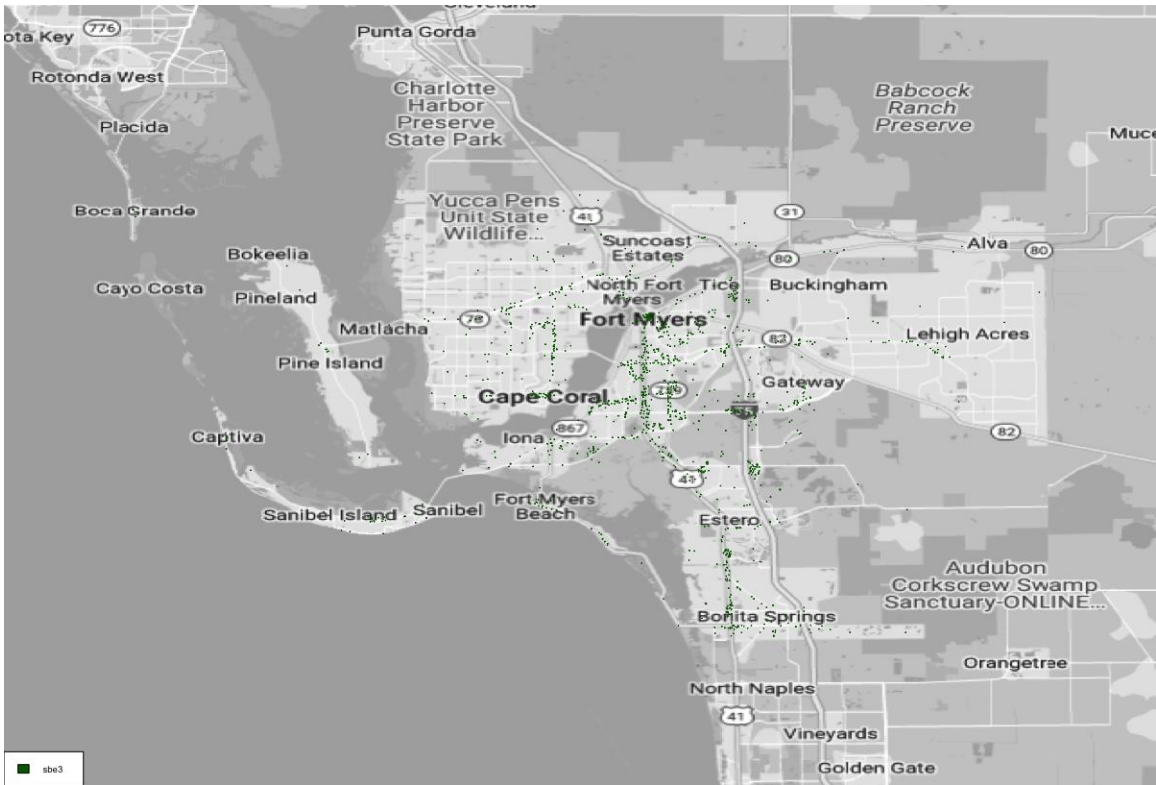
SBE1 Establishments



SBE2 Establishments



SBE3 Establishments



SBE4 Establishments

