

## **Business Starts and Stops in Connecticut, 2000-2015**

By: Heather Poole, Associate Analyst  
November 16, 2017 | 2017-R-0282

### **Issue**

Provide the number of business starts and stops in Connecticut from 2000-2015.

### **Summary**

The table and charts below provide, for each year from 2000 to 2015, the (1) total number of businesses (i.e., establishments) operating in Connecticut, (2) number of businesses that started (“establishment entry”), and (3) number of businesses that stopped operating (“establishment exit”). The table and charts are based on data from the U.S. Census Bureau’s Business Dynamics Statistics (BDS) [database](#), which includes only employer businesses (i.e., it excludes self-employed individuals and businesses with no employees). See “Note on BDS data” below for more information on the data.

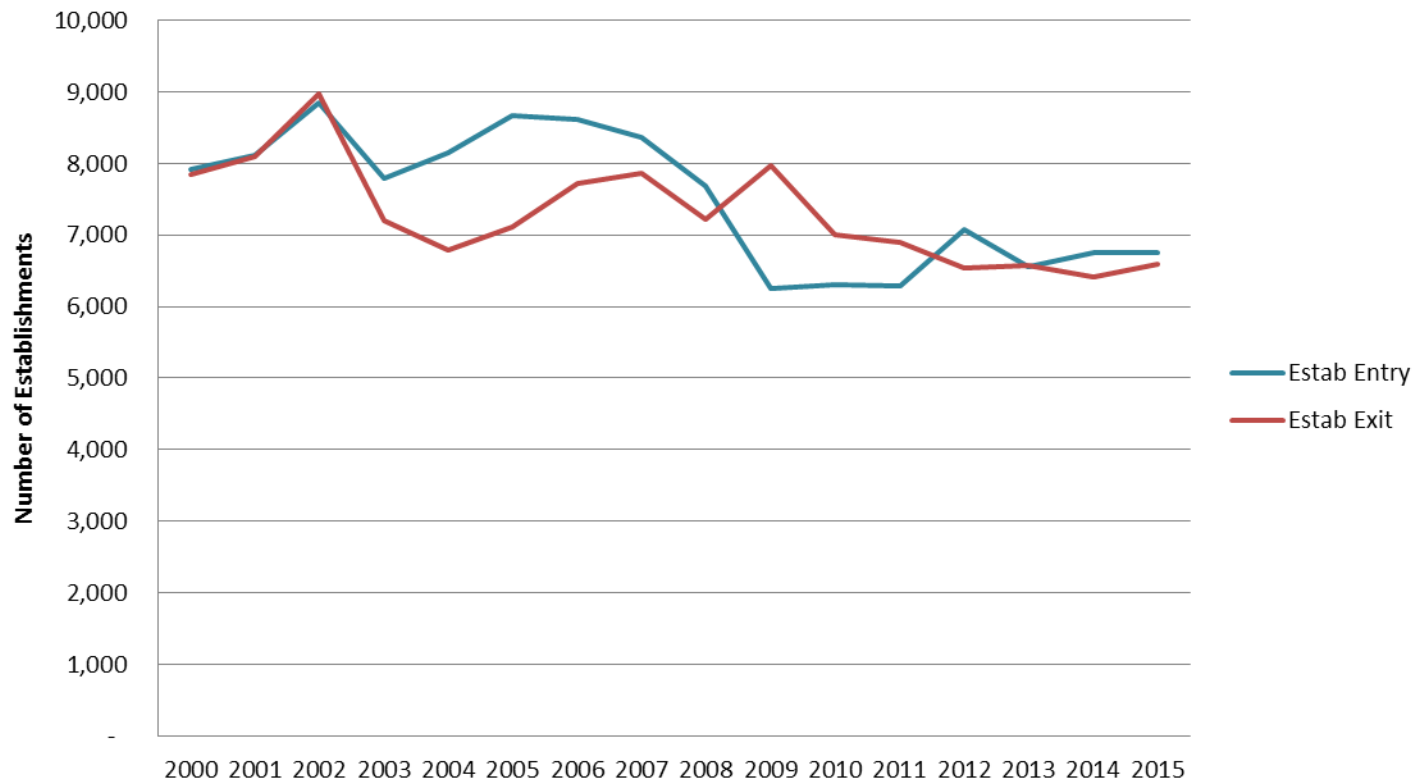
Although there were fewer total businesses in the state in 2015 than there were in 2000, the data indicate that the total number of businesses has stabilized after the significant decline that occurred during the Great Recession (2008-2012). Prior to the recession, the state saw significantly more business starts than stops, and although the state has not returned to this rate of business creation post-recession, the data show that the number of businesses that started in the state in recent years is slightly more than, or roughly the same as, the number of businesses that stopped.

### Establishments in Connecticut, 2000-2015

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
<b>Total Establishments</b>	82,209	82,835	82,553	82,021	82,674	83,631	83,902	84,190	84,082	81,635	80,366	79,287	79,786	79,762	79,574	79,455
<b>Entry</b>	7,922	8,123	8,852	7,787	8,149	8,673	8,612	8,369	7,693	6,257	6,315	6,281	7,075	6,565	6,748	6,759
<b>Exit</b>	7,851	8,104	8,968	7,201	6,792	7,104	7,724	7,863	7,214	7,969	7,009	6,889	6,541	6,569	6,410	6,584

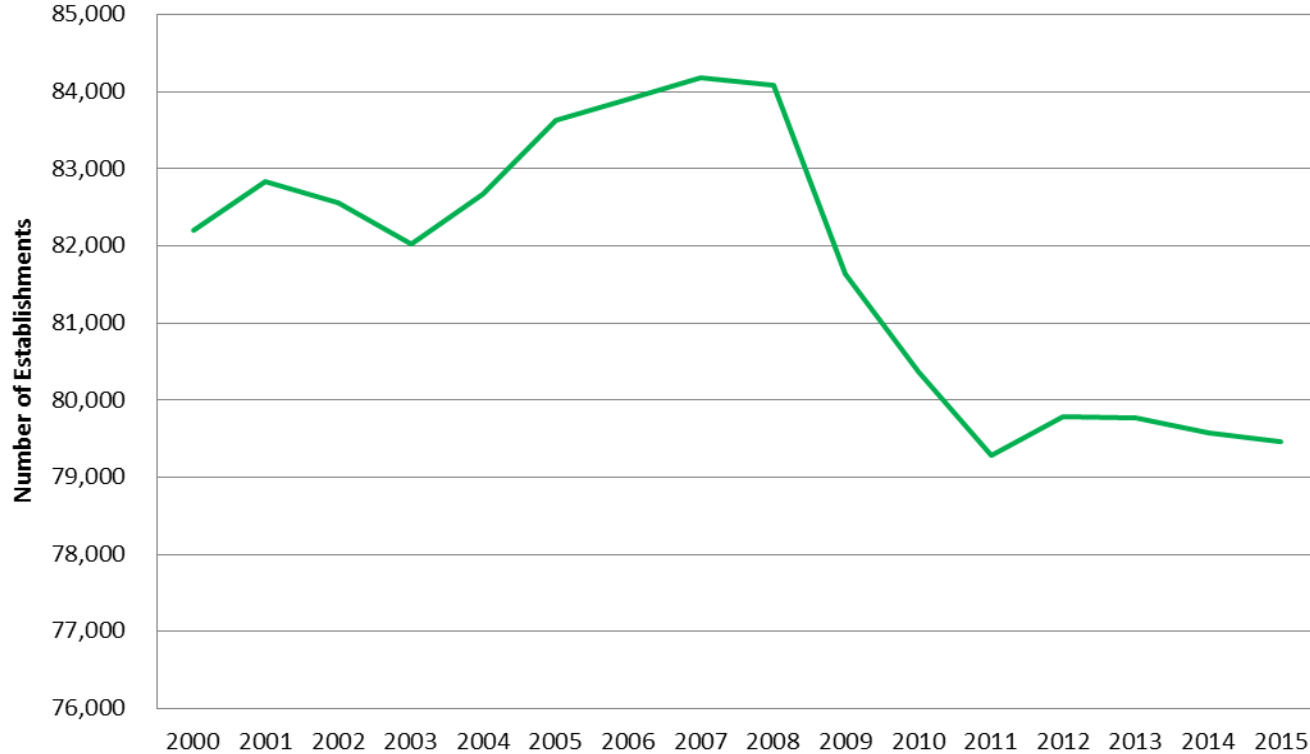
Source: [BDS database](#)

### Establishment Entry and Exit in Connecticut, 2000-2015



Source: [BDS database](#)

## Total Establishments in Connecticut, 2000-2015



Source: [BDS database](#)

Note on BDS data: BDS includes both firm-level and establishment-level data through 2015. An “establishment” is single physical location where business is conducted or where services or industrial operations are performed. A “firm” is a business organization consisting of one or more establishments. When researchers use BDS data to count business starts and stops, they generally count entries and exits of establishments, rather than entries and exits of firms. This is because, among other things, establishment entries and exits better capture business growth and contraction, especially with regard to large firms. (For example, if a large retail chain had 20 locations in Connecticut and decided to close half of them in a given year, that would count as 10 establishment exits, but 0 firm exits. A firm has to close all of its establishments to count as a firm exit.)

HP:cmg