



ORANGE COUNTY INLAND EMPIRE SMALL BUSINESS DEVELOPMENT CENTER

Region Economic Assessment



Funded in part through a Cooperative Agreement with the U.S. Small Business Administration. All opinions, conclusions, and/or recommendations expressed herein are those of the author(s) and do not necessarily reflect the views of the SBA. All programs are extended to the public on a nondiscriminatory basis.



Small Businesses in California

What is small business?



Independent business with fewer than **500** employees are categorized as small business.



California has **3.9 million** Small Businesses, taking up to 99.8% of all businesses.



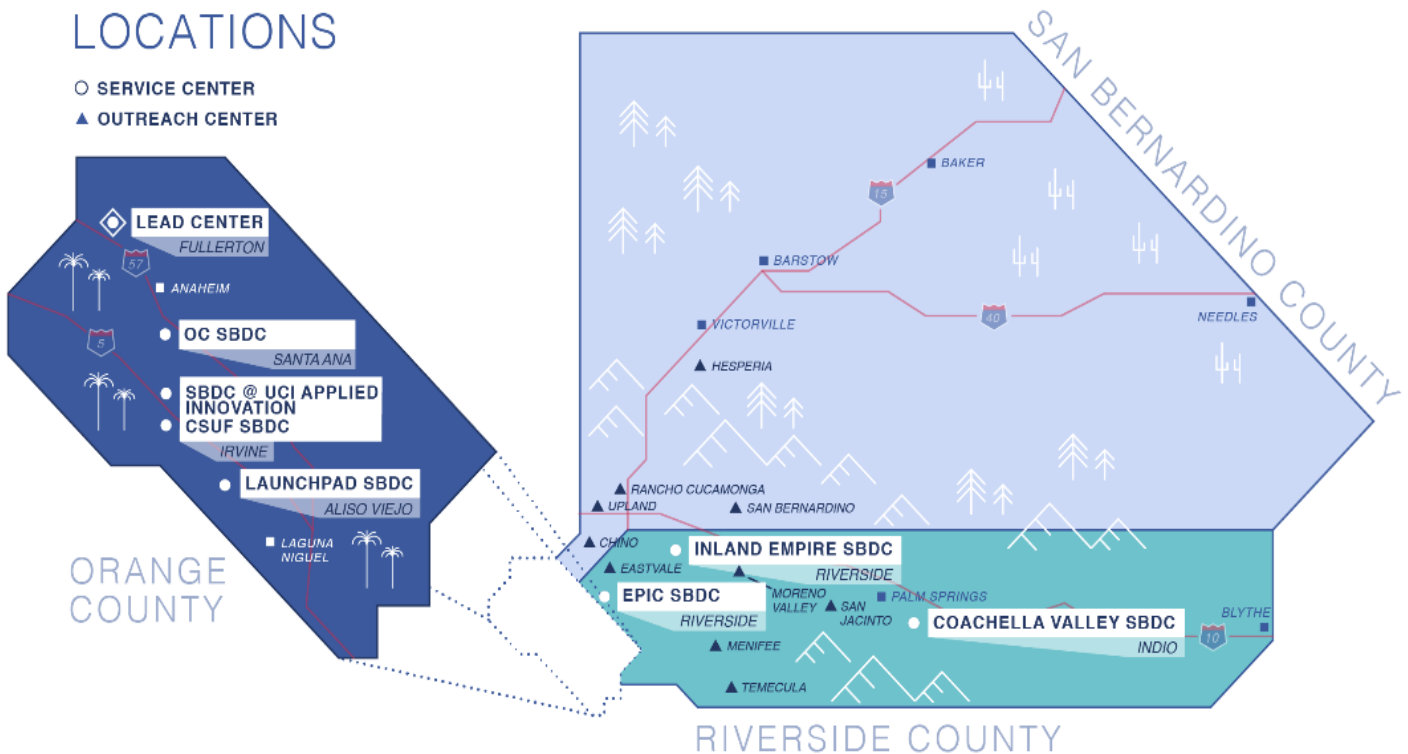
7 million employees are working for small businesses, which is 48.8% of all employees in California.



In Orange County Inland Empire Area, there are **230,181** small businesses, growing at 4.75% each year.

ORANGE COUNTY INLAND EMPIRE SMALL BUSINESS DEVELOPMENT CENTER NETWORK LOCATIONS

- SERVICE CENTER
- ▲ OUTREACH CENTER





- Aliso Viejo
- Anaheim
- Brea
- Buena park
- Costa Mesa
- Coto De Caza
- Cypress
- Dana Point
- Fountain Valley
- Fullerton
- Garden Grove
- Huntington Beach
- Irvine
- La Habra
- La Palma
- Ladera Ranch
- Laguna Beach
- Laguna Hills
- Laguna Niguel
- Laguna Woods
- Lake Forest
- Las Flores
- Los Alamitos
- Midway City
- Mission Viejo
- Newport Beach
- North Tustin
- Orange
- Placentia
- Rancho Santa Margarita
- Rossmoor
- San Clemente
- San Juan Capistrano
- Santa Ana
- Seal Beach
- Stanton
- Tustin
- Villa Park
- Westminster
- Yorba Linda

ORANGE COUNTY

PROFILE



Orange County, CA is a region located in southern California. Mostly known for the city of Anaheim where Disneyland and Knott's Berry Farm theme parks are located. Orange County has multiple beach resorts that include Laguna Beach, Newport Beach, etc.

Nationwide and Statewide Orange County has multiple cities that rank with some of the highest population nationwide.

More importantly, the OC is a hub for startups and established business. The region offers many opportunities offering a great alternative to the famous Silicon Valley for all businesses. The OC has a lot to offer with its 3.2 million residents, 1.6 million employees, low unemployment rate of 2.6%, high education, and robust economy.



Economic Overview



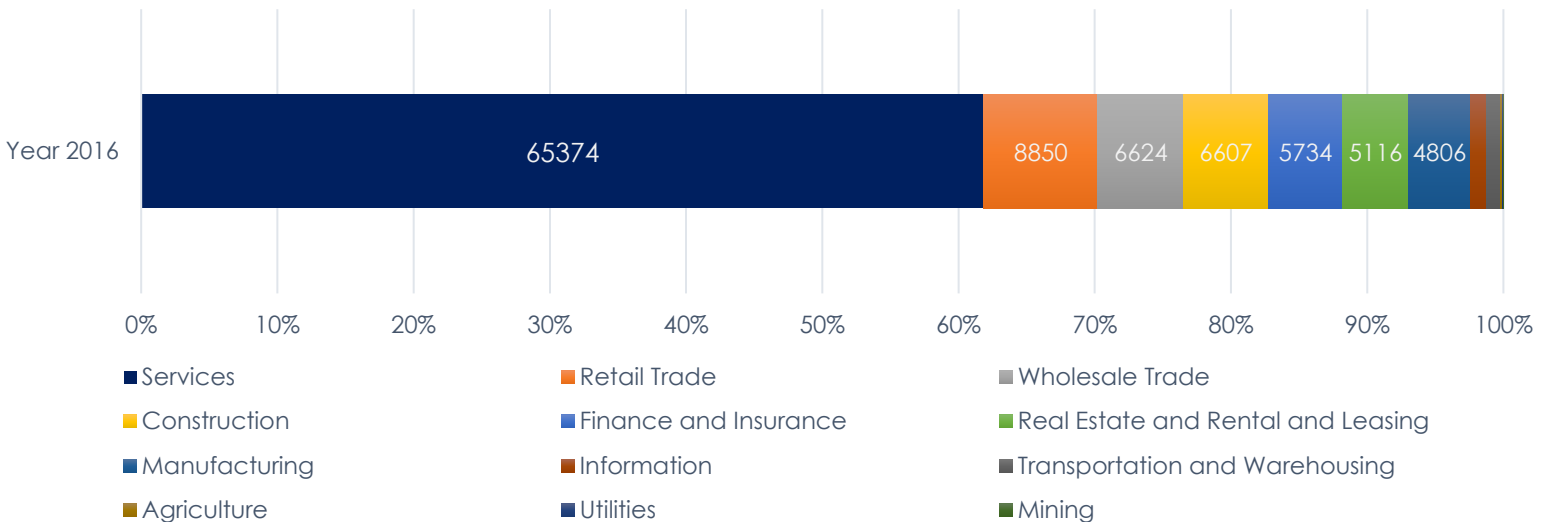
114,625

SMALL
BUSINESSES

SOURCE: EDD 2016

Orange County has 114,845 total business (EDD 2016). According to United States Employment Development Department, 114,625 businesses are with 0-500 employees in Orange County, which are categorized as small businesses. Only 220 businesses are big companies with more than 500 employees. Small businesses are accounting for more than 1,409,782 employees. In total, Orange County has the highest ratio of **4.17% population vs businesses** among OC/IE area, leaving a great amount of growth for the OC business development sector.

Small Businesses by Industry



SOURCE: EDD 2016



3,837

NEW SMALL
BUSINESSES

SOURCE: EDD 2015- 2016

According to Employment Development Department, businesses are categorized by NAICS code (The North American Industry Classification System). Among all small businesses in Orange County, services industry takes about 62% of all, following by industry of retail, wholesale and construction.



3.46%

Growth Rate
2015-2016

SOURCE: EDD 2015- 2016

From 2015 to 2016, there are 3847 new small businesses open, at growing rate of 3.46% (EDD 2015, 2016).

DEMOGRAPHIC PROFILE

ORANGE COUNTY POPULATION



3,253,957

Ranked 3RD in California

Ranked 6TH in the U.S

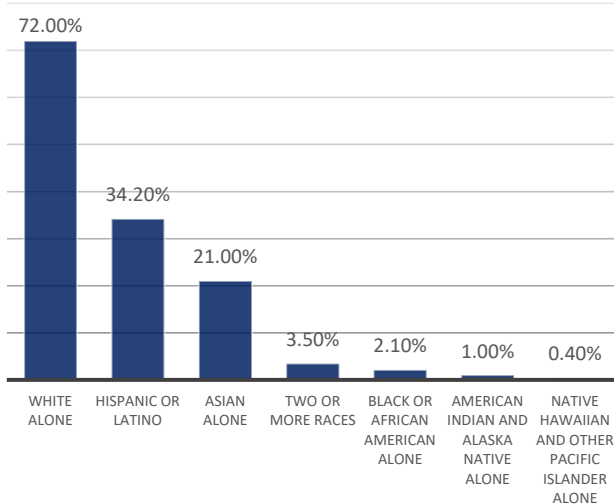
3,555,718 by 2040

SOURCE: ESRI 2018

Orange County population is anticipated to grow for the next 20 years. Currently, 8% of the California population lives in Orange County on 0.5 % of California's land area. Making the OC the 3rd most populated county in California and the 6th most populated county in the United States.

8% of California's population lives in Orange County.

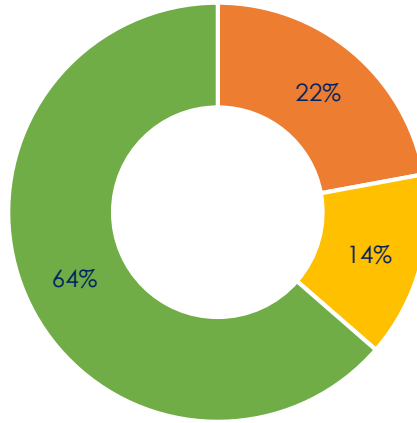
OC Race and Ethnicity Breakdown



Hispanic or Latino – 34.2%

Source: U.S Census Bureau, QuickFacts

Population by Age



- Persons under 18 years
- Persons 65 years and over
- Persons between 18 to 65

Source: U.S Census Bureau, QuickFacts



Orange County is going to have fewer people of working age by 2040. Impacting pensions and support for older members in the age range 65+. This age group is projected to increase by 10% over the next 25 years. All other age groups are expected to shrink respectively.

Source: U.S Census Bureau, and OC community Indicators 2017



\$85,323
Median Household Income



No High School Diploma



Source: ESRI

EMPLOYMENT

Between May 2017 and May 2018, total nonfarm employment increased by 17,300 jobs. This number comes from a gain of 23,500 new jobs, and 6,200 jobs lost.

The following industries have seen the most job growth.

- Educational and health services 9,000 jobs.
- Professional and Business services 8,900 jobs.
- Hospitality 3,000 jobs.
- Construction 2,100 jobs.
- Government 400 jobs
- Information 100 jobs.

Industries that have seen a declined in the job sector for Orange County include:

- Manufacturing down 3,100 jobs
- Financial Activities down 1,200 jobs
- Transportation and utilities down 1,100 jobs.
- Other Services down 800 jobs.

Sources: Employment Development Department June 15, 2018.

3.9% Unemployment Rate

Unemployment rate was going down for the last 5 years, at 3.9% as of year 2017(ESRI), comparing with state level at 4.5%, national level at 4.1%.

According to EDD Labor Market Information Division, top occupational industries are Professional and Management, Trade, Transportation & Utilities, Leisure & Hospitality, Educational & Health Services, and Government in year of 2017.



NEW JOBS

23,500

MAY 2017- MAY 2018

SOURCE: 2017 -2018 EDD Data



Lost Jobs

6,200

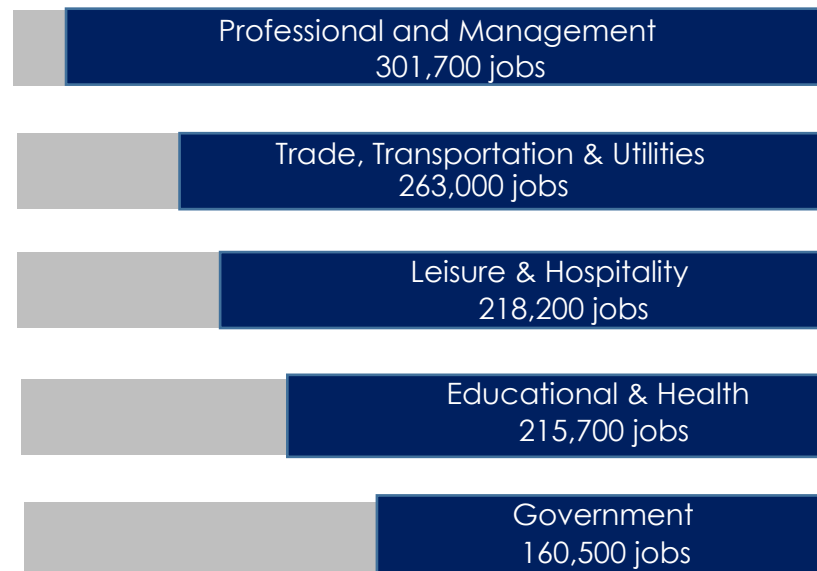
MAY 2017- MAY 2018

SOURCE: 2017 -2018 EDD Data

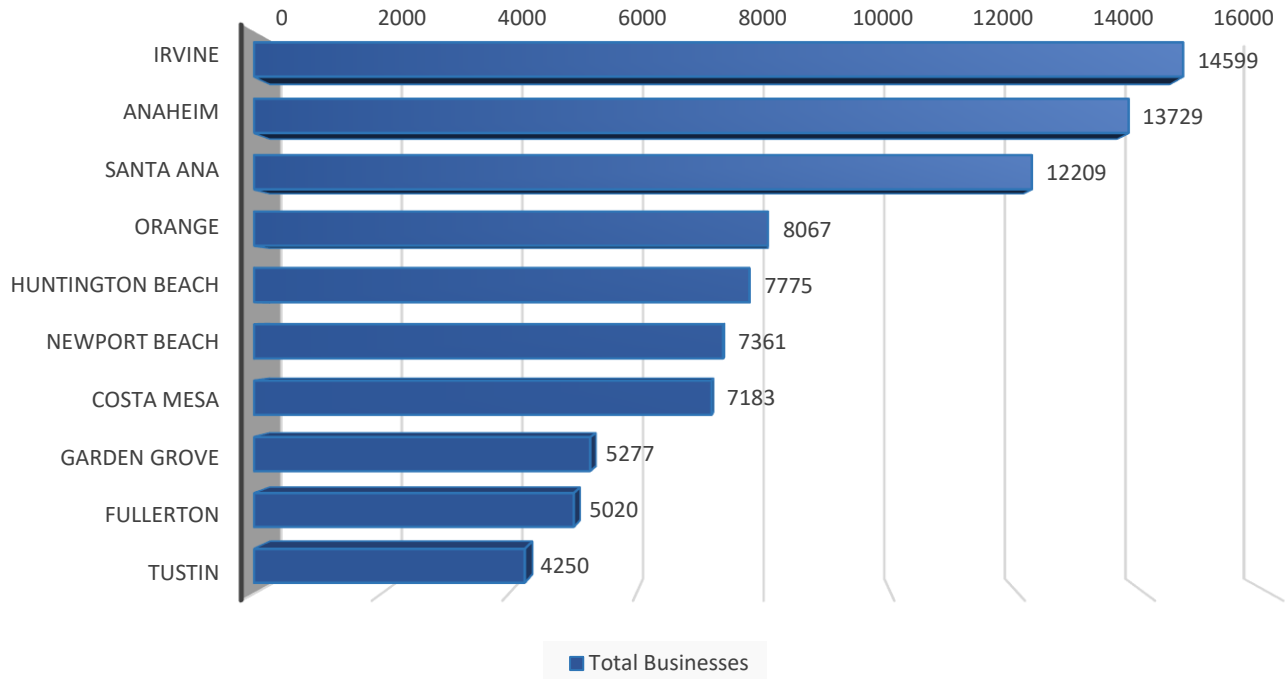
Total Job Increase

17,300

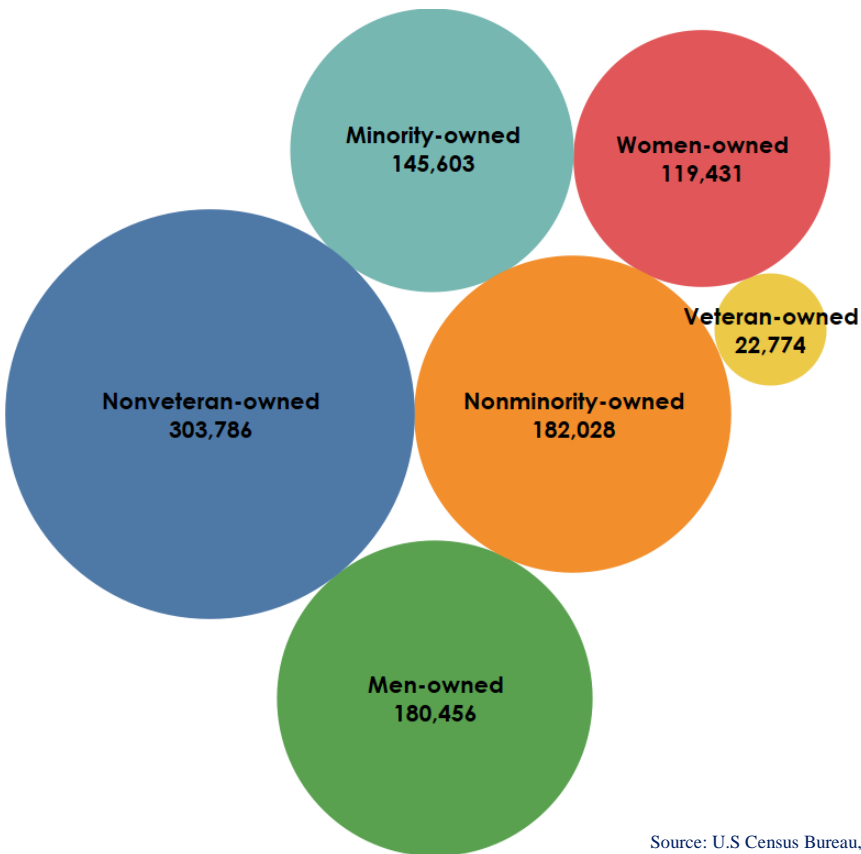
MAY 2017- MAY 2018



Top 10 City with highest number of businesses



Source: ESRI



Ownership Demographics

From latest data that Bureau of Census collected in 2012, demographics of business owners can be informative, and also indicating for small businesses.

Total business ownership data shows that in Orange County, there are more men-owned business than women-owned, but more minority owned businesses than non-minority. Veteran owned business are only 7%, compared with nonveteran owned business.

Source: U.S Census Bureau, QuickFacts



- Banning
- Beaumont
- Blythe
- Calimesa
- Canyon Lake
- Cathedral City
- Coachella
- Corona
- Desert Hot Springs
- Eastvale
- Hemet
- Indian Wells
- Indio
- Jurupa Valley
- La Quinta
- Lake Elsinore
- Menifee
- Moreno Valley
- Murrieta
- Norco
- Palm Desert
- Palm Springs
- Perris
- Rancho Mirage
- Riverside
- San Jacinto
- Temecula
- Wildomar

Riverside County

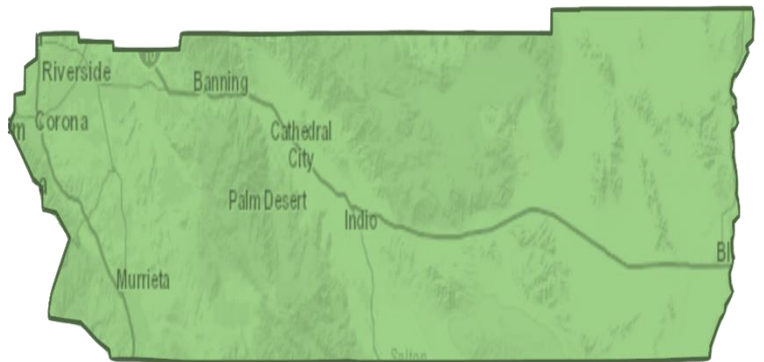
PROFILE



Riverside County, CA is a region located in southern California, and hosts many resort cities such as, Palm Springs, Palm desert, Indian Wells, La Quinta, Rancho Mirage, and Desert Hot Springs that all within the Coachella Valley of the county.

Majority of Los Angeles workers reside in this county in order to take advantage of affordable housing.

Riverside County is among the fastest growing regions in the state; that is mainly due to the economic advantages that arise in the county.



Economic Overview



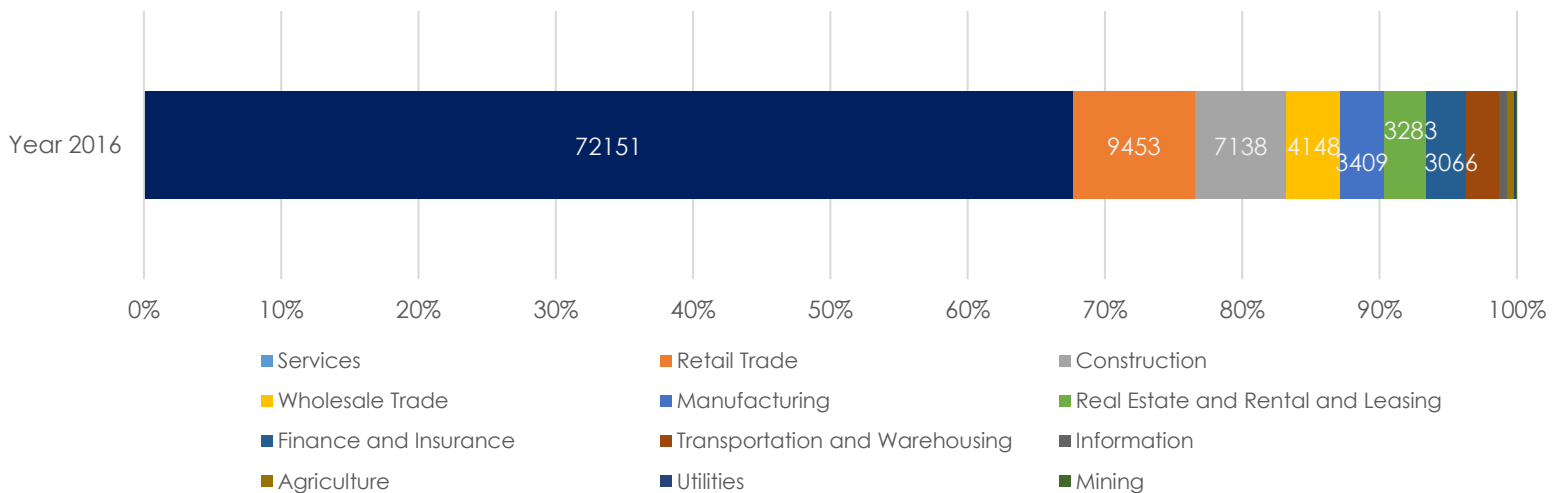
59,705

**SMALL
BUSINESSES**

SOURCE: EDD 2016

Riverside has 59,807 total business (EDD 2016). According to United States Employment Development Department, 59,705 businesses have between 0-499 employees in Riverside County (EDD). In payroll, all the businesses make up \$7,497,373 million for the region; accounting for a total of 688,722 employees of California. In total, Riverside County has **2.65% population vs businesses**, leaving a great amount of growth for the Riverside business development sector (ESRI).

Small Businesses by Industry



SOURCE: EDD 2016 RIVERSIDE-SAN BERNARDINO-ONTARIO MSA



3,377

**NEW SMALL
BUSINESSES**

SOURCE: EDD 2015- 2016

According to Employment Development Department, businesses are categorized by NAICS code (The North American Industry Classification System). Among small businesses in Riverside-San Bernardino-Ontario Metropolitan Statistical Areas (MSAs), services industry takes up about 67% of all, following by retail, and construction industry.



5.99%

**Growth Rate
2015-2016**

SOURCE: EDD 2015- 2016

From 2015 to 2016, there are 3,377 new small businesses opened, at growing rate of 3.46% (EDD 2015, 2016).

DEMOGRAPHIC PROFILE

RIVERSIDE COUNTY POPULATION



2,424,79

Ranked 4RD in California

Ranked 11TH in the U.S

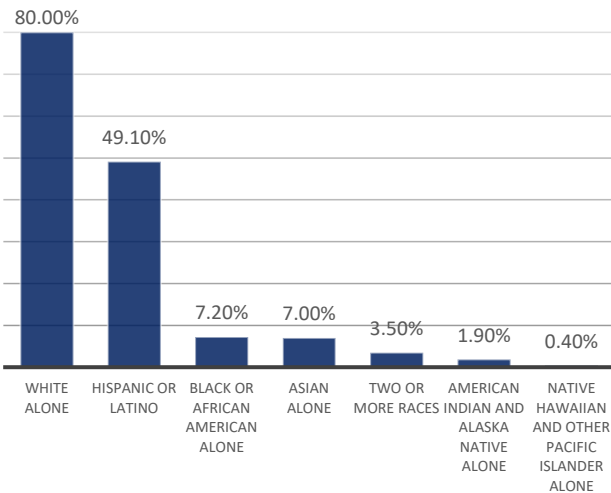
3,159,599 by 2040

SOURCE: ESRI 2018

Riverside County population continues to grow. Currently, 6% of the California population lives in Riverside on 4.6 % of California's land area; making the Riverside the 4th most populated county in California and the 11th most populated County in the United States.

6% of California's population lives in Riverside County.

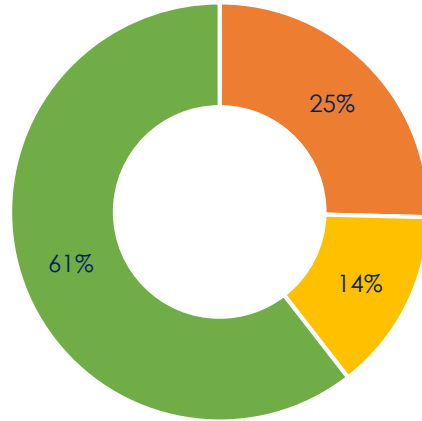
Riverside Race and Ethnicity Breakdown



Hispanic or Latino – 49.1%

Source: U.S Census Bureau, QuickFacts

Population by Age



- Persons under 18 years
- Persons 65 years and over
- Persons between 18 to 65

Source: U.S Census Bureau, QuickFacts



According to SCAG Local Profiles Report, between 2000 and 2016, the age group 55-64 experienced the largest increase in share, growing from 7.3 to 11 percent.

The age group that experienced the greatest decline, by share, was age group 5-20, decreasing from 26.4 to 23.9 percent.

Source: SCAG Riverside County Local Profile 2017



\$63,482

Median Household Income



No High School Diploma



Source: ESRI

EMPLOYMENT

Between March 2016 and March 2017, total nonfarm employment increased by 28,900 jobs.

The following industries have seen the most job growth.

- Government 7800 jobs
- Trade, Transportation & Utilities 6000 jobs
- Educational & Health Services 6000 jobs
- Construction 3700 jobs
- Leisure & Hospitality 2600 jobs

Industries that have seen a declined in the job sector for Riverside County include:

- Information down 200 jobs

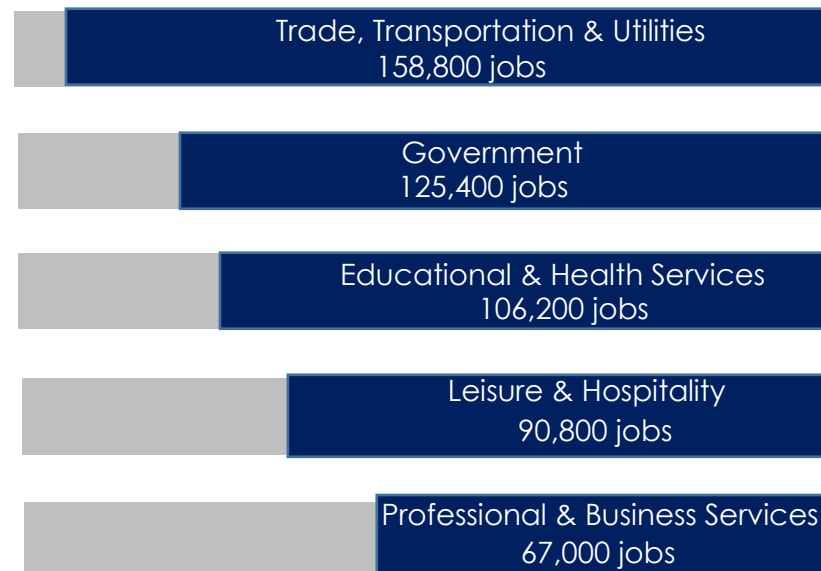


Sources: EDD Labor Market Information Division 2017



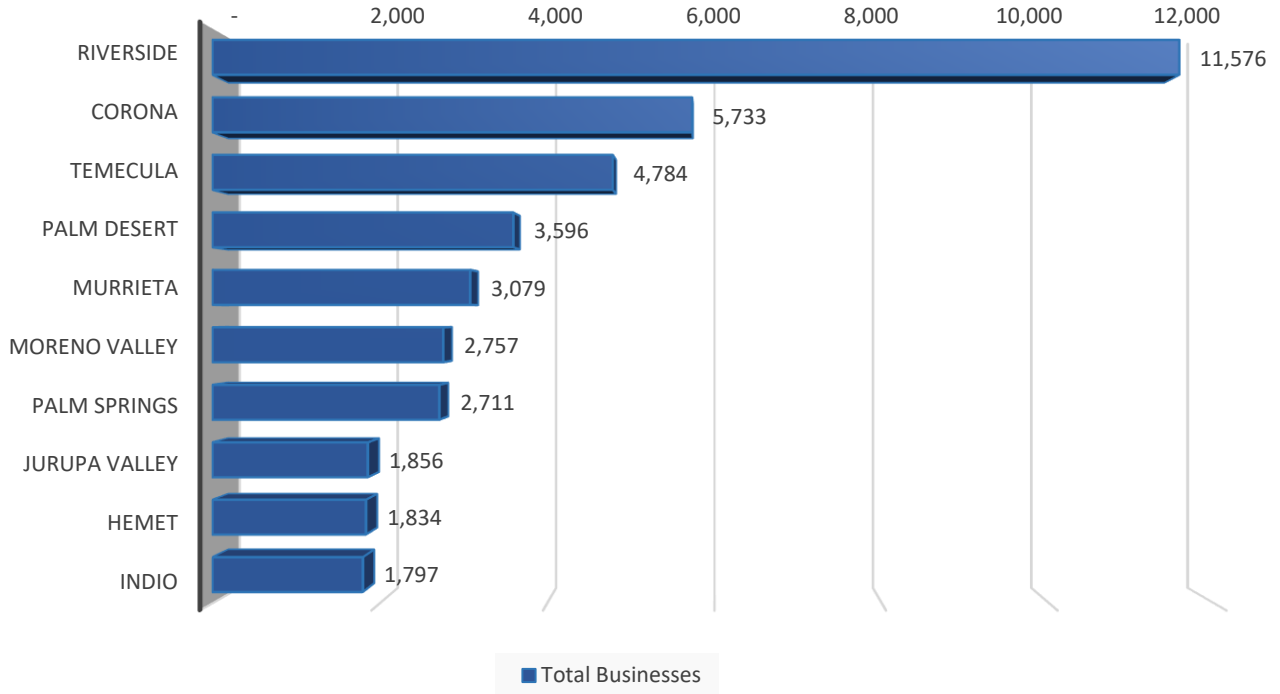
Unemployment rate was going down for the last 5 years, at 3.8% as of May 2018 (EDD), comparing with state level at 4.5%, national level at 4.1%.

According to EDD Labor Market Information Division, top occupational industries are Trade, Transportation & Utilities, Government, and Educational & Health Services in year of 2017.

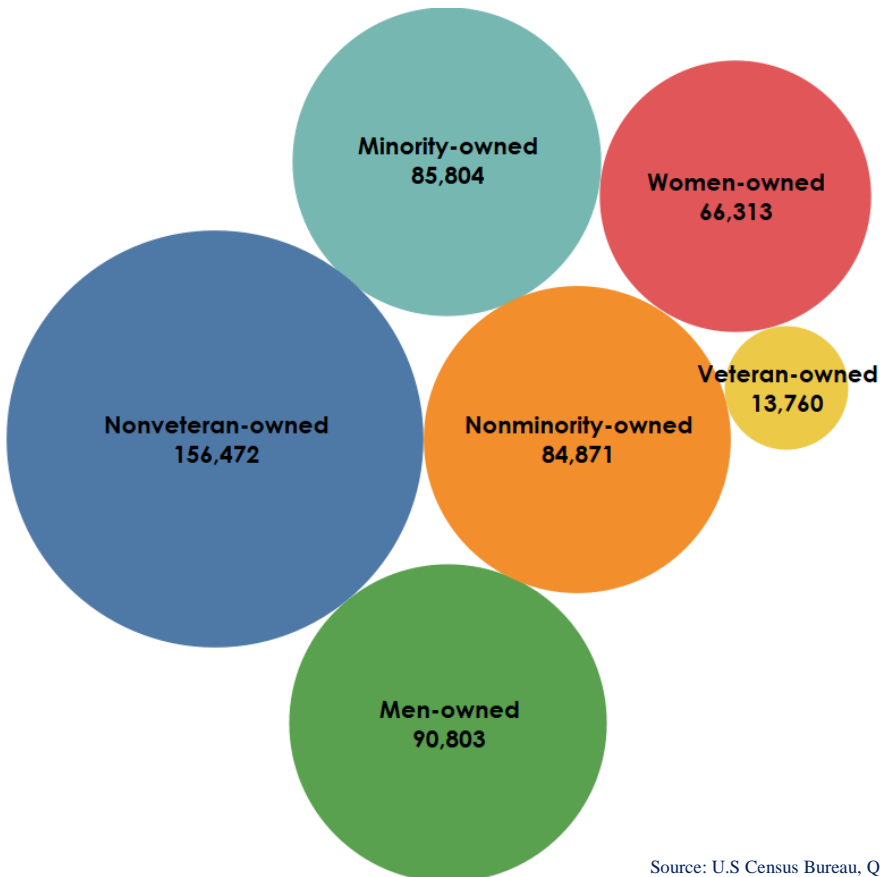


Source: EDD - LMI 2017

Top 10 City with highest number of businesses



Source: ESRI



Source: U.S Census Bureau, QuickFacts

Ownership Demographics

From latest data that Bureau of Census collected in 2012, demographics of business owners can be informative, and also indicating for small businesses.

Total business ownership data shows that in Riverside County, there are more men-owned business than women-owned. With minority business owners, they are taking up approximately the same percentage. Veteran owned business are 8%, compared with nonveteran owned business, and it's the highest among OC/IE counties.



- Adelanto
- Apple Valley
- Barstow
- Big Bear Lake
- Chino
- Chino Hills
- Colton
- Fontana
- Grand Terrace
- Hesperia
- Highland
- Loma Linda
- Montclair
- Needles
- Ontario
- Rancho Cucamonga
- Redlands
- Rialto
- San Bernardino
- Twentynine Palms
- Upland
- Victorville
- Yucaipa
- Yucca Valley

San Bernardino County

PROFILE



The County of San Bernardino is a region located in southern California. It is included within the Riverside-San Bernardino-Ontario metropolitan statistical area, also known as the Inland Empire.

The County of San Bernardino boasts an area of 20,105 square miles making it the largest county in the United States by area. This county spans from the south of the San Bernardino Mountains, to the Nevada border, and the Colorado River.

San Bernardino County has a total population of 2,139,570 people, 900,000 Employees, an unemployment rate of 3.6%, and a diverse economy.



Economic Overview



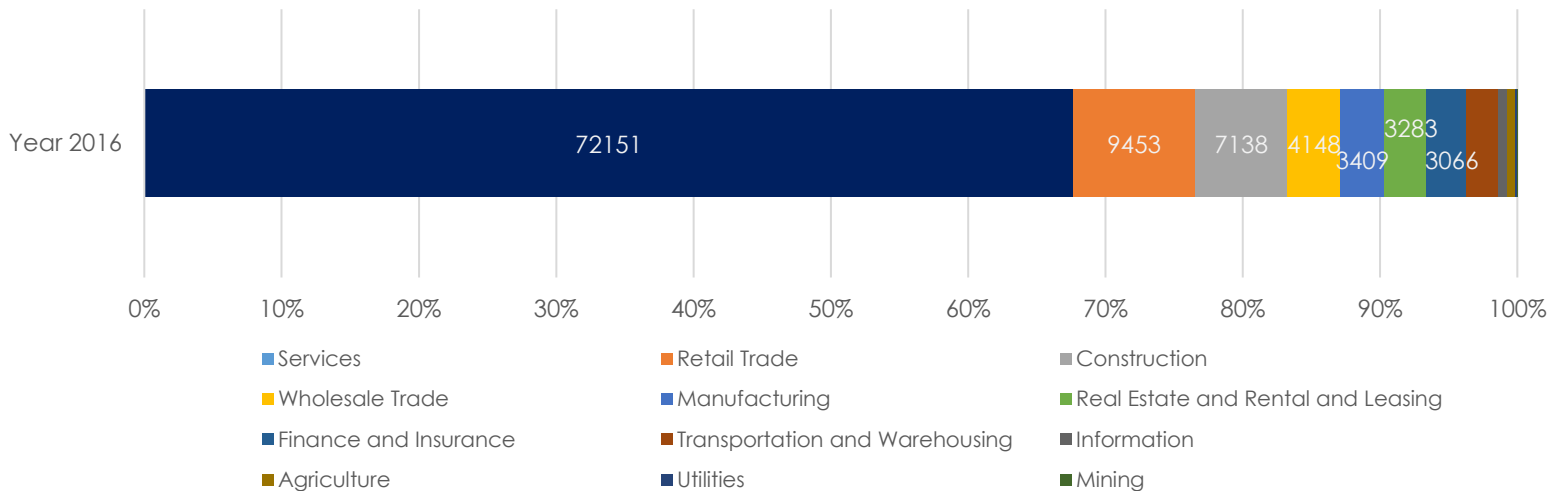
55,851

SMALL
BUSINESSES

SOURCE: EDD 2016

San Bernardino has 55,974 total business (EDD 2016). According to United States Employment Development Department, 55,851 businesses are with 0-500 employees in San Bernardino, which are categorized as small businesses. Only 123 businesses are big companies with more than 500 employees. Small businesses are accounting employment payroll for more than \$8,000,000. In total, San Bernardino has the ratio of **2.53% population vs businesses** among OC/IE area, leaving a great amount of growth for the OC business development sector.

Small Businesses by Industry



SOURCE: EDD 2016 RIVERSIDE-SAN BERNARDINO-ONTARIO MSA



2,561

NEW SMALL
BUSINESSES

SOURCE: EDD 2015- 2016

According to Employment Development Department, businesses are categorized by NAICS code (The North American Industry Classification System). Among small businesses in Riverside-San Bernardino-Ontario Metropolitan Statistical Areas (MSAs), services industry takes up about 67% of all, following by retail, and construction industry.



4.81%

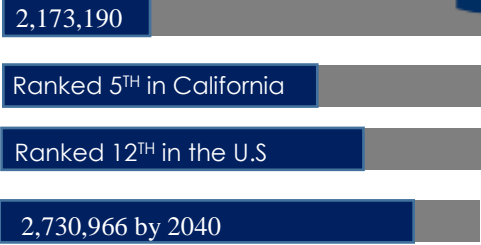
Growth Rate
2015-2016

SOURCE: EDD 2015- 2016

From 2015 to 2016, there are 2,561 new small businesses opened, at growing rate of 4.81% (EDD 2015, 2016).

DEMOGRAPHIC PROFILE

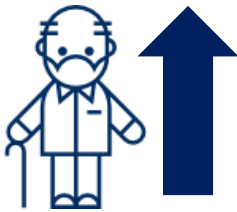
SAN BERNARDINO POPULATION



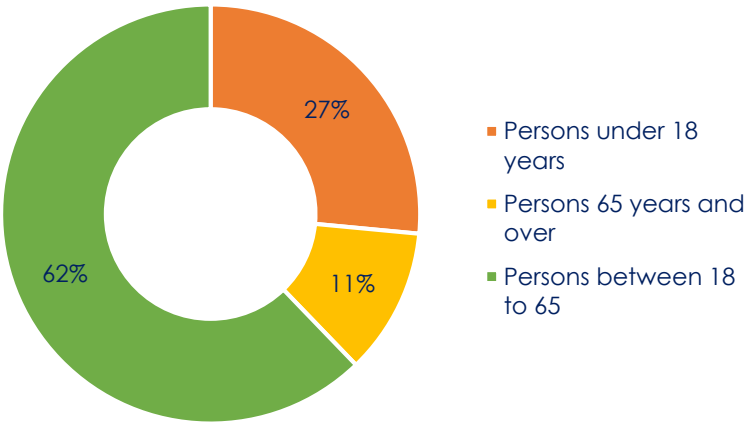
SOURCE: ESRI 2018, California Department of Finance 2018

San Bernardino population is anticipated to grow for the next 20 years. Currently, 5.5% of the California population lives in San Bernardino on 12.3 % of California’s land area. Making San Bernardino the 5th most populated county in California and the 12th most populated county in the United States.

5.5% of California's population lives in San Bernardino.



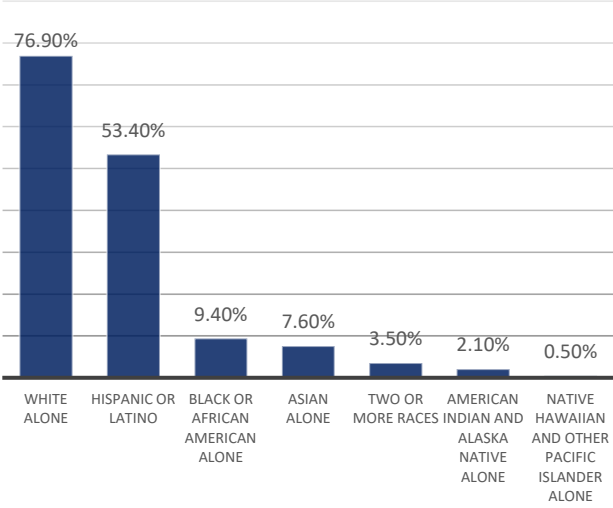
Population by Age



In terms of absolute growth, all age groups in San Bernardino County are projected to increase from the year 2017 to 2045. The statewide increase in the senior population is projected to be 107% over the same period, with relative growth from 11% of the population in 2017 to 19% by 2045. Adults ages 25-44 enjoy a slight relative increase from 26% to 27% of the total population. All other age groups are projected to shrink in various degrees relative to the total population.

Source: San Bernardino Community Indicators 2017

San Bernardino Race and Ethnicity Breakdown



Hispanic or Latino – 53.4%

Source: U.S Census Bureau, QuickFacts



\$59,893
Median Household Income



No High School Diploma



26%
High School Graduate



33%
Some College



20%
Bachelors/ Grad/Prof Degree

Source: ESRI

EMPLOYMENT

Between March 2016 and March 2017, total nonfarm employment increased by 22,100 jobs. This number comes from a gain of 24,300 new jobs, and 2,200 jobs lost.

The following industries have seen the most job growth.

- Trade, Transportation & Utilities 13,700 jobs.
- Education & Health Services 4,500 jobs.
- Leisure & Hospitality 3,400 jobs.
- Government 1,700 jobs.
- Construction 1,000 jobs.

Industries that have seen a declined in the job sector for San Bernardino County include:

- Financial Activities down 1200 jobs.
- Professional & Business Services down 500 jobs
- Manufacturing down 400 jobs.
- Mining, Logging down 100 jobs.

Sources: Employment Development Department June 15, 2018.



NEW JOBS

24,300

MARCH 2016- MARCH 2017

SOURCE: 2016 -2017 EDD Data



Lost Jobs

2,200

MARCH 2016- MARCH 2017

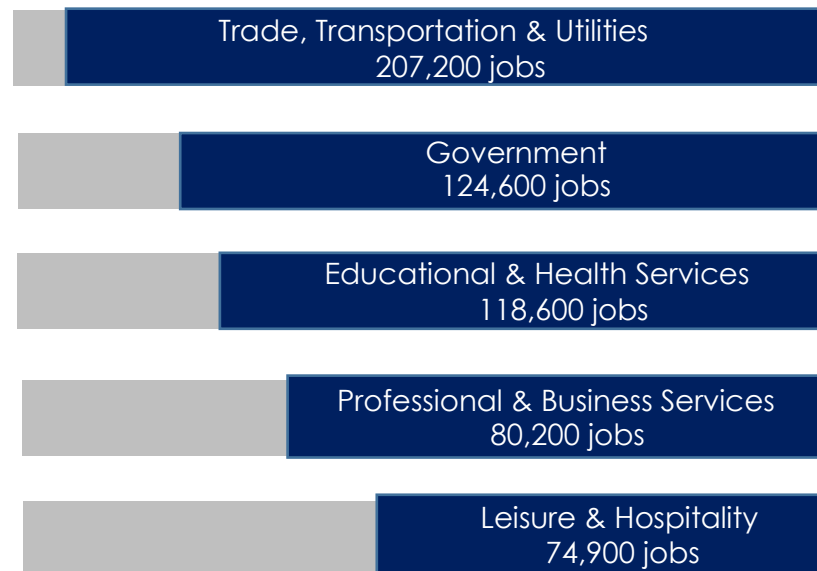
SOURCE: 2016 -2017 EDD Data

Total Job Increase **22,100**
MARCH 2016- MARCH 2017

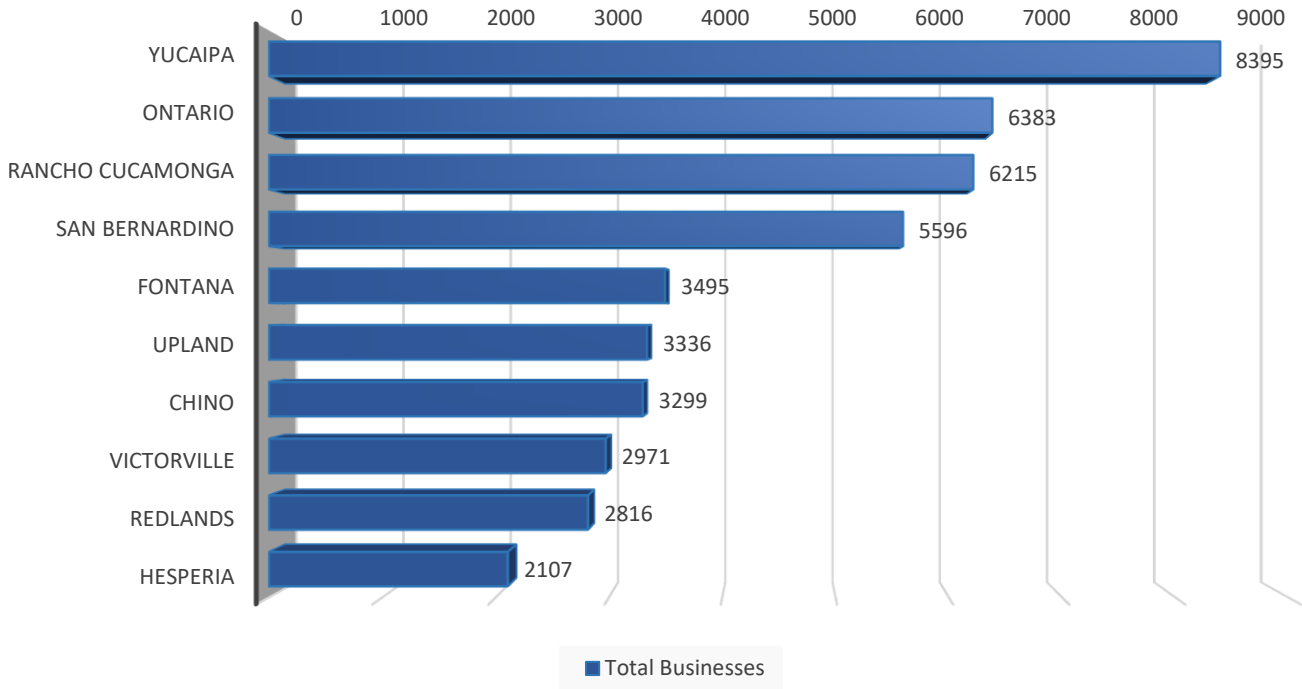
6.4% Unemployment Rate

Unemployment rate was fluctuating for the last 5 years, at 6.4% as of year 2017(ESRI), comparing with state level at 4.5%, national level at 4.1%.

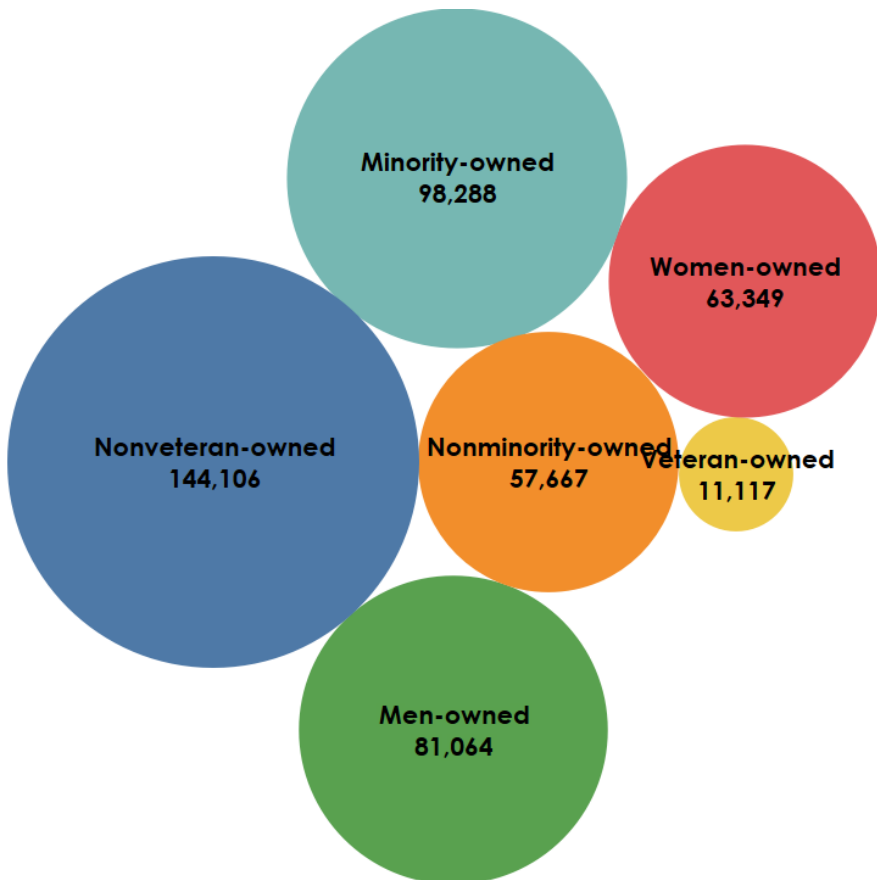
According to EDD Labor Market Information Division, top occupational industries are Trade, Transportation & Utilities, Government, Educational & Health Services, Professional & Business Services and Leisure & Hospitality in year of 2017.



Top 10 City with highest number of businesses



Source: ESRI



Ownership Demographics

From latest data that Bureau of Census collected in 2012, demographics of business owners can be informative, and also indicating for small businesses.

Total business ownership data shows that in San Bernardino County, there are more men-owned business than women-owned, but more minority owned businesses than non-minority. Veteran owned business are only 6.9%, compared with nonveteran owned business.

Source: U.S Census Bureau, QuickFacts

Who we are

The Orange County Inland Empire Small Business Development Center Network is partially funded by the U.S. Small Business Administration (SBA) and other private sector funds to offer no-cost business consulting, training and online courses to current business owners and aspiring entrepreneurs throughout the counties of Orange, Riverside, and San Bernardino.

Since 2003, the Network Lead Center hosted by the Mihaylo College of Business and Economics at California State University, Fullerton has worked with the SBA and contracted with a diverse group of six educational and community development organizations to deliver services to small businesses.

Data Resources

- Census Bureau Quick Facts <https://www.census.gov/quickfacts/fact/table/sanbernardinocalifornia,riversidecalifornia,orangecalifornia,ca/PST045217>
- EDD - State of California Employment Development Department http://www.labormarketinfo.edd.ca.gov/LMID/Size_of_Business_Data.html
- EDD LMI - State of California Employment Development Department Labor Market Information by California Geographic Areas <http://www.labormarketinfo.edd.ca.gov/geography/lmi-by-geography.html>
- ESRI Business Analyst <https://bao.arcgis.com/esriBAO/login/index.html>
- Icons made by <http://www.flaticon.com/>



ORANGE COUNTY INLAND EMPIRE NETWORK

